



The Great 2020 Reset,  
What's Next for 2021?

# The Automotive Industry Landscape in Southeast Asia

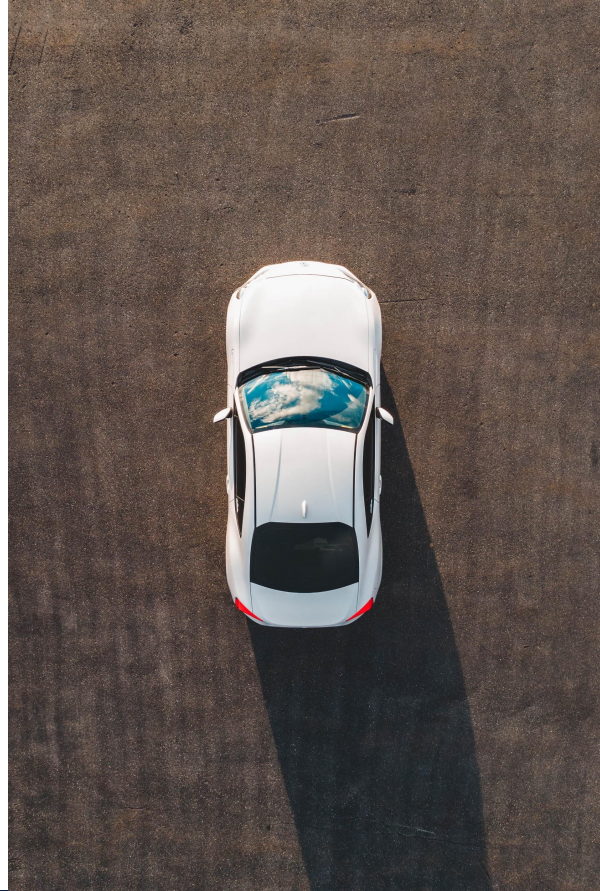
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# Notable Trends

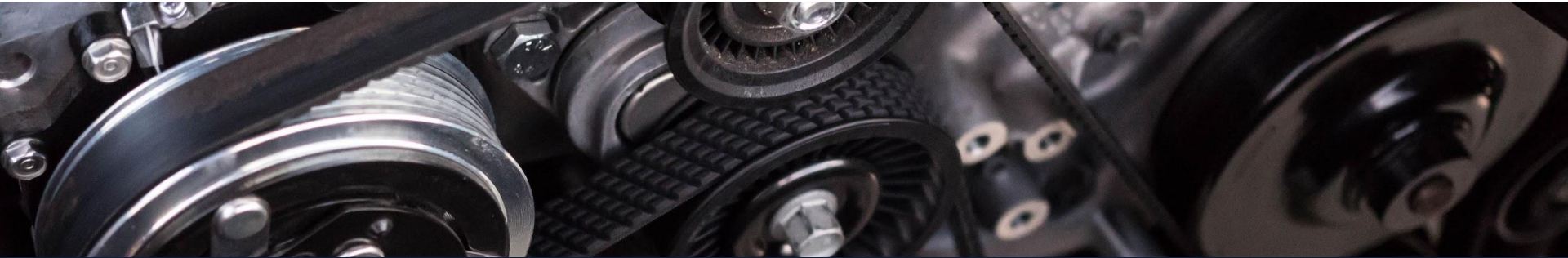
## Car Launches Despite Economic Slowdown amid COVID-19 Pandemic

In Southeast Asia (SEA), the strict movement control restrictions this year due to the COVID-19 pandemic was expected to hit the automotive industry hard, as with other industries regionally and globally. Or so assumed. A study of digital journalism coverage and social media postings in key Southeast Asian countries, namely Singapore, Malaysia, Indonesia, Philippines, Thailand and Vietnam from 1 October to 15 November 2020 seems to suggest that despite being hard hit by the economic downturn and restricted movement, car makers have continued to push momentum with the launches of various car models.



## Car Launches Despite Economic Slowdown amid COVID-19 Pandemic

For instance, BMW Indonesia, keeping with the need to socially distance to keep safe during the COVID-19 pandemic, held a virtual launch of the BMW M2 Edition by Futura 2000. The brand has even delivered a brand new BMW using container sized boxes as a precaution [1, 2]. Meanwhile, Honda also saw launches in Malaysia, Philippines and Thailand [MY:1, 2] [PH: 1, 2] [TH:1, 2, 3]. Toyota was not one to be outdone with launches in Vietnam, Malaysia and Philippines [VT:1, 2] [PH: 1] [MY: 1].







## Notable Trends

### Innovative Ways to Entice Customers

The car industry is seen as a key driver of GDP in many countries and trouble in the automotive industry could spell trouble for the wider economy [1]. Some governments have offered aid to companies but that may not be enough, as such, carmakers around SEA who have been hit hard by COVID-19 have turned to innovation as a way to boost sales of their vehicles.



## Innovative Ways to Entice Customers

For instance, Mercedes-Benz Malaysia (and Hap Seng Star) launched the first Autohaus car dealership with luxury boutiques in Malaysia aimed at providing customers and their cars with exclusive Mercedes-Benz design series and accessories [1]. Meanwhile in Indonesia, Mercedes-Benz just marked its 50<sup>th</sup> anniversary with an event at the Wangherang factory in Bogor, West Java featuring 2 locally assembled popular high end SUV vehicles in Indonesia [1].

## Innovative Ways to Entice Customers

Over in the Philippines, Morris Garages (MG) Philippines partnered with Miss Universe Philippines winners in a competition for a chance to win one brand-new MG car [1, 2, 3]. Meanwhile Mazda Vietnam held a big promotion of all existing cars and special edition cars to celebrate the brand's 100<sup>th</sup> anniversary and the 10<sup>th</sup> anniversary of the Thaco-Mazda cooperation [1, 2].





## Notable Markets - Malaysia

Mentions of automotive brands both in online coverage and social media stand out in Malaysia as compared to other key Southeast Asian countries, owing to high traction on posts. Digital journalism coverage was largely business-centric and included news items on Perodua Malaysia recording the highest-ever monthly sales in its 27-year history, despite the waves of nationwide lockdowns this year due to the COVID-19 pandemic [1]. Online coverage and social media posts about car launches by Honda Malaysia, Toyota Malaysia, Proton Malaysia and BMW Malaysia also contributed to news items and social media buzz in this period of analysis, again, despite the multiple lockdowns nationwide [1, 2, 3, 4, 5].





## Notable Markets - Indonesia

Digital journalism coverage and social media buzz in Indonesia also pointed to more car launches amid the COVID-19 pandemic and with restricted movement in the country. Nissan Indonesia, BMW Indonesia and Mazda Indonesia contributed to posts and coverage on car launches in the country during this period of analysis [1, 2, 3, 4]. Also in Indonesia, car brands used interesting ways to boost car sales given the current economic downturn. [1, 2]



# Brand Analysis

## Digital Journalism Coverage

Honda and Toyota were the top automotive brands observed on digital journalism coverage in two out of six Southeast Asian markets – Honda in Malaysia and Thailand, while Toyota in Philippines and Vietnam.

These were largely attributed by Honda Malaysia launching the new 2020 Honda City in four variants priced between RM74,191 and RM86,561 [1], while Honda Thailand was the brand with the number one market share focused on *the world's first Honda City Hatchback model as the first 5-door eco car in Thailand* [1].



Meanwhile, posts about Toyota in the Philippines was largely surrounding the brand's launch of new car models and the special service campaign to attend to fuel pump concerns on its Innova and Fortuner models [1, 2, 3], and Toyota Vietnam continued to be the leading brand in the car industry in Vietnam according to Interbrand's annual global brand equity ranking and a report by the Vietnam Automobile Manufacturers Association (VAMA), naming Toyota Vios the leading in terms of cars sold in Vietnam in September [1, 2].

Toyota was ranked top 5 among automotive brands in 5 markets – Singapore, Malaysia, Vietnam, Philippines and Thailand; while Honda was found in 4 markets – Malaysia, Vietnam, Philippines and Thailand; Ford was found in 4 markets – Singapore, Vietnam, Philippines and Thailand, and Mercedes Benz was found in 2 markets – *Singapore and Vietnam*.



	Singapore		Malaysia		Vietnam		Philippines		Indonesia		Thailand	
	Brand	Vol	Brand	Vol	Brand	Vol	Brand	Vol	Brand	Vol	Brand	Vol
1	Mercedes-Benz	918	Honda	992	Toyota	2,513	Toyota	257	Suzuki	2,435	Honda	36
2	Tesla	905	Perodua	793	Honda	2,132	Honda	166	Toyota	2,254	Isuzu	24
3	Ford	822	Toyota	748	Hyundai	1,868	Ford	122	BMW	879	Ford	18
4	BMW	499	Proton	517	Ford	1,670	Mitsubishi	121	Daihatsu	842	Toyota	12
5	Toyota	487	BMW	356	Mercedes-Benz	1,515	Hyundai	100	Hyundai	708	Nissan	10

*Table 1: Digital Journalism Coverage for Automobiles in Southeast Asia*

# Brand Analysis

## Social Media Buzz

Toyota was the top automotive brand mentioned on social media in two markets – Thailand and Vietnam. Buzz for Toyota in Thailand was driven by mentions of several Toyota-related events [[1](#), [2](#), [3](#)], meanwhile for Toyota Vietnam, buzz included posts on lower sales for Toyota Camry due to COVID-19 and a review of the Toyota Innova 2020. [[1](#), [2](#)]







## Social Media Buzz

Mercedes Benz was ranked top 5 among automotive brands in 4 markets – Singapore, Malaysia, Vietnam and Singapore, while Honda was ranked top 5 in 4 markets – Malaysia, Vietnam, Philippines and Thailand and Toyota was found in 4 markets – Malaysia, Vietnam, Philippines and Thailand.

	Singapore		Malaysia		Vietnam		Philippines		Indonesia		Thailand	
	Brand	Vol	Brand	Vol	Brand	Vol	Brand	Vol	Brand	Vol	Brand	Vol
1	Audi	4,992	Perodua	110,966	Toyota	1,876	Honda	1,465	Suzuki	10,590	Toyota	9,932
2	Kia	4,107	Honda	29,432	Mazda	1,800	Toyota	361	Suzuki	10,590	Honda	3,532
3	Tesla	2,975	Proton	26,629	Vinfast	1,784	MG	301	Toyota	10,364	Ford	2,181
4	BMW	2,834	Toyota	11,555	Mercedes-Benz	1,505	Isuzu	166	BMW	4,659	Nissan	1,853
5	Mercedes-Benz	2,077	Mercedes-Benz	10,639	Honda	1,364	Nissan	143	Nissan	4,238	Hyundai	856

Table 2: Social Media Buzz for Automobiles in Southeast Asia

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“The "local factor" has become a competitive advantage in the car industry. Besides being trusted as having the best quality and durability, the Japanese brands like Toyota, Honda, Mazda have also strengthened the "Japanese brands for Vietnamese" image via focuses on locally assembling models and Corporate Social Responsibility programs. The local brand, Vinfast, cannot be ignored. After more than one year of selling commercial vehicles with 03 models of Fadil, Lux A, and SA, Vinfast has successfully become the leading brand in the A-segment, posing a significant threat to the foreign brands.”

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Nhi Tran, Senior Insights  
Manager, Vietnam



Ho Paik San, Associate  
Insights Director, Malaysia

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“The auto segment in Malaysia is seeing gradual recovery despite some key challenges such as stricter lending approvals from financial institutions and unfavourable foreign exchange environment. With new car launches such as Proton X50 and the all-new Honda City, consumers remained incentivised to take advantage of the government stimulus packages including a waiver of sales taxes on cars until the end of 2020.”

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“In Singapore, we observe growing interest in electric cars as the government pushes various initiatives to encourage early adoption. Its netizens actively participated in discussions comparing the offerings of electric car manufacturers such as Tesla and BYD, as well as the new launches of traditional manufacturers such as BMW.”

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Jenna Wang, Senior  
Insights Manager,  
Singapore



Lady Ochel Espinosa,  
Regional Insights  
Manager for Emerging  
Markets, SEA

“The 2020 to 2021 transition will be even more exciting as the automotive industry’s focus is giving more attention to Indonesia, Philippines, and Thailand. It may be said that the emerging markets in Southeast Asia are key and pivotal to the automotive industry’s continued growth, as global vehicle purchases continue to climb. Notably, the current pandemic’s restrictions in public transportation including social distancing measures, have been a factor in pushing for potential buyers to become full-fledged car owners not only for ease of mobility, but also affecting purchase decisions and intentions on factors such as convenience and most especially safety.”

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Please do not hesitate to get in touch with us  
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