Buyer Behaviour Report 2024

Introduction

'What do car buyers want?' – is the question every automotive retailer asks themselves, every day. Every good retailer has an answer, because they know their customers and they have a keen eye for the cars that sell, but those answers are becoming increasingly nuanced.

New technology and powertrains, different ways of buying and brands fresh to the market are just a few of the options facing buyers today. Never has there been so much choice for consumers as to what to buy, where to buy it and how to pay for it.

Navigating the wants and needs of current and future buyers is no mean feat for retailers, so heycar decided to help. We surveyed 2,002 UK car buyers to understand what they think, feel and do when they buy their vehicles.

Each respondent had to meet the following criteria to qualify for the survey:

- They were at least 18 years old with a balanced mixture of genders and ages
- They bought their last car from an automotive retailer or a car supermarket
- Their last car was brand new (this applied to 25% of respondents) or less than eight years old at the time of purchase
- They were the sole or joint decision maker of the purchase

The extensive results included in this report unravel car buyers' thoughts and plans in granular detail, to keep retailers up to speed with what they really think.

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Introduction & Market Insights

In this section we identify how purchase decisions are made within different households, who buys from what type of automotive retailer and how much they are planning to spend.

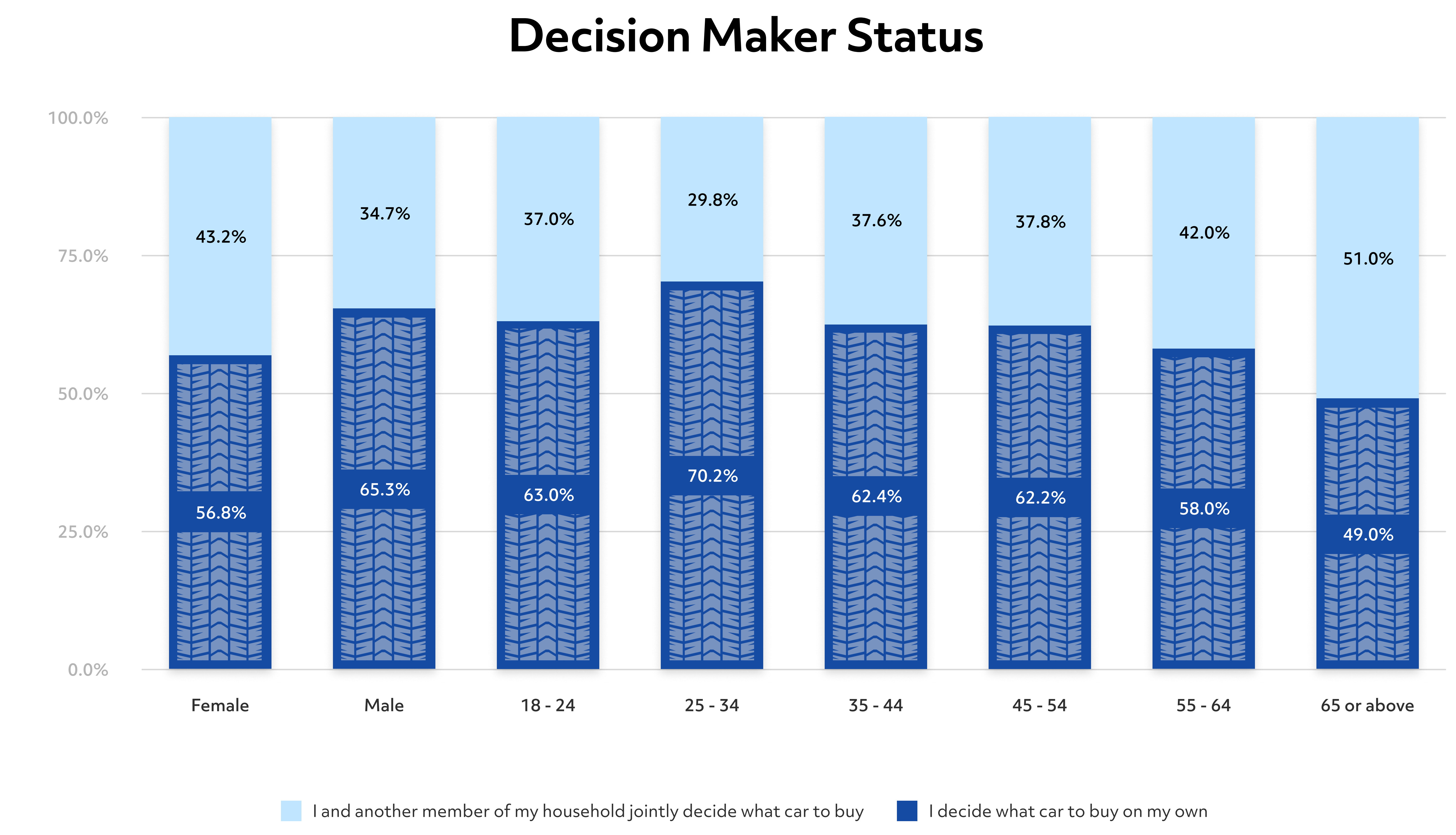
There is a direct relationship between age and the extent of joint decision making

Men are 7% more likely to be solus car decision makers.

Solus decision making is most prevalent amongst 25-34s.

Joint decision making rises with age but does not exceed 1 in 2 car buyers.

Recognising the shifting preferences and decision-making dynamics based on age and gender can help automotive retailers tailor their marketing strategies and customer interactions to better meet the needs and expectations of their target demographics.



Drivers who pay for cars outright expect to pay 20% more for their next car

Compared to women, men spent 23% more on their current car.

They also expect to pay 24% more on their next car.

The gap between brand new and nearly new cars is expected to fall within the next purchase cycle.

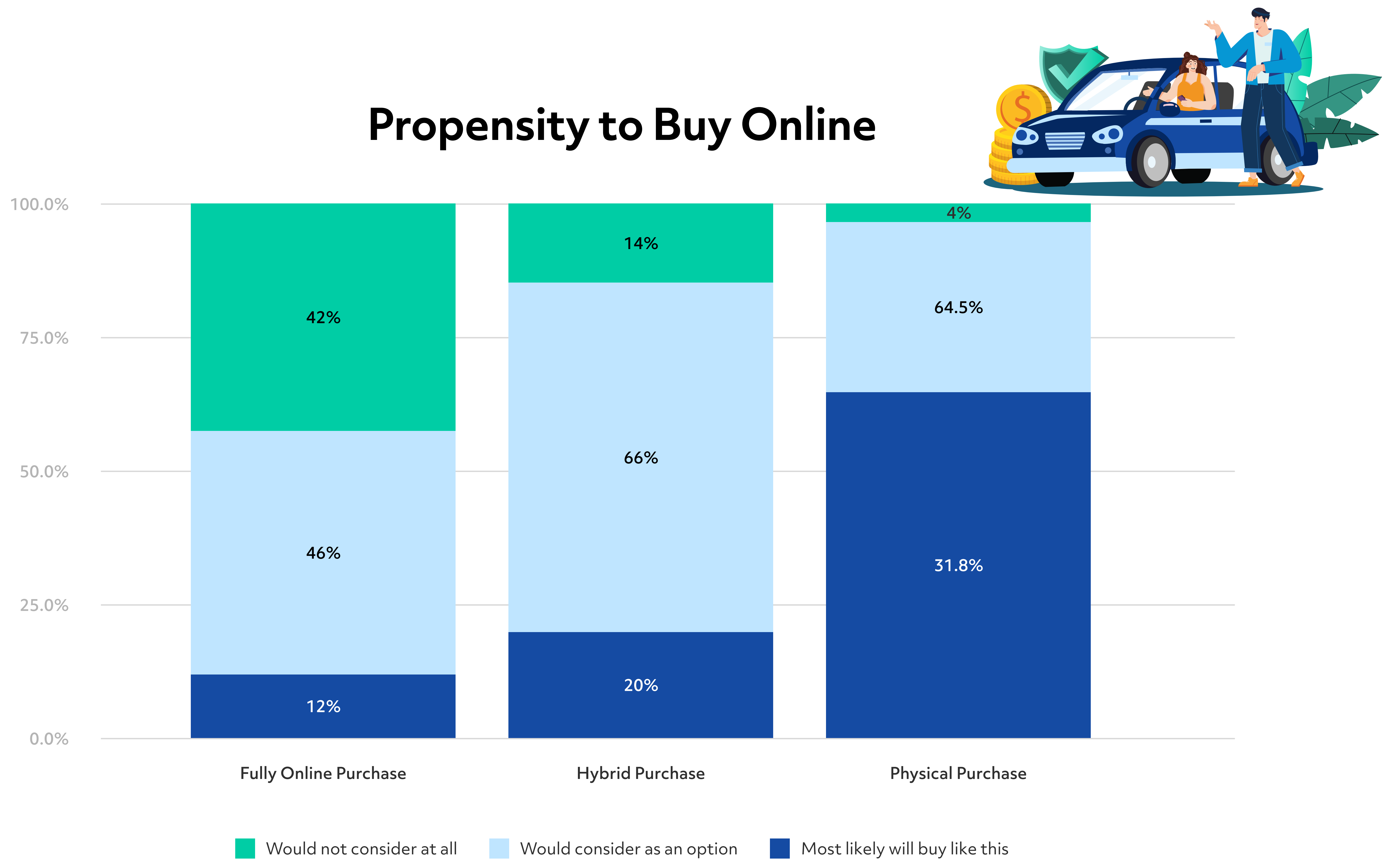
Average Absolute Cost

	Current Car	Next Car	% change
All Car Buyers	£14,997	£17,954	+19.7%
Women	£14,001	£16,065	+14.7%
Men	£15,928	£19,777	+24.2%
Brand new car buyers	£22,960	£25,602	+11.5%
Nearly new car buyers	£16,249	£19,304	+18.8%

Over 50% of car buyers would consider buying their next car fully online - though in-person remains #1 route

12% of car buyers expect their next purchase to be fully online - and a further 46% would consider it as an option.

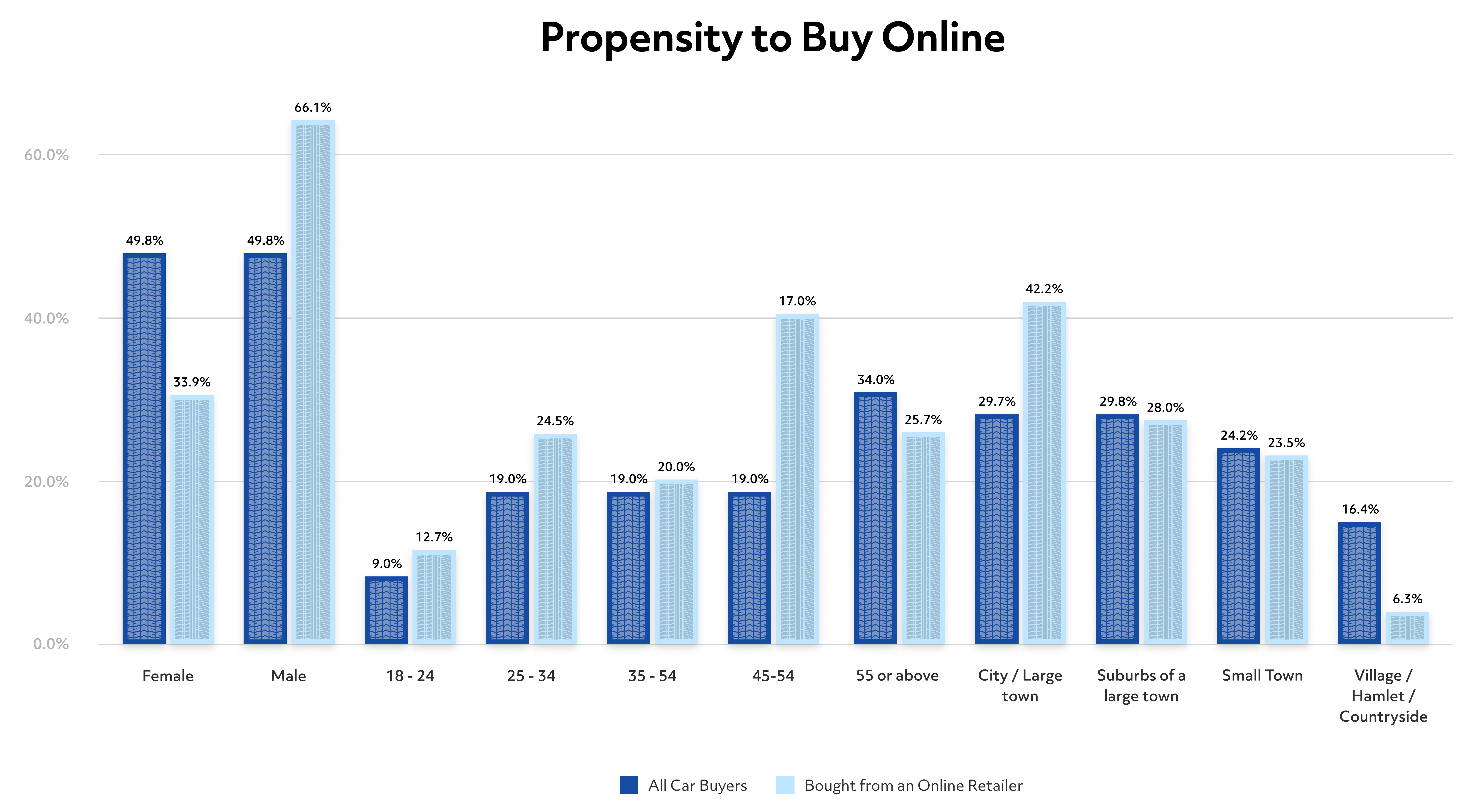
However, in-person purchase remains the most likely route for 65% of car buyers, though a hybrid approach approach, with some elements of the transaction fulfilled online, appeals to over 86% of respondents.



Online retailers are more likely to attract male and younger buyers who live in cities

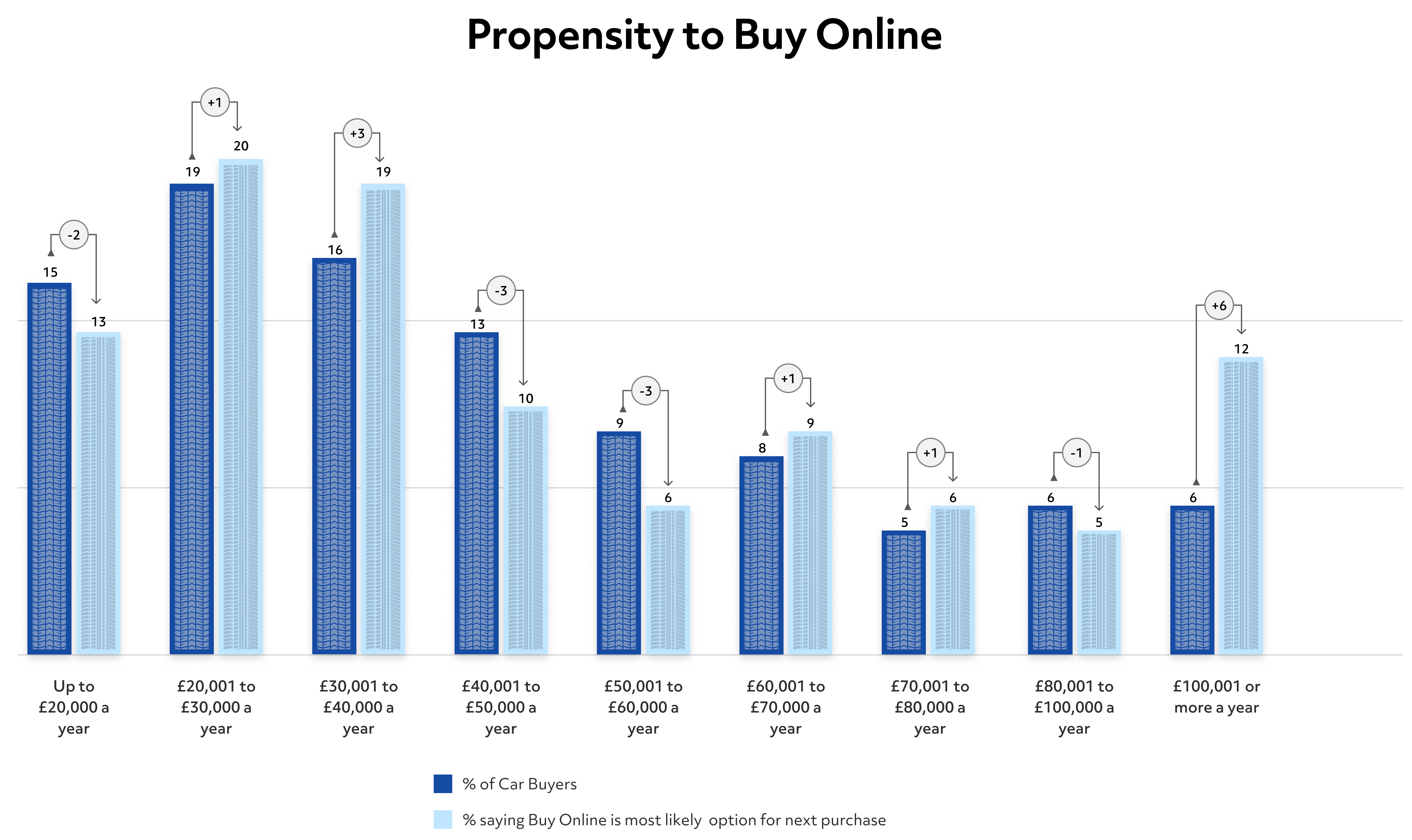
Compared to all buyers, online retailers are 33% more likely to attract male customers. 57% of online retailer customers are aged under 45.

Online retailer customers are stronger skewed towards the cities and larger towns (42%)



Propensity to buy online increases significantly when household income is over £100,000

Appetite to buy online is broadly in line with the UK population as a whole, except when household income is greater than £100,000.



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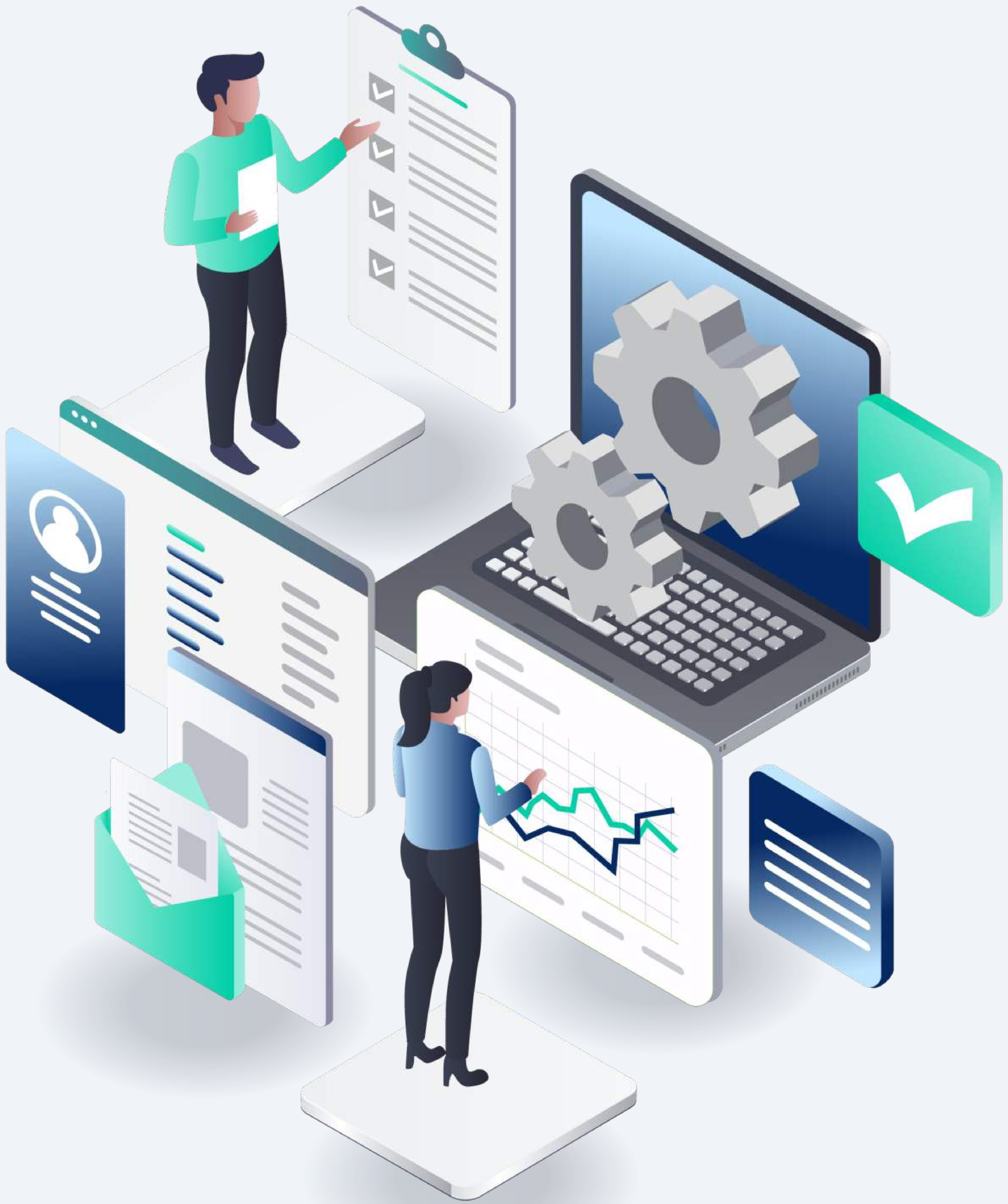
Fuel types - Now and next

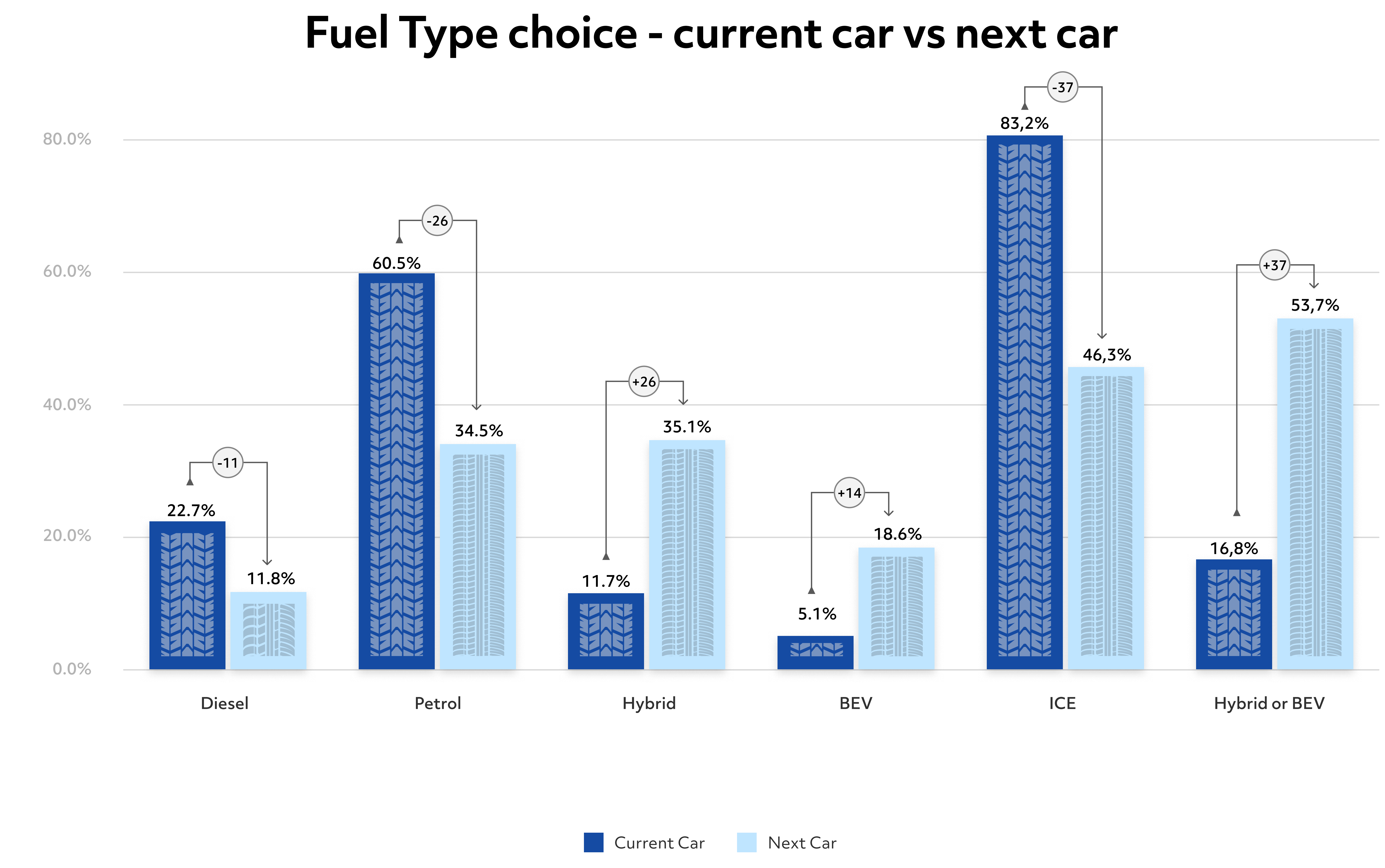
The now and the next. This section shines a light on the current state of play with fuel types and how buyers plan to shift when they make their next purchase. Unsurprisingly, EVs and hybrids are expected to form a bigger part of the picture, but there's more to it than that.



Over 1 in 2 car buyers expect to buy a hybrid or an EV in the next purchase cycle

Within the next purchase cycle, the share of ICE cars is expected to decline from 83% to just 46%.

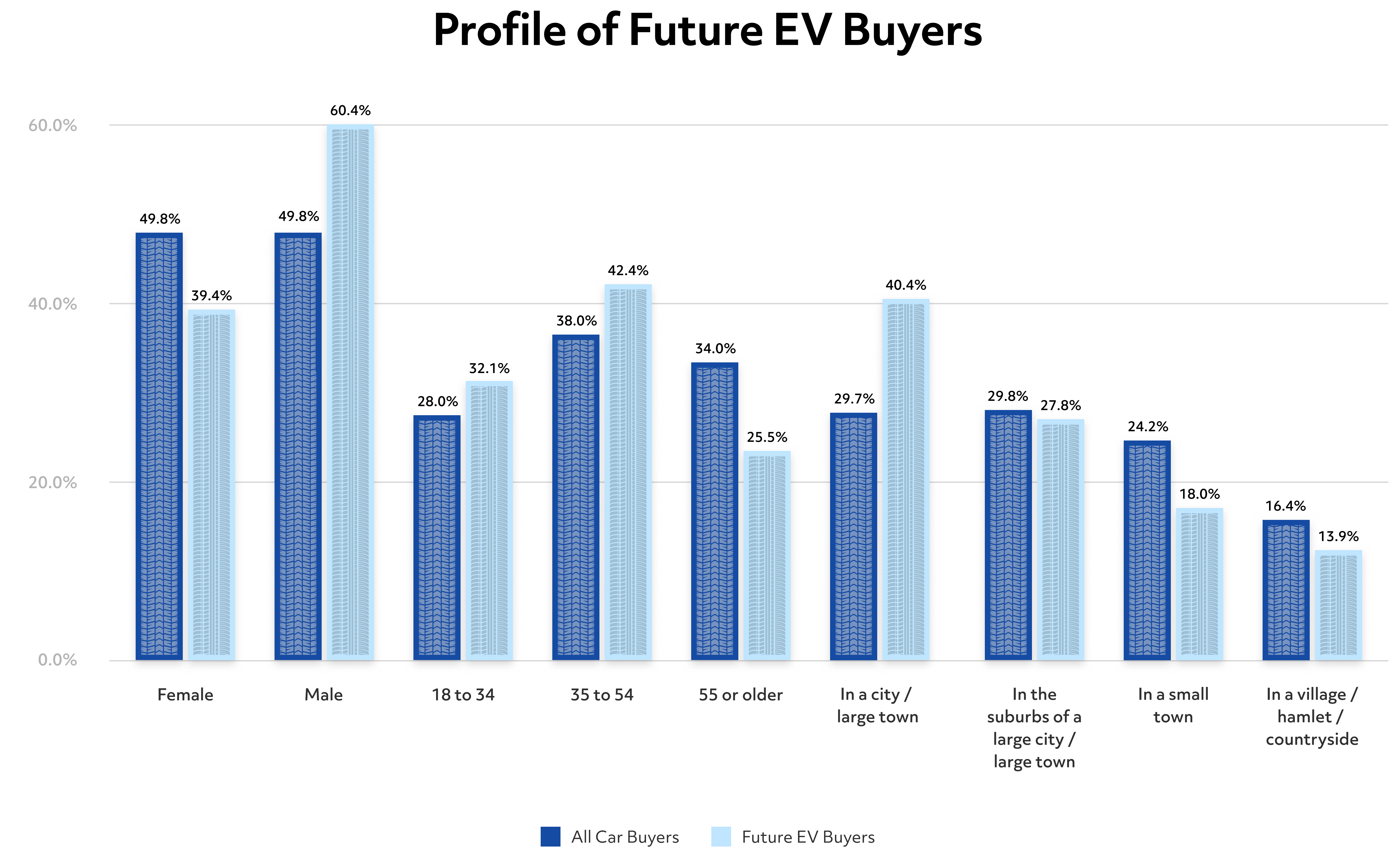
Expected ownership of EVs is predicted to edge towards 1 in 5 car owners within the next purchase cycle.



EV adoption

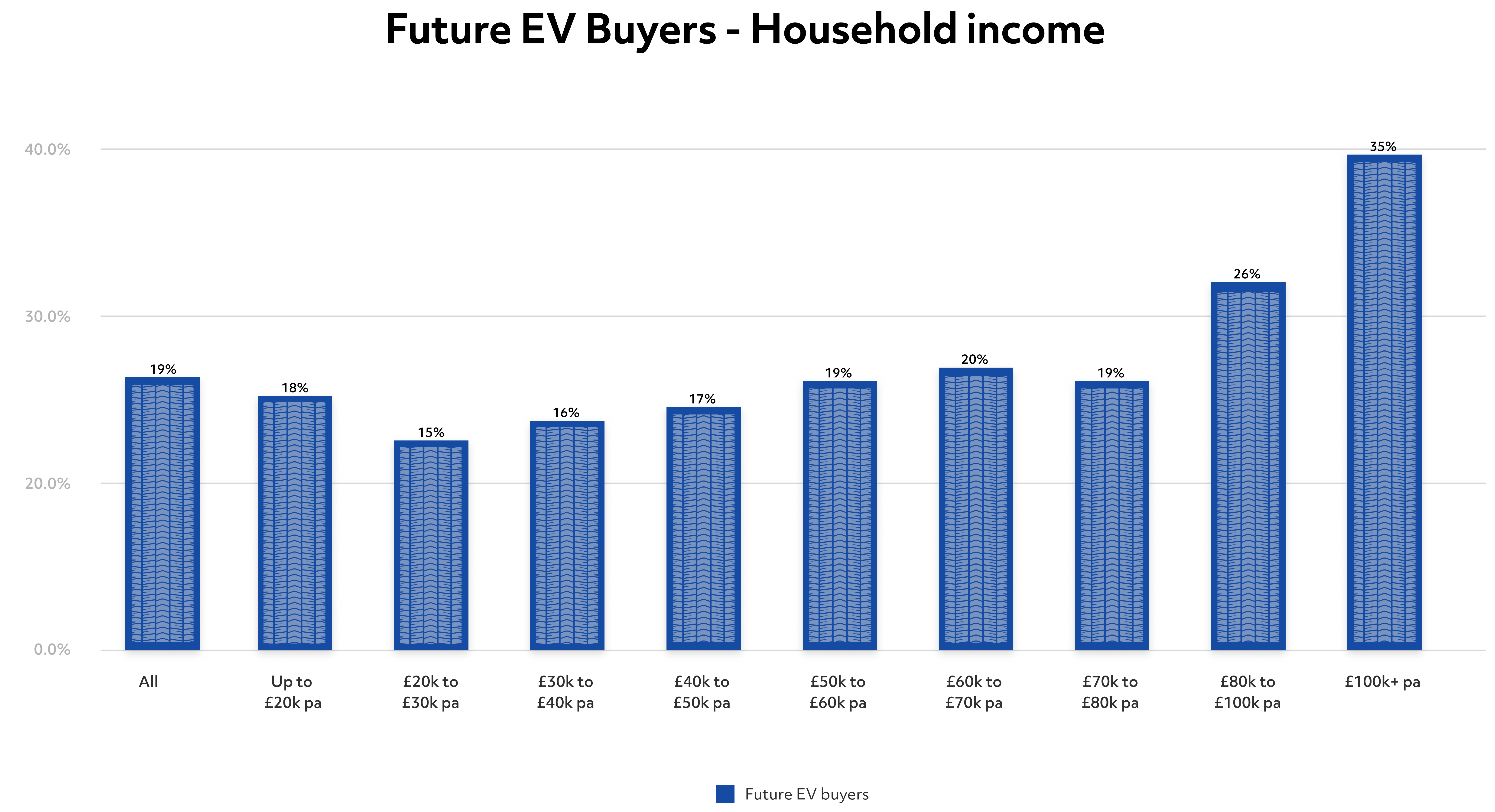
Gender, age and environment have a strong influence on the choice of future fuel types...

Of those claiming their next vehicle will be an EV, 60% are male, 42% are aged 35-54 and 40% live in cities/large towns.



EV adoption

...but household income is the key determinant of likelihood to buy EV

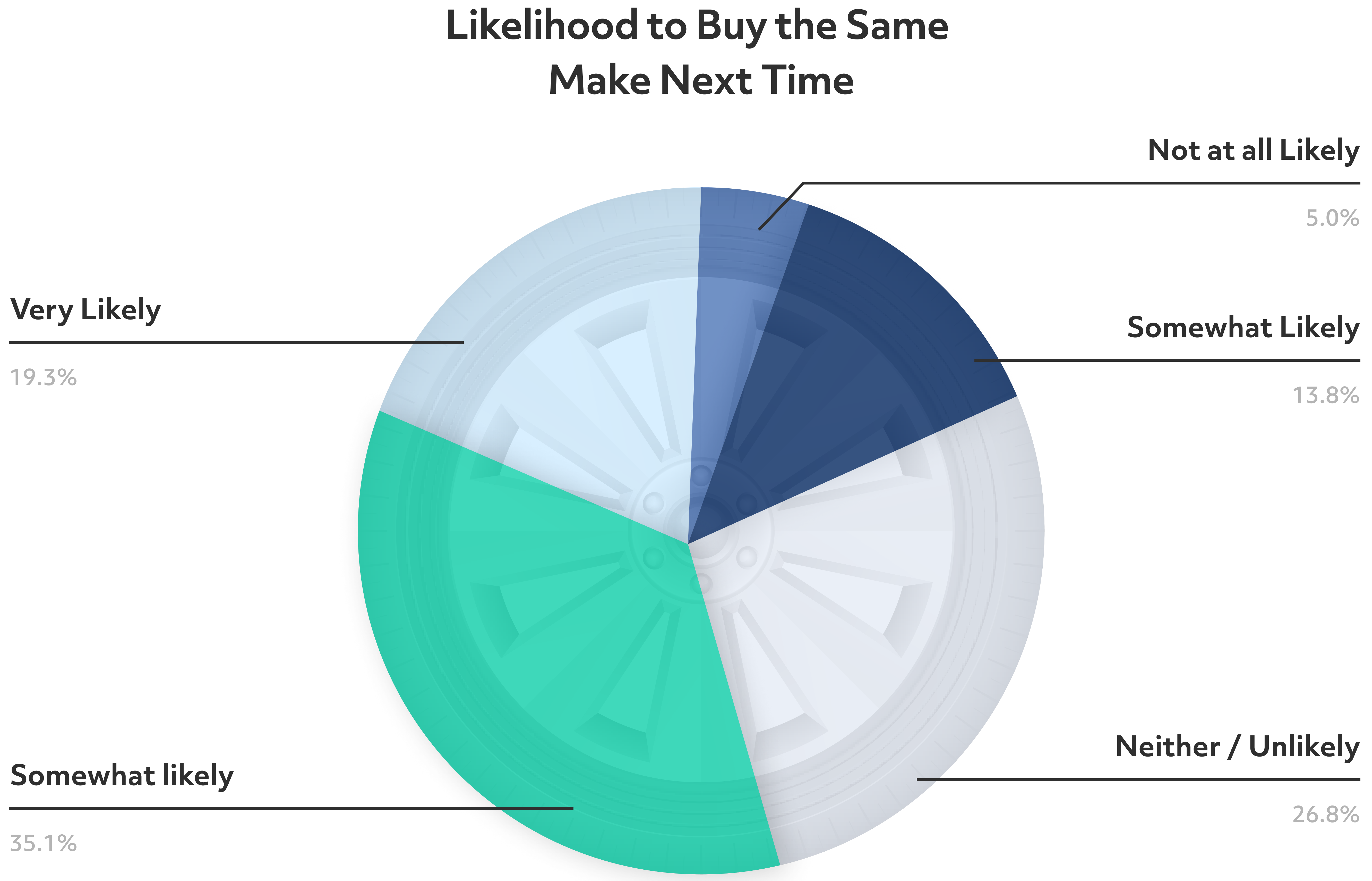


Brand Loyalty and New Entrants

Will car buyers stick with their current brand, or will they defect to another? Our research illustrates each brand's current popularity and which buyers are likely to remain in their current camp or shop around for an alternative.

1 in 2 owners likely to buy the same make next time - meaning there is a substantial conquesting opportunity for OEMs and retailers

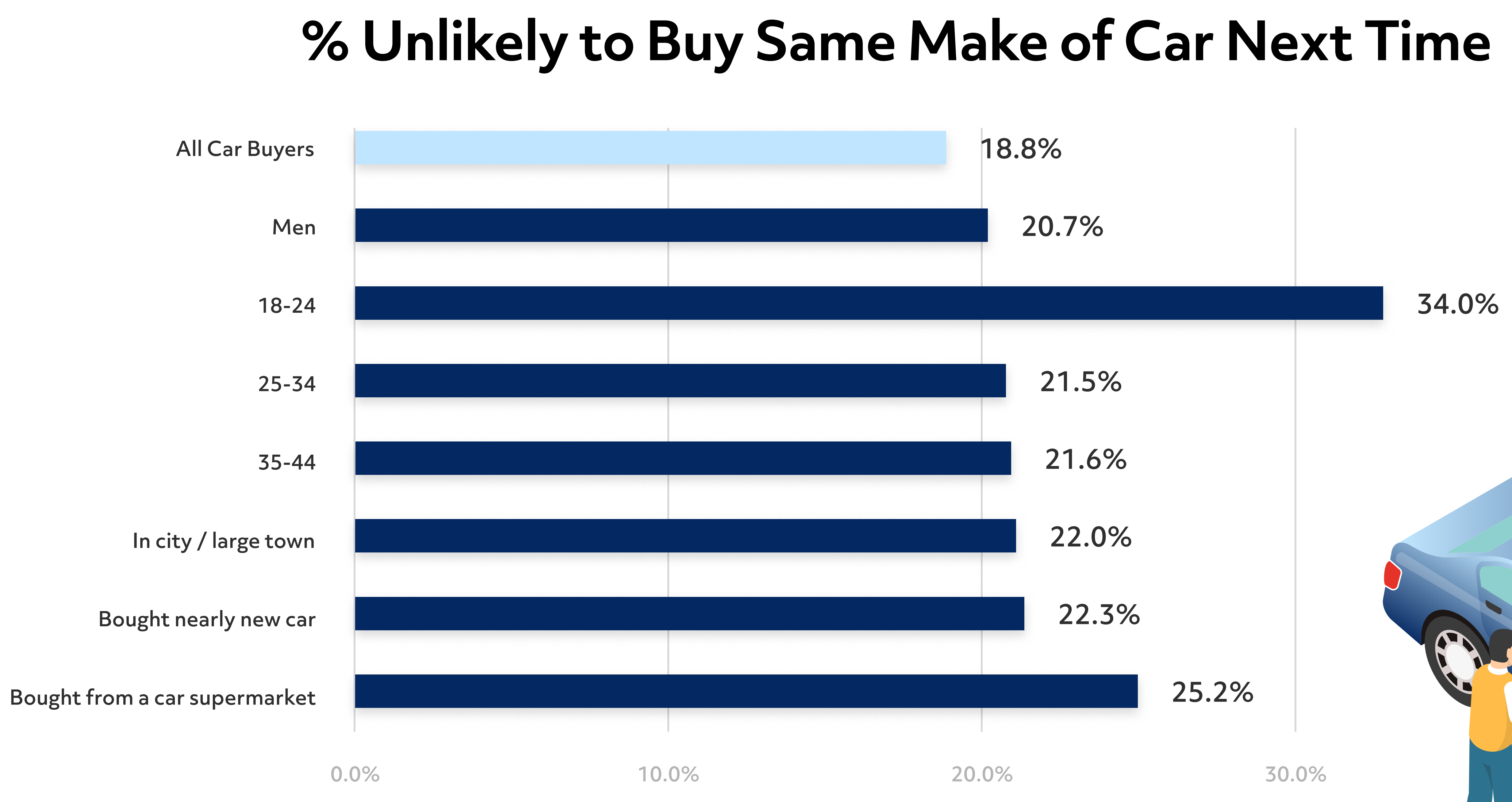
54% expect to be loyal to the same car manufacturer.
At this point, only 19% are unlikely to buy the same brand.



Younger and more urban populations are less loyal to their current car brand

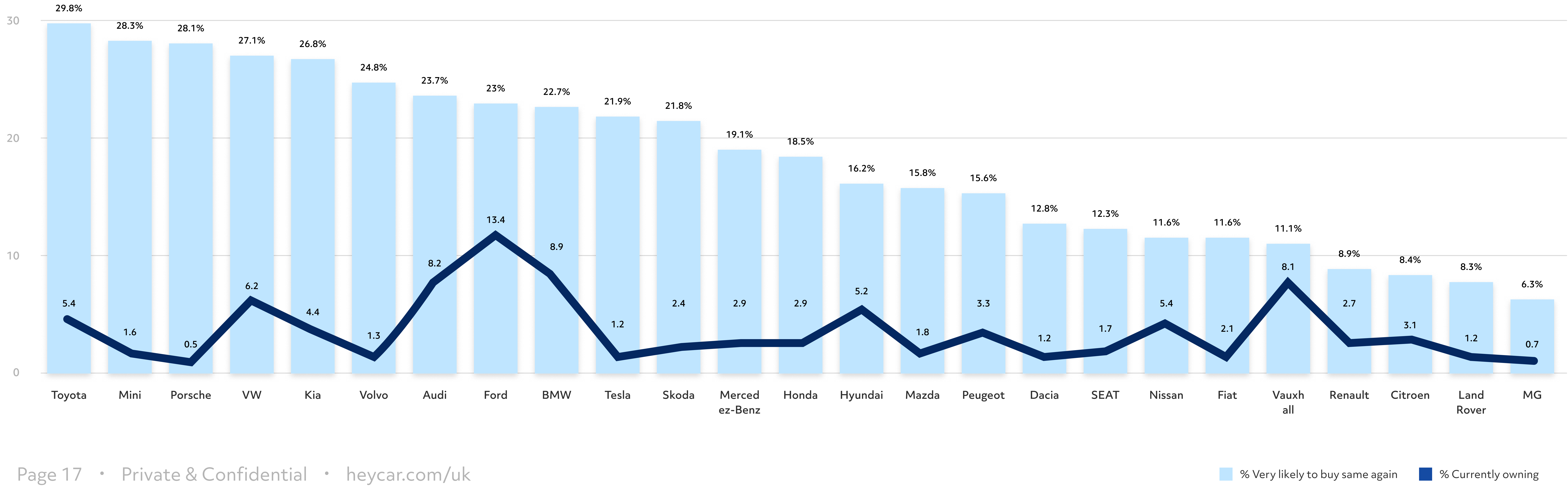
18-44s are 27% more likely to switch car brands next time they buy.

1 in 4 owners who bought their last car from a car supermarket are likely to switch brands.

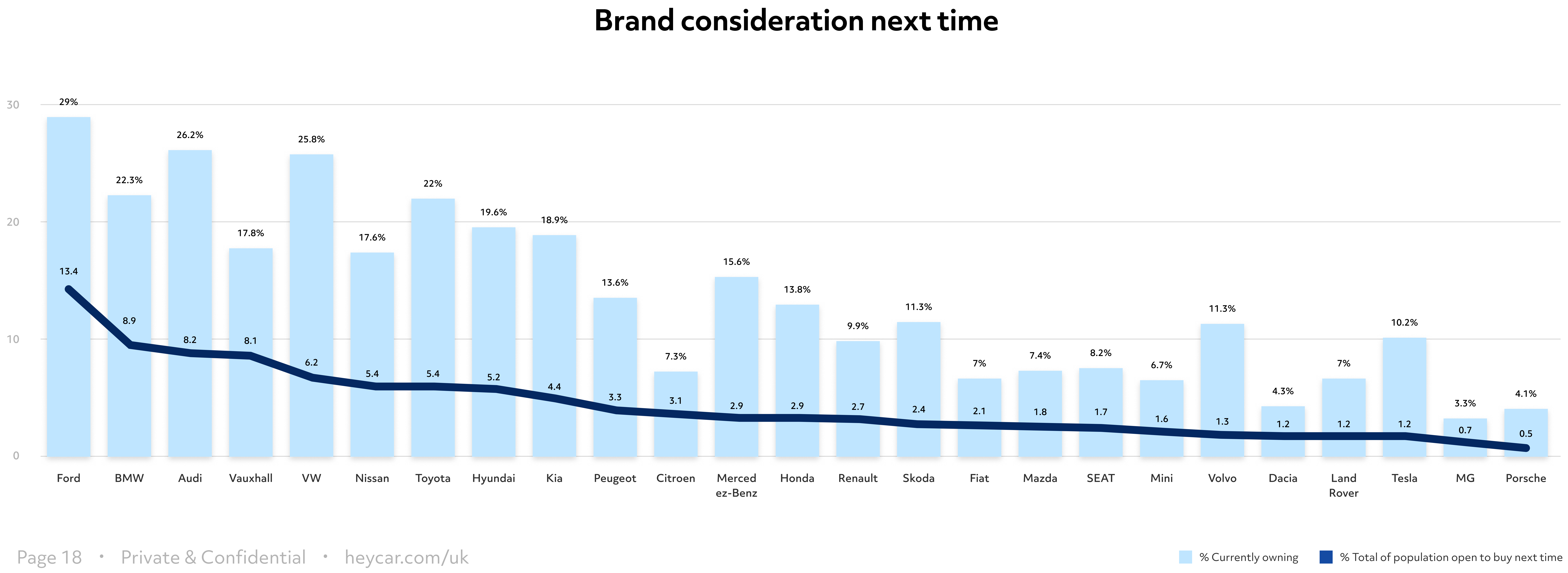


Toyota, MINI, Porsche, VW and Kia have the highest loyalty from their current drivers

Likelihood of current owners to buy same brand again next time



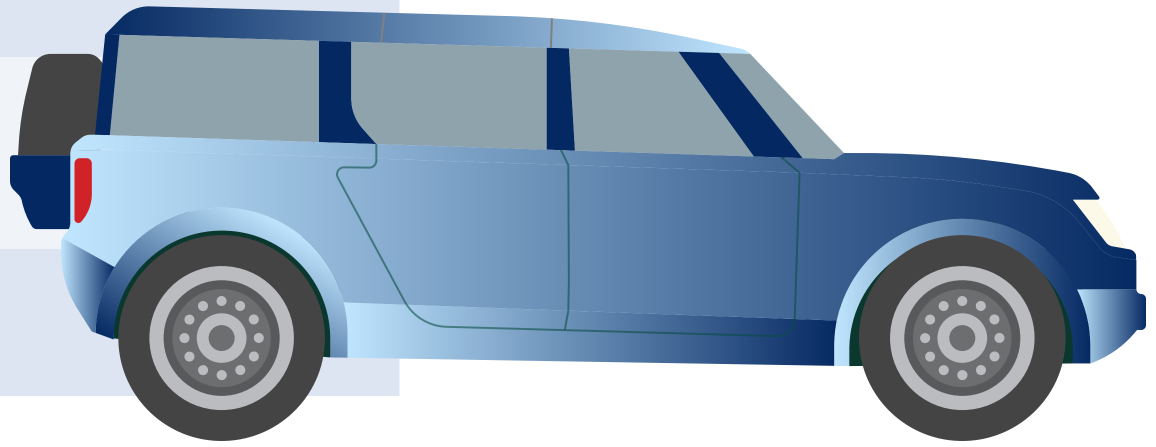
Audi, Volkswagen, Toyota, MB and MINI all score highly for brand consideration next time



As might be expected, of the Chinese brands, MG is by far the most well known

The swathe of Chinese new entrants to the UK Car market was overshadowed by MG.
Aware of any brand: 85.7%
Aware of any brand, excluding MG: 36.4%
Consider buying any brand: 44.4%
Consider buying any brand, excluding MG: 24.5%

	Prompted Awareness	Future Consideration
MG	76.1%	31.7%
BYD	19.3%	11.5%
GWM	12.9%	10.0%
NIO	8.0%	7.1%
XPENG	7.3%	6.5%
GEELY	6.9%	6.4%
ORA	5.9%	6.2%
OMODA	3.9%	5.6%
None of the above	14.3%	55.6%



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Car Technology & Autonomous Vehicles

Fully autonomous cars are still some distance from real-world use, but the equipment and features that pave the road to full autonomy are very much part of modern cars. This section reveals buyers' current attitudes to such technology and their long-term thoughts about autonomous vehicles.

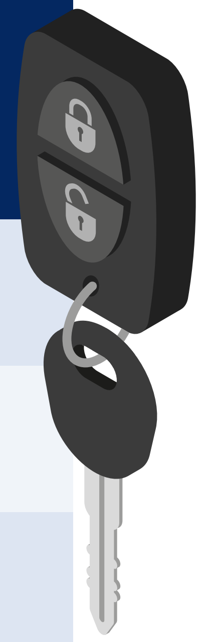
Older drivers believe they have more control whereas younger drivers are better at navigation

The highest human scores are recorded for drivers aged 55+.

Whilst younger drivers are more likely to back themselves for navigation and observation (cameras), their scores remain in favour of the the car.

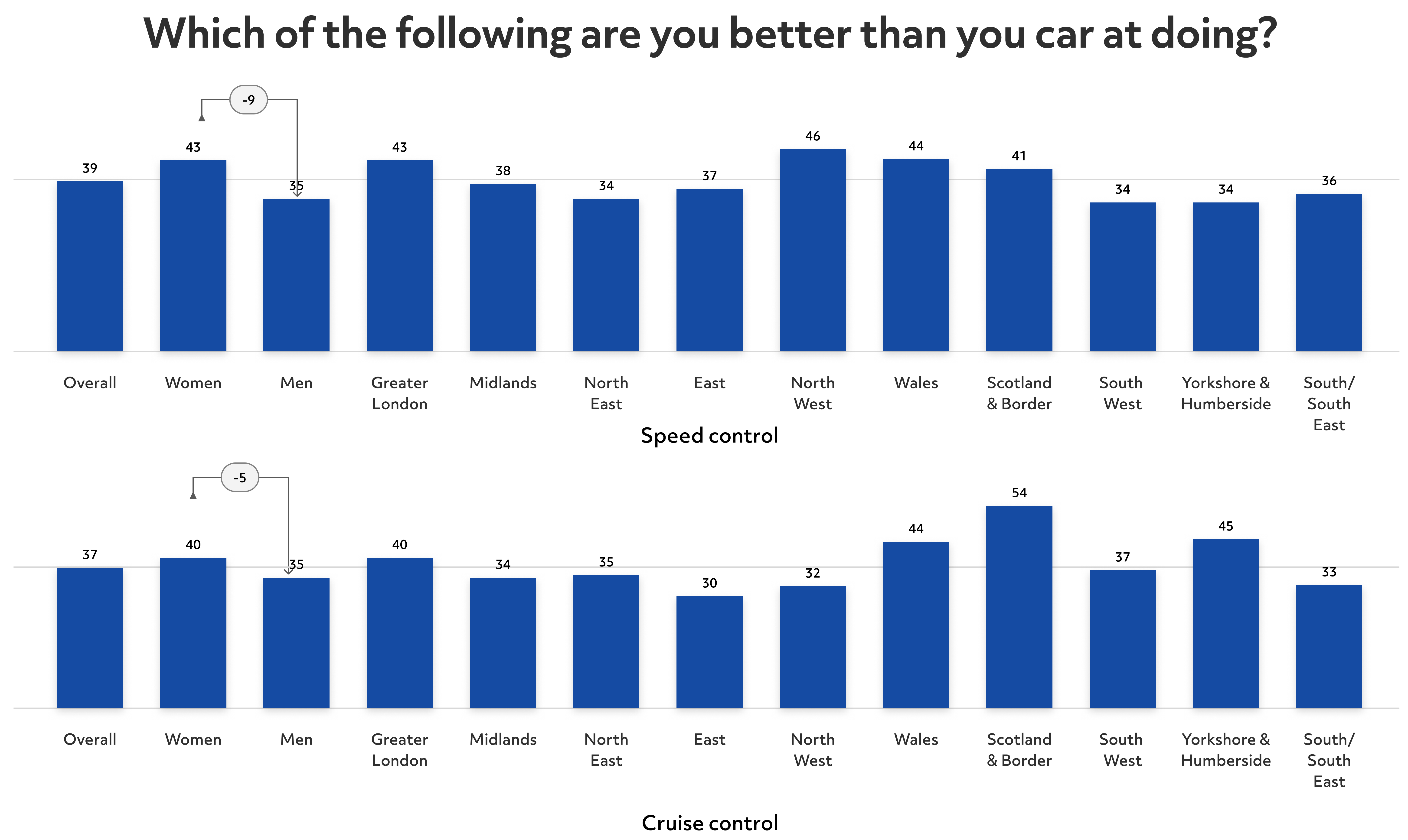
% that believe that they / a human is better than the car

	Women	Men	18-34	35-54	55+
Self-parking	**57.4%**	56.1%	50.8%	55.6%	**69.2%**
Self-driving / autopilot	60.6%	**55.5%**	54.7%	49.6%	**59.1%**
Lane control	49.1%	**54.0%**	51.1%	50.5%	**53.2%**
Collision avoidance	46.5%	48.2%	**49.4%**	48.6%	45.1%
Cruise control / speed control	**43.2%**	34.6%	38.3%	**41.0%**	36.2%
Navigation	**39.8%**	34.7%	**41.8%**	37.4%	33.1%
Parking sensors	26.8%	25.4%	**29.8%**	28.2%	20.6%
Cameras	18.8%	20.8%	**24.3%**	22.4%	12.3%



Men are less likely to back themselves when it comes to speed control (35%) and navigation (35%).

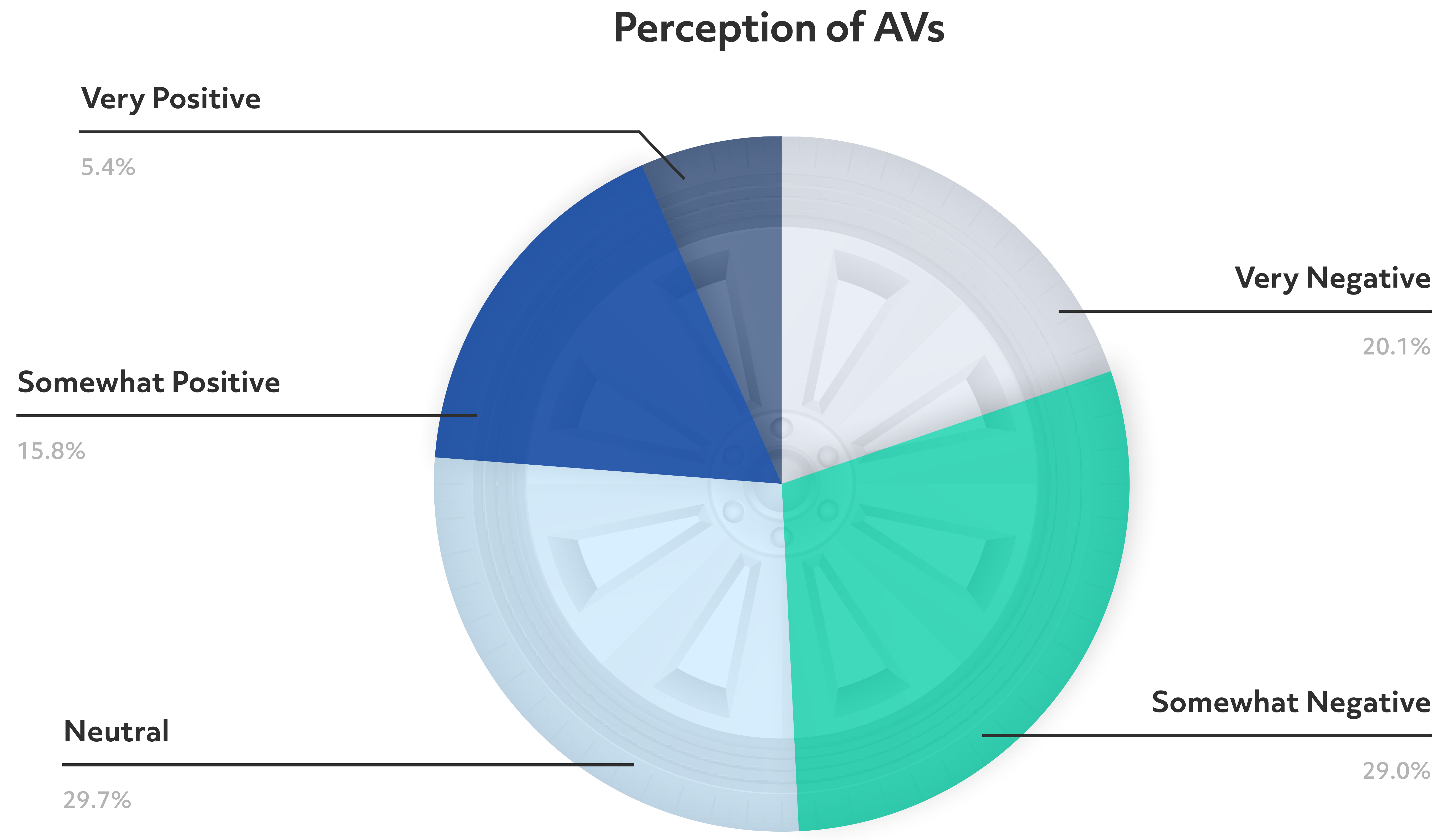
Conversely, women believe that they are better at self-driving aspect (57%), navigation (40%) and controlling their speed (43%).



Currently, 1 in 2 drivers have a negative perception of autonomous vehicles

These negative perceptions are driven by women (53%), those age 55+ (66%) and those living in countryside (58%).

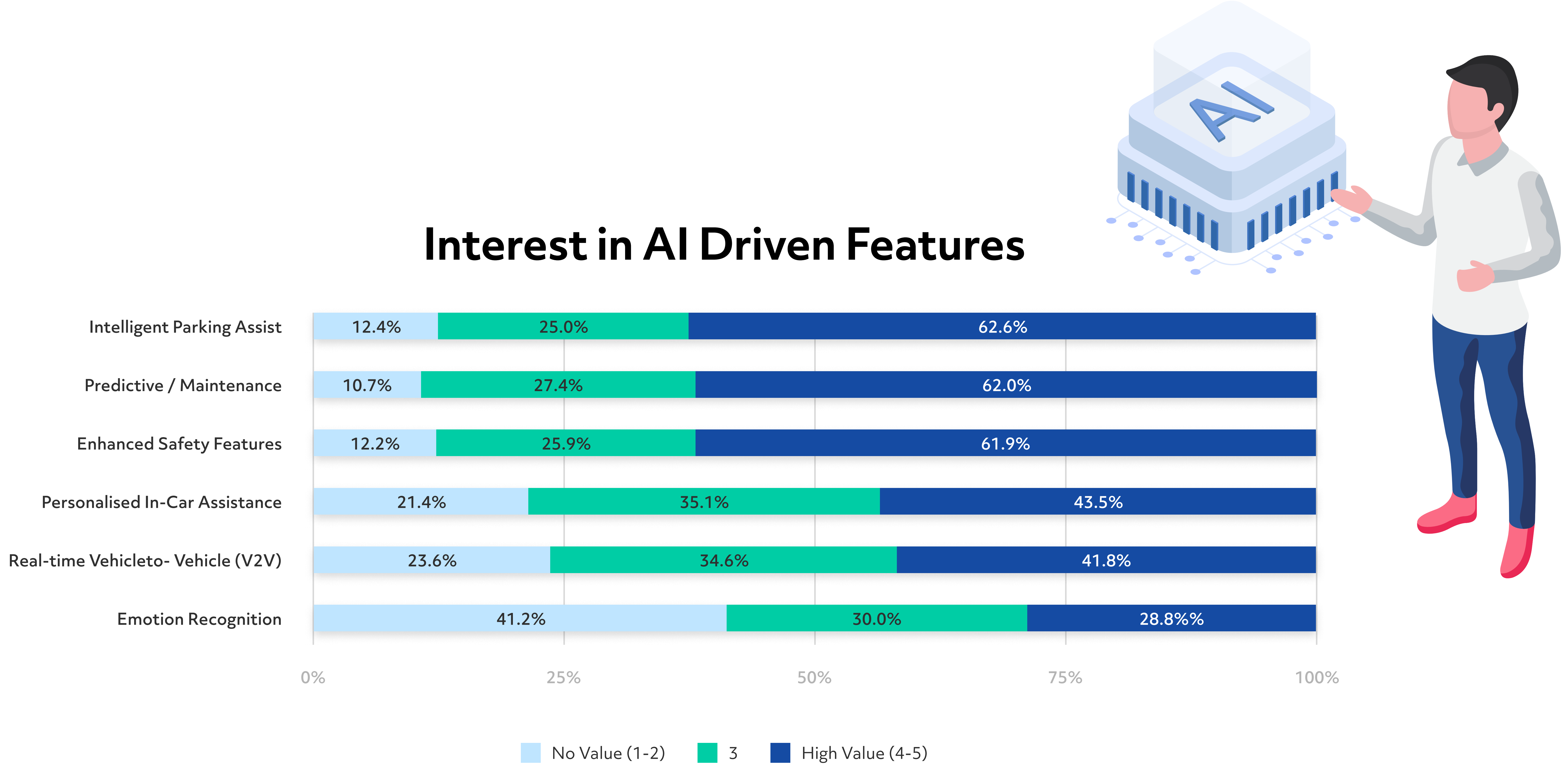
34% of those living in a city/large town already have a positive perception, driven by a younger population profile.



Whilst AVs currently attract negative perceptions, drivers see the value in AI features

Reality is that current interest levels are likely to be driven by awareness and current use of technology.

Features such as V2V will not be widely understood, so will naturally have less appeal to drivers.



95% of drivers have at least one concern about self-driving cars

Only 5% of drivers do not have any concerns about self-driving cars.

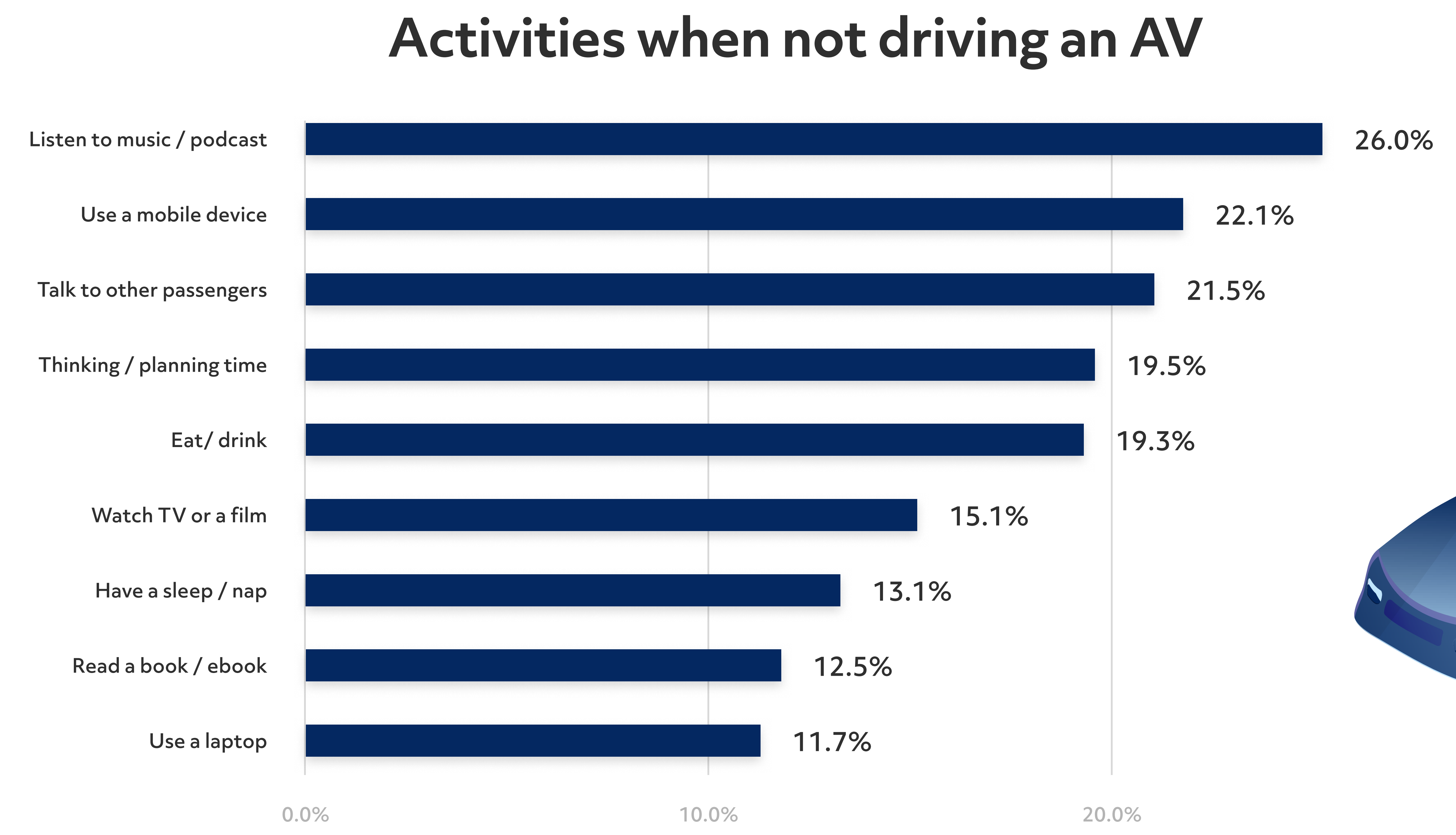
The top 2 concerns are felt by 64% of drivers. Women (68%) and drivers aged 45+ (74%) are more likely to acknowledge the top 2 concerns.

Top 10 Concerns	% of drivers
Worried that the software will fail / crash	44.2%
Safety and reliability concerns	42.2%
UK roads are not ready for self-driving cars	40.0%
Lack of trust in AI systems	37.1%
I always want to be in control when driving	34.1%
Cost buying the car	30.4%
Liability issues if involved in an accident	28.5%
Cost of insuring the car	26.0%
Cost of maintaining / servicing the car	22.2%
Concerns about my privacy / location data	15.9%

Over 4 in 10 drivers expect to stay 100% focused on the road when in self-driving mode

44% claim that they will remain 100% focused on the road when in self-driving mode.
This drops to just 22% of 18-24s and 27% of 25-34s.

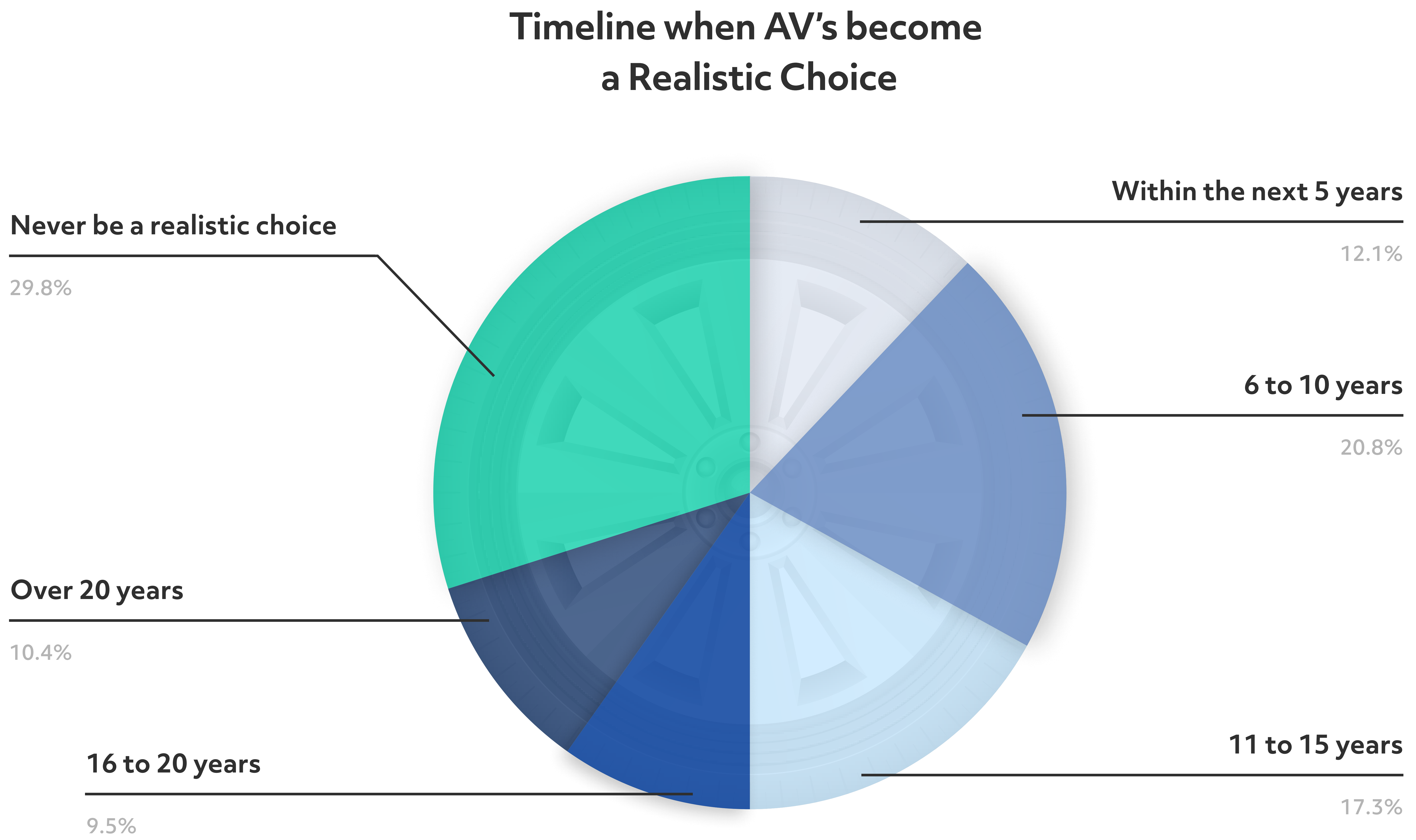
Women (50%) are more likely to focus on the road than men (37%).concerns.



A third of drivers expect AVs to be a realistic choice in the next 10 years

37% believe it will take at least over 10 years for AVs to be a realistic choice.

A further 30% believe it will never be a realistic choice for them.



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Any Questions?