There is a hard border on Irish dealers’ opinions of diesel

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THERE IS A HARD BORDER ON IRISH DEALERS’ OPINIONS OF DIESEL

PROFESSOR JIM SAKER is director of the Centre for Automotive Management at Loughborough University’s Business School and an AM Awards judge. He has been involved in the automotive industry for more than 26 years.

It was Gustave de Beaumetz, the French prison reformer and travel writer, who said “Ireland is a little country which raises all the great questions”. As the UK Government has discovered in the Brexit negotiations, there are a number of questions that Ireland can raise, some of which require a great deal of insight and understanding to overcome.

At the end of last year, I was invited to speak at two dealer events in Ireland, one in Dublin and one in Belfast. In discussion with the Irish dealers, I came to the conclusion that even in the retail motor industry there were very different “Irish” perspectives that needed to be understood.

We were talking about the future of the industry and discussing the issue of the potential different powertrains that were likely to come to the forefront over the next few years. It was fascinating that in Northern Ireland, the views reflected the general view in AM’s Outlook 2018 Survey, that the sale of new diesel cars would fall in the new year and there would likely be a transition to primarily hybrid and electric vehicles.

When discussing the issue in the Republic, the situation was very different. The dealers in the North saw themselves existing in what they described as a relatively small country, so range anxiety with EVs was not considered a major issue. By contrast, the dealers in the Republic saw themselves as operating in a large country.

The issue for them was that market penetration for diesel vehicles is currently about 74%. When I suggested, as many commentators have, that diesel is dead I was greeted with a number of looks that made me think maybe I didn’t understand either Ireland or the Irish.

For there to be a swift from diesel in the Republic, it would require a massive shift in buyer behaviour and the dealers felt customers would not be that interested in switching.

The issue of the high density of emissions was dismissed with a laugh – they suggested that there may be one street in Dublin where if all the buses got caught in a traffic jam there might be a slight problem, but for the rest of the country it was not an issue. The potential for EVs was also rejected as being of little interest.

Finally, I suggested that as the Republic was going to remain in the EU, there might be some pressure from Brussels for them to move away from diesel.

This too was greeted with humour and a clarification that the EU may pass regulations and guidelines, but the Irish Government would decide how they were implemented. As one dealer from the Republic put it: “In the west, the question isn’t about EV or diesel. It is more likely to be about what colour the diesel will be.”

“DEALERS IN THE REPUBLIC OF IRELAND FELT CUSTOMERS WERE NOT INTERESTED IN SWITCHING [FROM DIESEL]”