



Market analysis: **Germany**

A report by **JATO Advisory**

October 2025



**Total Market
(2024 vs 2023):**

2,817,331 (-0.96%)

**Chinese OEM
Share (HY1 2025):**

1.89%

**Chinese* vs Rest of
Market Pricing (2024):**

€36,909 vs €45,774

**Chinese Market Share
Growth (2019 - 2024):**

+1.5_{pp}

*Our use of the term 'Chinese' is simply in reference to a group of brands identified for analytical purposes and there is no intention to label or judge.



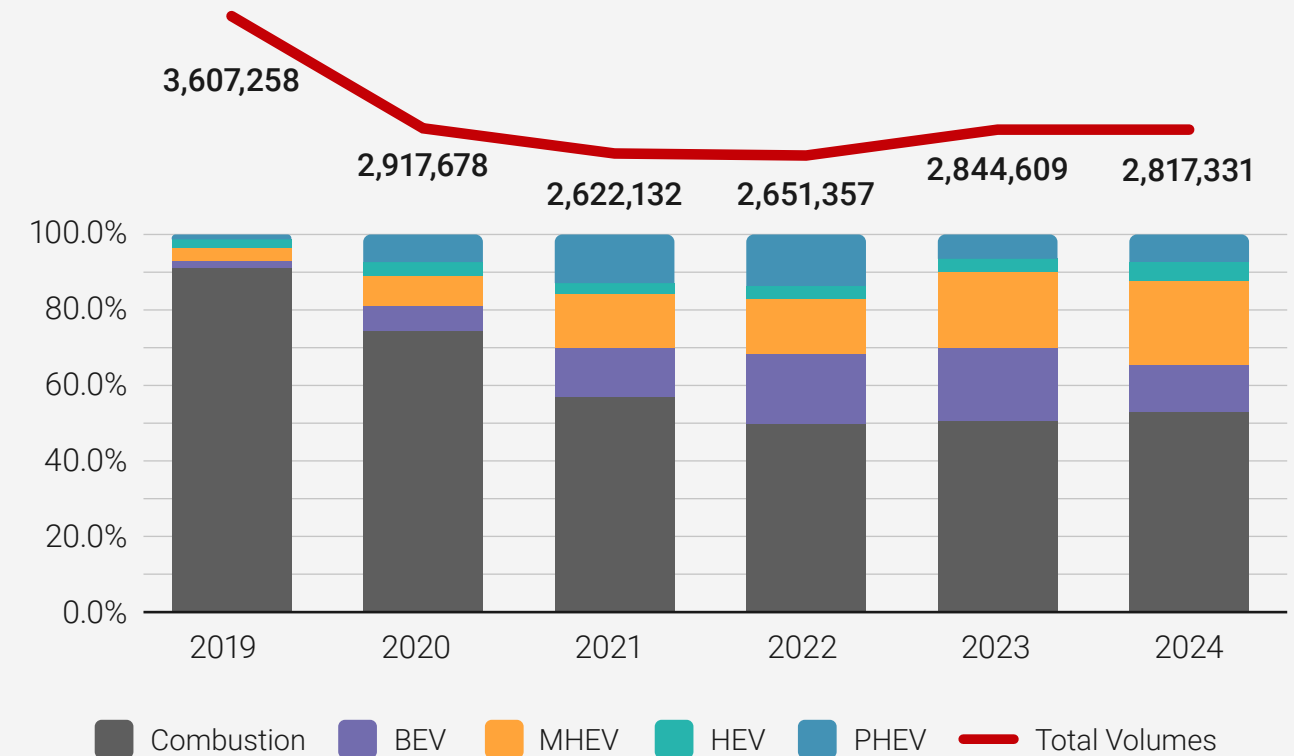
Introduction

When discussing the overall European market, Germany has not been able to avoid the disruptions to the automotive industry over the last several years. However, Chinese brands accounted for just 1.5% of its total market in 2024, a significantly smaller presence compared to other countries.

Though the share of Chinese brands has increased to 1.89% partway through this year, mirroring the wider European trend, Germany remains a challenging market for new entrants. One contributing factor is the strength of domestic brands such as Volkswagen, BMW and Mercedes, which continue to dominate market share.

Powertrain development also presents a potential barrier for Chinese OEMs, particularly given the significant drop in BEV market share between 2023 and 2024. In late 2023, the German government announced an abrupt end to BEV subsidies for 2024, which hindered the uptake of new electric vehicles. While Chinese brands have shown flexibility across multiple powertrains – including combustion and PHEV – the combination of strong domestic competition and the removal of incentives has created higher barriers to entry.

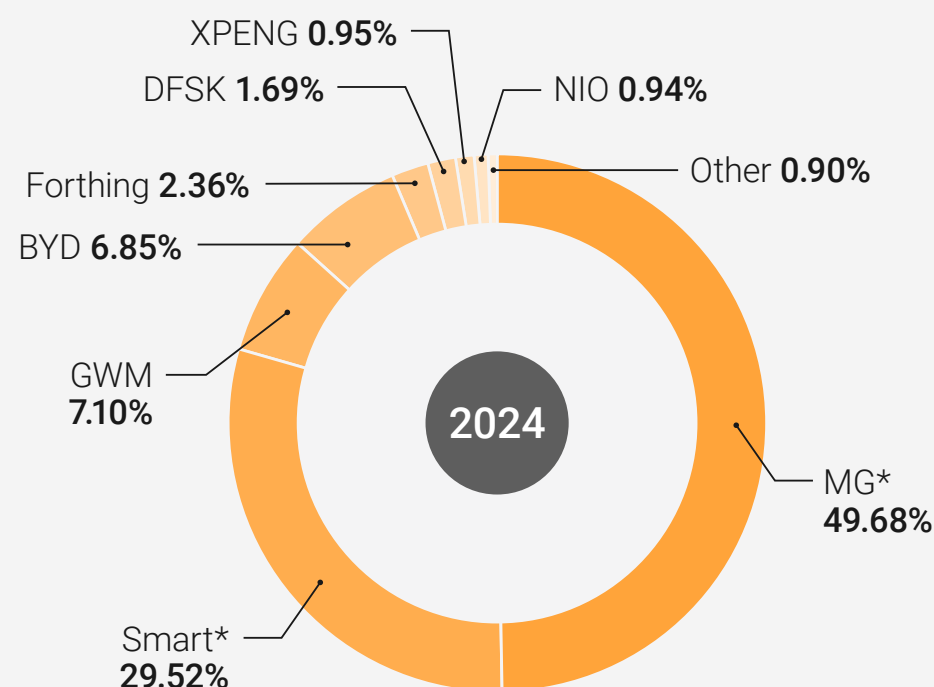
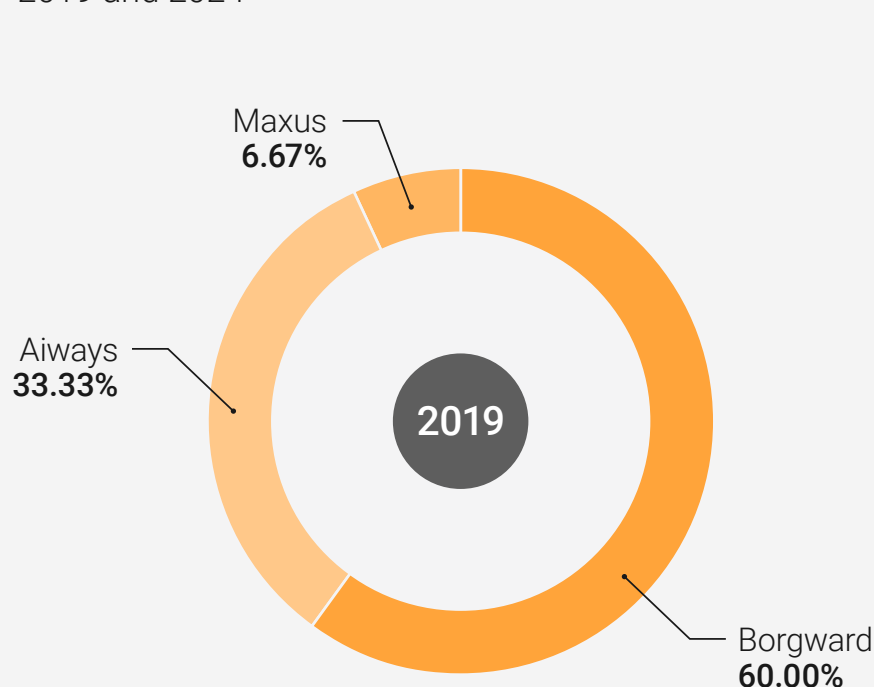
Germany - Volume and Powertrain development
2019 - 2024





Chinese OEM Market Share Split by Brand

2019 and 2024



*Due to the change in Smart's ownership and the introduction of the new product line-up that began in 2023, as well as the relaunch of the MG brand under the SAIC Group, both brands are considered "Chinese" for the purpose of this study.

The mix of Chinese brands has changed dramatically between 2019 and 2024, along with their price positioning. The Chinese models available in 2019, although limited in volume, were priced between approximately €39,000 and €59,000

However, by 2024, the average weighted retail price of a Chinese vehicle had dropped to around €37,000, driven by the introduction of a wider range of makes and models, such as MG.

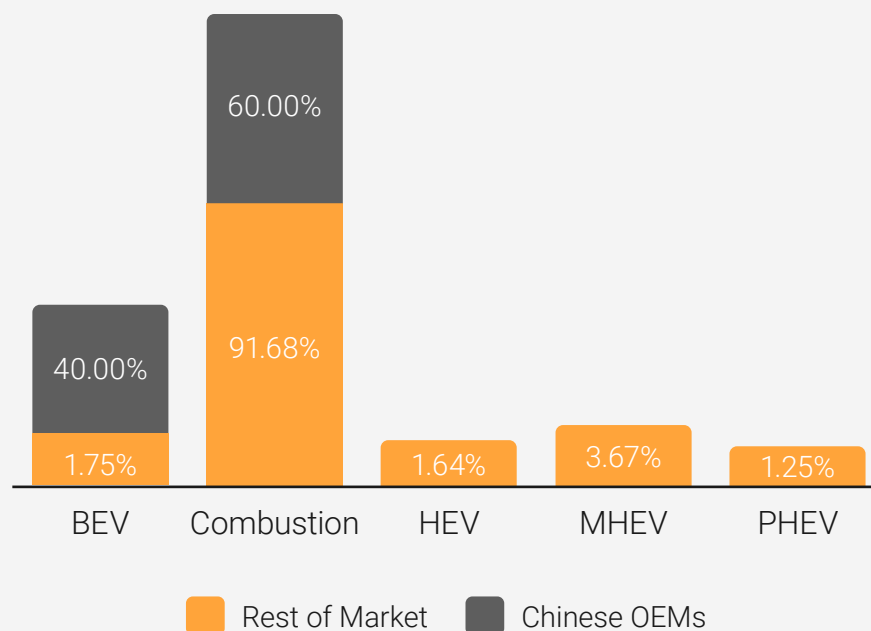
MG now leads Chinese brands in terms of market share and has played a significant role in lowering the average cost of Chinese vehicles in Germany across most powertrain types.



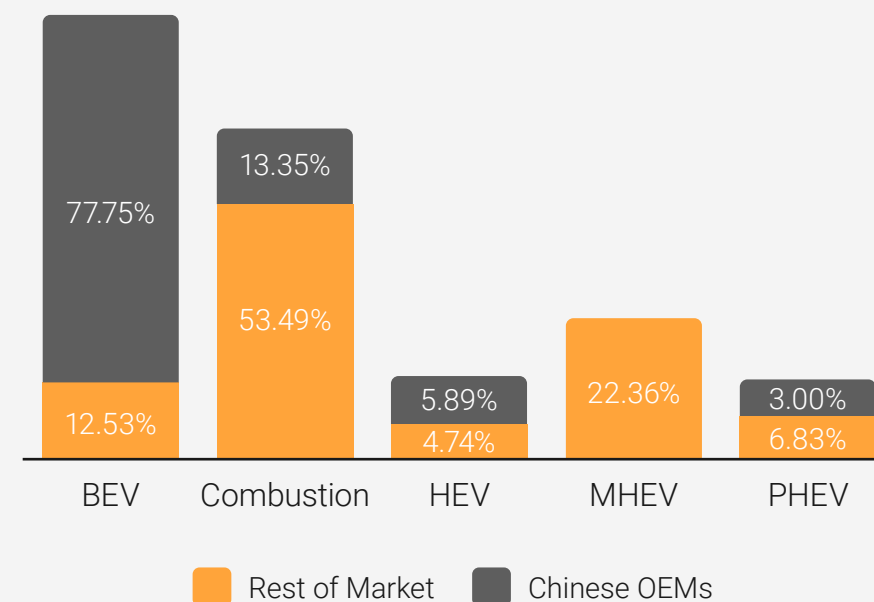
In a similar vein to other markets, the evolution of the powertrain mix between 2019 and 2024 shows that Chinese brands now have a presence beyond BEV and combustion. Notably, their BEV share has far surpassed that of the previously dominant ICE, now representing 77.75% and 13.35% of Chinese sales respectively.

The growth in HEV and PHEV market share reflects a more holistic approach from Chinese manufacturers. They have leveraged their production efficiencies to rapidly deliver competitively priced, technologically advanced vehicles, enabling them to compete effectively with traditional brands in the market.

Powertrain Mix
2019



Powertrain Mix
2024





Conclusion

In summary, while the presence of Chinese brands in the German market remains limited, the potential opportunity is evident. Over the past few years, China's export capabilities have grown exponentially, posing a direct challenge to Germany's industrial interests — both domestically and across Europe.

These new market entrants are disrupting the status quo and will likely compel traditional domestic manufacturers to reassess their strategies if they wish to remain competitive across all market segments in the future.



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