

RAC

RAC Report on Motoring

2000



12th EDITION

RAC

RAC's vision is to be the preferred provider of individual motoring solutions for both individual retail customers and corporate customers.

Membership

RAC already provides outstanding levels of support to its six million members, whether at roadside breakdowns or in helping them to stay mobile and avoid congestion. Leading edge technology, including sophisticated diagnostic equipment and a complete library of technical data accessed within seconds via CD ROM, enables 1,200 expert RAC patrols to fix over 80% of breakdowns at the roadside and to get members back on the move quickly and safely.

RAC is at the forefront of the development of in-car telematics with RTT, a joint venture with Trafficmaster, providing dynamic traffic and travel information using communications and satellite location technology. Via its award-winning website, RAC provides on-line services to members and the general public, from live traffic news, journey times and booking hotels to vehicle examinations and advice on the car. The website also carries information on RAC's Grass Routes competition for schools to design a green travel plan, and on the activities of the RAC Foundation for Motoring and the Environment, which champions the interests of the motorist.

RAC members benefit from a comprehensive range of motoring services including legal advice and enjoy discounts on a wide range of products and services, the scope of which has grown as a result of the integration with Lex Service PLC.

Business to Business

Partnership is at the heart of RAC's relationship with corporate customers to whom we supply bespoke solutions. Our client list comprises the country's leading passenger car, truck and motorcycle manufacturers, contract hire and leasing companies and insurance companies. RAC offers much more than a breakdown and recovery service to the business sector. Our product portfolio includes accident management services, warranties, training services, risk management and state of the art journey management.

Travel Services

A range of products are offered to assist customers travelling at home and abroad, including European breakdown assistance, holiday travel insurance, travel accessories, route planning and hotel and holiday reservations.

Vehicle Examinations

Fully qualified engineers conduct vehicle examinations for individual motorists, motor manufacturers and garages. The examinations include visual, structural and mechanical tests, together with a comprehensive road test and help in identifying "cut and shuts". A search into the vehicle's background is undertaken through a direct on-line computer link with specialist information providers Equifax/HPI.

BSM

BSM is Great Britain's leading driver training company and the only national driving school to have a high street presence with over 100 centres. BSM is at the forefront of training technology, having invested early in driving simulators and computerised theory training. It also provides specialist training in specially adapted cars for people with disabilities through the BSM Mobility programme. BSM Fleet Training, acknowledged as a market leader by the fleet press, provides driver training to company vehicle drivers and is aimed at reducing the volume and scale of fleet driver accidents.

BSM has a presence in over 1500 schools and colleges with its road safety course, Ignition. This includes an introductory module, from RAC, entitled Keep on Moving, which challenges students to think about the societal and environmental impacts of their own travel choices.

Autocentres

In partnership with Lex Service's 140 Autocentres, RAC is now providing servicing, repairs and MOT testing for all makes of cars.

Lex Service

RAC is now part of Lex Service, a publicly quoted business and motoring services company with over 12,000 employees. Lex Business Services include vehicle management, mechanical handling and inventory management where the goal is to help industrial and commercial customers operate their businesses more efficiently and more profitably. Lex provides contract hire, rental and fleet management for cars, trucks and mechanical handling equipment. Lex imports Hyundai cars, Isuzu trucks, Komatsu, Daewoo, TCM and Crown lift trucks and retails a range of different cars and trucks.

RAC Report on Motoring 2000

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- SECTION ONE** The economic benefits of car usage
 - SECTION TWO** Driving behaviour and consumer attitudes
 - SECTION THREE** Drink and drugs
 - SECTION FOUR** Green labelling of cars and related products and services
 - SECTION FIVE** Motoring and the Internet
 - SECTION SIX** Fuel and road tax
 - SECTIONS SEVEN - NINE** Overview on car ownership and retailing
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January 2000

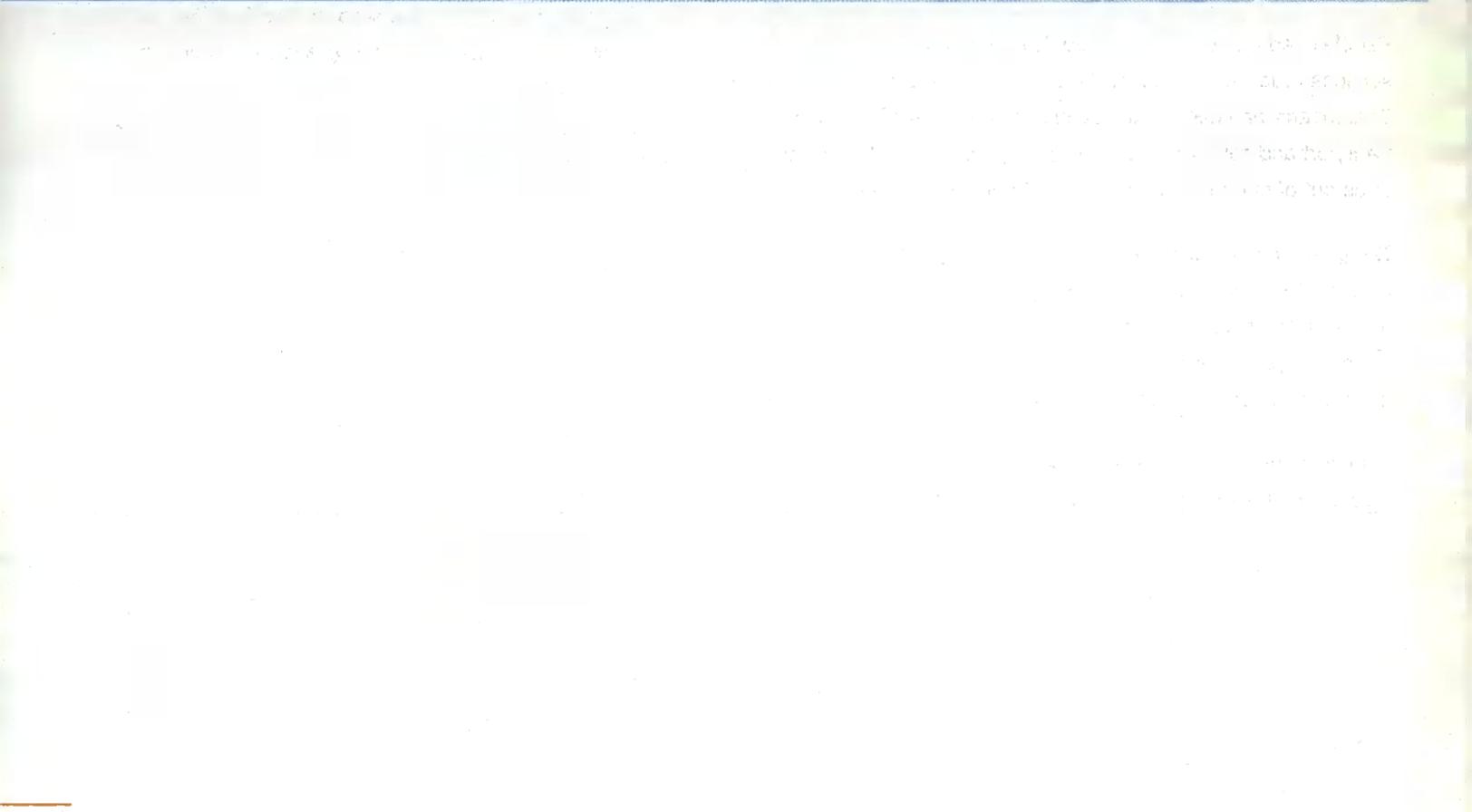
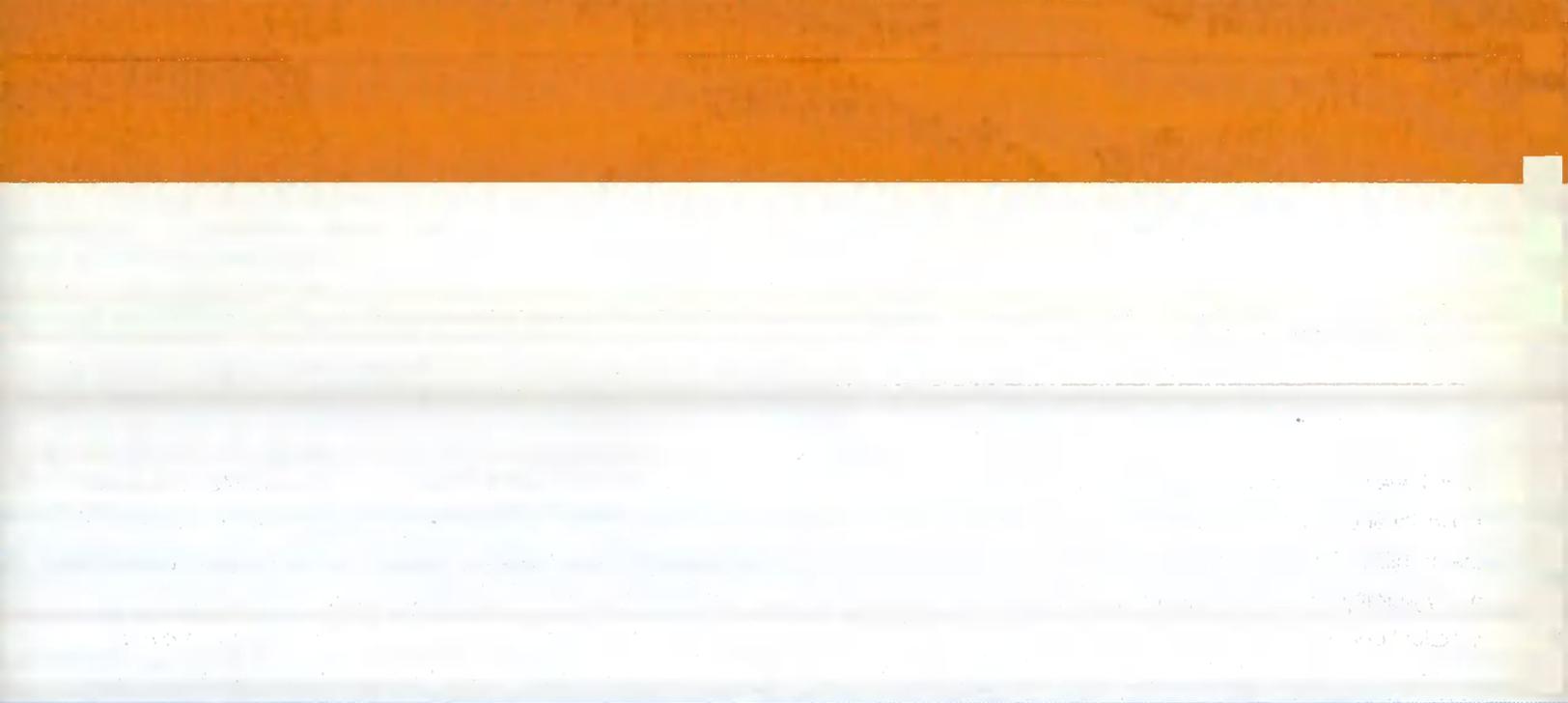
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RAC Motoring Services

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Contents

FOREWORD - by the Minister for Transport.....	3	SECTION SIX Fuel and road tax.....	48
INTRODUCTION - by the Group Managing Director of RAC.....	4	6.1 Consumers awareness of tax and duty charges	
		6.2 Support for fuel tax and road pricing policies	
		6.3 How should taxes raised through motoring be spent?	
		6.4 Drivers' responses to increasing prices	
RAC CALL FOR ACTION.....	5	SECTION SEVEN Car ownership and car sales.....	56
		7.1 Car ownership	
		7.2 New and used car sales	
		7.3 Future levels of car ownership	
		7.4 Car replacement cycles	
SUMMARY OF MOTORISTS' VIEWS.....	6	SECTION EIGHT Car buying and servicing.....	64
		8.1 Source of finance in buying a car	
SECTION ONE The economic benefits of car usage.....	8	8.2 Source of purchase	
1.1 Using the car and public transport for different journeys		8.3 The prices paid for new and used cars	
1.2 The time and cost of travel		8.4 Consumer satisfaction with car buying	
1.3 Motoring prices and public transport prices		8.5 Purchase of "grey imports"	
1.4 The economic costs of congestion		8.6 Service locations	
		8.7 Frequency of service and repair	
		8.8 Satisfaction with service	
SECTION TWO Driving behaviour and consumer attitudes..	16	SECTION NINE Driver and car profiles.....	70
2.1 The quality of driving		9.1 Profile of car buyers	
2.2 Improving driving standards		9.2 Profile of new car buyers	
2.3 Incidence and cause of accidents		9.3 Profile of used car buyers	
2.4 Speeding on Britain's roads		9.4 Profile of company car drivers	
2.5 Incidence of road rage		9.5 Profile of Britain's cars	
		9.6 Driver profile by region	
SECTION THREE Drink and drugs.....	28	APPENDIX 1 Basis of the research.....	76
3.1 The use of drink and drugs by car drivers		APPENDIX 2 Statistical reliability.....	77
3.2 Controlling drink and drugs		APPENDIX 3 RAC/Lex Report on Motoring Index.....	78
		APPENDIX 4 Sources and acknowledgements.....	81
SECTION FOUR			
Green labelling of cars and related products and services....	34		
4.1 The perceived importance of environmental problems in Britain today			
4.2 Support for environmental damage reduction policies			
4.3 The importance of environmental concerns in car purchase			
4.4 Motorists' views on environmental star ratings			
SECTION FIVE Motoring and the Internet.....	42		
5.1 Using the Internet for car purchases			
5.2 The Internet and home shopping			



Foreword



Cars have revolutionised the way we live, bringing greater flexibility and widening horizons. They remain essential to the mobility of millions of us in Britain today. Indeed, for many journeys the car will continue to represent the only practical option.

But the way we use our cars has a price - for the economy, for the environment, and for our health. Traffic has doubled since 1974 and could rise by another 30% in the next twenty years. That's equivalent to 6 million more cars on the road annually. Increasing congestion is bad for drivers stuck in traffic jams and also bad for business.

So as we enter the new century something decisive has to be done. We must tackle the pollution and congestion that would otherwise choke our towns and cities. In recent times we have virtually eliminated lead pollution from the atmosphere.

With tougher regulation, targeted fiscal policies and improved technology we can significantly reduce pollution in the years ahead.

People need greater choice about how to access goods and services. Business needs efficient and effective transport links. That means we need to provide high quality, attractive public transport and safer walking and cycling routes to entice more of us out of our cars for some or parts of our journeys.

The government is committed to modernising our transport systems to provide real choice. That is why we are drawing up a 10 year transport investment programme. By mid 2000, once the next 3 year spending review is complete we'll be mapping out our priorities for a transport system to rival any in Europe.

In drawing up this plan we shall listen to what people want. This report therefore makes interesting and timely reading.

It shows what motorists think are the relative costs of car and public transport, their judgement of transport alternatives, and how much more quickly they could reach their destination if it were not for congestion. It shows that many motorists recognise the need to tackle congestion and would move to public transport if it were comfortable and attractive enough. It also shows that they would welcome more information about the environmental impact of their cars.

We do not accept that the interests of the motorist and the environment are incompatible. By working in partnership with a range of interests we can devise sensible solutions. I am, therefore, delighted that the Chairman of Lex - Sir Trevor Chinn - has agreed to chair the Motorists' Forum. Its role will be to articulate to Government the voice of the responsible motorist and seek a consensus about the road ahead.

I look forward to the dialogue and to working with the forum and the RAC. Britain in the 21st Century needs and deserves a top class transport system to serve the British people and British companies. It will take time to do that but the government is committed to providing such a system and intends to deliver it.



Lord Macdonald

Minister for Transport

Introduction

by the Group Managing Director of RAC

RAC Motoring Services was bought by Lex Service in 1999, bringing to RAC an exciting new era of opportunity and growth.

With this change came the opportunity for RAC to take up the tradition of publishing the annual report on motoring, which for the last eleven years Lex Service has produced. The Lex Report has always stood as a beacon of fact and reason in the myriad of transport debates, which are too often built on rhetoric and supposition.

RAC always welcomed the publication of the Lex Report on Motoring and we are proud for the report to go out as the RAC Report on Motoring this year. We hope we have maintained the standards of Lex Service and explored some exciting new areas, which will be useful to everyone interested in transport and motoring.

We have highlighted the economic benefits of car travel over public transport both in terms of time and perceived costs. While we would welcome greater use of public transport as part of a coherent transport strategy, this research demonstrates the main barrier to change. Car transport is not only cheaper but also more time efficient than public transport. A step change in public transport will be necessary to break down this barrier to change.

The RAC Report reinforces the continuing demand for car ownership and the freedom that it brings. It also quantifies the cost of congestion at around £23 billion a year - higher than previous estimates. This highlights the need for change in the way we use our cars. We cannot let road congestion continue to cause this level of economic damage. The solution is both to change the basis of motoring taxation so that it relates directly to congestion, encouraging drivers to consider the use of public transport where it makes sensible economic sense for them to do so; and to undertake selective investment in removing bottlenecks on Britain's roads. But to succeed in encouraging motorists to make adjustments in their travel behaviour, convenience and efficiency must be at the forefront of a fully integrated transport infrastructure. However we have to accept that the

motoring public currently opposes extra charges to use their cars.

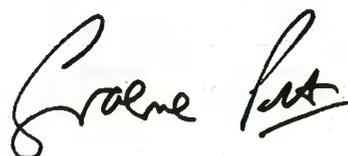
The report shows that standards of driving in the UK may be slipping, both in terms of speeding and in driving while under the influence of drink and drugs. The motoring public backs stricter legislation in these two areas and RAC strongly supports measures to control the worst offenders. Inappropriate speeding in particular should be targeted.

It is clear that while motorists care about the environment, it is not their top priority. The government needs to help them to make sound environmental choices and there is certainly strong support for environmental star ratings on a range of motoring products and services.

The other important trend that we picked up from the survey is the growing importance of the Internet which will clearly be an increasingly common channel of distribution for information about motoring products and services. The results from our special Internet survey reinforced this point. RAC has invested millions of pounds in its award-winning website which we believe is the most dynamic communications channel through which we can deliver the best possible service to our customers.

Finally, my thanks to Market Dynamics, Sample Surveys and Creative Rapport for the production of the report this year and a special thanks to David Leibling at Lex Service and my own team of Peter Brill and Martin Arnold. I would also like to acknowledge the help of Edmund King, Director of RAC Foundation; the independent body established to take on the role of protecting the interest of the motorist.

I hope you find the report both interesting and useful.



Graeme Potts

Group Managing Director, RAC Motoring Services

RAC Call for Action

Taking the results from the survey, RAC has put together the following seven points to which it urges the government to give careful consideration.

1. Appoint an independent roads 'czar'

The czar should champion the interests of road users by monitoring and reporting on key policies and practice affecting road transport, ensuring the road network meets the needs of the motorist in terms of availability, journey times, safety and value for money. This would cover road maintenance and management, investment in road building, safety strategies and the cost/benefit analysis of road charging.

2. Raise the standard of new drivers

The driving test should include the testing of hazard perception as soon as possible. More test time could be devoted to observing true rather than rehearsed driver behaviour. This could be achieved if basic manoeuvres are examined by qualified driving instructors in advance of the test and noted in a training log book which sets out full requirements of the test.

Road safety and the environmental and social implications of travel should be firmly on the school curriculum to develop a culture of personal responsibility for travel choices and to encourage more school journeys by foot and cycle.

3. Improve the safety and environmental impact of company cars

The government should encourage companies to attach greater importance to fleet management with a view to improving employees' driving skills and their accident rate, as well as reducing fuel consumption and harmful vehicle emissions. Companies should conduct reviews of business travel needs and vehicle purchasing strategies and underpin fleet management with a thorough risk management strategy.

4. Extension of Driver Rectification Schemes

The Driver Rectification Schemes, currently used for those having committed dangerous driving offences should be extended to a broader range of offences, including excessive or persistent speeding, red light running, pedestrian crossing infringements and significant road rage incidents. The option of paying for and receiving targeted training in place of being fined and having one's licence endorsed would be a more effective means of changing driver behaviour.

5. Review of speed limits

A review of speed limits should seek to impose limits applicable to the road in question to ensure a higher rate of voluntary compliance, i.e. self-enforcement. This would see some speed limits coming down, particularly around schools and known accident black spots.

6. Education programme on the dangers of drug driving

There should be an urgent public education campaign on the risks of drug driving, even before an acceptable drug test is available, to raise awareness and influence behaviour. The pharmaceutical industry should be urged to introduce a traffic light warning scheme for prescription drugs and other medicine to provide consumers with better guidance on the dangers of driving while taking medicinal drugs.

7. Invest in school buses

Our report has again identified the contribution to congestion of taking children to and from school. Our proposal is to invest in more school buses, possibly financed by local business people. Alternatively more use could be made of the 15,000 mini-buses which schools use for outings which are normally not used in the morning and evenings.

RAC Foundation, the independent body established to take on the role of protecting the interest of the motorist, has been campaigning actively on a number of these issues. In particular the RAC Foundation has campaigned on the question of raising awareness of the problems of drugs and driving, the need for a Roads' Inspector and a realistic review of speed limits.

Summary of Motorists' Views

SECTION ONE

The economic benefits of car usage

Motorists' reliance on the car has continued unabated since the first Lex survey of 1988, although the number prepared to consider the use of public transport has grown slowly over that period. Drivers are keenly aware of the significant economic benefits in time and cost savings that they achieve by using their cars. Reliance on the car is strongly influenced by these benefits, but motorists are conscious that current levels of congestion serve to reduce the economic advantages of the car. Congestion costs motorists at least £23 billion per year - this is without taking into account the cost associated with delays to trucks, buses, coaches and taxis.

SECTION TWO

Driving behaviour and consumer attitudes

Motorists' confidence in the quality of driving in Britain is low. Although most of Britain's drivers are relatively safe, with only minorities having points on their licences (17%) or having been involved in accidents (22% in the last three years), motorists still feel that standards on the roads are not high enough. Speeding is still common despite the fact that most drivers regard it as a serious crime. Road rage is still a common phenomenon - 50% have been victim to road rage this year. Motorists strongly support measures that would improve driving behaviour. Measures that would be popular include compulsory re-testing of banned drivers, more stringent testing of new drivers and learners and the introduction of more severe penalties for speeding.

SECTION THREE

Drink and drugs

Britain's drivers regard driving under the influence of drink or drugs as being extremely serious and dangerous crimes. Despite this, the incidence of drink driving in particular is quite common. One in 50 motorists say that they have driven while over the legal alcohol limit in the past year, with young and middle age drivers most at fault. Although the incidence of drink driving is falling, there is an increase in the number of drivers admitting to driving whilst under the influence of recreational drugs. There is strong support for measures that would reduce the incidence of drink driving, but motorists are less certain about the need to reduce current legal limits.

SECTION FOUR

Green labelling of cars and related products and services

Environmental problems are recognised by motorists, but are not seen as being critical by the majority. For instance, 60% of drivers view air pollution as a major problem, but only 32% believe that it is a critical problem requiring immediate attention. Much wider concern exists amongst Britain's motorists for other transport issues such as congestion and road rage. Furthermore, while motorists indicate some degree of concern for the environment, they are less supportive of measures that could reduce environmental damage. Raising the price of fuel is particularly unpopular – only 5% of motorists said they would support a doubling of fuel prices over the next five years in order to reduce environmental damage.

Car buyers have indicated that they would be in favour of the introduction of environmental star ratings and would take them into account in new car purchase. However, the results also show that car buyers currently rate environmental performance as much less important than price, fuel efficiency, safety and reliability.

SECTION FIVE

Motoring and the Internet

Only a very small minority of Britain's motorists currently use the Internet when buying a car. Those that do find it very convenient and easy to use for obtaining information on car prices and different makes and models. The RAC Research on Internet Pioneers this year shows that those who use on-line facilities predict that their use of the Internet for purchasing goods will grow and many believe they will buy their cars directly off the Internet in the future. This raises important issues about how the growth in home shopping will affect congestion and pollution on Britain's roads, but consumers are uncertain about what effects might arise.

SECTION SIX

Fuel and road tax

There is a general lack of awareness amongst Britain's motorists about the level of taxes and duties that they currently pay - drivers believe that they pay less than they actually do. The Chancellor's pre-budget statement in November 1999 indicated that there may be some change to current motoring tax policies in the future, including hypothecation, though the specifics of this change have not been detailed. In general, current fuel and road tax policies only receive minority support from Britain's drivers. The fuel tax policy of the last two years is most unpopular - only 3% of motorists support the policy to increase the tax on fuel by 6% over the level of inflation each year. Motorists are also clear that they would like to see expenditure from road tax and duties spent on road investment, a policy supported by just under 90% of motorists. Fewer drivers want motoring taxes and duties to be spent on public transport. Motorists do not feel that further increasing the price of fuel would effect their driving behaviour substantially. A number of drivers would be induced by congestion charging policies to change the roads they drive on and the destinations they visit. This would be sufficient to make an appreciable difference to congestion.

Travelcard

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Section One



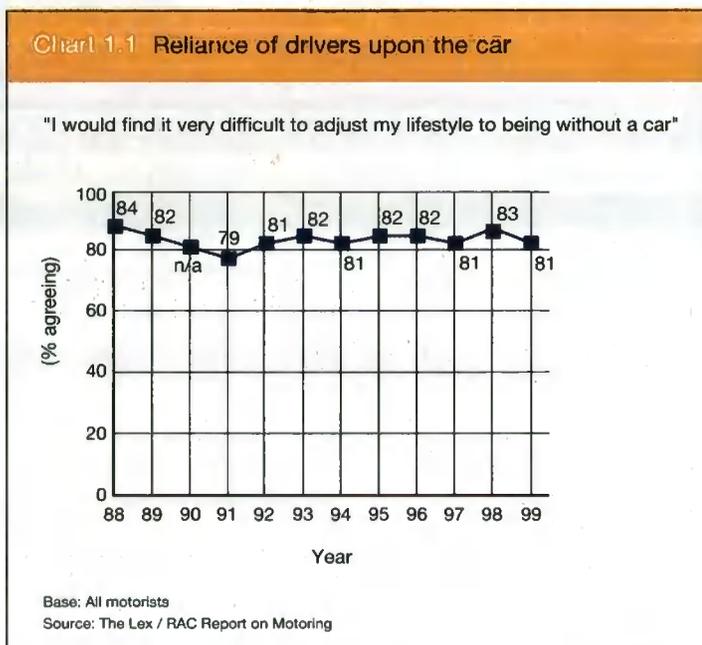
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The economic benefits of car usage

Car owners can achieve substantial savings by using their cars rather than travelling by public transport. For many journeys, car travel costs a lot less and involves much shorter journey times than using public transport. In this section motorists' awareness of these aspects of car travel is examined in order to quantify some of the economic benefits of car usage. This chapter also quantifies some of the costs associated with road congestion.

1.1 The use of the car and public transport for different journeys

Motorists' reliance on the car has remained strong since the Lex Report first measured it in 1988. This year, 81% of motorists agreed with the statement "I would find it very difficult to adjust my lifestyle to being without a car". This reliance on the car is true for all motorists, whether they live in the city, a small town or in a rural location.



For motorists in Britain today the car is still the preferred mode for all trip purposes. 81% of motorists never use buses for these journeys compared with 65% in 1988 and 75% of motorists never use trains for these journeys compared with 58% in 1988. Only 4% of motorists use the bus to commute

to or from work and only 5% use the train. The vast majority of drivers have indicated that they use their cars when visiting family and friends, going shopping and pursuing sports, leisure and entertainment. Trains are used marginally more by motorists than buses or coaches. In general, public transport alternatives are becoming less attractive while the use of the car is becoming more entrenched.

School runs requiring some form of transport are almost all done by car – highlighting the impractical nature of public transport for these types of journeys.

Chart 1.2 shows that a smaller percentage of motorists now use their cars to travel to work or to travel in connection with work. This is not due to the increased use of public transport, but because there are now more non-working car drivers. 82% of those in employment still use their car to travel to and from work. Thus these results reflect an increase in car ownership amongst non-working groups including students, the unemployed, carers and older age groups.

Chart 1.2 Motorists' use of public transport

	% use car nowadays		% use buses or coaches nowadays		% use train / underground nowadays	
	1988	1999	1988	1999	1988	1999
Travel to/from work	61	51	5	4	5	5
Travel in connection with work	31	25	2	2	5	6
Visiting friends and family	86	87	3	5	5	7
Going shopping	90*	90	4*	9	1*	9
Going to sports/leisure/entertainment	56	60	2	7	2	9
Taking children to school/playgroup	n/a	25	n/a	1	n/a	0
None of these	0	0	65	81	58	75

* 1994 results
Base: All motorists
Source: RAC Report on Motoring 2000

For the majority of Britain's motorists it is not the poor quality of public transport services that cements their reliance on the car. When asked to express their level of agreement with the statement "I would use my car less if public transport were better", the majority of motorists disagree.



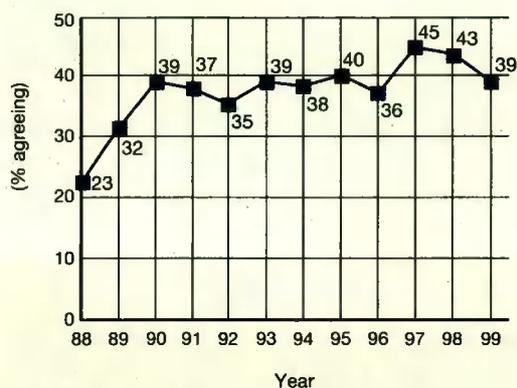
Motorists reliance on the car has remained strong

The proportion of motorists indicating that they would use better quality public transport has however grown over the years.

However over 50% of motorists disagree with the statement, indicating that public transport is not an attractive alternative for many of Britain's drivers.

Chart 1.3 Willingness to use public transport

"I would use my car less if public transport were better"



Base: All motorists
Source: The Lex/RAC Report on Motoring

RAC Comment

Since the first Lex Report of 1988 the research has consistently demonstrated that motorists are heavily reliant on their cars - this was also highlighted in the RAC Foundation Report on Car Dependence. Car use is growing and motorists are still reluctant to use public transport. This is not simply an indication of motorists' concerns about the quality of public transport - motorists are not keen to switch modes even if the quality of public transport improved. Transport policy in Britain needs to be based on an understanding of the nature of this reliance on the car, which should be taken into account in designing policies aimed at achieving a switch from car based travel to public transport at the margin. If it is possible to achieve even a small degree of substitution, we at RAC believe this would be a worthwhile achievement. However, the results also imply that road investment is critical in our long term transport planning.

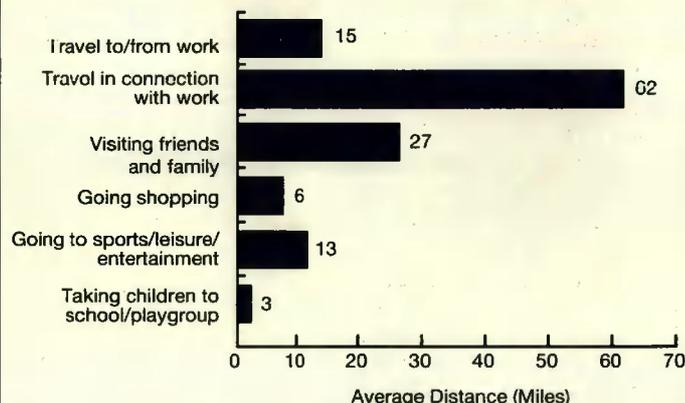
1.2 The time and cost of travel

One of the most critical factors driving the increasing dominance of car travel is that motorists believe they enjoy huge savings by using their cars rather than travelling by public transport. These savings arise because car travel takes considerably less time than public transport for many trips and because many car journeys are cheaper. This section investigates awareness of the time and cost saving aspects of car travel and the economic benefits of car use.

Journey patterns

The average commuting distance is 15 miles, under 13 miles for sport, leisure and entertainment, and under 6 miles for shopping. Longer distances are travelled by car drivers in connection with work or for visiting friends and family.

Chart 1.4 Average distances of car journeys



Respondents were asked to think about their most recent journey within each category (very long journeys were excluded from the analysis).

Base: Motorists undertaking these journeys
Source: RAC Report on Motoring 2000



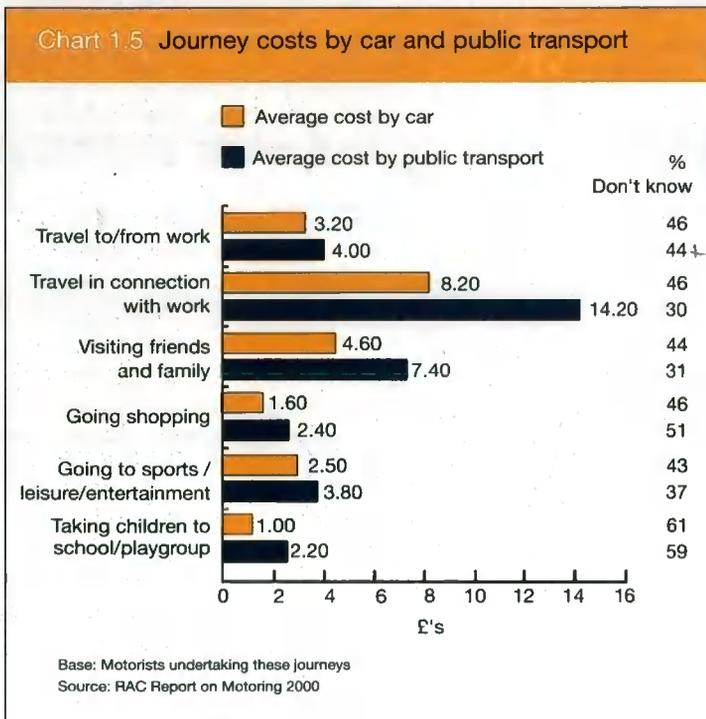
Motorists believe they enjoy huge savings by using their cars

The cost of switching to public transport

This year's survey has identified the time and cost implications for motorists of switching to public transport for their journeys. On the basis of motorists' responses, average estimates of journey costs by car have been constructed and these can be compared with the drivers' estimated journey costs by public transport.

It should be stressed that many motorists are not aware of the public transport and motoring costs they face. "Don't know" answers ranged between 30% to 61% of the response for different trip purposes. This is an important result in itself and reflects lack of awareness of the whole arena of public transport in particular. Those who responded "Don't know" were excluded from the subsequent analysis, to achieve a better estimate of likely costs.

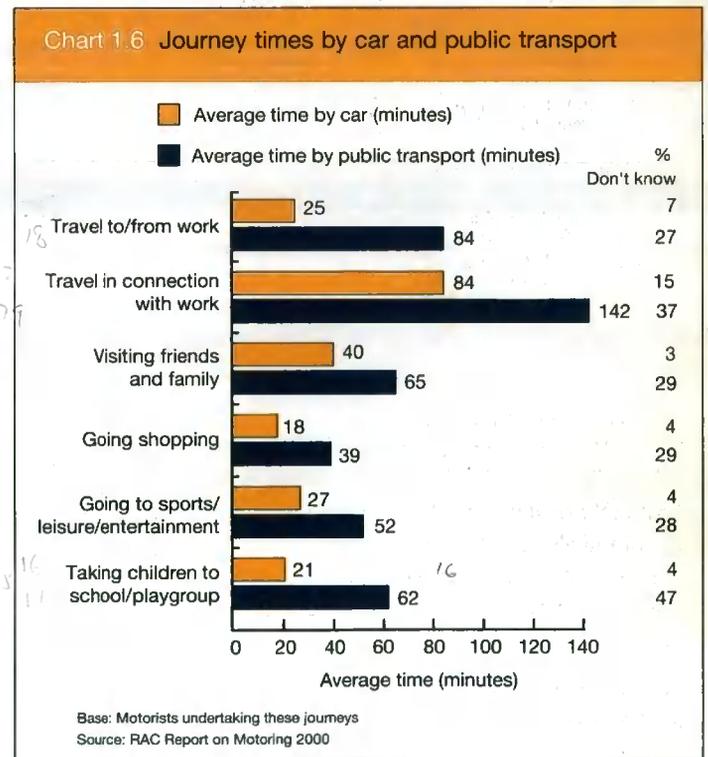
The bulk of the direct costs for cars is fuel. The costs of car purchase and maintenance are excluded since drivers tend to treat them as fixed, although in reality there is a variable element to them. However journeys on public transport reflect the full cost and can only be treated as marginal when using a travelcard or season ticket.



Motorists clearly believe that increased costs would result from using public transport rather than their cars for the journeys they were questioned about. For all trip purposes shown in chart 1.5, motorists believe that public transport is a more expensive option. For travel in connection with work, visiting friends and family and taking children to the school or playgroup, consumers believe that travel by public transport would be substantially more expensive than by car. The additional cost of using public transport for "the school run" is particularly high, reflecting the high number of passengers on these journeys (and therefore more than one ticket is required for travel on public transport). On average, commuters believe that public transport would be 25% more expensive for their journeys than the car.

The value of time

Motorists are also conscious of the time differences that exist between car travel and public transport. Drivers were asked to estimate the time of their journey by car and to provide a second estimate of how long it would take to make the same journeys by public transport. It should again be stressed that a



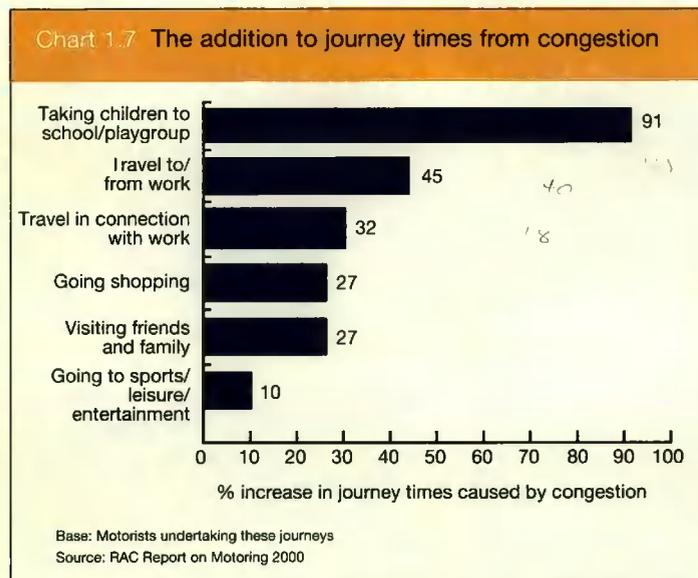
Many motorists are unaware of the cost of public transport

significant number of motorists were unaware of how long journeys by public transport would take.

The perception is that that increased time costs would result from using public transport rather than cars. The average duration of commuting journeys could be over three times as long using public transport rather than the car. The length of time required for journeys in connection with work, going shopping, or taking children to the school or playgroup would be between two and three times as long. Thus the British motorist is keenly aware of the time saving that is achieved by using the car.

The cost of congestion

However, journey times are also affected by the nature of the motoring environment. Congestion on Britain's roads does add considerably to car journey times and motorists are well aware of this.



Motorists believe that average journey times would be substantially reduced in the absence of congestion and this is the case for all trip purposes. For commuting journeys the average figures suggest that congestion adds 45% to journey times.

In addition to congestion, time is also added to car travellers' journeys by the need to find a parking space in town and city centres.

Chart 1.8 The time taken to find a parking space in town and city centres



Base: Motorists who use cars to go shopping (1,387)
Source: RAC Report on Motoring 2000

Just over half the respondents, 51%, stated that on average it takes them less than 5 minutes to find a city or town centre parking space. 30% estimated that it took them between 5 and 10 minutes and 14% that it takes over ten minutes.

RAC Comment

The research once again highlights how little motorists know about the real cost of using their car and public transport. To stimulate change in behaviour, motorists must be better informed about the real choices they face.

The longer nature of work-related journeys and the fact that these often take place between large conurbations makes this a good area for government to incentivise changes in journey patterns. These initiatives could include setting companies targets for reducing car dependency, encouraging the use of the most environmentally efficient cars and increased use of teleconferencing.

The impact of the school run on congestion once again highlights the need for local initiatives. We at RAC applaud the 1999 winner of the Prince Michael Road Safety Award – The Walking Bus. This initiative, by getting children to walk to school together, has improved both safety and congestion. Lex Service has also campaigned for many years for increased use of school buses, another initiative we would strongly support.



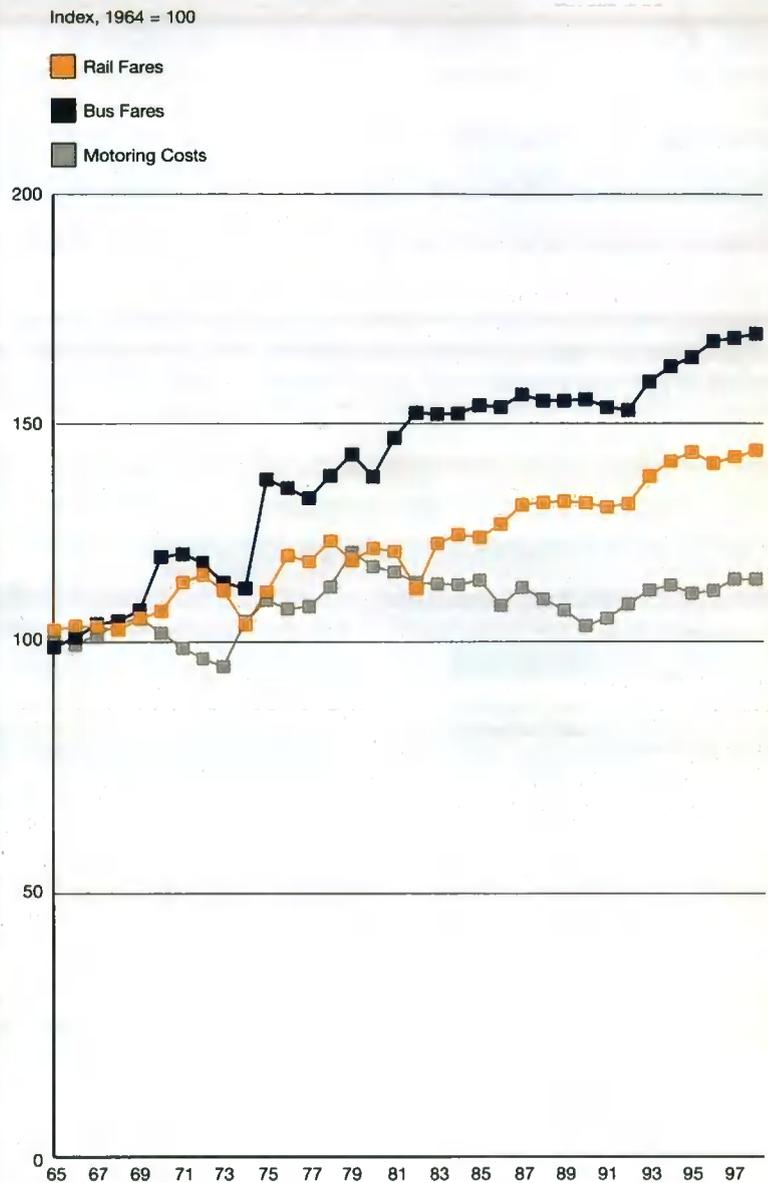
The motorist is aware of the time saving achieved by using the car

1.3 Motoring prices and public transport prices

Motorists clearly believe that cars are cheaper than public transport for most journeys they want to make. Official government data verify that this is the case and that the price of owning and operating cars has been falling relative to public transport prices for many years.

Relative to the retail price index, the costs of bus fares and train fares have grown since the early 1960s. The price of motoring has tended to vary with the price of fuel but has risen much less steeply than the price of public modes. Since the 1960s average gross household incomes have also risen and taking this into account the cost of owning and operating a car has fallen by about 40%, relative to gross household income. Meanwhile bus fares have grown relative to income and there has been little change in the price of rail.

Chart 1.9 Price indices relative to retail prices



Source: Transport Statistics, Annual Abstract of Statistics

The relative cost of public transport has increased



1.4 The economic costs of congestion

The cost of congestion can be estimated by using the value of peoples' time as estimated by the Department of the Environment Transport and the Regions. These give a non working value of time of £3.60/hour and a working hours value of £14.61/hour. In the chart below, it is only for journeys in connection with work that the working hours figure is used all others are based on the non-working hours value.

Motorists were asked to give an estimate of how long they thought their journeys would take if there were no congestion on the roads. Chart 1.10 has also used the National Travel Survey and value of time data to quantify the cost of congestion.

For the trips defined in the chart it is estimated that congestion costs the motorist around £23 billion in time each year. That amounts to around £800 each year for every motorist in Britain today. This excludes extra fuel costs and wear and tear, as well as the effects of congestion on freight and public transport.

Chart 1.10 The time costs of congestion for the British motorist

congestion	Number of trips made per year (billions)	Minutes per journey added by congestion (minutes)	Cost of (£billions)
Travel to/from work	5.4	8	3
Travel in connection with work	1.7	20	8
Visiting friends and family	6.9	8	4
Going shopping	7.1	4	2
Going to sports/leisure/entertainment	2.5	2	*
Taking children to school/playgroup	1.4	10	1
Other trips	7.9		5 est
Total	33.0		23

* Less than £0.5bn
 Base: Motorists undertaking these journeys
 Source: RAC Report on Motoring 2000 / National Travel Survey

RAC Comment

The cost of congestion is a burden on all of us whether we are users of cars or public transport. We have to find ways of reducing congestion, which do not penalise any group of the travelling public or lead to further financial pressures. Congestion charging can achieve this goal, provided it is used selectively and consistently in areas where congestion is a problem. It must also be offset by reductions in other charges on the motorist such as fuel taxes and car tax which will benefit the less well off who need the mobility of their car but who would be otherwise socially excluded. It has to be recognised that congestion charging will not be immediately popular with motorists and will have to be carefully explained and justified.



Congestion costs the motorist around £23 billion per year



Section Two

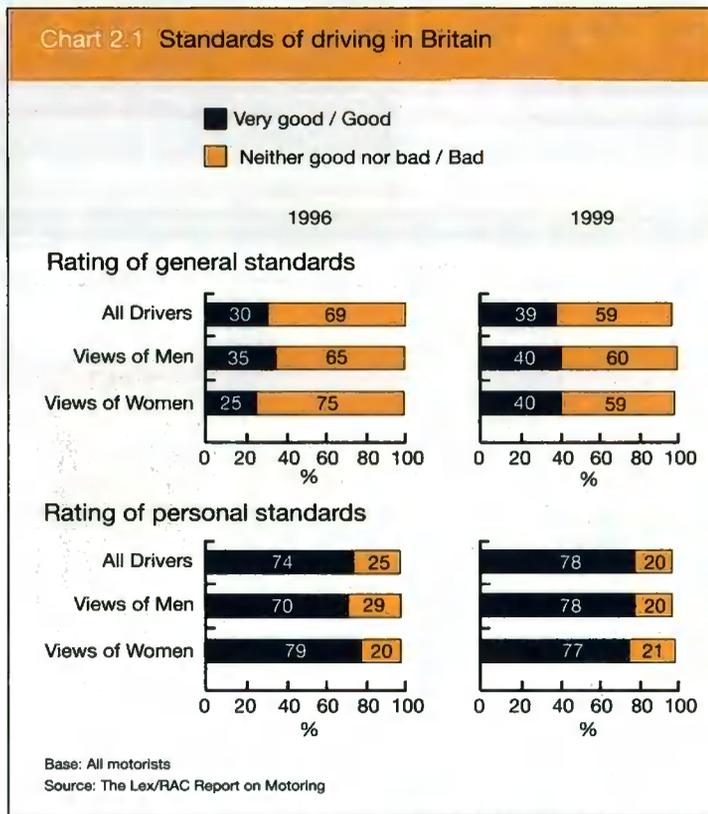


Driving behaviour and consumer attitudes

In this section the incidence of speeding, accidents and road rage is investigated, along with other aspects of driving behaviour in Britain. Motorists' perceptions of the standards of driving in Britain are revealed and levels of support for a variety of policies that could be implemented to improve driving standards and behaviour are identified.

2.1 The quality of driving

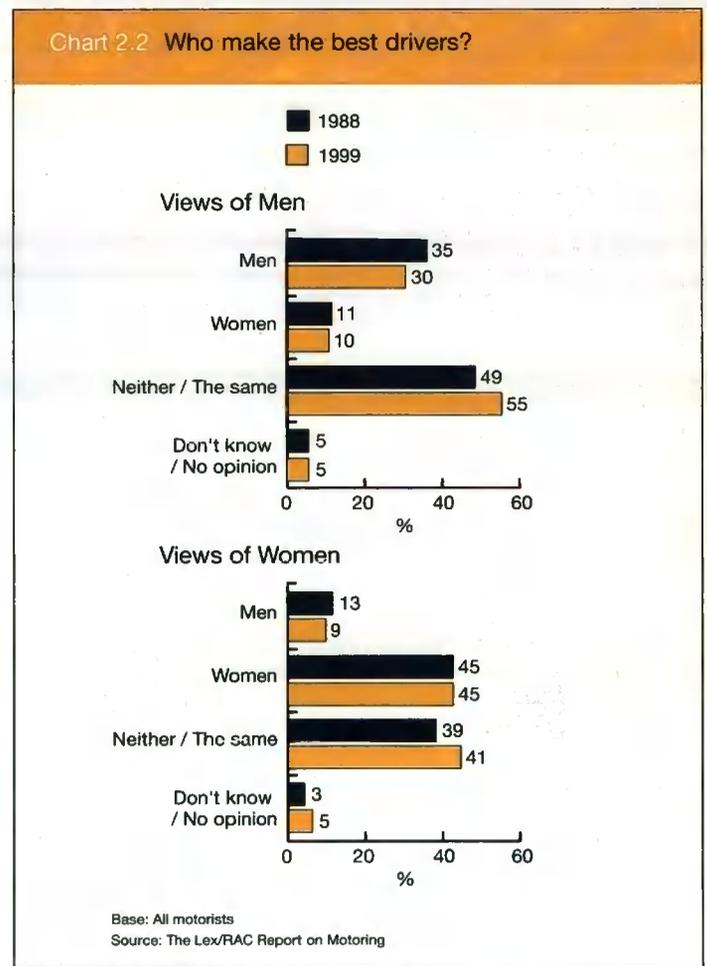
British drivers feel that their own driving skills are good – they are less sure about other drivers on Britain's roads. Less than half of the survey respondents rated the overall standard of Britain's driving as "very good" or "good", while 24% feel that it is "bad" or "very bad". There is not a great deal of difference between men's and women's views on the overall quality of driving. This is in contrast to the results of the 1996 Lex survey, which found that women were much more critical about Britain's driving standards than men. In general, Britain's motorists are now happier with standards of driving than they were three years ago, but overall they still feel they are too low.



In terms of their own driving skills, motorists are much more self-assured - 15% of motorists feel that their driving skills are "very good" while a further 63% feel they are "good". Men are more likely to place themselves in the "very good" category than women – a result consistent with earlier surveys.

What do men and women think about each other's driving?

The Lex survey has asked "who makes the best drivers, men or women?" a number of times over the past twelve years. Since the first 1988 Lex survey, men have become more likely to believe that equal standards exist, while women have retained their belief that they make better drivers and now have slightly less confidence in male drivers.



Women believe they are the best drivers

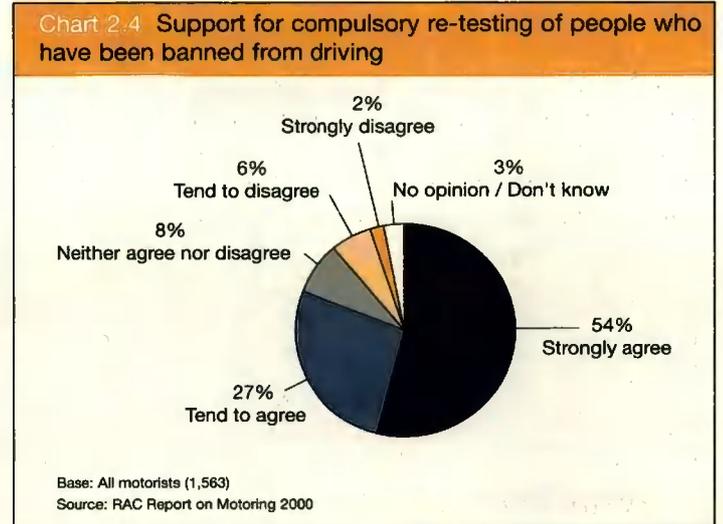
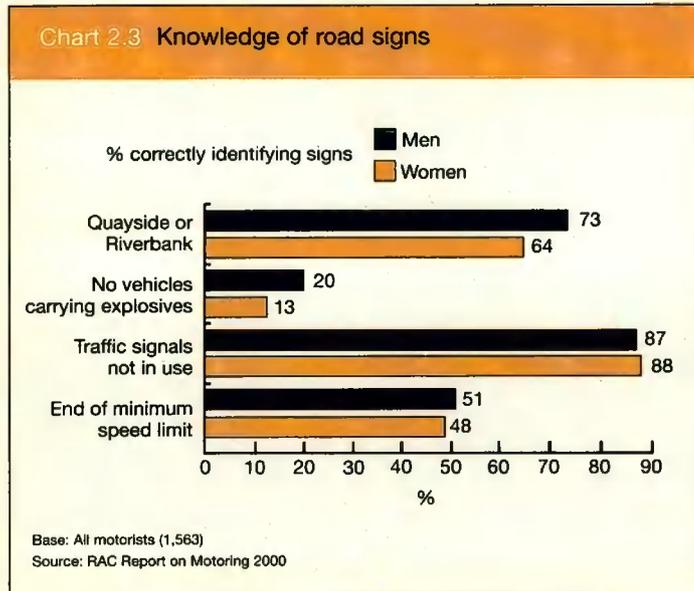
Women are fairly confident of their own driving skills relative to men – only 9% of females believe that men are the best drivers while 45% believe that women are. Men are equally unconvinced that women make better drivers but a higher proportion of males believe that there are not really any noticeable difference in driving skills between the sexes.

Despite the fact that women are more confident in their driving skills, they were slightly less able than men to answer questions on the meanings of road signs!

2.2 Improving driving standards

This section looks at motorists' views on measures affecting banned drivers and new drivers in a bid to raise driving standards and also opinions on the proposal to require drivers to carry licences at all times.

Compulsory re-testing



No vehicles carrying explosive:
17% correctly identified this sign



Quayside:
69% correctly identified this sign



End of minimum speed limit:
50% correctly identified this sign

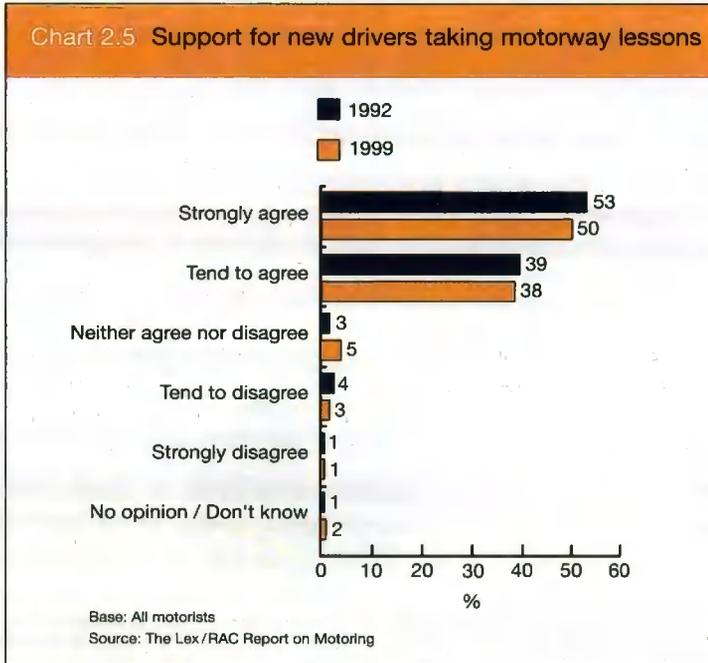


Traffic signals not in use:
87% correctly identified this sign



Men believe both sexes are equally good

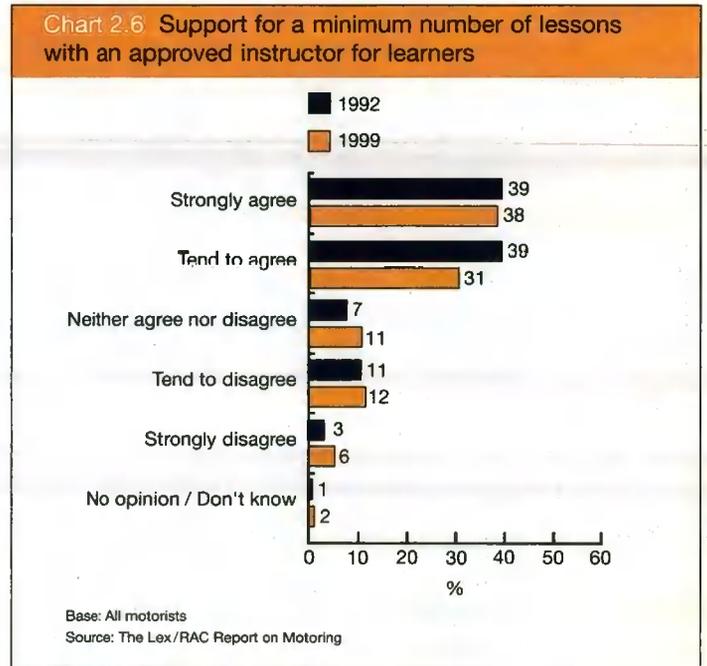
Motorists overwhelmingly express the view that compulsory re-testing should be introduced for banned drivers. 54% strongly agree that such measures should be introduced and a further 27% tend to agree. Only 8% of motorists indicated that they would not support this policy. This strong support is consistently expressed across the different age and sex categories.



Improving the skills of new drivers

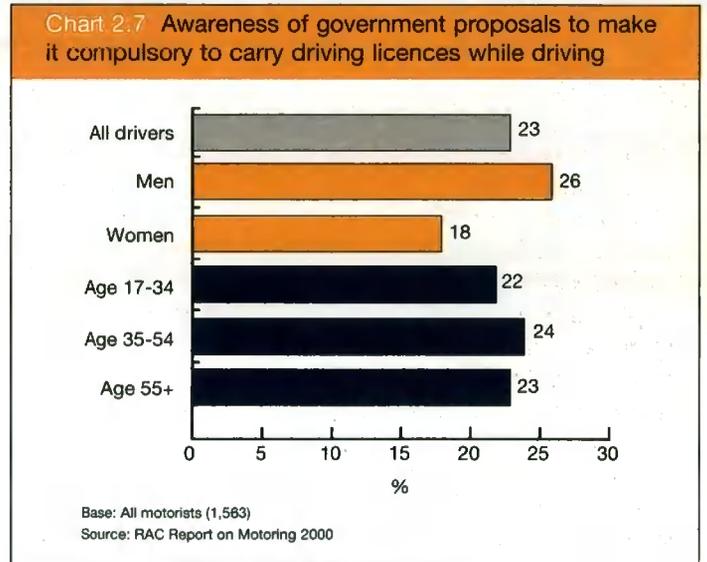
This year's survey investigates support for two measures that could be used to improve the skills of new drivers: that drivers who have just passed their test should have to take motorway lessons and that learners should take a minimum number of lessons with an approved instructor. Support amongst motorists for the requirement that new drivers undertake motorway lessons has remained strong. Only 4% did not support this policy while 88% did and there is little variation in support amongst different age groups.

The majority of motorists, 68%, believe learners should be required to take a minimum number of lessons with an approved instructor, 18% disagree and 11% are indifferent. Older age groups are more strongly supportive of this measure. There has been a slight drop in support since 1992.



Carrying driving licences

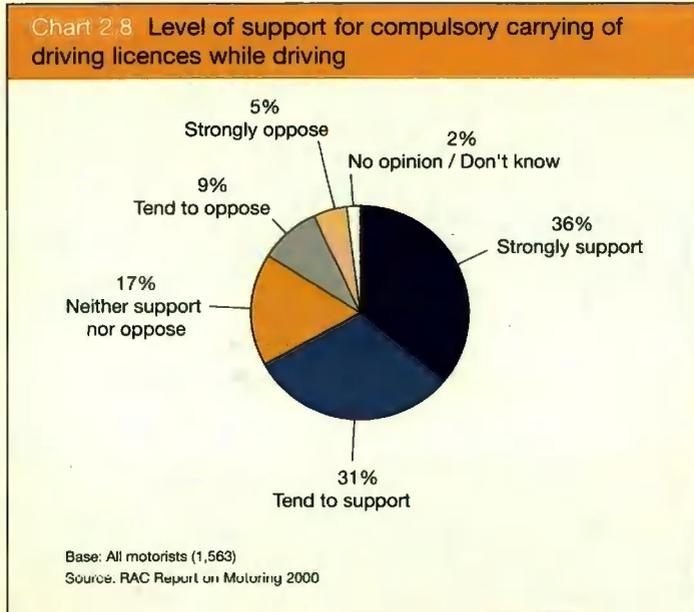
A more general approach to raising driving standards could be to make it compulsory to carry driving licences while driving. The RAC survey tried to find out how aware motorists were of this proposal and what level of support they would give it.



New drivers should take motorway lessons

Awareness of this proposal is low – under a quarter of motorists indicated that they knew of it. Awareness amongst women is less than amongst men.

Motorists would on the whole lend their support to this proposal.



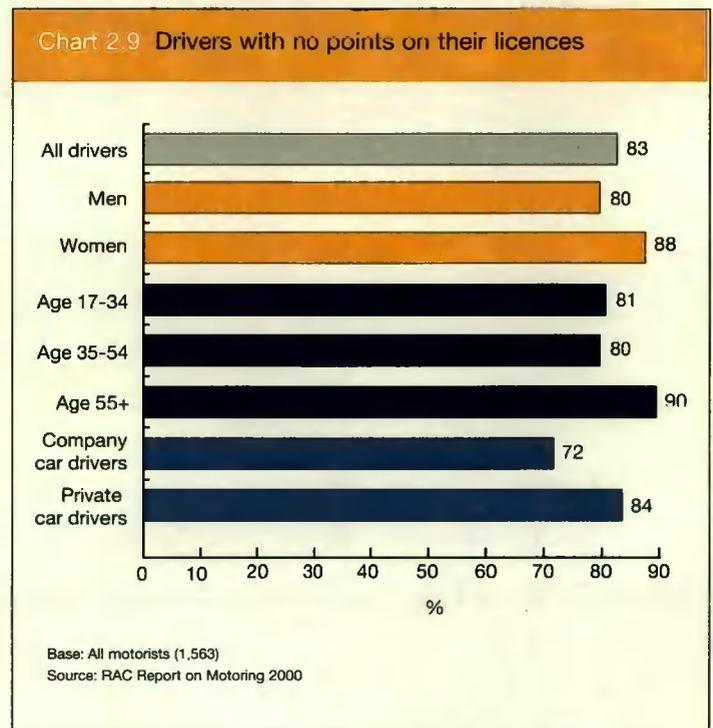
36% of motorists would “strongly support” the compulsory carrying of licences for drivers while a further 31% would “tend to support”. Only 14% of drivers express opposition to this proposal.

RAC Comment

Motorists are not confident about the quality of driving in Britain. We at RAC support motorists' views that measures should be introduced to improve driving standards, including the compulsory re-testing of banned drivers and the imposition of the need to carry licences. It may also be time to look again at the standards we wish to achieve through the driving test. Our research shows that attempts to raise the standards of new drivers would receive a great deal of support from motorists. RAC also strongly supports the introduction of more driver refresher and advanced driving courses – particularly for company car drivers – as well as making it compulsory for learners to train with qualified instructors.

2.3 Incidence and cause of accidents

Britain's drivers are on the whole responsible and fairly safe. This is reflected in the small number of drivers that currently have points on their licence and in the low incidence of accidents. 83% of drivers have no penalty points on their licence – this is consistent with the 2.9 million motoring convictions each year. This figure is higher for woman at 88% and for older drivers at 90%. Company car drivers, who do high mileages, have the lowest figure of these groups, with only 72% having no points on their licences, compared with 84% of private car drivers. It should be noted, however, that private car drivers, women and older people all cover less miles per annum than their comparative group and therefore have less “opportunity” to get points on their licence.



Motorists support compulsory carrying of driving licences

Incidence of accidents

Only 18% of motorists have been involved in an accident over the last three years. Drivers in the oldest age group are much less accident prone - 88% of them have not been involved in an accident over this period. The youngest age group is much more likely to have accidents - one in four drivers between 17 and 34 have been in an accident within the last three years. There is no significant difference in the incidence of accidents between men and women.

Chart 2.10 Incidence of accidents within the last three years

	All drivers	Men	Women	Age 17-34	Age 35-54	Age 55+
No accidents	78%	78%	78%	71%	77%	88%
One accident	14%	13%	15%	19%	16%	6%
More than one	4%	5%	3%	6%	4%	2%

Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

When asked to indicate the degree of involvement in their most recent accident, drivers were at pains not to accept the blame.



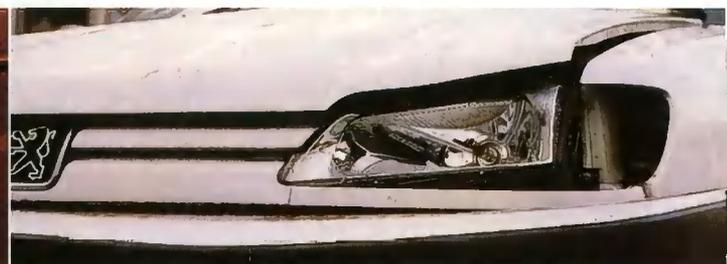
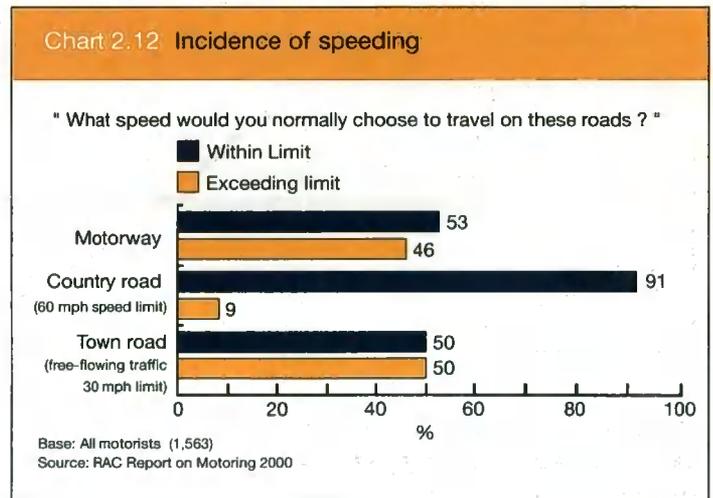
Most drivers will apportion the blame for accidents to the other party and women in particular will not blame themselves. Drivers tend to assign blame to someone and accidents are rarely thought to be no-one's responsibility.

Most drivers are sufficiently concerned about accidents to stop and spend their own time helping resolve problems, even if they are not involved in the accident itself. Asked what their response would be if they "witnessed a minor accident while driving to an important appointment", 60% of drivers would stop and give their name and address and 14% would ring the police on their mobile phone and keep driving. Only 26% of motorists said that they would choose to drive off without stopping.

2.4 Speeding on Britain's roads

The majority of motorists do not have points on their licences but speeding is still a problem on Britain's roads. Very few drivers, however, currently suffer any consequences as a result of breaking the limit.

The survey sought to quantify the incidence of speeding, given free-flowing traffic, on motorways, country roads with a 60mph speed limit and town roads with a 30mph speed limit.



Motorists blame accidents on other drivers

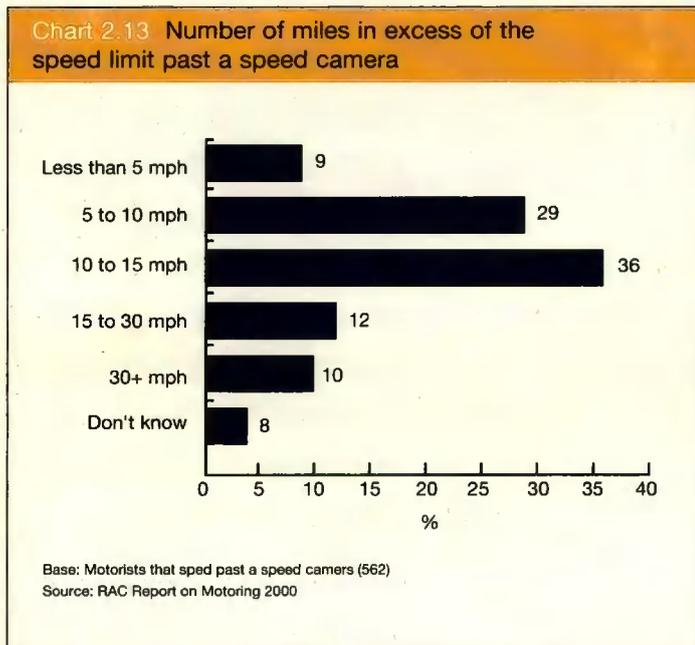
50% of drivers admitted that they would choose to break the speed limit on town roads with free flowing traffic. Younger drivers (17-34) are more prone to do this with 55% indicating that they would choose to "speed".

Motorists are less likely to break the limit on country roads – only 9% said that they would choose to "speed". However, 46% of motorists will speed on motorways. 35% of drivers indicated that they would break the motorway speed limit by up to ten miles per hour and 11% by more than that. Younger drivers are twice as likely as the average driver to exceed 80mph on the motorway.

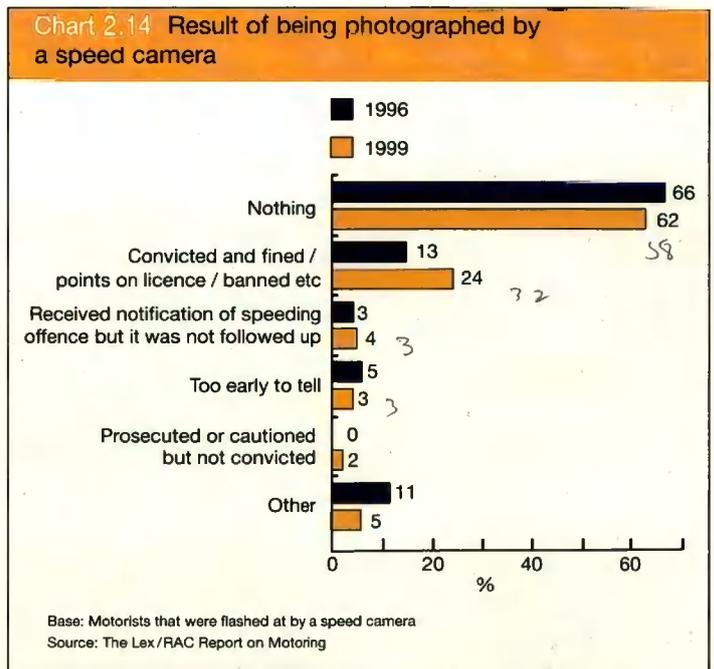
These figures are consistent with government data on speeding.

Speed cameras

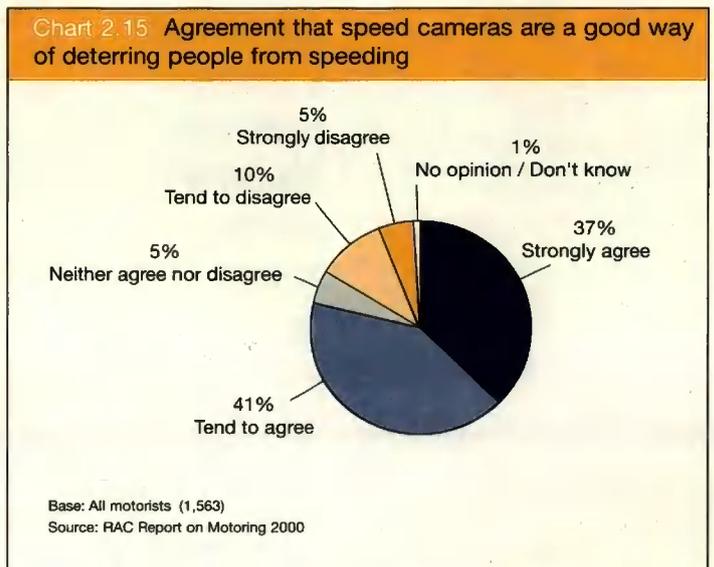
Speed cameras act as a deterrent to most motorists but do not eradicate all illegal speeding. 37% of motorists admitted to having sped past a speed camera. Of these, 73% were exceeding the speed limit by less than 15 miles per hour.



These drivers were asked if they had ever been photographed or flashed at by a speed camera - 40% said they had. Of those that had been flashed at, only a minority said that this resulted in prosecution or conviction.



For 62% of those motorists that admitted speeding past a speed camera no consequences ensued. Only 26% were prosecuted or convicted. The figures show that police action has increased since 1996, when only 13% of drivers had received a conviction or prosecution as a result of being "flashed" at.

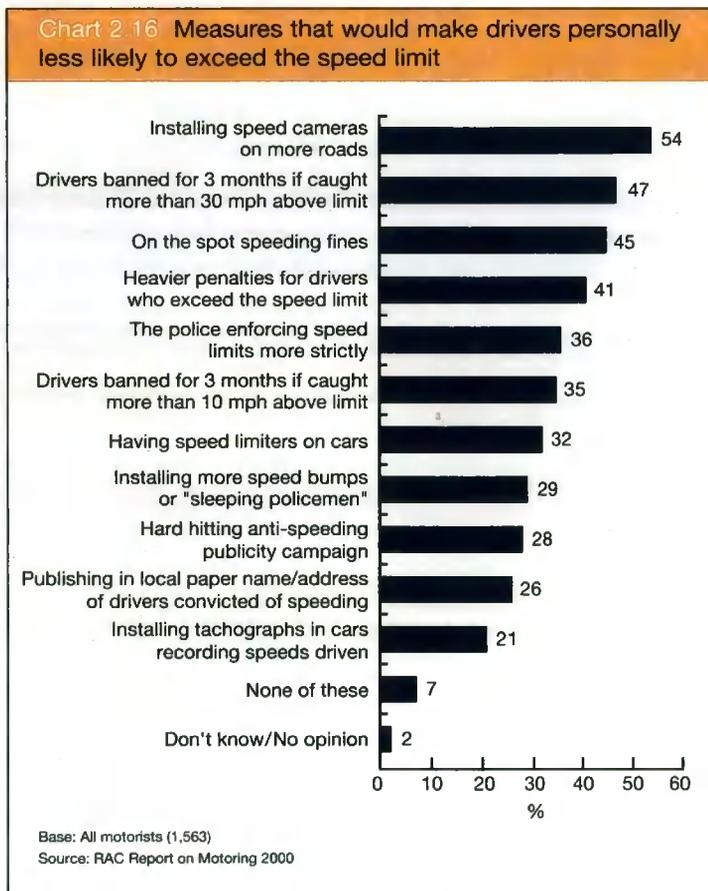


Over a third of motorists have sped past a speed camera

Almost 80% agreed with the statement “speed cameras are a good way of deterring people from speeding”, while only 6% disagreed. However motorists did express some concern about the way in which speed cameras affect driving, with 59% agreeing that they cause people to slow down dangerously quickly. Motorists recognise the benefits of speed cameras, but do not generally like speed bumps or sleeping policemen – 44% viewed these latter measures as a “nuisance” or “a waste of money”.

Actions to control speeding

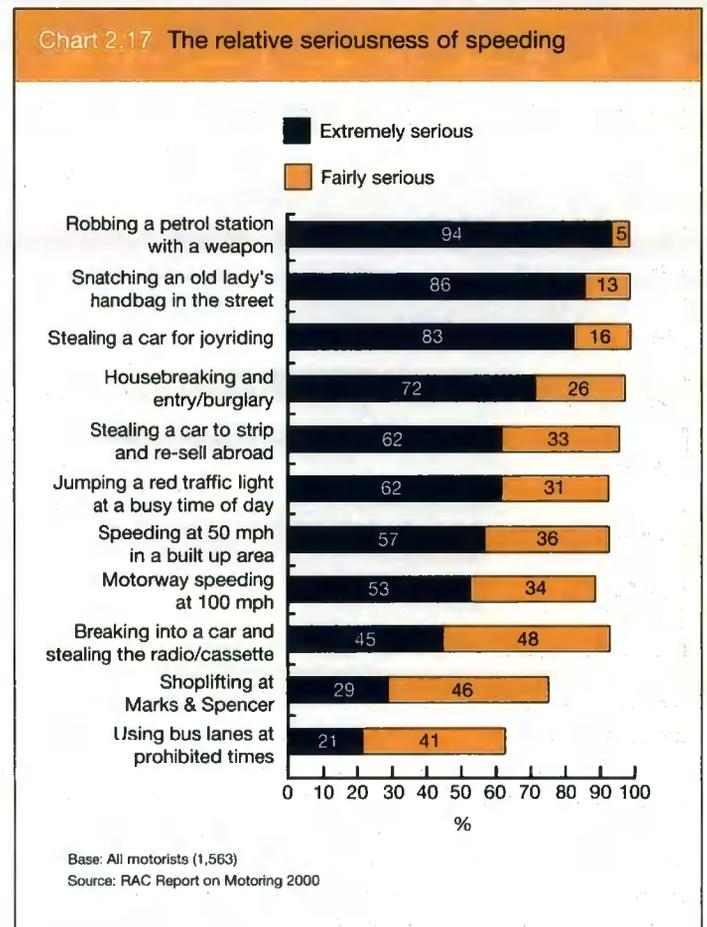
Motorists were asked to select measures which they believe would make them personally less likely to exceed the speed limit.



Again speed cameras appear to be an instrument that many motorists believe is effective in causing reductions in speed. Driving bans, on the spot fines and heavier penalties also receive reasonable levels of support. Motorists are much less convinced about the worth of advertising campaigns, “naming and shaming” schemes and the installation of tachographs.

Views on speeding

This year's research has shown that speeding is common on Britain's roads and that a high number of drivers admit to breaking speed limits. Yet motorists view speeding as a serious offence and they are generally in favour of action that could reduce speeding.



44% view speed humps as a 'nuisance'



Speeding on motorways and in built up areas are "crimes" viewed as serious by 87% and 93% of drivers respectively. Motorists believe that excessive speeding is more serious than stealing from Marks & Spencer or than breaking into a car and stealing a radio cassette.

Another contradictory aspect of this year's results is that some motorists would like to see speed limits raised in Britain - particularly on motorways.

Chart 2.18 Support for increasing the speed limit on British roads

Percentage of drivers that would like to see speed limits increase

Ideal speed limit	Motorway (70 mph)	Country road (60 mph)	Town roads (30 mph)
Lower than now	5	50	79
No change	46	41	
Plus 10 mph	34	3	17
Plus 20 mph	8	0	1
Plus 30 mph	2	0	0
Unlimited	2	1	0
Don't know	2	5	3

Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

Just one in five drivers think the speed limit should be raised on town roads and only one in twenty think the speed limit should be raised on country roads - half of drivers think the limit should be lower than the current 60 mph on country roads. Many drivers do, however, feel that motorway speed limits are too low, with 45% suggesting that the limit should be raised. Only a very small minority believes that not having any speed limits would be a good idea.

RAC Comment

Motorists express concern over speeding but it is still a problem on Britain's roads. We at RAC would welcome action to curb speeding but we also believe that more consideration should be put into re-thinking the speed limits we have at present. Currently, drivers can speed "illegally" along a very safe stretch of road in which there may be a very small chance of any harm occurring as a result of breaking the limit. However in towns and cities, motorists are allowed to drive at "inappropriate" speeds, for instance at 30 miles per hour past a school, while staying within the legal limit.



2.5 Incidence of road rage

Road rage was quantified for the first time in the 1996 Lex Report on Motoring. Since then surveys have shown that it is a continuing problem. Drivers were once again asked if they had committed different forms of road rage in the last 12 months.

Chart 2.19 Confessions of road rage

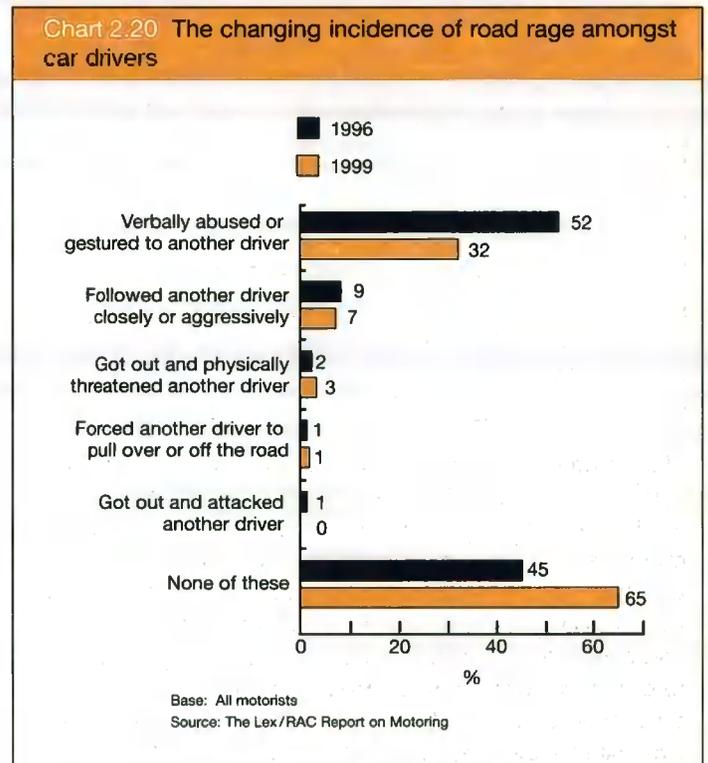
	All drivers	Men	Women	Age 17-34	Age 35-54	Age 55+
Verbally abused or gestured to another driver	32%	33%	30%	44%	34%	16%
Followed another driver closely or aggressively	7%	9%	4%	15%	7%	1%
Got out and physically threatened another driver	3%	4%	1%	6%	3%	-
Got out and attacked another driver	-	1%	-	1%	-	-
Forced another driver to pull over or off the road	1%	1%	-	1%	1%	-
None of these	65%	63%	68%	50%	63%	82%

Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

Britain's motorists do admit to committing road rage but most incidents are arguably harmless involving only verbal abuse or a gesture. Men are more prone to commit road rage than women and younger drivers between 17 and 34 are the most likely source. Only one in two of these younger drivers

claim not to have committed any form of road rage in the past year. Older drivers are much less prone to road rage, with 82% of over 55s not committing any act of road rage in the last 12 months.

The incidence of road rage may be declining in Britain. Chart 2.21 shows that verbal abuse and gestures are now less common than they were in 1996 and the number of motorists that do not commit road rage has grown from 45% to 65%. More serious acts of road rage have changed very little – there are still around three million drivers admitting to serious acts of road rage each year.

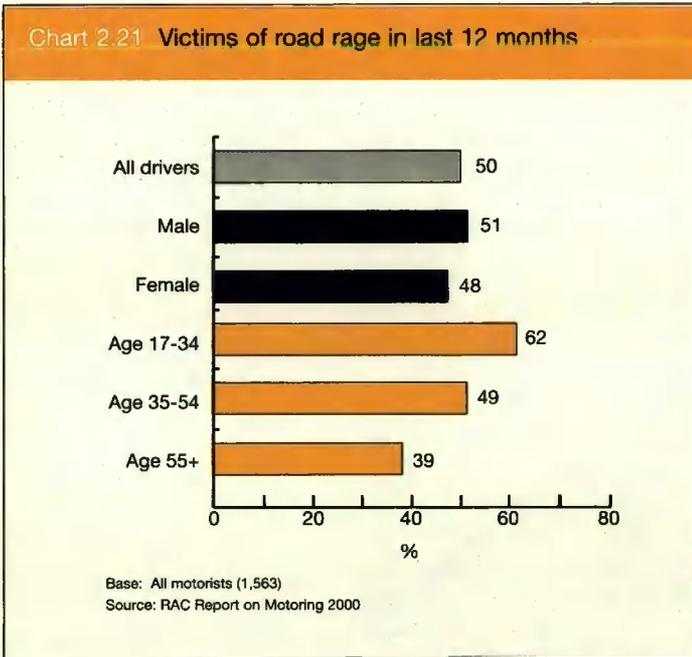


35% of motorists commit road rage



Victims of road rage

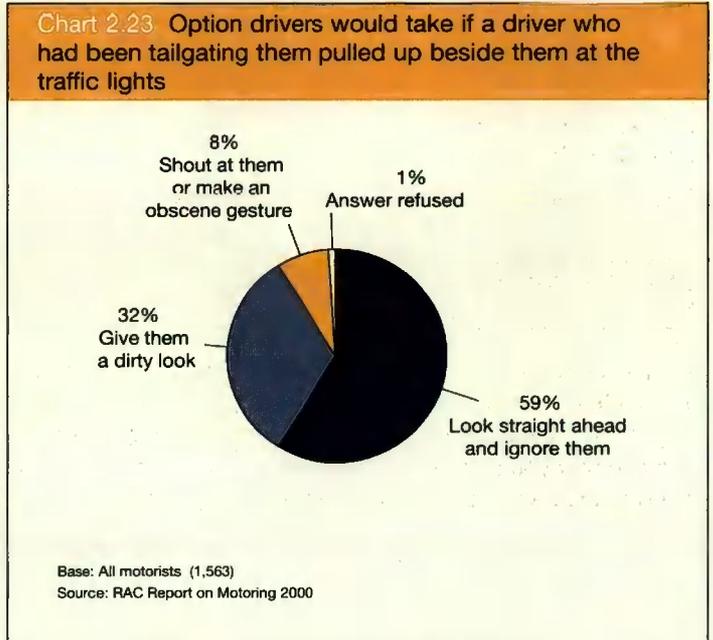
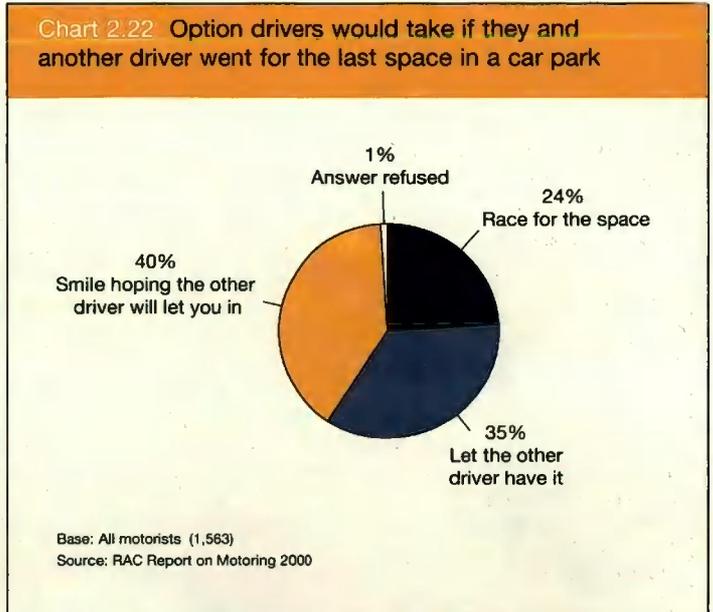
More drivers admit to having been a victim of road rage than to have committed it.



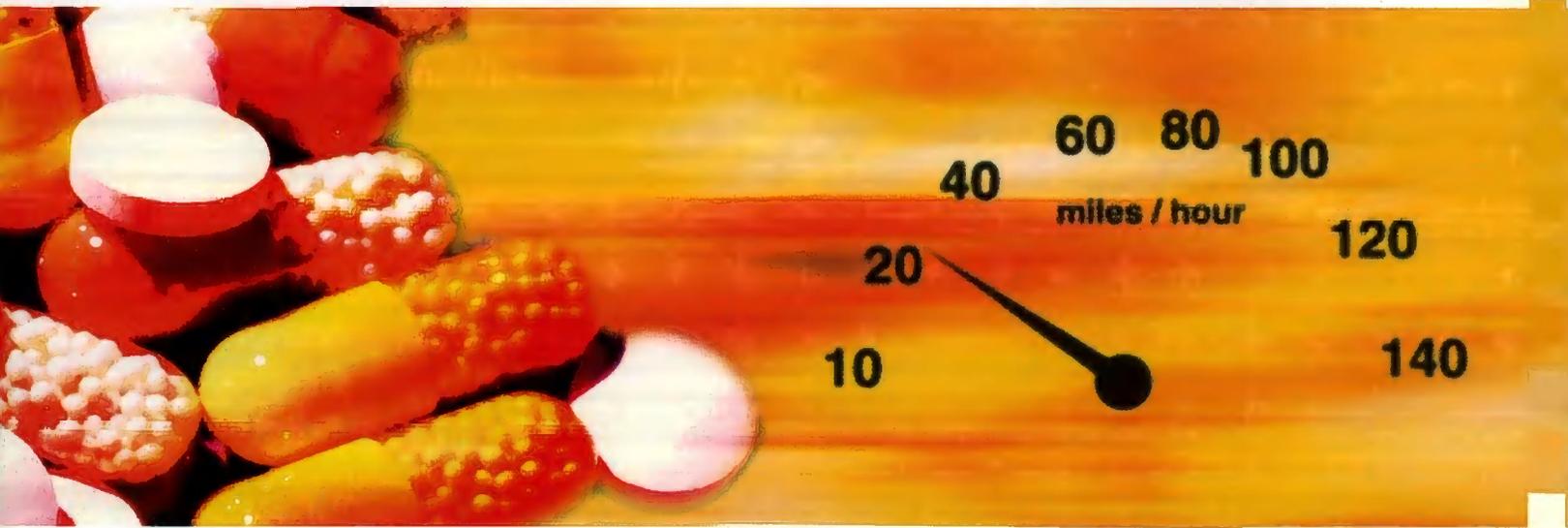
The majority of motorists have been victims of road rage at some point in their driving lifetime and 50% have experienced road rage in the past 12 months. Again the younger motoring groups are well represented with over 60% having experienced road rage this year. The survey shows that many incidents involve verbal abuse or gestures but 35% of drivers had been followed aggressively at some point, 8% had been forced to pull over or off the road and 7% had been physically threatened by a driver leaving their car. Only 2% of drivers had ever experienced physical attacks and a further 2% had damage done to their vehicles.

Driving manners

Respondents were asked what they would do if they faced a number of driving dilemmas.



Half of motorists were victims of road rage this year



Section Three



Drink and drugs

Britain's motorists believe that driving under the influence of drink or drugs are very serious and dangerous offences, but are the incidences of these forms of illegal driving as isolated as they could be? This chapter examines the use of drink and drugs by car drivers. It canvasses the views on motorists about these offences and reveals the levels of support that exist for policies to reduce the occurrence of these crimes. To decrease the possibility of withheld or incorrect responses on these sensitive issues, respondents were assured that answers to the questions presented in this section would remain confidential – only 1% of respondents refused to answer these questions.

3.1

The use of drink and drugs by car drivers

The use of drink and drugs by car drivers is taken very seriously by motorists. Most of Britain's drivers do not admit to driving under the influence of drugs or when over the legal alcohol limit but this year's survey shows that drink and drugs are still being used, albeit by a minority of drivers.

The vast majority of motorists do not drive under the influence of drugs or drink or get into a car where the driver is drink or drug driving. 83% claim not to have been in a car in the last 12 months when the driver was under alcohol or drug influence and 88% of drivers claim not to have personally driven under the influence of anything, either alcohol or drugs, over the same period.

Drink driving in particular is still a small but serious problem in Britain. Around two in 100 motorists admit to driving while being over the legal alcohol limit, implying that there are around half a million drink drivers in Britain today. It is the younger and middle-aged drivers that are most at fault in this respect – 5% of 35 to 54 year olds have been in a car where the driver (either themselves or someone else) was over the legal alcohol limit in the last 12 months. Drug use tends to be amongst a small minority and is confined to young and middle aged drivers.

Women are much less likely than men to drive under the influence of anything and are particularly cautious about illegal drugs and exceeding the alcohol limit.

Although there is still a problem with drunk driving in Britain, the incidence appears to be falling over time, whereas driving under the influence of drugs is increasing. Chart 3.2 compares this year's survey with the results from the 1996 Lex research results.

Experience of illegal drink driving has fallen from 8% to 4% whilst driving while under the incidence of cannabis and other serious drugs has increased from around 3% to 5%.

Chart 3.1 Incidence of drink and drug driving

% who have been in a car in the last 12 months while the driver was under the influence of...	All drivers	Age 17-34	Age 35-54	Age 55+	% who have personally driven under influence of..
Medicines likely to cause drowsiness	3%	5%	3%	1%	2%
Alcohol on or below the legal limit	11%	14%	13%	6%	7%
Alcohol over the legal limit	4%	4%	5%	1%	2%
Legal stimulus drugs such as Pro-Plus or guarana	1%	3%	1%	0%	1%
Cannabis or marijuana	3%	6%	2%	0%	1%
Amphetamines or speed	1%	2%	1%	-	0.5%
Other illegal drugs such as ecstasy, cocaine, or heroin	1%	2%	1%	-	0.5%
None	83%	77%	82%	91%	88%

Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

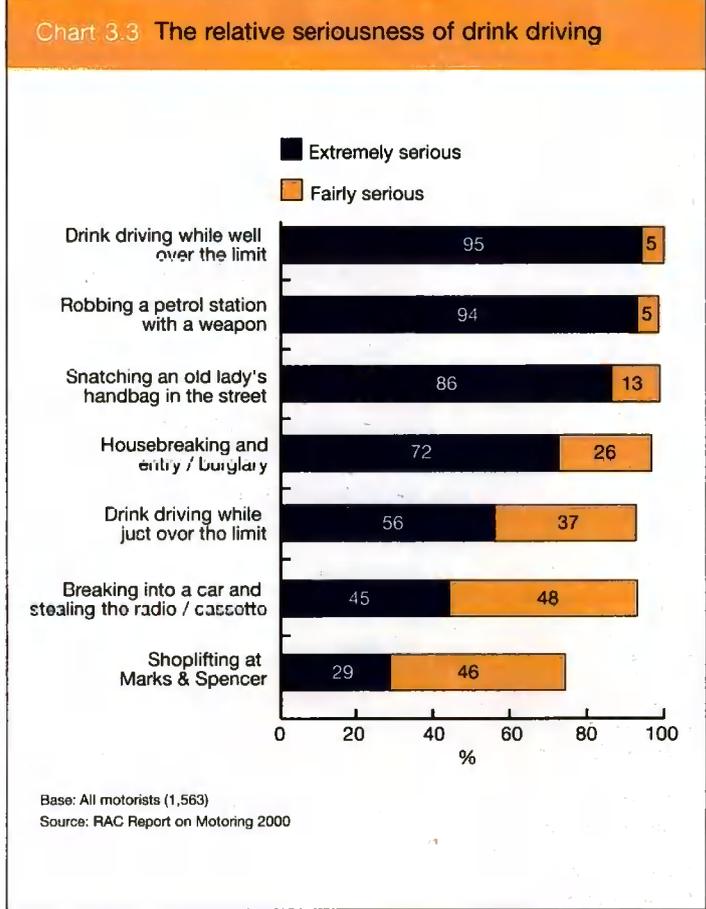
12% of motorists admit to driving under the influence of drink or drugs



Chart 3.2 The changing incidence of drink and drug takers

% who have been in a car in the last 12 months while the driver was under the influence of...	1996	1999
Medicines likely to cause drowsiness	4%	3%
Alcohol on or below the legal limit	24%	11%
Alcohol over the legal limit	8%	4%
Legal stimulus drugs such as Pro-Plus or guarana	1%	1%
Cannabis or marijuana	2%	3%
Amphetamines or speed	1%	1%
Other illegal drugs such as ecstasy, cocaine, or heroin	0%	1%
None	69%	83%

Base: All motorists
Source: The Lex/RAC Report on Motoring



3.2 Controlling drink and drugs

The previous section has shown that the use of drink and drugs is still relatively commonplace amongst British drivers. The survey also sought to determine how motorists feel about driving under the influence of drink and drugs and what sort of measures they would support to control it.

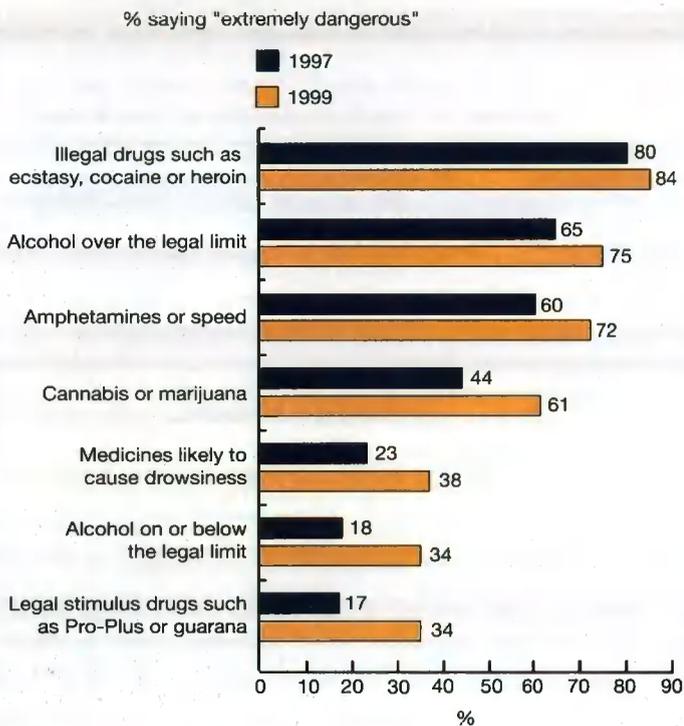
Despite the fact that some motorists still admit to drink driving, it is almost universally regarded as being a dangerous and serious offence. 93% viewed driving while just over the limit as being a serious offence. Motorists view drink driving while well over the limit as the most serious crime in the table.

Motorists were asked to express the level of danger they perceived from using different drugs while driving. The question was last asked in the 1997 Lex motoring survey and this year's results show that drivers are more aware now of the danger of drink and drugs.



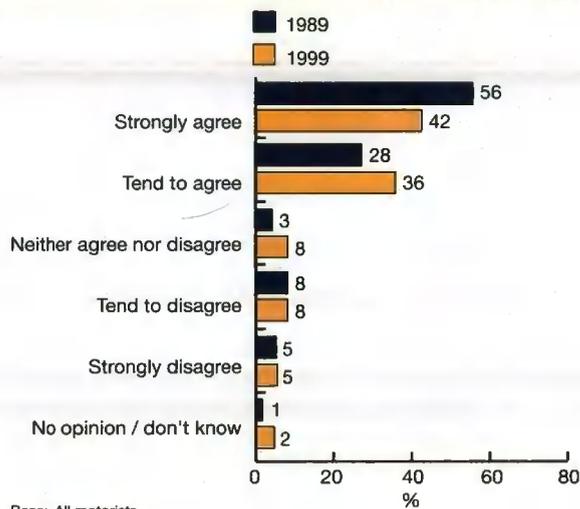
93% believe drink driving is a serious offence.

Chart 3.4 The perceived danger of driving under the influence of different drugs



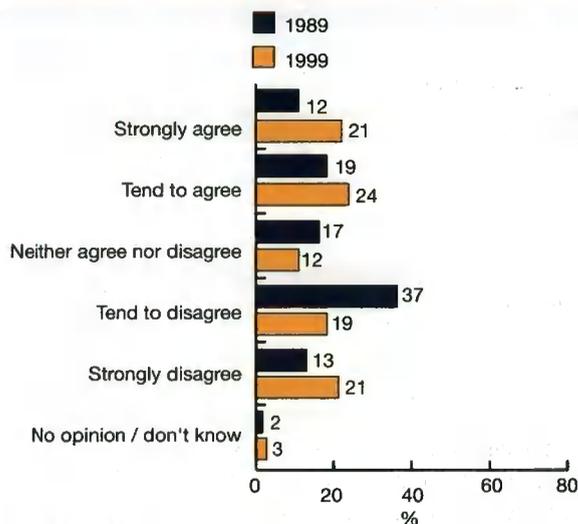
Base: All motorists
Source: The Lex/RAC Report on Motoring

Chart 3.5 Level of agreement that random breath testing should be introduced



Base: All motorists
Source: The Lex/RAC Report on Motoring

Chart 3.6 Level of agreement that the legal drink driving limit should be halved



Base: All motorists
Source: The Lex/RAC Report on Motoring

For all drugs described in the survey the number of motorists that perceive "extreme" danger from use whilst driving has increased in just two years. Alcohol and illegal drugs are seen by the vast majority as extremely serious.

Control of drink and drugs

Support for the introduction of random breath testing is still strong, with 78% of drivers agreeing with this policy. Previous results from the Lex survey of 1989 show that "strong" support for this policy has been declining, but opposition to it has not grown.

78% want random breath testing introduced



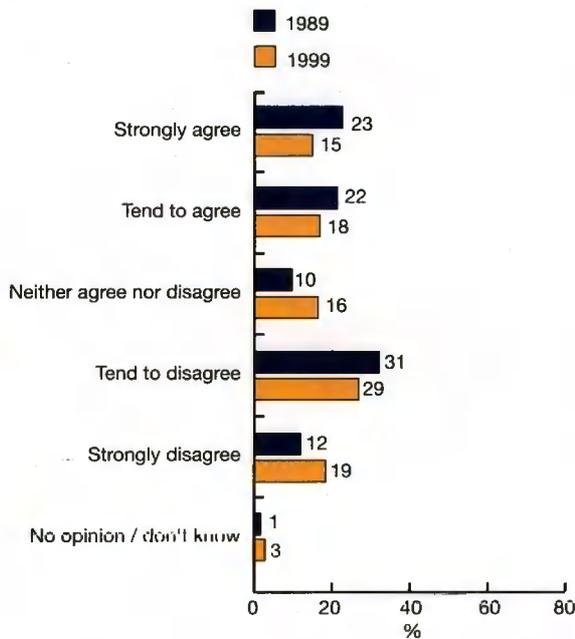
Despite the concerns of motorists, they are split on whether the legal drink driving limit should be reduced. The number of motorists that would support a halving of the drink driving limit has increased since 1989, as the perception of the associated dangers has also increased. Many fewer motorists would now be opposed to this policy. However, motorists are still split – 45% agree that the limit should be halved and 40% disagree.

RAC Comment

We at RAC would strongly support the introduction of measures to reduce the incidence of driving under the influence of drink or drugs. With the survey showing there are around half a million drink drivers in Britain, it is still far too common a problem on Britain's roads and it is extremely worrying that the use of banned drugs whilst driving has grown so rapidly. The research shows that motorists are concerned about drink driving and would strongly support the introduction of random breath testing. The RAC Foundation has shown that the answer is not to reduce the drink drive limit but to increase awareness of the loss of control associated with drink driving and to tackle the hard core persistent offenders. The level of awareness of the dangers associated with these crimes has increased in recent years. Transport policy can build on this development and try to cement the view that these are extremely serious and objectionable offences.

There should be an urgent public education campaign on the risks of drug driving, even before an acceptable drug test is available, to raise awareness and influence behaviour. The pharmaceutical industry should be urged to introduce a traffic light warning scheme for prescription drugs and other medicine to provide consumers with better guidance on the dangers of driving while taking medicinal drugs.

Chart 3.7 Level of agreement that everyone caught over the legal drink driving limit should receive a prison sentence



Base: All motorists
Source: The Lex/RAC Report on Motoring

Over the years a high number of drivers have been prepared to agree that prison sentences should be given to drivers over the legal alcohol limit. This is still the case but feelings are less strong now than when the question was first asked back in 1989.



A third of motorists want prison sentences for drink drivers



Section Four



Green labelling of cars and related products and services

Could some of the environmental difficulties associated with car usage be addressed through the green labelling of cars and related product and services? The research has sought to provide the motorists' perspective on the nature and magnitude of environmental problems. In this chapter it is revealed how motorists feel about environmental damage and what policies they would support to reduce such damage.

4.1

The perceived importance of environmental problems in Britain today

How much concern is there for the environment amongst drivers, are the problems that exist viewed as being critical and how do environmental problems rank in importance alongside other current concerns?

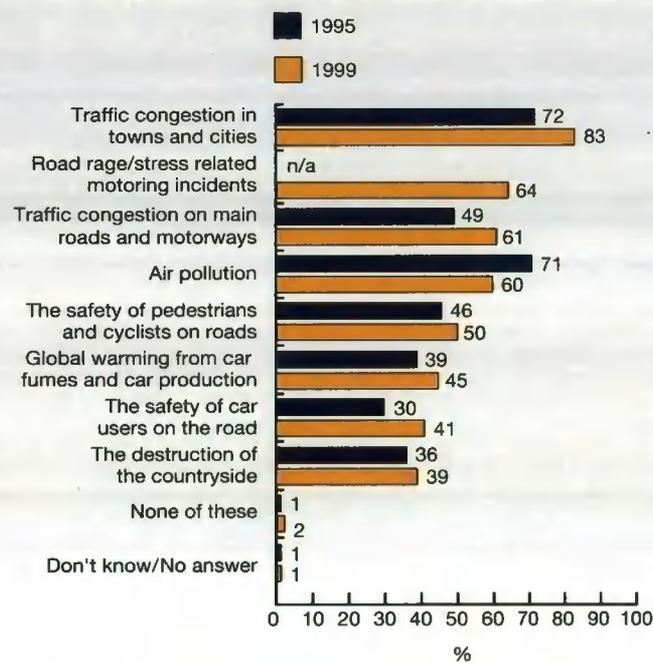
Britain's drivers are clearly concerned about the environment but there are other issues that are more popularly viewed as being major transport problems.

Air pollution is cited as a major problem by 60% of drivers, 45% are concerned about global warming, and 39% about the destruction of the countryside. Concern for air pollution has dropped since 1995, but has risen for global warming.

Environmental issues are regarded as being major problems by many British drivers but wider and growing concern exists for other issues such as traffic congestion and road rage.

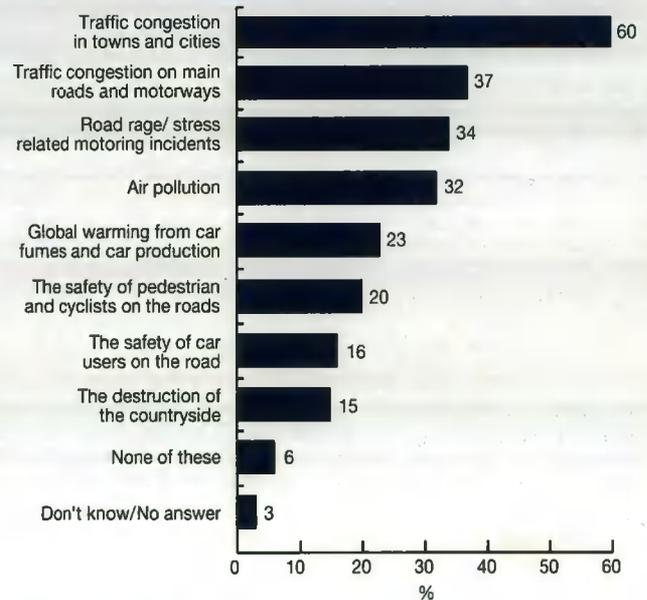
Britain's drivers may be concerned about the environment but fewer perceive these problems as being "critical" and requiring immediate action.

Chart 4.1 The perception of major transport problems in Britain today



Base: All motorists
Source: The Lex/RAC Report on Motoring

Chart 4.2 Major transport problems in Britain today that have reached a critical point and must be tackled immediately



Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

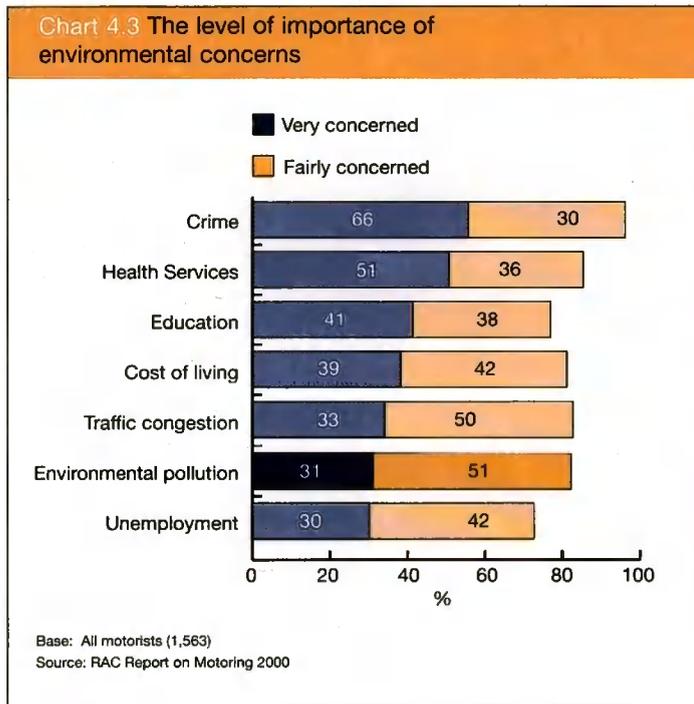
Traffic congestion is drivers' major motoring and health concern



Many fewer motorists demand immediate action for environmental issues than believe they are major problems. One third of drivers believe that air pollution has reached a critical point and less than a quarter would call for immediate action on global warming. The only issue that a majority believe is critical is traffic congestion in towns and cities.

The relative importance of the environment

Concern for environmental pollution is more widespread than for unemployment, about equal to that for education, the cost of living, and congestion but less than for crime and the health services. While motorists are concerned about the environment, many do not view environmental problems as being "critical". Traffic congestion, road rage and other wider social concerns are more popularly viewed as being major problems.



RAC Comment

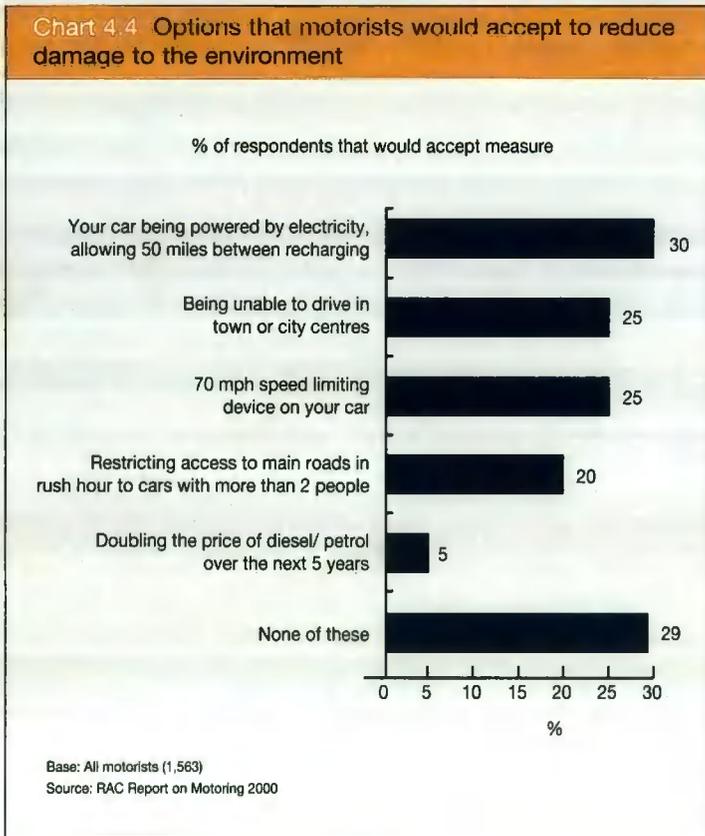
This year's survey results confirm the findings of previous years: while many motorists express environmental concerns, these rank lowly against other transport issues such as congestion and road rage. Indeed, concern for congestion is growing amongst Britain's drivers. The introduction of catalytic converters, the use of new fuels, advances in engine design and the implementation of environmental agreements, have all contributed to a substantial reduction in motoring emissions with further benefits to come from on board diagnostics. However there is still a significant proportion of gross polluters, particularly amongst buses, taxis and trucks and older, pre-catalytic converter cars which need to be removed from the road or upgraded to today's higher environmental standards.



Crime is the most important issue

4.2 Support for environmental damage reduction policies

Britain's drivers do not support large fuel price increases and while they are concerned about the environment, relatively few support damage reduction policies. The measures outlined in chart 4.4 all received minority support and 29% of motorists would not accept any of the options.



A high proportion of toxic emissions from vehicles emanate from older vehicles. The introduction of new cars that are fitted

with catalytic converters, have better fuel efficiency and use less polluting fuels, has substantially reduced the incidence of vehicular air pollution.

Chart 4.5 Support for a stricter MOT test for exhaust emissions

	All drivers	Bought car new	Bought car second hand
Yes	67%	75%	66%
No	20%	15%	22%
Don't know	13%	11%	11%

Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

Two-thirds of motorists would support the introduction of stricter MOT tests while only 20% would not. As one may expect, drivers that buy new cars are more likely to support this measure. This result suggests that while motorists may not be entirely enthusiastic about the introduction of damage reduction policies for all vehicles, they may be happier targeting specific vehicles that do the most damage to the environment.

RAC Comment

Targeting those small number of vehicles which contribute most to environmental damage through poor maintenance is an easy way to significantly reduce pollution. Effective maintenance of cars not only reduces pollution but also results in cars that are cheaper to run and more pleasant to drive.

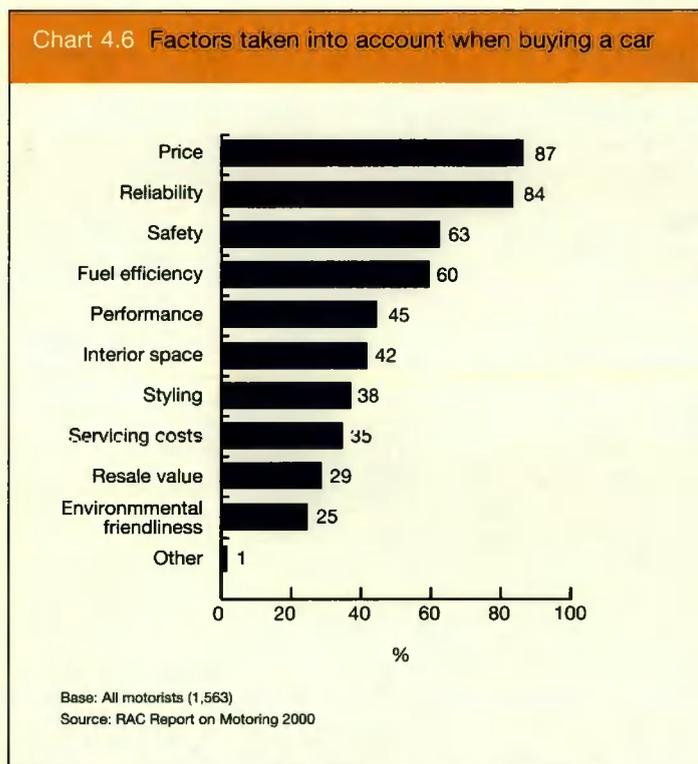
Motorists oppose fuel tax increases



4.3

The importance of environmental concerns in car purchase

Environmental factors do not feature prominently in car purchasing decisions. Only 25% of car buyers cite environmental friendliness as a consideration. The really important factors in purchasing relate to economic factors such as car price and fuel efficiency and also to reliability and safety. These factors form a consideration for the majority of car buyers.



Fuel efficiency reflects both environmental and economic concerns, but economic concerns are predominant.

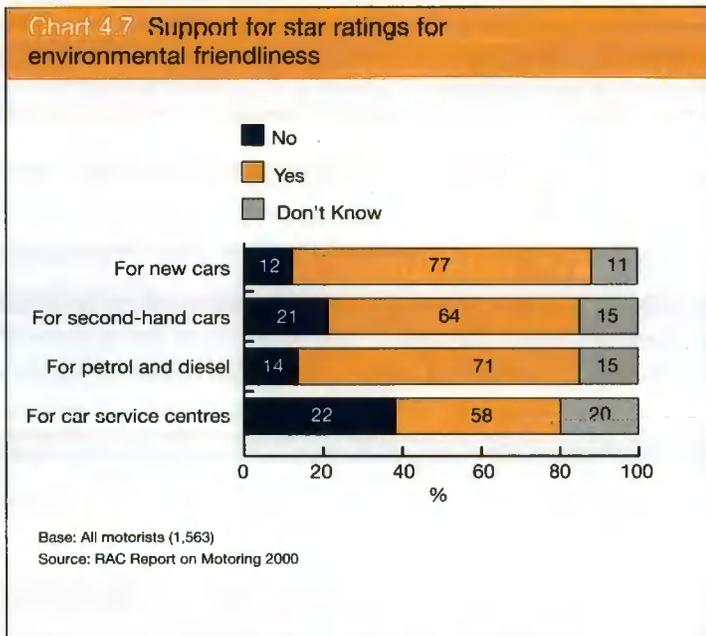


Environmental factors are unimportant in car purchase decisions

4.4

Motorists' views on environmental star ratings

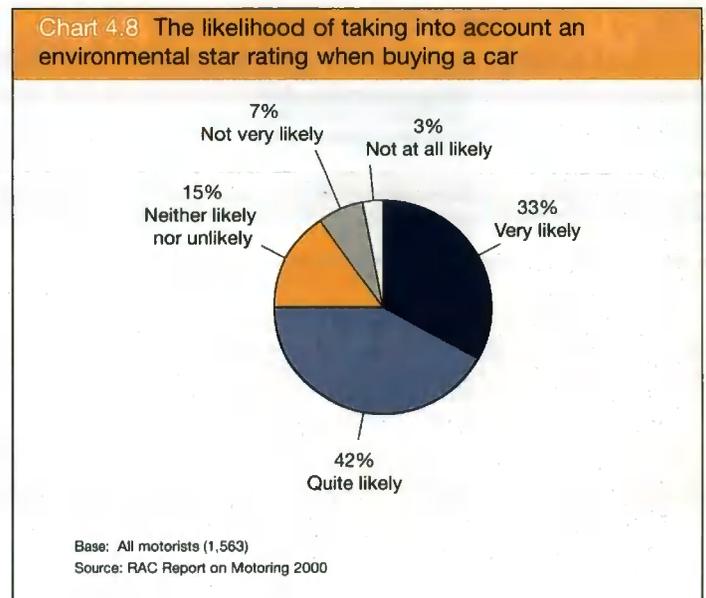
Environmental star ratings are one way of attempting to make the environmental implications of car purchasing and operating decisions more apparent to the consumer.



Over three quarters of motorists would support the introduction of environmental star rating for new cars and 64% for second-hand cars. Motorists were also enthusiastic about the introduction of ratings for petrol and diesel. Less support exists for the introduction of environmental star rating for car service centres.

The impact of environmental star ratings

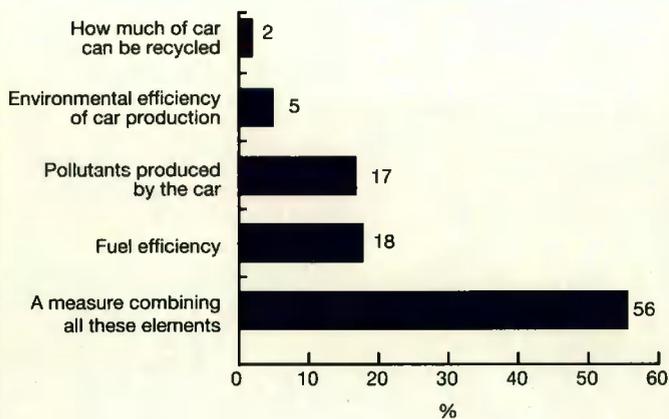
Most motorists believe that they would take an environmental star rating into account when buying a car, 15% would be indifferent while only 10% would ignore it. Thus car buyers do believe that this rating would influence their behaviour. On the other hand, as was seen from earlier results, the fact that motorists take environmental factors into account is no indication of the degree of importance they place upon them. There is no guarantee that an environmental star rating would feature prominently in purchasing decisions.



Environmental star ratings would affect buying decisions



Chart 4.9 Options the environmental star rating should be based on



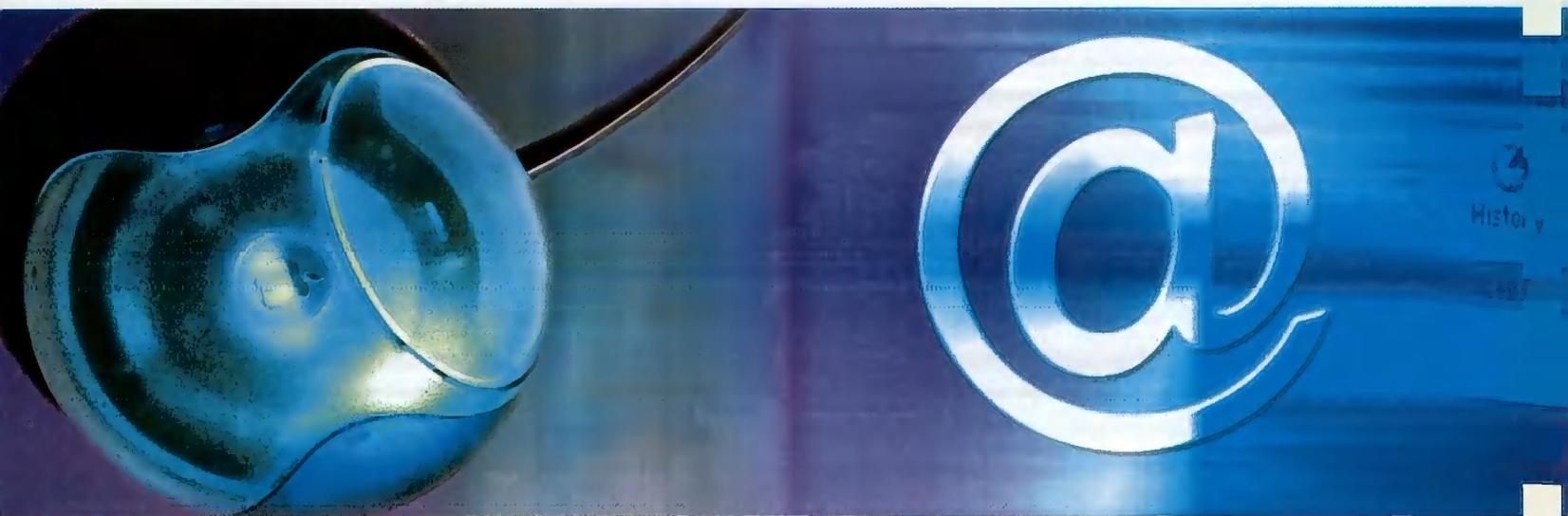
Base: All motorists (1,563)
 Source: RAC Report on Motoring 2000

Most car buyers would like to see a measure based on a combination of all the options shown on the chart. Consumers do not believe that car recycling or environmental efficiency in production should form the sole criterion for the environmental rating.

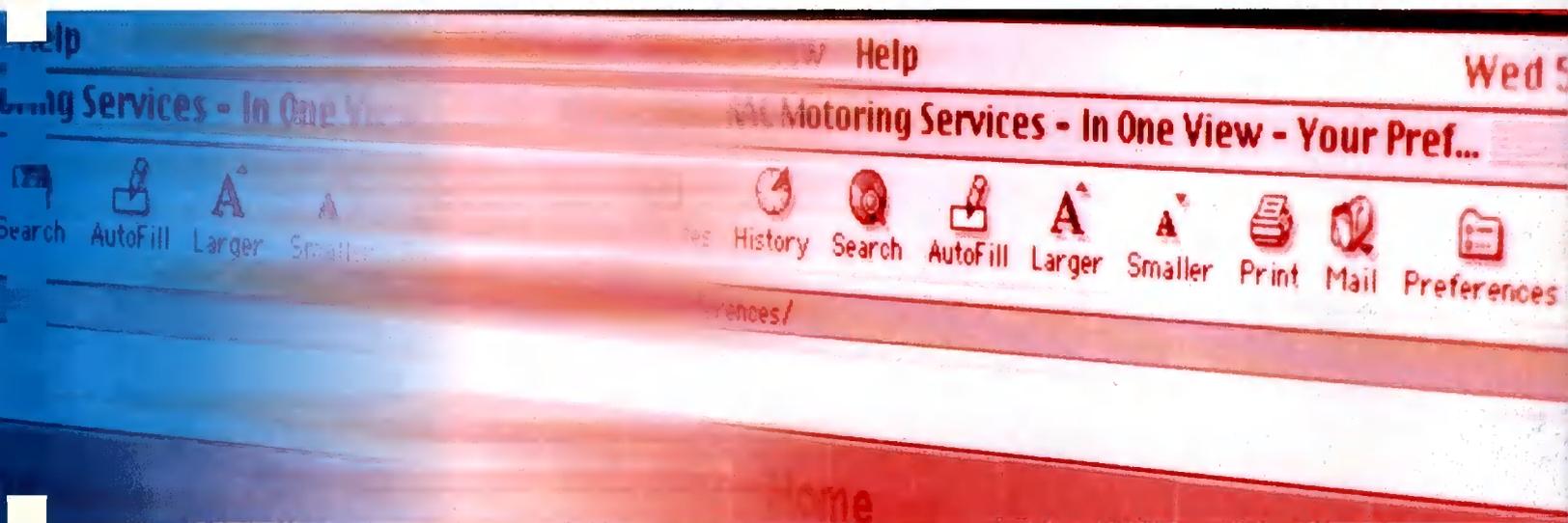
RAC Comment

Motorists have indicated that they would generally favour the introduction of environmental star ratings for new and used car purchases and we welcome the green labelling scheme introduced in 1999 by SMMT. These measures would offer a way of making clear to the consumer the environmental consequences of future transport activities. On the other hand, experience from the past has shown that motorists will tend to focus much more on price, safety, fuel efficiency and car reliability in purchase decisions to the exclusion of environmental issues.





Section Five



Motoring and the Internet

As the use of the Internet grows, more and more consumers in Britain are using on-line facilities to obtain information about products and services and to carry out commercial transactions. For Britain's motorists the Internet raises two important issues: how can it aid the car purchasing process and how might an increase in home shopping affect the motoring environment.

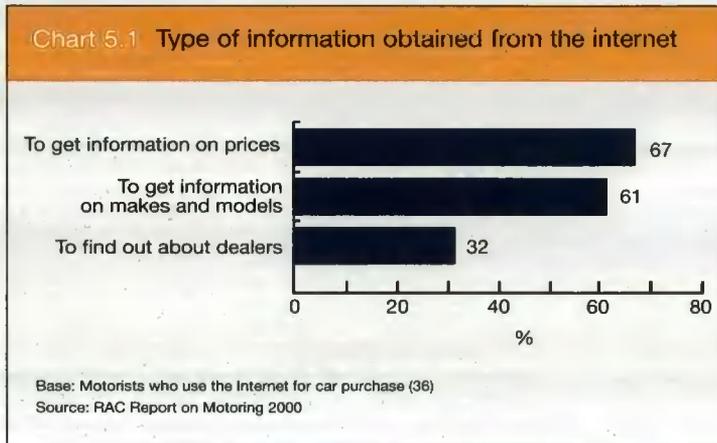
This section also features the results from a special survey commissioned by RAC this year – The RAC Survey of Internet Pioneers. This ground breaking research involved e-mailing motorists who use the Internet regularly to determine their views on the future of the Internet. This survey was undertaken by RKL – the Internet specialist arm of Sample Surveys. The sample was self-selecting and represents those with a keen interest in both the Internet and motoring.

5.1 Using the Internet for car purchases

This year's survey sought to investigate how the Internet is developing as a medium for car purchase. Much has been made recently of the potential the Internet offers to alter the ways in which we trade goods and conduct our economic transactions.

Is the Internet being used in the purchase of vehicles? The overwhelming response from car buyers is "not yet", currently only a small minority - 6% of motorists - use the Internet in the car purchase process. This is probably an underestimate of those who are now using the internet, as this includes the response of those who may not have bought a car for some time.

Chart 5.1 shows the types of information sought by those that did use the Internet.



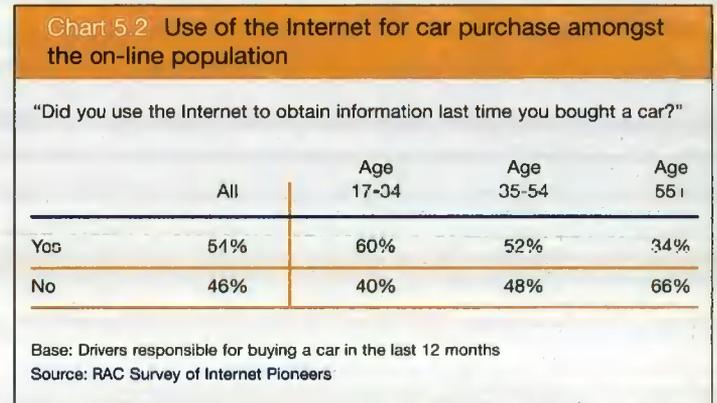
However, as the saturation of computers grows and as connectivity increases in Britain many more consumers are expected to purchase goods on-line. Forecasts of the future magnitude of the Internet market vary quite substantially,

though there is a general consensus that a significant expansion in e-commerce is highly likely to take place.

RAC Survey of Internet Pioneers

For this reason it is important to ask how the Internet may affect motorists in the future. RAC has attempted to shed some light on this question by focusing on the section of the population that currently have computers and are connected to the Internet. An e-mail survey of car drivers was undertaken which asked those familiar with on-line technology about how they use the Internet and how satisfied they were with this medium of commerce. From an invitation to take part, 449 of these regular Internet users responded. The results from this survey are labelled as **RAC Survey of Internet Pioneers** in the rest of this chapter.

Chart 5.2 shows that many consumers connected to the Internet use their on-line facilities to search for information when purchasing a car.

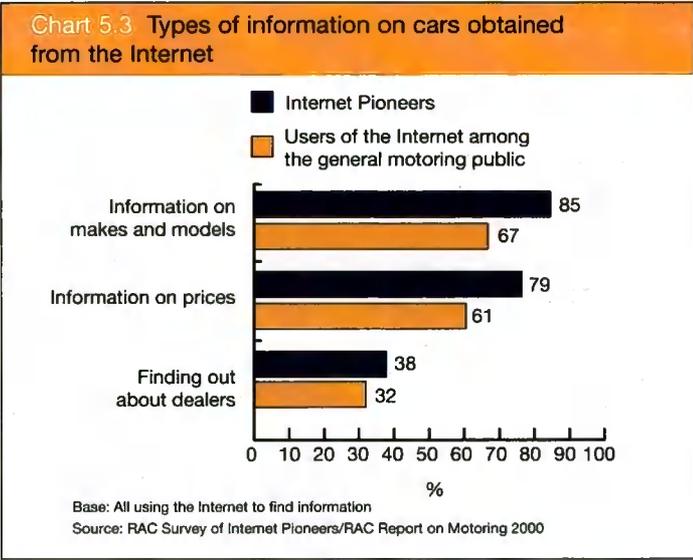


54% of respondents to the Internet Pioneers survey, who have been personally responsible for buying a car in the last 12 months, used the Internet to obtain information when last purchasing a car. Chart 5.2 also shows that even amongst the on-line population it is the younger and middle-age groups that are most at home with on-line information.

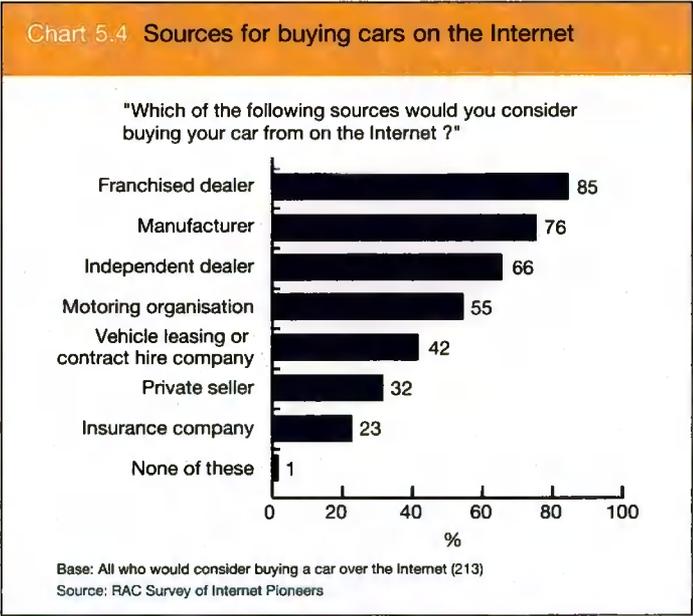
The two main types of information obtained from the Internet for car purchase relate to makes and models and prices. This was true both for the general motoring public and the Internet Pioneers.

Few motorists use the Internet to help buy a car





Those obtaining this type of information generally find the Internet easy to use and are satisfied with the service it offers them. Only 2% of respondents found the Internet difficult to use and only 5% were dissatisfied with the information they were able to find.



The Internet does not only provide a source of information for purchasing decisions. Increasingly, it is being used and promoted as a medium for actually buying goods and services.

Franchised dealers, manufacturers, independent dealers, and motoring organisations appeal to most Internet users as suitable on-line sources for car purchase. This is perhaps a reflection of safety concerns over Internet transactions, which favour more established and reputable organisations.

On the other hand, 32% of consumers would be prepared to buy cars from private sellers in an on-line transaction.

Just under half of the respondents to the Internet Pioneers survey, 47%, indicated that they would be prepared to use the Internet to buy their next car, 53% said they would not. The survey results also reveal that these on-line customers would consider a variety of sources for car purchase on the Internet.

5.2 The Internet and home shopping

Another important aspect of the growth of Internet trade is how it will affect the trips that we make. If we can buy on-line and have goods delivered to the house then we may not need to make as many journeys to the shops in the future. At the same time, on-line home shopping will have an effect on the amount of delivery vans that we have on Britain's roads.

The RAC Survey of Internet Pioneers has sought to quantify the current extent of home shopping amongst Internet users and what sort of effects they think might arise if this way of purchasing grows.

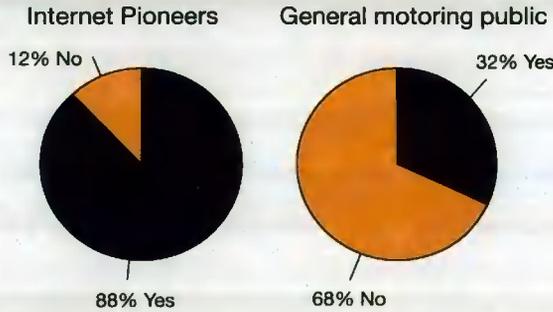
The vast majority of Internet users currently buy some goods from home either over the Internet or the telephone. This compares with just one in three of the general motoring public.



Results from the RAC Survey of Internet Pioneers

Chart 5.5 Buying goods over the Internet or telephone

"Do you ever buy goods from home either via the telephone or the Internet?"

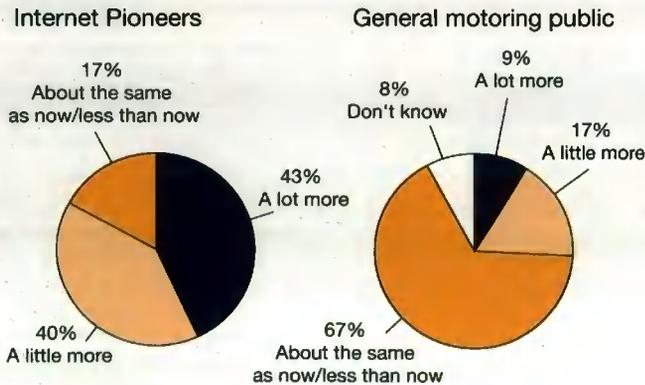


Base: All respondents
Source: RAC Survey of Internet Pioneers/RAC Report on Motoring 2000

On-line consumers expect their use of home shopping to increase. Chart 5.6 shows that 83% of respondents to the Internet Pioneers survey expect to be buying more in the future over the telephone or Internet, and almost none anticipated buying less. This compares with just 26% of the general motoring public

Chart 5.6 Future use of home purchasing

"Will you buy more or less goods over the Internet or telephone in the future?"

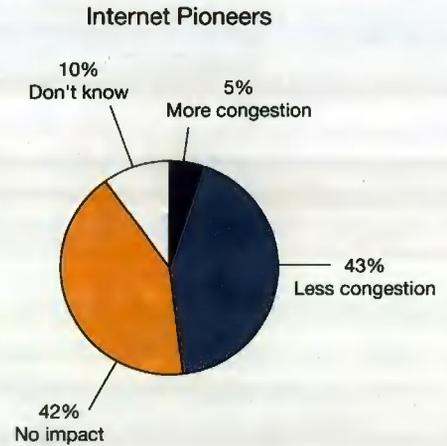


Base: All respondents
Source: RAC Survey of Internet Pioneers/RAC Report on Motoring

The impact of home shopping on congestion and pollution

On-line consumers are not certain about how home shopping will impact upon congestion on Britain's roads.

Chart 5.7 The impact of home shopping on congestion



Base: All respondents (449)
Source: RAC Survey of Internet Pioneers

Only 5% of respondents to the Internet Pioneers survey believe that increased congestion will result from a growth in home shopping, while 43% predict less congestion. These results show that many consumers believe that the reduction in private traffic that may take place will more than offset the increase in traffic from delivery vehicles, or that they have not realised that home shopping will increase the number of delivery vans.

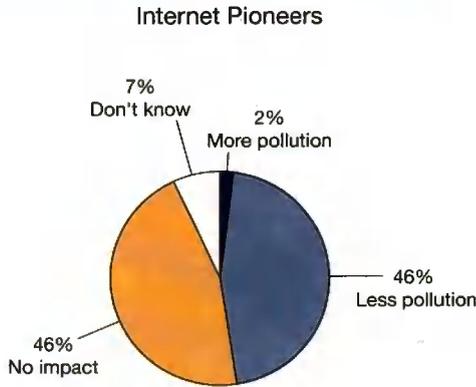
However, 42% believe that no impact will take place and 10% "don't know". In this respect it is difficult to identify any real direction in consumers' predictions.

The same lack of certainty is evident in the effects of an increase in home shopping upon pollution.

Home shopping predicted to grow

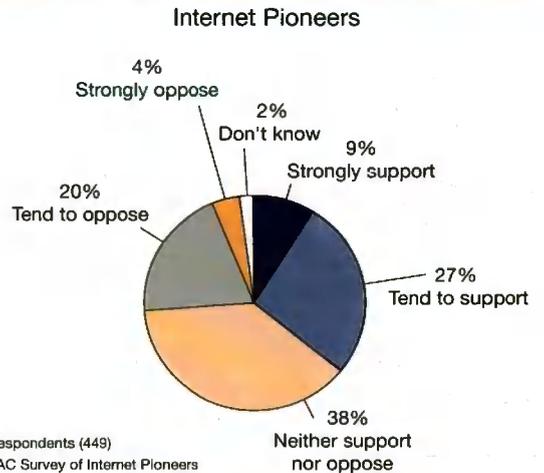


Chart 5.8 The impact of home shopping on pollution



Base: All respondents (449)
Source: RAC Survey of Internet Pioneers

Chart 5.9 Support for home shopping if it led to increased numbers of vans and lorries on residential streets



Base: All respondents (449)
Source: RAC Survey of Internet Pioneers

46% of respondents believe that increased home shopping will lead to less pollution and an exactly equal amount believe that there will be no impact. The prospect of home shopping increasing pollution is not popularly supported.

These are difficult issues to judge and it is clear most motorists have not thought about them before. It is not just about whether more congestion or pollution will arise, but also about the locations of these effects. For instance, while home shopping may reduce the number of vehicles on routes travelling to shops, it may at the same time increase the number of vehicles on residential streets due to home deliveries.

Support for home shopping if it led to more trucks and vans on the road

Chart 5.9 shows that consumers have various views on this issue.

A large proportion of Internet users, 38%, would be indifferent to an increase in the number of vans and lorries on their roads. 36% would support the growth of home shopping even if it did increase residential congestion while 24% would not.

RAC Comment

Currently the Internet is used in the car purchase process by only a small minority of consumers. Those that do use it find it very helpful and easy to use in obtaining information about price and makes and models of cars. The purchase of cars over the Internet is confined to an even smaller group of on-line consumers but many predict that they will increase their use of the Internet for purchasing goods in the future. We at RAC believe that Internet technology offers tremendous scope for improving the car purchasing process and for making it more enjoyable and less time consuming, although there will remain a key role for dealers. There is also a significant role for fleet and journey management systems through specialist web sites.

We are less certain about how the general growth of home shopping will affect the British motoring environment. In particular locations, and especially in residential streets, it could lead to higher incidence of pollution and congestion. On main roads, shopping areas and in town centres it could reduce the use of the private car. We would welcome future research into this issue as a guide to how the home shopping market should develop from a motoring perspective.



The impact of home shopping on congestion is unclear



Section Six



Fuel and road tax

Government policies on fuel and road tax have an important bearing on the costs that British motorists face in running their cars. Is the motoring public aware of current and proposed levels of fuel and road tax and what level of support exists for fuel tax and road pricing policies? This chapter also reveals the drivers' perspective on how taxes raised through motoring should be spent and what the motorists' response will be to increasing fuel prices and road charging.

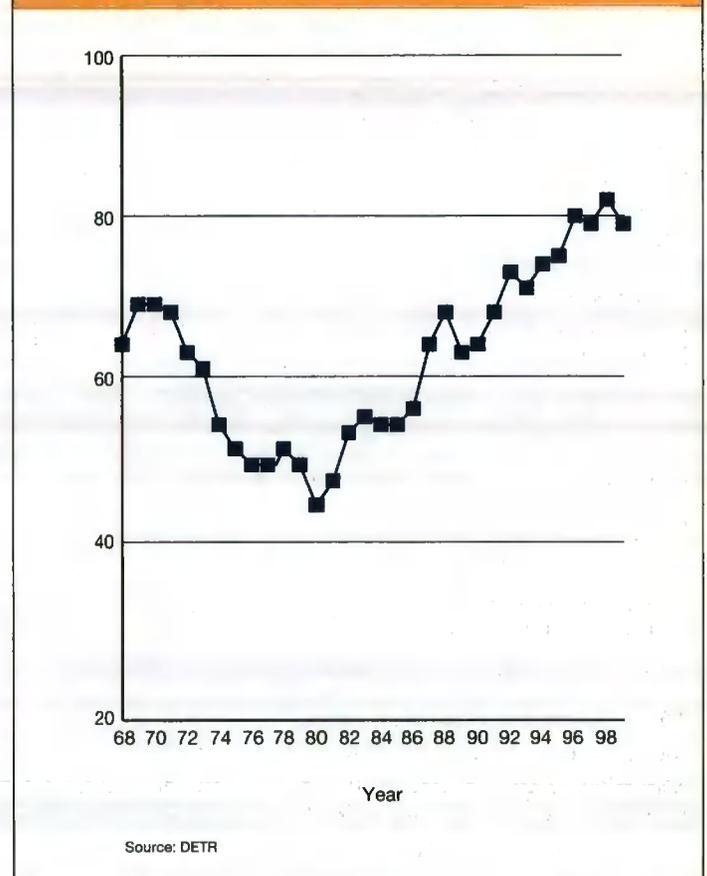
6.1 Consumer awareness of tax and duty charges

Changes to taxes and duty charges are amongst the most widely discussed issues affecting motorists today. British motorists pay very high charges on fuel and road tax, relative to other nations. The Chancellor's pre-Budget statement in November 1999 indicated that the motoring taxes that have been in place over the last two years may be modified in future budgets. Are consumers actually aware of proposals to change tax and duty and do they know how much of their current costs are represented by tax?

The current level of taxation on motorists

Currently approximately 80% of the price of fuel to the consumer is accounted for by tax. The tax component of price has grown since the early 1980s. The government stated the intention to increase the fuel tax (not final price) by 6% per annum in real terms (the fuel duty escalator). The Chancellor's statement indicated that the fuel escalator of 6% will be stopped and further fuel taxation will be determined on a budget by budget basis. Chart 6.1 shows the change in the percentage of the price of fuel that has gone on tax over the last three decades.

Chart 6.1 The percentage of fuel price to the consumer that is tax



The proportion of the price of fuel to the motorist that is tax fell in the 1970's but almost doubled between 1980 and the present day. It was increased by 6% above inflation in both the 1998 and 1999 budgets following two large increases in 1997.

Britain's drivers are strongly opposed to the fuel tax escalator



Awareness of motoring taxes

Chart 6.2 Motorists' perceptions of the proportion of the price of fuel that goes on tax and duty

	All drivers	Age 17-34	Age 35-54	Age 55+
Don't know	22%	25%	21%	20%
Up to 20%	5%	8%	3%	4%
21% to 40%	6%	7%	6%	3%
41% to 60%	13%	15%	15%	7%
61% to 70%	9%	7%	10%	11%
71% to 80%	32%	27%	30%	39%
More than 80%	14%	12%	15%	16%

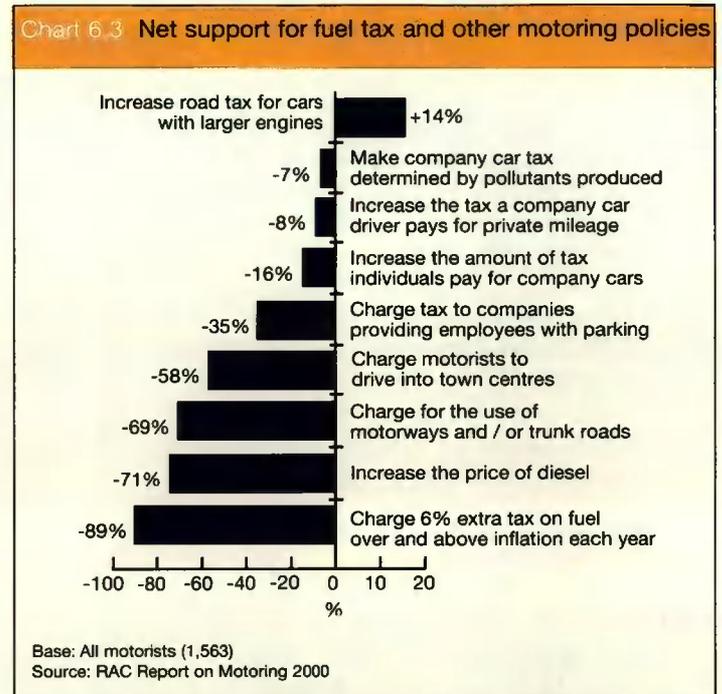
Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

Many consumers are not aware of the current level of tax they pay on the price of fuel. 22% of motorists did not know the level of tax and a further 32% underestimated the level of tax. 46% of drivers were closer to the true order of magnitude - 71% and above.

Age makes a difference to levels of awareness of the proportion of price that is allocated to tax and duty. Older drivers in the 55+ age groups are more likely to state a higher tax and duty figure than younger drivers.

62% of motorists were aware of the recent changes to the tax and duty that motorists are required to pay - 38% were not.

6.2 Support for fuel tax and road pricing policies



Britain's drivers are strongly opposed to the fuel tax escalator. Only 3% of motorists support the policy to increase tax at a rate of 6% above inflation, with net opposition of minus 89%. There is also strong opposition to increasing the price of diesel and little support for road charging measures. Increasing tax on cars with larger engines is the only policy with net support.

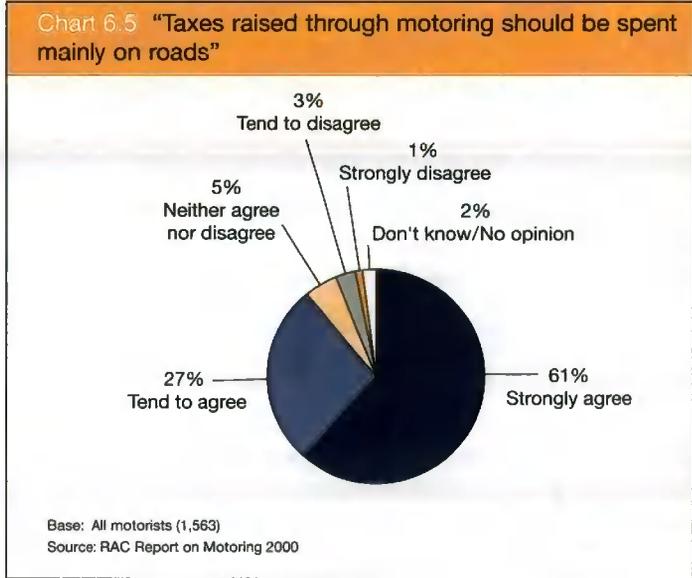
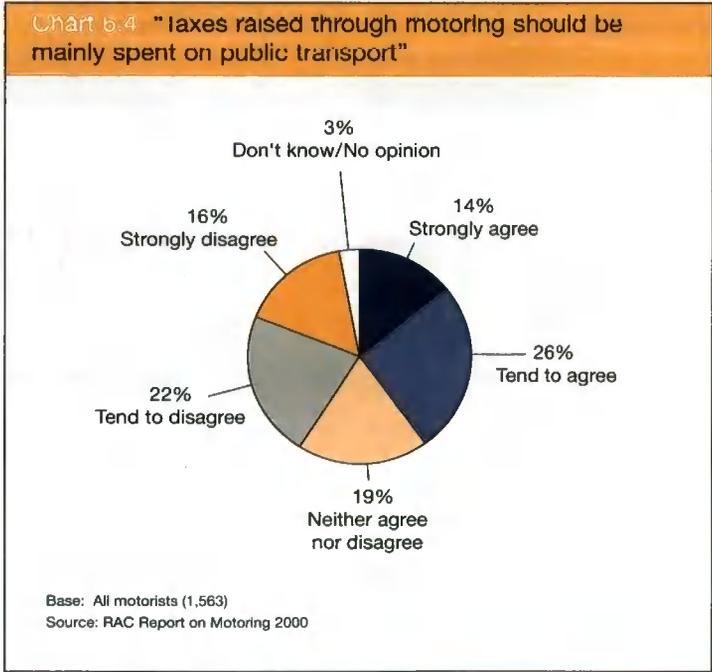
Current and proposed government policies are not popular with motorists. The recent re-think of the fuel duty escalator recognises the strong opposition that exists. The results of this year's survey, while showing a general disapproval of most government policies, do indicate that motorists would be more likely to support policies targeted at specific vehicles.



80% of the price of fuel is accounted for by tax

6.3 How should taxes raised through motoring be spent?

Britain's drivers pay a great deal of their motoring costs in taxes and duties set by the government. Many motorists are unaware of the exact levels of taxes and duties they pay. One of the most controversial issues surrounding the imposition of motoring taxes and duties, and particularly the fuel tax, is that the revenue goes straight to the treasury and there are no clear statements about how the money is actually spent. The Chancellor's pre-Budget statement in November 1999 raises the possibility of some hypothecation in the future.



The evidence is overwhelmingly in favour of spending the revenue raised through motoring tax on roads. 89% of drivers agree that taxes raised through motoring should be mainly spent on roads and 61% expressed strong agreement with the statement. Only 4% disagree.

Drivers are split on whether taxes raised should be spent mainly on improving public transport. 14% strongly agree with this option and 26% agree. Almost one in five motorists are indifferent to this proposition and 38% disagree.

RAC Comment

Britain's motorists are anxious to see the motoring taxes and duties they contribute being spent on improving roads and are not fully behind their being spent on public transport. The view that the public does not want road investment is now much further from the truth than has been claimed in the past, with congestion an increasingly problematic part of everyday life for many motorists. The motorists' are paying the tax and duty – and it therefore seems only right that their views be taken into consideration when deciding on spending priorities, albeit that we need to find sustainable as well as practical transport solutions. The recent announcement by the Chancellor that there may be hypothecation of some motoring taxes is a step in the right direction.



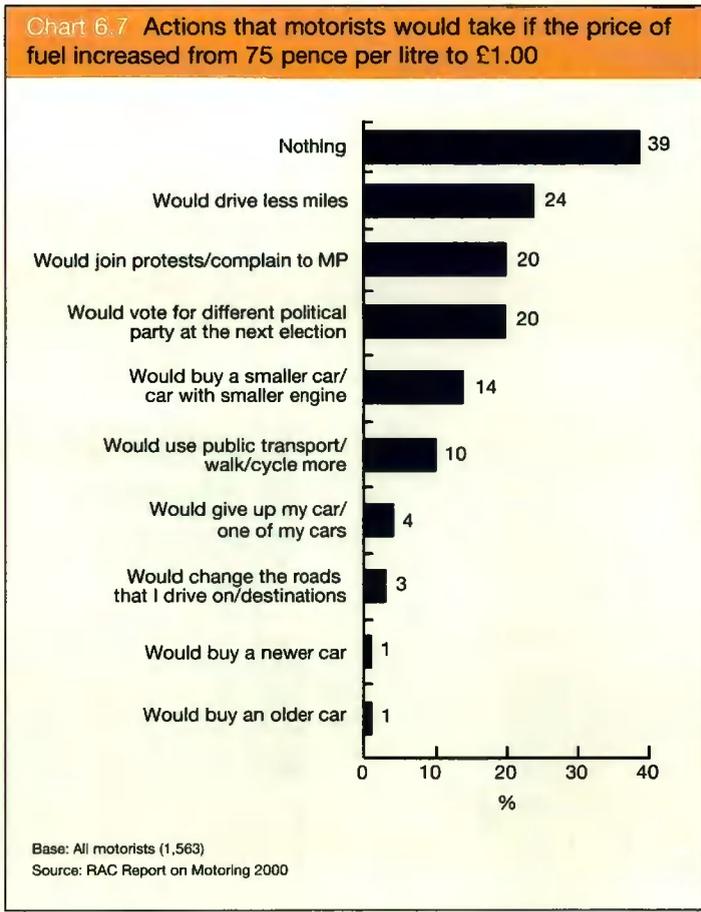
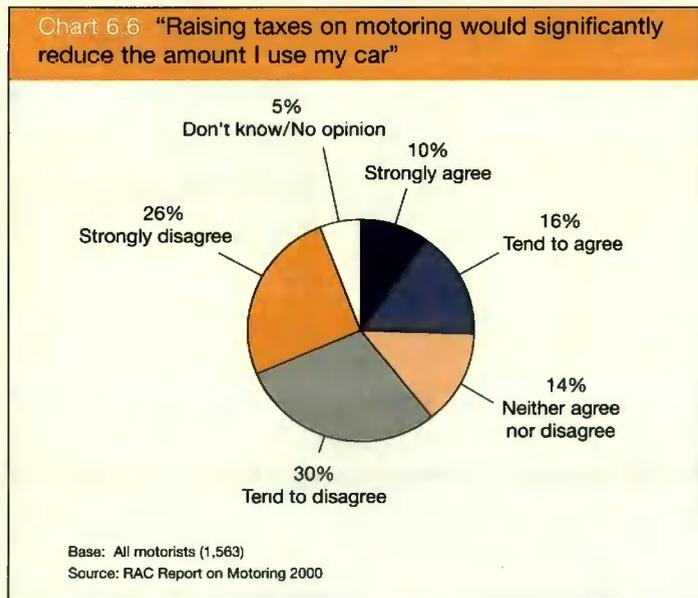
Motorists want taxes spent on roads not public transport

6.4 Drivers' responses to increasing prices

How do drivers respond to the increases in prices that are taking place? Do taxes lead to less traffic on the roads or to the consumption of less fuel? These questions are important because they allow us to take a view on whether the tax and duty measures in place are capable of achieving the desired objectives. This year's survey has asked a series of questions in an attempt to understand the responses of motorists to increasing prices.

The impact of motoring costs on congestion

Chart 6.6 provides evidence that raising taxes has a small but significant impact on use of the car. 56% of drivers disagree that the use of their vehicle would be significantly reduced by tax increases and 14% are indifferent. However the 10% who strongly agree that their driving behaviour would change as a result of increased taxation would be sufficient to achieve the government's target of reducing car usage and congestion.



The most common response from motorists to a 33% increase in fuel prices, and the most striking result in chart 6.7, would be to "do nothing". Four out of every ten motorists would not change their behaviour as a result of such a rise in the price of fuel. Around a quarter of motorists would drive less miles.

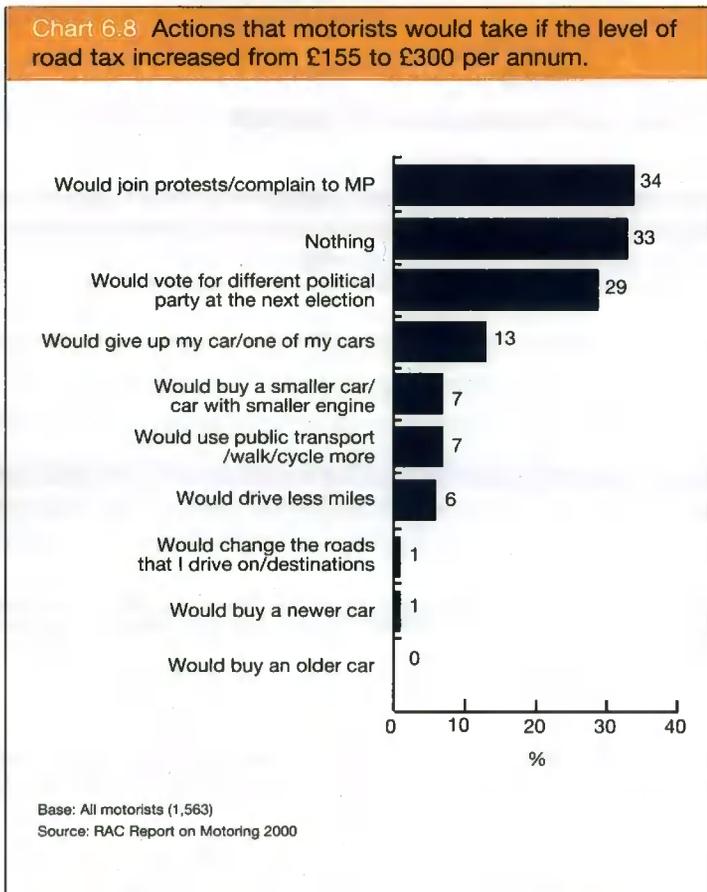
For a small minority of drivers, switching to public transport, walking or cycling, may be a viable response (10%), but more would be inclined to join protests, complain to MPs or vote for a different party at the next election (each with 20% support).



A rise in fuel tax will have little impact on motoring behaviour

Impact of rises in car tax

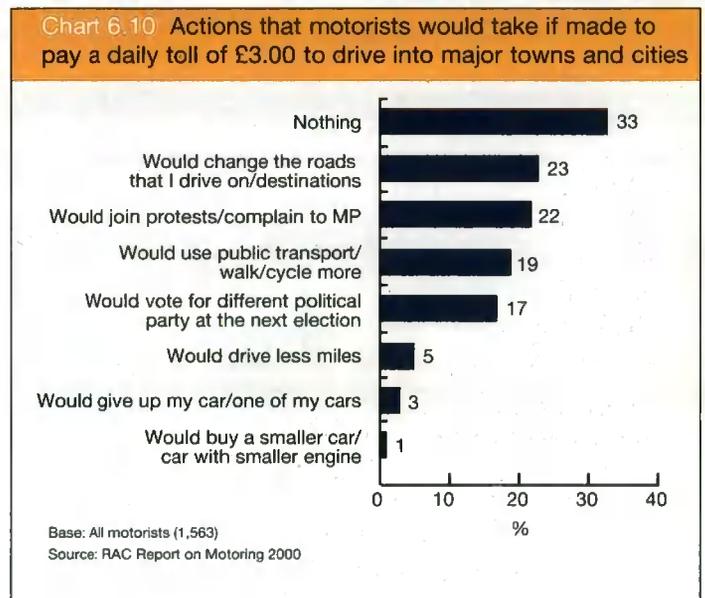
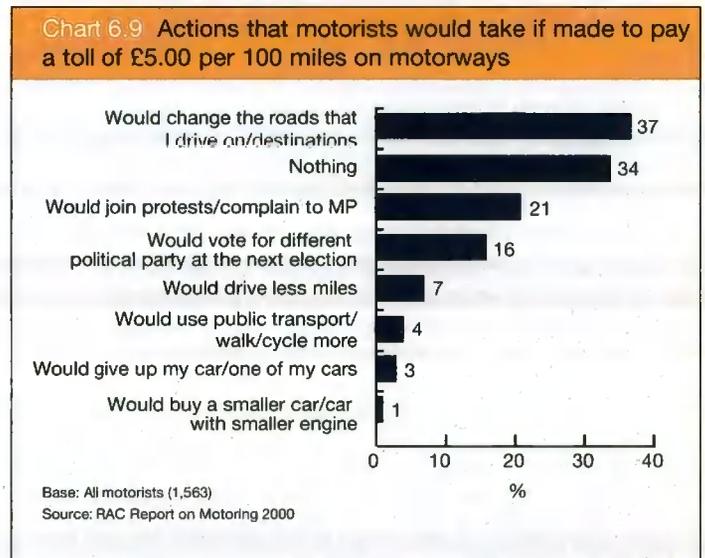
The majority of drivers would not change their driving behaviour if the cost of (VED) car tax doubled. The common response to a very large increase in road tax would be to join protests or complain to MPs. One in three motorists anticipate 'no response'. However a significant minority of motorists may give up one of their cars or switch to public transport.



Policies that are applied to all drivers in the form of fuel or road tax do not appear to change where motorists choose to drive or even their driving behaviour to any great extent. In this respect they may not be effective in giving the right incentives to motorists to avoid certain stretches of road and thus reduce location specific congestion.

Location specific congestion charging

The survey identified what actions motorists would take in response to "a toll of £5.00 per 100 miles on motorways" and "a daily toll of £3.00 to drive into major towns and cities". The results are shown in charts 6.9 and 6.10 below.



Raising road tax would generate political protest



Road charges would have a more direct response on changing the types of roads and destinations that drivers use - particularly for motorways. 37% of motorists have indicated that motorway charges would change the roads they use and destinations they would go to. For both types of road charge investigated, however, there is still a high proportion of drivers who would anticipate "no response" to the introduction of the charge. 34% would make no response to motorway charges and 33% no response to congestion charges.

RAC Comment

There is evidence that road pricing in town and cities might lead a minority of motorists to use public transport more.

Although raising fuel tax or VED (road tax) does not encourage most drivers to reduce the use of their cars and does not induce any great changes in travel behaviour, there is evidence that a significant minority would change their behaviour sufficiently to enable the government to achieve its objectives of reduced road use, lower congestion and the consumption of less fuel.

Congestion charging policies are likely to be more effective in influencing the behaviour in a location specific manner. In this respect they could be effective at reducing congestion in urban areas and particularly in reducing the use of over crowded motorways (although most drivers would just switch to non-toll roads). As we have seen earlier in this chapter pricing policies are not popular with consumers. To be most effective and (relatively) popular with the public, road charging needs to be based both on location and time of day.

However it has to be recognised that a substantial proportion of motorists state that even these types of policies would not induce a change in either their use or ownership of cars.

The ultimate success of these policies will be if people make long-term changes to their lifestyle - choosing jobs, houses and schools on the basis of transport patterns. These changes may be some time off, but this is what really needs to happen to make transport and car travel in particular a more pleasant part of our everyday life.



Congestion charging would change motoring behaviour



Section Seven



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Car ownership and car sales

The charts on the following pages summarise some of the key statistics on car ownership and car sales in 1999.

7.1 Car ownership in the UK

Car ownership continues to grow at a faster rate than either population growth or household growth. The population of the UK is now almost static, growing at around 0.1% per annum. This compares to household growth of just under 1% per annum and growth in the number of cars of around 2% per annum.

The rise in car ownership is driven primarily by economic growth – increasing the number of households who have a car for the first time and also the proportion of households who have more than one car. It is also partly fuelled by the growth in the number of households.

Chart 7.1 Car ownership in the UK (1)

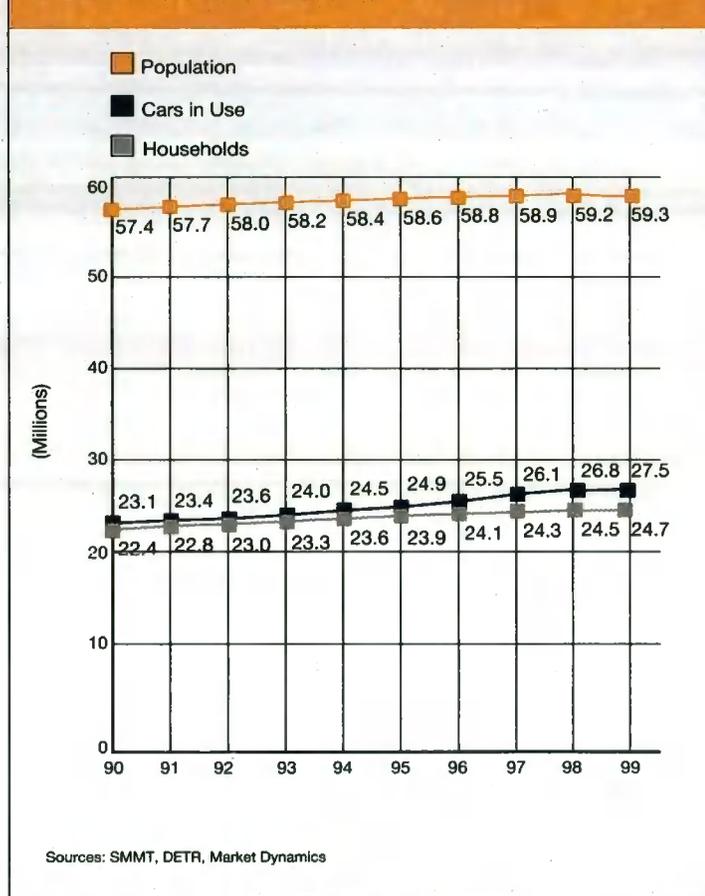
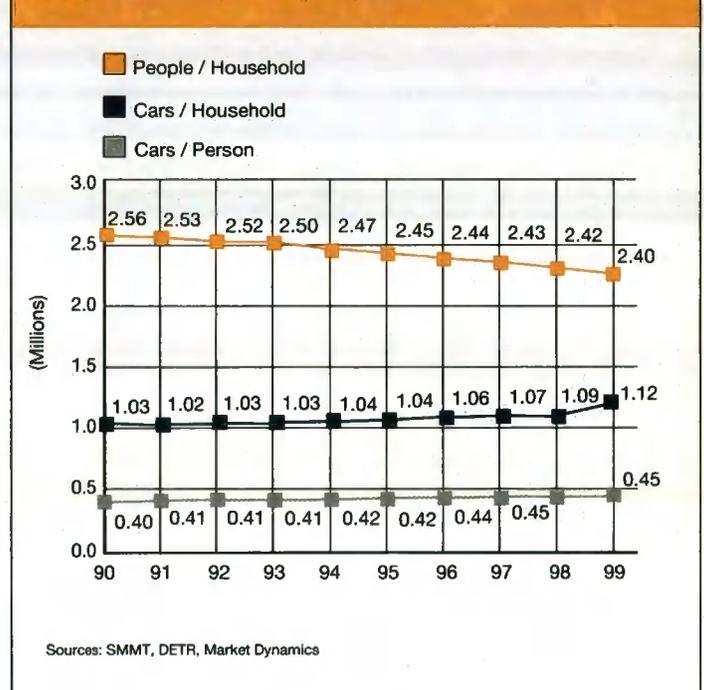


Chart 7.2 Car ownership in the UK (2)



7.2 New and used car sales

As expected, new car sales fell in 1999 by around 2% to 2.20 million - still the fourth largest year in history. This was partly fuelled by economic conditions - particularly a slowing in the growth of employment - but also by consumer reaction to expected price cuts.

There were falls in both the private and company car sectors, with private car sales falling to the one million mark. Company cars account for 55% of new car sales in the UK.

Chart 7.3 New car sales



7.3

Future levels of car ownership

Every year in the Lex/RAC Report on Motoring survey respondents are asked how many cars their household has and how many they expect to have in two years' time.

Motorists have historically been more optimistic about future levels of ownership than is actually realised – particularly during periods of economic difficulty. This year it is expected that car ownership will increase from an average of 1.53 cars per motoring household to around 1.57 cars per motoring household by 2002. This would imply another 1 million cars on the road within the next two years. This is consistent with historic levels of growth and provided there is no recession within this period this growth is likely to be achieved.

Chart 7.4 Grossed up estimates of numbers of cars in Britain at time of surveys and expectations in two years' time

	Households in GB	Households with cars	Ave. cars per household	Grossed up no. of cars	Expectation in two years' time		
					Year of expectation	Cars per household	Grossed up no. of cars
	m	%		m			m
1988	21.5	66.0	1.47	21.0	1990	1.59	23.3
1989	21.7	66.0	1.53	22.6	1991	1.67	25.1
1990	21.9	67.0	1.55	23.2	1992	1.63	24.9
1991	22.1	68.0	1.51	23.0	1993	1.59	24.8
1992	22.5	67.8	1.52	23.0	1994	1.55	24.5
1993	22.7	68.6	1.50	24.0	1995	1.60	25.8
1994	22.9	69.0	1.50	24.0	1996	1.57	26.4
1995	23.1	69.7	1.50	24.3	1997	1.59	27.0
1996	24.1	69.7	1.51	25.4	1998	1.60	28.1 ✓
1997	24.3	69.8	1.51	25.6	1999	1.60	28.4
1998	24.5	71.8	1.51	26.6	2000	1.54	27.6
1999	24.7e	72.0e	1.53	27.2	2001	1.57	28.4
2000	24.9e	72.0e					
2001	25.1e	72.0e					

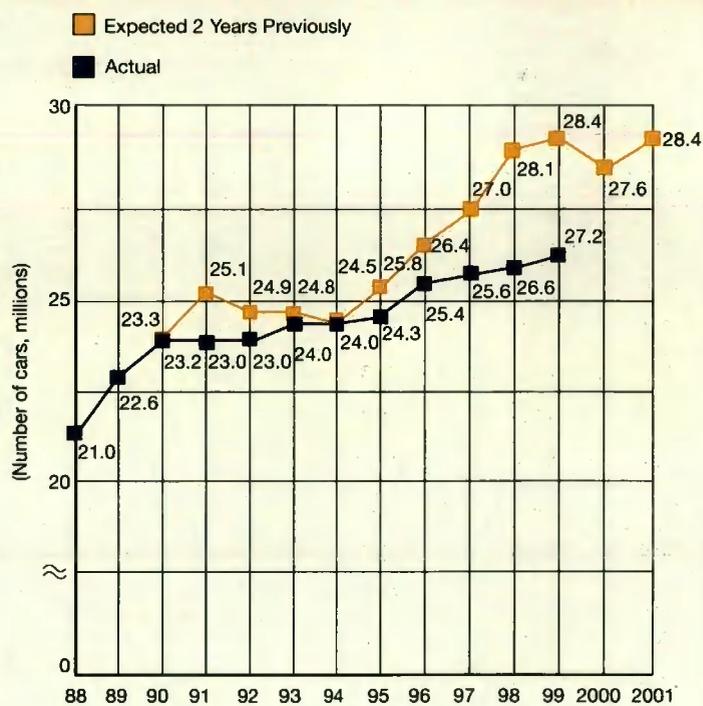
Base: All motorists
Source: The Lex/RAC Report on Motoring

Chart 7.5 Current and expected levels of car ownership % of households

	None	One car	Two+ cars
Actual 1988		61	39
Actual 1989		55	45
Actual 1990		56	44
Actual 1991		58	42
Actual 1992		59	42
Actual 1993		58	42
Actual 1994		58	42
Actual 1995		53	47
Actual 1996		58	42
Actual 1997		51	49
Actual 1998		59	41
Actual 1999		57	43
Expected in 1998 for 2000	1	54	45
Expected in 1999 for 2001	1	51	48

Base: All motorists
Source: The Lex/RAC Report on Motoring

Chart 7.6 Grossed up estimates of numbers of cars in Britain at time of surveys and expectations in two years' time



Base: All motorists
Source: The Lex/RAC Report on Motoring

7.4 Car replacement cycles

Expected replacement cycles for cars lengthened this year after two successive years in which they had shortened. Replacement cycles are now back to the 1996 level at 4.4 years for both new and used cars. The replacement cycle for private cars has grown to 4.5 years while that of company cars has remained constant at 2.9 years.

Uncertainty about the future economic fortune of the country should in theory lengthen replacement cycles. Current government forecasts for growth are optimistic and with confidence riding high as the predicted recession failed to emerge, a dip in replacement cycles may be seen next year.

Chart 7.7 Car replacement cycles - private versus company cars

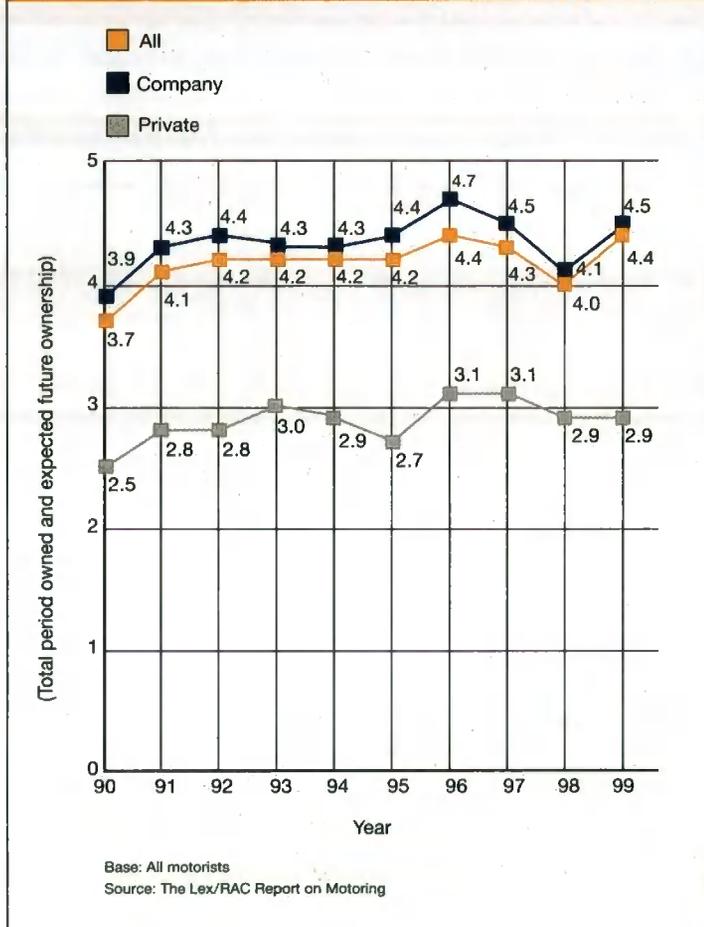


Chart 7.8 Car replacement cycles - new versus used cars

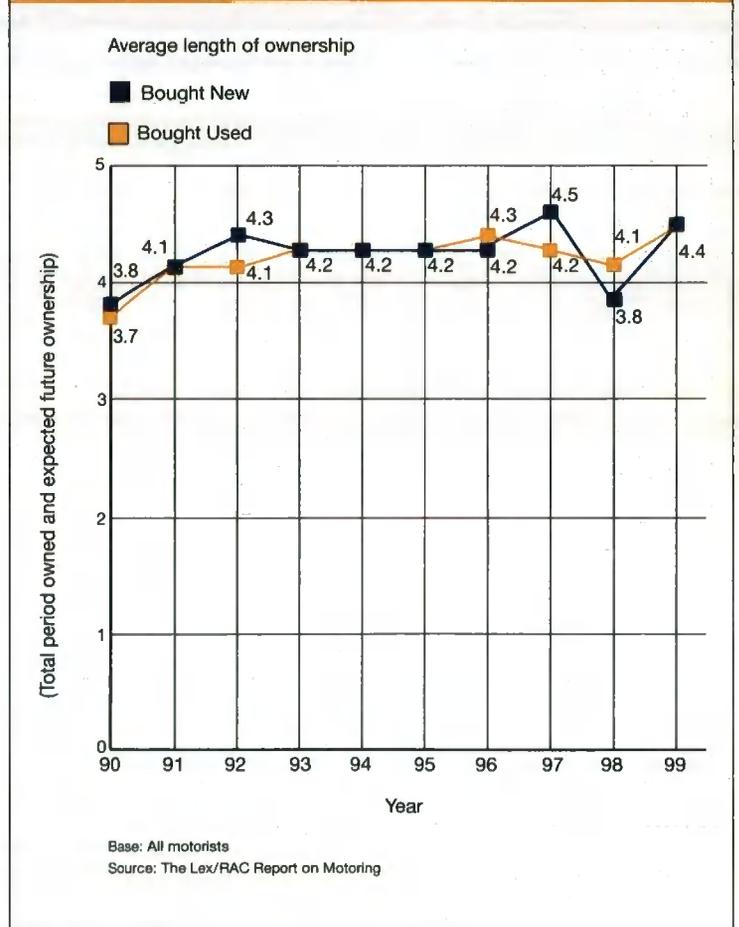


Chart 7.9 Registration of new cars by manufacturers: 1989 - 1998

% Market Share	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	1999/000s
Audi/Volkswagen	5.76	5.56	5.22	4.72	5.10	5.51	7.13	7.15	7.53	8.89	195
BMW	2.14	2.43	2.55	2.30	2.38	2.83	2.81	2.94	2.85	3.23	71
Citroen	3.03	3.36	4.04	4.54	4.42	4.12	3.78	3.66	3.41	3.29	72
Fiat	2.74	2.18	1.95	2.41	3.07	3.64	4.24	4.07	4.11	3.51	77
Ford	25.25	24.24	22.17	21.46	21.91	21.11	19.60	18.26	17.96	17.65	388
GM/Vauxhall	16.08	15.62	16.70	17.09	16.25	15.12	14.02	13.57	12.59	13.30	292
Honda	1.58	1.77	1.68	1.74	2.00	2.35	2.47	2.56	2.72	2.97	65
Hyundai	0.35	0.50	0.59	0.52	0.64	0.72	0.94	1.18	1.27	1.28	28
Jaguar	0.53	0.36	0.35	0.35	0.35	0.45	0.41	0.44	0.52	0.70	15
Mercedes	1.32	1.30	1.41	1.19	1.53	1.68	1.77	1.96	2.31	2.84	62
Nissan	5.32	4.03	4.66	5.02	4.81	4.73	4.61	4.43	4.51	4.32	95
Peugeot	6.16	7.26	7.78	8.02	7.67	7.37	7.57	7.72	8.08	8.22	181
Renault	3.36	3.99	4.59	5.24	5.90	6.19	6.54	7.34	8.02	7.51	165
Rover	14.01	14.40	13.51	13.38	12.83	12.34	10.94	10.01	8.63	6.52	143
Saab	0.59	0.58	0.62	0.51	0.49	0.59	0.73	0.77	0.86	0.27-0.72	17
Toyota/Lexus	2.12	2.59	2.65	2.93	2.72	2.80	2.99	3.34	3.68	3.85	85
Volvo	3.29	2.94	2.72	2.46	2.18	2.04	1.67	1.87	1.67	1.78	39
Others	6.72	7.40	7.41	6.12	5.75	6.41	7.77	8.74	9.30	9.36	207
Total market (millions)	2.01	1.60	1.60	1.78	1.91	1.94	2.03	2.17	2.25	2.20	

Source: The Society of Motor Manufacturers and Traders

2000
not later than 12 months
previous service

1000 miles SERVICE

or not later than 12 months to
previous service

70224



Section Eight



Car buying and servicing

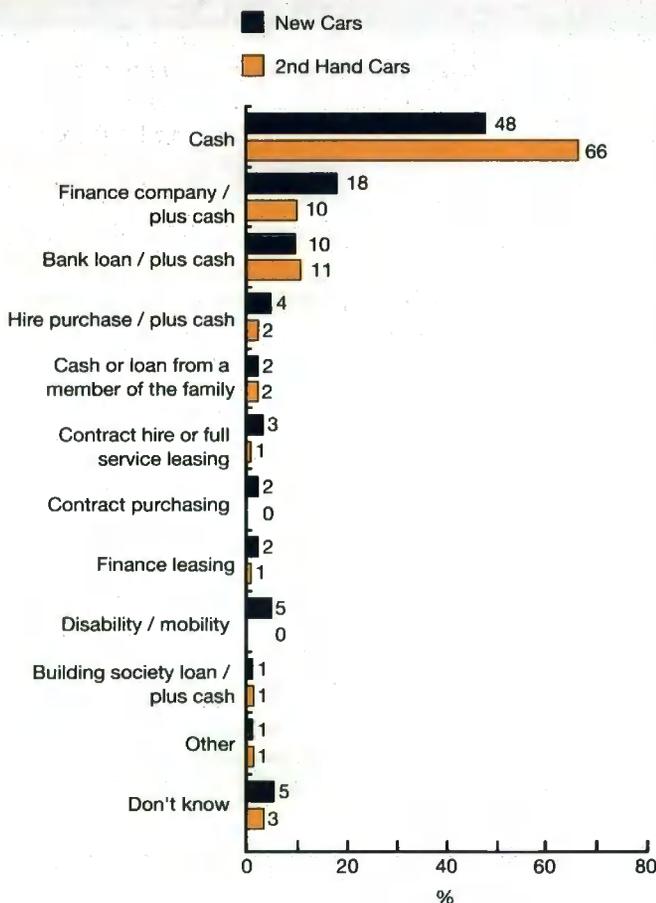
In this section attitudes to car buying and servicing are examined, together with analysis of historic trends.

8.1 Source of finance in buying a car

Just under half the respondents in this year's survey had been responsible for buying a car within the last two years. Of these purchases, approximately 30% were new cars and 70% second-hand. The research sought to determine the main sources of finance used in buying cars today.

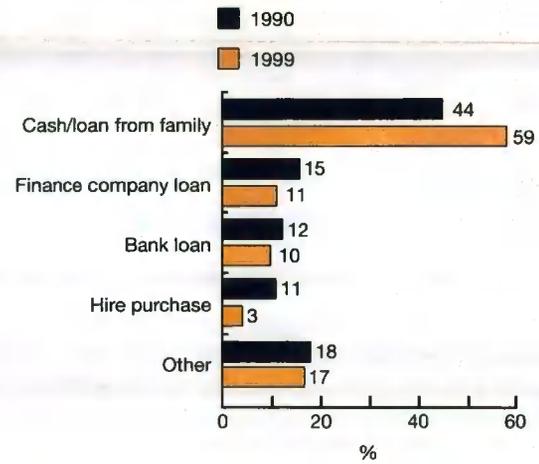
Chart 8.1 shows that cash transactions form the main source of car purchase finance – but more so for second hand than new cars. Two thirds of second hand cars are purchased with cash compared with 48% of new cars. The two other major sources of finance are finance company loans and bank loans. The remaining sources shown in the chart are used by very small numbers of purchasers of both new and second-hand cars.

Chart 8.1 Sources of finance for car purchase



Base: Motorists that have bought a new car in the last two years (700)
Source: RAC Report on Motoring 2000

Chart 8.2 Trends in car finance

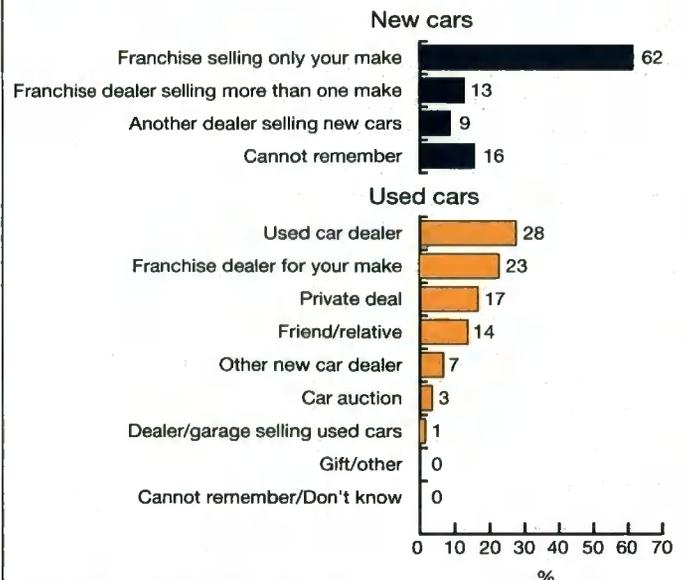


Base: All car buyers
Source: The Lex/RAC Report on Motoring

The main trend over the past ten years has been the increased use of cash rather than finance to purchase cars, although this has varied considerably with the short-term economic conditions. The biggest fall has been in the used of hire purchase which has fallen from 11% to 3% of purchases over this period. Contract hire and contract purchasing have risen from 1% to 4%, the majority of which are in the new car sector.

8.2 Source of purchase

Chart 8.3 Source of purchase



Base: All who bought cars in last two years (700)
Source: RAC Report on Motoring 2000

Of the two million new cars bought each year, the vast majority are bought through solus dealerships – 73% of those who can recall say they bought through a franchise dealer selling just their make. Over one in ten cars are bought through franchise dealers selling more than one make.

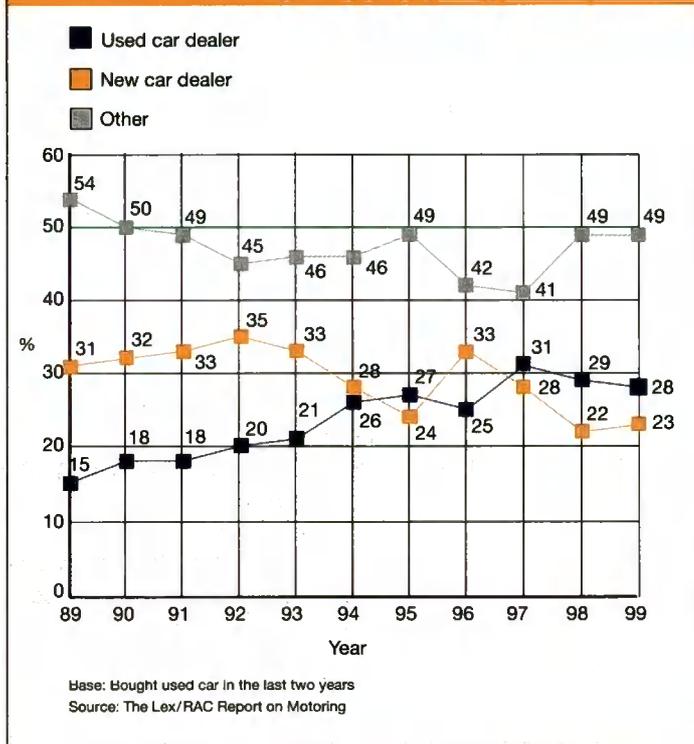
sold that are over three years old. Older cars are predominantly sold through private sales – a quarter are bought from friends or relatives and a further three in ten bought privately from “unknown” individuals.

8.3 The prices paid for new and used cars

The price that car buyers pay for cars reflects both what is happening to real car prices and the specification of the cars being bought. Although there is a lot of speculation currently about falling new and used car prices, this is not borne out by this year's survey. The average price paid for new company cars rose by 2% to £16,200, whilst the average price paid for new private cars rose by 5% to £11,100. This reflects an upgrading of the new cars that are being bought, rather than rising real prices.

Prices paid for used cars also rose to a new high of £5,100 this year – considerably up on last year. A number of individuals in this year's survey bought relatively high price used cars, which accounts for this unexpectedly sharp rise.

Chart 8.4 Source of purchase - used cars



Of the ten million used cars bought over the past two years, 28% were bought through a used car dealer – this proportion has doubled since it was first measured in 1989. Franchise dealers specialising in the make of car bought account for just under one quarter of all used car sales. This figure has risen since last year's Lex survey. Cars purchased through private deal and friends and relatives account for one in five used car sales.

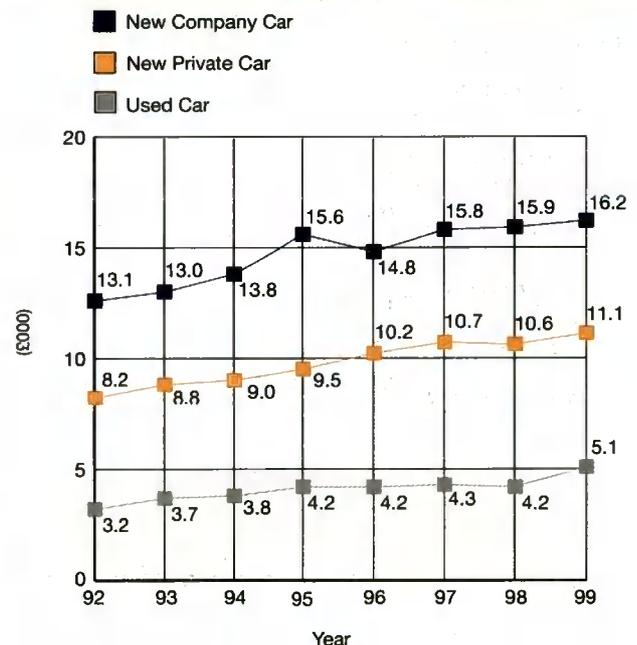
There is a clear difference in the source of purchase by age of car. Cars up to three years old are almost all bought through the retail channel, with official franchise dealers accounting for nearly half of all sales and a further one in five sold through used car dealers. Used car dealers account for a third of all cars

Chart 8.5 Source of purchase – used cars by age of car

	All	Up to 3 years	3-6 years	Over 6 years
Used car dealer	28	19	32	31
Private deal	17	2	10	29
Friend/relative	14	5	5	25
Franchise dealer for your make	23	48	28	5

Base: Bought used car in last two years (530)
Source: RAC Report on Motoring 2000

Chart 8.6 The purchase cost of car driven most often



Base: All motorists
Source: The Lex / RAC Report on Motoring

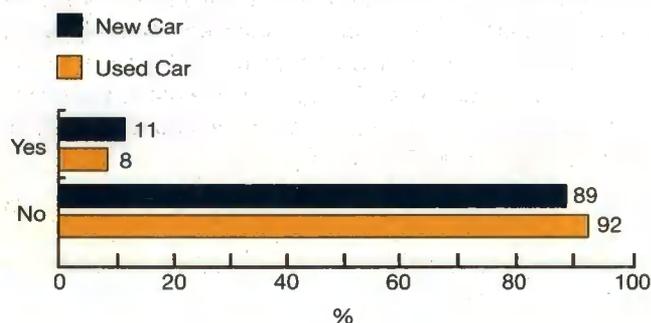
8.4 Purchase of “grey imports”

The purchase of “grey imports” has received a great deal of attention in the media. British consumers can achieve substantial cost savings by buying new or second-hand cars imported into the UK. The results from this year’s survey suggest that “grey imports” account for only a very small proportion of the car market.

11% of new car buyers considered buying a “grey import” and 8% of used car buyers. The majority of motorists did not consider this purchase option. A further question asked those that had considered buying a grey import whether they went on to do so – 20% of respondents said that they did. In total “grey imports” account for around 35,000 new cars (2% of the market) and around 65,000 used cars (1% of the market).

Chart 8.7 Purchase of grey imports

“With the last car you bought did you consider buying a grey import?”



Base: Motorists that have bought a car in the last two years (700)
Source: RAC Report on Motoring 2000

8.5 Service locations

Choice of service location has changed since 1988 – the year of the first Lex survey. The most popular source of servicing remains the main dealer for the motorists’ own make of car (36%), with servicing by non-franchise garages accounting for 32%. These service locations have both grown in popularity since 1988.

The proportion of consumers undertaking DIY servicing has declined substantially – from 23% of respondents in 1988 to

only 12% this year. This reflects the complexity of modern cars, legislative pressure and decreasing interest in the technical aspects of motoring.

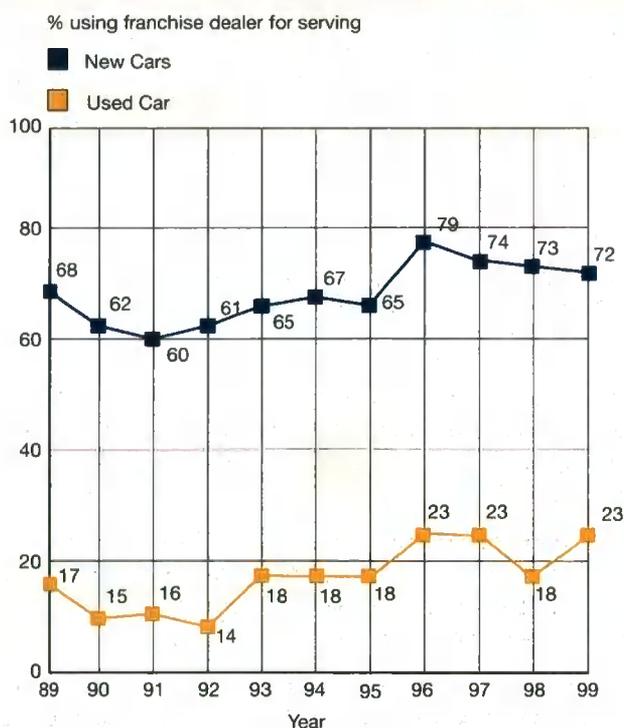
Chart 8.8 Service location

	1988	1999
Serviced by main dealer	31	36
Serviced by garage/workshop	29	32
Friend/acquaintance	15	13
Do it yourself	23	12
Service centre	1	2
Mobile service unit	1	2
Main dealer for different make	3	2
Other	0	1

Base: All with responsibility for getting car serviced
Source: The Lex / RAC Report on Motoring

The proportion of cars bought from new that are serviced through a franchised dealer has remained steady at around three-quarters over the past three years, having risen from 60% in 1991. The proportion of used cars serviced through an official dealer has also remained steady at around a quarter of all used cars.

Chart 8.9 Use of franchise dealer for servicing



Base: All with responsibility for getting car serviced
Source: The Lex/RAC Report on Motoring

8.6 Frequency of service and repair

An average car is serviced 1.4 times per year and repaired 0.7 times per year. The frequency of service, after the first year of ownership, is remarkably stable at 1.5 times per year for all ages of car. This is despite increases in recommended service intervals.

As cars get older, so the frequency of repair increases, from 0.2 repairs per year for new cars to 1 repair per year for cars of nine years and older.

Chart 8.10 Frequency of servicing and repair by age of car

Age of car Up to...	Average number of services	Average number of repairs
1 year	0.7	0.2
2 years	1.5	0.4
3 years	1.6	0.3
4 years	1.3	0.6
5 years	1.4	0.6
6 years	1.3	0.7
7 years	1.3	0.8
8 years	1.3	0.8
9 years	1.5	1.1
10 years	1.4	0.9
10 years plus	1.3	1.0

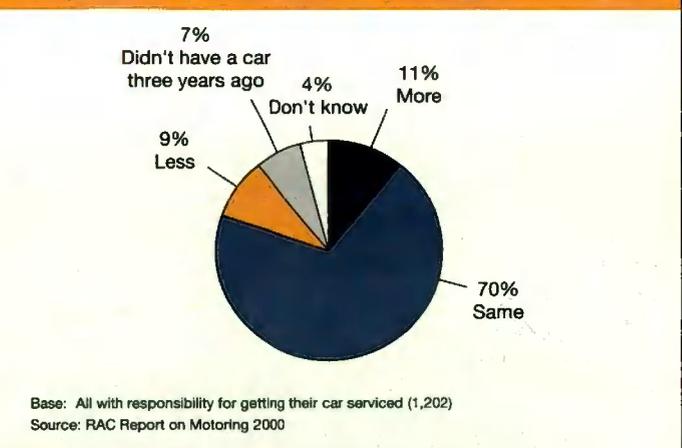
Base: All with responsibility for getting their car serviced (1,202)
Don't knows are excluded from the analysis
Source: RAC Report on Motoring 2000

Servicing requirements have remained the same for 70% of motorists over the past three years. 11% of respondents said that they now have their car serviced more often than they used to and 9% less often.

The principal reasons for increasing the frequency of service are that the motorist covers more miles now, the car is getting older and requires more servicing or that the owner has a desire to keep the vehicle in good condition.

Of those who have decreased the frequency of their servicing over the last three years, the main reasons are that they now cover less miles than they used to, or they had bought a newer car which requires less servicing, or that they simply could not afford the frequency of servicing that they had three years ago.

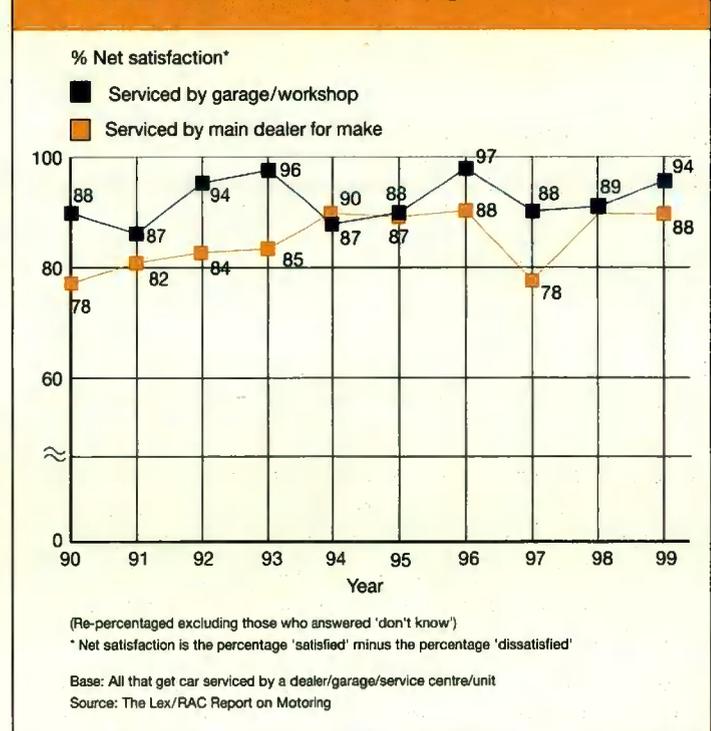
Chart 8.11 Do you get your car serviced more or less often than you used to three years ago?



8.7 Satisfaction with service

Service satisfaction remains very high across the motoring services industry. Overall, there is net satisfaction of around 90% (those satisfied less those dissatisfied). There is slightly higher net satisfaction amongst motorists who have their car serviced at a garage or workshop (94%), although it is still high amongst those who have their car serviced at a franchise dealer for their make of car (88%).

Chart 8.12 Satisfaction with servicing





STEPHEN

Place of birth

1961 UNITED KINGDOM

SWANSEA

1998

EN 603281 DS8FX 77

A1		≤ 11kW
A		≤ 25 ≤ 0.16kW/kg
B1		> 0.0001m³
B		≤ 3500kg
C		
D1		

Section Nine



Driver and car profiles

Section nine profiles the cars on Britain's roads and the nation's motorists. It also highlights some differences between the regions.

9.1 Profile of Britain's car drivers

Chart 9.1 Profile of Britain's car drivers			
		Car drivers %	General public %
Sex	Male	59	48
	Female	41	52
Age	17-34	27	35
	35-54	45	33
	55+	28	32
Class	AB	22	21
	C1	32	27
	C2	22	23
	DE	22	29

Base: All car drivers (1,563)
Source: RAC Report on Motoring 2000

9.2 Profile of new car buyers

Chart 9.2 Profile of new car buyers			
		1988 %	1999 %
Sex	Male	69	67
	Female	31	33
Age	17-34	19	21
	35-54	40	51
	55+	41	29

Base: All who recently bought new cars
Source: The Lex / RAC Report on Motoring

9.3 Profile of used car buyers

Chart 9.3 Profile of used car buyers

		1988 %	1999 %
Sex	Male	67	65
	Female	33	35
Age	17-34	46	32
	35-54	36	44
	55+	19	24

Base: All who recently bought used cars
Source: The Lex/RAC Report on Motoring

9.4. Profile of company car drivers

Company car drivers are much more likely to be men than women - 67% of company car drivers are men. This has changed significantly over the past decade - in 1988 just 20% of company car drivers were women compared to 33% in 1999. Company car drivers are also much more likely to be middle-aged than the motoring population as a whole.

The company car is increasingly a tool of work rather than just part of a remuneration package. In 1993, 15% of company cars were "perk" cars. This has fallen to 7% in this year's survey. 80% of company car drivers now describe their car as an "essential part of my job".

Chart 9.4 Profile of company car drivers

		1988 %	1999 %
Sex	Male	80	67
	Female	20	33
Age	17-34	27	24
	35-54	58	67
	55+	14	9

Base: All who drive company cars
Source: The Lex/RAC Report on Motoring

9.5 Profile of Britain's cars

Chart 9.5 Profile of Britain's cars - new versus used

		All cars	Bought new	Bought used
New versus used	Bought new	25	100	0
	Bought used	75	0	100
Type of ownership	Bought privately	91	78	95
	Provided by an employer	6	18	2
	Business expense	3	4	3
Age of car	0-3 years	28	71	13
	3-6 years	25	15	28
	Over 6 years	47	14	59

Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

Chart 9.6 Profile of Britain's cars - private versus company

		Private	All company cars	Provided by employer	Business expense
		%	%	%	%
New versus used	Bought new	22	62	78	33
	Bought used	78	38	22	67
Type of ownership	Bought privately	100	0	0	0
	Provided by an employer	0	66	100	0
	Business expense	0	34	0	100
Age of car	0-3 years	24	68	83	39
	3-6 years	25	18	11	30
	Over 6 years	51	14	6	31

Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

9.6 Driver profile by region

It should be noted that the sample sizes for each of the regions are relatively small and therefore the differences highlighted below may not be significant and representative of all drivers in the region. The sample of company car drivers in Scotland, however, was boosted to make comparison with the rest of Britain more reliable.

London and the South-East account for more than a third of all the 28 million motorists in the UK. The next biggest motoring region is the north of England with 6 million motorists. Scotland accounts for 2 million motorists.

Comparisons between the regions show that they are all fairly homogenous in structure. There are a few interesting differences, however, which may be statistically significant:

- Motorists in South-West/Wales and Scotland cover more miles than average each year
- A higher proportion of cars are owned from new in Scotland
- There are more multi-car households in the South-East of England
- There is a no regional difference in the proportion of female drivers

Chart 9.7 Driver profile by region

	All	London & South-East	South-West/Wales	Midlands & East Anglia	North of England	Scotland
Number of drivers (m)	28.0	10.1	3.9	5.4	6.4	2.1
Total mileage	10,300	10,500	11,300	9,900	9,500	11,200
% of drivers where car drive most often bought from new	25	22	28	24	27	29
% of regular drivers in households with more than one car	43	48	38	42	40	32
% of drivers who are female	41	41	40	41	41	41
% of drivers that are under 25 years old	7	7	9	6	9	5
% of drivers that are over 65 years old	14	11	16	16	14	13

Base: All motorists (1,563)
Source: RAC Report on Motoring 2000

Appendix 1

Basis of the research

The RAC Report on Motoring 2000 presents the analysis of two quantitative surveys conducted by Sample Surveys Limited on behalf of RAC Motoring Services.

For the main driver's survey, Sample Surveys interviewed 1,563 regular drivers (defined as driving at least once a month) between Saturday 25 September 1999 and Saturday 1 October 1999 in 100 constituency points in Great Britain. This sample included a boosted sample of 285 company car drivers, including an additional boosted quota of 85 Scottish company car drivers.

The data have been weighted to reflect the actual GB incidence of company car drivers (responsible for their own company car), of those who drive someone else's company car and drivers who bought their car privately. Interlocking weighting factors have also been applied to reflect GB car drivers' gender and residential region.

Sample Surveys also administered a separate survey of users of the RAC Web-site.

A random sample of 5,000 visitors, who had provided details, were drawn from a universe of over 100,000. They were sent an e-mail inviting them to take part in a short survey that would be used to help write the RAC Report on Motoring 2000. The e-mail contained a hyperlink that would take them directly to the web based survey.

The e-mail was sent on Thursday 18 November and respondents were given until the end of Sunday 22 November to complete the questionnaire. In total 449 respondents took part in the survey.

It should be noted that the quoted source of this year's research is "RAC Report on Motoring - 2000". Previous year's research is quoted as "The Lex Report on Motoring". There is consistency in the method of research used in this year's and previous year's research.

Appendix 2

Statistical reliability

Any figure taken from a sample can never be taken as a precise indication of the actual figures for the total population being sampled. The figures shown give an estimate, within a small margin of error, of the actual figures.

The error margin varies with the sample size; the larger the sample is, the lower the error will be. It also varies with the actual proportion answering, so that the error is lower for a 90/10 result than it is for a 50/50 result. In order to illustrate the use of varying sample sizes and their effect on the statistical significance of results, the table below outlines the degree of statistical error broadly associated with different sample sizes from the car drivers' survey.

Sample size	Percentage error	
	90/10 result	50/50 result
1,563	+/- 1.5	+/- 2.5
1,000	+/- 1.9	+/- 3.1
800	+/- 2.1	+/- 3.5
600	+/- 2.4	+/- 4.0
500	+/- 2.6	+/- 4.4
400	+/- 2.9	+/- 4.9
300	+/- 3.4	+/- 5.7
200	+/- 4.2	+/- 6.9
100	+/-5.9	+/-9.8

For example, from a sample of 1,563, if 50% answered in a particular way, we would be 95% confident that the true range is between 47.5% and 52.5%.

Appendix 3

LEX/RAC REPORT ON MOTORING INDEX 1989 - 2000

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Buying a car												
Best time to view	59											
Financing the car	57	92	94	98	80	70	131	91	62	79		66
Car ownership, changes in				44								
Choosing a car	46	90			89					83	66	
Commitment to manufacturer				89		72		59				
Cost of car					73	72	98	98	67	84	68	67
Dealers visited	57	86		96	84	74						
Deciding where to buy a car/new formats		52		96	86	93	74			66		67
Discounts							100					
Distance travelled to buy					94							
Extra car expectations			42			37						
Features in current/next car		106			90	104	54	44			71	
Fixed versus negotiated prices/bargaining				92			101					
Improvements by manufacturer							66					
Information sources, trust of	89						72					
Internet - seeking information												44
Internet - buying cars and other goods												46
Mileometers, accuracy		86										
Nearly-new cars		85						68				
New & used car buyers, profiles			90	80		65	96	111			74	71
Next car purchase new/used	84	104		82	57	56						
Numbers buying a car	42	81		81	69	63	92	110	64	81		
Part exchange				100	74							
Personal service when buying a car	55						85					
Reasons for buying car now	44	82			72		72					
Registration letter										71		
Satisfaction with sales experience		88					86	70	68	85	69	
Service and parts with car sales				88	95							
Shopping for a car					86	78		70			15	
Single franchise outlets				84								
Source of purchase of car	50	83	92	84	76	66	59	94	64	81	67	66
Test drives	57	80		96	85							
Timescale for purchase process					83							
Treatment of women	18	94										54
Type of car bought							97					
Used car money back/exchange		102	90									
Used car retailing	46											
Virtual reality, buying by							102		56			
Who helps chose car	48											
Car ownership												
Britain's cars	7	40	28	29	30	130	126	118	82	98	75	
Car bought new/used	42	81	90	80	68	63	94	110	64	95		
Car ownership expectations	38	42	36	38	32	52	33	82	54	73	61	60
Car replacement or additional	42			82								
Choice of car								51				
Drivers in household					40							
Effect of economic climate			40	46	50		79				61	
Increase/decrease in car ownership				42	36	54	80			19		
Length of car ownership			34	36	42	58	47	85	56	75	62	69
Lifestyle and car ownership							49					
Likes and dislikes of car ownership								35				
Miles driven	9	32	30	30	44	60	23	19	85	100	16	
Miles driven (work)		32		32	44	62	24	32	86	101		
Ownership by households	80	9	12	12	14	120	116	78	58	73	60	61
Scrappage	89	10	14	14	16	122	118	87	58	76		
Drivers and the motoring environment												
Britain's drivers	3	18	22	22	22	126	15	24	78	94	74	
Catalytic converters		52		66								
Commuting				34	48				86	14	19	
Congestion, delays due to	70		52	54						34		13
Congestion, problem/easing		70	84	56			26	38		44		
Cost of owning car/driving/public transport		36						40				12
Diesel cars					98	110	29	106	70	87		
"Difficult to adjust lifestyle"	16	34		48	62	34	20	17	50	12	12	10
"Don't care what I drive"	16			48	65		127			15		

Appendix 4

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