

Why the X Type Jaguar Failed

By Eric West

The X Type Jaguar was made from 2000 until 2009, and although it is the Jaguar built in the greatest numbers, it is almost certainly the least loved car that the company ever produced.

The reasons for this stem from an unfortunate lack of understanding of Jaguar's heritage and brand value and a total lack of understanding of the market that Jaguar's masters at The Ford Motor Company were trying to sell into.



Ford acquired Jaguar in 1999 after a prolonged minor association with the company since the mid-1980s. Ford were anxious to acquire prestige brands in order to expand their global reach and to tap into markets for which they had no current offering. They bundled Jaguar, Aston Martin and Volvo into their "Prestige Automotive Group" but across the board they failed to realise that you cannot build high quality for low cost and all of those brands suffered accordingly.

Initially this was a good shot in the arm for Jaguar. Ford bought new manufacturing techniques, upgraded facilities and investment cash, allowing Jaguar to, for instance, put the money into the XJ40 which it had never really had, and come up with the X300 series.

The first new car under Ford ownership was the S Type, which, despite its 'love me or hate me' looks was a very fine car indeed and sold in what were, for Jaguar, large numbers.

However, it was the number of cars that Jaguar was selling, (which by American standards was a very low number), that was the driving concern of Ford.

Jaguar had been, by tradition, a niche, upper-level luxury brand, which had never sold in large numbers, but had a loyal customer base of high-net-worth customers. It was just a step below the likes of Rolls Royce or Bentley in terms of public brand perception.

They had not offered anything in the compact car area since the Mark 2 of the late 1950s and early 60s.

Ford therefore decided that they needed a vehicle which could compete with the likes of the BMW 3 series, the Mercedes C Class, or the Audi A4. Hence, the genesis of the X400, or X Type Jaguar.

Now, on paper and properly executed, this was a good idea. BMW and Mercedes were both well represented in the luxury class, in which they competed with the X300 and the S Type, but also sold large numbers of their lower tier models very profitably.

Based on this philosophy, Jaguar's bosses confidently predicted that they could sell 100,000 units per year. In this they were very over-optimistic, as even the BMW 3 Series had struggled to achieve such numbers in the same model years.

But Ford then made several bad marketing mistakes.

The first was that they let it be widely known that they were going to produce a more widely accessible Jaguar. They totally missed the value of the brand in as much as their current clientele had purchased their cars based on its exclusivity. The idea that a middle manager, or, heaven forbid, a Sales Rep, should drive a Jaguar was not seen favourably at all!

Secondly, they announced that the vehicle would be built on an existing Ford floor pan, and to make it worse, it would be the floor pan of the archetypal "Rep Mobile" the Ford Mondeo!

Now, there were some sound and sensible reasons for doing that. The floor pan was well tried and tested, it had been crash-tested and certified, that work would therefore not need to be done again with a new floor. Not only that, but it was, in fact, a very good basis for the new car, (and indeed its vestigial remains are with Jaguar to this day, in the floor pan of the modern XE Jaguar).

Of course, this is not an uncommon practice among carmakers. The Audi A3 is built on the Golf platform and the A4 is an upgraded VW Passat. But the public perception of the Golf and Passat is that they are premium products built to a standard, not so much a price, so finding a Golf part in your A4 was acceptable.

But finding that your Jaguar is just a re-bodied Ford did not have the same level of customer appeal!

Now of course, this perception was completely wrong, the floor pan, suspension and braking were so heavily modified by Jaguar that they are totally unlike any Mondeo ever! However, once the misperception had been planted, no amount of denial was ever going to remove it.

The next marketing mistake was in the choice of engine. The floor pan they were using was, of course, primarily a front wheel drive unit and Ford had the very engines, in the form of their 2.5 and 3.0 litre Eurotech V6s, which would simply drop into place.



The objection to an FWD Jaguar was solved by installing an all-wheel drive system, with a 40/60 rear bias which, while it did not satisfy the purists, produced a wonderfully well handling car.



And it should not be thought that the engine which ended up in the car was really a Ford. It may have started that way, but most of the components, such as the forged crankshaft, pistons, heads, valve-trains, inlets and exhausts were all Jaguar. They went further, with chain driven cams, variable valve timing and sequential fuel injection.

So thoroughly was the car re-engineered, that by the time the X Type hit the road, only 19% of parts had any commonality with Ford at all, and most of these were “under the skin” parts, such as window lift motors, HVAC components and relays.

But the public still saw the car only as a “Mondeo with her pretty dress on” and a hefty price tag.

Worse still, Ford had totally failed to understand that sales success for a compact size car in Europe relied entirely on conquering the “Fleet Market”, and while BMW, VW, Audi and Mercedes had luxury models of their compact cars, such as M3 Beemers, and AMG Mercedes, they also had, “stripped to the bone” fleet cars such the Mercedes 190 and the BMW 318.

Fleet Managers saw fleet cars as 4-cylinder eco-boxes, and preferably diesels, neither of which Jaguar offered.

V6 cars were seen as premium vehicles and while upper-level middle managers might qualify for one, fleet buyers already had favourable relationships with their main fleet suppliers, so upper-level vehicles could be bought on favourable terms from their traditional brands.

The other issue is that many companies had had experience with Eurotech engined Fords, in other Ford vehicles such as the Transit Van, and they were reputed to drink like a sailor on shore leave, and they do!

So, Ford had either failed to properly research their market, or chosen to ignore it. The X Type totally failed to gain the fleet buyers.

It took a long time for Ford to react to the market, the car never got the 4-cylinder petrol engine it needed and only received a Ford sourced 2.2 litre, 4-cylinder diesel in 2005.

They had added an “entry-level” 2.1 litre, front-wheel-drive only, version from 2002, but again it was a V6 and did little to improve on the fuel economy. It remains a thirsty beast around town, although its open road consumption is acceptable.

The car never looked like meeting the target of 100,000 units per year, its best year ever was 2003, when it sold 50,000 units, but over the whole production life of just over eight years, only 355,227 cars were made, in three series.

Essentially, the X Type was a car without a market. It did not meet the requirements of the fleet buyers and those people who aspired to Jaguar ownership mostly wanted one of the sports cars or an XJ or S Type.

Those who wanted a cheaper car would probably have better chosen the cheaper Mondeo itself or the well made and highly reliable Japanese 2 litre saloons, such as the Corona or Bluebird.

The car could not survive on private buyers alone and the X Type lost money at an alarming rate.

On average ***each single X Type Jaguar ever made created a loss for Jaguar of \$8500.00***

But was the X Type a “real” Jaguar and is it even a good car?

The answer to both those questions is a resounding YES!

Very little of the engineering in the car is Ford, and, not to put to fine a point on it, there is nothing much wrong with the quality of a Mondeo anyway, it just isn't a Jaguar, and that is simply a philosophical matter.

The car drives like a Jaguar, steers, brakes and rides like a Jaguar and the body shell is timeless, evoking memories of many fine cars from the past. Two decades after it was designed it does not look unduly dated.

It is a comparatively powerful car, even the 2.1 litre version is no slouch, and the cabin is a very nice place to be, with a good sound system, auto air conditioning, cruise control, memory seats and fine leather and wood veneers.

The contemporary reviews of the car show that it was considered a fine car in its day and there are still very good reasons to buy one.

So, why would you buy one? The basic reason today is that it is a huge amount of car for the money.

It is hard to think of any other car which offers such comfort, performance, safety, and class for the current asking price of an X Type.

While, because they are cheap, there are plenty of rough ones about, a diligent search will turn up good late Series 2 and Series 3 cars at very affordable prices.

Don't expect it to hold its value, it is not a car to purchase to make a quick buck out of, but if you can appreciate what you are buying for the very good car it is, it is a car worth enjoying and holding on to.

It has taken a while to find its market, (sorry people, this ex-Sales Rep really enjoys driving his), but as a low-cost entry to the world of Jaguar, and the social scene which surrounds it in the BOP, it can't be beaten!

Eric