

Paris, August 1st, 2023

French automotive market in great shape in July

- **20% rise in new car registrations**
- **Dynamic corporate purchasing**
- **The used car market confirms its recovery**
- **Brand loyalty/conquest: Dacia Sandero, the big winner**
- **The quad bike market under scrutiny**

French automotive market confirms its upward trend. After an upturn in the first half of the year, July was no exception. The new car market is up 20%, for the twelfth consecutive months in a row. The same applies to the used car market, which began recovering in June after a long series of months of decline.

According to AAA DATA, the augmented data expert, new passenger car registrations amounted to 128 946 units (+20% vs July 2022). The market also outperformed July 2021 levels, where 115,713 new private cars had been recorded. However, there's still a long way to go back to July 2020 (178 90 units) and July 2019 levels (172 224 units).

Hybrids in top shape

In terms of engine power, hybrids, which account for 36% of market share, exhibit a remarkable month in July, with registrations up 43% to 46,131 cars sold (including +80% for plug-in hybrids to 13,233 units).

Marie-Laure Nivot, Head of Automotive Market Analysis, at AAA DATA: *"Hybrids are a good alternative to act and commit towards ecological transition, thanks to their versatility. Their electric engine is an appropriate use for short distances in town, while the internal combustion engine is better suited to longer distances."*

Electric vehicles (13% market share) continue to gain momentum, with sales up 32% to 16,866 registrations. But how long will the enthusiasm keep going on? The question is worth asking, given that the price of an electric vehicle remains very high (average list price in the first half of 2023: 41,473 euros). Moreover, demand seems for the moment to be essentially sustained by the existence of the ecological bonus.

TOP 3 Electric brands, July 2023

1. Tesla
2. Dacia
3. Renault

On the other hand, while petrol engines continue to grow (+16% to 48,371 registrations), diesel has not breathed its last: while overall registrations are down again (-29% to 12,497 units), some brands surprisingly saw their sales increase in July.

New car registrations, diesel on the rise, July 2023

Brands	Volume	Evolution %
Volkswagen	1695	+22%
Skoda	918	+108
BMW	580	+21
Seat	225	+73
Ford	145	+42
Cupra	104	+25

Dynamic corporate purchasing

Pertaining to new passenger car customer profiles, purchases by non-automotive companies were very buoyant, up 39% to 21,092 registrations, while public-sector customers were also thriving (+58), although volumes were lower at 1,024 registrations. Private individual customers, who account for 45% of the market, exhibited a less dynamic trend (+21% to 58,584 registrations), no doubt due to a purchasing power of households burdened by inflation.

SUVs are all the rage

In terms of body styles, July confirmed the success of SUVs i.e., all-terrain/off road vehicles. They claimed no less than 47% of the market (up to 25% to 60,652 registrations), making them the market's leading body type. The largest models are the most successful, with increases of 360% for F-SUV luxury cars (230 registrations), 95% for E-SUV large tourers (1,118 registrations) and 66% for D-SUV family cars (8 935 registrations). Smaller bodies are also popular: +29% for C-SUV compacts (27,486 registrations) and +6% for B-SUV multi-purposes cars (22,585 registrations). The balance of SUV registrations rests in the A-segment city cars.

Regions with disparate performances

On the new passenger car market, one thing is clear: not all regions are in the same boat. Momentum is particularly strong in Normandy (+47% to 9,509 registrations), followed by runners-up Ile de France (+38% to 27,147 registrations) and pays de la Loire (+23% to 6,170 registrations). On the other hand, Hauts de France (-9% to 12,658 registrations), Corsica (+2% to 1,665 registrations) and Provence Alpes Côte d'Azur (+12% to 9,952 registrations) are in the bottom three.

New car registrations, statistics by region, July 2023

REGION_ADMIN	Jul. 2023 20/20j.			Jul. 2022 20j.		
	Vol.	%	%Var	Vol.	%	%Var
AUVERGNE RHONE ALPES	15 147	12	20	12 648	12	-8
BOURGOGNE FRANCHE COMTE	4 457	4	15	3 879	4	-11
BRETAGNE	5 330	4	28	4 160	4	-15
CENTRE VAL DE LOIRE	3 909	3	20	3 255	3	-9
CORSE	1 665	1	2	1 635	2	-29
GRAND EST	9 098	7	17	7 759	7	-15
HAUTS DE FRANCE	12 658	10	-9	13 921	13	12
ILE DE FRANCE	27 147	21	38	19 715	19	-13
NORMANDIE	9 509	8	47	6 458	6	-4
NOUVELLE AQUITAINE	11 202	9	14	9 857	9	-3
OCCITANIE	10 125	8	16	8 765	8	-4
PAYS DE LA LOIRE	6 170	5	23	4 998	5	-3
PROVENCE ALPES COTE D AZUR	9 952	8	12	8 849	8	-6

The power of brand loyalty

In a context where new car production was heavily hamstrung, due in particular to semiconductor shortages coupled with ongoing engine type changes, have the French remained loyal to their brand?

According to AAA DATA, the brand loyalty rate remained stable between 2022 and the first half of 2023 (58%) and the acquisition rate, consequently at 42%. The Dacia Sandero topped the podium in the first half of 2023, followed by runners-up Renault Captur and Dacia Duster respectively. A year earlier, the ranking was slightly different: 1. Dacia Sandero; 2. Renault Clio IV; 3. Renault Captur.

Interestingly, the Dacia Sandero also claims the top podium in the gain of new customer battle. Runner-up is Renault Captur followed by Dacia Duster 2 into the top three. A year earlier, Dacia was already the big winner, followed by Renault Clio IV and Renault Captur.

While 93% of customers acquiring a new vehicle in 2023 had already bought a new vehicle previously (average length of ownership 5.6 years), 30% had financed it by leasing. Regarding the acquisition of a new vehicle, this rate rises to 49%, a sign that leasing formulas are highly attractive and meet a real need. Engine type wise, buyers of new vehicles primarily owned petrol models, followed by diesel and hybrids, respectively. Lastly, the average age of buyers – 65% of whom are men, compared with 64% in 2022 – remains stable at 58.7

The used-car market on recovery

After months of decline, the market exhibited a partial upturn in June, with higher registrations records for vehicles over 5 years old. Through uncertainty over the implementation of LEZs, the upturn continued in July, with registrations up 6% to 451,293 registrations in global. Newer models (under 5 years old) sales, which account for 30% of the market, fell by 2% to 135,274 registrations, mainly because they must fend off recent models supply challenges and persistently high prices. On the other hand, sales of 5–10-year-old vehicles rose by 11% to 100,125 registrations, and those over ten years old by 10% to 215,894 registrations.

SUMMER FOCUS: Spotlight on the quad bike market

Often associated with vacations, or at least leisure activities, quad bikes are less praised. In the first half of the year, 1,334 units were sold, compared with 1,879 in the same period last year. Attracting mainly male customers (90%) and increasingly urban (52% in 2023 vs 46% in 2022), the average age of buyers is 50. Engine wise, electrics are up 10 points, from 27% in the first half of 2022 to 37% in the first half of 2023. Diesel is nonexistent, and gasoline engines still account for the bulk of the market (62% in the first half of 2023 vs 73% a year earlier)

Volume for the 1st half-year of 2023

TOP 5 brands	Volume
CF MOTO	407
POLARIS	152
LINHAI	144
MOTO STAR	106
NOSMOKE	72

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À propos de AAA DATA :

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