

Research

Making Vehicles as Individual as Their Owners

by Jim Spoonhower

For what we are calling restyling, the intent of the consumer is to personalize the vehicle in general terms that would not result in it fitting into one of our other defined niche markets.

So what in the world is the restyling market? Isn't that the whole performance parts and accessories industry? In general, restyling does cover the whole industry, but since SEMA tries to report on the various niches that actually make up the industry, restyling is not the whole industry for our purposes here.

When you look at the industry from the consumers' perspective, you find that they have particular results in mind when modifying their vehicles. The off-roader has certain features and capabilities in mind that modifications will provide, the compact performance tuner has a different set of goals, and so it goes with each niche market.

For what we are calling restyling, the intent of the consumer is to personalize the vehicle in general terms that would not result in it fitting into one of our other defined niche markets.

You could argue that the automotive reality shows featuring vehicle makeovers are driving consumers' interest, and the more shows there are, the faster the market grows. But restyling doesn't have to involve a complete makeover of a vehicle. It may be just a few products added to accommodate a particular lifestyle.

In fact, many restyling consumers don't even associate what they are doing to their vehicles with the term restyling. These consumers are after a particular look or functionality and restyling products happen to provide what they want.

Most restyling products are designed to work with or complement the existing lines of the production vehicle. In fact, many concepts and accessories created in the restyling market have become part of production vehicle designs.

Market Size

To be sure everyone is on the same page, we're including all the products used to modify the exterior and/or interior of vehicles when we refer to the restyling market. That covers a wide range of automotive specialty equipment products, from sunroofs to ground effects and from grille guards to drop center bumpers.

All of the products found in this market are functional, though, the principal reason for their purchase may be more esthetic. After all, some consumers purchase these products for the "look" the vehicle has once they are installed.

Most restyling products are designed to work with or complement the existing lines of the production vehicle. In fact, many concepts and accessories created



in the restyling market have become part of production vehicle designs.

Restyling isn't limited to any one type or class of vehicle. Restyling products may be installed for vehicle dealers on showroom models to capture the imagination of consumers and increase dealer profits, or they can be used to dress up the family vehicle rather than purchasing a new one.

Restyling Market Sales Trends

Year	Retail Sales	% Change
1997	\$2.546 billion	11.32%
1998	\$2.735 billion	7.42%
1999	\$2.877 billion	5.18%
2000	\$3.058 billion	6.31%
2001	\$3.107 billion	1.62%
2002	\$3.237 billion	4.17%
2003	\$3.291 billion	1.67%
2004	\$3.589 billion	9.05%
2005	\$3.799 billion	5.85%
2006	\$4.076 billion	7.28%

In 2006, retail sales for restyling products were \$4.076 billion. Restyling product sales currently represent a little more than 11% of the total automotive specialty-equipment market.

As we look at our industry, we typically segment products into one of three categories: accessories and appearance products; performance products; and wheels, tires and suspension products. Many of the vehicle modifications in the restyling market involve automotive accessories.

In fact, accessories represented 66.4% of the products sold in the market for 2006. Performance products accounted for 15.6% of restyling market sales and wheels, tires and suspension had 18.0%.

Of the defined niche markets, accessories has the highest market share in the restyling market.

Based on raw percentages, the proportion of those who said they were likely to purchase performance parts and accessories within the next three months in November was 19%. In terms of households, that translates into more than 19 million households that are currently planning to purchase our industry's products within the next three months.

One needs only to look at how similar many of the vehicles on today's roads appear to understand why the restyling market has grown so large. After all, these products make each vehicle as individualistic as its owner. They provide the looks, features and creature comforts that just don't come with production vehicles to mainstream consumers and automotive enthusiasts alike.

Contact: SEMA