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Cheaper may not matter much longer

Harris Iskandar Taib

ON holiday and with so much of time to kill, I found myself shopping for cars in Penang.

I ended up with a Porsche Carrera GT3 Supercup and an Opel Astra touring car which I later traded with a nephew for a spanking red and silver Mercedes-Benz CLK.

Three days later, I went back for another Porsche and a Mercedes-Benz that I had chosen for a friend. My two other nephews also ended up with a Peugeot 206 and the brand new Mercedes-Benz CL.

The prices were such a steal that almost everyone, both adults and children, were 'driving' brand new super cars.

You could see Porsches under the stilted kampung houses right to the badminton courts and almost every smooth surfaced open space.

I even had a friend who ended up extensively modifying his son's Mitsubishi Lancer Evolution VI. He decided to keep the car for himself and buy the little guy a brand new car.

That's just how much of an impact the quick drive - QDs they call them - remote control cars have made on Malaysians in recent times with even children as young as three telling you the make and model of the car they're 'driving'.

And for between RM48 and RM65, the 1/18th scale models that are replicas of touring, racing and rally cars, have become much more affordable to folk, courtesy of China's masters of cost-down operations.

Not bad, considering that all these years, you would have needed to spend at least RM300 for a Japanese equivalent of this size and speed.

Kind of gets you thinking about the effects of the Asean Free Trade Agreement (AFTA) two years from now and just how much cheaper cars can become if all the import and excise duties are significantly reduced.

Minister of International Trade and Industry Datuk Seri Rafidah Aziz has said that import duties are to be reduced to as low as 20 per cent for fully imported cars in time for 2005. The tax is to be further reduced to five per cent but at an undisclosed time.

But mind you, Prime Minister Datuk Seri Dr Mahathir Mohamad has reminded us that this would not necessarily translate into cheaper cars.

If you look at Malaysia's motoring industry, you can't deny that the choice of vehicles had really become limited with the introduction of the national car that joined the market competing on price rather than quality.

A colleague reminded me of the good times he enjoyed in the seventies when a man's annual salary was enough to buy a new car. And he wasn't just talking of some run-of-the-mill family car but something trendy like the Mitsubishi Lancer and Mazda 323.

Nowadays, we take up to seven years just to pay off the loans. Sometimes, we even falter on our payments, and you can clearly see the ill effects judging by the overwhelming number of cars being repossessed.

The national car project has undoubtedly accomplished much, creating a full blown manufacturing industry while opening job and business opportunities. It has also made the car accessible to almost every Malaysian household.

But it is disheartening that though their cars dominates sales, the national car maker has made no impact on consumers in terms of quality.

From day one until today, they are selling well because of pricing,

which the other makes cannot compete with as a result of the protectionism accorded to local car manufacturers.

To roughly gauge the loyalty sentiments for national brands, see how far Korean brand KIA has come in terms of sales and presence, being the only make now selling just above the pricing of our national cars.

It's a shame that with all the privileges, quality continues to fall short of consumer expectations, so much so, some people feel they are being forced to buy the cars rather than doing so on brand merit or choice.

Back to the RM50 remote control cars that you can even buy at the pasar malam. They're cheap yes, and, if you're lucky and careful, they should last a few days.

My Porsche, after five days of ownership, can only go reverse, the gearbox is screwed and the remote sometimes gets jammed. The Mercedes-Benz CLK, meanwhile, is in pieces. As for my nephew's Opel, well, it refuses to turn.

Had the prices of the more superior Japanese models been nearly on par, which do you think would sell better based on reliability, performance and quality? Sounds familiar doesn't it?

It is like how we always complain about power window failure even on brand new national cars and trendy switches that look good but fall to bits within months.

Coming cheaper is not always what it is made out to be. And it may not matter much longer.