

# INDUSTRY UPDATES

A Look at the Latest Trends Affecting the Motor Oil Market

## Motorists Looking to Keep Vehicles Longer

According to a recent vehicle maintenance survey commissioned by ExxonMobil, uncertain economic conditions have caused many motorists to re-examine the attitudes they hold about their vehicles, with an increasing number of people putting off the decision to purchase a new vehicle.

Survey results indicate that 40 percent of respondents want to keep their vehicles for 150,000 miles or more (while 23 percent want to keep them for over 200,000 miles) and 37 percent plan to hold on to their vehicles longer than they planned at the time of purchase.

Although a growing number of motorists are planning on keeping their vehicles for longer periods of time, few have adjusted their maintenance habits to accommodate the extra mileage. Only 21 percent of survey respondents follow their vehicle manufacturers' maintenance recommendations, while only 11 percent use synthetic motor oils.

## Vehicle Market Shows Signs of Stability

According to J.D. Power and Associates, the new vehicle market is showing signs of stabilizing. The global marketing information firm estimates vehicle demand could increase by 20 million units over the next five years as the economy and credit environment improve, the number of households increases and customers return to the market with more vehicle equity.



"We expect market conditions to slowly improve during the remainder of 2009, which will lead us back to a solid industry with improved long-term fundamental growth," said J.D. Power and Associates executive director of global forecasting Jeff Schuster.

## DIY and DIFM Markets Show Growth

Although there is a widespread perception that the do-it-yourself (DIY) market has been declining over the past decade due to increasingly sophisticated vehicles and an aging population, Automotive Aftermarket Industry Association statistics show the DIY market is healthy and growing. In fact, the compounded annual growth rate for the DIY market over the past decade was 3.9 percent, while the growth rate for the do-it-for-me (DIFM) market was also 3.9 percent over the same time period.

If the economy continues to worsen, experts predict growth of the DIY market may outpace the growth of the DIFM market as an increasing number of people decide to either perform their own automotive maintenance or have someone other than a professional technician work on their vehicles.

An increasing trend toward used vehicle purchases will be a boost to both the DIY and DIFM markets. According to CNW Marketing Research reports, used vehicle sales are up 9.5 percent over last year and the firm predicts used vehicle sales will continue to grow through 2012.

