

■ **Special Edition on Car Purchase Trends**

1. **Trends in New Car Purchasers by Age**
2. Purchased Car Type Trends
3. Fuel Type Trends (Electronic cars, hybrids, etc)
4. Car ownership trends (rent, sharing, subscription, etc)

Automotive Consumer Reports 19/20-1;

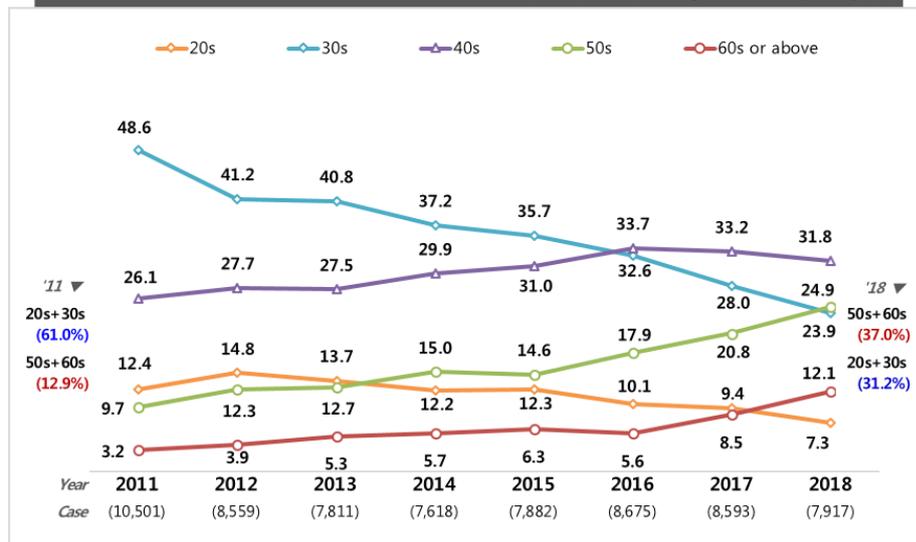
50s and 60s pushing out 20s and 30s as a big hand in the new car market

- Rapid generation replacement after the emergence of the smartphone
- 20s and 30s overtaken by 60s and 50s, respectively
- Need to prepare for a cataclysmic change in terms of Purchase, Ownership, and Consumption

Since the emergence of smartphones in 2010, the automobile market has been changing rapidly. The purchase of cars by younger generations has shrunk dramatically with the portion of the car purchase by those in their 50s getting bigger. Only in 7 years, those in their 30s as a big hand in the car purchase market have been overtaken by those in their 40s and 50s, and those in their 60s also yielded their place to those in their 20s. Behind all these changes, there are cultural aspects featuring smartphones as well as economic and demographic reasons.

ConsumerInsight, an automobile research expert, has been carrying out a large-scale syndicated automobile survey with approximately 100,000 respondents per study every July since 2001. Its eight studies since 2011 show new car purchasers by age in the past one year as follows [Figure 1].

[Picture1] Trend of New Car Purchasers by Age (Base: Bought a new car in a past one year, %)



Q. When did you buy the car?

**For more Information**

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The most noticeable is that the purchase share of those in their 30s that used to be the big hand of the new car market decreased to half in 7 years (48.6% to 23.9%), pushed back to the third place by those in their 40s to 50s. Those in their 40s grew steadily, surpassing those in 30s in 2016 to No. 1 (31.8%) while those in their 50s started at less than 10% but grew 2.5 times in 2018 to 24.9%. Those in their 60s rose to 12.1% after surpassing those in their 20s in 2018 since their mere start at 3.2% in 2011.

Consequently, the new car purchase share of those in their 20s and 30s was cut down to 31.2%, the half of their 61% in 2011, with those in their 50s and 60s having increased triple times from 12.9% to 37% during the same periods of time. The place of those in their 20s and 30s and those in their 50s and 60s has been completely shifted around.

These changes in the trends can be attributed to the reduced necessity of cars and the purchasing power of the young generations because of their delayed financial independence, marriage, and low birth rate. The consumers' needs for cars have been reduced greatly with the increase of cultural alternatives to enjoy, such as games, social media, and arts, etc, along with the emergence of transportation applications that help choose various transportation means.

In addition, with the pursuit of new values such as 'YOLO' and 'Sohwakhang,' such expensive items as house, cars have been naturally even more burdensome. After sensing the digression of those consumers in their 20s and 30s, car manufacturers appealed their 'bigger,' 'safer,' and 'more expensive cars' to those in their 50s and 60s with affluence, accelerating the changes of the trends even more.

Car buying trends are facing a dramatic change and the same is still under way. The automobile industry is to address the agenda of 'green', 'autonomy', and 'sharing' in the near future. The future of the automobile market will also be depended upon how to meet these challenges.

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◆ **Reference:** 「Consumer Insight」 Annual Automobile Syndicated Study Outline

The contents was excerpted and summarized from the results of 'Annual Syndicated Automobile Study' conducted by Consumer Insight Inc. in every July since 2001.

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<b>Respondent</b>	Car owners & those intending to buy a car within the next 2 years	<table border="1"> <tr> <td><b>2018</b></td> <td><b>93,230</b></td> </tr> <tr><td>2017</td><td>96,213</td></tr> <tr><td>2016</td><td>100,788</td></tr> <tr><td>2015</td><td>105,672</td></tr> <tr><td>2014</td><td>101,821</td></tr> <tr><td>2013</td><td>101,701</td></tr> <tr><td>2012</td><td>95,012</td></tr> <tr><td>2011</td><td>97,356</td></tr> <tr><td>2010</td><td>106,291</td></tr> <tr><td>2009</td><td>91,129</td></tr> <tr><td>2008</td><td>95,472</td></tr> <tr><td>2007</td><td>105,149</td></tr> <tr><td>2006</td><td>106,088</td></tr> <tr><td>2005</td><td>139,825</td></tr> <tr><td>2004</td><td>171,499</td></tr> <tr><td>2003</td><td>118,195</td></tr> <tr><td>2002</td><td>129,277</td></tr> <tr><td>2001</td><td>126,458</td></tr> </table>	<b>2018</b>	<b>93,230</b>	2017	96,213	2016	100,788	2015	105,672	2014	101,821	2013	101,701	2012	95,012	2011	97,356	2010	106,291	2009	91,129	2008	95,472	2007	105,149	2006	106,088	2005	139,825	2004	171,499	2003	118,195	2002	129,277	2001	126,458
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<b>Sampling Base</b>	Random quota sampling from ConsumerInsight IBP(Invitation Based Panel) & major portals' members																																					
<b>Sampling Method</b>	Quota sampling by gender/age																																					
<b>Data Collection</b>	E-mail survey																																					
<b>Sample Size</b>	Annual average of N=100,000																																					
<b>Study Contents</b>	Usage & Attitude & CEQ(Consumer Experienced Quality)																																					
<b>Fieldwork Period</b>	Every July																																					

\*Appendixes

**[Table1] Youth Unemployment (%)**

	2011	2012	2013	2014	2015	2016	2017	2018
<b>Youth Unemployment</b>	7.6	7.5	8.0	9.0	9.1	9.8	9.8	9.5

\*Source : KOSIS (Economically Active Population)

**[Table2] # of marriage & first marriage/average age of first birth (Yrs old)**

	2011	2012	2013	2014	2015	2016	2017	
<b>Marriage(#)</b>	329,087	327,073	322,807	305,507	302,828	281,635	264,455	
<b>Average age of first marriage</b>	<b>Male</b>	31.9	32.1	32.2	32.4	32.6	32.8	32.9
	<b>Female</b>	29.1	29.4	29.6	29.8	30.0	30.1	30.2
<b>Average age of first birth</b>	30.3	30.5	30.7	31.0	31.2	31.4	31.6	

\*Source : KOSIS (# of Population /Trends by city/province, average age of first marriage by city/province, average age of birth by city/province)

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**[Table3] Debt Amount** (KRW 10,000)

	2012	2013	2014	2015	2016	2017	'17-'12 Increase rate(%)
<b>Total</b>	8,365	8,748	9,186	9,679	10,400	11,179	25%
<b>Below 30 yrs old</b>	2,367	2,573	2,859	3,084	3,763	5,021	53%
<b>30~39 yrs old</b>	5,978	6,644	7,192	7,663	8,289	9,602	38%
<b>40~49 yrs old</b>	8,898	8,847	9,059	9,554	10,689	11,600	23%
<b>50~59 yrs old</b>	10,470	10,807	11,064	11,091	11,650	12,153	14%
<b>60 yrs old or above</b>	8,211	8,819	9,377	10,242	10,571	11,109	26%

\*Source : KOSIS (Asset/debt/income status by social class of household heads)

**[Table4] Smartphone Ownership** (%)

	2011	2012	2013	2014	2015	2016	2017	2018
<b>Smartphone Total</b>	42.6	74.6	88.0	93.0	96.0	97.9	98.5	99.0
<b>3G Smartphone</b>	-	55.5	29.1	19.7	10.6	5.8	3.1	3.1
<b>4G(LTE) Smartphone</b>	-	19.1	53.9	73.3	85.4	92.1	95.4	95.9

\*Source : ConsumerInsight, Syndicated Telecommunications Study

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