



Market Trends Review Q4 2020

Presented by
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Experian Automotive

Today's presentation

What's on the road

VIO by model year, segment, age and market share
U.S. light duty vehicles through December 31, 2020

New, Used and other market changes Industry news
and special market analysis:

- *COVID-19 update*
- *2020 Electric vehicles in review*

Experian Automotive

Driving the automotive industry forward

**The right vehicles. The right customers.
The right data to know the difference.**

- We deliver an integrated perspective using the highest quality automotive information and market intelligence focused on these key areas:
 - Automotive Credit
 - Automotive Marketing
 - Vehicle Market Statistics powered by Velocity
 - AutoCheck[®] Vehicle History
- Our success comes from delivering actionable insights and lasting partnerships with our clients

<https://www.experian.com/automotive/auto-data>



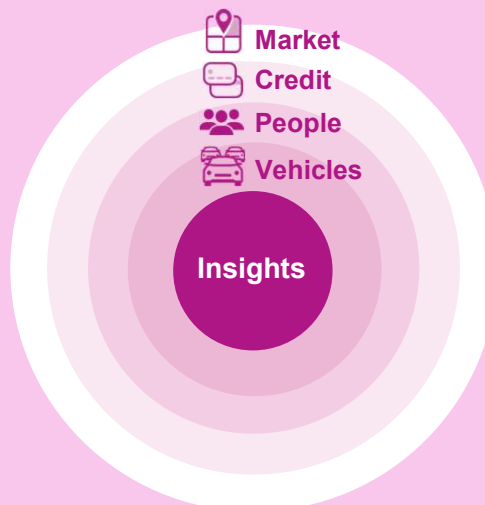
The power of Experian data

Your unified source of automotive data. Enabling you to link insight into action



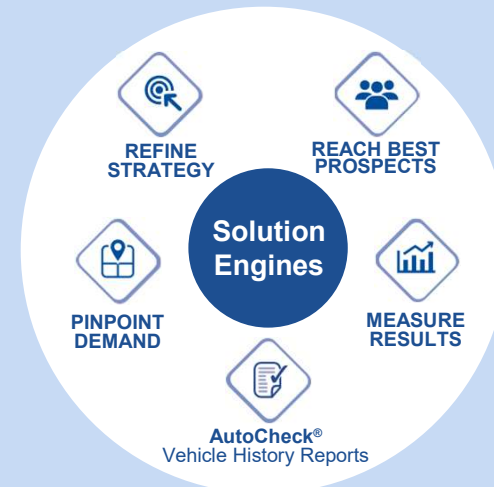
Best-in-class data, unified and enhanced

Experian's vehicle, consumer, online and credit data enable unified data intelligence to identify and target vehicle buyers.



Creating unparalleled market-wide insights

Use our unparalleled insights to turn competitive market strategies into action.

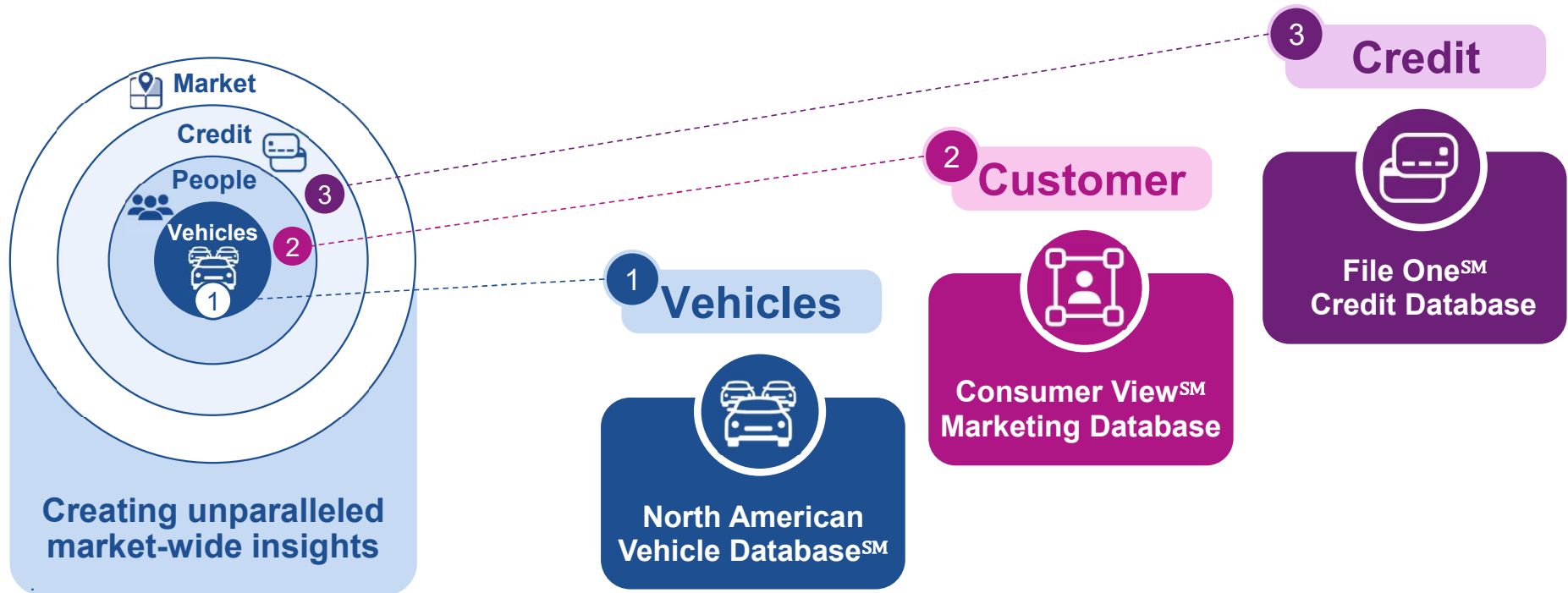


Powering innovative solution engines that drive results

For instance, Experian marketing solutions pinpoint car shoppers, automate media planning and optimize results with the most sophisticated attribution models.

It takes 3 things to sell a vehicle...

Experian is the only primary data source for all 3



U.S. & Canada total Vehicles in Operation (VIO) = 328.7M

Light Duty

Passenger Cars, Light Trucks, Vans
Cars and GVW Class 1 – 3

Medium & Heavy Duty

Large Vans, Delivery Trucks, Buses, RVs,
Cement Trucks, Semi-Tractors
GVW Class 4 - 8

Power Sports

Motorcycles, All-Terrain,
Utility Task, Snowmobiles



Types of vehicles by weight class

Cars and CUVs



CLASS 1 6,000 lbs. or less



CLASS 2 6,001 to 10,000 lbs.



CLASS 3 10,001 to 14,000 lbs.



CLASS 4 14,001 to 16,000 lbs.



Power sports



CLASS 5 16,001 to 19,500 lbs.



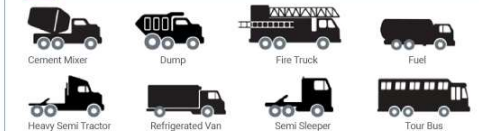
CLASS 6 19,501 to 26,000 lbs.



CLASS 7 26,001 to 33,000 lbs.



CLASS 8 over 33,000 lbs.



Vehicles in Operation

What's on the road today?

Light Duty Vehicles



Changes in U.S. vehicles in operation

Light duty vehicles* over the last 12 months

Q4 2020 Total*

281.4
MILLION

Vehicles on the road

Q4 2020 VIO changes



14.2
MILLION
NEW Vehicles
Registered



12.4
MILLION
Vehicles went
out of operation



39.3
MILLION
USED vehicles
changed owners

=



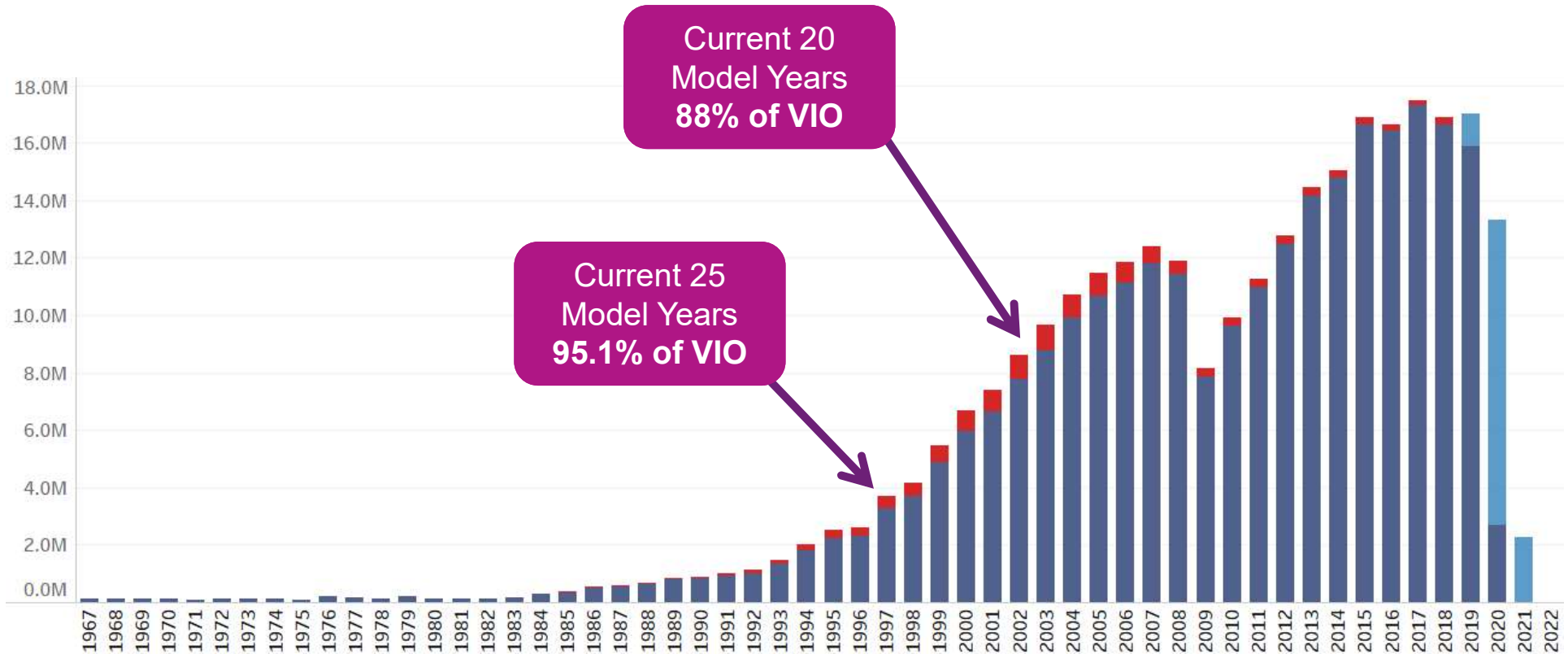
28.4%
Total VIO
changes¹

*U.S. Vehicles in Operation data as of December 31, 2020 sourced from Experian Automotive, including U.S. and Puerto Rico (U.S. light duty vehicles only).
1 – includes estimated annual households that relocated with the same vehicle(s)

U.S. VIO change by Model Year (in millions)

Q4 2019 to Q4 2020

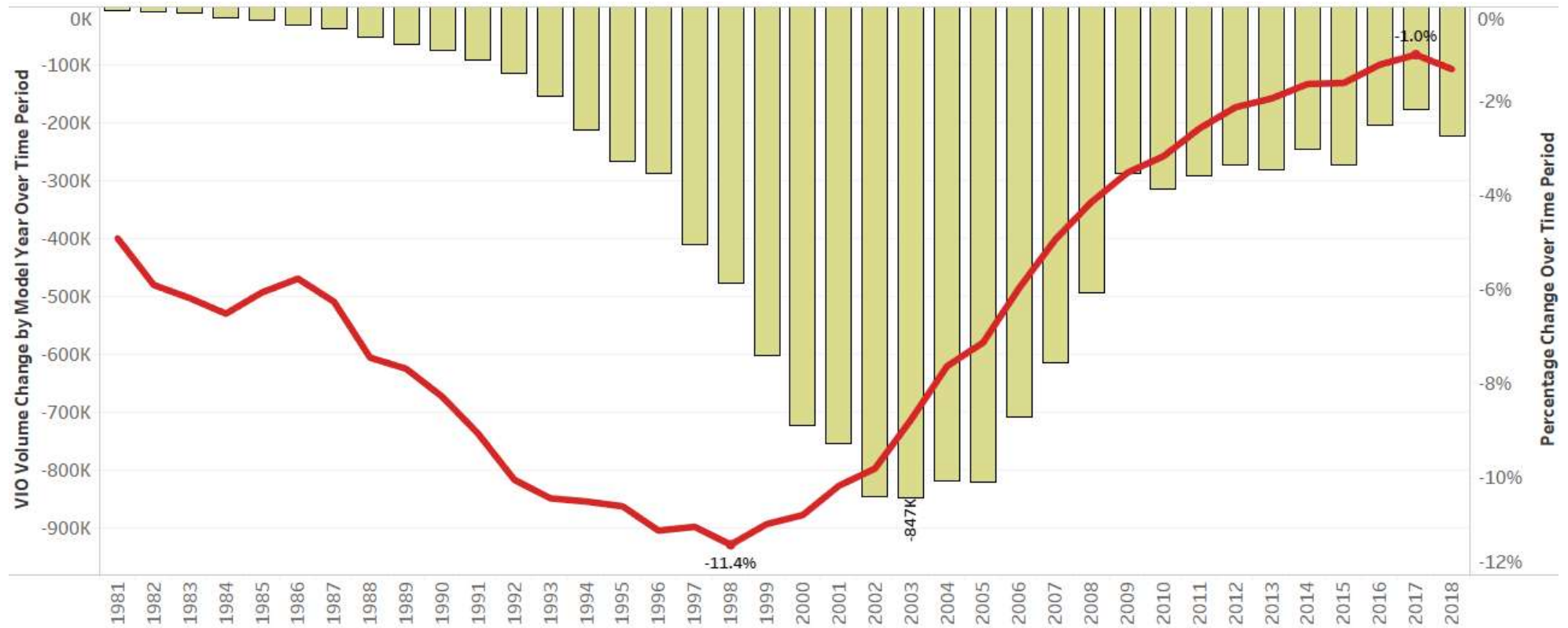
Out of operation
New vehicle sales
Carryover vehicles



U.S. VIO out of operation change by Model Year

Q4 2019 to Q4 2020

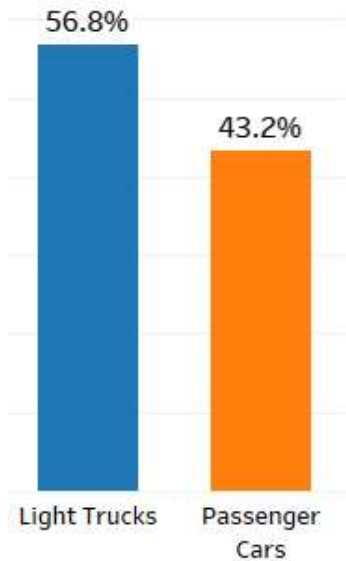
Volume vs Share of Model Year



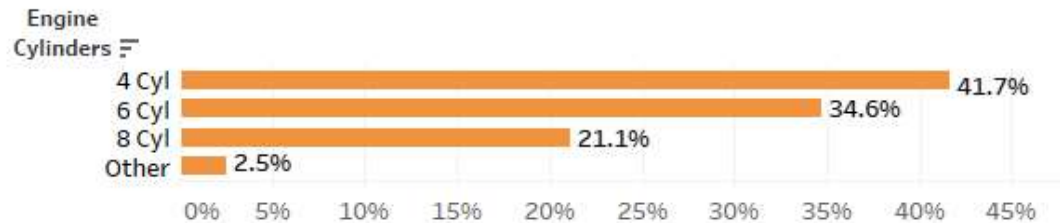
U.S. Summary Stats – for all light duty VIO

as of Q4 2020

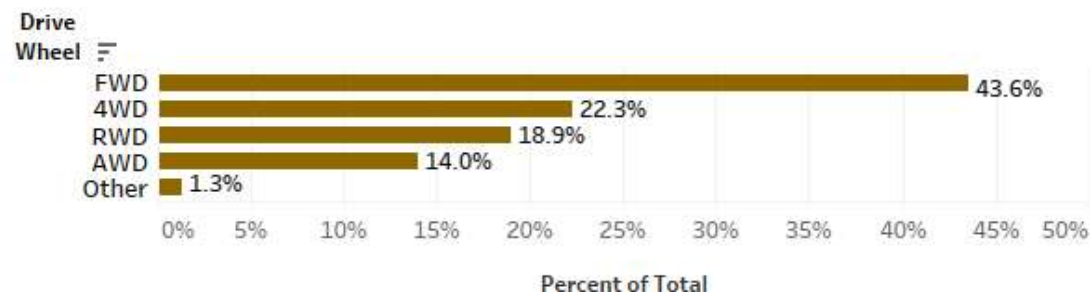
Vehicle Category Share



Cylinder Market Share



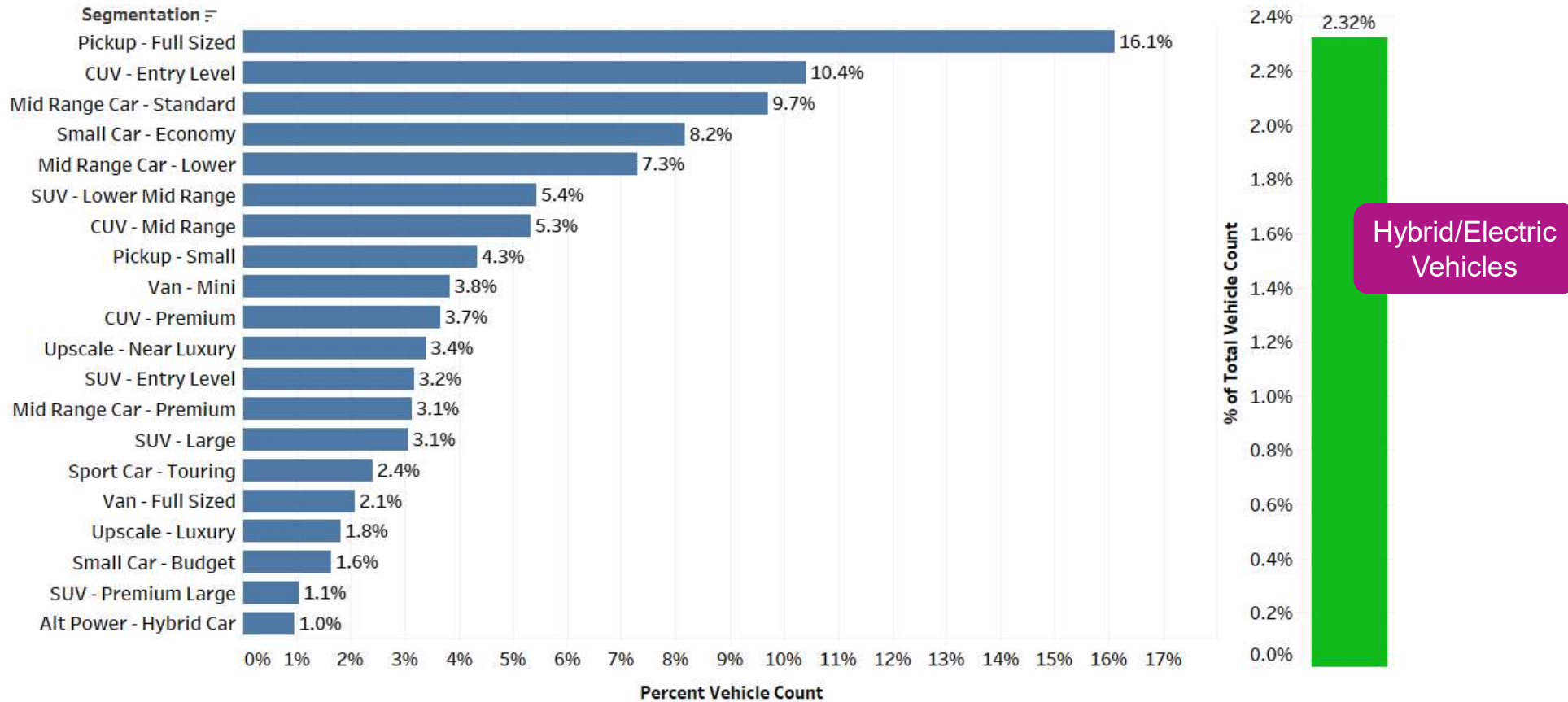
Drivewheel Market Share



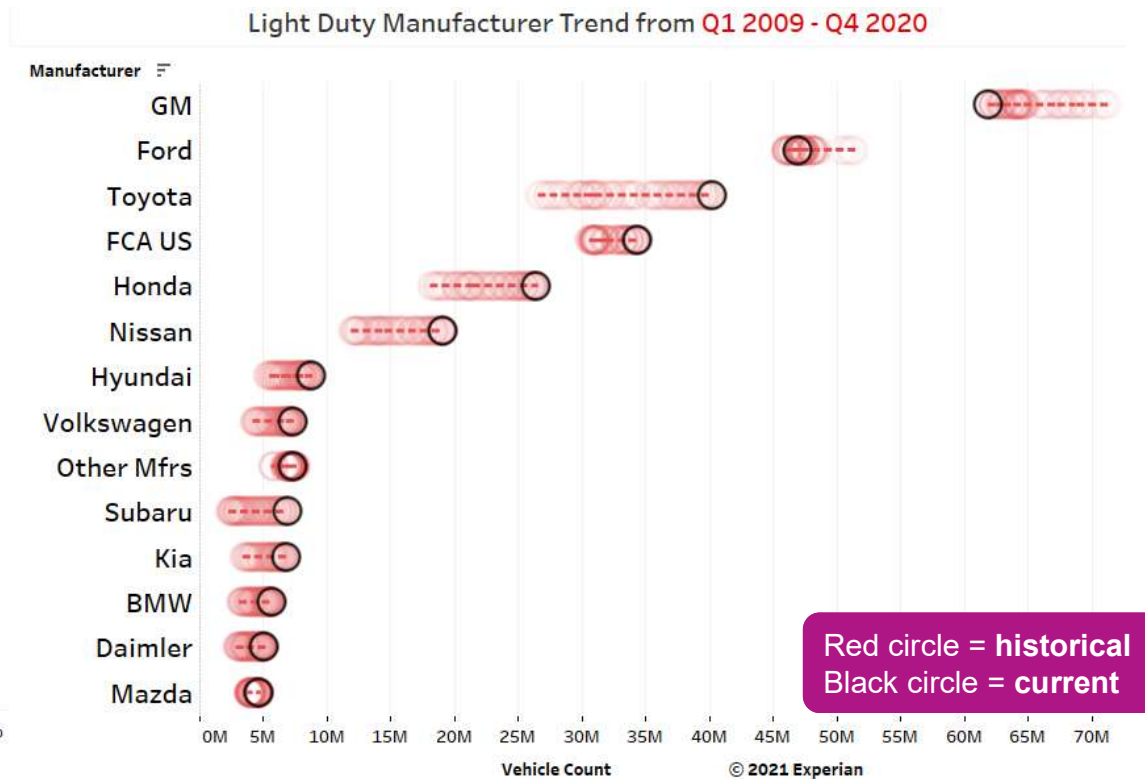
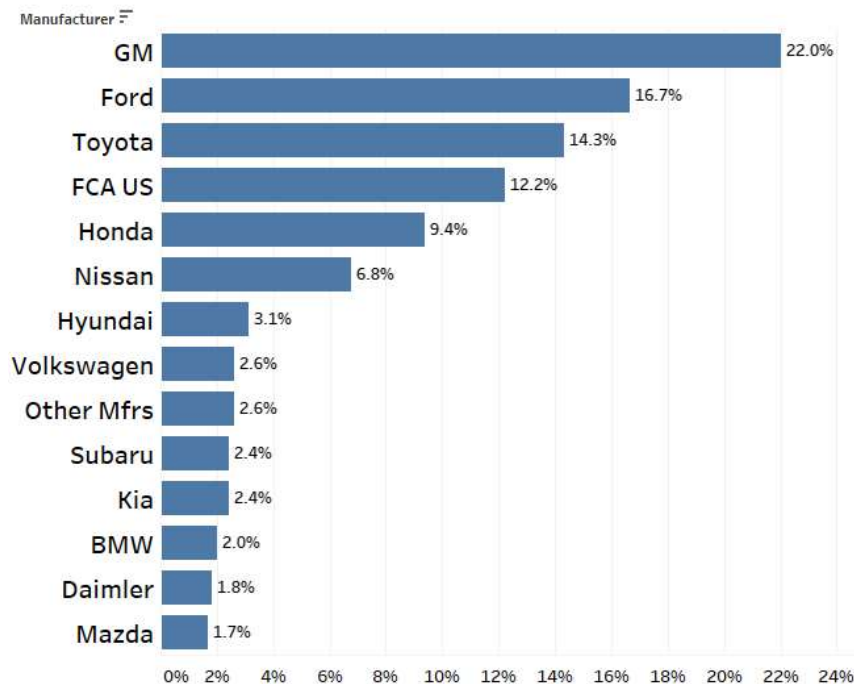
Domestic vs Import



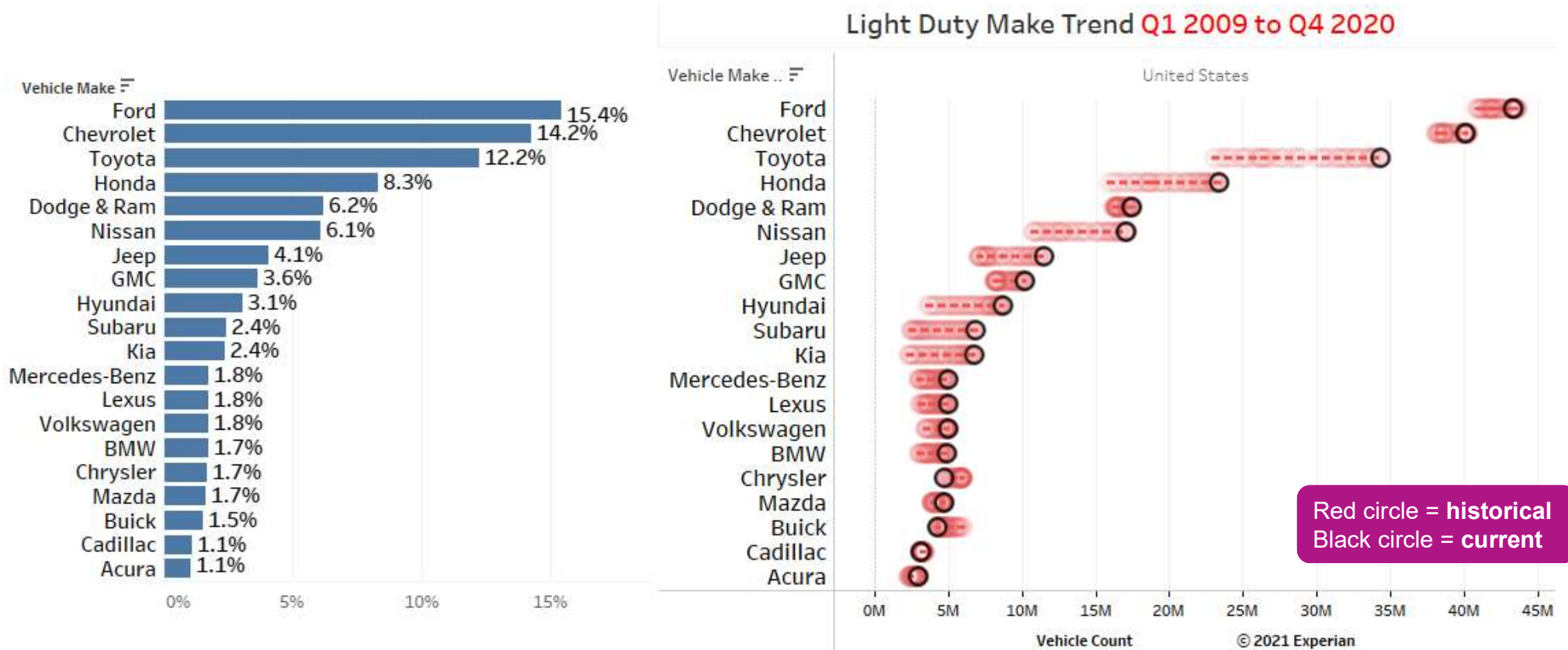
U.S. VIO Top 20 segments on the road market share



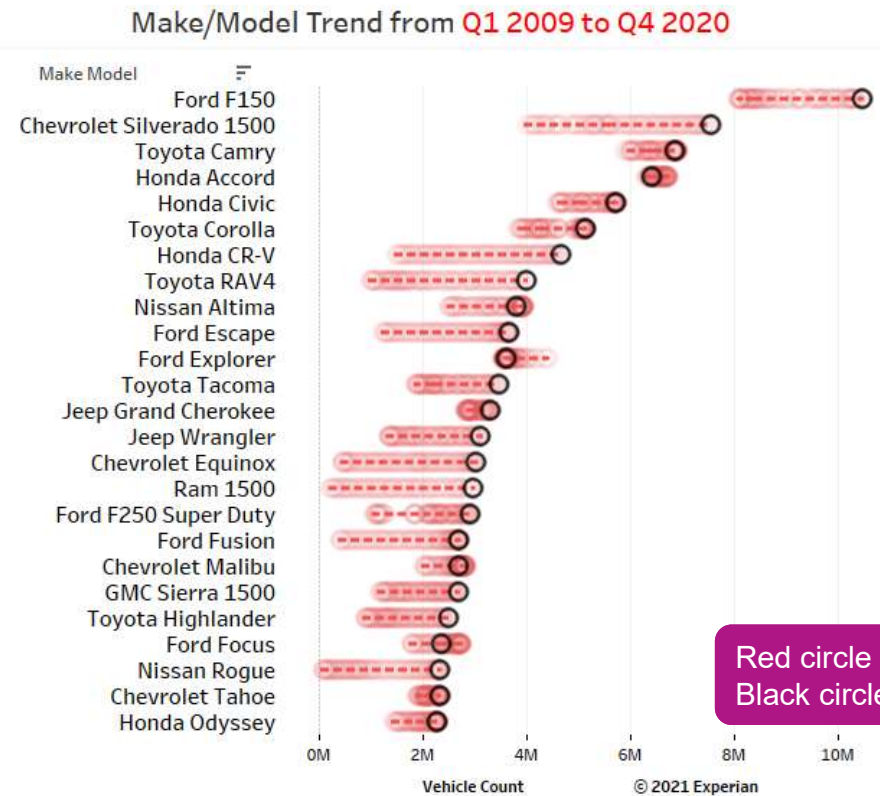
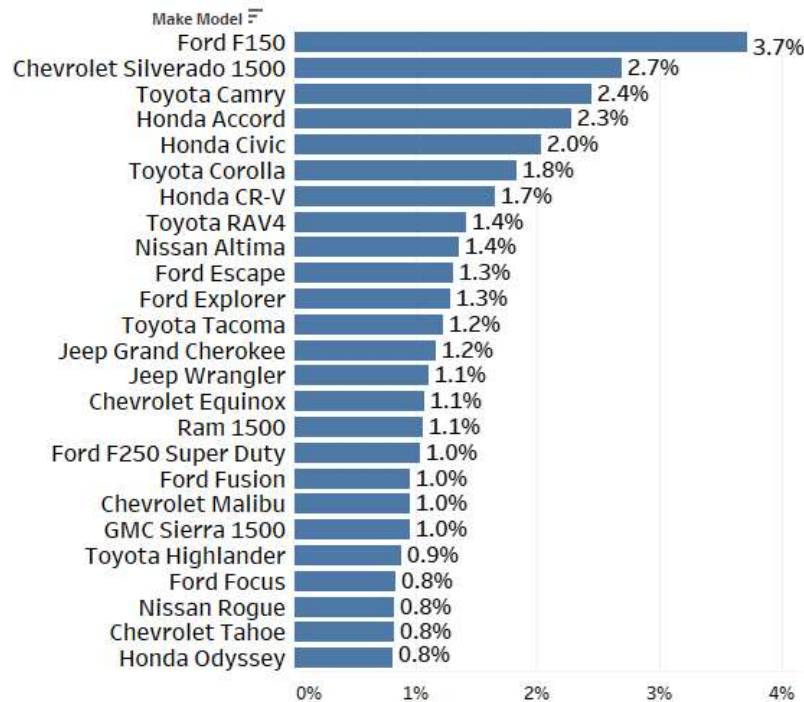
U.S. VIO by manufacturer market share vs volume trend



U.S. VIO Top 20 brands market share vs volume trend



U.S. VIO top 25 Make/Model market share vs volume trend



The aftermarket “Sweet Spot” overview

“Post” and “Pre” Sweet Spot defined

The Aftermarket “Sweet Spot”

- 6 to 12 model year old vehicles
- Aged out of general OEM manufacturer warranties for any repairs
- Likely require more part replacement & services (e.g. shocks, timing belt service, engine repairs) that may be performed by aftermarket service shops using parts from aftermarket part manufacturers
- Sizing the Sweet Spot helps identify overall market potential and changes can have implications to those that service it

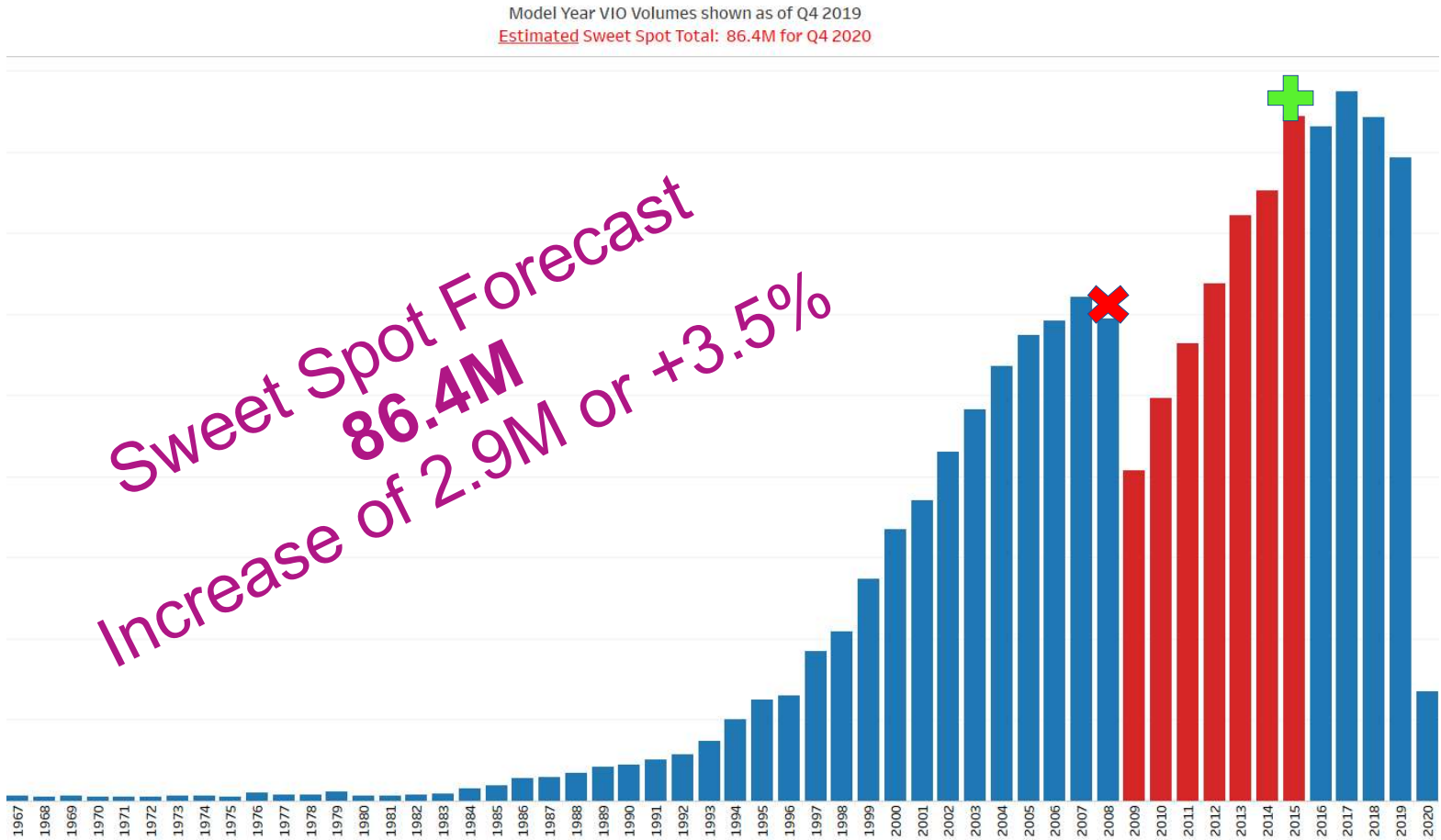
“Post Sweet Spot” vehicles

- 13 model years old & older
- Less costs may be spent to service them due to their age and lower vehicle value

“Pre Sweet Spot” vehicles

- 5 model years old & newer; many covered by the vehicle’s manufacturer warranty
- Identifies models coming into the Sweet Spot

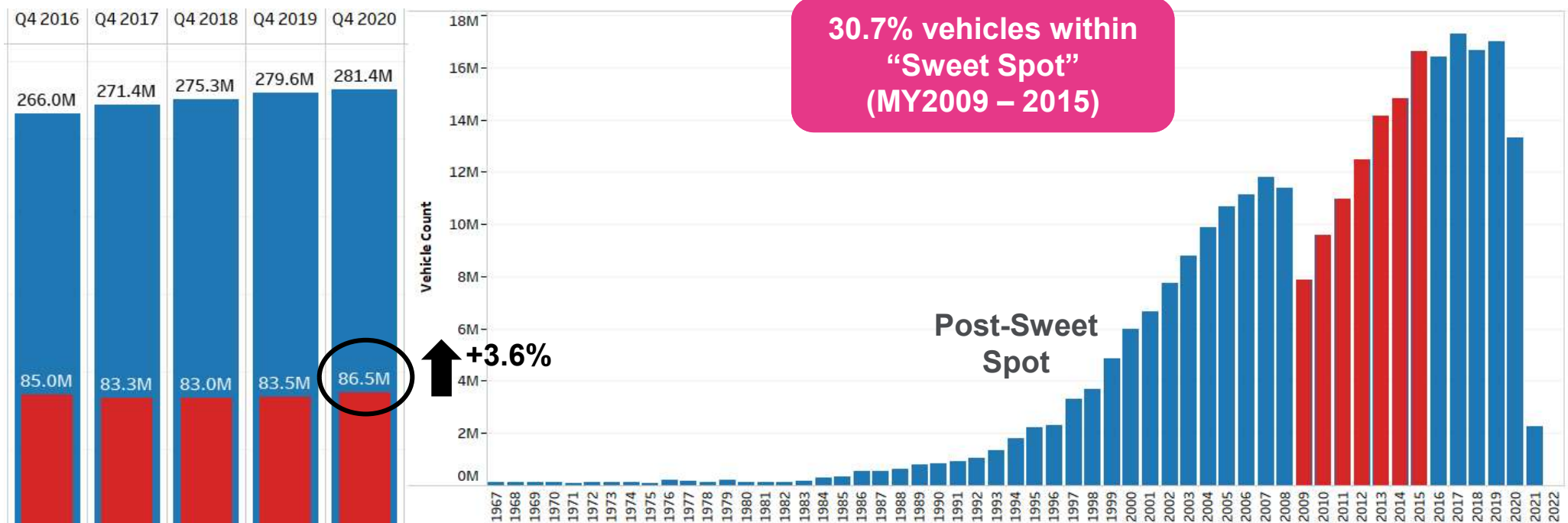
U.S. Sweet Spot forecast for Q4 2020



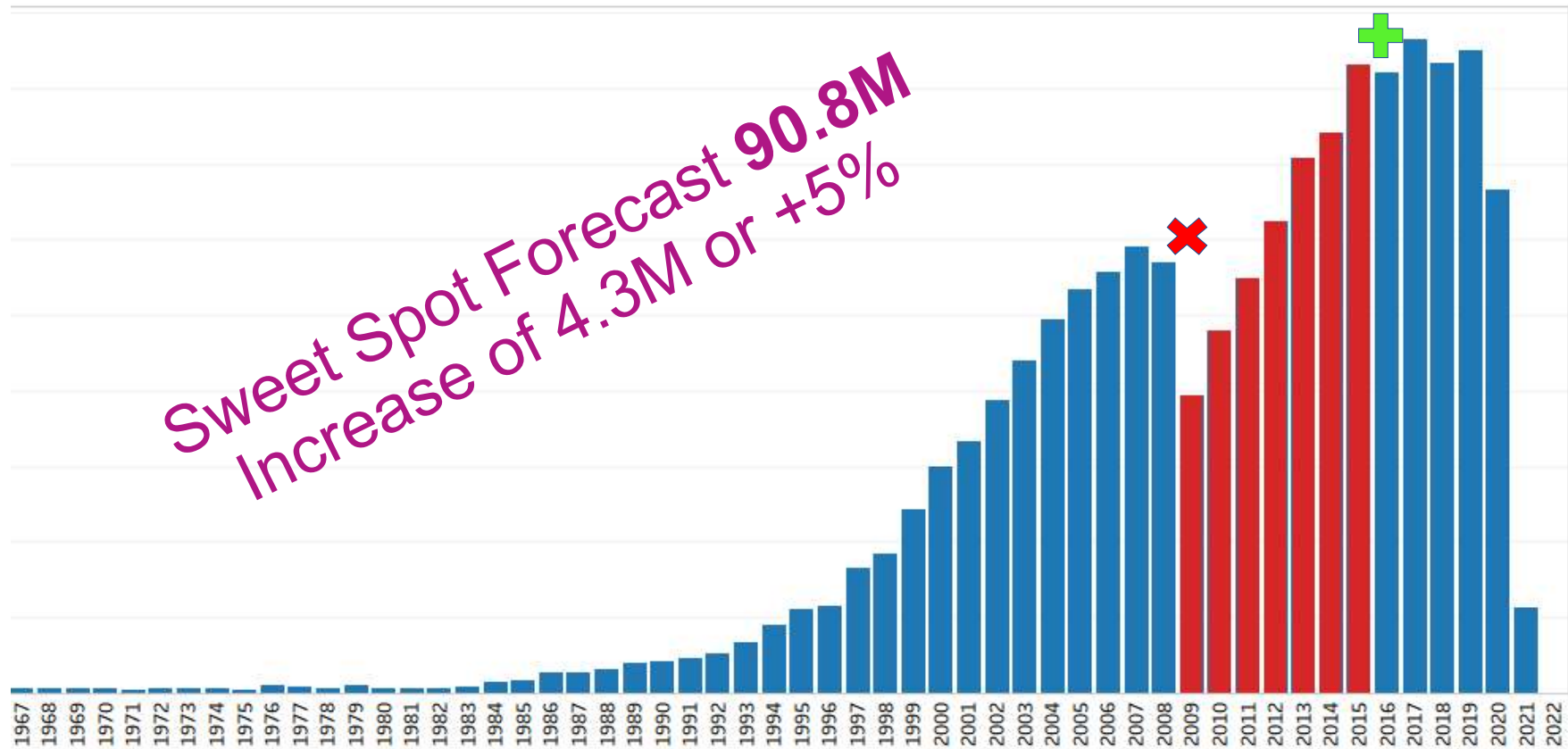
U.S. trend of total VIO compared to sweet spot volumes

VIO by model year (in millions)

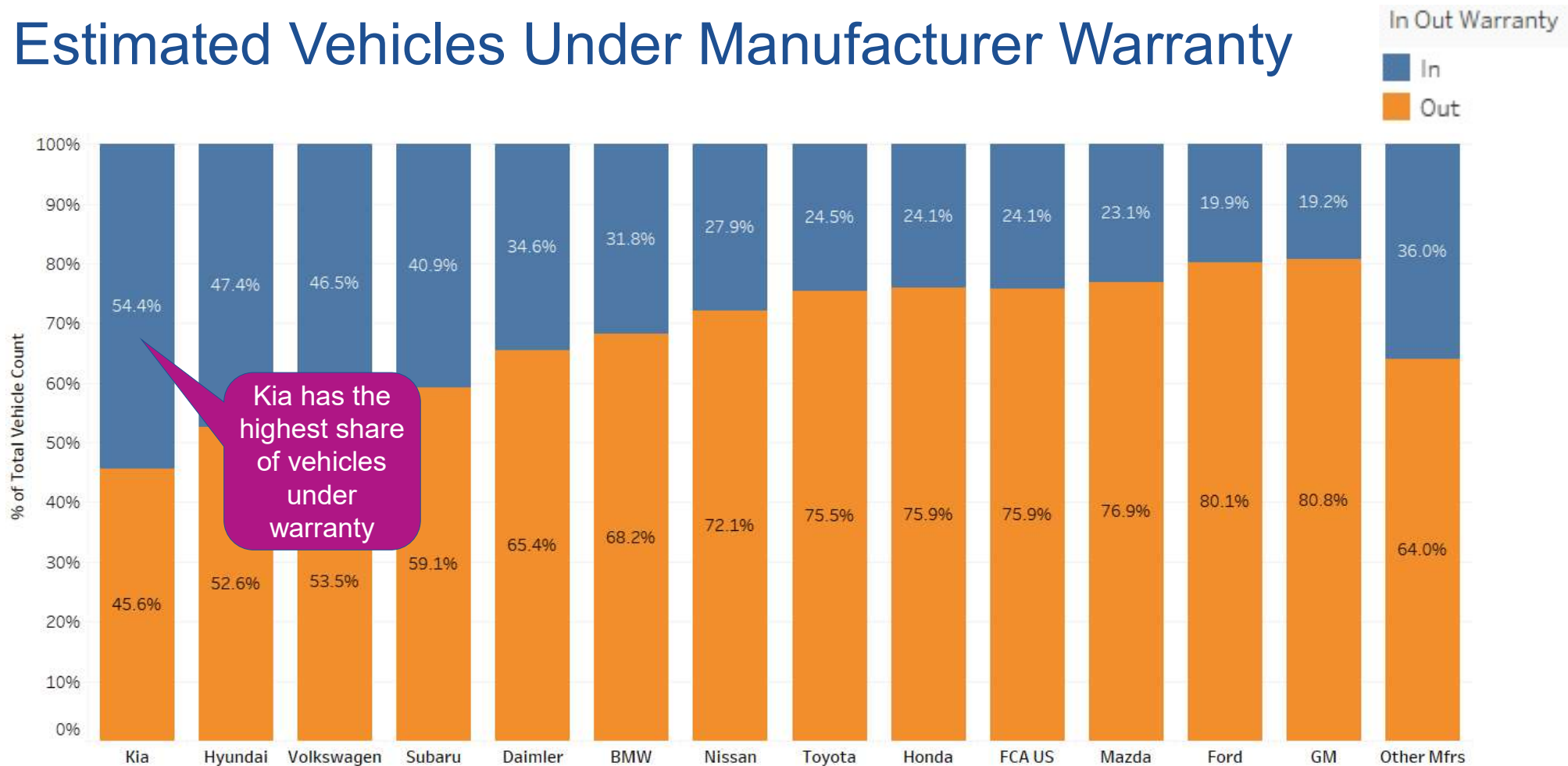
Pre-Sweet
Spot



U.S. Sweet Spot forecast for Q4 2021



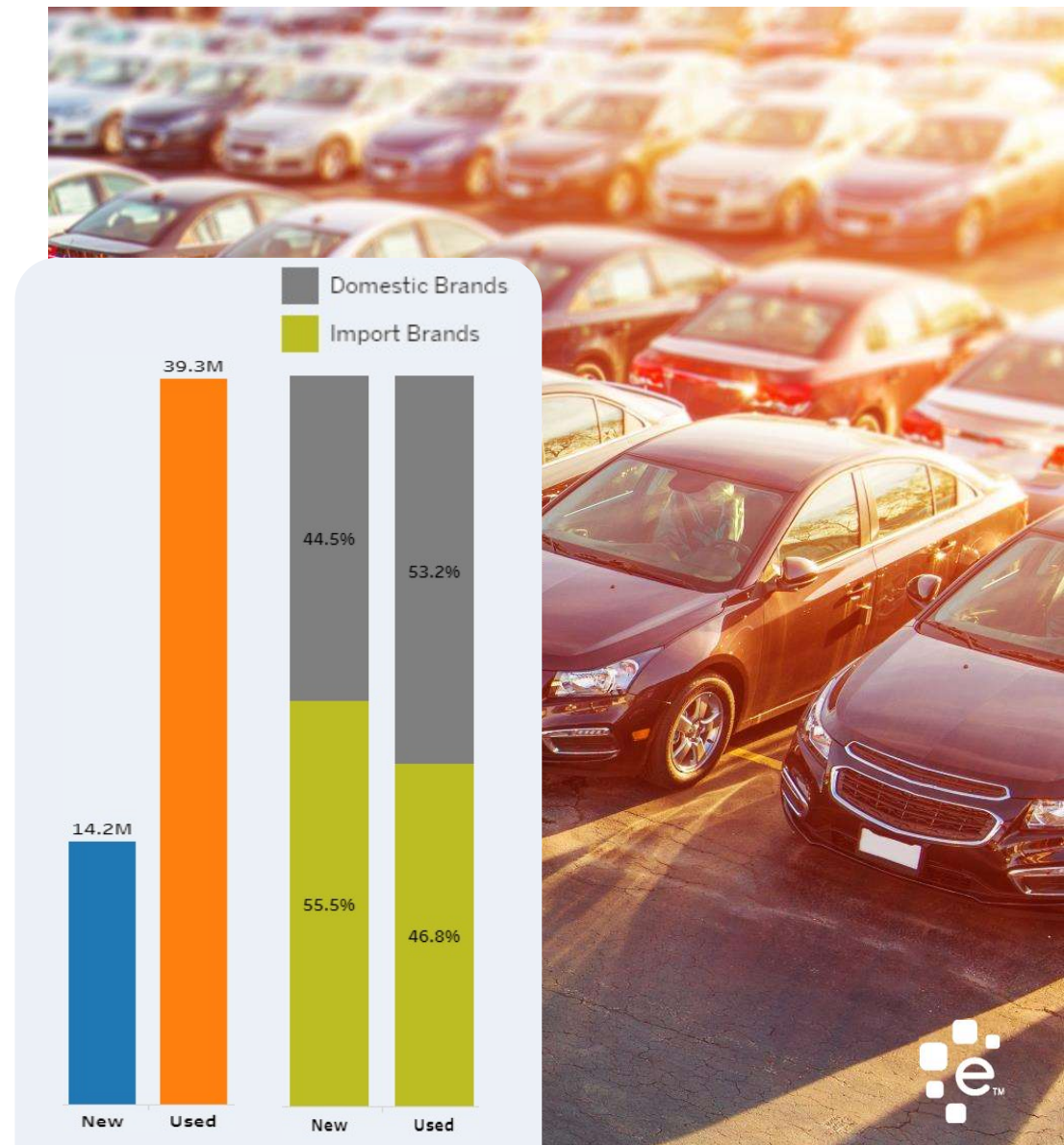
Estimated Vehicles Under Manufacturer Warranty



New & Used Vehicles

Volumes of New vs Used and Domestic vs Import over the last 12 months

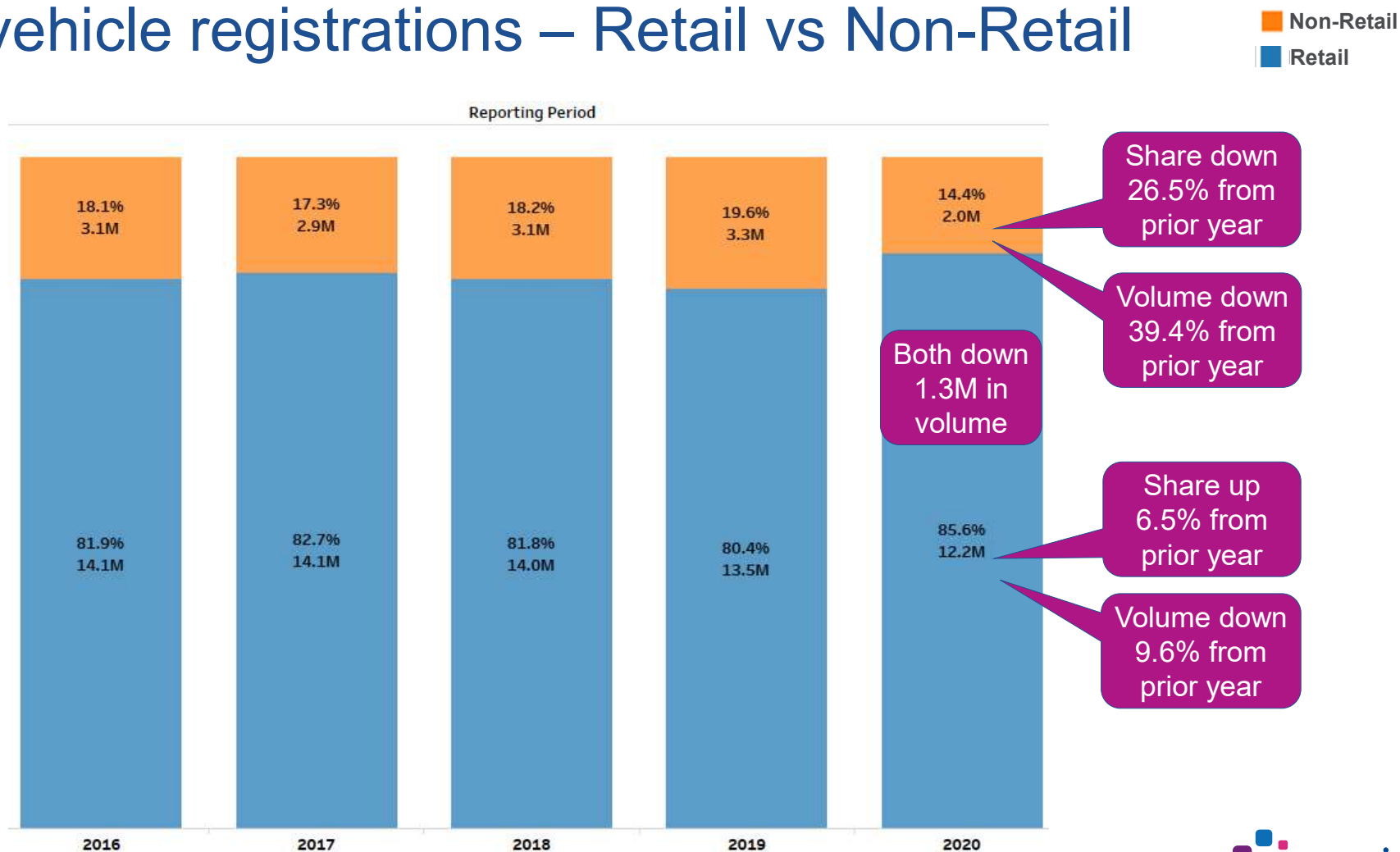
Market analysis through the 4th quarter



New and Used vehicle registrations through the 4th quarter



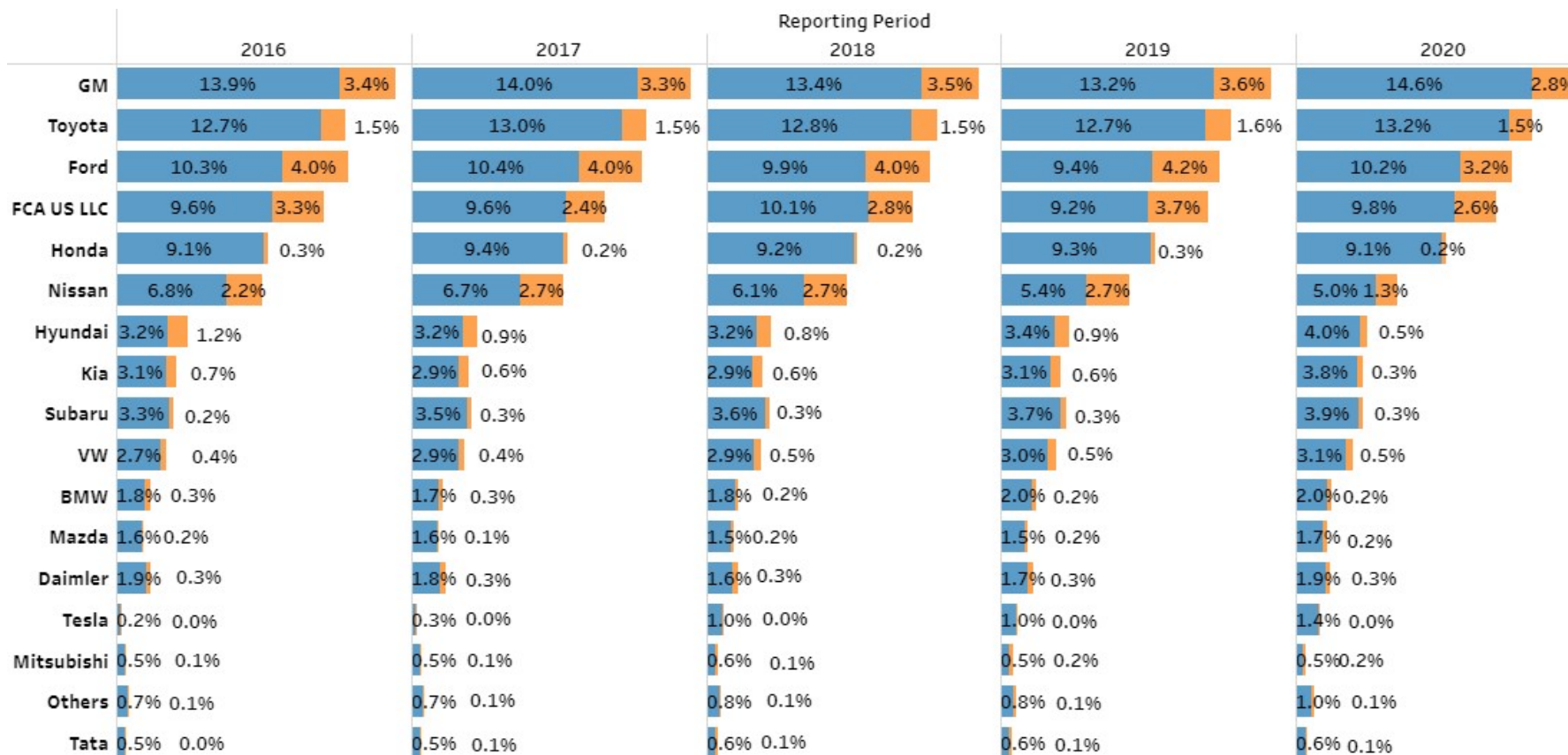
New vehicle registrations – Retail vs Non-Retail



New vehicle registrations through the 4th quarter

By manufacturer – Retail + Non-Retail

Non-Retail
Retail



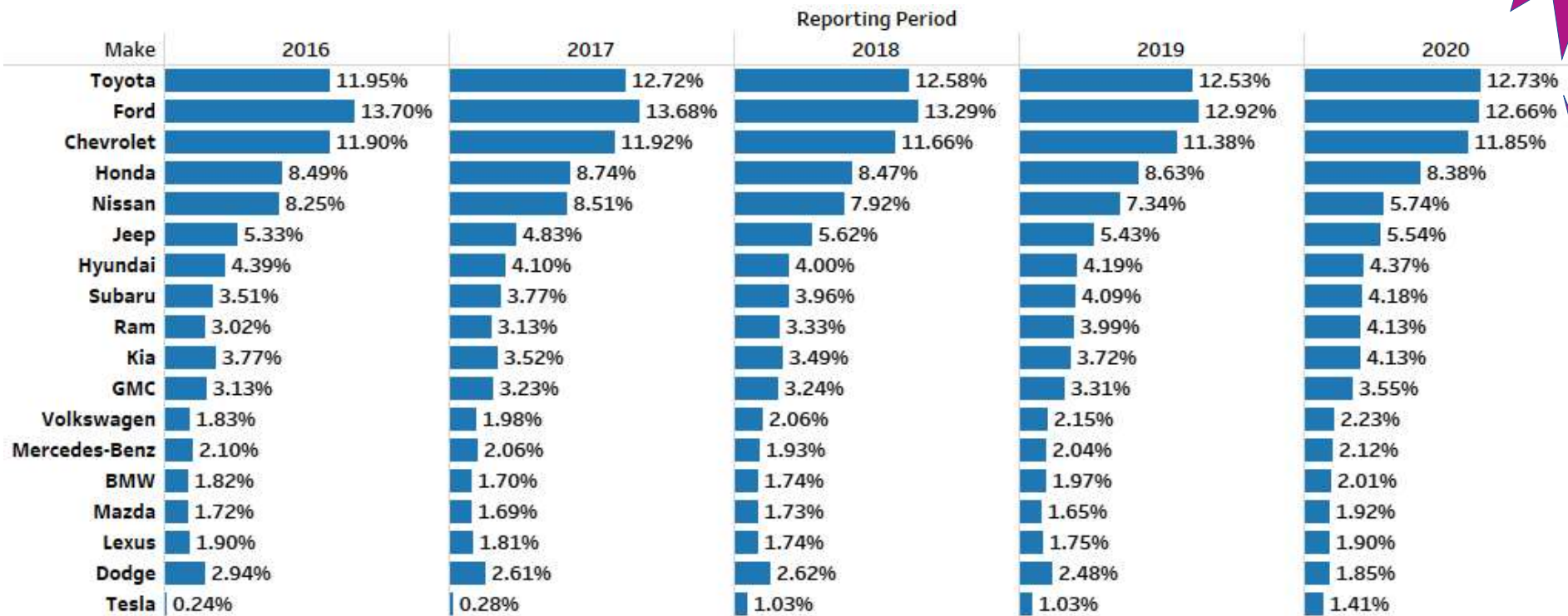
Drop in
Non-Retail
hurts GM,
Ford, FCA,
Nissan

New vehicle registrations through the 4th quarter

Top 18 brands – Retail + Non-Retail = Total Share

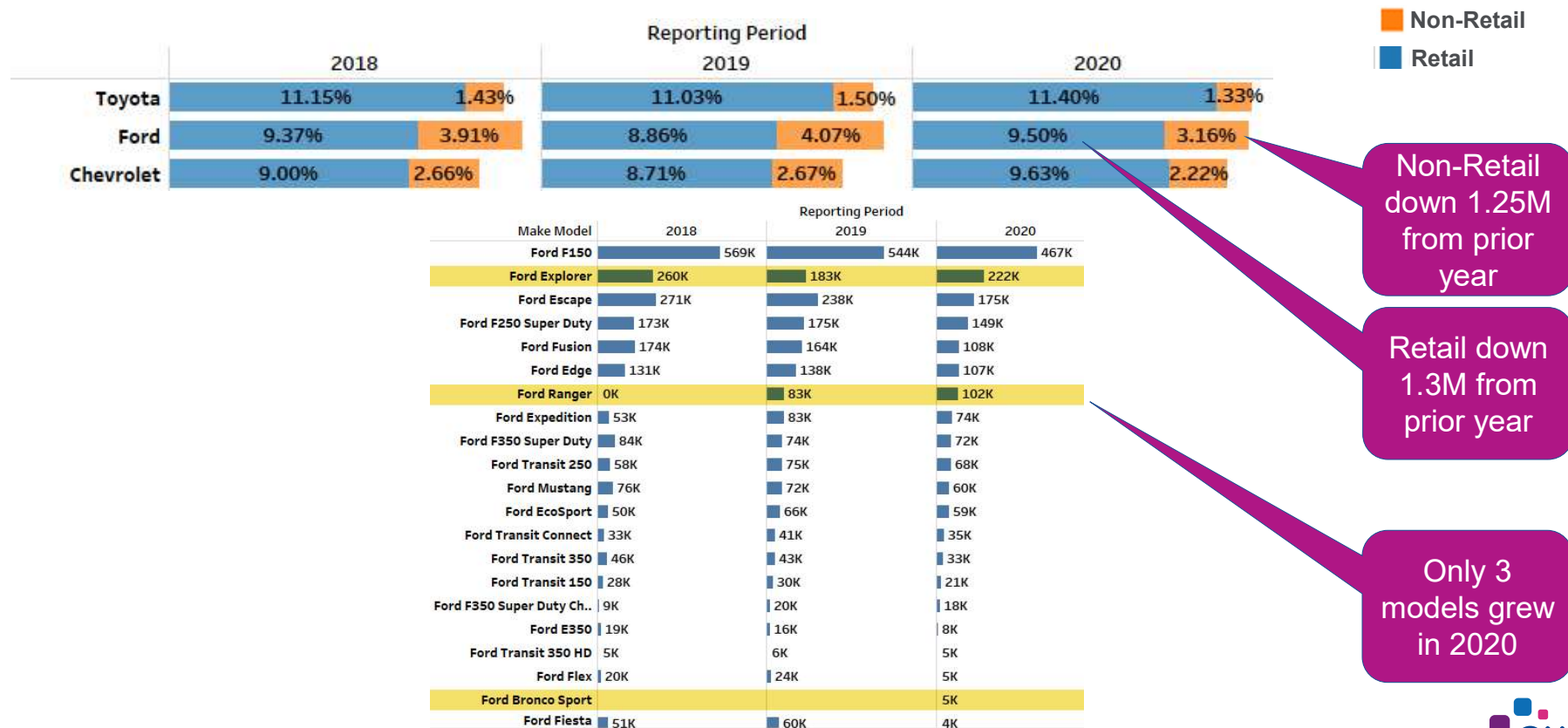
**Toyota
New LD
Leader!**

**+10k
vehicles**



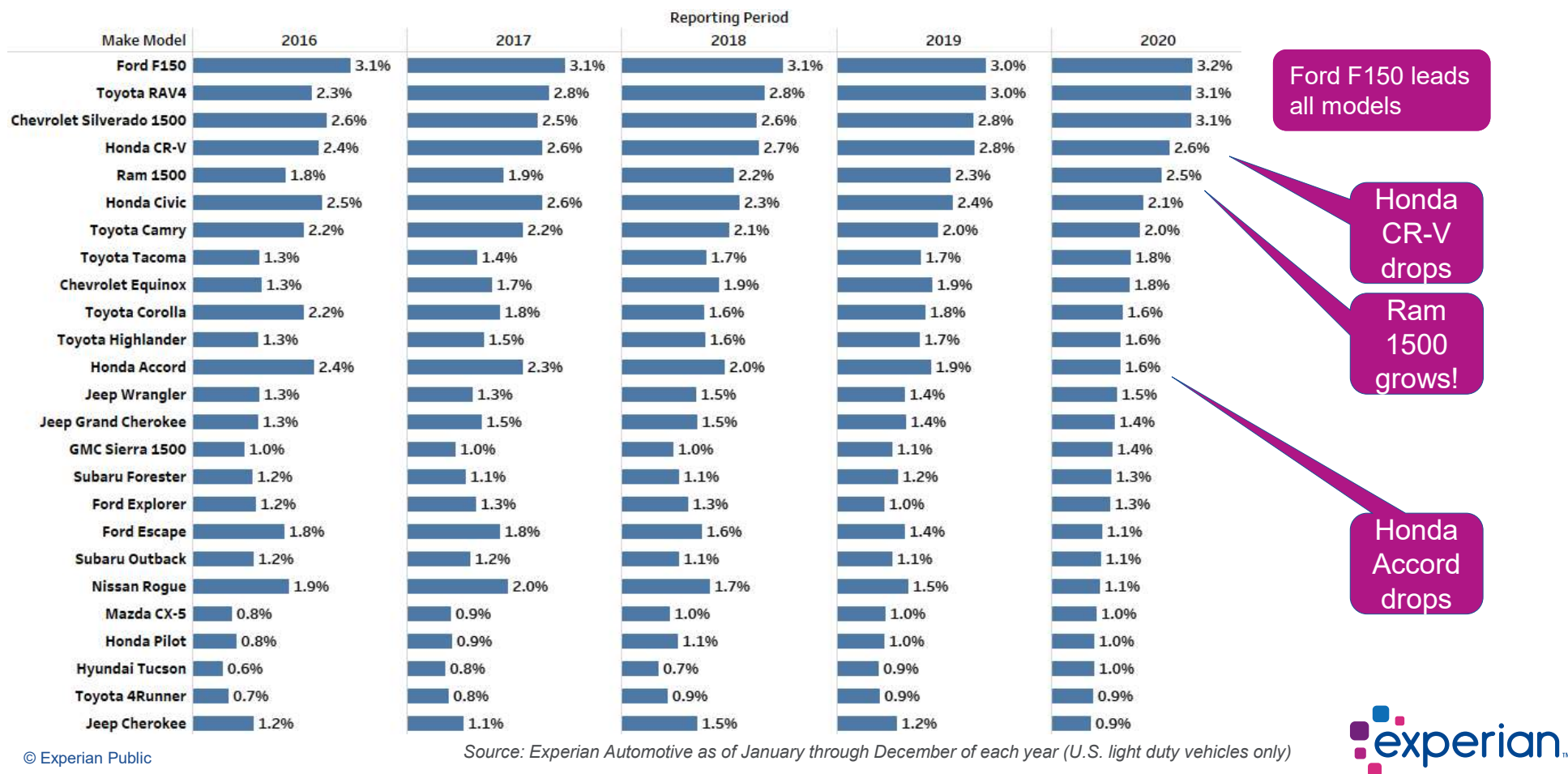
New vehicle registrations through the 4th quarter

How did Ford lose the top brand spot?



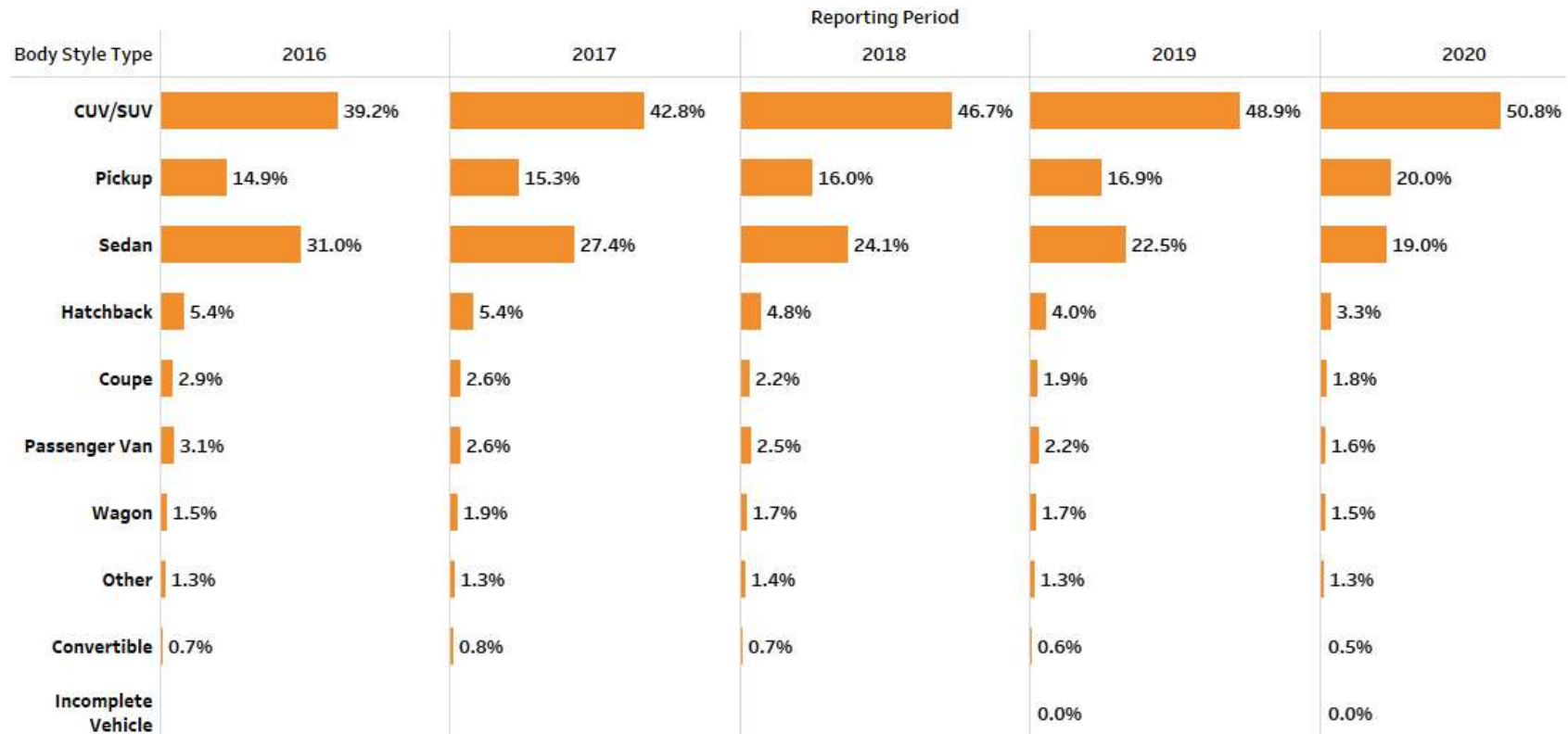
New vehicle registrations through the 4th quarter

By top 25 make/models – Retail only



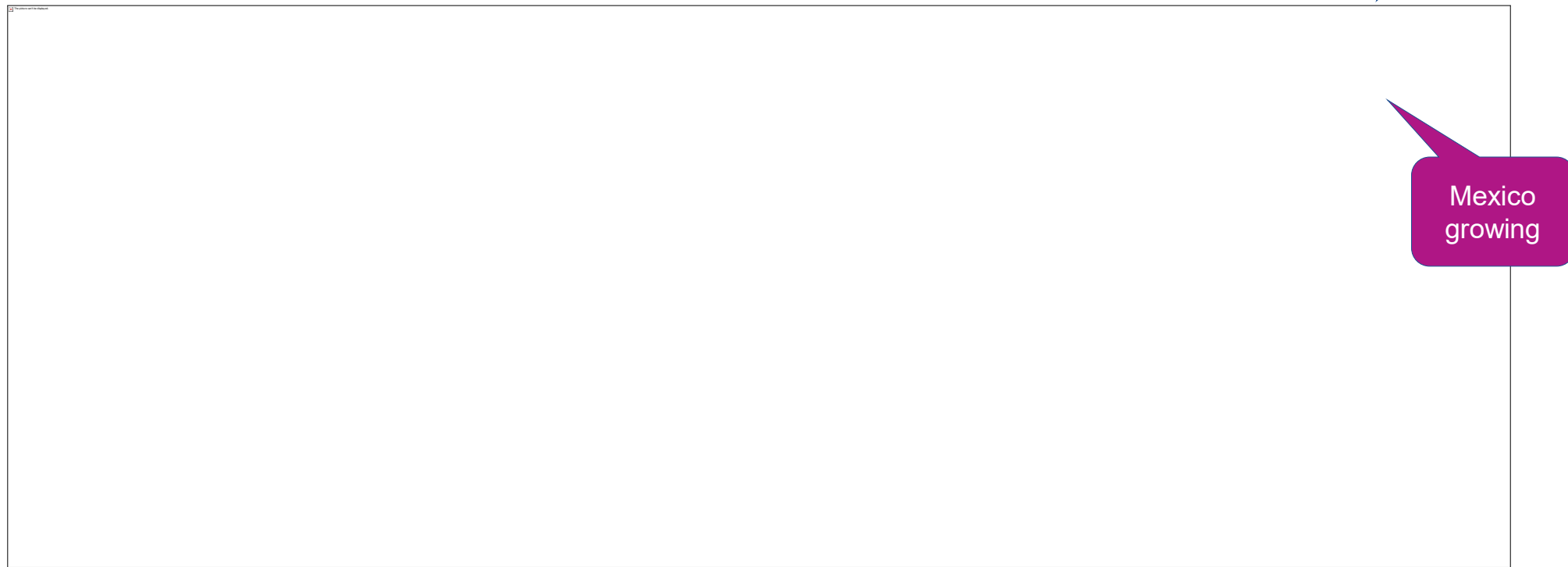
New vehicle registrations through the 4th quarter

By body style type – Retail only



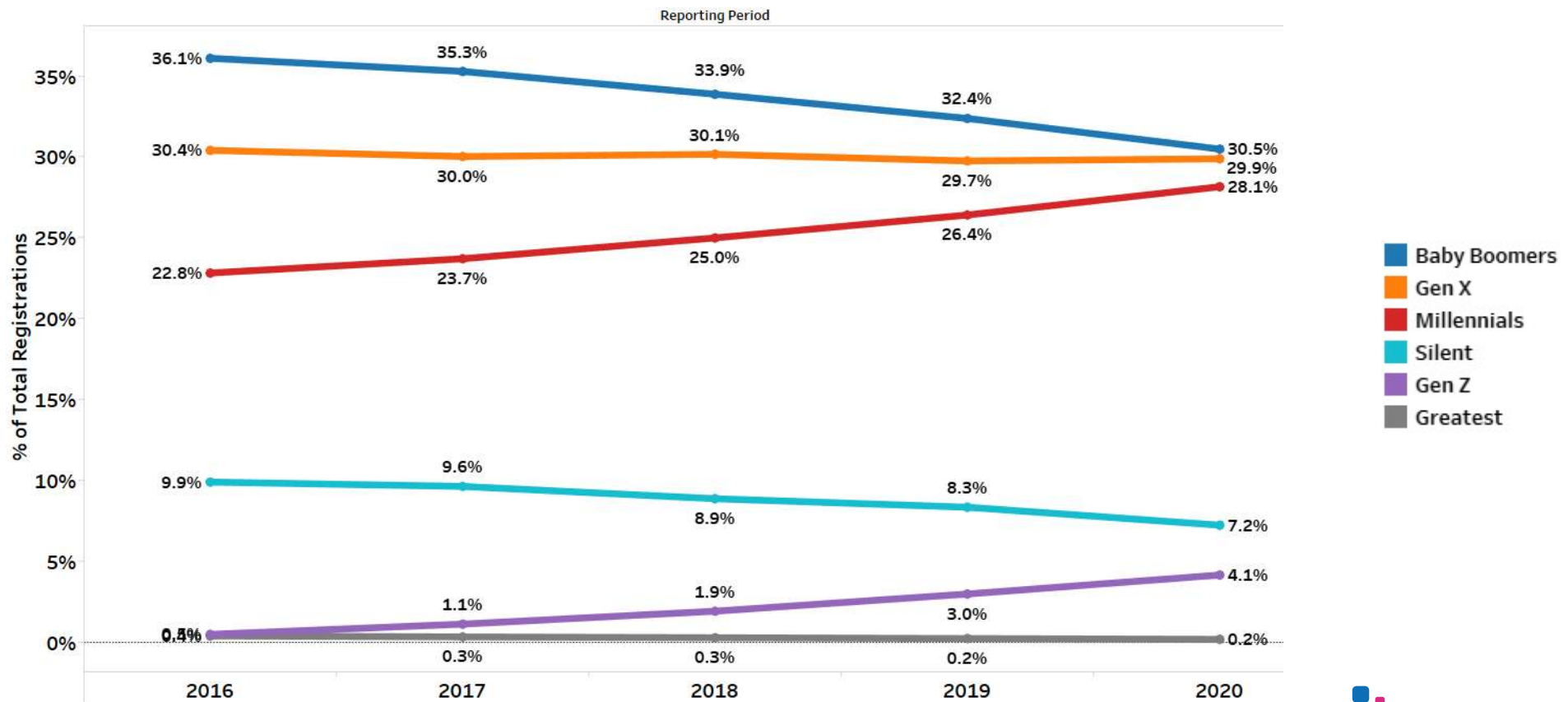
CUVs nearly at 51%

New vehicle registrations where are they built?



New vehicle registrations through the 4th quarter

By generation – Retail only



Vehicle Analysis



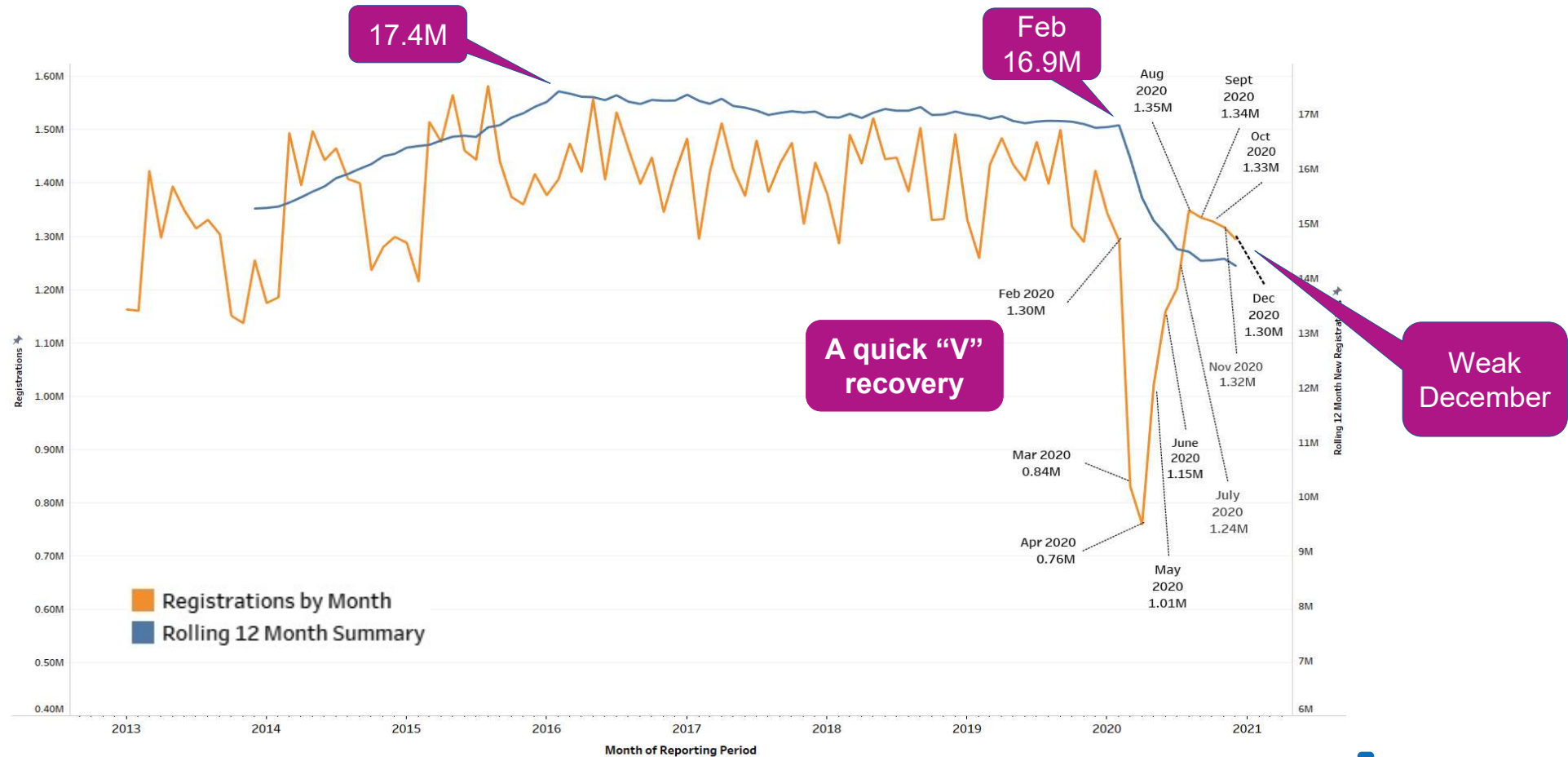
COVID-19



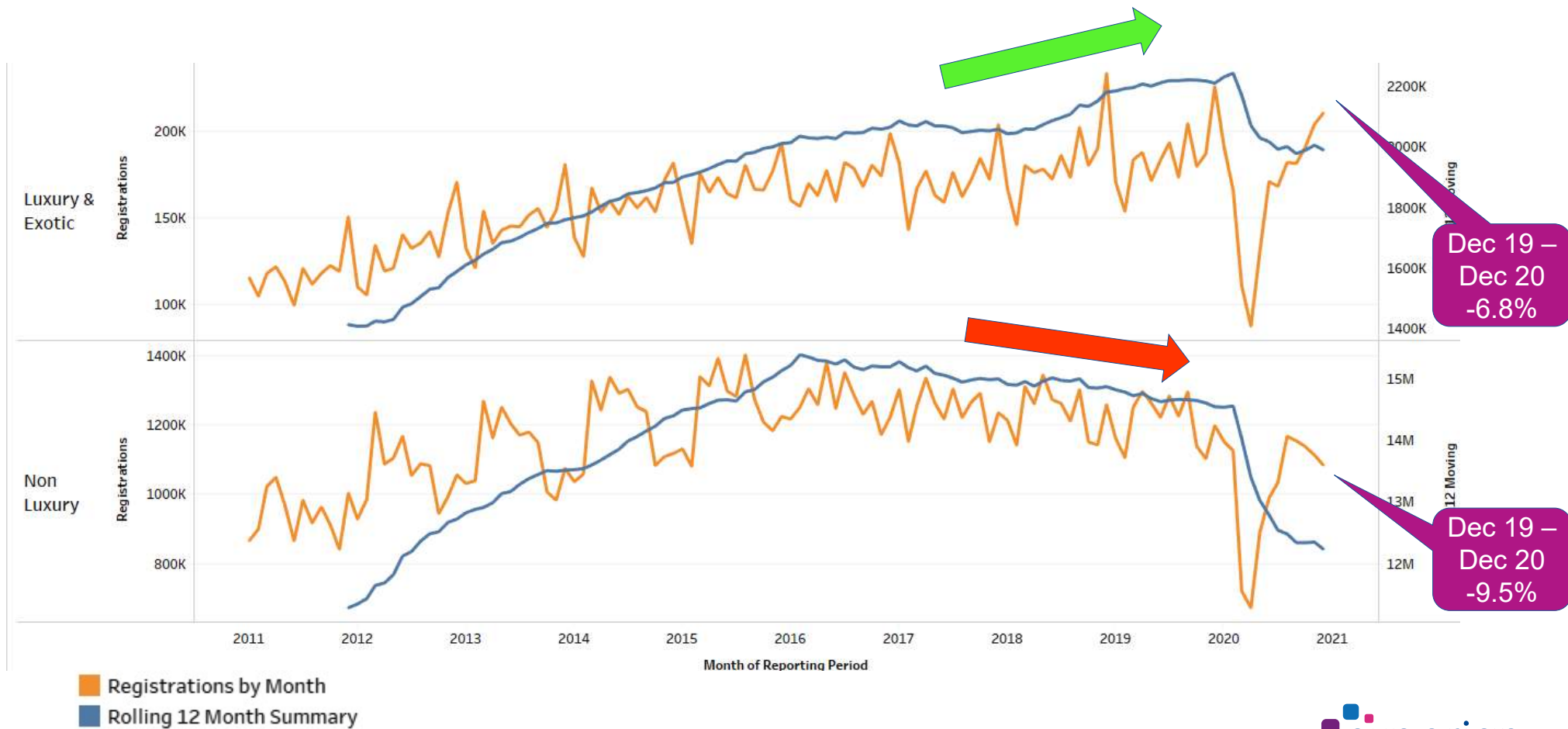
The impact of COVID-19 to the vehicle market



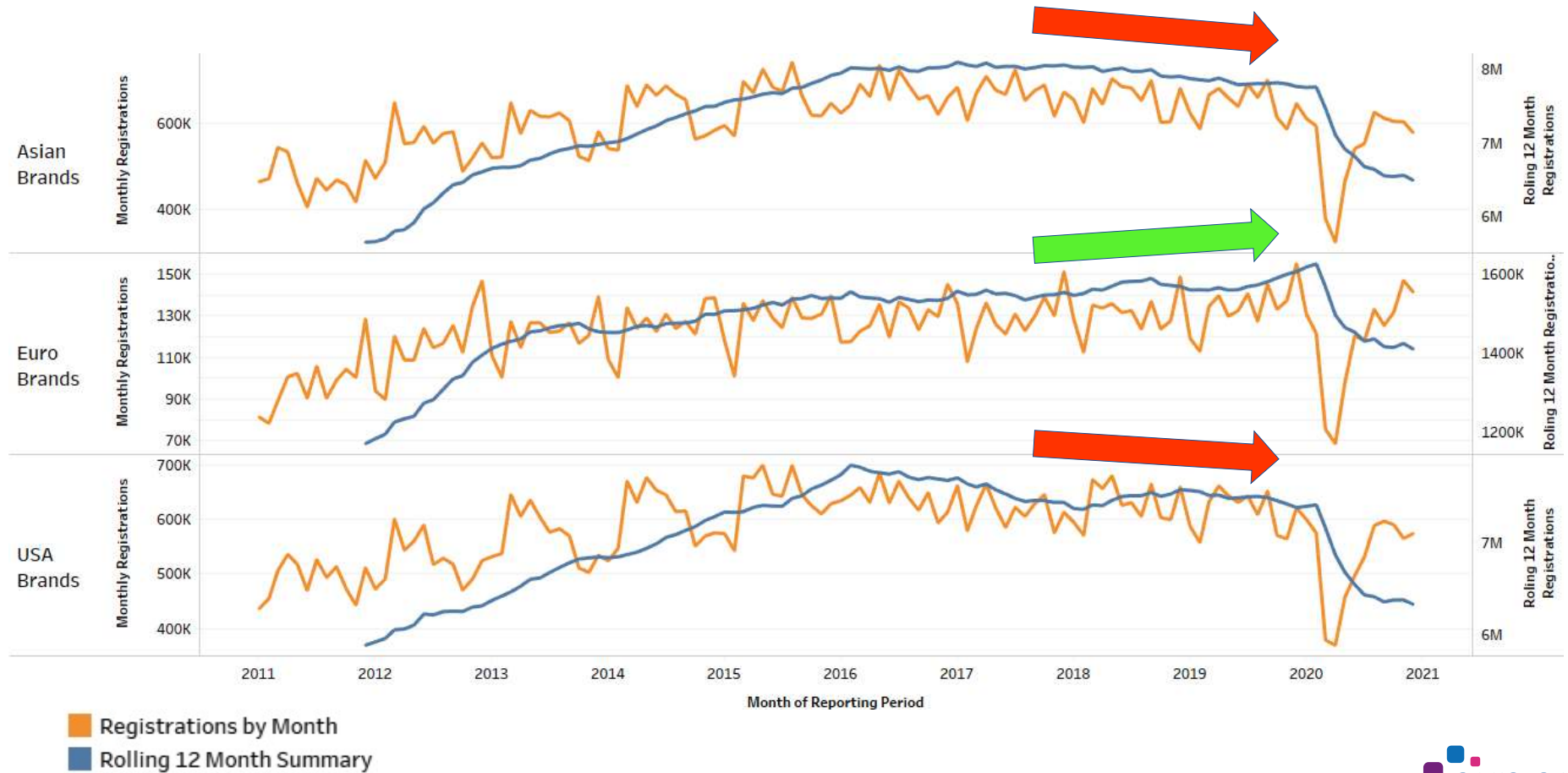
COVID-19 Where are we today? New registrations



COVID-19 New registrations by luxury vs non-luxury



COVID-19 New registrations by brand groups



Vehicle Analysis



Spotlight on electric vehicle market



Fuel Type new vehicle registration share

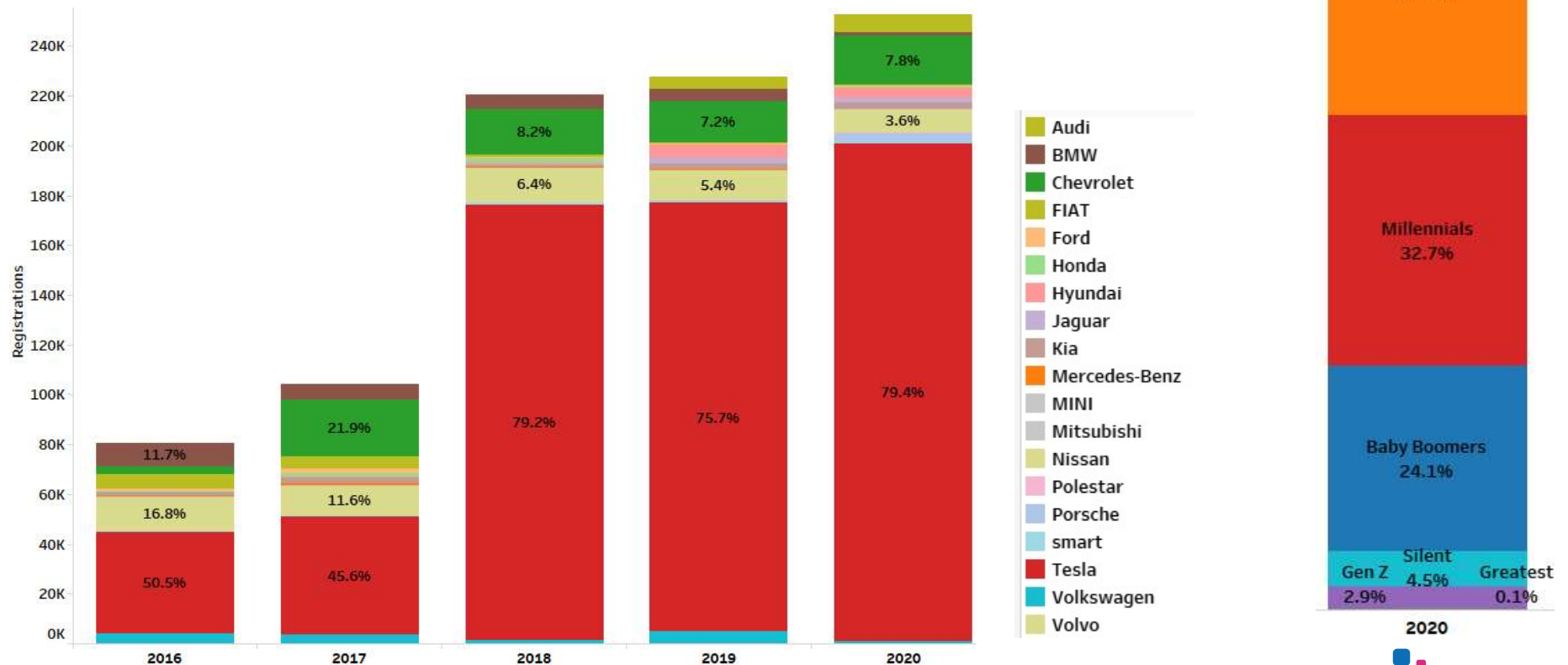
Fuel Type Group	Reporting Period				
	2016	2017	2018	2019	2020
Gasoline/Flex	94.6%	93.9%	93.2%	92.9%	90.8%
Diesel	2.6%	2.8%	2.8%	2.8%	3.3%
Hybrid	2.4%	2.7%	2.7%	2.8%	3.6%
Electric	0.5%	0.6%	1.3%	1.4%	1.8%
Other	0.0%	0.0%	0.0%	0.1%	0.6%

Total Registrations

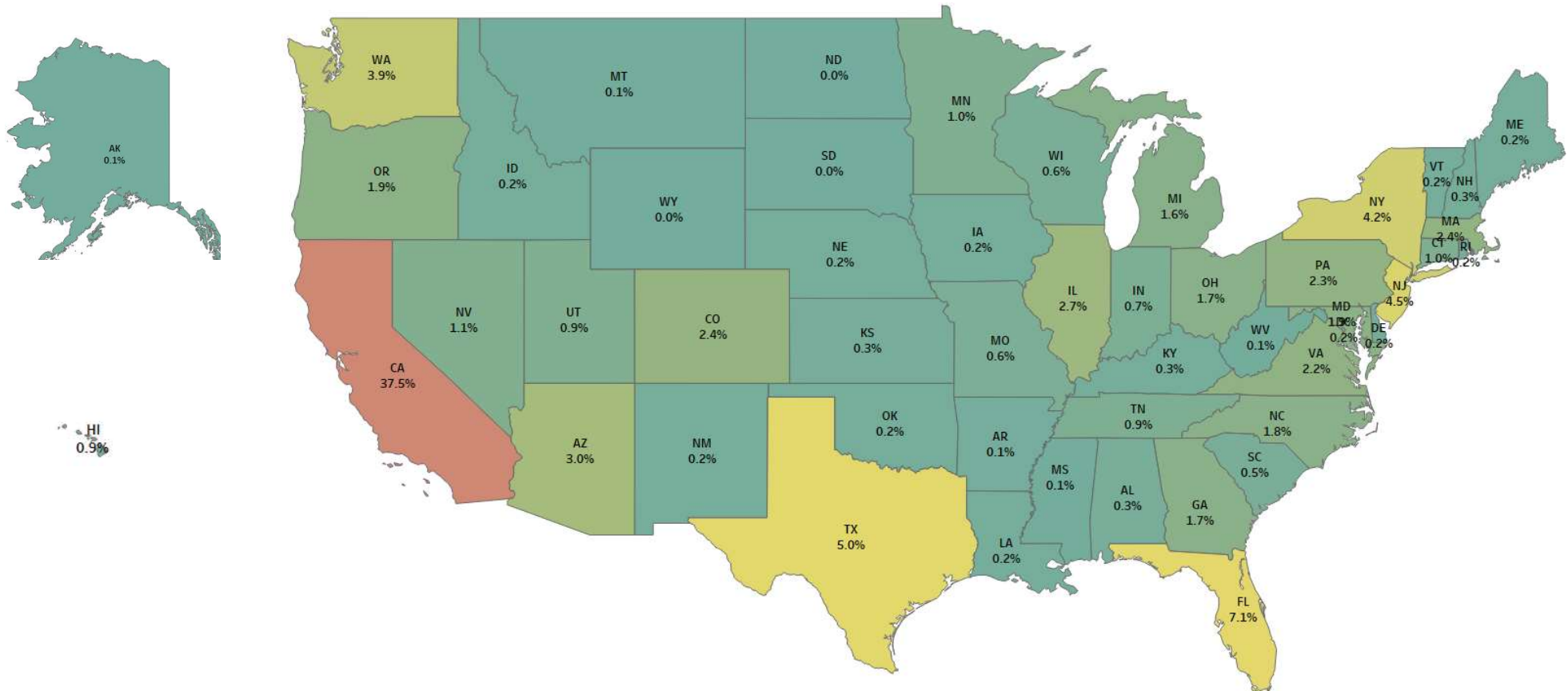
Fuel Type Group	Reporting Period				
	2016	2017	2018	2019	2020
Gasoline/Flex	94.1%	93.6%	92.8%	92.4%	90.2%
Diesel	2.8%	2.9%	2.9%	2.8%	3.4%
Hybrid	2.5%	2.7%	2.8%	3.1%	3.7%
Electric	0.5%	0.7%	1.5%	1.7%	2.0%
Other	0.0%	0.0%	0.0%	0.1%	0.6%

Retail Registrations

Electric vehicle registration share by brand and Generation



New electric registrations by state in 2020



New electric brands and models

Already hitting the road:

- Audi e-tron and e-tron Sportback
- Ford Mustang Mach-E
- Hyundai Ioniq Electric
- Jaguar I-Pace
- Kia Niro EV
- **Polestar 2**
- Porsche Taycan
- Tesla Model Y
- Volvo XC40 Recharge
- ...and refreshes of others

Coming to a road near you:

- BMW iNext
- **Bollinger** B1 and B2
- Chevrolet Bolt Crossover
- Hyundai Kona Electric and Ioniq 5
- Karma GSe-6
- **Lucid** Air
- Mercedes-Benz EQA, EQB, EQC, EQS
- MINI Cooper SE
- Nissan Ariya
- **Rivian** R1T and R1S
- Tesla Cybertruck and new Roadster
- Volkswagen ID.4
-and others

New brands?

- Bollinger
- BYD
- Byton
- Canoo
- Faraday
- Human Horizons
- Lordstown
- Lucid
- Lynch & Co
- Neuron
- Nikola
- Nio
- Polestar
- Rimac
- Rivian
- Vantas

Loyalty – Purchasers of electric vehicles

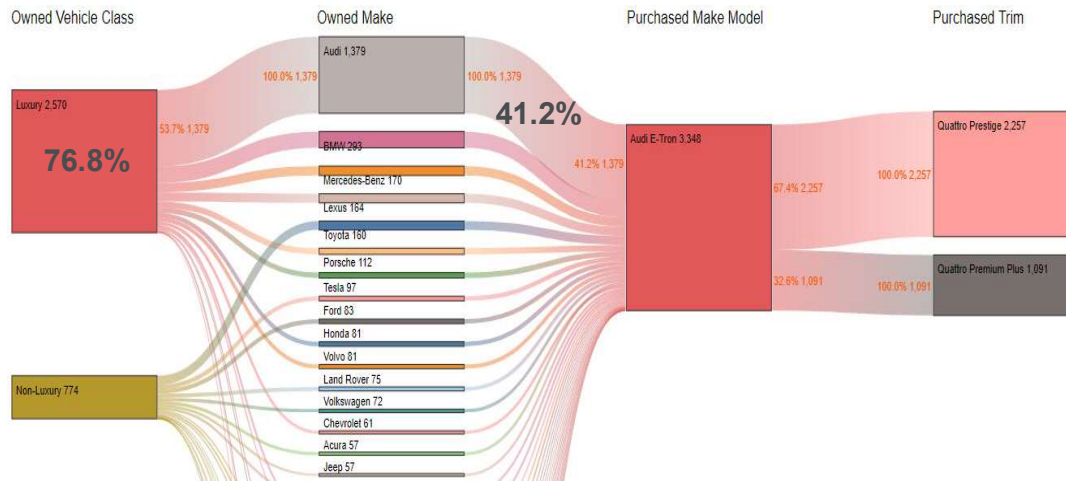
What fuel type vehicle did they previously own?

Electric Vehicle Purchased Make	Owned Fuel Type				
	Diesel	Electric	Gasoline/Flex	Hybrid	Other
Audi	3.6%	5.8%	80.7%	9.9%	0.0%
BMW	2.7%	26.6%	58.7%	11.9%	0.1%
Chevrolet	2.5%	16.9%	52.6%	27.8%	0.2%
FIAT	1.8%	15.9%	71.1%	10.9%	0.3%
Ford	2.0%	7.9%	70.6%	18.9%	0.6%
Honda	1.1%	4.8%	72.2%	21.1%	0.7%
Hyundai	0.9%	10.6%	63.6%	24.6%	0.2%
Jaguar	3.7%	10.4%	73.4%	12.5%	
Kia	1.4%	13.8%	64.9%	19.8%	0.1%
Mercedes-Benz	2.5%	9.4%	70.5%	17.5%	0.1%
MINI	3.6%	8.9%	82.1%	5.4%	
Mitsubishi	1.7%	6.1%	81.2%	10.9%	
Nissan	1.3%	21.9%	62.8%	13.9%	0.1%
Porsche	1.0%	8.8%	83.2%	6.2%	0.8%
smart	2.5%	13.6%	76.7%	7.3%	
Tesla	1.9%	14.6%	71.2%	12.3%	0.1%
Toyota	2.1%	8.2%	60.2%	29.2%	0.4%
Volkswagen	6.0%	17.7%	63.6%	12.5%	0.1%
Grand Total	2.0%	16.0%	67.9%	14.0%	0.1%

1 in 6 were
former
electric
owners

Over 2/3 of
electric
buyers were
former
Gasoline
owners

Experian Disposal Loyalty – Where Electric Buyers Come From



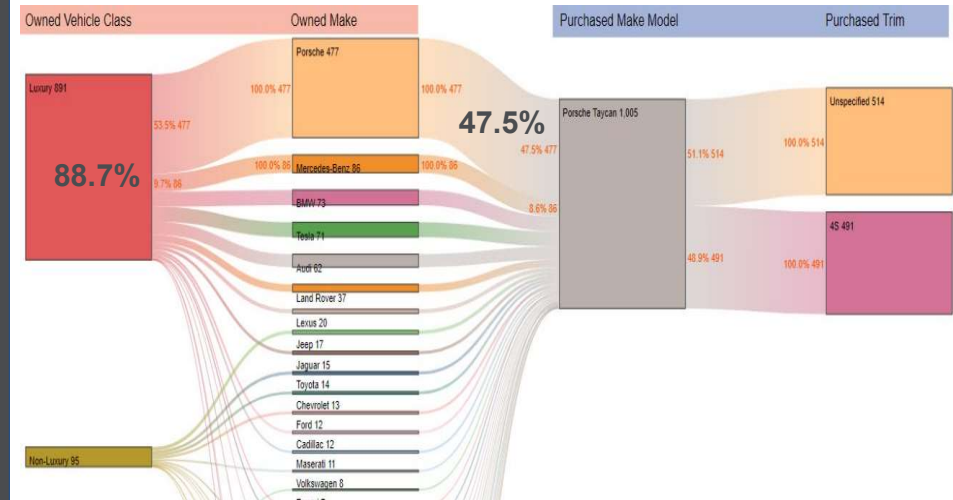
Purchasers of Audi e-Tron

41.2% were former Audi owners

76.8% were Luxury owners

8.8% were BMW owners

2.9% were Tesla owners



Purchasers of Porsche Taycan

47.5% were former Porsche owners

88.7% were luxury owners

8.6% were M-B owners

7% were Tesla owners

Source: Experian Automotive Disposal Loyalty



Q4 2020 Summary

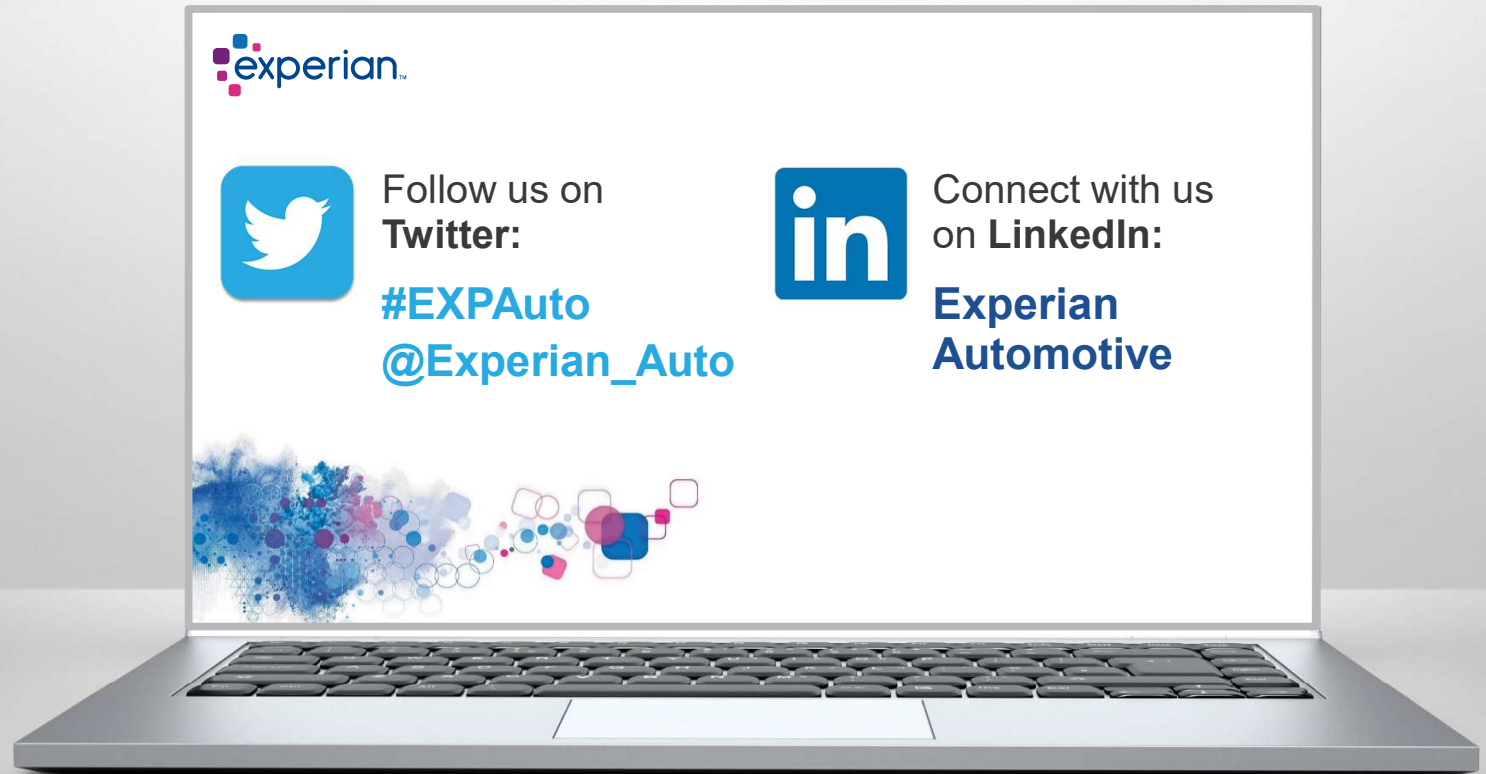
- Total light duty VIO is currently at **281.4 million** in the U.S. market. GM leads in over VIO share, but that rate has been dwindling each quarter for years. Ford Motor Company is currently ranked 2nd and Toyota Motor Sales is 3rd. Will Toyota's total VIO overtake Ford within 2 years?



- **Toyota is now the light duty brand leader** of new registrations in 2020, taking over the spot held by Ford for many years.
- The aftermarket **Sweet Spot** continues to grow and is up 3.6% over last year, and next year looks even better for more opportunities in the Aftermarket at an estimated 5% growth! 🙌
- **COVID-19 has taken a toll on registration volumes during the early spring**, yet it seems that we have “V” recovered and both New and Used registrations volumes were doing better. Volumes declined slightly late in the 4th quarter, but will 2021 be better?
- **Electric** vehicles continue to increase in registrations, hitting 2% of all retail sales in 2020. With more models and new brands on the horizon, who will lead by this time next year?



Today's presentation



Thank You!

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