

# VinFast's Core Differentiator Lies Beyond the Vehicle in India's EV Race

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The upstart EV maker VinFast recently unveiled its electric vehicle factory in Thoothukudi, Tamil Nadu, backed by a \$500 million initial investment and aiming to produce 50,000 units per year in the first phase. This move isn't a tentative market trial. Instead, VinFast is digging roots deep into India's automotive landscape, blending manufacturing with nationwide dealer and service networks, charging infrastructure, and battery recycling initiatives. In a market where product launches often draw the spotlight, VinFast is placing equal emphasis on customer care and lasting relationships.



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Indias car market ranks third globally, dominated by a small handful of manufacturers. Over a dozen brands compete fiercely, yet some experts predict only half might survive the coming shake-out. Newcomers may feel compelled to compete for immediate sales through discounts and aggressive advertising. However, this focus can come at the expense of long-term service.

According to Capgemini's 2024 automotive snapshot, more than half of global car buyers are uncertain about their brand loyalty, with poor after-sales experiences being a key reason for considering a switch. Indian consumers, in particular, want reassurance that a brand will be there in the future to honor its commitments, not just present today to close a sale.

OEM departures in the past have deepened buyer caution in India. Car owners have faced difficulties obtaining spare

parts or finding skilled technicians after brands exited the market. This has taught Indian consumers to carefully consider a manufacturer's long-term reliability and support before making a purchase. In India, after-sales service quality now outweighs even attractive pricing offers, making it critical to brand loyalty.

Surveys back this up. FADA's 2024 Customer Experience Index assigns 50% weight to after-sales service-compared to 25% each for sales and product. J.D. Power found that service initiation, vehicle pick-up, and service quality together account for nearly 75% of overall customer satisfaction. These highlight a clear trend: for Indian buyers, past service experiences matter more than ads when choosing their next vehicles.

Recognizing these concerns, VinFast is taking a different approach by developing a comprehensive network that includes production, retail, and after-sales support. The Tamil Nadu plant is central to this vision. The factory could produce 50,000 units annually in the first phase, with the potential to triple that output if market demand increases, making it a major source of employment and economic growth for the region.

But VinFast's broader ecosystem is what truly sets it apart. The company has secured partnerships with multiple major dealer groups to roll out 32 dealerships across 27 cities, ensuring extensive sales, service, and spare parts availability. In 2025 alone, VinFast plans to have 35 fully operational dealerships.

In a key move, VinFast also works with partners like myTVS to establish 120 dedicated service centers nationwide, ensuring certified technicians, rapid diagnostics, and guaranteed availability of authentic spare parts. This workshop network will reflect the 24/7 service model that VinFast successfully implemented in Vietnam and elsewhere, emphasizing convenience through app-based appointments and a dedicated toll-free

support line.

Charging infrastructure is another crucial part of VinFast's ecosystem strategy. By teaming up with RoadGrid, VinFast is tackling "range anxiety," offering drivers comprehensive aftersales charging solutions. Additionally, a collaboration with BatX Energies ensures responsible battery recycling, creating a sustainable loop for electric vehicle batteries from initial use to eventual reuse.

This holistic approach makes sense, considering India's rapid electric car adoption. In 2024, India sold nearly 100,000 EVs, a 20% increase from the previous year, while total light vehicle sales reached 4.9 million. Despite the slowest passenger car sales growth in four years at just 4%, EV demand remained strong, highlighting growing consumer interest in electric mobility. However, the limited number of public charging stations, currently only 29,277 as of July 2025 according to the Ministry of Power (MoP), highlights the need for a coordinated, manufacturer-supported charging infrastructure.

Ultimately, VinFast's investment in India hinges on trust, not initial excitement or promotional tactics. Its integrated approach to production, sales, and after-sales service positions it uniquely in a crowded marketplace. VinFast's effort in building a robust, self-contained automotive community marks a strategy that could secure long-term customer loyalty, proving that true success in India's EV market will belong to those who genuinely care for them afterward.

