

## The Rise of SUV Market in India and the role of Advertisements in its Promotion: A Case study of Mahindra and Mahindra

Dr. Amartya Saha\*

Assistant Professor, Department of Journalism and Mass Communication, New Alipore College, Kolkata, India

\*Corresponding Author: Amartya Saha

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### ABSTRACT

India is the third largest car markets in the world, recording a sales figure of 4.11-million-unit sales in the passenger vehicle segment in the FY 23. Since India is an emerging market the scope of growth becomes more important. There has been a sizeable shift in the car segment with SUVs accounting for 50% market share in FY24. The consumer behavior has evolved over the period. According to media reports based on surveys, brand conscious, image conscious young buyers in India find SUVs more appealing than other segment of cars. The purity of the category of SUV has changed too. With compact SUVs coming to play, people are more interested in getting an SUV for everyday commuting than off-roading occasionally. Maruti Suzuki Brezza, Hyundai Venue, XUV 400, XUV 300, Bolero Neo are great examples of that. Mahindra has excelled at SUVs and the company's focus has been mostly on SUVs only. The cars have been marketed well to the Indian consumers using television and digital media advertisements to reach a wider variety of audience. This research paper studies the journey of Mahindra SUVs through a case study. It analyses different aspects of the growth of SUVs in India. The audio-visual advertisements shown in TV and later in digital has been analyzed by accessing them on social media platforms like YouTube. The findings of such a study of advertisements through the period of last 15 years showcases minute details of the company's communication and messages to the audience.

**Keywords:** SUVs in india, mahindra & mahindra, indian automobile market

### I. INTRODUCTION

As per reports of the Society of Indian Automobile Manufacturers (SIAM) the automotive industry based in Indian domestic market experienced a staggering 12.5% growth in the financial year 2024. This growth is divided differently in different segments. The passenger vehicle segment experienced a growth of roughly 8% while the two and three-wheeler segments grew by 13% (Business Line, 2024). The used car market in India is also expected to touch a figure of 100 billion USD till 2034. An interesting change that is being observed is in the number of years for which the car is being retained. The younger generation is more prone to selling their cars within 5-6 years and is indicative of a shorter ownership cycle. Millennials prefer changing their car as the qualities of cars increase and aspiration to own better vehicles skyrocket. The car segment that has evolved in the last few years is the SUV (Sports Utility Vehicle) market (PTI, 2024). Shashank Srivastava, who is the executive committee member of (MSIL) Maruti Suzuki India Limited addressed the media saying that the SUV segment had recorded a growth of 28% in sales volume in the last financial year. According to Srivastava, the market share percentage of SUV went from 40.1% in Financial Year 2022 to 50.4 percentage in FY 2024 and is expected to soar more in the upcoming year. COO, Chief Operating Officer at Hyundai Motor India (HMIL) is of the opinion that the reason why HMI recorded SUV sales of 63% as compared to 53% in the previous years were because of new features and upgrades. The introduction of technology like Advance Driver Assistance Systems like ADAS in cars of lower price segments have been a game changer for many companies including Hyundai Motor India. The real growth potential however is also hidden in the rural areas where the demand is expected to increase (Jacob & Patel, 2024). The SUV segment had a 50.4 percentage share in the Indian Automotive market in FY24. With a wide range of cars on offer, Mahindra and Mahindra had an amazing FY recording a growth of 28% (India Today, 2024).

OEM	FY24	FY23	Growth (y-o-y)
Maruti	1,759,881 units	1,606,870 units	9.5%
Hyundai	614,721 units	567,546 units	8.3%
Tata	570,955 units	538,640 units	6%
Mahindra	459,877 units	359,253 units	28%

**Figure:** Shows the sales figure of cars in the Passenger Vehicle volume and the growth experienced by companies in the last two FY.

**Source:** <https://www.indiatoday.in/auto/latest-auto-news/story/suvs-propel-india-to-3rd-largest-car-market-in-the-world-in-fy24-2522446-2024-04-02>

## II. UNDERSTANDING THE REASON BEHIND INDIAN MARKET’S PREFERENCE OF SUV

There must be a set of reasons why people in India are preferring the SUV over a sedan or hatch back. There must have been changes from manufacturers in recent years that has propelled the sales volumes to go up. For this we need to understand the needs and changes. Road safety and poor road conditions often add up to the choices of opting for an SUV. In addition to it, there is a factor of ground clearance and maneuverability. Road presence is bigger in an SUV (Cartoq Desk, 2023). According to the then Vice President, Global Design of Tata Motors, Pratap Bose, and current Chief Design and Creative Officer at Mahindra and Mahindra, SUVs have an emotional appeal in the Indian market as they make one feel stronger and powerful. So there is a tendency to feel safer even in a smaller SUV. In relation to what Bose said, we understand the move by car manufacturers to launch more and more compact SUVs in India. According to Minchul Koo, Design Head, Hyundai Asia Pacific, the love for the shape of the SUV has increased over the period due to their practicality. Koo says that the cars have become more efficient over time due to change in technology and offer more comfort. It also provides better road visibility to the drivers (Chaudhary, 2020). Both full size SUVs and Compact SUVs have been the choice of consumers based on their budget and requirements.

There are complete functional reasons why compact SUVs are number one choice for customers today.

- A. Aggressive Designing can be attributed as a reason for the popularity of compact SUVs and full-size SUVs. Even compact SUVs stand out from normal hatchbacks due to this design factor.
- B. A car in order to appeal to masses must be affordable. Compact SUVs are affordable. There are compact SUVs at different price brackets to offer customers more flexibility. Take for example the case of Maruti Suzuki’s Brezza as compared to the Grand Vitarā. Two similar cars in different price range and categories. The same can be said about XUV700, Thar Roxx, Scorpio N and the classic Scorpio from the Mahindra & Mahindra stable.
- C. High seats and better visibility are key factors in choosing a car from a drivability perspective.
- D. Ground Clearance becomes a challenge for many car manufacturers in India, especially due to the problem of potholes and speed breakers on road.
- E. Higher seating capacity is also a strong factor in choosing an SUV over other categories. More people tend to fit in. Their perception is, if there is an SUV, it would be able to navigate through bad roads and bad terrain.
- F. Feature rich models, better technology, practicality are all put together for creating a secure car that people can drive for 5-7 years (Chauhan, 2019).

## III. HISTORY OF MAHINDRA AND MAHINDRA IN CAR MANUFACTURING

Mahindra’s legacy dates to 1945 when brothers, KC Mahindra and JC Mahindra partnered with Ghulam Mohammad to form Mahindra and Mohammad. As a company Mahindra has diversified its business from steel to telecom to automobile and more. In 1949, Mahindra started producing the Willys CJ3A Jeep. It was Mahindra’s first off roader. Kaiser Motors bought and updated the model. The updated generation was licensed to Mahindra and Mahindra in India and Mitsubishi in Japan. In 1985 the MM540 was released after Mahindra parted ways with Jeep. A Peugeot diesel engine was sourced for the same.

Keeping in mind the needs of the Indian Army, the MM540 was upgraded to the MM550. The MM550 known as the Rakshak has been with the army since 2000. In 1996 Mahindra launched the Mahindra Classic the first model of the now iconic Thar. In 2000 the last model of the CJ series was made by Mahindra. Mahindra Legend was a special edition car launched by the company on its 60<sup>th</sup> anniversary. In 2010 the Thar became the torch bearer of the 4x4 capability and legacy at Mahindra. The Thar has seen many upgrades in the last few years with the latest 5-seater option being released this year (Gupta, 2020).

What has made the Mahindra SUV journey stand out in India has been the quality and durability of the vehicles. Mahindra’s lineage has always been built with a focus on SUV segment. Mahindra was a pioneer in changing the image and evolving the SUV market scenario in India. It made its first foray in the lifestyle segment with cars like Armada, Classic and Armada Grand. But the biggest game changers in the Indian automotive sector in the SUV category were Bolero and then the launch of Scorpio. Mahindra Scorpio rolled out from their Nashik Plant changed the way Indian SUVs looked and felt. Strong media campaigns ad campaigns all added to the perception and image creation in the minds of the Indian customers. Ever since the launch of the Scorpio, there have been multiple flankers, model updates with the Scorpio and Thar. Along with those, models like XUV 500 gave way to XUV 700 and similar inspired models in the compact SUV category. The KUV 100, TUV 300 all added to the lineage of the SUV line up from Mahindra. Mahindra has put a lot of focus on the safety and security of the consumers and got its models GNCAP 4 and 5 ratings. Keeping in line with the requirement of industry in modern times, Mahindra has developed EV models of SUV too. Its current range of SUV products include the following models:

1. Thar Roxx
2. XUV3XO
3. Scorpio N
4. XUV 700
5. Thar
6. Scorpio Classic
7. Bolero Neo
8. Bolero Neo Plus
9. Bolero
10. XUV 400
11. Marazzo

#### IV. ROLE OF ADVERTISING IN PROMOTING A PRODUCT

American Marketing Association defines advertising as a paid format of non-personal representation, presentation and messaging of ideas, services and goods by an identifiable sponsor. Advertising creates awareness about a product in the market. It creates a sense of interest about the product in the minds of potential customers. It is used to attract a group of consumers who might be spread over a big geographic location. It helps create a certain perception about the product. It brings with it a sense of promise of quality. Advertisements help persuade consumers into buying a product. Through the messages in advertising, it can reinforce the belief that they have made the best choice. It helps induce attitude towards the brand or product. Using slogans, headlines, illustration, audio visual, celebrity endorsement, selection of medium of advertisement, the brands are able to create an impact in the target audience and market. There are also different kinds of advertising that one gets to see. There are informative advertisements, persuasive advertisements, reminder advertisements. In the selection of medium for reaching the audience, digital and audiovisual have played a prominent role along with print advertisement. With the advent and impact of new media in the last 10 years, YouTube and other social media platforms have become a great medium to reach people. Over the last decade Mahindra’s top SUVs have had an advertisement going for them. The research paper analyses audio visual advertisements of Mahindra and Mahindra vehicles. These ads have been played on TV and Digital. The research paper analyses 10 randomly selected audio-visual advertisements done by Mahindra in the last 15 years to judge the appeal and strategy taken by the automobile company to promote and sell their product.

#### V. ANALYSIS OF THE AUDIOVISUAL ADVERTISEMENTS

Sl No	Car Model	Year of Release of Ad on YT	Content of Advertisement
1.	Scorpio	9 Years ago	The car pulls out a black powerful stallion out of mud, expressing raw power of the engine. Yet the man driving it comes out to pat the animal with care, showing both toughness of the engine and premium sensitiveness of the overall car. The car is entirely covered in mud and is being driven out of a forest. Although it is not a 4x4 car, yet it is being projected as a car for all tough terrains. A woman flies a jet and showers water on the car and a sparkling white car emerges that goes through water, mountain and all tough terrain. Parallels are drawn with the jet. The entire ad denotes luxury and power. Slogan is ‘Nothing else will do’.
2.	Bolero	10 Years ago	The rugged car is being driven by two women. Two boys come in a sports car and jokingly bump the car from the back. Everyone takes it sportingly. The car chase continues

			till they both reach a mountain river stream. The bolero crosses it, but the sports car fails. The bolero comes back and bumps the sports car and helps it cross the stream. Upbeat music is used, and the models used reflect the urban stylish youth. The slogan used is 'Back on the Road'. Mahindra Bolero puts you back on the road is the campaign strategy.
3.	Bolero	12 Years ago	There is a black bolero. We are not getting to see who is driving the car. A fit muscular man is running on the streets. The car chases him wherever he goes. He changes terrains, takes quick turns on the streets, sets running on a hilly uneven region, crosses a stream and surrenders to the car. The car is being driven by a woman who smiles and later we see them exchange car keys. The slogan used for the campaign is Bolero, Break Free. The emphasis is on the line, everything is a car, bolero is the only one that helps you break free. Focusing on the terrain freedom.
4.	New Thar CrDe	9 years ago	The advertisement focuses on the rugged features and exteriors of the car. Then through use of graphics focuses on the dual tone interiors, new steering, new lockable glovebox. Premium seats, cup holders, door trims, ac vents are focused on. The ad then shift focus to the changes in exterior as the car goes through the toughest off-road terrains with ease. This is the relaunch of the Thar Classic, focus is purely on the vehicle's features.
5.	Thar	13 years ago	The advertisement showcases the car being driven through riverbed inside jungle, then through mud slush, rocky boulders, grassland and mountain top. The voiceover says that this is where SUV ads end but not this one. The Thar is shown coming down a steep hill. A smiling man is shown driving the Thar the music used is Indian with the phrase 'ayo re, ayo re'. The Thar has arrived as an SUV that defies all odds is the focus of the campaign.
6.	XUV 500	11 Years ago	The ad shows young adults, two men and one woman reading a travel magazine and deciding they want to set out on an adventure to see the wild. They take their XUV500. They explore different terrains, interact with animals, engage with nature in awe, far away from the city. The ad also highlights features like all wheel drive. They take a ride in a hot air balloon; the car rides along on land with the balloon. The song is country style song saying that we are young at heart in search of something elusive. The ad showcases a cheetah which is symbolic of its design element. The slogan is 'may your life be full of stories'.
7.	Xylo	9 years ago	The Xylo was a competitor for Innova, the ad shows a big family traveling to a country home. The car brakes suddenly and goes through a rough terrain, but to the surprise of the driver no one inside the car feels any discomfort or realises anything. They all have a sound sleep. The car goes through mud and forest. The song says, new roads have opened up, we will smile and go fearlessly on the uncharted path. The slogan is more comfort more power.
8	Xylo	12 Years ago	The ad features Atul Kasbekar, fashion model along with fashion models. The ad focuses on comfort, leg space and ease of using the car to live out of it, like sleeping in the car,

			eating in the car and a host of activities. The ad also focuses on new age technology like voice command. Style and comfort have been the focus.
9.	Bolero Neo	1 Year ago	Shows shot of car and rider on a mountain top. The man jumps off from the cliff for paragliding while the woman in the ad drives the bolero neo downhill. Both are compared metaphorically. The car flies on certain terrains as the man glides off the cliff. The song used is a hip-hop track saying, I wish to fly but I love my roots too. Again shots of the car going through rough terrain splashing through streams of water are shown along with premium interiors. The words focus on defeating fear. The man is shown landing on the car's top.
10			
a.	Scorpio N	1 Year ago	The Scorpio N is a recently launched premium range SUV from Mahindra and works as an enhancement to the Scorpio Classic. The ad starts with a vintage long dinner table with candles and decoration. The voice says that the common factor between a road and a diner table is that the highest seat at the dinner table is reserved for the most powerful 'daddy'. Scorpio N is shown as the 'Big Daddy of SUVs'
b.	Scorpio N Xplore	1 Year ago	The ad shows two young guys riding an SUV. They see the Scorpio N at a distance. One of them is fixated on the different terrain control features and other features of the car. The voiceover says, you drive it, and they just talk about it. There is no fancy shot of the car going through muddy terrain or snow.
c.	Scorpio N Z8 Select	6 Months ago	The ad shows a shot inside a studio with a premium sofa seat representative of authority and power. Special phone control features are showcased. There is a beautiful shot of the car against the backdrop of light, almost representing that of mountains on both sides. The design is showcased in detail. There is no other voiceover or slogan. The new features are highlighted.

## VI. CONCLUSION

A quick look at different ads for different products from the Mahindra line of cars and automobiles display two clear trends. One is the presentation of all the SUVs as a car suitable for all terrain use. The shots used in all the advertisements for all these years across the decade is simple. The cars extensively travel through rough bad terrain as well as through streets. They are comfortable and stylish. They are ones with road presence. One another noteworthy thing has been the way in which women have been represented in the advertisements. All the ads show women in power driving the SUVs and not just that they are represented equally as men. The cars are never sold for one gender, it's a role reversal that we see in most instances. The ruggedness of the car has been a top priority for selling the car. But as times have progressed, the elements of the messaging, has remained same but a few other things have happened. The ads these days do not need to emphasize just on the off roading. A car like Scorpio N is also seen and sold as status symbol and not reduced to just being a car that rides well in all terrain. The logic behind trying to sell the cars have always been the SUV's utility and ruggedness amidst a stylish and glamorous presence. Its not just a working-class car but a status symbol. Today Scorpio N did not try to sell itself just based on its sporting capabilities. Irrespective of everything we must remember that there are two other massive factors that will be deal maker or breaker. One is safety rating of the vehicles and the other is the need to go charged with EV SUVs. There are already compact E-SUVs in the market. If Mahindra can develop a fully functional and powerful hybrid model it would be game changer. When the new XUV 700 2024 model was released, the ad again focused not on any terrain-based ride but rather on feature enhanced presence like ventilated seats, electric sunroof, all-wheel drive. While Mahindra already has an XUV 400 min SUV ready in market, the real roll out will start in 2025 with Mahindra putting huge attention on development and research. The nature of

awareness, brand loyalty that the company has been trying to gather so far have flourished well. The future campaign strategies too need to deal with it.

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