

Certain automakers dominate the different car segments

By Henry Kallstrom | Feb 5, 2015 2:39 pm EDT

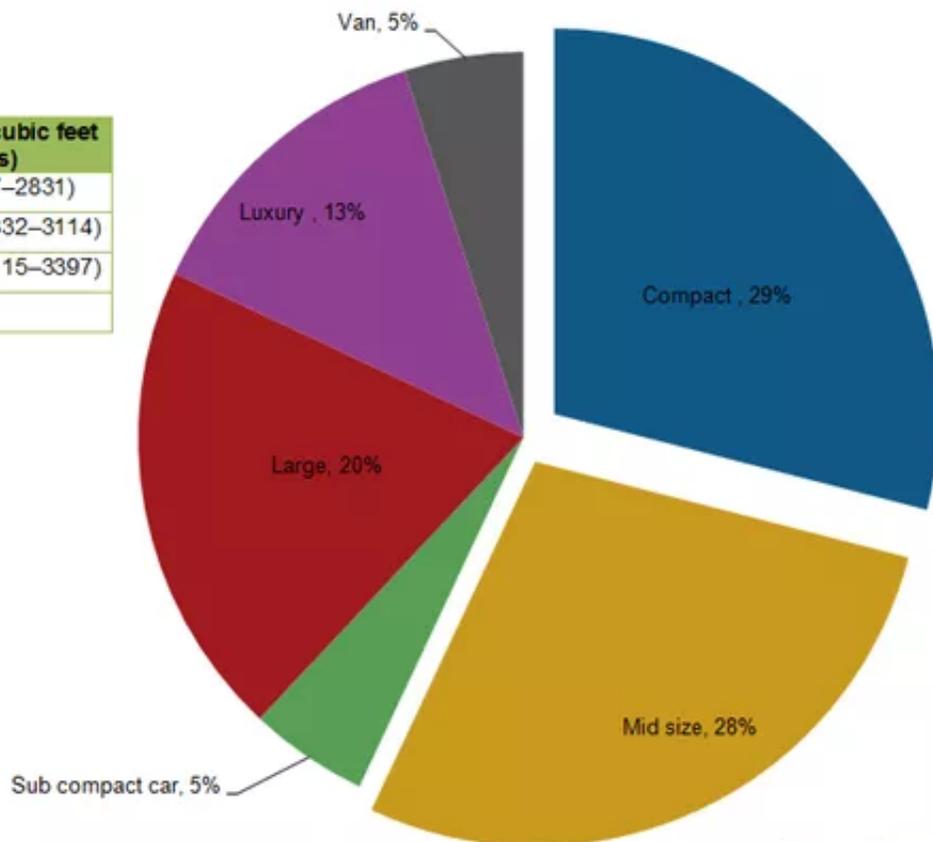


Different car segments

Automobiles can be classified based on the combined passenger and cargo volume capacity. Each class can be further categorized into passenger cars, SUV, and trucks.

Vehicle Segments in US

Class	Capacity in cubic feet (Liters)
Subcompact Car	85–99.9 (2407–2831)
Compact Car	100–109.9 (2832–3114)
Midsize car	110–119.9 (3115–3397)
Large car	= 120 (3398)



Market Realist

Source: Wards Auto

Compact cars make up 29% of the total automobile market in the US. Midsize cars have a 28% share. Luxury cars have an impressive 13% share of the US automobile market.

Popular Japanese cars in the US

Japanese automakers dominate the subcompact and compact car segment. Toyota (TM) leads the pack with its Corolla model. In 2014, it clocked sales of 339,598 units. The Honda (HMC) Civic sold 325,981 units. Honda's CR-V was the best-selling vehicle in the compact SUV segment. It sold 335,019 units.

US consumers show a high preference for Japanese manufacturers in the midsize segment as well. The top three models in this space are the Toyota Camry, the Honda Accord, and the Nissan Altima. These three cars alone have a 43% share of the segment. The Toyota Camry is the overall best-selling passenger car. In

2014, it sold 428,606 units.

Consumers prefer Japanese cars because they're more fuel efficient. The vehicles cost less to maintain. Secondhand Japanese cars also sell at higher prices. They provide better value—compared to their American counterparts.

Popular US models

The domestic giants have a significant US presence in trucks. These automakers show their muscle in the midsize SUV segment. The Chevrolet Equinox and the Chrysler Jeep Cherokee are the market leaders in this space.

Large automobiles have a market share of 19.6%. Most of Detroit's "Big Three" manufacturers' revenue comes from this segment. The Chevrolet Impala is the best-selling large passenger car in the US. General Motors' (GM) Chevrolet brand also dominates the list of large SUVs. The Traverse and the Tahoe garner 30% of market share.

Large trucks make up 12.6% of the entire automotive market. There isn't a challenger for the Ford (F) F-150 truck. It has been the best-selling vehicle in the US for the past 32 years. In 2014, it sold 753,851 units.

Investors can gain exposure to leading global automakers through the First Trust NASDAQ Global Auto ETF (CARZ).

The right to use this material without explicit written permission is hereby granted to faculty in connection with classroom use and other educational endeavors of a not for profit nature.