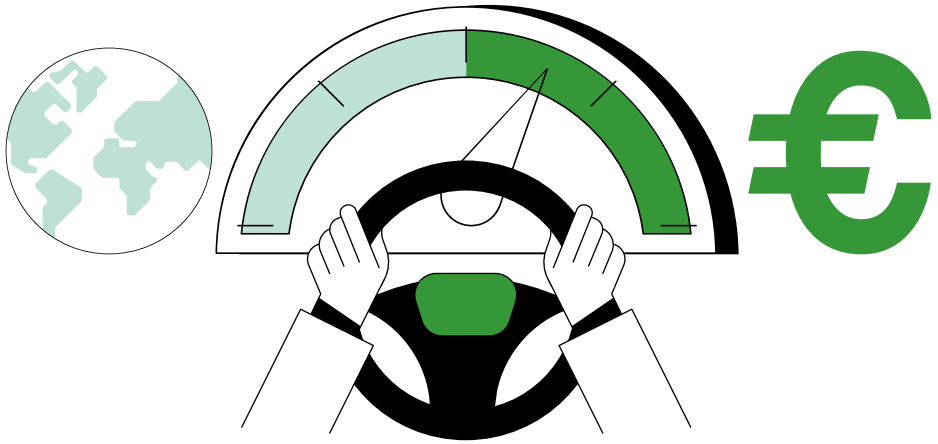
2027

AUTO

Country or price?

Motorists have made their choice

An international survey carried out in 13 countries



OBSERVATOIRE Cetelem

BNP PARIBAS PERSONAL FINANCE

EDITORIAL

Ever since its earliest days, the story of the automobile has been bound up with national identity, particularly in the countries where the industry was born. Alongside these nations were the brands themselves, delighting, inspiring and capturing the imagination of drivers. These brands, often deeply intertwined with their home countries, have stood the test of time. They remain steadfast points of reference in a market that has been rocked by profound, irreversible upheaval, especially in recent years.

Which is why, for its 2027 edition, Observatoire Cetelem de l'automobile set out to explore whether automotive patriotism truly exists and, more to the point, whether motorists actively champion and identify with it. On the whole, the short answer is no. National allegiance runs headlong into a formidable adversary: price, which has almost always been the ultimate arbiter of any purchasing decision.

Yet the devil is so often in the detail, and such a complex issue defies a simple, cut-and-dried answer. As you will discover reading through this latest Observatoire Cetelem de l'automobile report, what constitutes a nation's automotive identity varies widely from country to country, displaying as many subtle shades as a car manufacturer's colour swatch.

What is more, while price remains the ultimate north star for consumers, there are different ways of weighing up the economic and financial realities of buying and running a car in an era of rising energy costs.

German engineering, French flair, Italian style, Japanese reliability, American extravagance: these are clichés of a bygone era, and the world has moved on. With a far richer array of qualities to offer, brands—and the nations linked to them in drivers' minds—still have plenty of aces up their sleeve.

Flavien Neuvy
Director of Observatoire Cetelem

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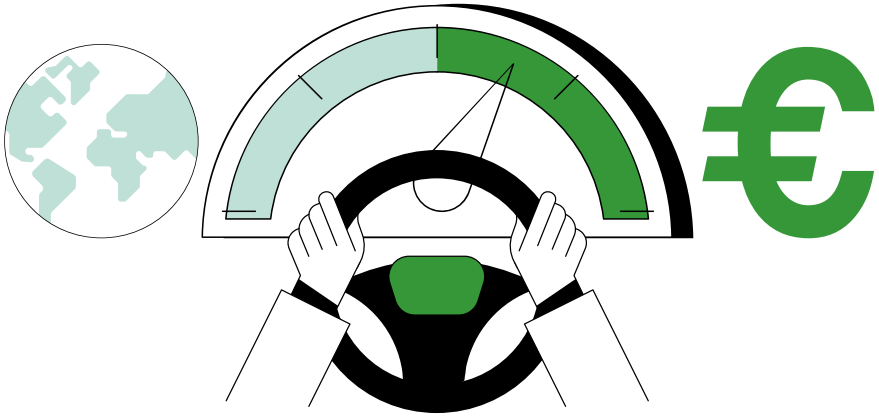
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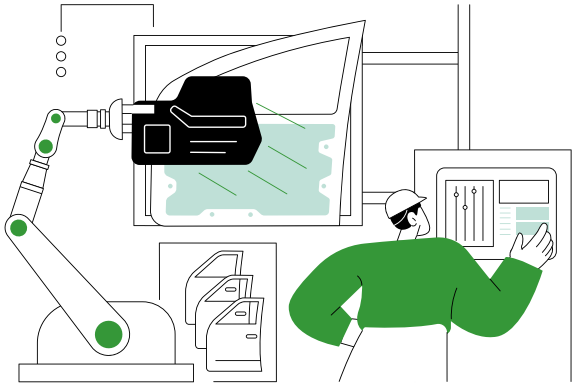
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1

The automobile: economic weight and cultural impact



Since the beginning of the 20th century, the automobile has established itself as one of the most powerful defining features of modern society. Beyond shaping the way we travel, work and consume—indeed, our whole way of life—it has transformed physical landscapes and reshaped the economies of many nations. However, the crisis that the sector has faced in Europe for several years is causing a profound shake-up. China, and Asia more broadly, now dominates the sector in terms of both sales and production. European countries appear to be bearing the brunt of this shift, unable—or perhaps unwilling—to strike back. For their part, motorists are coming to view the industry's economic importance in a broader context, just as they no longer consider a vehicle's country of manufacture to be a decisive purchasing factor.

A deceptive market

A MISLEADING REBOUND

In recent years, the tectonic plates of the car registration landscape have shifted dramatically. As a consequence of the health crisis, sales of new passenger cars plummeted, falling from 64.8 million units in 2019 to 57.4 million in 2020[1]. The market dipped across all countries, except in China where growth proved exponential within a first-time buyers' market and backed by public policy support. In the years that followed, the global catch-up was more or less linear, culminating in 2025 with an automotive market in good health, showing strong resilience with 71 million units sold. However, this misleading picture masks significant disparities.

IS THE CHINESE MARKET REACHING ITS LIMITS?

Across the 13 markets[2] studied by this Observatoire Cetelem, sales volumes reached 69.7 million new light vehicles[3] (NLVs) in 2025, 8.6% above the 2019 level (64.2 million). Yet this growth was driven almost entirely by China, which accounted for 34.4 million units (+33.3% vs 2019) and single-handedly represented nearly half of the total volumes across the 13 countries. Furthermore, China's domestic engine is stalling. In the first half of 2026, sales of new light vehicles fell by 5.3%. For new passenger cars (NPCs) alone, the China Passenger Car Association (CPCA) lowered its annual forecast to approximately -14%, following a 20.2% drop in the first half of 2026. This slowdown points to saturation in the domestic market, which can no longer sustain the growth of the sector on its own. Against this backdrop, foreign brands, German manufacturers in particular, are losing ground. Meanwhile, Chinese carmakers are seeking new outlets to offset weakening domestic demand by boosting exports, particularly of electric vehicles. With the US market looking completely and permanently closed to them, they are turning firmly toward a Europe that offers less protection for its home market, despite the Industrial Accelerator Act currently under review in the European Parliament, as well as toward South America and South-West Asia.

IRA VS IAA
AN EYE FOR AN EYE

The Inflation Reduction Act (IRA) is protectionist US legislation passed in August 2022. Under the act, the federal government handed out around $390 billion in subsidies and tax credits over 10 years to businesses and individuals investing in clean energy (solar, wind) or buying an electric vehicle, provided a significant share of production (batteries, assembly, minerals) took place in the US. Since the One Big Beautiful Bill Act was signed into law by Trump on 4 July 2025, most of these incentives have been scrapped (with the EV tax credit ending on 30 September 2025), diminishing its pull factor. The Industrial Accelerator Act (IAA), proposed on 4 March 2026, seeks to apply a similar logic in Europe by favouring "Made in EU" production. It is currently under consideration by the European Parliament and has not yet been adopted.

SOLID US DEMAND, BUT FOR HOW LONG?

In the US market, NLV sales stood at 16.7 million in 2025, representing a 4.1% decline compared to 2019. Demand is holding up better than in Europe, despite steadily rising prices for new vehicles and repeated macroeconomic shocks. The first six months of 2026 saw a slight dip (-2.6%), consistent with a mature market approaching the peak of its cycle. Over the longer term, declining birth rates, lower interest in cars among younger generations and sustained price increases, including raw material costs following the Middle East crisis, could theoretically erode this plateau. However, given the lack of alternative modes of transport, it is difficult to imagine an America with fewer cars.

(1) Source: OICA. (2) Germany, Belgium, China, Spain, United States, France, Italy, Japan, Netherlands, Poland, Portugal, United Kingdom, Turkey. (3) LV = passenger cars + light commercial vehicles.

THE EUROPEAN SLUMP

One need look no further than Europe to find the weak link in the recovery. The nine European countries covered in this Observatoire Cetelem study show a 17% drop in NLV sales between 2019 and 2025. The decline is slightly tempered when Turkey is included (-11% vs 2019). What is more, this average masks significant variations between markets regaining volume and those suffering severe drops. Germany, France, and Italy—continental Europe's primary markets—remain stuck well below their 2019 levels.

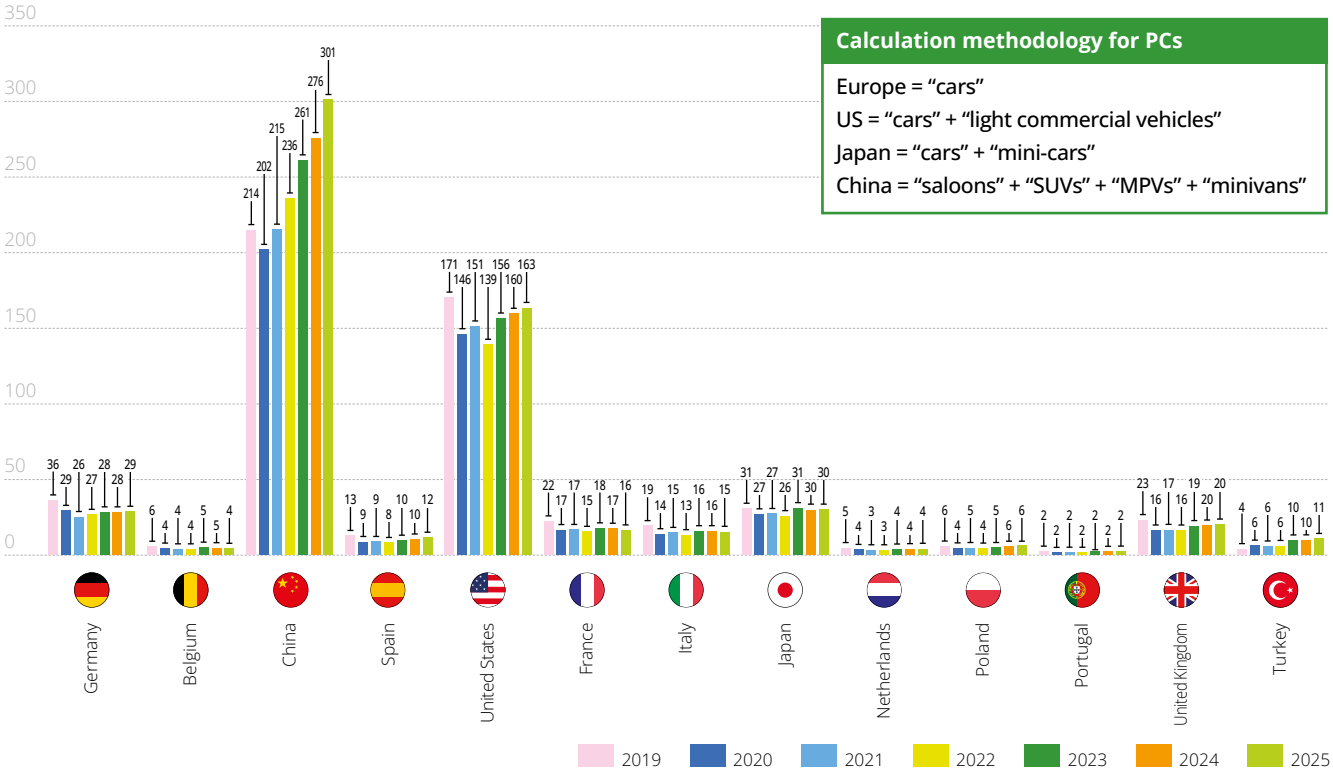
The United Kingdom, the fourth major market, likewise remains below its pre-Covid figures; however, it appears to be turning the corner, recording volume growth in 2025 as well as in the first half of 2026. In the South, Spain stands at -9% but remains on a recovery trajectory (+12% in 2025 and +6% in the first half of 2026), while Portugal has successfully closed the gap with 2019. Poland is the only genuinely dynamic market in the European sample, standing 8% above its pre-Covid level, though its vehicle ownership rate remains lower than that of Western Europe.

Sources: C-Ways, MarkLines, ACEA, manufacturers' federations, specialist press.

Fig. 1

Annual sales of passenger cars (PCs)

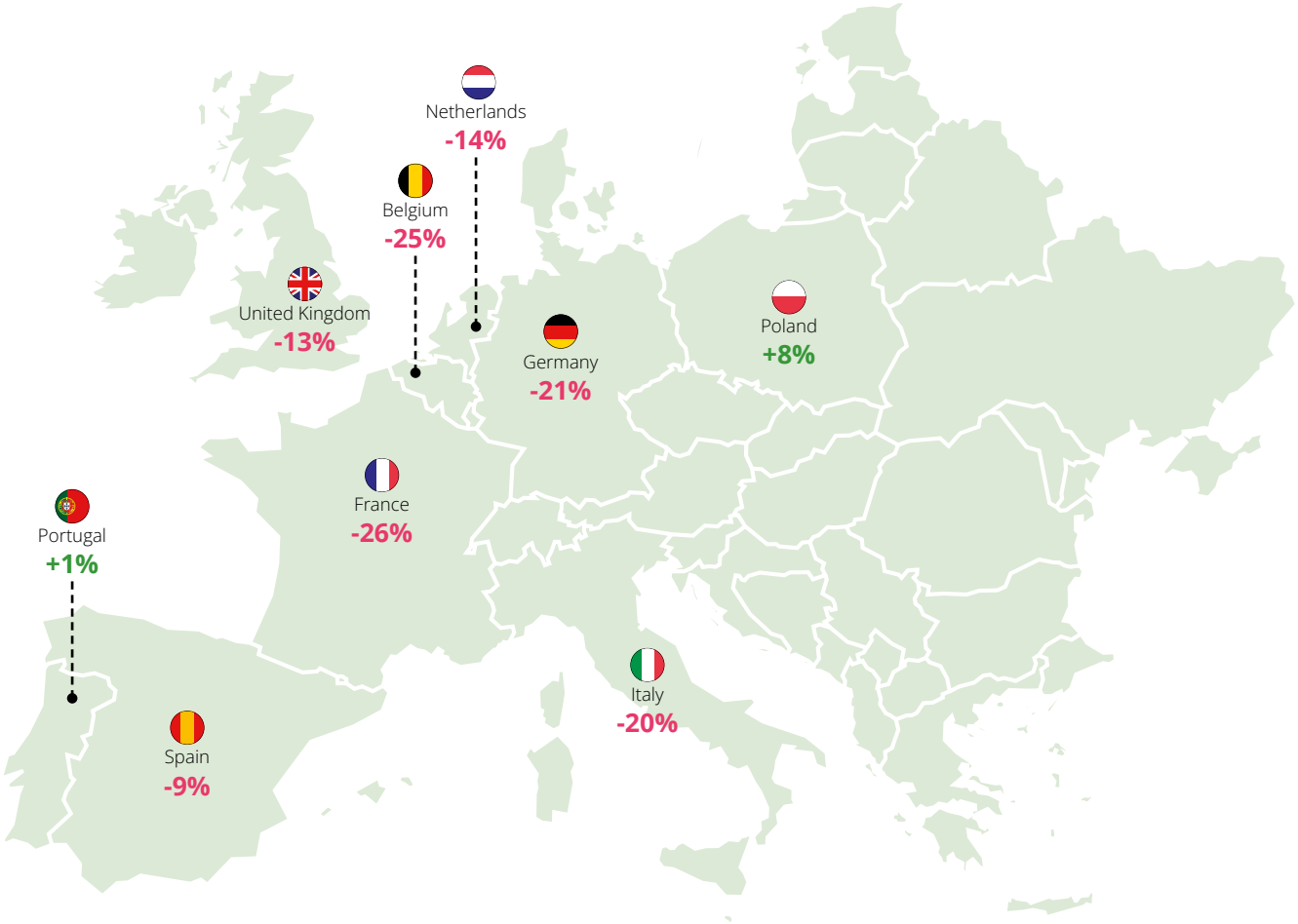
Units: 100,000 vehicles



Source: Marklines

Fig. 2

Change in passenger car sales between 2019 and 2025 across nine European countries



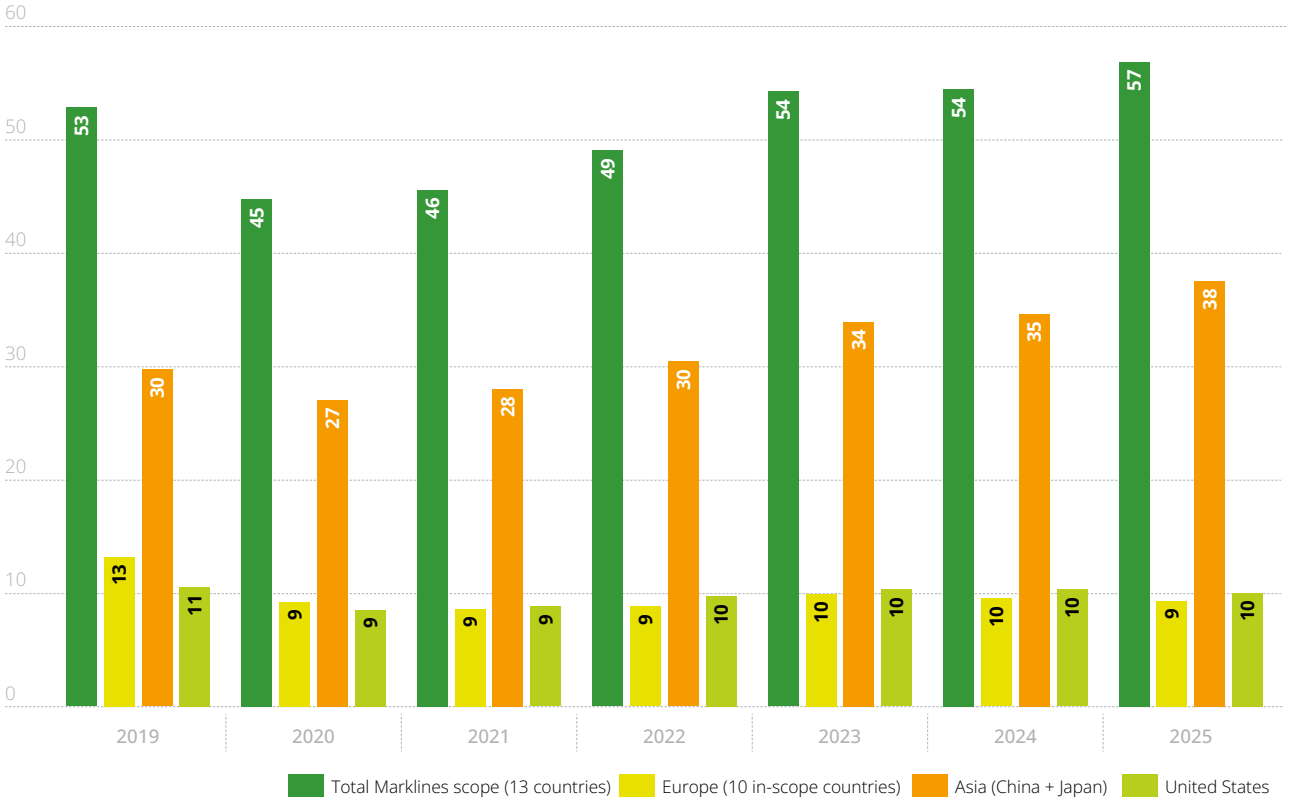
Source: Marklines

FAR FROM QUIET ON THE EASTERN FRONT

Fig. 3

Annual production of passenger cars (PCs)

Unit: millions of vehicles



INDIA AND BRAZIL ON A ROLL

Lying outside the scope of this Observatoire Cetelem report, two major emerging markets, India and Brazil, posted NLV volume growth of 4% (4.4 million units) and 2% (2 million units) respectively in 2025 compared to 2024.

The first half of 2026 looks set to be far more dynamic still, with registration growth reaching 24% in Brazil and 17% in India.

All of which points towards an excellent 2026.

Source: Marklines

SHIELDING DOMESTIC MARKETS

The reasons for Asia's success are manifold. The sheer size of the Chinese market, whose rapid expansion is still very recent, is one. The capacity for innovation, demonstrated, for instance, by Toyota's mass-market launch of the first hybrid vehicle in 1997, is another. However, one cannot overlook a series of policy measures, particularly in China, that indirectly confer a clear competitive advantage on domestic brands. This proactivity leaves European countries largely failing to respond and, ultimately, empty-handed. The adoption of the IAA, and the potential alignment of public policies with new criteria, could once again reshape market dynamics.

Fig. 4

Comparison of national protectionist measures in the automotive sector

Region / Country	Measure	Details	Entry into force
China	"Clean" vehicle production quota (NEV mandate)	Requires manufacturers and importers to ensure a share of their production/imports consists of electric, plug-in hybrid or hydrogen vehicles: 28% (2024), 38% (2025), 48% (2026), indirectly benefiting Chinese brands, which are already pioneers in the sector.	Since 2018
China	Purchase tax exemption subject to technical criteria	Tiered scale calculated on electric range, battery energy density, energy consumption and vehicle price, effectively favouring better-calibrated Chinese models	Since 2014
United States	Tariffs on Chinese vehicles	Duty increased to 100% (vs 25%) + 25% on batteries	Since 2024
United States	Domestic battery production subsidy	Tax credit (Section 45X) of $35 per kWh for batteries manufactured on US soil	Since 2022
France	Environmental protectionism	Restricts purchase subsidies to vehicles with the most favourable production and transport carbon footprint, effectively excluding EVs manufactured outside Europe (e.g. Dacia Spring, MG)	Since 2023
Japan	Technical and tax standards for micro-vehicles (kei cars)	Caps dimensions (3.4 × 1.48 × 2 m) and engine capacity (660 cc) in exchange for tax exemptions (VAT, fuel, annual road tax), de facto benefiting legacy Japanese manufacturers, pioneers in this segment	Since 1949
United Kingdom	No protectionist measures identified	Open market, with no specific mechanisms to support domestic production	-
Turkey	Import tariffs	25% or $6,000 on petrol engines (whichever is higher); 30% or $7,000 on plug-in hybrids; 30% or $8,500 on electric vehicles	Since 2025
Turkey	Direct support for domestic manufacturer (Togg)	Guaranteed state purchases of 30,000 Toggs per year (national manufacturer); VAT refunds, duty exemptions on machinery, loans/guarantees, free land allocation	Since 2018
European Union	Countervailing duties on Chinese EVs	+17.0% BYD / +18.8% Geely / +35.3% SAIC (in addition to the 10% already levied on all Chinese manufacturers)	Since 2024

Sources: C-Ways compilation: Reg. (EU) 2024/2754; ADEME; US Congress; Center for Climate and Energy Solutions; DieselNet; Electrive; OSW; Motor Trend.

An industrial heavyweight

A ROLE IN MANUFACTURING SOMETIMES CALLED INTO QUESTION

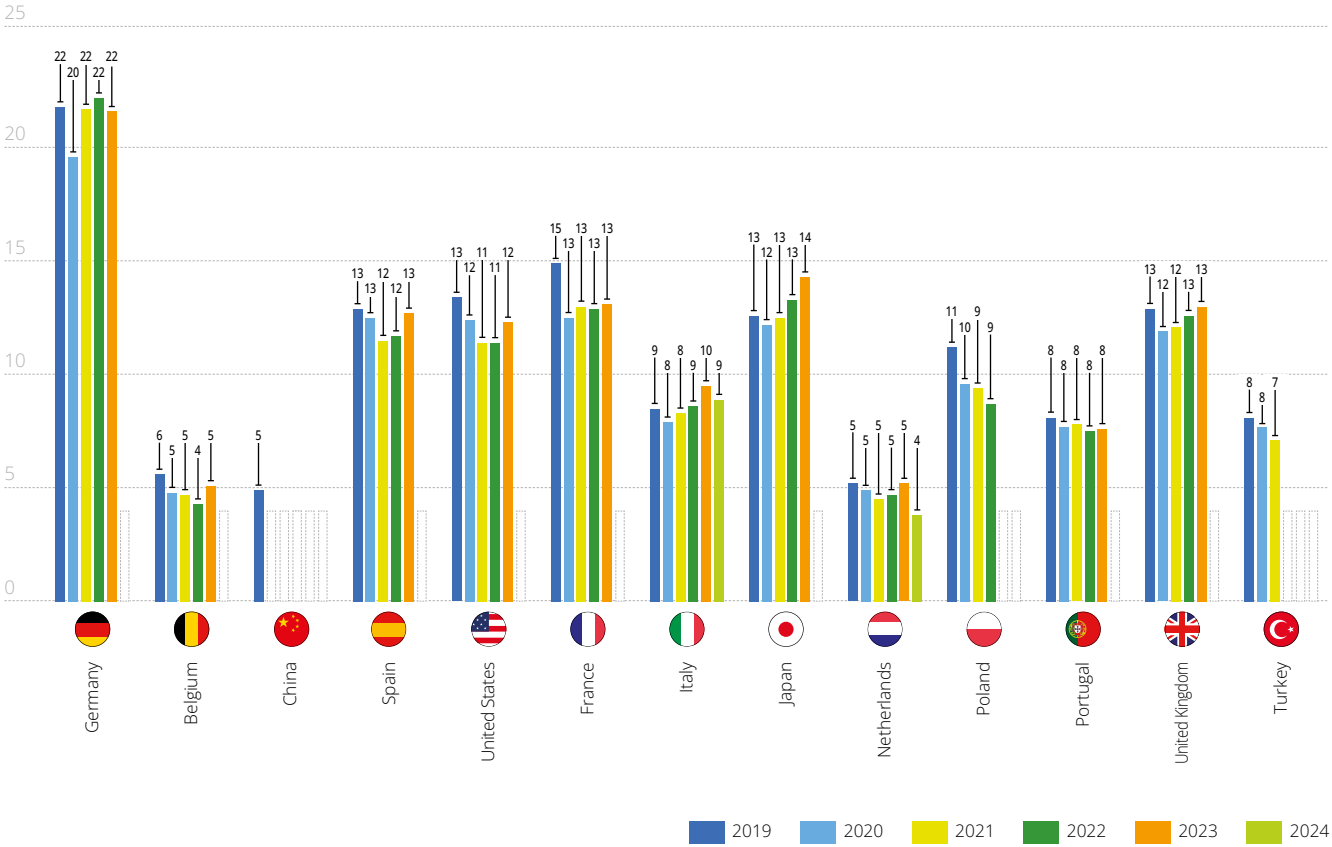
Indeed, the automotive industry occupies a unique economic position, particularly when set against the manufacturing sector as a whole.

This is especially true in Germany, where this macroeconomic data alone justifies German anxieties over the dominant rise of the Chinese automotive industry and its capacity to meet consumer expectations.

Fig. 5

Share of the automotive sector in manufacturing value added

Unit: % of total manufacturing value added (Division C29)



Source: OECD

HUMAN CAPITAL

The weight of the automotive sector as a whole is also reflected in its human capital, accounting for hundreds of thousands of jobs. Ever since the 2000s, marked by the ripple effects of globalisation, employment in the sector has been under pressure, particularly in France and Italy, triggering significant redundancy plans. This phenomenon is now accelerating, especially over the past two years, which have seen a succession of new restructuring plans announced across most major groups, with German manufacturers no longer immune to the trend.

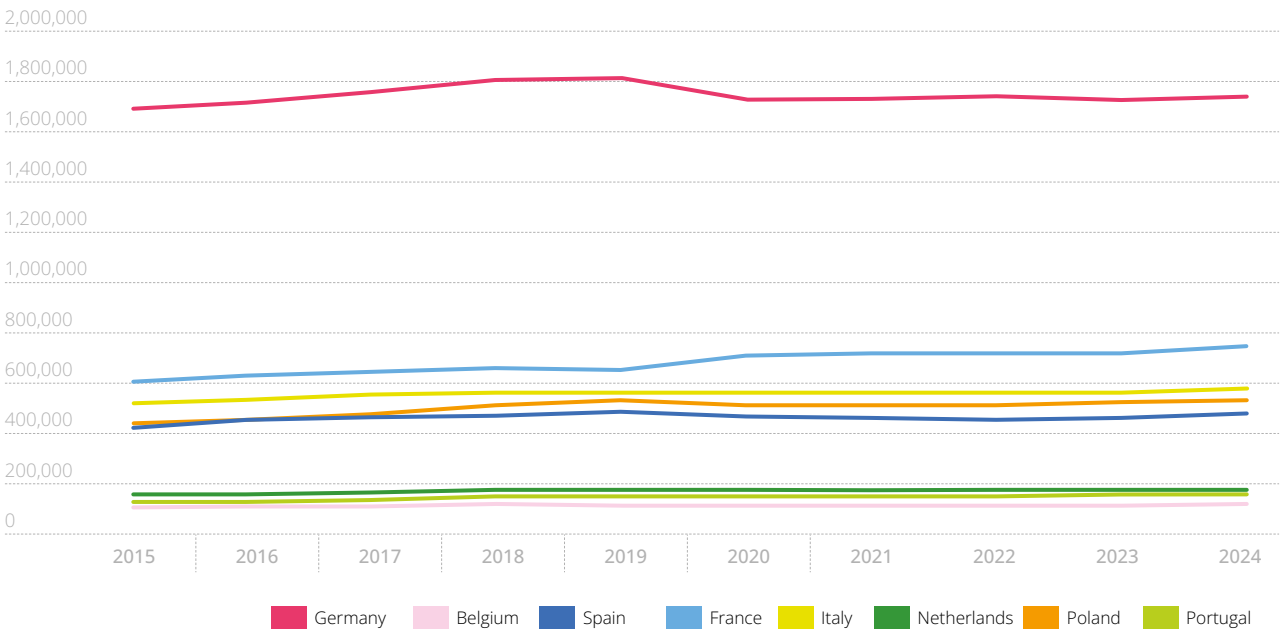
Even so, Germany remains Europe's automotive stronghold, accounting for nearly 1.75 million manufacturing jobs in 2024*, or 4.1% of the active workforce. In France, Europe's second-largest automotive employer, the figures are roughly half that, at 743,000 jobs, representing 2.4% of the active workforce. These figures nevertheless remain lower than those of several other economic sectors.

Furthermore, the relatively low proportion of automotive employment in China, the world's top vehicle producer, should not obscure the fact that in the "factory of the world," manufacturing spans a vast array of industries.

EMPLOYMENT
RELATIVE STABILITY IN RECENT YEARS...

Fig. 6

Trend in automotive sector employment



* Excludes trade, repair, spare parts sales, fuel sales, finance, driving schools, etc.
Source: OECD – SBDS

… BUT A SHARP DOWNTURN OVER TWO YEARS

Fig. 7

Net change in job numbers among vehicle manufacturers and suppliers, Germany vs rest of the EU, 2022 – Q2 2026

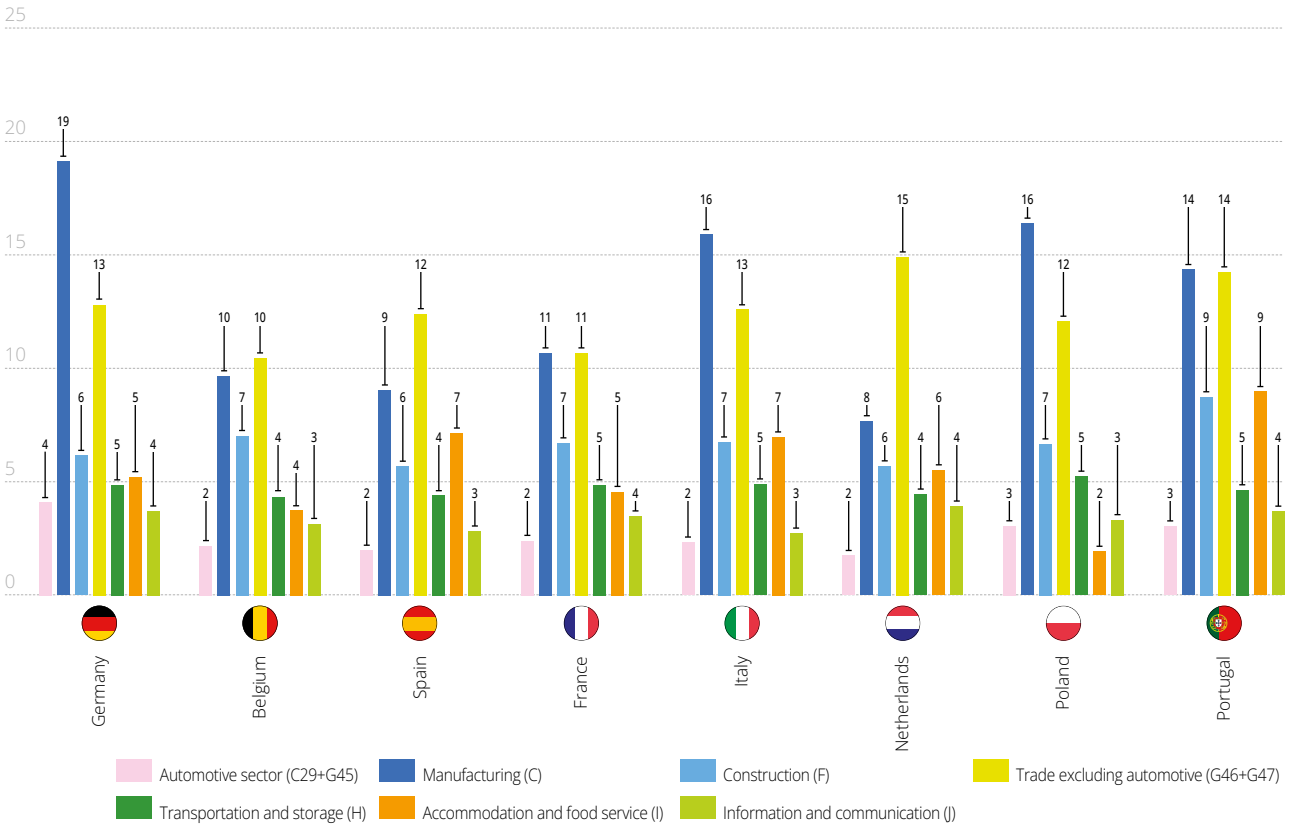


Source: European Restructuring Monitor

Automotive sector: 2% to 4% of the active workforce in 2024, a lower share than construction, trade and accommodation and food service activities.

Fig. 8

Share of automotive sector employment relative to the total active workforce, compared with other major sectors
In %



Source: OECD -SBDS

Fig. 9

Germany's automotive powerhouse takes a hit

GROUP	Date announced	Number of roles announced	Description
Mercedes-Benz Group	19/02/2025 (programme presented internally mid-Nov 2024)	~40,000 administrative roles eligible for voluntary redundancy	"Next Level Performance" programme: target of €5bn in cost savings by 2027, 10% reduction in production costs by 2027 (20% by 2030). Net job cuts unspecified at announcement.
Volkswagen Group	20/12/2024	35,000 roles by 2030	Two of the four production lines cut at Wolfsburg; Dresden and Osnabrück sites potentially up for sale; no plant closures or immediate compulsory redundancies; capacity reduction of 700,000 vehicles/year; target savings of €15bn/year.
Volkswagen Group	10/03/2026	50,000 additional roles by 2030 (on top of the 35,000 already agreed)	Announcement by CEO Oliver Blume in Wolfsburg following a 53% drop in operating profit ($10.4bn, lowest level since 2016) and a 44% drop in net profit (2025).
Volkswagen Group	09–24/07/2026	Up to 100,000 roles in total under discussion (including 50,000 additional "theoretical" cuts according to an internal CEO memo)	Major restructuring plan under consideration: potential closures being weighed up for Zwickau/Emden within 5 years, Hanover by 2032, Neckarsulm by 2034; 45,000 jobs affected across the four sites.

Source: Official manufacturer announcements

HEADWINDS HITTING PRODUCTION

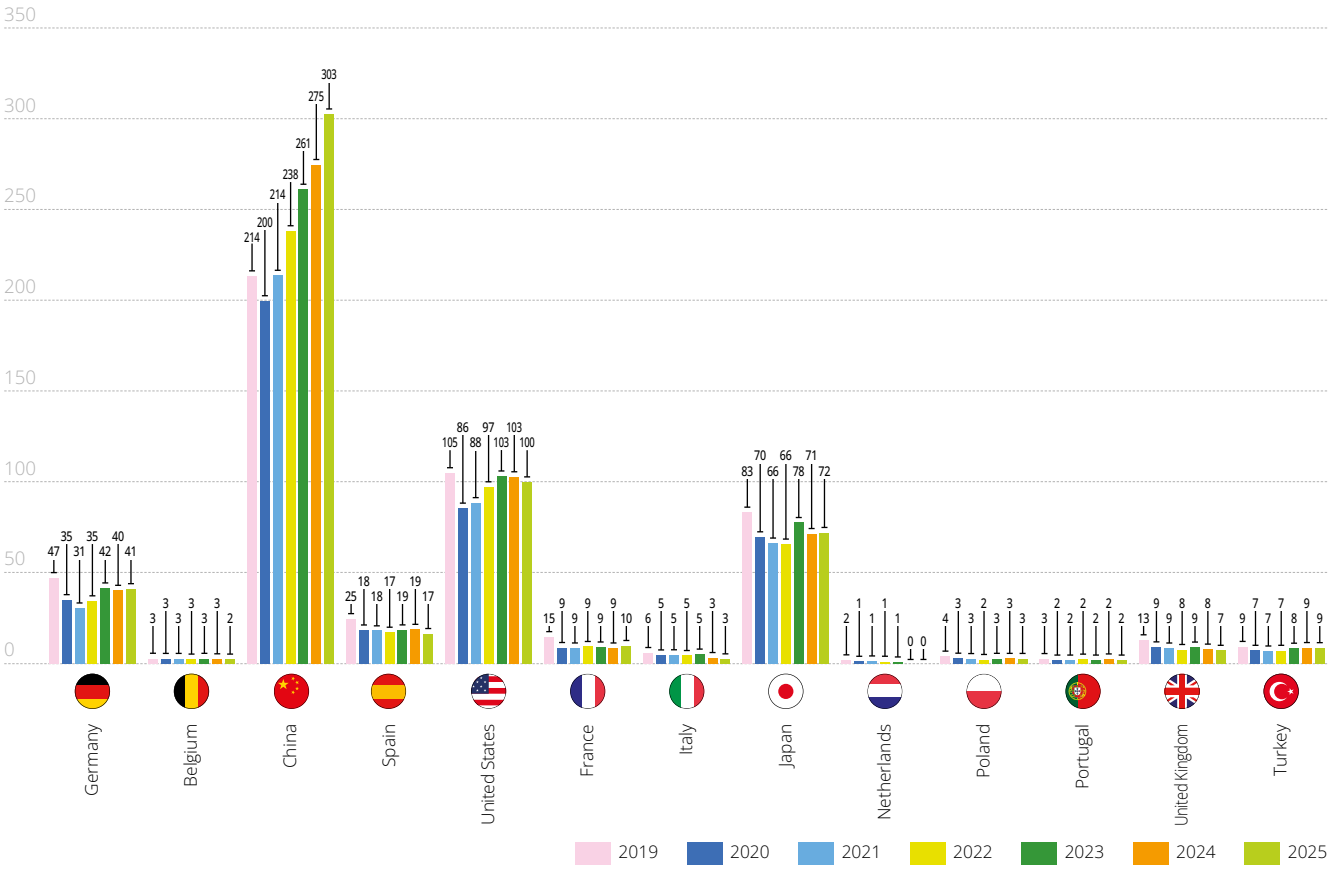
Driven by China's post-pandemic recovery and continued growth, the number of motor vehicles produced globally in 2023 surpassed 2019 levels. However, as with sales, sharp geographical disparities remain, reflecting the rise of new forms of automotive mobility. China alone continues its relentless push forward, while other markets, most notably Japan, struggle to regain momentum.

In France and Italy, the best-case scenario is a holding pattern that halts the ongoing drain on output, unless effective protectionist policies are introduced. French production of passenger cars dropped from 1.47 million units in 2019 to just 0.99 million in 2025. In Italy, the situation represents nothing short of a collapse: falling from 590,000 units in 2019 to a mere 270,000 in 2025.

Fig. 10

Annual production of passenger cars (PCs)

Unit: 100,000 vehicles



Source: Marklines

Made in... where? A secondary factor

A SYMBOLIC POWERHOUSE, YET GEOGRAPHICALLY FRAGMENTED

The internal combustion engine is inextricably linked with the Industrial Revolution. Its placement under the bonnet of a moving vehicle remains one of the era's most striking symbols. In 1878, Amédée Bollée commercialised La Mancelle, the first mass-produced vehicle powered by a steam engine. In 1886, Carl Benz's Benz Patent-Motorwagen became the first vehicle powered by a single-cylinder petrol engine.

In the space of nearly 150 years, from the Ford Model T to the Ferrari Testarossa by way of the Golf GTI, the motor car has fundamentally shaped societal evolution.

Given that its symbolic status is beyond doubt, the Observatoire Cetelem sought to determine whether the automobile remains synonymous with economic power. The findings reveal that the automotive industry, cited by a quarter of respondents, ranks only fourth among sectors deemed to best embody economic power.

Germany and Japan express this sentiment most strongly as the only countries where respondents put the automotive sector in top spot, with half of those surveyed doing so.

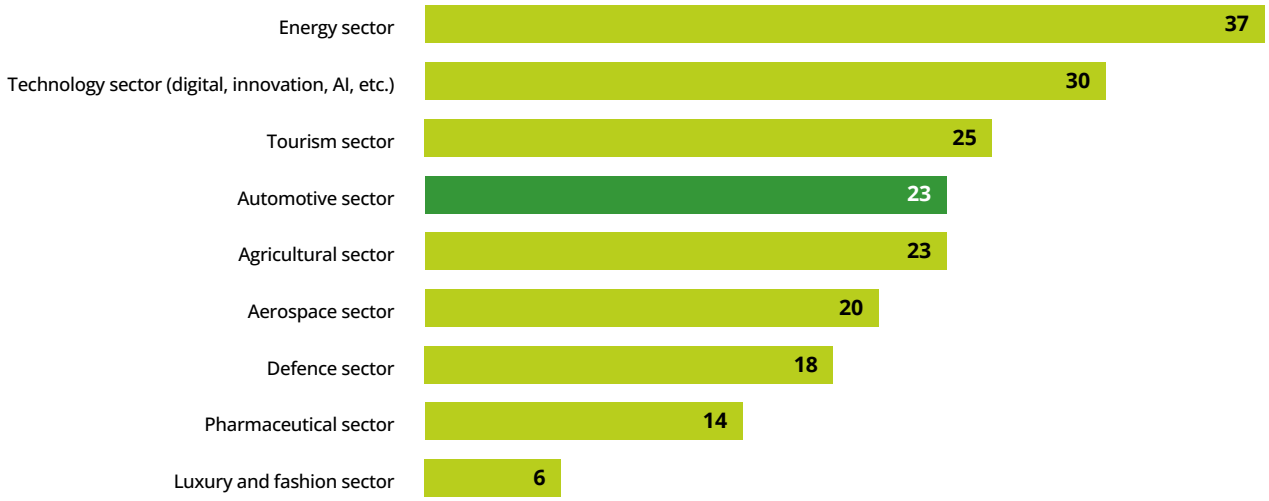
In France, only 18% of respondents view it as the most powerful sector, heavily favouring the energy sector instead (40%). With 37% of overall responses, the energy sector takes a commanding lead across all surveyed nations as a whole. This view is strongest in Italy and Belgium (49% and 46% respectively). The energy crisis of recent months has undoubtedly played a role in this outcome.

More broadly, individual countries tend to highlight whichever sector enjoys the highest international profile at home: tourism in Spain, technology in Japan and China, and agriculture in Poland.

Fig. 11

Which economic sector best characterises a country's economic power?

All countries total – All respondents, in % – Multiple responses allowed



Source: Observatoire Cetelem de l'automobile 2027

A VEHICLE'S COUNTRY OF ORIGIN AROUSES LITTLE INTEREST

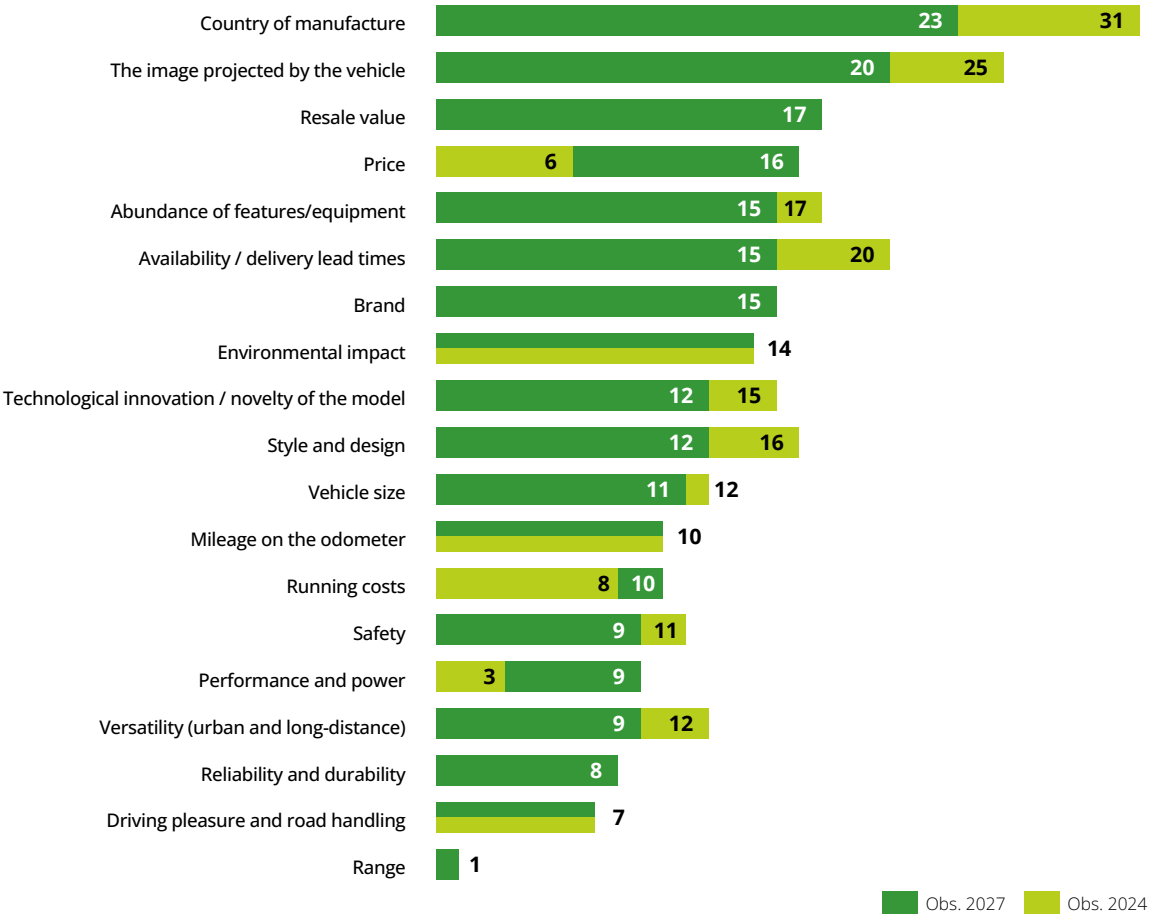
Looking more closely at the data reveals that this downplaying of the automotive sector's economic clout is coupled with a relative indifference towards where a vehicle is actually built. In fact, country of origin is the factor drivers care about least when choosing a car (23%).

The Japanese once again demonstrate a streak of nationalism, a recurring theme throughout this report, with a mere 9% paying any heed to where a vehicle is produced.
While views across all other countries are broadly aligned, Portugal and the Netherlands show the greatest disinterest in the country of manufacture.

Fig. 12

Which of the following criteria do you/would you take into account the least when choosing a car?

All countries total – All respondents, in % – Multiple responses allowed – maximum 3



Source: Observatoire Cetelem de l'automobile 2027

EQUIVALENCE OF ORIGIN AND ECONOMIC CHARACTERISTICS

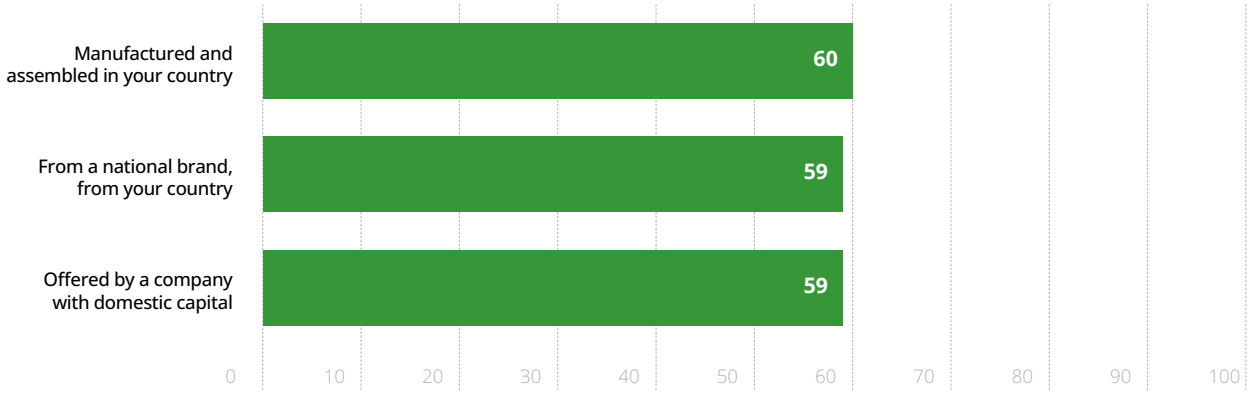
More broadly, when it comes to economic or financial criteria, drivers generally do not single out any particular feature to assess a vehicle.

Ownership structure, brand origin and manufacturing location are weighed with equal importance.
The China–US–Japan trio, a grouping that recurs throughout this study, attaches the greatest importance to these factors, contrasting sharply with another trio, Belgium–Netherlands–Portugal, which pays them the least attention.

Fig. 13

To what extent is it important to you that a car is:

All countries total – All respondents, in % – Important = "Very important" + "Fairly important"



Source: Observatoire Cetelem de l'automobile 2027

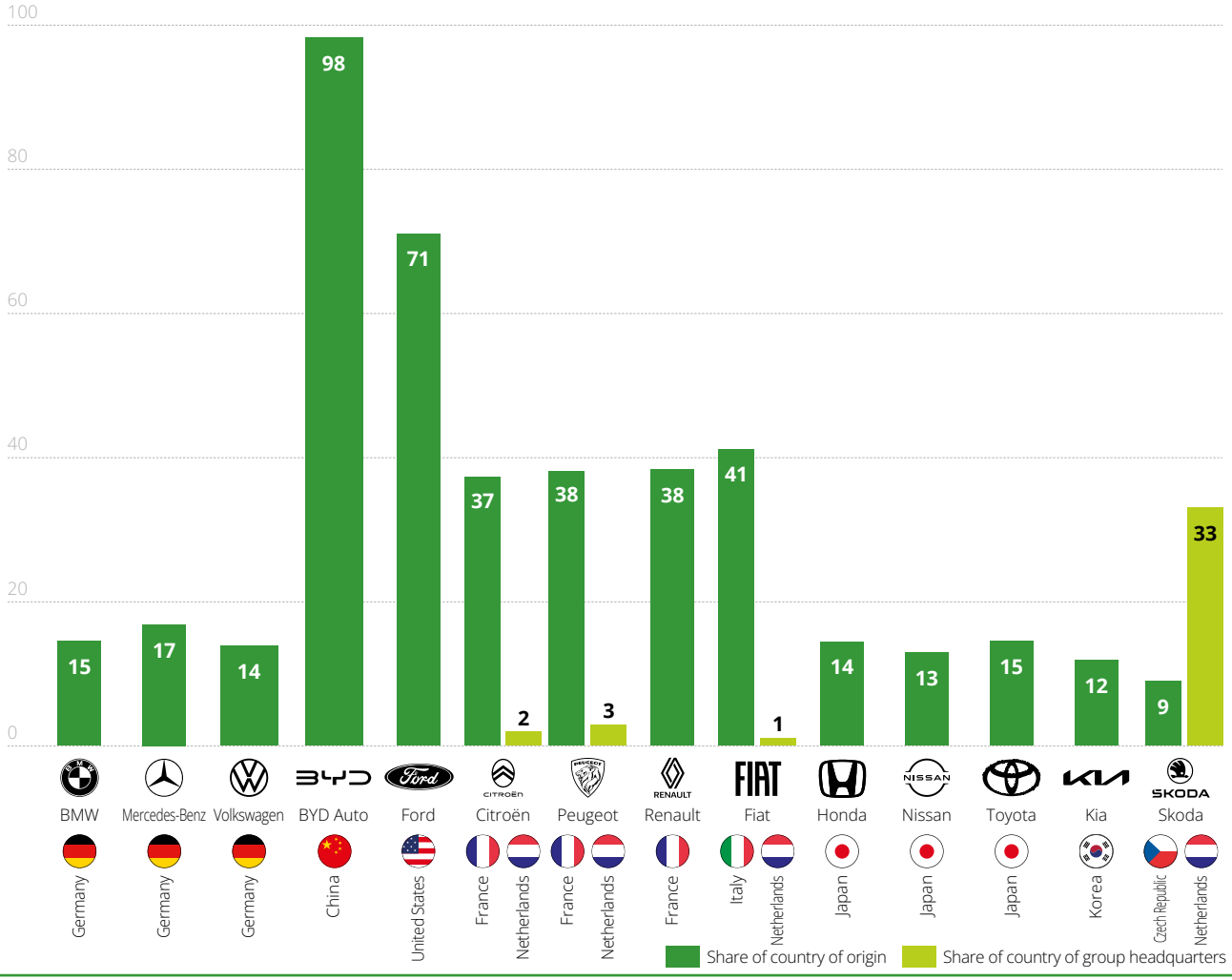
HEAD OFFICE AND ORIGIN: BROADLY ALIGNED

For most brands, the country of origin coincides with group headquarters. This dynamic also translates into proportionally strong domestic sales, particularly for Ford and BYD. With its head office based in the Netherlands, Stellantis group brands stand apart, as sales in their host country are naturally negligible.

Fig. 14

Country share of the brand's global sales, 2019–2025

Flags represent the brand's country of origin and the country of group headquarters when both are present



Source: Marklines

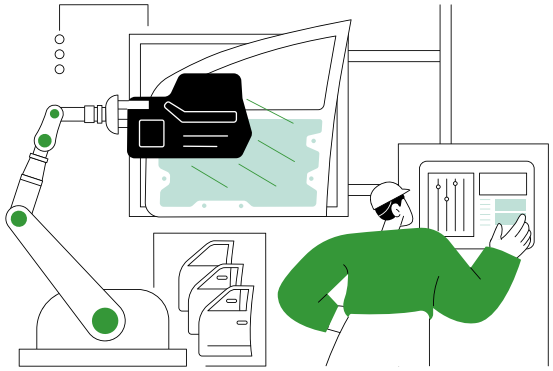
KEY FIGURES

71 million
vehicles sold
worldwide in 2026

2.42%
of the active population in
France is employed by
the automotive sector

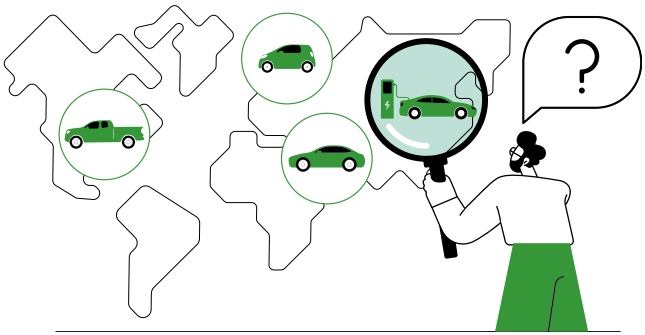
1 in 4 people
believes the automobile
best embodies a country's
economic power

1 in 4 people
will disregard country
of manufacture when choosing
a vehicle, the lowest-ranked
criterion



2

Brand origin proves resilient



Against a backdrop of particularly intense market consolidation in recent years, with well-known legacy brands subsumed into groups whose ownership is harder to pinpoint, where do consumers stand?
Are brands known, recognised and properly identified?
Do they represent a bedrock of trust that drivers can and want to rely on when making a purchase?
Is local or regional "made in" status a genuine selling point?
The latest Observatoire Cetelem reveals that banking on brand nationality remains a compelling argument, particularly among younger buyers.

Genuine brand awareness

NATIONAL BRAND: BORN AND BUILT CLOSE TO HOME

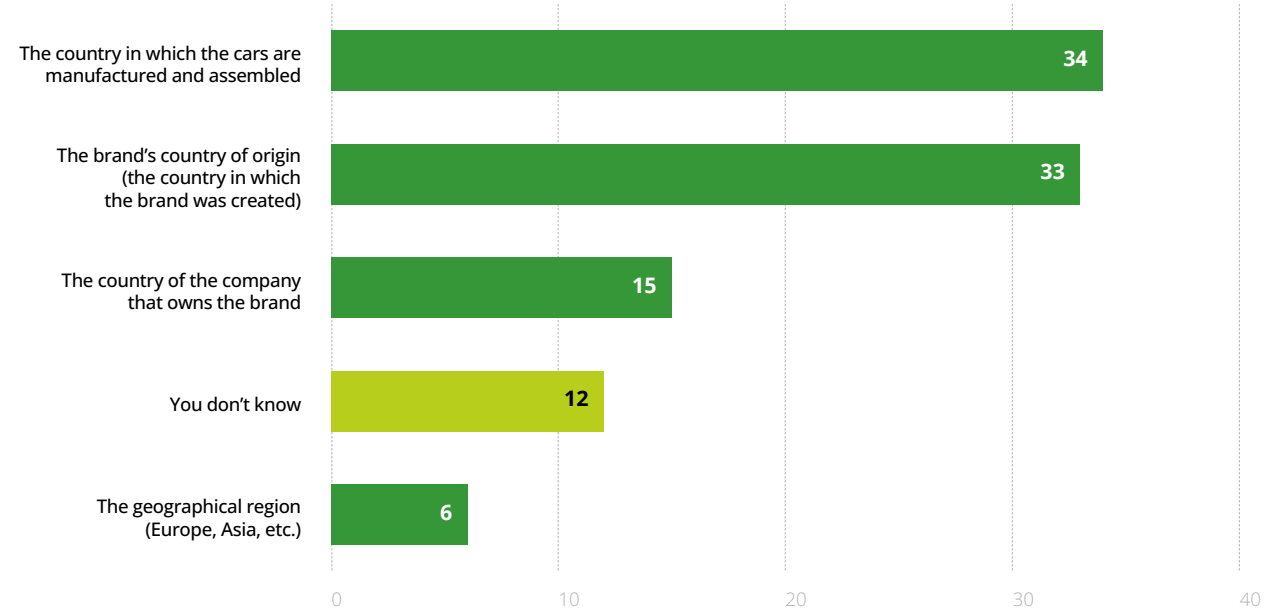
When examining the impact of a brand's nationality, one must first determine what drivers actually understand by the label. So, what exactly is a "national brand"?
While consumers struggle to pick a single defining attribute, they nevertheless draw a clear distinction. A brand's nationality is not defined by who owns it. Only 15% of respondents take that view.

Instead, nationality is rooted primarily in production (34%) and history (33%), two factors that bestow a concrete, tangible identity. You are where you are born, where you live and where you work. One can also infer that drivers pay little mind (for now, at least) to the financial alliances reshaping the automotive landscape; given the choice between capital and labour, their stance is clear.

Fig. 15

How do you define a brand's nationality? For you, it is:

All countries total – All respondents, in %



Source: Observatoire Cetelem de l'automobile 2027

TRADITIONAL BRANDS MORE CLEARLY IDENTIFIED

The Observatoire Cetelem sought to refine its analysis of consumer perceptions. Given that the origins of major shareholder groups do not always match those of their constituent brands, do drivers actually know a brand's current nationality, and have they grasped any recent changes in ownership structure? Is Volvo still Swedish, Opel German, Jaguar British? And what of newer entrants such as VinFast?
The findings show that legacy European brands are the most accurately identified by nationality, led by the flagships of the German automotive industry.

Respondents over the age of 50 demonstrate greater acuity than younger generations.
In every country surveyed, respondents occasionally misattribute the origins of domestic brands, though "only" 73% of Chinese consumers know BYD is Chinese, and 79% of Americans recognise Ford as American-made.

Notably, American consumers show a broader tendency to overestimate the likelihood that any given brand originates from the US.

Fig. 16

In your view, what is the nationality of each of the following car brands?

All respondents, in % – "Top response" = most frequently cited option for the brand

Brand	Top response	%
BYD	Chinese	48
Chrysler	American	54
Ferrari	Italian	65
Ford	American	54
Hyundai	South Korean	43
Jaguar	British	43
Mercedes-Benz	German	70
MG Motor	British	26

Brand	Top response	%
Mini	British	39
Opel	German	52
Renault	French	68
Skoda	Czech	35
Toyota	Japanese	64
VinFast	Vietnamese	19
Volkswagen	German	74
Volvo	Swedish	44

Source: Observatoire Cetelem de l'automobile 2027

PROTECTED DESIGNATIONS OF ORIGIN

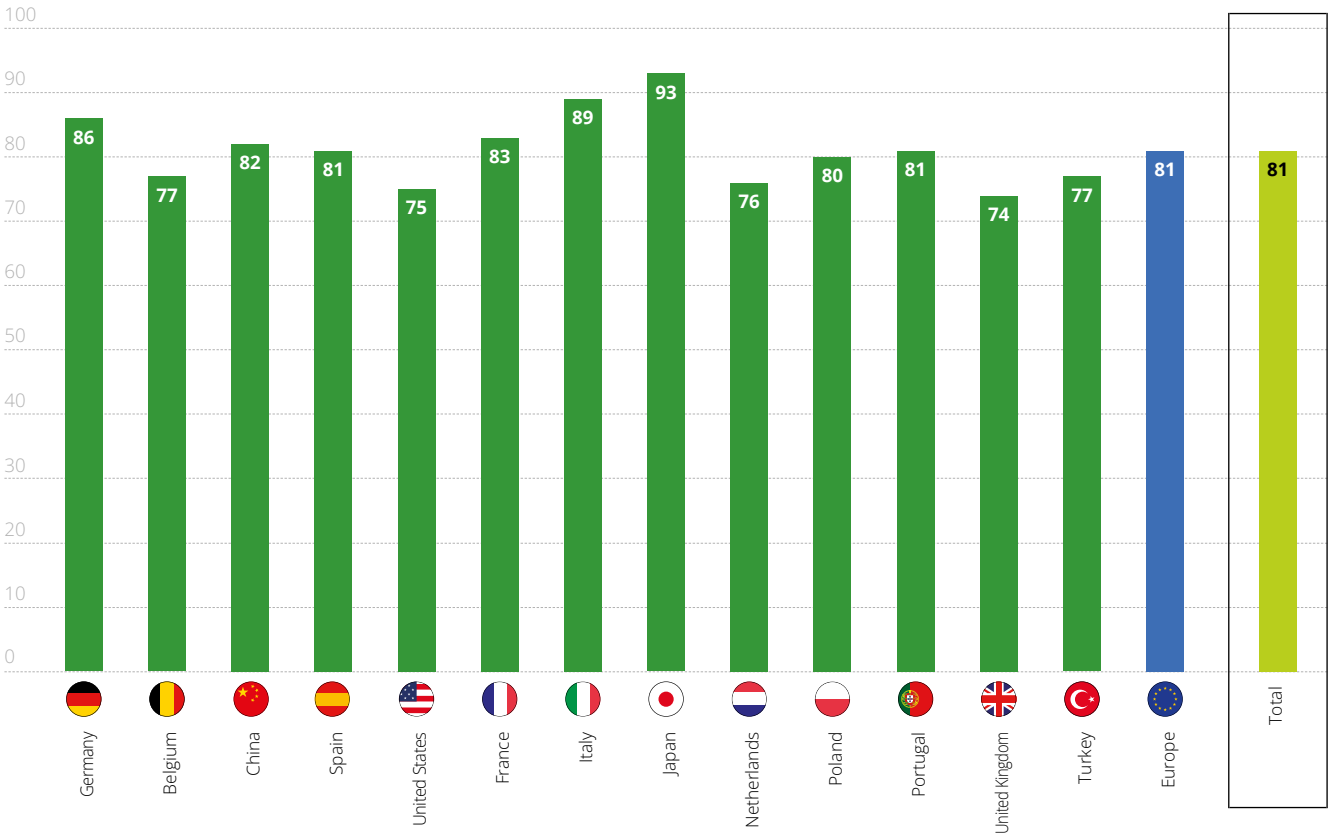
Even so, 8 in 10 drivers claim to know the nationality of their vehicle's brand. Indeed, variations between countries are narrow. The best-informed respondents are found in Japan, Italy and Germany, whereas knowledge is somewhat more patchy in Portugal and the Netherlands.

These geographical divides echo patterns observed earlier. Socio-economic distinctions are relatively marked, with men, high earners, those aged over 50 and city dwellers showing the highest levels of awareness.

Fig. 17

Do you know the nationality of your vehicle's brand? – Yes

Respondents with at least one car in the household, in %



Source: Observatoire Cetelem de l'automobile 2027

Fig. 18

Birth certificates

Brand	Founded	Country of origin	Group	Group nationality
Audi	1909	Germany	Volkswagen Group	German
BMW	1916	Germany	BMW Group	German
BYD	1994	China	BYD	Chinese
Fiat	1899	Italy	Stellantis	Franco–Italian–American
Ford	1903	United States	Ford	American
Mercedes-Benz	1926	Germany	Mercedes-Benz AG	German
Peugeot	1896	France	Stellantis	Franco–Italian–American
Renault	1898	France	Renault Group	French
Toyota	1937	Japan	Toyota Motor Corporation	Japanese
Volkswagen	1937	Germany	Volkswagen Group	German

Source: Manufacturer websites

National preference: a sliding scale

DOMESTIC PREFERENCE PREVAILS IN MAJOR CAR-MAKING NATIONS

Is this down to the ambiguity surrounding what constitutes a vehicle's nationality? Whatever the cause, automotive nationalism varies dramatically when it comes to choosing the brand of one's next car. While on average only 1 in 5 respondents would choose to buy a car from a domestic brand, the divergence in viewpoints is stark.
On this point, Japan shows an overwhelming preference for buying Japanese first and foremost.

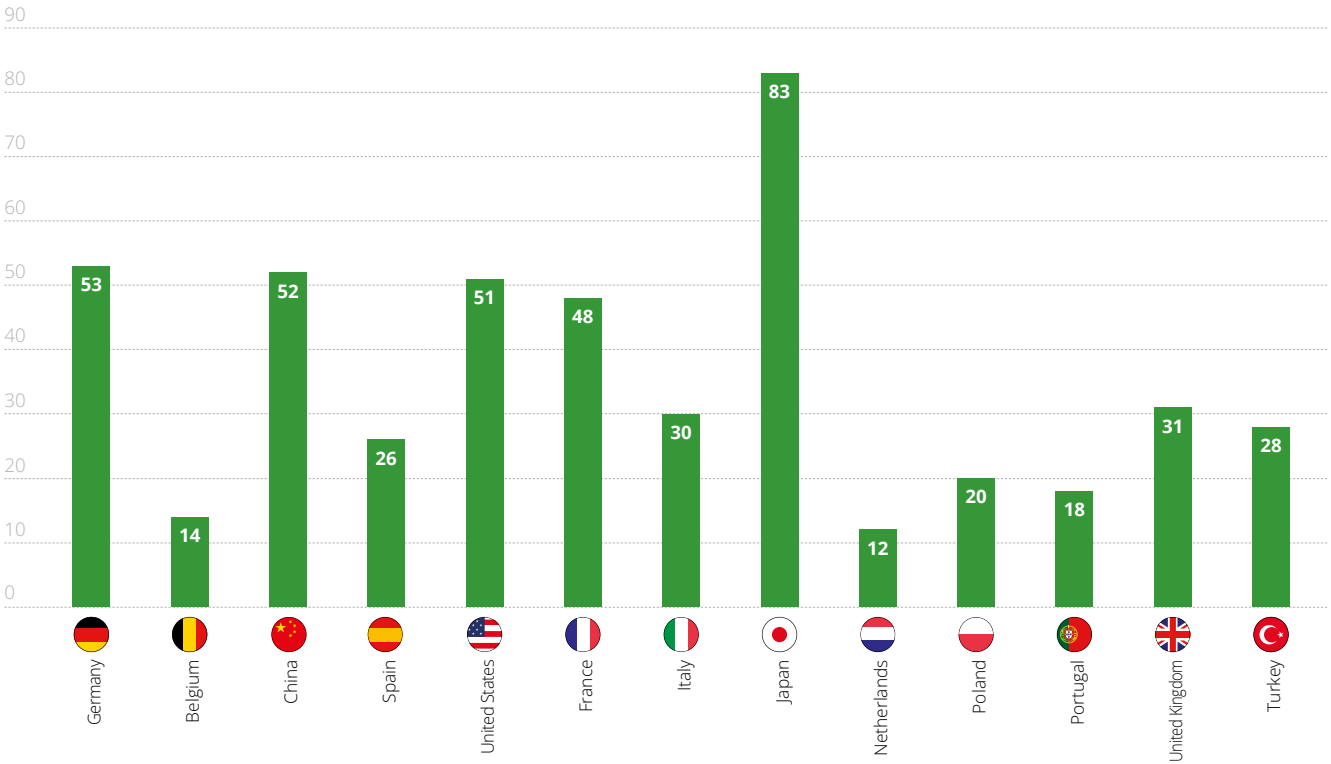
China and the US align with Japan, albeit more moderately, with a clear majority favouring domestic brands. Germany follows suit, as does France to a lesser extent.

Conversely, "brandless" markets such as the Netherlands, Belgium and Portugal logically pay little heed to this criterion. Meanwhile, the sharp drop in Italian car production may account for the modest score recorded there.

Fig. 19

When buying a car, ideally, do you or would you prefer to buy a brand:

All respondents, in % – "From your country" option



Source: Observatoire Cetelem de l'automobile 2027

NATIONAL CHAMPIONS OFTEN HOLD SWAY

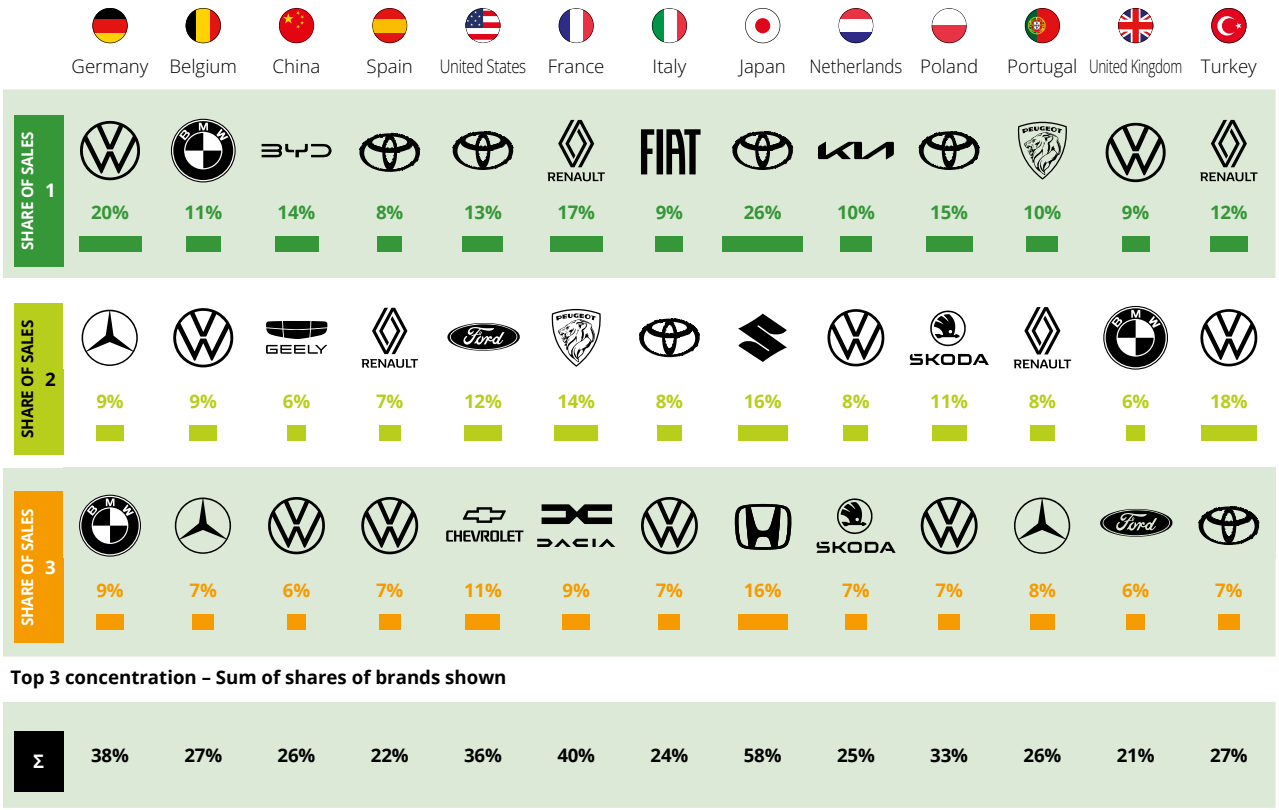
In Germany and Japan, the two countries where automotive nationalism is most pronounced, the top three sales slots are held entirely by domestic brands.

In France, the picture is identical if Dacia, a subsidiary of Renault, is counted as a domestic brand.

Fig. 20

Top 3 brands by national market share in 2025

Share of national passenger car sales. Top 3 ranking for 2025.
Top 3 concentration = sum of the shares of the 3 brands shown.



Source: Marklines

LOCAL ORIGIN STRUGGLES TO WITHSTAND FOREIGN COMPETITION...

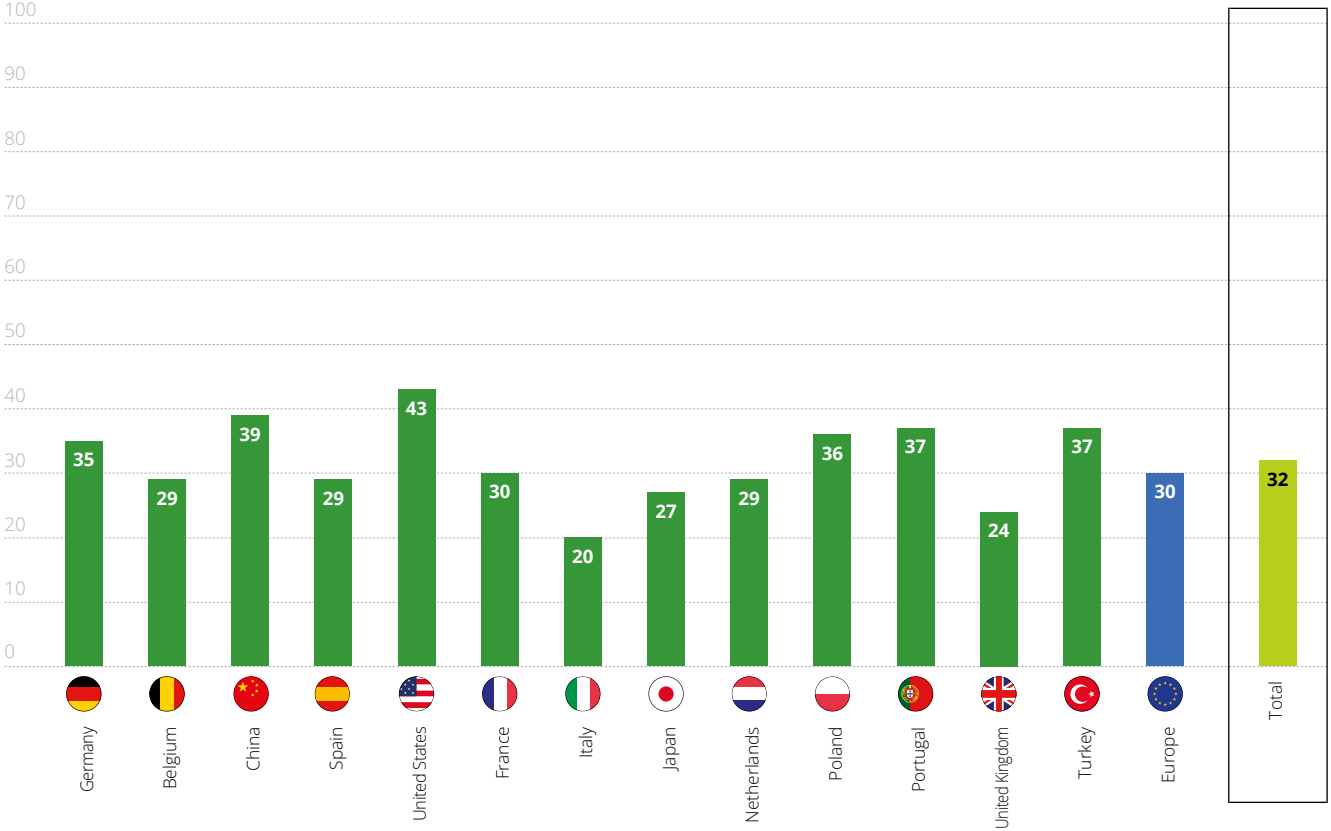
National preference falters when faced with attractive foreign alternatives. On average, only 3 in 10 drivers have decided against buying a foreign-branded car they liked in order to opt for a local or regional vehicle instead. On this measure, the US, followed by China, demonstrates the strongest resistance (43%).

The exact opposite is true, once again, in Italy, where automotive patriotism appears to have run its course. One must look to major cities and younger, predominantly male demographics to find the strongest expressions of brand patriotism.

Fig. 21

Have you ever given up on a foreign brand you liked in order to choose a brand from your own region?

All respondents, in % – Proportion responding "Yes"



Source: Observatoire Cetelem de l'automobile 2027

...YET DRIVERS REMAIN WILLING TO PAY A SMALL PREMIUM FOR A DOMESTIC CAR

Even so, consumers show a modest degree of financial goodwill when purchasing a car from their own country or a neighbouring state.

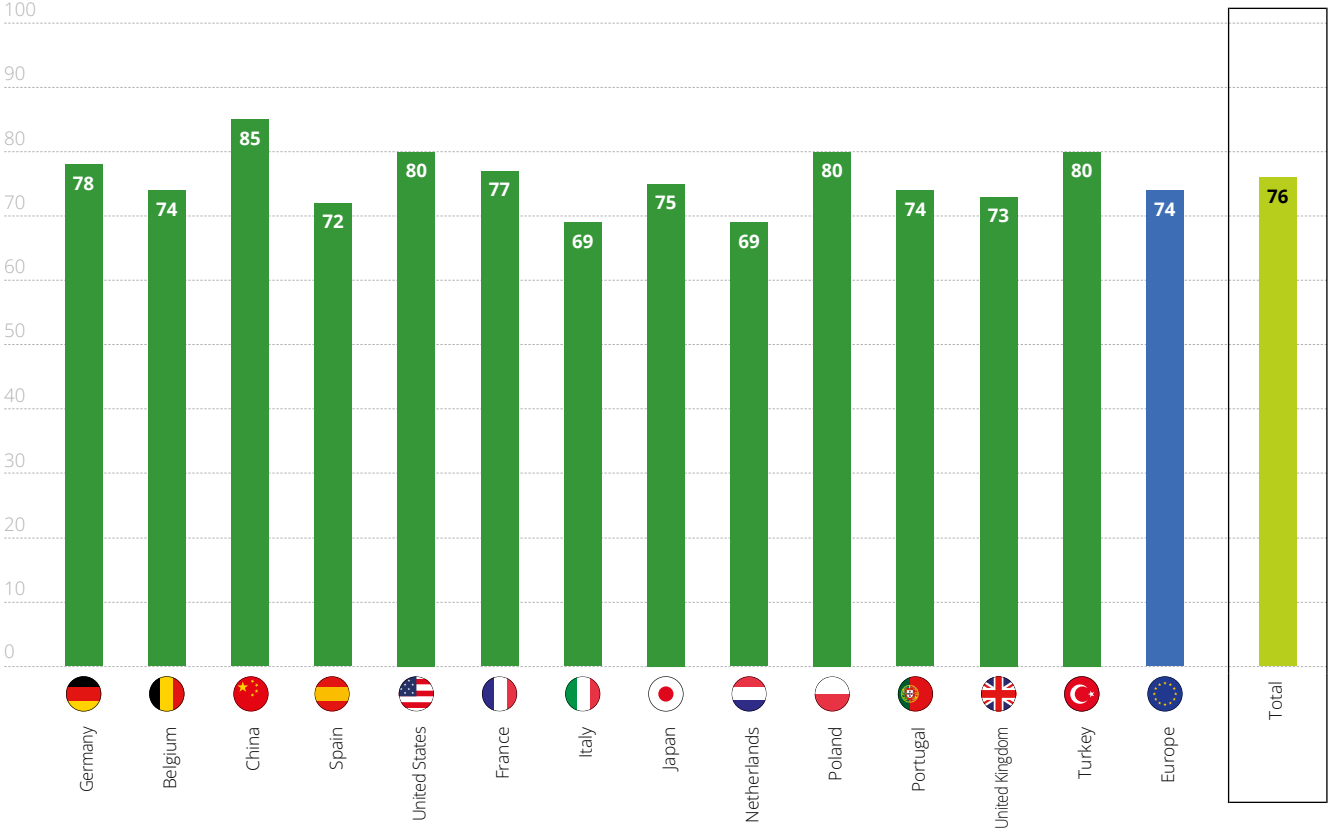
Fully 76% state they are prepared to pay more, with Chinese, American, Turkish and Polish buyers leading the way.

Paying more, but only up to a point: typically around 5%. Younger drivers reinforce their support for local brands by showing significantly greater generosity. Indeed, 9 in 10 young buyers would accept a price premium, with 4 in 10 estimating this mark-up at between 5% and 10%.

Fig. 22

What is the maximum price premium you would accept to buy a car from a brand originating in your country or geographical region?

All respondents, in % – Would accept a price premium = "1–5%" or "6–10%" or "11–20%" or "20% and above"



Source: Observatoire Cetelem de l'automobile 2027

CHOOSING LOCAL: A MATTER OF TASTE

If drivers are indeed willing to pay extra for a local car, what actually motivates them? While no single factor emerges as the dominant driver from the list of options, 1 in 5 motorists ranks sheer appeal first.

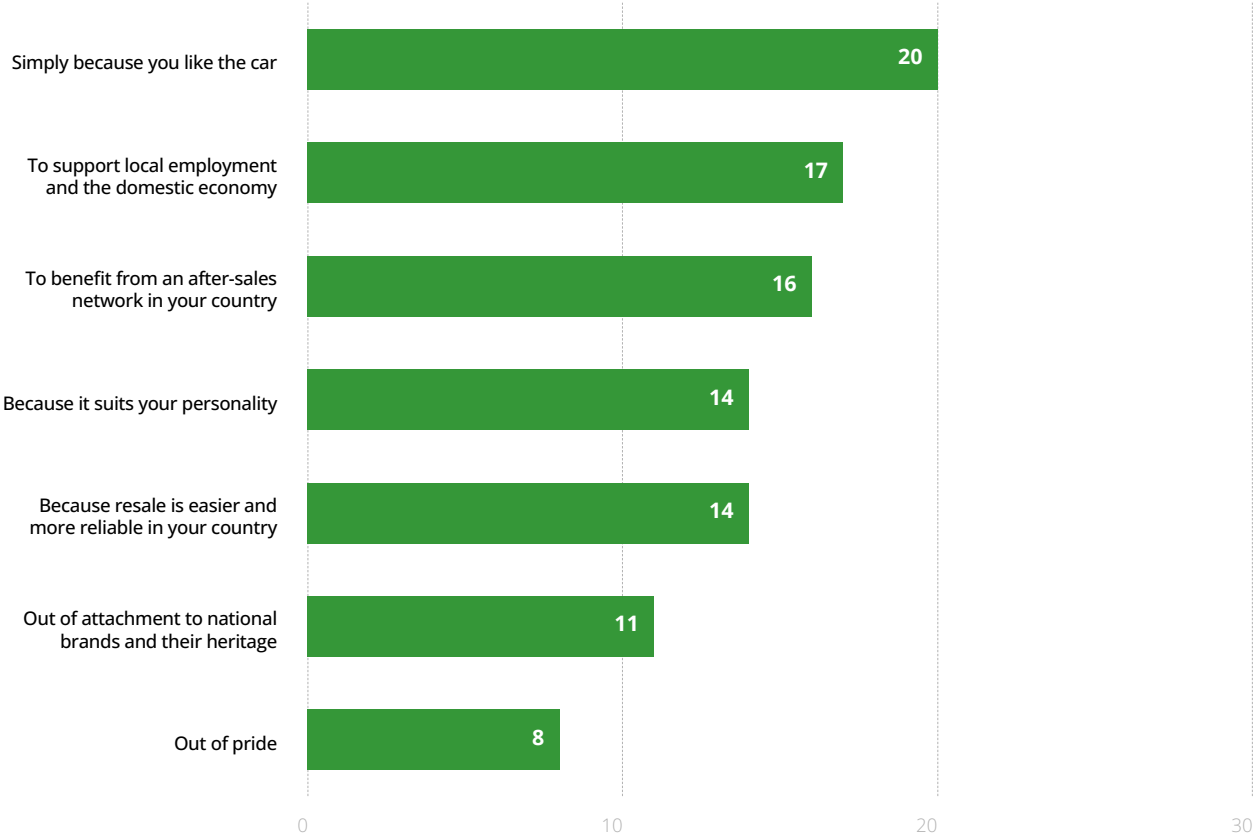
Behind this hedonistic, personal criterion—championed most strongly by Portuguese, British and German drivers—economic logic and supporting domestic industry rank second, with American and French consumers placing the greatest weight on this argument.

It is also worth noting the desire for a reliable local service network, a topic explored in greater detail in Part 4.

Fig. 23

Why did you choose a domestic brand vehicle?

All countries total – Respondents who have previously chosen a domestic/European brand over a foreign brand they liked



Source: Observatoire Cetelem de l'automobile 2027

The European label: widely recognised and favoured

EUROPEAN BRANDS LEAD THE PACK...

In this cross-border overview, the Observatoire Cetelem sought to determine whether any of the main global manufacturing hubs held a clear advantage in consumer preference. The first striking takeaway is that "don't knows" form the single largest block.

Nearly 1 in 4 respondents is entirely indifferent to where their vehicle originates.

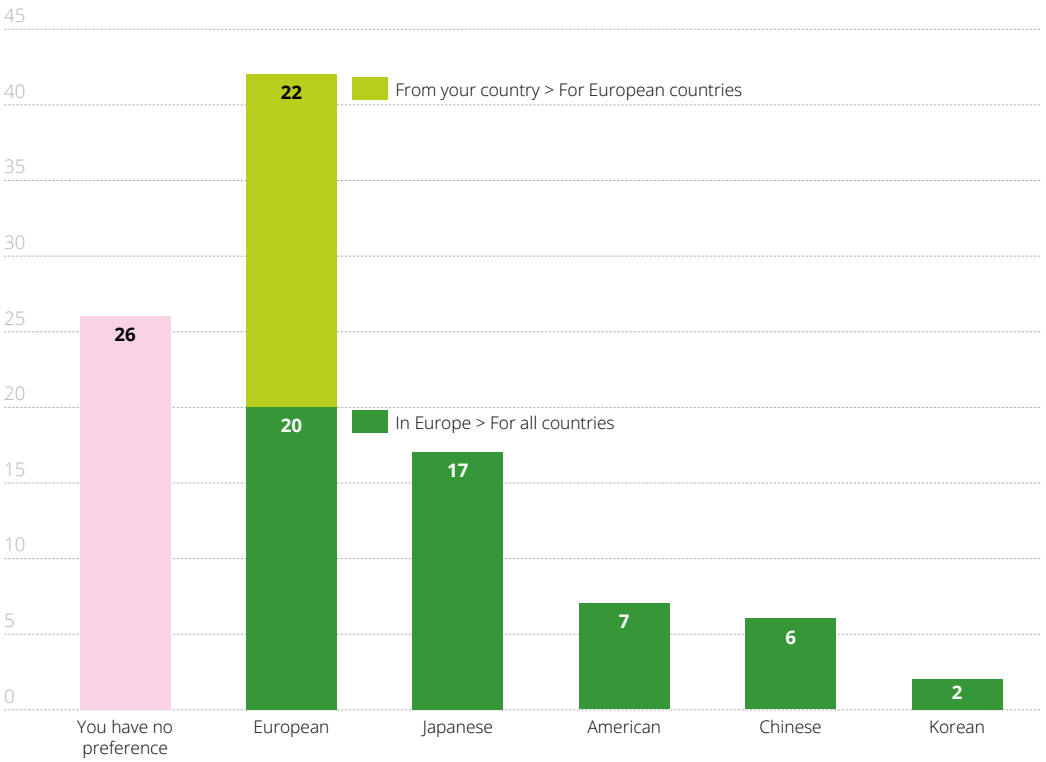
The second finding is that European and Japanese origins run neck and neck in consumer purchase intent. By contrast, the very low score recorded by South Korean brands fails to reflect the generally positive sentiment expressed towards them elsewhere.

Once again, domestic preference is championed far more aggressively in Japan than anywhere else (83%), as well as among younger demographics when viewed through a generational lens.

Fig. 24

When buying a car, ideally, do you or would you prefer to buy a brand:

All countries total – All respondents, in % – "European" option applies to all countries; "From your country" applies to European countries



Source: Observatoire Cetelem de l'automobile 2027

… AND A HEAD START ACROSS MULTIPLE CRITERIA

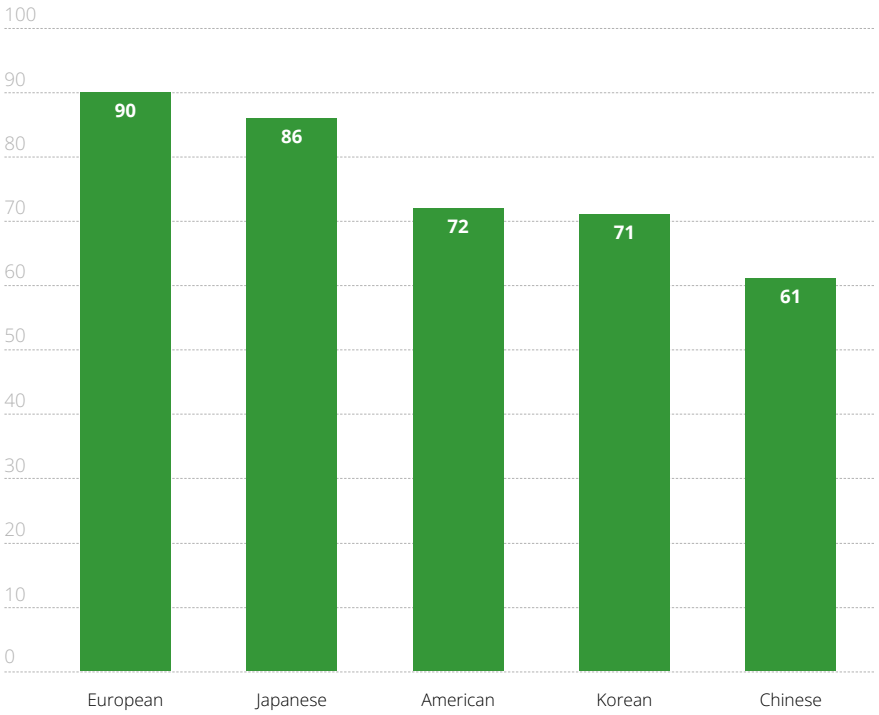
When examining what drives these opinions, strong brand image emerges as the primary factor across most regions. On this score, Chinese brands are held in slightly lower esteem than their competitors, likely due to limited consumer familiarity, lingering hesitation and perhaps concerns regarding their impact on traditional automotive markets.

In the case of European brands, this stellar image is matched by equally persuasive aesthetic and emotional appeal, as if their long-standing heritage has left an indelible, positive mark on drivers' minds. Consequently, European brands capture the highest marks for prestige, quality, design, performance and reliability. They are outstripped only by Japanese brands for innovation and value for money, and by Chinese brands for electric vehicles (see Part 4).

Fig. 25

Do you have a positive or negative opinion of carmakers based in…?

All countries total – All respondents, in % – Favourable view = "Very favourable view" + "Somewhat favourable view"



Source: Observatoire Cetelem de l'automobile 2027

LASTING PREFERENCE FOR UNFAMILIAR EUROPEAN BRANDS

When it comes to European brands, origin acts as a driver of trust to a far greater extent than in any other region. Even on unfamiliar ground, motorists show a greater willingness to place their trust in them.
In fact, 6 in 10 would consider doing so, compared with just 5 in 10 who would be willing to try an unfamiliar Asian or American model.

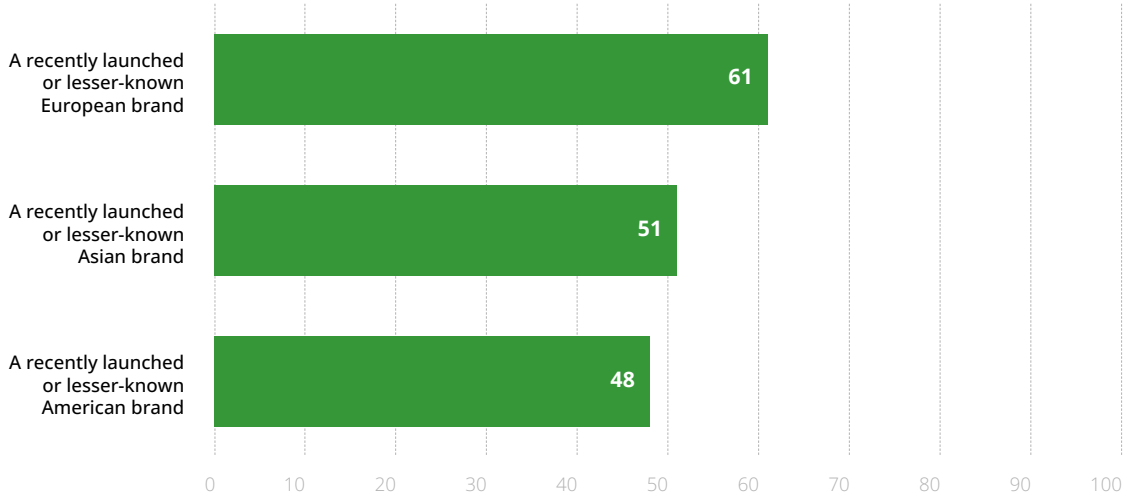
Chinese consumers demonstrate their inquisitive mindset by showing a readiness to buy an unfamiliar brand regardless of its country or region of origin. By contrast, Japanese consumers remain resolutely insular.

A sharp generational divide splits opinion: younger drivers score well above the global average in their willingness to venture into the unknown, in stark contrast to their older counterparts.

Fig. 26

Would you be willing to consider buying... ?

All countries total – All respondents, in % – Yes = "Yes, definitely" + "Yes, probably"



Source: Observatoire Cetelem de l'automobile 2027

KEY FIGURES

Only 15%
of drivers believe a brand is defined by the nationality of its parent company

1 in 5
drivers chooses a domestic car simply because they like it: the top reason cited

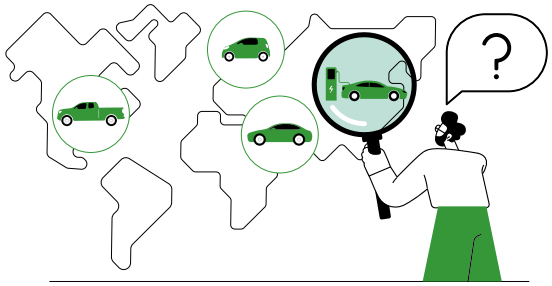
1 in 5
respondents on average would prefer to buy a domestic brand, rising to 1 in 2 French drivers

Only 1 in 4
respondents is indifferent to the region where their car originates

Only 3 in 10
drivers have decided against buying a foreign brand they liked in order to choose a local vehicle instead

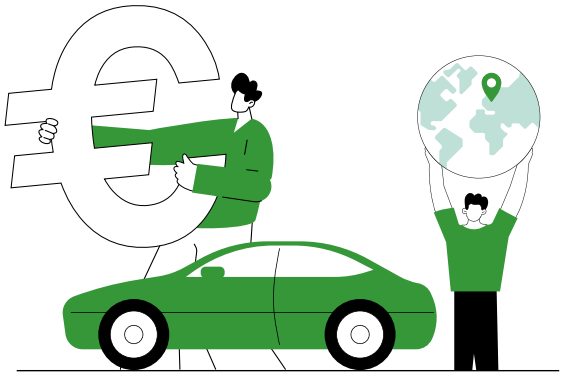
6 in 10 drivers
would consider buying a lesser-known or unfamiliar European brand

9 in 10 younger drivers
would accept a price premium to buy a car from their own country or region



3

Price trumps patriotism



**For all its symbolic weight, a car remains a consumer good.
Beyond any emotional pull toward a national or regional brand,
drivers inevitably set romantic sentimentality aside in favour
of far more pragmatic considerations.
This mindset essentially boils down to one decisive question: how much does it cost?
Yet this price sensitivity does not preclude brand loyalty or an appreciation
of a vehicle's origin, provided it is offered at the best possible price.**

Desire to buy and knowing what to buy

MOTIVATED BUYERS...

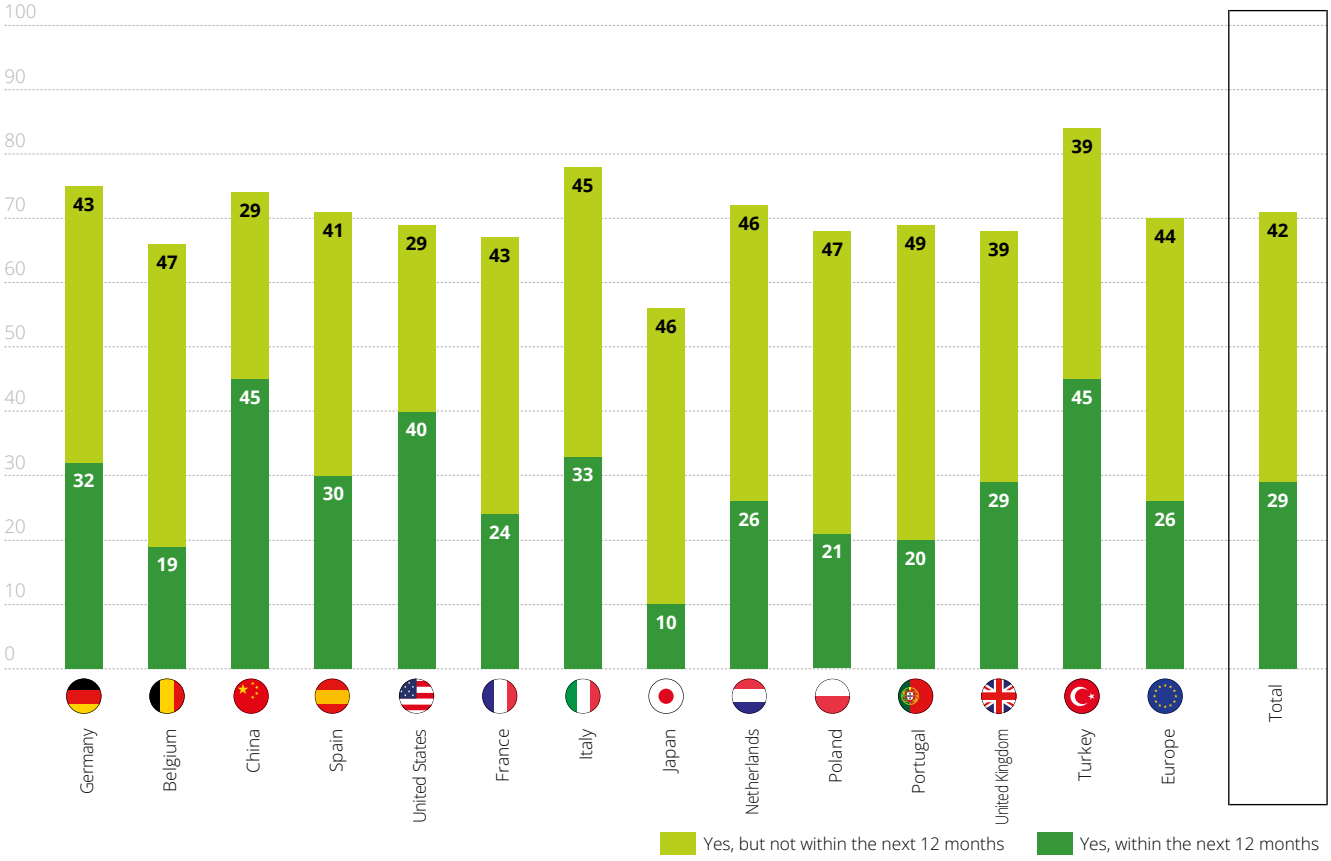
Even as the automotive sector navigates uncertainty, shaken by energy market volatility and scaling back of government subsidies, 7 in 10 drivers state they intend to purchase a vehicle (new or used), with a third planning to do so within the next 12 months.

These consistently high metrics across Observatoire Cetelem editions demonstrate that cars retain their underlying appeal, offering a clear ground for optimism among brands. This appetite for a new vehicle is particularly pronounced in Turkey and Italy, as well as among younger demographics and higher-income households. Looking ahead, future purchases are set to skew towards new vehicles rather than second-hand models.

Fig. 27

Are you planning to buy a car?

All respondents, in %



Source: Observatoire Cetelem de l'automobile 2027

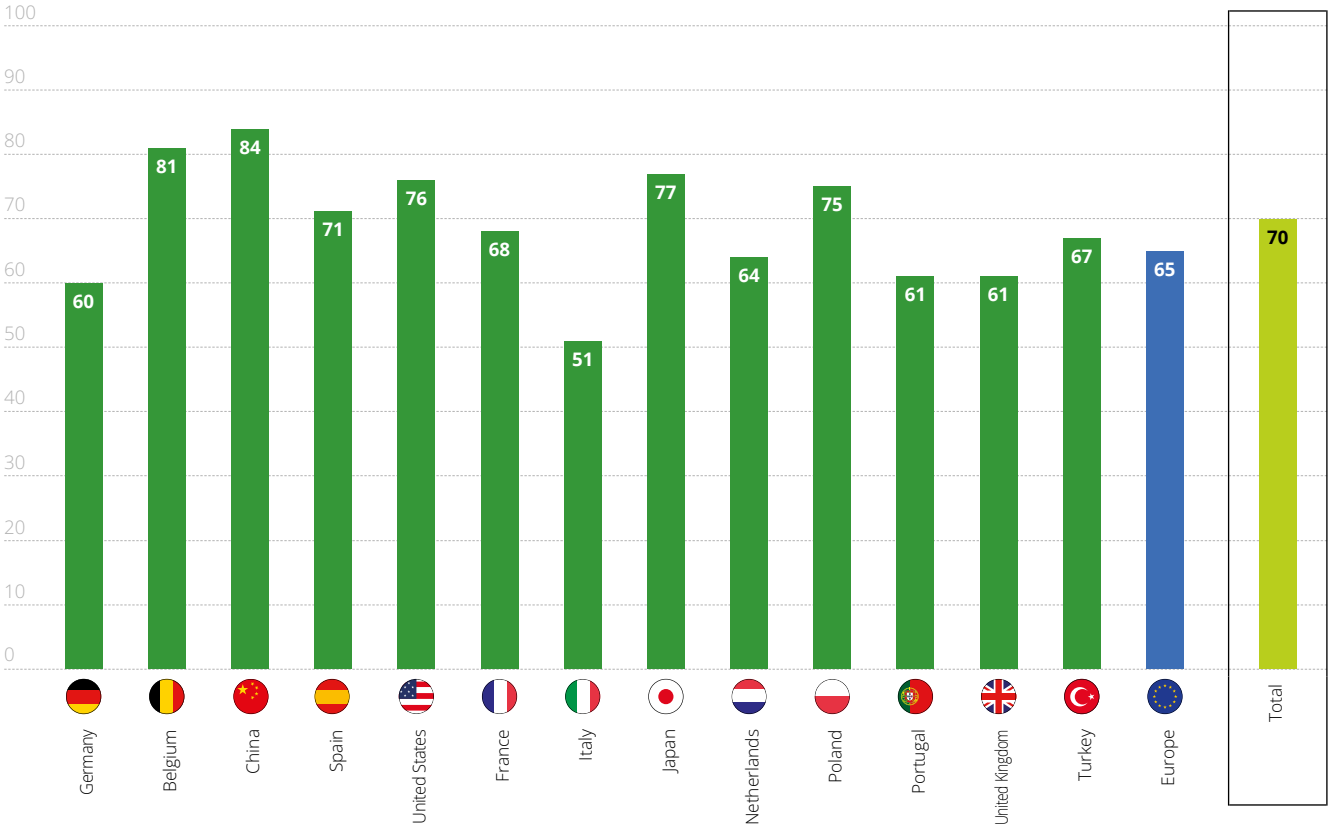
...WITH CLEAR IDEAS AHEAD OF PURCHASE

Drivers want to buy, and they know what they want. Indeed, 6 in 10 already know the brand of their next car. Once again, this conviction is strongest in Asia (China 81%, Japan 74%), as well as in Belgium (69%).
By contrast, in Italy, Portugal and the UK, only a minority have a clear idea of which brand they will choose.

Behind these headline figures, a clear distinction emerges between the used and new car markets. In the used market, where purchases are often driven by opportunistic timing or finding a "good deal," only 1 in 2 drivers knows which brand they will choose, with British buyers being the most open to surprises. Conversely, in the new car market, fully 7 in 10 respondents have already settled on a brand. Chinese consumers are exceptionally decisive (84%), whereas Italian buyers remain far more hesitant.

Fig. 28.1

Do you know what brand your next car will be?
Respondents intending to buy a car in the next 12 months, in %
Next vehicle will be a NEW car – Yes



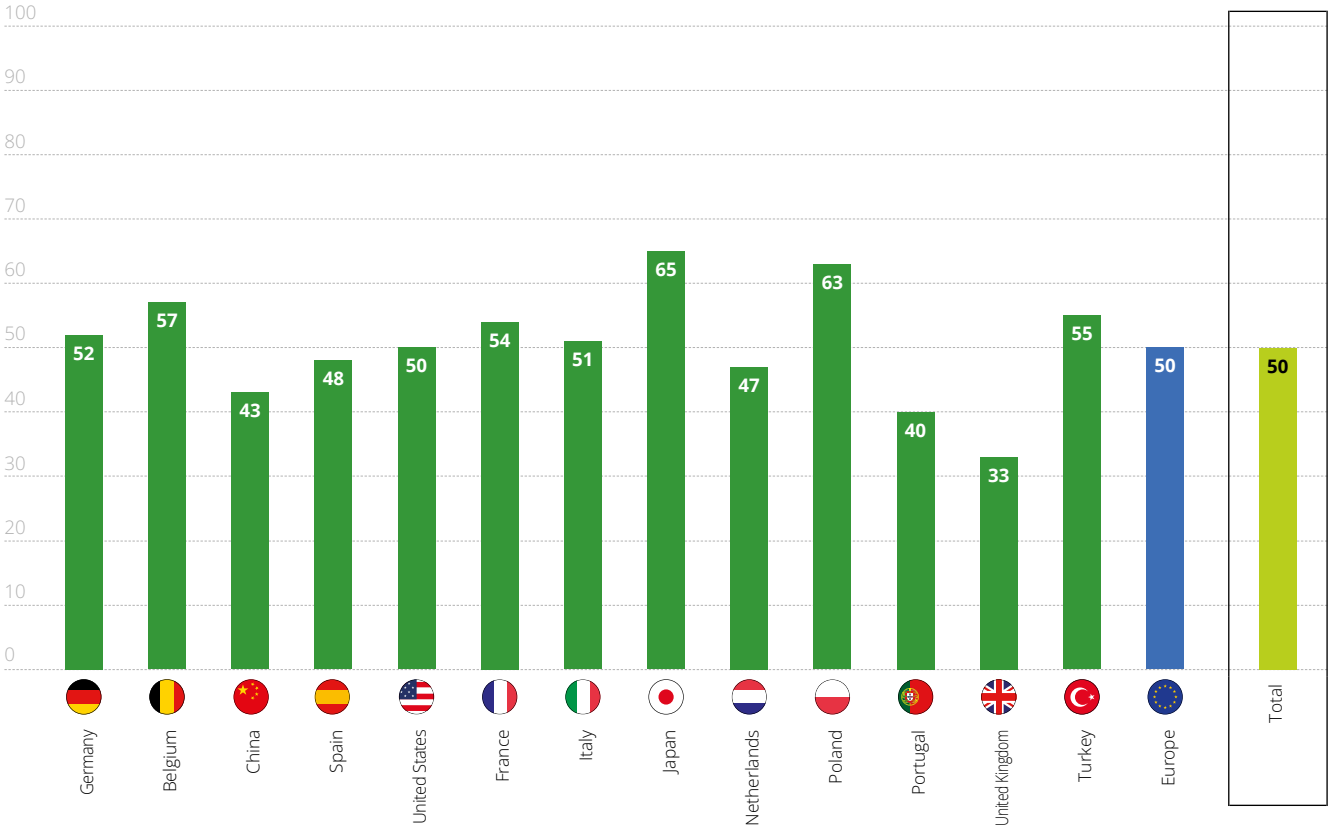
Source: Observatoire Cetelem de l'automobile 2027

Fig. 28.2

Do you know what brand your next car will be?

Respondents intending to buy a car in the next 12 months, in %

Next vehicle will be a USED car – Yes



Source: Observatoire Cetelem de l'automobile 2027

Staying loyal for the next purchase

A RELATIVE SENSE OF ATTACHMENT

In roughly equal measure when choosing their next vehicle, motorists declare themselves attached to their current car. More than 1 in 2 state this is the case, with Chinese and Polish drivers showing the highest loyalty (86% and 61%, respectively), in contrast to Turkish and Portuguese motorists (47% and 43%).

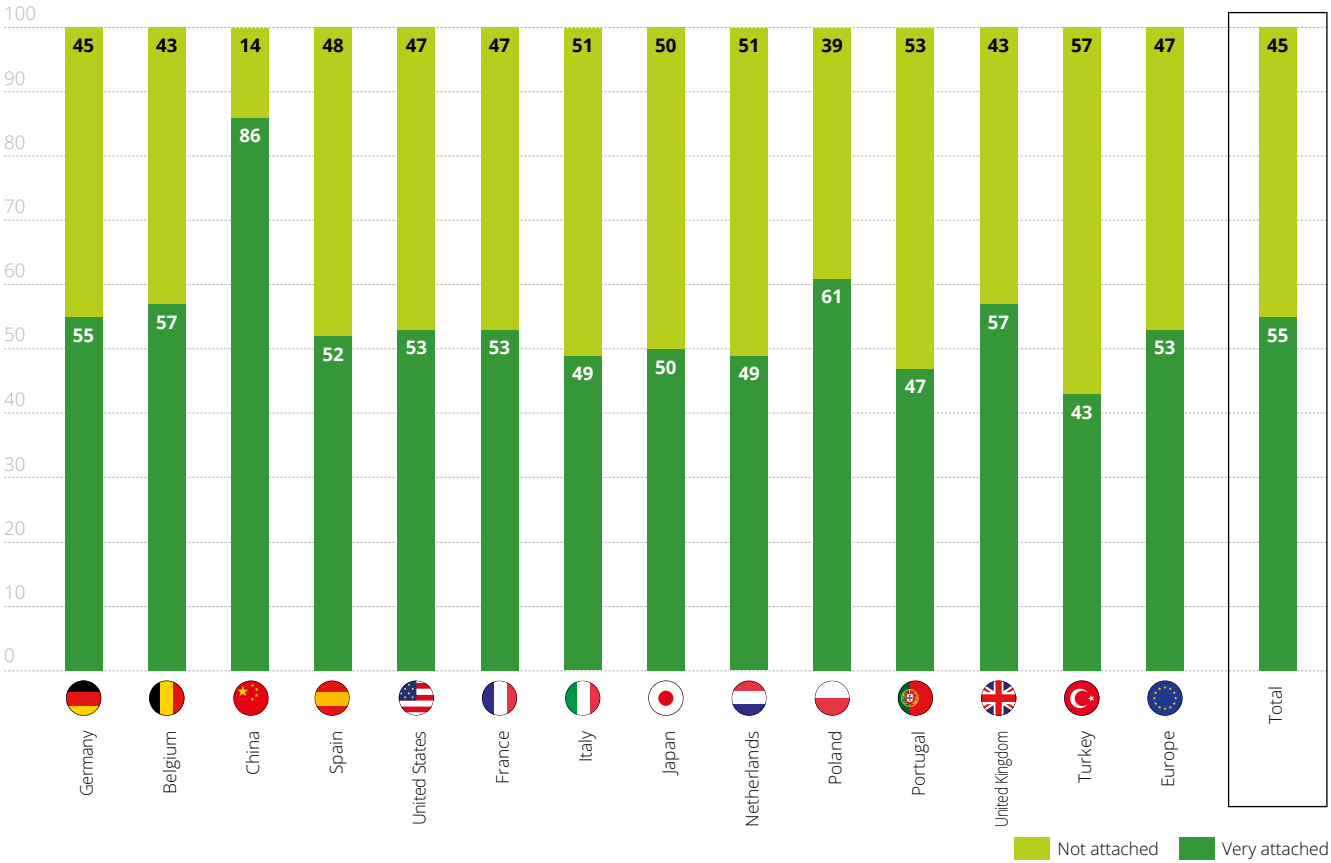
Younger drivers express a stronger personal attachment to their vehicle than older age groups.

Furthermore, this disposition has remained stable over time. In equal measure, one third of motorists report feeling more attached to their vehicle than before, while another third feel less attached.

Fig. 29

In general, would you say you are... ?

Respondents with at least one car in their household, in %



Source: Observatoire Cetelem de l'automobile 2027

REPEATED BRAND PURCHASES ARE FAR FROM THE NORM

Yet loyalty is not synonymous with permanence. Only 4 in 10 drivers have bought multiple vehicles from the same brand. In this regard, French consumers prove even more loyal than their Japanese counterparts, whereas Turkish and Spanish drivers are most inclined to embrace change. With 8 in 10 Chinese respondents declaring they have never bought from the same brand twice, one might assume this represents a unique consumer quirk. In reality, this is a structural artifact driven by the fact that first-time buyers account for 88% of the country's market.

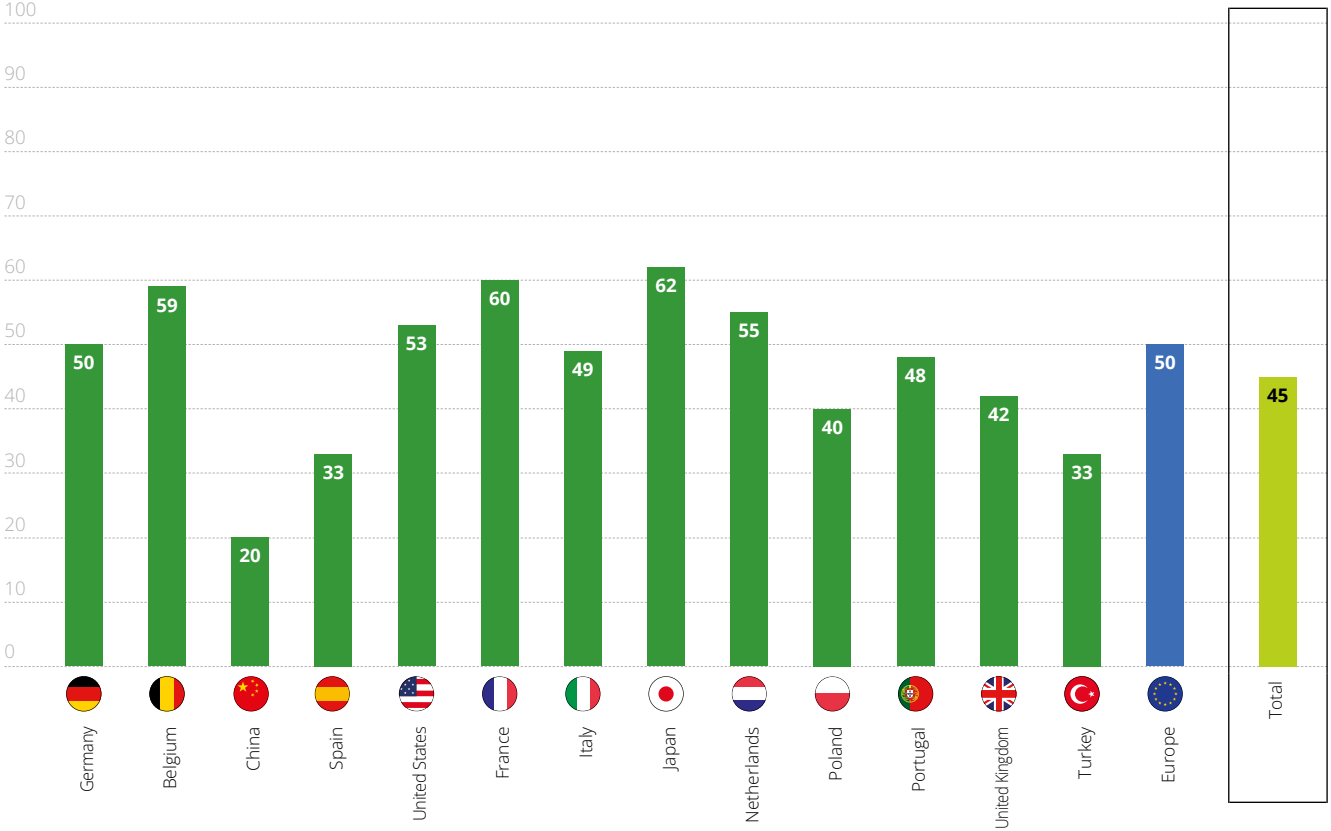
Unlike when assessing brand awareness for future purchases, comparing the new and used car markets reveals no dramatic disparities. The sharpest proportional differences are found in Italy and Portugal.

Fig. 30.1

Have you ever bought several cars from the same brand?

All respondents, in %

Current vehicle bought NEW car (NC) – Yes



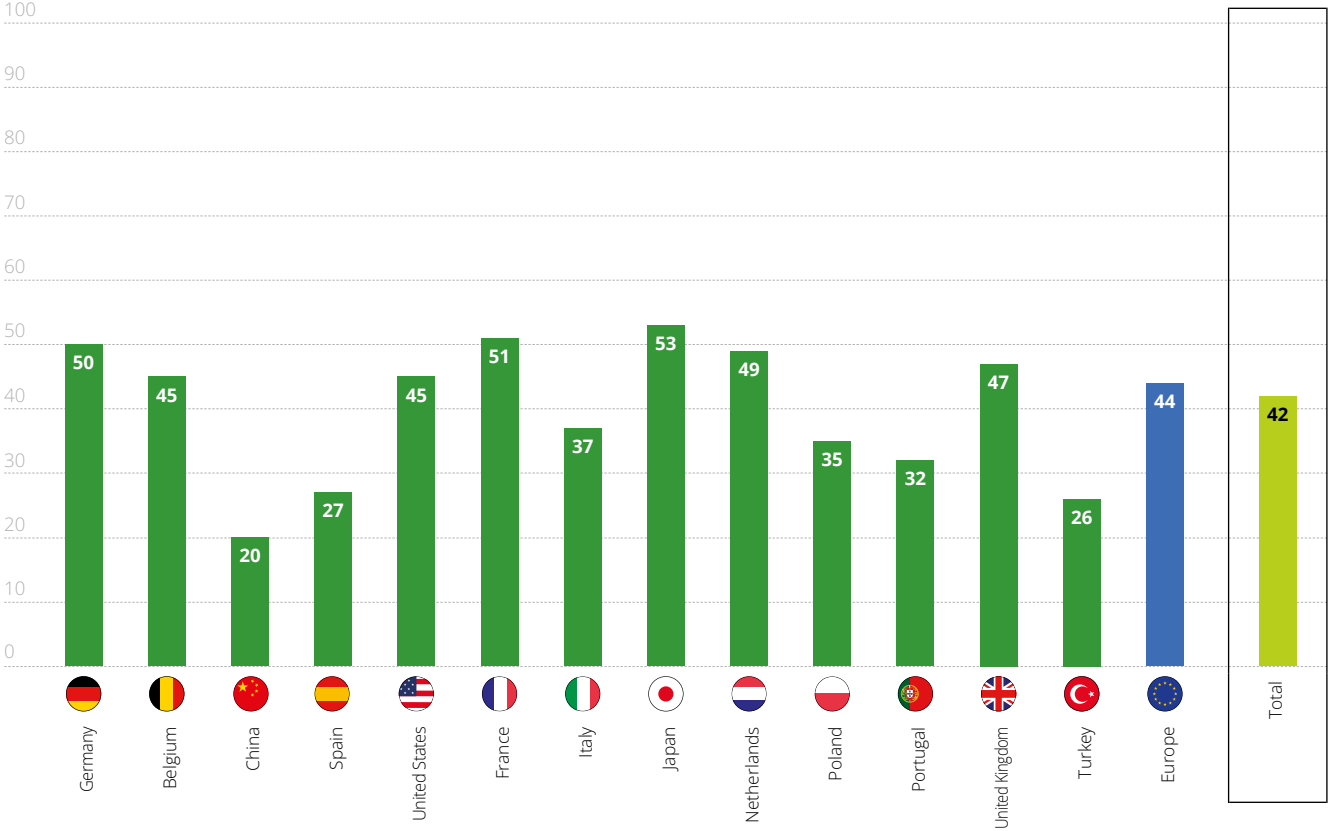
Source: Observatoire Cetelem de l'automobile 2027

Fig. 30.2

Have you ever bought several cars from the same brand?

All respondents, in %

Current car bought USED car (UC) – Yes



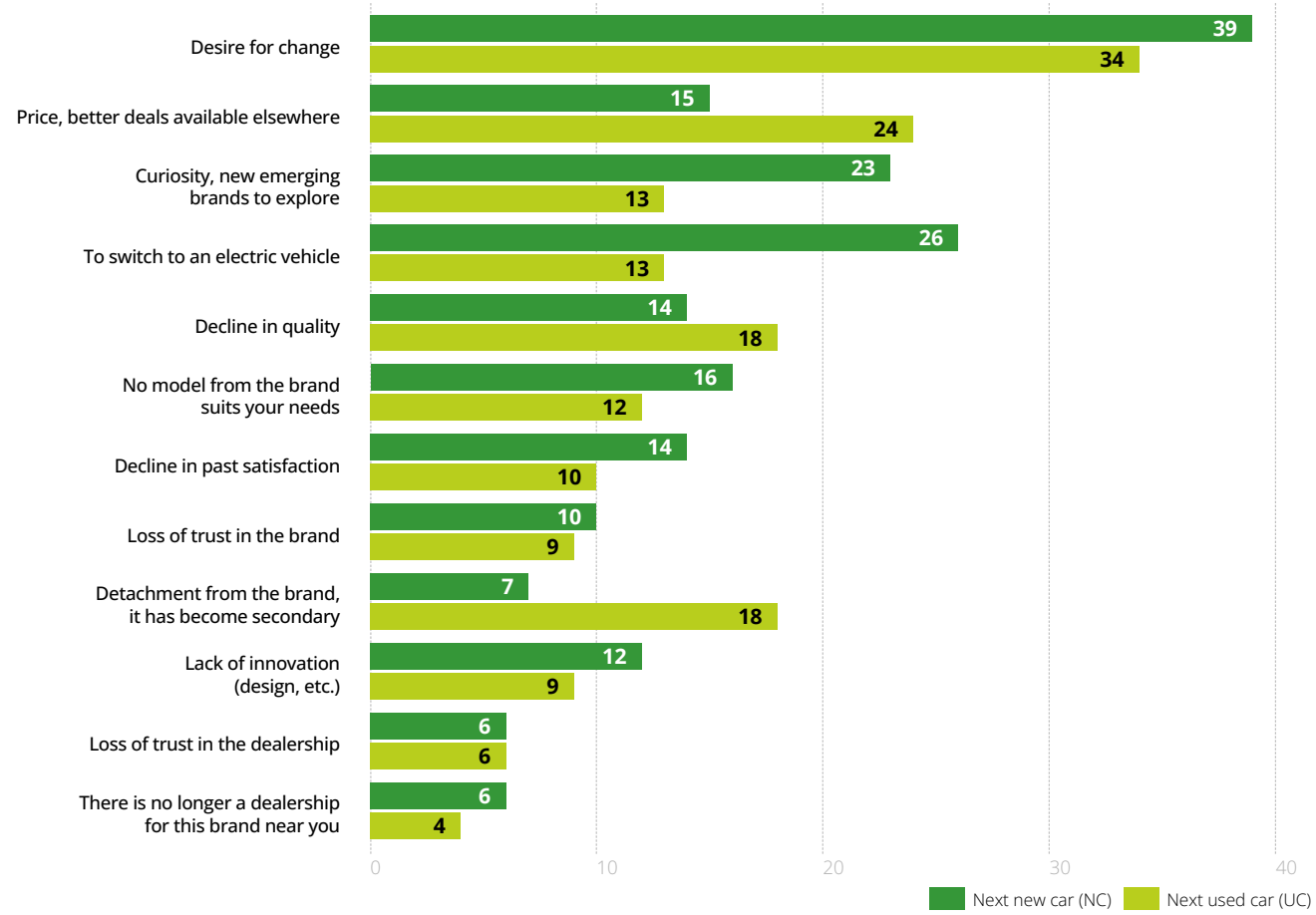
SIMPLY A DESIRE FOR CHANGE...

What, then, drives motorists to look elsewhere rather than remain loyal to a single brand? Their answers state what might seem self-evident. In 4 out of 10 cases, the primary driver of change across both the new and second-hand markets is simply the desire to experience a different brand. China, which boasts the widest choice of automotive brands, and the UK stand out for their strong appetite for a fresh start, whereas Germany and Belgium prove least susceptible to the allure of novelty. For new car purchases, the shift to electric vehicles and general curiosity about a brand play a prominent role. Indeed, the transition to EVs can undermine brand loyalty, as carmakers lagging in this segment lose customers to rivals. For second-hand buyers, price considerations and a lack of brand attachment are the paramount factors.

Fig. 31

For what reasons would you not choose the same car brand again for a future purchase?

All countries total – Respondents stating it is unlikely their next car will be the same brand, in % – Multiple responses allowed



Source: Observatoire Cetelem de l'automobile 2027

...THAT RARELY MATERIALISES

When all is said and done, however, 6 in 10 motorists will ultimately stick with their current brand overall. This loyalty is significantly stronger among new car buyers (7 in 10) than in the second-hand market (5 in 10). In the new car sector, Chinese, German, Dutch, Belgian and American consumers are more likely to consider switching brands, whereas over 4 in 10 British buyers remain undecided.

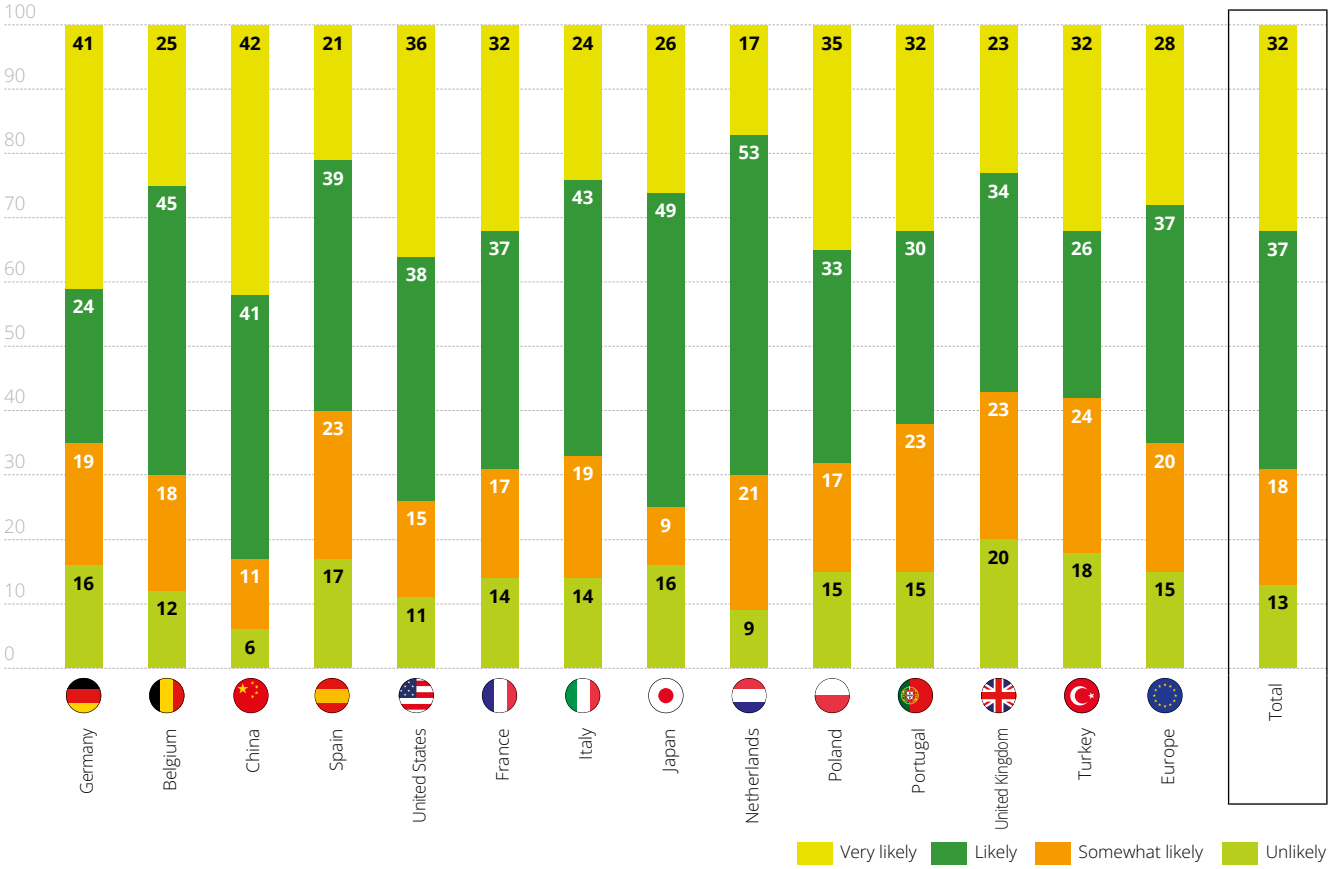
A similar inclination towards loyalty appears among second-hand buyers in China, the Netherlands and Germany, while British and Turkish buyers remain the least loyal. Demographically, drivers under 30 are less inclined than older generations to remain with the same brand. For younger cohorts, personal attachment to a car does not necessarily translate into loyalty to a brand.

Fig. 32

How likely is it that your next car will be the same brand as the one you currently own?

Respondents with at least one car in the household, in %

NEW car (NC)



Source: Observatoire Cetelem de l'automobile 2027

KEEPING A SENSE OF PERSPECTIVE

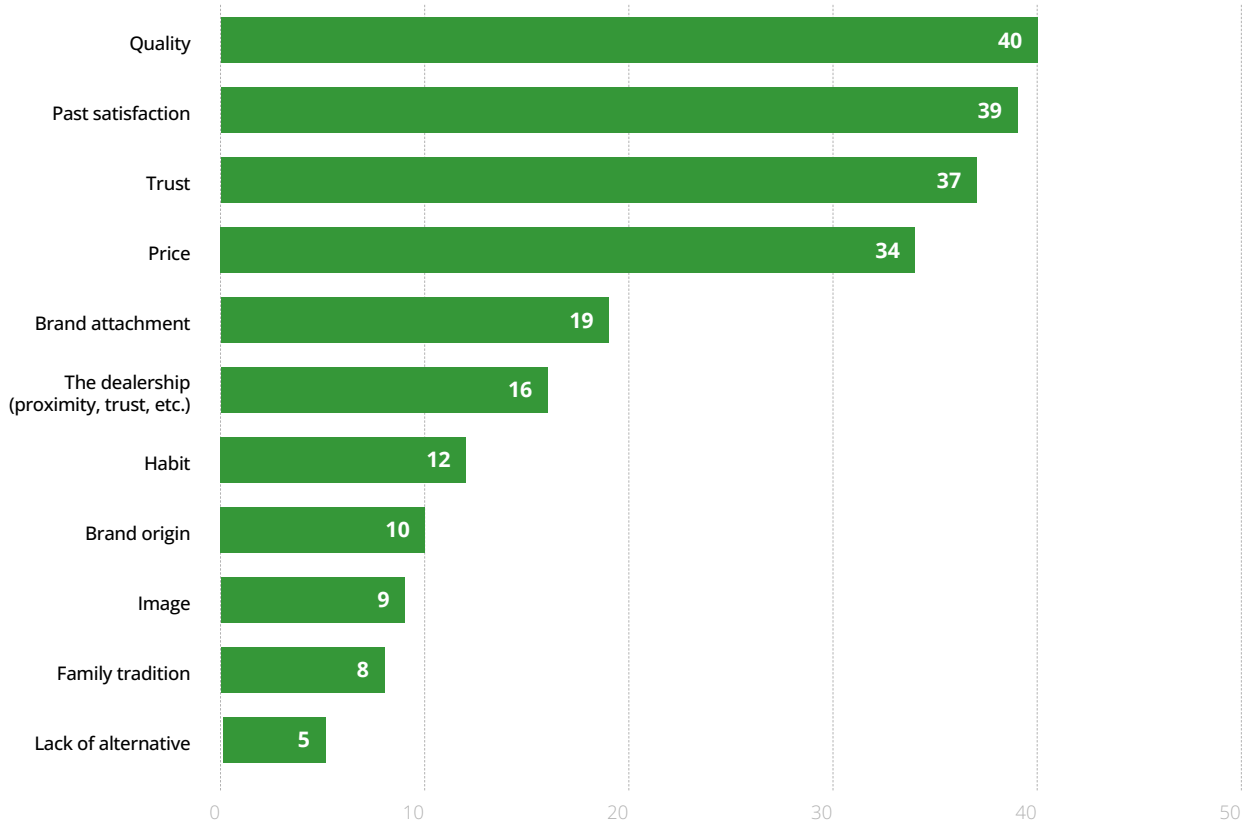
The factors prompting motorists to remain loyal to a brand serve to temper the impression of a merely lukewarm attachment. Quality, past satisfaction and trust emerge as their primary drivers, three criteria that underpin a close relationship with a brand, built on familiarity deepened over time.

German consumers are the most likely to highlight past satisfaction and quality. On price, which ranks a close fourth, French buyers are the most discerning. Notably, brand origin plays a negligible role; to a certain extent, respondents view this dimension as implicitly folded into the top three criteria.

Fig. 33

For what reasons did you choose the same car brand again for your purchases?

All countries total – Respondents who have bought several cars from the same brand, in % – Multiple responses allowed



Source: Observatoire Cetelem de l'automobile 2027

Financial considerations take precedence

THE PRIMACY OF PRICE

When push comes to shove, despite contrasting views on brand origin in places like Japan or among younger drivers, which factor ultimately carries the most weight?

Across successive editions of the Observatoire Cetelem, whether tracking cars or broader retail trends, the result recurs year after year with the predictability of a Philip Glass score. Price remains the single most important factor for motorists when choosing a car.

Indeed, 4 in 10 highlight it for a new vehicle purchase, rising to more than 5 in 10 for a second-hand model.

Price emerges decisively as the primary criterion across every surveyed country, with the exception of China, where reliability is preferred. French consumers display the highest price sensitivity, followed closely by Belgian, Portuguese and Japanese drivers. It carries greater weight among older demographics than among younger generations. Predictably, lower-income households and rural residents are particularly sensitive to price. **(Fig. 34)**

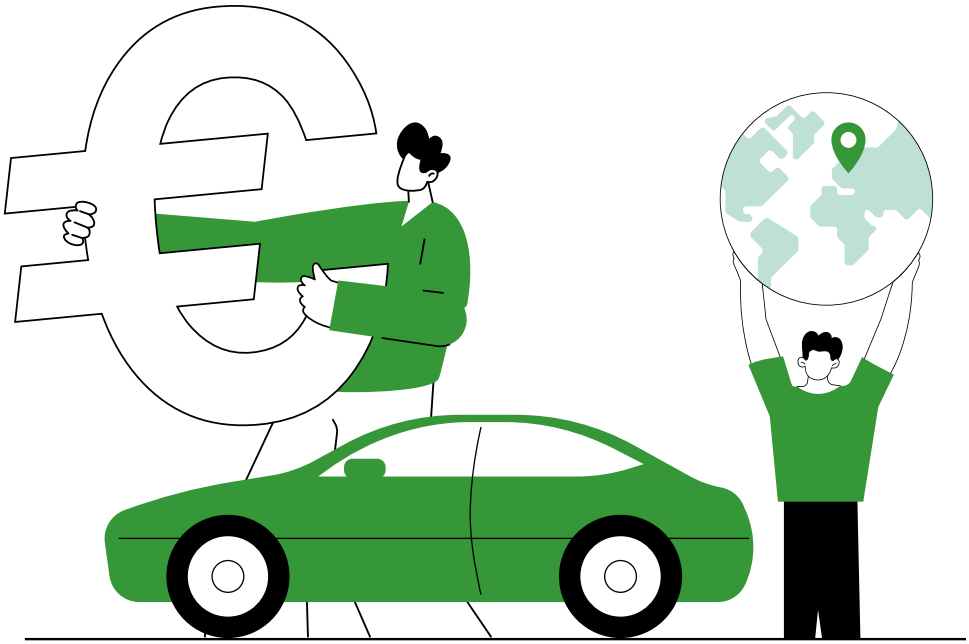
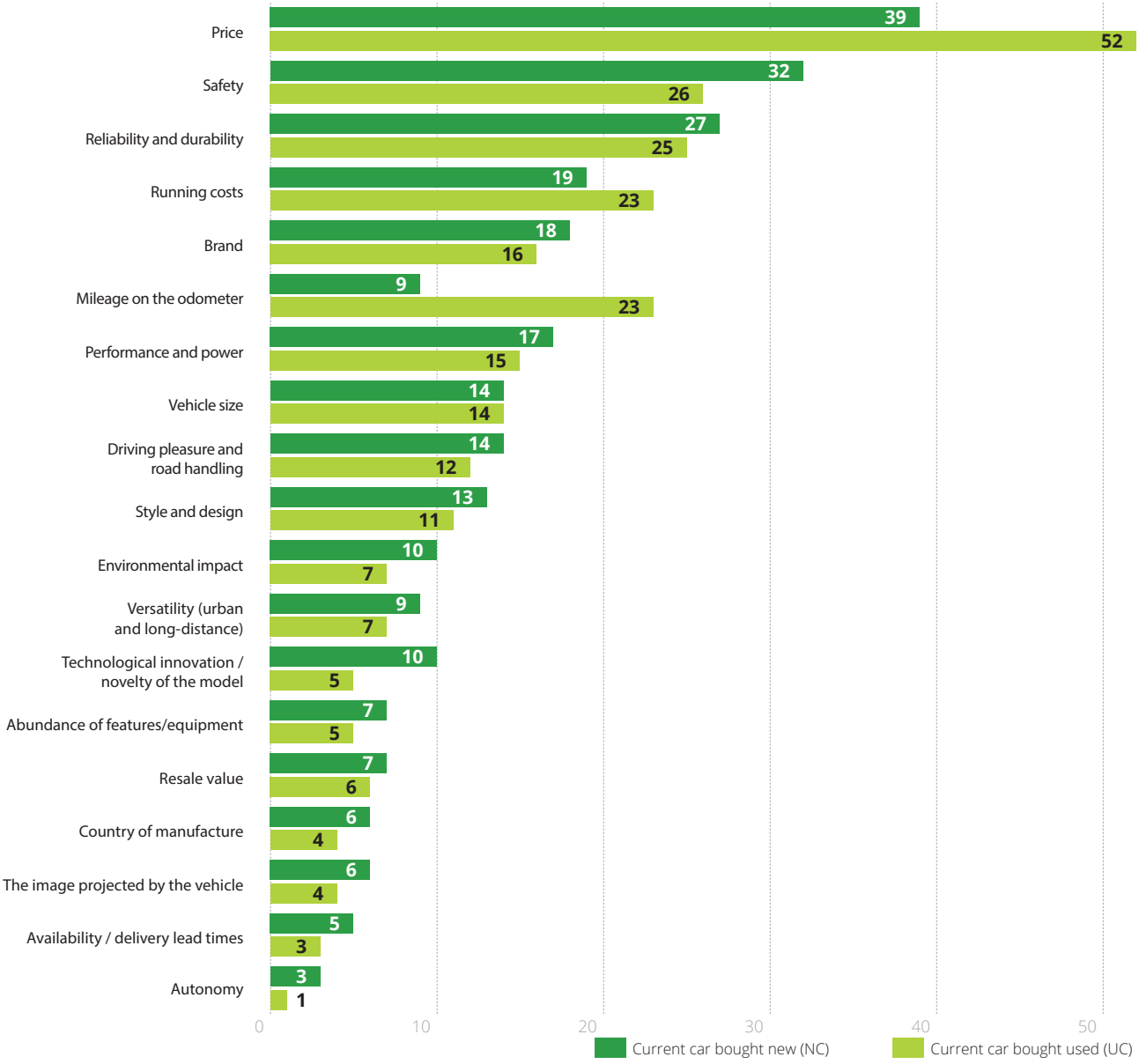


Fig. 34

Which of the following criteria do you/would you take most into account when choosing a car?

All countries total – All respondents, in % – Multiple responses allowed – maximum 3



Source: Observatoire Cetelem de l'automobile 2027

THE COST OF WALKING AWAY

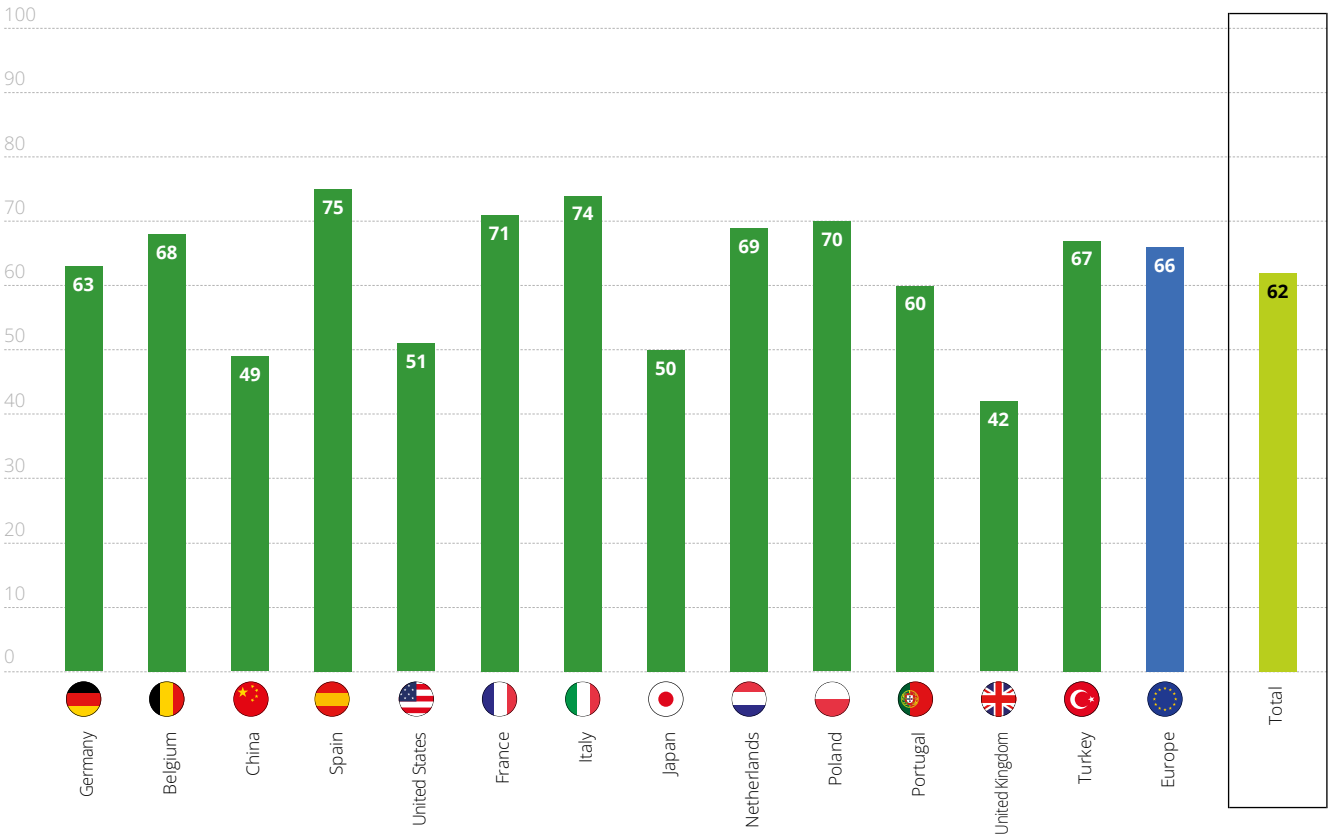
Price is not merely a decisive purchasing factor; it is also the primary deal-breaker. Exerting far more influence than brand identity itself, its power to dictate consumer behaviour is absolute. Indeed, 6 in 10 motorists have decided against buying a particular brand simply due to its high price tag.

Spanish and Italian consumers are the most likely to have walked away for this reason, in stark contrast to British, Chinese, Japanese and American drivers, who prove far less price-sensitive. Price is a major deal-breaker in France, as well. Younger buyers and rural residents are similarly responsive to this factor.

Fig. 35

Have you ever walked away from a brand? (For price reasons)

All respondents, in % – Yes



Source: Observatoire Cetelem de l'automobile 2027

PRICE TRUMPS ORIGIN

If further proof were needed that price outweighs patriotism, nearly 6 in 10 motorists provide it by choosing a cheaper foreign brand over a domestic equivalent. National resistance is strongest, as is so often the case, in Japan, alongside China and the US. In Portugal, the Netherlands, Spain and Italy, the price argument proves overwhelmingly persuasive.

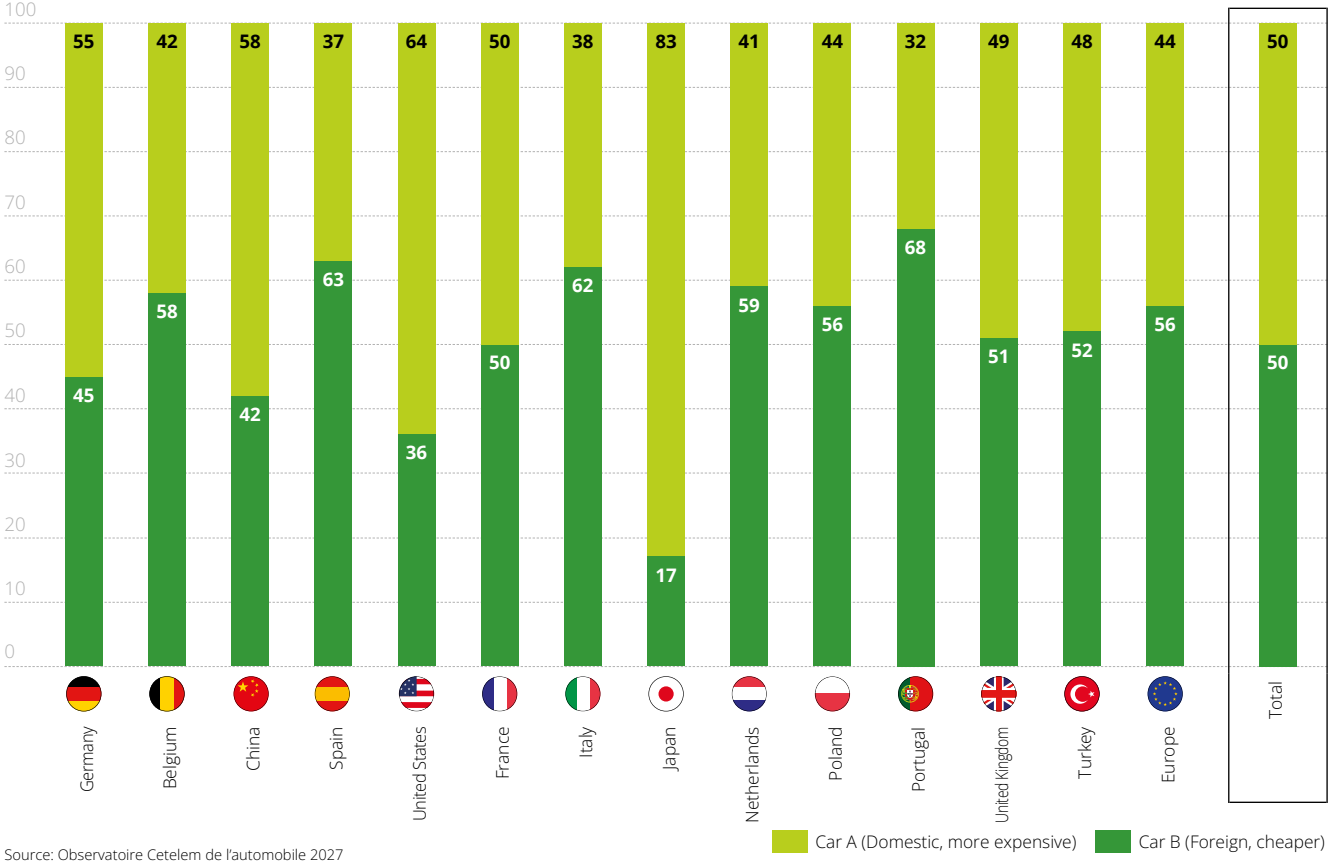
Younger generations are more inclined than older cohorts to opt for a domestic brand, even at a higher price tag. The split between new and used market buyers reveals subtly different priorities. Preference for domestic origin holds firm in the new car sector across the three aforementioned countries, as well as in Germany and France, where figures hit or exceed 50%. This threshold is never reached in the second-hand market, except in Japan and the US, with price winning out in every other nation.

Fig. 36.1

Ideally, if you were offered the two equivalent models below, which would you choose? (Domestic/more expensive vs Foreign/cheaper)

All respondents, in %

Current car bought new (NC)



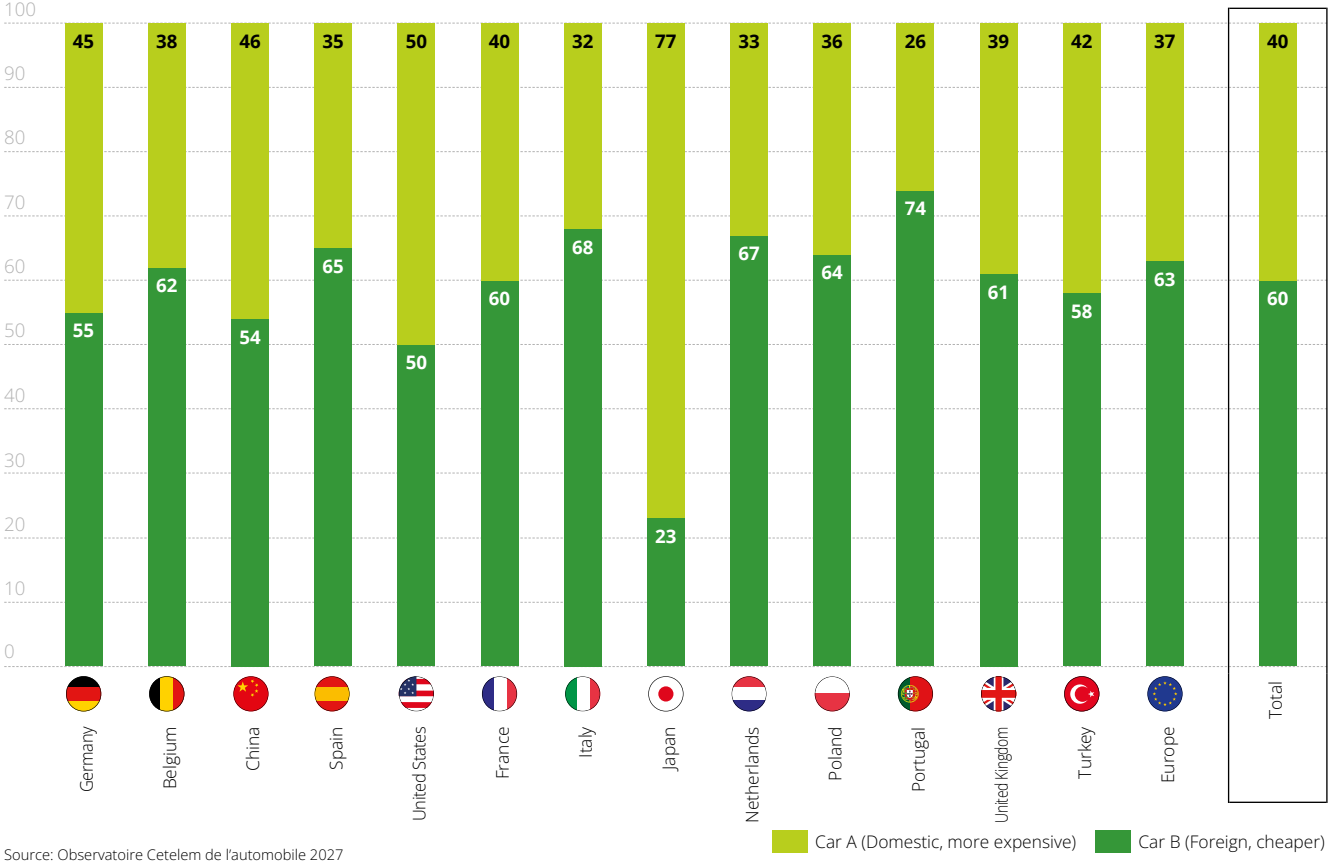
Source: Observatoire Cetelem de l'automobile 2027

Fig. 36.2

Ideally, if you were offered the two equivalent models below, which would you choose? (Domestic/more expensive vs Foreign/cheaper)

All respondents, in %

Current car bought used (UC)



Source: Observatoire Cetelem de l'automobile 2027

Energy costs

THE IMPACT OF THE ENERGY CRISIS

The geopolitical backdrop and accompanying energy crisis provided a compelling reason to ask motorists about another form of financial pressure: rising fuel prices. For 1 in 5 motorists, no fuel price hike, no matter how steep, would prompt a change in vehicle or habits. Just over half set a 20% price increase as the threshold beyond which everything changes. Across most surveyed countries, results are remarkably consistent, with Japan standing out as the market where drivers are least inclined to change their vehicle or habits.

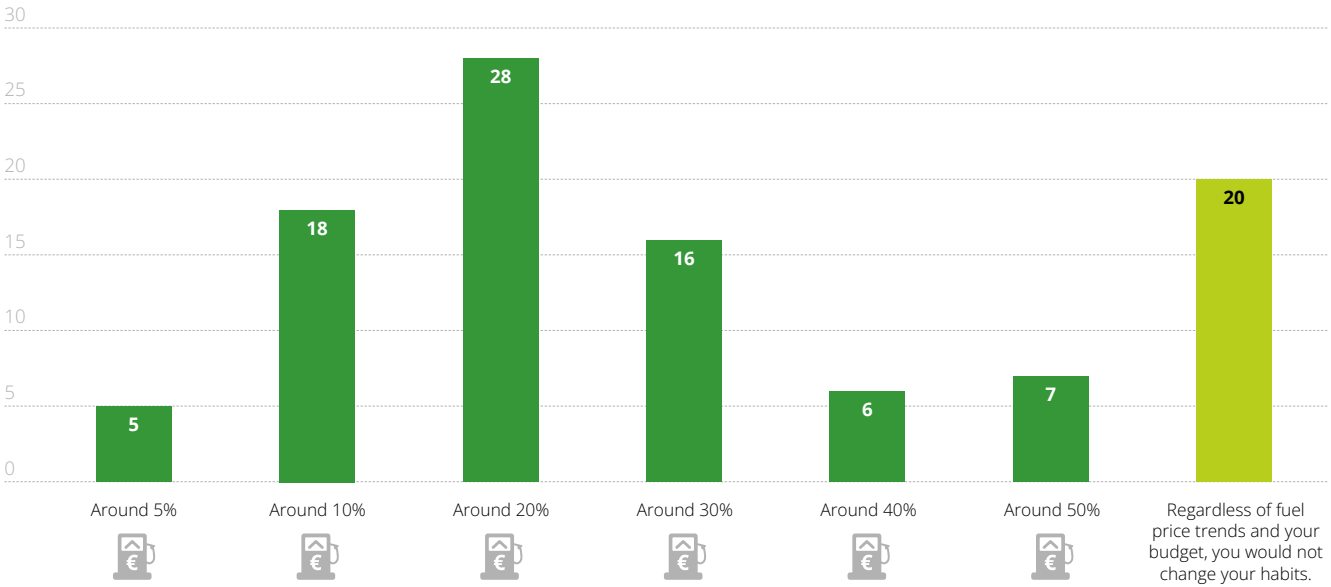
Income levels exert surprisingly little influence on these choices. While wealthier households have the financial cushion to absorb the crisis, those on tighter budgets simply cannot afford to give up their cars. In rural areas, dependency on cars means drivers are less likely to contemplate change than their urban counterparts.

Just starting out in their careers, younger drivers report feeling most constrained by rising fuel costs.

Fig. 37

At what percentage increase in your average monthly fuel budget would you seriously consider changing your primary vehicle or mode of transport?

All countries total, in % – Respondents with at least one car in their household



Source: Observatoire Cetelem de l'automobile 2027

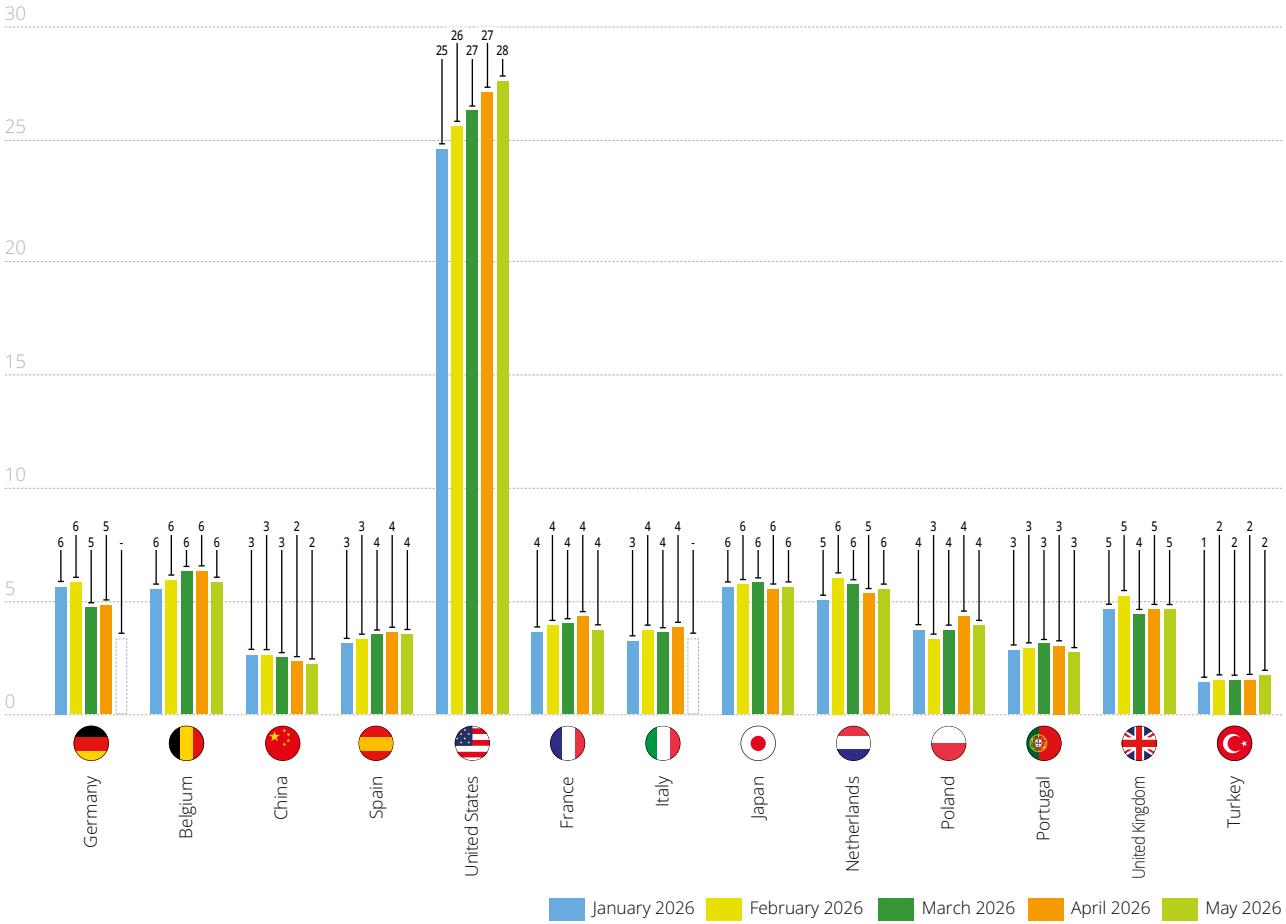
CRISIS CURBS TRAVEL

Outside the US, the fuel price surge following the Iranian crisis has had a varied impact on consumption.

Fig. 38

Petrol consumption relative to population

Unit: kb/d per million inhabitants



Source: JODI-Oil World Database (up to May 2026); population: World Bank, WDI 2022

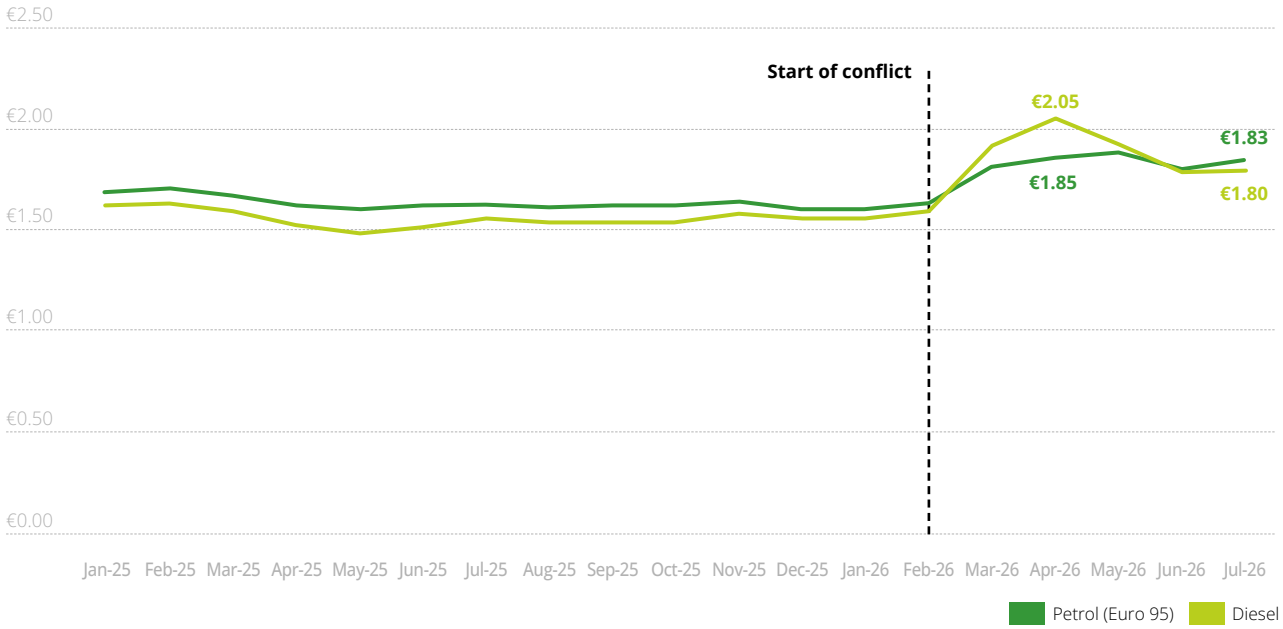
FUEL PRICES: IS THE IRAN CONFLICT A TIPPING POINT?

The conflict surrounding the Strait of Hormuz triggered a surge in pump prices in spring 2026: across the EU average, diesel rose from around €1.59/L in February to over €2.05/L in April 2026, while petrol topped €1.85/L. Following a brief respite in June, prices resumed their upward trajectory in July as fighting flared up again.

Fig. 39

Average EU fuel price at the pump

Unit: €/L, incl. tax – EU average, January 2025 to July 2026



Source: European Commission, Weekly Oil Bulletin

PAY LESS, DRIVE LESS

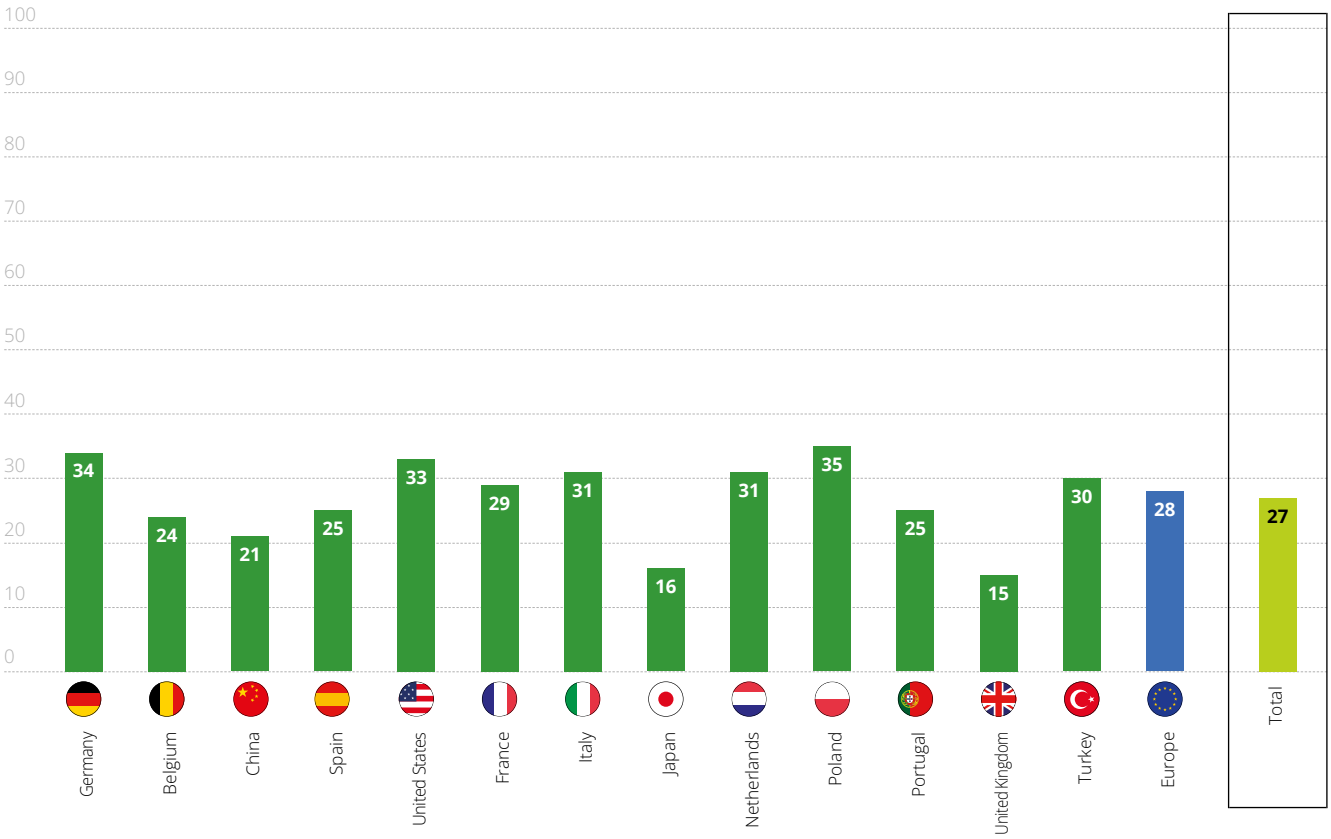
Faced with this energy crisis, motorists have adopted two primary strategies to soften the blow of rising fuel costs. First, 3 in 10 drivers focus on hunting down the lowest price, even if it means switching fuel types or finding a new service station.

This is the preferred approach among Polish, German and American motorists, as well as younger demographics and residents of major cities, where fuel prices are typically higher.

Fig. 40

Over the last 6 months, which of the following adjustments have you made due to fuel prices? (Switching service station or fuel type based on price)

Respondents with at least one car in their household, in %



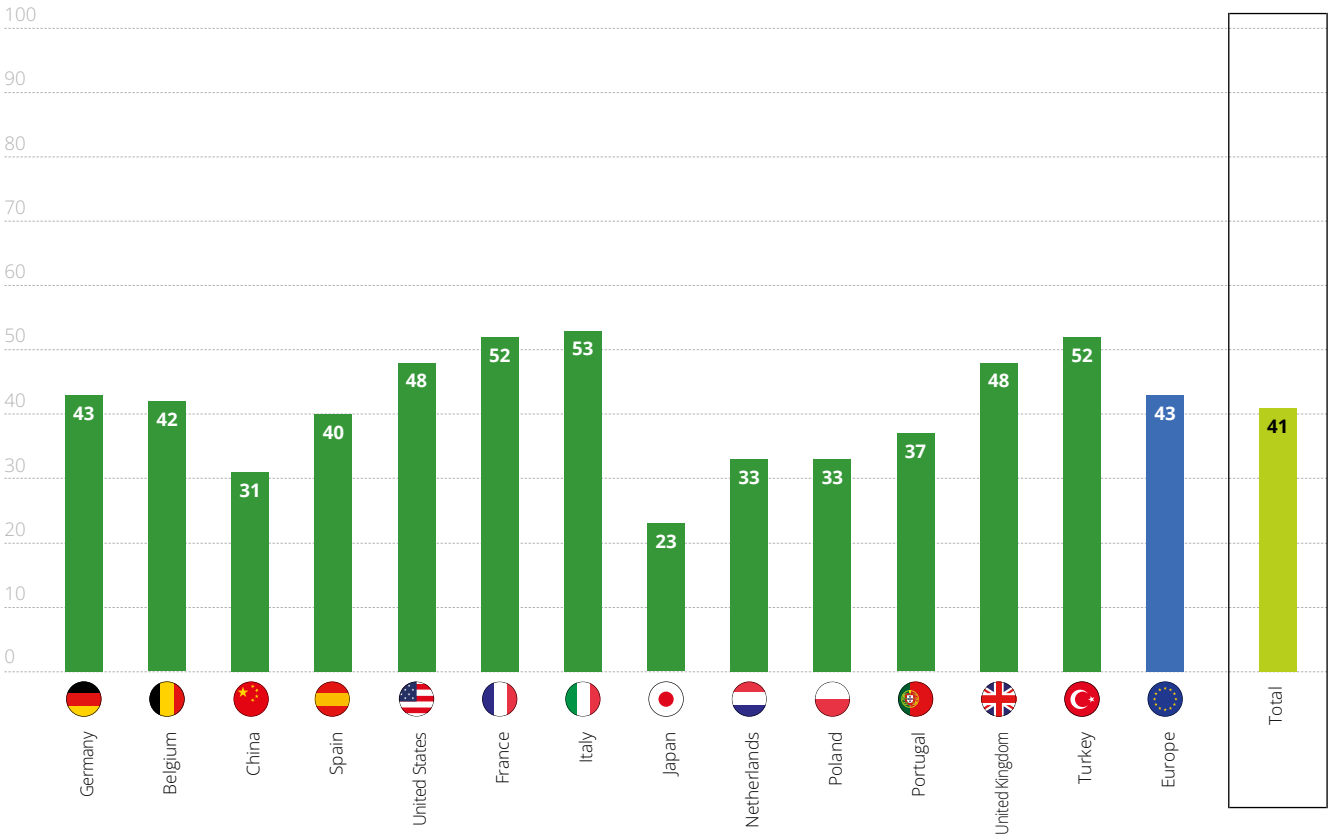
Source: Observatoire Cetelem de l'automobile 2027

The alternative strategy sees 4 in 10 motorists cutting back on mileage to focus exclusively on essential journeys. Italian, French and Turkish drivers lead the way in road-frugality, in stark contrast to ever-steadfast Japanese motorists.

Fig. 41

Over the last 6 months, which of the following adjustments have you made due to fuel prices? (Reducing non-essential journeys)

Respondents with at least one car in their household, in %



Source: Observatoire Cetelem de l'automobile 2027

KEY FIGURES

1 in 3 motorists
intends to purchase a vehicle in the next 12 months

6 in 10 motorists
already know the brand of their next vehicle

4 in 10 motorists
switch brands simply out of a desire for change

4 in 10 motorists
have bought multiple vehicles from the same brand

6 in 10 motorists
will not switch car brands for their next purchase

Price
emerges as the primary decision factor for 4 in 10 new-car buyers and more than 5 in 10 second-hand buyers

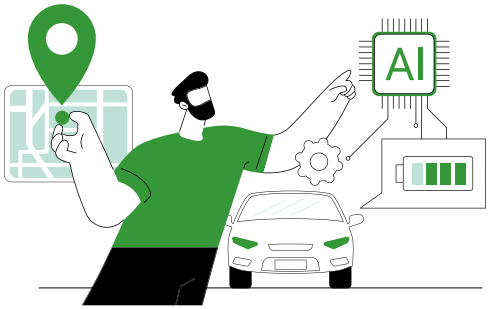
6 in 10 consumers
have walked away from a car purchase due to its high price tag

6 in 10 motorists
prefer a cheaper foreign brand over an equivalent domestic model

1 in 5 drivers
would alter neither their vehicle nor their habits, regardless of fuel price increases

4

Thinking local, looking global: a dual horizon that pays off for brands



Is the duel between price and nationality destined to produce the exact same winner every time? Evidently so: drivers, as consumers facing constant financial constraints, will always point their compass toward price when choosing a car.
Yet, as in many sectors where global reach and local presence harmoniously coexist, cross-border brands with strong domestic roots possess other assets to enhance their customer appeal. This edition of the Observatoire Cetelem underscores the pivotal role of dealer networks, especially local dealerships, alongside innovation, spearheaded by electric powertrains and artificial intelligence.

Proximity as a decisive factor

DIRECT CUSTOMER CONTACT

We highlighted earlier that, in the eyes of motorists, a brand's identity hinges more on where its cars are born and built than on the origin of its corporate capital. The weight given to this local dimension and expected proximity is reinforced by a closely aligned factor. While price remains paramount for drivers, dealership networks and after-sales service rank as the second most critical brand consideration.

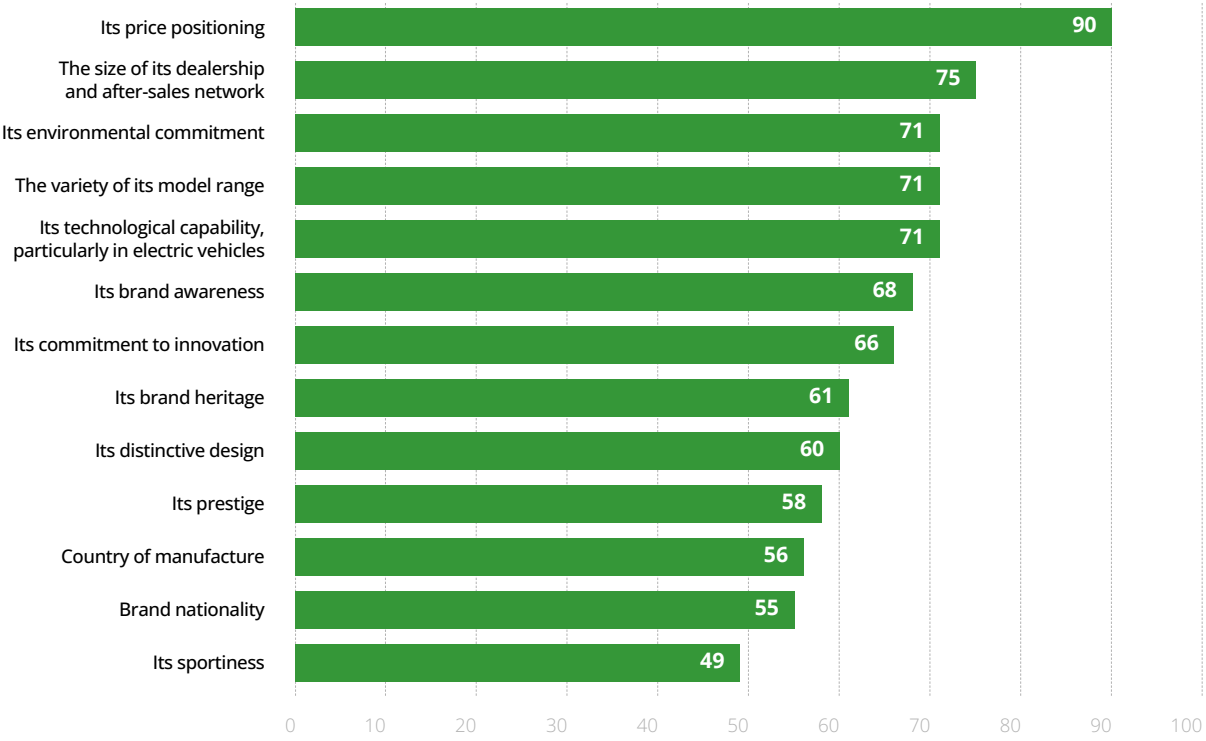
It offers brands a tangible presence in their markets, both at home and across international borders, by maintaining direct contact with their customer base. Indeed, 3 in 4 drivers value this human reassurance.

Demand for such local proximity is highest in China, Turkey, Italy and Portugal. Older consumers and higher-income earners also show a strong preference for a local footprint.

Fig. 42

How important to you is each of the following criteria when choosing a car brand?

All countries total – All respondents, in % – Important = "Very important" + "Fairly important"



Source: Observatoire Cetelem de l'automobile 2027

THE PIVOTAL ROLE OF THE DEALERSHIP

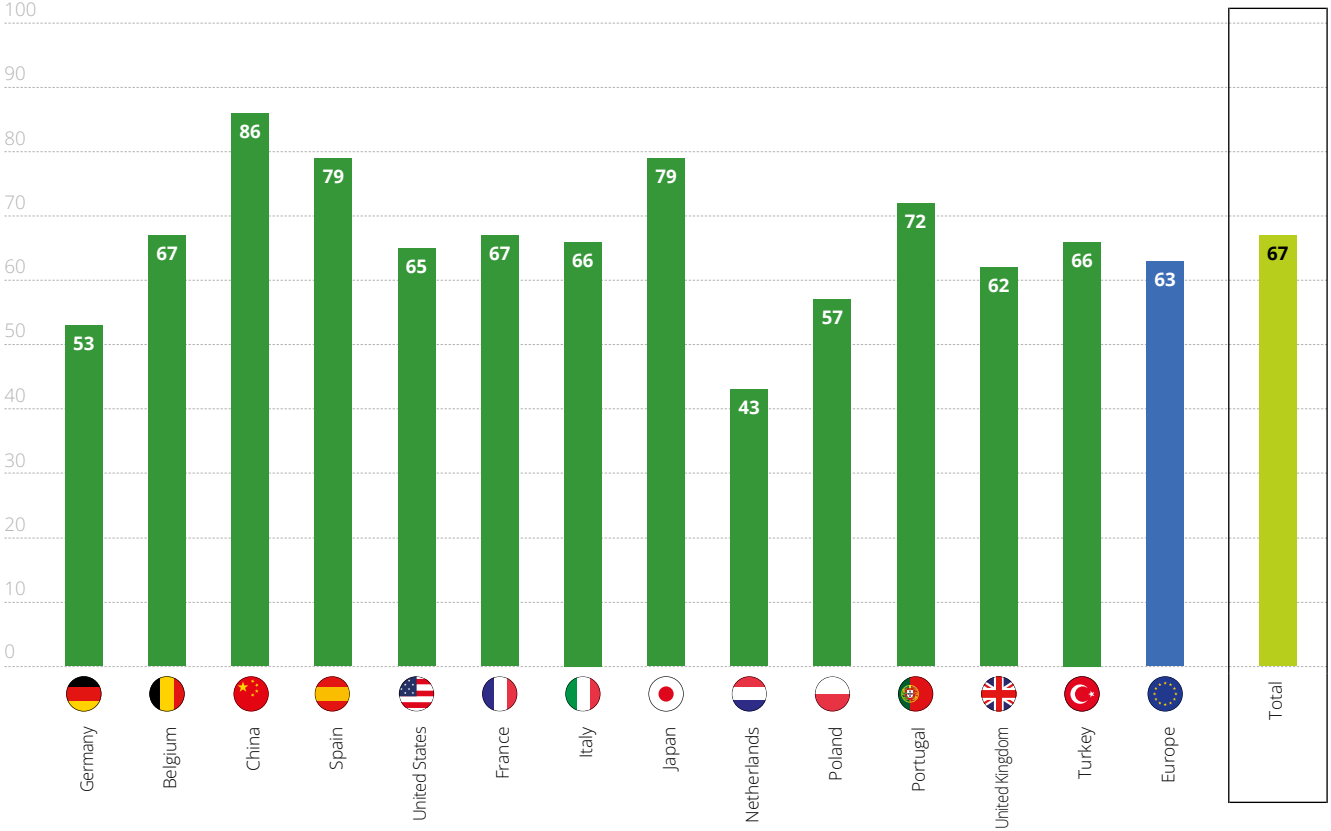
The demand for human reassurance makes local proximity a key asset, with dealerships playing the starring role. Nearly 7 in 10 motorists confirm the dealer influences their choice of brand, a figure that jumps for new-car buyers (+17% compared to second-hand purchases).

Chinese, Japanese, Spanish and Portuguese drivers place the highest trust in dealerships, in contrast to Dutch motorists, the only group where a majority downplays dealer influence. Likely reflecting their relative lack of automotive experience, younger buyers are the most receptive to dealership advice.

Fig. 43

Does the dealership significantly influence your choice of car brand?

Respondents with at least one car in their household, in % – Significant = "Very significant" + "Fairly significant"



Source: Observatoire Cetelem de l'automobile 2027

Technology provides an edge

AN INNOVATION PREMIUM FOR PIONEERING BRANDS

Recent years have brought a wave of technological advances unmatched in recent automotive history. These innovations have seen software, and now artificial intelligence, become core components of the modern vehicle, while electric powertrains have established a firm foothold.

Motorists are naturally responsive to these shifts. Overall, 1 in 2 drivers would choose a more innovative car over an equivalent domestic model.

A granular breakdown reveals sharp national contrasts. The China-USA-Japan trio stands out for preferring domestic cars. For Japan, it should be noted that consumers consider their country a world leader in innovation, so no trade-off exists.

Germany and France are the only other two markets where national origin wins out over innovation. Consumer behaviour remains broadly consistent across both new and used markets. **(Fig. 44)**

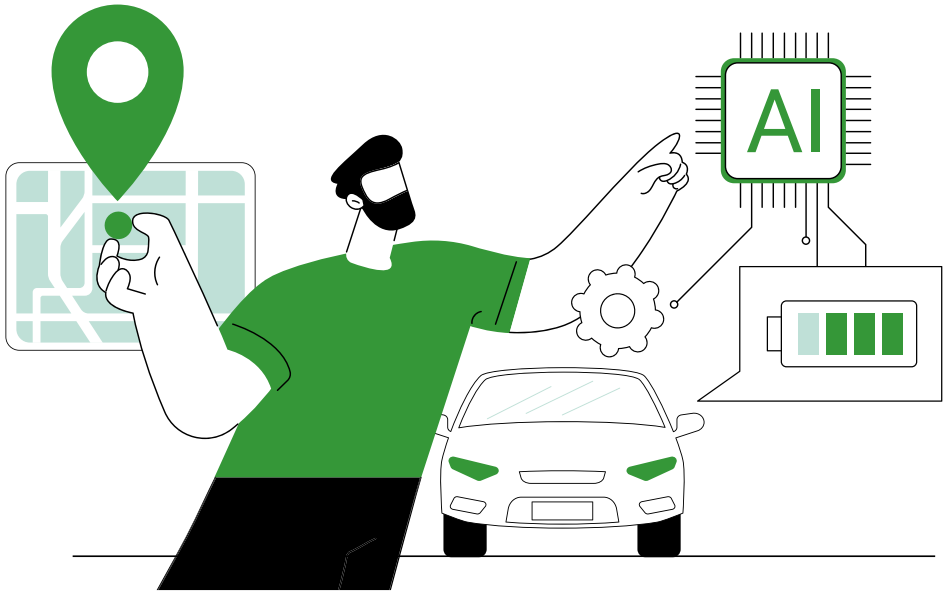
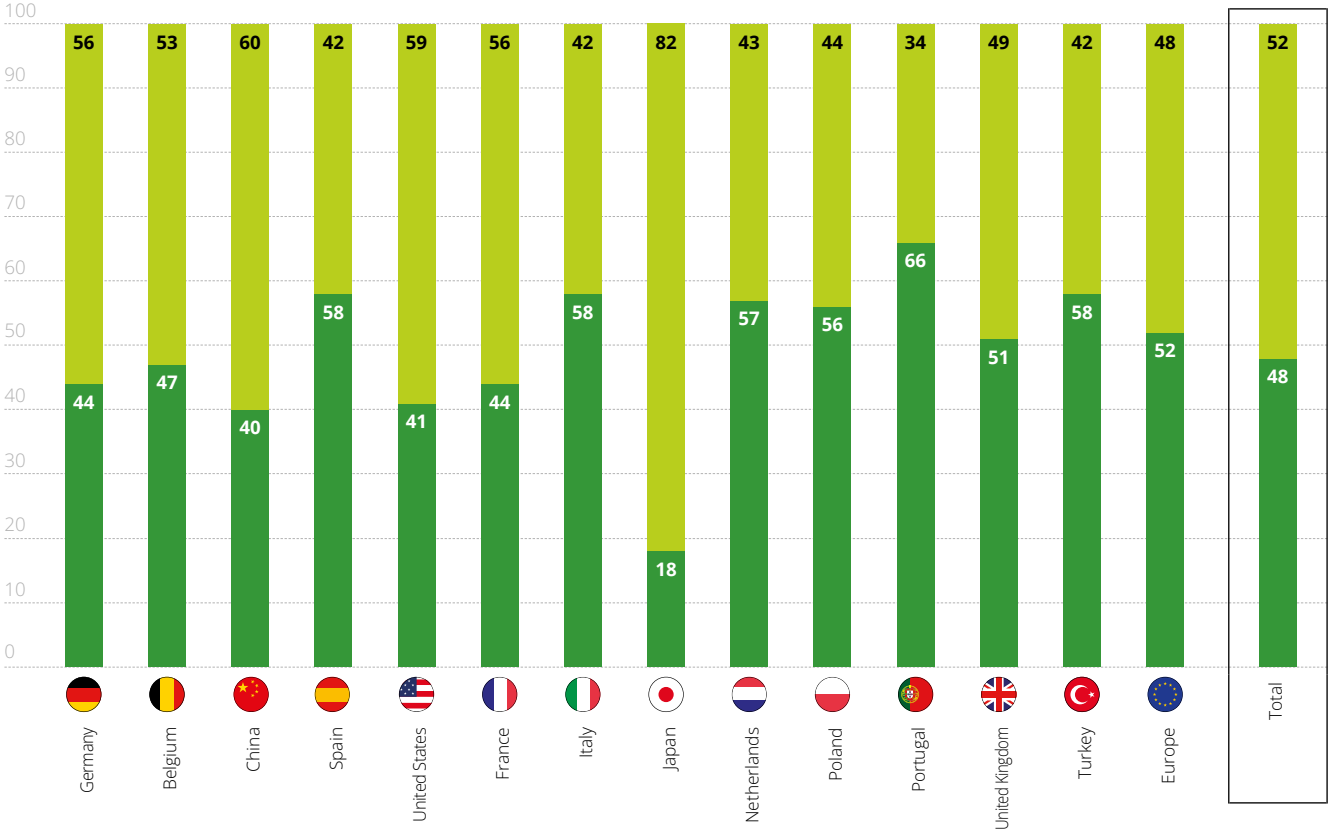


Fig. 44.1

Ideally, if you were offered the two equivalent models below, which would you choose? (Domestic/less innovative vs Foreign/more innovative)

All respondents, in %

Current car bought NEW (NC)



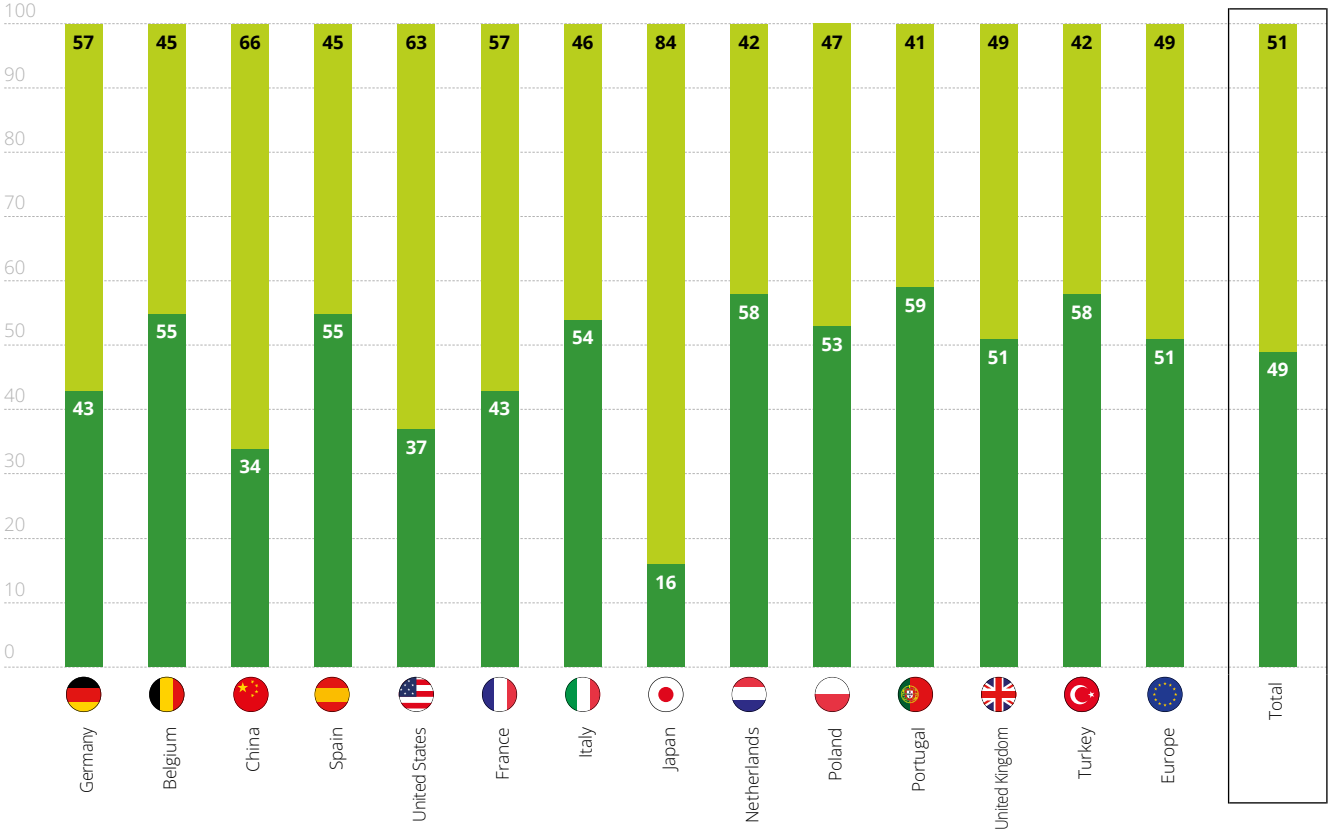
Source: Observatoire Cetelem de l'automobile 2027

Fig. 44.2

Ideally, if you were offered the two equivalent models below, which would you choose? (Domestic/less innovative vs Foreign/more innovative)

All respondents, in %

Current car bought USED (UC)



Source: Observatoire Cetelem de l'automobile 2027

AI, INTELLIGENCE IN PURCHASING

While artificial intelligence (AI) is gradually taking over vehicle interiors, it already serves as a significant external decision-making tool for buyers. Nearly 4 in 10 motorists have turned to AI for information and comparisons when choosing a car, a figure that rises to 6 in 10 among younger drivers.

Seeing China top the rankings comes as no surprise, given how deeply digital tools are woven into everyday consumer habits there. More surprising is Turkey's position as the only other country where a majority of drivers report using AI to guide their choice.

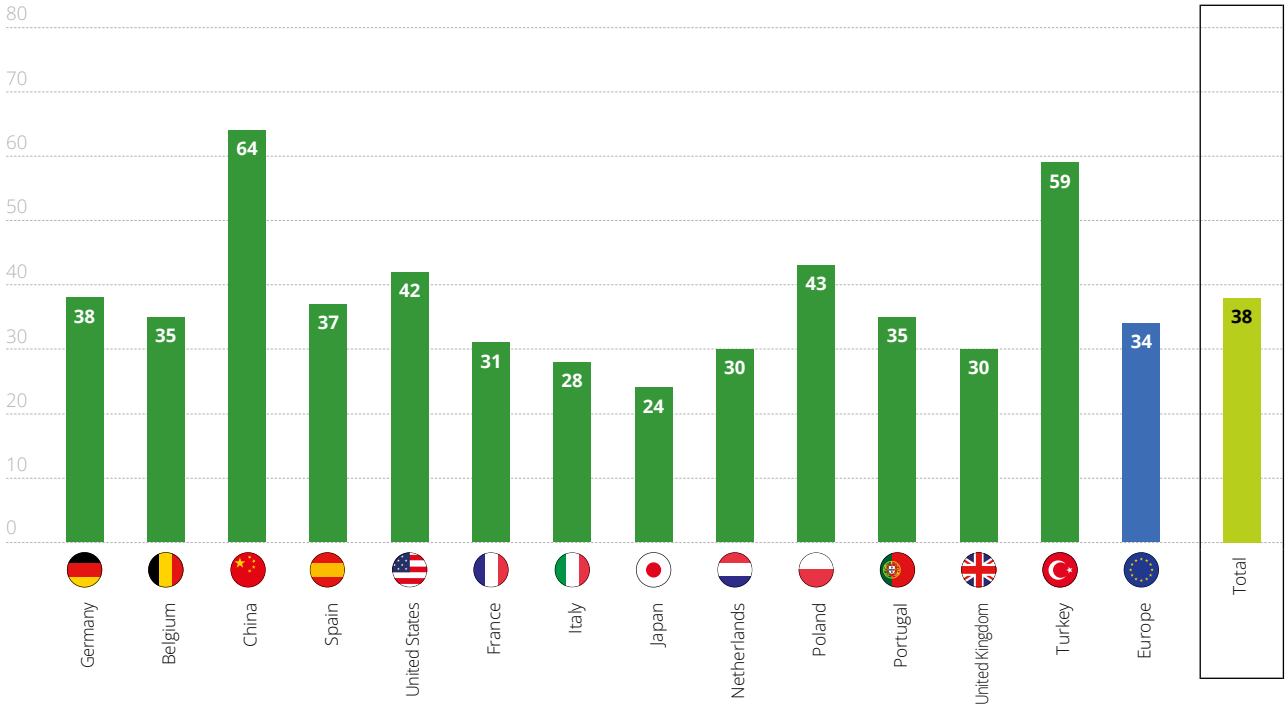
Japan's position at the bottom of the AI usage rankings is less surprising. The country's strong brand loyalty reflects a firm belief in its domestic automakers and their capacity for innovation; AI, therefore, offers little added value when assessing products already perceived as intrinsically high-quality.

Ultimately, AI adoption serves primarily to validate an existing decision rather than spark a new one. Its impact is also far more pronounced when shopping for a new vehicle than a used one (46% vs 34%). This is a logical divide, as buyers are naturally less familiar with newly released models.

Fig. 45

Have you ever used artificial intelligence (Claude, Gemini, ChatGPT, etc.) to research, compare or choose a car brand?

All respondents, in % – Yes = "Yes, and it confirmed your choice" + "Yes, and it made you change your mind"



Source: Observatoire Cetelem de l'automobile 2027

Electric vehicles: continuous growth

THE ELECTRIC REALITY

The second major shockwave reshaping the market has been the emergence and rapid commercial success of powertrain electrification (BEVs and PHEVs). Since 2019, global sales have expanded 14-fold, surging from 1.5 million units to 21 million in 2025 (including 14 million battery electric vehicles).

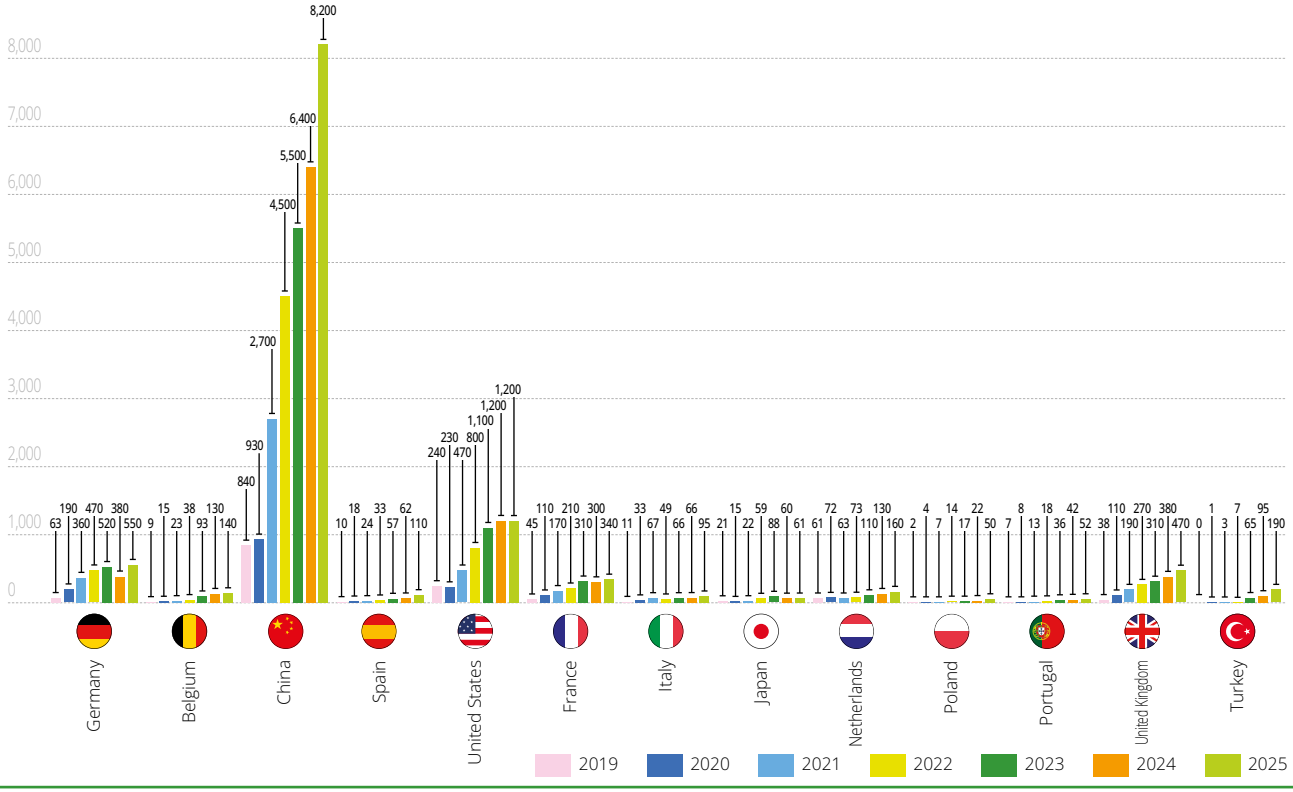
Every market covered by the Observatoire Cetelem has witnessed dramatic gains, led naturally by China, the global frontrunner, which accounts for over half of all sales (13.4 million vehicles, including 8.2 million electric vehicles). While France recorded solid, mid-pack growth (rising from 45,000 units in 2019 to 340,000 in 2025), the standout growth trajectory belongs to the UK: 38,000 sales in 2019 to 340,000 in 2025.

ELECTRIC VEHICLES: CHINA'S OVERWHELMING WEIGHT

Fig. 46

BEV passenger car registrations

Unit: thousands of registrations



Source: IEA – Global EV Data Explorer (Global EV Outlook 2026)

GROWING APPEAL

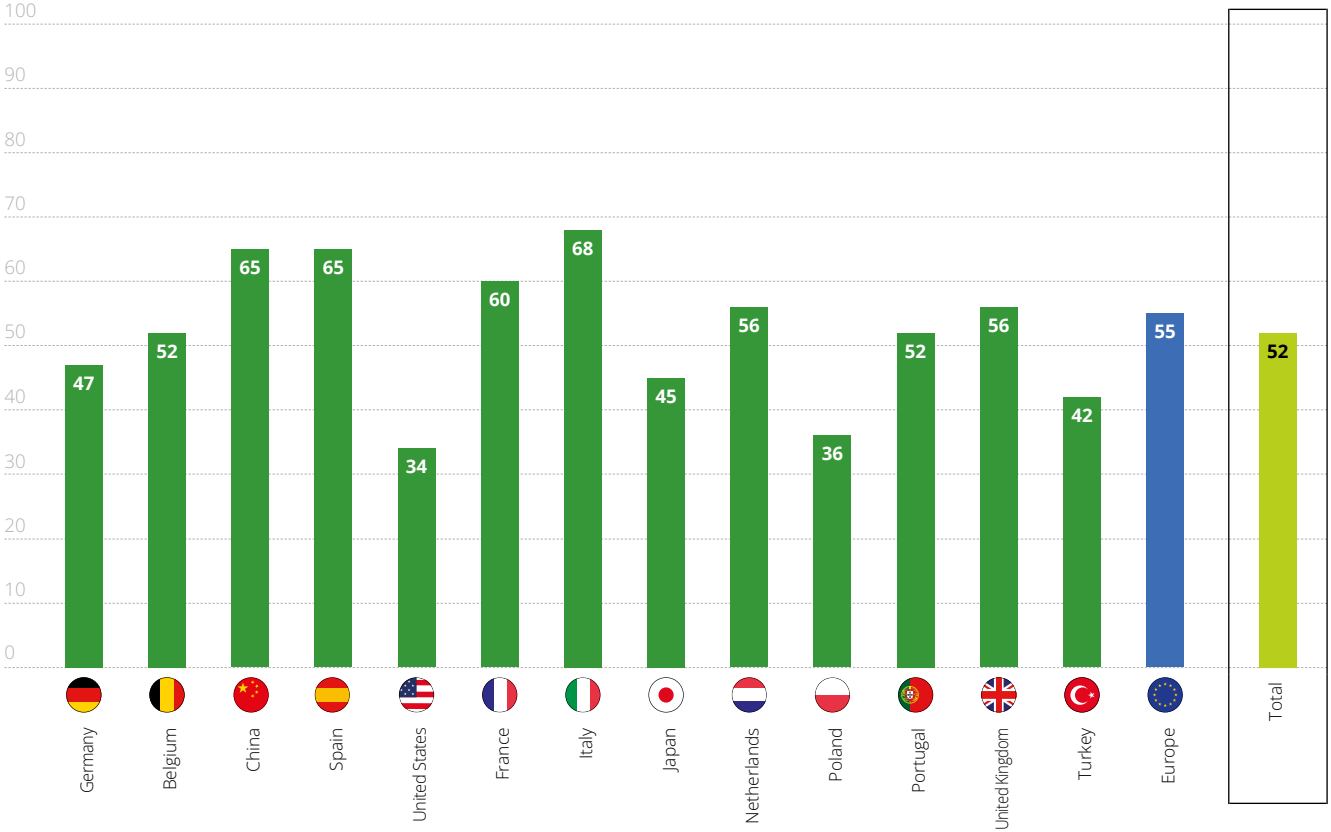
This appetite for innovation translates directly into drivetrain preferences. Hybrid and electric powertrains are no longer just an option; they are rapidly becoming the default choice.

Among prospective buyers, 1 in 2 motorists intends to buy a vehicle with an electrified powertrain, whether new or used. Alongside China, the Mediterranean trio of Italy–Spain–France shows the strongest commitment to electrified vehicles. Conversely, two markets remain sceptical: the US and Poland.

Fig. 47

Do you know what type of powertrain your next car will have?

Respondents planning to buy a car in the next 12 months, in % – Electric or hybrid = "Electric" + "Full hybrid" + "Plug-in hybrid"



Source: Observatoire Cetelem de l'automobile 2027

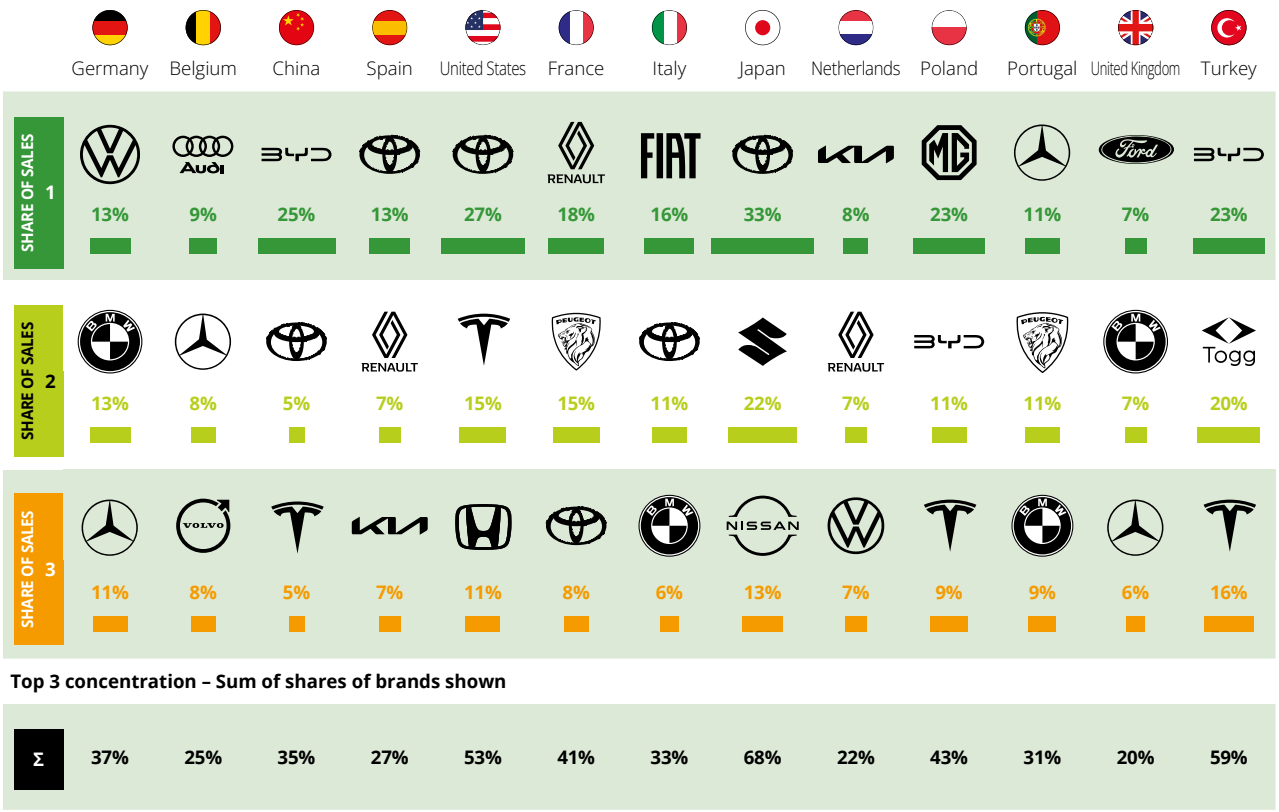
WHEN ELECTRIFICATION AND NATIONAL IDENTITY GO HAND IN HAND

Domestic champions and electrified vehicles are by no means mutually exclusive. Germany and Japan stand out as the only countries surveyed where all top three brands for local EV sales are domestic automakers. In several other markets, including France, the top-selling EV brand is also a home-grown manufacturer.

Fig. 48

Top 3 brands by share of national electrified vehicle sales in 2025

Share of national passenger car EV/hybrid sales. Top 3 ranking for 2025.
Top 3 concentration = sum of the shares of the 3 brands shown.



Source: MarkLines (EV/hybrid passenger car sales by brand)

CHINA, INHERENTLY ELECTRIC

A brand's national identity rests not only on objective, rational criteria but also on symbolic, at times subconscious, associations forged over time.

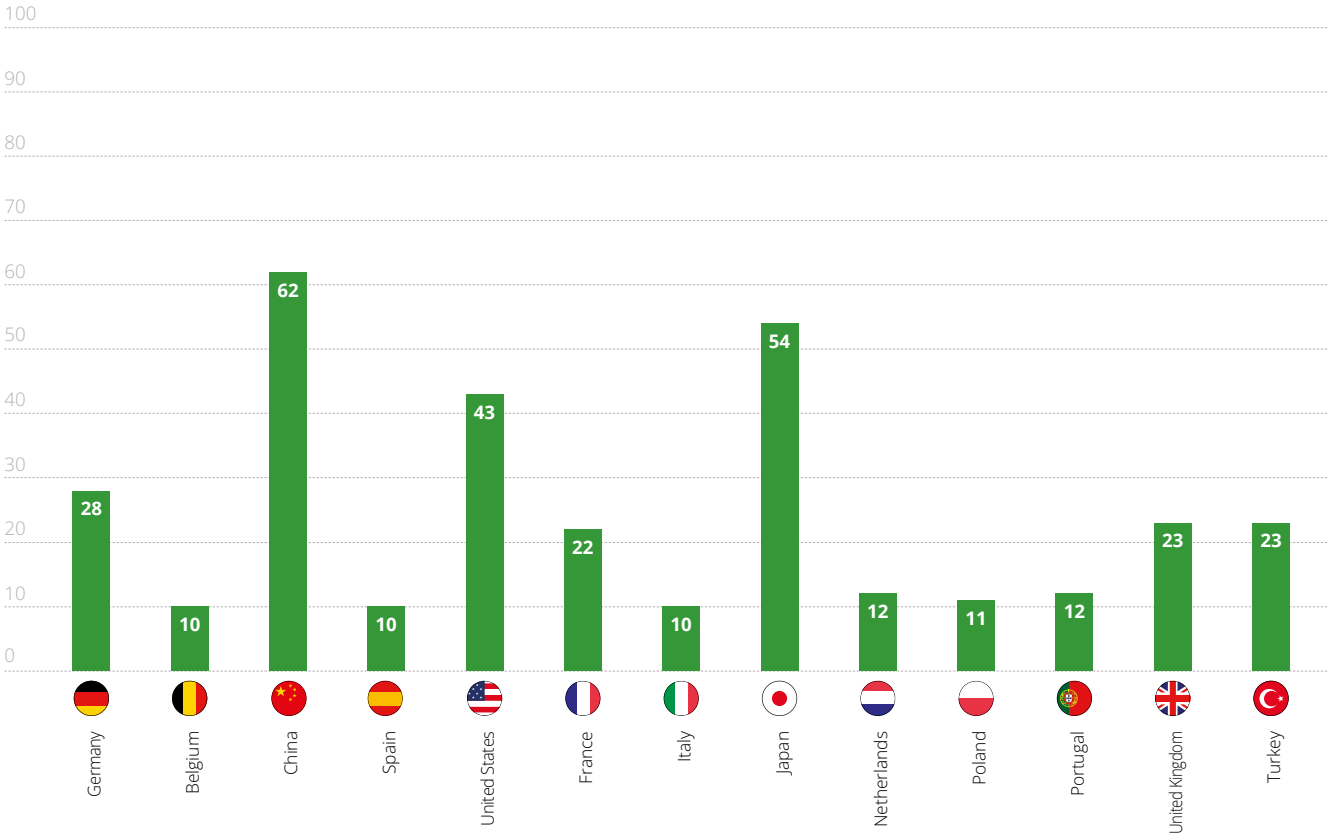
Thus, engineering and build quality are seen as German, design as Italian, and electrification as Chinese. Just over a quarter of motorists associate Chinese cars most strongly with electric powertrains.

This sentiment takes top spot in eight of the surveyed countries and is, predictably, highest in China itself. Japan also shows a strong domestic electric association, as does, more surprisingly, the US, where the success of Tesla has undoubtedly left its mark. This Chinese dominance highlights a form of cultural victory in the EV arena, translating into easier market share gains and reduced marketing expenditure.

Fig. 49

Which nationality do you most associate with each of the following automotive qualities? (Electric)

All respondents, in % – "From your own country" response



Source: Observatoire Cetelem de l'automobile 2027

KEY FIGURES

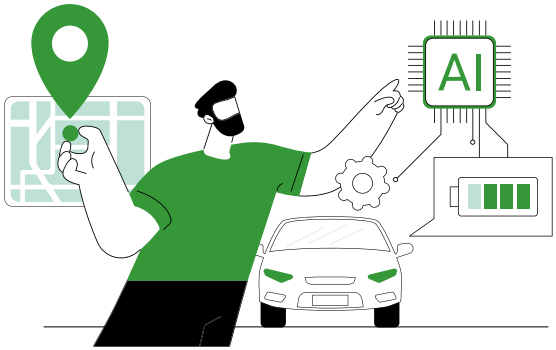
3 in 4 motorists
place importance on the size of the dealership and after-sales network

1 in 2 motorists
would choose a more innovative car over an equivalent domestic model

Nearly 4 in 10 motorists
have turned to artificial intelligence for information and comparisons when choosing a vehicle

7 in 10 motorists
highlight the dealership's influence on their choice of brand

1 in 2 motorists
intends to buy an electric or hybrid vehicle

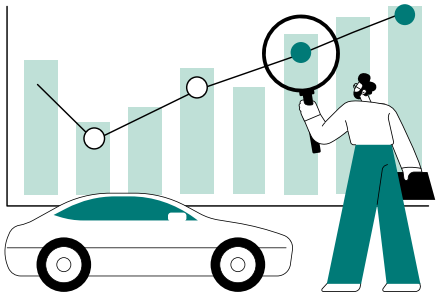


CONCLUSION

As this latest edition of the Observatoire Cetelem demonstrates, despite the successive and multifaceted upheavals reshaping the automotive market, particularly around brand dynamics, and despite ongoing technological revolutions pointing predominantly toward Asia, motorists maintain a clear and pragmatic perspective. While forced to choose between country of origin and price, their selection remains nuanced and subtle. Their decision-making balances multiple overlapping factors: cost, origin, brand loyalty, intrinsic quality, innovation and the desire for change. More broadly, the motorist is and will remain a rational consumer who nevertheless remains influenced by emotion.

The brand, especially when wrapped in its national identity, remains a promise of quality, trust and reassurance. Though constrained by price, brand identity proves remarkably resilient and enters the consumer journey relatively early.
And contrary to simplistic assumptions, younger generations are far from indifferent to brand heritage, even showing a willingness to pay a premium to buy local.
When coupled with innovation as a key growth driver, everything suggests that distinct, recognisable brands face a promising future.

Market data



New light vehicles (NLV) market

	2022	2023	2024	2025	2025 vs 2024 variation	2026f	2026 vs 2025 variation	2027f	2027 vs 2026 variation
Germany	2,882,647	3,103,985	3,098,409	3,123,392	0.8%	3,270,000	4.7%	3,300,000	0.9%
Belgium	422,680	515,826	514,057	485,568	-5.5%	470,000	-3.2%	480,000	2.1%
China	25,688,264	28,583,831	29,895,942	32,555,630	8.9%	31,000,000	-4.8%	32,000,000	3.2%
Spain	932,902	1,095,411	1,182,732	1,334,209	12.8%	1,400,000	4.9%	1,450,000	3.6%
United States	13,908,103	15,617,862	15,961,559	16,351,301	2.4%	15,900,000	-2.8%	16,200,000	1.9%
France	1,877,257	2,153,980	2,100,300	1,991,402	-5.2%	2,030,000	1.9%	2,070,000	2.0%
Italy	1,464,973	1,762,262	1,757,719	1,714,095	-2.5%	1,850,000	7.9%	1,870,000	1.1%
Japan	4,192,414	4,766,311	4,264,691	4,414,789	3.5%	4,500,000	1.9%	4,500,000	0.0%
Netherlands	371,302	441,266	511,431	408,806	-20.1%	400,000	-2.2%	420,000	5.0%
Poland	482,001	539,555	618,418	667,604	8.0%	730,000	9.3%	700,000	-4.1%
Portugal	179,941	214,970	242,016	257,343	6.3%	280,000	8.8%	280,000	0.0%
United Kingdom	1,896,202	2,244,509	2,304,612	2,336,369	1.4%	2,510,000	7.4%	2,550,000	1.6%
Turkey	783,283	1,232,635	1,238,509	1,368,400	10.5%	1,080,000	-21.1%	1,100,000	1.9%
TOTAL 13 COUNTRIES	55,081,969	62,272,403	63,690,395	67,008,908	5%	65,420,000	-2%	66,920,000	2.3%
Brazil	1,576,960	1,720,841	1,948,136	1,996,531	2%	2,380,000	19%	2,300,000	-3.4%
India	3,753,075	4,019,389	4,199,698	4,368,561	4%	4,700,000	8%	4,900,000	4.3%
TOTAL 15 COUNTRIES	60,412,004	68,012,633	69,838,229	73,374,000	5%	72,500,000	-1%	74,120,000	2.2%
GLOBAL TOTAL	85,300,000	87,000,000	88,700,000	91,900,000	4%	90,000,000	-2%	92,000,000	2.2%

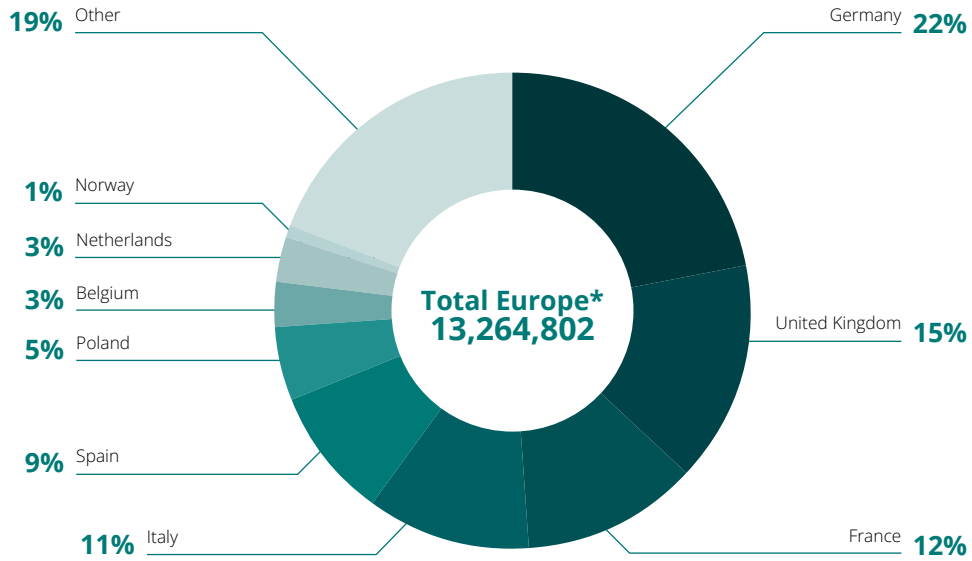
Estimates and forecasts from the Observatoire Cetelem de l'automobile 2027. Sources: The Observatoire Cetelem de l'automobile 2027, Marklines, ACEA, Global Data, C-Ways

Global light vehicle (LV) market

	2021	2022	2023	2024	2025	2026f	2026/2025 variation	2027f	2027/2026 variation
Global LV sales in millions of units	80.7	85.3	87.0	88.7	91.9	90.0	-2.1%	92.0	2.2%

Scope: all countries of the world. Light vehicles = passenger vehicles (PV) + light commercial vehicles (LCV)
Source: Global Data, C-Ways forecasts

New passenger car registrations in Europe* in 2025



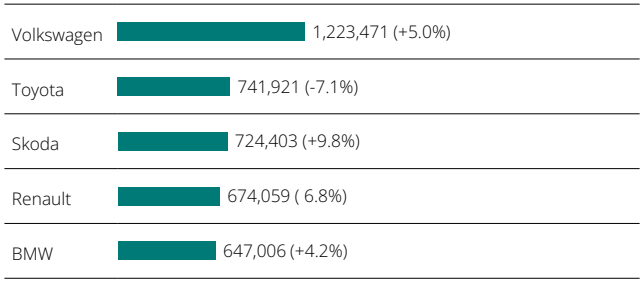
* EU 26 (excl. Malta) + UK, Norway, Switzerland and Iceland. Source: ACEA.

Household purchase rate across 5 countries
The calculation is strictly based on car registrations for private use only

	2025 private household registrations (thousands)	2026 private household registrations (7-month total, thousands)	Total NPC registrations in 2025 (thousands)	Sales to private individuals	Sales to companies	Number of households in millions (2025)	Household purchase rate (2025)	Household purchase rate (2026, 7-month total)
Germany	960	554	2,858	34%	66%	41.7	2.3%	1.3%
Spain	540	327	1,149	47%	53%	19.7	2.7%	1.7%
France	749	462	1,632	46%	54%	32.4	2.3%	1.4%
Italy	827	571	1,525	54%	46%	26.4	3.1%	2.2%
United Kingdom	780	508	2,021	39%	61%	29.0	2.7%	1.8%
TOTAL	3,856	2,423	9,184	42%	58%	149.3	2.6%	1.6%

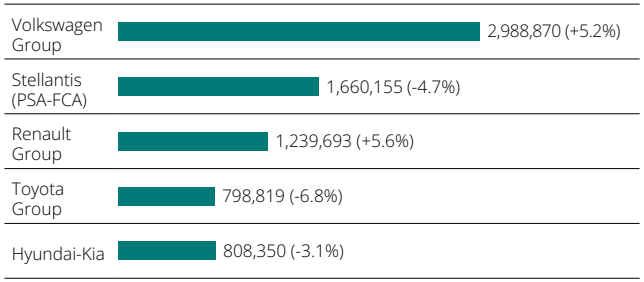
Sources: National statistical offices, Automobile manufacturers' federations, Eurostat, C-Ways

Leading brands in Europe
Annual sales in Europe in 2025, change vs 2024
In units



Source: ACEA.

The main groups in Europe
Annual sales in Europe in 2025, change vs 2024
In units



Source: ACEA.

Share of new cars registered that are electric vehicles
In %

	2015	2019	2023	2024	2025
Germany	1	3	18	14	19
Belgium	1	3	20	29	35
China	1	5	24	48	53
Spain	0	1	5	6	9
United States	1	2	10	10	10
France	1	3	17	17	20
Italy	0	1	4	4	6
Japan	1	1	2	3	3
Norway	22	56	82	89	96
Netherlands	10	15	31	35	40
Poland	0	1	4	3	7
Portugal	1	6	18	20	23
United Kingdom	1	3	17	20	23
Turkey	0	0	0	11	22

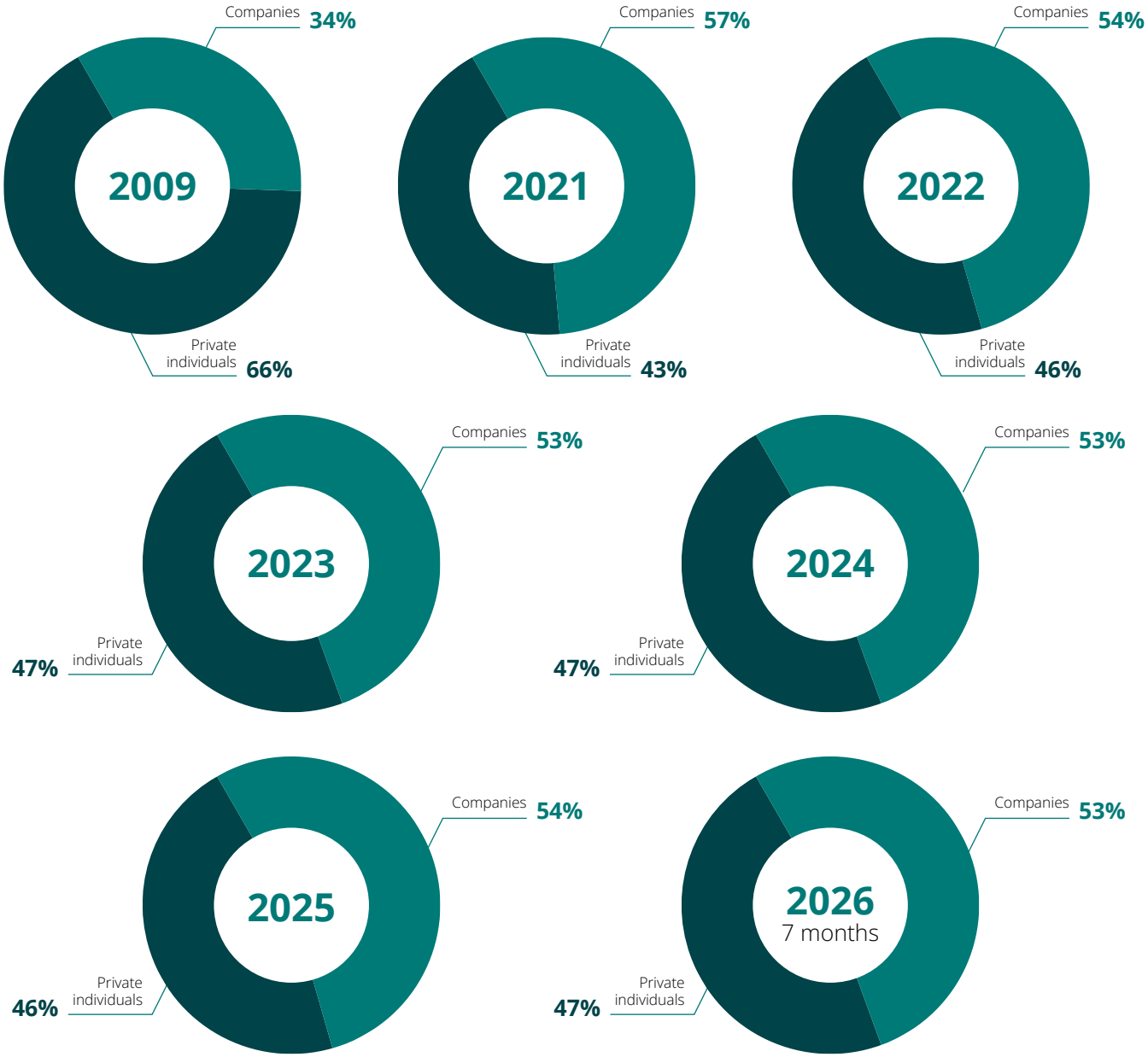
Sources: IAE, ACEA

The new-car market in France
In number of registrations

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026f
NPC – New passenger cars	1,795,885	1,917,226	2,015,177	2,110,748	2,173,518	2,214,428	1,650,118	1,659,146	1,529,185	1,774,772	1,718,449	1,632,155	1,660,000
LCV – Light commercial vehicles	372,074	379,424	397,085	438,645	459,038	479,769	401,124	430,787	346,946	377,878	380,341	359,247	370,000

Sources: C-Ways based on SIV data, C-Ways forecasts for 2026

Structure of the new passenger car market in France



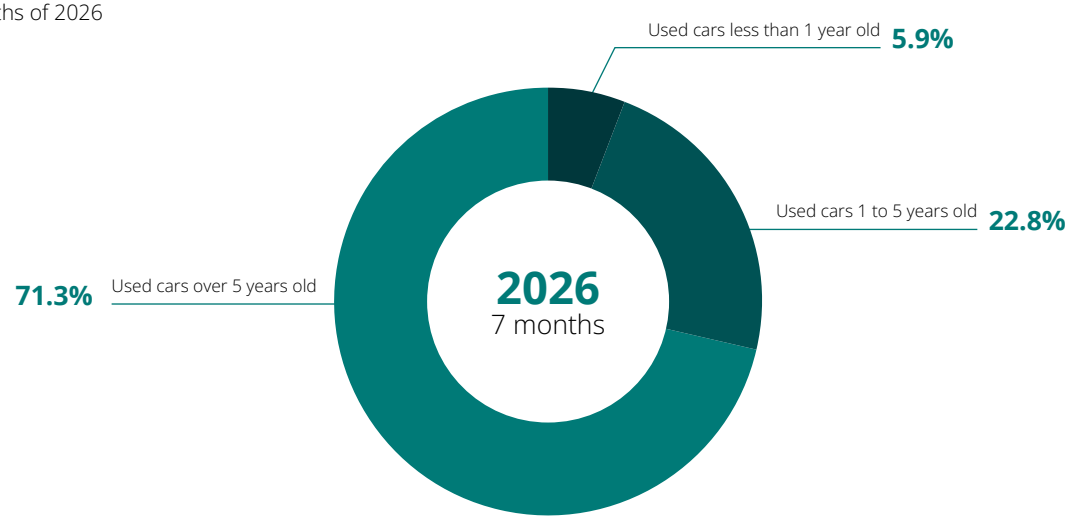
Sources: Observatoire Cetelem de l'automobile 2027, CCFA, C-Ways based on SIV data.

Market share of French brands* in the NPC market in France



*French brands: Citroën, Peugeot, DS, Alpine and Renault. Sources: Observatoire Cetelem de l'automobile, CCFA, C-Ways based on SIV data

The used passenger car market in France in 2026
First 7 months of 2026



Sources: C-Ways, based on SIV data

METHODOLOGY

The economic and marketing analyses, as well as the forecasts, were performed in conjunction with the survey and consulting firm **C-Ways**, specialists in Anticipation Marketing.

Simultaneous online surveys conducted by Harris Interactive across **13 countries** (9 in Europe: Germany, Belgium, Spain, France, Italy, Netherlands, Poland, Portugal, and the United Kingdom, alongside Turkey, Japan, China, and the United States). 13 representative samples of the national population aged 18 and over in each country, surveyed between **8 June and 19 June 2026.**

A total of **15,770 people** were surveyed across the various countries. Representativeness is guaranteed by quota sampling and an adjustment applied to the following variables: gender, age, region of residence and the level of income (or socio-professional category in France) of those questioned in each of the countries. Each country was then given its weight in the overall sample, according to the size of its total population.

3,151 interviews were conducted in France and more than 1,000 in each of the other countries.

For clarity, figures presented in this study are rounded. Consequently, graphic representations and variations may differ slightly from the displayed values.

Survey Manager: Flavien Neuvy
Co-authored by: Luc Charbonnier and C-Ways
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