

## Car Purchasing Process - US - April 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



Over 55 million new and used vehicles were sold in 2015 and many consumers are still eager to buy in the coming year. Yet the landscape is shifting, and the consumer attitudes that led to strong sales over the past five years are unlikely to be repeated. Two main market drivers, pent-up demand/vehicle replacement and desire for fuel efficiency, are less important to consumers in the current market.

### This report looks at the following areas:

- Car sales continue strength and reach prerecession levels
- Replacement of old vehicle drives demand but trend is waning
- Falling gas prices alter car buying demands

Readers of this Report will learn how consumers view the car purchasing process and the major factors that influence their decisions to buy a car. New opportunities and marketing strategies are covered with a focus on consumer attitudes and potential for new demand. Attitudes based on demographics are explored in detail to show how marketers might best position services to specific segments of the market.

BUY THIS  
REPORT NOW

VISIT:  
[store.mintel.com](http://store.mintel.com)

CALL:  
EMEA  
+44 (0) 20 7606 4533

Brazil  
0800 095 9094

Americas  
+1 (312) 943 5250

China  
+86 (21) 6032 7300

APAC  
+61 (0) 2 8284 8100

EMAIL:  
[reports@mintel.com](mailto:reports@mintel.com)

### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

# Car Purchasing Process - US - April 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### Overview

What you need to know

Definition

### Executive Summary

The issues

Car sales continue strength and reach prerecession levels

Figure 1: Total US sales and fan chart forecast of market, at current prices, 2010-20

Replacement of old vehicle drives demand but trend is waning

Figure 2: Average age of passenger cars and light trucks, 2002-15

Falling gas prices alter car buying demands

Figure 3: All grades all formulations retail gasoline prices, dollars per gallon, 2000-16

The opportunities

Over one third plan to purchase soon

Figure 4: Future purchasing plans, all, December 2016

Technology shaping new demand for vehicles

Figure 5: Purchase reasons, all, December 2014 versus 2015

Large vehicles making a strong comeback

Figure 6: Dodge Ram online ad, 2015

Figure 7: Type of vehicle for next purchase, by age, December 2014 versus December 2015

What it means

### The Market – What You Need to Know

Car sales remain strong and reaching prerecession levels

Used cars command higher share of market

Vehicle age remains at record high, with possible signs of reversing

Ongoing economic strength bodes well for car sales

Falling gas prices shifts landscape

Technology playing key role in the car buying process

Vehicle financing rates incredibly low, for now

### Market Size and Forecast

Car sales remain strong and reaching prerecession levels

Figure 8: Total US unit sales of new and used light vehicles, 2010-15

New cars drive growth while used car sales are flat

Figure 9: Total US unit sales of new and used light vehicles, by segment, 2010 and 2015

Used cars command higher share of market despite new car expansion

Figure 10: Total US unit sales of new and used light vehicles, by segment, 2010 (inner ring) versus 2015 (outer ring)

Market will conservatively grow in the upcoming years

**BUY THIS  
REPORT NOW**

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

# Car Purchasing Process - US - April 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 11: Total US sales and fan chart forecast of market, at current prices, 2010-20

Fan chart forecast methodology

## Market Factors

Vehicle age remains at record high with possible signs of reversing

Figure 12: Average age of passenger cars and light trucks, 2002-14

Ongoing economic strength bodes well for car sales

Figure 13: Personal income, 2002-15

Falling gas prices alter car buying demands

Figure 14: All grades all formulations retail gasoline prices, dollars per gallon, 2000-16

Technology playing key role in research and soon will in purchasing process

Vehicle financing rates incredibly low, for now

Figure 15: Effective federal funds rate, 1990-2015

## Key Players – What You Need to Know

Technology shaping demand and buying process

Hybrids face challenge as gas prices plummet

Online services will streamline process

## What's Working?

Technology shaping demand and buying process

Figure 16: Purchase reasons, all, December 2014 versus 2015

Technology raises consumer confidence during buying process

Figure 17: TrueCar online ad, 2015

## What's Struggling?

Hybrids face challenge as gas prices plummet

Figure 18: US unit sales and forecast of hybrid and plug-in vehicles, 2010-20

Figure 19: Tesla email ad, 2015

## What's Next?

Online services could streamline car buying process

## The Consumer – What You Need to Know

Over one third plan to purchase very soon

Many seek a vehicle with new and better technology

Consumers waiting until vehicles break down

In-person element remains crucial in car purchasing process

Women now more involved in car buying process

Large vehicles making a strong comeback

## Future Purchasing Plans

Over one third plan to purchase very soon

Figure 20: Future purchasing plans, all, December 2016

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

## Car Purchasing Process - US - April 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

### Men more likely to be planning near-term purchase

Figure 21: Future purchasing plans, by gender, December 2016

### Younger, more affluent consumers are near-term buyers

Figure 22: Future purchasing plans, by age and household income, December 2016

### Parents are in the market for a car

Figure 23: Future purchasing plans, by presence of children, December 2016

### Hispanics most likely to purchase in next year

Figure 24: Future purchasing plans, by race/Hispanic origin, December 2016

## Purchase Reasons

### Many seek a vehicle with new and better technology

Figure 25: Purchase reasons, all, December 2014 versus 2015

### Near-term buyers want additional car, new financing

Figure 26: Purchase reasons, plan on buying a car in next three years, December 2015

### Technology critical for younger male consumers

Figure 27: Purchase reasons, by gender and age, December 2015

### Desire for technology increases with income

Figure 28: Purchase reasons, by household income, December 2015

### Hispanics buying because they need additional vehicle and financing

Figure 29: Purchase reasons, by race/Hispanic origin, December 2015

## Reasons for not Purchasing

### Consumers waiting until vehicles break down

Figure 30: Reasons for not purchasing, all, December 2014 versus December 2015

### Those aged 45-54 driving older cars, waiting to buy

Figure 31: Reasons for not purchasing, by age, December 2015

### Opportunity for leasing to Black consumers

Figure 32: Reasons for not purchasing, by race/Hispanic origin, December 2015

## Car Purchase Research

### In-person element remains crucial in car purchasing process

Figure 33: Car purchase research, all, December 2015

### Opportunity to make test-driving more friendly for joint buyers

Figure 34: Car purchase research, all, December 2015

### Opportunity to make young women feel more comfortable in-person

Figure 35: Car purchase research, by gender and age, December 2015

### Professional car reviews attractive to affluent buyers

Figure 36: Car purchase research, by household income, December 2015

### Opportunity for more test-driving among multiculturals

Figure 37: Car purchase research, by race/Hispanic origin, December 2015

## Purchase Responsibility

BUY THIS  
REPORT NOW

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)

# Car Purchasing Process - US - April 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Many consumers buy independently

Figure 38: Purchase responsibility, all, December 2015

## Women now more involved in car buying process

Figure 39: Purchase responsibility, by gender, December 2015

## Car buying can represent independence for Millennials

Figure 40: Purchase responsibility, by generation, December 2015

## Parents, surprisingly, buy independently

Figure 41: Purchase responsibility, by generation, December 2015

## Blacks more likely to be buying independently

Figure 42: Purchase responsibility, by race/Hispanic origin, December 2015

## Type of Vehicle for Next Purchase

### SUV/Crossover most popular vehicle

Figure 43: Dodge online ad, 2016

Figure 44: Toyota print ad, 2016

Figure 45: Chevrolet online ad, 2016

Figure 46: Type of vehicle for next purchase, all, December 2015

### Large vehicles making a strong comeback

Figure 47: Type of vehicle for next purchase, by age, December 2014 versus December 2015

### Income plays a significant role in choice of vehicle type

Figure 48: Type of vehicle for next purchase, by household income, December 2015

### Majority of Blacks purchase midsize/large cars

Figure 49: Type of vehicle for next purchase, by race Hispanic/origin, December 2015

## Appendix – Data Sources and Abbreviations

Data sources

Sales data

Fan chart forecast

Consumer survey data

Direct marketing creative

Abbreviations and terms

Abbreviations

Terms

**BUY THIS  
REPORT NOW**

VISIT: [store.mintel.com](http://store.mintel.com)

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: [reports@mintel.com](mailto:reports@mintel.com)