The world’s fifth largest automobile manufacturer entered India way back in 1990s but since then has been a fringe player in the ever-growing Indian automobile Market. The $130 Bn giant was happy with a token presence till late 2008 but not any longer. So what actually prompted them to do something different and go for the masses and expand their operations in India. The first step they took in this direction was with the launch of Ford Figo. It was a runaway success and the company hopes to capitalise on improved image of the company in the minds of the customer.

If we trace back the history of Ford India we can see that they hardly offered any choice to the Indians. The only car which can be in the minds of an Indian consumer is Ikon. Apart from that they had a few duds like Endeavour. They have largely treated India as an export hub and were happy with the cost arbitrage which they were getting from it. Inspite of a first mover advantage they simply neglected the Market. But now with the stagnating western Market they simply could not neglect India.

The first step they took was the launch of 2 models namely Fiesta and Figo. Fiesta’s numbers can’t be compared with that of Figo because it is in the sedan segment. However the car has been highly appreciated and has been a success in the Ford India’s portfolio. Figo on the other hand on being the compact segment was the more popular and successful of the two. With the launch of Figo they have first time in history of Indian operations had crossed 1 lakh in sales. The fuel guzzling preference of the west was not going to work in India and hence they had to get to the drawing board and come up with a “Made for India” car.

So what did they did get right with Figo. Figo was launched in the most happening segment (i.e., hatchback segment). With good looks coupled with extremely competitive pricing they had a winner on their hands. The 2 things which Indians look at before buying a car are price and mileage. Figo was priced very competitively and the in house design team had ensured a better than expected mileage. This helped the company to improve their image. For long the company was looked upon as one whose cars had low mileage and high maintenance.
They also improved their service centre network and have now around 200 service centres across the country. This helped as customers don’t have to worry and think it is a tedious job to service Ford cars. Also through ingeniously developed methods the cost of maintenance was bought down. The costs involved in repairing a car due to an accident was brought down by the way they treated the various parts had to be replaced.

Yes they are still not in the same league as the Marutis and Hyundais but they have taken a step in the right direction. The statements coming out from the management at Ford India is that they are focussing more on compact segment and plan to launch around 8 more models in the near future would be good for both the Indian Market and for the company as well. So having fixed the things which the Indians are finicky about Ford India is set for an exciting future.