

# Philippines Used Car Market Soars: Over 12% CAGR, Surpassing 1.2 Million Units Sold - Makreo Research Insights

*The Philippines' used car market has grown over 12% CAGR from 2019 to 2023, exceeding 1.2M units sold, driven by rising demand in both tier 1 and tier 2 cities.*

METRO MANILA, MANILA, PHILIPPINES, June 25, 2024 /EINPresswire.com/ -- Surging Growth in the [Philippines Used Car Market](#) -

The used car market in the Philippines has experienced a substantial surge, showcasing a robust Compound Annual Growth Rate (CAGR) exceeding 12% from 2019 to 2023. During this period, used car sales skyrocketed,

surpassing an impressive 1.2 million units. This rapid growth is particularly significant in tier 2 cities, which have emerged as primary consumers, though tier 1 cities like Metro Manila, Quezon City, and Cebu City continue to exhibit notable interest in the used car segment. This trend

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Surging demand for quality pre-owned vehicles and the rise of organized market players are reshaping the Philippines' used car market, driving significant growth and innovation.”

*Meetu Bhasin*

country a key player in the regional used car market.



**Robust Growth** - Used Car Sales in the Philippines Surge, Exceeding 1.2 Million Units with a CAGR of 12% (2019-2023)

Source: Makreo Research

Rapid growth in the Philippines' used car market, with sales surpassing 1.2 million units and a CAGR exceeding 12% from 2019 to 2023, driven by increasing demand and organized market players.

underscores the evolving dynamics and increasing prominence of the used car industry across the Philippines.

Philippines: Rising Star in Southeast Asia's Used Car Market

The Philippines is emerging as one of the most popular used car market destinations in Southeast Asia, alongside Indonesia and Malaysia. This rise is driven by factors such as population growth, enhanced opportunities, increased affordability, and higher GDP growth rates, making the

## Growing Popularity of Organized Market Structure in the Philippines Used Car Market -

The growing popularity of certified pre-owned vehicles has propelled the Philippines' used car market, with organized players leading the charge.

Consumers are drawn to the enhanced services and value offered by these established entities, with certification processes ensuring stringent quality standards and mitigating risks associated with purchasing used cars. This assurance is particularly appealing in a market where concerns about vehicle reliability are prevalent.

Organized players have also contributed to greater market transparency and fair pricing practices, further fueling their popularity among buyers. Key urban centers like Metro Manila, Quezon City, and Cebu host over 50% of all organized used car dealerships in tier 1 cities, highlighting their significance in the used car landscape.

## Online Platforms Revolutionizing the Philippines Used Car Market -

Online platforms like Philkotse.com, AutoDeal, and Carmudi.com play a pivotal role in simplifying the used car buying process for individuals in the Philippines. Furthermore, the repossessed car market in the Philippines has seen a notable shift towards online platforms, contributing to the expansion of the Philippine used car industry.

□ Carsome's Market Entry: In May 2022, Carsome, a Malaysian used car marketplace valued at \$1.7 billion post a \$290 million Series E funding, announced its expansion into the Philippines. This strategic move intensifies competition and fosters innovation.

□ TMP's Enhanced Initiative: Toyota Motor Philippines (TMP) unveiled "T-Sure, Toyota Quality Pre-owned Cars," broadening opportunities for consumers. Renamed and revitalized, TMP's program ensures hassle-free purchases, focusing on quality, safety, and exceptional service.

## Economic Growth Driving Demand in the Philippines Used Car Market -

Driven by a young and rapidly growing population, the Philippines has emerged as one of Southeast Asia's premier destinations for used car transactions. As economic opportunities expand and disposable incomes rise, more Filipinos can afford vehicles, further boosting



demand for pre-owned cars. Japanese and South Korean automotive brands currently dominate the market, with Chinese brands emerging as noteworthy contenders. Models like the Toyota Vios, Honda City, and Mitsubishi Mirage are particularly esteemed for their reliability, fuel efficiency, and robust resale value.

#### Automobile Ownership Landscape in the Philippines -

In 2024, the Philippines stands as one of the countries with the lowest car ownership rates per capita, with a value of just 0.05. However, the situation is improving slowly. According to AAA (Asian Automobile Analysis), by the end of 2022, automobile ownership in the Philippines surpassed 5.4 million units, marking an increase of nearly 500,000 units compared to the previous year, 2021. This highlights significant growth opportunities for the used car segment, especially with the ongoing improvements in road infrastructure.

#### Promising Future Growth in the Philippines Used Car Market -

The Philippines' used car industry presents a promising outlook, fueled by its low car ownership rates, developing infrastructure, and the growth of organized market players. With relatively low car ownership rates, a significant pool of potential customers exists who may turn to the used car market for affordable transportation options. The ongoing development of infrastructure, such as roads and highways, facilitates easier access to various regions, potentially increasing demand for used cars across the country.

Fierce competition among key players is shaping the Philippines' used car market. Leading companies such as Automart.PH, Carmudi Philippines, Zigwheels Philippines, Toyota Motor Philippines Corporation (T-Sure), and AutoDeal.com.ph are at the forefront, implementing innovative strategies to meet the escalating demand for high-quality pre-owned vehicles.

#### Comprehensive Research Insights into the Philippines Used Car Market -

The research report titled "[Philippines Used Car Market Analysis and Forecast \(2019-2030\)](#)" offers vast opportunities for businesses. Prioritizing innovation in technology, marketing, and financing can help meet evolving consumer needs. Strategic partnerships among dealerships, banks, and online platforms can streamline car buying and drive growth. Understanding consumer preferences enables tailored offerings. With better infrastructure and increasing car ownership, the Philippines is set to become a key player in Southeast Asia's used car market.

#### Key Statistics and Market Indicators for the Philippines Used Car Market -

- Vehicle Registration: In 2022, the total number of registered vehicles in the Philippines reached 13,889,136, marking a 7% increase from the previous year.
- Popular Brands: Toyota, Honda, and Mitsubishi are the most popular secondhand car brands.
- Revenue Growth: Despite challenging market conditions, the revenue generated from used cars recorded 0.5% growth year-on-year in 2020.
- Organized Dealerships: Metro Manila, Quezon City, and Cebu have the highest number of organized used car dealerships among tier 1 cities.
- Growth Forecast: Used car revenue is anticipated to grow at a CAGR of more than 7% in the

next five years.

□ GDP Growth Rate: The Philippines GDP growth rate in 2023 was 5.6%.

□ Population Share: The Philippines represents approximately 1.46% of the global population and holds the 13th position among countries and territories in terms of population.

Period of Study

□ 2018-2023: Past and Present Scenario

□ 2023: Base Year

□ 2024-2028: Future Outlook of the Market

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