

The Car Market's Meltdown: How We Got Here And Why It's Hilarious

The UK car market is currently about as stable as a three-legged stool on a trampoline. What was once a clear path to an all-electric future has turned into a chaotic free-for-all, with manufacturers backpedalling faster than a cyclist who just realised they're heading straight into a canal. Plans have changed, targets have been scrapped, and the whole industry is looking about as confident as a deer in the headlights of an oncoming Audi.

First to slam the brakes on the electric dream was Lotus. Now, Lotus is a company that has spent its entire existence making lightweight sports cars that are as comfortable as a brick with wheels. But then they decided to go all-electric and... nobody bought them. So, in a move as surprising as realising water is wet, Lotus has decided that maybe, just maybe, hybrids might be the way forward.

Then we have Volvo, that bastion of safety and sensible decision-making, which had proudly declared it would be all-electric by 2030. Well, not anymore. Now, they've decided that plug-in hybrids deserve another look, which means stuffing petrol engines back into their supposedly electric Volvos. Presumably, this decision was made after noticing that people actually want cars that can go further than the local supermarket without a two-hour charging stop.

BMW, meanwhile, has taken one look at the madness and said, "Not on our watch." The company has announced that its V8 engine will live on indefinitely. That's right—while others are fiddling with battery packs, BMW is doubling down on giving us more growling, petrol-powered lunacy. Of course, they're also making electric cars and hybrids, but the key message here is choice. And let's be honest, who doesn't like choice?

Bentley, a company once set on going all-electric by 2030, has also had a rethink. The plan has been scrapped, internal combustion engine development is back on, and somewhere in Crewe, engineers are polishing their spanners and getting back to work. Apparently, Bentley reckons there are still "one or two" generations of internal combustion engines left. Which is industry terminology for, "Yeah, we're not done making big, thirsty, gloriously excessive engines just yet."

Meanwhile, things aren't looking so rosy for the premium EV market. Audi has stopped production of the Q8 E-Tron and E-Tron Sportback due to waning demand. Porsche has been hit even harder, suffering a 40% drop in sales. Yes, Porsche, the company that can slap a Turbo badge on an electric car and charge £135,000 for it, is suddenly struggling. And to make matters worse, their margins are expected to shrink to a meagre 10-12%. Which, in normal business terms, is still impressive. But in Porsche terms, it's like realising your champagne isn't quite chilled enough—utterly unacceptable.

And then there's Aston Martin. You might remember they were planning to launch their first electric car soon. Well, now that plan has been kicked down the road by at least three years. Instead, they'll focus on hybrid models because, shockingly, their customers still want to hear the sweet symphony of a roaring V12 rather than the whirr of an oversized hairdryer.

All of this raises the question—what on earth is going on with electric vehicles? Just a few years ago, manufacturers were racing to ditch petrol and diesel engines faster than a politician running from accountability. Now, they're all suddenly rediscovering the joys of internal combustion. It seems the industry has realised that while EVs are great in theory, in practice, they're not quite the universally adored revolution everyone was expecting.

So, what does this mean for you, the car buyer? Well, if you were worried that the petrol and diesel options were vanishing overnight, fear not—because manufacturers have realised that maybe, just maybe, there's still some life left in the good old-fashioned engine.

What brought this upon us?

But how did we actually get here you might ask? To understand the current mess, we need to rewind a bit. All this chaos—the backtracking, the confusion, the industry's sudden rediscovery of petrol—can be traced back to one thing: dieselgate. Yes, that time Volkswagen decided that pesky emissions laws were getting in the way of selling diesel cars in the US and figured, "Why not cheat instead?" Spoiler alert: they got caught.

Back in the early 2000s, VW was determined to crack the American market with diesel cars. The only problem? California's emissions standards were stricter than a Michelin-starred chef inspecting a fast-food burger. So, instead of developing a cleaner engine, VW's engineers got creative with software that could magically make their diesel cars seem cleaner during tests. In reality, those cars were puffing out nitrogen oxides like a factory chimney.

When the scandal broke in 2015, the fallout was enormous. Diesel cars became public enemy number one, and overnight, regulators across Europe decided that internal combustion engines were the devil. Enter the Euro 7 emissions standard—so tough that passing it was about as likely as getting a Rolls-Royce for the price of a second-hand Fiesta.

Manufacturers had two options: either pour billions into making diesel engines compliant with Euro 7 or throw in the towel and go electric. Unsurprisingly, most chose the latter, especially with Tesla proving that electric cars could be more than just glorified milk floats. The Model 3 was flying out of showrooms, and every legacy manufacturer was scrambling to catch up.

But there was a problem. Euro 7 was originally set to come into effect in 2020, yet thanks to the COVID-19 pandemic, it got delayed. Instead, we got a series of interim standards—Euro 6d, Euro 6e—like sequels to a movie franchise nobody really wanted. And with manufacturers already knee-deep in electric development, there was no turning back.

However, as it turns out, the grand electric dream wasn't quite as magical as everyone hoped. While early hype made EVs seem like the future, reality hit hard—especially for premium customers. Many of the first electric cars were rushed to market, leading to some rather questionable resale values. These cars made perfect sense as company fleet purchases, but once they hit the second-hand market, buyers weren't exactly queuing around the block. The result? A whole segment of premium EVs with a reputation that's about as desirable as a sunroof on a submarine.

Now, the industry is shifting again. Plug-in hybrids, once seen as a stopgap, are back in vogue. They offer the best of both worlds—silent, guilt-free electric driving for short trips, and a petrol engine for when you'd rather not play the "hunt for a working charger" game. And with manufacturers having spent billions developing electric drivetrains, they're not about to ditch them entirely. Instead, they're hedging their bets, offering hybrids alongside EVs to see which way the wind blows.

So here we are. What started as a crackdown on diesel cheating led to a rush towards EVs, which then ran into its own set of problems. And now, we're seeing yet another course correction as the industry tries to find a balance between regulation, technology, and—most importantly—what customers actually want.

The Emergence of PHEVs

Enter the plug-in hybrid—a car for people who like the idea of electric motoring but also like the idea of not being stranded at a charging station in the middle of nowhere, desperately Googling "nearest working charger." Manufacturers have caught on, and cars like the Range Rover Sport P460e and the Cayenne Hybrid now offer more electric range than ever before. Some of them can even manage 50 miles on a single charge, which is enough for most daily commutes.

And here's the kicker—many drivers have realised that they can do about 75% of their total mileage on electric power alone, without ever having to deal with the horror of unreliable public charging. The result? They're less interested in going fully electric and are quite happy with their hybrids, thank you very much.

Car manufacturers, being the opportunistic creatures they are, have taken note. Pure EV rollouts are slowing down, and plug-in hybrids are getting all the attention. Why? Because the first wave of EV buyers—the brave pioneers—had an experience that could best be described as "character-building." Slow chargers, cold weather range anxiety, and plummeting residual values have left many reluctant to go down that road again.

So now, the premium manufacturers have a new plan: delay pure EVs and sell us hybrids instead. This isn't a short-term trend either—expect more of this throughout 2025, as companies realise that giving customers what they actually want might be a better business strategy than forcing them into an all-electric future they're not quite ready for.

The Reality Behind the Shift – A Look at Porsche's Sales Data

When Porsche launched the Taycan in 2020, the world of car enthusiasts was split in two. On one side, you had the EV evangelists screaming that this was the future—the death knell for petrol-powered 911s. On the other, you had purists clutching their flat-six engines, insisting that real Porsches don't come with a battery pack and a laptop fan.

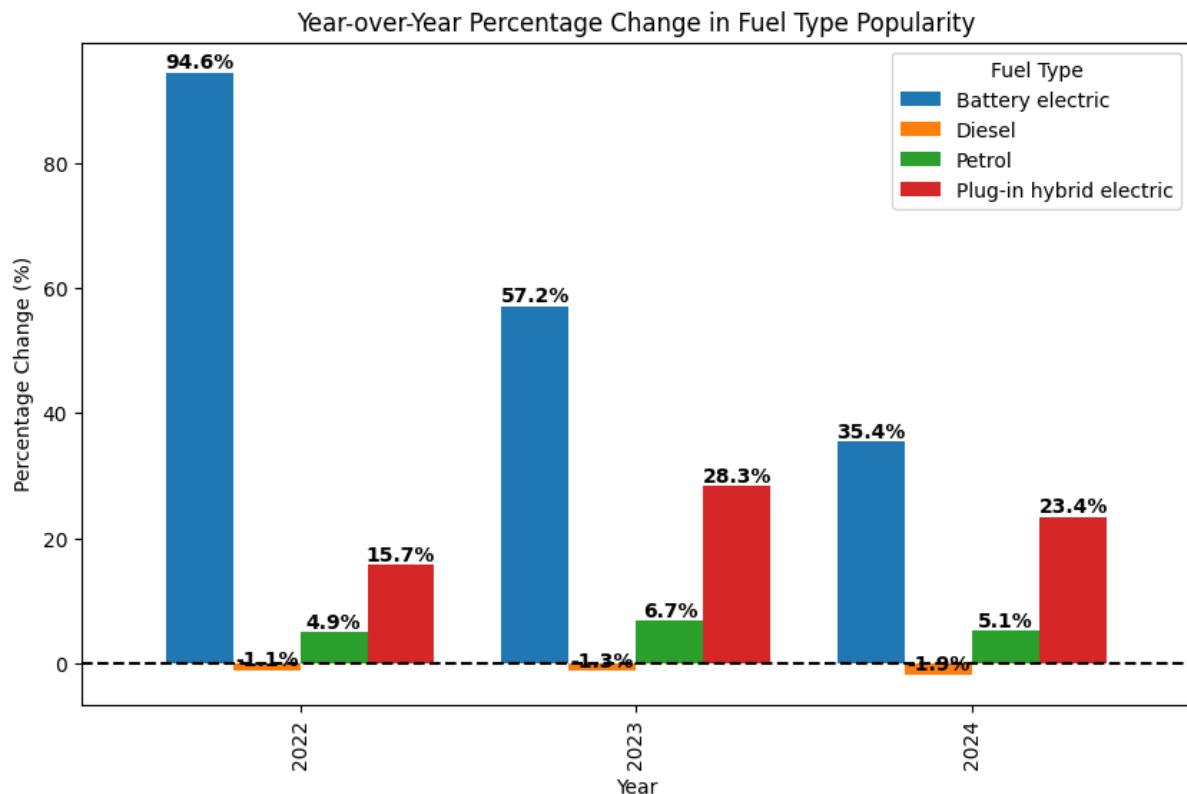
And for a while, it looked like the electric crowd was winning. In 2021, Taycan registrations skyrocketed. Porsche couldn't build them fast enough. The same happened in 2022, though the numbers started to look a little more... sensible. By 2023, things slowed down. And by 2024? Well, let's just say the battery-powered Porsche revolution seems to be running out of charge.

Now, I'm not just plucking this out of thin air. I got my hands on official DVLA data—the stuff that tells us exactly what cars are being registered in Great Britain. This dataset covers every registered vehicle from 1994 to 2024, broken down by make, model, fuel type, body type, and license status, with quarterly updates. In other words, this is hard evidence—not just a hunch based on what people are saying at the local Porsche meet.

For my analysis, I focused purely on Porsche registrations from 2020 onwards—the year the Taycan first appeared on UK roads. And the results are fascinating.

In 2022, Taycan registrations shot up 94.6% year-over-year—astonishing! By 2023, that number had dropped to 57.2%, and by 2024, it had plummeted to 35.4%. That's still growth, sure, but it's the kind of growth you see when someone's trying to convince themselves they like oat milk. Meanwhile, plug-in hybrids—the so-called compromise—have been humming along steadily, with growth rates sitting at 15-28% per year. Petrol-powered Porsches? Still increasing, ever so

slightly. And diesel? Well, if you see someone buying a diesel Porsche today, they're either insane or they've lost a bet. If you don't believe me, the visualisation clearly shows this:



But here's where it gets really interesting. At the time of writing, there are 962 Taycans for sale on AutoTrader. For reference, there are 1,300 Cayennes—yes, the big SUV that's been around for twenty years longer. But the real kicker? A 2020 Taycan Turbo with 65,000 miles is listed for just £41,900. That's a car that cost £135,000 brand new, before Porsche's famously extortionate optional extras. In just four years, that car has lost nearly 70% of its value—which is the sort of depreciation you'd expect from a brand-new Bentley the moment you drive it off the forecourt.

So, what does all of this tell us? Well, the Taycan might be fast, futuristic, and technically brilliant, but it seems that many buyers are doing the maths and saying, "Actually, I'll take the hybrid." Plug-in hybrids are proving to be the real winners here, because they let you drive around in smug, silent, electric mode without suffering the range anxiety of a pure EV. And as for Porsche's petrol-powered cars? Well, they're still chugging along, because people like the sound of an engine.

In short, the grand electric revolution is not quite going to plan. And if this trend continues, Porsche might have to rethink its master plan of convincing us all to buy battery-powered Panameras.

Small EVs and Market Dynamics

While the high-end electric SUV market flounders, the small electric car segment is gearing up for a proper fight. The Renault R5, for example, is expected to be a game-changer. Affordable, practical, and with enough range to cover over 200 miles on a charge, these small EVs are making a lot more sense than their oversized, overweight counterparts.

But there's another force at play here—taxes. In some European countries, like France, new levies on CO2 emissions and vehicle weight have made traditional petrol-powered cars financially

painful to own. Some models now come with tax bills reaching an eye-watering €70,000, which is the government's way of saying, "Are you sure you wouldn't prefer an EV?"

Take the Renault R5 again. If it had a 1.8-litre petrol engine instead of a battery, the taxes and running costs would make it laughably uncompetitive. And with financial incentives and lower running costs, small EVs are beginning to look like the sensible choice for city dwellers and commuters.

So, while the premium brands are backing away from full EVs and embracing hybrids, the small EV market is quietly gathering momentum. And if the industry has taught us anything, it's that when there's money to be made, car manufacturers will be there, grinning, ready to sell us the next big thing.

Conclusion

So, where does that leave us? Well, despite all the noise about EVs taking over, the numbers tell a different story. Yes, electric Porsches are selling, but their growth is slowing, their values are tumbling, and hybrids seem to be the real sweet spot for buyers who want the best of both worlds. Meanwhile, petrol-powered Porsches are still hanging on, because, let's be honest, a sports car that doesn't make any noise feels about as thrilling as a microwave.

The car market is changing, but not quite in the way policymakers and manufacturers had planned. The idea that everyone will just wake up one morning and buy an EV is as realistic as convincing the entire country to go vegan. Some will, many won't, and in the meantime, people will keep buying what actually works for them—whether it runs on petrol, batteries, or a bit of both.