



# Automotive Market Trends

## Q2 2022

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**Marty Miller**

Director, Product Data and Implementation

September 2022



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# Today's speaker

## **Marty Miller**

Director, Product Data and Implementation  
Experian Automotive

### **What's on the road**

VIO by model year, segment, age and market share

U.S. light duty vehicles through June 30, 2022.

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

- *Canada VIO*
- *U.S. Vehicle Loyalty*
- *U.S. Electrified Vehicle Analysis*



# 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**
  - **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



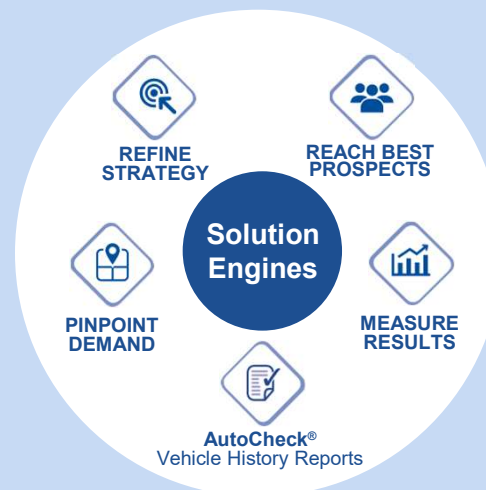
## Best-in-class data, unified and enhanced

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.

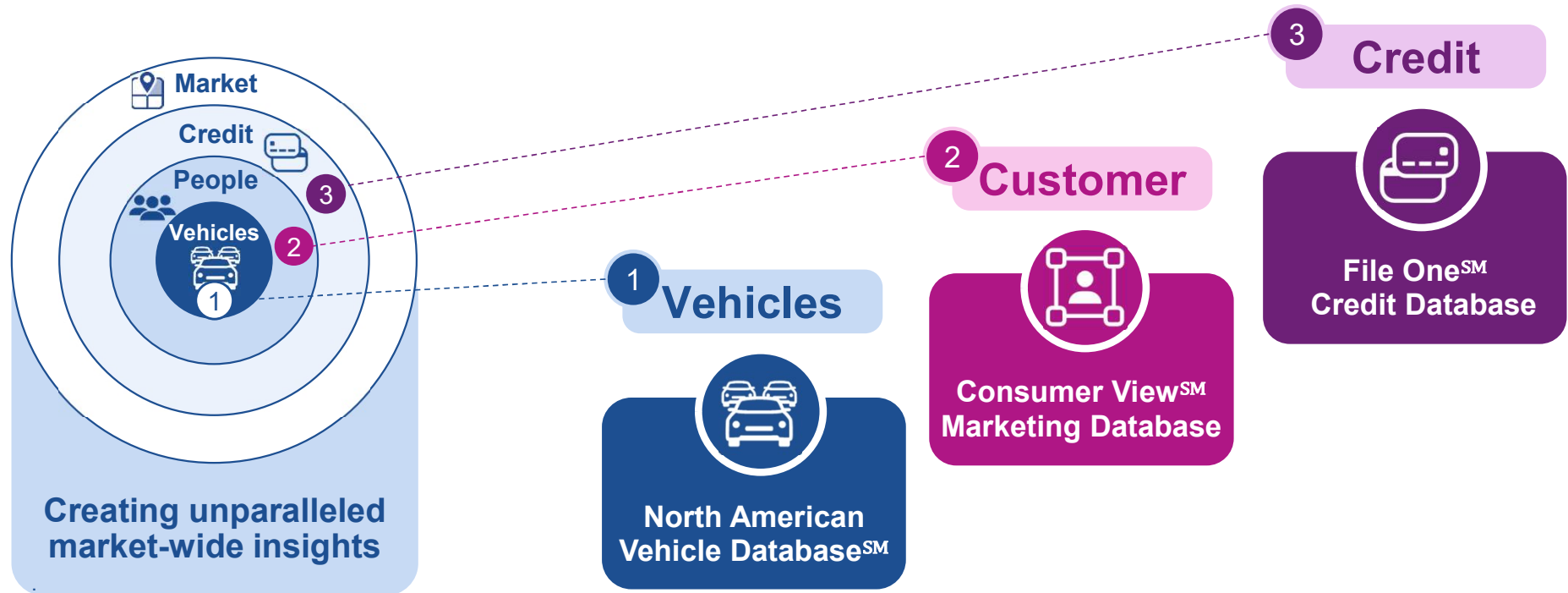


## Powering innovative solution engines that drive results

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) = 332.8M

## 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.



#### CLASS 5 16,001 to 19,500 lbs.



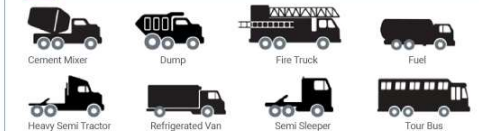
#### CLASS 6 19,501 to 26,000 lbs.



#### CLASS 7 26,001 to 33,000 lbs.



#### CLASS 8 over 33,000 lbs.



#### Power sports





# Velocity Vehicles in Operation

What's on the road today?

## LIGHT DUTY VEHICLES

### Cars and CUVs

Q2 2022



Passenger Car



Cross-over (CUV)

#### CLASS

1

6,000 lbs. or less



Full Size Pickup



Mini Pickup



Minivan



SUV



Utility Van

#### CLASS

2

6,001 to 10,000 lbs.



Crew Size Pickup



Full Size Pickup



Mini Bus



Minivan



Step Van



Utility Van

#### CLASS

3

10,001 to 14,000 lbs.



City Delivery



Mini Bus



Walk In

To find out more about Automotive Market and Registration Trends and access to the latest Experian Automotive Market Trends quarterly webinar, visit us at: [www.experian.com/V10](http://www.experian.com/V10), contact your local Experian sales representative or call 1-800-451-4511

# Changes in U.S. vehicles in operation

Light duty vehicles\* over the last 12 months

Q2 2022 Total\*

**284.4**  
MILLION

Vehicles on the road

Q2 2022 VIO changes



**13.5**  
MILLION  
**NEW** Vehicles  
Registered



**11.9**  
MILLION  
Vehicles went  
out of operation



**40**  
MILLION  
**USED** vehicles  
changed owners

=



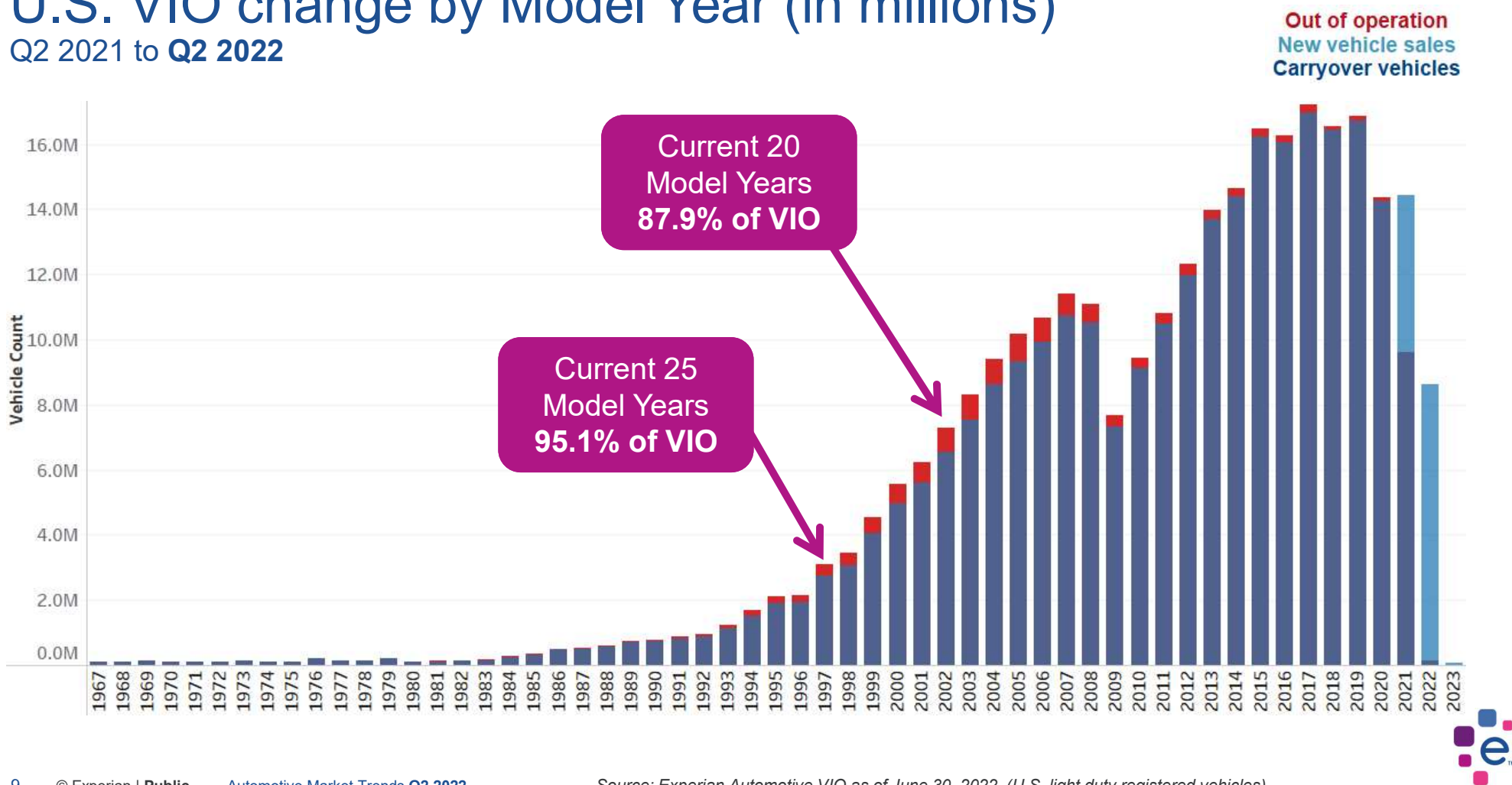
**29.1%**  
Total VIO  
changes<sup>1</sup>

\*U.S. Vehicles in Operation data as of June 30, 2022 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)



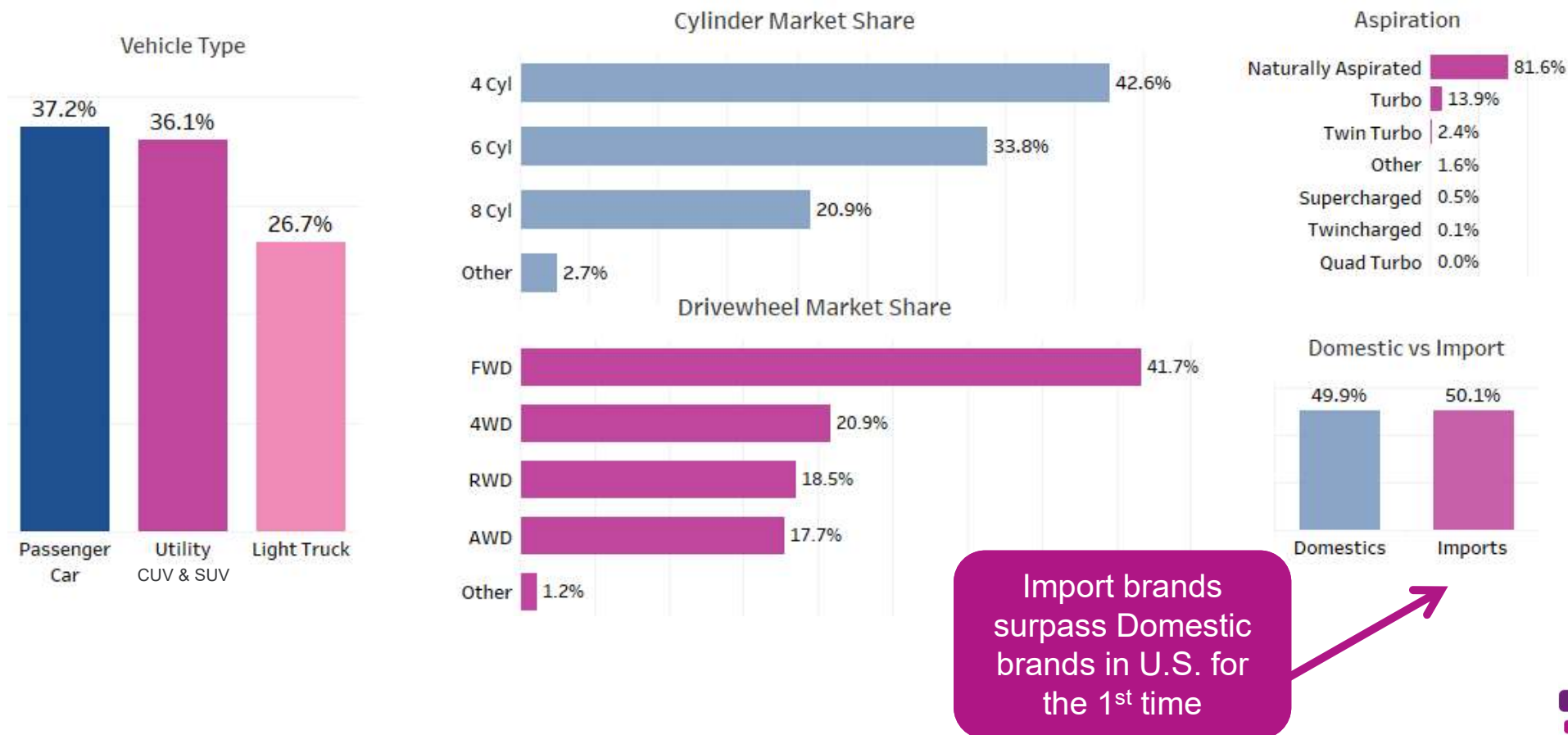
# U.S. VIO change by Model Year (in millions)

Q2 2021 to Q2 2022



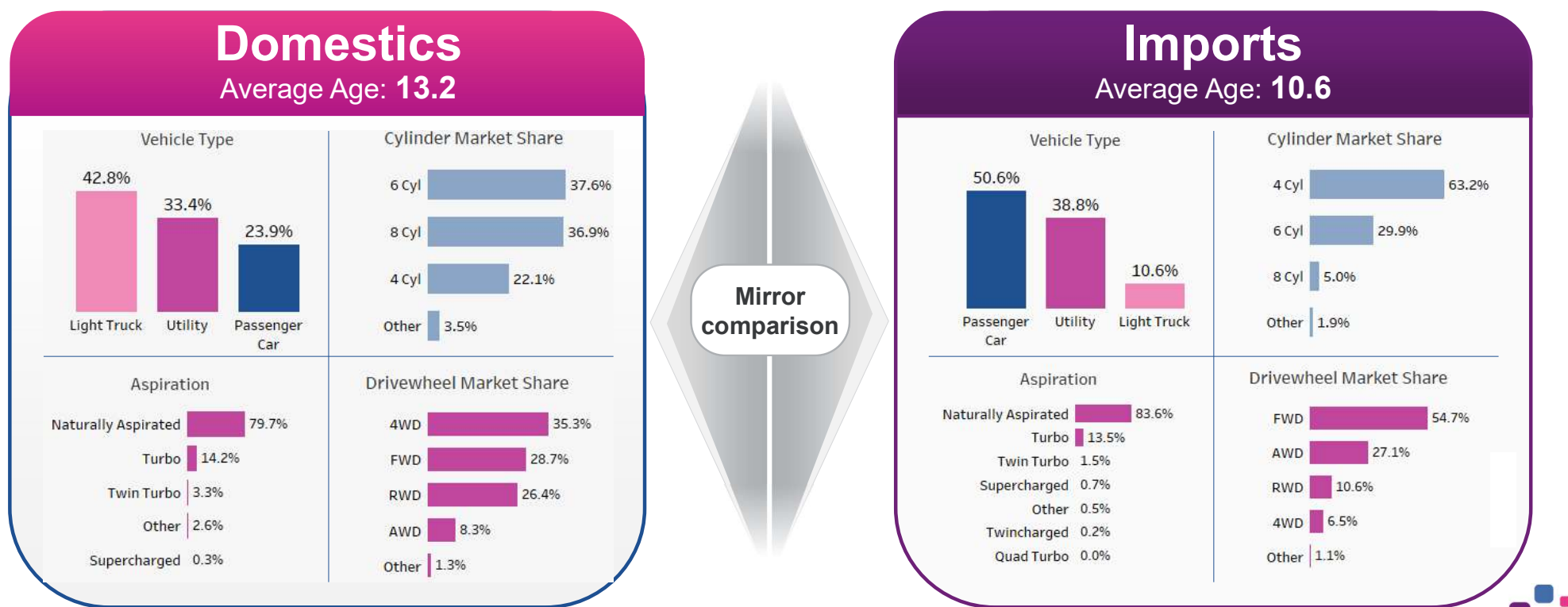
# U.S. Summary Stats – for all light duty VIO

as of Q2 2022

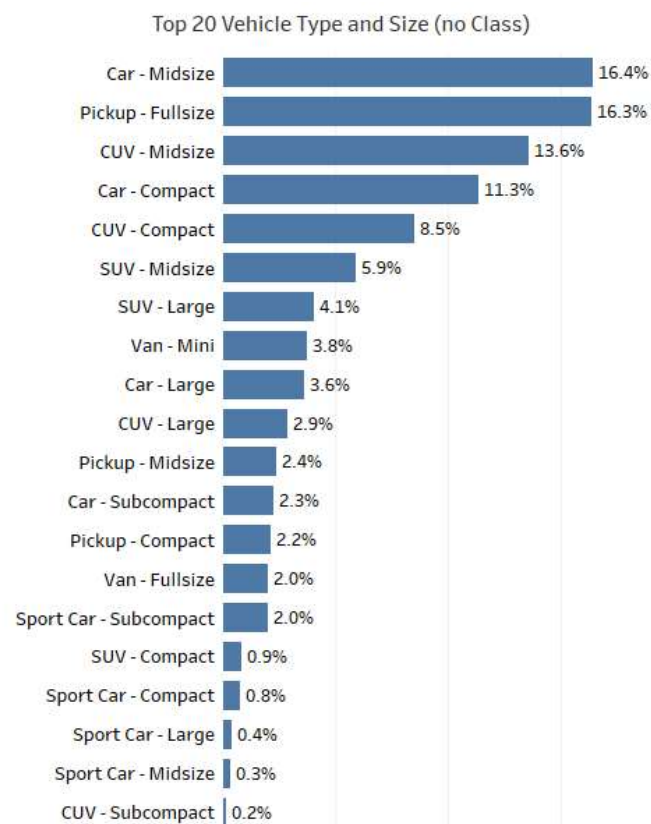
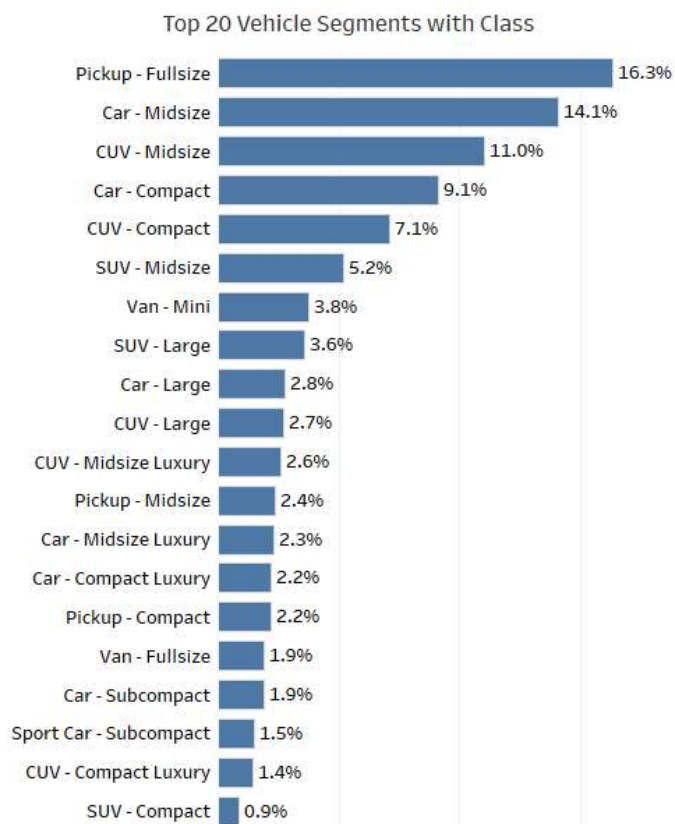


# U.S. Vehicles in Operation

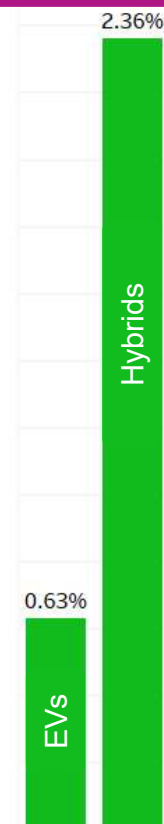
## Domestics versus Imports – Mirror comparison



# U.S. VIO top 20 segments on the road market share as of Q2 2022



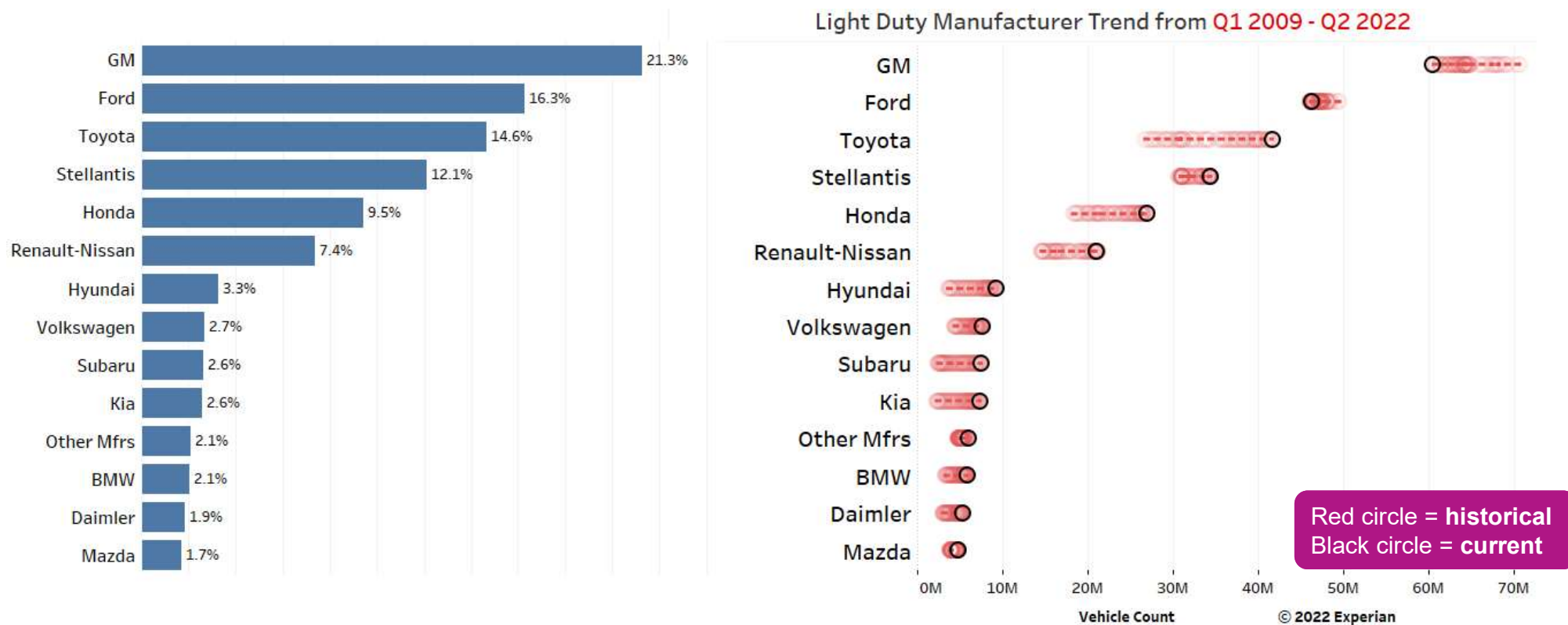
Hybrid, Electric & Hydrogen Vehicles





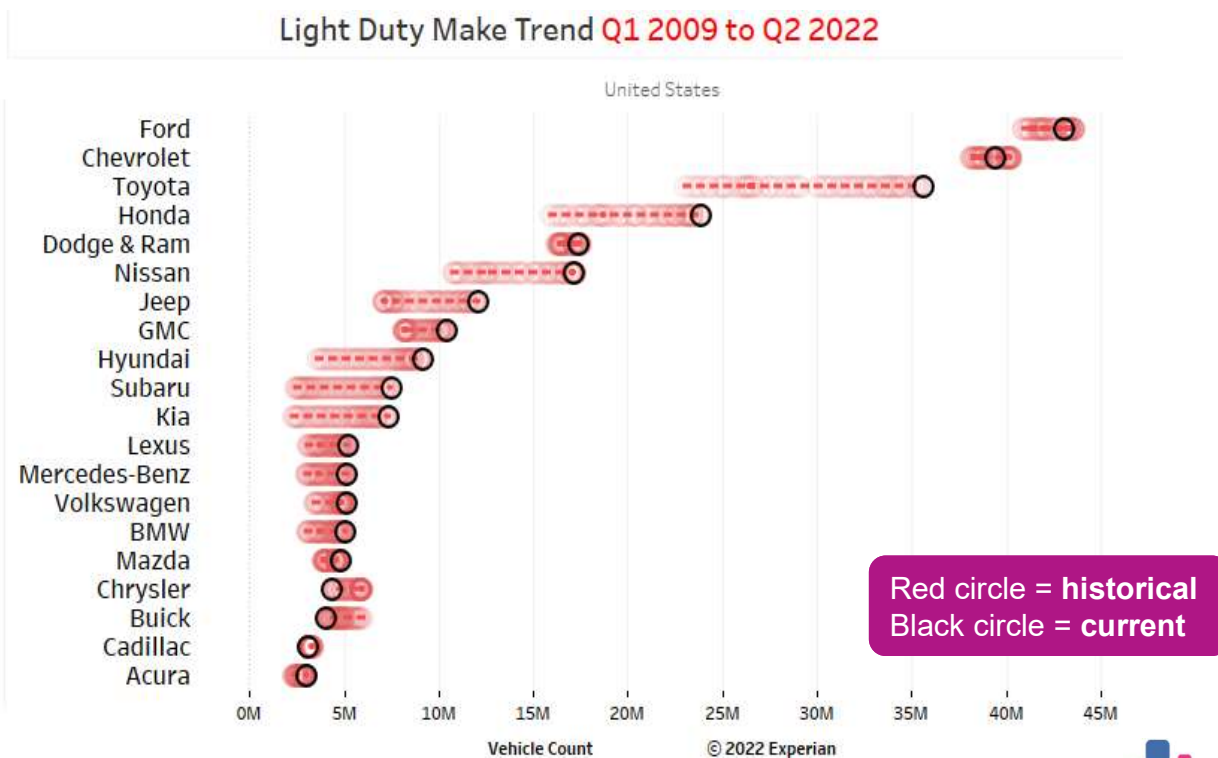
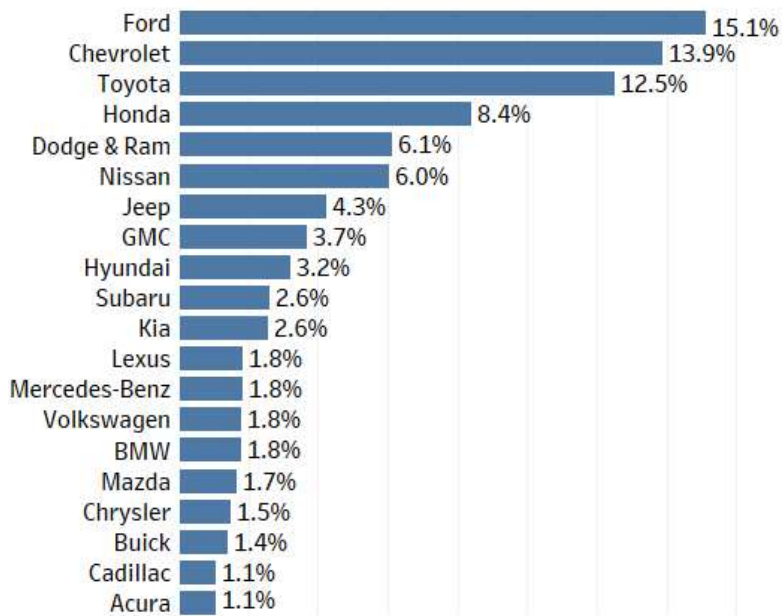
# U.S. VIO by manufacturer market share vs volume trend

as of Q2 2022



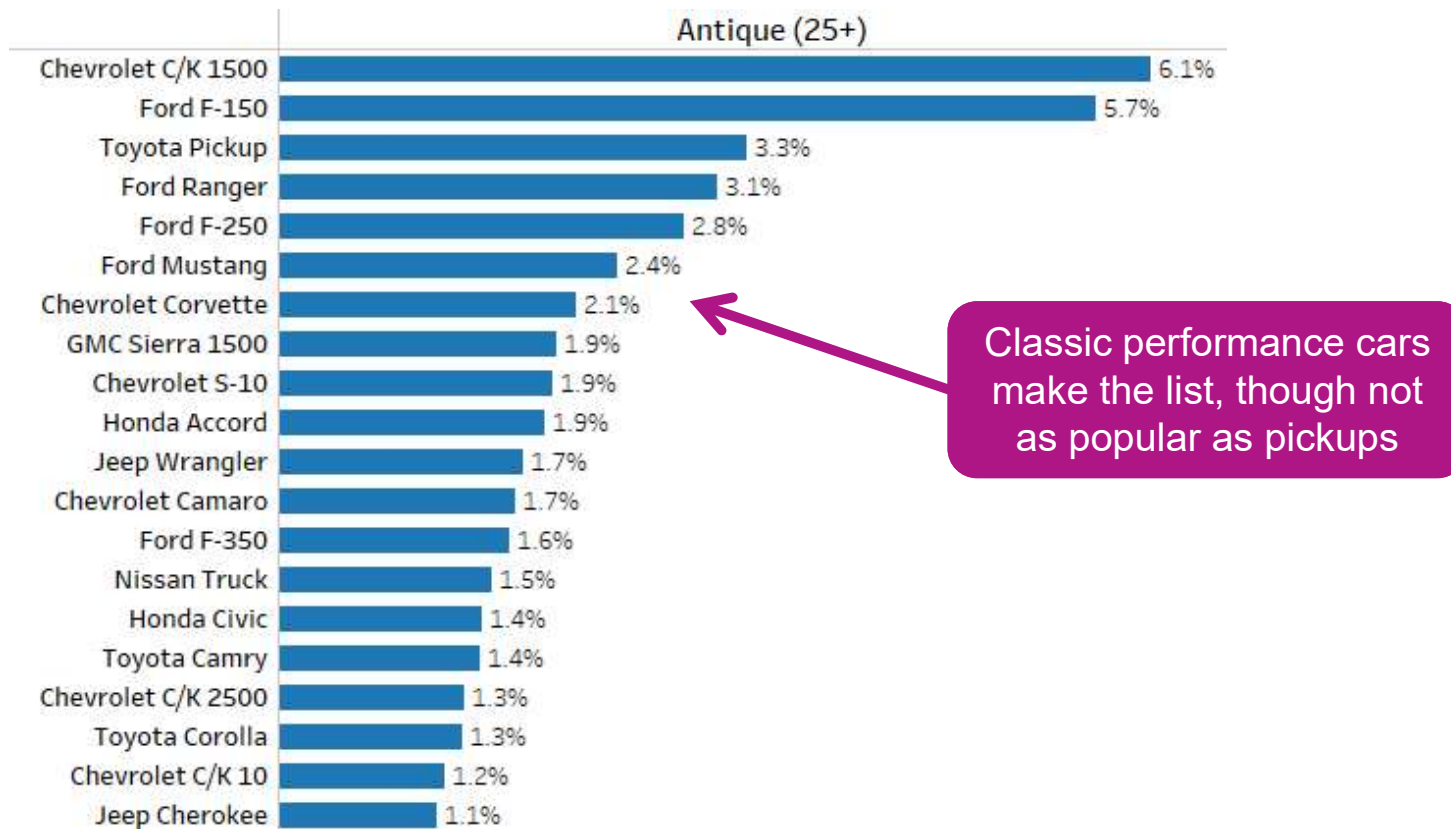
# U.S. VIO top 20 brands market share vs volume trend

as of Q2 2022



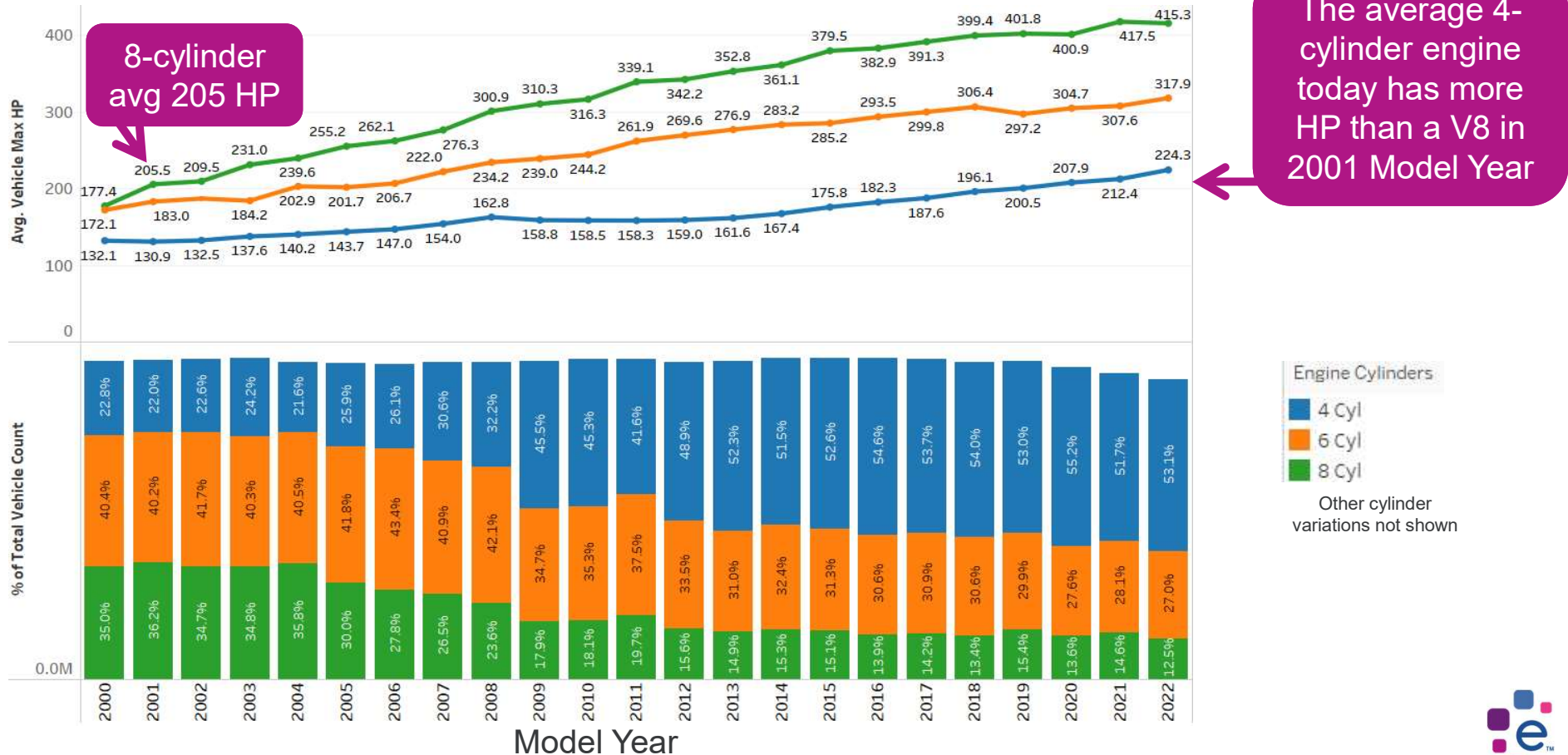
# Top 20 U.S. Antiques – 4.9% share of U.S.

Pickups are 5 of the top 10, and 11 out of the top 20



# Engine horsepower vs cylinders by model year

U.S. VIO through Q2





# 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

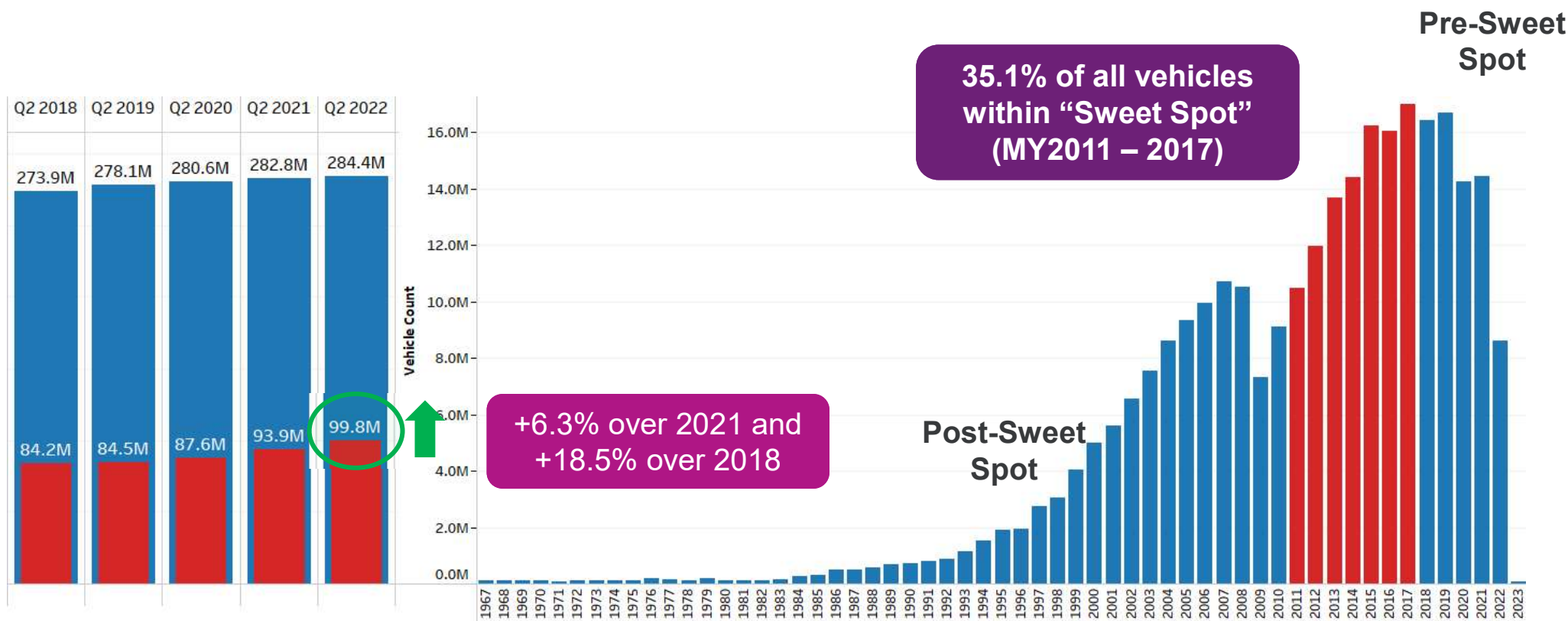
## “Pre Sweet Spot” vehicles

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



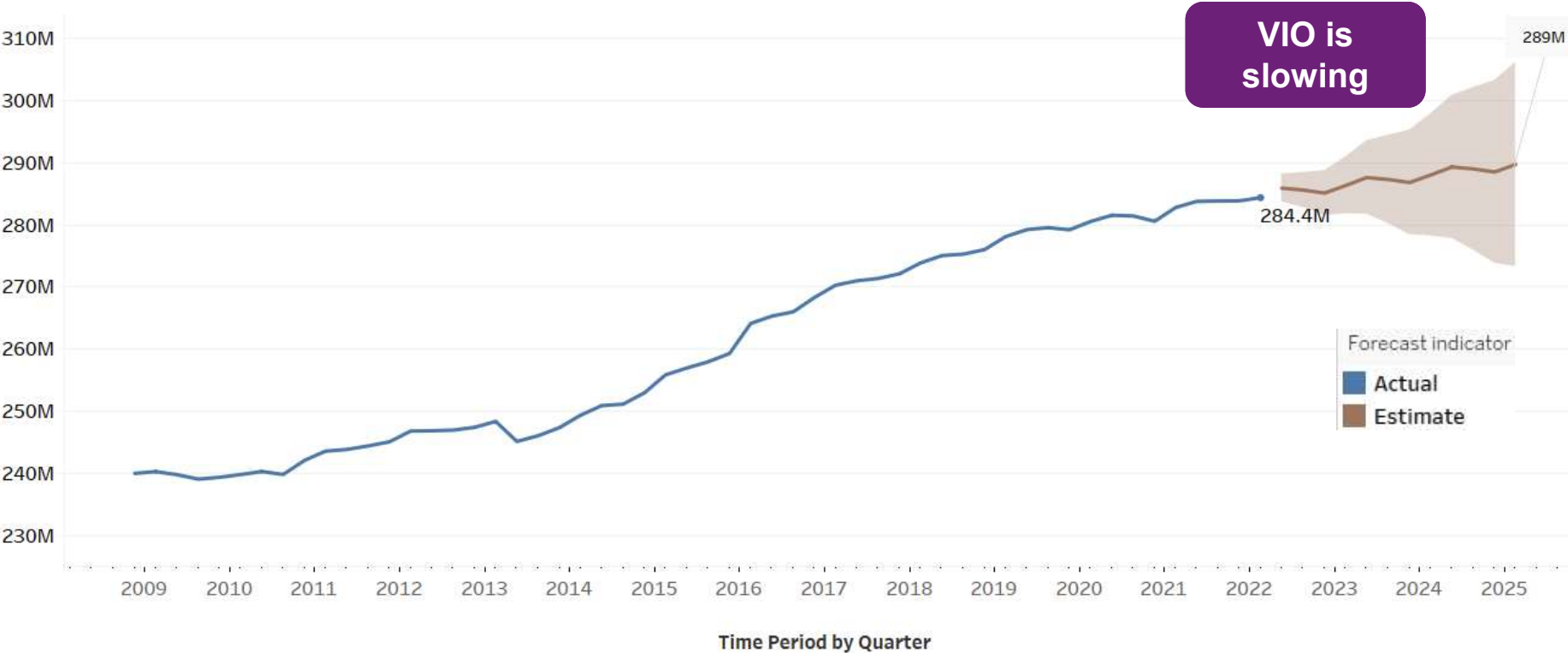
# U.S. trend of total VIO compared to sweet spot volumes

as of Q2 2022 VIO - by model year (in millions)



# U.S. VIO with forecast by time period

as of Q2 2022 VIO





# Q2 2022 Canada VIO

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Spotlight on the Canadian light duty vehicle market

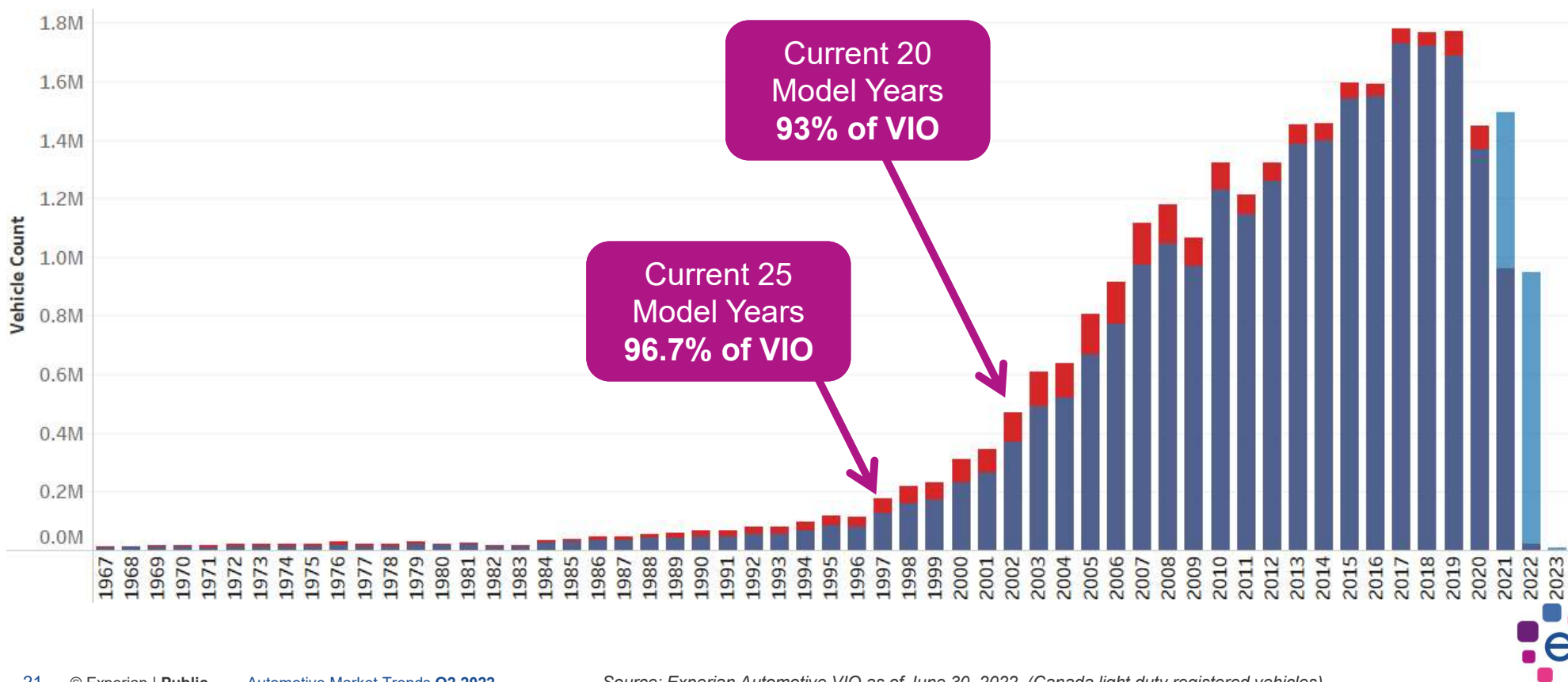
26.1M as of Q2 2022



# Canada VIO change by Model Year (in millions)

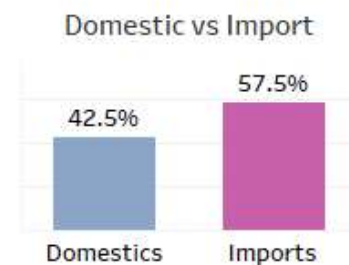
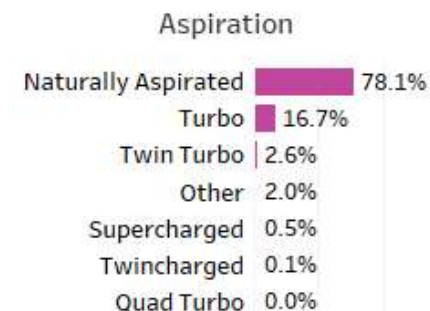
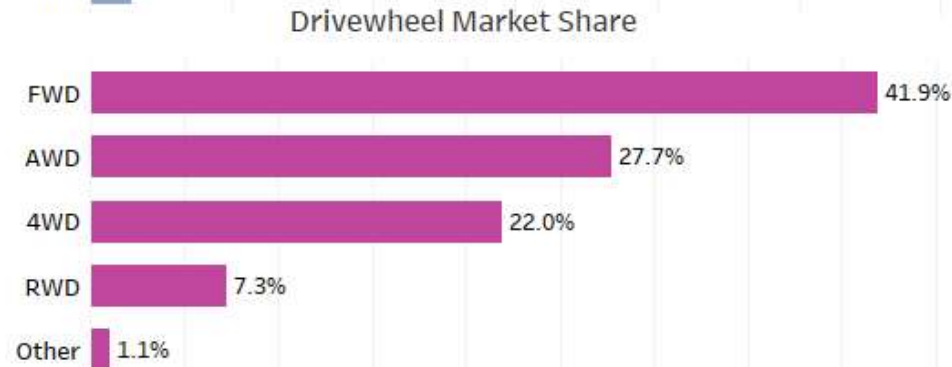
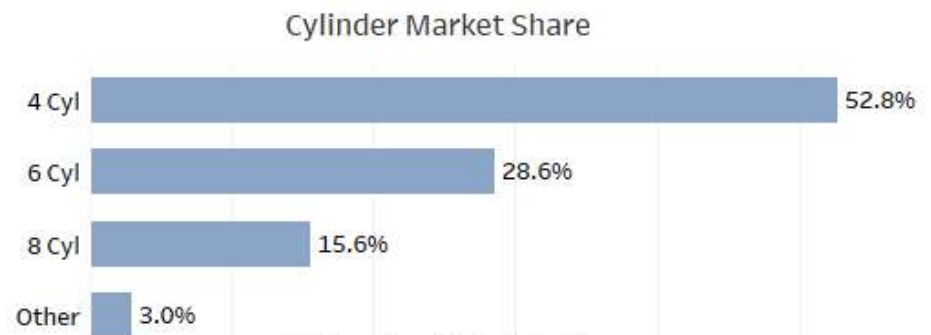
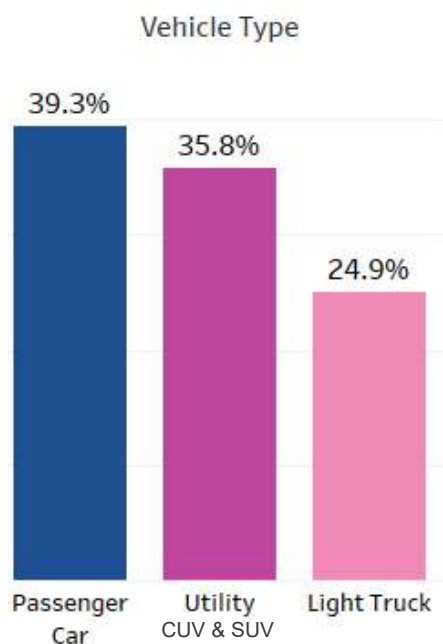
Q2 2021 to Q2 2022

Out of operation  
New vehicle sales  
Carryover vehicles



# Canada Summary Stats – for all light duty VIO

as of Q2 2022

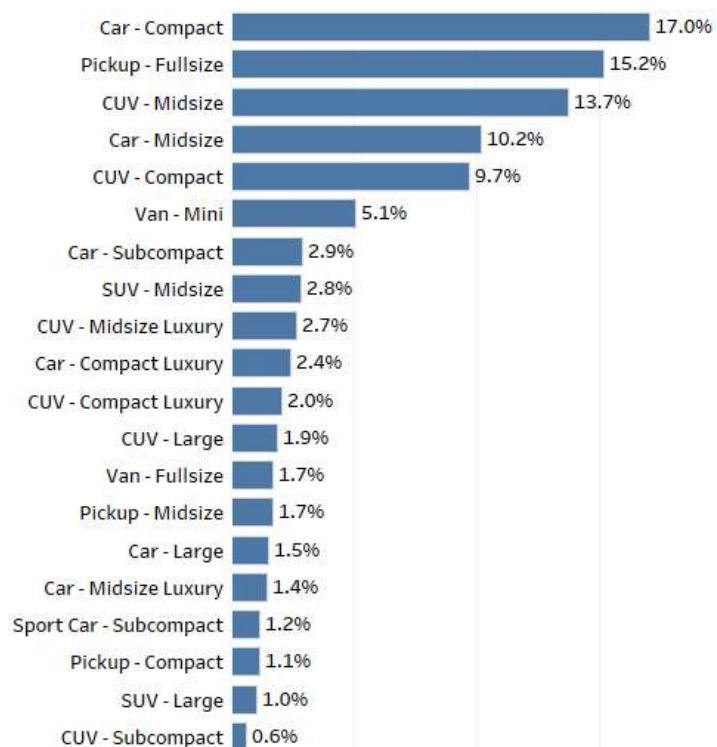


Canadians prefer their import brand vehicles

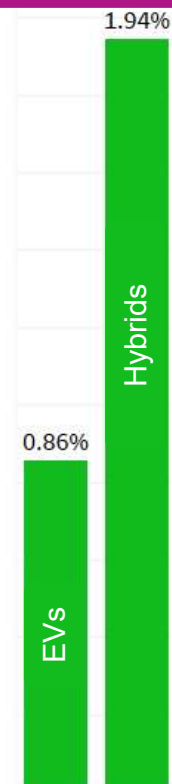
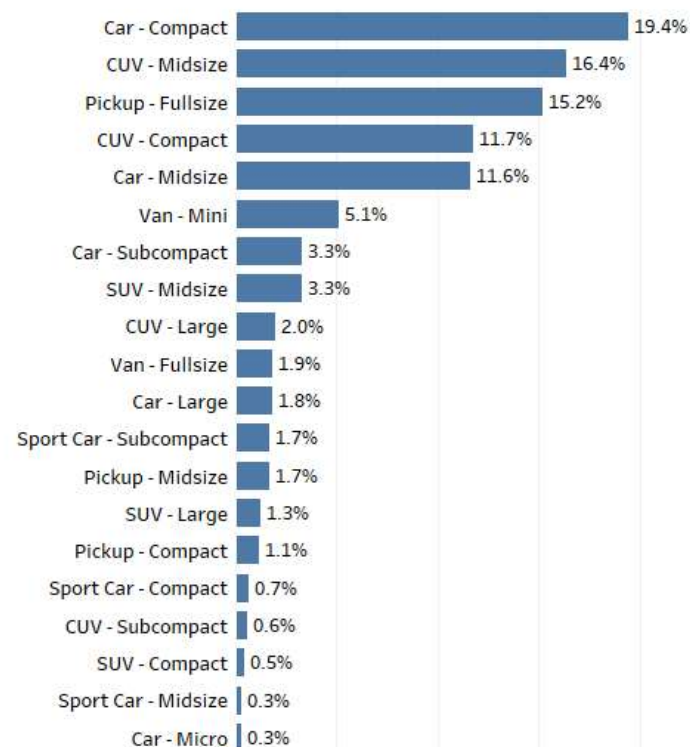
# Canada VIO top 20 segments on the road market share as of Q2 2022

Hybrid, Electric & Hydrogen Vehicles

Top 20 Vehicle Segments with Class

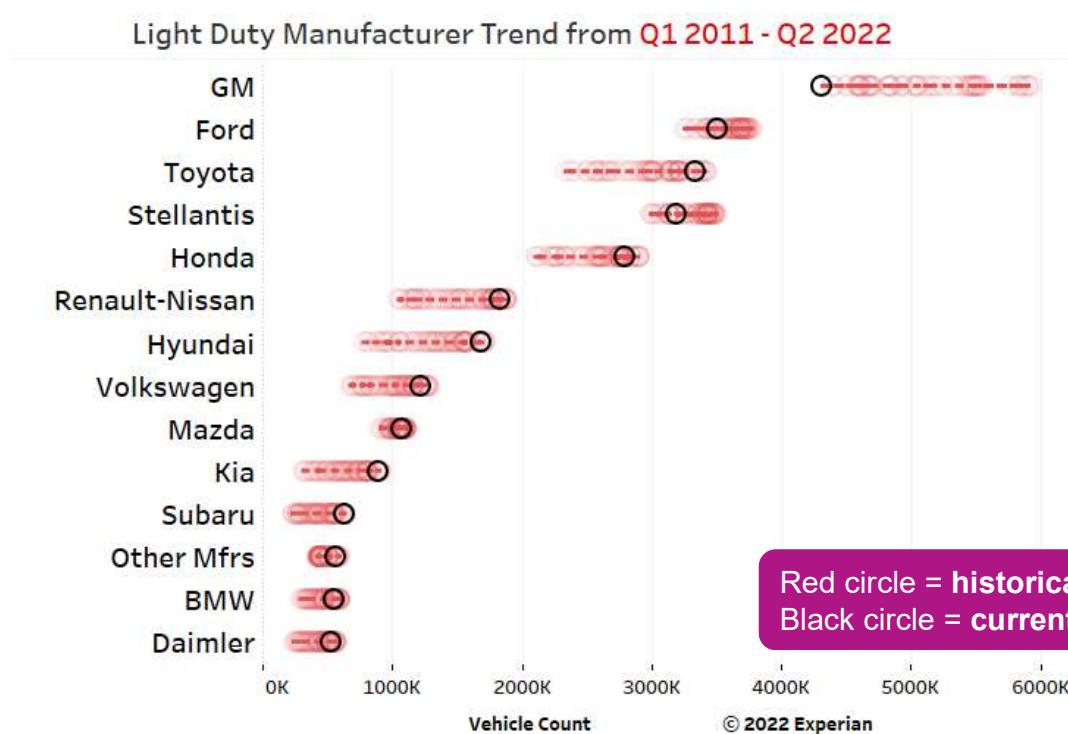
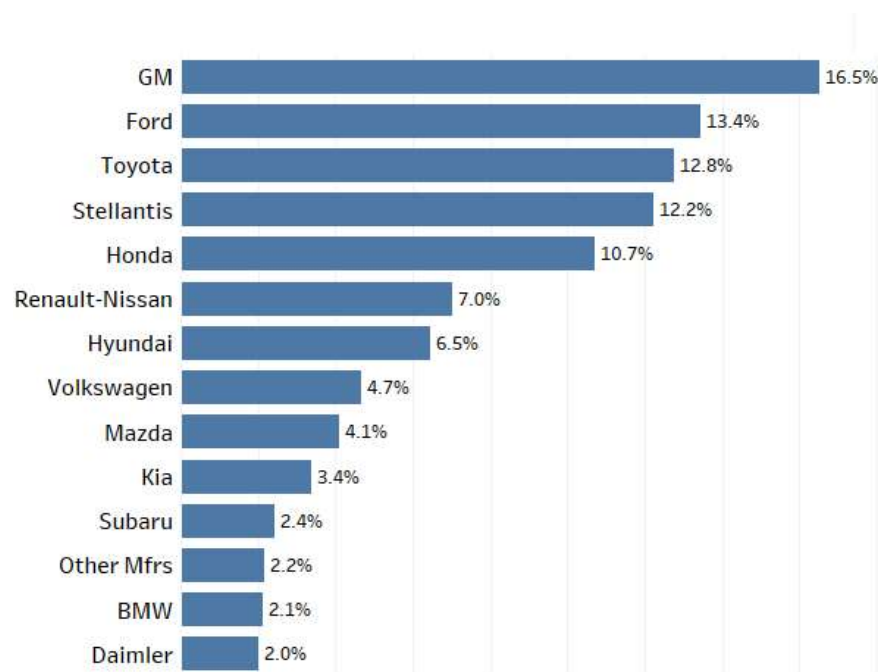


Top 20 Vehicle Type and Size (no Class)



# Canada VIO by manufacturer market share vs volume trend

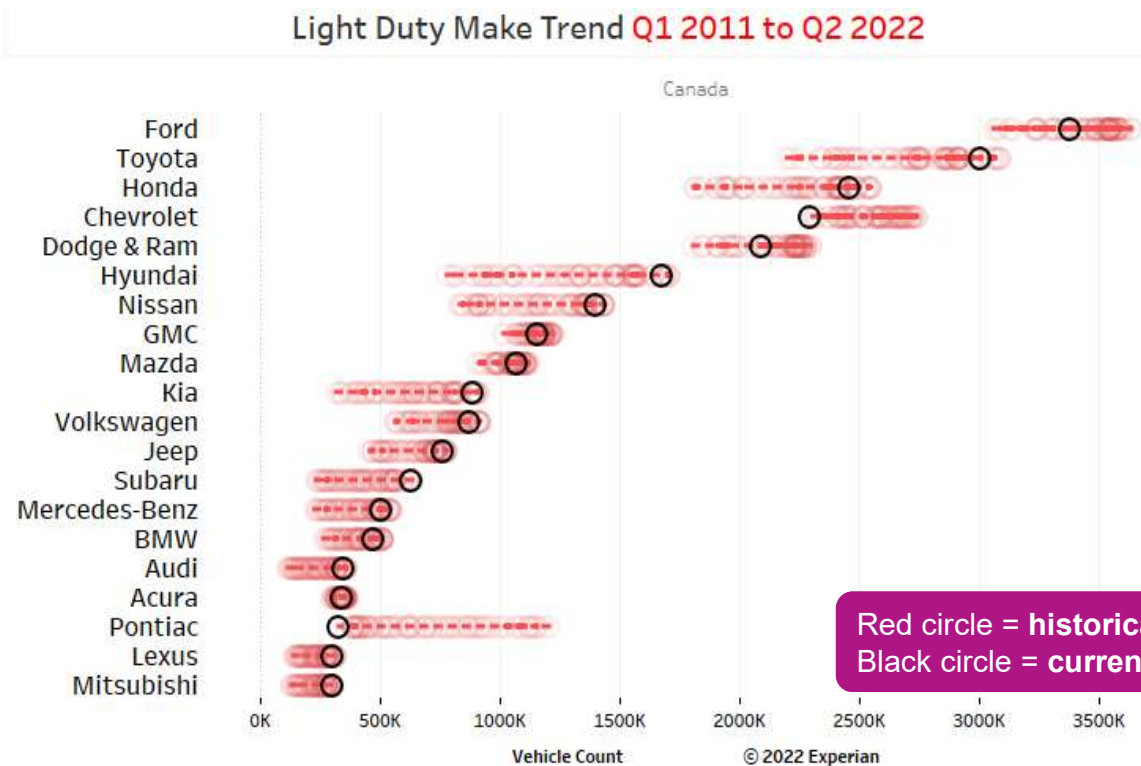
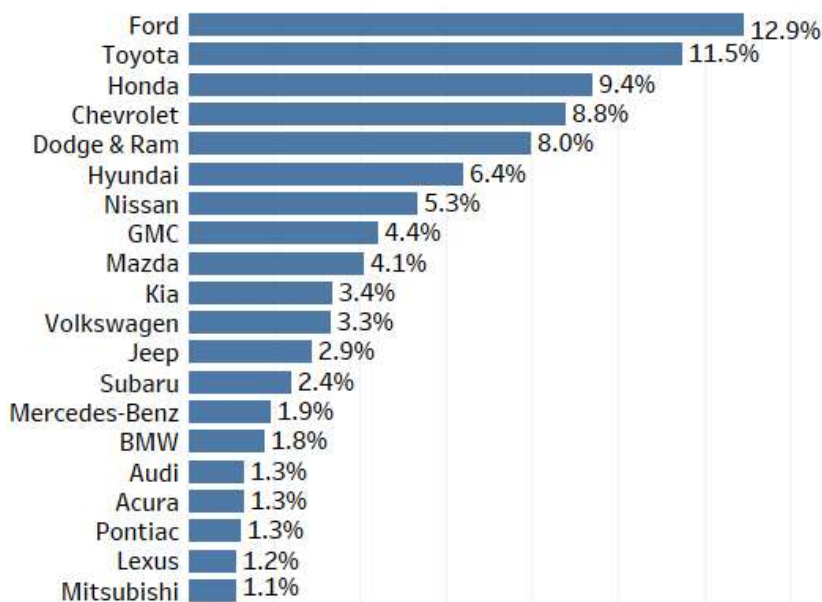
as of Q2 2022





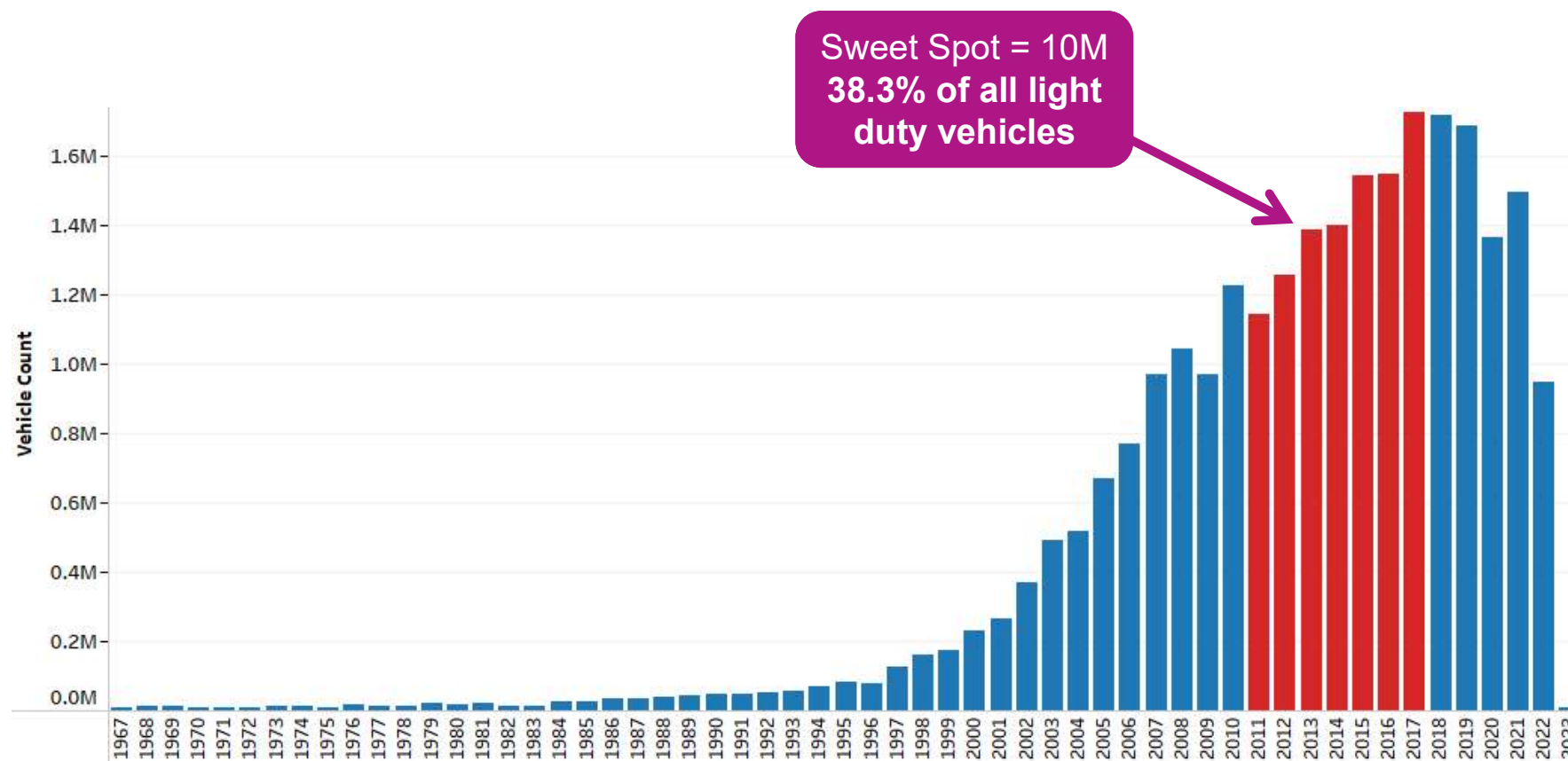
# Canada VIO top 20 brands market share vs volume trend

as of Q2 2022



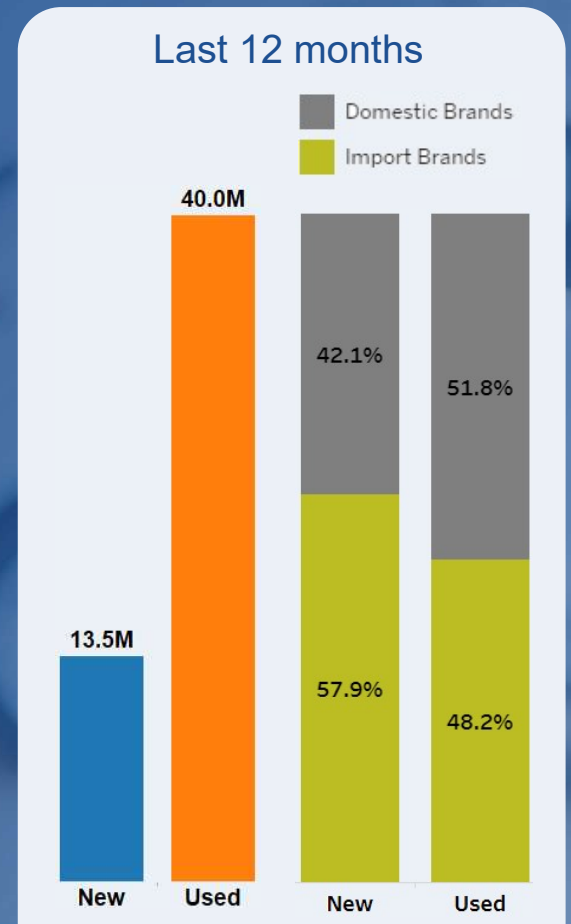
# Canada VIO Top 20 Models Sweet Spot

as of Q2 2022



# Q2 2022 New & Used Vehicles

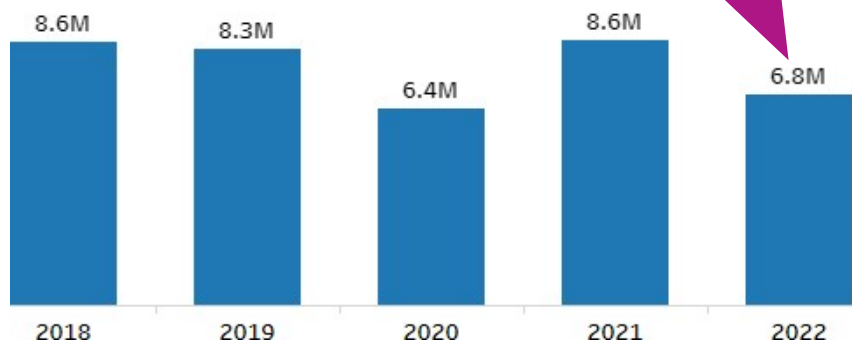
- Volumes of New vs Used and Domestic vs Import over the last 12 months
- Market analysis through the 2nd quarter
- Chip shortages continue, economy status not helping



# New and Used vehicle registrations through the 2nd quarter

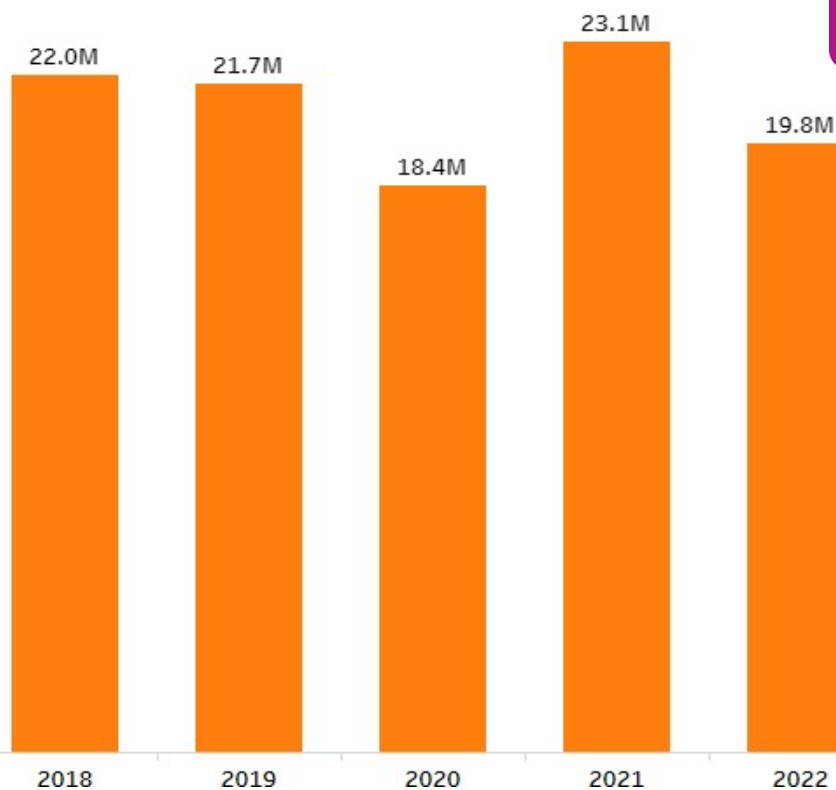
New Registrations

Low vehicle inventories and inflation causing lower New registrations in 2022



Used Registrations

Down 14.3% from prior year



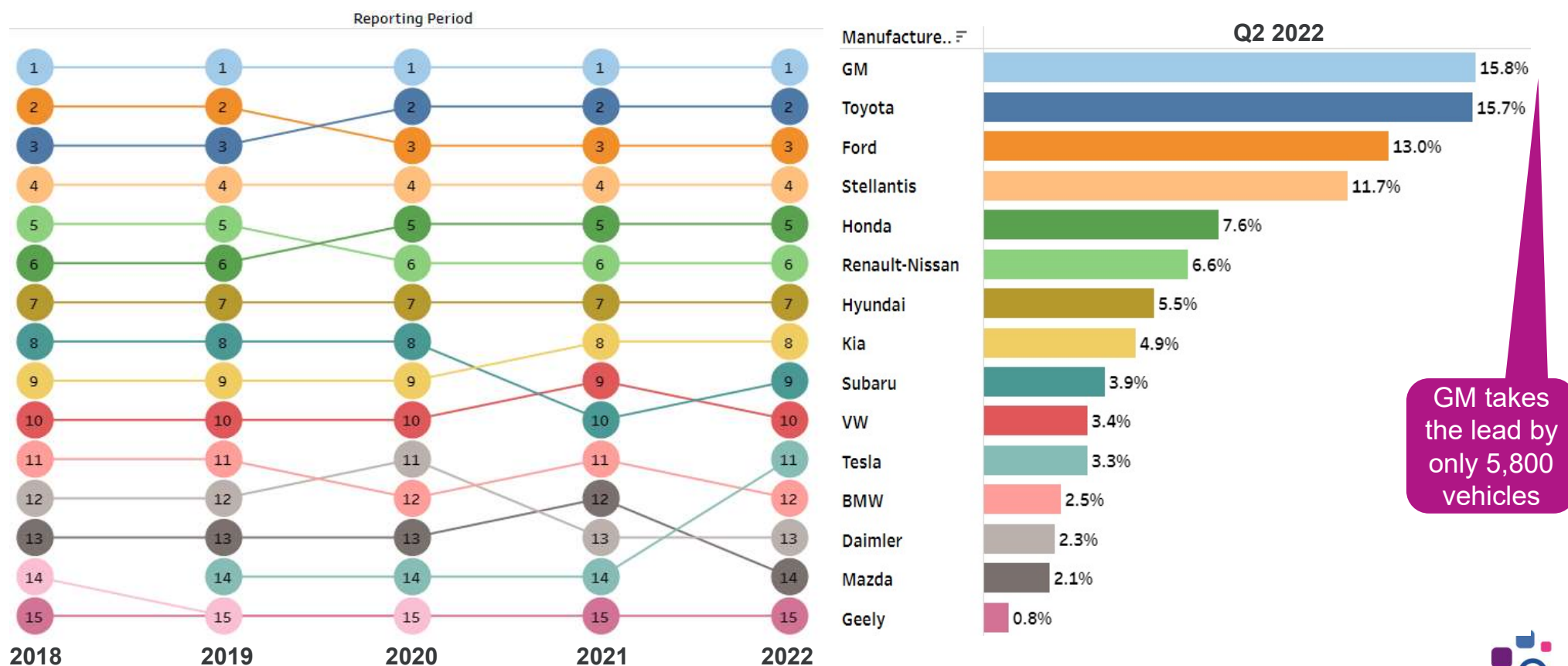
# New vehicle registrations by sales categories through the 2nd quarter





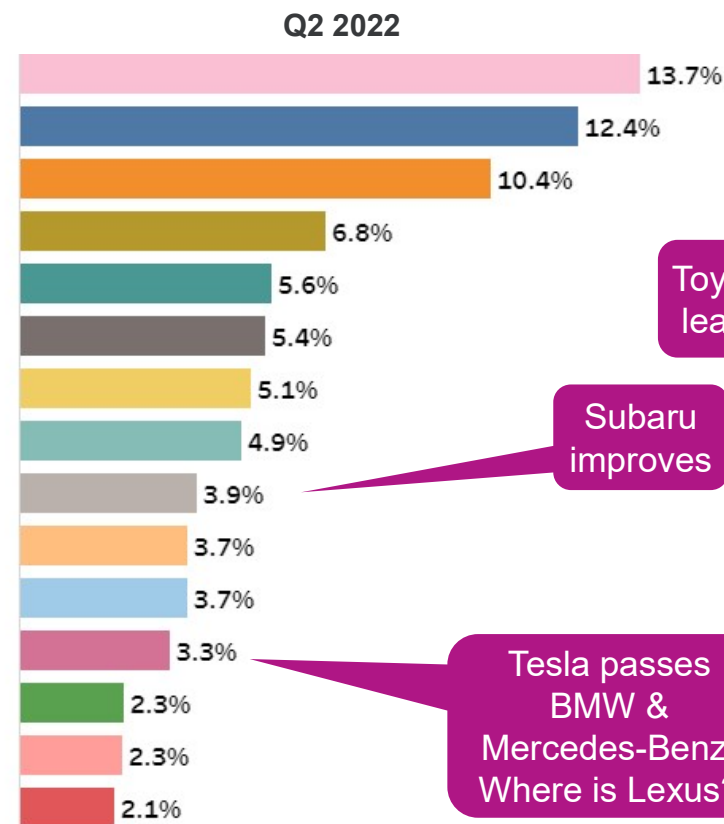
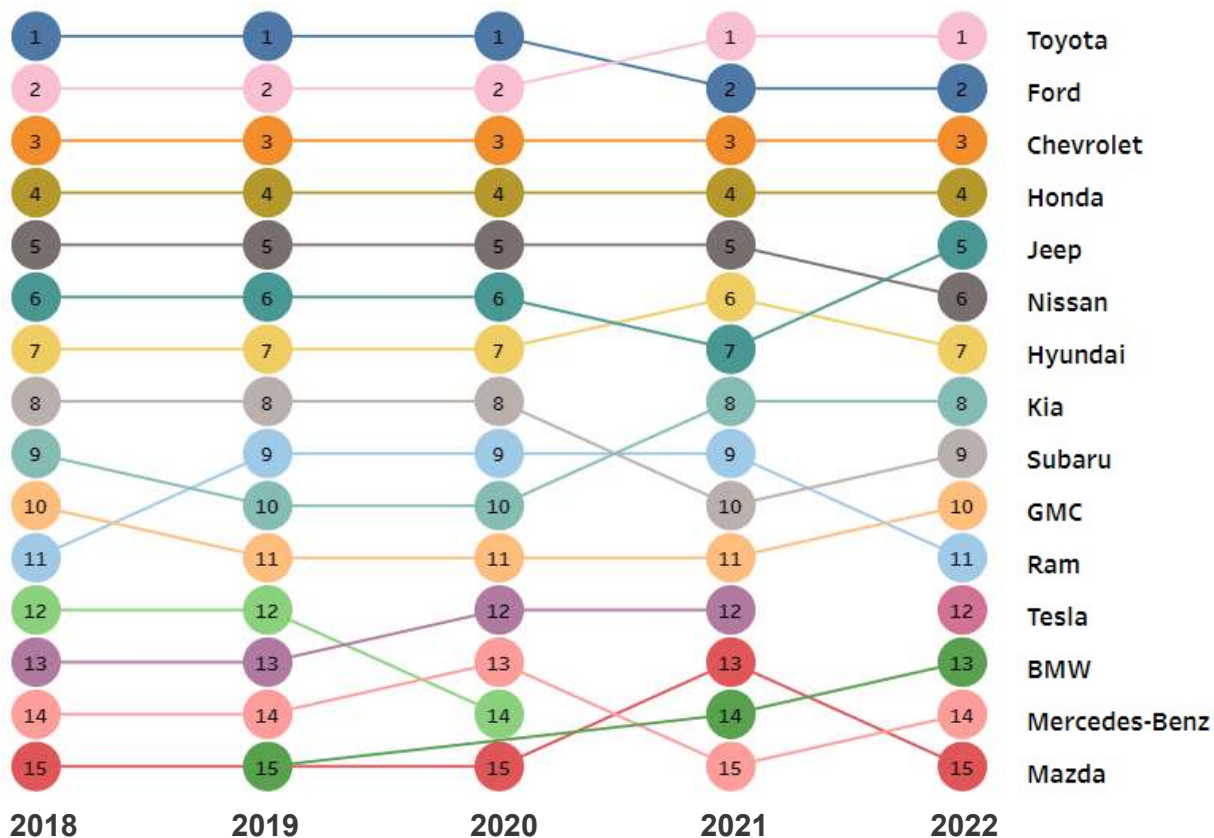
# New vehicle Mfr rank and share through the 2nd quarter

By manufacturer – Total new registrations



# New vehicle Make rank and share through the 2nd quarter

## Top 15 brands – Total Share



Toyota leads

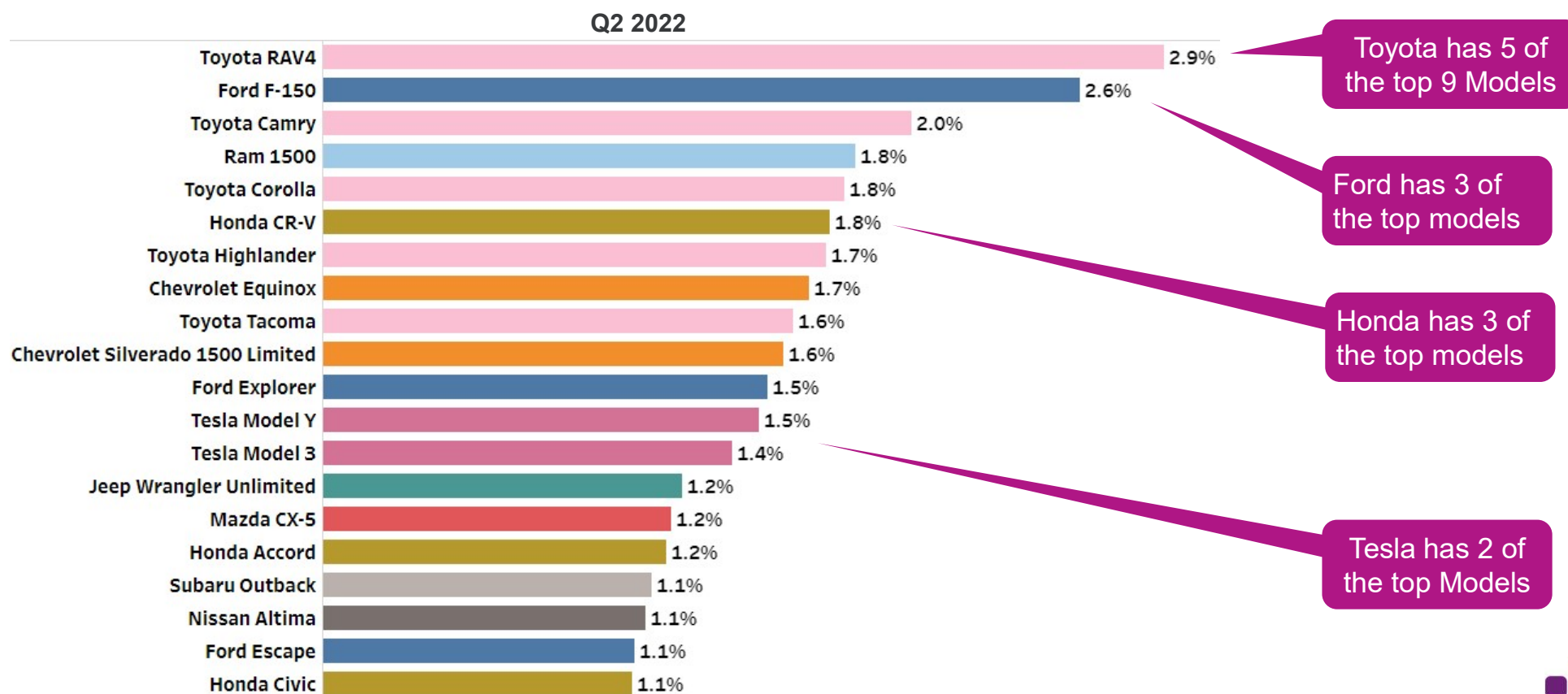
Subaru improves

Tesla passes BMW & Mercedes-Benz. Where is Lexus?



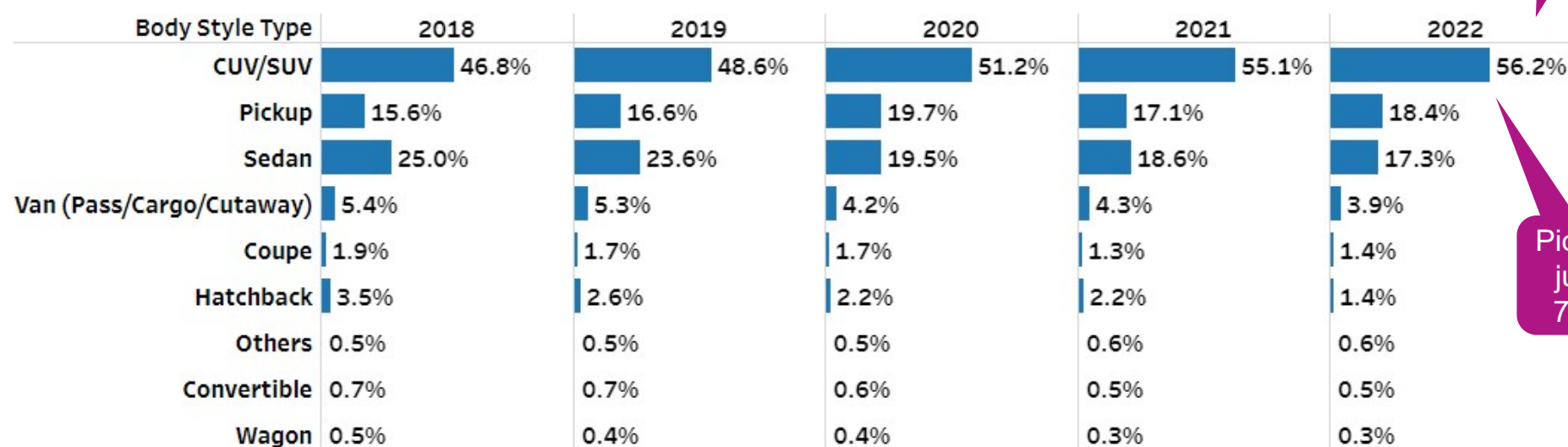
# New vehicle share through the 2nd quarter

By top 20 make/models – Total Registrations (color coded by Make)



# New vehicle registrations through the 2nd quarter

By body style type – Total Registrations



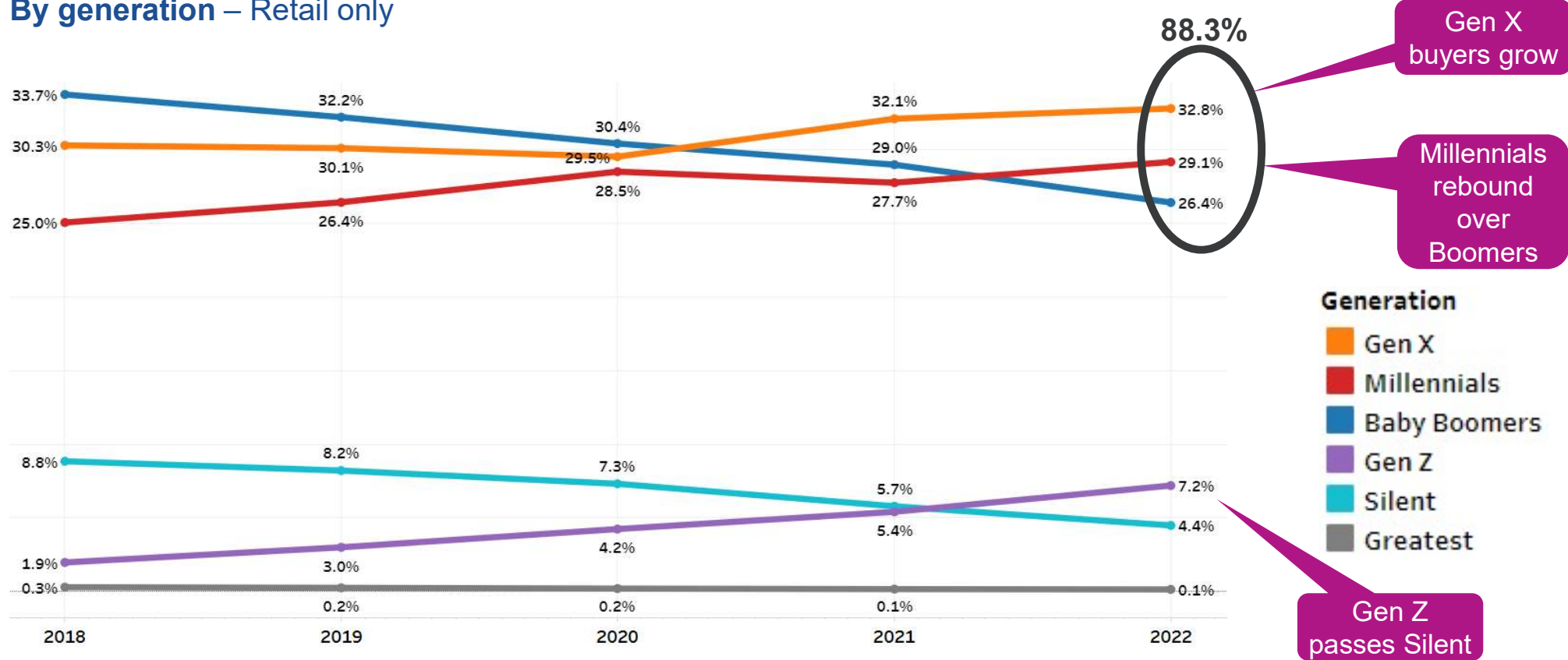
Utilities continue to grow

Pickups jump 7.6%



# New vehicle registrations through the 2nd quarter

By generation – Retail only







# Q2 2022 Vehicle Analysis

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Spotlight on vehicle Loyalty

# Loyalty – what does this mean?

Loyalty uses Experian proprietary methodologies to measure the rate of vehicle purchasers at various levels, such as the brand name, the vehicle model, the dealer, etc. when a vehicle owner returns to market (RTM) to acquire another vehicle.

The metric can be applied when the purchaser acquires a direct vehicle replacement or when matched to the entire household (garage) level.

OEM manufacturers use this information to determine how well their owners stay with them (measures marketing) and how well their dealers are performing for their customers.



# Loyalty – Examples

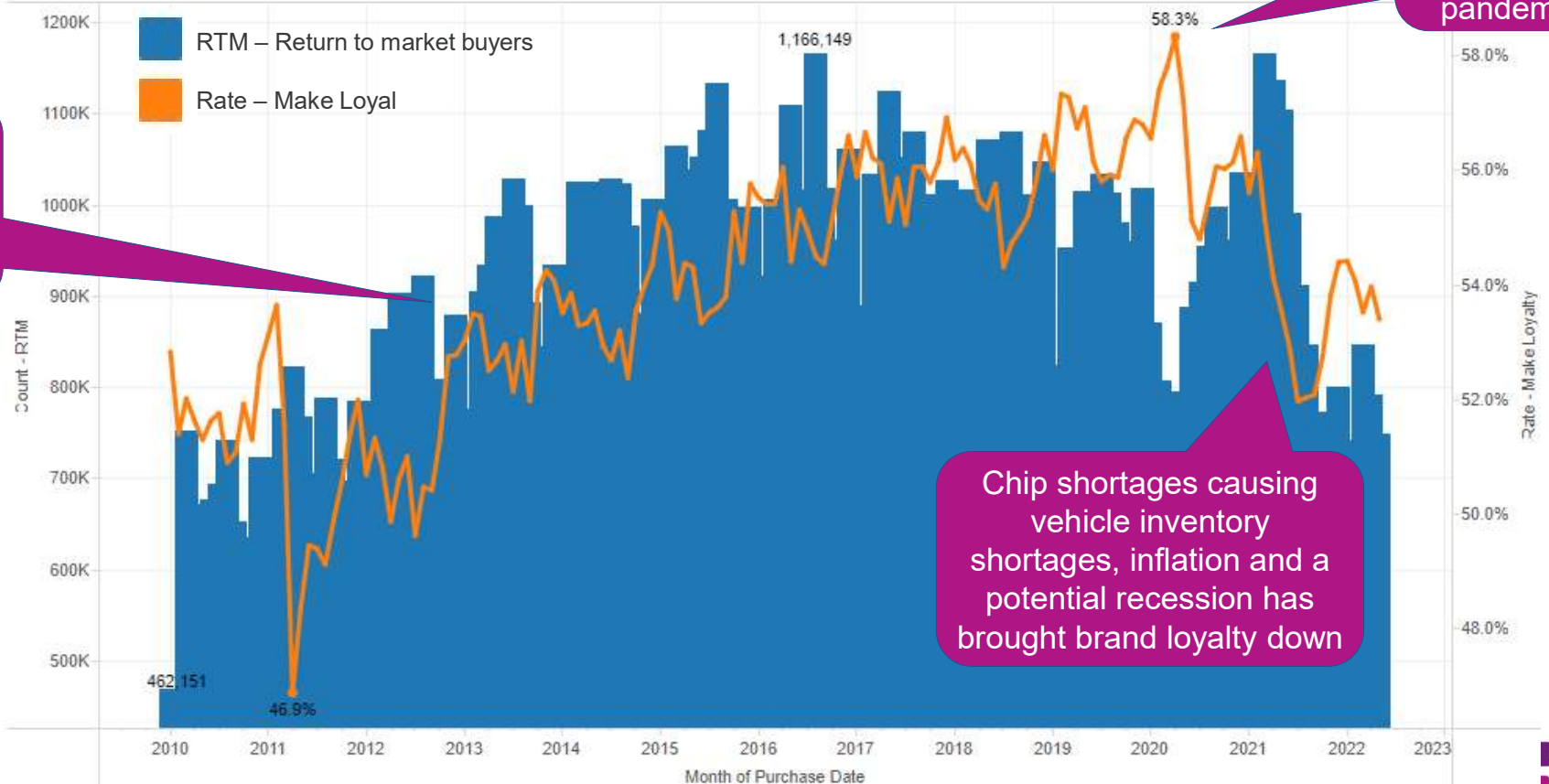
**For example, if I owned a 2015 Honda Civic sedan and traded it in and purchased/leased a new 2023 model year vehicle:**

- If I purchased a 2023 Honda Accord, I'm loyal to the Honda brand, but not loyal the Honda Civic Model (change in Model type)
- If I purchased the 2023 Honda Accord from the same dealer where I bought my 2015 Honda Civic, I'm loyal to the same dealer and to the Honda brand.
- If I purchased a 2023 Lexus RX350 SUV, I have 'defected' from Honda and Lexus has 'conquered' me from another brand. Therefore, I was not loyal to Honda in any way.

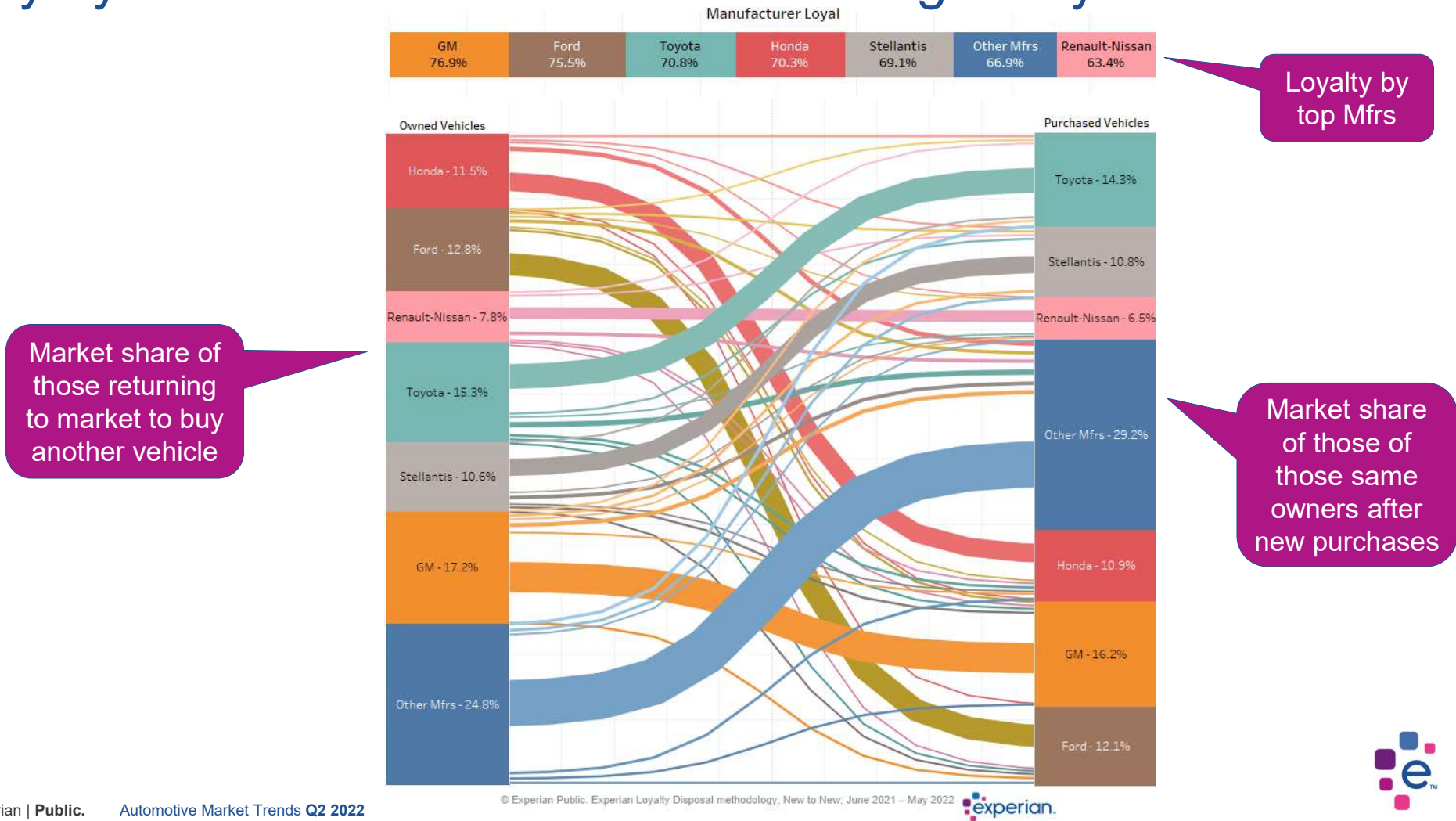


# Trend brand Loyalty – June 2010 through May 2022

All Make Loyalty / RTM Trend  
Methodology: Household

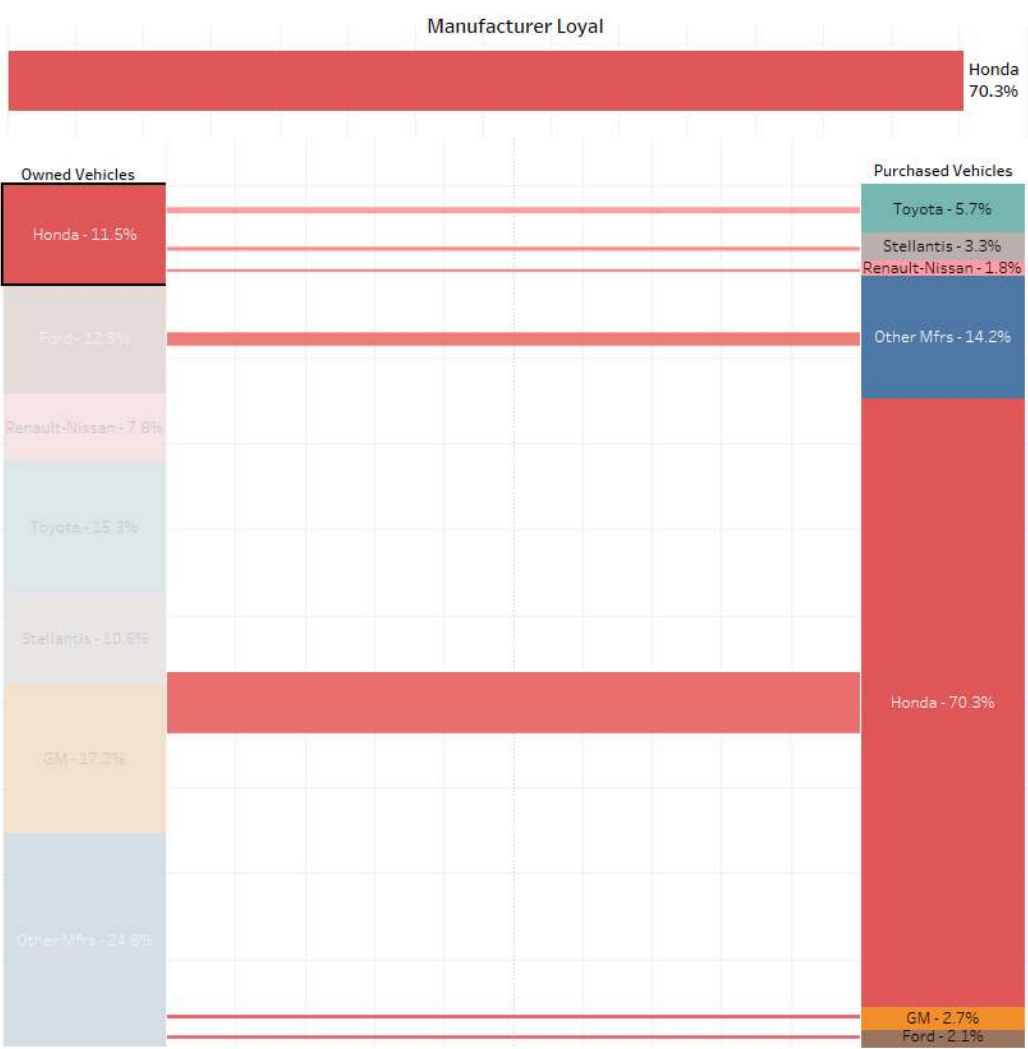


# Loyalty by Manufacturer – June 2021 through May 2022





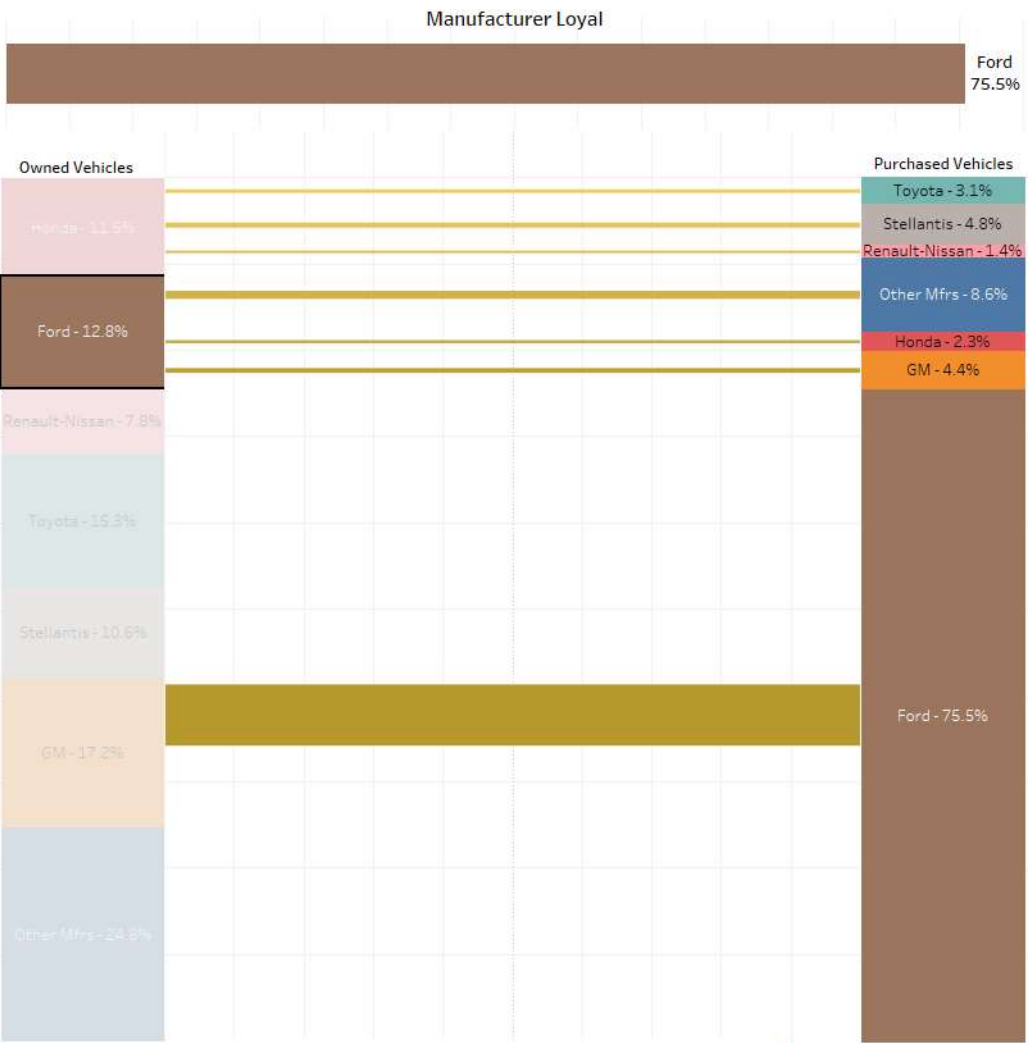
# Loyalty - Honda



Where Honda/Acura owners went for new purchases (Defectors)



# Loyalty - Ford



Where Ford/Lincoln owners went for new purchases (Defectors)



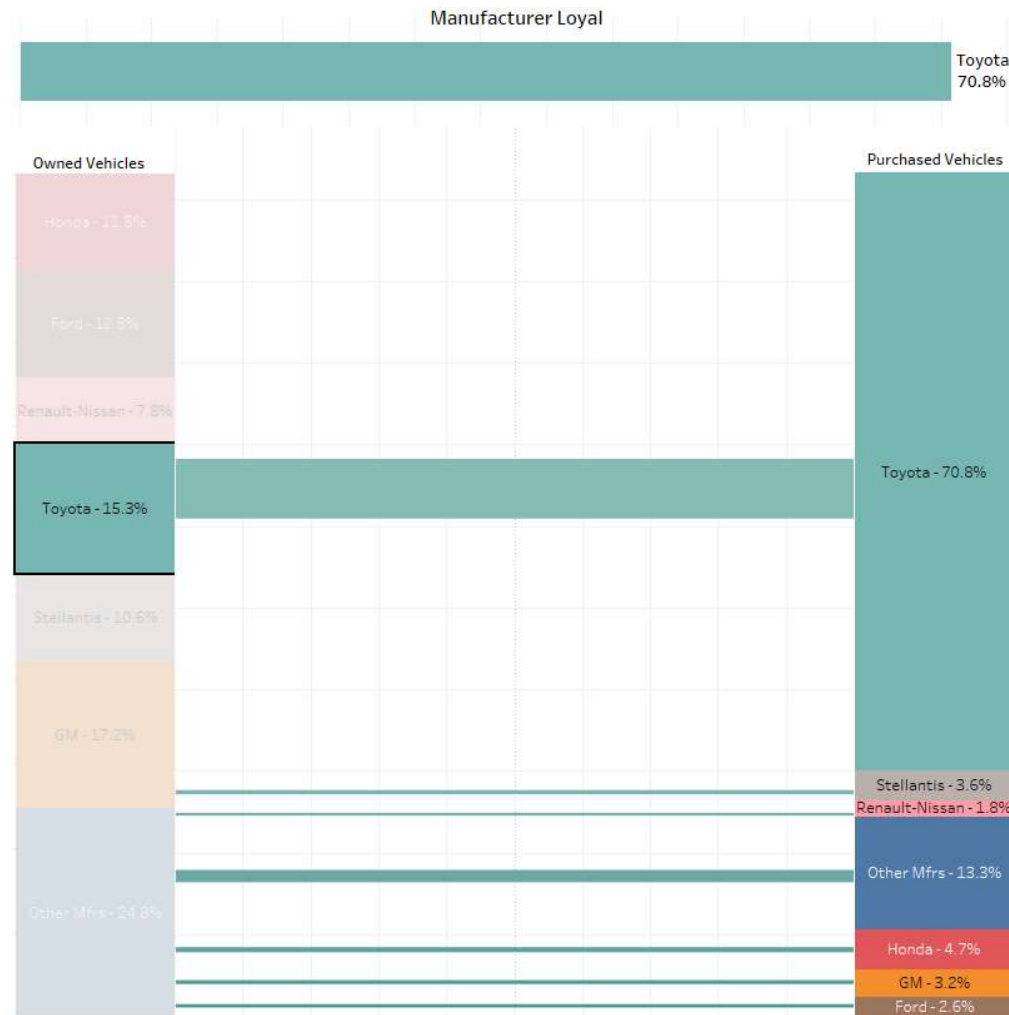
# Loyalty – Renault-Nissan



Where Nissan/INFINITI owners went for new purchases (Defectors)



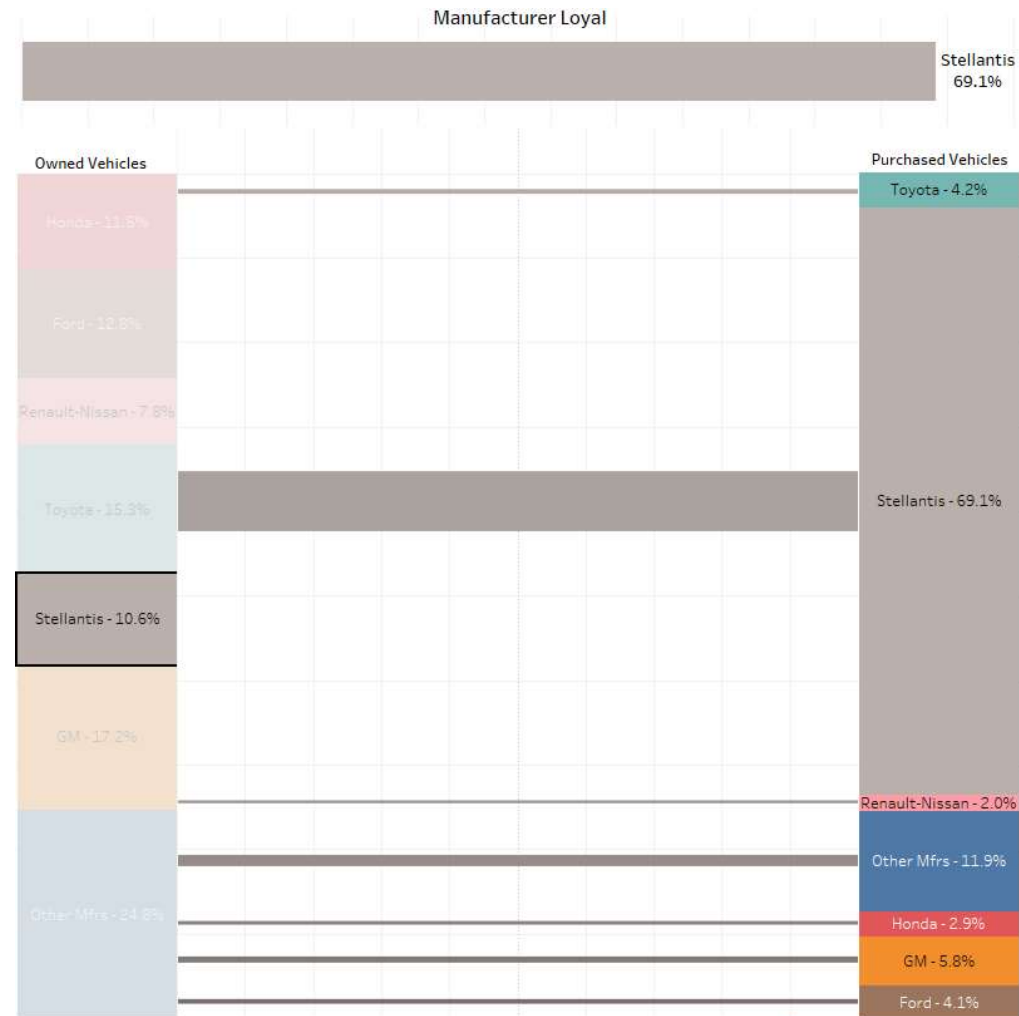
# Loyalty - Toyota



Where  
Toyota/Lexus  
owners went for  
new purchases  
(Defectors)



# Loyalty – Stellantis

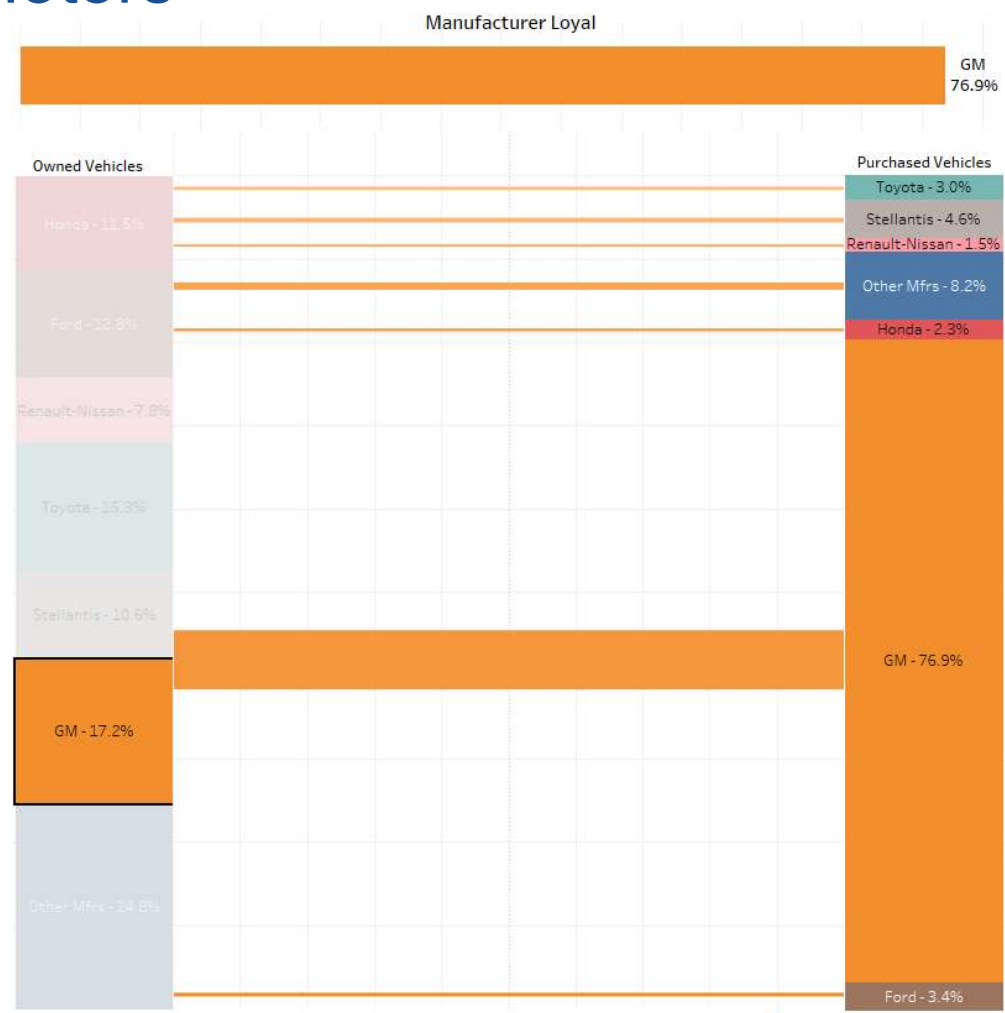


Where Chrysler/Dodge/Jeep/Ram/Fiat owners went for new purchases (Defectors)

© Experian Public. Experian Loyalty Disposal methodology, New to New, June 2021 – May 2022



# Loyalty – General Motors

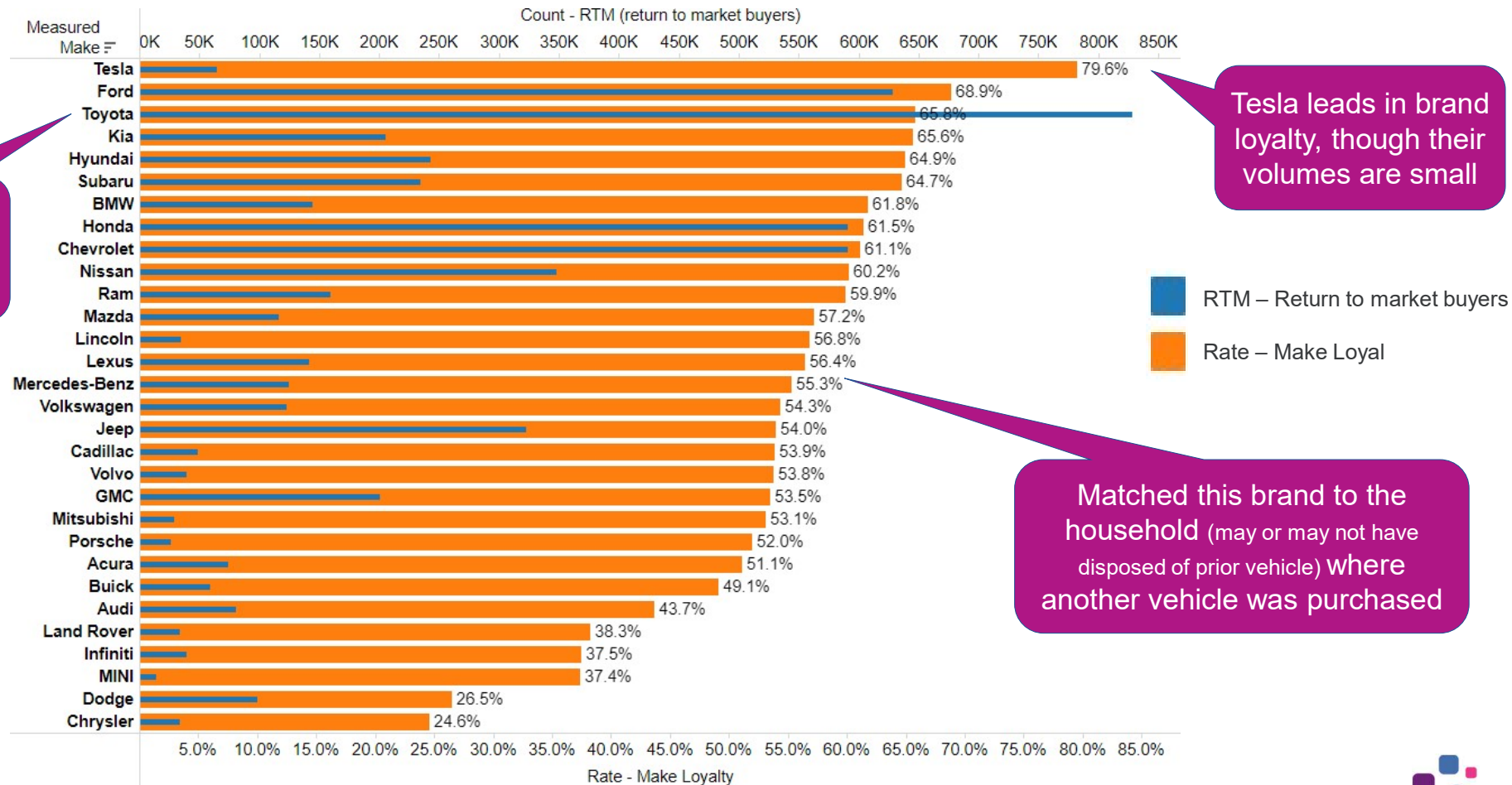


Where Chevy/Buick/Cadillac/GMC owners went for new purchases (Defectors)





# Loyalty by brand and volume (June 2021 – May 2022)



Toyota has the largest RTM volume

Tesla leads in brand loyalty, though their volumes are small

Matched this brand to the household (may or may not have disposed of prior vehicle) where another vehicle was purchased





# Q2 2022 Vehicle Analysis

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**Electrified vehicles: Spotlight on the electric & hybrid vehicle market**

## **Electric Vehicles**

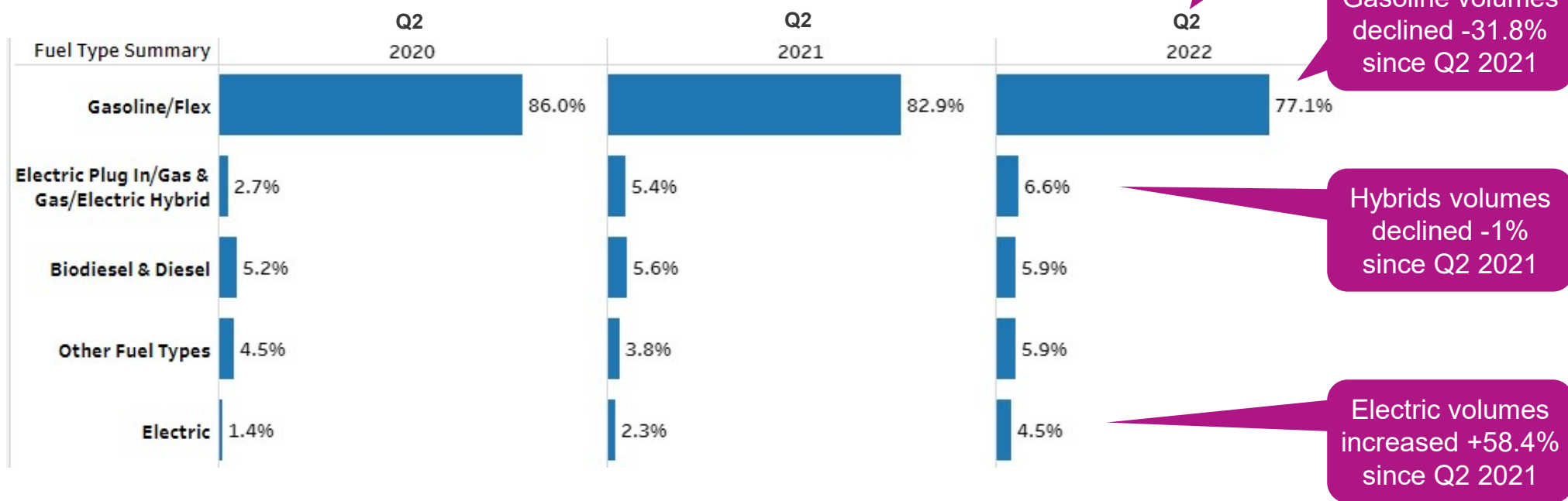
4.5% of Jan-June 2022  
New Registrations

## **Hybrid Vehicles**

6.6% of Jan-June 2022  
New Registrations

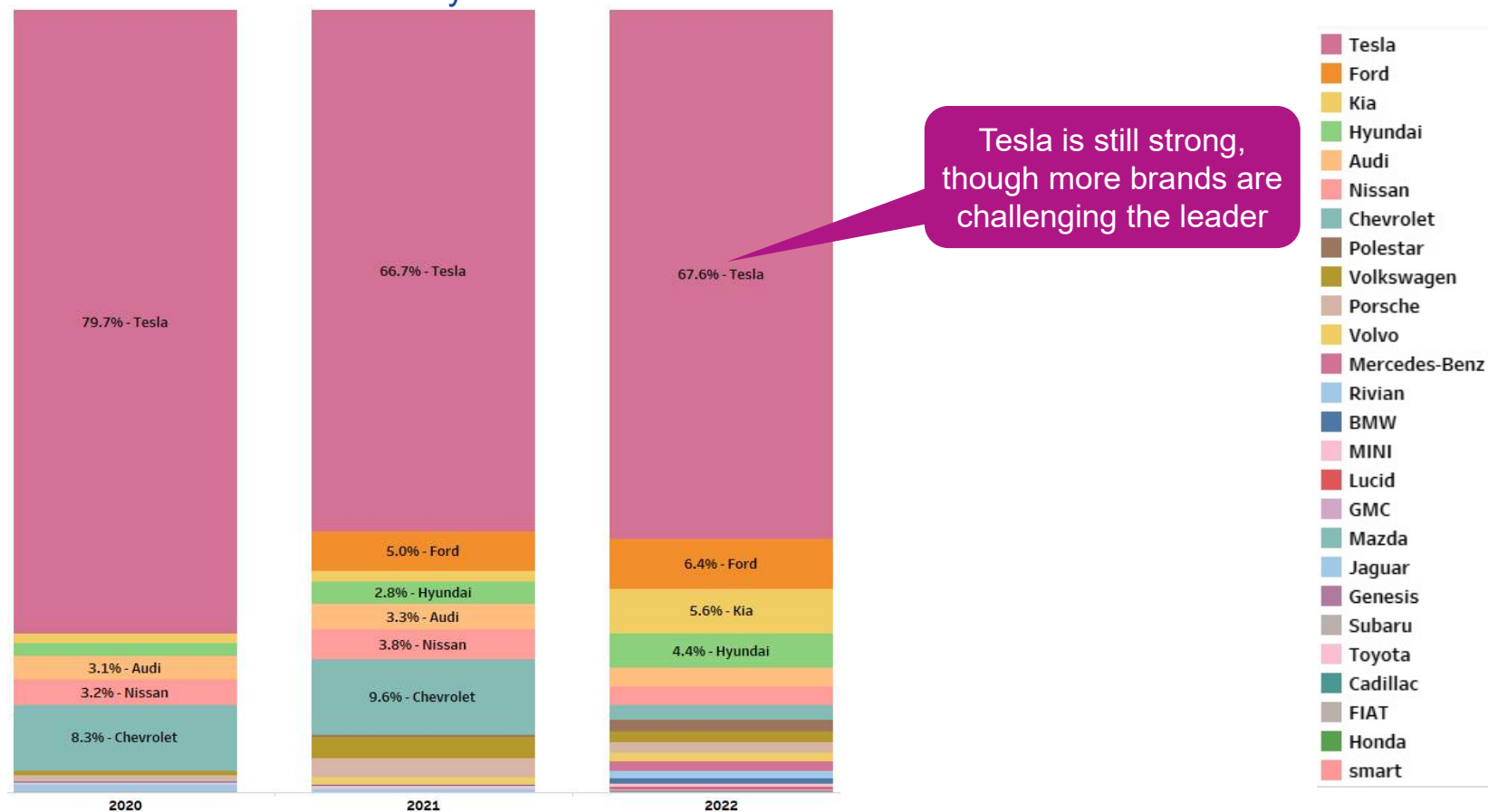
# U.S. Fuel type share

New registrations volumes for January - June of each time period



# EV share by Make

New registrations for Jan – June of each year

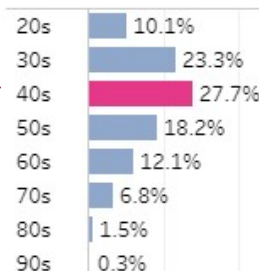


# EV demographics

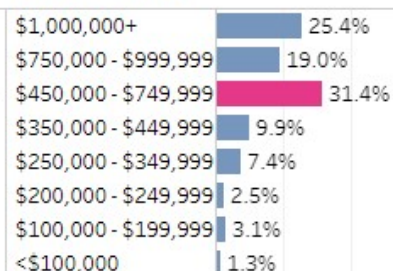
New registrations January – June 2022

People in their 40s are the dominate buyers

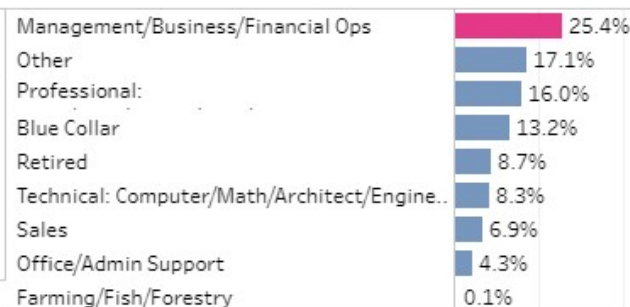
## Age Ranges



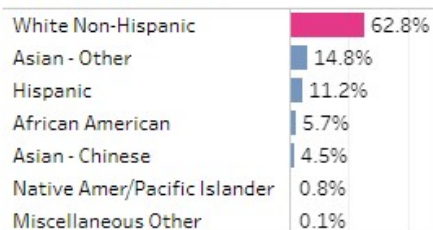
## Home Value



## Occupation

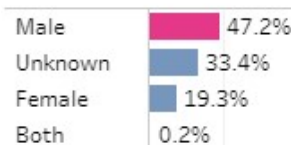


## Ethnic Groups

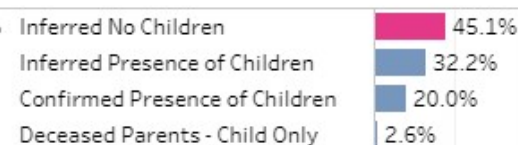


Asian and Hispanic owners growing

## Gender

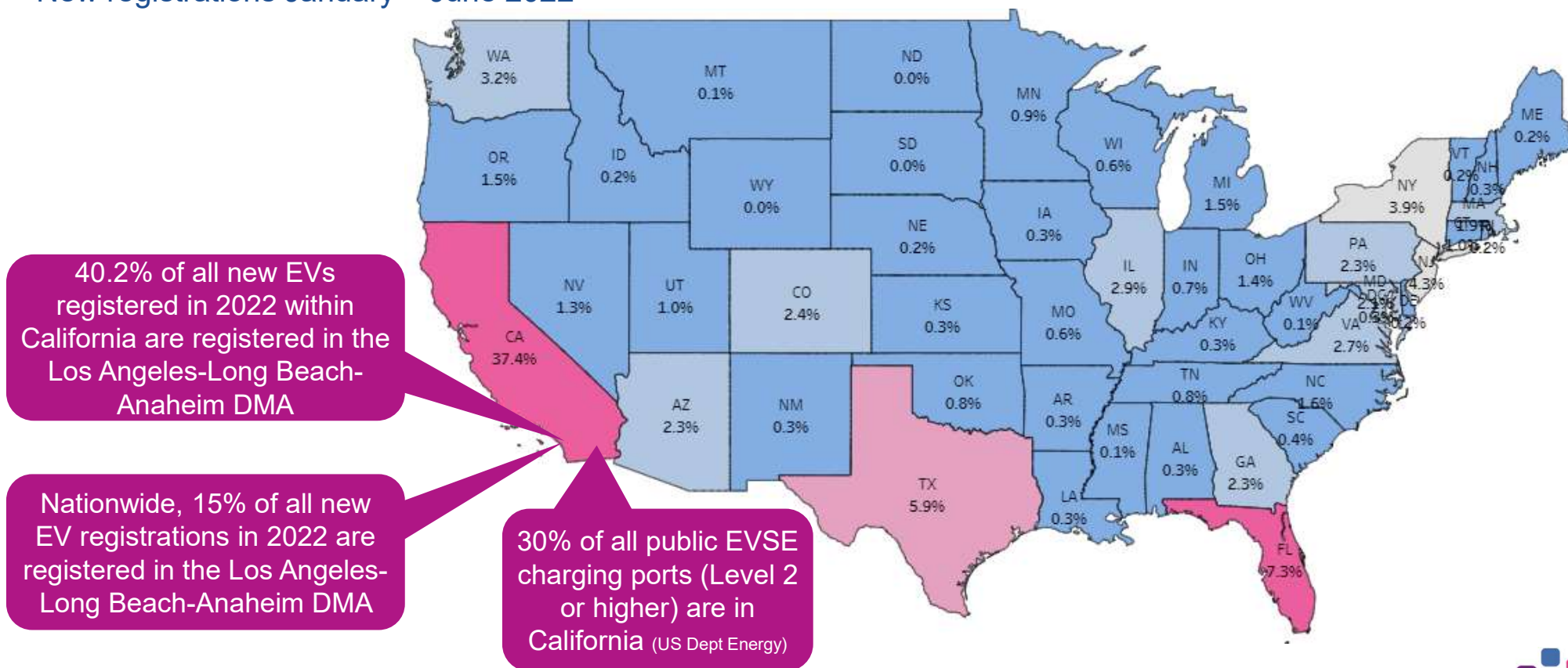


## Children



# U.S. EV registrations by state share

New registrations January – June 2022





# Q2 2022 Summary

Driving the automotive industry forward

- Total light duty VIO is currently at **284.4 million** in the U.S. market. The big news this quarter within VIO is there **now more Import brand names** on U.S. roads for the first time.
- The aftermarket **Sweet Spot** continues to grow and is **up 6.5%** over last year and has **increased to nearly 100M in volume**. The Sweet Spot is expected to grow for the next several years and surpass a previous high of 104M in 2011.
- We **reviewed the Canadian VIO market** and found that while they are similar to the U.S., they are also unique in their own vehicle ownership patterns as well.
- **New registration volumes are down to 13.5M over the last 12 months**, and the wild ride has shaken up the top models, the top generations who buy them and the availability of certain models.
- GM has taken over the manufacturer lead of new registrations, and by make name **Toyota is the light duty brand leader of new registrations** for Q2 2022. Toyota has 5 of the top 9 new model registrations which has pushed them to the top spot.
- **Brand loyalty has been decreasing** since the pandemic started as the market has shifted to “**what’s available for me to buy**” instead of “buying what I’m used to driving in the past” as the chip shortage takes it toll on new vehicle inventories.
- **Electric vehicles (EVs)** in Q2 2022 **continue to increase in registrations volume** with nearly 38% occurring in California. Tesla still dominates the EV market, though their market share has shrunk to ~2/3rds of all new EVs as more competition enters the market.

# Today's Presentation



# Q2 2022 Thank You!

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**Experian Automotive** is prepared to meet your needs with an integrated solution statically designed to drive your business forward.





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