

Nigerian Car Market Analysis for the Year 2025

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2. Introduction



This analysis explores the Nigerian car market across three key segments; brand new, foreign used, and Nigerian used vehicles. It examines over 2,500 cars from various brands, highlighting

trends in brand popularity, body type, fuel type, transmission, engine size, and regional distribution. Toyota emerges as the dominant brand, with SUVs and automatic transmissions being the most preferred choices. The analysis also compares pricing, mileage, and performance metrics, offering insights to guide inventory planning, marketing strategies, and market positioning for the industry stakeholders.

The data was analyzed using Microsoft Excel.

3. Story of Data

Data Source: The dataset used is a secondary dataset sourced from Car45.com.

Data Structure: The dataset is organized in rows and columns with features like Amount, State, City, Brand, Model, Trim, Mileage, Engine Size, and other related attributes.

Story Data is Telling: The data tells a comprehensive story about car brands and models sold across various states in Nigeria, highlighting key details such as their prices, conditions, trim, body builds, fuel types, and transmission systems.

4. Data Splitting and Preprocessing

Data Cleaning: The dataset was initially pre-cleaned using Power Query. To ensure a smooth analysis process, I further verified that there were no empty rows or duplicate entries. To enhance readability, I improved the visibility of column headers and cell data, froze the top pane for easier navigation, and converted the dataset into a standard Excel table format, making it more organized and accessible for further analysis.

Data Transformation: During the data transformation phase, I renamed some column headers for clarity, for example, changing *Cities.1* to *City*. I also cleaned and standardized text entries under this column using the Find and Replace function where necessary. Additionally, I formatted the *Amount* column to display currency values, improving consistency and making the data easier to interpret during analysis.

Data Splitting: In this phase the dataset is divided into two main categories to allowed for a more focused analysis and offered clearer insights into a distinctive aspects of the data.

1. Category One—Independent value

State

City

Model

Colour

Car Brands

Condition

Body Build

Fuel Type

Transmission

2. Category Two—Dependent value

Amount

Mileage

Engine Size

Horse Power

Industry Context: The data relates to the Automotive dealership industry, with particular relevance to the online market space.

Stakeholders: The stakeholders of this project include the Chief executives and Marketing team

Value to the Industry: High volume car transactions is what they consider as success. Relying on customer trust and scalable technology. Growth is measured by user base, revenue generated, and market expansion. This is what they consider as value.

5. Pre-Analysis

The main areas identified for potential analysis during the pre-analysis phase are outlined below.

- State performance analysis by number of cars
- Top 10 car brands analysis by amount
- Top 10 car models by amount
- Top 5 cities by amount
- Condition by amount
- Body build by amount
- Fuel type by amount

- Transmission by amount
- Top 10 colours by amount
- Top 10 car model by their mileage
- Performance analysis by engine size
- Best performing car by mileage
- Top brands by their horsepower
- Regional performance by amount
- Count of cars by year of make

Initial Insights

- Finetune the State with the highest number of cars and implement measures to gain more ground and consider opening new branches or expanding logistics capacity.
- Finetune the top 10 car brands and ensures they are consistently available for the customers.
- Analyze the top 10 car models and implement measures to make them more visible by way of ads, bundle services and offer competitive price to drive in more customers.
- Finetune the top 5 cities and prioritize more inventory, marketing spending and more personnel's to these locations.
- Analyze the car condition by the amount and prioritize investment based on popular demands.
- Finetune the body build of the cars and stock base on customer preferences
- Finetune the Fuel type by amount and implement measures to promote the ones with low outcomes e.g. the EVs.
- Finetune Transmission by amount and adjust procurement accordingly to the dominant transmission.
- Fine the top best selling colours and Stock more of the popular colors to increase turnover by using the color preference data in marketing and personalization strategies.
- Finetune the Top 10 car model by their mileage and market these as durable options for high-usage customers.

- Finetune the engine size and balance inventory across engine sizes. Offering performance models in premium cars and promote smaller engines for fuel efficiency.
- Analyze the best performing car by mileage and promote top-performing models as long-term investments by creating contents or campaigns around its longevity, especially for budget-conscious buyers.
- Finetune the top brands by their horsepower and offer specialized packages or experiences (e.g., competitive price or test drive events) to promote these through lifestyle or enthusiast marketing channels.
- Finetune the regional performance and customize inventory, promotions, and even pricing for each region.
- Analyze the count of cars by year and monitor aging inventory closely. Discount older models or bundle with warranty offers to accelerate turnover.

6. In-Analysis

Unconfirmed Insights

- Lagos state tops the chart among the states with 1,452 vehicles, followed by the Federal Capital Territory (FCT) with a total of 654 vehicles while Anambra state ranked lowest among the top ten, with just 22 vehicles.
- Toyota leads the chart of the top brands with 1,126 cars, followed by Honda with 310 and Lexus with 289. Volkswagen and Acura are tied at the bottom of the top ten list, each with 56 cars.
- Toyota Camry tops the list of most preferred model with 346 units, followed by the Corolla with 221 and the Honda Accord with 167, while Lexus RX 350 ranks the lowest among top ten with 52 units.
- Based on condition, Nigerian used cars dominate the with 2,374 vehicles, followed by foreign used cars with 497. Brand new cars make up the smallest share, with just 23 units.
- SUVs tops among the top 5 body build, with a total of 925 vehicles. This is followed by 146 sedans, 31 trucks, 28 hatchbacks, and 21 coupes.
- Based on fuel type, petrol powered vehicles dominate with 2,849 vehicles, followed by 16 hybrid, 10 diesel and 1 electric.
- Among the two popular transmission types, automatic overwhelmingly leads with 94.05% in contrast to the manual type with only 5.95%.
- All-Wheel Drive (AWD) dominate the drive-train with 134 vehicles, followed by Front-Wheel Drive (FWD) 114, Rear-Wheel Drive (RWD) 21, and 4x4 with 6 vehicles

Recommendations

- Analyze the reason for high numbers in Lagos state and implementing an incremental measures
- Consider more investment on the top 5 car brands with more focus Toyota brands.
- Consider making the top 5 models always available and affordable to prevent customers from looking out.
- Foreign used cars are cost effective and efficient, hence the need to invest more on it.
- SUVs are the most in-demand body type. Focus inventory, advertising, and promotions on SUVs to meet market demand.
- Petrol vehicles overwhelmingly dominate the market, so prioritize petrol car inventory and services.
- Consider more investment on the automatic transmission vehicles since attention are now been shifted from the manual.
- Maintain inventory with AWD and FWD drivetrains while offering 4x4 options for niche buyers in rugged or off road regions.

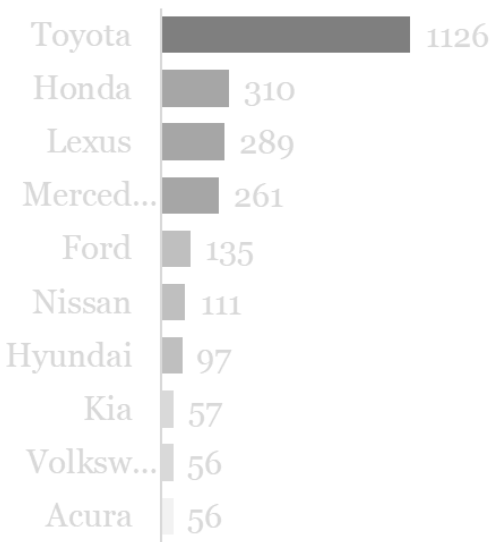
7. Post-Analysis and Insights

Slicing by the vehicle condition in the post analysis phase, I observed that;

- There are 23 brand new cars of 8 brands located in FCT and Lagos, among these, 2 are SUVs, 1 sedan and 1 trucks all running on petrol. body build of the other vehicles are not specified. 78% of the cars are automatic while 21% are manual drive. the average price is N20,700,000, average mileage is 7800km with an average of 132hp and average engine size of 2,200cc
- There are 421 foreign used cars across 10 brands, with Toyota leading at 187 units. These cars are located in FCT, Lagos, Kwara, Kaduna, Oyo, Ondo, Ogun, Edo, Delta, Anambra, Rivers, and Akwa Ibom. The breakdown includes 172 SUVs, 26 sedans, 11 trucks, 8 coupes, and 6 hatchbacks. They run on petrol, diesel, and hybrid engines. Over 95% are automatic, while 4.86% are manual. The average price is ₦8,900,000, average mileage is 28,200 km, average horsepower is 248 hp, and average engine size is 3,200 cc.
- There are 2,127 Nigerian used cars from 11 brands and Toyota brand topping with 982. these cars are located in FCT, Lagos, Kwara, Kaduna, Oyo, Ogun, Ondo, Edo, Delta, Anambra, Rivers and Akwa-Ibom states, among these cars are 751 SUVs, 119 sedan, 19 trucks, 13 coupe and 22 hatchbacks, the cars runs on petrol, diesel, while some are hybrids they are 94% of the cars are automatic while 6% are manual drive. the average price is N4,000,000, average mileage is 28,600km with an average of 209hp and average engine size of 3,100cc

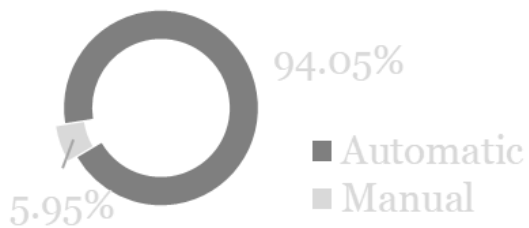
8. Data Visualizations & Charts

Top 10 Most Popular Car Brands in Nigeria



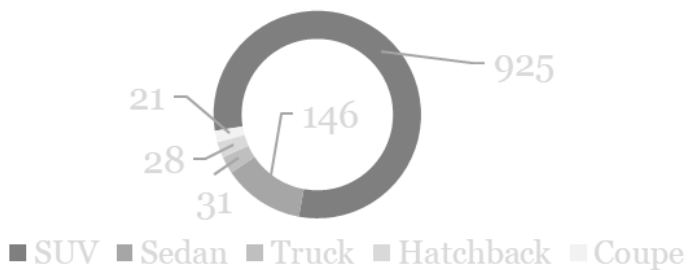
This bar chart shows the top ten brands where Toyota tops with 1126 and Acura the lowest with 56 vehicles.

Transmission by Amount

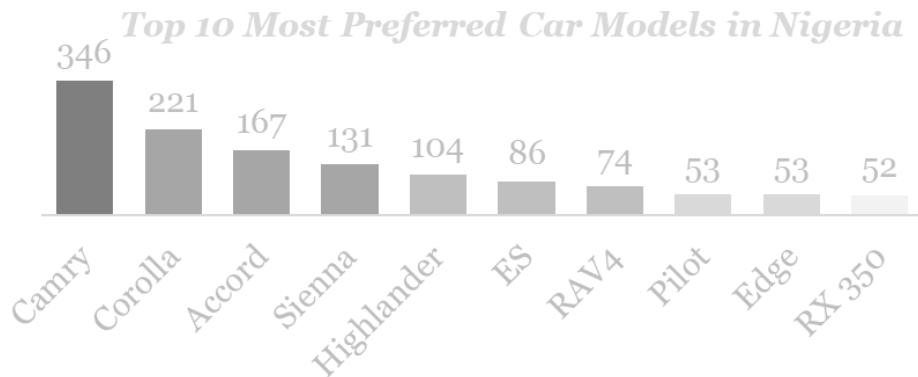


This Chart shows the transmission with automatic leading with 95.05% while manual is 5.95%.

Body build by Amount



This chart shows the body build where SUV dominates with 925 cars in contrast to sedan, truck, hatchback and coupe.



This column chart shows the top ten preferred models and leading by Camry with 346, followed by Corolla 221, Accord 167 and the lowest is RX 350 with 52 vehicles.

9. Post Analysis Recommendations

- With over 2,100 units and an average price of ₦4 million, Nigerian used cars clearly dominate the market in both volume and affordability. These cars offer solid performance (209 hp, 3,100 cc) and are mostly automatic (94%), making them attractive to the average buyer. Dealers should continue to prioritize this segment for quick turnover and wide market reach.
- Foreign used cars strike a balance between performance and price, averaging ₦8.9 million, 248 hp, and 3,200 cc engine size. Concentrated in urban centers and largely automatic, this segment suits buyers seeking reliability and slightly better specs than local used cars. Stocking SUVs and Toyota models already in high demand may maximize sales potential.
- Brand new cars are few (only 23 units), highly priced (₦20.7 million on average), and limited to FCT and Lagos. With modest specs (132 hp, 2,200 cc) and low mileage, they appeal to high-end buyers focused on status, warranty, and near to zero usage history. These should be marketed as premium, low-risk options with added incentives like financing plans or extended service packages.
- Toyota leads in every segment, indicating strong brand loyalty and trust. Dealers should prioritize Toyota across new, foreign used, and Nigerian used inventories to match buyer expectations.
- Across all categories, SUVs are the top body type and automatic transmissions dominate, showing clear buyer preferences. Stocking more SUVs and automatics aligns with market demand and ensures quicker sales cycles.
- While still a small portion of the market, hybrid vehicles are appearing in both used segments. This suggests a slow but emerging interest in fuel-efficient options. Dealer should watch this trend and be ready to diversify as demand grows.

10. Conclusion

The analysis reveals a strong, consistent demand for Nigerian and foreign used cars, especially Toyota SUVs with automatic transmissions, across major states. Nigerian used cars dominate in volume and affordability, while foreign used cars appeal to mid income buyers seeking better performance. Brand new cars, though limited in number, target a premium market in Lagos and FCT. Across all segments, buyers show a clear preference for SUVs, automatic drive, and petrol engines, with a small but growing interest in hybrids. Dealers should align inventory and marketing strategies with these insights to maximize reach and profitability.

11. References

car45.com