

Auto Extended Warranty Market to Reach \$60.82 Billion By 2030 | Size, Share

Auto Extended Warranty Market to Reach \$60.82 Billion By 2030

NEW CASTLE, DE, UNITED STATES, September 23, 2025 /EINPresswire.com/ -- The global [auto extended warranty market](#) was valued at US\$34.19 billion in 2020 and is expected to grow to US\$60.82 billion by 2030, registering a Compound Annual Growth Rate (CAGR) of 5.9% over 2021-2030.

Get a Sample Copy of this Report : <https://www.alliedmarketresearch.com/request-sample/A12526>

An auto extended warranty helps to keep the vehicle running smooth and hassle-free after the manufacturers or retailers warranty has expired. This, therefore, is one of the major trends for the market growth as it has been witnessed that incidence of traffic collision, accidents, injuries, with respect to cars is on a rise nowadays. This increases the chances of an unexpected failure of various components and systems on the cars such as the engine, gearbox, electrics, steering, and suspension. All these increase the repair bills on a vehicle, which is not covered by manufacturer's warranty. Thus, to reduce the operational expenses and other expenses end users are adopting auto extended warranty services that drive the growth of the market.

On the basis of distribution channel, the auto dealers/manufacturers channel segment dominated the market in 2020, and is projected to maintain its dominance during the forecast period. This channel helps in expanding coverages beyond OEMs warranty and provide cost of replacement and other such defects caused from a manufacturing defect or poor workmanship.

Region wise, the auto extended warranty market size was dominated by North America in 2020, and is expected to retain its position during the forecast period. The major factor that drives the growth of the market in this region includes rise in demand for advanced features in cars and increase in competition for telematics in automotive vertical. However, Asia-Pacific is expected to witness significant auto extended warranty market growth rate during the forecast period, owing to the increase in automotive warranty companies and rise in adoption of extended warranty services.

The auto extended warranty industry has been severely affected, due to unprecedented

transport restrictions, resulting in decline of new vehicle purchases. Moreover, handling large number of claims at a time has become a challenging factor for the global auto warranty industry. As a result, these major factors affected the growth of the market during the pandemic situation.

Request Customization : <https://www.alliedmarketresearch.com/request-for-customization/A12526>

Key Findings of the Study

By distribution channel, the auto dealers/manufacturers segment led the auto extended warranty industry, in terms of revenue in 2020.

By application, the personal application segment accounted for the highest auto extended warranty market share in 2020.

By region, North America generated the highest revenue in 2020.

Several forces are driving this expansion:

Rising awareness of extended warranties: Vehicle owners are increasingly aware of post-warranty repair costs, especially for complex systems like engine, gearbox, electrical, suspension, and steering. This awareness pushes demand for extended coverage.

High cost of repairs: As vehicles incorporate more technology and features, repair and maintenance costs rise, making warranties more attractive to reduce unexpected expenses.

Growth in used-vehicle ownership and longer vehicle life cycles: Users of older vehicles often outlive the manufacturer's warranty, increasing the need for extended warranty solutions.

Varying regional growth dynamics: North America held the largest share in 2020 (nearly three-fifths of the market) but Asia-Pacific is forecasted to show the highest CAGR of 9.5% during the period.

Channel shifts and provider diversity: Distribution via auto dealers/manufacturers remains dominant, but third-party providers are gaining traction, with the third-party channel expected to grow at a faster pace (CAGR ~7.2%) than traditional channels.

Impact of COVID-19: The pandemic led to a decline in new vehicle sales worldwide but also triggered shifts: more online purchasing of warranties and services, higher adoption of remote and post-warranty services. Lockdowns in Europe and Asia changed consumer behavior.

Challenges restraining growth include declining car sales in some regions, economic uncertainty, and potential reluctance from consumers to pay for added coverage in tight financial conditions.

Competitive Landscape

The market features many established players and emerging providers. They compete based on coverage offerings, pricing, service experience, and distribution reach. Key companies mentioned in the report:

Major participants include American International Group, Inc., ASSURANT, Inc., AmTrust Financial, AXA, CarShield, LLC., CARCHEX, Endurance Warranty Services, LLC, Olive, TATA Motors Limited.

Strategies being adopted:

- Expanding coverage options (powertrain, stated components etc.) to attract a wide customer base.
- Enhancing distribution channels — strengthening dealer/manufacturer channels while scaling up third party networks.
- Technology and service innovation, including claim processing, customer support, and perhaps leveraging telematics or connected vehicle data (especially in more mature markets).
- Regionally tailored offerings: in APAC, more competitive pricing, simpler packages; in US/Europe, more sophisticated offerings with broader coverage and premium services.

Regulatory & consumer trust factors: In mature markets (US, Europe), regulations on disclosures, consumer protection, and clarity of warranty terms are stricter. Companies that ensure transparency and reliability are more likely to succeed.

Buy Now: <https://www.alliedmarketresearch.com/checkout-final/cdd15fa8bfe8e6f4aef57e5dea4da59c>

Regional Focus: APAC, US, Europe

While the Allied report gives data globally (including North America, Europe, Asia-Pacific etc.), focusing on APAC, US, and Europe shows:

North America (primarily US): The dominant revenue contributor in 2020, with strong infrastructure, high awareness, mature insurance/warranty ecosystems, and high vehicle feature complexity. Companies here compete heavily on premium coverage, customer service, tech integration.

Europe: Slightly more regulated; consumer protection laws are strong; demand for transparency, extensive coverage; used vehicle market is significant; third-party providers growing; OEMs continue to exert influence via dealer networks.

Asia-Pacific (APAC): Highest forecast growth (~9.5% CAGR). Key opportunities due to increasing vehicle ownership, growing middle class, rising repair costs, and expanding awareness. Challenges include varying regulatory environments, price sensitivity, fragmentation of distribution, and lower penetration so far.

Trending Reports:

Forex Cards Market <https://www.alliedmarketresearch.com/forex-cards-market-A17383>

Mortgage Lending Market <https://www.alliedmarketresearch.com/mortgage-lending-market-A17282>

Data Analytics in Banking Market <https://www.alliedmarketresearch.com/data-analytics-in-banking-market-A16647>

Business Income Insurance Market <https://www.alliedmarketresearch.com/business-income-insurance-market-A17147>

Singapore Student Loan Market <https://www.alliedmarketresearch.com/singapore-student-loan-market-A18746>

Student Loan Market <https://www.alliedmarketresearch.com/student-loan-market-A17046>

AI in Fintech Market <https://www.alliedmarketresearch.com/ai-in-fintech-market-A16644>

Group Health Insurance Market <https://www.alliedmarketresearch.com/group-health-insurance-market-A15123>

About Us:

Allied Market Research (AMR) is a full-service market research and business-consulting wing of Allied Analytics LLP based in Wilmington, Delaware. Allied Market Research provides global enterprises as well as medium and small businesses with unmatched quality of "Market Research Reports Insights" and "Business Intelligence Solutions." AMR has a targeted view to provide business insights and consulting to assist its clients to make strategic business decisions and achieve sustainable growth in their respective market domain.

We are in professional corporate relations with various companies, and this helps us in digging out market data that helps us generate accurate research data tables and confirms utmost accuracy in our market forecasting. Allied Market Research CEO Pawan Kumar is instrumental in inspiring and encouraging everyone associated with the company to maintain high quality of data and help clients in every way possible to achieve success. Each data presented in the reports published by us is extracted through primary interviews with top officials from leading companies of domain concerned. Our secondary data procurement methodology includes deep online and offline research and discussion with knowledgeable professionals and analysts in the industry.

Contact Us:

United States

1209 Orange Street,

Corporation Trust Center,

Wilmington, New Castle,

Delaware 19801 USA.

Int'l: +1-503-894-6022

Toll Free: +1-800-792-5285

Fax: +1-800-792-5285

help@alliedmarketresearch.com

<https://medium.com/@kokate.mayuri1991>

<https://bfsibloghub.blogspot.com/>

<https://steemit.com/@monikak/posts>

David Correa

Allied Market Research

+ + +1 800-792-5285

[email us here](#)

Visit us on social media:

[LinkedIn](#)

[Facebook](#)

[YouTube](#)

[X](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/851727621>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2025 Newsmatics Inc. All Right Reserved.