



2018-19 Industry Snapshot: Motor Vehicle Dealers in Australia (Source: IBISworld)

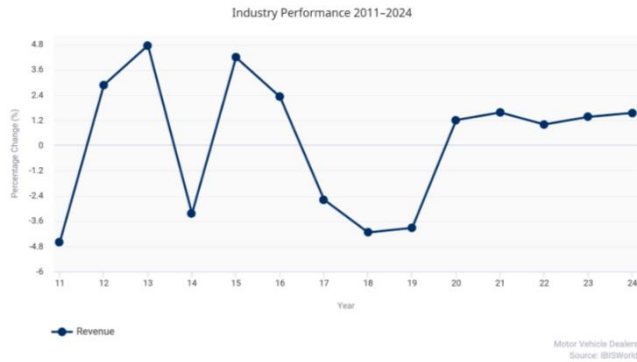


Industry Definition

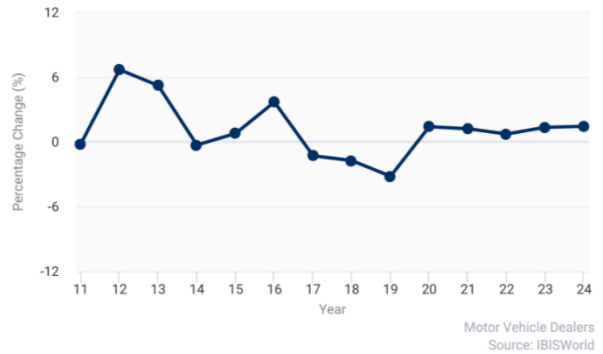
The motor vehicle dealers industry includes dealerships principally engaged in selling new or used motor vehicles. Their services may include aftersales and financial services and their customers include consumers, companies and government entities (Yeoh, Y.H. IBISworld, Jun 2019).

Total Revenue 2019: +\$60.2bn	Annual Growth 2014-19: -0.9%	Annual Growth 2019-24: +1.4%
Profit Margin 2019: +2.4%	Wages as a share of Revenue 2019: +9.4%	Number of Businesses 2014-2019: -1.3%

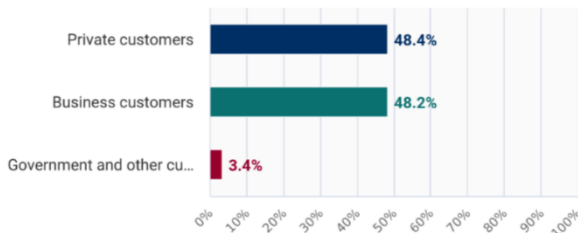
(Yeoh, Y.H. IBISWorld, Jun 2019).



Annual Change in New passenger motor vehicle sales 2011-2024



Major Market Segmentation

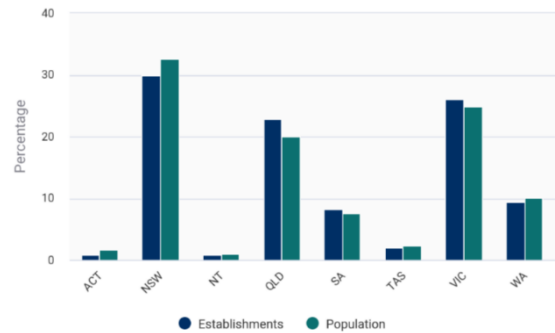


2019 INDUSTRY REVENUE

\$60.2bn

Motor Vehicle Dealers
Source: IBISWorld

Distribution of Establishments vs Population



Motor Vehicle Dealers
Source: IBISWorld

(Yeoh, Y.H. IBISWorld, Jun 2019).

Industry Summary

- Growing consumer demand for smaller, cheaper and more fuel-efficient cars have resulted in dealerships selling higher volumes of cheaper smaller cars (with a lower per unit cost) at the expense of more expensive large cars (which often have larger dealer margins).
- New car sales are expected to increase as demand for smaller cheaper cars is expected to reach maturity which is being offset by increasing demand for SUVs.
- Industry revenue is projected to decline at an annualised 0.9% to \$60.2 billion over the five years through 2018-19.
- The introduction of free trade agreements (including with Japan and South Korea) have offset some the negative effect caused by government-imposed tariffs on new car demand.
- Industry revenue is forecast to increase at an annualised 1.3% over the five years through 2023-24, to reach \$64.4 billion.

Source: Yeoh, Y.H. (June 2019) IBISWorld industry report G3911: Motor Vehicle Dealers in Australia.