

UK Car Review – UK – February 2020

Report Price: £1995.0 | \$2693.8485 | €2245.173

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

This report looks at the following areas:

- Where next for the car market?
- What future for manufacturers outside of the premium sector?
- Young adults are a key audience for sales

The UK car market continues to disappoint. Both new and used sales are in decline with the recent performance of the new car sector of particular concern for manufacturers. Combined new and used sales were down at 9.95 million units in 2019, to put the market only 3% ahead of its level in 2014. Although forecasts for the period 2019-24 are hopeful, with sales expected to reach 10.75 million units, conditions are set to remain challenging with a better understanding of car buyer demands likely to be critical for those that wish to maximise opportunities.



“The UK car market is passing through a difficult period with combined new and used sales down for a third successive year in 2019. Conditions are not expected to improve in the short-term placing the focus of attention on how best to understand and work with the demands of buyers in both new and used markets.”

– Neil Mason, Retail Category Director

Buy this report now

Visit store.mintel.com

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

Table of Contents

OVERVIEW

- What you need to know
- Products covered in this Report

EXECUTIVE SUMMARY

- **The market**
- **New and used car sales down for a third successive year**
Figure 1: UK new and used car sales, by volume, 2014-24
- **Polarisation evident within the car parc**
Figure 2: Age structure of the UK car parc in years, 2014 and 2018
- **Dual-purpose cars have seen a significant expansion in their share of sales**
Figure 3: New car registrations by category, percentage point change, 2014 and 2018
- **Interest in diesel plummets in favour of petrol and alternative fuels**
Figure 4: Sales of new cars, by fuel type, 2014 and 2019
- **Companies and brands**
- **Buyers shifting from mass-market to premium**
- **Innovations are a key area for manufacturers**
- **Advertising investment is in decline**
- **German premium brands show the strongest differentiation and trust**
Figure 5: Attitudes towards and usage of selected brands, December 2019
- **The consumer**
- **Nearly three quarters of adults now own a car**
Figure 6: Car ownership, November 2019
- **A majority of cars in ownership were purchased from new**
Figure 7: Age of car owned, November 2019
- **61% of non-car owners don't hold a driving licence**
Figure 8: Other access to cars, November 2019
- **Smaller cars are by far the most popular**
Figure 9: Type of car owned, November 2019
- **Commuting is the main use for cars**
Figure 10: Reasons to use a car, November 2019
- **Digital is the most popular channel for information**
Figure 11: Sources of information, November 2019
- **What we think**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

ISSUES AND INSIGHTS

- **Where next for the car market?**
- **The facts**
- **The implications**
- **What future for manufacturers outside of the premium sector?**
- **The facts**
- **The implications**
- **Young adults are a key audience for sales**
- **The facts**
- **The implications**

THE MARKET – WHAT YOU NEED TO KNOW

- **Car sector remains in a weak position**
- **Both new and used markets have seen falls**
- **Over a third of households consist of two or more cars**
- **Franchised dealers continue to strengthen their market presence**
- **Cars are becoming more expensive for owners**

MARKET SIZE AND FORECAST

- **Car sales remain weak with a further fall in sales likely in 2020**
Figure 12: UK new and used car sales, by volume, 2014–24
- **Forecast methodology**

MARKET SEGMENTATION

- **Both new and used markets are in retreat**
Figure 13: New and used car market volumes, 2014–19
- **Trend towards owning older cars is increasing...**
Figure 14: Age structure of the UK car parc in years, 2014–18
- **... as UK car parc expands**
Figure 15: Number of licensed cars (Great Britain), million units, 1998–2018
- **Cars are most likely to be used on trips of more than five miles**
Figure 16: Mode share of trips, by main mode (different trip lengths), England, 2018
- **Growing percentage of households own two or more vehicles**
Figure 17: Percentage of households with car availability, England, 2008–18
- **Car ownership is growing although is lowest in London**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

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

Figure 18: Household car ownership by region (England), 2007/08 and 2017/18

- **Dual/multi-purpose vehicles are becoming more popular with buyers**

Figure 19: New car registrations, by broad segment (volume share), 2013 and 2018

- **Dual-purpose cars increasingly challenge smaller vehicles**

Figure 20: New car registrations by category, 2015-18

- **Alternative fuelled vehicles making progress in the new car sector...**

Figure 21: Sales of new cars by fuel type, 2014-19

- **... although petrol vehicles continue to dominate the wider car parc**

Figure 22: Number of licensed cars (Great Britain), million units, 2014-19

CHANNELS TO MARKET

- **Franchised dealers continue to strengthen market presence**

Figure 23: Sales of new and used cars, by channel, 2014-18

MARKET DRIVERS

- **More men are likely to be car owners**

Figure 24: Full car driving licence holders by age and gender, England, 2018

- **Trips taken are growing but not distance travelled**

Figure 25: Trips, distance travelled and time taken, England, 2008-18

- **Costs of owning a car have risen noticeably since 2017**

Figure 26: Consumer expenditure on car purchasing, servicing and repair and motoring expenses, seasonally adjusted at current prices, 2014-19

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

Figure 27: Do you or someone else in your household plan to buy a car(s) within the next three years, November 2019

- **Around half of buyers will purchase new in the next three years**

Figure 28: Intention of purchasing a car/s in the next three years, by new or used/second-hand purchase, November 2019

- **Restrictions on using a car are growing**

COMPANIES AND BRANDS – WHAT YOU NEED TO KNOW

- **Premium marques are in the ascendance**
- **Innovations focus on safety and comfort**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

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

- **Advertising investment is in decline**
- **Brands occupy distinct positions within the market**

MARKET SHARE

- **Premium marques are in the ascendance**
- **Volume manufacturers suffer with value brands partly to blame**

Figure 29: Manufacturer shares of new car registrations, 2013, 2015, 2017 and 2019

- **New buyers prefer small cars**
- **Used market sees growing presence for premium brands**

Figure 30: Top 10 new car models, 2018 and 2019

Figure 31: Top 10 used car models, 2018 and 2019

LAUNCH ACTIVITY AND INNOVATION

- **Volvo redefines its view of personal mobility**
- **Drive Recorder offers improved video recording**
- **AirBubbl offers enhanced indoor air quality**
- **Subaru Driver Monitoring System**

Figure 32: AirBubbl in-car air cleaner

ADVERTISING AND MARKETING ACTIVITY

- **Advertising investment follows same track as new car sales**

Figure 33: Recorded above-the-line, online display and direct mail total advertising expenditure by car manufacturers, 2015-19

- **Hybrids, electric and alternative vehicles represent an emerging sector**

Figure 34: Recorded above-the-line, online display and direct mail total advertising expenditure, by type of car, 2015-19

- **Most manufacturers have scaled back investment**

Figure 35: Recorded above-the-line, online display and direct mail total advertising expenditure by leading car manufacturers, 2015-19

- **Television is by far the most important channel for advertisers**

Figure 36: Percentage media type split of recorded above-the-line, online display and direct mail total advertising expenditure by car manufacturers, 2015-19

- **Nielsen Ad Intel coverage**

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

BRAND RESEARCH

- **Premium German brands perform well for trust and differentiation**

Figure 37: Attitudes towards and usage of selected brands, December 2019

- **Key brand metrics**

Figure 38: Key metrics for selected brands, December 2019

- **Brand attitudes: Škoda and Kia are seen as offering good value**

Figure 39: Attitudes, by brand, December 2019

- **Brand personality: MINI is positioned as fun while Škoda is viewed as boring**

Figure 40: Brand personality – macro image, December 2019

- **Brand personality: Micro image analysis presents a complex landscape**

Figure 41: Brand personality – micro image, December 2019

THE CONSUMER – WHAT YOU NEED TO KNOW

- **74% of adults own a car**
- **Most cars in ownership were purchased new**
- **Strong link between holding a driving licence and owning a car**
- **Smaller cars are more popular**
- **Commuting is by far the most important use for a car**
- **Digital is the most important channel for information**

CAR OWNERSHIP

- **Nearly three quarters of adults now own a car**
- **Personal wealth is a major factor impacting on car ownership**
- **Car ownership is growing**

Figure 43: Car ownership, 2015–19

AGE OF CAR OWNED

- **A majority of cars in ownership were purchased from new**
- **Wealth strongly favours the recent purchase of a new car**
- **Young adults are more likely to have purchased in the last two years**
- **New cars are popular in London**
- **Men prefer to buy new**
- **Sluggish recent sales of new cars evident in ownership data**

Figure 45: Age of car owned, 2015–19

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

OTHER ACCESS TO CARS

- **Around six out of 10 of non-car owners don't hold a driving licence**

Figure 46: Other access to cars, November 2019

- **Women are more likely to not hold a driving licence**
- **Potential market for car purchasers is significant**

TYPE OF VEHICLE OWNED

- **Smaller cars are preferred**
Figure 47: Type of car owned, November 2019
- **Smaller cars are popular with women**
- **Opportunities exist to exploit young car owners**
- **Wealth favours the ownership of large, luxury and specialist vehicles**
- **New cars purchased recently mirror wider trends towards specific categories**
- **Large cars and SUVs appeal to those with specific demands**
- **SUVs represent the most dynamic segment of the market**

Figure 48: Type of car owned, 2016-19

REASONS TO USE A CAR

- **Commuting is ranked as the main use for a car**
Figure 49: Reasons to use a car, November 2019
- **Young and old have different uses for a car**
- **Rural and urban car owners want different things**
- **New and used owners have different priorities for their cars**
- **Growing interest in SUVs fits with stronger leisure demands**

SOURCES OF INFORMATION

- **Digital dominates when it comes to information on cars**
Figure 50: Sources of information, November 2019
- **Young adults favour a wider range of information sources**
- **City dwellers are likely to rely on less popular channels**
- **Television, digital and printed publications divide the market**
- **Information is important for new car buyers...**
- **... with owners of small and large vehicles likely to use different channels**
- **Repertoire analysis suggests young men favour multiple sources**
- **Television losing out as interest in other media broadens**

Figure 51: Sources of information, 2017-19

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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

APPENDIX – DATA SOURCES, ABBREVIATIONS AND SUPPORTING INFORMATION

- Data sources
- Exclusions
- Market sizing and segment performance
- Abbreviations
- Consumer research methodology

What's included

Executive Summary

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

Did you know?

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

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Buy this report now

Visit store.mintel.com

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



About Mintel

Mintel is the **expert in what consumers want and why**. As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **[mintel.com](https://www.mintel.com)**.