

Toyota SA's CEO unveils key insights on South African auto industry

The seventh instalment of the State of the Motor Industry (Somi) concluded in Kyalami, Johannesburg yesterday, 25 January. The event was hosted by Toyota South Africa Motors (TSAM) and provided a platform for the manufacturer's CEO Andrew Kirby to sketch a state of the local motor industry.



TSAMs president and CEO, Andrew Kirby | image supplied

It also provided a good opportunity for Leon Theron, TSAM's senior vice president for sales and marketing, to showcase a number of all-new models from the stable's various brands. A surprise element in the form of the 2024 Dakar Press Conference was added to the programme.

Andrew Kirby on 2023

Kirby noted that automotive sales last year were impacted by monetary and structural challenges such as an elevated repo rate (8,5% in 2023), depreciating rand (13% down on the dollar last year), a record-breaking 332 days with load shedding, and up to a five-week backlog at the country's ports.

The first quarter started off positively and the industry was on track to achieve the 570,000 prediction made by Toyota at last year's Somi. However, sales started to stagnate, especially after the second half of the year and this means that the final tally for the year was 532,098 – just 0,5% up on 22's numbers.

There were some positives, however, as a number of new entrants entered the market last year. There were two all-new passenger brands, three in LCV and two in commercial that established themselves in SA in this period.

Even more compelling was the number of new individual models that were added – the big increases coming in the most popular segments namely B and Sub-B which saw an additional 12 new variants (an indicator of the appetite for vehicles at the affordable end of the market), five in Double Cab and a staggering 29 in the Extra Heavy Commercial Vehicle space.

The latter is directly attributable to the logistical issues facing South Africa, particularly in rail transport.

In line with global trends, South Africa experienced heightened demand for New Energy Vehicles with a 65% volume increase in 2023, but this is off a relatively small base – a total number of new energy vehicle NEVs sold totalled 7,693. As expected, by far the biggest volume contributors coming from hybrid variants (84%).

Leon Theron on Toyota's sales performance

Toyota bucked the negative retail trend by ending off the year with 142,612 units, which was not only the highest volume sold since 2007, it also equated to the company's best market share on record.

Given its topicality, Theron focused on Toyota's dominance in the NEV space:

- Toyota's overall share is 53%
- 22% increase in NEV volume sales over 2022
- Corolla Cross Hybrid makes up the lion's share of Toyota NEV sales (55%)
- Lexus NEV volumes accounted for a record 42,5% of total Lexus sales in '23

Kirby's sales forecast for 2024

- Total Sales – 540,000 (slightly up from SA's 2023 total of 532,098)
- Passenger – 355,871
- LCV – 152,827
- Other – 31,301

New models revealed

TSAM announced the following models to enter local market: Land Cruiser 70 Series, Land Cruiser Prado, Toyota Hilux 48V, Hino 300 Series Hybrid, Toyota bZ4X, Lexus RZ, Hilux GR S III.