

AUTOMOTIVE

Car shortages may dent brand loyalty amid record demand

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Bentley is among the automakers seeing record sales in 2021. Image credit: Bentley Motors

By LUXURY DAILY NEWS SERVICE

Car demand continues to climb despite supply shortages, according to new findings from U.K.-based car information hub Autovia.

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Only one in four prospective buyers were able to successfully purchase a vehicle in the previous six months. Drivers in the market for a new car are also considering alternative brands and models due to unavailability, adding to the pressure facing automakers.

"The disruptions of the past two years have reversed the usual pattern we see in data for car-buying intentions," said John Webb, managing director of automotive data, demand generation and commercial operations at [Autovia](#), in a statement.

"We're seeing a pressure cooker of demand in a market that still can't hope to satisfy consumer appetite and many commentators saying that production problems are likely to continue into the second half of 2022."

Autovia's findings are based on a survey of almost 2,500 in-market car owners during October 2021.

Market stressors

More than 40 percent of car owners are looking to buy a car in the next three months, surpassing a previous record of 11.9 percent in November 2017.

However, 86.8 percent report plans to purchase a new car have been delayed by supply and price issues. Twenty-one percent cited high prices specifically as a reason they are delaying a car purchase.

The automotive industry is experiencing the long-term impacts of COVID-19 lockdowns and manufacturing disruptions, which have been followed by a global microchip shortage ([see story](#)).



Lamborghini sales are up from 2020. Image credit: Lamborghini

About two in 10 prospective buyers report that the car they would like to purchase is not available. Nearly half, 47.4 percent, are considering purchasing a vehicle that was not their original choice.

This has delivered a blow to brand loyalty, which is essential for luxury automakers hoping to build longtime relationships with clients.

"Perhaps the most significant finding in our data is that almost half of the huge number of hopeful buyers are prepared to change their choice of car," Mr. Webb said. "This is a red flag for brand loyalty because motorists are likely to switch makes to find the comparable size and body style they originally set their hearts on.

"And, long term, there are two types of business which will emerge from these troubled times with the strongest advantage," he said. "Those who are quickest to solve their supply issues and those who are able to nurture relationships with their delaying customers until the moment they can supply them."

Despite the volatile market, however, several luxury automakers are on pace for record sales ([see story](#)).