

Purchasing of New and Second-hand Cars (The) - UK - October 2009

Report Price: £1500 / \$3000 / €2250



What is this report about?

With the car market becoming more competitive as new brands enter the market from Asia and younger brands begin to take market share from the more established brands, car manufacturers are looking at the purchase process and how they can influence a car buyer's choice of car brands throughout the process.

What have we found out?

- Whereas sales of new cars have fallen by 14% in 2009 from 2.13m to 1.83m, sales of hybrid and electric cars actually increased by 25% from 16,000 to 20,000 cars. Despite the market downturn, 4,000 car buyers have taken advantage of the £2,000 scrappage allowance to buy higher priced hybrid, electric or other alternatively fuelled cars.
- Even though the financial crisis and the recession has caused new and used car sales combined to fall by 11%, almost one-third of all adults surveyed online say they intend to buy a new or used car over the next twelve months.
- Twenty-five percent of potential car buyers intend to spend between £7-10,000: 12% of potential used car buyers intend spending £7-10,000 against 13% of potential new car buyers. The extension of the £2,000 scrappage scheme to another 100,000 cars provides an opportunity for car manufacturers and new car dealers to persuade those intending to buy a used car to buy new.
- More affluent social groups are forecast to rise by between 5-7% by 2014. Amounting to almost 2.8m people, these groups (ABs and C1s) are the principal target market for new car sales: a sizeable opportunity for new car suppliers as the economy emerges from recession.
- Car manufacturers and dealers have the opportunity to influence the brand purchase decision of almost 80% of all potential car buyers. Just over 20% of future car buyers know with some certainty which make and model they are likely to buy next; just over half have a few makes and models in mind. Slightly under one-quarter have no idea which make and model they will buy.
- For forty percent of car buyers, the purchase of their next car will largely be an emotional decision where price will be less of a factor.

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