

## Car Finance - UK - June 2019

Report Price: £1995.00 | \$2693.85 | €2245.17

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"The consumer car finance market will continue to expand, with the used car segment driving this growth. The majority of new business will still be generated at the point of sale, via dealers and other retail outlets. However, digital channels will steadily increase their share of the market, albeit from a small base currently."

**- Sarah Hitchcock, Senior Financial Services Analyst**

This report looks at the following areas:

- Pre-approval for credit will drive more deals online
- Growing appetite for greener cars will drive demand for 'green' finance

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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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The facts

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### The Market – What You Need to Know

Consumer car finance market was worth £37 billion in 2018

PCPs represent the majority of finance deals arranged on the forecourt

Used car finance is the main growth driver

The distribution mix is more fragmented in the used car sector

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Strong growth in the personal leasing market  
 Could PCP providers be losing business to leasing firms?  
 Rising motoring costs encourage shift from car ownership to 'usership'

### Regulatory and Legislative Changes

FCA set to intervene to address "excessive" motor finance costs  
 HMRC alters tax treatment of PCPs

### Companies and Brands – What You Need to Know

Finance is supplied by a mix of specialists and captive operations  
 Subsidiaries of two high street banks have expertise in the market  
 Good growth prospects attract new entrants  
 New innovations have been developed to cater for 'usership'  
 A lot of specific product advertising occurs below the line

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 Admiral launches direct-to-consumer car credit proposition  
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 ...and introduces an incentive scheme focusing on customer satisfaction  
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Nielsen Ad Intel coverage

### The Consumer – What You Need to Know

Two in five people obtained their car less than two years ago

Half of all licence holders would like to get a car this year

Many people have experience of acquiring a car on finance

One in four potential borrowers would prefer credit to be pre-approved

60% of prospective car finance users are likely to use a price comparison site to find a deal

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Mintel estimates that there are 38 million car drivers in the UK

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