

South-East Asian Used Car Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 70 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

The Southeast Asia Used Car Market is anticipated to grow, registering a CAGR of about 6.3% during the forecast period (2022 - 2027).

Because of the global pandemic and the subsequent restriction, the manufacturing and demand for new cars have been hampered in the past two years. Now, as the market is still recovering, there is an increased demand for used cars, as they are relatively affordable, and cars from the last five years offer almost all the modern and necessary features.

Consumers are refraining from investing hugely in newer vehicles and are opting to purchase used cars. As a result, we see the used car industry on the rise. Used car platforms are widely safe, accessible, and available at reasonable prices.

Due to this, the sales of used cars are 1.3 times that of new vehicles. Also, this ratio is expected to double in the coming decade. Various factors, including population rise and economic growth, are making the South East Asian counties the fastest and also an attractive economic market to investors. Additionally, in Thailand, there is a constant decrease in the sales of new cars. For instance, in Q1 of 2019, about 1 million units of new cars were sold. However, in Q1 of 2022, the number dropped to about 200,000.

Automotive e-commerce has grown at a staggering rate in Thailand, and Indonesian markets, with almost 100% of used car customers beginning their car shopping experience online. This allows car dealers to provide faster digital service and more accessible options to advertise their listings. Today over 70% of used car dealers in the South East Asian market use the internet.

Additionally, to capture the market share, many companies from other countries are also inventing and starting their operations in

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

the South-East Asia region.

South-East Asian Used Car Market Trends

Strengthening of Online Platforms is Driving the Market

Based on the number of units sold and relative penetration of the used car segment, Indonesia, Thailand, and Malaysia are major markets. In 2020, about 3.5 used cars were sold for every new car in Indonesia. The number is slightly lower for Thailand, which has about two used cars for every new car.

Because the penetration of smartphones and the internet in emerging economies, especially in South East Asia, is increasing, the used car market is getting more organized. The used car retailers are using digitalization to make market offerings attractive. Also, facilities like an enormous number of photos and videos on the online platform and secure online instant finance services attract customers to buy used cars.

The primary reason behind this is that consumers prefer safety, transparency, convenience, and negligible risk while purchasing used cars, which, in turn, gives the organized sector an upper edge compared to the unorganized sector.

Hence, many new players have entered the used car market in many regional countries. For instance, in the last year, in Thailand, India's Cars24 and Malaysia's Carsome have entered the market to bridge the gap between the demand for new automobiles and the supply of used cars.

Additionally, in March 2022, Cars 24 launched its application in Thailand to redefine the used car buying experience by delivering fast, convenient, and consumer-friendly services with one app.

Also, millennials today are considering the purchase of used cars over newer ones with a higher focus on the cost than the brand names. They are much more tech-savvy, resulting in used-car sellers focusing on strengthening their online infrastructure. As a result, we see the online marketplace adapting to proprietary pricing algorithms to inspect and evaluate vehicles. This has also helped companies improve their used-car trade and transactional framework.

However, with the increasing number of vehicles and cities having jam-packed roads, the existing infrastructure cannot sustain increased demand. Hence, the government is pushing towards public transport, which will hinder market growth in the upcoming years. Additionally, the automobile production growth rate has remained stagnant over the last few years in South Asian nations.

These factors will hinder the purchase of used cars. Nevertheless, the used car market remains successful compared to the newer car, especially for those who opt for compact and budget-friendly options.

Indonesia is Expected To Witness Significant Growth

Although Thailand is leading in the number of vehicles produced with about 1.6 million vehicles in 2021, Indonesia takes the second spot with about 1.1 million vehicles produced. But irrespective of the car produced, the number of new passenger cars sold in the country has steadily decreased. For instance, in 2018, about 1.1 million units of passenger cars were sold, which fell to about 1.0 million units in 2019. Owing to the global pandemic and the restrictions, the sales plummeted further to about 500,000 units in 2020. Although the vehicle sales rose to about 850,000 units in 2021, due to life coming to normalcy, the sales numbers are expected to decrease in the upcoming years.

Additionally, because of the global pandemic, most privately owned cars stood still during the time. Hence, on average, the

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

kilometer reading on the odometer was less than the vehicle's age which is expected to aid the studied market. Also, due to the slight dip in the GDP, people prefer used cars over new cars as they are about 40% cheaper than the new model.

In Indonesia, Jakarta has the most used cars sold due to its high urban population. In addition, Jakarta has the country's highest passenger car ownership rate, with about 40 cars per 100 people. This is even higher when compared to the national average, which is seven cars per 100 individuals.

Hence due to the declining sales even before the pandemic, the market for new cars is expected to witness hindrance, aiding the used car market in Indonesia.

South-East Asian Used Car Market Competitor Analysis

The South-East Asian Used Car Market is hugely fragmented, with various startups and regional players such as PT. Moladin Digital, Carousell, Carro, Carsome, and Cars24 Services Private Limited. Although to have the edge over their competitors, the major rental companies are making joint-ventures and partnerships to launch newer products.

Additional Benefits:

The market estimate (ME) sheet in Excel format
3 months of analyst support

Table of Contents:

1 INTRODUCTION

- 1.1 Study Assumptions
- 1.2 Scope of the Study

2 RESEARCH METHODOLOGY

3 EXECUTIVE SUMMARY

4 MARKET DYNAMICS

- 4.1 Market Drivers
- 4.2 Market Restraints
- 4.3 Porters Five Forces Analysis
 - 4.3.1 Threat of New Entrants
 - 4.3.2 Bargaining Power of Buyers/Consumers
 - 4.3.3 Bargaining Power of Suppliers
 - 4.3.4 Threat of Substitute Products
 - 4.3.5 Intensity of Competitive Rivalry

5 MARKET SEGMENTATION

- 5.1 By Vehicle Type
 - 5.1.1 Hatchback
 - 5.1.2 Sedan
 - 5.1.3 Sports Utility Vehicle (SUV)
- 5.2 Fuel Type
 - 5.2.1 Diesel

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 5.2.2 Gasoline/Petrol
- 5.2.3 Electric
- 5.3 Booking Type
 - 5.3.1 Offline
 - 5.3.2 Online
- 5.4 By Vendor Type
 - 5.4.1 Organized
 - 5.4.2 Unorganized
- 5.5 By Country
 - 5.5.1 Vietnam
 - 5.5.2 Indonesia
 - 5.5.3 Malaysia
 - 5.5.4 Thailand
 - 5.5.5 Singapore
 - 5.5.6 Rest of South-East Asia

6 COMPETITIVE LANDSCAPE

- 6.1 Vendor Market Share
- 6.2 Company Profiles*
 - 6.2.1 Carro (Trusty Cars Pte Ltd)
 - 6.2.2 Carsome Sdn Bhd
 - 6.2.3 Cars24 Services Private Limited
 - 6.2.4 Carousell
 - 6.2.5 PT. Moladin Digita
 - 6.2.6 ICar Asia Limited
 - 6.2.7 OLX Indonesia
 - 6.2.8 Toyota Trust (Toyota Motor Corporation)
 - 6.2.9 Honda Certified (Honda Motor Corporation)
 - 6.2.10 Nissan Intelligent Mobility (Nissan Motor Corporation)

7 MARKET OPPORTUNITIES AND FUTURE TRENDS

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

**South-East Asian Used Car Market - Growth, Trends, Covid-19 Impact, and Forecasts
(2023 - 2028)**

Market Report | 2023-01-23 | 70 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-03-01"/>
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

