

# Porsche Singapore ditches traditional showroom, relying solely on lifestyle-focused space

The new two-storey Porsche Studio Singapore could be a 'retail laboratory' for the brand, says its general manager here

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GERMAN luxury car brand Porsche no longer has a traditional showroom in Singapore, with the opening of its new – and only – retail location here on Wednesday (Jan 24).

Open to the public from Jan 25, the new two-storey Porsche Studio Singapore at Guoco Midtown can display only five cars, fewer than a typical showroom.

Instead, much of its floor space of 8,500 square feet is given over to a fashion and accessories boutique, cafe, library, and open spaces that can host other lifestyle or brand exhibits.

"We can run yoga sessions, we can run fashion shows, we can do a lot... and really build a space for like-minded individuals who want to indulge in the brand and interact with it," Andre Brand, the general manager of Porsche Singapore, told *The Business Times* (BT).

There are about 20 such studios around the world, operating alongside traditional showrooms – but Singapore is the only market without the latter.

Brand said that Singapore's status as a "small but important" market meant that it made more sense to have a single location with both functions.

Porsche Singapore declined to comment on the cost of Porsche Studio Singapore. It will be the permanent home for the brand, replacing a temporary retail location at Guoco Tower which opened in December 2022 and has now closed.

Porsche characterises the stu-



The Porsche Studio Singapore, located at Guoco Midtown on Beach Road, will be the German luxury carmaker's only retail outlet here.  
PHOTO: PORSCHE SINGAPORE

dio concept as focusing on brand immersion and creating a community, rather than sales.

To attend to customers, there are six sales consultants, but also five brand experts and two guest experience representatives.

The studio still incorporates traditional showroom functions, such as a digital display where customers can customise and visualise their cars. They can eventually pick up their cars from two delivery bays at Porsche Singapore's office nearby.

The Singapore studio can also

serve as a "retail laboratory" to inform Porsche's approach in other markets, said Brand.

"We can use it as a lighthouse, or blueprint...to see what we can roll out throughout the whole Asia-Pacific region and potentially globally as well," he added.

Singapore is the only market where Porsche has full control of its official car sales, as Porsche itself is the sole authorised dealer here.

Porsche began running its own retail business in Singapore in January 2023. For this purpose, it

formed a joint venture – Porsche Singapore – with the Eurokars Group, which was its authorised dealer since 1985. BT understands that Porsche is responsible for customer-facing retail aspects, while Eurokars is responsible for after-sales and service.

Porsche also has its own car dealerships in other markets, such as Australia, China, Germany and the United Kingdom, but these compete with traditional franchise dealerships, unlike in Singapore.

Say Kwee Neng, a car industry consultant and ex-managing direc-

tor of multiple luxury dealerships, said that competitors will be closely watching Porsche's takeover of direct retail operations.

"In many ways, Porsche is a trailblazer, taking on what other luxury and super luxury brands have long threatened to do in Singapore, but are loath to do – take back control from the operations of a successful distributor," he noted.

Such a move is challenging as distribution and retail are inherently expensive, requiring significant investments in people, processes and technology with a long

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Andre Brand, the general manager of Porsche Singapore

payback period, he added.

The investment in the Studio will "elevate what is already a desirable brand", but Porsche's bigger problem is combating parallel imports, Say said.

Porsche's authorised distributor sales dropped to 448 in 2023, from "around 600" in 2022. Porsche ascribed this to the bump in luxury car taxes in May 2023, as well as record-high Certificate of Entitlement prices and supply chain disruptions affecting deliveries.

In the first 11 months of 2023, parallel imports made up 26.7 per cent or 138 of the 516 Porsches registered in Singapore.

Say said that the venture's success will ultimately be determined by factors such as lower prices, used car trade-in values and stock availability, which are the "nitty gritty details involved in making a Porsche owner feel loved and cared for".