



near™

UK AUTO INDUSTRY 2021 TRENDS AND HIGHLIGHTS

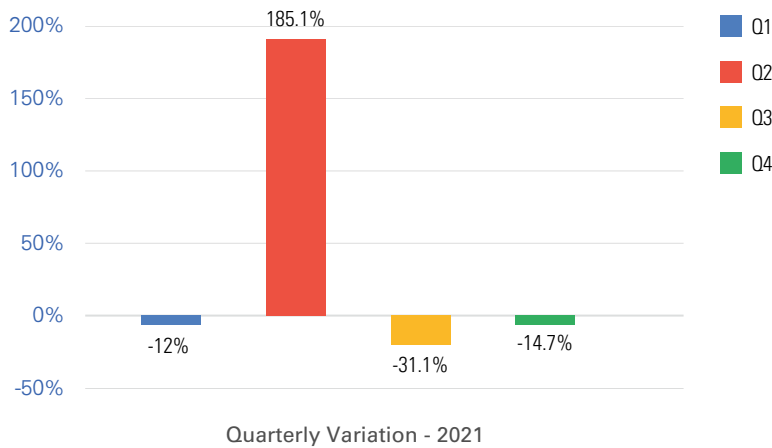
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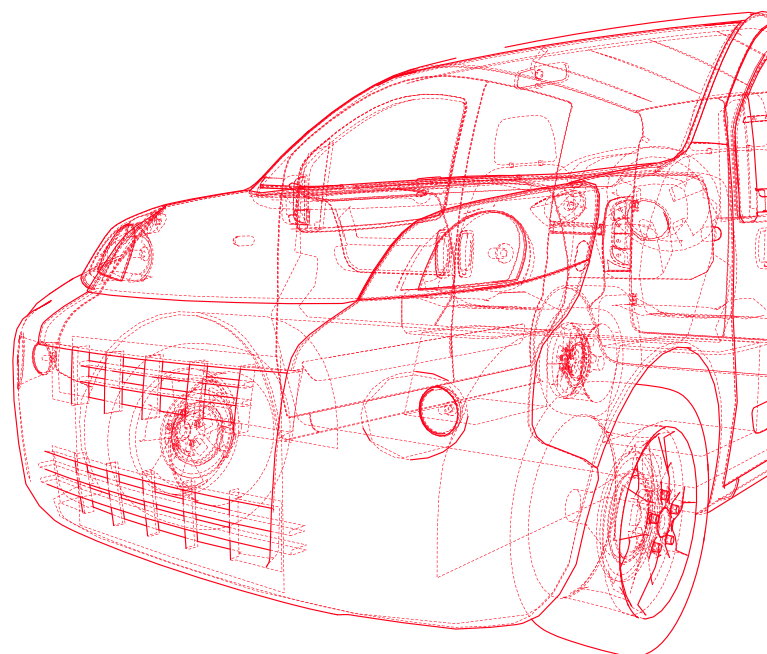
Like many industries, the auto industry has experienced its share of turbulence in the last few years.

After a rocky start in 2021, Q2 last year proved to be the best quarter post-pandemic for UK Automobile Industry, with new car bookings increasing by 185.1% compared to Q2 2020. The positive spike, however, only lasted for that quarter, with poor sales for the rest of the year.

Source: [Focus2move.com](https://www.focus2move.com)



The numbers have continued to fall in 2022 as semiconductor shortages plague the market. New car registrations fell by 20.6% in May 2022, the second weakest May since 1992 according to The Society of Motor Manufacturers and Traders (SMMT).





Drivers of Growth

At Near, we studied both Q1 and Q2 of 2021 to better understand the cause of the spikes, using Near's exhaustive data on people and places for insights on who the consumers were and where they were coming from. While one obvious reason is the reopening of showrooms in early 2021, we also explored whether new electric vehicle (EV) launches had any role to play in the spikes.

In this report, we aimed to understand buyers of luxury vs regular car brands and any overlaps with EV buyers.



Methodology:

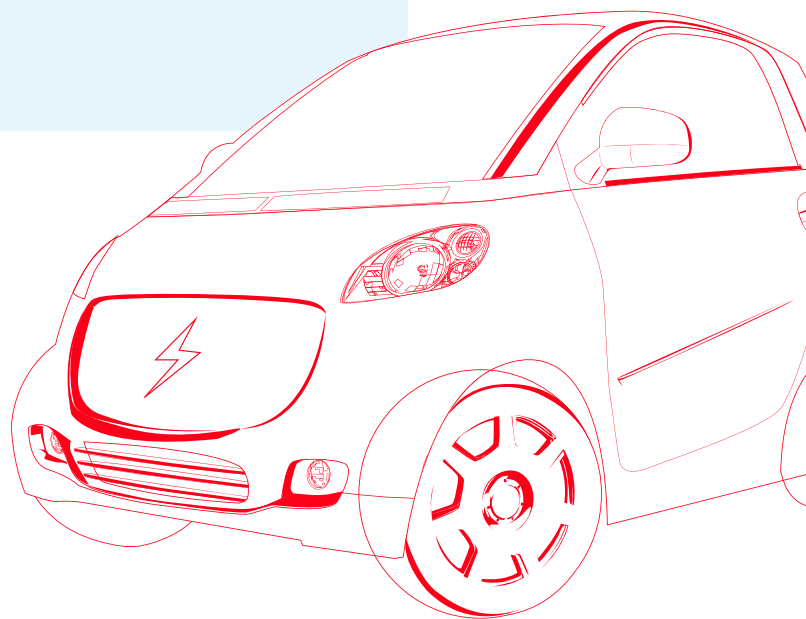
To derive the insights, we studied visitors to luxury and regular car showrooms and used Near's audience profile filters based on interests, demographics, and more to understand consumer behaviour trends. To understand consumer interest in EVs, we studied changes in visitation patterns during EV launches and visits to exclusive EV showrooms.



Timeline:

January 2021 to August 2021

Check out our earlier report on the **demographics of consumers interested in EV cars** in the UK.

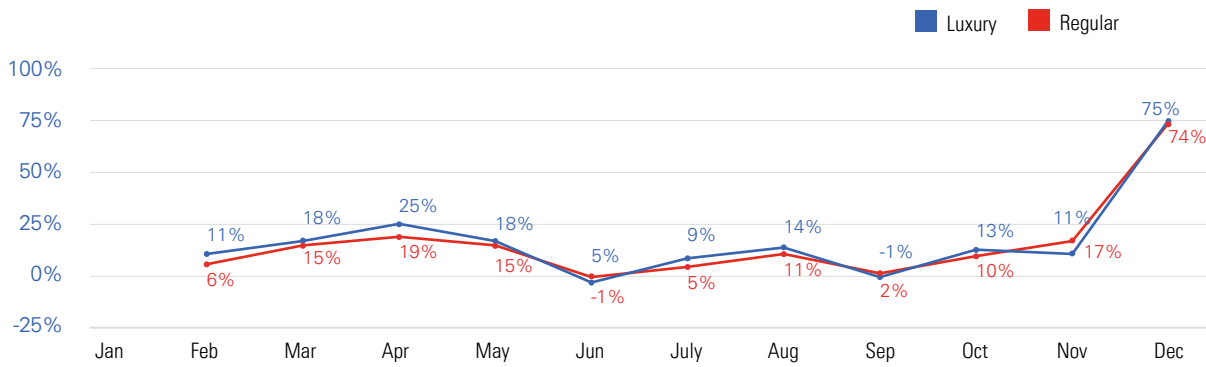




1. Footfall to Showrooms

Footfall to luxury vs regular car showrooms mostly remained the same and experienced peaks and falls at the same time. Even though the percentage difference is minor, luxury car showrooms showed a faster recovery compared to regular car showrooms. The restrictions on travel allowed people from wealthier families to save more money during the pandemic, thereby increasing buying power and interest in the luxury segment.

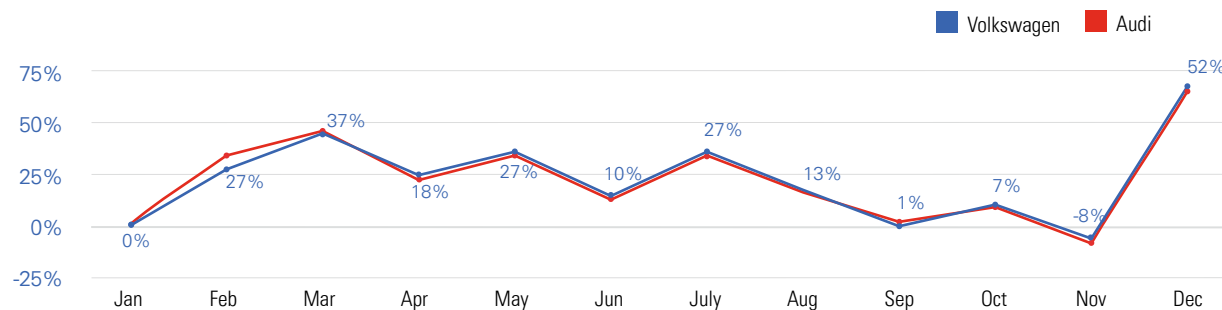
The peaks in footfall do not necessarily translate to bookings. Therefore, despite peaks (like the one in December) other factors such as delays due to the semi-conductor shortages have caused bookings to remain low.



MoM footfall to luxury and regular car showrooms in the UK- 2021

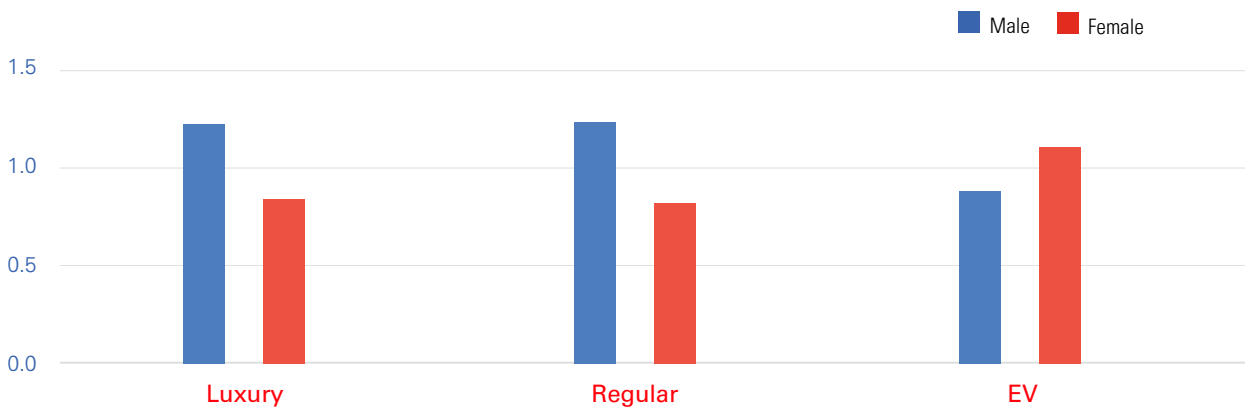
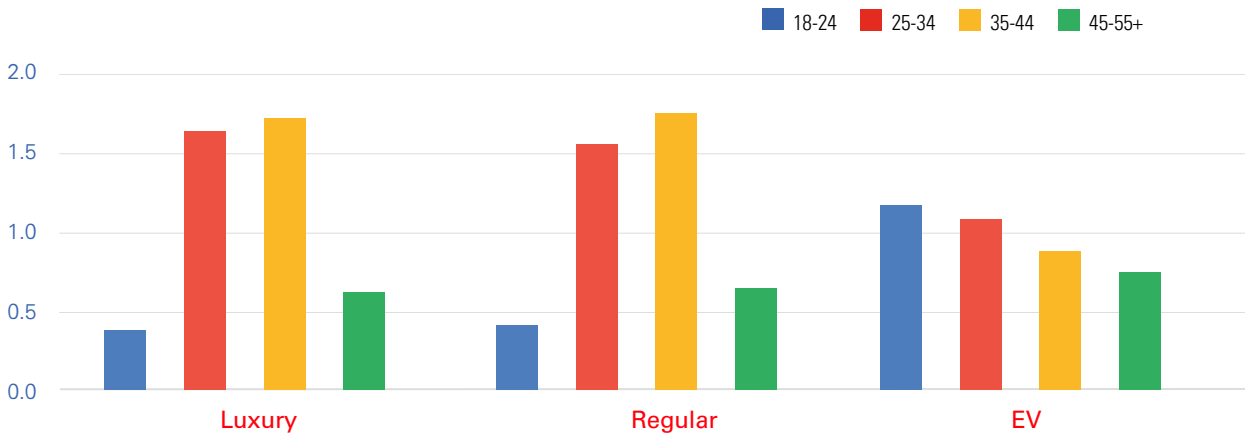
2. New EV Launches

Due to the rising interest in buying EV in the UK, we analyzed whether there were any spikes in visits to the showroom when an EV model was launched. We analyzed the footfall at Volkswagen and Audi showrooms, and while both had similar spikes and falls, a new EV launch did result in a small spike in footfall as seen in the spikes during the first two quarters of the year when the new EV models were launched by Audi and Volkswagen.



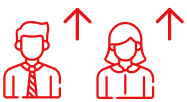
MoM footfall to Audi and Volkswagen showrooms

3. Comparative Analysis of Car Buyers - Demographics



Demographics of visitors to showroom

Insights:



→ Younger men and women displayed more interest in EVs, with women leading, showcasing a higher sensitivity to environmental and sustainability concerns.



→ While EVs score lower when compared to regular and luxury car models, all three categories attracted younger adults from the 18-35 age category.

4. Top Cities by Footfall

Luxury Car Brands

- Westminster
- Surrey
- Manchester
- Hounslow
- Berkshire



Regular Car Brands

- Westminster
- Surrey
- Manchester
- Kent
- Hertfordshire



The bubble size indicates the percentage of people visiting the stores to the population of the city

Insights:



→ Westminster, a comparatively affluent neighbourhood scored higher compared to other cities, with high footfall for both luxury and regular car brands.



→ Westminster & Surrey were the cities that have the highest proportion of their population seen in auto dealerships of either luxury or regular car brands.



→ People in Manchester exhibited an equal amount of interest in both luxury and regular cars.

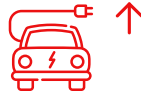


Conclusion

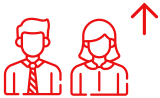
Below are a few key takeaways from the study:



→ Footfall to auto showrooms has shown signs of recovery since the pandemic with a 17% increase in month-on-month (MoM) footfalls.



→ Popular brands including Volkswagen and Audi showed a ~28% increase in footfalls in the month when a new EV car was launched for the period studied (Jan'21 - Aug'21).



→ Young adults of the age group 25-44 showed 2x times more intent to buy both luxury & regular brands compared to EVs in 2021.



→ Men were 2x times more likely to buy luxury & regular cars when compared to women. Women were more likely to buy EVs.

While recovery has not been as expected post-pandemic due to issues such as high energy prices, inflation, and problems being faced by the global supply chain, interest in EVs is only bound to rise. The UK is poised to be at the forefront of the move to electric vehicles as the date of the 2030 ban on new diesel/petrol engines approaches.

**Want to stay ahead of continuously evolving trends and consumer behaviour?
Sign up for a demo or read more about Near's data intelligence platform.**



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Near, the world's largest source of intelligence on people and places, is the global leader in Data Intelligence empowering organizations of all sizes to make smart, strategic decisions delivering optimal business performance. Our platform unites the marketers and operational data leaders by providing the most accurate, reliable source of data. Our transparent, privacy-led approach means you will never doubt our authenticity.

We are determined to provide actionable insights as we work relentlessly to shape, build and maintain the world's largest source of intelligence on people and places in both the physical and digital space.

Ultimately, our vision is to inspire the world to make better decisions. And, to inspire ourselves to deliver the most trusted, privacy led source of intelligence on people, places and products.