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Analysis of Motorcycle Sales and Trade Statistics in the USA in 2021



Introduction

The growth in motorcycles' adoption as an economical private vehicle has been widespread over the past decade. The global motorcycle market size was valued at USD 119.33 billion in 2021. The market is expected to grow from USD 127.44 billion this year to USD 223.50 billion by 2029, showing a CAGR of 8.4%.

While developments in the automotive sector have boosted sales, macro-economic factors such as growth in disposable income and increasing urban population are fuelling the sales of motorcycle across regions significantly. With the incorporation of cutting-edge technologies, motorcycles have become more sophisticated in terms of safety, luxury, and comfort.

Asia Pacific is the largest market for motorcycles, with its focus in India, holding over half of the regional market share. Europe is to appear as the second-largest market for motorcycles, with Germany holding more than 21% of the market share. The United States is to hold more than 90% of market value for the world's third-largest market for motorcycles - North America. High demand for a wide variety of motorcycle types such as cruisers, standard, touring, and others is driving growth in the United States.

The US Market

United States Motorcycles Industry is in good shape. In 2021 the total motorcycle and scooter sales were 550,000 vehicles, increasing by 9.0% compared with 2020 (521,100), reaching the highest level over the past 15 years. Revenue in the Motorcycles market is projected to reach USD 5.51 billion in 2022. Last year, while motorcycle sales in the U.S. continued their rise across all segments, the market's largest segment, On-road Motorcycles, is projected to reach the value of USD 4.71 billion in 2022. The volume weighted average price of motorcycles market in 2022 is expected to amount to USD 11.94k.



In terms of the sales value, reported by the Motorcycle Industry Council (based on sales data that the organization compiled from 14 major OEMs and distributors across America) overall sales rose 14.2 percent over 2020, and 21.8 percent over 2019 figures, across all segments. That includes scooters, which by themselves rose 19.6 percent over 2020, and 31.4 percent over 2019 numbers. On-road bike sales rose 12.9 percent over 2020. In 2020, dual-sport and off-road bikes faced a big increase in sales, by 46.2 percent compared with 2019. However, last year, dual-sport motorcycle sales still managed to grow an additional 18.6 percent over the figures on 2020.

Industry demand characteristically changes together with the overall economy. This is because motorcycles, the industry's main product segment, are mainly expensive optional (good to have) items that are more in demand during times of economic success. Therefore, as consumer confidence has declined and unemployment has risen, demand for motorcycles has collapsed.

The Trade Statistics

In terms of the imports, the US is the largest imports market followed by Germany. In 2021, more than USD 3.6 billion worth of motorcycles including mopeds, and cycles fitted with an auxiliary motor were shipped to the US market (Figure 1). This is a value of 4,171,688 units of motorcycles imported by the US.

In return, the US manufacturers exported more than USD 856 million to the global market. The quantity of their exports was 117,521 units in 2021. Figure 1 exhibits the last five years' trade statistics for motorcycle in the US.

The major destinations for US productions are Canada, Japan, Australia, Belgium and the Netherlands. In 2021, in terms of value, more than 60% of American motorcycles were shipped to these 5 markets. On the other hand, China, Japan, Thailand, Taiwan, Austria were major exporters of motorcycles to the US market in 2021 with the total value of about USD 2.8 billion. Figure 2 below illustrates the value of imports (in USD thousand) from top 10 motorcycle exporters to the US market.

The right statistics extracted from the imports and exports value of products with the HS Code of 8711. As mentioned above, China is the top exporter of motorcycles to the US market, with slightly lower than 1 USD billion value of exports in 2021. If we zoom into this category of products exported by Chinese manufacturers to the US market, the following four subcategories will be derived from the main category (Figure 3).

The highest demand for the imports goes to the motorcycles with electric motor for propulsion (HS Code 871160). Other than being eco-friendly and cost effective motorcycles, the electric motor reduces noise and even vibration to a minimum as electric motors do not require an exhaust that produces sound that is synonymous with gasoline-powered motorcycles. The second largest group of motorcycles imported from China in 2021, was motorcycles with reciprocating internal combustion piston engine of a cylinder capacity > 50 cm³ but <= 250 cm³. The big difference between the first and the second group in terms of the value of imports shows us the clear path of motorcycles demand towards electric motorcycles.

In summary, the figures of the sales and trade statistics show the potential demand and growth for motorcycles in the coming years in the US. Growing economic standards, changing lifestyle and increasing rates of petroleum are shifting the customer preference towards motorcycles which offer greater fuel efficiency in comparison to cars. Motorcycles are an effective and affordable way of transport because the working class and the younger generation of the society are more attracted towards these products. Growing urbanization is also a significant factor driving the growth of the market in the country.

Operators in the motorcycle, bikes and parts manufacturing industries are expected to continue to focus on new demographics to enhance sales. Favourably, as the economy is expected to improve following the COVID-19 (coronavirus) pandemic, industry revenue will also likely rebound. Furthermore, historically low interest rates and a stable return to work may further increase disposable income, which is required to purchase industry-relevant goods due to the expense nature of industry products. ■

Fig. 1

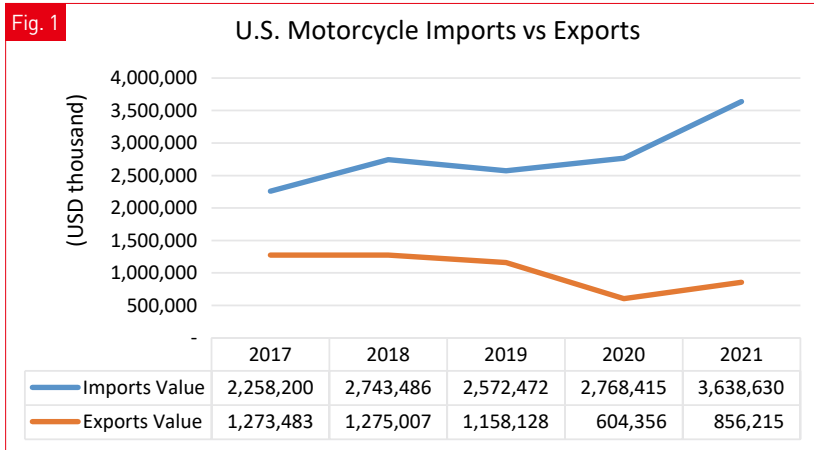


Fig. 2

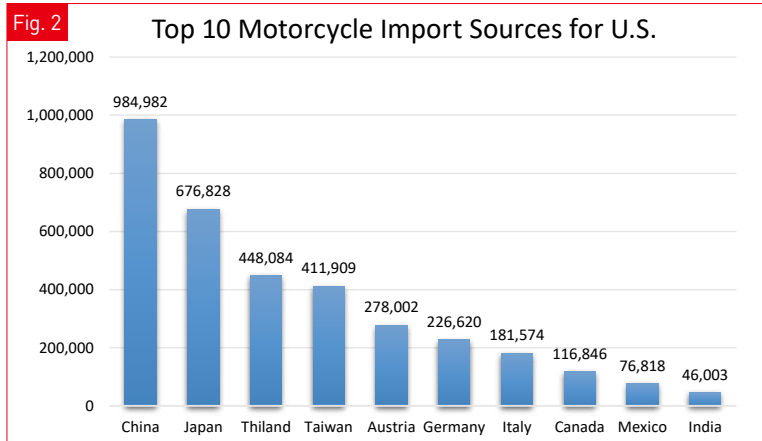
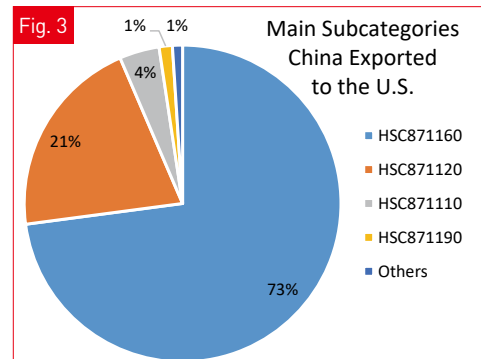


Fig. 3



Sources:

- Motorcycle Market, Forecast, Trend, Analysis & Competition Tracking - Global Market Insights 2021 to 2031
- Motorcycles, The United States, Statista
- United States 2021, Motorcycles Market Hits The Top Out 15 Years – MotorCycles data
- ITC TradeMap, Trade statistics for international business development

