## ERTU SELEC



## Why luxury cars are longer in China

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Porsche's debut of the Panamera at the Shanghai Motor Show back in 2009 marked China's coming of age in the luxury car market. And, at December 2010's Guangzhou Auto Show, luxury manufacturers were keen to show off their latest models to an eager Chinese public. In 2009, China overtook the US to become the world's largest car market.

Increasingly, China is also becoming the most important market for luxury manufacturers. The Institut Für Automobilwirtschaft (IFA) in a report last year claimed that, by 2015, China would see sales of two million luxury cars. Where this demand is really being felt is in the influence of Chinese taste on designs. And nowhere is that more apparent than in the penchant for lengthened luxury cars.

As an early entrant to the Chinese market back in 1988, Audi has a good understanding of its customers. They have, for some years, offered extended versions of the A6 and A8. BMW is also at the forefront of the trend, offering lengthened versions of the China-made 5 Series and imported 7 Series.

Audi, from commencing design of the current A4, envisioned a lengthened version especially for the Chinese market. The resulting A4L, a first in its class, is 60mm longer than the standard A4. It may not sound much longer, but this is aimed to increase rear legroom. BMW is now said to have a stretched version of the 3 Series in the works for China.

There are two main reasons for the trend. Luxury cars, even ones made in China by joint ventures, are sold at a premium. Imported models, due to tax, are even more expensive. However, labour costs are still quite low and, so, if a person has enough money to buy a car of this ilk, they can also afford to hire a chauffeur. The extra legroom means such purchasers will not be cramped in the back seat. In a current advertisement for the Volvo S80L, a young executive is not shown enjoying the car's driving experience, but the cosseted luxury afforded from the back.

The other reason is that a car is often a family purchase with money coming from the grandparents - this makes it much more likely for adults to be using the rear than in Western markets, where the usual occupants are the kids.

With other brands including Jaguar and Mercedes all offering lengthened models, and some unique to China, the demand for size certainly seems to be having an impact. Whether this trend continues, we'll have to wait and see, but one thing is for certain - this will not be the last Chinese trend to influence the production of luxury cars.

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