

Book Review

Santro – The Car That Built a Company - BVR Subbu (2017)

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The fancy title of the book initially gave me a feel that, this should be just like any other book that I read. Once I started reading further, I realized that my initial assumption was wrong. BVR Subbu gives a fantastic insight as to how the Santro- a car produced by Hyundai gave the company an identity and made it a household name in India. The book is not only about the car, but also explains in detail the entire process, the leadership team, product conceptualization, launch, the hurdles Hyundai faced and finally the success story of Hyundai.

Long ago, Maruti Udyog Limited (MUL) was the major manufacturer of cars in India and it had created a kind of monopolistic situation in the country. In addition to these, the Government rules favored MUL the most and served as an entry barrier for the new entrants. Even the bigwigs couldn't last. The Tata's entered the industry, but they found success in the heavy commercial vehicles segment. When the market was deregulated and opened up, many manufacturers wanted a piece of the Indian market share and Hyundai was one of them.

When Hyundai was looking to commence its operations in India, it was the then Govt. of Tamil Nadu that offered the firm the best of the facilities. The State Government and the bureaucrats ensured that, everything was delivered as promised. From then on Hyundai put in all its efforts to develop a world class facility in Chennai. The leadership team comprising of Koreans and Indians, led it from the front. The installation, production, training and launch were completed in a record time- something which even the company didn't anticipate.

During the initial years the sale wasn't as expected. However, when the court directed the manufacturers to meet the Euro norms (owing to the extreme pollution); Hyundai was benefited.

The cars Hyundai manufactured were in compliance with the advanced norms. Despite this, there were still several roadblocks. Hyundai prior to commencing its operations in India operated in the US and Canadian markets. The response was poor- owing to its quality, image and thus the customers in India were skeptical to purchase the same. In addition to this, there was a poor response for dealerships too. Hyundai had to work extremely hard to change the perceptions. The author has highlighted several key incidents and how they overcame each challenge.

Getting in Shah Rukh Khan as its brand ambassador helped Hyundai to a great extent. Though he was a bit concerned initially, he finally accepted. It's been close to two decades and his partnership with Hyundai still continues. He helped Hyundai create and establish an identity and the advertisements remains in the hearts and minds of Indian consumers.

I believe Hyundai was successful mainly because it had learned to live with the constraints imposed by the Government bodies and policy makers. Also the management of Hyundai, made sure that the customers could contact them anytime if they were dissatisfied with the product and or dealers' service. All these efforts, made sure that the dealer organization was at its best.

This book is a must read for automobile enthusiasts and young management graduates as it covers every aspect of management education. It also has lessons for start-ups. A few chapters explain technical terms and it would be difficult for a non-technical person to follow. I also felt certain things were explained in-depth which probably wouldn't have been needed. But having said that, I believe this book gives an honest account of all the major events that Hyundai faced.

In Santro: The Car That Built a Company, B.V.R. Subbu, who led much of the Santro's success, discloses the previously untold story of how the tiny Santro made a huge impact not only for Hyundai but also the consumers in India. Several tales explain the challenges of introducing the product in a new market, the shrewd business strategies that were employed to get better of the competitors, the various campaigns that made the difference and the thrills of the high-stakes power battles and everyday drama that characterized the corporate India.

BVR Subbu has a simple and easy writing style with loads of drama and behind the scenes insight. Heck of a story of how the underdog Hyundai pipped behemothlike MUL, Tatas and others to earn a top spot. Lots to learn from it. One has to respect BVR Subbu and the management team, for taking Hyundai to new heights in such a short span of time. It takes a lot of courage and foresight to do what they did.

Santro made Hyundai a Korean company with an unpronounceable name a household name in our country and earned the implicit and explicit trust of India's consumers.

Santro: The Car That Built a Company – A fun and engaging drive through Hyundai's strategy.