

## The Car Aftermarket - UK - November 2016

Report Price: £1995.00 | \$3230.80 | €2534.27

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



“Replacement parts are an integral feature of the automotive market. Yet whereas recent years have seen relatively strong growth in the number of cars owned, and indeed new car sales, the value of the car aftermarket has expanded much more slowly.”

– Neil Mason, Head of Retail Research

This report looks at the following areas:

- What will be the impact of rising prices?
- What potential does an ageing car parc offer?
- What will be the impact of further changes to parts distribution

The car aftermarket is an important sector and comprises replacement parts that are purchased by motorists for their vehicles. However, recently the market has seen only modest value growth expanding by only 6% between 2011 and 2015. Although stimulated by the continued expansion in the size of the UK car parc, the market has seen revenues dampened by longer replacement times and the impact of low priced manufacturers in some segments of the market such as tyres. Nevertheless, with price increases following the weakening of Sterling since the middle of 2016, much stronger revenue growth is likely to occur.

**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

# The Car Aftermarket - UK - November 2016

Report Price: £1995.00 | \$3230.80 | €2534.27

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  
Products covered in this Report

### Executive Summary

The market

Revenues set to accelerate as prices rise

Figure 1: Car parts aftermarket, by value, 2011-21

Tyres account for over half of the market

Figure 2: Segmentation of the car parts aftermarket, percentage value, 2011-16 (est)

UK car parc shows polarisation

Figure 3: Age structure of the car parc in years, 2011-15

Independent garages dominate as the main channel for replacement parts

Figure 4: Aftermarket outlets for sales of replacement parts\*, 2016

Companies and brands

Parts aftermarket supports a large number of manufacturers

Figure 5: UK – Replacement tyres: company market share, by volume, 2015

Advertising expenditure shows evidence of recovery

Figure 6: Recorded above-the-line, online display and direct mail total advertising expenditure on aftermarket products, 2012-15

The consumer

Cars purchased used, as opposed to new, dominate the market

Figure 7: Vehicle ownership, September 2016

A significant percentage of cars in ownership are over six years old

Figure 8: Age of car driven, September 2016

Most car owners take responsibility for servicing and maintenance

Figure 9: Responsibility for maintenance and servicing, September 2016

New parts are preferred over part worn or refurbished

Figure 10: Purchase of replacement parts (new, part worn or refurbished), September 2016

Motor retailers are the most important channel for purchasing

Figure 11: Channels used for purchasing, September 2016

Part failure is the main reason for replacement

Figure 12: Reasons behind replacement of car part/s, September 2016

Independent garages and established maintenance practices receive strong support

Figure 13: Statements associated with replacement parts, September 2016

What we think

### Issues and Insights

What we will be the impact of rising prices?

**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)

# The Car Aftermarket - UK - November 2016

Report Price: £1995.00 | \$3230.80 | €2534.27

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

The facts

The implications

What potential does an ageing car parc offer?

The facts

The implications

What will be the impact of further changes to parts distribution

The facts

The implications

## The Market – What You Need to Know

Market value is being boosted by rising prices

Expansion of the UK car parc is a major driver behind growth

An ageing car parc is also stimulating sales

Tyres are the largest segment with the strongest value growth

Budget and all-season tyres seeing increased demand

Improvements in technology boost value for some segments but not others

Number of channels offering replacement parts is in decline

## Market Size and Forecast

Depreciation of Sterling in second half of 2016 negatively impacts on prices

Figure 14: Car aftermarket\*, by value, at current and constant prices, 2011-21

Tyres are the most valuable segment within the market

Figure 15: Segmentation of the car aftermarket, by value, at current prices, 2011-16

Figure 16: Car aftermarket, by value, 2011-21

Forecast methodology

The impact of the EU referendum vote

Expenditure on replacement parts was impacted during the last economic slowdown

Figure 17: Alternative market scenarios for the post-Brexit car aftermarket, at current prices, 2016-21

Figure 18: Detailed post-Brexit scenarios for the car aftermarket, at current prices, 2016-21

Wider demand for vehicles is set to soften after a period of expansion

## Market Segmentation

Tyres start to see recovery in sales value

Figure 19: Tyre sales, by value (at current prices) and volume, 2011-16

Budget tyres dominate although the premium sector is fighting back

Figure 20: Tyre segmentation for replacement car tyres, by volume percentage, 2011-16

Summer tyres dominate despite the challenge from all-season

Figure 21: Winter/all-season tyres, 2011-16

Competition from part-worn tyres

Value sales for other replacement parts also increasing

Figure 22: Segmentation of the other replacement parts market, by value, at current prices, 2011-16

**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)

# The Car Aftermarket - UK - November 2016

Report Price: £1995.00 | \$3230.80 | €2534.27

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

Improvements in technology help boost some products ...  
 ... while efforts to extend life impacts on other categories  
 External factors impact on prices

## Channels to Market

Independent garages dominate the parts aftermarket

Figure 23: Aftermarket outlets for sales of replacement parts \*, 2010-16

Independent garages dominate the market

Forecourt outlets in decline

Franchised dealers benefit from stability

Fast fit network also showing signs of stability

Car accessory shops continue to decline

Motor factor market continues to consolidate

The internet

## Market Drivers

New car sales perform stronger than the used sector

Figure 24: New and used car market registrations, 2011-16

UK car parc surpasses 30 million vehicles

Figure 25: Number of licensed cars (Great Britain), 1995-2015

Second-hand cars benefit from falling prices

Figure 26: Price indices of new and used cars, 2002-14

A car parc that is growing while also ageing

Figure 27: Age structure of the car parc in years, 2011-15

Servicing and repair costs continue to increase

Figure 28: Consumer expenditure on car purchasing, servicing and repair and motoring expenses, seasonally adjusted at current prices, 2011-15

Diesels capture sizeable share of market

Figure 29: New car registrations, by fuel type, 2011-16

Personal mobility is in decline

Figure 30: Trips, distance travelled and time taken (England), 2005-14

Expansion in car sales has little impact on multi-car ownership

Figure 31: Percentage of households with car availability, in England, 2004-14

Tyres are the part most likely to need replacement

Figure 32: Purchase of new, part worn or refurbished replacement parts, September 2016

Lighting and signalling are a key reason for MOT failure

Figure 33: Road vehicle testing scheme (MOT), selected reasons for failure, car tests, 2010/11-2014/15

Regular maintenance is not undertaken by all car owners

Other factors influencing the market

UK population both growing and ageing

Figure 34: Trends in the age structure of the UK population, 2011-21

Brexit is likely to have a mixed impact on 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)

## The Car Aftermarket - UK - November 2016

Report Price: £1995.00 | \$3230.80 | €2534.27

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

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

- Low-cost manufacturers take a growing share of the market
- Improvements and innovations typify the actions of manufacturers
- Advertising expenditure showing signs of increasing

### Market Share

- Tyre sector continues to see growth of low-cost manufacturers
- Nexen leads the replacement tyre market
  - Figure 35: UK – Tyres: company market share, by volume, 2014 and 2015
- 'Other' replacement parts

### Competitive Strategies

- Acquisitions used to broaden market presence
- Partnerships used to raise the profile of brands
- Innovation offers the opportunity to differentiate a product within the market
- Being positioned with the right image can be crucial in raising sales

### Launch Activity and Innovation

- All-terrain tyre
- Award-winning tread-replenishing tyre
- Handheld 3D tread reader device
- Quickco launch e-commerce site giving private customers access to its one million car parts
- Dazzle-free headlights
- Oil change in a box
- New shock absorber that saves fuel and improves ride comfortability

### Advertising and Marketing Activity

- Advertising expenditure rebounds
  - Figure 36: Recorded above-the-line, online display and direct mail total advertising expenditure on aftermarket products, 2012-16
- Tyres see their share of expenditure fall back
  - Figure 37: Recorded above-the-line, online display and direct mail total advertising expenditure on aftermarket products, by category, 2012-16
- Television expenditure up in 2015
  - Figure 38: Recorded above-the-line, online display and direct mail total advertising expenditure on car aftermarket products, by media type, 2012-15
- Michelin and Kwik-Fit up their investment
  - Figure 39: Recorded above-the-line, online display and direct mail total advertising expenditure on passenger tyres, 2012-15
- Peugeot sees a surge in component expenditure
  - Figure 40: Recorded above-the-line, online display and direct mail total advertising expenditure on motor components and parts, 2012-16
- A note on adspend

### The Consumer – What You Need to Know

- Three quarters of adults own a car - three out of ten own a car under three years old
- Majority of car owners take responsibility for maintenance

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)

## The Car Aftermarket - UK - November 2016

Report Price: £1995.00 | \$3230.80 | €2534.27

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

- Tyres are the part that is most likely to be purchased
- New parts are more popular than refurbished or part-worns
- Specialist motor retailers dominate channels used for purchasing
- Failure of a part is the most likely reason for its replacement
- Independent garages receive strong support from car owners

### Vehicle Ownership

- Buying used is more popular than buying new  
Figure 41: Vehicle ownership, September 2016
- New car ownership records strong differences
- Non-car owners are likely to be young women, urbanites and less affluent

### Age of Car

- Newer cars are the most prominent in terms of ownership  
Figure 42: Age of car driven, September 2016
- Young and old exhibit specific preferences for vehicles by age
- Socio economic status has a big impact on age of vehicle
- Ownership of new cars is strengthening  
Figure 43: Age of car driven, 2011-16

### Responsibility for Maintenance and Servicing

- Sole responsibility typifies maintenance and servicing  
Figure 44: Responsibility for maintenance and servicing, September 2016
- Maintenance and servicing prove popular with older males
- Low earners also record a strong interest in responsibility for maintenance and servicing

### Purchase of Replacement Parts

- New parts are more popular than part-worn/refurbished parts  
Figure 45: Purchase of replacement parts, September 2016
- Young adults record preference for refurbished/part worn parts
- Urban, suburban and village car owners have different preferences
- Income – a major factor influencing interest in new parts
- Owners of used and older cars are more likely to replace certain parts
- A market of those purchasing some and those purchasing many

### Channels Used For Purchasing

- Motor retailers are the most important channel for purchasing  
Figure 46: Channels used for purchasing, September 2016
- Old and young car owners have different purchasing preferences
- Urban car owners are happy to look at various channels
- Wealth does not necessarily suggest a reliance on others to buy parts
- Owners of used and older cars prefer to use non-traditional channels

**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)

# The Car Aftermarket - UK - November 2016

Report Price: £1995.00 | \$3230.80 | €2534.27

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

## Reasons Behind Replacement of Car Part/s

- Failure dominates as the reason for parts replacement  
Figure 47: Reasons behind replacement of car part/s, September 2016
- Recommendations are important for women
- Use of media is important in raising awareness of young car owners
- Sharp contrasts in reasons for replacement by income
- New car owners are responsive to product and manufacturer recalls
- Other retailers have a limited role in parts replacement

## Reasons Behind Replacement of Car Part/s - CHAID Analysis

- Methodology
- Less affluent car owners favour use of specialist retailers when purchasing car parts  
Figure 48: Car aftermarket – CHAID – Tree output, September 2016  
Figure 49: Car aftermarket – CHAID – Table output, September 2016

## Statements Associated with Cars and Replacement Parts

- Independent garages have a role in fitting parts  
Figure 50: Statements associated with replacement parts, September 2016
- Older adults look to third parties when buying and fitting parts
- Group A adults want brands but are happy to look at different channels when purchasing
- Owners of younger cars favour involvement of others in parts replacement
- Those buying parts through general retailers think differently to those using specialise retailers

## Appendix – Data Sources, Abbreviations and Supporting Information

- Data sources
- Exclusions
- Abbreviations
- Consumer research methodology

## Appendix – Market Size and Forecast

- Market sizing and segment performance
- Forecast methodology

**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)