

The Car Purchasing Process - UK - April 2016

Report Price: £1750.00 | \$2834.04 | €2223.04

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"Car sales reached a new high of 9.93 million units in 2015 helped by a strong economy, low interest rates and the actions of manufacturers and retailers to encourage purchases. Looking ahead, although the market is showing signs of stability there remains considerable interest in purchasing a car."

– Neil Mason, Head of Retail Research

This report looks at the following areas:

- Growth in car sales slows after recent strong increases
- Alternative-fuelled vehicles finally achieving breakthrough
- Variable interest in in-car technology

Sales of new and used cars are at an all-time high. They are estimated to have reached 9.93 million units in 2015 which represents a 15% increase on sales in 2010 and a 2.7% increase on 2014. Used cars dominate the market with sales of 7.3 million units in 2015. New cars are a smaller, albeit more lucrative, segment of the market. Sales of new vehicles amounted to 2.63 million units in 2015 or 26.5% of the total market.

The UK car market supports a wider variety of manufacturers and brands. Buyer preferences currently favour smaller cars with those in the mini/supermini segment accounting for an estimated 38.9% of new car sales in 2015. Illustrating the fluidity of the market, recent demand has boosted interest in dual and multipurpose vehicles. This segment took an estimated 19.2% of new car sales in 2015 with this representing an increase of 5.4 percentage points on their share of sales in 2010.

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DID YOU KNOW?

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

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Table of Contents

Overview

What you need to know
Products covered in this Report

Executive Summary

The market
UK car purchases drive sales towards 10 million units per annum
Figure 1: UK new car sales, by volume, 2010-20

Used car sales dominate the market
Figure 2: New and used car market volumes, 2010-15

Franchised dealers account for nearly half of all purchases
Figure 3: Sales of new and used cars, by channel, 2015

Companies and brands
Ford and Vauxhall remain the most popular brands in the new car market
Dealers and manufacturers look to reduce costs
Investment in advertising and promotion is growing
Figure 4: Recorded above-the-line, online display and direct mail total advertising expenditure by UK car dealers, 2011-15

The consumer
Two thirds of adults own a car
Figure 5: Car ownership, February 2016

Majority of cars in ownership are over two years old
Figure 6: Statements about car ownership, February 2016

Main dealers account for around half of sales
Figure 7: Where was last car purchased, February 2016

Just over half of adults plan to purchase a car in the next three years
Figure 8: Intention of purchasing a car/s in the next three years, February 2016

Brake assistance/collision avoidance is most widely sought technical option
Figure 9: Interest in driver assistance technology, February 2016

Hybrid and electric power are more than just niche technologies
Figure 10: Preferences for fuel types, February 2016

What we think

Issues and Insights

Growth in car sales slows after recent strong increases
The facts
The implications
Alternative-fuelled vehicles finally achieving breakthrough
The facts

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The implications

Variable interest in in-car technology

The facts

The implications

The Market – What You Need to Know

Car purchases approach 10 million units a year

Low rates of finance increase affordability of car ownership

Falling costs of car ownership also assisting market

Used car sales dominate the market

Buyers opt towards purchasing smaller cars

Recent strong demand for new car sales boosts profile of franchised dealers

Market Size and Forecast

Growth in sales results in market reaching all-time high

Figure 11: Best- and worst-case forecasts for UK new and used sales, 2010-20

Figure 12: UK new and used sales, 2010-20

Forecast methodology

Market Segmentation

Used sales account for nearly three quarters of purchases

Figure 13: New and used car market volumes, 2010-15

Private sales are especially buoyant within the new car market

Figure 14: UK new registrations of motor vehicles, 2010-15

Smaller cars dominate new car purchases...

Figure 15: New car registrations, by broad segment (share), 2010-15

...boosted by demand from private buyers

Figure 16: Share of vehicle types amongst private purchasers, 2011-15

Dealers account for the majority of used car sales

Figure 17: UK used sales of motor vehicles, by seller, 2010-15

Petrol vehicles account for a declining share of new and used sales

Figure 18: Sales of new and used cars, by fuel type, 2010-15

Channels to Market

Franchised dealers dominate the overall market

Figure 19: Sales of new and used cars, by channel, 2013-15

Franchised dealer network showing signs of stability

Figure 20: Number of UK franchised dealer outlets, 2000-16

Most major manufacturers have rationalised their site portfolio

Figure 21: Top 10 dealers, by brand, 2010-16

Major names dominate the sector

Figure 22: Top 10 main dealership groups in the UK, by turnover, 2014

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Independent sector dominated by car supermarkets

Figure 23: Top 10 independent dealership groups in the UK, by turnover and unit sales, 2014

The internet fails to develop as a mainstream sales channel

Market Drivers

Improvements in consumer confidence evident

Figure 24: Mintel's wellbeing index, February 2009-November 2015

Cost of finance continues to fall

Figure 25: Monthly percentage values of selected interest rates, January 2008-February 2015

Falling inflation likely to be proving helpful

Figure 26: Annual change in CPI, 2005-15

Net lending for car purchases continues to increase

Figure 27: Value of advances (£mn) on sales of all cars bought on finance by consumers through dealerships, 2011-15

Used car prices tumble...

Figure 28: Price indices of new and used cars, 2004-15

...as does that of fuel

Figure 29: Typical retail prices of petroleum products in the UK, January 2013-November 2015

Number of larger households increases steadily

Figure 30: Changes in single and multi-person households, 2006-15

Car rental continues as a direct alternative to purchasing...

Figure 31: Number of rentals, 2010-15

...as well as new methods based on pay-as-you-go access

Figure 32: Car club vehicle and membership growth, June 2008-November 2015

Key Players – What You Need to Know

Major manufacturers lose out to smaller rivals

Smaller models are proving popular

Variety of strategies and tactics adopted by sellers

Efforts to encourage sales focus on the innovative

Advertising and promotional support is increasing

Market Share

A dynamic market where many established manufacturers have lost out

Ford and Vauxhall slump and now account for just under a quarter of sales

German manufacturers are amongst the more successful of other companies in the market...

...as are a new wave of Asian imports

Many established companies are suffering from a fall in market share

Some manufacturers benefit from a turnaround in sales

Figure 33: Manufacturer shares of new car registrations, 2009-15

Buyers are more likely to purchase smaller cars

Figure 34: Top 10 car models, 2015

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Competitive Strategies

- Market innovations
- Use of promotions
- Partnerships to extend market reach
- Acquisition strategies
- Increasing physical presence in the market

Launch Activity and Innovation

- 3D car configurator brings the car buying experience to life
- Augmented reality dealership showrooms
- App to encourage customers through the buying process
- BMW makes buying a car online easier and more convenient
- Drive Motors makes it possible for any car dealer to sell online
- Web-based peer-to-peer marketplace for buying and selling used cars
- Fixed-cost motoring package for teenage drivers
- 60-minute dealership experience
- Beacon technology
- Car vending machine

Figure 35: Carvana automated, coin-operated car vending machine, Tennessee, US

Advertising and Marketing Activity

Figure 36: Recorded above-the-line, online display and direct mail total advertising expenditure by UK car dealers, 2011-15

Biggest car dealer advertisers

Figure 37: Leading UK car dealers: Recorded above-the-line, online display and direct mail total advertising expenditure, 2011-15

Radio and TV dominate

Figure 38: UK car dealers: Recorded above-the-line, online display and direct mail total advertising expenditure, by media type, 2011-15

Nielsen Ad Intel coverage

The Consumer – What You Need to Know

- Two thirds of adults own a car
- Certain groups are more likely to have recently purchased a car
- Dealers are the preferred channel for purchasing
- Over half of households likely to buy a car in next three years
- Parking assistance technology is most popular with drivers
- Alternative fuels record sizeable niche interest

Car Ownership

Two thirds of adults own a car

Figure 39: Car ownership, February 2016

Certain adults are more likely than others to own a car

Older cars dominate the market

Figure 40: Statements about car ownership, February 2016

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New cars popular with men

Young adults are more likely to be recent purchasers

Income plays a major factor in choice of vehicle

New cars popular with urban buyers

New car owners are the best prospects are future buyers

Fewer recent purchases accounted for by second-hand cars

Figure 41: Statements about car ownership, 2014 and 2016

Many of those without a car also do not hold a driving licence

Figure 42: Statements about car use by those not owning a car, February 2016

Low earners and women are least likely to drive

Where Last Car Was Purchased

Main dealers dominate the market

Figure 43: Where last car was purchased, February 2016

Wealthier and older adults are more likely to have purchased from dealers

Private sellers popular with young and those on a budget

Other channels have a much broader appeal

Dealers strengthening their presence within the market

Figure 44: Where last car was purchased, 2012-16

Future Car Purchasing

Over half of adults plan to buy a car in the next three years

Figure 45: Intention of purchasing a car/s in the next three years, February 2016

Young adults have strongest purchasing intentions

Household size also impacts purchasing plans

Income also plays its part

Purchase intentions appear to be weakening

Figure 46: Intention of purchasing a car/s in the next three years, 2014-16

Half of those buying in the next three years plan to purchase in the coming 12 months

Figure 47: Timeframe for future car purchase, February 2016

Parents with children have a more immediate desire to purchase

More planned purchases expected in the coming six months

Figure 48: Intention of purchasing a car/s in the next three years, 2014-16

No obvious preference towards buying new or used

Figure 49: Intention of purchasing a car/s in the next three years, by new or second-hand purchase, February 2016

Wealthy and older adults are more likely to be buying new

Second-hand cars have a much broader appeal

Interest in Driver Assistance Technology

Parking assistance proves most popular

Figure 50: Interest in driver assistance technology, February 2016

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Income plays its part in affecting interest

Young drivers favour technology to assist driving...

...while oldest focus on parking and collision avoidance

Urban drivers interested in technology to help their driving

New car owners show strong interest in ways to enhance their driving through new technology

Multiple technical enhancements popular with older and wealthier adults

Preferences for Fuel Types

Interest in other fuel sources is growing

Figure 51: Preferences for fuel types, February 2016

Men are receptive to new fuels

Income plays a major part in generating interest

Few differences amongst urban and rural drivers towards pure electric and plug-in hybrid vehicles

Potential to achieve increased AFV sales amongst undecided purchasers

Rural drivers record strong interest in multiple fuel sources

Appendix – Data Sources, Abbreviations and Supporting Information

Data sources

Exclusions

Market sizing and segment performance

Fan chart forecast

Abbreviations

Consumer research methodology

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