

Renault bets on electric after 2020 sales slump

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Renault's electric model Zoe was a rare bright spot last year

French auto giant Renault on Tuesday reported a sharp drop in 2020 sales amid the coronavirus pandemic, while unveiling its plans for the transition to electric- and hydrogen-powered vehicles.

The group, which includes the Japanese brands Nissan and Mitsubishi, has suffered since it missed out on a tie-up with Fiat-Chrysler, and ex-boss Carlos Ghosn was accused of financial misconduct by Japanese authorities.

On Tuesday, Renault laid out a roadmap to recover the initiative, after sales by volume slumped by 21.3 percent last year to 2.9 million vehicles in a market that was 14.2 percent lower overall.

The fall was "principally due to the company's large exposure to countries which imposed strict lockdowns... in the [second quarter](#), plus a another slowdown in the [fourth quarter](#), especially in France," a Renault statement said.

For Europe as a whole, sales fell by 25.8 percent to 1.4 million units.

Hybrid and [electric vehicles](#) held up better than traditional cars in the second quarter however, and in the last three months of the year, European orders in that segment were up by 14 percent from a year earlier, Renault said.

"From now on we will focus on profitability rather than sales volume, with unit margins being higher," Renault chief Luca de Meo added.

Renault continued to dominate the European electric car market last year with sales of 115,888 vehicles, a gain of more than 101 percent.

Its small ZOE model accounted for the bulk of sales, with 100,000 vehicles.

The group plans several more electric versions, from its low-cost Dacia brand and remakes of its popular R5 and 4L models, to a higher-end car developed with Nissan, a source close to the company said.

Another legacy brand, Alpine, might also be reinforced with two models, one of which could appeal to the sports-utility (SUV) sector, the source added.

Hydrogen-fueled light [commercial vehicles](#) (LCVs) are also being developed after Renault announced plans to form a joint venture with US company Plug Power, a leading developer of fuel cell systems.

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