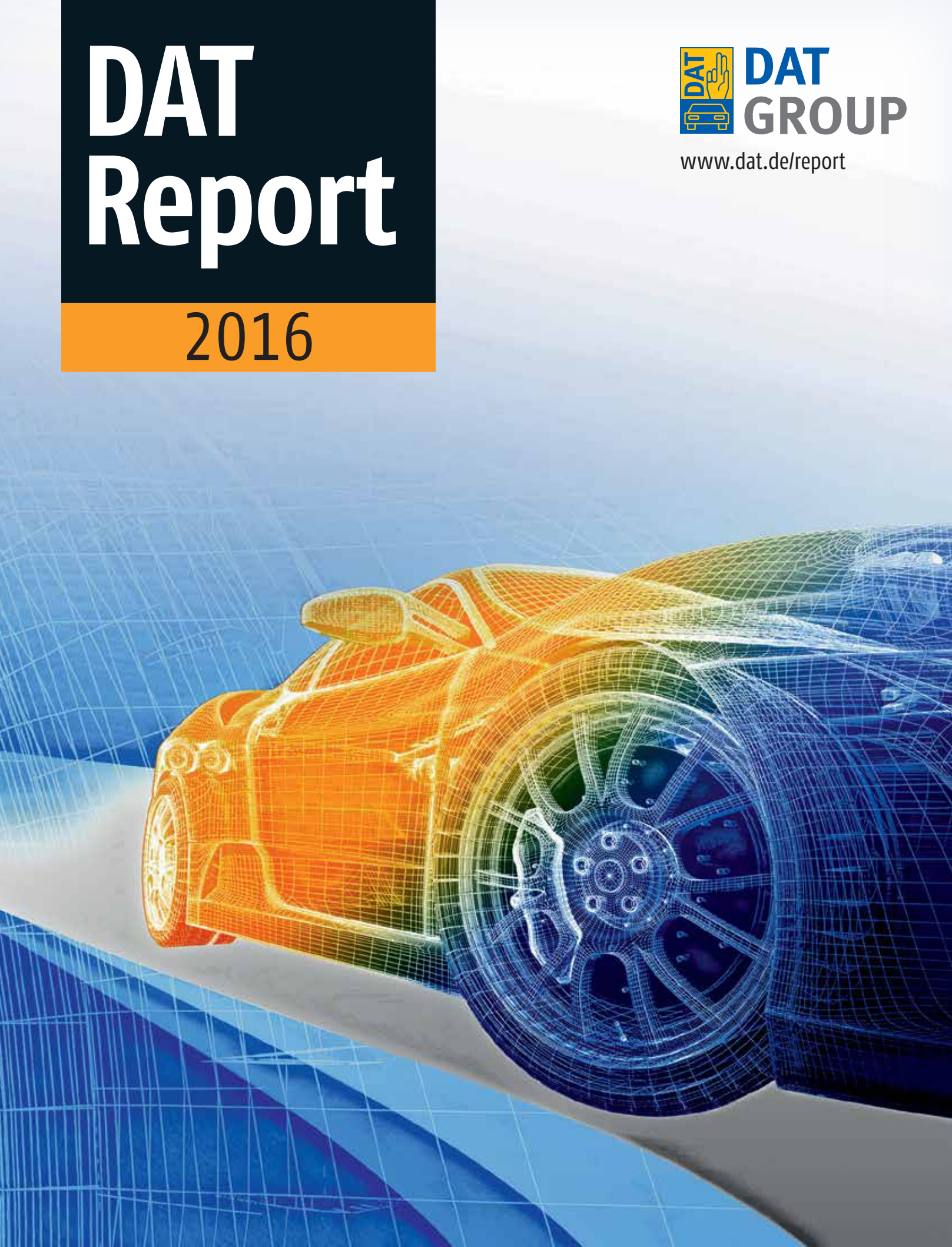


# DAT Report

2016



[www.dat.de/report](http://www.dat.de/report)





Dear  
Readers,



**Jens Nietzsche**  
DAT Managing Director  
Germany (Spokesman)

My son will soon be 21 years old. His communication habits conform to the cliché for his age group. That means that I am best off using WhatsApp to initiate a personal discussion, as people in my age bracket prefer. One trick I have to speed up his response times to my messages is to send him images of car tuning or links to related topics at the same time. OK, he is an apprentice automotive mechatronics technician and would prefer a car with a bit more performance than is needed to get from A to B. But what really sets him apart from typical behaviour patterns for his age group is probably the fact that he drives at least 70 kilometres every day to reach his training company in rural southern Germany.

Or at least that is what you might think if there were actually some truth in the constantly repeated talk in the media and academic circles of a Twilight of the Gods in our sector and the dawning of a new era, one controlled by Google and driven by autonomous electric devices. Fortunately, the figures from the German Federal Motor Transport Authority, the Federal Statistical Office and, most importantly, the new DAT Report 2016 say something very different. Clearly, demographic changes mean there are fewer young people in Germany. But the car parc and numbers of new registrations and transfers of ownership are still growing continually. The pleasure of driving is something that has not changed. The number of first-time buyers for new and used vehicles has remained constant for years. And even the number of apprentices in the automotive sector is rising. Perhaps young people need to be targeted in a different way, but they still want cars to move them and more than just physically – whether or not they have a family connection to the automotive industry, as my son and I do. Those are the headlines in our latest market analysis.

My colleagues on the DAT Managing Board and I, together with Dr Martin Endlein, Head of Corporate Communications, and his team who prepared the DAT Report 2016 – we are all delighted to present you with the latest results of our reliable survey of almost 4,000 end consumers. Treat yourself to the latest edition of the “service history book” for our sector and use it as a source of valuable knowledge in your daily dealings with your customers, from whom our sector can hopefully continue to live comfortably for a long time.

Warm regards,

A handwritten signature in blue ink that reads "Jens Nietzsche". The signature is fluid and cursive.



**Helmut Eifert**  
DAT Managing Director  
Foreign Markets



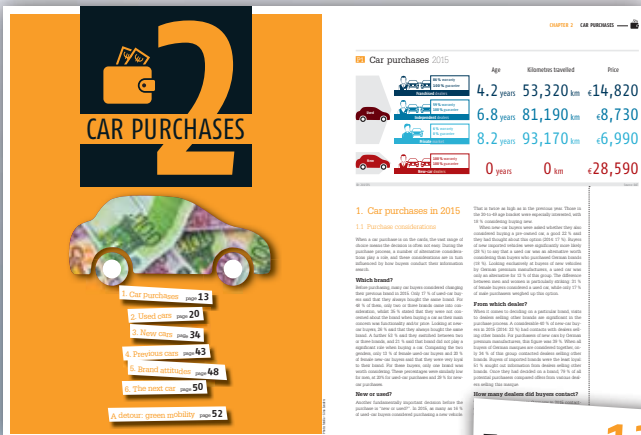
**Dr. Thilo Wagner**  
DAT Managing Director  
Products

Photos: Joannis Tsintzas/DAT





From page **6**



From page **12**

**Survey method and time frame**

For the DAT Report 2016, a representative survey of 3,780 individuals was conducted by the market research institute GfK on car purchases and workshop behaviour. For car purchases, 2,637 persons were interviewed. The condition for selecting respondents was that their car purchase had been made between March and June 2015. The survey was conducted between July and October 2015. For the repairs and maintenance section, 1,143 car drivers/owners were surveyed. The survey was conducted between October and November 2015.

Also available as a PDF (in German and English) from [www.dat.de/report](http://www.dat.de/report)

**CHAPTER 1 A STOCKTAKE**

- 1. People and their cars . . . . . 7**
  - 1.1 Attitudes towards car ownership . . . . . 7
  - 1.2 What drivers say about cars . . . . . 8
  - 1.3 Car use . . . . . 8
  - 1.4 Car sharing . . . . . 9
  - 1.5 Equipment . . . . . 10
  - 1.6 Vehicle prices vs income . . . . . 10

**CHAPTER 2 CAR PURCHASES**

- 1. Car purchases . . . . . 13**
  - 1.1 Purchase considerations . . . . . 13
  - 1.2 Length of the purchase decision process . 14
  - 1.3 The market situation . . . . . 15
  - 1.4 The used-car buyer . . . . . 16
  - 1.5 The new-car buyer . . . . . 18
- 2. Used cars . . . . . 20**
  - 2.1 Information behaviour . . . . . 20
  - 2.2 Purchase criteria . . . . . 22
  - 2.3 The average used car . . . . . 23
  - 2.4 Point of purchase . . . . . 24
  - 2.5 Purchase prices . . . . . 26
  - 2.6 Finance . . . . . 29
  - 2.7 Insurance and warranty . . . . . 30
  - 2.8 Dealers assessed . . . . . 32
- 3. New cars . . . . . 34**
  - 3.1 Information behaviour . . . . . 34
  - 3.2 Purchase criteria . . . . . 36
  - 3.3 The average new car . . . . . 37
  - 3.4 Purchase prices . . . . . 38
  - 3.5 Finance . . . . . 40
  - 3.6 Dealers assessed . . . . . 42
- 4. Previous cars . . . . . 43**
  - 4.1 Key data on previous cars . . . . . 43
  - 4.2 Purchasers and sales . . . . . 44
  - 4.3 Prices achieved for previous cars . . . . . 46
  - 4.4 Detailing . . . . . 47
- 5. Brand attitudes . . . . . 48**
  - 5.1 Brand attitudes amongst used-car buyers . 48
  - 5.2 Brand attitudes amongst new-car buyers . 49
- 6. The next car . . . . . 50**
  - 6.1 Time of purchase . . . . . 50
  - 6.2 Characteristics . . . . . 50

**A DETOUR**

- GREEN MOBILITY. . . . . 52**

# DAT Report 2016

## CONTENTS

**3**  
SERVICING & REPAIRS

- 1. Overview **page 57**
- 2. Vehicle servicing **page 58**
- 3. Oil changes **page 62**
- 4. Repairs **page 64**
- 5. Summary **page 68**
- 6. Do-it-yourself **page 70**
- 7. Arbitration bodies **page 72**
- 8. Information behaviour **page 72**
- 9. Customer satisfaction **page 74**

**Service and repair work 2015**

Service work	Repair work	Accident work	All work*
60%	40%	50%	52%
35%	47%	42%	40%
5%	12%	7%	8%

Avg. €235    Avg. €162

**1 Overview**

Chapter 3 of the DAT Report focuses on the maintenance and repair of vehicles. It is divided into nine sub-sections, which cover a wide range of topics, from the latest trends in the market to the role of workshops and the impact of the Do-it-yourself (DIY) movement. The sub-sections are: Overview, Vehicle servicing, Oil changes, Repairs, Summary, Do-it-yourself, Arbitration bodies, Information behaviour, and Customer satisfaction.

**Volume of work has fallen**

The volume of work in the repair and maintenance sector has fallen significantly since 2010. This is due to a combination of factors, including the economic downturn and the increasing use of DIY services. However, the volume of work in the accident repair sector has remained relatively stable, reflecting the fact that accidents are still a common occurrence.

81% of workshop customers were registered customers

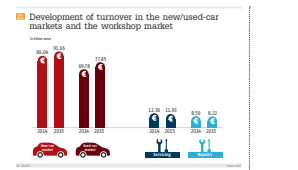
From page **56**

### CHAPTER 3 SERVICING AND REPAIRS

- 1. **Overview** ..... 57
- 2. **Vehicle servicing** ..... 58
  - 2.1 Service frequency ..... 58
  - 2.2 Vehicle age as a factor ..... 59
  - 2.3 Service costs ..... 60
  - 2.4 Choice of provider ..... 60
  - 2.5 Full service ..... 61
  - 2.6 Interim service ..... 61
  - 2.7 Other types of service ..... 61
- 3. **Oil changes** ..... 62
- 4. **Repairs** ..... 64
  - 4.1 Vehicle age as a factor ..... 64
  - 4.2 Repair costs ..... 65
  - 4.3 The role of workshops ..... 66
  - 4.4 Accident repairs ..... 67
- 5. **Summary** ..... 68
  - 5.1 Workshop orders ..... 68
  - 5.2 The competitive environment ..... 69
- 6. **Do-it-yourself** ..... 70
  - 6.1 Sources for replacement parts ..... 71
  - 6.2 Drivers' level of knowledge ..... 71
- 7. **Arbitration bodies** ..... 72
- 8. **Information behaviour** ..... 72
  - 8.1 Quotations ..... 72
  - 8.2 Online research ..... 73
- 9. **Customer satisfaction** ..... 74
  - 9.1 Service network ..... 75
  - 9.2 Workshop opening times ..... 75

**4**  
TRENDS & KEY DATA

- 4.1 Trends in the submarkets **page 77**
- 4.2 Changes in income **page 78**
- 4.3 Development of prices/costs **page 78**



**4 Key data**

**4.1 Trends in the submarkets**

The automotive market is divided into three main submarkets: new cars, used cars, and workshops. The new car market has seen a steady decline in sales since 2010, while the used car market has remained relatively stable. The workshop market, however, has experienced significant growth, reflecting the increasing reliance on professional repair services.

**The new-car market**

The new-car market has seen a steady decline in sales since 2010, with a total of 1.5 million new cars sold in 2015. This is due to a combination of factors, including the economic downturn and the increasing use of second-hand vehicles.

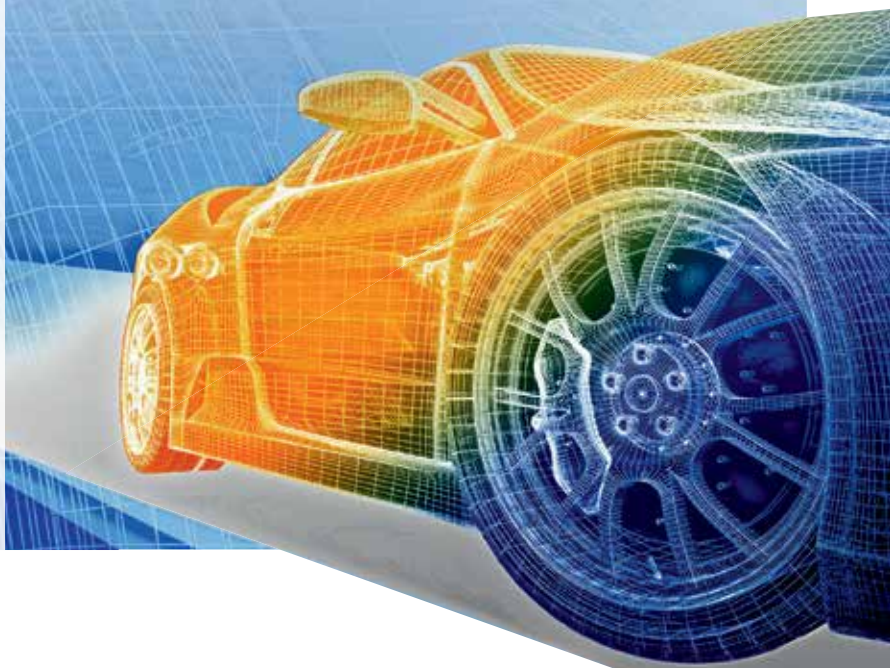
**The used-car market**

The used-car market has remained relatively stable, with a total of 1.8 million used cars sold in 2015. This is due to the fact that used cars are still a popular choice for many consumers, particularly those on a budget.

From page **76**

### CHAPTER 4 TRENDS AND KEY DATA

- 4. **Key data** ..... 77
  - 4.1 Trends in the submarkets ..... 77
  - 4.2 Changes in income ..... 78
  - 4.3. Development of prices/costs ..... 78







# 1 A STOCKTAKE



1.1 Attitudes towards car ownership page **7**

1.4 Car sharing page **9**

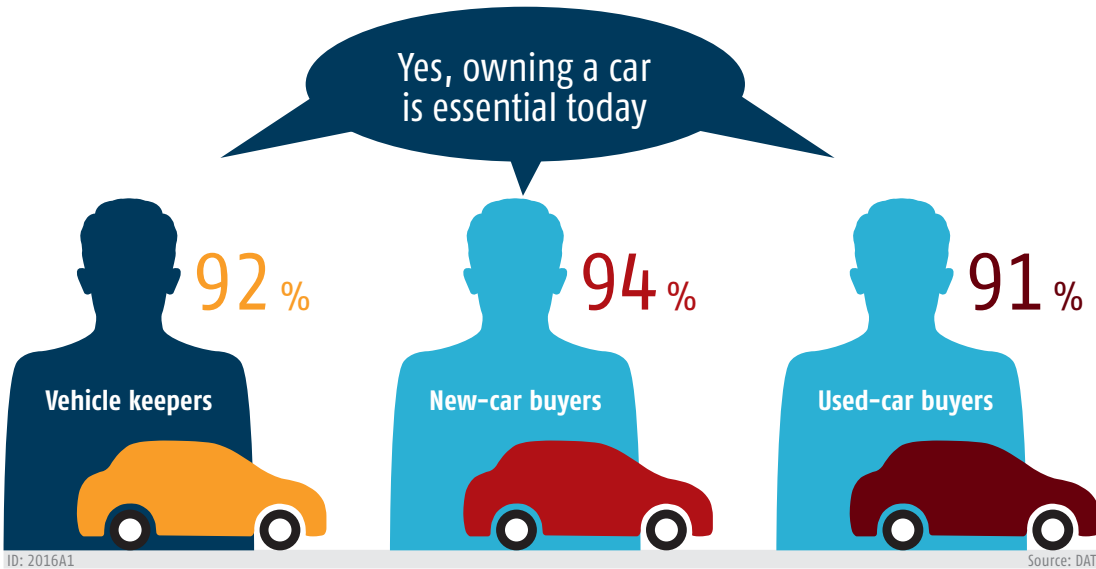
1.2 What drivers say about cars page **8**

1.5 Equipment page **10**

1.3 Car use page **8**

1.6 Vehicle prices vs income page **10**

## A1 Car ownership 2015



### 1. People and their cars

#### 1.1 Attitudes towards car ownership

The question is regularly asked in the media whether owning a car is still essential in these times of growing conurbations. The three groups of respondents surveyed for the DAT Report 2016 give a clear answer to this: as can be seen in Graphic A1, 91 % of used-car buyers and 94 % of new-car buyers said car ownership is essential. Some 92 % of vehicle keepers also agreed that having a car is a must. Only amongst vehicle keepers living in cities with more than 500,000 residents did this figure fall slightly to 76 %. This can be linked to the good infrastructure in public local transport, traffic jams and the parking situation. But 89 % of all car drivers still said they would feel that their mobility was restricted without their own vehicle.

When it comes to the most frequently cited reasons for owning a car, car buyers put need first in 2015: buyers need their own car first and foremost because of their professional situation.


This is clear with first-time buyers and additional-car buyers. Some 60 % of first-time buyers of used vehicles and 50 % of first-time buyers of new vehicles agreed with this statement. Buyers purchasing a second car in 2015 in addition to an existing vehicle cited professional reasons in 70 % of cases (where the second car was used) and in 67 % of cases (where the second car was new). In second place was the importance of personal mobility and freedom – in short, a soft factor. Considerable time-savings ranked third amongst both used-car and new-car buyers.

The same criteria but with a slightly different weighting and in a different order are the reasons why vehicle owners have a car (see Graphic A2). They stated in the survey that personal freedom was the most important reason for them (80 %). Ranked considerably lower was need, for example, the need to commute to work (64 %). For car owners, their car is and remains their “most precious child” and hence more than a guarantee of mobility: it combines freedom, emotions and fun as well.

## A2 Most frequently cited reasons for owning a car 2015

(max 3 nominations)

■ Ranked 1st-2nd    ■ Ranked 3rd-4th  
■ Ranked 5th-6th    ■ Ranked 7th-9th

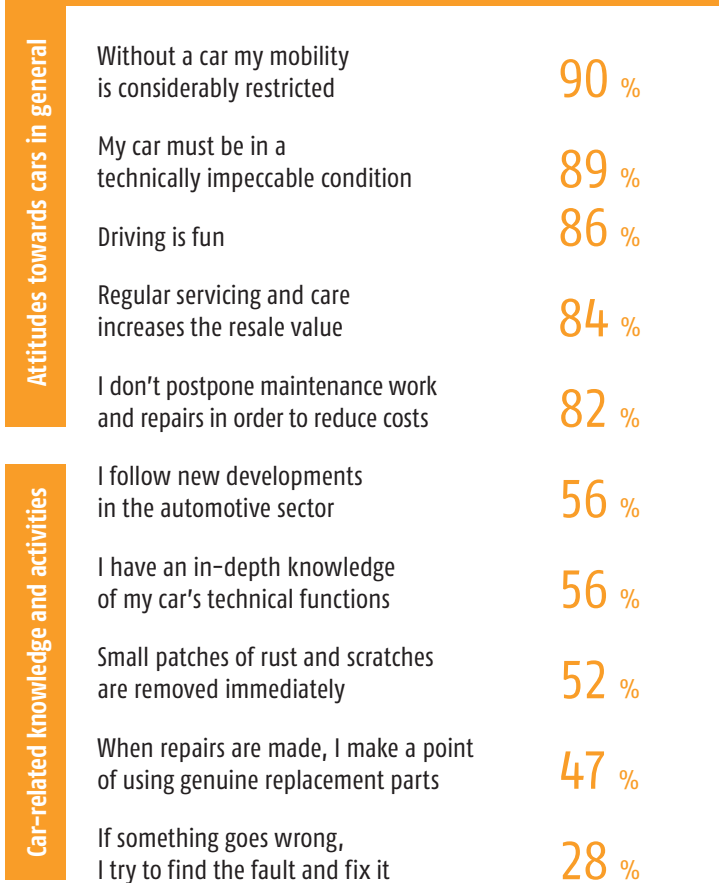
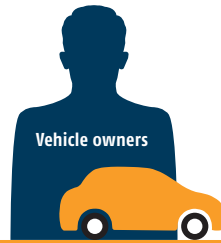


Personal mobility/freedom	80 %
I depend on it (place of residence, work)	64 %
It saves time considerably	48 %
More convenient than public transport	41 %
I enjoy driving	32 %
The cost/benefit ratio is better than for public transport	20 %
Basic part of life	16 %
It expresses my attitude to life	9 %
Status symbol	2 %

ID: 2016A2

Source: DAT

## A3 What drivers said about cars in 2015



ID: 2016A3

Source: DAT

## A4 Annual kilometres travelled 2015

Based on: vehicle keepers

Under 5,000 km	3 %
5,000 - 9,999 km	23 %
10,000 - 12,999 km	28 %
13,000 - 15,999 km	18 %
16,000 - 19,999 km	4 %
20,000 - 24,999 km	12 %
25,000 - 29,999 km	5 %
More than 30,000 km	7 %



ID: 09751070

Source: DAT

### 1.2 What drivers say about cars

The high value that vehicle keepers place on their vehicles in their everyday lives is also reflected in their attitudes to their cars, levels of automotive knowledge and car-related activities. As can be seen in Graphic A3, vehicle keepers agreed in very high percentages with statements such as "Without a car my mobility is considerably restricted" (90 %), "Driving is fun" (86 %) and "I don't postpone maintenance work and repairs in order to reduce costs" (82 %). Some 84 % of keepers agreed that regular servicing and care increases the resale value. This is also reflected in the view that cars must always be a technically impeccable condition. Male vehicle owners (56%) were significantly more likely to state that small patches of rust and scratches must be removed immediately than female keepers (44 %).

### 1.3 Car use

Annual kilometres travelled and the use of passenger vehicles have remained relatively stable in recent years. However, new developments such as car sharing could influence driver behaviour in the future.

#### Annual kilometres travelled

The vehicle keepers surveyed in 2015 about their annual kilometres travelled for the DAT Report were divided between 86% purely private individuals (2014: 85%) and 14% self-employed individuals and company owners (2014: 15%).

Graphic A4 shows the distribution of annual kilometres travelled for different ranges. The average annual kilometres travelled has fallen slightly compared to 2014 from 14,470 km to 14,350 km.

When vehicle age is compared, vehicles aged eight years and older were driven 13,260 km on average in 2015 (2014: 13,110 km), and vehicles aged under two years were driven 15,780 km (2014: 16,470 km). Looking at brands, cars by premium German brands covered an average of 15,550 km per year, compared to 14,770 km for German brands and 13,620 km for imported brands.

#### The car as a data gatherer

Anyone who owns and drives a modern car generates data that can be saved and read in the vehicle's on-board electronics.

One topic related to data gathering currently generating much debate in the media is eCall. Under EU regulations, the eCall automatic emergency call system must be installed in all new car models from 2018. The system reports a series of key data, such as the vehicle type, the time of the accident, the vehicle position and number of passengers, to the standard European emergency number, 112.

Beyond this, further telematics services are conceivable in the future, such as automatically sending fault codes and movement profiles from the vehicle. When they were asked whether and who should be



permitted to save this data if such services were offered in the future, 51 % of new-car buyers agreed that the data should be saved. They ranked insurance companies (27 %) first as the type of organisation that should be allowed to save data, followed by their own dealer (24 %) and the vehicle manufacturer (16 %). Significantly lower ranked were “a motoring club” (7 %) and a “specialist internet service provider” (2 %). Only 48 % of vehicle keepers were in favour of their data being saved and were most likely to trust their dealer (32 %), followed by their insurance company (22 %) and the vehicle manufacturer (16 %).

### Distances travelled

Graphic **A5** shows the different reasons why drivers covered their total annual kilometres. In 2015, private journeys accounted for 60 % (2014: 61 %) of annual kilometres travelled, representing a good 8,610 km (2014: 8,821 km). Journeys between home and work accounted for 33 % (2014: 32 %) of annual kilometres travelled or a good 4,736 km (2014: 4,627 km). This percentage was 30 % for men and 38 % for women. On average, each car only covered 1,005 km (2014: 1,012 km) for exclusively business purposes, equivalent to 7 % of annual kilometres travelled.

Comparing different age groups of drivers, 30- to 49-year-olds covered 47 % of their total annual kilometres en route to and from their place of work. Vehicle keepers aged 50 and over (including the substantial number of pensioners) only covered 23 % of their annual kilometres travelled on journeys between their home and workplace; 8 % of their journeys were business-related. Purely private trips represented 69 % of journeys. For drivers over 60, this type of use accounted for 84 % of journeys.

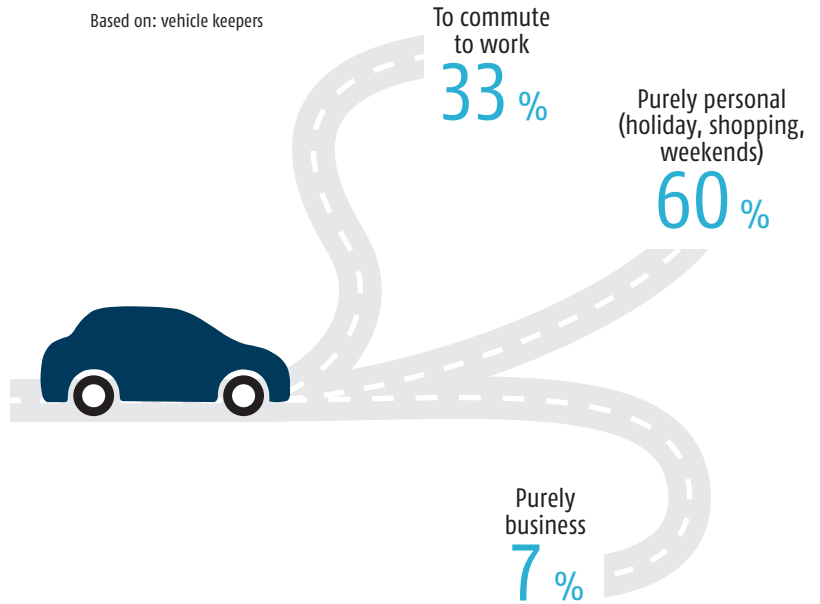
### 1.4 Car sharing

Car sharing has been directly linked to personal mobility for some years, and car sharing services are now available in many cities and conurbations. But for the large majority of vehicle keepers, it is not an alternative to having their own car, as is clearly demonstrated in Graphic **A6**.

If the question is put to vehicle keepers, as opposed to buyers, 88 % reject car sharing – for them, the car sharing concept is not an alternative to having their own four wheels. The main reasons: ranked first was the substantial effort that is clearly still required to organise a suitable right car in the nearby area (51 %). This was followed by car sharing simply not being offered in the local neighbourhood (50 %). The third most important reason was that respondents were not willing to share a car with other people (43 %).

A surprising finding was that vehicle keepers living in cities with more than 500,000 residents are only slightly less likely to reject car sharing, with a considerable 80 % being against it. For these respondents, the main obstacle was the large amount of effort required to get a car at the right time.

## A5 How cars were used in 2015



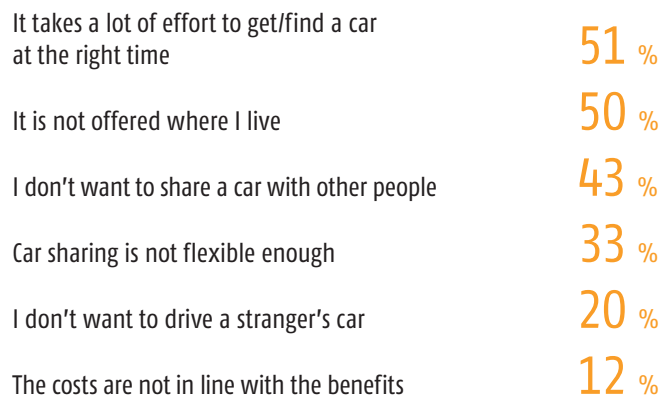
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Source: DAT

## A6 Views on car sharing in 2015



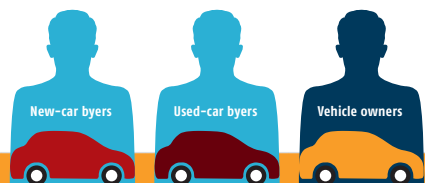
### Reason given:



ID: 2016A6

Source: DAT

## A7 Number of car equipment features in 2015



	New-car buyers	Used-car buyers	Vehicle owners
<b>Convenience</b>			
On-board computer/DIS	80	61	55
Digital radio (DAB)	13	10	21
Park assist	16	5	8
Parking sensors/Parktronic	64	39	46
Electrically opening boot lid	16	7	12
Power windows	94	86	91
Power seat adjustment	26	15	18
Hands-free equipment (in-built)	46	24	32
Head-up display	3	1	2
Air conditioning	93	86	88
Satnav	54	28	30
Radio	84	86	76
Rear-view camera	15	5	9
Sun roof	25	20	20
Power steering	96	91	92
Seat heating	56	39	52
Sports/leather/multifunction steering wheel	59	47	44
Sports/leather seats	30	25	26
Auxiliary heating	9	6	10
Cruise control	59	39	50
Heat-insulating glass	44	35	40
Central locking	91	84	91
<b>Light</b>			
Adaptive front lighting/cornering lights	27	14	20
High-beam assist	18	6	10
Light sensor	47	26	28
Xenon headlights	38	20	24
<b>Wheels/tyres/rims</b>			
Wide tyres	21	18	24
Alloy rims	66	56	64
Tyre-pressure sensor/monitoring	100	13	29
<b>Safety</b>			
Adaptive cruise control	11	2	5
Anti-lock braking system/ABS	100	90	89
ESP	100	69	70
Drowsiness detection system	7	2	6
Night-vision assist	2	0	1
Emergency brake assist	8	2	5
Rain sensor	56	33	41
Side airbag	89	79	67
Lane assist	8	3	6
Lane change assist	9	2	4
Traffic sign recognition	4	1	4
<b>Miscellaneous</b>			
Alarm system	24	14	26
Tow bar	13	15	30
Automatic transmission	18	12	26
Metallic paint	59	51	63
Sports suspension	12	10	12
Automatic start-stop system	49	17	20
<b>Equipment features</b>	<b>19.44</b>	<b>13.97</b>	<b>15.88</b>

Ranked second was their unwillingness to share a car, followed by the lack of flexibility.

### 1.5 Equipment

In 2015, newly purchased cars were once again more extensively and better equipped than vehicles bought used or existing vehicles. This is down to numerous innovations, such as the wide range of different assistance systems, but also to statutory regulations, including regulations on ESPs and tyre-pressure monitoring systems (TPMS).

But Graphic A7 clearly shows that used vehicles and existing vehicles were also equipped with more features in 2015 than in the previous year. Particularly noticeable were the increases in new and used vehicles with on-board computers and rain sensors. In addition, ESP and TPMS were mandatory in new cars. Both of these have been required equipment features in all new passenger vehicles and motor-homes in the EU since 1 November 2014.

In addition, more vehicles had metallic paint, in-built hands-free equipment and adaptive cruise control. In used vehicles, light sensors, side airbags and multifunction steering wheels were the features that saw double-digit increases compared to the previous year.

New in the survey for all vehicles were automatic start-stop systems, digital radios, drowsiness detection systems or driver alert systems, electric boot lids and rear-view cameras.

New cars purchased in 2015 had an average of 19.44 (2014: 17.15) equipment features in total. This figure ranged from 16.23 features for imported brands to 22.11 for German premium brands. Used vehicles had 13.97 features on average (2014: 12.48), ranging between 11.80 features for imported brands and 18.94 for German premium models. Keepers' vehicles had an average of 15.88 equipment features (2014: 15.36) – with the total varying between 13.98 for imported brands and 21.01 for German premium models.

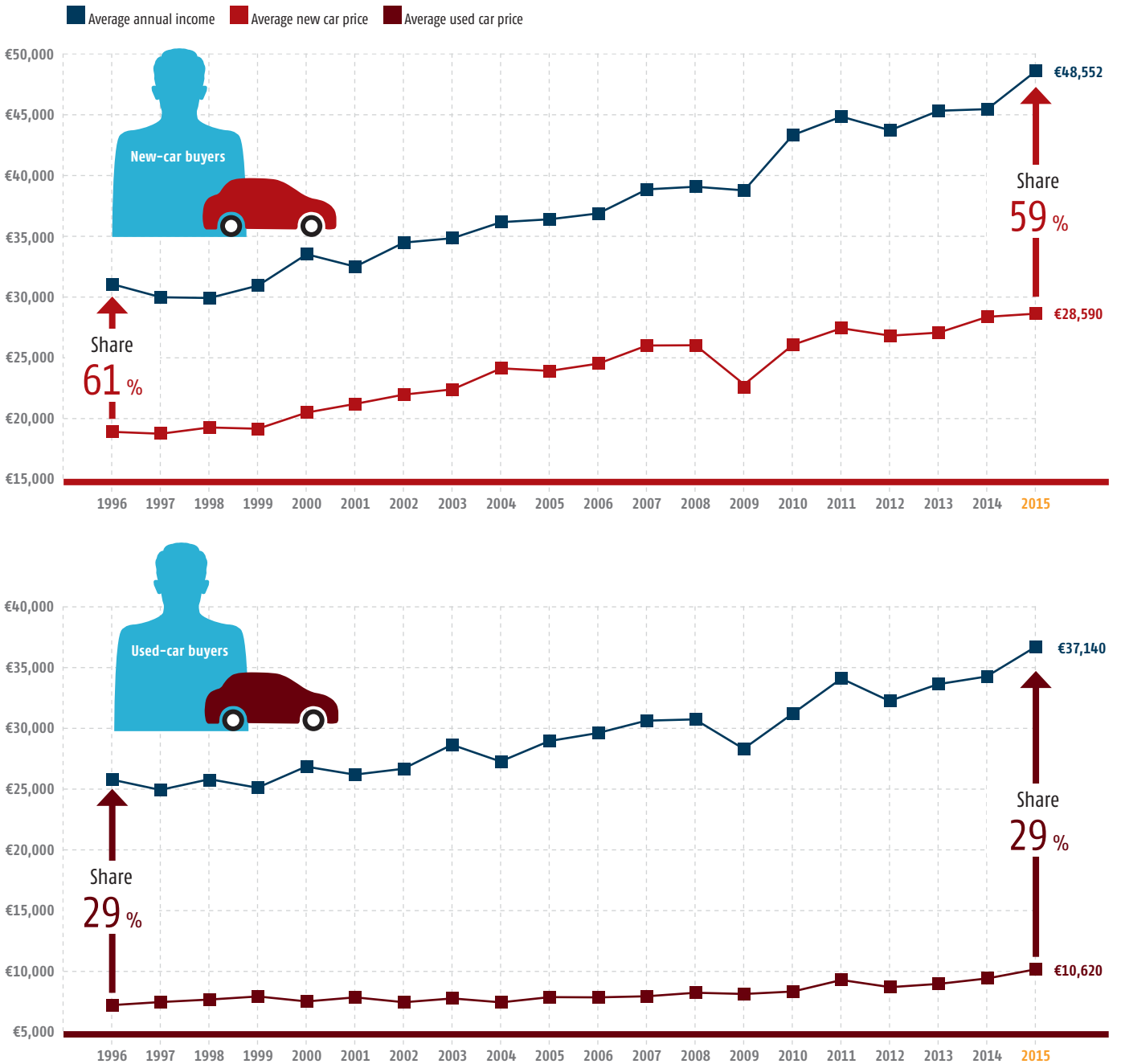
Once again, cars purchased by men were better equipped than those bought by women. New cars purchased by male buyers had 20.27 features (2014: 18.79) and used cars 15.53 (2014: 13.86). New cars bought by women averaged 14.84 features (2014: 14.04), while used cars had 11.88 (2014: 10.40).

### 1.6 Vehicle prices vs income

Is it down to their love of cars or simply the need to have their own four wheels? Year on year, car buyers in Germany have invested a stable percentage of their annual income in personal mobility since this data has been collected for the DAT Report. This is calculated based on total net monthly disposable household income multiplied by twelve to give annual income.

As Graphic A8 shows, used-car buyers spent 29 % of their annual net household income on car

## A8 Relationship between income and car purchase price



ID: 2016A8

Source: DAT

purchases in 2015. An interesting trend can be observed over the last 20 years. Used-car prices have risen by the same level (see also Graphic P18, page 26) as annual incomes. A used-car buyer in 1996 invested 29 % of his or her income in this purchase, the same percentage as today. A similar trend can be observed amongst new-car buyers, albeit at a considerably higher level. As purchase prices for new

vehicles are significantly higher (see Graphic P35, page 38), these buyers invested 59 % of their annual income on average in these purchases in 2015.

Looking back over the past 20 years shows that purchase costs for passenger vehicle have not risen relative to incomes – indeed, in 1996 new-car purchasers spent two per cent more of their income or 61 % on a new vehicle.





# CAR PURCHASES



1. Car purchases page **13**

2. Used cars page **20**

3. New cars page **34**

4. Previous cars page **43**

5. Brand attitudes page **48**

6. The next car page **50**

A detour: green mobility page **52**



## P1 Car purchases 2015



See page 31 for an explanation of the difference between a warranty and a guarantee

ID: 2015P1

Source: DAT

## 1. Car purchases in 2015

### 1.1 Purchase considerations

When a car purchase is on the cards, the vast range of choice means the decision is often not easy. During the purchase process, a number of alternative considerations play a role, and these considerations are in turn influenced by how buyers conduct their information search.

#### Which brand?

Before purchasing, many car buyers considered changing their previous brand in 2015. Only 17 % of used-car buyers said that they always bought the same brand. For 48 % of them, only two or three brands came into consideration, whilst 35 % stated that they were not concerned about the brand when buying a car as their main concern was functionality and/or price. Looking at new-car buyers, 26 % said that they always bought the same brand. A further 53 % said they switched between two or three brands, and 21 % said that brand did not play a significant role when buying a car. Comparing the two genders, only 13 % of female used-car buyers and 20 % of female new-car buyers said that they were very loyal to their brand. For these buyers, only one brand was worth considering. These percentages were similarly low for men, at 20% for used-car purchasers and 29 % for new-car purchasers.

#### New or used?

Another fundamentally important decision before the purchase is "new or used?". In 2015, as many as 16 % of used-car buyers considered purchasing a new vehicle.

That is twice as high as in the previous year. Those in the 30-to-49 age bracket were especially interested, with 18 % considering buying new.

When new-car buyers were asked whether they also considered buying a pre-owned car, a good 22 % said they had thought about this option (2014: 17 %). Buyers of new imported vehicles were significantly more likely (28 %) to say that a used car was an alternative worth considering than buyers who purchased German brands (18 %). Looking exclusively at buyers of new vehicles by German premium manufacturers, a used car was only an alternative for 13 % of this group. The difference between men and women is particularly striking: 31 % of female buyers considered a used car, while only 17 % of male purchasers weighed up this option.

#### From which dealer?

When it comes to deciding on a particular brand, visits to dealers selling other brands are significant in the purchase process. A considerable 40 % of new-car buyers in 2015 (2014: 33 %) had contacts with dealers selling other brands. For purchasers of new cars by German premium manufacturers, this figure was 39 %. When all buyers of German marques are considered together, only 34 % of this group contacted dealers selling other brands. Buyers of imported brands were the least loyal: 51 % sought out information from dealers selling other brands. Once they had decided on a brand, 79 % of all potential purchasers compared offers from various dealers selling this marque.

#### How many dealers did buyers contact?

The typical new-car buyer in Germany in 2015 contacted a total of 3.3 dealers. This includes the dealer from whom the buyer ultimately bought his or her car.

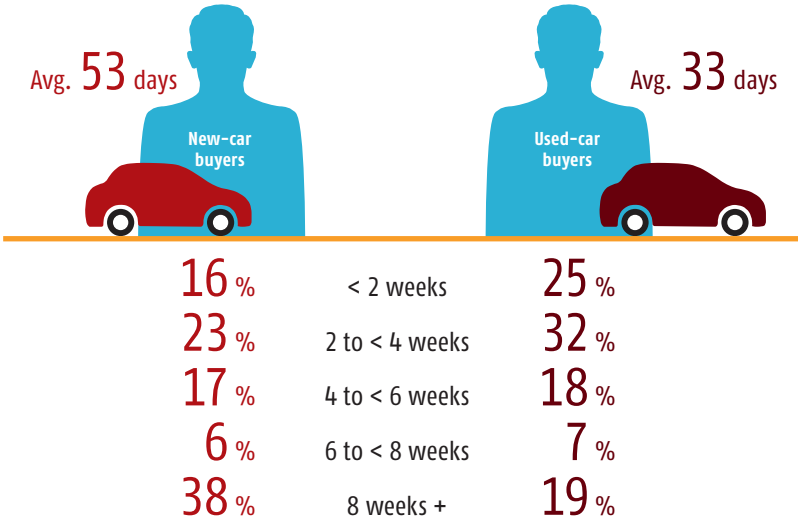
>>

This means that, in addition to the dealership where the purchase was made, new-car buyers in the past year contacted 2.3 other dealers before the purchase (2014: 2.0); of these, 1.6 (2014: 1.4) were brand dealers franchised by the same brand as the purchased vehicle,

and 0.7 (2014: 0.6) were dealers selling other marques. Besides the dealer from whom they made their purchase, buyers of new vehicles by German premium manufacturers contacted 2.7 dealers prior to the purchase; 2.0 of these dealers were the same brand as the purchased vehicle, whilst 0.7 were a different marque.

When all German premium and volume brands are combined, these purchasers contacted 2.3 dealerships. Of these, 1.7 were the same marque as their own purchase, and 0.6 were a different brand. Buyers of imported models contacted 2.4 dealers before the purchase; 1.5 of these were the same brand as their car, and 0.9 were a different brand.

## P2 Time required for the purchase decision 2015



## 1.2 Length of the purchase decision process

How long potential car buyers needed to decide on a particular vehicle depends on a range of influencing factors. When asked about the length of time they required for the purchase decision process, that is, starting from the first active information search for a new vehicle to the purchase of their current vehicle, the following results emerged (see Graphic P2): used-car buyers in 2015 needed an average of 33 days or a good month for their decision-making process.

New-car buyers took a good three weeks more, with their average being 53 days. More than a third of buyers of new passenger vehicles (38%) needed two months or longer to reach a decision. This percentage rises to 46% amongst buyers of German premium manufacturers.

ID: 2016P2 Source: DAT

## P3 New car registrations and transfers of ownership

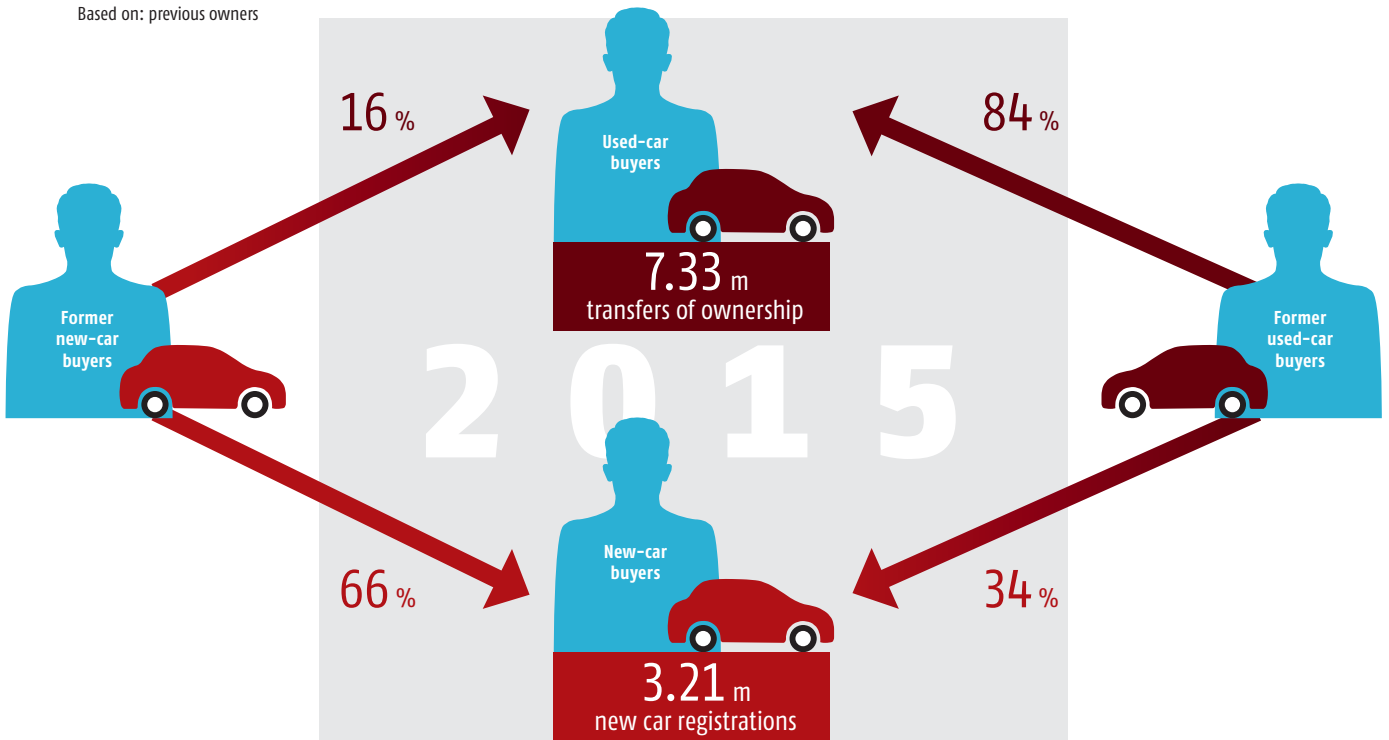


ID: 09011001 Source: KBA



## P4 Used vs new: priority when buying a car 2015

Based on: previous owners



ID: 2015P4

Source: DAT/KBA

### 1.3 The market situation

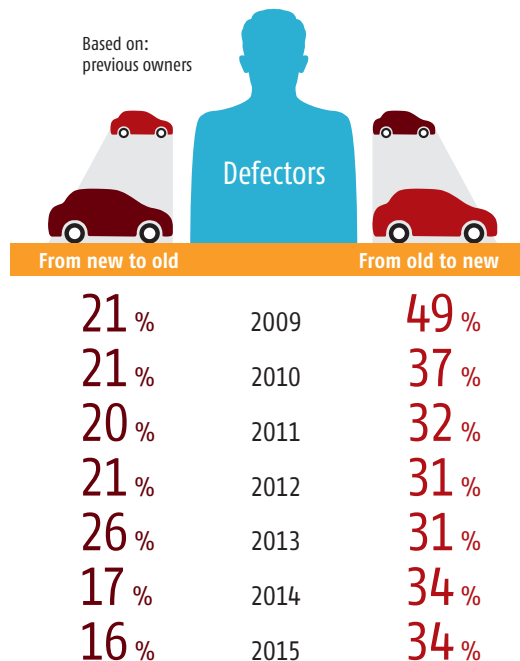
In the automotive year 2015, the German Federal Motor Transport Authority (KBA) recorded 3,206,042 new registrations. This represents a rise of 169,269 units and 5.6 % compared to 2014. The increase in the number of new-vehicle registrations is primarily due to the positive macroeconomic situation in 2015. The number of transfers of ownership also rose significantly compared to 2014. In 2015, 7,330,432 used cars were sold, representing an increase of 260,500 units and 3.7 % compared to 2014. In total, the passenger vehicle market in 2015 represented a volume of 10,536,474 units. Trends in new registrations and transfers of ownership are shown in Graphic P3. The ratio of transfers of ownership to new registrations in 2015 was 2.3:1. That is to say, there were 2.3 used cars for every new car sold. This is in line with the ratio for the previous year.

#### Demand for used cars stable

Many buyers switch between new and used cars in the course of their driving lifetime, moving back and forth between the submarkets. Graphics P4 and P5 show the size of these swings in percentage terms. The number of “switchers” has remained relatively stable over the years. The exception is 2009, when the environmental premium, a government-funded scrappage scheme, boosted demand for new vehicles. The majority of former used-car buyers purchased another used vehicle, and the majority of new-car buyers also chose a new car again despite an attractive selection of young used vehicles.

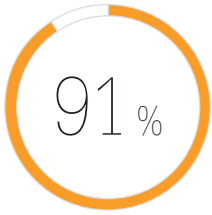
## P5 Buyers who switch between the new-car and the used-car markets 2015

Based on: previous owners



ID: 2016P5

Source: DAT



of used-car buyers said: "Owning a car is essential today"

## 1.4 The used-car buyer

The average used-car buyer in 2015 was 40.1 years old, as Graphic P6 shows. He got his driving licence in 1995 and, at the time of the purchase, had an average of 20 years' driving experience with his vehicle or one that he had access to. This makes these buyers members of Generation X, born between 1965 and 1980. They are also one of the last generations to grow up without the internet.

Buyers who opted for a used car by a German premium manufacturer in 2015 were on average 43.9 years old at the time of the purchase. Buyers of all German brands combined had an average age of 40.2 years; buyers of imported marques were 39.9 years old. When buyers are grouped by gender, the majority in 2015 were male (57 %) and had a secondary school leaving certificate (42 %). Some 24 % had the German equivalent of A levels, and 9 % were university graduates.

Used-car buyers feel less attached to a particular brand than new-car buyers. Two-thirds may have had a specific model in mind before the purchase, but they described themselves as not especially brand loyal.

In numbers, that means that 35 % did not feel tied to a particular brand. Being genuinely brand loyal

– that is, always buying the same brand of car – only came into consideration for 17%.

### More vehicles in households

There were large numbers of white-collar workers amongst used-car buyers in 2015. They represented 37 %, the largest group when these customers are segmented by occupation. The second-largest group was skilled workers (16 %), followed by buyers who were still in training or an apprenticeship at the time of the purchase.

Due to the positive economic situation in 2015, purchasers' cars were closely linked to their professional situation. Some 91 % of buyers said owning a car is essential today. The majority (59 %) said that they were dependent on having a car (of their own) due to their situation in life – where they live, their work and related reasons.

The positive economic development is also reflected in a growing number of second cars in used-car buyers' households over the years. In 2005, 39 % of buyers said there was a second passenger vehicle in their household, and 10 % of buyers' households had three or more cars. In 2015, there were two cars in 50 % of households, and three or more cars in 11 % of households.

The information on net household income underscores these rising numbers: when used-car buyers in 2015 added up the total monthly net income for all members of their household (household income after the deduction of all taxes and social security contributions), the average total was 3,095 euros.

### Internet use a key feature

Some 97 % of all used-car buyers had access to the internet, and 75 % of those with access used it in the purchase decision process. Some 80 % of buyers in the 30-to-49 age group used the internet, and 63 % of the generation aged 50 and over used it.

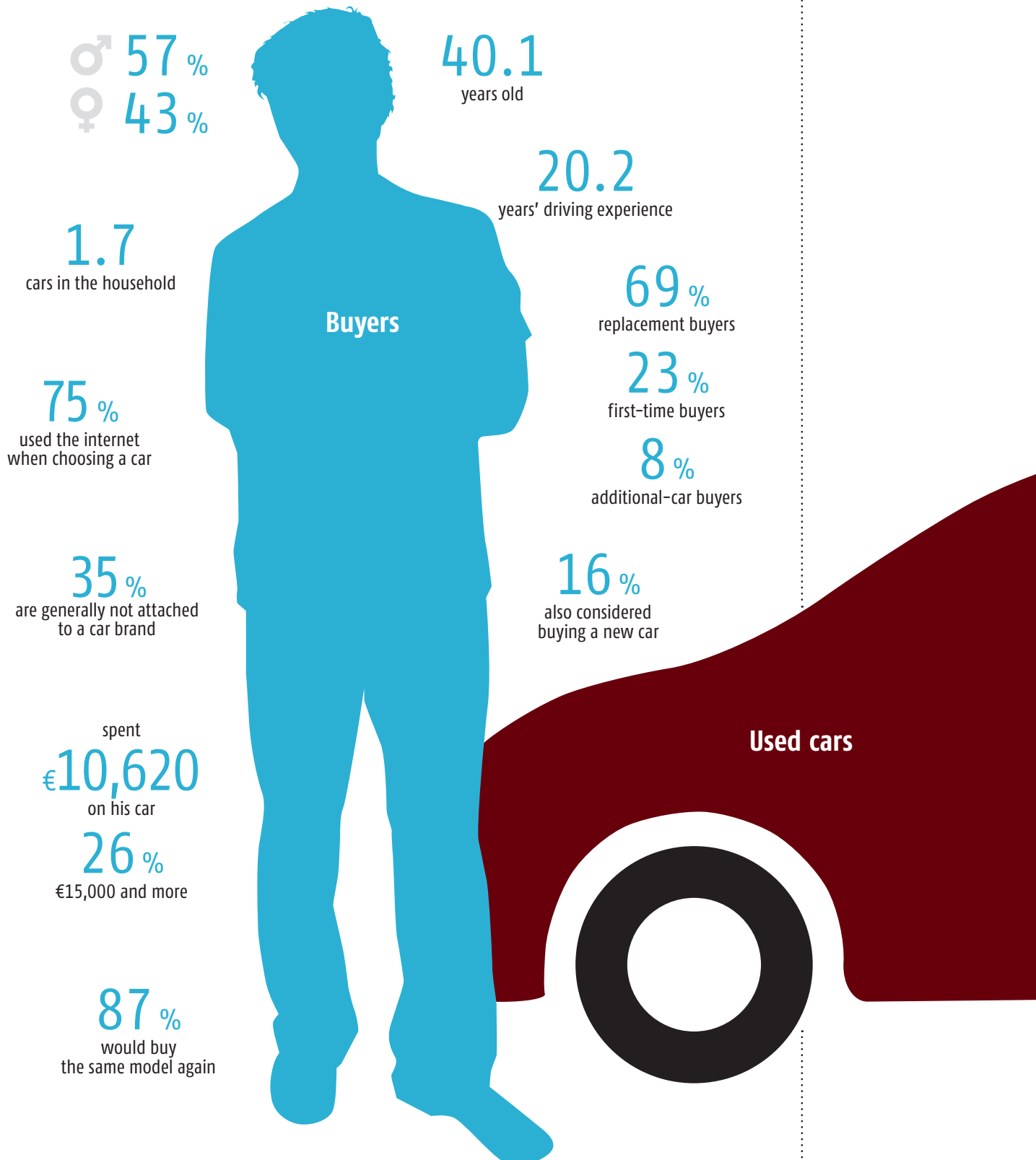
Amongst those who used the internet when buying a used car, 96 % visited the popular online used-car platforms. A considerable 51 % of buyers found the car they wanted online and went on to purchase it from the vendor. Some 24 % of those who purchased from an authorised brand dealer considered buying a factory-new car. On average, 16 % of used-car buyers considered this option before their purchase.



Photo: Etyla Pawłowska - Fotolia



## P6 The used-car buyer 2015





### 1.5 The new-car buyer

Buyers of factory-new passenger vehicles in 2015 were 45.5 years old on average, as Graphic P8 shows. This means they were once again younger than the average for all vehicle keepers, which is calculated by the German Federal Motor Transport Authority (KBA). The average age of vehicle keepers registered with the KBA was around 52.5 years in 2014 (the figures for 2015 were not available at the time the DAT Report went to press). However, it is important to distinguish between keepers and buyers because the purchase decision often concerns younger people who may not necessarily be the same as those who are entered in the vehicle's documents. But what is relevant is that the individuals surveyed for the DAT Report are the main vehicle users. Comparing genders, men accounted for 66 % of new-car buyers in 2015.

Buyers who opted for a new vehicle by a German premium manufacturer were on average 48 years old; the average age for all buyers of German marques was 46 years, whilst the average for purchasers of imported brands was 45. New-car buyers with a secondary school leaving certificate made up the largest group, accounting for 34 %, followed by those with the German equivalent of A levels (29 %) and university graduates (20 %).

Compared to buyers of used vehicles, new-car buyers are generally more brand oriented. Some 26 % stated that they always bought the same brand of car, compared to 21 % who described themselves as not brand loyal.

#### Higher net household incomes

In 2015, 34 % of new-car buyers were white-collar workers, and 17 % held managerial positions. Some 94 % stated that owning a car is important today. Due to their situation in life, 57 % could not do without a car. The typical new-car buyer in 2015 had 25 years' driving ex-

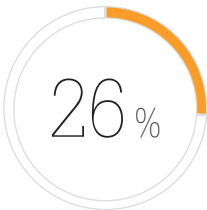
perience with his or her own vehicle or one that she or he had access to.

There was a noticeable rise in new-car buyers' disposable incomes, not just compared to the previous year but over the past ten years: when asked to add up the monthly net income for all members of their household, the average total for new-car buyers in 2015 was 4,046 euros. In comparison, this figure was 3,029 euros in 2005. The number of second and third cars also increased: in 2005, 46 % of households had a second passenger vehicle, and 7 % had three or more. In 2015, 57 % of households had two cars, and 12 % had three or more. The average household in 2015 had 1.8 cars. The survey also demonstrated that buyers in 2015 invested significantly more in their vehicles than had been the case in recent years: new-car buyers spent an average of 28,590 euros on their car, whilst 81% invested 15,000 euros or more.

Given the wide range of young, immediately available used vehicles, as many as 22 % of new-car buyers considered buying a used vehicle. Women (31 %) were much more likely to consider this than men (17 %).

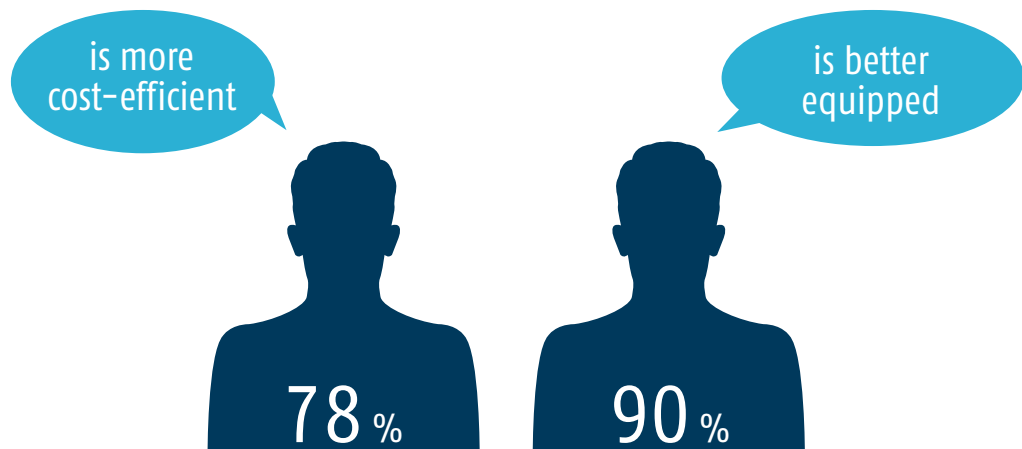
#### Importance of the internet has increased

In 2015, 98 % of all new-car buyers had access to the internet; of these, 68 % used it during the buying process. For comparison: ten years ago, only 76 % had internet access, and only 53 % of these used it in the buying decision process. The new-vehicle market in Germany is first and foremost a displacement market; that is to say, 80 % of purchasers replace a previous vehicle with their purchase. Only 10 % purchased a factory-new vehicle as their first ever car, and 10 % acquired a second or third car. Cost-efficiency was a crucial consideration for buyers. As Graphic P7 illustrates, new cars were more cost-efficient than their buyer's previous model in 78 % of cases. A sizeable 90 % chose a better-equipped vehicle than their old car.



of new-car buyers said: "I always buy the same brand of car"

### P7 Current new car compared to the previous car

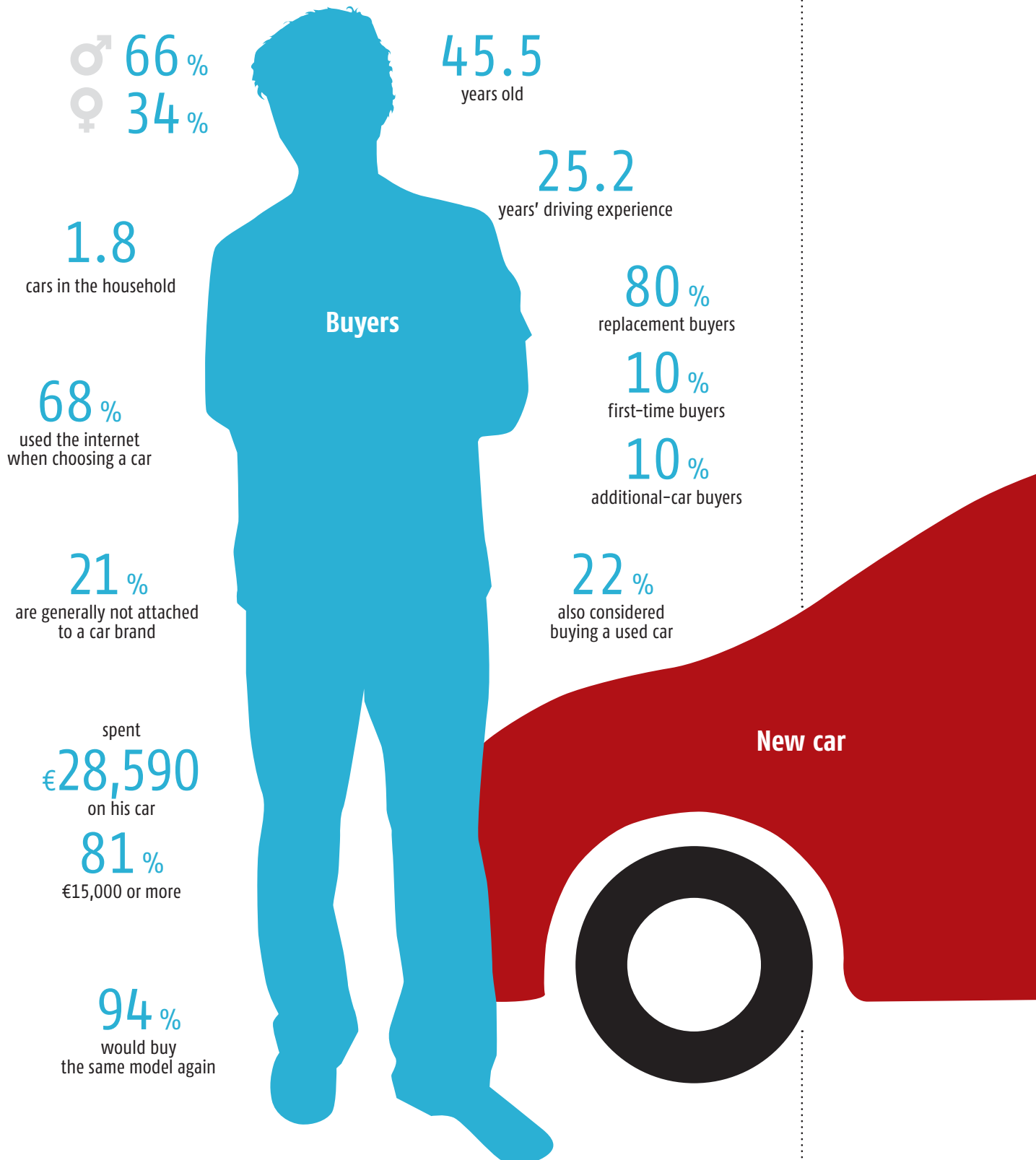


ID: 2016P7

Source: DAT



## P8 The new-car buyer 2015



## 2. Used cars

### 2.1 Information behaviour

Used-car buyers in 2015 sought out information to a similar extent as in the previous year. Each buyer used 2.9 information sources on average, representing 0.2 sources fewer than in 2014 (3.1). Levels of use of online and offline sources are continuing to converge. In net terms, 9 out of 10 buyers consulted at least one offline source, and 8 out of 10 buyers consulted at least one online source to find out about the available offers and prices.

Graphic P9 shows that the most important online source for passenger-vehicle buyers in 2015 was online sales platforms (69 %), such as mobile.de and Autoscout24. Ranked only slightly behind this at 60 % was talking to friends and colleagues. But dealerships also played a key role: buyers gathered 38 % of their information from their own dealer and a further 38 %

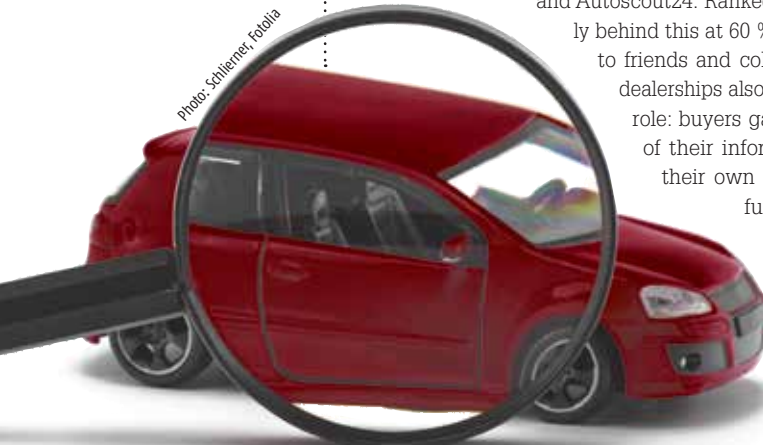
from visits to other dealers. The importance of contact with their own dealer and the dealer's advice and opinions increased with the age of purchasers: for 43 % of the generation aged 30 to 49, their own dealer was an important source, and this figure rose to 45 % for the over-50 generation.

Women were slightly less inclined to seek out information on their next used vehicle online as opposed to offline. They ranked talking to colleagues and friends as the most important source (67 %). Men placed personal communication (55 %) second. This is reversed for online adverts: 66 % of women consulted these, compared to 72 % of men – the highest ranking awarded to an information source.

#### The role of the internet

The importance of the internet in used-car purchases has stabilised in recent years at a very high level, and the availability of internet access via smartphones and tablet computers has expanded enormously in the past two years. In 2015, 97 % of all used-car buyers said they had internet access. Amongst the group of purchasers aged under 22 and below 50, 100 % had internet access. Only in the generation aged 50 to 59 did 5 % not have internet access, with this percentage rising to 27 % for buyers aged 60 and over.

Amongst all the buyers with internet access, 75 % consulted online sources when they were looking to buy a used vehicle. Almost all of this group (96 %) visited the so-called used-car exchanges or online marketplaces for used vehicles. Some 51 % found the car they wanted on these marketplaces and went on to buy it in a private sale or from a dealership. If this is extrapolated



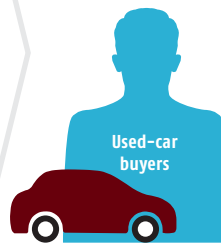
### P9 Information sources used by used-car buyers 2015

#### Online:

- 69 % online sales platforms (mobile.de, Autoscout24, ...)
- 33 % search engines (Google, ...)
- 16 % test reports
- 12 % social media/forums/blogs
- 6 % checked car values (e.g. on www.DAT.de)

#### Offline:

- 60 % talking to colleagues/acquaintances/relatives
- 38 % dealership/workshop where I am currently a customer
- 38 % visiting different dealers
- 14 % adverts in print media
- 8 % test reports in print media
- 2 % consulted technical experts (DAT, Dekra, GTÜ, KÜS, TÜV)





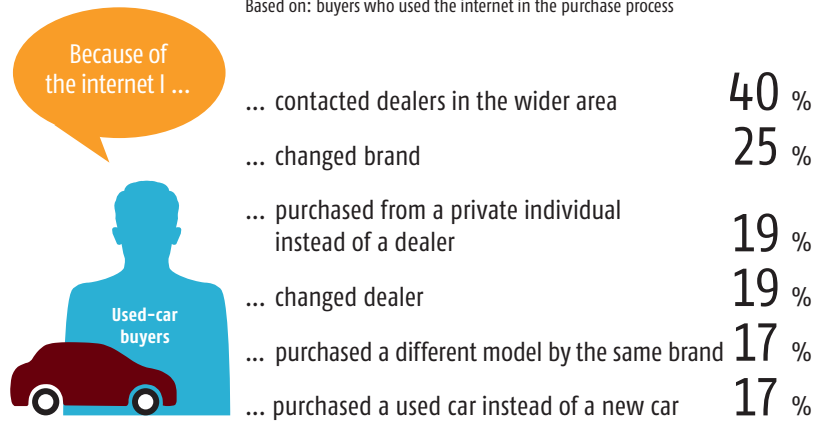


## Optimise lead management

Graphics P9, P10 and P11 clearly show the role that the internet plays for used-car buyers. The majority of buyers search online marketplaces. Many franchised dealerships are falling out of contention because purchases are being initiated directly online (search and find a car, make online enquiries and then buy direct). Due to leads (customer enquiries that dealers receive via online channels) not being followed up, many interested purchasers switch dealer or are willing to travel farther than planned, or they choose a private advert (see P10). Professional lead management helps not only with following up leads but also with assessing online enquiries.

### P10 The role of the internet 2015

Based on: buyers who used the internet in the purchase process



ID: 2016P10

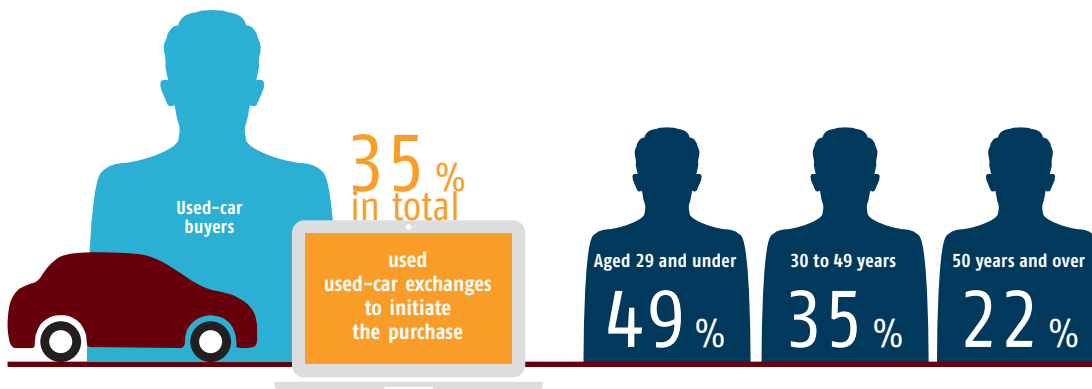
Source: DAT

to all buyers, it means that 35 % of all used cars were purchased through an advert on an online marketplace in 2015 (see Graphic P11). This is a significant increase compared to the previous year (2014: 26 %) and shows that interested buyers acted quickly when they found an attractive advert.

Looking at the age of internet-savvy purchasers, 99 % of buyers aged 29 years or under searched online adverts – a further rise of six percentage points compared to 2014. Even amongst those who used the internet during the purchase process in the over-50 generation, as many as 94 % searched for suitable online adverts on used-vehicle platforms, very possibly a record high.

The internet is not just important for used-car purchases; it also influences behaviour in terms of brand, model and point of purchase. As Graphic P10 illustrates, 40 % said that the internet prompted them to contact a dealer outside the immediate vicinity of their place of residence. Some 25 % said it prompted them to opt for a different brand to the one they originally intended to buy, and 19 % changed their dealership from the one they originally had in mind because of the internet. As many as 19 % dismissed the offers available from dealers and purchased from a private individual. A considerable 17 % switched model as a result of their online research but remained loyal to their originally preferred marque. And 17 % of those who used the internet in the course of the purchase process opted to buy used rather than new.

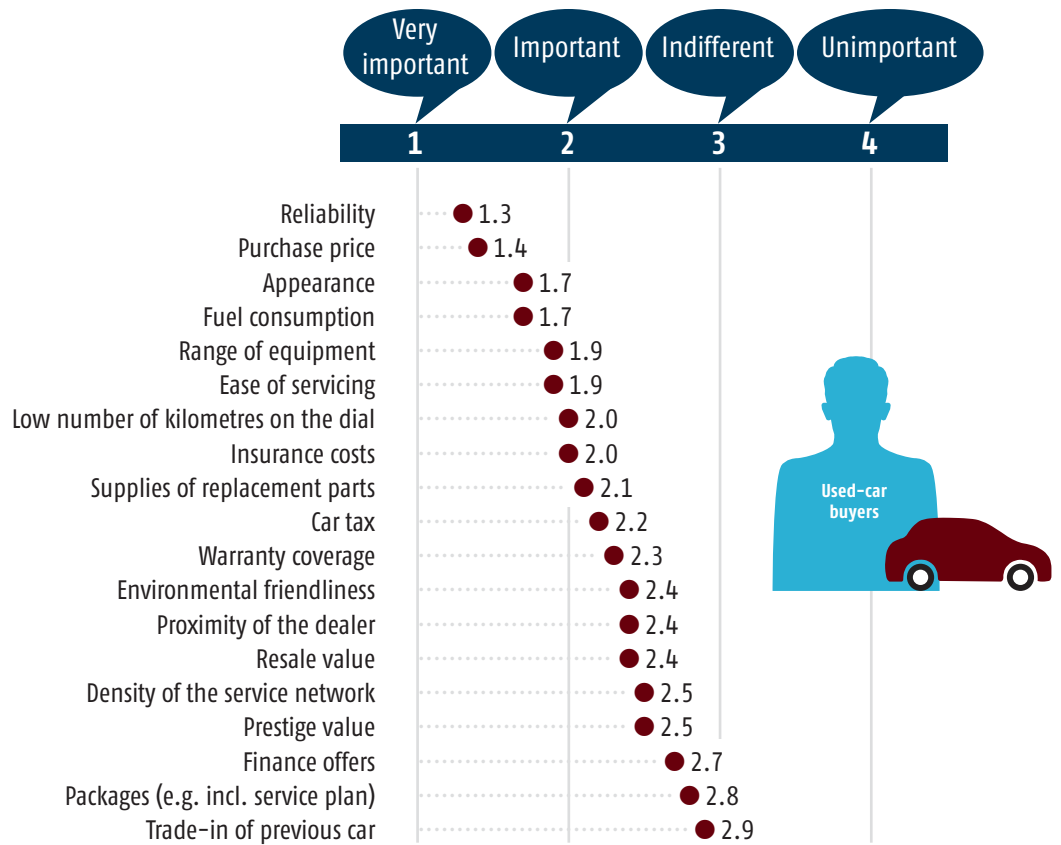
### P11 Used-car exchanges 2015



ID: 2016P11

Source: DAT

**P12** Assessment criteria when buying a used car 2015



ID: 09661061

Source: DAT

**2.2 Purchase criteria**

Marque and model are often decisive criteria in car purchases. But a host of other points from reliability to the warranty coverage or the option to trade in a previous vehicle influence the purchase decision.

The importance used-car buyers placed on the individual criteria in 2015 changed slightly compared to the previous year (see Graphic P12). As was the case with new-vehicle purchases, buyers were surveyed on reliability for the first time. With a score of 1.3, this was the highest rated of all the criteria. Following this were the purchase price and appearance; the latter was ranked on a par with fuel consumption. These criteria and other points were graded on a scale of 1 to 4, where 1 = very important and 4 = unimportant.

The survey showed that the individual criteria are rated very differently by different groups of purchasers. In terms of age, the younger buyers are, the more importance they place on a low purchase price, insurance costs and the amount of car tax. For the over-50 generation by contrast, other factors played a more important role: the closeness of the dealership, the resale value of

their old used car, the density of the service network and the trade-in offered by the dealer.

Comparing genders, women rated a low purchase price, low taxes and insurance costs, environmental friendliness and vehicle fuel consumption as more important than men did. When it comes to the prestige value of the car or its equipment features, the picture is reversed.

Graphic P13 shows that the criteria used to weigh up a used-car purchase vary significantly depending on the type of brand.

Buyers of imported models rated reliability on a par with the purchase price as the most important criteria. These buyers are more price-conscious when making their decision. This can be seen by looking at fuel consumption and comparing it to the overall ranking for all buyers (ranked third by import buyers – overall: fourth). Similarly, imported-brand buyers placed insurance costs fifth (overall: eighth).

Ultimately, buyers of imported vehicles spent an average of 7,880 euros on their vehicle and hence over 4,000 euros less than purchasers of German premium marques (11,990 euros).

P13



# Rankings for assessment criteria 2015

■ Ranked 1st–5th 
 ■ Ranked 6th–10th 
 ■ Ranked 11th–15th 
 ■ Ranked 16th–19th

Overall ranking	Assessment criteria	German premium brands	German brands	Imported brands
1	Reliability	1	1	1
2	Purchase price	3	2	2
3	Appearance	2	3	4
4	Fuel consumption	5	4	3
5	Range of equipment	4	5	8
6	Ease of servicing	6	6	6
7	Low number of kilometres on the dial	7	7	7
8	Insurance costs	10	8	5
9	Supplies of replacement parts	9	9	10
10	Car tax	14	10	9
11	Warranty coverage	12	11	13
12	Environmental friendliness	16	12	11
13	Proximity of the dealer	13	13	12
14	Resale value	11	15	15
15	Density of the service network	15	16	14
16	Prestige value	7	13	16
17	Finance offers	16	17	17
18	Packages (e.g. incl. service plan)	19	18	18
19	Trade-in of previous car	18	19	19

ID: 2015P28

Source: DAT

Compared to purchasers in general, buyers of German premium brands placed greater importance on prestige value (ranked seventh – overall: 16th) and resale value (ranked eleventh – overall: 14th). Whilst they ranked these points higher than the average buyer, car tax (ranked 14th – overall: tenth) and environmental friendliness (ranked 16th – overall: twelfth) were considerably less important to them.

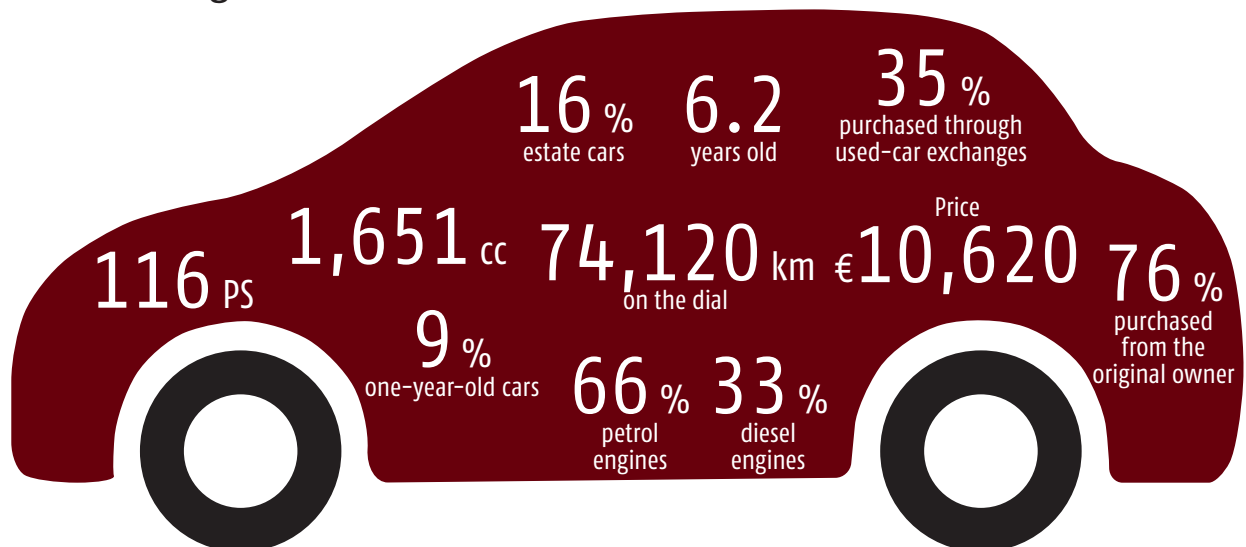
Environmental friendliness is, as in previous years, a criteria where there is a large discrepancy between what buyers think and how they actually behave in real life. In theory, people are very interested in their vehicles, and some of them are indeed well informed. But when it comes to driving performance, fun, prestige value and their own pocket, the importance of being green fades. The special section “Green mobility” from page 52 takes a closer look at buyers’ and drivers’ attitudes on this issue.

## 2.3 The average used car

As in the previous year, the average age of used vehicles purchased in 2015 was 6.2 years. With an average 74,120 km on the clock, the kilometres covered by sold used vehicles was 3,570 km less than in 2014 (77,690 km). Graphic P14 shows the characteristics of the average used car; a breakdown for the different submarkets is presented in Graphic P1 at the start of this chapter. The oldest vehicles with the highest number of kilometres on the dial (93,170 km) were once again traded on the private market in 2015. Looking at the type of marque, used vehicles by German premium brands had covered the highest number of kilometres, with an average of 80,420 km. All German marques, that is, both premium and volume brands combined, had an average of 76,440 km on the clock. This figure was considerably

lower for imported marques at 69,480 km. As is to be expected, the youngest vehicles with correspondingly fewer kilometres on the dial were sold through brand-franchised dealerships (see Graphic P17, page 25). Very young vehicles, demonstration cars and cars

## P14 The average used car 2015



ID: 2016P14

Source: DAT



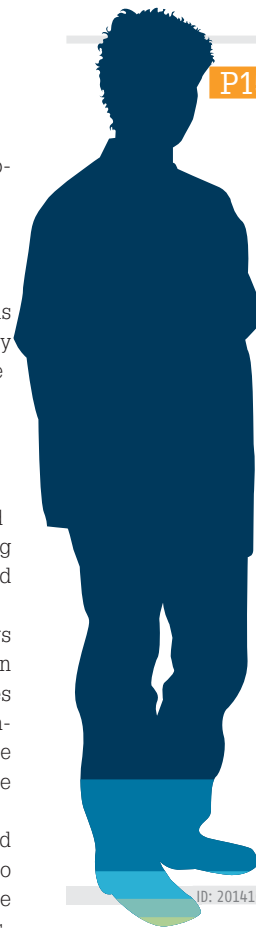
with one-day registration influence the age and kilometres on the dial in this submarket.

**Previous owners: who were they and how many?**

In 2015, 76 % of all used vehicles only had one previous owner. Brand dealerships perform best in the category vehicles with only one previous owner. Here they were able to increase their share by one percentage point in comparison to 2014 to 88 %. Only 65 % of vehicles sold on the private market had just one previous owner – which is still a small rise of one percentage point. Independent dealers sold 70 % of their used vehicles (2014: 71 %) from the original owner. Looking at all purchase points, the average used car in 2015 had only 1.3 previous owners.

Graphic P15 shows who these previous owners were: 82 % of previous owners in the vehicle registration document were private individuals; 10 % of vehicles were previously registered to a dealer, carmaker or importer – a fall of four percentage points compared to the previous year. The market share of ex-lease cars rose from 1 % to 2 %.

Some 9 % of used-car buyers said they had purchased a “one-year-old car” in 2015, a slight fall compared to the previous year (2014: 11 %). One-year-old cars are offered to car manufacturers’ staff in Germany at a discounted price; the employees may then sell them on after one year. Extrapolated to the total number of used vehicles, this represents 659,739 one-year-old vehicles. The share of one-year-old cars was 17 % for brand-franchised dealers, a decrease of two percentage points compared to the previous year. Looking at types of marques, 10 % of all used cars by German brands were one-year-old cars; this percentage was 7 % for imported brands. Used vehicles younger than twelve months accounted for 9 % of used vehicles by German premium brands.



**P15 Previous owners of used cars 2015**



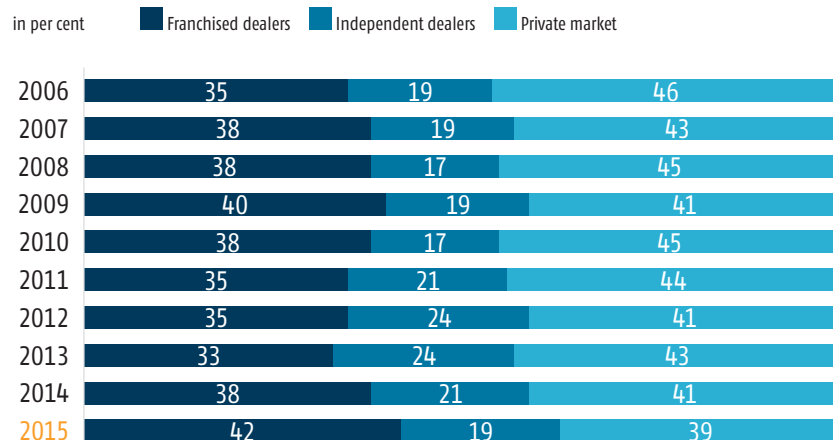
ID: 2014108

Source: DAT

**2.4 Point of purchase**

A used car can be purchased from three points: firstly from a brand dealership, that is, a dealer who has been awarded a brand franchise and is in a contractual relationship with an automotive manufacturer, secondly from an independent dealer, and thirdly on the private market. Here cars are sold “as seen” from one private individual to another without any form of statutory guar-

**P16 Market share of used-car sales**



ID: 09061004

Source: DAT



## Monitor non-brand cars in your stock

Analysing purchase behaviour shows that end consumers are not only buying greater numbers of older vehicles from franchised dealers (Graphic P17), but they also purchased more non-brand vehicles (a rise from 13 % to 27 %). When it comes to non-brand marques, the key is to monitor turnaround times and gross returns closely. It is also important to assure buyers that they are welcome to have their car serviced in the dealership even though their vehicle is non-brand.

antee. The majority of all used cars across Germany were sold on the private market in the past, with just under half being exchanged through this channel. But after reaching a peak of 53 % in 2003, the market share of the private market has declined noticeably. After achieving a 41 % share in 2014, it lost a further two percentage points and only accounted for 39 % of purchases in 2015. This is a historic low since this data was first recorded for the DAT Report in 1974. Once again last year, the winners were the franchised dealerships, which increased their share significantly to 42 % in 2015. Independent dealers saw their share fall to 19 % (see Graphic P16).

### Vehicle age determines the point of purchase

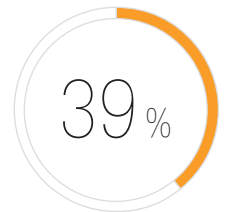
Comparing market shares by vehicle age (Graphic P17) shows that brand-franchised dealers dominate the market for young used cars: 65 % of vehicles aged under

three years were purchased through this channel. This represents a further rise compared to the previous year. Independent dealerships accounted for 15 % of purchases in this category, a fall compared to 2014. Considerably fewer young used cars at only 20 % were traded on the private market than in the previous year (2014: 23 %). Looking at used cars aged more than six years, the ratios are almost reversed: 61 % of these vehicles were sold on the private market without dealerships being involved.

A very important segment and one that is attractive to end consumers is used vehicles aged between three and six years. Here brand-franchised dealerships were able to capture market share from the private market and accounted for a significant 44 % of purchases. This indicates dealers are less concerned about possible guarantee claims – and less concerned about possibly misunderstood guarantee claims. Independent dealers were able to largely maintain their share and accounted for 20 % of purchases in this age segment.

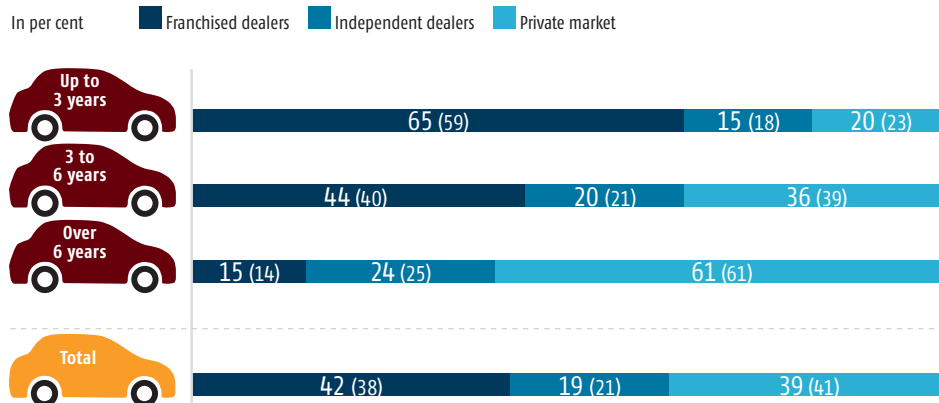
### Dealer brand awareness

When a buyer purchases a used car of the same marque that the dealer also sells new, this is called “dealer brand awareness”. In 2015, dealer brand awareness fell amongst used-car buyers to 73% (2014: 87%); that is to say, 73% of all buyers from brand-franchised dealers purchased a used car of the same marque that the authorised dealer also sells new. Turning this on its head, it means that non-brand vehicles in an authorised brand dealer’s stock accounted for 27% of cars purchased – a noticeable increase of 14 percentage points compared to 2014. Clearly, either brand-franchised dealerships had actively bought these vehicles in larger numbers, or they had become part of their stock through trade-ins and, following an appraisal and after any work required in the workshop was completed, were offered to end consumers again.



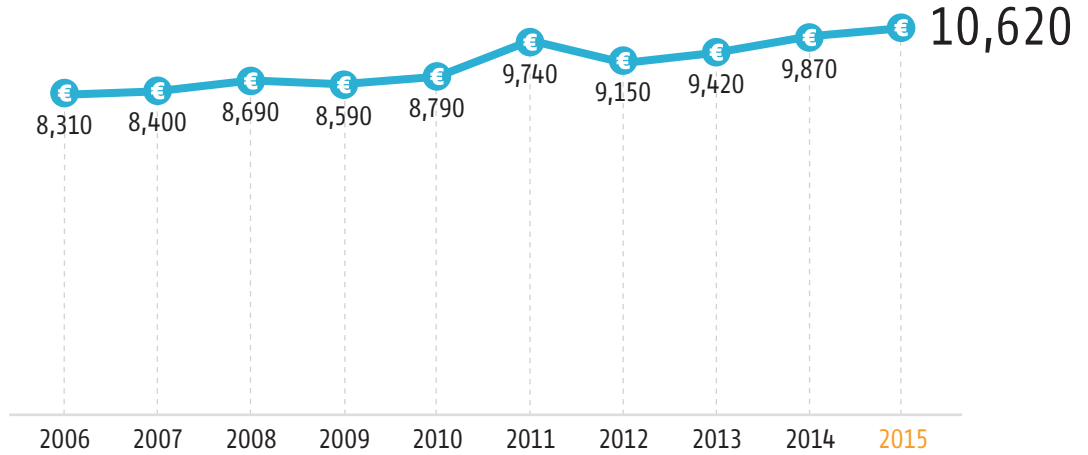
share for the private market = historic low

## P17 Market share of used-car sales by vehicle age 2015 (2014)



### P18 Used-car prices

€ Average prices in euros

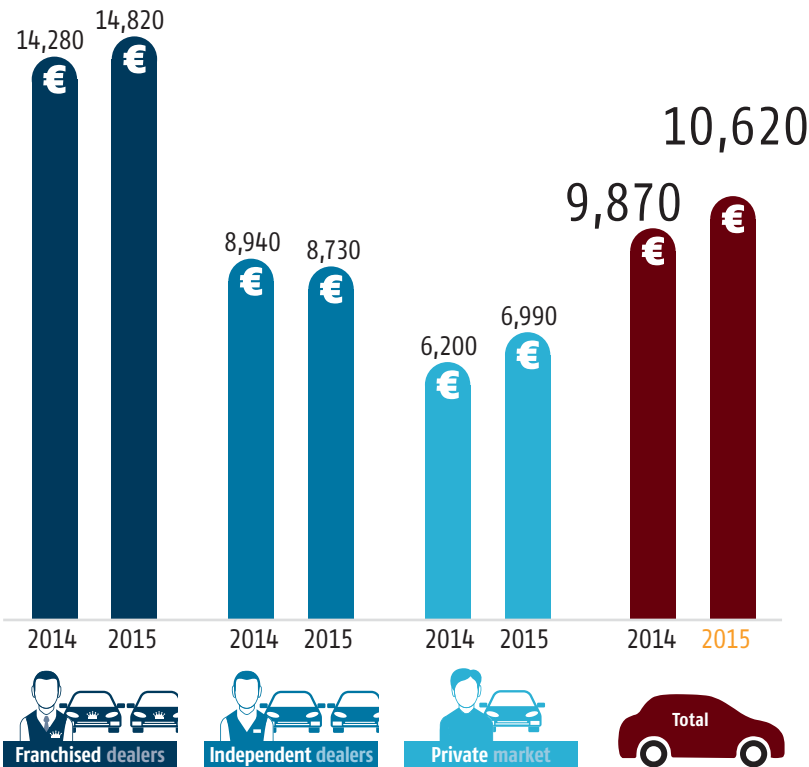


ID: 09081006

Source: DAT

### P19 Used-car prices by submarket

Average prices in euros



ID: 09091007

Source: DAT

## 2.5 Purchase prices

Prices on the used-car market are the result of supply and demand. If the end consumer is prepared to invest more in the car purchase, this affects the vehicle value, which DAT, for example, calculates for all used cars in Germany. 2015 was a year in which car buyers invested more money in their vehicles than in 2014. The average price for a used car last year was 10,620 euros, a marked rise from 9,870 euros in 2014 and also over the 10,000 euros mark for the first time, as Graphic P19 shows.

This increase of 8 % has several causes: on the one hand, 25 years after German reunification, purchaser behaviour in the former east and west of the country has converged noticeably. In past years, the average prices in the east German states were always below those in the west, but now they are at the same level. What's more, many purchases were German premium marques, and overall the used cars bought in 2015 had fewer kilometres on the clock. The positive economic situation and car buyers' significantly higher net household incomes bolstered this trend.

### Prices in the submarkets

Trends in average prices paid for used cars differed in the three submarkets in 2015: where used vehicles were purchased from an authorised brand dealer, prices rose by 4 %, whereas those purchased from independent dealers fell by 2 %. On the private market by contrast, used cars were on average 13 % more expensive than those purchased the previous year.

As in previous years, the highest average prices in 2015 were paid at brand dealerships at 14,820 euros. As mentioned above, this price is four per cent higher than the previous year's average (see Graphic P19). A num-



## Monitor advertised prices constantly

Dealers should monitor the advertised prices for their own vehicles continually and adjust them to their own sales territory without sticking to a rigid schedule for price reviews. Rules applied in the past such as marking down after 30, 60 and 90 days are no longer the key to success given the speed at which the market moves today. Dealers can optimise their pricing by analysing performance indicators, for example, by comparing the guideline price from a service such as SilverDAT with comparable vehicles online. Slightly adjusting prices upward often does not affect the position of individual vehicles on exchanges.

these categories are typically only found in franchised dealerships.

But, as can be seen in Graphic P20, the variation in the proportions of the different purchase price categories is also a reason for the higher average prices: significantly fewer cheaper cars were sold and greater numbers of higher-priced used vehicles. Vehicles priced 15,000 euros and above accounted for 43 % of cars purchased from franchised dealerships, and used cars priced over 20,000 euros accounted for 23 % of purchases from this purchase point.

### Prices by brand

Very sharp differences can be observed in the average prices for used vehicles depending on the brand of car. In 2015, prices ranged between 5,170 euros and 16,830 euros. As is to be expected, the highest average prices were once again paid for the premium marques Audi, BMW and Mercedes-Benz (average price 16,790 euros, a rise of 15 %). The lowest average prices were paid for Italian manufacturers at 5,170 euros. The average price for used vehicles by all German carmakers combined was 11,990 euros; imported brands averaged 7,880 euros.

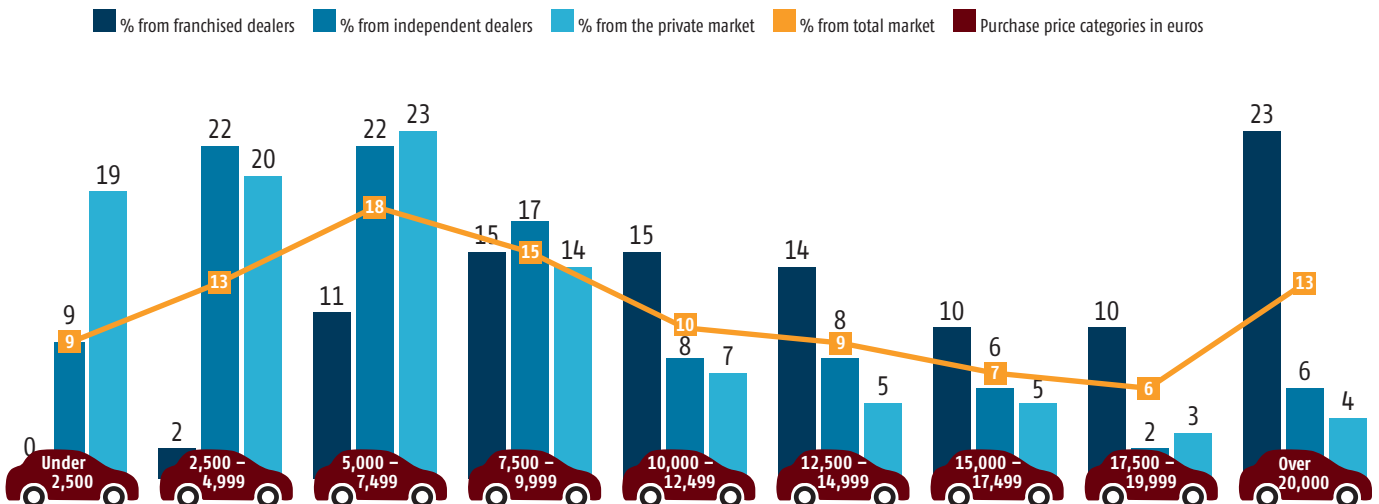
### Purchase intention influences point of purchase

More than two-thirds of used-car buyers in 2015 had already decided which model they were going to buy before the purchase (2014: 61 %). Some 49 % of this group of buyers (2014: 47 %) purchased from a brand-franchised dealer, and 31 % (2014: 32 %) on the private market. Brand dealerships once again increased their influence amongst buyers with a specific vehicle in mind. Buyers who had set a price that they were willing to pay from the outset – and that was the case for one third of used-car purchasers in 2015 – turned to

ber of factors influenced this price: brand-franchised dealers offer the highest-quality vehicles by some margin, and in 2015, 86 % of these were sold with a used-vehicle warranty (for comparison, only 6 % of all used vehicles sold on the private market in 2015 were sold with a warranty; see Graphic P26, page 32). The higher price is also due to the younger age and lower number of kilometres on the dial of the used cars sold through this channel. They also include demonstration vehicles and those with one-day registration; both of

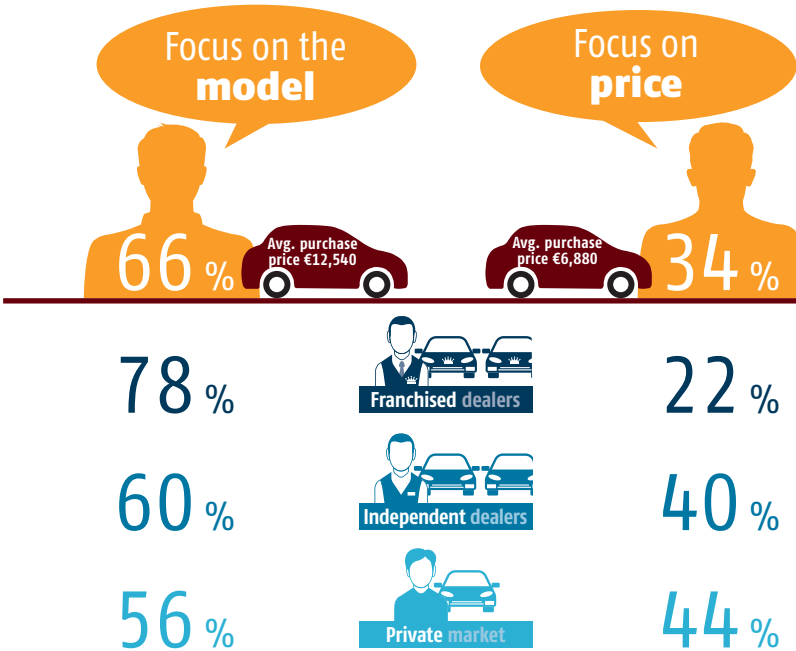
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## P20 Purchase price categories for used cars 2015





**P21** Model vs price Priority when buying a used car 2015



ID: 2015P10

Source: DAT

the private market, where 49 % of this group made their purchases. Franchised dealers had a market share of 27 % amongst this group of buyers. That is considerably smaller but still a slight increase of two percentage points compared to the previous year. Those purchasers who had set a specific purchase price primarily looked for a pre-owned vehicle in private adverts.

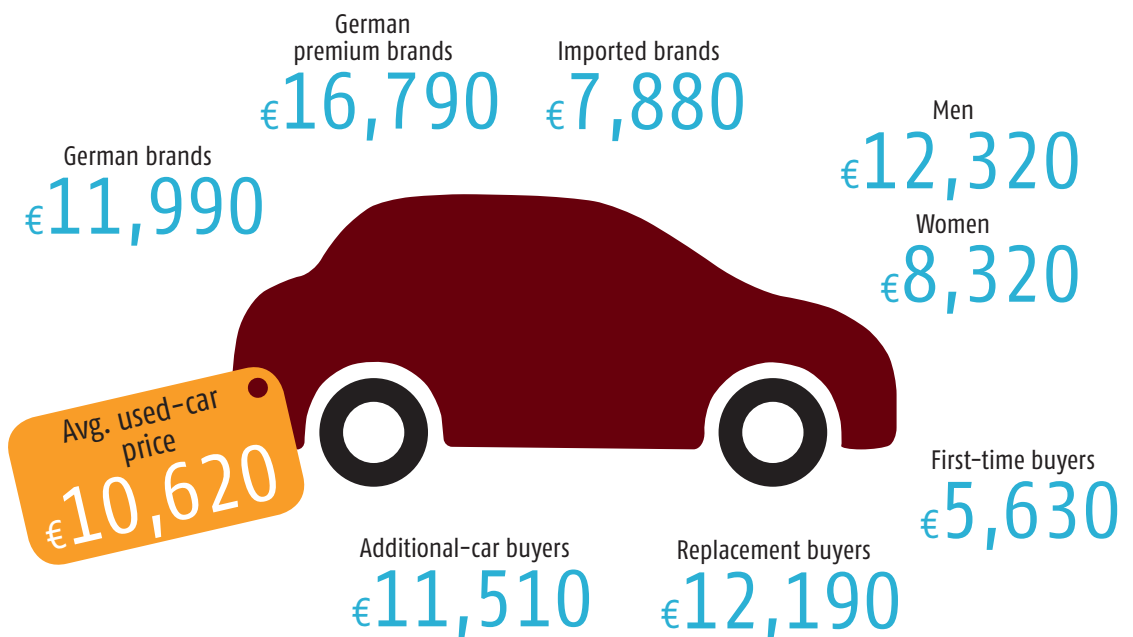
**Priorities: price or model?**

Graphic P21 presents a different perspective on purchase intentions: 78 % of all used-car buyers in 2015 who bought their vehicle from a brand-franchised dealer knew which model they wanted before the purchase. By contrast, only 22 % had a fixed budget available and had to find a car to match it. Some 56 % of buyers on the private market had a particular brand in mind, compared to 44 % with a fixed budget. Looking at buyers in 2015 who bought their used car from an independent dealer, 60 % of this group already had the car they wanted in mind, and only 40 % started looking with a fixed amount they wanted to spend.

The actual price paid for vehicles in 2015 largely depended on purchasers' intentions. Where they had decided on a particular model from the start, used-car buyers invested an average of 12,540 euros (2014: 11,610 euros). By contrast, buyers whose primary focus was their budget invested only 6,880 euros (2014: 7,110 euros).

Clear price differences depending on cubic capacity also emerged in 2015. Once again, average prices paid

**P22** Used-car prices paid by different purchaser groups in 2015



ID: 2015P12

Source: DAT

## Offer financial services online

Interested buyers who have a specific model in mind are willing to invest significantly more than budget-oriented purchasers, as Graphic P21 shows. This is why it is important to offer customised finance packages, ideally deals that customers can calculate on the dealership's website before their visit. Some banks already offer finance calculators which can be embedded in websites. The decisive factor is then how well online and offline processes dovetail: when they visit the dealership in person, customers must feel that they are getting the best advice. The sales executives and the showroom have to convey this expertise. This is why it is crucial to train sales executives accordingly. Ensuring that the software provided by banks is easy to use is another crucial consideration.

rose continually from 6,130 euros (up to 1,200 cc) to 7,550 euros (1,200 to 1,400 cc), 9,390 euros (1,400 to 1,600 cc) and 11,290 euros (1,600 to 1,800 cc). Buyers who purchased a pre-owned vehicle with an engine between 1,800 and 2,000 cc invested 14,780 euros; vehicles with larger engines exchanged for 18,380 euros.

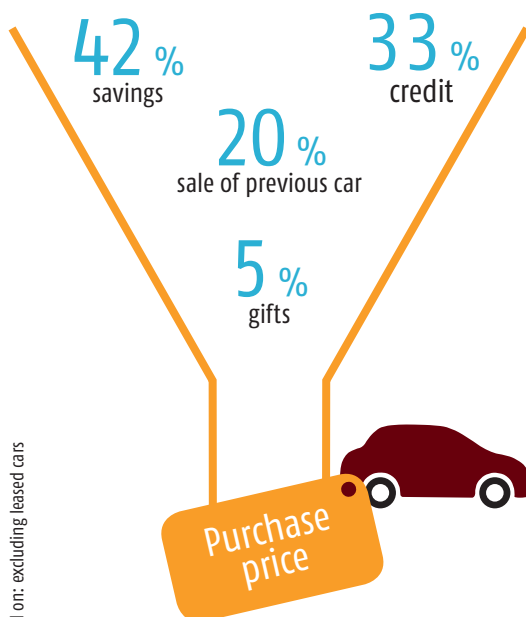
### Economical: women and first-time buyers

It was once again the case in 2015 that women spent significantly less on used cars than men (see Graphic P22). The average price paid by women was 8,320 euros (630 euros more than in the previous year). Men invested 12,320 euros on average, exactly 1,000 euros more than in 2014.

All vehicle buyers can be divided into three groups: so-called replacement buyers (who had a previous vehicle which they replaced), additional-car buyers (who bought another vehicle in addition to an existing one) and first-time buyers (who previously did not have a vehicle).

Comparing the average prices paid by these groups, replacement buyers paid the highest prices in 2015 at 12,190 euros (2014: 11,410 euros), followed by additional-car buyers. They invested an average of 11,510 euros in a used car as a second or third vehicle (2014: 9,910 euros). As was the case in previous years, the lowest sums were paid by first-time buyers, who paid an average of 5,630 euros (2014: 5,310 euros).

### P23 Financing the purchase price 2015



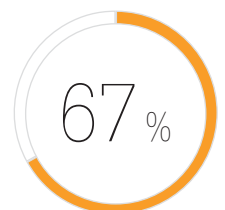
### 2.6 Finance

Used-car buyers were prepared to invest larger sums in their vehicle purchases in 2015 than in the previous year. At an average 10,620 euros, prices reached an all-time high. One way to understand how this high purchase price was made up is to analyse unleased used cars only. These vehicles had an average purchase price of 10,280 euros (2014: 9,480 euros).

Car buyers were able to supply 67% of this price from their own funds. This includes savings, the proceeds from the sale or trade-in of their previous car, as well as gifts and contributions from friends and relatives. Graphic P23 shows the proportion of the purchase price supplied from different financial sources.

For each used-car purchase, loans of 3,490 euros were taken out (2014: 2,920 euros) – this figure corresponds to roughly one third of the average purchase price. Loans, finance or overdrafts have been important components of used-car purchases for many years. These sources accounted for the largest proportion of the purchase price amongst buyers aged between 30 and 49 (38 % of the purchase price was financed with credit) and the lowest proportion of the purchase price for the 50-plus generation (27 %).

When purchasers are divided into first-time, replacement and additional-car buyers, the largest proportion of the purchase price was supplied from credit amongst additional-car buyers at 40 %. Replacement buyers need-



67% of the purchase price was provided from the buyer's own funds



## Joined-up thinking for the dealership

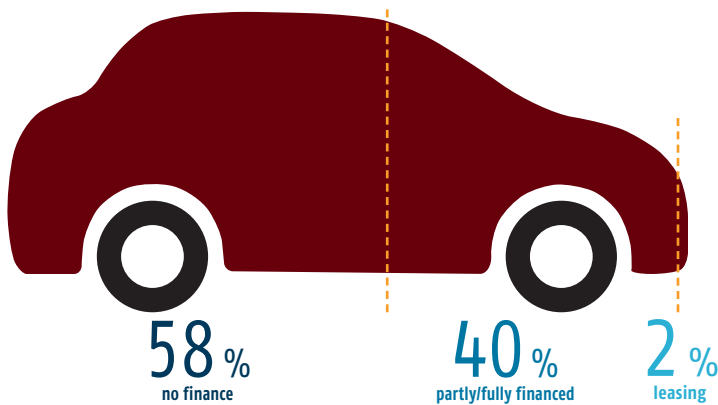
In 2015, more used cars were sold with a warranty (see Graphic P26). What's more, larger numbers of purchasers cited the provision of a warranty as an argument for going to a franchised dealership (Graphic P28) compared to the previous year; this criteria moved up the ranking from eighth to sixth place. The willingness to pay for a warranty increased from 31% to 37%. The amount invested rose from 293 to 297 euros. All of these are reasons to take the warranty business seriously. Unfortunately, the provision of a warranty as a promise of performance is often forgotten during the sale. The old rule applies: it's good to talk, and it's good to talk warranties. It is also helpful if the workshop and the sales department work more closely together. Workshop staff, who carry out warranty work, should have regular contact with sales executives to keep them updated on the car's status. The service advisor can also be introduced personally right at the time of the sale to strengthen loyalty to the dealership.

ed credit for 34 % of the purchase price; first-time buyers took out loans for 22 % of the purchase price, the same percentage as in the previous year. This indicates that, as in the past, personal savings were the most important source of funds for used-car buyers. A further source of money is gifts and contributions from friends and relatives. These were especially important for first-time buyers: gifts supplied 26 % of the purchase price for this group (2014: 25 %); this enabled them to provide 78 % of the purchase price from their own funds. This proportion is much higher than for other groups of purchasers. Looking at gender, women at 9 % were gifted a higher proportion of the purchase price for their used car than men (3 %).

### The financing ratio

Looking at all used cars purchased in 2015 overall, a total of 40 % (2014: 35 %) were financed in some form or other, either in full or in part (see Graphic P24). Some

## P24 Financing for all used cars 2015



ID: 2014121

Source: DAT

58 % said that they had not borrowed to purchase their vehicle. That represents a considerable fall of six percentage points compared to the previous year. Some 2 % of used-car buyers opted to lease their vehicles in 2015; in 2014, this figure was one per cent. Leasing has still yet to make a mark on this market. Excluding leased vehicles, 58 % of used cars purchased from authorised brand dealers were partly or fully financed, compared to only 38 % of those purchased from independent dealerships. Franchised and independent dealers were able to increase their financing ratio considerably compared to the previous year and over a five-year period.

Looking at purchases of pre-owned cars from private individuals, a still significant 23 % of buyers (2014: 16 %) financed their car fully or partly with credit.

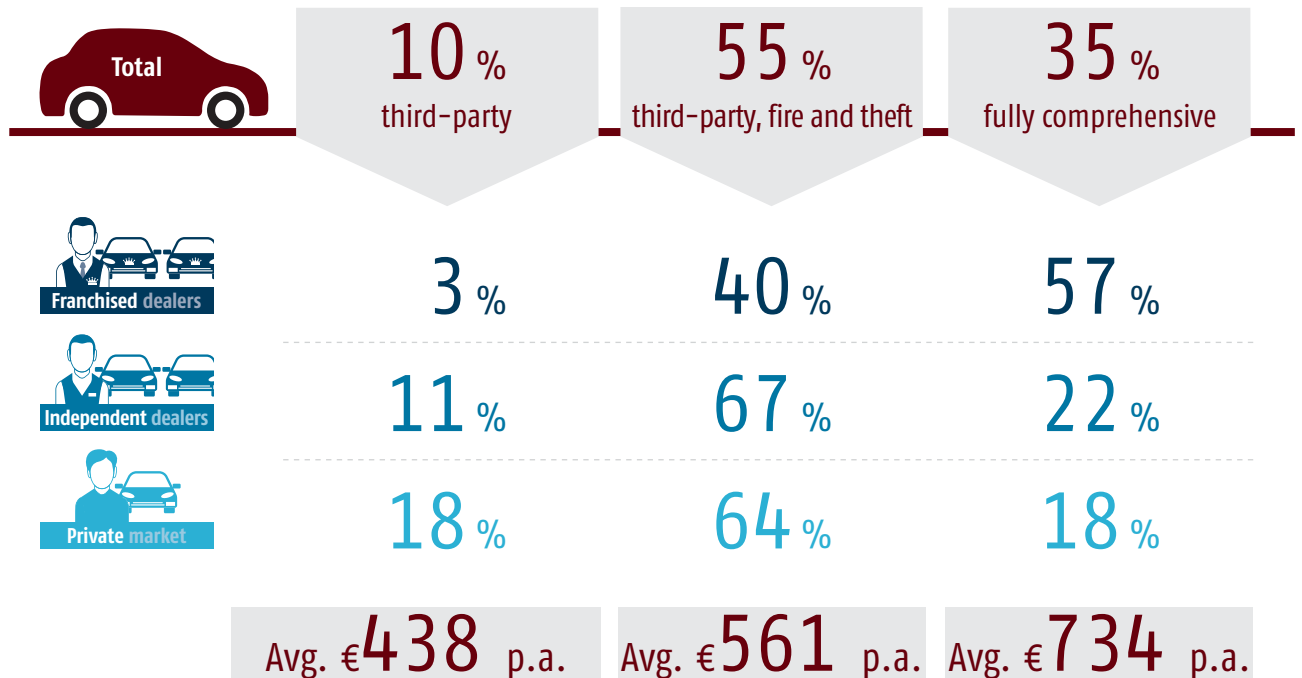
## 2.7 Insurance and warranty

When buying a car, every buyer is faced with the question of how to insure the vehicle. Should they get third-party insurance, or third-party, fire and theft, or fully comprehensive? In 2015, once again 55 % of all used-car buyers opted for third-party, fire and theft insurance, and 35 % for fully comprehensive, the same figure as in the previous year. Some 10 % took the view that third-party insurance was sufficient (see Graphic P25). The proportions varied considerably depending on the point of purchase: looking at used vehicles purchased from franchised dealerships, 57 % were insured with comprehensive cover, 40 % with third-party, fire and theft, and only 3 % with third-party insurance. For purchases made at independent dealers, the majority at 67 % were insured with third-party, fire and theft (22 % comprehensive, 11 % third-party). The ratios were very similar for vehicles purchased on the private market, with 64 % taking out third-party, fire and theft, and 18 % opting for third-party, and a further 18 % opting for fully comprehensive.

The percentage of vehicles with comprehensive cover decreased as the vehicle age increased: whereas 73 % of buyers who purchased used cars aged under twelve months took out comprehensive insurance, only 9 % of vehicles with a first registration date of 2008 or



## P25 Used-car purchases: type of car insurance by point of purchase 2015



ID: 2015P25

Source: DAT

earlier had this all-round cover. In comparison, 93 % of new-car buyers took out comprehensive insurance for their vehicles. Across all purchaser groups, only single-digit percentages of new-car buyers opted for third-party, fire and theft or third-party only. However, when looking at these figures, it must be taken into account that only 19 % of these new-car buyers purchased their insurance policy through their dealer. A great deal of potential is still untapped in new-car and used-car sales as the opportunity exists to offer a complete, one-stop service of the vehicle sale, warranty and insurance by partnering with suitable insurance companies. On the other hand, carmakers and importers are working on expanding their own product ranges, which can then be sold through dealerships.

### More used cars sold with warranties

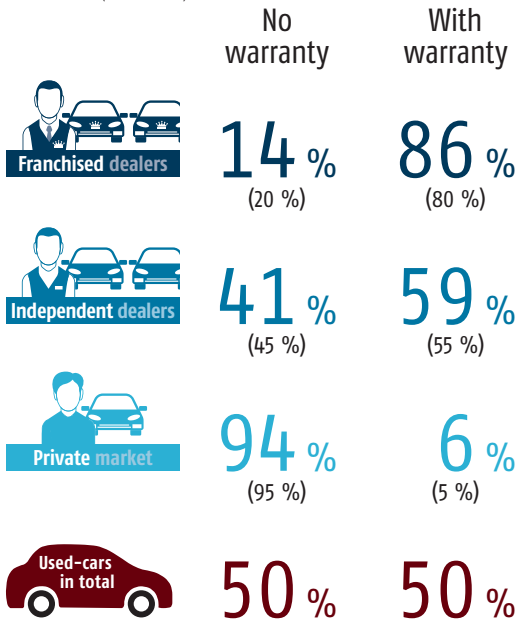
An increasingly important deciding factor in car purchases is warranty services. A warranty is a voluntary, additional promise of quality that a dealer can offer for a passenger vehicle for a specified period. A guarantee (*Gewährleistung*) on the other hand is mandatory by law – in the United Kingdom, it is often referred to as consumers' statutory rights. Dealers must grant a statutory guarantee for at least one year on the purchase. When buying used cars on the private market, buyers lose this security.

Across Germany in 2015, exactly 50 % of all used cars sold came with a warranty. The percentages vary considerably for the different submarkets (see Graphic P26, page 32): 86 % of used cars purchased from brand-franchised dealers were covered by a warranty, compared to 59 % purchased from independent dealers, and only 6 % (!) of those bought on the private market. In any case, the statutory guarantee does not apply to private purchases; that is to say, private sellers are under no legal obligation in the event of technical defects after the purchase. Dealerships on the other hand must provide this statutory guarantee. In response to the question "Would you be prepared to pay more for a used car with a warranty? If yes, how much?", 32 % of respondents answered "yes" – and they were willing to pay an additional 284 euros on average. Looking at these responses by point of purchase ->>





## P26 Used-car warranties on purchase 2015 (2014)



ID: 2014112

Source: DAT

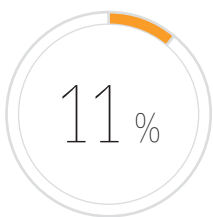
chase, 31 % of buyers on the private market would opt for a warranty and would invest an additional 297 euros in it.

A warranty costing 227 euros would have been acceptable for those who bought from independent dealers – however, only 37 % of these buyers would have considered it at all. Some 35 % of buyers who purchased from a franchised dealer would have been prepared to pay an additional 297 euros for a warranty – if it had been offered at the time of the purchase.

Segmented by groups of purchasers, replacement buyers would have been prepared to spend the most on an additional warranty (37 %: 297 euros). They are followed by additional-car buyers at 35 %; this group would be willing to spend 293 euros. First-time buyers were the least likely to consider an additional warranty. Only 24 % of this group would be prepared to invest in this additional service – and then they would only be prepared to spend 246 euros.

### Service and maintenance plans

A total 60 % of all new-car buyers in 2015 purchased a service and maintenance plan, but these packages are still relatively rare in used-car purchases (11 %) and often only included with leasing or finance products for young used cars. Looking at point of purchase, such plans were taken out in 18 % of purchases from brand-franchised dealers, in 13 % of purchases from in-



took out a service and maintenance plan

## Expand your insurance business

To sell motor insurance, dealers need well-trained staff. The survey of end consumers showed that, although more insurance products were purchased through dealerships (the percentage rose from 13% to 19% for new-car purchases), dealers' penetration rate in insurance products remains very low. It is manufacturers and importers who must act here. They should not only develop suitable products but also make them available to dealers through their specialists. Supported by incentive and bonus programmes, car insurance not only ensures customer loyalty but also makes for a busy workshop. In the event of an accident, 62% of new-car buyers would turn to their dealer. This is a clear argument for offering an all-round service.

dependent showrooms and in 3 % of purchases on the private market. The over-50 generation are especially interested in these products. Some 16 % of buyers in this age bracket purchased one of these plans when they bought their used car.

### 2.8 Dealers assessed

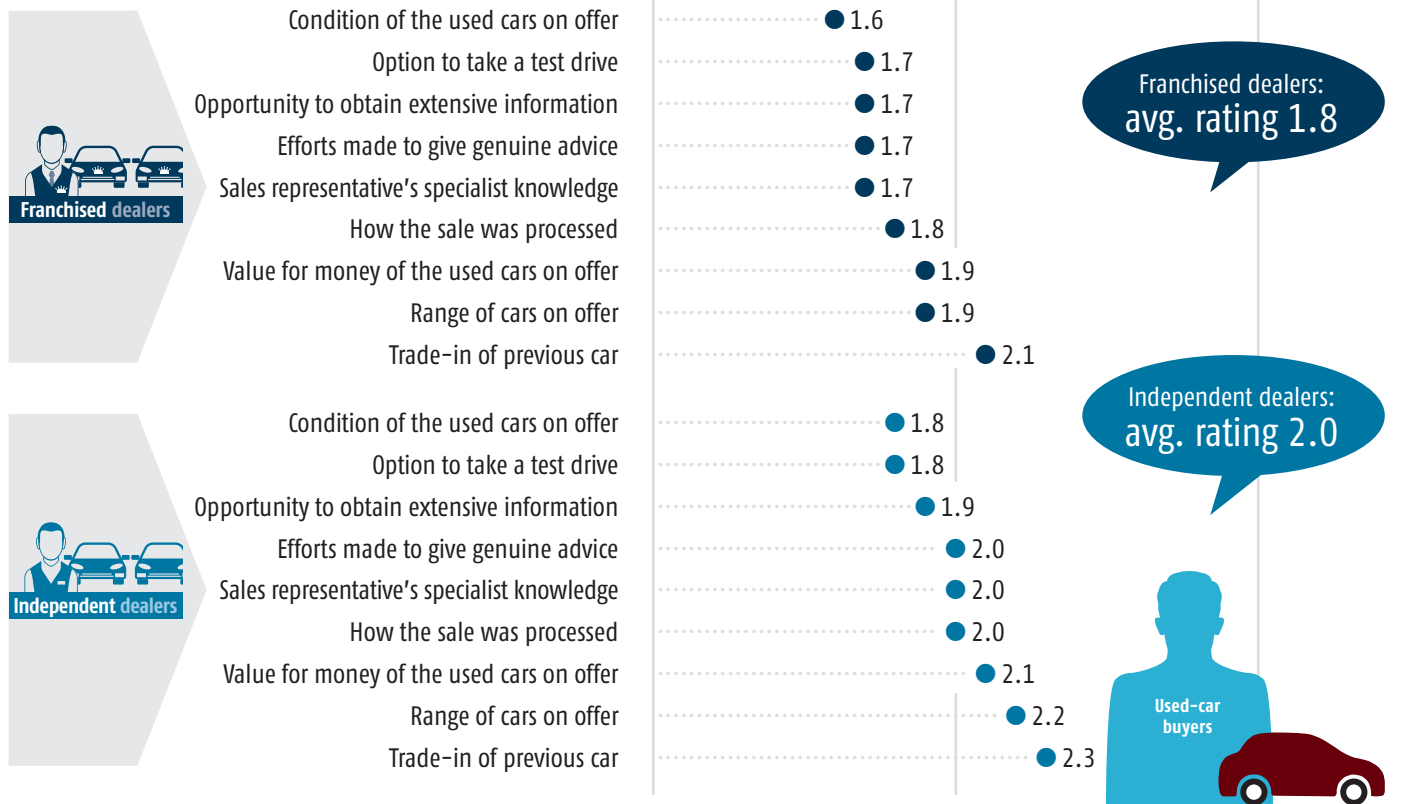
How used-car buyers rated dealers is shown in Graphic P27 on a scale of 1 to 5, where 1 = "excellent" and 5 = "poor". Buyers once again overwhelmingly gave dealers a favourable overall assessment in 2015. Positive developments to mention here are initiatives by the sector associations and DAT partners the ZDK (Central Association of the German Motor Industry), VDA (Association of the German Automotive Industry) and the VDIK (Association of International Motor Vehicle Manufacturers). Formal training, assessment and certification for car sales representatives was launched in 1997 in accordance with the ZDK's rules. Further professional development with certification in used-car sales was introduced in 2013, and many brands have implemented it.

### Better ratings

Used-car buyers gave dealerships slightly better ratings in 2015 than in the previous year. The best ratings were awarded for the points "Condition of the used cars on offer", "Option to take a test drive" and "Opportunity to obtain extensive information without making a commitment". Authorised brand dealerships in particular have the opportunity to further improve and fine-tune their used-car processes through the training programmes offered by manufacturers and car importers mentioned above. These programmes have led to noticeable improvements in customer communication, vehicle presentation and the sales process for customers.

## P27 Dealers assessed by used-car buyers in 2015

Scale of 1 (excellent) to 5 (poor)



ID: 09301025

Source: DAT

### Franchised showrooms vs independent dealers

"What were the three most important reasons why you bought your car where you did?" This question was put to all used-car buyers (see Graphic P28). For both brand-franchised dealerships and independent showrooms, the first two reasons were identical: "Good condition of vehicles" and "Good, affordable price". But whereas buyers who purchased their vehicle from a franchised showroom rated "Good equipment" third, buyers who bought from an independent dealer rated "Low number of kilometres" third.

There were also clear differences in the ratings awarded by point of purchase for the following points: "Warranty/statutory guarantee" was ranked sixth by used-car buyers who bought from brand dealerships; the same point was ranked ninth by buyers who went to an independent dealer. This supports the finding that independent showrooms sold significantly fewer used cars with warranties than brand-franchised dealerships (86% for franchised dealerships compared to 59% for independent dealers). "Vehicles offered online" was ranked eighth by used-car buyers who went to an independent dealership. This was considerably higher than the ranking awarded by purchasers who went to a brand dealership (ranked 14th). Evidently, the offers from independent dealers were more financially attractive.

### P28



## Rankings: criteria by purchase point 2015

Ranked 1st-4th (orange) | Ranked 5th-8th (light orange) | Ranked 9th-12th (grey) | Ranked 13th-16th (dark grey)

Assessment criteria	Franchised dealers	Independent dealers
Good condition	1	1
Good, affordable price	2	2
Good equipment	3	4
Low age	4	5
Low number of kilometres on the dial	5	3
Warranty/statutory guarantee	6	9
Few previous owners	7	7
Trust in the sales representative/dealer	8	6
Good, affordable finance offer	9	13
Proximity of the sales representative/dealer	10	11
Know the sales representative/dealer personally	11	14
Trade-in offered	12	15
Good experiences	13	12
Vehicles offered online	14	8
Recommended by relatives/acquaintances	15	10
Vehicles offered in newspapers/magazines	16	16

ID: 2015P28

Source: DAT

### 3. New cars

#### 3.1 Information behaviour

For the first time in 2015, new-car buyers' information behaviour was analysed more closely for differences in their use of online and offline sources (a similar analysis was also performed for used-car buyers). This analysis produced two results. Firstly, new-car buyers continue to show a strong preference for offline sources. Secondly, new-car buyers consulted slightly more information sources in 2015 than in the previous year (4.2 sources in 2015 compared to 3.6 in 2014).

There were clear differences in how buyers conducted their information search depending on gender and age: men gathered more information before the purchase (4.3 sources compared to 4.0 for women) and were also more interested in carmakers' new car configurators and in new-car portals overall. Men were also significantly more likely to say that they read brochures and test reports than women.

Women on the other hand used social media platforms or sought information offline from colleagues and friends. Interestingly, their own dealer was less important for women than for men. They were more likely to visit other dealerships to seek information. Looking at age, the over-50 generation were more like-

ly by a large margin to consult their dealer before purchasing a new car. This was followed by brochures and then talking to colleagues. For younger new-car buyers, online research is a significantly more important source: 76 % used at least one online source; this figure is only 54 % for the over-50s. The large group of 30- to 49-year-olds placed most value on talking to their dealer, but they gathered information on new car portals in similar numbers to buyers under 30.

#### The role of the internet

Some 98 % of new-car buyers had access to the internet in 2015. This figure was 100 % for all buyers aged under 49; only amongst the over-50 generation did 4 % not have internet access. What is significant here is that 68 % of all buyers with internet access used it when purchasing a new car. When asked about the importance of the internet in terms of their purchase behaviour (see Graphic P30), as many as 21 % responded that they decided to buy a new car instead of a used car as originally planned because of the internet. Some 17 % switched to a different brand from the one they originally had in mind, whilst 18 % remained loyal to their preferred brand but changed the model. The internet was the reason why 42 % of new-car buyers contacted a dealership that was not located in the immediate vicinity of their place of residence. That represents a marked increase of eight percentage points compared to the previous year. Some 25 % changed their dealership because of the internet, the same percentage as in the previous year. These figures show clearly that the internet has had a growing influence on new-car purchases for years. Widely available internet access in



Photo: razstudio, fotolia

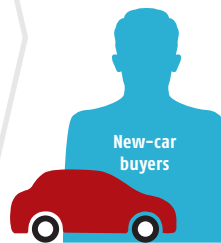
#### P29 Information sources used by new-car buyers 2015

##### Online:

- 54 % online sales platforms, new-car portals
- 39 % manufacturer's car configurator
- 27 % search engines (Google, ...)
- 27 % test reports
- 11 % social media/forums/blogs
- 11 % online adverts/marketing

##### Offline:

- 56 % dealership/workshop where I am currently a customer
- 54 % talking to colleagues/acquaintances/relatives
- 52 % manufacturer's brochure
- 45 % visiting different dealers
- 23 % test reports in print media
- 14 % print adverts
- 7 % test reports on the TV
- 5 % TV adverts





## Improve online communication with your target audience

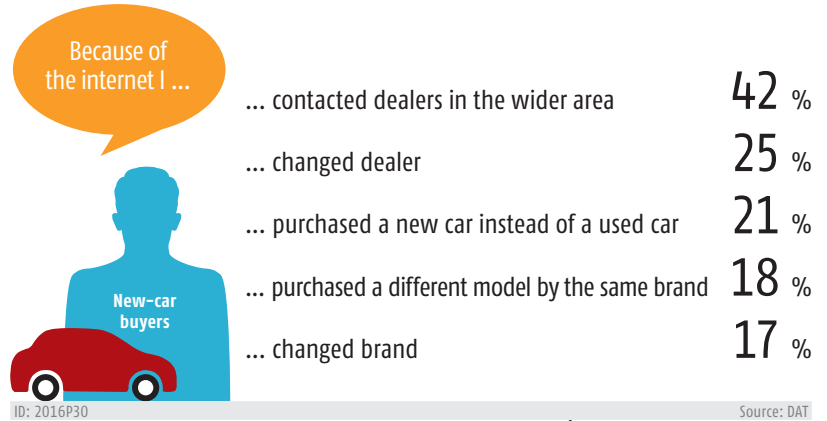
New-car buyers were, as in previous years, slightly less likely to use the internet than used-car buyers: 66% of all new-car buyers consulted at least one online source before their purchase, and 95% consulted at least one offline source (a more detailed breakdown is presented in Graphic P29). But the internet had an immense influence on purchase decisions – new-car portals in particular are fuelling a bitter price war where dealers vie to offer the biggest discounts. To stand out in an environment where new-car offers are easily compared, dealers need to link their personalities and services to intelligent communications aimed at their target audience. Offers for young drivers, all-round, worry-free packages and, in some cases, even making contact via messaging services such as WhatsApp help to differentiate a dealership.

Germany – 98 % of all new-car buyers were online – is a fundamental prerequisite for this.

Now in existence for some years, new-car portals are a purchase channel that should not be underestimated. Their importance as an information and purchase platform is continuing to grow: 11 % (2014: 9 %; 2013: 7 %) of all new-car buyers said they had purchased their current vehicle using a new-car portal. In practice, this means they were referred from a new-car portal to an authorised dealer offering very good terms, where they then bought the car. A further 40 % (2014: 34 %) used new-car portals to find out about their new car. Graphic P31 shows the variations between age groups.

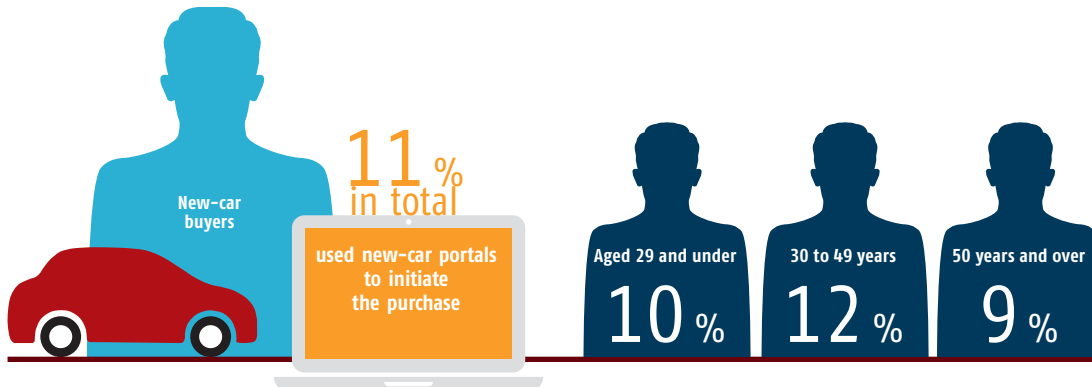
## P30 The role of the internet 2015

Based on: buyers who used the internet in the purchase process



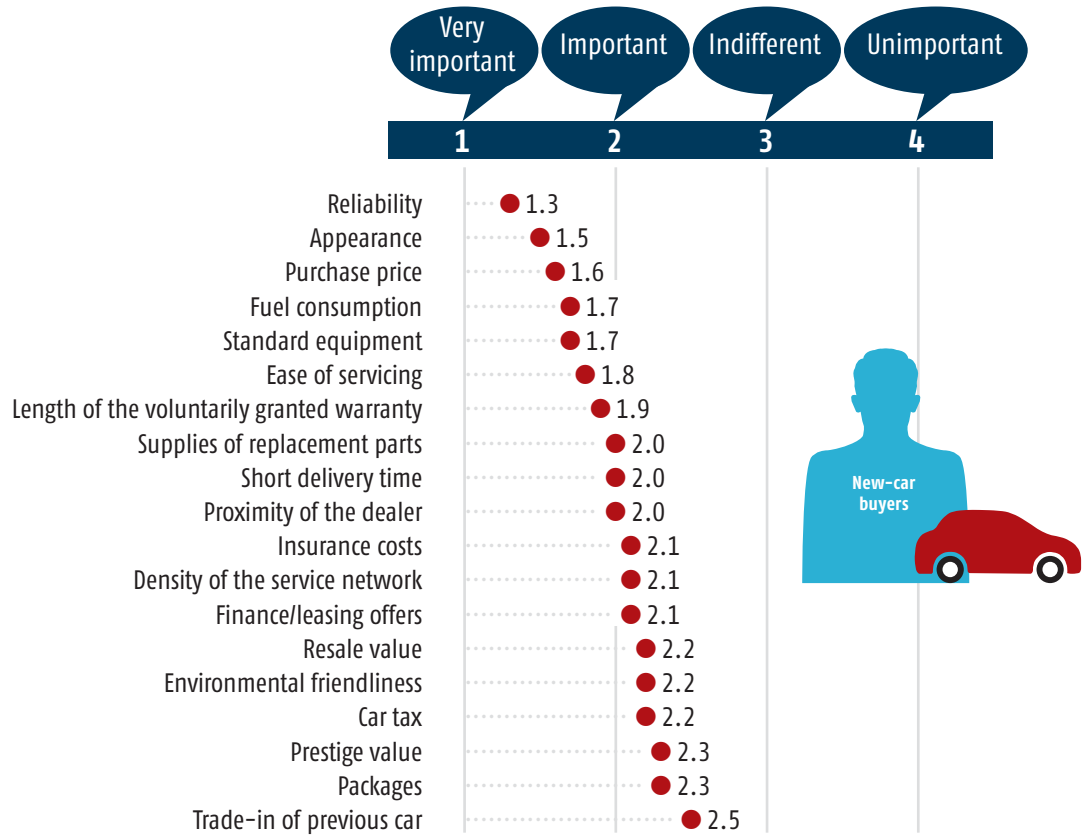
In 2015, 9 % of the 50-plus generation purchased their new car through a new-car portal (2014: 4 %). Some 10 % of younger new-car buyers aged 29 or under used new-car portals as their source of purchase. This compares to 12 % of buyers aged 30 to 49 who purchased their new car through such a vendor (2014: 9 %). Irrespective of their point of purchase, for new-car buyers the internet was a key platform for obtaining and exchanging information: those who researched online used social media, blogs and online forums in some cases. An average of 11 % of purchasers consulted these sources. The survey also showed that 14 % of new-car buyers who belonged to the group who considered different car brands purchased their car through a new-car portal. Only 4 % of those who are loyal to their brand and for whom only a single marque comes into consideration used a new-car portal to make their purchase.

## P31 New-car portals 2015





**P32** Assessment criteria when buying a new car 2015



ID: 09201015

Source: DAT

**3.2 Purchase criteria**

New-car buyers' views were surveyed on the same criteria as used-car buyers. The qualities they expect to find in their vehicle are graded on a scale of 1 to 4, where 1 = very important and 4 = unimportant. The results are shown in Graphic P32. As was the case with used-car buyers, the top three criteria in 2015 were reliability, appearance and purchase price. But the new car's visual appearance moved up from third place in 2014 to second.

Overall, environmental friendliness was ranked slightly higher by new-car buyers than used-car buyers in 2015, but less importance was placed on it than in the previous year. The exception here was female purchasers: once again, they rated this criteria as more important than men did. Analysing the results more closely reveals further gender differences: women placed greater importance on their new car's purchase price, fuel consumption, insurance costs and car tax. Men rated equipment, supplies of replacement parts, resale value and prestige value as especially important. Buyers were surveyed on car tax and insurance costs for the first time in 2015. The results showed that car buyers may be aware of these two factors as direct costs, but

they rank them considerably lower than other criteria such as ease of servicing, short delivery times and the proximity of the dealership.

Graphic P33 shows the criteria rated by type of brand. The left column provides an overview with the criteria ranked by all new-car buyers in descending order. The numbering in the columns for the different types of brand indicates how the importance of this criterion for this particular group of buyers differs from the overall ranking. Different colours further underscore the variations in rankings. Here it is noticeable that new-car buyers of German premium brands placed standard equipment above the purchase price and prestige value; they placed these two latter points joint fourth. As purchase prices were higher in this category, they were much more concerned about finding the right finance or leasing package than buyers of imported marques. Buyers who chose imported brands were more interested in the vehicle's insurance costs than comparable purchaser groups of German brands and premium marques.

Examining buyers by age, young new-car buyers aged 29 and under were primarily concerned with points with a direct impact on their wallets: the purchase price, fuel consumption, car taxes and insurance costs. Buyers

P33



## Rankings for assessment criteria by brand 2015

■ Ranked 1st–5th 
 ■ Ranked 6th–10th 
 ■ Ranked 11th–15th 
 ■ Ranked 16th–19th

Overall ranking	Assessment criteria	German premium brands	German brands	Imported brands
1	Reliability	1	1	1
2	Appearance	2	2	2
3	Purchase price	4	3	3
4	Fuel consumption	7	4	4
5	Standard equipment	3	5	5
6	Ease of servicing	6	6	6
7	Length of the voluntarily granted warranty	10	7	7
8	Supplies of replacement parts	13	8	8
9	Short delivery time	9	8	10
10	Proximity of the dealer	11	10	11
11	Insurance costs	18	15	8
12	Density of the service network	15	12	13
13	Finance/leasing offers	8	14	14
14	Resale value	12	11	16
15	Environmental friendliness	16	16	14
16	Car tax	19	18	12
17	Prestige value	4	12	18
18	Packages	14	17	17
19	Trade-in of previous car	17	19	19

ID: 2015P27

Source: DAT

aged over 50 by contrast placed great importance on standard equipment, the proximity of the showroom, resale value and the option to trade-in their previous car.

### 3.3 The average new car

The average new car in 2015 had a number of characteristics, which are shown in Graphic P34. For example, they had a slightly lower cubic capacity engine at 1,666 cc and an output of 97 kW (132 PS), making them only marginally less powerful than comparable new cars in the previous year (1,707 cc, 96 kW [131 PS]).

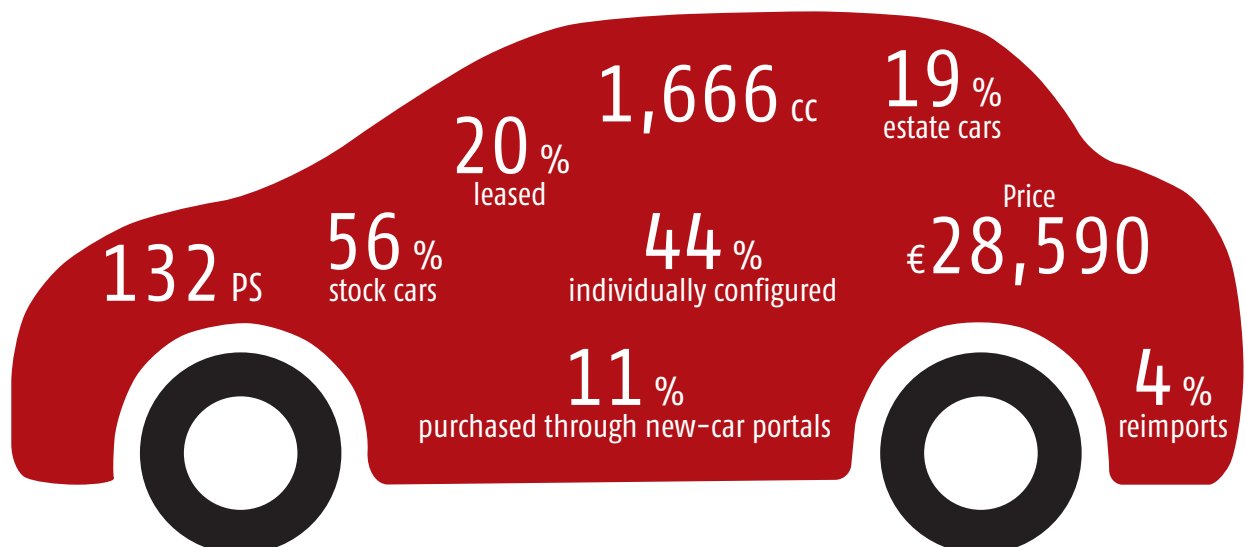
According to new-car buyers, average fuel consumption is lower for the vehicle they purchased in 2015 than it was for their previous car in 2014. With 6.1 l/100 km, new cars were once again more fuel-efficient, as looking at the figures over a five-year period shows: 2015: 6.1 l; 2014: 6.2 l; 2013: 6.4 l; 2012: 6.4 l; 2011: 6.7 l. Hardly any differences in consumption could be detected when diesel and petrol engines were compared: buyers of new diesel cars said their average consumption was 6.1 l, compared to 6.2 l for those who opted for petrol engines. Generally, it can again be seen that fuel consumption increases with cubic capacity. But in all engine size categories, fuel consumption for new cars was lower than that of cars purchased pre-owned. What's more, the fall in fuel consumption compared to the previous year was particularly noticeable for engines with more than 2,000 cc.

Just how important fuel consumption is can also be seen by looking at the ratings that buyers gave their new cars for cost-efficiency. Some 78% of all new-car buyers stated that their current car was more cost-

efficient than their previous vehicle, a rise of 17 percentage points compared to the previous year. Fuel consumption was also given a rating of 1.7, putting it in fourth place after the purchase price as a purchase

>>

### P34 The average new car 2015



ID: 2016P35

Source: DAT

criterion. Some 71% of new-car buyers agreed with the statement “I am prepared to spend more money on a car if it consumes less fuel” (70% of male buyers and 73% of female buyers). However, only 44% of respondents have changed their driving behaviour because of fuel prices (see the special section “Green mobility” from page 52 for further information).

### Reimports as an alternative

An alternative to a new car made for the German market is so-called reimported vehicles. These are new cars that are explicitly not intended for the German market and that generally differ from German new cars in terms of the quoted price and in various equipment features. The number of reimports has only risen marginally compared to the previous year, from 3 % to 4 % of all new cars purchased. But looking at brands, 6 % of buyers of imported marques opted for a reimported car. This figure was 4 % for German brands. Some 6 % of buyers over 50 chose a reimport, and this rose to 12 % amongst buyers over 60. They appear to have consciously looked for reimports or found a reimported car to suit them through talking to their dealers.

### Stock cars as an alternative

When a buyer purchases a factory-new car, the showroom usually orders a car that has been individually configured for the buyer and is then made specifically for him or her. But for many purchasers, delivery times or a possible price saving are a reason why they opt for a more readily available car from the dealer’s stock. The proportion of individually configured vehicles was only 44 % in 2015. The ratio varied depending on engine size: 56 % of vehicles with a cubic capacity of more than two

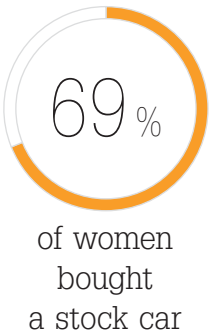
litres were configured. By comparison, three-quarters of small cars bought new with a cubic capacity of up to 1,200 cc were stock cars in 2015. Particularly interested in these vehicles were women (69 %) and first-time buyers – that is, buyers who were buying a new car for the first time in their lives. Some 76 % of this group chose a car from the dealer’s stock. Looking at types of brand, new cars by premium German brands (58 %) are considerably more likely to be individually configured than imported brands (33 %).

### 3.4 Purchase prices

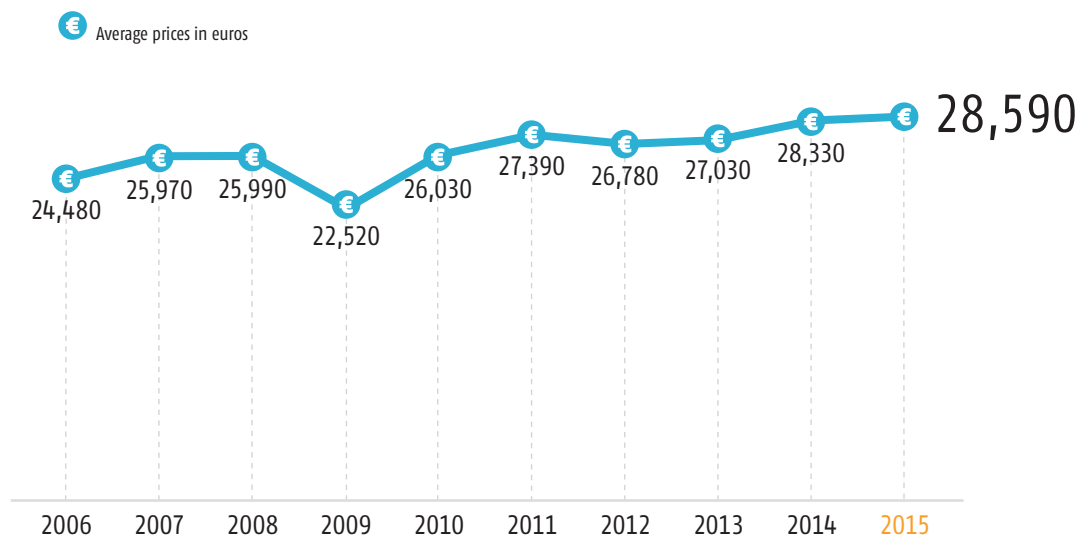
The price paid for new cars increased in 2015 by 260 euros, from 28,330 to 28,590 euros. Graphic P35 shows the trend over the past ten years. New car prices reached an all-time high in 2015. As Graphic P36 demonstrates, there has been a significant shift in purchase prices categories in recent years. Whereas in 2010 just under a third of new cars were priced between 15,000 and 25,000 euros, this price category only accounted for 26 % of purchases in 2015.

There has been a corresponding rise in the top purchase price category: the proportion of new cars priced 35,000 euros and over has grown from 23 % to 29 % in the past five years. In total, more than half (55 %) and therefore the majority of all new cars purchased were in the 25,000 euros-plus price segment.

As is the case with used cars, the average price actually paid varies to a large degree depending on the brand and engine capacity. Looking firstly at the brand of car, the average prices for new cars range from 16,790 to 42,240 euros. Mercedes-Benz models were once again at the top of the price scale by a small margin, followed



## P35 New-car prices





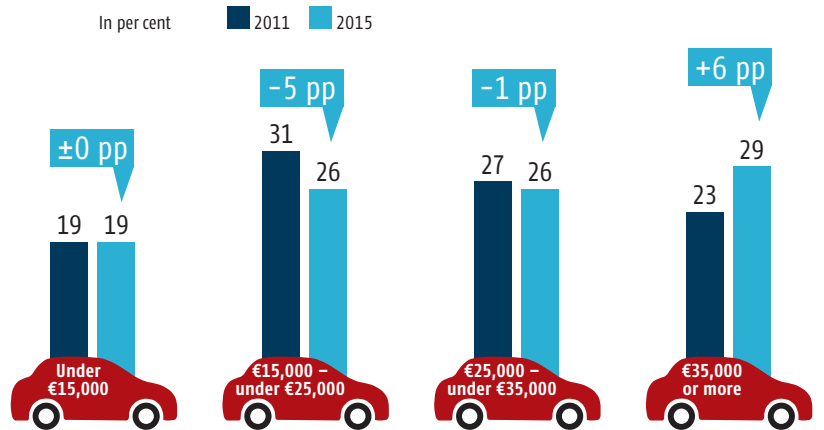
by BMW models, and then Audi cars by a larger margin. As before, the lower end of the scale was dominated by European imported brands, in particular Italian car-makers. German premium manufacturers combined achieved an average price of 41,060 euros; all German marques combined averaged 32,920 euros, and imported brands recorded an average of 21,450 euros.

As with used-car purchases, there were also clear price differences in new-car purchases between replacement, additional and first-time buyers. Graphic P37 shows that replacement buyers paid the largest sums for their new vehicles in 2015, averaging 30,330 euros (2014: 30,200 euros), followed by additional-car buyers. This group spent slightly less than in the previous year, averaging 27,750 euros (2014: 28,040 euros). As is to be expected, first-time buyers invested the lowest amounts. They paid an average of 15,230 euros in 2015, 240 euros less than in 2014. Some 37 % of first-time buyers spent less than 12,500 euros; this figure was 7 % for replacement buyers and 14 % for additional-car buyers.

**Marked increase with cubic capacity**

In terms of cubic capacity, the survey results showed that new-car buyers paid an average of 17,200 euros for vehicles with up to 1,200 cc, 19,660 euros for cars with 1,200 to 1,400 cc, 24,220 euros for cars with 1,401 to 1,600 cc, and 29,650 euros for cars with 1,601 and 1,800 cc. Once again, buyers who purchased a vehicle with more than 2,000 cc dug deep into their pockets. They

**P36 Purchase price categories for new cars**

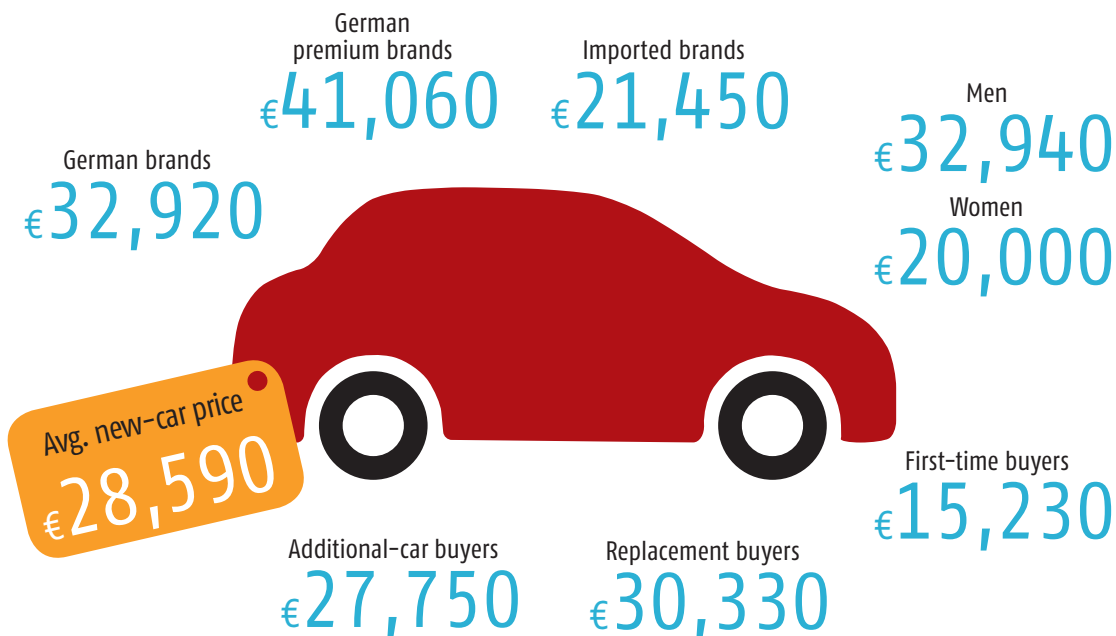


ID: 2015P14

Source: DAT

spent 53,970 euros on their new cars in 2015 (2014: 54,880 euros). New cars bought by men in 2015 cost 32,940 euros on average (2014: 32,330 euros). Those bought by women were significantly cheaper at 20,000 euros (2014: 20,720 euros).

**P37 New-car prices paid by different purchaser groups 2015**



ID: 2015P15

Source: DAT



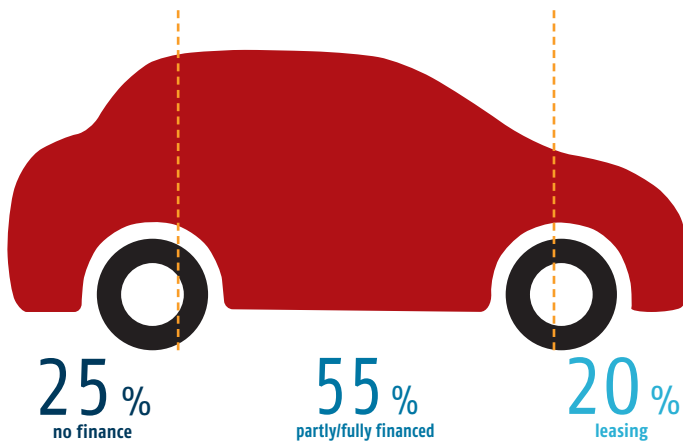
### 3.5 Finance

Of all the new-car buyers surveyed for the DAT Report, 55 % took out finance to pay for their vehicle, and 20 % leased their car. This means a total 75 % of vehicles were leased or financed (see Graphic P38). Of the 55 % who took out finance, 4 % borrowed the full purchase price of their new vehicle.

Looking only at those new-car buyers who did not lease their vehicle, the following picture emerges: those most likely to take out finance were additional-car buyers, who purchased a new car in addition to an existing vehicle. Some 73 % of this group took out finance, a rise of ten percentage points. Just behind them in second position were replacement buyers, who had a previous vehicle which they replaced. Some 72 % of this group of purchasers took out finance for their car, in full or in part. This figure was still a significant 48 % for first-time buyers, twelve percentage points more than in 2014.

Looking at the two genders and financing ratios, significantly more men (72 %) financed their new car than women (64 %) in 2015. Analysing different age groups shows that 30- to 49-year-olds were especially interested in finance products: 83 % of this age group financed their new car, in full or in part. This percentage was 59 % for new-car buyers aged under 30, followed by 56 % amongst the over-50s. Looking at engine size, vehicles with a cubic capacity of between 1,401 and 1,600 cc and those between 1,801 and 2,000 cc had the highest financing ratios, with both being at 78 %. They were closely followed by larger engines with more than two litres cubic capacity at 73 %. Vehicles with smaller engines of up to 1,200 cc had a financing ratio of 57 %.

## P38 Financing for all new cars 2015



ID: 2014121

Source: DAT

## Promote finance actively

Demand for finance and leasing products from new-car buyers was higher in 2015 than ever before. Second cars in particular – as well as large numbers of purchases by first-time buyers and replacement buyers – were largely financed. For dealers, it creates a high level of customer loyalty. But, as before, more than half (53%) of vehicles were financed by non-automotive banks. Promoting financial services must mean more than just a monthly instalment indicated next to the car. It must be sold actively and communicated so that packages stand out in the showroom and online. Many car buyers are clearly not aware of the packages offered by automotive banks.

The survey also showed that 65 % of all new cars with petrol engines were financed either fully or partially, compared to 75 % of all new cars with diesel engines.

Graphic P39 provides an analysis by brands: 57 % of new vehicles by German premium manufacturers were fully or partially financed. For all German marques combined, the percentage of purchasers who took out finance is 55 %. Some 56 % of new cars by imported marques were fully or partially financed in 2015.

Graphic P40 shows how the purchase price of a new car was provided. These percentages relate to vehicles that were not leased. The striking finding here is that first-time buyers in 2015 provided 41 % of the purchase price from their own savings and 22 % from contributions from relatives, acquaintances or friends. Replacement buyers were able to supply 23 % of the purchase price by trading in their old car. They took out finance for 41 % of the purchase price and supplied 34 % from their own funds. Just 1 % of the purchase price was supplied from gifts.

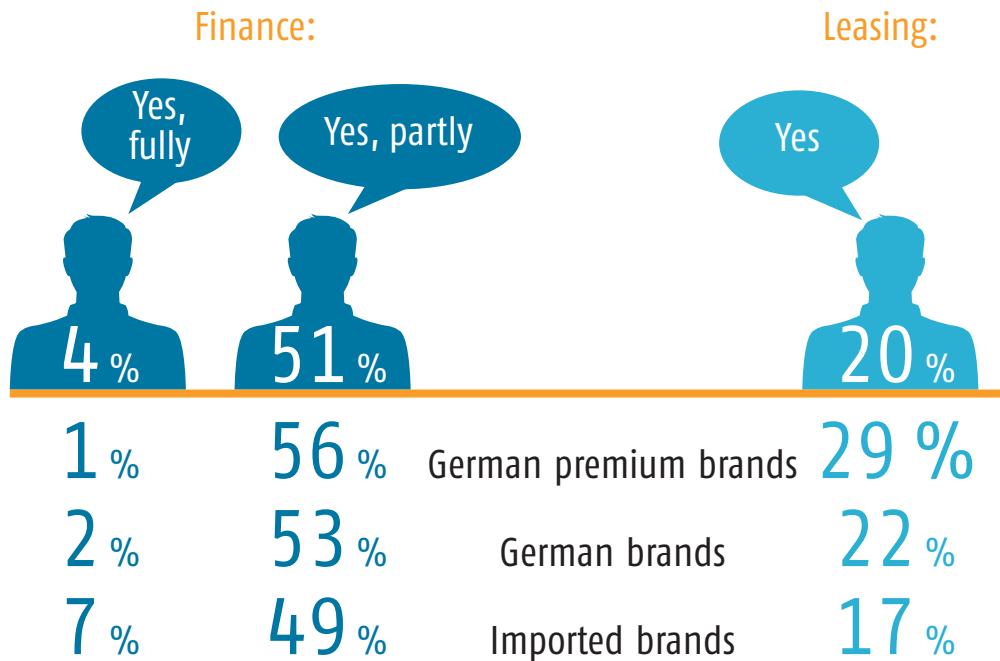
### New car leasing

The percentage of new cars financed with personal leasing was 20 % in 2015. Some 26 % of men used this form of finance, compared to only 9 % of women. New-car buyers aged over 50 (17 % took out leasing) and those over 60 (11 % took out leasing) were less likely to take out leasing agreements than the generation aged between 30 and 49 years (24 %). Looking at the different engine size categories, the percentage taking out a leasing agreement rose as cubic capacity increased. Some 14 % of vehicles with an engine capacity of between 1,001 and 1,200 cc were leased, compared to 26 % of vehicles with between 1,801 and 2,000 cc. A considerable 38 % of new passenger vehicles with larger-sized motors were leased.





**P39** New cars: finance and leasing 2015



ID: 2016P39

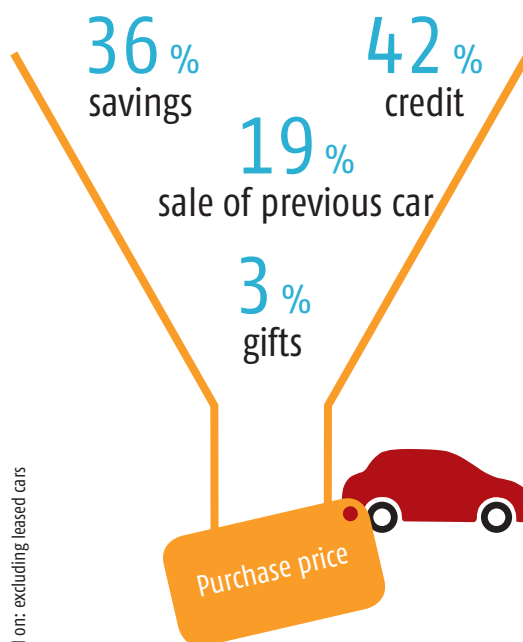
Source: DAT

**The current situation for automotive banks**

The noticeably higher financing ratio in 2015 is also reflected in the changes in the penetration rates for independent and manufacturers' banks in financing for new cars. Some 47 % of all finance agreements were concluded at the dealership. That may be an increase of six percentage points, but the fact remains that more than half (53 %) of all new cars are financed by non-automotive banks. Looking at a breakdown by car brand, 54 % of vehicles by German premium marques were financed through dealers or an automotive bank, compared to 48 % of all German marques and 45 % of imported brands. That is a rise of 13 percentage points compared to the previous year and is due to the many activities undertaken by importers' banks to target new-car buyers in 2015.

The divide between men and women mentioned above indicates that there have been improvements in customer communications by manufacturers' and independent automotive banks: a significant 42 % of all women who bought a new car in 2015 financed it through their dealer or the manufacturers' bank (2014: 38 %). For men, this percentage was 49 % (2014: 43 %). When buyers are segmented by age, a similar picture emerges to that for overall buyer attitudes towards financing: those most likely to take out finance products from a manufacturer's bank or an independent automotive bank were buyers aged between 30 and 49 years. Some 49 % of this group arranged finance through their

**P40** Financing the purchase price 2015



ID: 09321027

Source: DAT



dealer. For younger buyers aged 29 and under, this figure was 48 % – a rise of 18 percentage points compared to the previous year. The percentage amongst the over-50s was almost the same as the previous year at 38 % (2014: 36 %).

When those new-car buyers who did not lease their cars are excluded (leasing is generally arranged through the dealer and hence through an independent leasing company or a manufacturer’s captive leasing company), the figures for finance from automotive banks emerge more clearly: 45 % of these buyers took out their finance agreement through their dealership. This indicates that, as before, more than half of all new-car buyers did not opt to take out finance from their car dealer, but instead turned to their regular bank for advice and money.

### 3.6. Dealers assessed

New-car buyers gave dealers a favourable assessment in 2015. As was the case last year, dealers scored 1.7 or above in four out of the six areas. This is illustrated in Graphic P41 and indicates that customers are very satisfied where the majority of dealers’ core competencies are concerned.

The attempts made to give genuine advice and the willingness to accept a trade-in were rated better by new-car buyers in 2015 than in the previous year. But variations must be taken into consideration; for instance, women awarded much lower ratings than men across the board, with the exception of trading in a previous car. The variation between genders was lowest for efforts to give genuine advice and service, and in the assessment of sales representatives’ specialist knowledge. The largest variations emerged for the opportunity to obtain extensive information without making a commitment and for the option to take a test drive. When female new-car buyers were gathering information, their own dealer was a much less important source. These ratings

## Improve communications with target groups

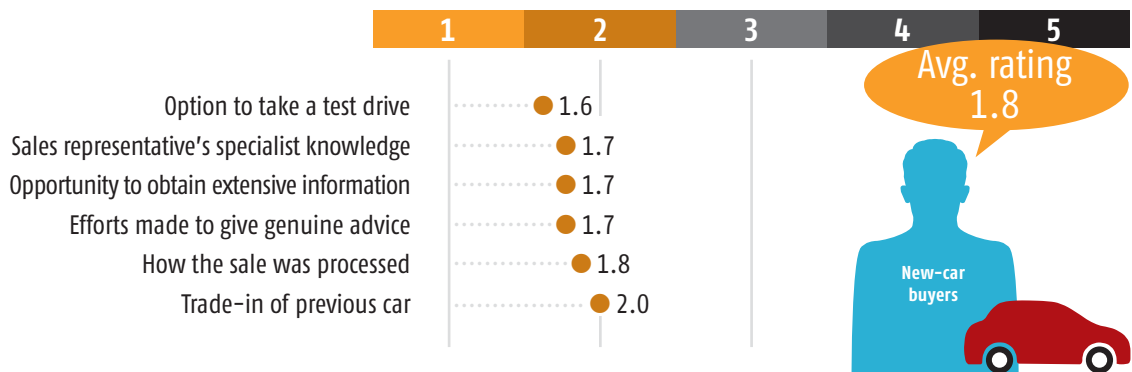
New-car buyers were satisfied with their dealers overall. Their ratings in Graphic P41 underscore this. But differences emerge for particular target groups: women gave less favourable ratings than men. There is still clearly potential to improve communications with female customers. These differences can be seen in how buyers conduct their information search: women cited their own dealer as a source of information much less frequently than men. Change can only be achieved with trust and respect. This is why the sales consultation needs a different structure. Different issues may need to be prioritised during the test drive and the following discussion than with male customers.

can be improved by initiatives such as special courses for women on cars – ideally provided by women.

Female buyers were also not as satisfied with the option to take a test drive as their male counterparts. This is important because the test drive is a moment when the willingness to buy is comparatively high. If dealerships are able to offer this experience and to discuss it professionally afterwards, they may well be able to improve their ratings for this point.

## P41 Dealers assessed by new-car buyers 2015

Scale of 1 (excellent) to 5 (poor)



ID: 09661061

Source: DAT



## 4. Previous cars

### 4.1 Key data on previous cars

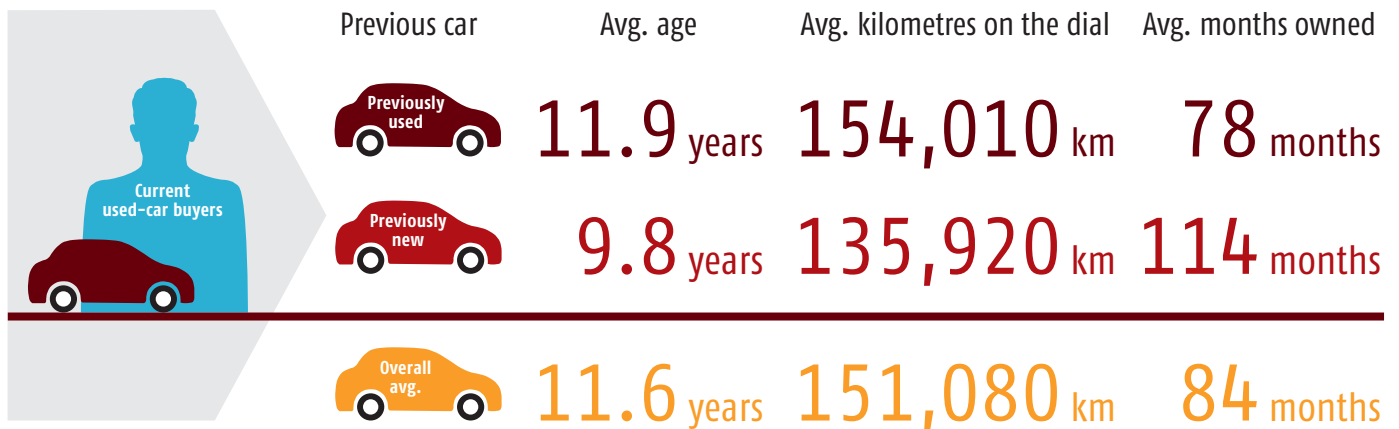
A previous vehicle is replaced in a high percentage of purchases each year in Germany. This makes the German market a replacement market as the number of first-time buyers is stable at a relatively low level. The situation is very different in growth markets such as Asia, where buyers purchasing their first ever car are a key characteristic of the automotive market.

But in all markets, the vehicles that are being replaced have to be remarketed. Private individuals can

either handle the sale themselves (for example, by placing an advertisement), or they can trade in their old vehicle for a new one at a dealer and use this to part-finance the purchase price. In addition, a considerable number of vehicles are taken out of circulation or scrapped each year.

Graphics P42 and P43 show the key data for all vehicles sold when used-car and new-car buyers made their purchases. A key factor here is whether the previous car was purchased new or used. The majority of all vehicles are traded in at a dealer, which means that after the vehicle is identified and professionally valued, a decision on how to dispose of the vehicle is taken: should it be sold to an end customer or a reseller?

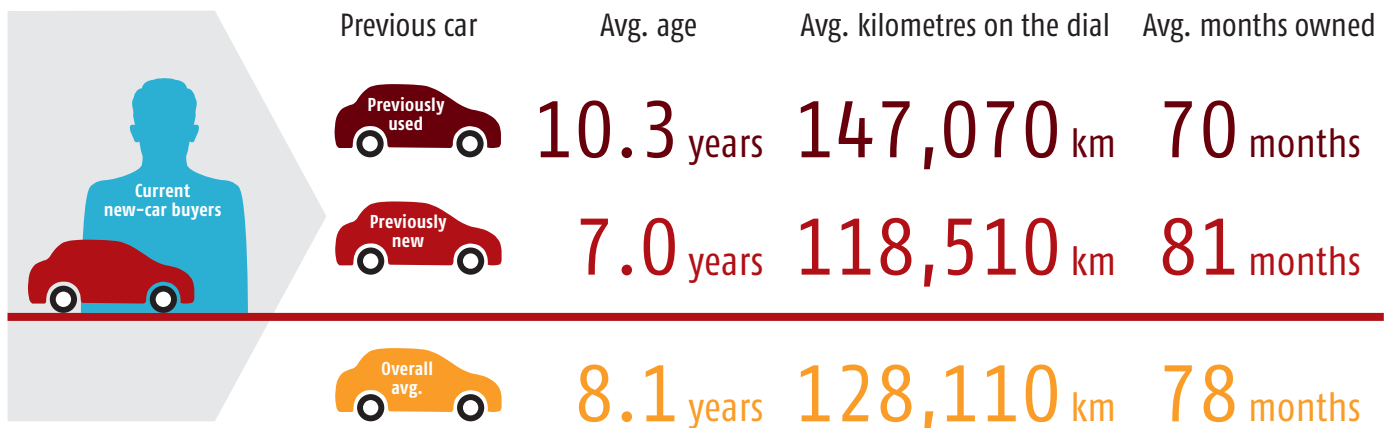
### P42 Used-car buyers' previous cars 2015



ID: 2015P1

Source: DAT

### P43 New-car buyers' previous cars 2015

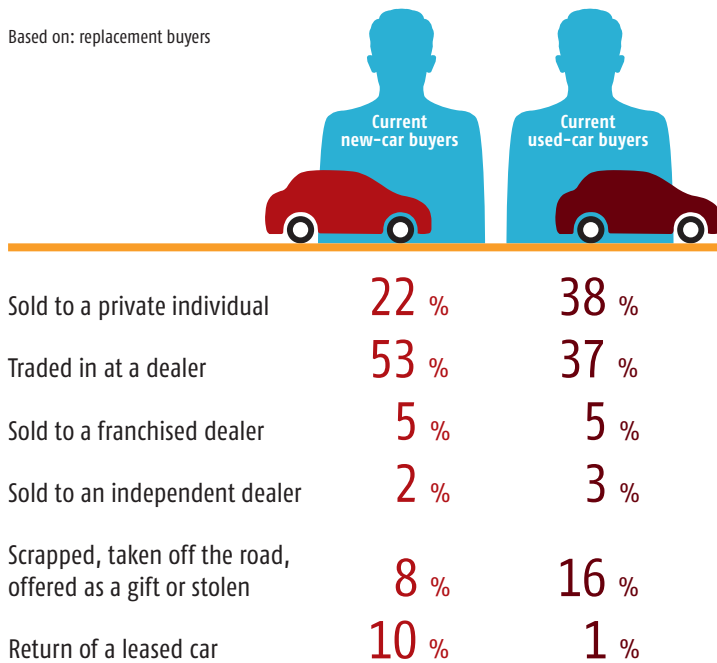


ID: 09231018

Source: DAT

## P44 Purchasers of previous cars 2015

Based on: replacement buyers



ID: 2015P39

Source: DAT

### 4.2 Purchasers and sales

Graphic P44 indicates who purchased previous vehicles sold by car buyers in 2015. It shows that dealers (either through trade-ins or direct purchases) and private individuals were the main purchasers for car buyers.

#### Passenger vehicle purchasers

The largest group of purchasers for used-car buyers were private buyers, who accounted for 38 % of these sales (2014: 37 %). Some 37 % of sales were trade-ins at a dealership (2014: 33 %), representing a slight fall in this category. Some 8 % of previous cars were sold to

independent or brand-franchised dealers without the seller buying another car.

This trend has been boosted by new options such as special online platforms where private customers can post their vehicles with pictures and equipment features, and offer them to a selected, registered group of dealers (so-called consumer-to-business or C2B platforms): the concealed bid process enables dealers to make a direct offer for a passenger vehicle on a closed online platform. The private vendor can then choose to accept it, and the offer is binding on the dealer. The buyer cannot renegotiate the deal. With other business models, end consumers can obtain approximate valuations for their vehicles online based on a limited number of criteria, such as date of first registration, kilometres on the dial, etc. In order to convert their vehicle into cash, they must then drive the car to a particular location and have it valued again there.

All these developments, generally driven by the internet, are resulting in more vehicles belonging to used-car buyers reaching dealers through (in)direct channels.

Turning to new-car buyers, 80 % of this group were replacement buyers: they previously owned a vehicle, which they replaced when they purchased their new car. These previous cars were either sold to private individuals through online or print advertisements (22 %), or sold to dealers in large numbers (53 % were traded in on the purchase of a new car; 10 % were leased cars returned at the end of the lease agreement). Depending on the brand of new car purchased, the percentage of vehicles traded in ranged between 47 % for imported brands and 60 % for German premium brands. When all German carmakers' brands are considered together, 56 % of these previous cars were traded in.

A small percentage were purchased by dealers without another purchase being made at the same time (7 %). Time will tell whether this develops into a trend, with drivers increasingly selling their old cars to dealers without buying a new one from the same dealership. In any case, the number of C2B platforms that offer this possibility expanded enormously in 2015.

#### Online sales

Popular online marketplaces such as mobile.de, Autoscout24, pkw.de or auto.de offer end consumers the



Photo: Weyo - Fotolia



option to put their car on the market for free and with a high advertising reach. Graphic P45 shows the percentages of buyers who successfully sold their own previous car and indicates the numbers who advertised online and how many of these adverts resulted in sales. The results are broken down for new-car buyers and used-car buyers. For example, of all the used-car buyers in 2015, a total 57 % sold their previous vehicle or traded it in at a dealer, with 31 % using the internet (2014: 20 %). The online success rate was relatively high, with 78 % of those who advertised online saying that it resulted in a sale (2014: 82 %). That means that around a quarter (24 %) of previous cars were successfully sold online. A considerable 51 % of those who advertised their car online sold it with just one advert. Some 40 % needed two adverts.

On the other hand, an astonishing 61 % of sales (2014: 69 %) were completed entirely without advertising. In most cases, that means the car was traded in at a dealership. When the buyer's current vehicle was bought from a brand-franchised dealer, 72 % of private individuals did not advertise their previous car and instead directly traded in the vehicle at the dealer or, in

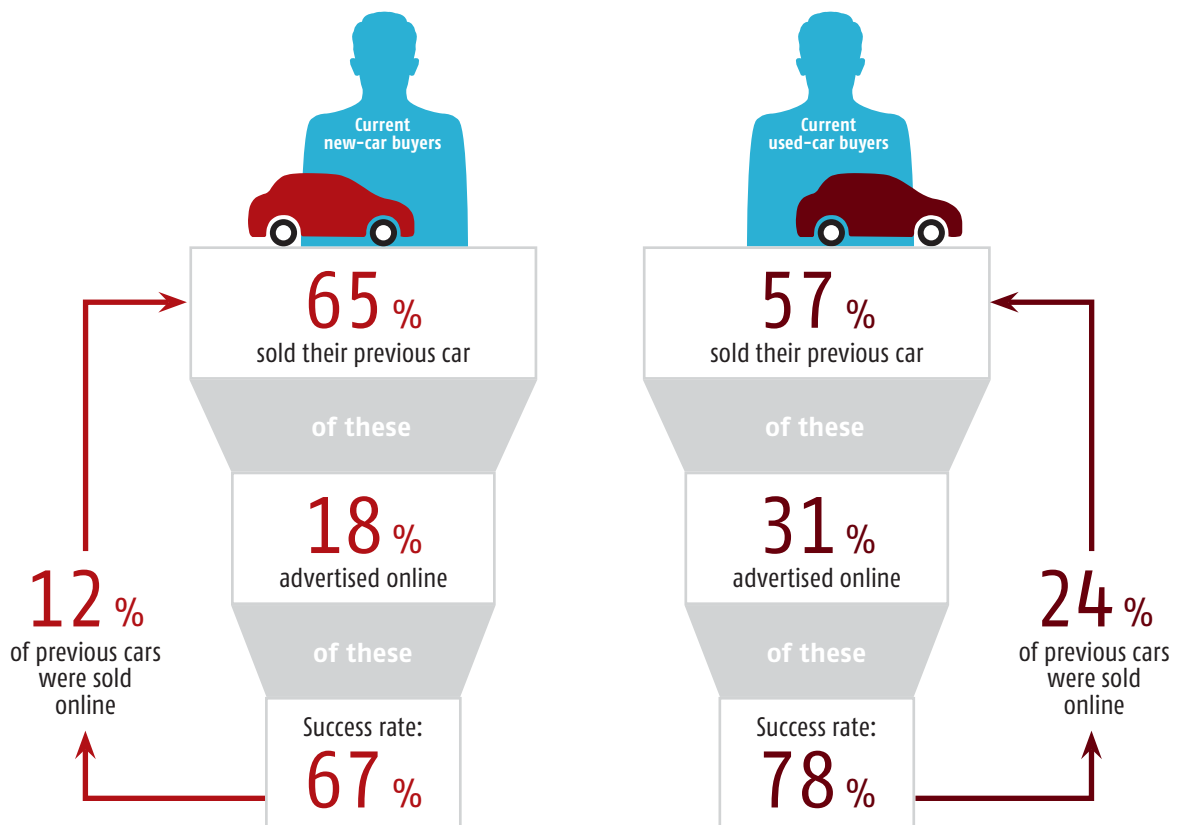
some cases, offered it as a gift, took it off the road or scrapped it.

Looking at new-car buyers, generally this group of customers are relatively willing to trade in their vehicles directly. But it is striking that 30 % of new-car buyers in 2015 (2014: 19 %) initially attempted to sell their previous car by advertising it, either in print or online. Online advertising was the option chosen by 18 %, whilst 12 % opted for print. The success rate for new-car buyers selling their own cars online was 67 %, which is significantly lower than in the previous year (2014: 78 %). Nevertheless, as many as 56 % succeeded in selling their car with just a single online advert.

By comparison, 76 % of previous cars were sold entirely without placing an advert, the majority being traded in directly as part of the new-car purchase. Turning to the percentage of vehicles traded in by type of brand, 61 % of German premium marques were traded in, 59 % of all German brands combined and 45 % of imported brands.

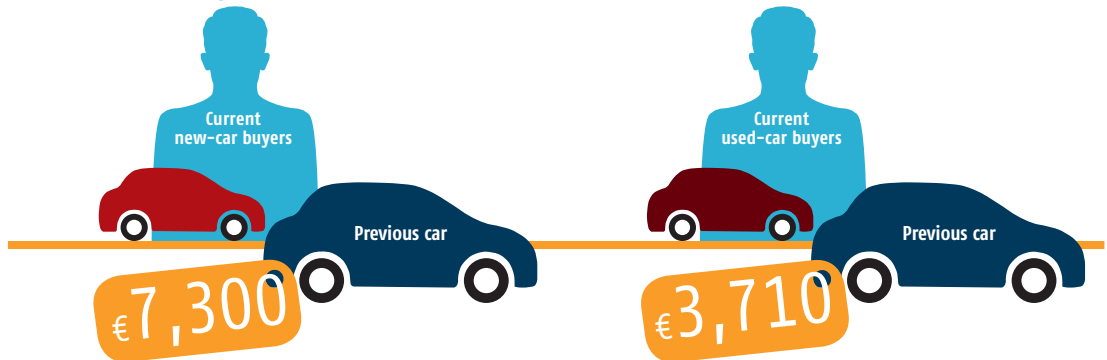
Only 8 % new-car buyers offered their old car as a gift, took it off the road or had it scrapped in 2015; that represents just half the level of used-car buyers (16 %).

**P45** Sales of previous cars  
current new-car buyers vs used-car buyers





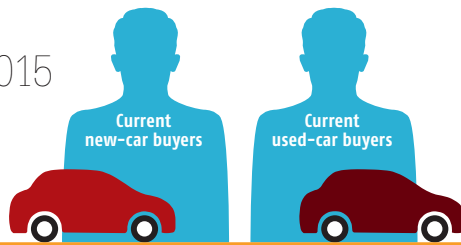
**P46** Average proceeds from sales of previous cars 2015



ID: 2016P46

Source: DAT

**P47** Pricing previous cars for sale: sources of information 2015



	Current new-car buyers	Current used-car buyers
<b>Online:</b> Online sales platforms (mobile.de, Autoscout24, ...)	47 %	51 %
Search engines (Google, ...)	25 %	33 %
Checked car values (e.g. on www.DAT.de)	10 %	9 %
Social media/forums/blogs	8 %	10 %
Test reports	7 %	10 %
<b>Offline:</b> Dealership/workshop where I am currently a customer	57 %	45 %
Talking to colleagues/acquaintances/relatives	40 %	51 %
Visiting different dealers	25 %	30 %
Adverts in print media	7 %	8 %
Test reports in print media	6 %	6 %
Information from technical experts (DAT, Dekra, GTÜ, KÜS, TÜV ...)	6 %	3 %

ID: 2016P47

Source: DAT

4.3 Prices achieved for previous cars

A large majority of buyers who sold their cars themselves or traded them in at a dealership in 2015 were satisfied with the sale price they achieved (85 % of used-car buyers and 90 % of new-car buyers). Probably these car buyers were pleased to have the process of selling their own car behind them.

The average prices achieved on the sale are shown in Graphic P46. Previous cars sold by used-car buyers achieved prices of up to 5,010 euros when they were previously bought new. Similarly high prices were achieved by new-car buyers when they sold their previous cars they had bought new (8,710 euros). Where sales were made to private individuals, used-car buyers only achieved 3,080 euros and new-car buyers only 5,250 euros. Dealers offered 4,640 euros and 7,900 euros respectively.

When both groups were asked how they priced their vehicle, slight differences emerged in the weighting given to the individual points. As can be seen in Graphic P47, new-car buyers clearly placed great value on talking to their own dealer or workshop (57 %). This was followed by a large margin by online sales platforms (47 %) or other online sources; these include services providing free used-car valuations, such as those offered on www.DAT.de. Third placed at 40 % was talking to friends, colleagues and relatives.

Used-car buyers placed online sales platforms and talking to colleagues, friends and relatives joint first, with both achieving 51 %. Contacting dealers and workshops was ranked behind this at 45 %.

The bottom line is that, when pricing their own vehicle for sale, both groups of buyers continued to turn to offline sources (net totals: used-car buyers 81%, new-car buyers 82%; that means that 81% of new-car buyers used at least one offline source) rather than online sources (net totals: used-car buyers 70%, new-car buyers 63%). Many of the new online platforms as well as the established internet marketplaces increasingly offer vehicle keepers options for finding a benchmark for their own vehicle.

Independent automotive technical experts are certified experts who can provide a completely neutral, impartial and professional valuation. DAT has a nationwide network of these experts, the majority of whom are sworn experts and publicly appointed. They are known as the DAT Technical Experts. You can find their addresses on [www.DAT.de](http://www.DAT.de).

#### 4.4 Detailing

Nearly all of the more than 2,500 used-car and new-car buyers surveyed for the DAT Report were in agreement: regular servicing and care increases the resale value of their car (new-car buyers 92 %, used-car buyers 85 %). Yet they did not use the services of a professional car detailer in these numbers before successfully selling their own cars. Graphic P48 shows that only 19% of used-car buyers and 13 % of new-car buyers had their car professionally detailed, that is, thoroughly cleaned by a firm, such as one of the companies listed in the register of the BFA, the German Federal Association of Vehicle Detailers. An interesting finding was that twice as many male used-car buyers took advantage of such a service as female used-car buyers in 2015. The percentages are almost identical for the two genders amongst new-car buyers.

#### Detailing increases value

A private individual selling his or her own vehicle can obtain a higher price for it if the vehicle's interior and exterior have been professionally detailed before the sale. The added value is often many times greater than the amount spent on a professional detailing service.

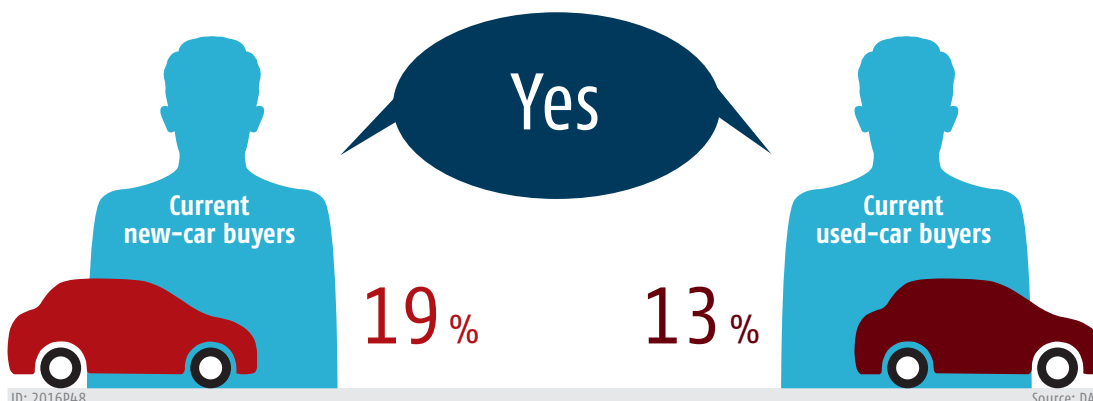
As many as 61 % of all used-car buyers and 67 % of all new-car buyers agreed that professional detailing increases the sale price when selling their own car. When they were asked what would be the maximum that they would pay for such a service, the answers

## Actively promote detailing

Regular servicing and care increases a car's resale value. But as Graphics P12 and P32 show, the resale is not a primary concern at the time of purchase. In addition, only 19 % of new-car buyers and 13 % of used-car buyers employed the services of a detailer before selling their own old vehicle (see Graphic P48). Dealers should therefore regularly offer promotions in association with their detailers to raise awareness of the value of detailing. Every customer contact, such as tyre changes, should be used to draw attention to SMART repair or spot repair services. Another important issue is car windscreens. Dealers should expand their expertise in windscreens and actively promote windscreen repairs to customers.

varied. Used-car buyers would pay 147 euros on average, whilst new-car buyers would pay 162 euros. Women would pay approximately 125 euros regardless of whether they were used-car or new-car buyers, whilst men would pay considerably more. Male used-car buyers would pay 159 euros, and male new-car buyers 176 euros.

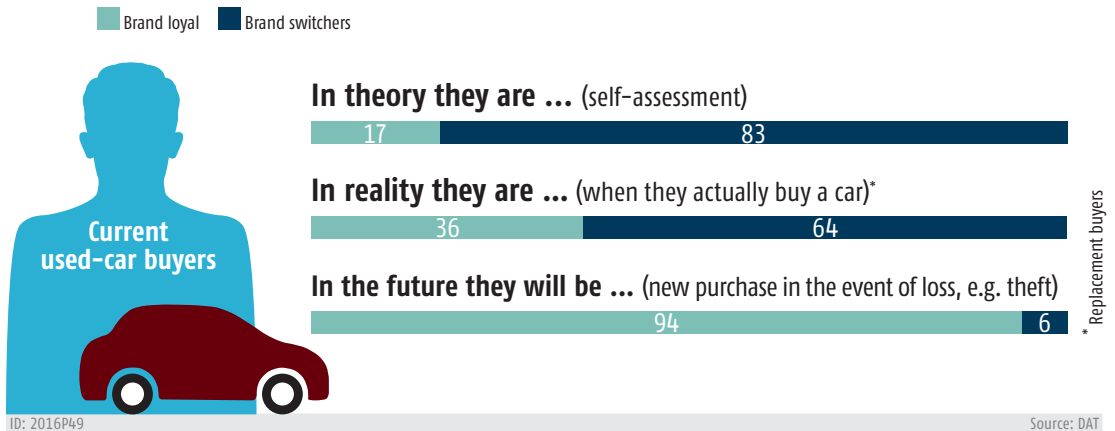
### P48 Previous car was professionally detailed before the sale 2015



ID: 2016P48

Source: DAT

## P49 Used-car buyers and their car brands 2015



## 5. Brand attitudes

Every car buyer has a very personal relationship to his or her brand of car. Buyers' positive feelings towards the brand attributes can be conducive to their purchase decision as brands fulfil an important function in helping buyers orientate themselves when faced with the wide variety of offers. Here brand-franchised car dealerships and the dealership's personality influence the buyer.

### 5.1 Brand attitudes amongst used-car buyers

In the survey of all used-car buyers in 2015, three general patterns of behaviour towards car brands were identified: 17% said they were absolutely loyal to their brand; that is to say, only one brand comes into con-

sideration for them (see Graphic P49). Considerably greater numbers see themselves as relatively brand loyal; this group accounts for 48%. For them, only two or three brands come into consideration when buying. A significant 35% described themselves as not being loyal to a brand or not interested in the brand. The car brand is not relevant to them. Instead, they are focussed on price or the vehicle's functionality. The proportion of women in this subgroup at 44% is considerably higher than that of men at 29%.

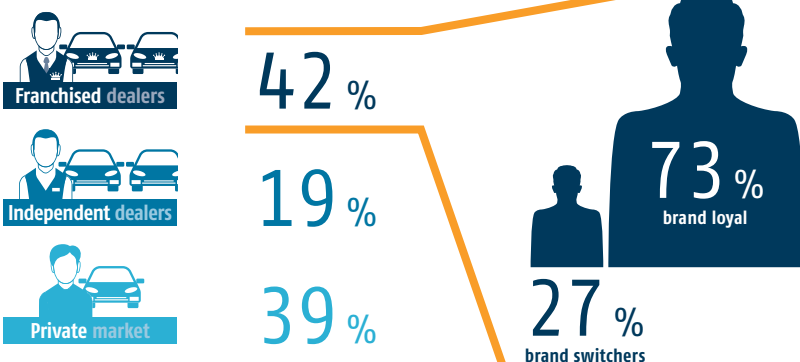
One way to find out how brand loyal buyers actually are is to look at the subgroup who replaced a previous vehicle with their purchase. These so-called replacement buyers had the choice when they purchased of remaining loyal to their previous brand or switching to another. The result: just 36% of replacement buyers remained loyal to their previous brand in 2015. A large majority of 64% opted for another marque when they bought a used car.

All used-car buyers were therefore asked about their views on dealers and the dealer's brand in order to determine whether this played a role in their purchase or not. Some 38% responded that they would go to a dealership with the same brand logo above the entrance as the brand logo of the used car they wanted to buy or had chosen. Some 59% said that it was irrelevant to them. Women (64%) were significantly more likely to belong to this group than men (55%). The percentage of young buyers aged under 29 in this category was even higher at 72%. However, looking at those buyers who actually bought their car from an authorised brand dealer gives a different picture: Graphic P50 shows that 73% made their purchase at a dealership authorised by the same brand as their chosen used car. This shows that brand-franchised dealers play an important role in strengthening brand loyalty or that their customers are significantly more brand oriented than customers who buy elsewhere.

A few months after the purchase, all used buyers were asked which brand they would buy if their current

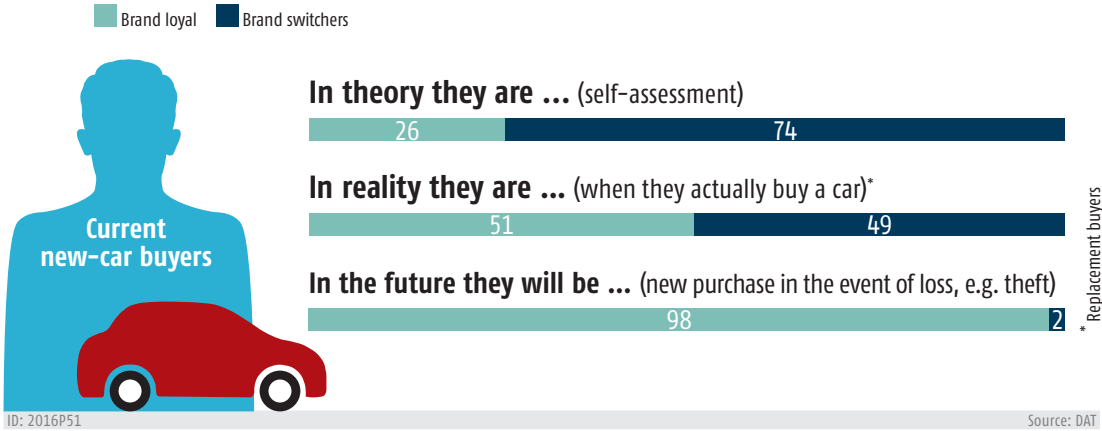
## P50 Point of purchase for used cars

2015





## P51 New-car buyers and their car brands 2015



car were stolen and the full purchase price reimbursed. Some 94 % replied that they would stay with their brand, and 87 % said that they would stay with their current model. However, given that vehicles are owned for seven years on average, many influences may result in their loyalty to their current brand changing on their next purchase. Seven years ago, 89 % of used-car buyers said shortly after their purchase that they would remain loyal to their brand. Seven years later, the survey showed that only 36 % were in fact brand loyal.

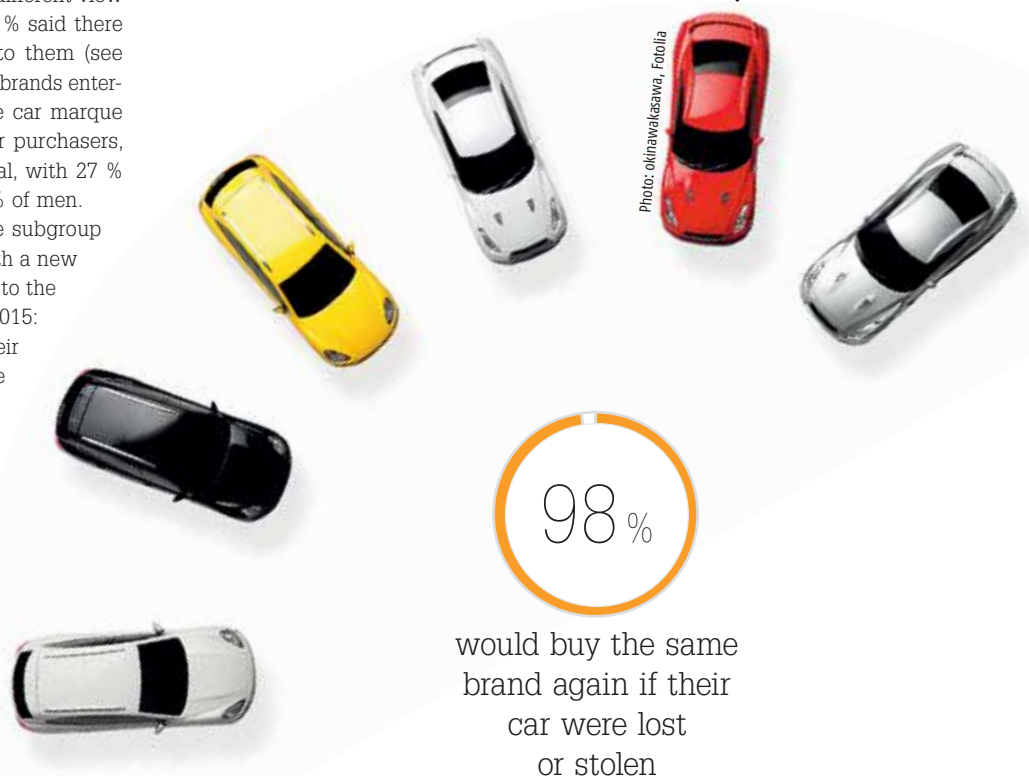
### 5.2 Brand attitudes amongst new-car buyers

Buyers of new passenger vehicles have a different view of their brand awareness. As many as 26 % said there was only one car brand that appealed to them (see Graphic P51). For 53 %, only two or three brands entered into consideration; 21 % said that the car marque was irrelevant to them. As with used-car purchasers, women were considerably less brand loyal, with 27 % belonging to this group compared to 17 % of men.

Actual brand loyalty is revealed by the subgroup of buyers who replaced a previous car with a new one. A very different picture emerges here to the responses from used-car buyers in 2015: slightly more than half at 51 % replaced their previous car with a new car of the same brand. Some 49 % were not loyal and chose a different marque.

All new-car buyers had the option to buy their car from a dealer who only represents that particular brand or a dealer who sells that brand along with others. Some 64 % purchased from a single-brand dealer, that is, a dealer who only sells the car brand selected and purchased by the end consumer. Some 31 % bought their vehicle from a multibrand dealership.

When new-car buyers were asked which model or brand they would buy if their car were stolen today, the responses produced a clear picture for 2015: 98 % would remain loyal to their brand, and 94 % would even stick with their current model. On average, new-car buyers own their vehicles for 6.5 years. That means that social changes, changes in the automotive industry and brand awareness may lead new-car buyers to turn away from their current brand. About seven years ago, 95 % of new-car buyers said that if their current car were stolen, they would buy the same marque again. But when the moment came to change their car, only 51 % stayed loyal to their brand.



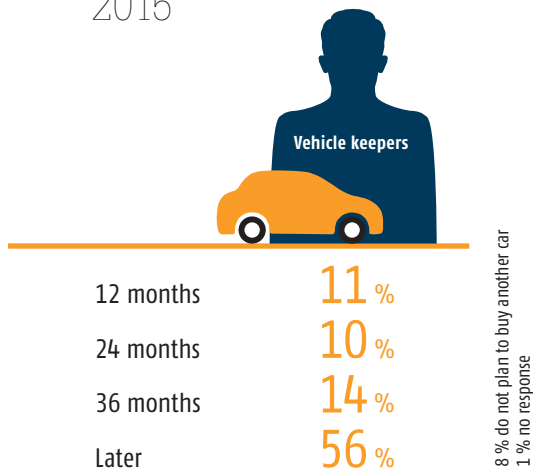
## 6. The next car

### 6.1 Time of purchase

During the survey conducted at the end of 2015 on repair and servicing behaviour, vehicle keepers were asked when they expected to buy or lease their next vehicle. Current purchase intentions are shown in Graphic P52.

Happily, these results show that only a very small number of vehicle keepers at 8 % said they did not want to buy another car. But here considerable changes over

#### P52 Purchase intentions 2015



ID: 09781073

Source: DAT

the past 15 years must be taken into account: in 2000, only 5 % replied that they did not want to buy another car. In 2005, this figure was as low as 4 %. In 2010, it rose to 7 % and is now at 8 % for 2015. One of the main reasons for this trend is that vehicle lifetimes are continually extending, and they are becoming increasingly technically sophisticated. Another factor is that the average age of vehicle keepers has risen. When the survey was conducted in 2000, the average age was 46 years. In 2015, it was as high as 51. Some 12 % of keepers aged 50 and over said that they did not want to buy another car; for the large group of buyers aged between 30 and 49, this figure was as low as 3 %. A striking trend can be observed amongst women: the percentage of female vehicle keepers who said that they did not want to buy another car has risen continually over the last 15 years and stood at 10 % in 2015.

The percentage of near-future buyers who intend to buy a vehicle in the next twelve months has risen by one percentage point compared to the previous year and now stands at 11 %. This figure has been relatively stable at this level over the past 15 years. Young vehicle keepers predominate amongst near-future buyers. They drive vehicles that are slightly older than the average vehicle keeper's and may be looking to buy soon for this reason. Some 10 % of this group want to buy a car in the next 24 months, and 14 % want to buy in the next three years. This represents a total of 35 % who want to buy a car (either new or used) in the next three years. The percentage of those who want to buy a car at an undefined "later" date in the future has risen slightly from 54 % to 56 %.

However, when drivers intend to buy their next car varies depending on the number of kilometres they drive each year. Some 15 % of drivers who only cover short distances of less than 10,000 km per year want to buy a vehicle in the next two years, and 6 % intend to buy in the next twelve months. This compares with 38 % of long-distance drivers (those covering 30,000 kilometres or more per year) who plan to buy their next vehicle in the coming two years, and 25 % of this group who plan to buy in the next twelve months.

### 6.2 Characteristics

New or used? Larger or smaller? In the survey of vehicle keepers, 36 % (2014: 37 %) of those with a definite intention to buy said that they want their next car to be a new car. Used cars were significantly more popular, as was also the case in the previous year: 62 % (2014: 60 %) intended to buy a used car on their next purchase. Some 2 % were undecided on this point (see Graphic P53). Here the survey also showed that young keepers were more likely to have a pre-owned car in mind: 69 % of the under-30s and those aged between 30 and 49 years said they would opt for a used vehicle. As many as 57 % of the over-50 generation and 53 % of the over-60s were also in favour of buying used. Clear distinctions between intentions to buy new or used emerged when respondents were segmented by net household income:

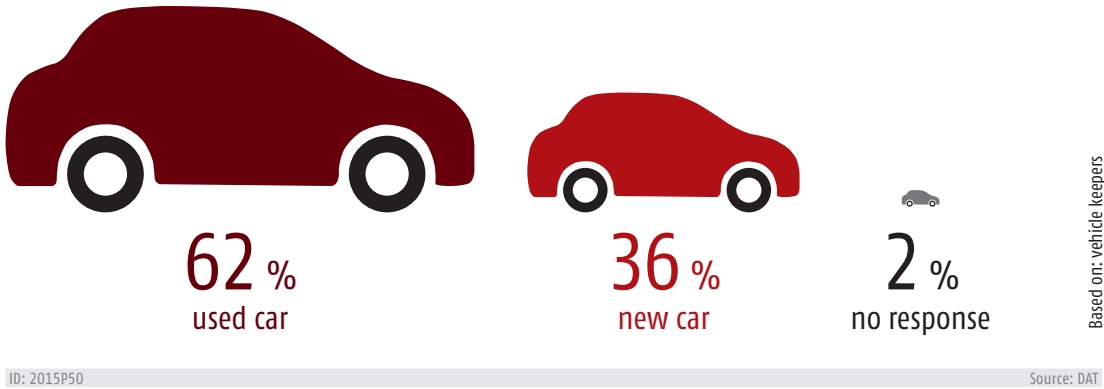


Photo: Alexander Raaths, Fotolia





**P53** Planned car purchase: new car vs used car 2015



49 % of respondents with a net disposable household income of 5,000 euros or more per month would opt for a new car, compared to 49 % in this income band who would buy used. This even split fades as incomes fall, with more respondents expressing a preference for buying used. Some 72 % households with monthly net incomes of under 2,000 euros tended towards buying a used car.

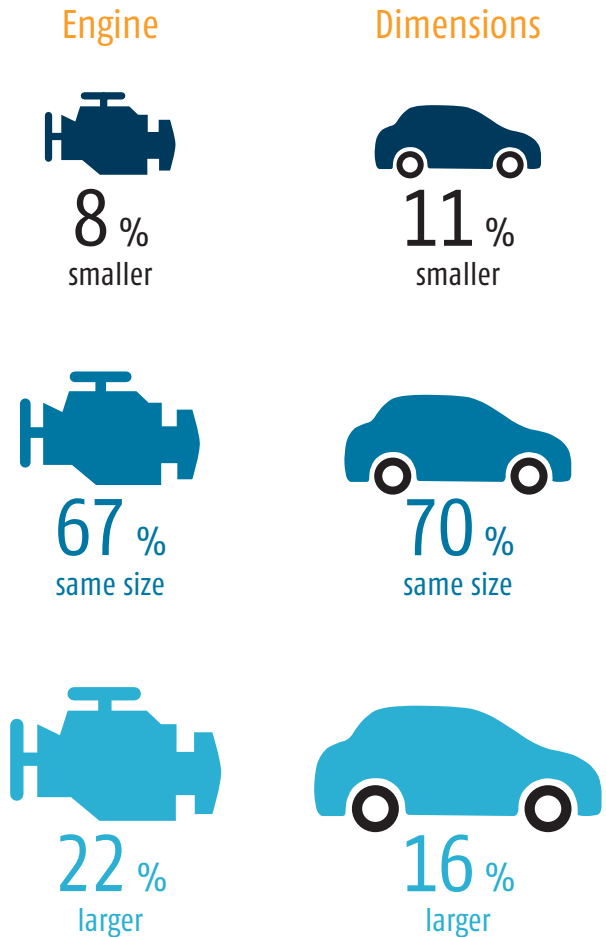
These purchase intentions are also reflected in the movements of drivers who switch between new and used cars, as shown in Graphic P5 (page 15) of the DAT Report. A clear preference for used cars was noticeable in recent years.

With reference to brand, 28 % of those surveyed did not have a particular marque in mind for their next car. Some 25 % said that they would always buy the same brand, while 44 % switch between two or three brands. When asked specifically about the brand of their next vehicle, as many as 52 % of keepers could see themselves buying a car of the same brand.

When asked about the external dimensions of their next car, 70 % (2014: 68 %) were entirely satisfied with the size of their current vehicle and would choose the same size when purchasing their next vehicle. Some 8 % (2014: 16 %) wanted to drive a smaller car in future, and around 16 % (2014: 12 %) would purchase a car with larger external dimensions (see Graphic P54). The preference for smaller vehicles has seen a marked decline over the past 15 years. This indicates that keepers at the time of the survey were not overly concerned about vehicle size. Some 3 % (2014: 4 %) gave no response to the query on dimensions.

Similar responses were given to the question on the engine size that they wanted on their next purchase. Some 67 % (2014: 66 %) were happy with their current vehicle, while around 11 % (2014: 11 %) wanted a smaller engine, and 22 % (2014: 20 %) wanted a larger engine. Some 3 % (2014: 3 %) gave no response to this question. In 2010, as many as 13 % were inclined towards a smaller engine. This figure was only 12 % in 2000.

**P54** Size of the next car 2015



# A DETOUR: GREEN MOBILITY

Alternative drive concepts such as hybrid or pure-electric vehicles will influence the automotive market in the future. The DAT Report has researched what car buyers today know about the issue.

The term “green mobility” has been an integral part of the German automotive industry since the National Platform for Electric Mobility (NPE) began its work as an advisory body to the Federal Government in 2010 – if not earlier. The NPE’s goal is for Germany to develop in a number of phases into the lead market for electric mobility. Its objective is not only to reduce dependency on petroleum but also to keep mobility sustainable and affordable in the long run. Electric mobility or e-mobility and other forms of alternative drives can contribute to reaching this goal, especially in terms of meeting climate protection objectives.

Yet the current numbers of registrations for alternative drives and levels of awareness on this topic amongst end consumers say something quite different. For one thing, vehicles with alternative drives are generally more expensive than conventional cars – dealers and manu-

facturers need to provide convincing arguments as to why this is the case. On the other hand, a discrepancy remains between the value end consumers place on being green, driving fun and their own wallets.

## Which drive?

Anyone who is deciding to buy a new or used car is confronted with a multitude of drive technologies during the purchase decision-making stage. In the course of the survey of end consumers for the DAT Report, information has been regularly gathered over the past years on the numbers of purchasers who opted for petrol or diesel engines, how car buyers described their vehicles’ fuel consumption and the role that environmental friendliness actually played in car purchases.

Fuel prices continue to be a major cost driver for every road user. Prices at the pump fell again from a consumer perspective in the automotive year 2015, and this is also reflected in the DAT Report: looking at responses to the question on driving behaviour and its link to fuel prices showed that how car buyers drive is no longer influenced by prices on the forecourt to the

Photo: Patrick P. Palaj, Fotolia

extent that it was ten years ago, for example. Back then, 59 % of new-car buyers and the same percentage of used-car buyers stated that they had changed their driving behaviour because of fuel prices. Some 69 % even said that they would try to reduce their fuel consumption by adjusting their engine or ignition to ensure optimum performance or asking a professional to do so for them. Ten years on, only 44 % of new-car buyers and 45 % used-car buyers said that they would change how they drive in order to save on fuel (see Graphic E1).

### The influence of fuel prices

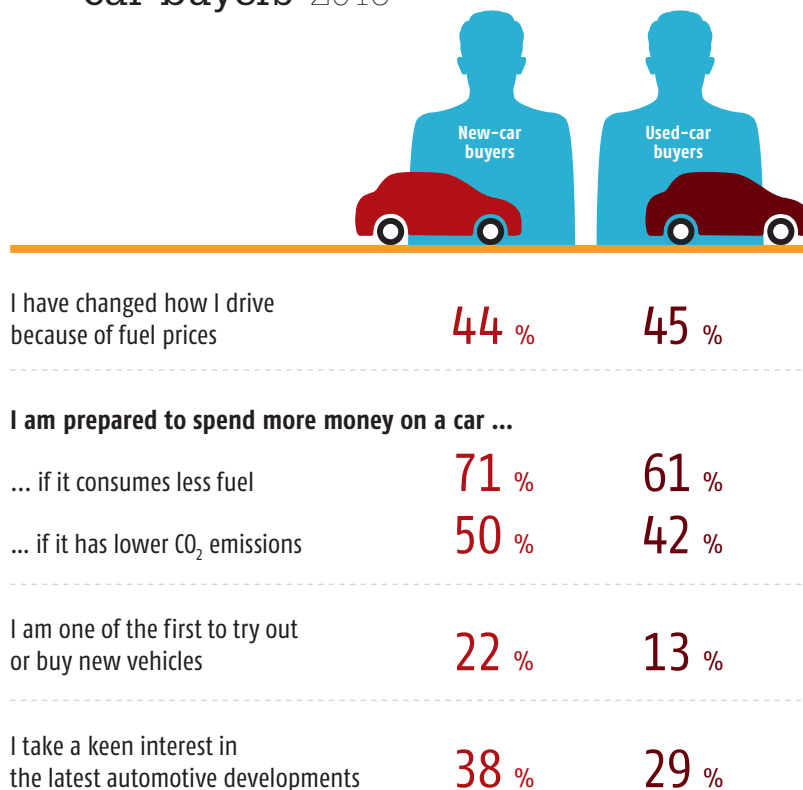
Even if fuel prices have less influence on driving behaviour today, they are still a reason for car buyers to opt for economical engines or at least to consider a more economical engine when purchasing. Approximately 78 % of new-car buyers who replaced a previous vehicle in 2015 said that their current car was more cost-efficient than their previous one.

Graphic E1 indicates that buyers are definitely interested in economical cars, even if the price tag is somewhat higher. As many as 71 % of new-car buyers and 61 % of used-car buyers agreed with this statement. Fuel consumption is directly linked to CO<sub>2</sub> emissions, even if buyers may often not be aware of this. Only 50 % of new-car buyers and 42 % used-car buyers would be prepared to invest more in their car if it produced fewer CO<sub>2</sub> emissions.

### Attracted to new technologies

When it comes to new technologies and innovations in the automotive industry, only small numbers of car purchasers considered alternative drive concepts (see Graphic E2). Clearly, too many uncertainties – such as range, fuelling, the availability of charging points and cost factors – still remain a barrier for end consumers. But beyond this, the diesel or petrol engine evidently remains an indispensable form of drive in car drivers' eyes. Doing without diesel technology in daily life on

## E1 Environmental awareness amongst car buyers 2015



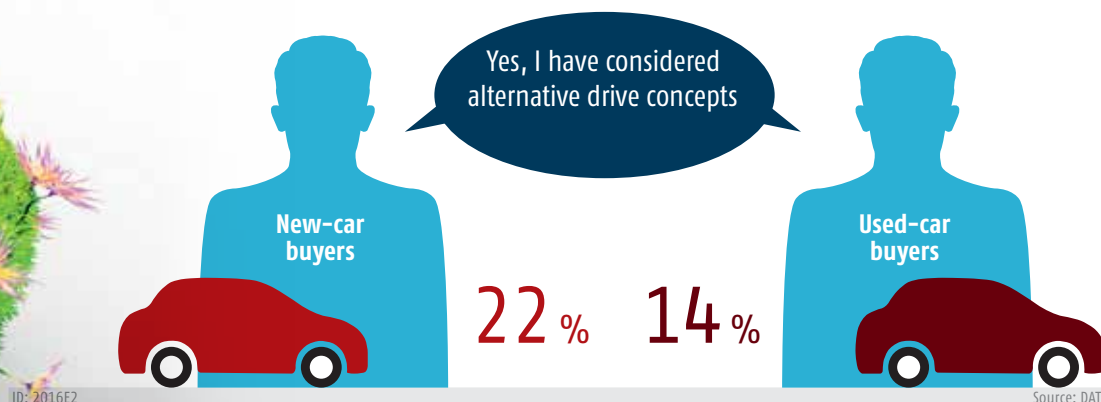
ID: 2016E1

Source: DAT

the roads in order to meet CO<sub>2</sub> target values and comply with justified emissions standards seems scarcely imaginable in the near future.

In this area of conflicting interests, alternative drive systems in general and e-mobility in particular do not enter into serious consideration when end consumers are buying their next car.

## E2 Purchase decisions 2015



ID: 2016E2

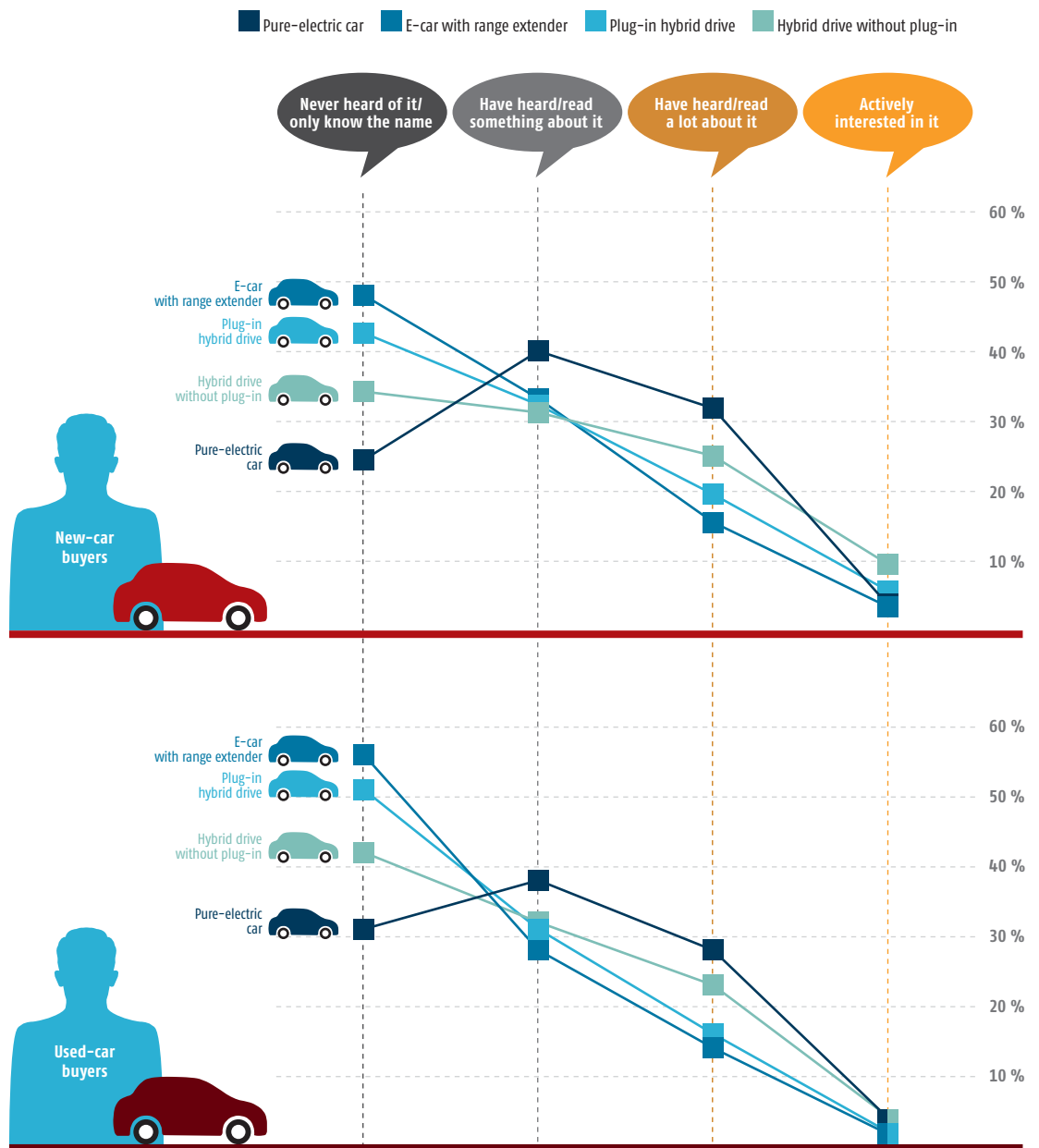
Source: DAT

What's more, only relatively small numbers described themselves as early adopters, that is, people who are the first to try out or buy new technological advances in the automotive sector. Some 13 % of used-car buyers and 22 % of new-car buyers used this label to describe themselves (see Graphic E1). But interest in the latest automotive developments was considerably stronger. Some 38 % of new-car buyers and 29 % of used-car buyers said that they took a keen interest in the latest developments.

### Awareness of alternative drives

In the course of the survey, it emerged clearly that levels of awareness of the different types of alternative drives remain very low. Graphic E3 shows how many buyers have never heard of these types of drive before or only know them by name. New-car buyers were especially likely to say that they had heard of pure-electric cars. As many as 40 % of all buyers said that they had heard about this type of drive. Just under a third of car

**E3** Levels of awareness of types of alternative drives 2015



ID: 2016E3

Source: DAT



## Seek success in niche markets

Interest in e-mobility is currently highest in the commercial and fleet segments – this is demonstrated by both the KBA's registration figures and the low levels of awareness amongst end consumers (Graphic E3). If a dealership wants to succeed in the field of alternative drives, it must make a name for itself as a niche specialist. Collaborations between municipal service providers, dealerships and companies can be presented at information events in the showroom to whet end consumers' appetites too. Action days for alternative drives interest both local media and nearby schools. All in all, it is a question of consolidating knowledge in the showroom and constantly expanding it so that dealers can establish themselves as expert contacts for new customers interested in alternative drives.

buyers in 2015 had heard or read a lot about them or were actively interested in this technology.

It is striking that there may have been much more discussion of e-mobility in the media in 2015 than in previous years, but this did not affect car buyers' purchase decisions. Hybrid drives were the most frequently named form of alternative drive by some margin, with 8 % of used-car buyers mentioning this type of drive. They were followed by pure-electric vehicles (4 %) and plug-in hybrids (3 %). Bringing up the rear were electric vehicles with range extenders, which only 1 % mentioned.

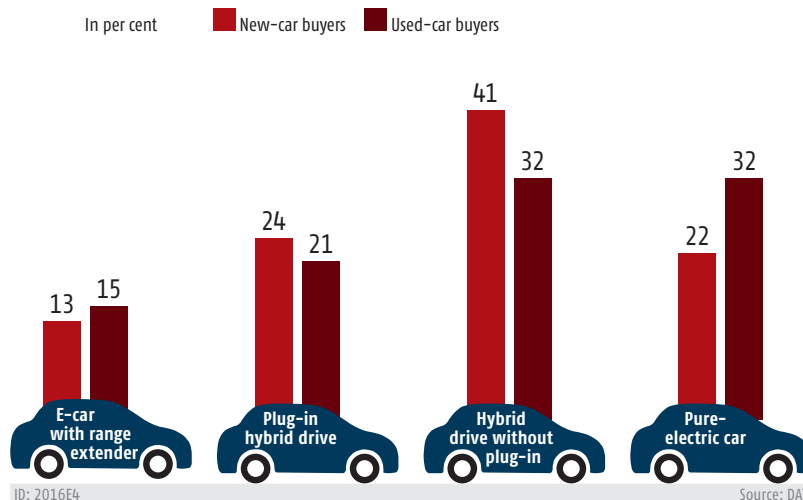
Turning to new-car buyers, hybrid drives took first place amongst the possible alternatives with 13 %, followed by plug-in hybrids with 6 %, pure-electric vehicles with 5 % and range-extended electric vehicles with 2 %. Amongst both groups of purchasers, women showed considerably greater interest in pure-electric vehicles.

It can be noted here as a preliminary conclusion that car buyers are still most inclined towards purchasing hybrid vehicles, but clearly electric vehicles are more widely known.

### Drive technology of the future

In order to gain a better understanding of the acceptance of alternative drives amongst car purchasers, they were then asked which drive technology they would choose if there were no more conventional internal combustion/heat engines in the near future. Graphic E4 shows that the majority of new-car buyers would opt for a hybrid drive (41 %), followed by a plug-in hybrid

## E4 If there were only alternative drives, what would you buy? 2015

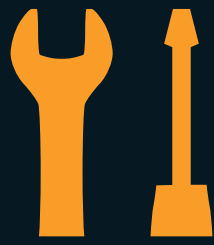


(24 %). Just two percentage points behind were pure-electric cars.

The distribution differs for used-car buyers: here battery-only electric vehicles were level with hybrids. Following them were plug-in hybrids and range-extended electric cars. The breakdown by gender reveals interesting results: female used-car buyers placed pure-electric cars first by a large margin (42 %), and hybrid vehicles trailed some way behind. By contrast, 38 % of men would prefer hybrid-drive vehicles and only 25 % would opt for a pure-electric car. A different picture emerges when responses from new-car buyers are compared by gender: 36 % of female new-car buyers would prefer hybrid vehicles, closely followed by pure-electric vehicles (32 %), whilst their male counterparts would opt for hybrid engines (44 %), followed by plug-in hybrids (26 %). Overall, this adds up to 70 % of respondents who are attracted to hybrid vehicles.







# R

## SERVICING & REPAIRS

# R

1. Overview page **57**

2. Vehicle servicing page **58**

3. Oil changes page **62**

4. Repairs page **64**

5. Summary page **68**

6. Do-it-yourself page **70**

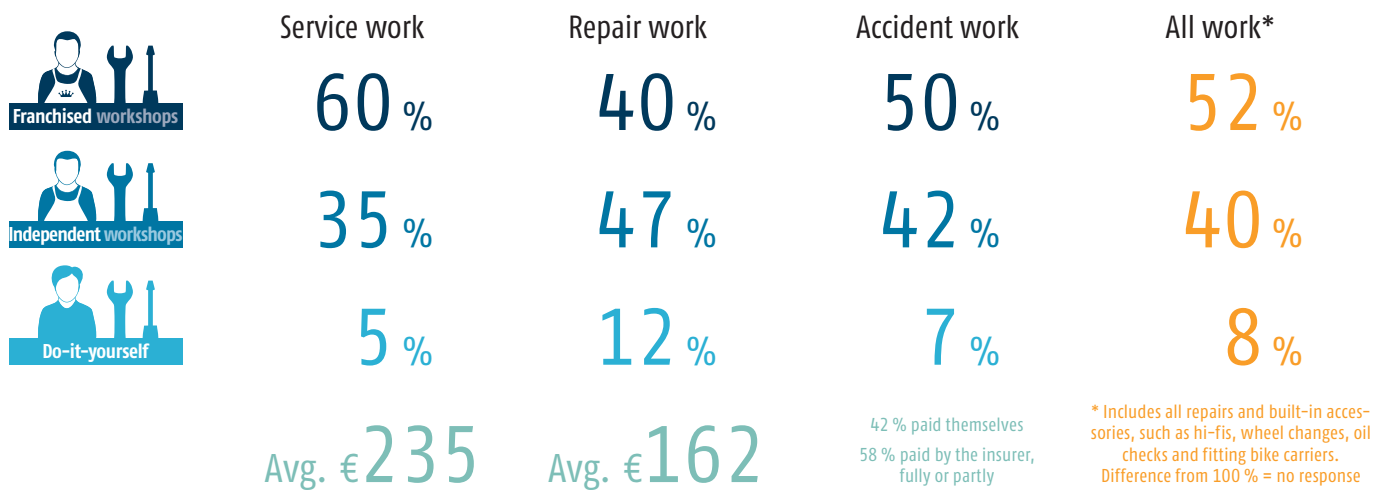
7. Arbitration bodies page **72**

8. Information behaviour page **72**

9. Customer satisfaction page **74**



## W1 Service and repair work 2015



ID: 2015W1

Source: DAT

### 1. Overview

Chapter 3 of the DAT Report focuses on end consumers' behaviour in terms of workshop business. In addition to questions on their expenditure on their cars, vehicle keepers were also surveyed on their personal experiences and what they would like to see at workshops. A key performance indicator here is the total number of companies listed in the register of the ZDK (Central Association of the German Motor Industry). In 2015, the total was 38,400 permanent establishments; of these, 17,450 were franchised workshops and 20,950 independents. This represents a decrease of 100 firms compared to 2014.

Another key performance indicator is the number of passenger vehicles in the German car parc. DAT has calculated a preliminary estimate of the car parc for 2015 of 44,838,532 units (+1 % compared to 2014). The actual number as calculated by the German Federal Motor Transport Authority (KBA) in Flensburg was not available at the time of going to press. The trends in previous years were therefore used to extrapolate the car parc for 2015. There was a total of 44,403,124 units in 2014 (+ 1 % compared to 2013).

Some background information: the car parc data published by the KBA has not included vehicles temporarily taken off the road since 2007. A proportion of the off-road vehicles (which includes temporary and permanent deregistrations of passenger vehicles) must therefore be added. According to the KBA, off-road cars amounted to 8.1 million units in 2014. After scrapped and exported vehicles had been deducted, a total figure of 50.7 million units was used as a key measure. This figure has been extrapolated since 2007 based on the growth of the car parc between 2008 and 2015.

The average age of passenger vehicles in the car parc in 2015 was nine years (preliminary estimate; the KBA's

data for the car parc was not available at the time of going to press), which is older than in the previous year. Passenger vehicles previously purchased new were 5.1 years old on average (2014: 5.7); those previously purchased used were 9.6 years (2014: 9.5).

#### Volume of work has fallen

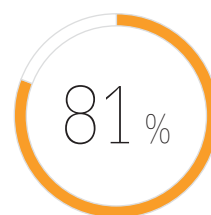
Overall, 2015 was a satisfactory year for workshops. The data collected for the DAT Report relates solely to the survey of end consumers, who placed fewer workshop orders in 2015 than in the previous year (see Graphic W1 and other graphics).

But there is a discrepancy between the results from the workshops and the data in the DAT Report: many service and repair orders are from key accounts or fleet business. What's more, end consumers do not incur any costs for warranty work if they have a service and maintenance plan or a full-service personal lease. In addition, accident repairs often generate workshop turnover, but payment is often settled with the insurer directly.

Accident-related body repairs and paint work for specialist firms were also not included in the DAT Report. The many recalls in 2015 have made for good workshop business, but so too have the large number of used cars sold through dealers as these vehicles are thoroughly checked over in the workshop before sale.

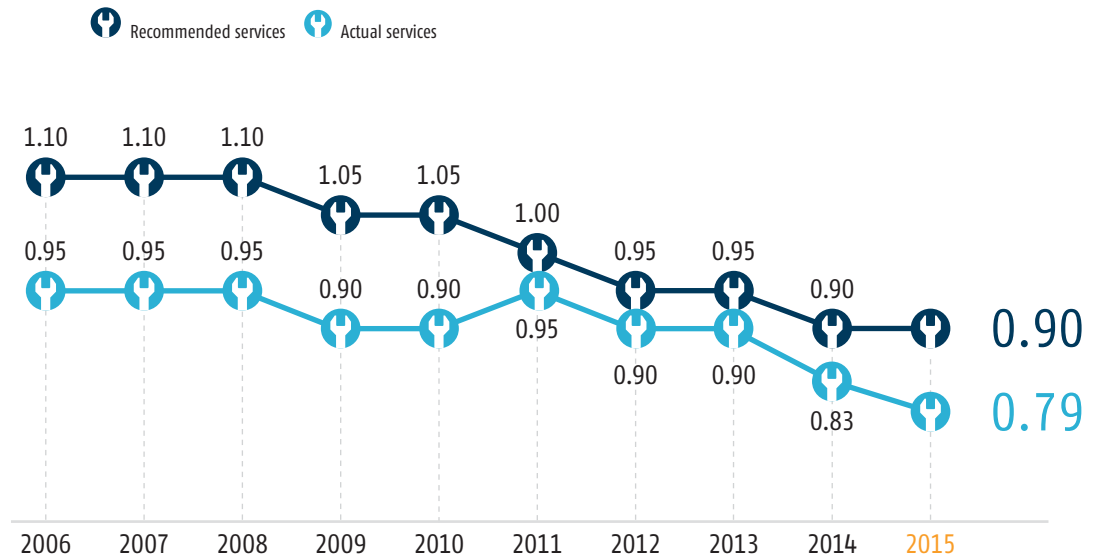
#### Workshop loyalty virtually stable

Looking at the results for workshop loyalty shows that 81 % (2014: 80 %) of car drivers who had their vehicle repaired and serviced at a workshop took it to the same firm as in the previous year, making them regular customers. Workshops even succeeded in slightly increasing customer loyalty.



81 %  
of workshop customers were regular customers

## W2 Recommended services and actual services



ID: 09331028

Source: DAT

## 2. Vehicle servicing

This chapter examines how vehicle keepers behave when it comes to servicing their cars. The number of recommended services in 2015 was exactly the same as in the previous year at 0.90 per annum. Drivers covered an average 110 kilometres less in their cars than in 2014, with the total for 2015 being 14,350 kilometres. Despite lower prices at the pump, vehicle keepers continued to save on the frequency of servicing. When asked whether they would reduce the service work on their car in the future, 10 % answered “yes”. Women were especially keen to save at 11 %, whilst only 9 % of men said they would try to limit their trips to the garage in

the future. In 2015, 36 % (2014: 34 %) of vehicle keepers entirely dispensed with a full, interim or other type of service.

### 2.1 Service frequency

As Graphic W2 shows, 0.79 services were performed per car in 2015, a further fall compared to 2014 (0.83). For comparison: vehicle keepers had their cars serviced once a year in 2005. The reduction in overall servicing is also reflected in the figures for full services (Graphic W3). The number of full services fell compared to the previous year from 34 % to 33 %, whilst interim services rose marginally from 21 % to 23 %. The service intervals set by carmakers are longer for younger vehicles than for older cars. It is only logical that hardly any work will be carried out on a car that is two years old at a maximum. This can also be seen in Graphic W4. For passenger vehicles aged between two and four years, service frequency declined slightly to 0.80 services per year (2014: 0.87). The number of services rose to 0.86 for cars aged over eight years.

Graphic W5 shows the difference between vehicles purchased new and used. Vehicles purchased new were aged 5.1 years on average in 2015 (2014: 5.7), while those purchased pre-owned had 9.6 years on the clock (2014: 9.5). Keepers in both groups limited the number of services they had on their cars. The service frequency for cars purchased new fell from 0.81 in the previous year to 0.80. For used cars, the decrease is more noticeable, with services per year falling from 0.85 to 0.79. The largest fall was in the percentage of other services carried out on cars bought used, which declined from 29 % in 2014 to 26 % in 2015.

## W3 Service work

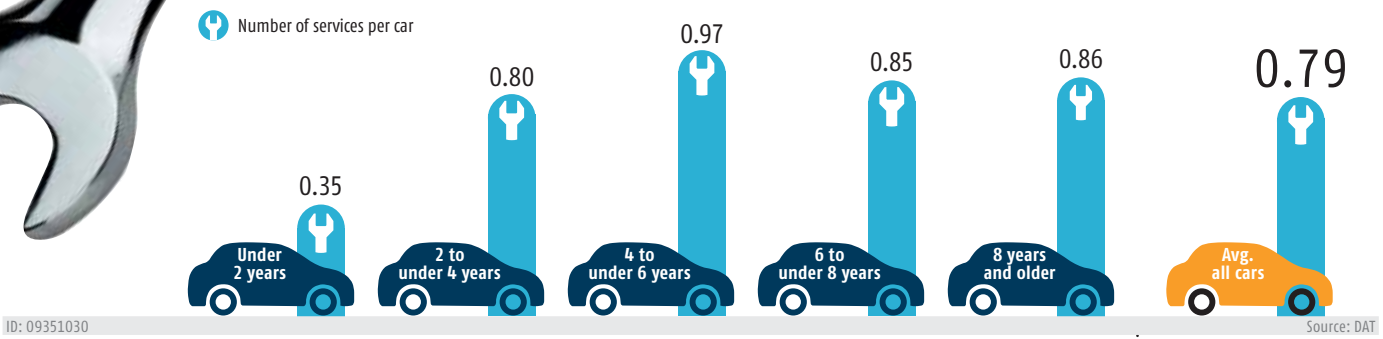
In per cent

Type of service	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Full service	43	42	41	38	39	44	37	39	34	33
Interim service	24	25	24	22	24	22	22	24	21	23
Other service	24	25	24	23	24	25	26	25	25	23
Service frequency per car in numbers	0.95	0.95	0.95	0.90	0.90	0.95	0.90	0.90	0.83	0.79

ID: 09341029

Source: DAT

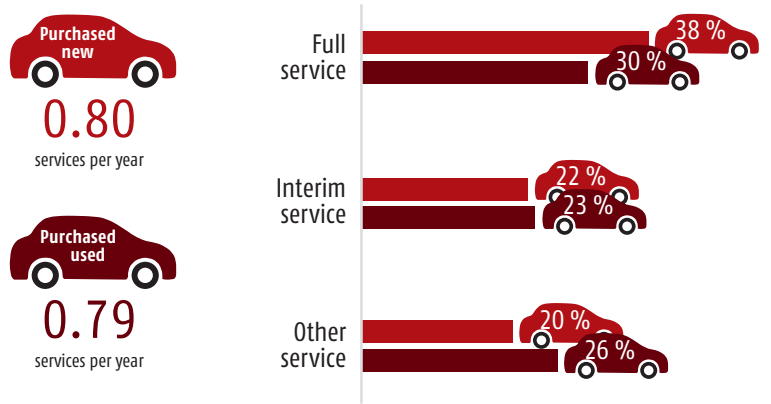
### W4 Service frequency by car age 2015



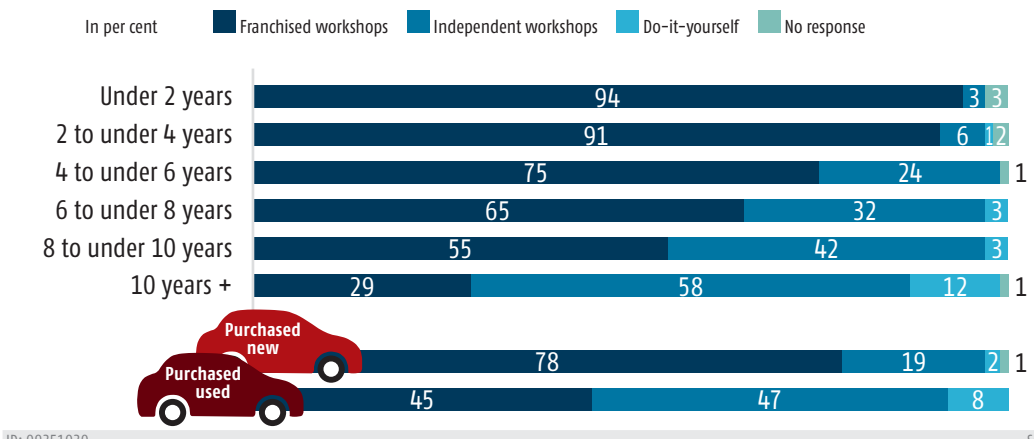
## 2.2 Vehicle age as a factor

Franchised workshops achieved excellent results in attracting repair work for cars aged between eight and ten years. This is clearly indicated in Graphic W6. The share of work carried out on vehicles in this age bracket at franchised workshops rose from 43 % in 2014 to 55 % in 2015. One explanation for this striking trend is surely that growing numbers of franchised firms are offering targeted special promotions for these cars. However, their market share for cars aged ten years and older fell considerably by ten percentage points compared to the previous year to 29 %. Some 58 % of these vehicles were examined by independent workshops. A decisive factor in the choice of workshop for servicing is whether the car was purchased used or new. Some 78 % of vehicle keepers who bought their car new took it to a franchised workshop for servicing in 2015 (2014: 72 %); this figure was only 45 % for used-car buyers, a fall of six percentage points compared to the previous year.

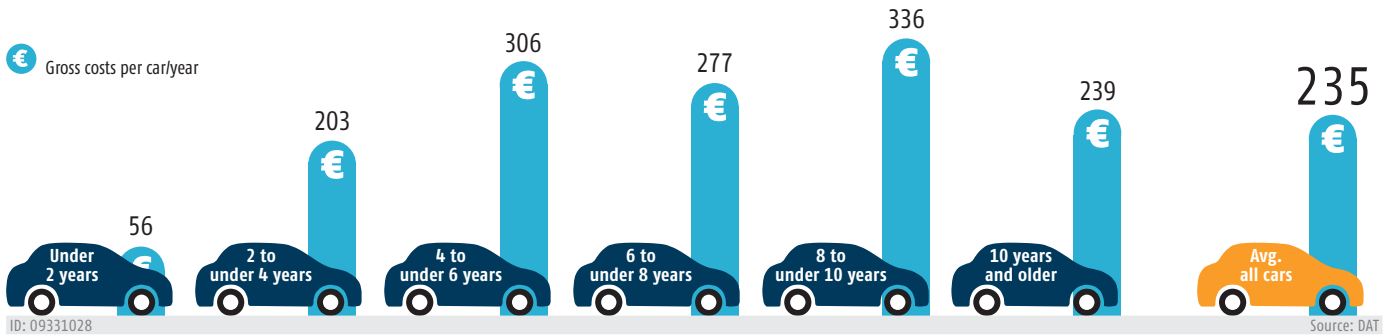
### W5 Service behaviour by vehicle purchase 2015



### W6 Choice of provider for service work 2015



## W7 Service costs by car age 2015



### 2.3 Service costs

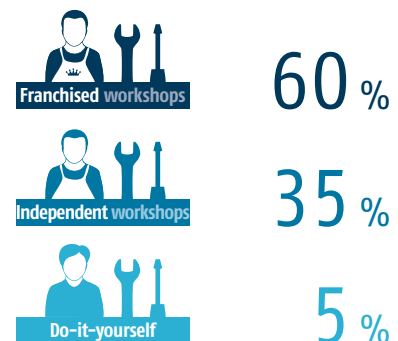
Of course, the important point is not just whether a customer takes his or her car to the workshop for a service but also how much is spent on the work carried out. Vehicle keepers spent 235 euros on average in 2015 (see Graphic W7), less than in the previous year (245 euros). Costs were lowest for keepers of vehicles aged under two years. The highest costs at an average 336 euros were incurred for vehicles aged eight to ten years. Looking at the brand of car, servicing outlay ranged between 221 euros for imported models, 243 euros for German brands and 286 euros for German premium brands. In 2015, keepers of cars bought new invested an average

of 230 euros (2014: 283 euros) in a service. Vehicle keepers who purchased used cars may have invested slightly more, spending 238 euros on average, but they still paid less than in 2014 (251 euros). Looking at cost per kilometre travelled, the average total distance covered over the year was 14,350 km in 2015 (2014: 14,460 km), meaning that the average servicing expenditure was 1.6 cents (2014: 1.7 cents) per kilometre travelled. But work was only carried out on 64 % (2014: 66 %) of these vehicles. As a result, the average expenditure for a car that actually required servicing was 390 euros or 2.7 cents per kilometre travelled (2014: 390 euros; 2.7 cents per kilometre travelled).

### 2.4 Choice of provider

As in the previous year, 60 % of services were carried out at franchised workshops. Independent workshops' market share was also unchanged at 35 %. This adds up to a total workshop share of 95 %.

## W8 Choice of provider for service work 2015



ID: 09371032

Source: DAT





## 2.5 Full service

In 2015, 33 % of car drivers had a full service carried out on their vehicle (2014: 34 %). As Graphic W9 shows, franchised workshops were not able to maintain their share of 72 % in the previous year, and it fell to 67 %. Four of the five percentage points that they lost were gained by independents, who generated 29 % of orders (2014: 25 %). The workshop share of full services was 96 % in 2015, almost the same level as in the previous year.

Breaking down the results between cars purchased new and used, 78 % of cars purchased new (2014: 79 %) had a full service at a franchised workshop. This figure is only 56 % (2014: 64 %) for cars purchased pre-owned. One striking finding is that franchised workshops maintained a high market share for cars aged up to four years at 92 % (2014: 96 %). Only 45 % (2014: 56 %) of keepers of vehicles aged eight years and older had a full service at a workshop franchised by the same brand as their car.

## 2.6 Interim service

A total of 23 % of vehicle keepers took their car to a workshop for an interim service in 2015. The market share of authorised workshops increased from 60 % (2014) to 64 % in 2015. A further 29 % (2014: 33 %) had an interim service carried out at an independent workshop. Keepers of vehicles aged under two years were the most likely to have an interim service performed, with 56 % having their cars checked. The other group of top customers were long-distance drivers (those covering 30,000 km and more per year); 51 % of this group booked their car in for an interim service in 2015. Keepers of passenger vehicles aged between six and eight years were less likely to have an interim service performed, with only 28 % taking their car to a specialist autocentre for this reason. The total share for workshops in 2015 was 93 %, the same as in the previous year (see Graphic W10).

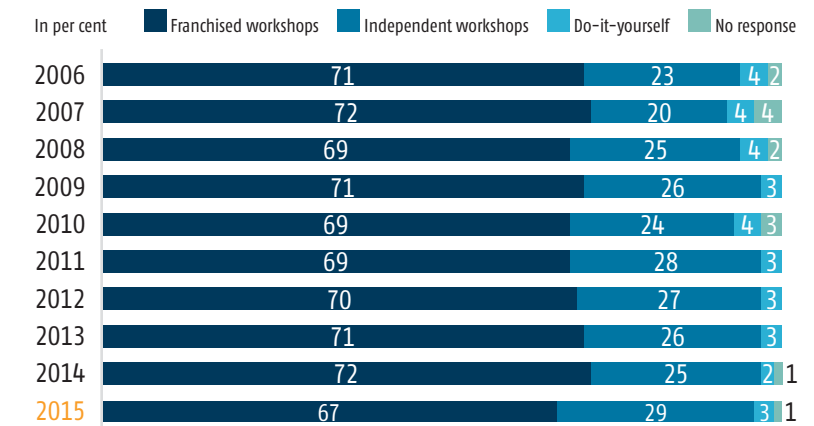
## 2.7 Other types of service

A total 23 % of vehicle keepers had other types of service carried out in 2015. Keepers of older vehicles were the most likely to replace the manufacturer's recommended services with other types of service. Some 49 % of cars aged older than ten years were taken for a service that was neither an interim or a full service in 2015. As Graphic W11 shows, 45 % (2014: 46 %) of these services were carried out at an authorised workshop and 47 % (2014: 47 %) at an independent workshop.

Other services can often include holiday, summer, winter or pre-MOT checks. Some 46 % had a workshop engineer inspect their vehicle in order to receive a new MOT disc without placing an order for repairs or a service.

The option "engine test" was removed from the survey for the DAT Report 2015 for the first time. Research had shown that this question was difficult for end consumers to answer due to the increasingly complex technology.

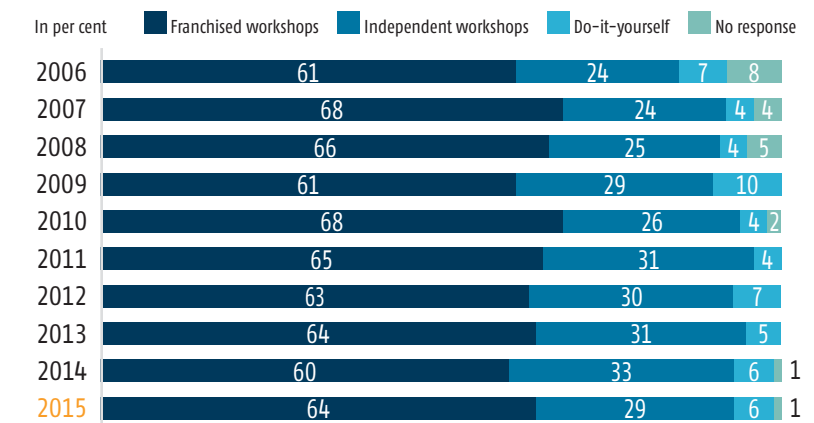
### W9 Full service: choice of provider



ID: 09401035

Source: DAT

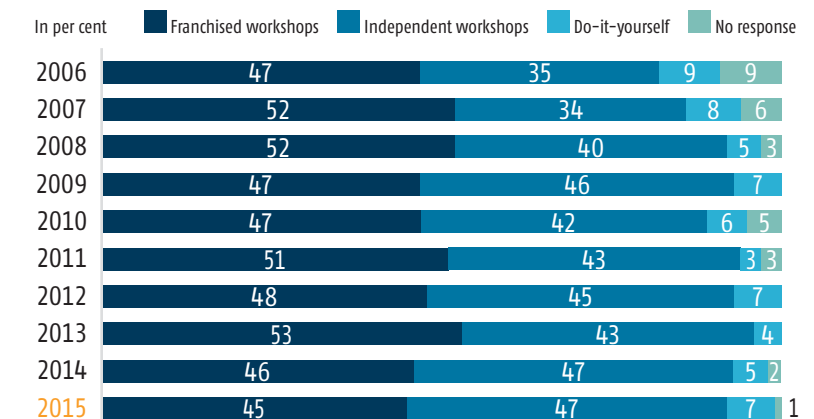
### W10 Interim service: choice of provider



ID: 09411036

Source: DAT

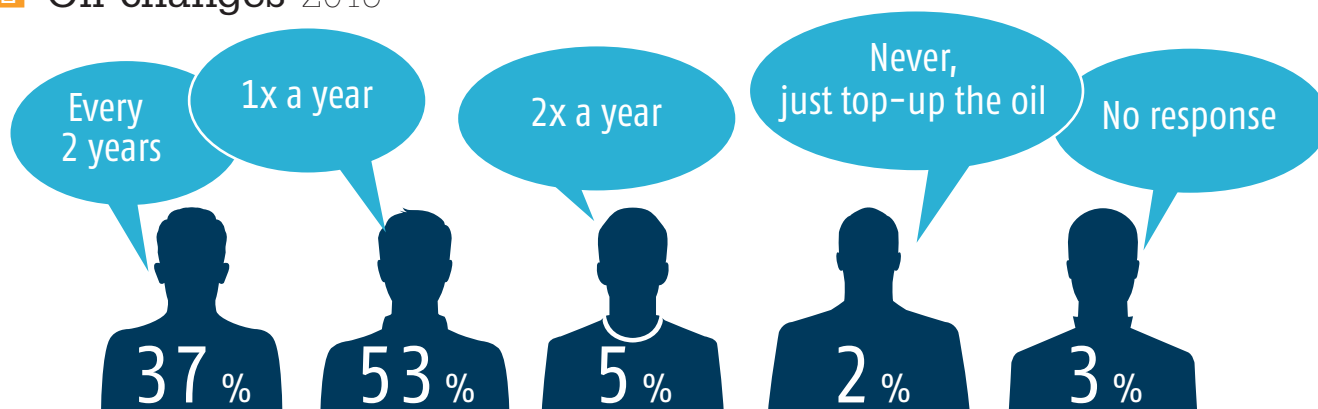
### W11 Other services: choice of provider



ID: 09421037

Source: DAT

**W12** Oil changes 2015






ID: 09441039

Source: DAT

### 3. Oil changes

Every two years or once a year are the intervals that most car drivers stick to for oil changes. This is virtually unchanged compared to the previous year. Broken down per passenger vehicle, each car had its oil changed 0.82 times a year in 2015 (the figures for previous years: 2013: 0.83; 2014: 0.80). This can be seen in the frequency distribution in Graphic **W12**. Based on an annual kilometres travelled of 14,350 km, this means engine oil was changed every 17,607 km on average (2014: every 18,075 km).

**W13** Choice of provider for oil changes/top-ups 2015

	Oil changes	Oil top-ups
 Franchised workshops	54%	21%
 Independent workshops	34%	12%
 Do-it-yourself	12%	66%
No response	0%	1%

ID: 2015W13

Source: DAT

#### High market share for workshops

Workshops' total share for oil changes was 88 % in 2015 (2014: 86 %), as Graphic **W13** shows, representing a sustained high share of the market. Some 7 % of customers who had their oil changed at a workshop brought their own supplies along with them. The majority of keepers took care of oil top-ups themselves in 2015. As is the case with servicing and repairs, oil changes are also carried out less frequently at franchised workshops as the vehicle age increases. Franchised workshops performed 84 % (2014: 81 %) of oil changes for cars aged under two years, but this percentage fell continually to 30 % (2014: 33 %) for cars aged eight years and older. The reverse is true for independent workshops. They carried out 7 % (2014: 10 %) of oil changes on vehicles aged under two years, but their share rose a sizeable twelve percentage points to 52 % for vehicles aged eight years and older in 2015. This was up from 40 % in the previous year. One reason for this may be discounted promotions, which are frequently offered by fast-fit centres. Their clear offers mean that drivers can have their oil changed on the spur of the moment and without an appointment.

#### Smaller share for do-it-yourself

Fewer vehicle keepers wanted to get their hands greasy after work or at weekends in 2015 than in the previous year. Only 12 % (2014: 13 %) of keepers took care of oil changes themselves or asked an acquaintance for help. For vehicles aged under two years, this figure has remained at a stable low level of 6 %. By contrast, there has been a sharp fall in the number of DIY enthusiasts amongst keepers of motor vehicles aged eight years and older. Only 18 % took care of this task themselves (2014: 24 %). Some 42 % of those who handled their oil changes themselves purchased fresh lubricant from a car accessories shop, compared to 12 % who purchased from an independent workshop and only 9 % who purchased from a franchised workshop. The brand of oil was completely irrelevant for 31 % of purchasers. For 18 %, the brand on the label was "somewhat" relevant.

## Offer affordable alternatives

Some 30 % of top-up oil purchases were made at franchised workshops and 24 % at independent workshops. Petrol stations accounted for 14 % of purchases, and car accessories shops for 19 %. Surely one of the main reasons why the majority of customers do not purchase top-up oil from a workshop is the belief that it is most expensive there. Workshops that offer their customers oils from different price categories as well as good advice make for satisfied and well-informed customers. The sales situation can also be used to explain to inexperienced vehicle keepers how to check the oil level.

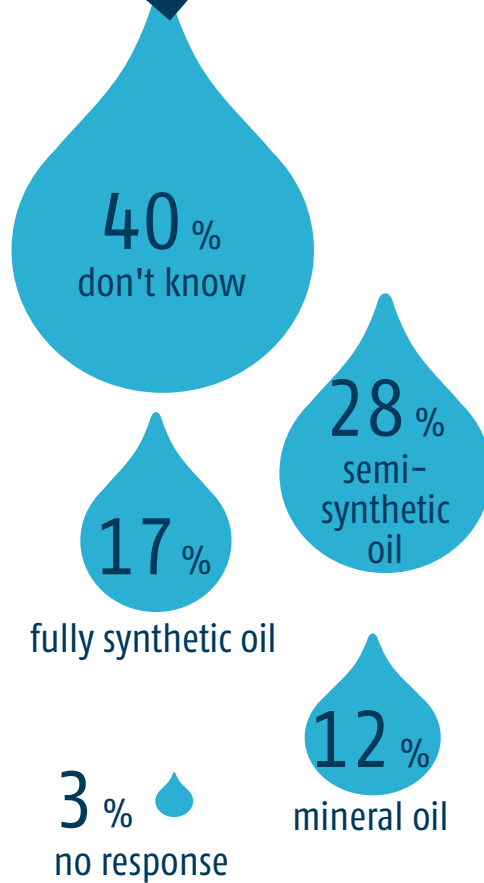
Only 33 % in total placed great or very great value on the brand.

### Types of engine oil often not known

Breaking down the results by type of oil, 12 % of respondents used mineral oil, 28 % semi-synthetic and 17 % fully synthetic oil. Almost half (43 %) of vehicle keepers could not say or did not want to say which type of oil was filled in their car to lubricate the engine (Graphic W14). Some 27 % (2014: 31 %) of male car drivers did not know which type they were using; the number of “don’t knows” was considerably higher amongst women at 61 % (2014: 57 %).

When the results are segmented by vehicle age, between 30 % and 49 % of all vehicle keepers have no idea which type of engine oil their car requires. Graphic W15 shows the averages for different vehicle age groups. Only a very low number of respondents always kept a supply of oil with them in their vehicle in case a top-up is required. Just 10 % of car drivers had such a reserve supply. Some 61 % purchased oil for top-ups directly from a franchised workshop.

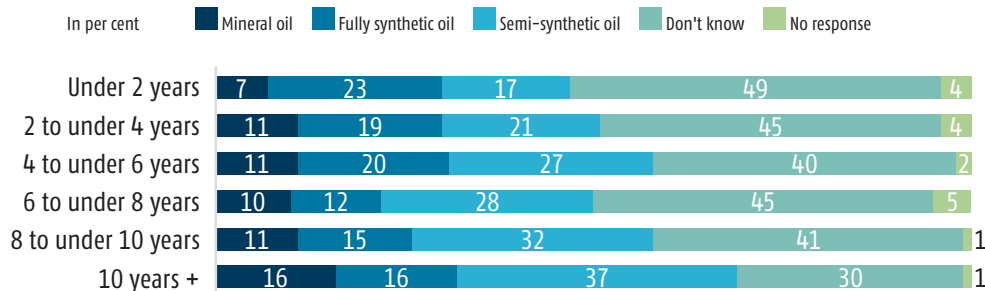
## W14 Types of oil used 2015



ID: 09471042

Source: DAT

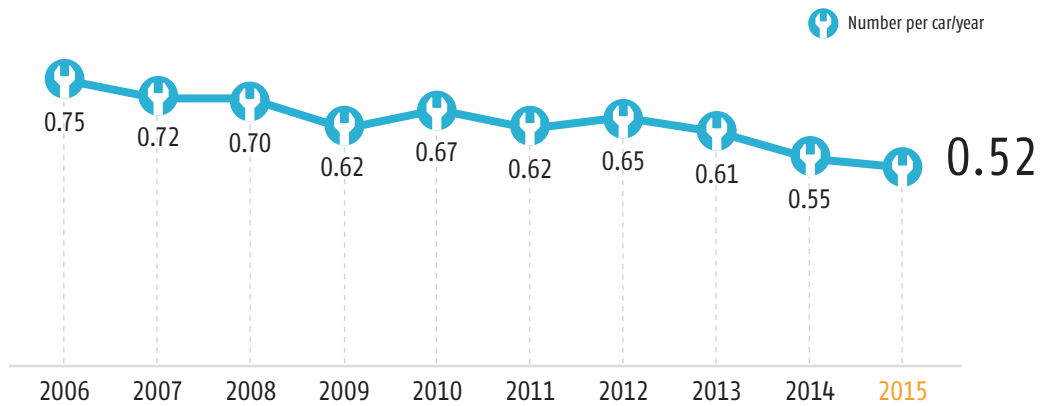
## W15 Types of oil used by car age 2015



ID: 09481043

Source: DAT

## W16 Frequency of repairs



ID: 09491044

Source: DAT

## 4. Repairs

### 4.1 Vehicle age as a factor

This chapter of the DAT Report looks at end consumers' behaviour in terms of placing orders for repair work. As was the case in previous years, end customers saved on repairs in 2015, and the all-time low continued. There was an average of 0.52 workshop jobs (excluding services/accidents) per vehicle in 2015, representing a continued downward trend. Some 0.55 repair jobs were carried out in 2014, compared to 0.61 repair jobs in 2013 (see Graphic W16).

Despite this decrease, the annual kilometres travelled by a passenger car fell only minimally from 14,460 km to 14,350 km. As before, it is safe to assume that some vehicle keepers do not have one or two repairs carried out, even though they actually need doing. In total, 15 % of respondents admitted delaying required work for as long as possible to cut costs. Amongst women, this per-

centage was as high as 18 %; it was somewhat lower for men at 13 %.

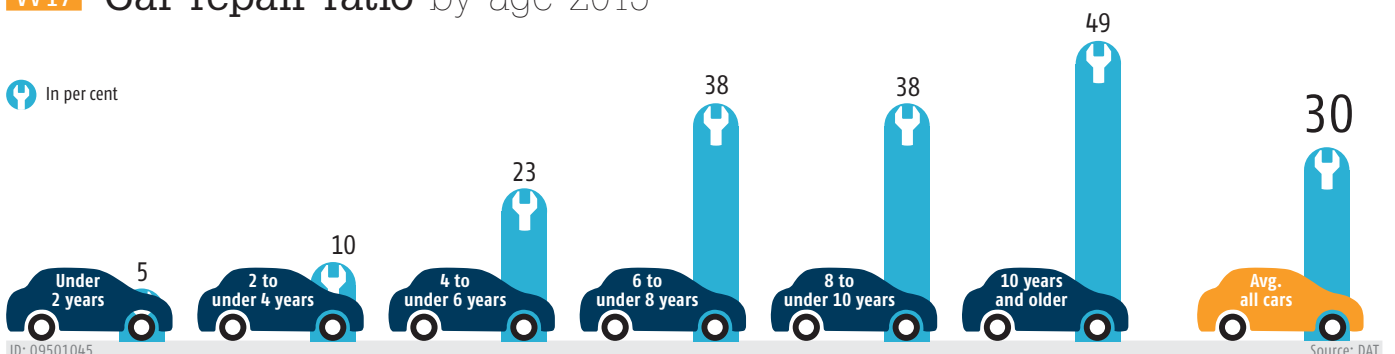
In total, only 30 % of cars had some kind of repair carried out in 2015 (2014: 35 %). Around 1.7 repairs were made to vehicles that had actually been taken to a workshop due to a fault (2014: 1.6). As is to be expected, the repair ratio was highest for vehicles aged ten years and older. Some 49 % of cars in this category were repaired. This figure was only three percentage points lower for cars aged eight years and older. In this age bracket, 46 % (2014: 48 %) of vehicles had a repair carried out (see also Graphic W17). One striking finding is that only 19 % of cars purchased new were repaired, compared to 39 % of those bought used. Looking at gender also reveals a small difference. Some 30 % of men took their car to a specialist autocentre, compared to 28 % of women.

#### Fewer repairs to younger vehicles

Analysing the results based on different criteria clearly shows that repairs increase as vehicles get older.

There was a noticeable fall in 2015 in the repair ratio

## W17 Car repair ratio by age 2015



ID: 09501045

Source: DAT



## Good advice makes for safe driving

Just under a quarter (23 %) of keepers of motor vehicles aged eight to ten years and just under a third (29 %) of keepers under 30 put off pending repairs for as long as possible. Financial considerations certainly play a part here. Workshops should be on the lookout for these customers and suggest that they come back at a later date for a repair if the part in question still has some wear limit remaining. Putting the cards on the table and giving customers a clear explanation is the way to gain trust in the long run.

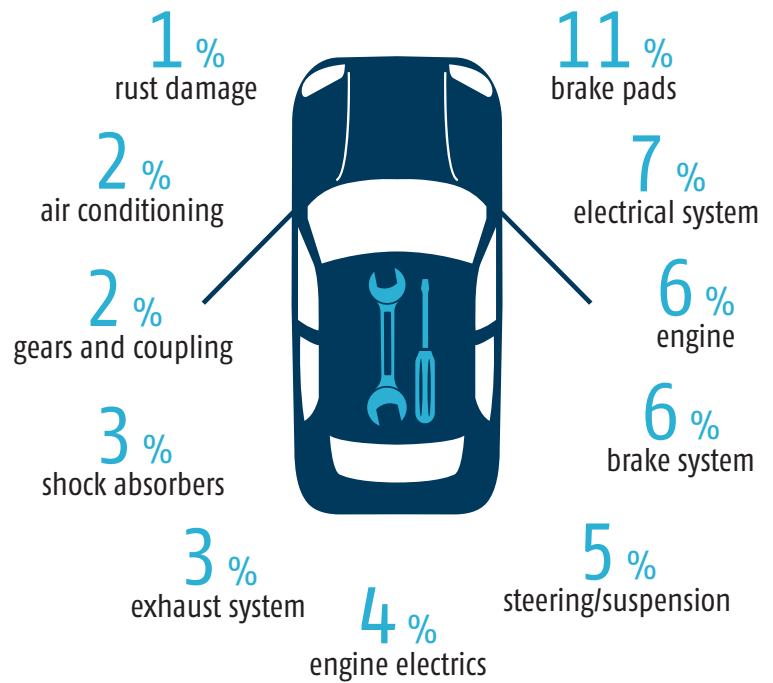
for passenger vehicles aged under two years compared to the previous year: the average is now as low as 0.05 (2014: 0.15). The frequency of types of repairs performed for selected parts and units is shown in Graphic W18. Work on brakes, the electrical system and steering/suspension parts took the top places once again in 2015.

A small increase can be seen in fault repairs on air conditioning, a new question introduced for the DAT Report 2014. Vehicles aged between eight and ten years had the greatest need for these repairs, with 5 % requiring them (2014: 4 %). On average, 2 % of vehicle keepers took their car to a workshop due to problems with the air conditioning. It is also noticeable that cooling system malfunctions top the table for vehicles aged under two years with a repair ratio of 2 %.

### 4.2 Repair costs

Not only did the number of repairs fall, the average financial outlay per car also decreased in 2015. Whereas vehicle keepers spent 191 euros on average in 2013, their

## W18 Repair work 2015



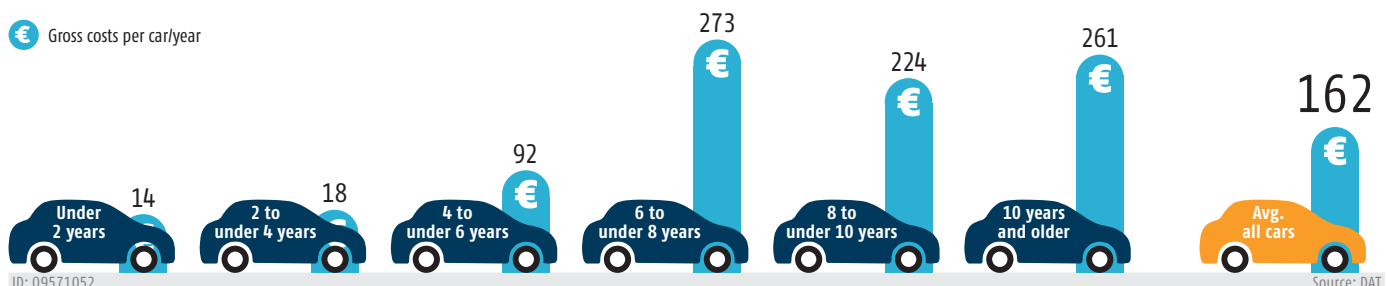
ID: 09511046

Source: DAT

repair budget shrank to 171 euros in 2014 and, contrary to expectations, decreased again in 2015. On average, only 162 euros of repairs were incurred per passenger vehicle in 2015. When the average across all car age segments of 162 euros is allocated for the average annual kilometres travelled of 14,350 km, the repair bill for 2015 was 1.1 cent/km (2014: 1.2 cent/km). That is slightly lower than in 2014, when the annual number of kilometres travelled was marginally higher. Repair work on vehicles under warranty or as a goodwill gesture is not included in the above figures.

## W19 Repair costs by car age 2015

€ Gross costs per car/year

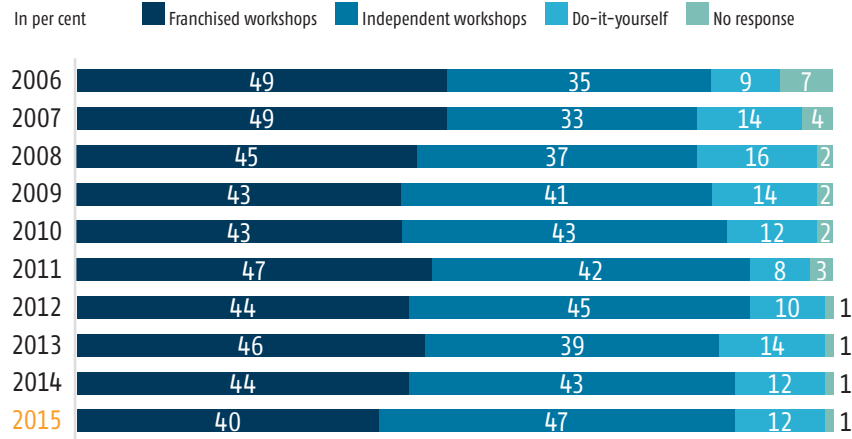


ID: 09571052

Source: DAT



## W20 Choice of provider for repairs



ID: 09531048

Source: DAT

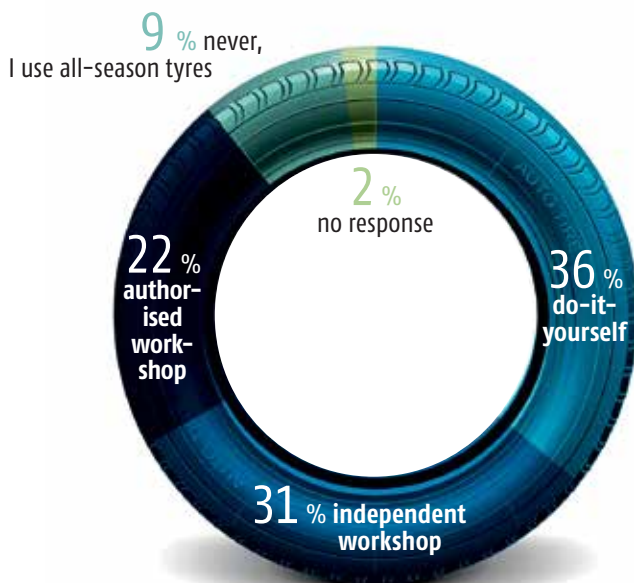
### 4.3 The role of workshops

Franchised workshops carried out 40 % of repair work on end consumers' vehicles in 2015 (2014: 44 %). Independent workshops achieved a new record of 47 % of the volume of work. Since 2006, non-franchised firms' share has grown strongly by a sizeable twelve percent-

age points (see Graphic W20). However, differences remained between repair orders placed by keepers of new and used cars. Former new-car buyers in 2015 were more likely to seek out a franchised workshop (2015: 60 %; 2014: 58 %). Independent firms increased their market share amongst this customer group by one percentage point to 35 %. The proportion of vehicle keepers

## W21 Wheel changes and storage 2015

### Wheel changes



### Tyres stored at a firm

Based on: wheels changed in a workshop



ID: 2016W21

Source: DAT



who had purchased a used car and booked in with a franchised workshop fell from 37 % in 2014 to 33 %. Independents were able to increase their share in this segment as well to 51 % (2014: 48 %).

### Wheel changes

Seasonal wheel changes create a special bond between the customer and the workshop. This is why end consumers were surveyed on wheel changes for the first time for the DAT Report 2016. Some 53 % of vehicle keepers took advantage of the opportunity to have their wheels changed at a workshop (see Graphic W21). The majority of these customers at 64 % are male. Some 60 % of those who had their wheels changed at a workshop took up the offer to store their wheels on site. Keepers of young vehicles aged up to four years are the strongest represented segment in this group at 67 %.

## 4.4 Accident repairs

The following question was put to vehicle keepers for the first time for the DAT Report: "If you were the victim of an accident, who would you turn to?" An overview of the answers is presented in Graphic W22. Multiple answers were possible here. Some 31 % of men and 27 % of women would put their trust in a neutral automotive technical expert. These experts examine the vehicle using specialist damage calculation software, such as DAT provides, and calculate the extent of the damage, repair costs, reduction in value, etc. A list of the nationwide DAT Technical Experts can be found on www.DAT.de.

Vehicle keepers are also very loyal to their own workshop when they need an expert opinion on their accident-damaged vehicle. The most loyal group are keepers of passenger vehicles aged two to six years. Some 69 % of this group would turn to their contact at a specialist autocentre.

### W22 Contact point in the event of an accident 2015



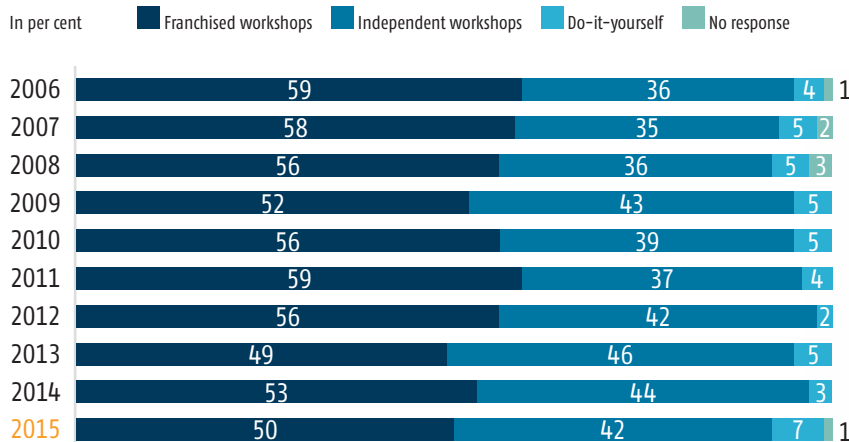
ID: 2016W22

Source: DAT

Accident repairs were performed on 8 % (2014: 8 %) of all cars at the vehicle keepers' request in 2015. Graphic W23 shows where they had the work carried out. It does not include work subcontracted to other firms.

It is very difficult for respondents to say what the actual costs of accident repairs were as payment is often processed directly by the insurer. But 42 % of respondents who had their car repaired said that they paid the invoice from their own pocket. Given this relatively high proportion, it should be assumed that end consumers see a parking dent as accident damage.

### W23 Choice of provider for accident repairs



ID: 09581053





Source: DAT



Photo: Thaut Images, Fotolia

## W24 Choice of provider for service, repair and accident work 2015

Based on: work carried out; in per cent

	Service work	Repair work	Accident work
 Franchised workshops	60 %	40 %	50 %
 Independent workshops	35 %	47 %	42 %
 Do-it-yourself	5 %	12 %	7 %
 No response	0 %	1 %	1 %

ID: 2015W24

Source: DAT

## 5. Summary

### 5.1 Workshop orders

The downward trend in workshop orders from end consumers continues. There was a significant fall in all service work in 2015, and wear-and-tear and accident repairs also declined despite the slight increase in the car parc. Market shares for servicing, wear-and-tear and accident repairs are shown in Graphic W24. Both independent and authorised workshops were able to maintain their market shares for service work. The do-it-yourself share of vehicle servicing rose by one percentage point and now stands at 5%. Franchised workshops saw their market share of repairs fall by



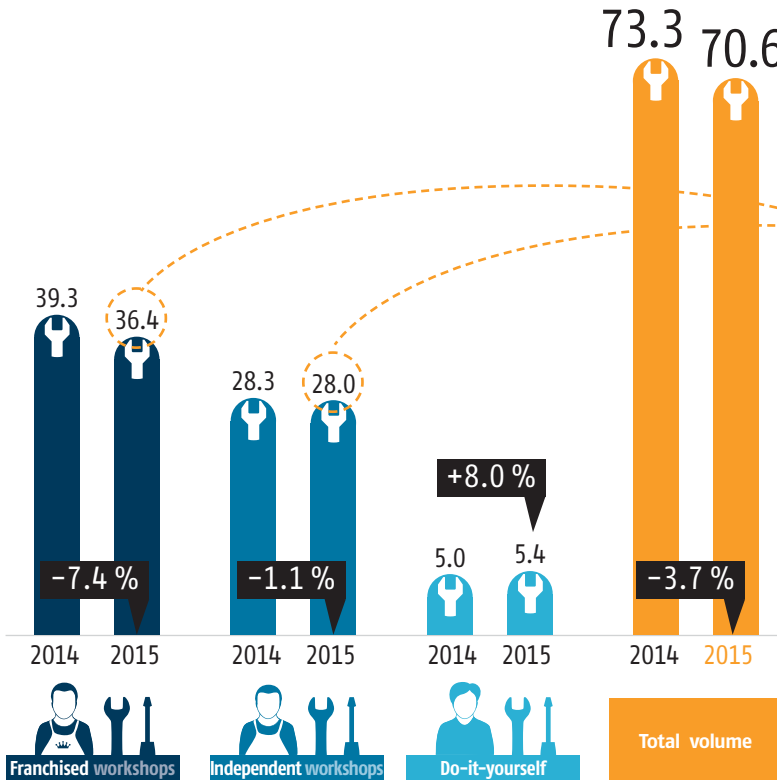
Photo: autemar - Fotolia

52%  
of all work was carried out by franchised workshops



### W25 Total order volumes for service, repair and accident work 2014/2015

Based on: work carried out  
In million units

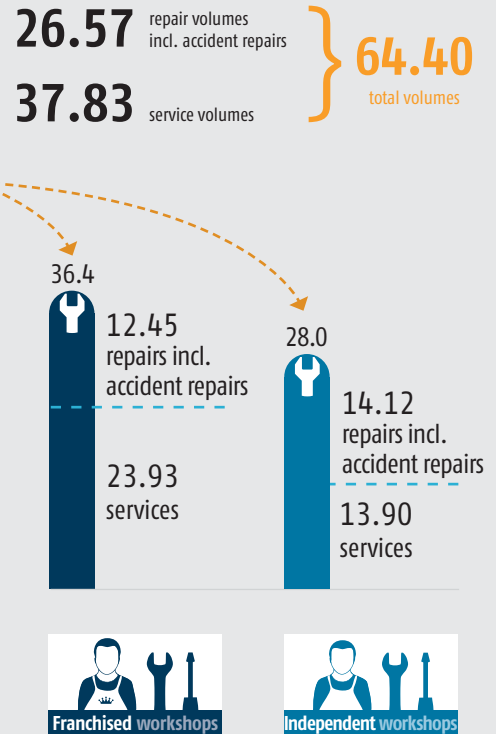


ID: 09621057

Source: DAT ID: 09651060

### W26 Total workshop volumes 2015

Based on: work carried out  
In million units



Source: DAT

four percentage points. They lost three percentage points of their share of accident repairs and accounted for a 50 % share of this work. Independent workshops had a total market share of 47 % for wear-and-tear repairs in 2015, up from 43 % in 2014. Their share of accident repairs fell from 44 % in 2014 to 42 %. Fast-fit centres (e.g. A.T.U, Pitstop, Euromaster) saw their market shares for full services, wear-and-tear and accident repairs grow at different rates. In 2015, they accounted for 3 % of full services, 7 % of accident repairs and 9 % of wear-and-tear repairs. These figures were 4 %, 5 % and 9 % respectively for 2014.

That represents a strong increase from 5 % to 7 % for accident repairs. In 2015, 0.79 service jobs were ordered per car by vehicle keepers, as well as 0.52 wear-and-tear repairs and 0.08 accident repairs. This amounts to 1.39 jobs in total for each passenger vehicle (2014: 1.46; 2013: 1.62; 2012: 1.64). Extrapolated for the growth of the car parc in line with current estimates (including vehicles temporarily off the road, seasonal registrations and vintage vehicles), the total number of jobs ordered by vehicle keepers or carried out by the keepers themselves fell by twelve percentage points.

## 5.2 The competitive environment

The number of automotive service centres registered with the ZDK (Central Association of the German Motor Industry) in 2015 remained almost stable compared to the previous year. The 38,400 centres in total received 64.4 million orders for repairs, accident work and servicing from vehicle keepers. This represents a fall of 4.6 % compared to 2014 (67.5 million orders; see Graphics W25 and W26).

Based on the preliminary estimate for the car parc for 2015 of 50.767 million passenger vehicles (including vehicles temporarily off the road), every autocentre registered with the ZDK had an average of 1,322 (2014: 1,304) vehicles to service and repair. On average, 1.39 (2014: 1.46) jobs were carried out on each car. The proportion of jobs performed by workshops amounted to 91 %. Statistically, this means that each firm did not service and repair the theoretically possible 1,322 vehicles but only 1,203 (2014: 1,200). With 1.39 jobs being carried out per car, each autocentre received 1,672 orders from vehicle keepers on average. That represents a fall of 4.6 % compared to 2014 (1,752 orders).

## 6. Do-it-yourself

Some 5% of vehicle keepers serviced and repaired their cars themselves in 2015. That is a slight rise compared to the previous year, when only 4% described themselves as DIY enthusiasts. There was no change in the numbers who asked an acquaintance to help with the work. The size of this group remained stable at 3%. In total, vehicle keepers who did not take their car to a workshop when a service was due or to have a repair carried out accounted for 8% (see Graphic W27). The trend in previous years for keepers of older vehicles to do more servicing and repairs themselves (or to ask for a friend's help) weakened considerably in 2015. The DIY share of servicing and repairs only accounted for around 8% of vehicles aged over ten years. This figure was 13% in the previous year.

One key result from the survey is also the response to the question "Who carried out most of the work on the vehicle over the course of the year?" In total, 8% said they did it themselves personally. Some 4% said they requested help from an acquaintance. DIY accounted for a 12% share of all work, a slight fall compared to the previous year, when 13% of respondents did not take their car to an independent or franchised workshop. Men were more likely to roll up their sleeves with 10% taking care of work themselves compared to only 4% of women. At 8%, larger numbers of women preferred to ask an acquaintance for assistance, while only 2% of male keepers sought assistance from amongst their

### W27 Choice of provider for all work 2015

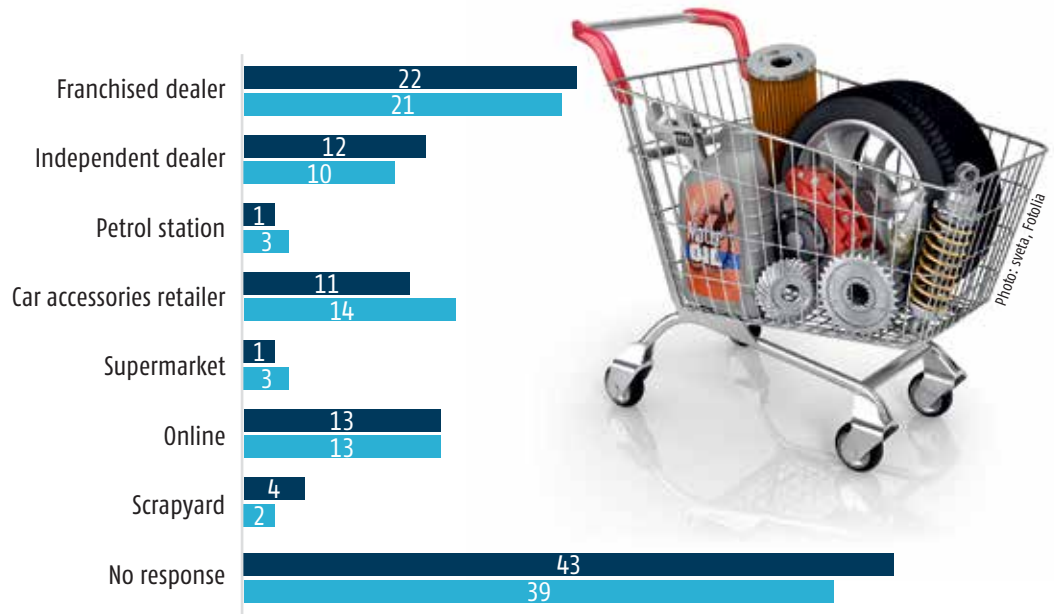


ID: 2015W27

Source: DAT

### W28 Purchase sources for replacement parts 2015

Carried out work on my car myself, multiple responses possible  
 In per cent ■ Repair work ■ Service work



ID: 0968103

Source: DAT





## Selling replacement parts in the workshop

Of all vehicle keepers, 7 % said that they handle accident repairs themselves; often this includes parking dents and scratches. Offering to find the right paint for the vehicle model in question (ideally using a reader) is something that draws customers into the workshop. And once they are inside, there is an opportunity to tell amateurs and DIY enthusiasts about cost-effective SMART repair offers or to explain to them how to prevent rust around small areas of damaged paint. Often explaining how the professionals tackle the job can very quickly persuade DIY enthusiasts to place an order.

social circle. "All work" includes simple tasks such as replacing car floor mats or vehicle cleaning.

### 6.1 Sources for replacement parts

Whether they need spark plugs, brake pads or spray grease, keepers who carry out service work and repairs on their cars themselves get replacement parts and supplies from diverse sources. Graphic W28 shows that around a fifth of these replacement parts were purchased from franchised workshops. Overall, the distri-

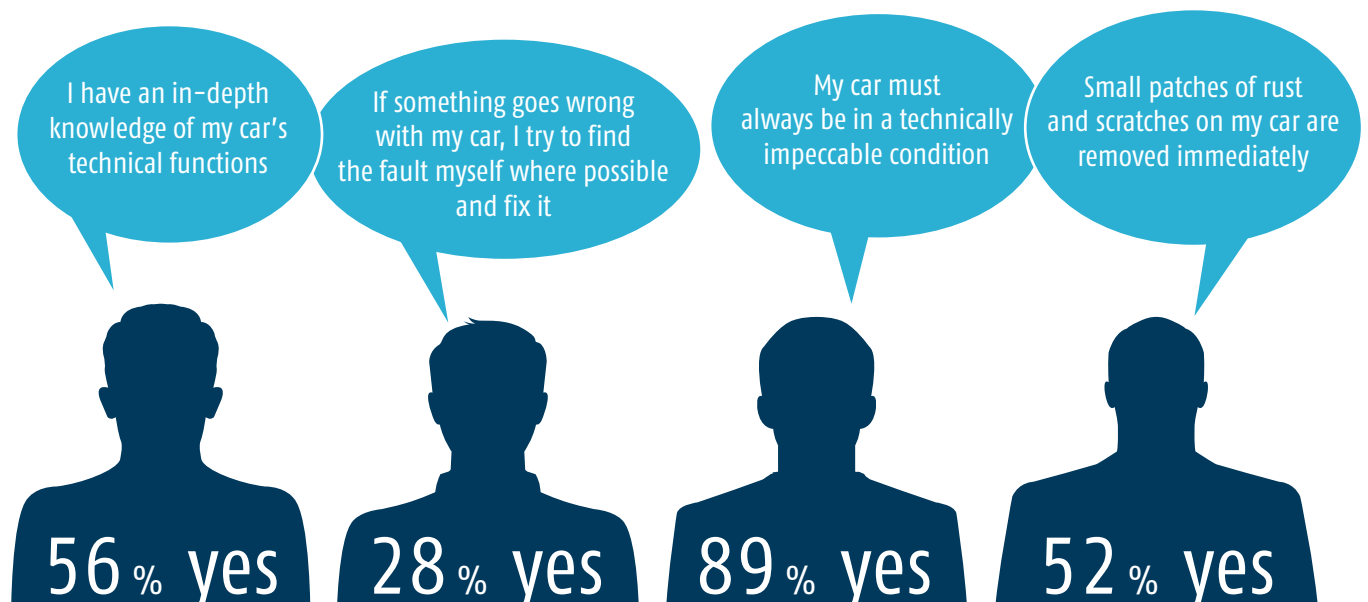
bution of purchases has not changed compared to 2014. Another important question put to car drivers looked at the quality of replacement parts. Some 30 % of men thought that it was not necessary to fit expensive new parts or have them fitted if their car was five years and older. Some 41 % of women shared this view. To cut costs, 44 % of female respondents were prepared to use parts from the scrapyard or used parts. Some 37 % of men were of the same opinion. However, 53 % of men and 37 % of women made a point of using genuine replacement parts.

### 6.2 Drivers' level of knowledge

When it comes to DIY work, car drivers' actual levels of technical knowledge play a decisive role (see Graphic W29). Of the car drivers surveyed in 2015, 56 % of car drivers said that they had an in-depth knowledge of their vehicle's technical functions.

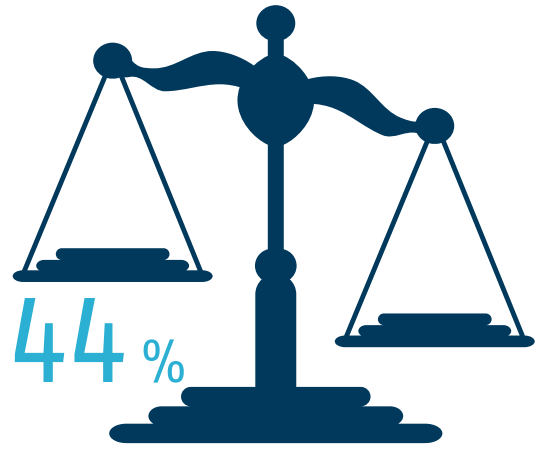
Some 67 % of male road users were confident of their automotive knowledge. Only 35 % of women answered "yes" to this question. Looking at different age brackets, drivers aged between 30 and 39 years were the most technically proficient at 60 %. But when their vehicle malfunctioned, few felt motivated to fix it themselves: 28 % were confident in their ability to do so in 2015 and actively tried to repair their car themselves. When asked whether their car must always be in technically impeccable condition, 89 % of car drivers agreed. The gender difference here only amounted to three percentage points (men: 90 %; women: 87 %). If their car had small scratches, dents or rust patches, 56 % of men and 44 % of women said they tried to fix it quickly.

## W29 Car drivers' technical knowledge 2015



## 7. Arbitration bodies

Some 45 years after the first arbitration body was established, their level of awareness still leaves something to be desired. As before, the number of those who had heard of the arbitration bodies for the automotive trade was lower at 44 % (2014: 44 %) than those who did not know about these organisations (2014: 55 %; 2015: 56 %; difference from 100 %: no response). Some 69 % (2014: 75 %) of those respondents who did know about arbitration bodies thought they were good, useful and fit for purpose. As many as 57 % (2014: 51 %) of the 50-plus generation said that they knew about arbitration bodies. Some 62 % of drivers aged 60 and over had heard of arbitration bodies.



44% of car drivers knew about arbitration bodies

### W30 Quotation requests for repairs 2015



#### Used-car arbitration bodies popular

Levels of awareness for arbitration bodies for used-car sales have increased slightly: 30 % (2014: 28 %; 2013: 25 %) of used-car buyers had heard about these arbitration bodies before in 2015. Of these, 9 % had actually made use of their services – considerably more than in the previous year (2014: 3 %).

The first arbitration body for the automotive trade was founded in 1970, and the first for automotive sales in 1972. Consumers in Germany can call around 100 arbitration bodies for the automotive industry if they have a difference of opinion with their workshop or their dealer ([www.kfz-schiedsstellen.de](http://www.kfz-schiedsstellen.de)) provided that the company that the complaint concerns is a member of the trade association. Arbitration bodies are only responsible for disagreements about used-car purchases and do not handle new-car purchases. Often, a mutually agreeable solution can be found simply by the arbitrators explaining the situation to the customer. If this is not sufficient, or if an agreement is not reached through mediation, the complaint is handled by the body's arbitration panel. This panel is overseen by lawyers qualified to hold the office of a judge. They are joined by representatives from the automotive industry, the ADAC and a DAT Automotive Technical Expert.

## 8. Information behaviour

### 8.1 Quotations

In order to avoid differences of opinion, 67 % of respondents obtained a quotation from their workshop when repairs were needed (see Graphic W30). Some 9 % asked several firms what the bill was likely to be. Respondents were slightly less likely to request quotations for services. Here 38 % (2014: 40 %) of customers obtained a quotation from their regular garage before placing an order, and 5 % researched by contacting different providers. Looking at workshop orders overall,



## Be open about costs

Often customers are afraid of high costs and research on the internet first. Workshops therefore need to communicate estimated prices openly online. This is best done with a tool embedded in their home page (such as the FairGarage web tool) that enables customers to calculate the approximate estimated costs themselves. Of course, firms should inform website visitors in the calculation window that additional work may be required. This gives vehicle keepers an estimate for their own guidance and the workshop security if extra work is needed.

81 % of customers surveyed asked their regular workshop for a quotation, and 16 % took the opportunity to get various quotes from different firms.

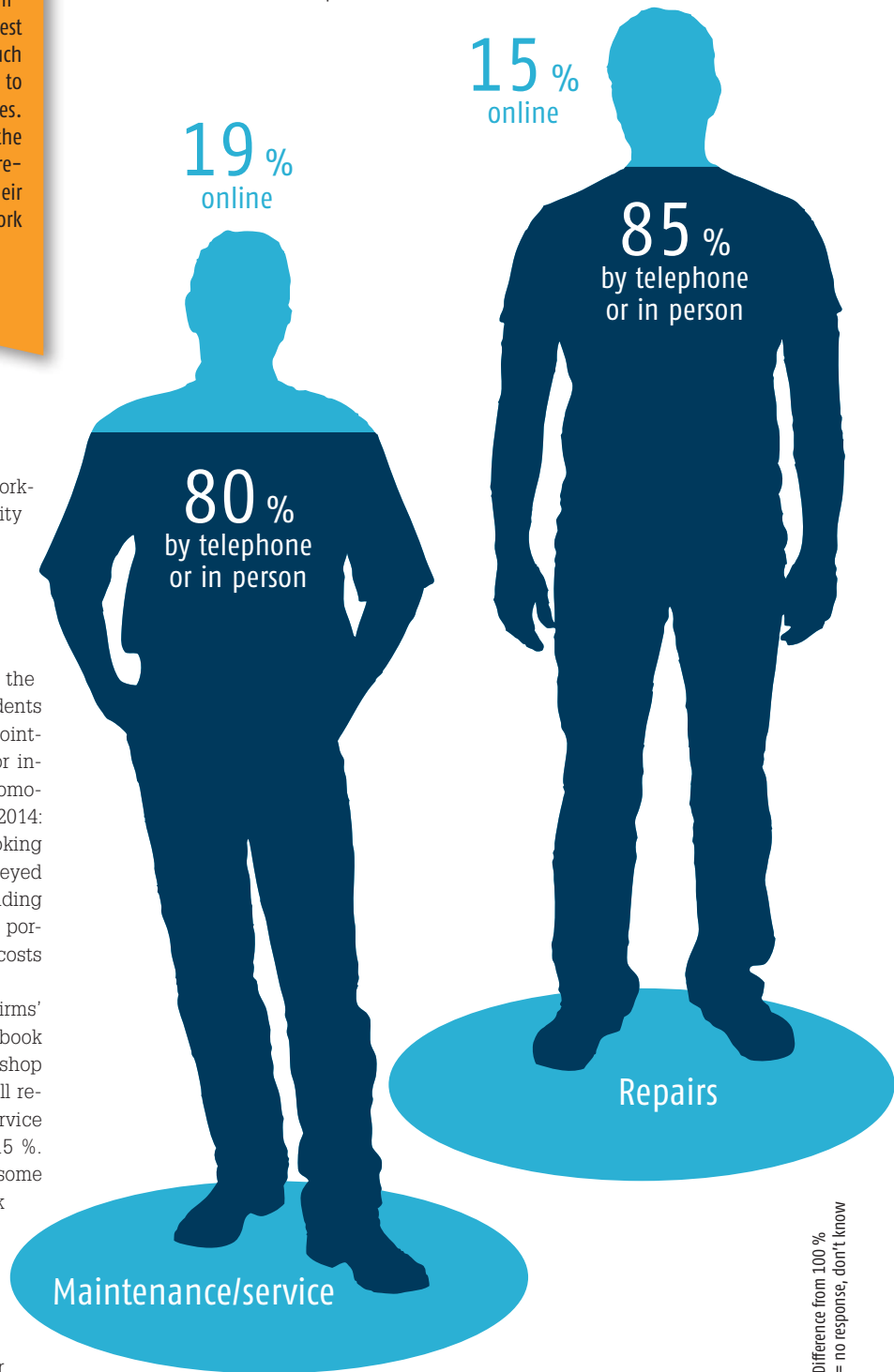
### 8.2 Online research

The internet is attracting increasing attention on the issue of cost transparency. Some 92 % of respondents had internet access in 2015. Before a pending appointment, 57 % (2014: 40%) of those who searched for information online visited the home page of the automotive service centre in question. However, 23 % (2014: 17 %) did not find the information they were looking for. Some 38 % (2014: 34 %) of internet users surveyed said they always researched online before a pending workshop appointment. They consulted workshop portals such as [www.fairgarage.de](http://www.fairgarage.de) to find out about costs and the extent of work required.

On these portals, and on increasing numbers of firms' own websites, customers now have the option to book workshop appointments and place binding workshop orders online. As Graphic W31 shows, 19 % of all respondents with internet access would book a service appointment online. For repairs, this figure was 15 %. The differences between age groups is noticeable: some 29 % of vehicle keepers aged under 30 would book a binding service appointment online, and 20 % would book a repair online. Amongst the 30- to 49-year-olds, 25 % would book service appointments online and 21 % would make repair appointments. For vehicle keepers aged over 60, these figures were considerably lower at 9 % (for service appointments) and 7 % (for repairs). Vehicle keepers in cities with more than 500,000 residents would be the most likely to use these kinds of services: 33 % would make a binding service appointment and 27 % would place a repair order online.

## W31 Willingness to book 2015

Based on: vehicle keepers with internet access



ID: 2015W31

Source: DAT

Difference from 100 % = no response, don't know

### W32 Workshops assessed by customers 2015

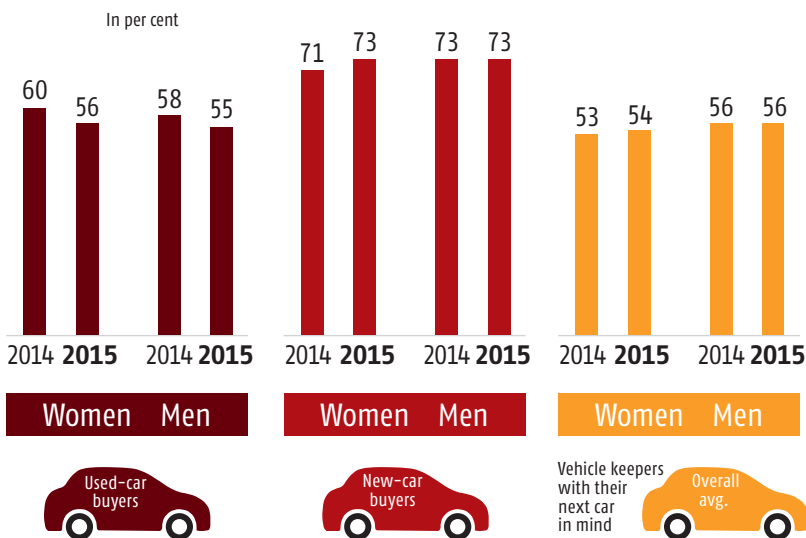
Avg. rating  
**1.6**

- 1.4 making an appointment
- 1.4 staff's politeness
- 1.5 accuracy of invoices
- 1.5 keeping to quotations
- 1.5 staff's specialist and technical knowledge
- 1.5 keeping me informed if unexpected repairs required
- 1.6 car's visual condition on collection
- 1.6 quality of the work carried out
- 1.6 efforts made to give genuine advice
- 1.7 making an appointment at short notice
- 1.7 procuring replacement parts
- 1.8 overall impression of the firm
- 1.9 value for money of the work carried out
- 1.9 firm's location

ID: 09661061

Source: DAT

### W33 Service network as a purchase criteria 2015



ID: 201165

Source: DAT

## 9. Customer satisfaction

In 2015, customers were very satisfied overall with the workshop franchised by the same brand as their car, and they awarded high ratings across the board. These workshops averaged better than 2 on a ratings scale from 1 (excellent) to 6 (poor). Vehicle keepers' ratings are shown in Graphic W32.

Women and men awarded similarly positive assessments. Turning to negative assessments of workshops, around 6 % (2014: 6 %) of customers were not very satisfied or dissatisfied with the services offered by a firm franchised by their car brand in 2015.

When broken down by gender, the results of the satisfaction survey showed that 4 % of female customers and the same percentage of men appear to have had poor experiences (2014: women 5 %, men 7 %). This is a positive development compared to the previous year. It is also worth mentioning that 60 % of workshop customers praised staff's friendliness, describing it as "excellent". The lowest overall ratings were awarded for the firm's location and the value for money of the work carried out. The percentage of no responses (6 %) and negative assessments (4 %) for value for money was noticeable. Some 88 % of keepers of German-brand



vehicles were satisfied on this point, compared to 91 % of drivers of imported brands.

### 9.1 Service network

Just how important workshops are can be seen by looking at the ratings for the density of the service network. On average, 56 % of all respondents surveyed in 2015 rated “density of the service network” as important or very important as a purchase criteria (2014: 55 %; 2013: 75 %; 2012: 56 %). This figure was 73 % for new-car buyers in 2015 (2014: 73 %; 2013: 75 %; 2012: 64 %) and still as high as 55 % for used-car buyers (2014: 59 %; 2013: 65 %; 2012: 48 %). Examining the data in Graphic W33 reveals large variations from the overall results for some groups of purchasers.

### 9.2 Workshop opening times

As in previous years, the majority of car drivers in 2015 only expressed very slight preferences for particular days of the week for repair and service appointments, as can be seen in Graphic W34. The majority had no particular preferences. But the survey indicated that Saturday was the most popular day, with 5 % preferring this day. Thursday is particularly unpopular. Only 1 % of female workshop customers preferred this day (men: 2 %).

#### More orders on Saturdays

If workshops were generally open on Saturdays, 10 % of all vehicle keepers surveyed for the DAT Report would book their car in for work more frequently. At 19 % (2014: 12 %), those aged between 30 and 39 would be especially pleased to get a Saturday appointment and would head to the garage more frequently.

Some 15 % of long-distance drivers covering 30,000 km or more annually also said that they would book in at the workshop more often if it were open all day on Saturdays (see Graphic W35). There could be a simple explanation for this: these drivers may have to be on the road for business during the week and do not like to be without their cars. Some 10 % of men and 8 % women

### W34 Preferred days for workshop appointments 2015



ID: 09711066 Source: DAT

would place more orders with workshops if they had the chance to do so on Saturdays. When the responses were broken down by the type of firm, 9 % of authorised-workshop customers and 11 % of independent-workshop customers said “Yes, I would take my car more frequently.”

### W35 Views on Saturday appointments 2015



ID: 2015W35

Source: DAT





# TRENDS & KEY DATA

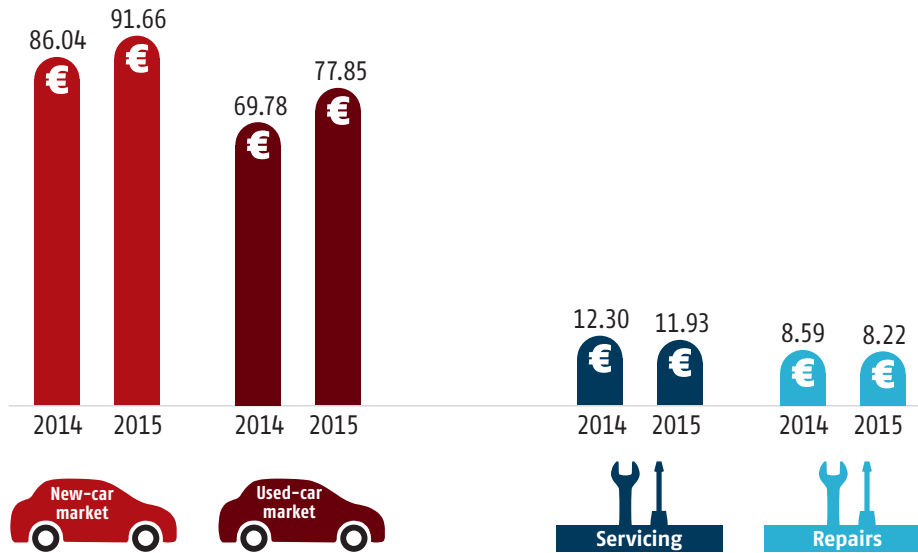
4.1 Trends in the submarkets page 77

4.2 Changes in income page 78

4.3. Development of prices/costs page 78

## Z1 Development of turnover in the new/used-car markets and the workshop market

In billion euros



ID: 2016Z1

Source: DAT

## 4. Key data

### 4.1. Trends in the submarkets

Automotive sales and the service business are important engines of the German economy. This is clearly illustrated by the turnover figures for the different submarkets.

#### The new-car market

Due to the significant rise in new-car prices and the number of new-car registrations, total turnover from new-car sales grew considerably compared to the previous year. As can be seen in Graphic Z1, turnover amounted to 86.04 billion euros in 2014. The 3.206 million new-car registrations with an average price of 28,590 euros (2014: 28,330 euros) add up to a turnover of 91.66 billion euros. That represents a rise of just under 7 %.

#### The used-car market

Turnover from used-car sales also increased in the automotive year 2015. The 7.330 million transfers of ownership and a significantly higher average price of 10,620 euros (2014: 9,870 euros) add up to a total turnover of 77.85 billion euros, representing a rise of 12 % compared to the previous year.

However, performance varied in the three submarkets for used-car sales. Franchised dealerships were the winners in 2015. Once again, both their unit sales and turn-

over grew significantly compared to the previous year (+ 13% units, + 18% turnover). Independent dealers saw their unit sales decline by 5 % and turnover by 7 %. Unit sales on the private market fell by 1 %, but due to higher average prices, turnover increased by just under 12 % (see Graphic Z9, page 81, for further results).

Turnover from new- and used-car sales amounted to approximately 169.51 billion euros in 2015 (2014: 155.82 billion euros). The used-car market accounted for a 46 % share of this total turnover.

#### The workshop market

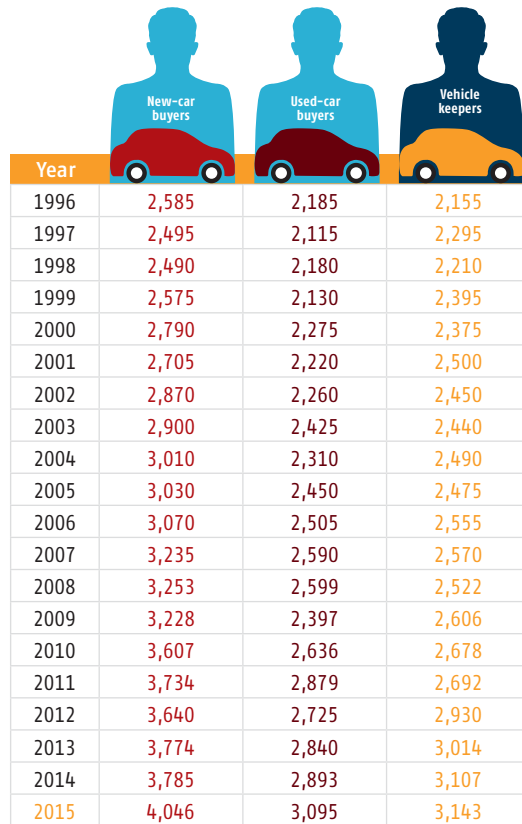
The workshop business is and remains an important turnover generator for automotive businesses. With around 50.767 million passenger vehicles in the car parc for 2015 (based on preliminary data and estimates; this figure includes vehicles temporarily off the road), total expenditure on repairs (e.g. repairs of wear-and-tear damage) amounted to approximately 8.22 billion euros (2014: 8.59 billion euros). This figure has been calculated for 2015 based on an average repair expenditure per vehicle of 162 euros. Average servicing costs per vehicle were 235 euros. That represents a further decline compared to the previous year (245 euros). In total, this amounts to 11.93 billion euros for 2015 (2014: 12.31 billion euros). Despite the fall in business from private customers, workshops could be pleased with their performance in 2015 due to a large number of factors such as key account business, recalls, used-car checks, and service and maintenance plans.

## 4.2 Changes in income

Looking at changes in net monthly household incomes (see Graphic Z2) shows clear, continual growth over the last 20 years. Car drivers' incomes increased by 46 %, used-car buyers' incomes by 42 % and new-car

### Z2 Average net monthly household income

In euros



ID: 09871081

Source: DAT

buyers' incomes by 52 %. The cost of living also rose significantly by 25 percentage points over the past 20 years.

But incomes for all three subgroups kept pace with price increases. This rise in income structure also affected car buyers' mobility wants and needs. Around 23 % of all the used-car buyers surveyed in 2015 were first-time buyers and 8 % were additional-car buyers, the same percentages as in the previous year. The number of first-time purchasers amongst new-car buyers declined marginally to 10 % (2014: 12 %), but the number of additional-car buyers in this group rose from 8 % to 10 %. This indicates a need for people in Germany to buy a first car, but it also shows that purchasing a second vehicle is increasingly essential.

## 4.3. Development of prices/costs

Development of prices over the last 20 years can be best assessed based on the price index that the German Federal Statistical Office has calculated and released since 1991. This index is shown in Graphic Z3 (base year 2010 = 100). All the values shown are annual averages for the consumer price index, previously known as the "cost of living index". A slight increase from 106.6 to 106.9 was identified in 2015.

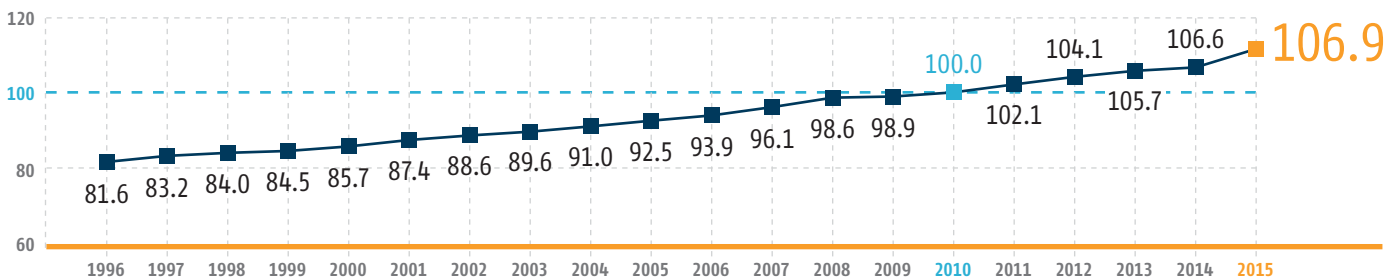
By contrast, average fuel prices in Germany have not displayed the same consistent patterns: the price of diesel in particular fell from 120.3 cents per litre to 116.9 cents. The price of super unleaded (E10) rose marginally from 131.7 cents to 136.9 cents.

### The used-car market

Developments in the three submarkets of the used-car market – franchised dealers, independent dealers and the private market – have been positive over the past 20 years from the dealers' perspective (see Graphic Z4). Even the opportunities offered by the internet have not led to significant growth in the share of the private market. On the contrary, dealerships have succeeded in regaining market share from the private market. Franchised dealers overtook the private market

### Z3 Cost of living for private households

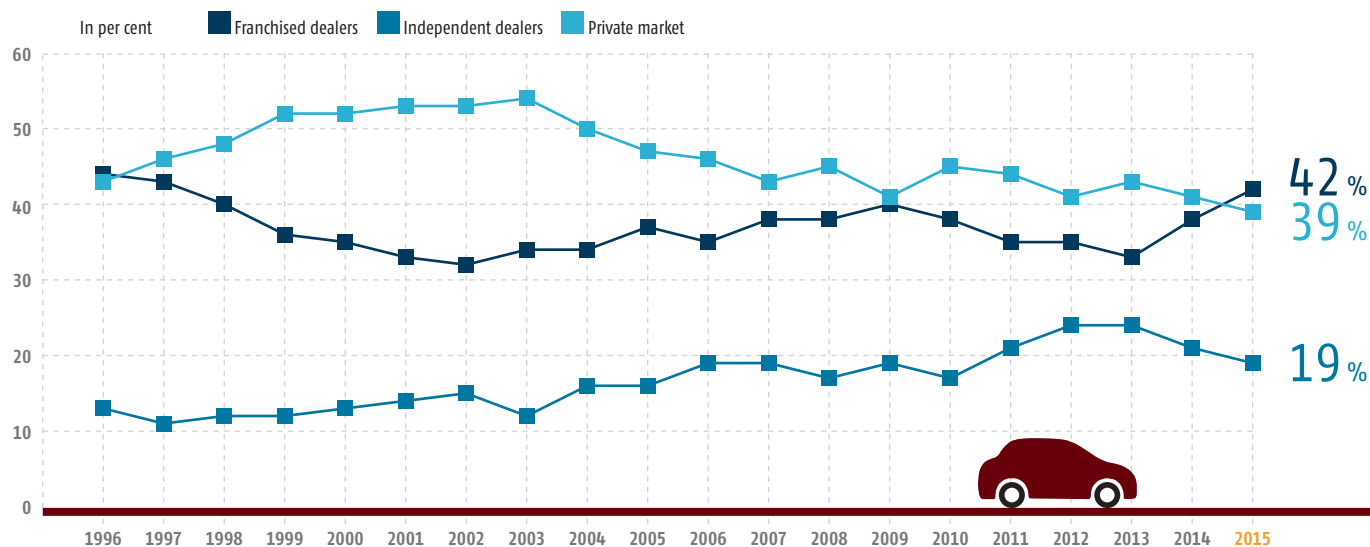
In per cent, base year 2010



ID: 09791074

Source: Statistisches Bundesamt

## Z4 Market shares of used-car sales



ID: 09821077

Source: DAT

for the first time since 1996, achieving a market share of 42 %. This is due to high demand and the availability of young used cars, which are predominantly sold through this channel. Combined with the special accompanying programmes offered by carmakers and importers, these young used vehicles represent added quality for end consumers.

### The new-car market

The majority of new passenger cars are purchased from franchised dealerships. For years, they have been in competition with fleet sales by manufacturers/importers, sales of cars by their staff and sales of EU new cars by independent dealers. Added to which, so-called new-car portals have appeared on the market with

## Z5 New-car market

Year	Units (millions)	Avg. price (euros)	Turnover (bn euros)
1996	3.496	18,865	65.96
1997	3.528	18,765	66.21
1998	3.736	19,225	71.79
1999	3.802	19,120	72.71
2000	3.378	20,045	67.70
2001	3.342	21,165	70.71
2002	3.253	21,930	71.34
2003	3.237	22,360	72.38
2004	3.267	24,090	78.70
2005	3.342	23,880	79.81
2006	3.468	24,480	84.89
2007	3.148	25,970	81.76
2008	3.090	25,990	80.31
2009	3.807	22,520	85.73
2010	2.916	26,030	75.91
2011	3.174	27,390	86.93
2012	3.082	26,780	82.54
2013	2.952	27,030	79.79
2014	3.037	28,330	86.04
2015	3.206	28,590	91.66

ID: 09801075

Source: DAT/KBA

## Z6 Used-car market

Year	Units (millions)	Avg. price (euros)	Turnover (bn euros)
1996	7.583	7,670	58.13
1997	7.382	7,925	58.49
1998	7.449	8,130	60.54
1999	7.696	8,385	64.53
2000	7.400	7,975	59.00
2001	7.212	8,310	59.92
2002	6.831	7,910	54.03
2003	6.771	8,220	55.65
2004	6.610	7,900	52.22
2005	6.655	8,330	55.44
2006	6.733	8,310	55.95
2007	6.262	8,400	52.60
2008	6.112	8,690	53.11
2009	6.013	8,590	51.65
2010	6.432	8,790	56.54
2011	6.809	9,740	66.32
2012	6.883	9,150	62.98
2013	7.092	9,420	66.81
2014	7.070	9,870	69.78
2015	7.330	10,620	77.85

ID: 09811076

Source: DAT/KBA

## Z7 Servicing and repairs

Year	Service jobs per car (units)	Service outlay per car (euros)	Repair jobs per car (units)	Repair outlay per car (euros)
1996	1.23	205	0.94	175
1997	1.22	220	0.86	145
1998	1.14	195	0.88	150
1999	1.10	210	0.90	155
2000	1.06	215	0.78	145
2001	1.05	220	0.81	150
2002	1.08	230	0.80	160
2003	1.08	245	0.86	185
2004	0.99	230	0.76	190
2005	0.98	212	0.79	186
2006	0.96	247	0.75	175
2007	0.97	241	0.72	163
2008	0.96	239	0.70	187
2009	0.87	228	0.62	172
2010	0.91	230	0.67	201
2011	0.96	255	0.62	173
2012	0.90	252	0.65	215
2013	0.91	261	0.61	191
2014	0.83	245	0.55	171
2015	0.79	235	0.52	162

ID: 0941078

Source: DAT

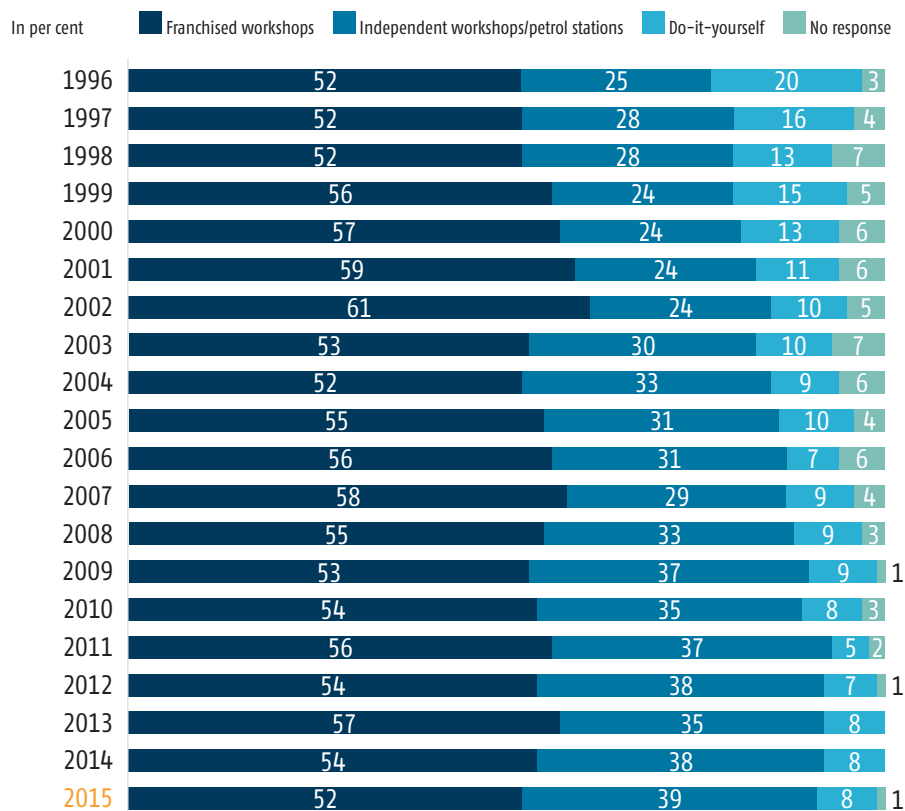
aggressive price offers in recent years. These portals have now positioned themselves between end consumers and automotive dealers. They are operating as brokers to identify the best deal for the customer. The successful dealer's identity is only revealed to the customer at the end of the process. New-car portals represent a challenge for the entire automotive sector – in a legal sense as well, but their influence is set to continue to grow in the future.

### Servicing and repairs

Expenditure on vehicle servicing increased by 15 % over the past 20 years (see Graphic Z7). Vehicle keepers' expenditure on repairs fell by 7 %.

Graphic Z8 shows the market shares for servicing and repairs over the past 20 years. Franchised workshops regained their market share from 1996, accounting for 52 %. Independent workshops made considerable gains and achieved a high market share of 39 % in 2015. That represents an all-time high for the DAT Report, which has been analysing the automotive market since 1974. By contrast, the do-it-yourself share more than halved in the past 20 years.

## Z8 Share of servicing and repairs



ID: 09851079

Source: DAT



## Z9 Used-car market



Used-car purchases	Franchised dealers		Independent dealers		Private market		Total	
	2014	2015	2014	2015	2014	2015	2014	2015
Transfers of ownership	2.714 m units	3.078 m units	1.468 m units	1.393 m units	2.888 m units	2.859 m units	7.070 m units	7.330 m units
% share	38 %	42 %	21 %	19 %	41 %	39 %	100 %	100 %
Average price	€14,280	€14,820	€8,940	€8,730	€6,200	€6,990	€9,870	€10,620
Turnover	€38.8 bn	€45.6 bn	€13.1 bn	€12.2 bn	€17.9 bn	€20.0 bn	€69.78 bn	€77.85 bn
Vehicle age	4.1 years	4.2 years	6.8 years	6.8 years	7.9 years	8.2 years	6.2 years	6.2 years
Kilometres on the dial	56,930 km	53,320 km	78,880 km	81,190 km	96,560 km	93,170 km	77,690 km	74,120 km
Buyer share:								
First-time buyers	13 %	12 %	18 %	26 %	36 %	34 %	23 %	23 %
Additional-car buyers	7 %	6 %	7 %	10 %	9 %	9 %	8 %	8 %
Replacement buyers	80 %	82 %	75 %	64 %	55 %	57 %	69 %	69 %
Buyer age	42 years	43 years	41 years	39 years	37 years	37 years	40 years	40 years
Net monthly household income	€3,212	€3,353	€2,776	€3,091	€2,621	€2,788	€2,893	€3,095
Ownership period for previous car	74 months	82 months	78 months	93 months	79 months	82 months	76 months	84 months

ID: 1000

Source: DATIKBA

## Z10 New-car market



New-car purchases	2014	2015
New-car registrations	3.037 m units	3.206 m units
Average price	€28,330	€28,590
Turnover	€86.04 bn	€91.66 bn
Buyer share:		
First-time buyers	12 %	10 %
Additional-car buyers	8 %	10 %
Replacement buyers	80 %	80 %
Buyer age	44 years	46 years
Net monthly household income	€3,785	€4,046
Ownership period for previous car	70 months	78 months

ID: 2000

Source: DAT

## Z12 Services

per car per year

	2014	2015
Full service	0.34	0.33
Interim service	0.21	0.23
Other service	0.28	0.23
Total	0.83	0.79
Service outlay	€245	€235

ID: 3200

Source: DAT

## Z11 Servicing and repair market



	Franchised workshops		Independent workshops + petrol stations		Do-it-yourself	
	2014	2015	2014	2015	2014	2015
Repair and service orders	39.3 m	36.4 m	28.3 m	28.0 m	5.0 m	5.4 m
Work performed:						
Full service	72 %	67 %	25 %	29 %	2 %	3 %
Interim service	60 %	64 %	33 %	29 %	6 %	6 %
Other service	46 %	45 %	47 %	47 %	5 %	7 %
Repair work	44 %	40 %	43 %	47 %	12 %	12 %
Accident work	53 %	50 %	44 %	42 %	3 %	7 %
Total	54 %	52 %	38 %	39 %	7 %	8 %

ID: 09851079

Source: DAT

## Z13 Repairs

per car per year

	2014	2015
Repair work	0.55	0.52
Repair outlay	€171	€162
Accident repairs	0.08	0.08

ID: 3300

Source: DAT

## Z14 Key data on autocentres

	2014	2015
Number of cars serviced per autocentre	1,200	1,203
Number of orders per autocentre	1,752	1,672

ID: 3100

Source: DAT

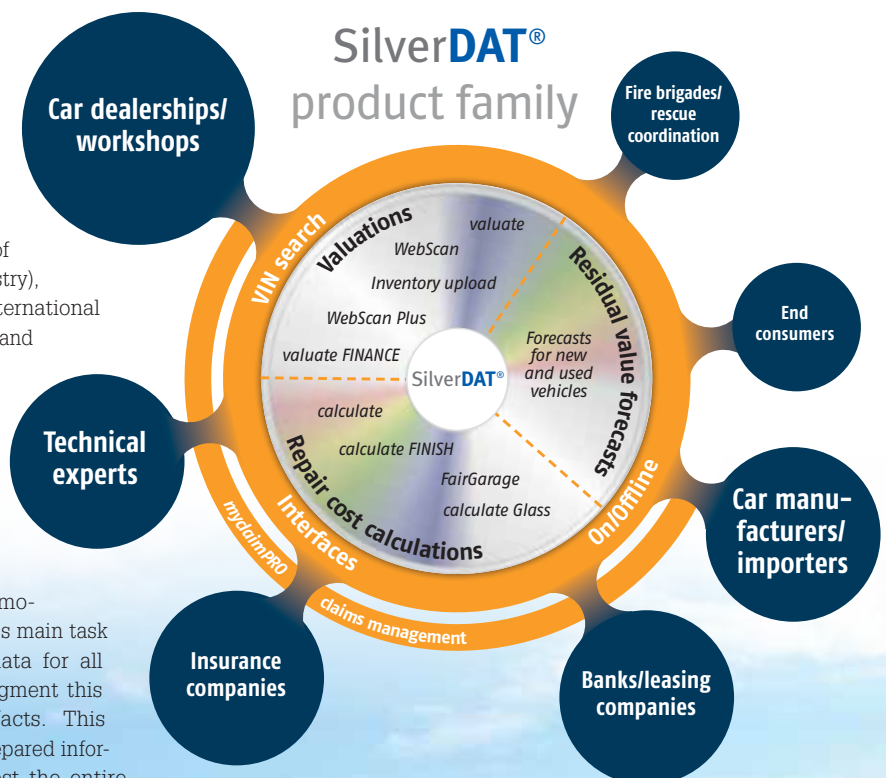
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DAT sees itself as the neutral connecting link between all the stakeholders in the automotive industry. Since 1931, it has been supported by its three partners: the automotive sector associations the VDA (Association of the German Automotive Industry), the VDIK (Association of International Motor Vehicle Manufacturers) and the ZDK (Central Association of the German Motor Industry). This structure gives DAT a unique status and a special mandate within the automotive industry.

In addition to providing a nationwide network of automotive experts in Germany, DAT's main task is to document technical data for all makes of vehicles and to augment this with additional relevant facts. This means that systematically prepared information is available for almost the entire vehicle life cycle.

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Another of DAT's core activities is collecting data on end consumers' behaviour in relation to car purchases and workshops. This data has been published annually for more than 40 years in the DAT Report, which has established itself as the most frequently cited publication in the automotive industry.

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