

20 most sought-after cars in SA in February 2020

The Beat The Price New Car Demand Index for February 2020 continues the [trend that began in December](#), with new car buyers favouring more practical and affordable vehicles. Overall the demand for new cars remains significantly lower than in February 2019, and we anticipate a steep drop in both March and April due to the pandemic.



Source: pixabay.com

The twenty most requested models* in February 2020 were:

1. Volkswagen Polo Vivo
2. Volkswagen Polo
3. Kia Rio
4. Hyundai Grand i10
5. Renault Kwid
6. Kia Picanto
7. Toyota Corolla
8. Toyota Hilux
9. Hyundai i20
10. Ford EcoSport
11. Ford Fiesta
12. Toyota Avanza
13. Toyota Yaris
14. Mahindra KUV100 Nxt
15. Mazda CX-3
16. Volkswagen Golf
17. Ford Figo
18. Haval H2
19. Toyota Corolla Quest
20. Toyota Etios

Belts remain tight and are likely to get tighter

As South Africa has slipped into a recession, those still able to buy new cars are focussed on lower-priced, more reliable and more fuel-efficient vehicles.

The index typically contains at least a couple of more expensive or exotic vehicles. In February, only three models with list prices over R300,000 made it into our top 20 - the VW Golf, the VW Polo and the Toyota Corolla. Half of the models that made it into our Top 20 have list prices below R250,000. This move away from luxury and towards reliability should not be surprising. Both the local and the world economy are facing a period of sustained instability and uncertainty.

We should note that our February index does not include the effects of the pandemic because those only hit in early March. We expect that local demand will be quite severely impacted by this global health crisis for at least the next few months.

Purchases likely to move online during the health crisis

Although aggregate demand for vehicles is highly likely to fall over the next six to eight weeks, we remain upbeat that those people still willing and able to buy new cars will be more likely to use the internet to do so. We forecast a large (relative) increase in the share of online purchases of vehicles over the next quarter.

We anticipate that dealers, faced with lower foot traffic to their branches, will move aggressively into online channels and come up with creative ways to reach and convince customers to buy vehicles this way.

We are also anticipating some disruption to supply chains, including those that serve the new car industry. This may lead to shortages of some more popular models at highly trafficked dealerships. This is another opportunity for online channels to connect car buyers to those dealers who still have stock of these models.

Preferences vs sales

Beat the Price offers a unique insight into the preferences of South African car buyers because it captures their initial preferences, rather than the vehicle they eventually settle for. If we compare the list above to the [Naamsa figures](#), we see some marked differences.

Although the Naamsa sales figures are an invaluable resource for tracking the market, they are less useful for forecasting and tracking consumer demand for brands and models. This is because:

- The sales figures include sales to large organisations (such as rental agencies and corporate fleets), which significantly distort the trends and are largely unaffected by marketing
- Sales do not always reflect initial preferences. Many consumers end up “settling” for a different model or even a different brand because of problems with availability or financing

- Car sales tend to lag marketing efforts significantly because of the longer purchase cycle for consumer vehicles. Beat The Price's stats reflect underlying preferences and future car buying intentions.

Why no Ferraris?

As a free online service, you might expect that Beat The Price is flooded with requests for high-end luxury vehicles. Fortunately, this is not the case. Our customers tend to be serious, practical and focussed on good value for money. In other words, ordinary working South Africans, many of them from the emerging middle class.

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*

- *This list combines model variants by engine capacity.*
- *The data underlying this list represents a statistically significant sample of national car sales (at 95% confidence)*
- *The standard Naamsa stats include trucks and other heavier vehicles. Be sure to click the "Passenger" tab when looking at their monthly Flash reports to get a more accurate view of the consumer car market.*

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