Revving Up Business in Korea

Jaguar Land Rover Korea is the fastest-growing sales company worldwide for the British automaker Jaguar Land Rover. Considering how much time Koreans spend on the road, the distinction is no surprise.

British car manufacturers have a coach-building history that spans more than 200 years and a way of working with leather that differs from, say, the ways of carmakers in Germany. The result is hand-stitched leather interiors that stand apart, said David McIntyre, Managing Director of Jaguar Land Rover Korea.

“You know, you spend a lot of time sitting in the car here in Korea, in traffic, and so the interior is really, really important,” he said. “And I think that’s why we’re doing so well.”

That, of course, coupled with the fact that increased brand awareness in recent years has put Jaguars and Land Rovers on shopping lists here as well as increased opportunities for test drives at dealerships and race circuit track events. Korea is the fifth-largest market for Jaguar worldwide, after China, the United Kingdom, the United States and Germany, having overtaken Russia this year.

“I think Korean customers appreciate luxury, they appreciate brands very much and I do think that many of them are looking for something different now,” said McIntyre. “And I see Jaguar, in terms of our competitive set, as being the next step up.”

Jaguar Land Rover combines the two high-end British car brands of Jaguar and Land Rover. India’s Tata Motors merged the two marques after acquiring both from Ford in 2008. The same year, Jaguar Land Rover set up the national sales company Jaguar Land Rover Korea, seven years after the company started selling cars in Korea.

“We obviously saw the potential in the market, which has been proven over the last few years,” said McIntyre.

Today Jaguar Land Rover Korea has 12 showrooms, 14 service centers and about 750 employees, including those in the company’s dealerships and agencies. With the high service culture in Korea, and consumers who are accustomed to quick reactions and answers, Jaguar is focusing this year on expanding its after sales service capabilities. It is currently building two new after sales service facilities — one in Daegu and the other in Mapo, which will be its largest such facility — and both are scheduled to be completed in May or June.

“We actually want to grow the after sales before we grow the sales,” said McIntyre. “I’m sure, if we wanted, the market could sustain more Jaguars and Land Rovers, but we want to make sure we can service those cars first before we actually sell them.”

Sales for Jaguar Land Rover Korea grew 61 percent in 2013 — 62 percent for Land Rover and 59 percent for Jaguar — making both brands two of the fastest-growing imported car brands in Korea. Units sold reached 5,004, which is two years earlier and four units more than the goal of 5,000 units by 2015. Last year, the company accounted for 3.2 percent of the imported car market.

New model launches in 2013 included the F-TYPE, Jaguar’s new 2-seat sports car, 4th-generation, all-new Range Rover and All New Range Rover Sport, the latter two of which are now made of aluminum and each 420 kilograms lighter than their predecessors, which makes for great fuel economy and sustainability.

This year, the company will launch diesel hybrid versions of the Range Rover and Range Rover Sport, which will be the first diesel hybrid sport utility vehicle in the world. The planned 2015 release in Korea of a new compact car for Jaguar will lower the entry level of the brand.

“We’re growing very fast but we’re relatively still a small player,” said McIntyre. “So that poses some challenges sometimes in terms of the regulatory requirements that we need to adhere to, but generally Korea is seen as a very positive story at head office.”

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Did you know?
- Jaguar’s origins can be traced back to a company that began by making motorcycle sidecars in 1922.