

# Al-Futtaim's Hasan Nergiz on BYD's popularity in UAE, Saudi Arabia

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## **What are the current trends in the electric vehicle (EV) market in the UAE and Saudi Arabia? Any future trends we should keep an eye out for?**

The EV market in the UAE and the kingdom has been growing at a robust pace, and this comes as no surprise given the increasing awareness of environmental sustainability in the UAE, as well as a multitude of government initiatives and campaigns promoting the green transition.

Improvements to the charging infrastructure and the introduction of more affordable models are leading to a significant uptick in the adoption of EVs. If we look at BYD alone, we launched in the UAE last year and we have already sold over 1,000 cars.

Looking ahead, we can anticipate the continued expansion of public charging networks across the region and potentially more government initiatives to encourage the electrification of public transportation as well as government fleets. Today, we also see more and more EV models becoming available in each country, across diverse price points and performance capabilities, from sedans to SUVs, making electric vehicles a more practical and possibly preferable choice for diverse customers.

We also foresee a faster, stronger adoption of plug-in hybrid vehicles within the region, as the infrastructure for electric charging continues to evolve and customers slowly get accustomed to the charging habits and EV mindset. This is one of the prime reasons why we have opted to add two plug-in hybrids to the BYD line-up in the UAE and Saudi Arabia. Plug-in hybrids are not only an easy-to-digest green mobility experience but also the perfect springboard to accelerate intent toward an all-out electric shift.

On the technology front, we are seeing enhanced battery efficiencies with extended ranges and faster charging capability coming into play. The advancement of technology not only helps manufacturers but also benefits customers as technology becomes cheaper over time and easier to roll out across diverse model options.

## **How has consumer demand for electric vehicles changed in the UAE and Saudi Arabia recently? What factors are driving this demand?**

Consumer demand for EVs in the UAE and Saudi Arabia has seen a substantial increase in recent years. This change is driven by several factors, including rising environmental consciousness, government policies incentivising EV purchases, improvements in charging infrastructure, and the entry of high-quality EV models that cater to diverse consumer preferences.

Additionally, the decreasing total cost of ownership for EVs compared to traditional vehicles has made them more attractive.

To put it in context, the 2024 International Electric Vehicle Consumer-Sentiment Survey found that 71 per cent of Saudi Arabian drivers are either "very" or "moderately" likely to purchase a BEV this year. This figure is expected to rise to 85 per cent by 2035, far outpacing the current BEV purchase intentions in the US and Europe, which stand between 35 per cent and 43 per cent.

## **What differentiates BYD's EVs from those of its competitors?**

Broadly speaking, BYD cars offer the complete package – sleek modern design, high build quality and reliability, top-spec features and long-range batteries – all at an incredibly attractive price point.

But if I had to specify two things that separate BYD from its competitors, it would be its superior 'Innovation capabilities' and 'vertical integration'. These enable the brand to maintain quality and cost-effectiveness across the entire production process.

BYD has invested a lot in its R&D, they have nearly 100,000 R&D engineers and 11 institutes looking at the complete design and production, everything is managed in-house as compared to other manufacturers that source a lot of the components and batteries from third party vendors.

BYD's Blade Battery technology is one of the most advanced of its kind in the market, renowned for its superior safety, longevity, and efficiency.

At Al-Futtaim Electric Mobility, we complement this excellent product line-up with an equally superior service and customer ownership experience.

We've also made sure that there are unbeatable finance options and comprehensive after-sales support. Globally they have over 25,000 patents for their technology innovation which positions it as not just an automotive company, but also as one of the most innovation-driven tech companies.

#### **Could you share insights into BYD's sales performance in the UAE and Saudi Arabia over the past year?**

Over the past year, BYD has achieved remarkable sales growth in both the UAE and Saudi Arabia. In the UAE, BYD has become a very popular marque with more than 1,000 sales of BYD cars since the launch last year.

This year, BYD expects to sell even more in the region and achieve its global sales target of more than four million NEVs, surpassing last year's sales of nearly three million.

Our sales have been bolstered by successful collaborations with local partners, increasing brand recognition through activities like the global EURO 2024 sponsorship, and the introduction of models that resonate well with the preferences of consumers in these markets.

#### **Which BYD models are the most popular among consumers?**

The BYD SEAL, SONG PLUS, and HAN models have been particularly popular among car owners in the UAE and Saudi Arabia.

The SEAL, with its sleek design and advanced features, appeals to professionals and enthusiasts looking for a premium electric vehicle.

The SONG PLUS is a plug-in hybrid known for its versatility and spacious interior. This particular model is being favoured by families and individuals seeking a reliable and comfortable ride.

The HAN, renowned for its high performance and luxury, attracts consumers who prioritise both elegance and cutting-edge technology in a sedan.

#### **The BYD HAN**

What are the main challenges BYD faces in promoting and selling EVs in the UAE and Saudi Arabia?

Improving the charger-to-vehicle ratios will be key to drive mass adoption for electric vehicles in the region.

While we see a strong push for developing the charging infrastructure within the region, it remains the main factor to convincing customers to make the switch.

Additionally, consumer perceptions and awareness about EVs need continuous enhancement.

Educating the market about the benefits of EVs, addressing concerns about range anxiety, and ensuring robust after-sales service are crucial to overcoming these challenges.

#### **What opportunities do you see for growth and expansion in these markets?**

The UAE and Saudi Arabia's governments are committed to sustainability and reducing carbon emissions, which aligns perfectly with our mission.

On a group level, at Al-Futtaim, we are also committed to increasing the share of new energy vehicle (NEV) sales to 50 per cent by 2030.

Additionally, we are striving to advance sustainable transportation infrastructure by installing 10 per cent of the UAE's electric vehicle charging stations within the same timeframe. Our pledge represents significant strides toward achieving net-zero carbon emissions in the UAE by 2050.

In Saudi Arabia, we hope to establish 10 per cent of the kingdom's charging stations by 2030.

Our collaboration with e& surely marked a significant milestone in the move towards electrification and promoting green mobility across the region.

These initiatives highlight our shared commitment to sustainable growth and offer substantial opportunities for further expansion in these markets.

**Can you highlight any recent innovations in BYD's electric vehicles that are particularly relevant to these markets?**

Among the leading BYD innovations remains the Blade Battery, which offers unparalleled safety and longevity to deliver customers a truly excellent driving experience and performance reliability.

Another landmark innovation introduced by BYD is the cell-to-body technology. This is a concept to maximise the space inside the car, where BYD integrates the batteries into the structure of the car. So rather than integrate battery cells in boxes and put them inside the car, these cells are completely infused and become a part of the core structure. The brand has also introduced advanced driver assistance systems (ADAS) and improved energy efficiency technologies, which are highly relevant to the UAE and Saudi Arabia markets, where consumers value both safety and cutting-edge technology.

BYD's vehicles are also known for their premium features, available in most trims, such as the rotating screen, which has been quite a popular draw among customers.

**What are BYD's plans for expanding its presence in the UAE and the kingdom?**

Along with the BYD Discovery Centre in Dubai Festival City in UAE and in Riyadh, Saudi Arabia, we are excited to announce the opening of several new showrooms soon, showcasing our commitment to expanding our presence and accessibility in the region.

Within the region, the UAE and the kingdom represent the two biggest NEV markets. Our objective is to cover as many cities across these two markets at the moment.

We also plan to expand our after-sales service network and continue collaborating with key stakeholders to improve the EV ecosystem. Furthermore, we are investing in marketing and educational campaigns to raise awareness about the benefits of EVs.

**Are there any upcoming launches or initiatives you can share with us?**

We have several exciting launches and initiatives planned, including the introduction of new models and variants tailored to the preferences of consumers in the UAE and Saudi Arabia. Unfortunately, we cannot mention the models that will be soon launched, but I can assure you that these will definitely create a stir and a buzz in the market.

With regards to initiatives, for us, BYD's partnership with Euro 2024 was a certain game-changer. It enabled us to leverage the global partnership and amplify our message on green mobility and firmly establish BYD's position as a category leader.

**How has BYD's sponsorship of Euro 2024 impacted the brand's visibility and engagement in the UAE and Saudi Arabia?**

The sponsorship of UEFA EURO 2024 significantly influenced the brand's overall strategy by elevating brand visibility and association with an exciting, high-profile, globally recognised event. This partnership has enhanced the brand's building efforts by reiterating BYD's position as a leader in electric mobility and a supporter of sustainable initiatives.

By facilitating efficient and green transportation solutions during UEFA EURO 2024 in Germany, BYD is reinforcing its focus on innovation and excellence. Additionally, the brand showcased its latest NEV models and cutting-edge technologies at selected venues, demonstrating its commitment to greener and more intelligent mobility solutions to thousands of football enthusiasts.

A key highlight of our UEFA EURO 2024 partnership was the BYD Euro Fanzone in Dubai Media City – a perfect place to engage audiences and bring BYD to the forefront of NEV brand choices within the country.

Leveraging this partnership was also an excellent opportunity to widen our consumer base, going beyond the perception of affordable green mobility to truly connect as a vibrant, trending brand that has advanced technology appealing to first adopters and brand influencers.

**Can you share specific statistics on web traffic and engagement increases in these regions?**

We know that there is already a strong affinity among our target audiences for BYD.

Even in a new and emerging EV market like Saudi Arabia, where we launched a few months ago, we have already clocked over 1.14 million web visits demonstrating the clear interest from customers and how the region is ready to embrace the

green mobility evolution.

**What was the strategic vision behind BYD's decision to sponsor Euro 2024 in Germany, a market dominated by legacy auto brands?**

The inspiration behind BYD's sponsorship of UEFA EURO 2024 was driven by the commitment to promote sustainable mobility and the desire to align with global events that share the brand's values.

Football is the world's most popular sport, so the Euro 2024 was the perfect platform to amplify BYD's commitment to green mobility and clearly show to the world that BYD is ready to deliver this. Despite being the world's #1 selling and one of the biggest names in the electric mobility world, BYD is still a relatively new brand compared to legacy automakers. The appointment of BYD as the 'Official E-Mobility Partner of UEFA Euro 2024' announced the brand's arrival as a serious green mobility player, and the partnership was a perfect match between the world's #1 NEV maker and the world's most-watched sport.

UEFA EURO 2024 took place across 10 world-class stadiums in Germany, representing unity, excitement, and excellence, which are qualities BYD strives for in our products and services. This prestigious event enabled BYD to reinforce its category leadership and showcase the latest advancements in NEVs, including fully electric and hybrid cars, to a very large audience in Europe and beyond, while supporting UEFA's endeavour to promote a greener and more eco-friendly tournament. This partnership also allowed BYD to connect with a diverse and passionate audience, adding more enthusiasm and excitement to a brand that's still establishing its positioning as 'Build Your Dreams'. It also provided an excellent opportunity to re-emphasise the importance of electrified mobility as NEVs still don't have the majority market share compared to fuel engine vehicles; there's still some way to go.

This was the first sponsorship of a major tournament by a manufacturer of NEVs, and it was exciting to see it happen in Germany, in many ways the traditional home of the legacy automobile.

Tell us about TikTok Euro 24 campaign, specifically focusing on the BYD Seal.

Our TikTok Euro 24 campaign featuring the BYD SEAL, was very received by the intended audience.

The campaign leveraged engaging and interactive content to highlight the unique features of the BYD SEAL, such as its advanced battery technology and sleek design.

We collaborated with popular influencers to reach a broader audience and create viral content.

Users interacted with the BYD SEAL filter by trying to stop the clock at 3.8 seconds, promoting the vehicle's impressive acceleration.