

Enfield puts global building blocks in place

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Siddhartha Lal, CEO, Eicher Motors

The brand is gearing up to deliver "really nice, evocative" motorcycles globally, says the CEO

...manufacturing and sourcing/
...product side. Functions like dis-
...tribution, aftermarket and
...branding could be location-spe-
...cific though this will be confined
...to a few regions.

Four-step plan

Lal says the company is focusing on four stages of growth across potential markets. The first objective of entering any new country is to become a sizable player in middle-weight bikes. This would typically

...mean achieving a market share
...of 25 per cent. The next step is to
...become the leader in the middle-
...weight category after which the
...third goal is to grow the size of
...that particular market.

"I believe we are at Stage 3 in India. However, in most other markets, we are not even in Stage 1," says Lal. In India, Enfield is a significant player which has grown the market to 3.15 lakh units of which its own share is three lakh bikes. This is poised to grow even further this calendar which could see numbers nearer the four lakh mark.

Stage 4 means being a significant player (by market share) in the overall market. For instance, Enfield's share in India's overall bike segment is less than three

...per cent, a number that is little
...to write home about. Yet, it is on-
...ly inevitable for a niche player fo-
...cused on the 250cc-750cc space.

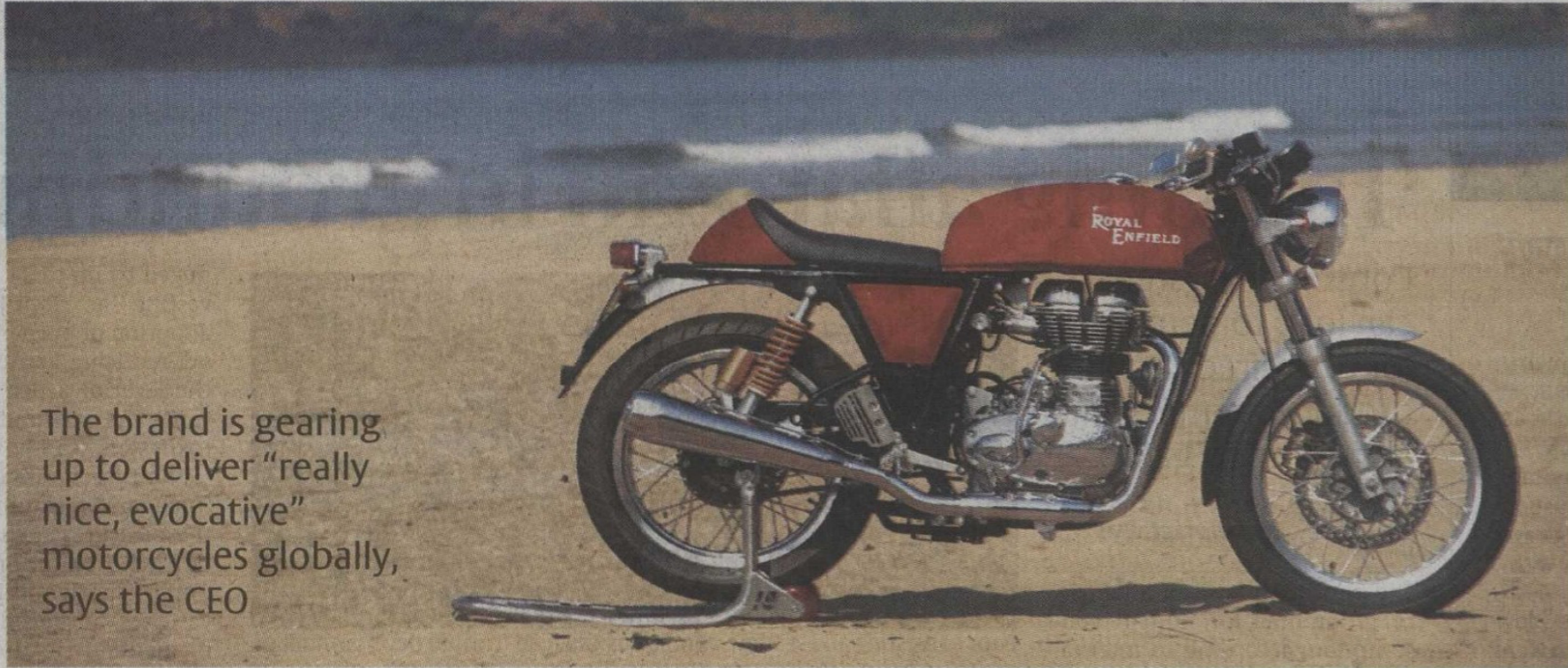
"We want to become a sizable player in the motorcycle market but this will take time. Clearly, we have to work really hard to make it happen. It may take a decade to reach these four stages in markets like the US but we are willing to wait," says Lal.

Working the niche

For the moment, Enfield is devoting a lot of time to Colombia where it hopes to learn and grow gradually. Latin America and Southeast Asia are also top priorities while China and Africa are still some years away. India still accounts for a lion's share of its

...business. Lal believes there is a
...growing need across the world
...for "really nice, evocative" mo-
...torcycles, a need that his compa-
...ny is gearing up to meet. The key
...is not to deliver anything ex-
...treme in terms of price, speed
...and weight but a bike that is sim-
...ple, fun and middle-weight.

The company's entire philosophy of pure motorcycling is being non-extreme and accessible, focusing on mid-size bikes. There is no intention of manufacturing pure commuters or extremely heavy bikes. "Basically, it is a self-imposed restriction (250cc-750cc) because globally that is how people see middle-weight motorcycles. That is where we can create an enormous impact," says Lal.



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