Automobile Aftermarket in Japan 2005

Yano Research Institute
YRI

October, 2005
Size: A4, 197 pages
Price: JPY 230,000

~ A Comprehensive Report on Japanese Automobile Aftermarket Covering 12 Major Business Areas ~

This report covers:

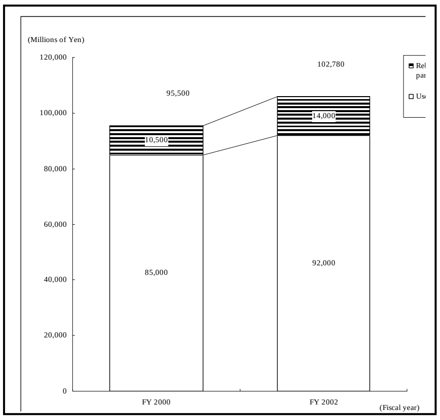
- **Used Cars**
- **Car Auctions**
- **Automobile Leasing**
- **Car Rental Business**
- **Automobile Products**
- **Repair Components**
- **Recycled Parts**
- **Automobile Service**
- **Auto Maintenance Equipment**
- **Automobile Insurance**
- **Gas Stations**
- **Parking Lots**

Japanese automobile aftermarket is now entering the third phase

Traditionally, automobile after market has been growing with increase in the number of automobiles owned. The period during which automobile aftermarket has been growing in accordance with the increase of cars owned could be named “the first phase” of the market, and used car sales, maintenance/ repair services and insurance business were the typical fields in this phase. As consciousness and forms of ownership have changed among drivers or car owners, other businesses have emerged and grown, such as auto products (accessories, equipment, auto supplies, etc.), auto leasing and car rental business. These businesses could be categorized as areas of “the second phase”.

While these areas in the first and the second phases have been growing subject to the increase of car ownerships, Japanese automobile aftermarket is rapidly approaching the turning point because the number of cars owned is no longer expected to increase due to socio-environmental changes such as aging population and low birth rate, decrease in consumption expenditure, establishment of free competition resulted in deregulations, etc.

In such a circumstance of the market, used auto products and recycled components/ parts are expected to become increasingly more important in the future being regarded as areas of “the third phase” of the automobile aftermarket in Japan.

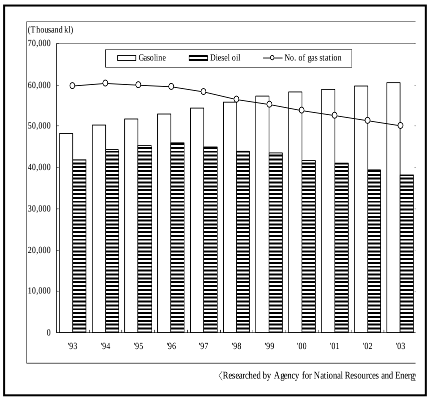


(Recycled parts shipment in fiscal 2000 and 2002)

Gas stations’ new type operations progressing for survival

While the total number of establishments engaged in the gas station business has been on the decline, there were still 50,067 gas stations in Japan as of March, 2004.

In order to cope with recent low profitability of gas station business due to fierce price competition with the gasoline price, the companies operating gas stations have been reorganizing their business and seeking for new types of operations. Various approaches have been taken by those companies to secure profitability, including shift to self-service gas filling, progress of scrap and build and conversion to complex stores (by building convenience stores and coffee shops together with the gas stations), as well as expansion of car-care services by ting up with maintenance service companies, development of new store/ facilities in anticipation of next-generation automobiles (flexibility to change the facility layout, future demand for hydrogen supply, etc.) and so forth.



(Changes in no. of gas stations and total gasoline (and diesel oil) sales)

<Table of Contents>

Overview of the Automobile Aftermarket
1. Overview of the Automobile Aftermarket ··· 3
2. Market Environment of Automobile Aftermarket ··· 4
3. Size of Automobile Aftermarket ··· 6
   (1) Areas related to automobiles ··· 6
   (2) Areas related to components and accessories ··· 7
   (3) Areas related to maintenance ··· 9
   (4) Areas related to infrastructure and services ··· 10
4. Business Performance in Automobile Aftermarket ··· 11

1. Used Cars
1. Market Scale ··· 17
2. Distribution of Used Cars ··· 20
3. Trends in the Used Car Business ··· 23
4. Trends in Purchasing Business ··· 29
5. Results of Consumer Surveys (How Purchasing Shops Have Been Used) ··· 32
   [Business performance of 8 major used card dealers] ··· 34

2. Car Auctions
1. Market Scale ··· 37
2. Market Trends
   (1) Trends over the past decade ··· 38
   (2) Trends over the past few years ··· 40
   (3) Business issues and directions ··· 43
   [Business performance of 8 major car auction companies] ··· 50

3. Automobile Leasing
1. Market Scale ··· 53
2. Trends According to the Type of Companies ··· 58
3. Trends in Automobile Leasing ··· 60
4. Circumstances of Automobile Leasing to Individuals ··· 65
5. Future Directions ··· 67
   [Business performance of 26 major auto leasing companies] ··· 70

4. Car Rental Business
1. Market Trends ··· 75
2. Market Size ··· 77
3. Results of Consumer Survey (Car Rental) ··· 80
   [Business performance of 3 leading car rental companies] ··· 81

5. Automobile Products
1. Market Size ··· 85
2. Market Trends ··· 92
3. Expansion of Used Automobile Products Business ··· 101
4. Results of Consumer Surveys (Automobile Products, Used Automobile Products) ··· 104
   (1) Consumer behavior when purchasing automobile products ··· 104
   (2) Impressions of automobile products shops ··· 106
   (3) Usage of used automobile product shops ··· 108
   [Business performance of 5 major automobile product wholesaling manufacturers] ··· 110
   [Business performance of 2 major automobile product wholesaling and retail companies] ··· 111
   [Business performance of 3 major retail companies] ··· 112

6. Repair Components
1. Market Trends ··· 115
2. Market Size ··· 117
[Business performance of 27 major automobile component wholesaling companies] ··· 120

7. Recycled Parts (Findings of the research in 2003)
1. Used Parts ··· 125
2. Rebuilt Parts ··· 125
3. The Future of Recycled Parts ··· 132

8. Automobile Service Industry
1. Market Trends ··· 139
2. Market Data of Automobile Servicing ··· 141
3. Business Operations in Automobile Servicing ··· 148
4. Results of the Consumer Survey (Regular Checkup, Compulsory Automobile Inspection, Light Sheet Metal and Repair Works) ··· 153
   (1) Car Owners' Usage of Business Categories for Check-up Service, and Expectations ··· 153
   (2) Car Owners' Usage of Business Categories for Automobile Inspection Services, and Expectations ··· 154
   (3) Car Owners' Usage of Business Categories for Light Sheet Metal Work, and Expectations ··· 154
   (4) Car Owners' Usage of Business Categories for Repair Services, and Expectations ··· 155

9. Automobile Maintenance Equipment
1. Market Trends ··· 159
2. Market Size ··· 160
   [Business performance of 4 major automobile maintenance tools/equipment dealers] ··· 162

10. Automobile Insurance
1. Market Trends ··· 165
2. Market Size ··· 166
3. Major Players and Industry Data ··· 171
4. Findings from the Consumer Survey (Voluntary Automobile Insurance) ··· 176
   (1) Users' interest in voluntary automobile insurance ··· 176
   (2) Current state of voluntary automobile insurance purchase and method of purchase ··· 176
   (3) Opinions and requests to automobile insurance company (Open-ended questions) ··· 176

11. Gas Stations
1. Market Trends ··· 181
2. Market Size ··· 183
   [Business performance of 21 major companies operating gasoline stations] ··· 186

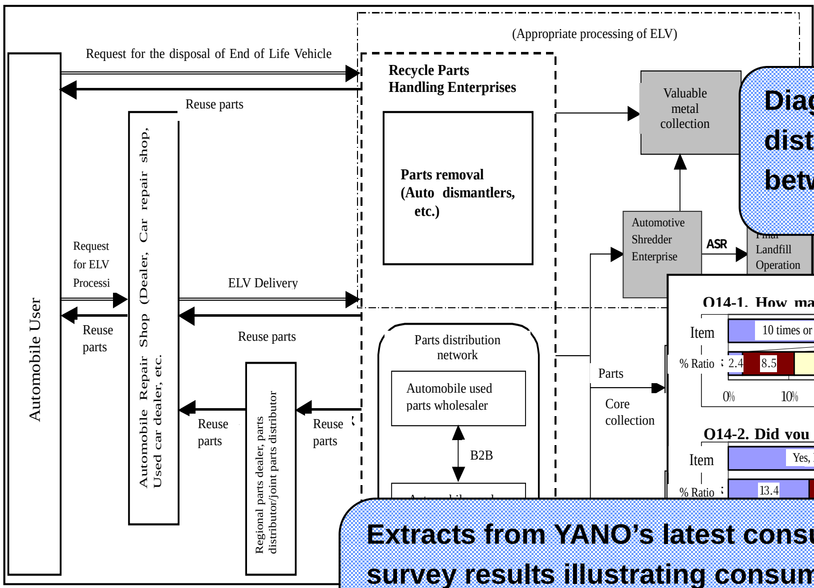
12. Parking Lots
1. Market Size ··· 191
2. Business Activities ··· 192
3. Future Directions ··· 196
3. Future Directions ··· 196
   [Business performance of 10 major companies operating parking lots] ··· 197

This report provides you with following information:

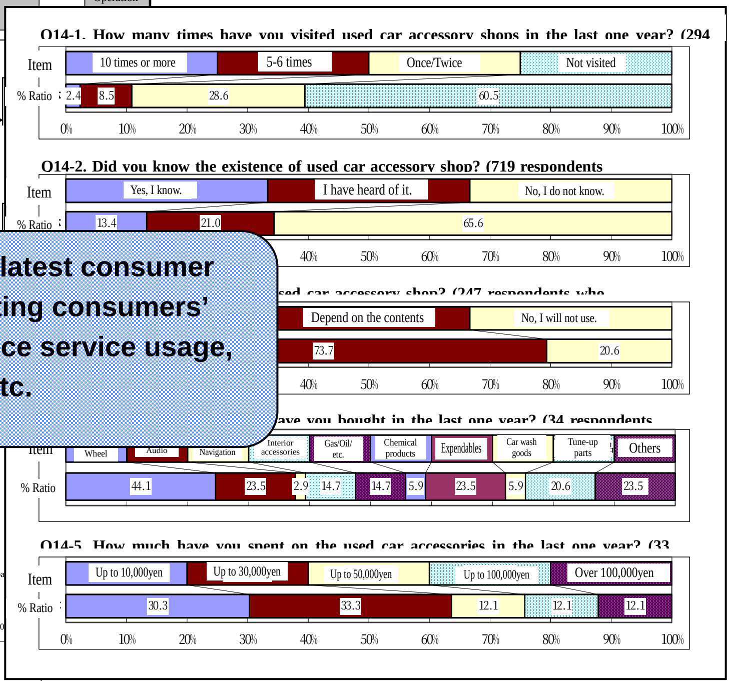
I. Market environment, market size and market trends
II. Business operations of major players
III. Challenges and issues for the markets and businesses to be solved
IV. Future prospects of the markets
V. Business performance of major players
VI. Related data and statistics

(* Types of information carried varies chapter by chapter.)

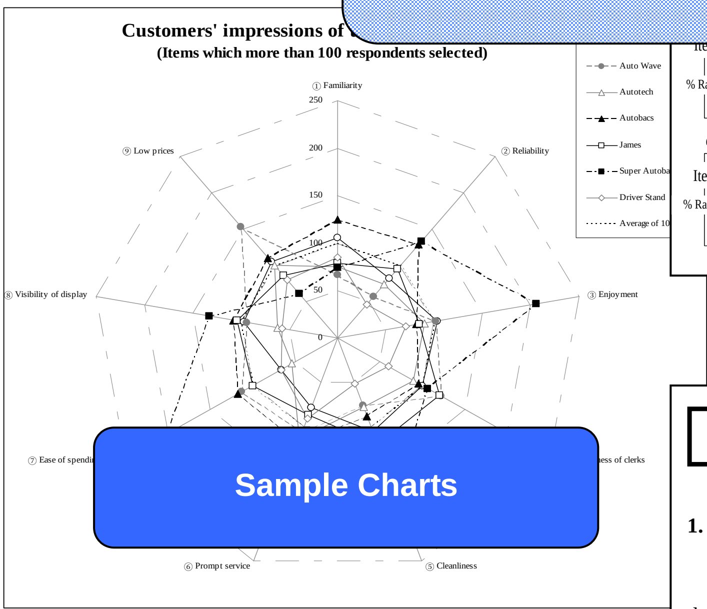
【Used Parts Distribution】



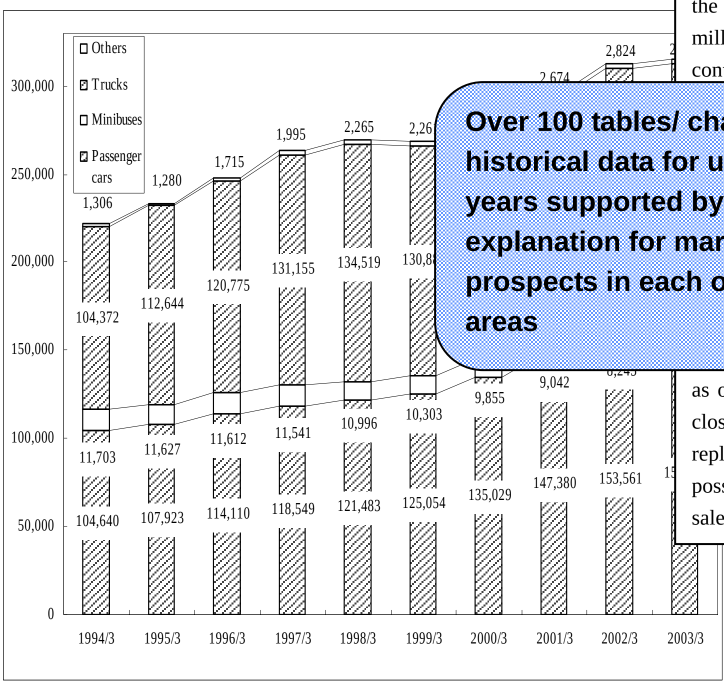
Diagrams to see a picture of distribution flow and relationship between players



Extracts from YANO's latest consumer survey results illustrating consumers' behavior in maintenance service usage, insurance purchase, etc.



Sample Charts



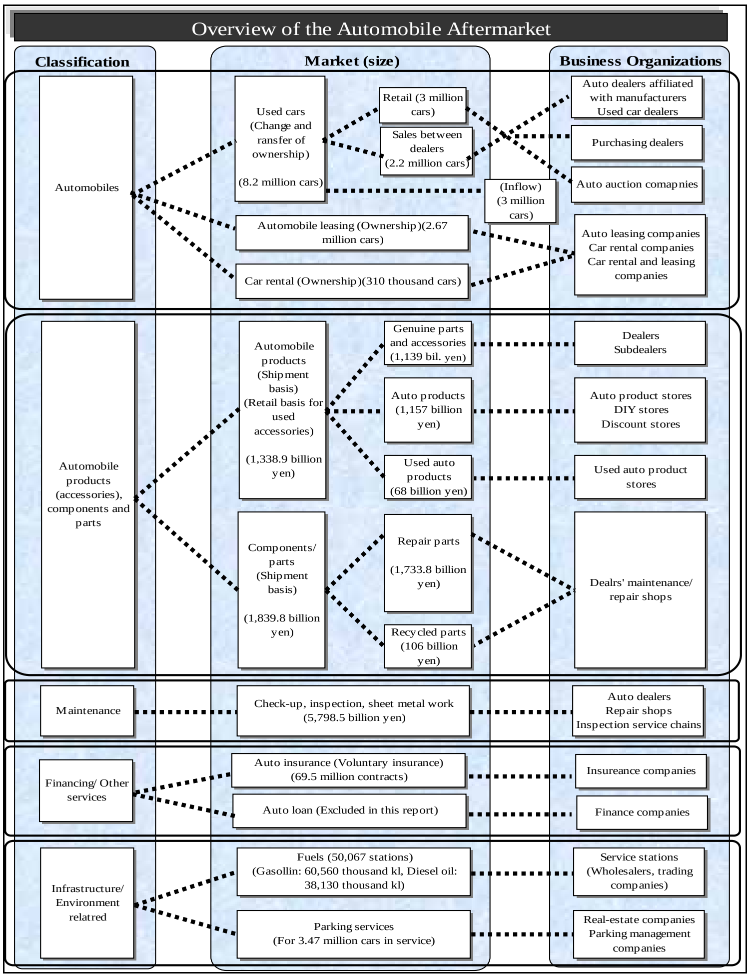
Over 100 tables/ charts including historical data for up to the past ten years supported by detailed explanation for market trends and prospects in each of 12 business areas

3. AutomoAutomobiletive Leasing

1. Market Scale

Japan's automobile industry is under maturity, and since the end of 1998, the number of new cars sold each year has moved in a range between 5.8 and 6 millions. On the other hand, the number of cars contracted for lease has continued to grow, with the exception of the end of December 2002. According ... Statistics compiled by the Japan Automobile ... number of cars owned for lease as of the end ...4 (104.1% vs. previous year, 288 member ...tracted new cars for lease as of the end of ....0% vs. previous year), while the percentage ...ase to the total number of new cars sold was

...t corporate requirements. Even though the ...basis (number of cars owned) was less than 4% as of the end of March 2003, that on a flow basis (number of cars sold) was close to 10%. These figures indicate that the interval at which leased cars are replaced is shorter than that associated with the overall sales trend, suggesting possibility that the expansion in the demand for leased cars is supporting the sales of new cars. Assuming that the number of new cars sold will remain



About YANO:

YANO (Yano Research Institute Ltd.) is a leading marketing research and consulting firm headquartered in Japan, who offers hundreds of market reports annually covering almost all industrial fields in Japan, as well as one-stop, ad-hoc marketing and consulting services.

How to Order:

Please fill out the order form below, and send it via mail or fax (+81-3-5371-6965).

You can also place an order on the following order page of our Web site:

http://www.yanoresearch.com/products/order_R.htm

Payment:

Via wire transfer to our bank account

Order Form

Name:		Job title:	
Company:		Department:	
Street:		City:	
State, Zip:		Country:	
Phone:		Fax:	
E-mail			

Code No.	Report Title	Q'ty	Price
C47111900	Automobile After Market in Japan 2005		JPY230,000 (w/o tax)

* For oversea delivery, ¥4,000 of international shipping charge will be added. (Shipment via intl. express courier)
* Price for sales in Japan: ¥241,500 (Report price (¥230,000) + Japanese consumption tax (¥11,500))

Yano Research Institute Ltd.
2-46-2 Honcho, Nakano-ku, Tokyo 164-8620, Japan
Phone: +81-3-5371-6907 / Fax: +81-3-5371-6965
URL: http://www.yanoresearch.com
e-mail: yri_info@yano.co.jp

Contact: Koichi Seto (Mr.), International Business Development