

Auto Extended Warranty Market In 2029

The Business Research Company's Auto Extended Warranty Global Market Report 2025 – Market Size, Trends, And Global Forecast 2025-2034

LONDON, GREATER LONDON, UNITED KINGDOM, December 29, 2025 /EINPresswire.com/ -- "Auto Extended Warranty Market to Surpass \$46 billion in 2029. Within the broader Transport Services industry, which is expected to be \$8,792 billion by 2029, the Auto Extended Warranty market is estimated to account for nearly 0.5% of the total market value.



Which Will Be the Biggest Region in the Auto Extended Warranty Market in 2029



The Business Research Company's Latest Report Explores Market Driver, Trends, Regional Insights - Market Sizing & Forecasts Through 2034"

The Business Research Company

North America will be the largest region in the auto extended warranty market in 2029, valued at \$18,940 million. The market is expected to grow from \$13,718 million in 2024 at a compound annual growth rate (CAGR) of 7%. The strong growth in the forecast period can be attributed to the rising consumer preference for high-end cars with luxury features, rising vehicle ownership and favorable government initiatives.

Which Will Be The Largest Country In The Auto Extended Warranty Market In 2029?

The USA will be the largest country in the auto extended warranty market in 2029, valued at \$16,278 million. The market is expected to grow from \$11,723 million in 2024 at a compound annual growth rate (CAGR) of 7%. The strong growth in the forecast period can be attributed to the growing automotive leasing and rise in e-commerce.

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What will be Largest Segment in the Auto Extended Warranty Market in 2029?

The auto extended warranty market by product into powertrain warranty, component warranty, bumper-to-bumper warranty, and other products. The powertrain warranty market will be the largest segment of auto extended warranty market segmented by product, accounting for 46% or \$21,156 million of the total in 2029. The powertrain warranty market is supported by factors such as increasing vehicle ownership, rising repair costs of essential components like engines and transmissions, growing consumer preference for long-term financial protection against unexpected mechanical failures and rising vehicle leasing.

The auto extended warranty market are segmented by vehicle age into new vehicle and used vehicle. The used vehicle market will be the largest segment of the auto extended warranty market segmented by vehicle age, accounting for 57% or \$26,311 million of the total in 2029. The used vehicle market is supported by factors such as the rising demand for affordable vehicle ownership, higher likelihood of mechanical failures in older cars and increasing consumer preference for financial protection against unexpected repair costs.

The auto extended warranty market by distribution channel into auto dealers or manufacturers and third-party providers. The auto dealers or manufacturers market will be the largest segment of the auto extended warranty market segmented by distribution channel, accounting for 63% or \$28,757 million of the total in 2029. The auto dealers or manufacturers market is supported by factors such as the need to enhance customer loyalty, the opportunity to generate additional revenue streams and the growing consumer preference for warranties backed by trusted brands with access to certified repair services.

The auto extended warranty by application into passenger vehicles and commercial vehicles. The passenger vehicles market will be the largest segment of the auto extended warranty market segmented by application, accounting for 68% or \$31,303 million of the total in 2029. The



Auto Extended Warranty Market Regional 2025.webp

passenger vehicles market is supported by factors such as the growing number of personal vehicle owners, increasing repair and maintenance costs and rising consumer preference for extended protection plans to ensure long-term reliability and financial security.

What is the expected CAGR for the Auto Extended Warranty Market leading up to 2029?

The expected CAGR for the Auto Extended Warranty leading up to 2029 is 7%.

What Will Be The Growth Driving Factors In The Auto Extended Warranty Market In The Forecast Period?

The rapid growth of the global auto extended warranty market leading up to 2029 will be driven by the following key factors that are expected to reshape automotive aftersales, consumer protection models, and long-term vehicle ownership patterns worldwide.

Rising Demand For Electric Vehicles-The rising demand for electric vehicles will become a key driver of growth in the auto extended warranty market by 2029. EVs have fewer moving parts than internal combustion engine (ICE) vehicles, but their high-value components such as battery packs, electric drivetrains, and advanced software systems can be costly to repair or replace. This drives demand for extended warranties as consumers seek protection against unexpected expenses. As a result, rising demand for electric vehicles is anticipated to contributing to a 1.5% annual growth in the market.

The Rise Of E-Commerce- The rise of e-commerce will become a key driver of growth in the auto extended warranty market by 2029. The rise of online car purchases through platforms such as Carvana, Vroom, and direct manufacturer websites has increased demand for auto extended warranties. Buyers seek additional protection since they cannot physically inspect vehicles before purchasing. Digital platforms are streamlining the availability of extended warranties, enabling third-party providers to offer coverage directly at checkout. Consumers can now compare plans more easily, increasing awareness and purchase rates. As a result, rise of e-commerce is anticipated to contributing to a 1.0% annual growth in the market.

Rising Consumer Preference For High-End Cars With Luxury Features- the rising consumer preference for high-end cars with luxury features will serve as a key growth catalyst auto extended warranty market by 2029. As these vehicles come with advanced technologies and higher repair costs, consumers are more inclined to purchase extended warranties for added protection. The increased investment in premium vehicles drives the demand for comprehensive coverage, ensuring peace of mind for owners. Additionally, the complexity of luxury car components makes extended warranties even more appealing to buyers. Therefore, this the rising consumer preference for high-end cars with luxury features is projected to supporting to a 0.8% annual growth in the market.

Growth Of Ride-Sharing And Fleet Vehicles- The growth of ride-sharing and fleet vehicles will serve as a key growth catalyst for auto extended warranty market by 2029. Ride-sharing and fleet vehicles experience significantly higher usage than personal vehicles, leading to accelerated

wear on critical components such as the engine, transmission, and suspension. As a result, the demand for extended warranties increases to cover costly repairs beyond the manufacturer's warranty period. Additionally, companies that lease or manage large fleets typically sell their vehicles after a few years. Extended warranties enhance resale value, making them a valuable selling point for second-hand buyers. Therefore, this growth of ride-sharing and fleet vehicles will be projected to support a 0.8% annual growth in the market.

Access the detailed Auto Extended Warranty Market report here:

<https://www.thebusinessresearchcompany.com/report/auto-extended-warranty-global-market-report>

What Are The [Key Growth Opportunities In Auto Extended Warranty Market in 2029?](#)

The most significant growth opportunities are anticipated in the powertrain extended warranty market, the used vehicle extended warranty market, the auto extended warranty for automotive dealers & manufacturers market, and the auto extended warranty for passenger vehicle market. Collectively, these segments are projected to contribute over \$29 billion in market value by 2029, driven by rising used-car sales, increasing repair costs associated with complex vehicle electronics, and growing consumer demand for long-term protection plans. This surge reflects the expanding adoption of digitally enabled warranty platforms, OEM-backed service contracts, and data-driven risk assessment models that enhance transparency, reduce claim friction, and improve customer retention. Together, these factors are fuelling transformative growth across the broader automotive extended warranty ecosystem.

The auto extended warranty for passenger vehicle market are projected to grow by \$8,926 million, the auto extended warranty for automotive dealers & manufacturers market by \$7,092 million, the used vehicle extended warranty market by \$6,943 million, and the powertrain extended warranty market by \$6,090 million over the next five years from 2024 to 2029.

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