Motors.co.uk Reveals Consumer Demand For £200 Per Month Cars

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Following the launch of its first-to-market monthly payment search tool earlier this year, Motors.co.uk has identified that the majority of car buyers are looking to pay around £200 per month for their next car. While the level of deposit chosen by consumers varied in the study (from £0 to £1,000), almost one fifth (19%) of consumers chose £200 as their preferred monthly contribution, with a further 16% wanting to pay £150 per month.

The monthly payment search tool enables drivers to find cars on the basis of their monthly cost and has been supported by a major TV campaign which launched in August. The creative introduced a new Motors.co.uk character, Miss Smart Finger, and mirrored the consumer experience of using the monthly payment search function by showing the benefit of finding a nicer car than expected. The ad has now been shown more than three thousand times and seen over 80 million times.

Phill Jones, managing director of Motors.co.uk, commented: “While some consumers are still interested in the headline price of their next car, a growing number are taking a lead from the technology companies and considering the monthly impact of changing vehicle on their disposable income. Indeed, with platforms like Spotify and Netflix changing the way in which consumers think about paying for products, we believe there is a clear opportunity for dealers to increase their promotional emphasis on monthly payment.”

More than three quarters of consumers now use dealer-sourced finance to purchase their new car1, and PCP deals on used cars are also increasing. This is a trend which has not gone unnoticed by manufacturers, with the majority capitalising on competitive finance deals by focusing on monthly repayments in their advertising. In fact, according to research by Motors.co.uk, 57% of OEMs lead with finance offers in their online creative2.

Looking at the figures in more detail, more than half (53%) of consumers to date have searched for vehicles with a £0 deposit contribution, while one in ten (11%) were looking for a contribution of just £500. Almost a fifth (17%) of users were happy to contribute £1,000 as a deposit on their next vehicle.

While the most popular (34%) monthly payment option of 'any' shows consumers are willing to see what's on the market, almost one fifth (19%) of searchers thought £200 was an appropriate monthly payment. A total of 16% chose £150, while 12% were looking for cars at the £100 level.

Jones added: “It is still early days for the search by payment functionality, but the figures clearly show that there is strong demand from consumers looking to find the best car for their monthly budget. For dealers, the message is to provide choices at all ends of the financial spectrum. The data shows that deposits of up to £1,000 and monthly payments of up to £200 prove the most popular, but there is still a wide variation in individual customer requirements.”

The Motors.co.uk monthly payment search technology is powered by iVendi, which provides dealers with an easy set of tools to control their rates and the ability to upgrade to receive qualified finance applications.

1. Figure from the Finance and Leasing Association

2. Review of 21 manufacturer websites, October 2015

3. Figures based on data from stock advertised by car dealers on Motors.co.uk

For more information visit www.motors.co.uk

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Notes to editors:

About Motors.co.uk

- Motors.co.uk is owned by Manheim and operates the UK's second largest car search response network for motor dealers
- The Manheim UK Group is part of Cox Automotive, the world's largest provider of automotive services to fleets, motor dealers, vehicle manufacturers and traders across cars, motorcycles, plant and commercial vehicles
- The Motors.co.uk Network has over 3.6 million monthly unique visitors and advertises more than 350,000 used cars for sale *comScore MMX Multi-platform, September 2015, based on the Motors.co.uk network (a custom entity which includes Motors.co.uk, Carmony, Parkers, Carsite, Driving.co.uk, Carfused.com and many more)
- For further information, please visit media.motors.co.uk or contact pr@motors.co.uk

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