



# Monthly Market Intelligence

The latest insight from the UK's largest new and used car platform.

APRIL 2024

 AutoTrader

# Fleet sales drive new car recovery as used retail prices are dampened by wholesale dynamics

## NEW CAR REGISTRATIONS

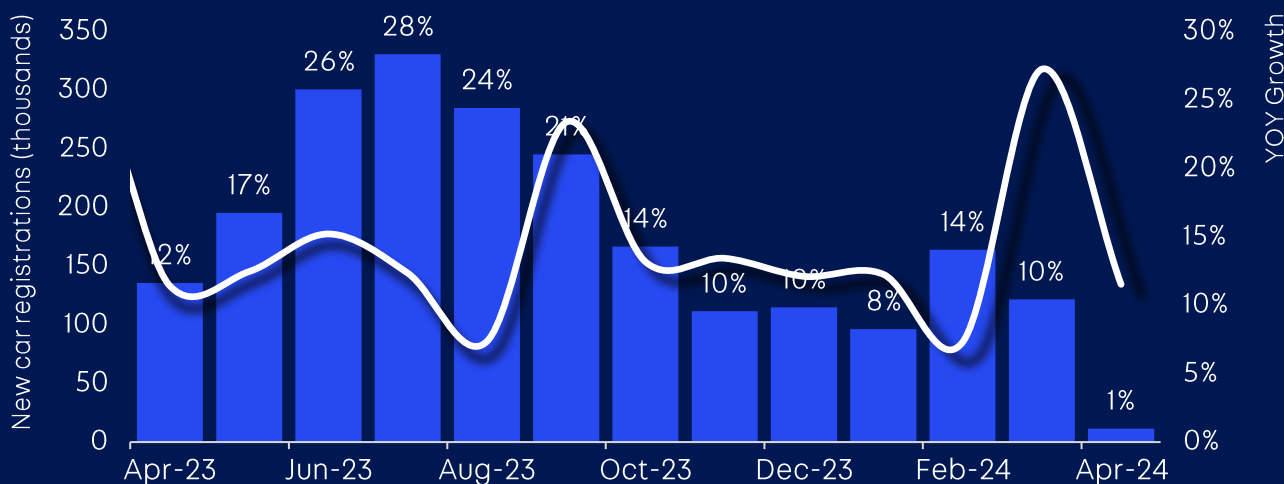
The new car market continued to grow on an annual basis in April, though at a more modest rate than seen in earlier months this year with registrations up **+1% year-on-year**. The number of ICE cars registered fell -6% whilst AFV sales volumes saw double-digit growth (+15%). As a result, EV share of registrations improved by +1.5 PPTS YoY to 16.9%, though still well short of the 22% mandated by the Government. Private retail sales are still under pressure, falling -18% year-on-year as a buoyant fleet market drove overall registrations growth.

# 134,274

NEW CAR REGS. (SMMT)

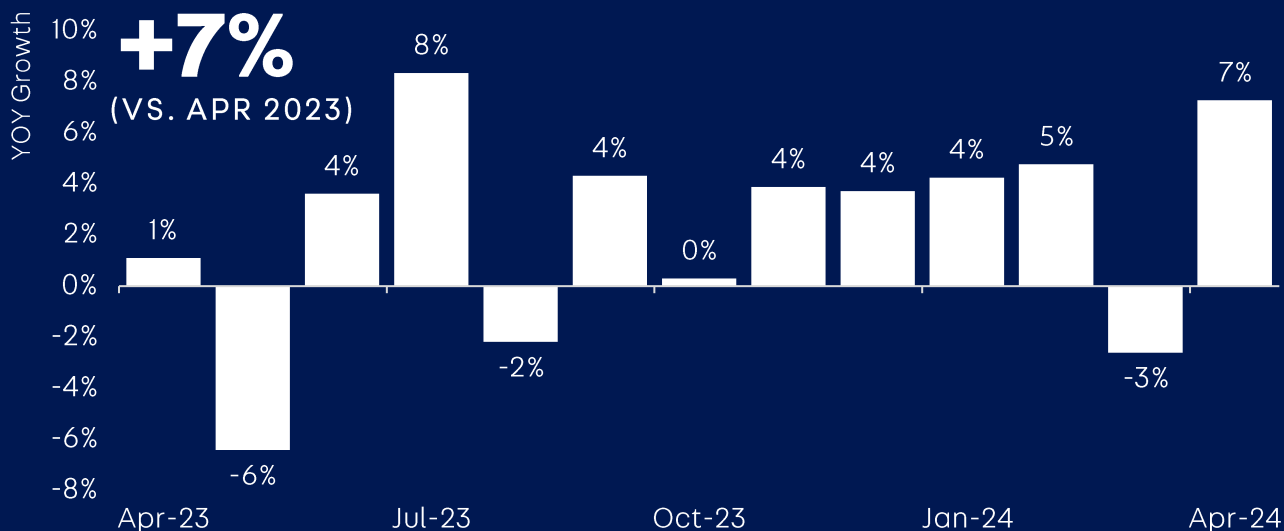
# +1.0%

(VS. APR 2023)



## USED CAR SALES (YEAR-ON-YEAR)

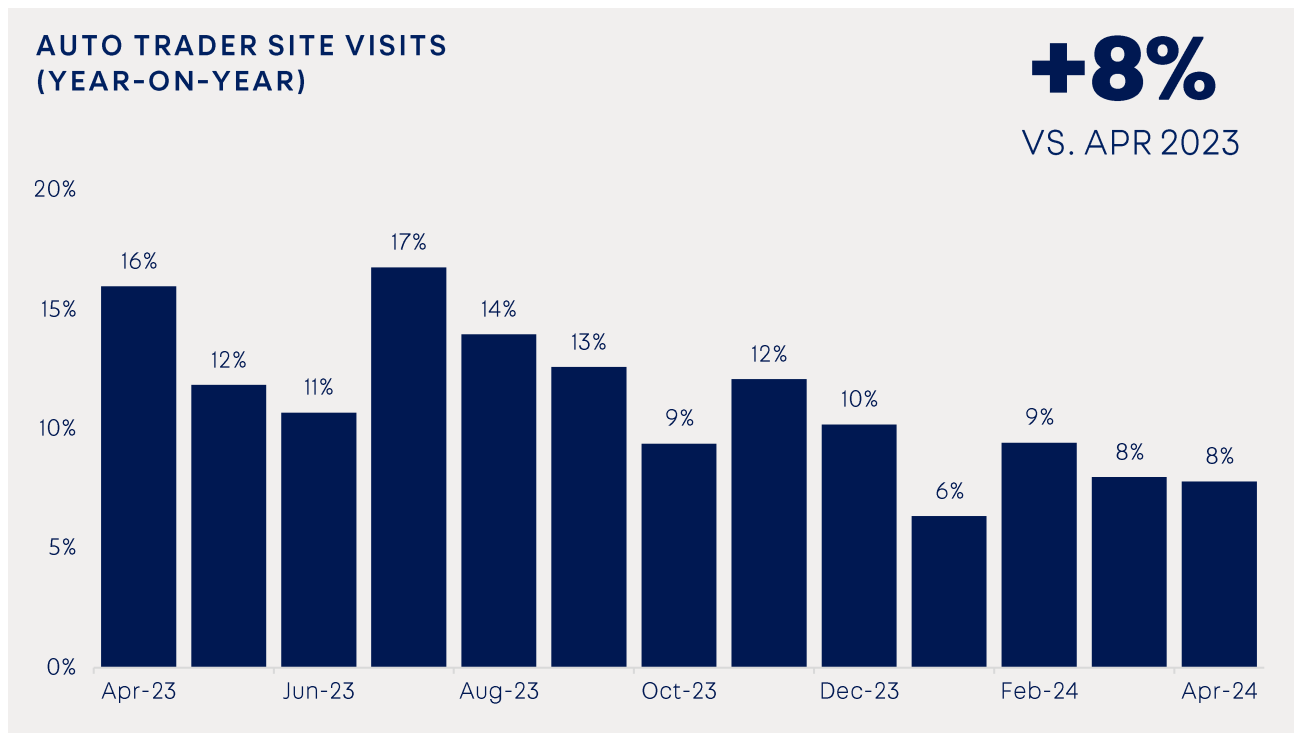
April marked a strong start to the quarter with used car sales up **+7.3% year-on-year**. Both franchise and independent retailers saw positive movements, increasing by +5.8% and +8.7% respectively. The robust sales growth came as retail prices continued to soften despite resilient consumer demand. Full/Mild Hybrids saw the strongest increase, up +71.1% and outpacing fast-growing supply in this segment.



\*Data based on vehicles removed from Auto Trader. We assume that the vehicle is sold on the last day we saw it on our site. Strong historical correlation to official SMMT used car transactions and retailer data. Ongoing improvements to the data means historic figures may change slightly each month.

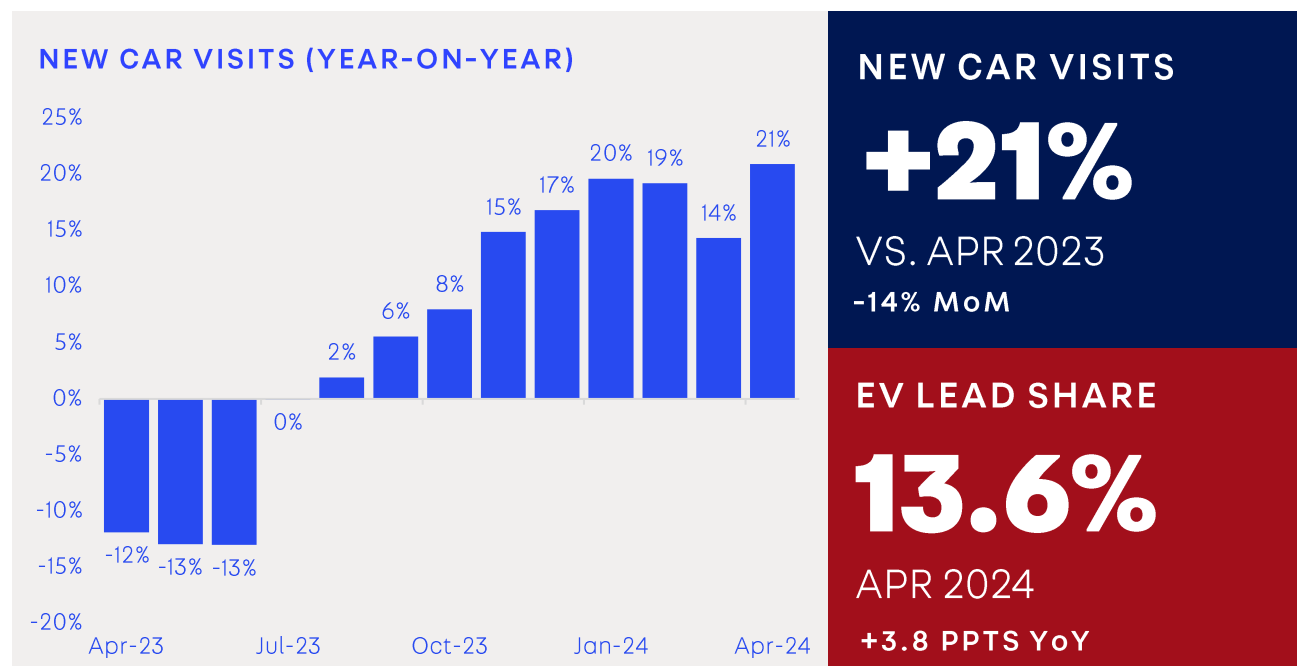
## AUTO TRADER AUDIENCE

Visits to Auto Trader continued to grow in April, increasing by **+8%** and marking **18 consecutive months of growth**. Consumer confidence remained robust with 86% saying that they felt at least as confident or more confident in their ability to afford their next car compared with 12 months ago<sup>1</sup>.



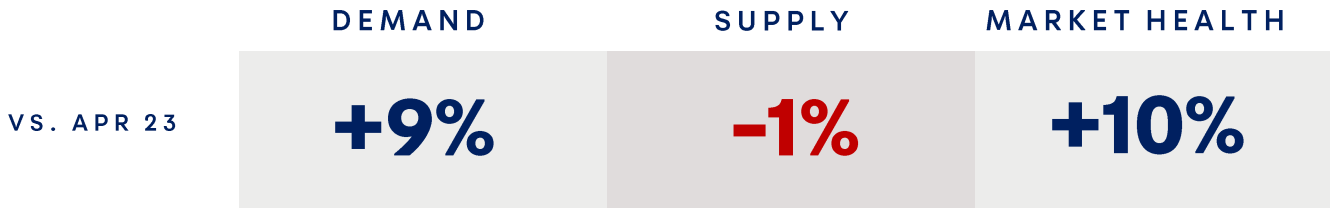
## NEW CAR ACTIVITY

New car visit growth once again outpaced the overall audience increase seen on Auto Trader as consumers responded to ongoing incentives offered by manufacturers and retailers. EV share of enquiries improved as manufacturers and retailers continued to offer consumer incentives – though average discounts off the RRP for EVs softened slightly by -0.2PPTS to 10.3% after the plate-change month of March.

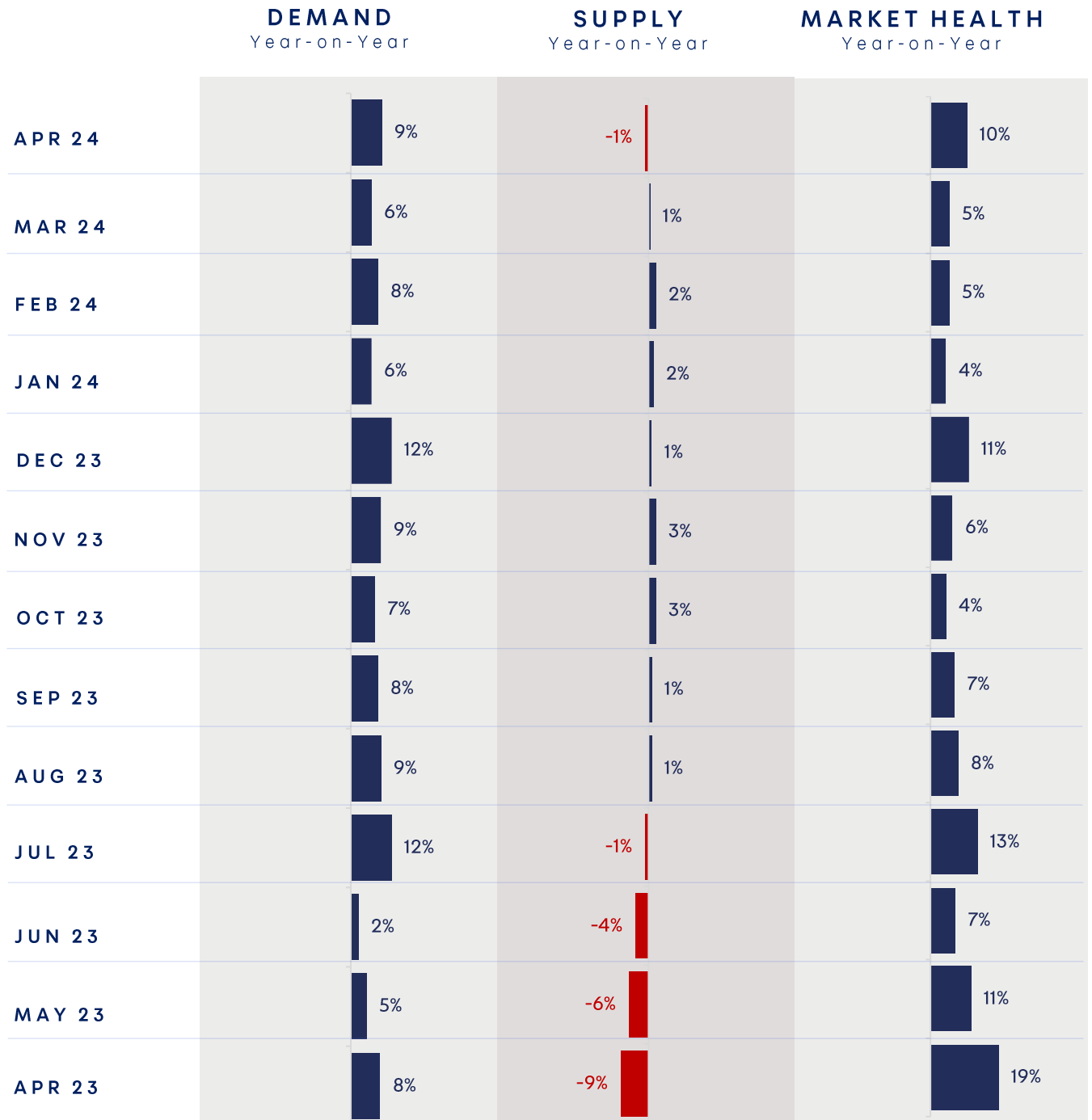


# USED CAR MARKET HEALTH

Market Health for used cars remained positive in April as shrinking supply contrasted with continued growth in demand. Supply remained particularly soft in the 1-5-year-old cohort. Cars sold in a median of 27 days, faster than in any other April on record in a continued sign of robust demand for used cars. Electric cars were the slowest selling fuel-type for the first time in almost a year at 31 days.



The Market Health metric shows the ratio of supply vs. demand compared to the previous year

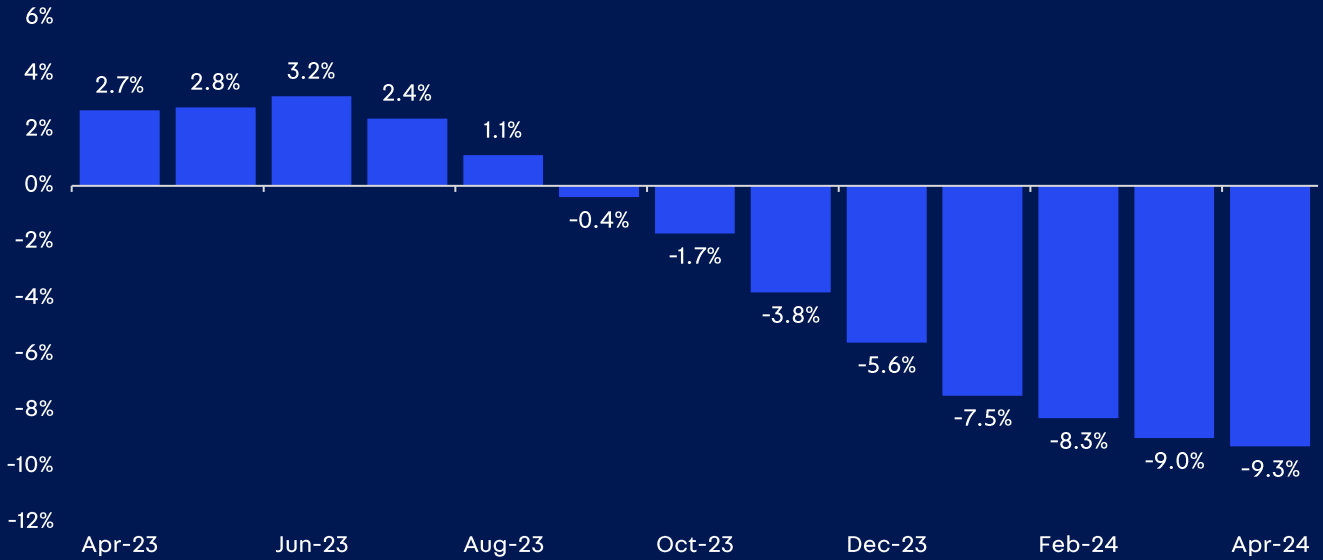


## USED CAR RETAIL PRICE CHANGES

**Annual declines in used car retail prices levelled-off in April, falling by -9.3% on a like-for-like basis, similar to the March picture.** The softening continued to defy retail market dynamics, though, with robust demand and supply of 1-5-year-old cars down. The price adjustments seen on retailer forecourts continued to be driven by falling trade prices, though these too had levelled off at -13% in April, equal to March's figure. EV price adjustments continued to edge closer to other fuel types, down -16.8% year-on-year, a +1.2PPTS improvement compared with March's figure as prices "overlapped" last year's price falls.

### YEAR-ON-YEAR USED CAR RETAIL PRICE CHANGES

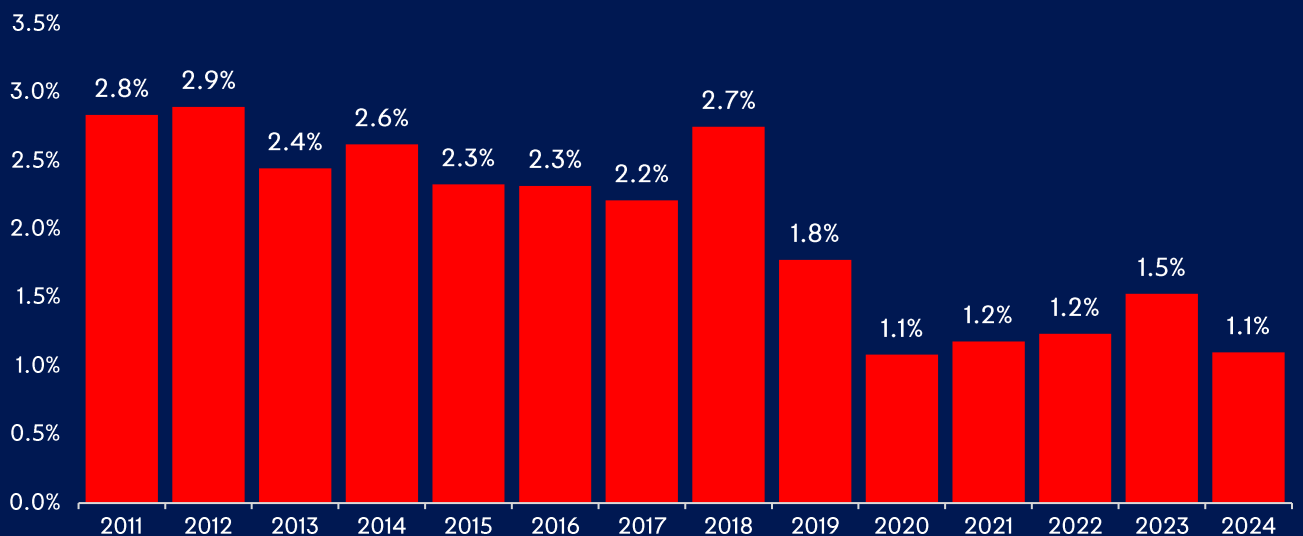
Like-for-Like Basis



**For the first time in a year, like-for-like used car retail prices grew month-on-month, up +1.1% from March's level.** The increase was aligned with post-COVID norms for April and is a positive sign that used car pricing may be returning to expected seasonal trends. 1-3-year-old stock saw the largest price growth, increasing +2.1% MoM as strong demand in this segment encountered falling supply. Prices of nearly-new cars fell -0.7% following significant growth in supply.

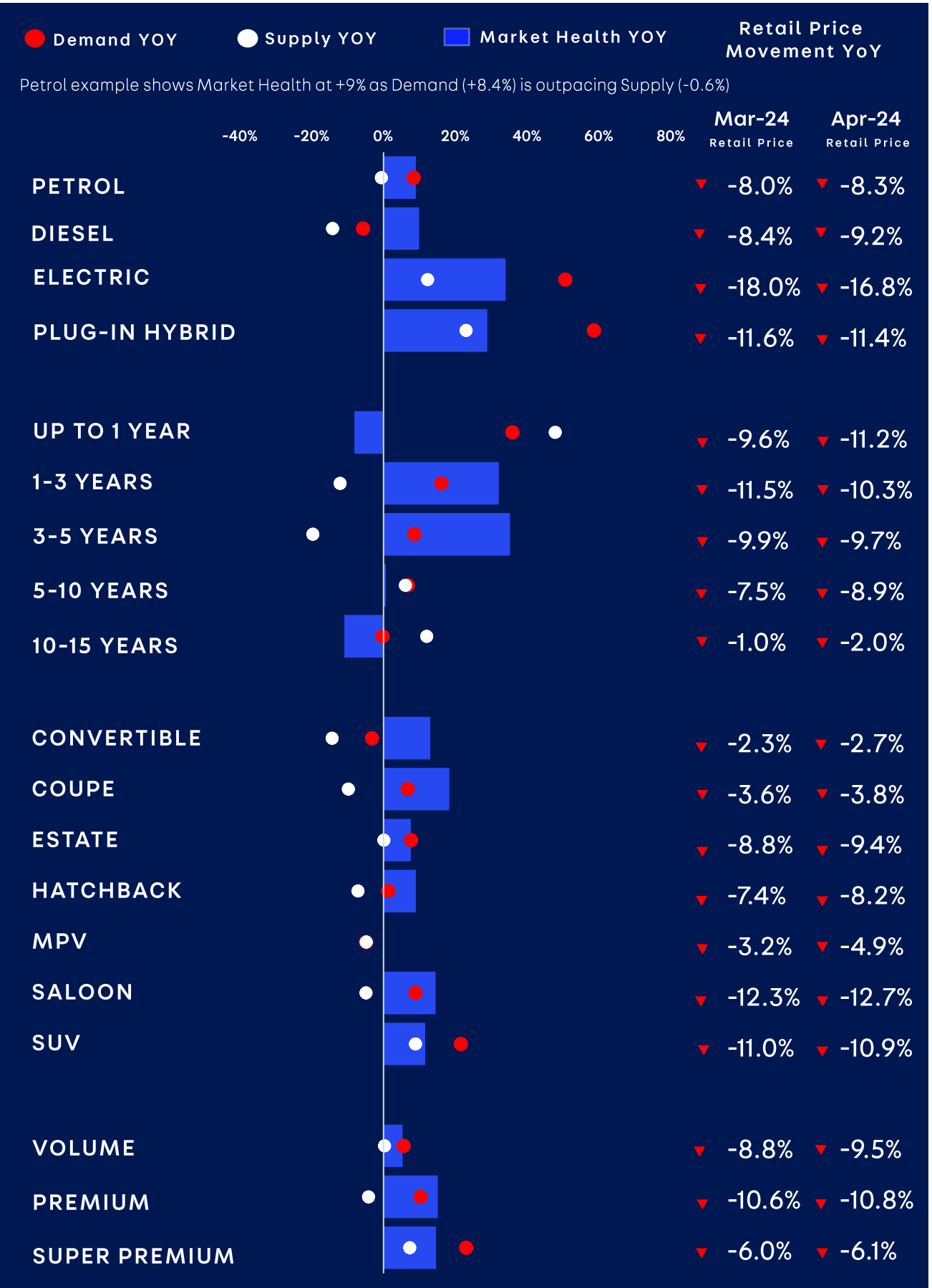
### MONTH-ON-MONTH USED CAR RETAIL PRICE CHANGES

Like-for-Like Basis



# DEMAND, SUPPLY, MARKET HEALTH & PRICE MOVEMENT (YOY GROWTH)

Charts show Market Health (blue bar), Demand (red) and Supply (white), with pricing movements.



In focus this month

# Has Omnichannel killed online retailing?

## 91%

of buyers visit dealerships as part of their car buying research

AutoTrader Car Buyers Tracker – April 2023 (n=2,000)

## 7 in 10

buyers have done, or want to do, most of the buying journey online

AutoTrader Car Buyers Tracker – August 2023 (n=2,001)

## 52%

of buyers said that the ability to complete part of the process online was important

AutoTrader Car Buyers Tracker – April 2024 (n=2,000)

## The retailer remains a vital part of the car buying journey, though online plays a role in every purchase

### JOB COMPLETION LOCATION

"How did you complete this task?" (n=1,537)<sup>1</sup>

ONLINE 

OFFLINE 

20% 30% 40% 50% 60% 70%

RESEARCH  
Research/ understand right type of car for you

Find specific car right for you

Get questions answered by dealer

Book appointment at dealership

Check quality of car

Check car is as described in ad

DECISION  
Decide which payment method is right for you

Understand running costs of car

Decide which car retailer to buy from

Understand different types of add-ons available

Decide which add-ons to buy

FINANCE  
Understand what a fair price for the car is

Agree with dealer on how much you'll pay

Complete finance application

Complete payment

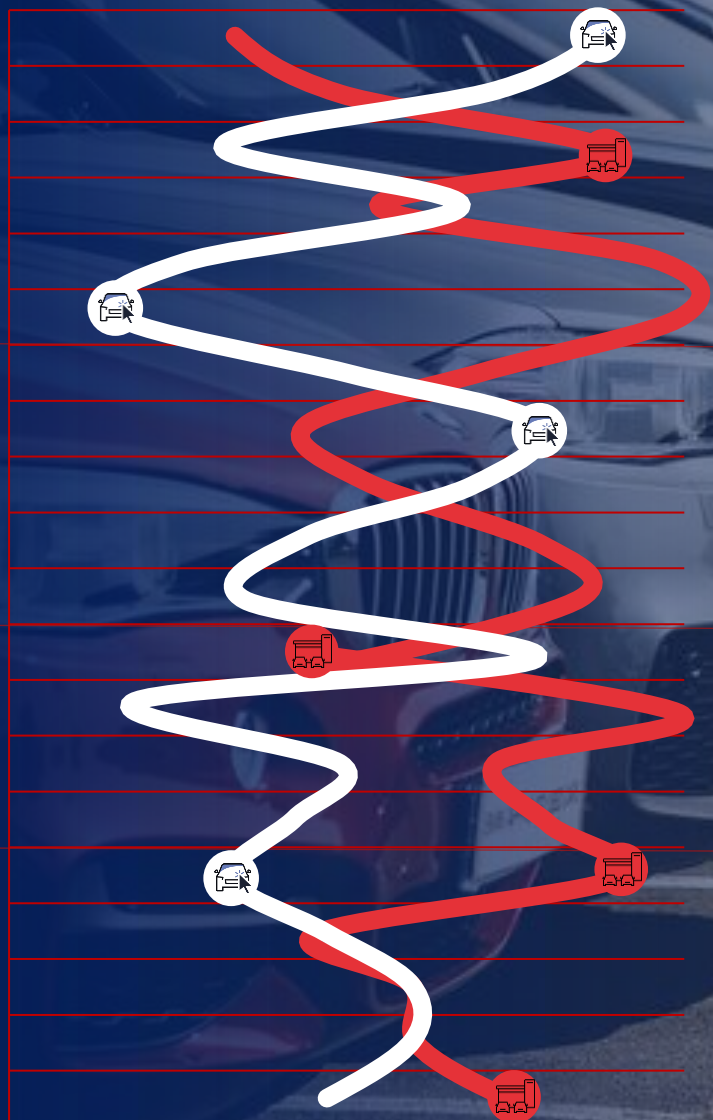
PURCHASE / DELIVERY  
Arrange delivery/ collection of new car

Find out how much old car was worth

Understand what to do with old car

Decide exactly what to do with old car

Part Exchange/ sell/ dispose of old car

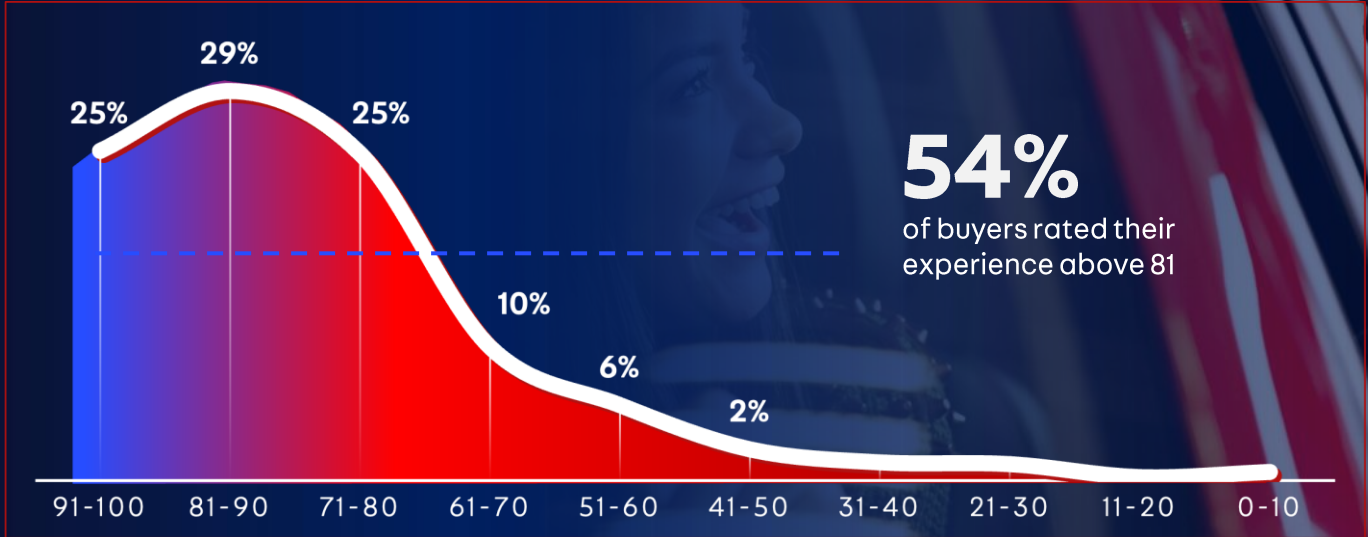


<sup>1</sup>Source: Auto Trader Customer Buying Journey Research - 2024

# More than half of consumers rated their buying experience above 81 - though there's room to improve

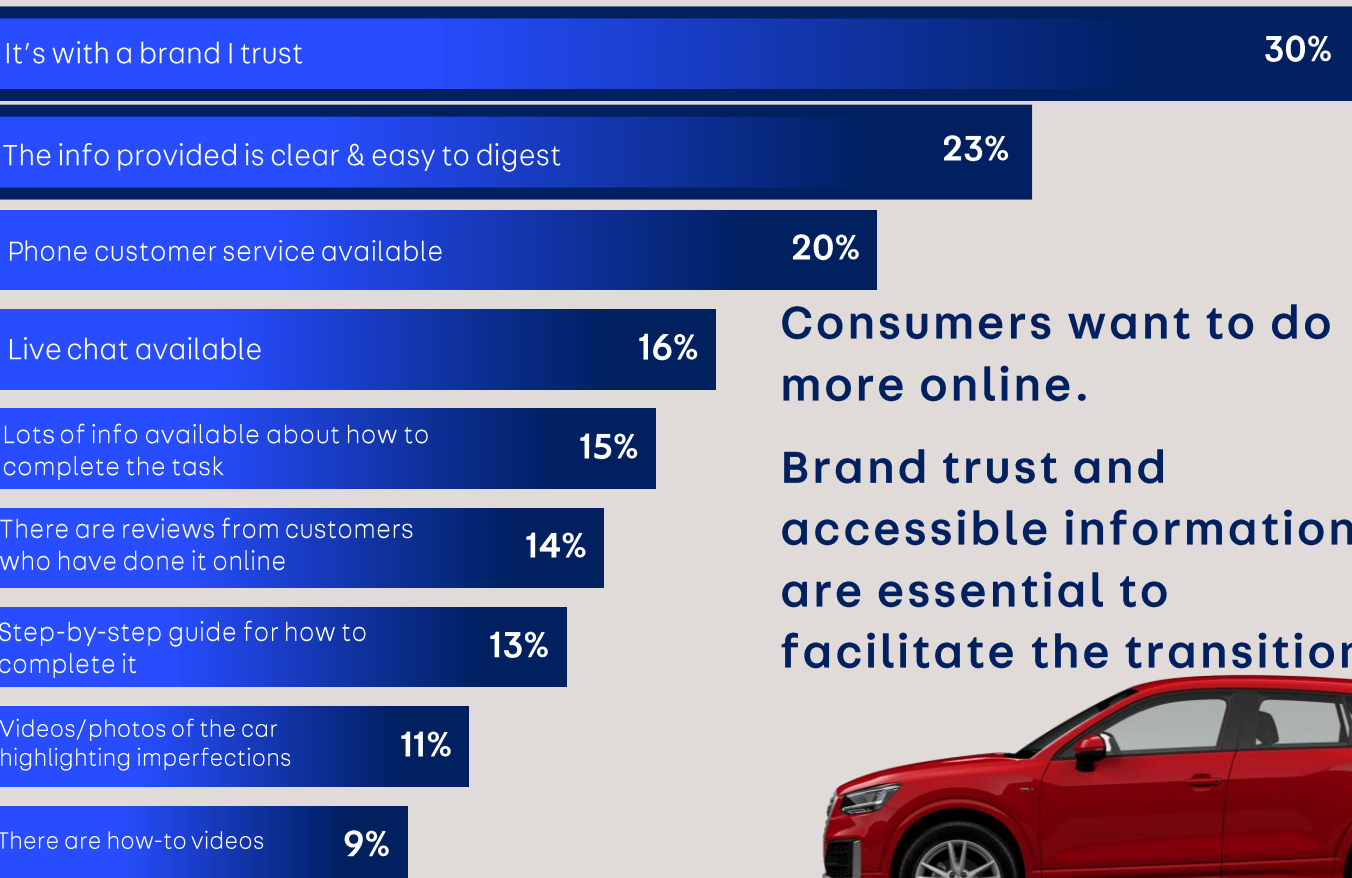
## BUYING JOURNEY EXPERIENCE

Out of 100, how would you rate the whole experience of buying the car you bought? (n=1,537)<sup>1</sup>



## HELPING BUYERS TO DO MORE ONLINE

"Would any of the following make you feel more comfortable doing this job online?" Average across all jobs. (n=467)<sup>1</sup>



Consumers want to do more online.

Brand trust and accessible information are essential to facilitate the transition.



<sup>1</sup>Source: Auto Trader Customer Buying Journey Research - 2024



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 **AutoTrader Insight**