



# Are Chinese consumers willing to accept Pickups as Passenger Vehicles?

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Great Wall's Pao model has notched up healthy sales since its October 2019 launch, recording a monthly average of 6,000 units. It is the first ever Pickup from a Chinese brand to be classed as a Passenger Vehicle and is positioned at the upper end of the market, when compared to the current crop of domestically made Pickups.

Pickups generally fall into the Commercial Vehicle segment in China, with usage typically limited to factory work or short-distance freight.

This comes against the backdrop of a relatively young Passenger Vehicle market in China, particularly when compared to mature markets like the US. Private vehicle consumption has only really been around for the last 30 years in the Chinese market.

Most Chinese consumers looking to purchase a first family vehicle will opt for a traditional bodystyle, such as a sedan or, more recently, an SUV. A great deal of emphasis is placed on a vehicle's 'face' – in other words, the image that it projects and how it reflects on its owner. Connotation is paramount and Pickups are generally viewed as belonging to the industrial sector, despite offering many of the advantages of a Passenger Vehicle in the guise of a Truck.

Despite being a Pickup Truck, the Pao stands out from the crowd, thanks to its elegant design, ride comfort and abundance of features, which may account for its recent success.

The Pickup market has also been overshadowed by government regulations. As they fall under the Commercial Vehicle classification, Pickups are subject to various restrictions. For instance, they are banned from entering urban areas and must carry high-visibility signage. Drivers are obliged to obtain two licences: a regular driving certificate plus a freight vehicle transport licence.

It is little wonder then that consumers have been reluctant to explore Pickups as family vehicles. The good news, however, is that policy restrictions are gradually being lifted, which should provide some comfort to potential Pickup buyers.

And as the Chinese auto market matures, vehicle utility will increase in importance. This shift will benefit the Pickup sector and should spur automakers to offer more powerful, multi-functional models able to rival their Car and SUV counterparts. If the Pao is anything to go by, the future looks bright for the segment.