

## In 2024, intentions to buy a car declined further for younger people and households in urban centres

In Q4 2024, household consumption of vehicles measured in the national accounts was approximately 4% lower than at the end of 2019. Purchases, of course, fell sharply during the health crisis and although they recovered between late 2022 and late 2023, they have stagnated or even declined slightly since then. INSEE's monthly consumer confidence survey ("CAMME" survey) asks households about their intentions to buy a car in the course of the year. The share of households planning to buy a car within the next 12 months is generally correlated with vehicle consumption measured in the national accounts. Purchasing intentions peaked in early 2024 but have since slipped back. The survey is able to break down this change by household category: the decline in purchasing intentions in 2024 was more pronounced for the youngest households (traditionally more cyclical) and those living in an urban centre. However, it affects households relatively uniformly according to standard of living, whereas past fluctuations were mainly due to wealthy households.

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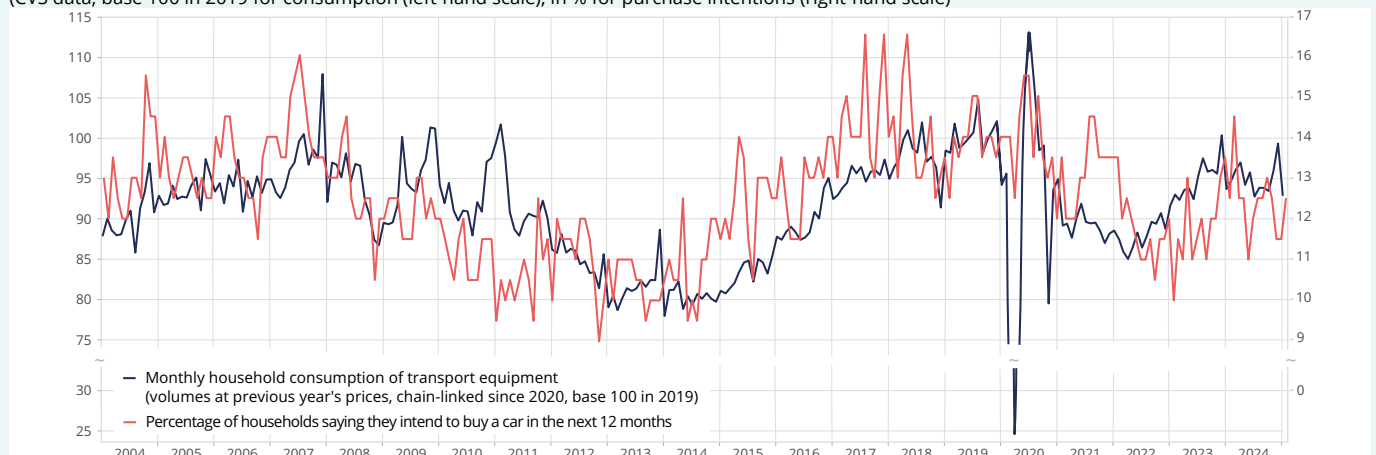
### Car purchase intentions reported in the monthly consumer confidence survey are correlated with actual consumption of vehicles measured by the national accounts

The monthly consumer confidence survey of households ("CAMME" survey) carried out by INSEE collects responses from nearly 2,000 households on their opinion of the economic environment, their personal financial situation and their purchasing intentions. This survey includes, in particular, a question on intentions to buy a car within the next 12 months (► **Box** on "CAMME" survey). Despite the conceptual differences between the two measurements (► **Box** on the consumption of transport equipment), change in the share of households intending to buy a car is generally well correlated with actual vehicle consumption as measured by the national accounts (► **Figure 1**).

Thus, between 2007 and 2013, vehicle purchase intentions declared in the consumer confidence survey and vehicle consumption measured by the national accounts both experienced a downward trend. Then, in the second half of the 2010s, both purchasing intentions and consumption increased fairly steadily: household vehicle consumption increased by about 26% between the beginning of 2014 and the end of 2019, while the share of households intending to buy a car in the next 12 months increased by 3 points. Over this period, the dynamics of the survey responses seemed overall to anticipate those of measured consumption, within a time lag of approximately six months. For example, purchasing intentions increased by 2 points during H2 2014, whereas there was no real jump in consumption until spring 2015. This time lag is consistent with the question put to households in the survey, where their stated intentions correspond to the next twelve months.

### ► 1. Share of households intending to buy a car and household consumption of transport equipment

(CVS data; base 100 in 2019 for consumption (left-hand scale), in % for purchase intentions (right-hand scale))



**Last point:** February 2025 for purchase intentions (CAMME survey), January 2024 for consumption of transport equipment (national accounts).

**How to read it:** in January 2004, the share of households expressing their intention to buy a car in the next twelve months was 13%. Consumption of transport equipment was about 12% below its 2019 average.

**Scope:** for the share of households intending to buy a car: households living in Metropolitan France in ordinary housing; for household consumption of transport equipment: all of France.

**Source:** INSEE, monthly household business survey and household consumption of goods (monthly results).

## French economic outlook

During the health crisis, from early 2020 until mid-2022, both purchasing intentions and consumption showed a downward trend overall. However, at the height of the crisis in early 2020, purchasing intentions nevertheless fluctuated less sharply than consumption: while the latter was automatically hampered during the months of lockdown, this was not the case for purchasing intentions, expressed over a 12-month time frame. Purchasing intentions then surged in the summer of 2021, once most of the restrictions linked to the health crisis had been lifted, but this increase did not transfer within the usual time frame to a rise in the consumption of cars. The severe supply chain constraints facing the automotive sector during this period are one explanation: the share of companies in the automotive industry reporting supply chain constraints rose from 3% in December 2020 to almost 76% in January 2021, then remained at a high level until April 2023 (► **Figure 2**). Thus, the conversion of household purchasing intentions into actual consumption may have been slowed during this period, due to the difficulties they encountered in obtaining new vehicles.

Conversely, in mid-2022, consumption of transport equipment began to pick up again while purchasing intentions, which had generally deteriorated once the euphoria of summer 2021 was over, did not recover until the autumn. This difference may be the counterpart to the mismatch observed in 2021 between intentions and consumption: as supply chain constraints started to ease in summer 2022, manufacturers were able to deliver orders at this time that corresponded to purchasing intentions from 2021.

Over the period from Q3 2022 to Q1 2024, the purchasing intentions and consumption series both picked up, but have been relatively gloomy since the start of 2024. Thus, on average, in January and February 2025, 12% of households reported their intention to buy a car (in seasonally adjusted data), a share that is about 2 points down compared to Q1 2024.

### For the past year, car purchasing intentions have fallen more sharply for the youngest households

Using the responses of households who say in the CAMME survey that they intend to buy a vehicle, the dynamics of vehicle purchase can be broken down by household category.<sup>1</sup> Structurally, the share of households who say they intend to buy a car is greater for the youngest group (where the reference person is under 35) than for the other age categories: over the whole period between 2014 and 2024, the share of households planning to purchase a car within 12 months was 18% each month on average for the youngest, compared to 8% for those over 64 and 13% for the population as a whole. The purchasing intentions of the youngest households also fluctuate more from month to month<sup>2</sup> even though they follow average trends.

Before the Covid crisis, from Q1 2014 to Q4 2019, intentions to buy a car increased for all age categories but more sharply for the youngest households: the share of young people intending to buy a car increased by 8 percentage points, compared to an increase of 3 points for the population as a whole (► **Figure 3**).

<sup>1</sup> In order to be analysed consistently with changes in purchasing intentions for the whole population (presented here with seasonal adjustments), purchasing intentions broken down by household category have been seasonally adjusted (► **Box 2**).

<sup>2</sup> On average over the period studied, each month the CAMME survey records the responses of 225 households whose reference person is under 35. These responses are reweighted by the weight of this age class in the reference population (20%) to ensure that they are representative.

### ► 2. Companies experiencing supply chain difficulties in the automotive industry (in % of companies concerned; SA data)



Last point: February 2025.

How to read it: in January 2004, the share of companies reporting supply chain difficulties was 26.5%.

Source: monthly business survey for industry, INSEE.

Thus, although the share of households with a reference person under 35 is the smallest share in the reference population (a little under 20%, compared to around 50% for the 35-64-year-olds and 30% for those over 64), their contribution to the increase in purchasing intentions over the period is the greatest: young people contributed +1.5 points to the 3-point increase observed for the population as a whole between 2014 and 2019, compared to a contribution of +0.7 points for the 35-64-year-olds and +1 point for those over 64 (► **Figure 4**).

During the health crisis, between Q4 2019 and Q3 2022, intentions to buy a car declined in similar proportions for all age categories.

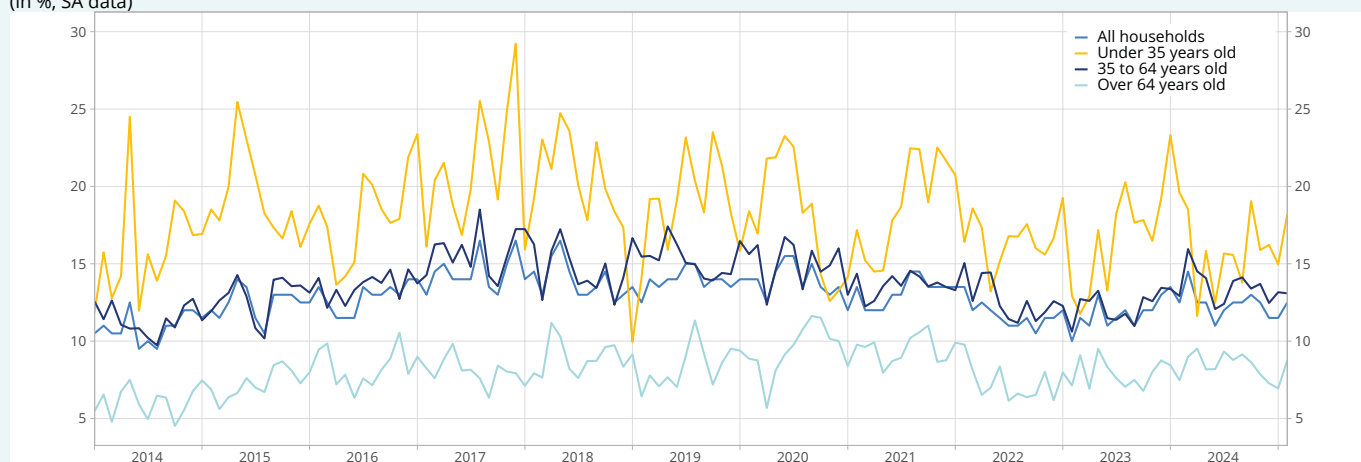
In 2024, the purchasing intentions of the youngest households declined more significantly than those of the population as a whole: -3 points between Q1 and Q4 2024

for the youngest, compared to -1 point for the population as a whole. Their contribution to the drop in purchasing intentions over the year is therefore relatively similar to that of 35-64-year-olds, even though the proportion of the youngest households in the reference population is smaller. At the beginning of 2025, on average over January and February, purchasing intentions were broadly stable compared to Q4 2024 for all age categories, despite a marked rebound in February for the youngest.

## The car purchasing intentions of households living in urban centres declined sharply in 2024 but remained steady for other households

From 2018, by matching data from the CAMME survey with INSEE's "Fidéli" database (► **Box 2**), surveyed households can be categorised by area of residence, based on the

### ► 3. Share of households intending to buy a car, by age category (in %, SA data)



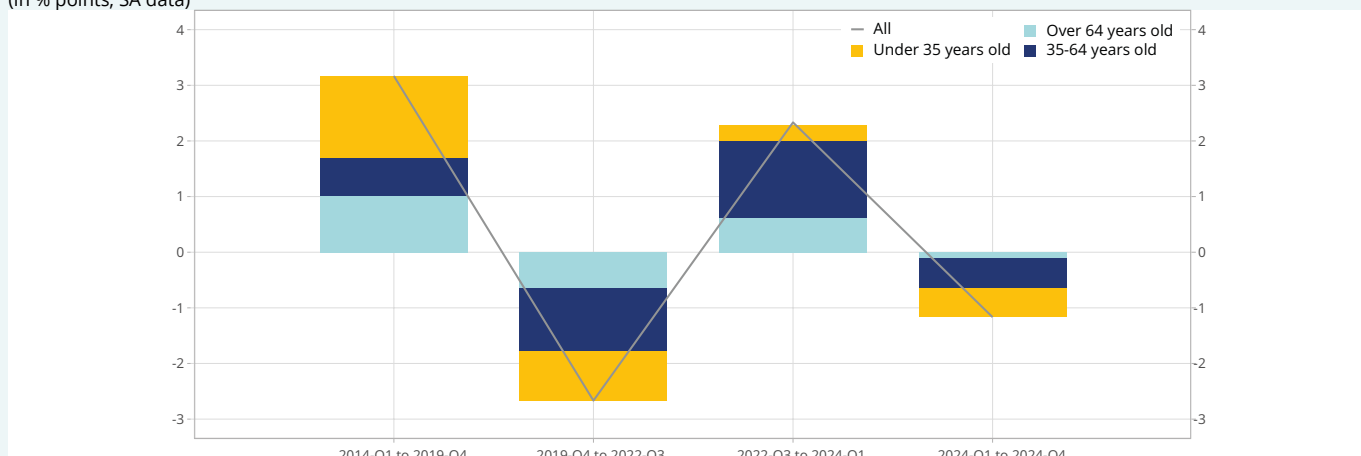
**Last point:** February 2025.

**How to read it:** in January 2024, the share of households whose reference person is under 35 years old expressing their intention to buy a car within the next twelve months was 11.9%.

**Scope:** households living in Metropolitan France in ordinary housing.

**Source :** monthly consumer confidence survey (CAMME), INSEE.

### ► 4. Change in car purchase intentions and contributions to the change by age category (in % points, SA data)



**Last point:** change between Q1 and Q4 of 2024.

**How to read it:** between Q1 2014 et Q4 2019, the share of households intending to buy a car increased by 3 points. The under-35s contributed +1.5 points to this increase.

**Scope:** households living in Metropolitan France in ordinary housing.

**Source :** monthly consumer confidence survey (CAMME), INSEE.

## French economic outlook

municipality density grid (which allocates each municipality to a type of area, notably rural or urban). According to the density level of their municipality of residence, households can be divided into three categories, of relatively similar size: households in rural municipalities (about 9 out of 10 municipalities, representing a third of the population), those in medium-density municipalities (just under 30% of the population) and households in large urban centres (about 800 municipalities in France, representing almost 40% of the population). This last category includes the major conurbations where public transport is highly developed, as well as smaller towns where the population in the area remains nevertheless particularly dense. The level of car purchasing intentions is not structurally different between these three groups over the period studied: it is close to 13% per month on average for the three populations.

However, different dynamics can be seen depending on the period. During the health crisis, purchasing intentions decreased most among households in rural areas (-4 points between Q4 2019 and Q3 2022): while they represent a third of the population, they contributed almost half of the total decline (-3 points for the whole population, ► **Figure 5**). During the health crisis, purchasing intentions of households in densely populated municipalities, on the other hand, declined less than average (-1 point between Q4 2019 and Q3 2022). After this period and until the beginning of 2024, purchasing intentions picked up a little less markedly for rural households and more strongly for urban households, who then accounted for about half of

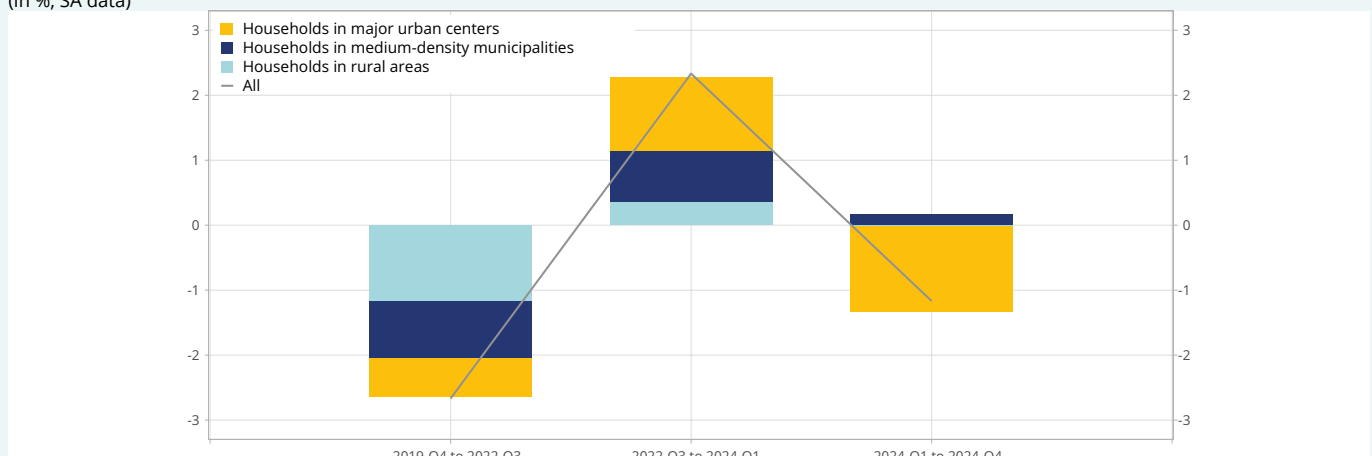
the increase. During 2024, however, the deterioration in purchasing intentions was much more pronounced for households in the large urban centres: -3 points between Q1 and Q4 2024, compared to -1 point on average for the population as a whole. Purchasing intentions of rural households remained stable, while those of households in medium-density municipalities tended to be higher (+1 point). Thus in 2024, households in urban centres are the only ones contributing to the decline in purchasing intentions.

### During 2024, intentions to buy a car were generally down, regardless of households' standard of living category

Over the period 2014 to 2024, the wealthiest households were relatively consistently more likely to say they intended to buy a car in the next 12 months: on average, 16% of households in the fourth standard of living quartile expressed this intention each month, compared to 11% among households in the first quartile (least well-off households). In the past, fluctuations have tended to be due to the two most affluent quartiles: variations in their purchasing intentions account for most of the increase during the period 2014-2019, the decline during the health crisis and the peak at the beginning of 2024.

However, the decline in purchasing intentions observed during 2024 is, unusually, common to all households, irrespective of their standard of living category (► **Figure 6**). ●

### ► 5. Change in car purchase intentions and contributions to the change by area of residence (in %, SA data)



**Last point:** change between Q1 and Q4 of 2024.

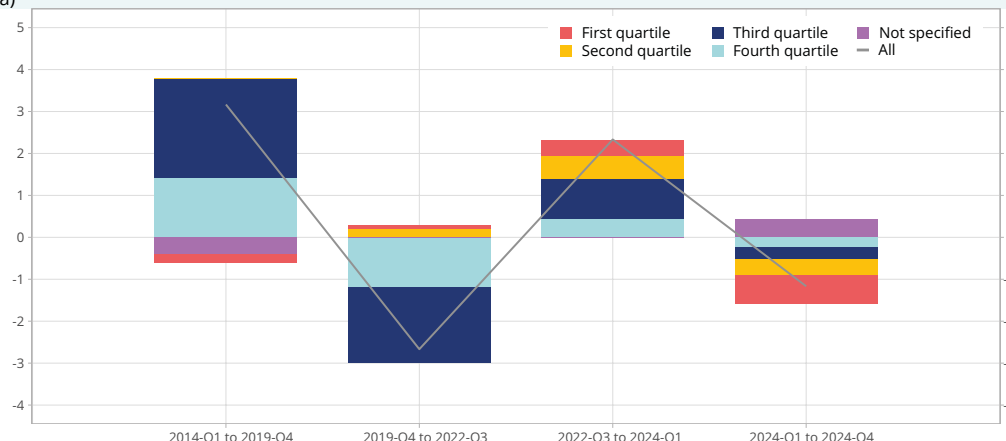
**How to read it:** between Q4 2019 and Q3 2022, the share of households intending to buy a car decreased by almost 3 points. Households in rural areas contributed -1.2 points to this decline.

**Scope:** households living in Metropolitan France in ordinary housing.

**Source :** monthly consumer confidence survey (CAMME) and Fidéli base, INSEE.

## ► 6. Change in car purchase intentions and contributions to the change by standard of living

(in % points, SA data)



**Last point:** change between Q1 and Q4 of 2024.

**Note:** information on standard of living is not available for a proportion of the sample, around 8% per month.

**How to read it:** between Q1 2014 and Q4 2019, the share of households intending to buy a car increased by around 3 points. The wealthiest households, in the fourth quartile of the standard of living scale, contributed +1.4 points to this increase.

**Scope:** households living in Metropolitan France in ordinary housing.

**Source:** monthly consumer confidence survey (CAMME).

## Box 1: Consumption of transport equipment in the national accounts

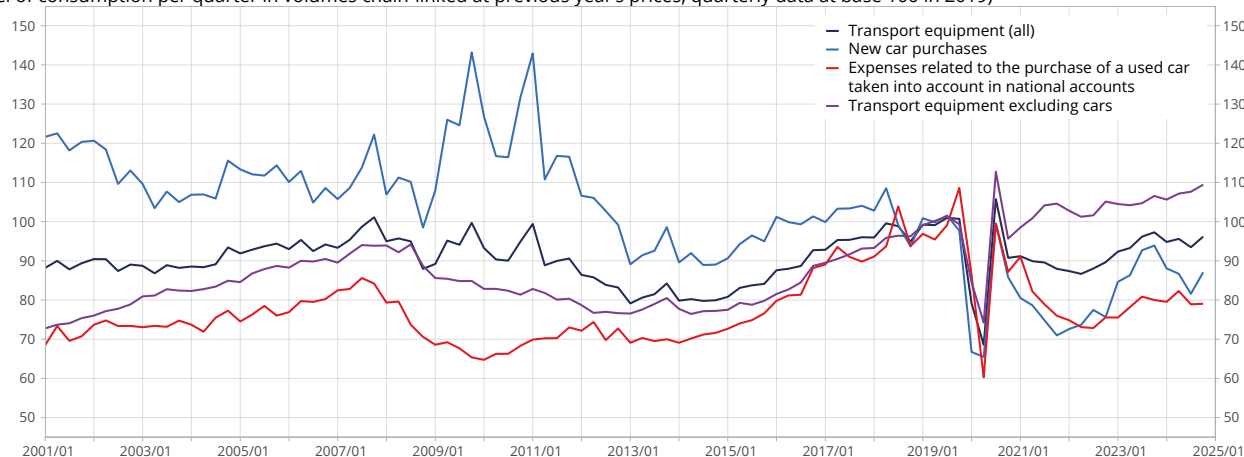
In national accounting, the consumption of transport equipment concerns a broader spectrum of products than just cars, the product specifically covered by the question in the CAMME survey. In 2023, just over half of consumption of “transport equipment” corresponded to spending not directly related to the purchase of a car: various automotive equipment, but also motorcycles, camper vans, bicycles, etc. While these other types of purchase are relatively well correlated with spending linked directly to the purchase of a car (► [Figure A](#)), the dynamics of each series may diverge a little from quarter to quarter.

In addition, only purchases of new cars (including leased cars) are systematically recorded as household consumption in the national accounts. Regarding used vehicles, they are only recorded when the sale is made by a business. When a car is bought by one household from another via a professional (dealer), only the margin made by the dealer is recorded in the national accounts.

Finally, national accountants incorporate a “quality effect” into their measurements, so that an increase in the “volume” of consumption can be taken into account if the quality of the vehicles purchased, as measured by the taxable horsepower of the vehicles, improves. Over the years, for a given number of registrations, the volume of new cars consumed has increased. Thus in 2024, while registrations of private vehicles for individuals are almost 20 points below their 2019 level, consumption of new cars is only down 15 points.

### ► A. Household consumption of transport equipment, by component

(level of consumption per quarter in volumes chain-linked at previous year's prices, quarterly data at base 100 in 2019)



**Last point:** Q4 2024.

**How to read it:** in Q1 2001, consumption of transport equipment was about 12% below its 2019 average.

**Source:** INSEE.

### Box 2: Data processing method used in the CAMME survey

The monthly consumer confidence survey of households ("CAMME" survey) carried out by INSEE is harmonised at European level. Balances of opinion on the different topics, calculated by subtracting the share of "negative responses" from the share of "positive responses", are available from 2004 in the version harmonised at European level. However, the distribution of responses by household category is only possible from 2013 onwards (2018 for a breakdown by area of residence, see below).

#### Intentions to buy a car

The question asked to determine households' car purchase intentions is the following: "Are you planning to buy a car over the next twelve months?". Four response modes are offered: "Yes, definitely", "Yes, possibly", "No, probably not", "No, definitely not". The [corresponding balance of opinion](#) is calculated as the difference between the share of households saying "Yes, definitely" and "Yes, possibly" and the share of households saying "No, probably not", "No, definitely not". In this Focus we present the share of households intending to buy a car as the sum of those saying "Yes, definitely" and "Yes, possibly".

#### Categorisation by standard of living and area of residence

Households are also asked about the amount of their income, with the following question: "What is the total average monthly income of your household? Take all types of income into account: wages, retirement pensions, unemployment benefits, family allowances, etc. Give the amount before taxes are taken off at source". They are also asked about the composition of their household. Thus, combined with the information on household composition, this question is used to calculate a standard of living for each household, i.e. income per consumption unit.

This household standard of living may deviate from the definition of standard of living usually used by INSEE. On the one hand, the amount that households declare is not supposed to be net of income tax deducted at source, which differs from the definition of "disposable income" usually used by INSEE to calculate standards of living. On the other hand, the standard of living presented here is based solely on respondents' survey declarations, which may therefore not be fully aligned with the tax classification of income sources.

To classify households on the standard of living scale, quartile values are then calculated by calendar year, weighting households with weights specific to the survey.

Regarding the type of area of residence, information is based on the code for the municipality of residence, taken from INSEE's Fidéli database (Housing and individual demographic files). Data from the CAMME survey and the Fidéli database have been cross-matched since 2018.

#### Seasonal adjustment by household category

In order to align the monthly series of the share of households declaring that they intend to buy a car by household category with the aggregated series of [seasonally adjusted balances of opinion](#), a seasonal adjustment is carried out for each household category: for each month, the difference between the seasonally adjusted balance and the gross balance at the aggregate level is added to the value of the gross balance for each household category considered. ●