Automotive Parts - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2026 - 2031)

Market Report | 2026-02-09 | 100 pages | Mordor Intelligence

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Report description:

Automotive Parts Market Analysis

The automotive parts market was valued at USD 111.53 billion in 2025 and estimated to grow from USD 116.67 billion in 2026 to reach USD 146.23 billion by 2031, at a CAGR of 4.61% during the forecast period (2026-2031). Higher vehicle production volumes, steady aftermarket demand from an aging global fleet, and accelerating electrification together sustain this moderate growth path. Electrified powertrains shift revenue pools toward high-value electrical and electronic content, even as they reduce demand for some internal-combustion components. Digital commerce is redrawing global distribution routes for spare parts, bringing thousands of smaller suppliers into the formal supply chain. Asia-Pacific holds structural cost advantages, extensive manufacturing scale, and deep local demand, allowing the region to capture disproportionate gains in new-model sourcing. Meanwhile, semiconductor constraints, volatile raw-material input costs, and stricter data-access rules remain primary headwinds that can distort quarterly output and profitability.

Global Automotive Parts Market Trends and Insights

Rise in Global Vehicle Production

Global automotive production reached 90.5 million units in 2023, returning to pre-COVID levels, though production is expected to moderate to 88.5 million units in 2024 before recovering. This production expansion directly correlates with increased demand for both original equipment and aftermarket parts, particularly in emerging markets where vehicle ownership rates continue to climb.

China's transformation into a net vehicle exporter, primarily of low-cost internal combustion engine and electric vehicles, reshapes global supply chains and creates new demand patterns for component suppliers. The shift toward "multi-energy" production lines allows manufacturers to adapt quickly to market uncertainties while maintaining consistent parts demand across different powertrain technologies.

Software-Defined Vehicles Requiring Upgradeable Hardware

The automotive software market is projected to demonstrate strong growth over the next few years, with industry executives believing vehicles will be software-defined and AI-powered by 2035. This transformation requires fundamentally different hardware architectures supporting over-the-air updates and continuous feature enhancements. Unlike traditional automotive components with fixed functionality, software-defined vehicles demand modular, upgradeable hardware platforms to accommodate evolving software requirements throughout the vehicle's lifecycle. This shift drives demand for high-performance computing units, advanced sensors, and flexible electronic control units that can be reprogrammed remotely, creating new revenue opportunities for suppliers capable of delivering these sophisticated components.

Persistent Semiconductor Shortages

The automotive semiconductor market faces continued supply constraints despite recovery efforts, with the industry experiencing production reductions of up to 40% during peak shortage periods. The automotive sector's transition to software-defined vehicles is increasing semiconductor content per vehicle from USD 800 in 2023 to an expected USD 1,350 by 2030. Supply chain vulnerabilities persist due to concentrated production in specific geographic regions and the long lead times required for automotive-grade components. The shortage particularly impacts advanced driver assistance systems and infotainment components, forcing OEMs to prioritize chip allocation and sometimes remove features from vehicles to maintain production schedules.

Other drivers and restraints analyzed in the detailed report include:

Rapid Growth of E-commerce Parts Platforms"Right-to-Repair" Legislation Widening Independent Service ShareEV Shift Eroding Demand for ICE-Specific Parts

For complete list of drivers and restraints, kindly check the Table Of Contents.

Segment Analysis

Electrical and electronics components command the largest market share at 29.56% in 2025 while achieving the fastest growth rate of 9.12% CAGR through 2031. This dual leadership reflects the automotive industry's fundamental shift to ward connected, autonomous, and electrified vehicles that require sophisticated electronic systems. Modern vehicles average 80 sensors and 100 electronic units, with electronic components expected to comprise 50% of a new car's cost by 2030. The segment encompasses critical systems including advanced driver assistance systems (ADAS), infotainment platforms, battery management systems, and vehicle-to-everything communication modules.

Driveline and powertrain components face a complex transition as traditional internal combustion engine parts experience declining demand while electric powertrain components surge. Interior and exterior segments benefit from premiumization trends and increased focus on user experience, particularly in software-defined vehicles where cabin technology becomes a key differentiator. Body and chassis components are evolving to accommodate new materials and lightweighting requirements. At the same time, wheel and tire segments remain relatively stable, with growth driven by replacement demand from aging vehicle fleets and expanding global vehicle populations.

Internal combustion engine vehicles maintain the largest market share at 75.88% in 2025, reflecting the installed base of existing vehicles and continued production in many global markets. However, battery-electric vehicles represent the fastest-growing segment with an extraordinary 34.1% CAGR, driven by regulatory mandates, improving battery technology, and expanding charging infrastructure. Global electric car production reached 17.3 million units in 2024, with China producing 12.4 million vehicles and dominating over 70% of global output.

Hybrid and plug-in hybrid electric vehicles serve as transitional technologies, requiring components for electric and combustion powertrains, creating complexity for suppliers and diversifying demand patterns. Fuel-cell electric vehicles remain a niche segment but show promise in commercial vehicle applications where hydrogen's energy density advantages become more pronounced. The propulsion mix varies significantly by region, with China and Europe leading electrification. At the same time, North America and emerging markets maintain higher ICE shares, requiring suppliers to maintain flexible production capabilities across multiple powertrain technologies.

The Automotive Parts Market Report is Segmented by Type (Driveline and Powertrain, Electrical and Electronics, and More), Propulsion (Internal Combustion Engine, Battery-Electric Vehicle, and More), Vehicle Type (Passenger Car and Commercial Vehicle), Sales Channel (OEM and Aftermarket), and Geography (North America, South America, Europe, Asia-Pacific and More). The Market Forecasts are Provided in Terms of Value (USD).

Geography Analysis

Asia-Pacific maintains its dominant position with 45.31% market share in 2025 and leads regional growth at 6.19% CAGR through 2031, driven by China's automotive manufacturing supremacy and expanding domestic markets. China produced 12.4 million electric vehicles in 2024, representing over 70% of global electric car output, while transforming into a net vehicle exporter. This dual role as producer and exporter creates substantial demand for automotive parts both domestically and for export vehicles. India's automotive aftermarket is projected to reach USD 14 billion by 2028, supported by increasing vehicle ownership and growing demand for aftermarket services. Japan continues to leverage its technological expertise in advanced components, particularly in hybrid powertrains and precision manufacturing. At the same time, South Korea focuses on electric vehicle technologies and semiconductor solutions for automotive applications.

North America and Europe represent mature markets with established automotive ecosystems but face distinct challenges in adapting to industry transformation. Europe's automotive aftermarket, valued at EUR 64 billion, confronts pressure from economic volatility, regulatory changes, and the transition to electric vehicles that require fewer traditional maintenance services. The region's independent aftermarket holds a 60% market share, driven by aging vehicles and budget-conscious consumers, but growth is expected to slow post-2026 due to EV adoption. North America benefits from nearshoring trends and the Inflation Reduction Act's support for domestic EV production, though the market faces potential disruption from trade policies and Chinese automotive competition.

Emerging markets in South America, the Middle East, and Africa demonstrate significant growth potential despite smaller current market shares. Mexico's auto parts sector attracted over USD 2.5 billion in foreign direct investment in 2024, representing a 23.5% increase driven by electric vehicle production growth in the U.S. and rising demand for electric components. The Middle East and North Africa region saw 11 new automotive projects with investments exceeding USD 2.9 billion in Q1 2024, led by Saudi Arabia's USD 1.3 billion electric vehicle manufacturing complex. These regions benefit from government initiatives to develop local automotive capabilities and reduce dependence on imports, creating opportunities for domestic and international parts suppliers.

List of Companies Covered in this Report:

Robert Bosch GmbH Continental AG Denso Corporation ZF Friedrichshafen AG Magna International Inc. Valeo SA Hyundai Mobis Co. Ltd Faurecia SE Lear Corporation Aisin Corporation Aptiv Plc BorgWarner Inc. Schaeffler AG Cummins Inc. CATL Tenneco Inc. Brembo SpA Mando Corporation ACDelco (GM Genuine Parts) Nidec Corporation

Additional Benefits:

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

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