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Insights

Year in Review 2024





2024 Leasing Figures

The UK leasing market has seen significant developments over the past year. This report presents a comprehensive overview of the key trends, data, and insights underlying the car leasing industry in 2024. Sourced from multiple datasets including Leasing.com, THE car leasing comparison site, this analysis shows the preferences and behaviours of millions of UK lessees.



Foreword

“ 2024 was pivotal for the UK leasing industry. Despite economic challenges, the market demonstrated resilience and adaptability. Notably, average leasing costs decreased compared to 2023, making leasing an increasingly attractive option for both individuals and businesses. We also saw significant growth in electric vehicle (EV) leasing, despite changing government incentives. These trends highlight the UK’s growing shift towards cost-effective leasing solutions. ”

- Mike Fazal, COO of [Leasing.com](https://www.leasing.com)





Key Leasing Trends in 2024

1

Electric Vehicles Maintain Momentum Despite reductions in EV subsidies, battery electric vehicles (BEVs) maintained a strong presence in the leasing market, accounting for 26.4% of all Leasing.com enquiries. The government's focus on sustainability, combined with manufacturer discounts and lower operating costs for BEVs, has led to increased demand from motorists.

2

Average Leasing Costs Decrease The average monthly leasing rate in the UK dropped to £342, down from £373 in 2023. Fixed leasing factors, improved supply chains, and increased vehicle availability contributed to this decline.

3

Compact SUVs Lead Demand SUVs remained the most popular vehicle type, representing 57.6% of all Leasing.com enquiries. Models like the Nissan Qashqai and Hyundai Tucson topped the charts for their blend of affordability, comfort, and practicality.

4

Shorter Leasing Terms Gain Popularity Leasing contracts with a term of 24 months became the most preferred option, reflecting consumer interest in flexibility and access to newer vehicles more frequently.

5

Used Car Leasing on the Rise Used car leasing is becoming more popular, as more customers opted for immediately available vehicles with attractive pricing.



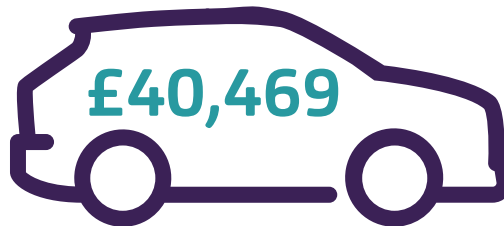


The Leasing Car of 2024

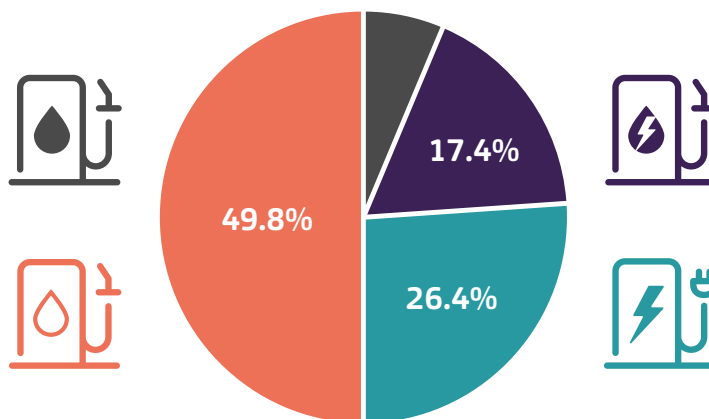
Most Popular Models: The Nissan Qashqai, Tesla Model Y, and Volkswagen ID.3 were among the UK's top leased vehicles. For electric vehicles, the Lotus Eletre and the Polestar 2 led the rankings.



Average Gross List Price: £40,469, reflecting the popularity of premium SUVs and EVs



Preferred Fuel Type: Petrol vehicles still led the market with 49.8% of lease enquiries, followed by BEVs (26.4%) and hybrids (17.4%). Diesel continued its decline, making up just 6.4%.





Top 10 Model Ranges on Leasing.com

The Nissan Qashqai retained the #1 spot, with just a slight drop in enquiry share. Volkswagen lost market share on both Golf, Tiguan, and T-Roc while Vauxhall posted year-over-year gains with both Corsa and Astra. Lotus Eletre and the Polestar 2 led the electric vehicle rankings.



1. Nissan Qashqai	5.3%	▼	versus 5.7% in 2023
2. Hyundai Tucson	3.0%	▼	versus 3.2% in 2023
3. Vauxhall Corsa	3.0%	▲	versus 2.7% in 2023
4. Volkswagen T-Roc	3.0%	▼	versus 3.4% in 2023
5. Nissan Juke	2.9%	▲	versus 1.6% in 2023
6. Volkswagen Golf	2.9%	▼	versus 3.4% in 2023
7. Volkswagen Tiguan	2.5%	▼	versus 4.3% in 2023
8. Cupra Formentor	1.8%	▼	versus 4.2% in 2023
9. Volvo XC40	1.8%	▲	versus 1.4% in 2023
10. Vauxhall Astra	1.8%	▲	versus 0.2% in 2023





Top 10 Manufacturers

Vauxhall and Nissan benefitted from the largest increases year-over-year, with Audi and Cupra showing largest decreases.



VAUXHALL

1. Volkswagen	14.7%	▼	versus 15.8% in 2023
2. Nissan	11.5%	▲	versus 8.7% in 2023
3. Vauxhall	7.3%	▲	versus 3.5% in 2023
4. BMW	6.6%	▲	versus 6.5% in 2023
5. Peugeot	6.2%	▲	versus 4.4% in 2023
6. Audi	6.1%	▼	versus 9.5% in 2023
7. Hyundai	5.4%	—	versus 5.4% in 2023
8. Cupra	5.0%	▼	versus 6.3% in 2023
9. Volvo	3.2%	▲	versus 2.5% in 2023
10. Land Rover	3.1%	▲	versus 2.2% in 2023





Electric Vehicle Trends



Electric car leasing has solidified its position in the UK, with strong demand for models like the Tesla Model Y, Polestar 2 and Nissan Ariya. While EV subsidies were reduced in 2024, the total cost of ownership remains appealing due to lower running costs and growing public charging infrastructure. Government incentives, including salary sacrifice schemes, have further driven interest in EV leasing for both private individuals and businesses. Leasing.com enquiries show a marked shift towards Electric throughout the year, increasing from 19.9% of enquiries in Q1 to 31.1% of enquiries in Q4. This trend was reflected in reverse for Petrol, with Q1's 59.1% of enquiries dropping to 43.4% by Q4.

Leasing.com Enquiries by Fuel Type – 2024 Quarterly Trends

Fuel Type	Q1	Q2	Q3	Q4
Petrol	59.1%	52.8%	45.3%	43.4%
Diesel	6.1%	6.7%	6.2%	6.7%
Electric	19.9%	25.1%	28.6%	31.1%
Hybrid (all types)	15.0%	15.5%	19.9%	18.9%

Top 5 Electric Vehicles - 2024

1. Lotus Eletre 5.4%
2. Polestar 2 4.2%
3. Nissan Ariya 4.2%
4. Tesla Model Y 4.1%
5. Nissan Leaf 3.7%





Personal vs. Business Leasing

Personal Leasing Dominates: Personal customers represented 79.5% of all Leasing.com enquiries, with an average monthly rate of £322.

Business Leasing Resilient: Business leases accounted for 20.5%, with an average rate of £420 per month. Salary sacrifice schemes contributed to increased uptake among corporate customers.

Cheaper Average Monthly Payments

There were widespread reductions in Average Monthly Payments compared to 2023 across all vehicle and finance types, with monthly payments on business vans falling the most (15.3%).

Combined	2024	2023		Difference
All lease deals	£342.57	£373.60	▼	8.3%
Personal cars	£321.79	£353.46	▼	9.0%
Business cars	£442.93	£458.81	▼	3.5%
Personal vans	£403.43	£458.11	▼	11.9%
Business vans	£317.67	£375.16	▼	15.3%

Top 5 Fuel Types

Demand increased for Electric and Hybrid, while Petrol & Diesel demand reduced.

1. Petrol	50.0%	▼	versus 59.8% in 2023
2. Electric	26.2%	▲	versus 18.9% in 2023
3. Hybrid	10.7%	▲	versus 8.5% in 2023
4. Diesel	6.4%	▼	versus 8.5% in 2023
5. Plug-in Hybrid	6.3%	▲	versus 4.3% in 2023





Lease Profile Trends

Top 3 Terms

Notable shift to shorter terms compared to 2023.

1. 24 mths	39.3%	▲	versus 29.5% in 2023
2. 36 mths	36.7%	▼	versus 38.4% in 2023
3. 48 mths	21.3%	▼	versus 30.8% in 2023

Top 3 Mileages

Shift to lower mileages compared to 2023, driven by consumers seeking lower monthly outlay, with almost one-third of enquiries being for the lowest annual mileage available.

1. 5,000	31.5%	▲	versus 26.0% in 2023
2. 10,000	22.5%	▼	versus 26.1% in 2023
3. 8,000	22.2%	▼	versus 25.2% in 2023

Top 3 Initial Rentals

Over one third of 2024 enquiries are for deals with 12 months upfront, despite this only being made available in June 2024.

1. 12 mths	33.7%
2. 9 mths	27.6%
3. 3 mths	16.8%

Overall Top 3 Lease Profiles

1. 9 + 23, 5k	39.3%
2. 12 + 23, 5k	36.7%
3. 9 + 23, 10k	21.3%



Vehicle Availability

Leasing enquiries show consumers preferring immediate availability over waiting for factory orders, with 65% of enquiries opting for In Stock vehicles, compared to 51% in 2023. This trend increased throughout the year, from 59.3% in Q1 to 68.2% in Q4.



Availability 2024	Q1	Q2	Q3	Q4
In Stock	59.3%	61.9%	68.0%	68.2%
Factory Order	40.7%	38.1%	32.0%	31.8%



Outlook for 2025

Looking ahead, the UK leasing market is poised for continued growth:

- **Electric Vehicles:** With stricter emissions targets and increased EV availability, the share of electric vehicles in the leasing market is expected to exceed 35% by the end of 2025.
- **Flexible Leasing Options:** Shorter lease terms and tailored packages will remain key drivers as consumers seek greater flexibility.
- **Technology Integration:** Digital platforms like Leasing.com will play a crucial role in simplifying the leasing process, offering transparency and convenience to lessees.

Conclusion

The UK leasing market continues to thrive, offering innovative solutions to meet the evolving needs of consumers and businesses. With a strong emphasis on sustainability, affordability, and flexibility, 2024 has set the stage for another year of growth and transformation.

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About us

Leasing.com is the biggest leasing comparison site in the UK. For 25 years, Leasing.com has been helping drivers get behind the wheel of their dream car.

We allow you to compare more offers from more partners than anybody else, with partnerships across brokers, dealers, manufacturers and all main funders.

Why go anywhere else?

- We invented car leasing comparison in the UK.
- Compare millions of deals using our simple website.
- 9/10 users found the best deal on Leasing.com.
- Since our launch, we have helped millions of people find their dream car.

“ If you want to know which manufacturers are pushing what in the new car market, you only have to look at Leasing.com. The other truth is the Motability website.” ”

- Steve Fowler, Motoring expert.

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