



BASF Color Report 2021 for Automotive OEM Coatings

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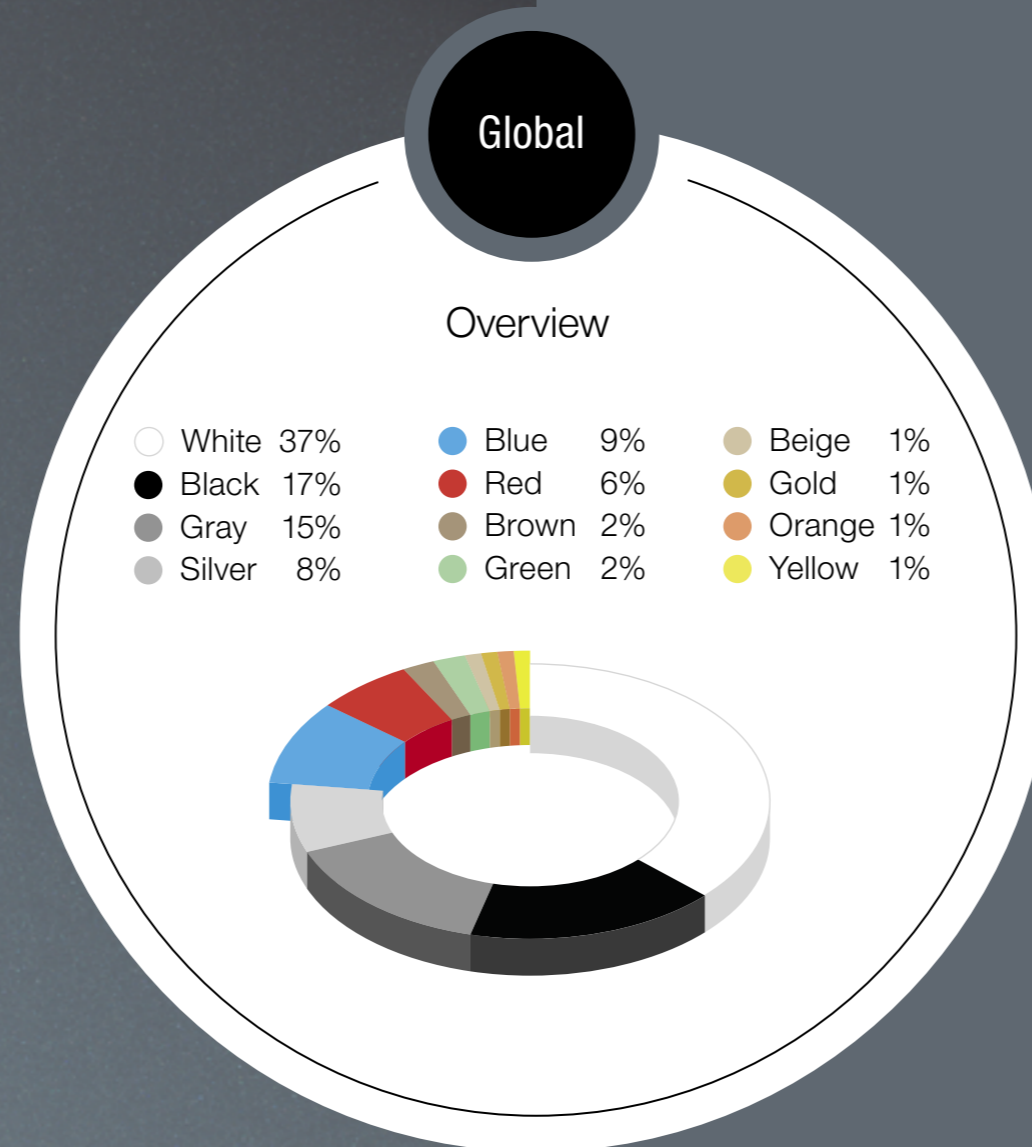
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New challenges put a sharper point on color



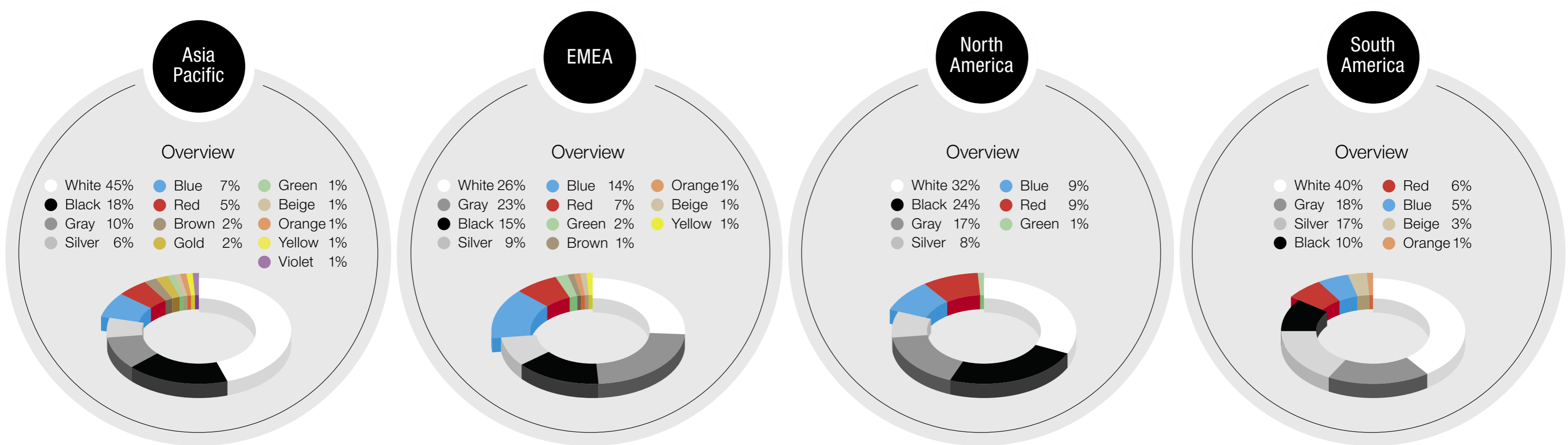
Some thought the automotive industry would rebound in 2021, but instead, it faced new challenges that it had never faced before. The total number of vehicles built on the world’s assembly lines in 2020 and 2021 were significantly lower than the years before. That put a sharper point on the popularity of certain color spaces around the world, while knocking some perennial favorites down a few points.

To be sure, the achromatic colors – white, black, gray, and silver – are still the most popular. They have classic, timeless beauty, and a connection to both the environment and high technology. But some cracks are showing in their armor as new color spaces emerge.

As predicted by BASF’s designers years ago, blue is having a moment in the sun. Red is also rising – taking market share from the achromatic colors in many parts of the world. Even though the numbers are smaller, green and beige still show up in the data, and the colors aren’t the typical shades you might expect.

The data cited throughout this report represents the colors that were sprayed on new vehicles over the past year.

Widest diversity in automotive color



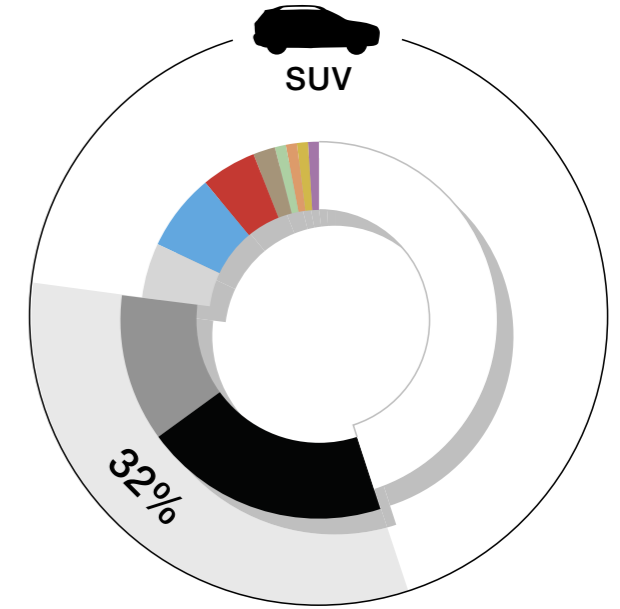
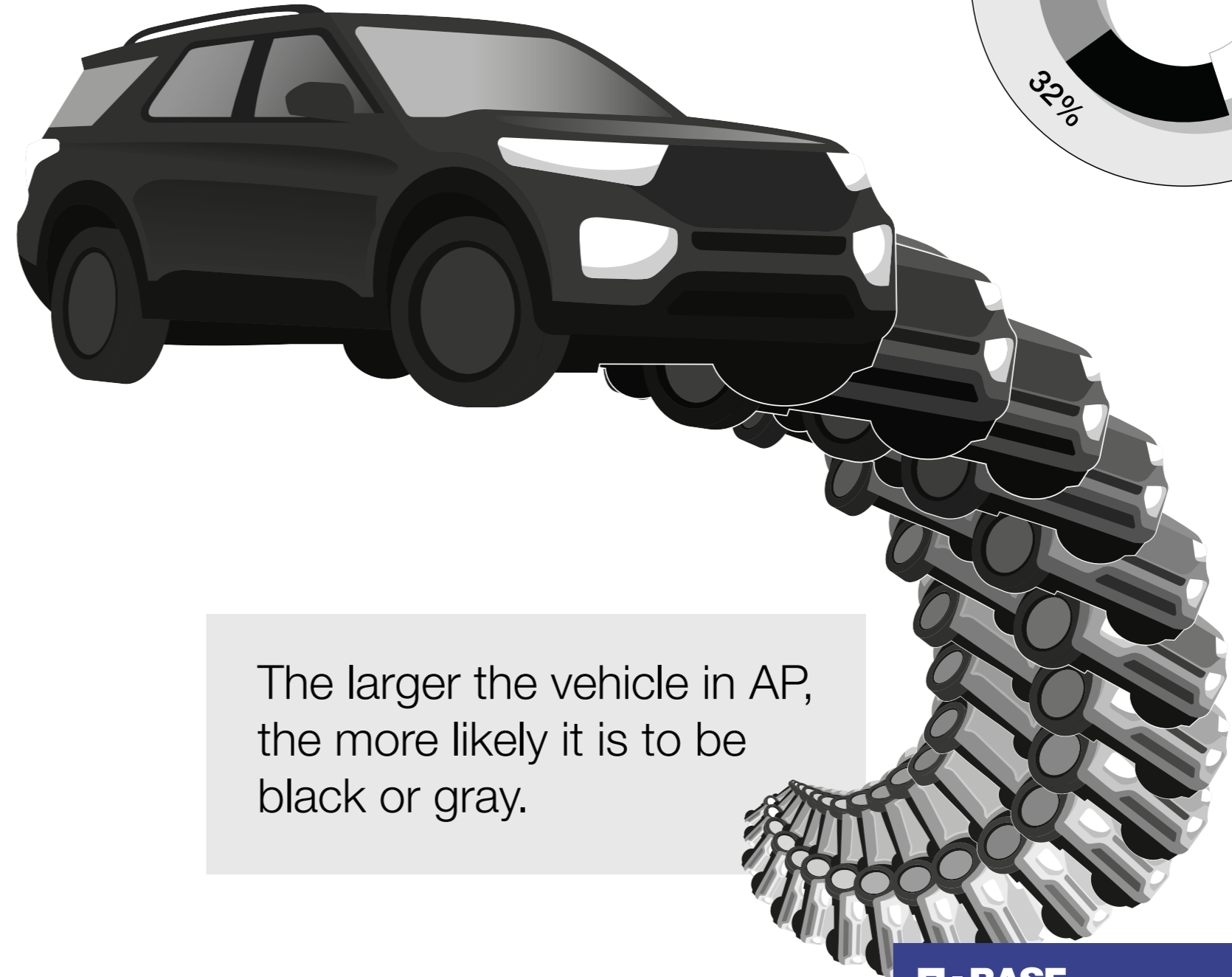
There's more color variation in Asia Pacific than in any other region in the world. Blue, red, and brown were the top 3 chromatic colors, staying in the same order as last year. Blue made the greatest gains. Overall share of black and gray were up, while top-ranked white was down, especially among SUVs.

The EMEA region saw a continuous improvement of the share of chromatic colors in 2021. More than 27% of all new vehicles were sprayed with a chromatic color, with blue leading the way. The amount of red was the highest in several years, with less white and black.

North America appears to change more rapidly than other regions. Blue is still the most popular chromatic color, but it's down slightly from last year. As BASF's designers predicted, its surge is passing. Growth of achromatic colors in North America is linked to the vehicle type, as automakers focused on their most profitable platforms (SUVs and trucks) in a down year.

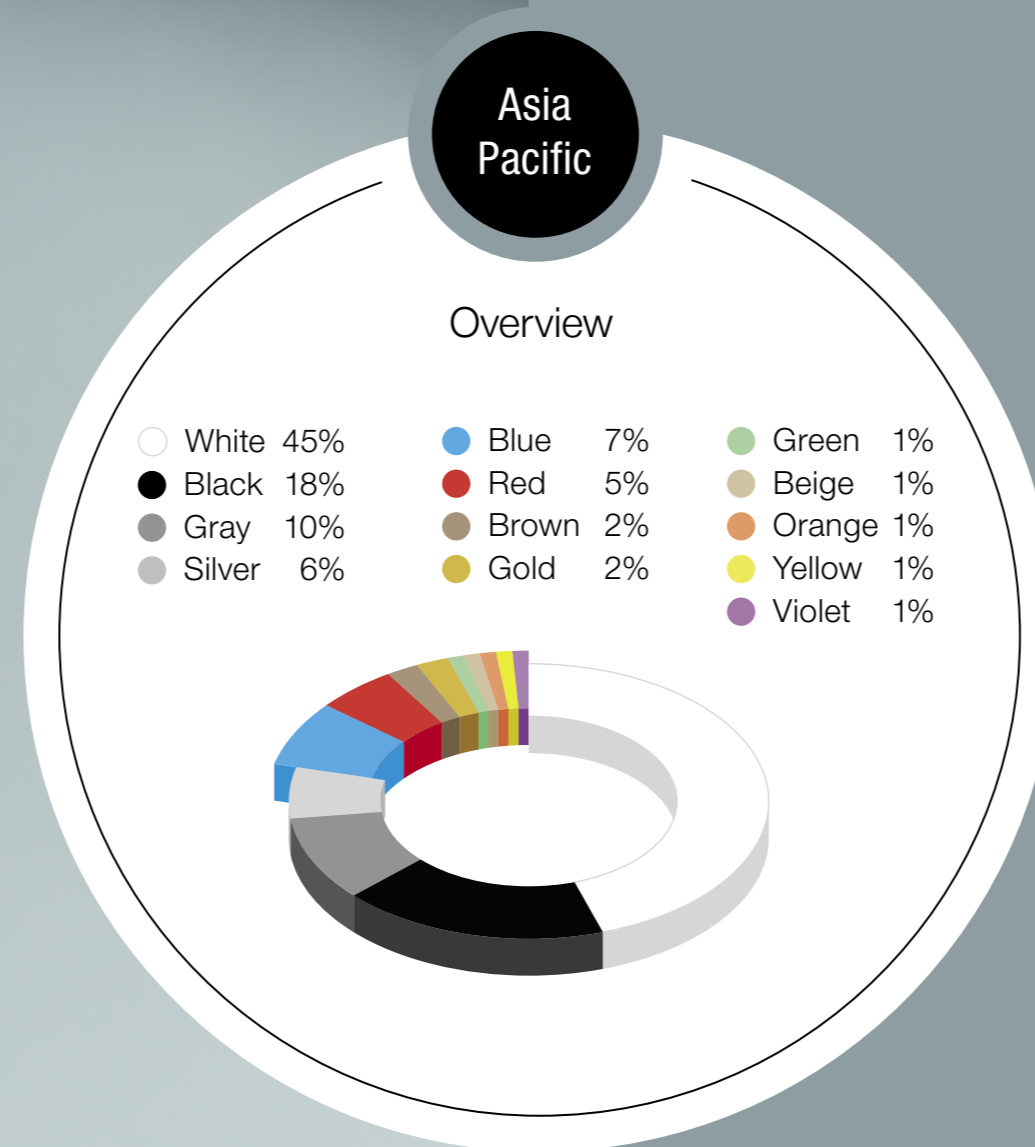
Blue gained ground in South America, as automakers launched new models throughout the year. Orange, beige and dark blue also showed up despite the lower overall vehicle production. Defying the data seen in other regions, silver beat black among the achromatic colors.

Asia Pacific



The larger the vehicle in AP, the more likely it is to be black or gray.

Asia Pacific leads the way in global diversity in color



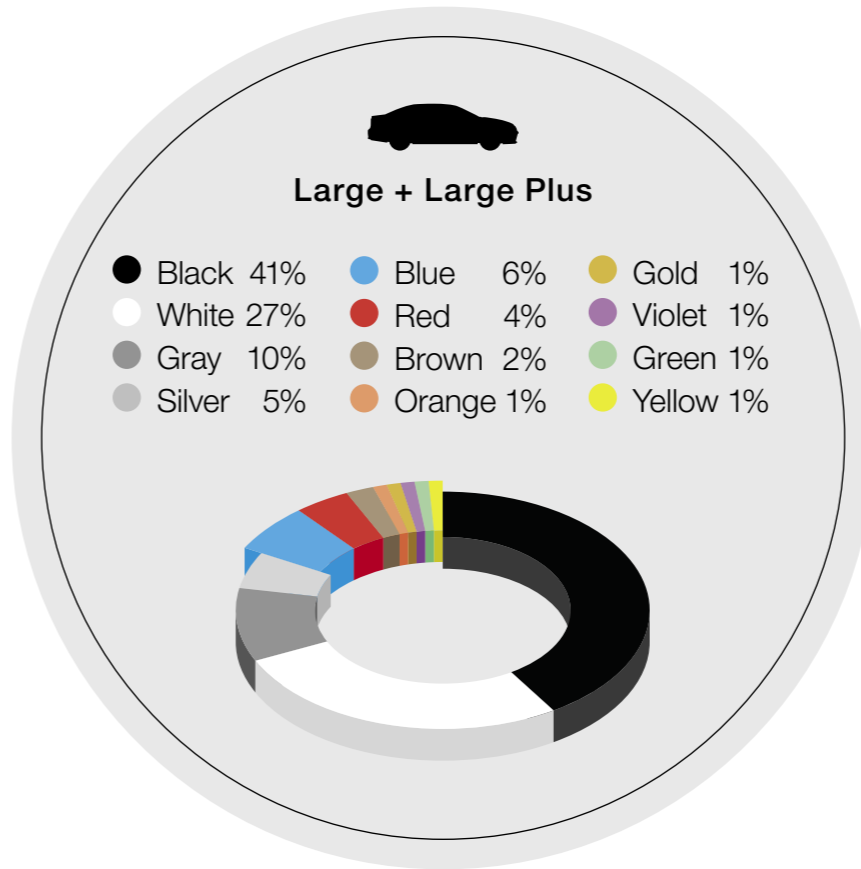
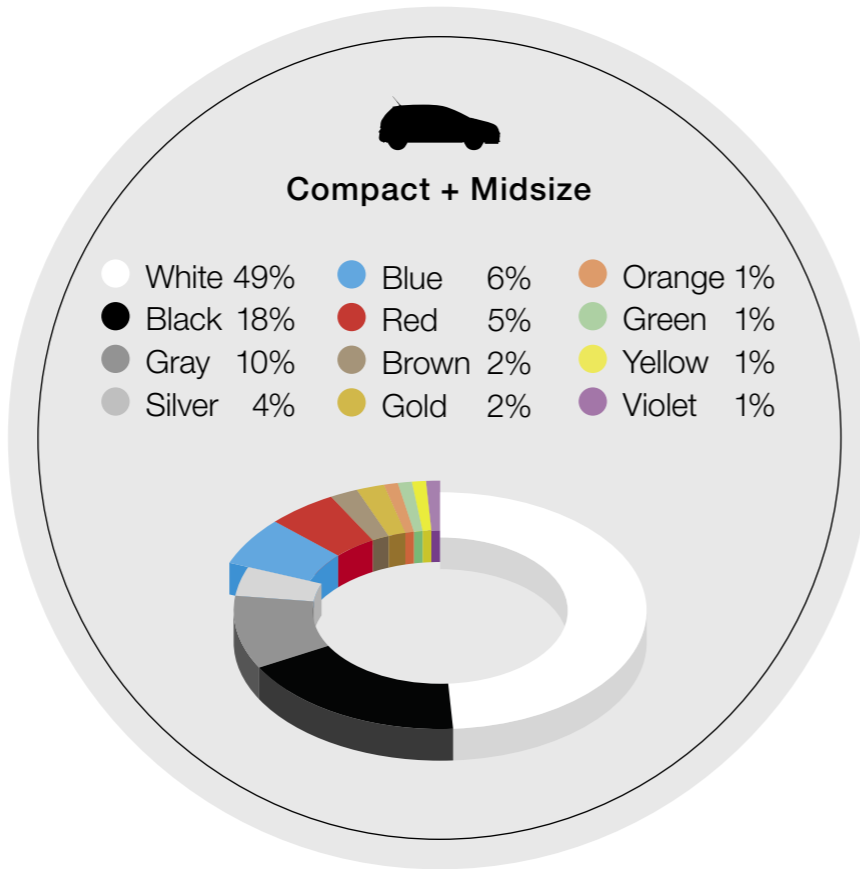
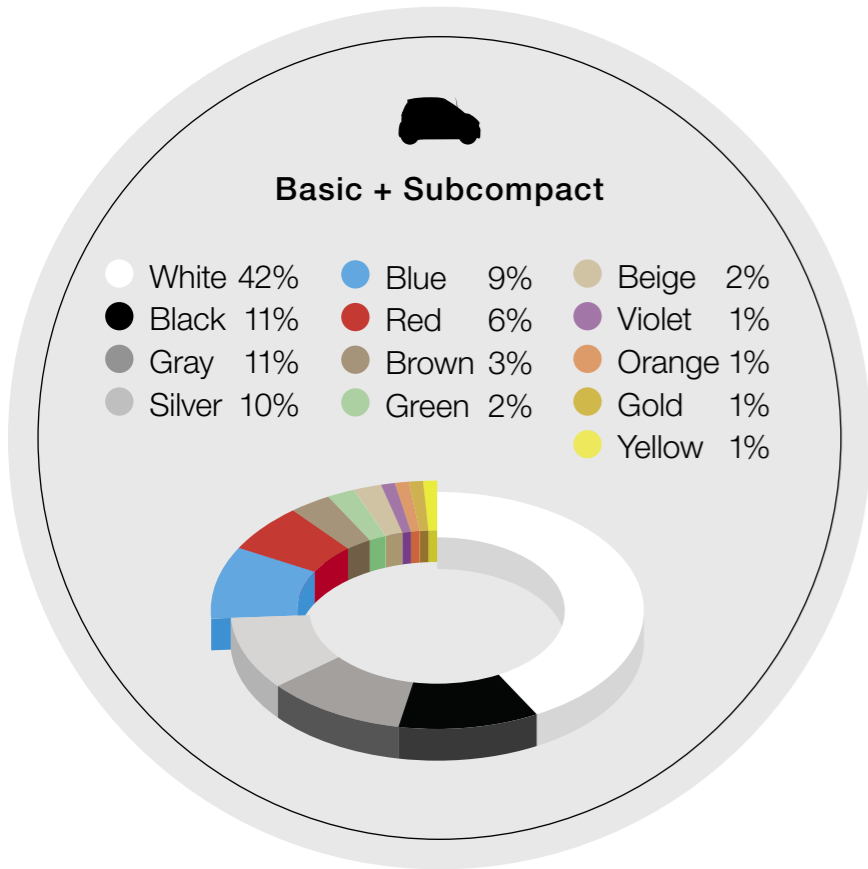
White may still be the most popular color in Asia Pacific (AP), but its popularity is starting to slip. Black and gray continue to improve, maintaining a four-year trend that is changing the presence of white vehicles on the road. A full 79% of new vehicles produced in AP were coated with achromatic colors.

The popularity of chromatic colors is stable, with some individual color spaces adjusting a few points up or down. AP has the largest volume of automotive production in the world, and reflects the highest diversity of color, compared to other regions.

Blue – the number one chromatic color – is up, mirroring global data from other regions. It took some share from red, which went down. Brown and gold show up in substantial numbers, while beige, orange, yellow, green and violet hang on with about 1% each.

Many shades are showing variation with wider interpretations of the typical color spaces.

Black and gray gaining share, especially for larger vehicles

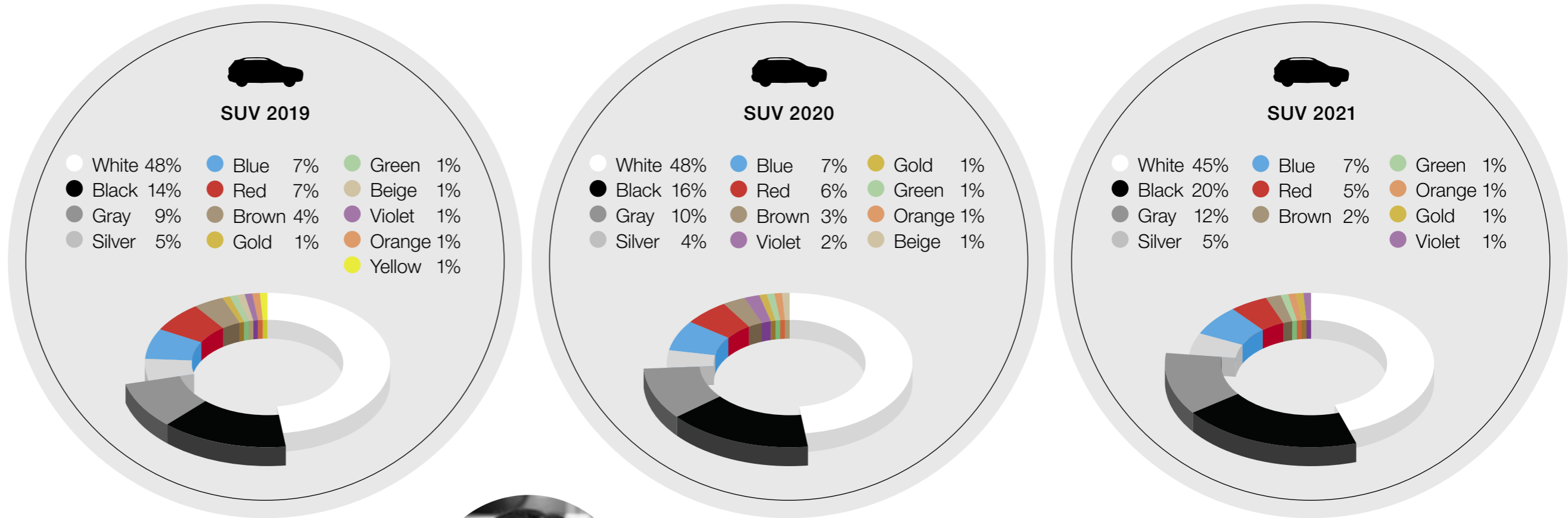


The tendency of black and gray to take share from white continues when looking at the Compact and Midsize market. Gray was up 2%, and black up 1%, while white decreased by 2%. The majority of vehicles in AP fit into the Compact segment.

The smallest vehicles in AP are the most colorful. For Basic and Subcompact models, achromatic shades make up 74% of new vehicle coatings in the region, but the number of chromatic colors is up 1% overall. Black has apparently stolen some share from white, and blue, gold, and green all increased.

As vehicles get larger, they get darker. For the Large and Large Plus segments, especially larger SUVs, black is the predominant color for its inherent luxury. Nearly 41% of vehicles that size are coated in shades of black. White decreased 8% in this segment, and brown and beige were down 1% each.

Black trends even higher in the most popular class of vehicles



In AP, the majority of all new vehicles can be classified as sport-utility vehicles. These family grocery-getters make up about 40% of the market. The SUV body type can be found in all segments of vehicles produced, from the smallest Basic and Subcompact, through the Large and Large Plus sizes.

For SUVs, about 82% of new vehicles are achromatic, which is higher than the overall AP preference. Black and gray increased, like the overall trend. As with the overall numbers, black and gray appear to have taken market share from white, especially with the larger SUVs.



“Black and gray aren’t boring anymore. Black isn’t just black. It’s a world of variation with effects and textures. There’s a lot to be excited about in these color spaces, and the individual expressions of luxury that they show the world.”

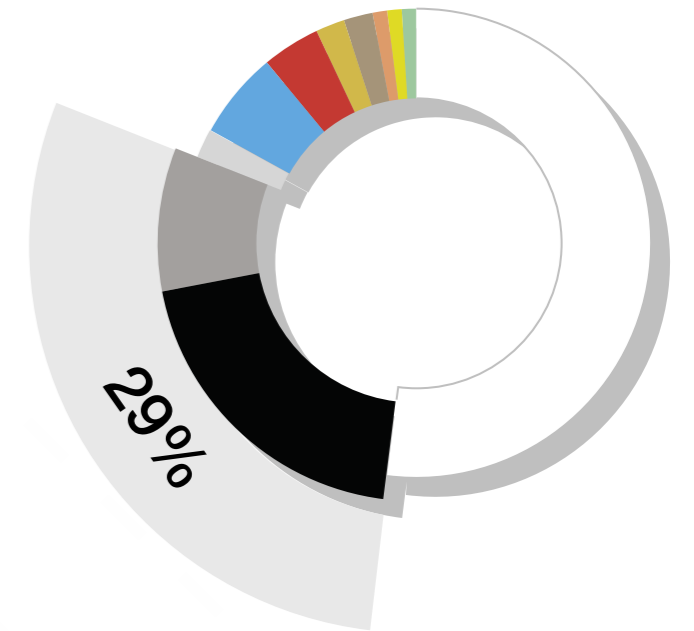
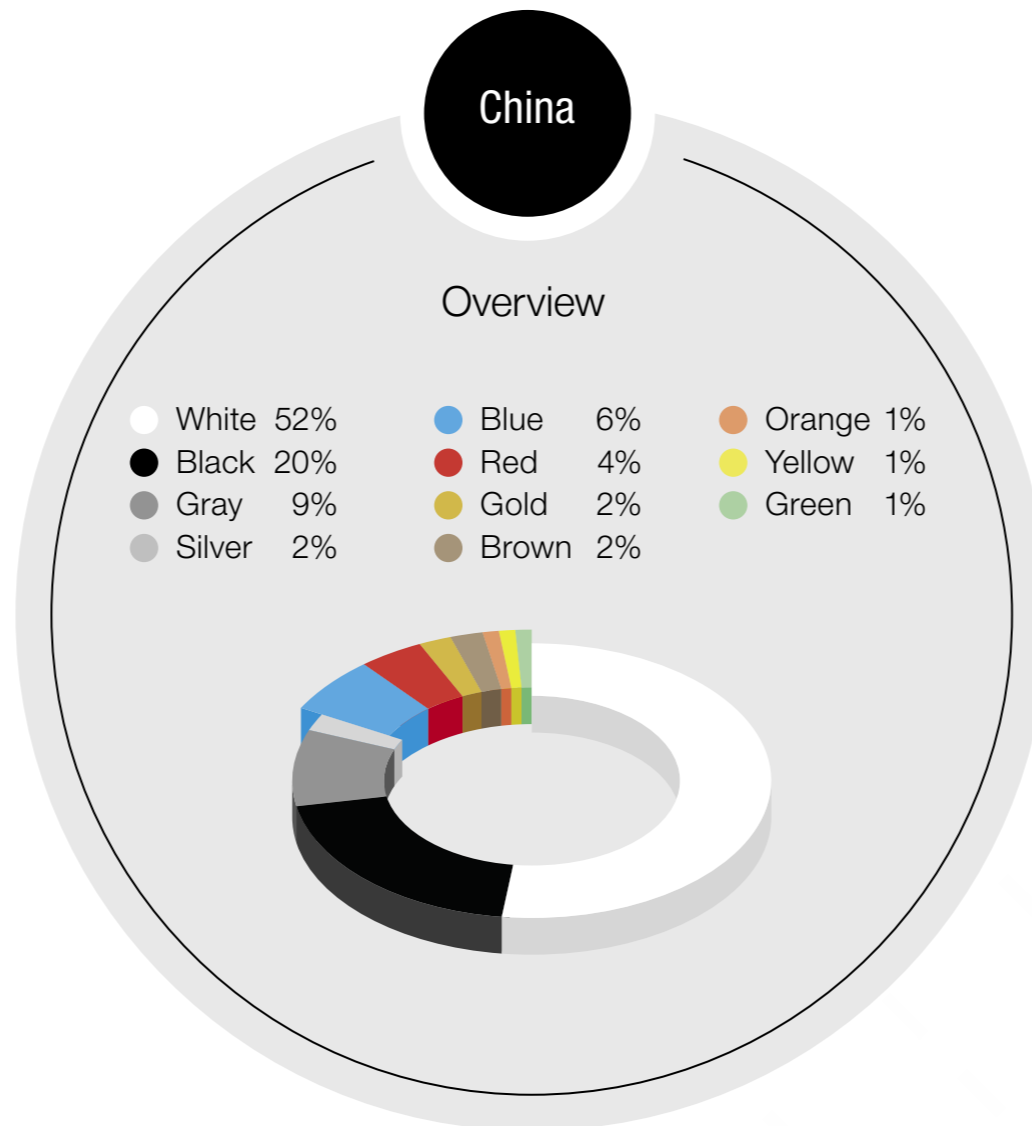
Chiharu Matsuhara, head of Design Asia Pacific

World's largest market follows the rest of AP

China is the world's largest automotive market in both supply and demand, and as with the rest of the world, saw a decrease in the number of vehicles produced in the past two years. For colors, it is following AP's lead with a boost to the achromatic colors.

A total of 83% of new vehicles produced in China's factories were achromatic colors, which is up 1% from the year before. Like other areas, white is decreasing, while black and gray both took that market share.

Most chromatic colors – such as blue and red – are stable, but the gap is getting bigger as blue increased by 1%, and red dropped 1%.



Following AP's lead: black and gray increasing to nearly 30%.

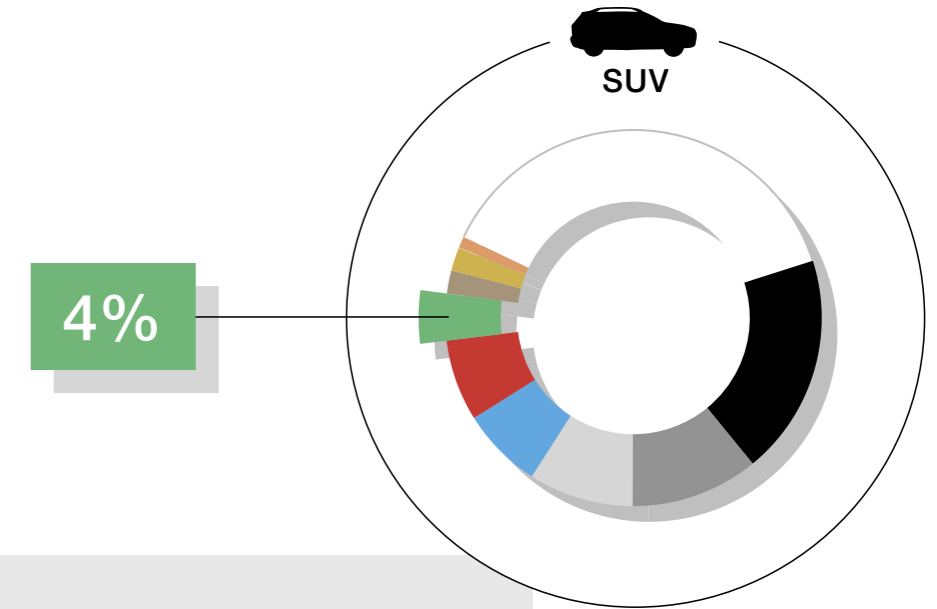
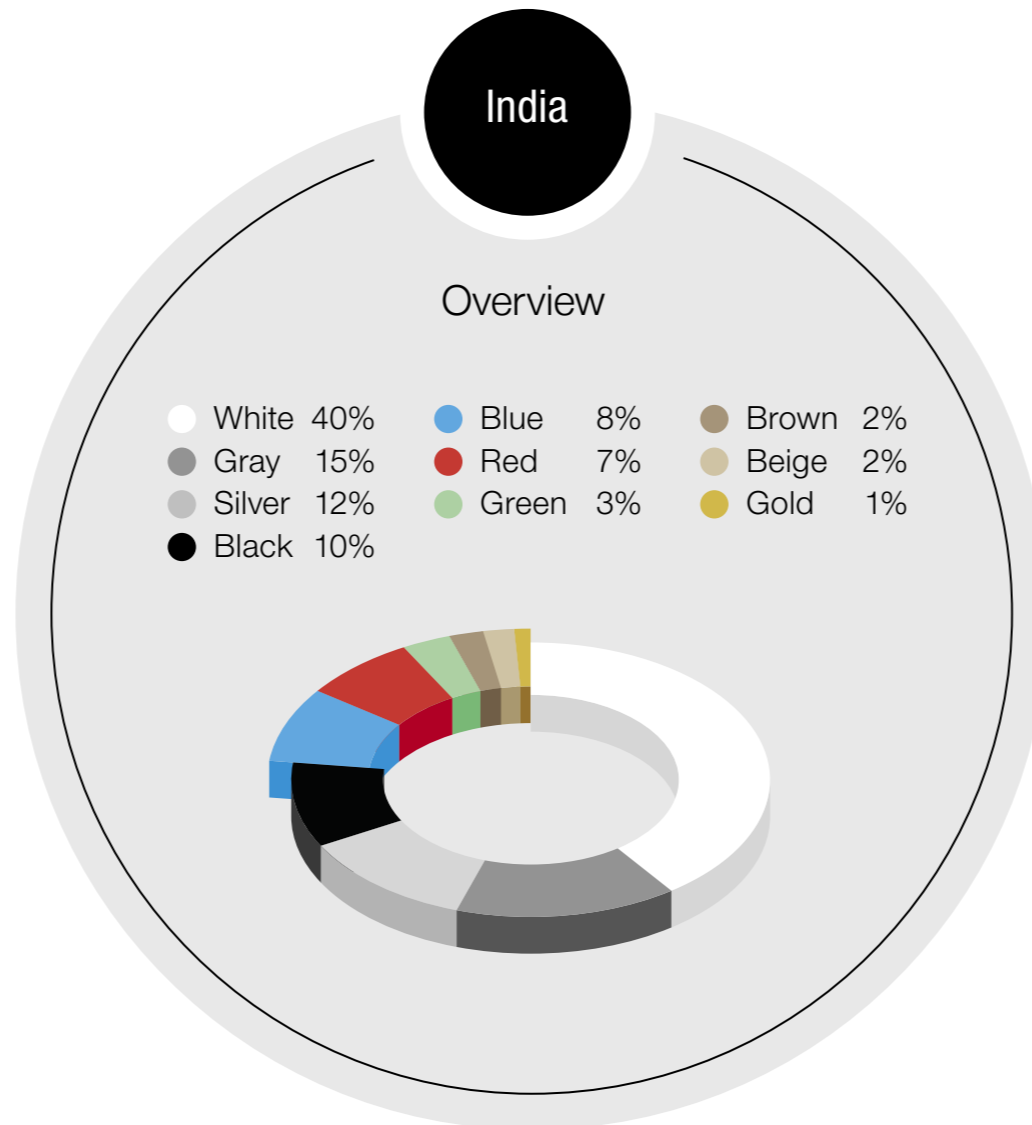


Black may be up, but so are the colors

India is bucking one trend that its Asia Pacific neighbors are following. Achromatic colors are down in India. While black may be up 7%, white and silver are down 3%, and gray is down 2%, and the achromatic palette dropped by 1% overall.

Blue passed red as the most popular chromatic color, in line with the rest of the globe. Along with the surge in blue, the family of green colors increased about 2%. These aren't just the usual greens. From teal to khaki to olive, variations of green were more popular this year, especially in SUVs.

Brown and beige held on, with about 2% each.



From teal to khaki, India is seeing more green on the road.

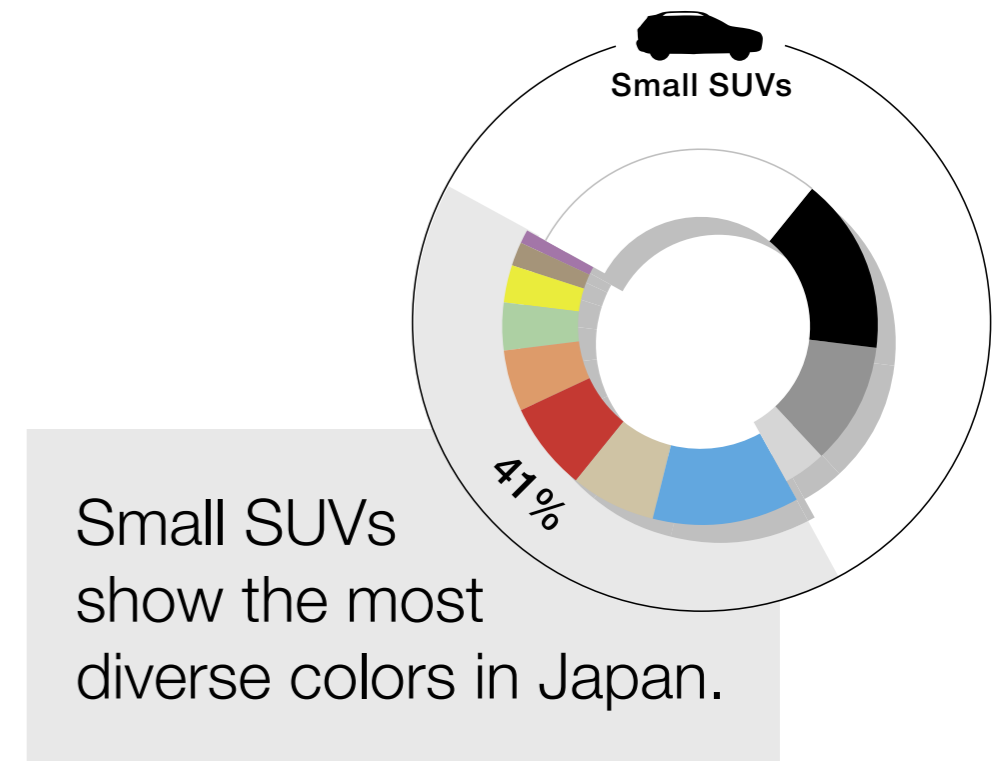
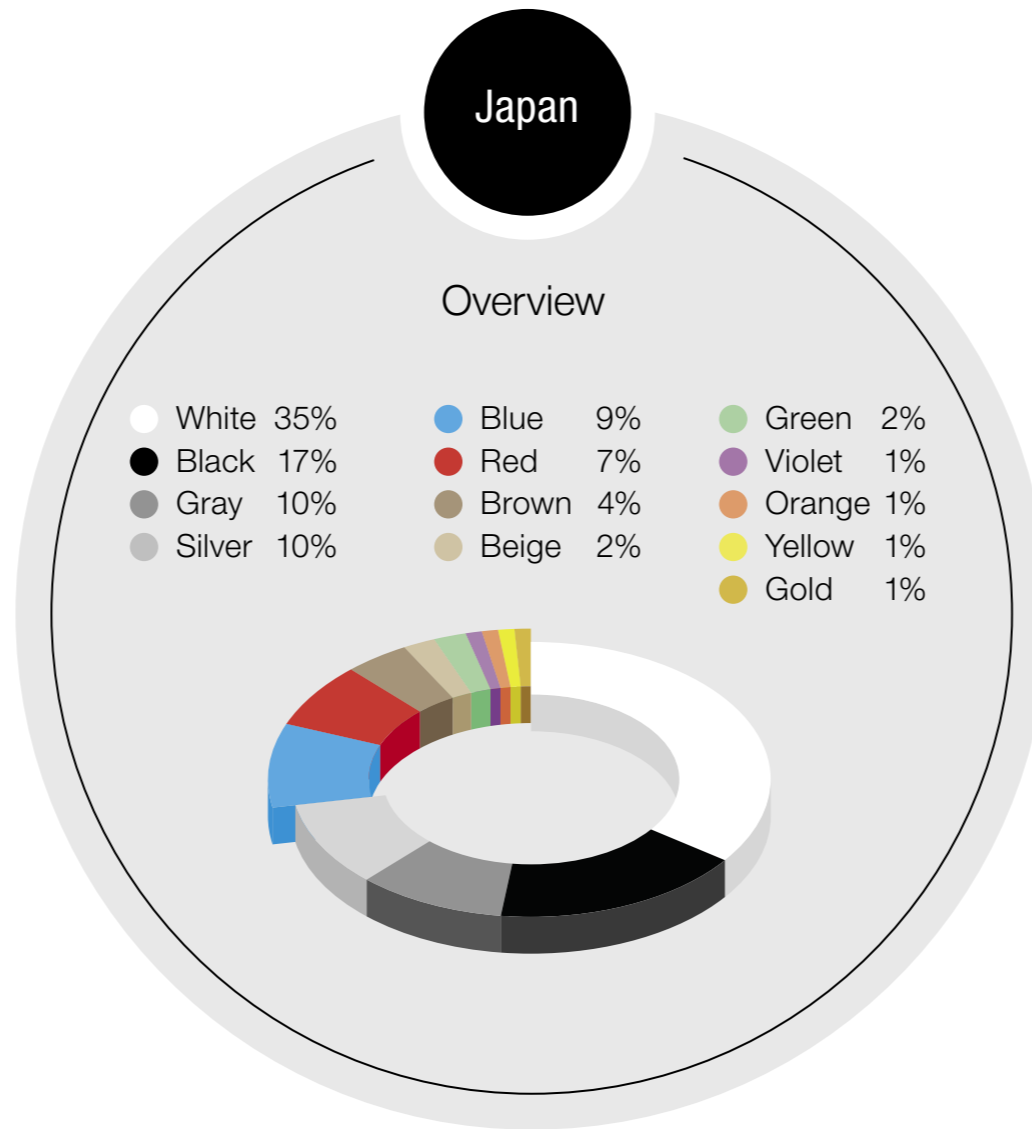


Japan still the most colorful country in Asia Pacific

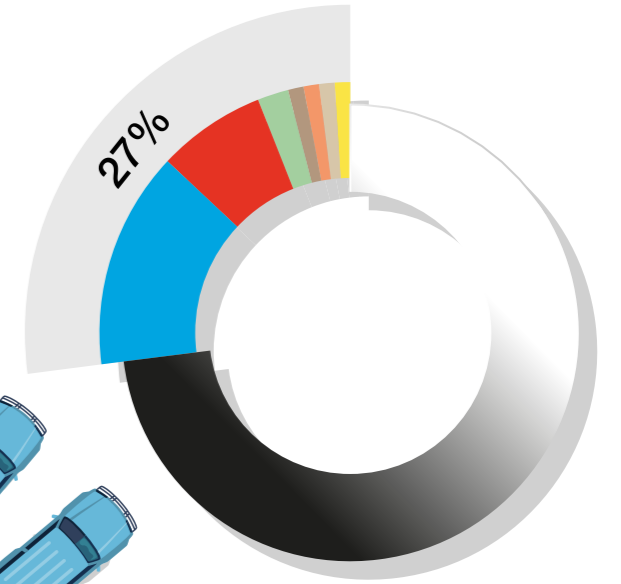
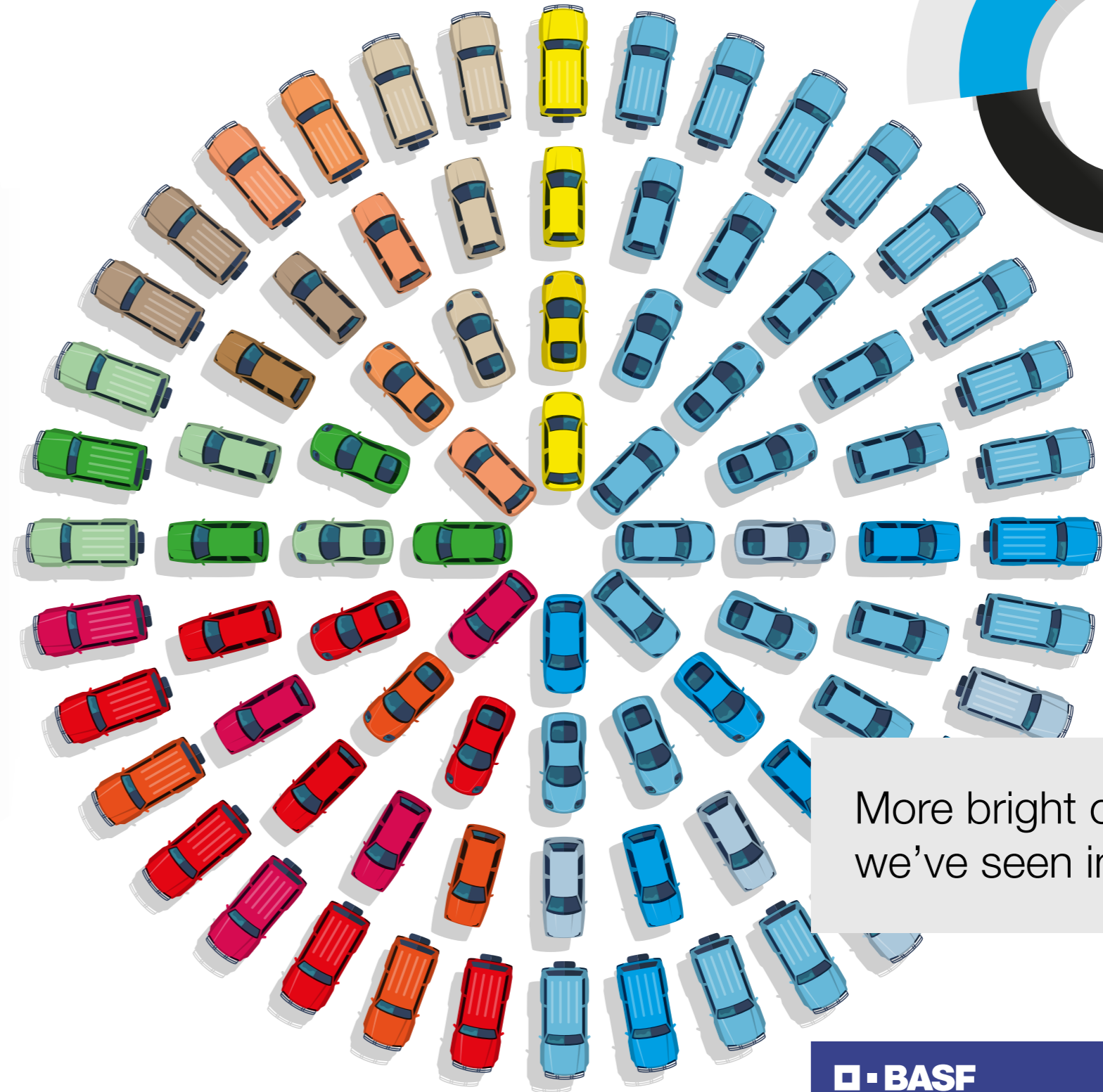
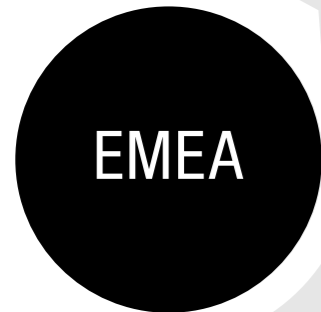
Japan's preference for color is very stable compared to other countries in AP, as it has been for the last few years. It shows that Japan's automotive market itself is mature and stable.

When you dive into SUVs, the largest class of vehicles produced in Japan, that's when the diversity really shines through. While 72% of all SUVs are achromatic in Japan, only 60% of the small SUVs are. Smaller SUVs tend to be more colorful with a very big range of shades.

Of the chromatic colors, blue reigns supreme, following the global inclination. Red, brown, beige and green follow behind. Japan is unique because those colors are reflected even in midsize and larger segments, which is not seen among its AP neighbors.

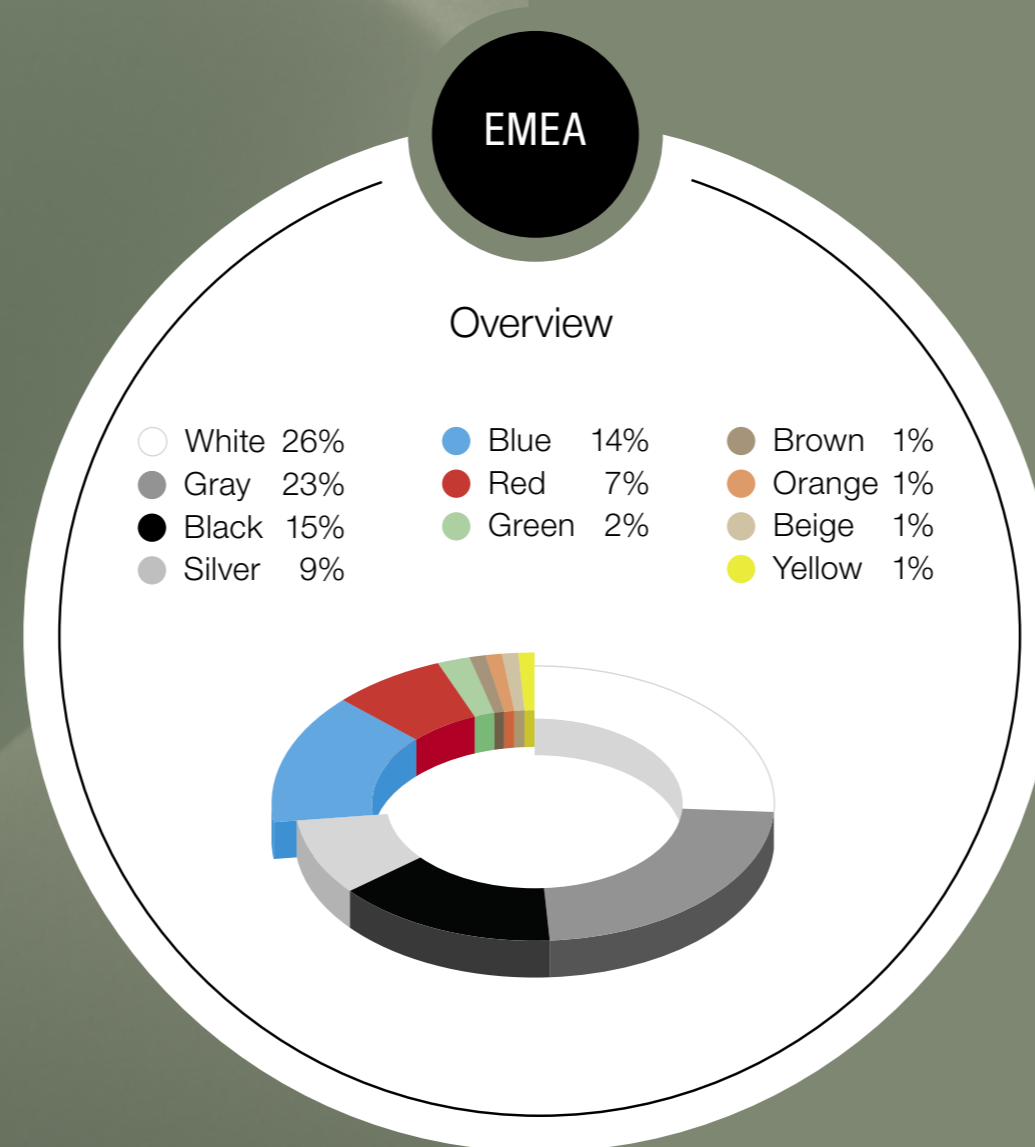


EMEA



More bright colors than we've seen in 20 years.

Greater diversity of chromatic colors and shades



As you look around the highways of Europe, the Middle East, and Africa, chances are you will see a lot of colors. The share of chromatic colors is now over 27% and rising – the highest it’s been in two decades.

Blue is driving the trend among the chromatics. There are currently nearly 180 shades of blue from sky blue to midnight blue being sprayed by auto-makers in EMEA. The blues are elegant, fresh, and young, and appear on all body types in all segments.

Red is in second place, far behind blue. It’s accompanied by a fair share of shades of green.

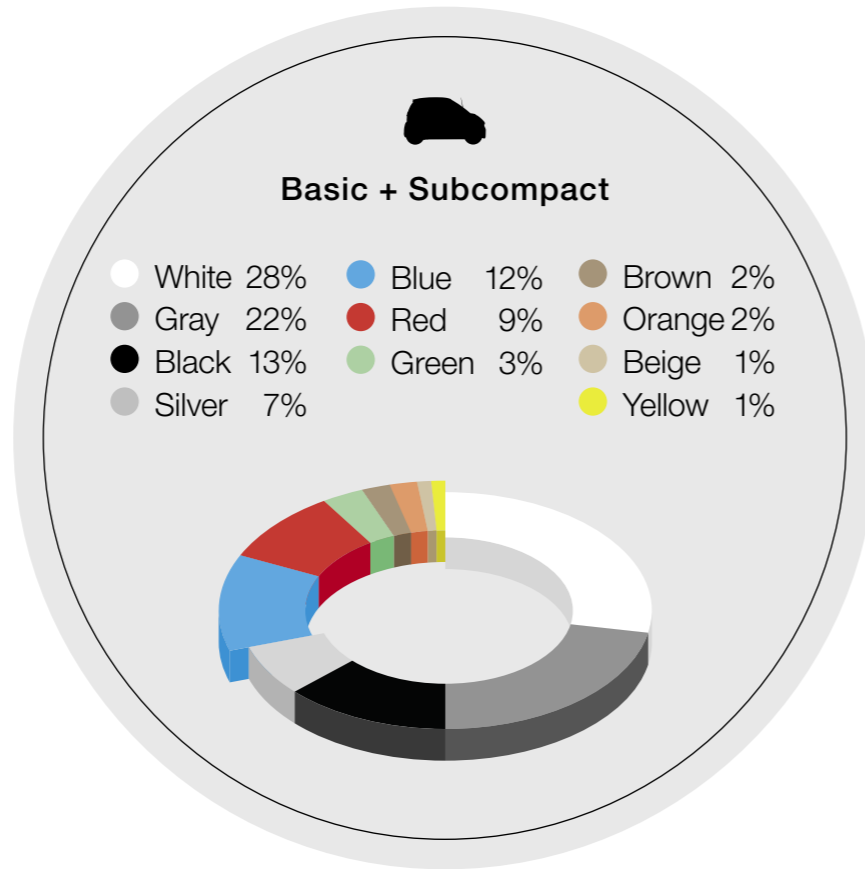
For the achromatic colors, gray is catching white as the most popular color with a gap of only 3%. Gray has several options, with effects and textures that multiply its presence. Gray’s 160 shades range from elegant, dark, sparkling colors to light and sporty solid colors.

The bigger it is, the bluer it is

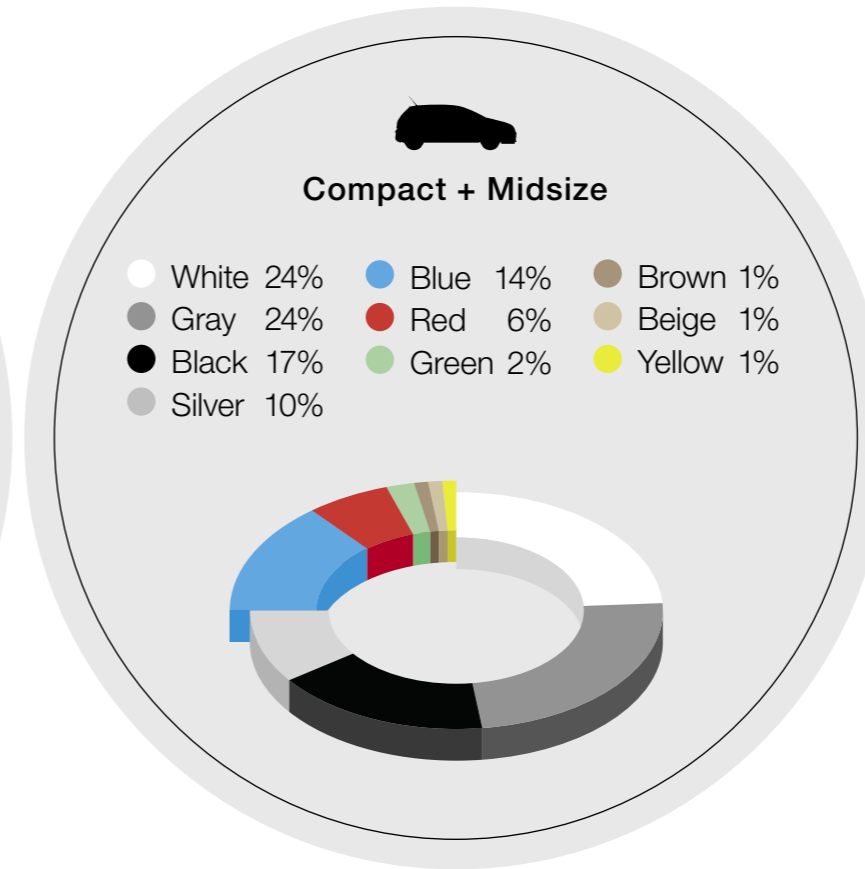
Most cars in EMEA fit into the Subcompact and Compact segments, which have always been colorful. Now their larger siblings are catching up.

Generally speaking, white and black are decreasing in popularity for all sizes of vehicles in EMEA, and gray and blue are increasing for all sizes. And don't count out green – the numbers are small, but it's still the largest share it has ever received.

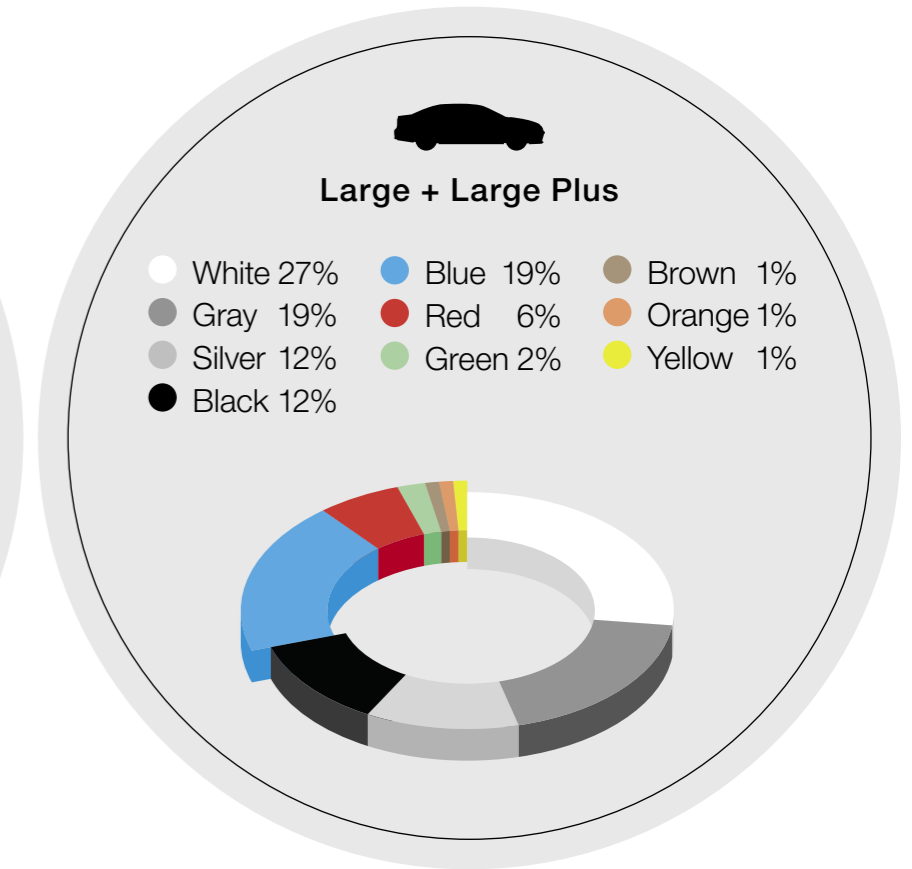
For the smallest vehicles in the Basic and Subcompact segment, white, black, and silver were all down – some by as much as 3%. Gray, blue, red and green took that market share. The same is true for the Compact and Midsize segment.



Where it really gets interesting is with the largest vehicles, the Large and Large Plus segment. White, black, and beige were all down, while gray, silver, blue, red and green were all up. That's especially true with the largest SUVs on the road. There are more diverse shades of blue in large SUVs than ever before.



All of this variation comes at a time when some automakers are consolidating their color portfolios.



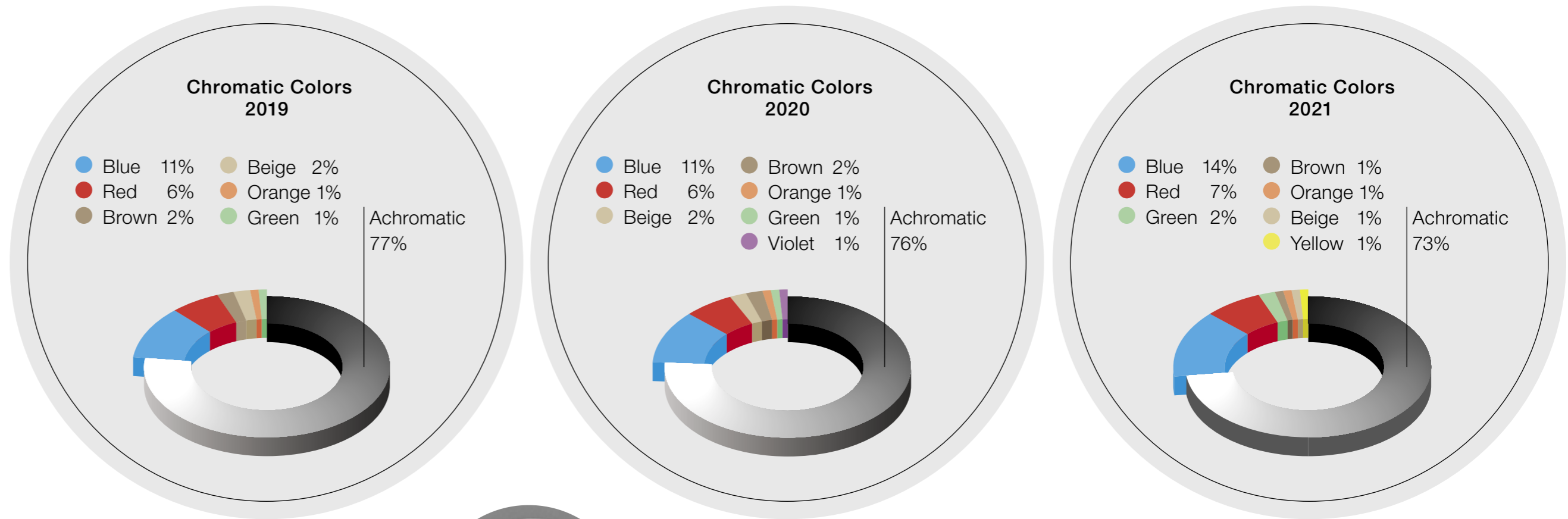
Multi-year trend toward the bold colors

In EMEA, more than 27% of the vehicles produced is coated in a chromatic color – a shade of blue, red, or green. It is the region with the highest share of chromatic colors around the globe.

Blue is the highest, with 14% popularity. Red is second with 7%, and green has the highest market share it has ever had with 2%.

In 2019, about 23% of vehicles from EMEA’s automakers were coated in chromatic colors. In 2020, the number jumped to 24%, and now in 2021, it’s 27%. Now that the chromatic colors have risen in share for the last three years in a row, we can see that the trend is gaining momentum.

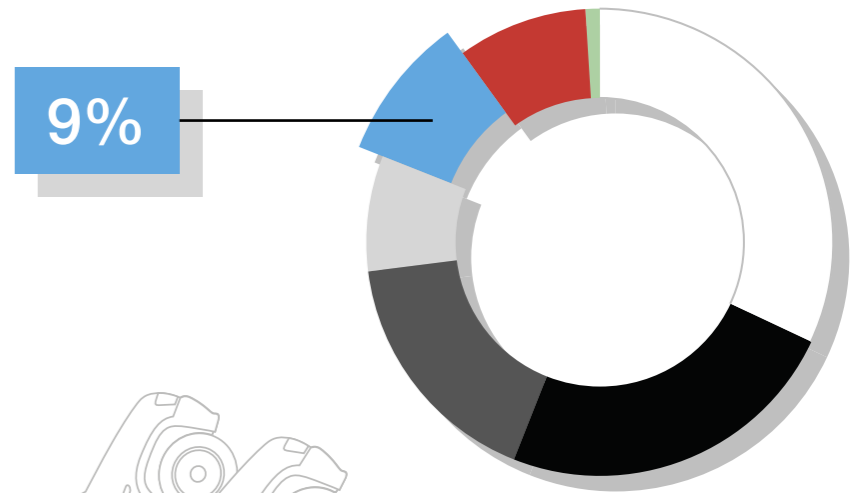
The biggest losers? White and black.



“Colors designed for EMEA use familiar color positions, but change them with the help of new effects, subtle color gradients, or a specific sparkle behavior. They make the chromatics stand out as bold expressions of individuality and sportiness, gaining popularity each year.”

Mark Gutjahr, head of Automotive Color Design EMEA

North America

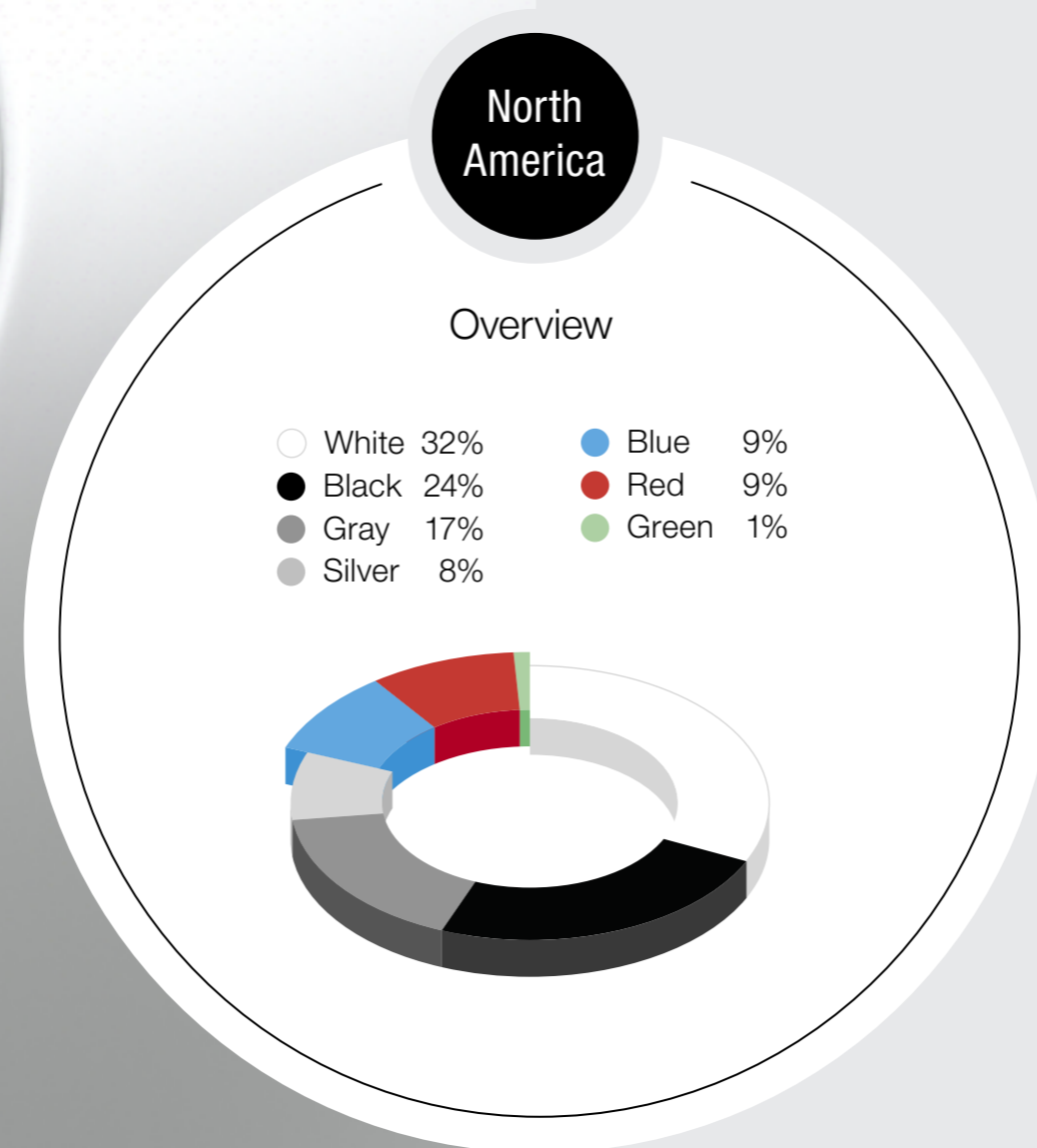


Blue is nice, but what's the next big thing?



North America

Moving on: color preferences changing rapidly in the North America



Color preference can be a fickle thing. As predicted, blue had its moment in the sun in the North America in 2020, and is now surging in other parts of the world. But now, blue appears to be moving on for North America.

The share of blue was down 4 percent when compared to last year. That would put the preference for blue back to 2017 levels. Achromatic colors still dominate North America's assembly lines, with vehicles coated with black up 3 percentage points, following similar increases in other parts of the world.

The achromatic surge included white, which increased in North America while declining globally, but it did not include silver or gray, which were both down.

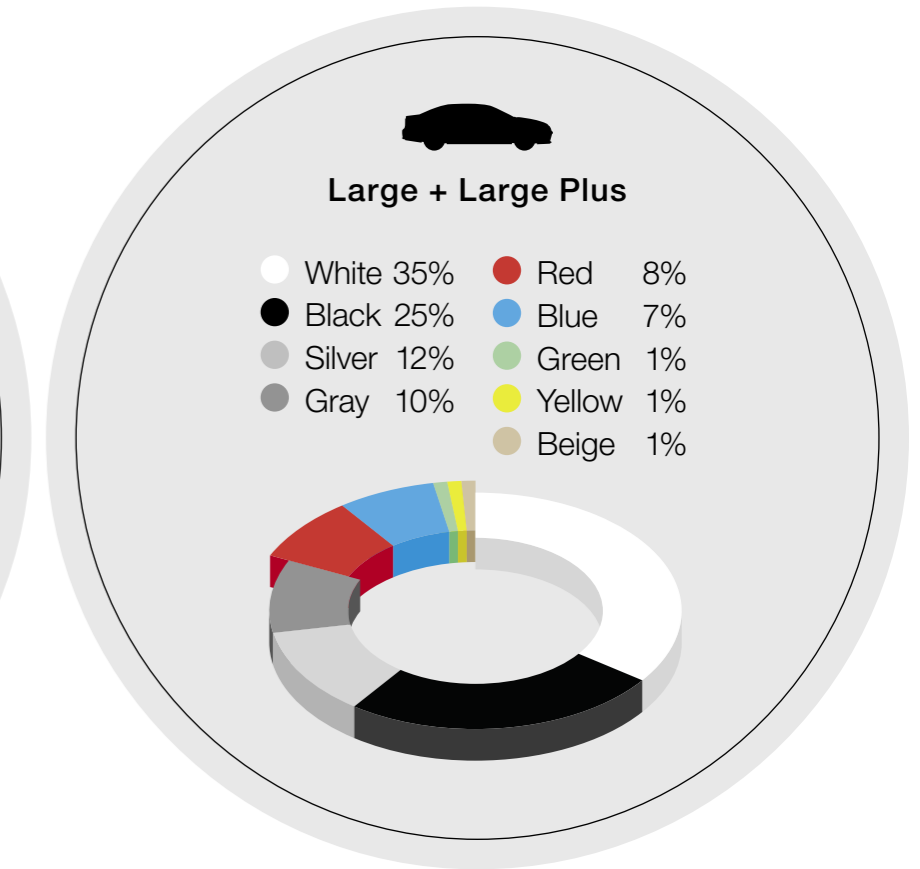
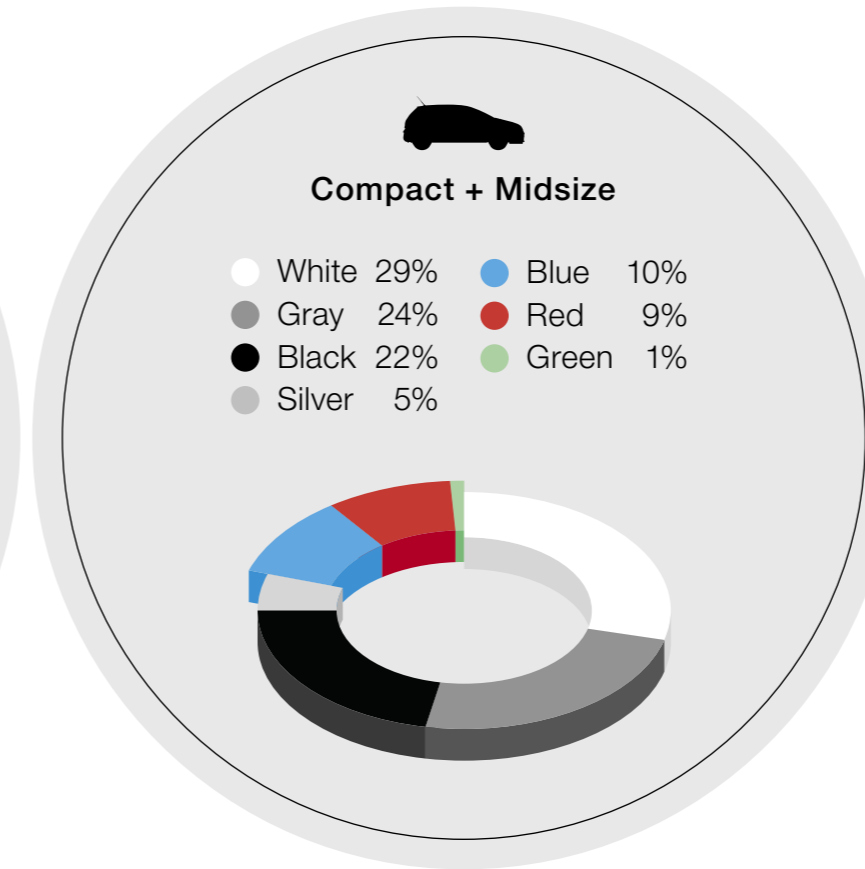
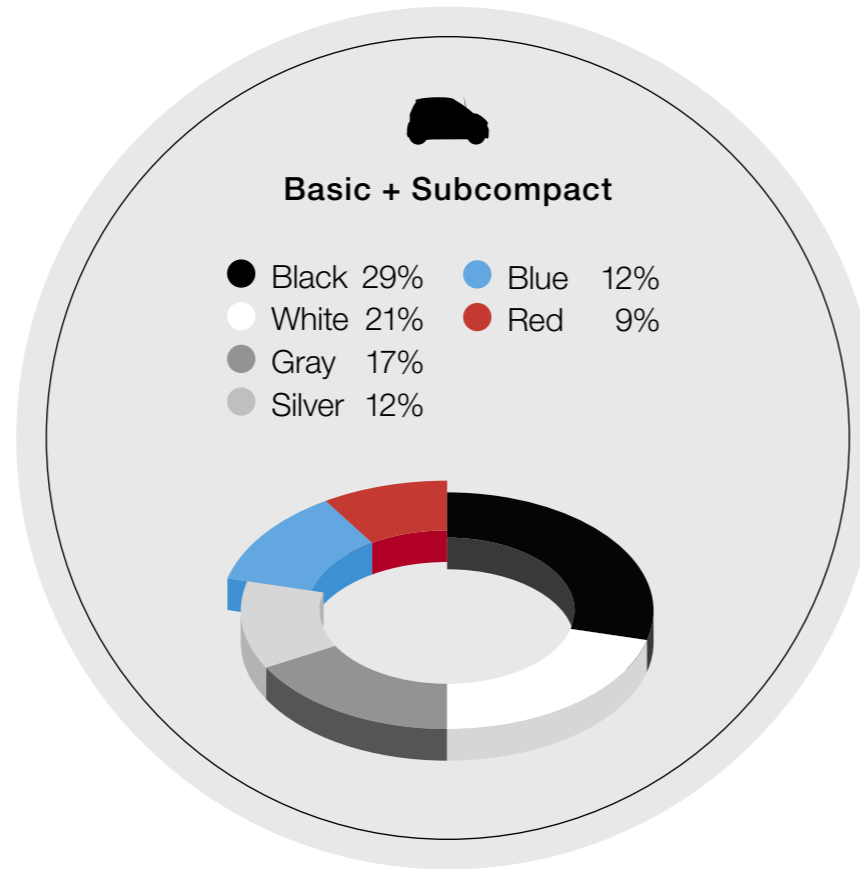
Among the chromatic colors, red and green both edged up one percent. Red and blue are now tied as the most popular chromatic colors in North America.

The larger the car, the more likely it's black, white, or silver

A review of BASF's data shows buyers in North America prefer larger vehicles. And the larger the vehicle, the more the achromatic colors assert their dominance.

Subcompact vehicles, both sedans and SUVs or CUVs, are the most colorful. Blue still hangs on as the most popular chromatic color in the segment, with red following closely behind. Red is one common thread that ties together all the size segments, consistently popular regardless of the size of the vehicle.

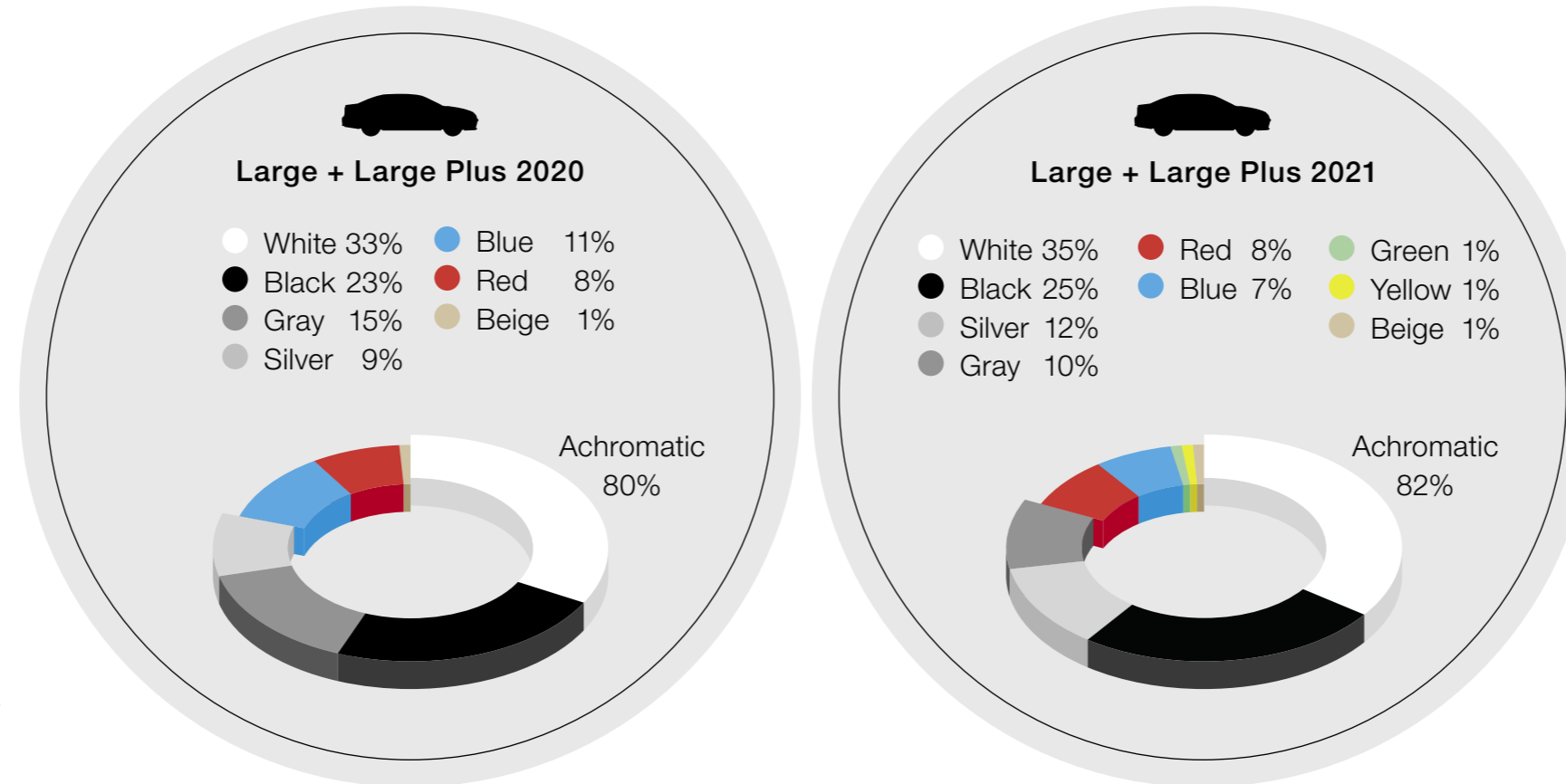
In the Compact and Midsize segments, red was up 1%, but that was overshadowed by gains in gray, black, and white. Black seemed to over-index in the middle segment this year, increasing by 3%.



When looking at the Large and Large Plus segment, buyers chose more silver, black, and white. For the small minority that chose chromatic colors, there was a higher level of diversity, which is not typical for large segments compared to other

er regions. Following the overall trend in North America, blue was down, but shades of yellow and green both increased by 1%. Those colors do not show up in great numbers in smaller segments.

When fewer vehicles are made, the achromatics shine through



After being battered in 2020, automakers in North America were faced with even more challenges in 2021. Raw material shortages forced them to make difficult choices while allocating scarce resources.

The automakers seemed to favor their larger, more popular platforms in the midst of the downturn. Assembly plants that produced SUVs and pickup trucks were idled for shorter times, and restarted more quickly to get those vehicles into dealers' hands.

Larger vehicles have always naturally favored the achromatic space, which is more varied and beautiful than ever. Effects and textures give automotive designers new choices for exciting color, and when those vehicles dominate the stock on a dealer's lot, people gravitate toward them.

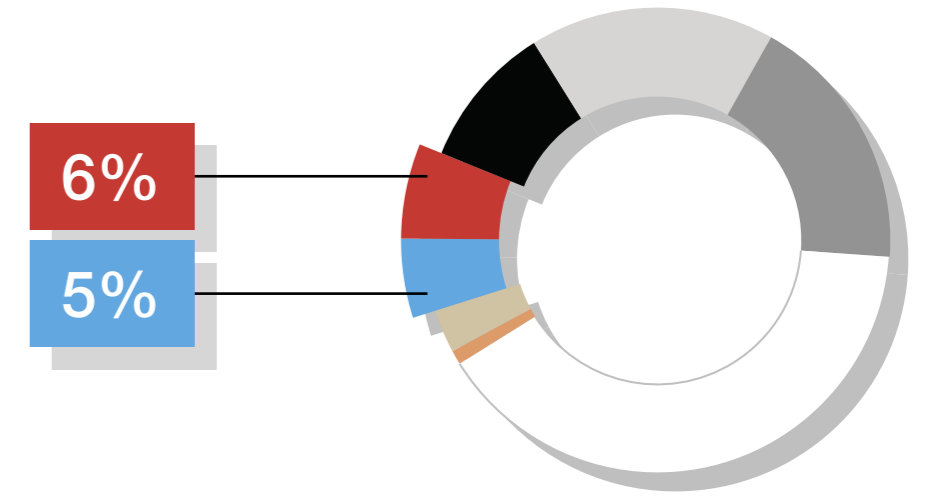


“North America appears to change

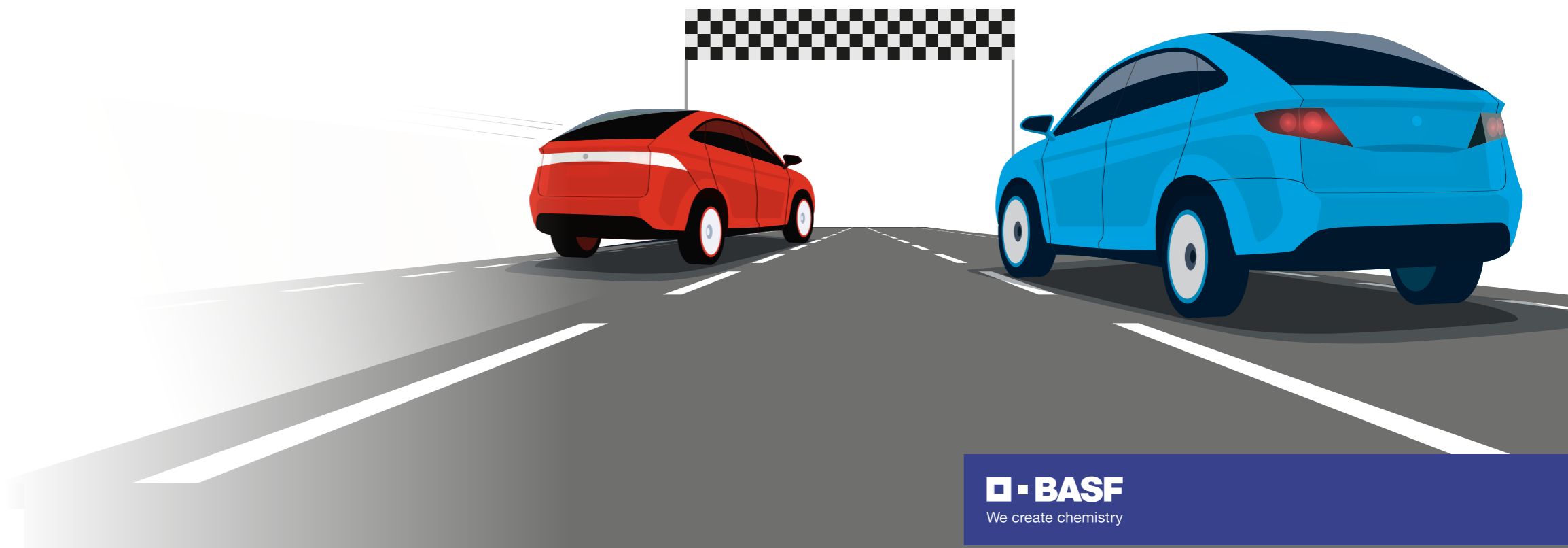
direction more quickly. With demand high and supply trending lower, buyers could be forced into making more pragmatic choices and fewer emotional choices. Consumers have quickly shifted to more familiar shades in the achromatic space.”

Paul Czornij, head of Design, The Americas

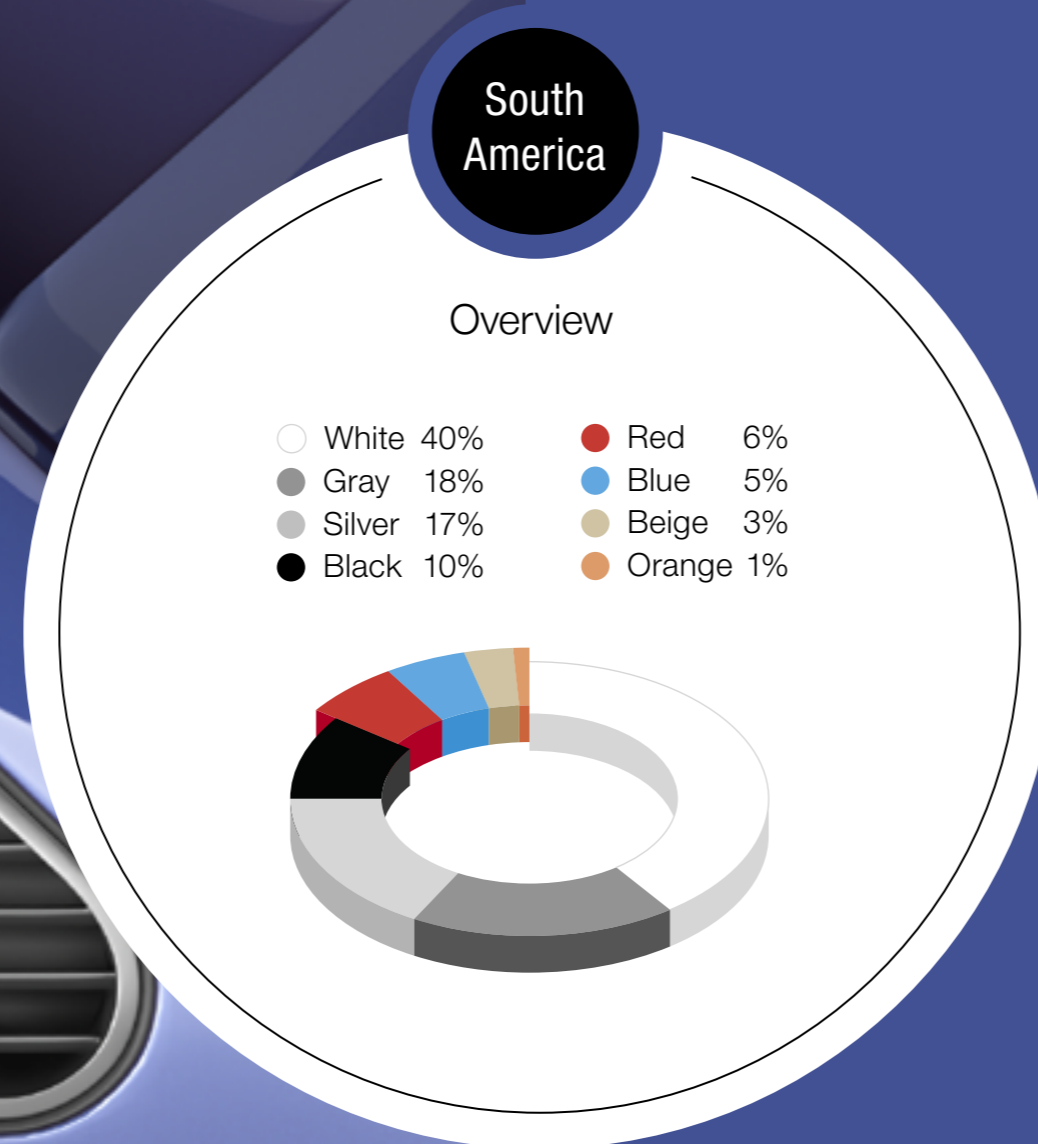
South America



In the race for color popularity, blue is gaining speed.



Conservative buyers choose more conservative colors

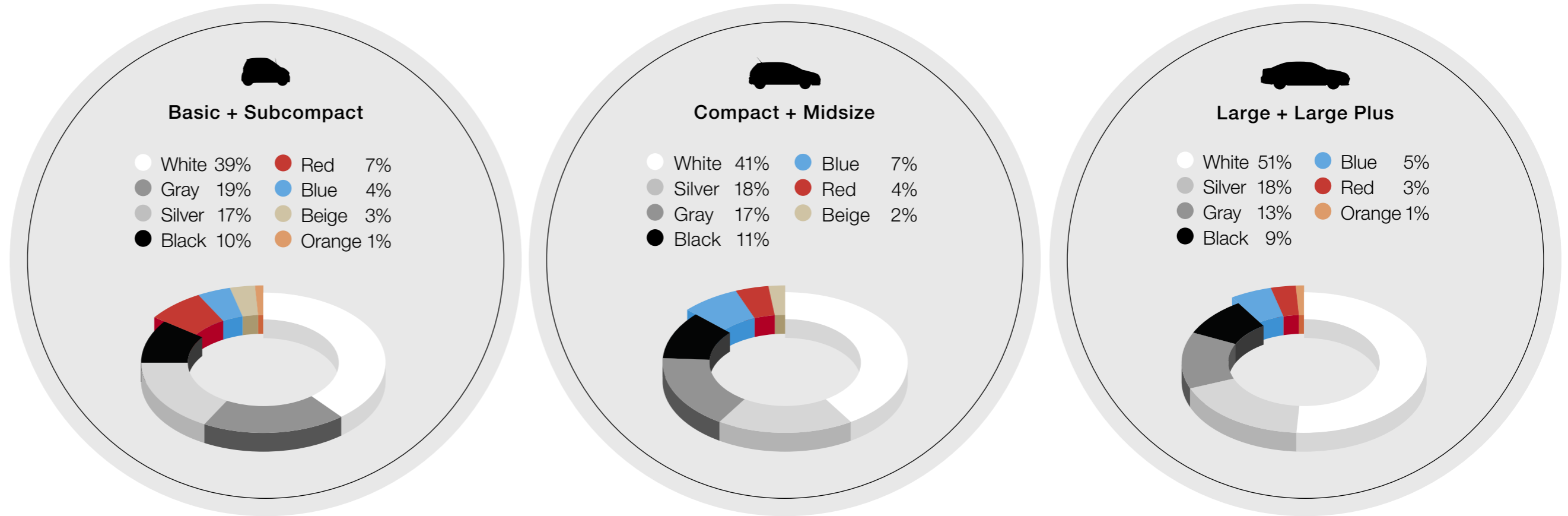


Buyers in South America are still somewhat conservative when they choose new vehicles. Automakers in the region launched several new models this year, and while some old favorite colors still dominate, some new shades are catching buyers' eyes.

In South America, people tend to change vehicles and the colors in their homes more often than in other parts of the world. In 2021, dealers had limited stock, which favored the achromatic colors as it did in North America.

That said, blue surged 3% in South America, taking some of that market share from red. If it was a race, those two color families would now be nearly side-by-side on their way to the finish line. Beige is still popular, following the conservative trend, and orange is stable.

Familiar patterns hold true for all sizes of cars



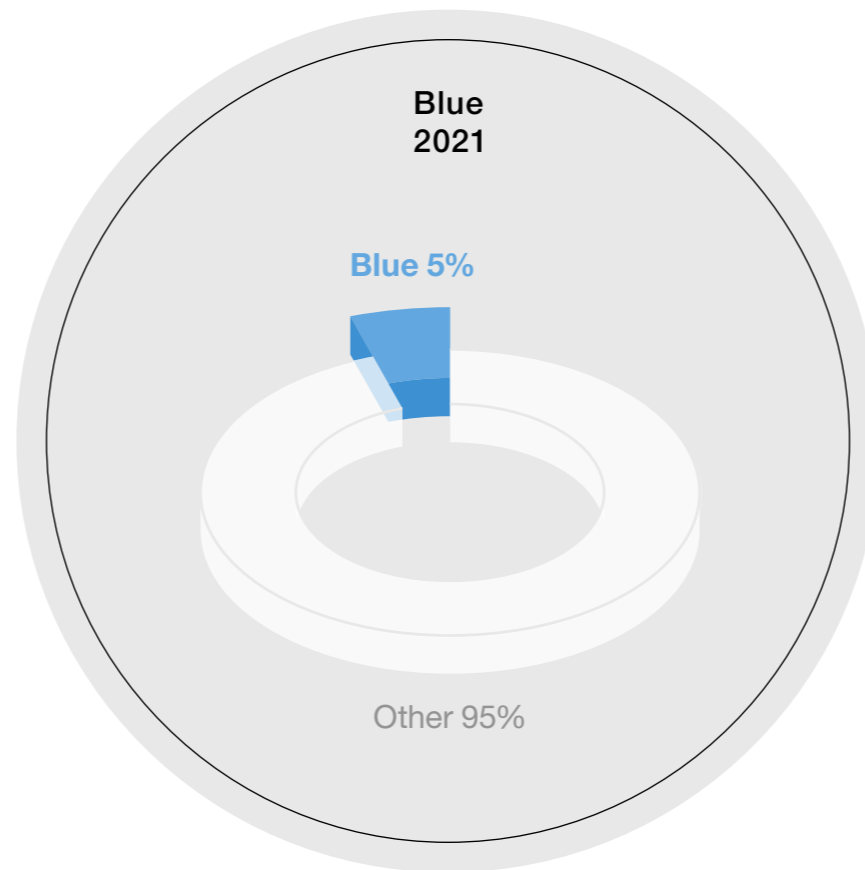
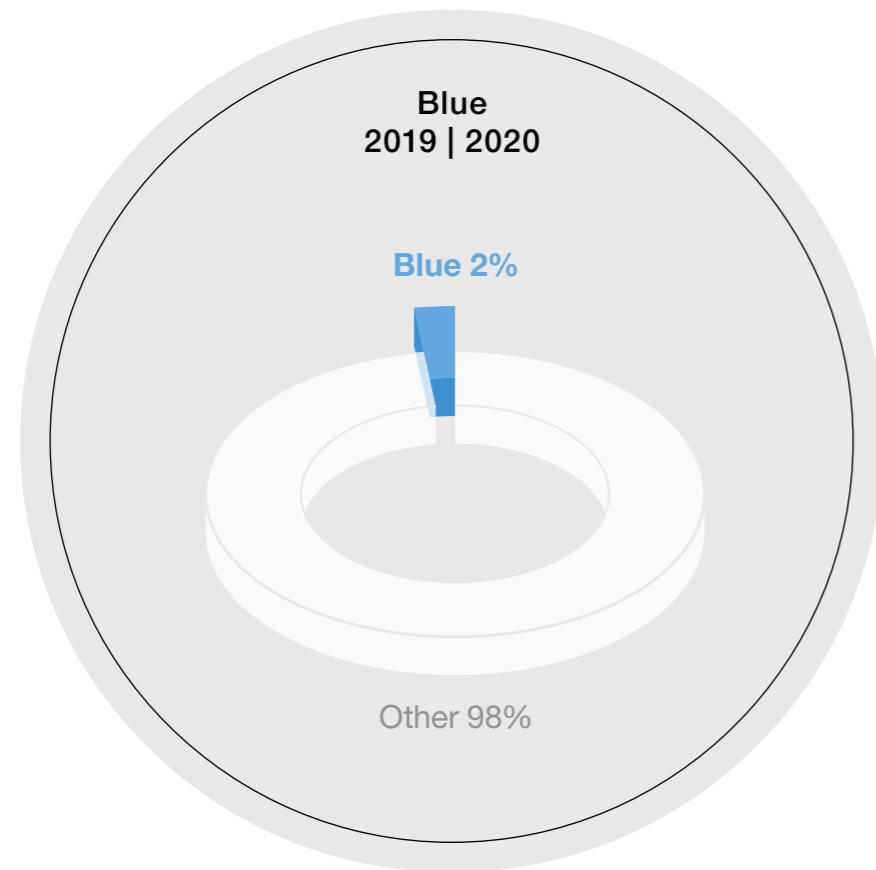
South America has the highest share of achromatic colors, with white, gray, black, and silver coating anywhere from 85%–91% of new vehicles. That’s much higher than other regions around the globe.

The majority of vehicles made in South America are Subcompacts, which is the most colorful in the region. Blue increased in this segment by 2%, following the global trend. Beige took market share from brown, up 3% this year in the smallest vehicles. Brown doesn’t show up in the segment in large numbers anymore.

The amount of chromatics decreases in the Compact and Midsize segment. While blue and beige are up slightly, so is white. There’s less variation in chromatic colors compared to previous year, as green and violet both dropped off the list.

Large and Large-Plus vehicles always favor the achromatic colors, and that is even more true in South America. A full 91% of vehicles in the segment are achromatic, which is up from 88% last year. That’s the largest majority in the world.

Following the global direction



As predicted by BASF’s designers, blue is enjoying a global surge in popularity. That fact shouldn’t be overshadowed by the popularity of achromatic colors in South America.

Blue surged 3%, taking some of that market share from red. As early as 2016, BASF designers described blue as “a major color direction for the automotive industry that will gain market share in upcoming years.”

Automotive designers often look 3–4 model years ahead when developing colors. This is playing out as predicted, as South America tends to be slower to adopt color direction than other regions.



“With an increase that large, blue is really establishing itself in South America. From sky blue to dark blue, more car buyers are moving into this color family. We’re using some beautiful effects and pigments, especially metallics, that advance this important design space.”

Marcos Fernandes, Director BASF Coatings GmbH, South America



Trend competence and innovative color concepts

BASF's Coatings division has an excellent understanding of what is trending in materials and colors, and uses this to predict which colors will play a key role in the future automotive market. Every year, the Coatings division's designers create Automotive Color Trends, an innovating collection of new colors based on extensive research and in-depth analysis of global trends and cultural shifts that will influence automotive colors 3 to 5 years into the future. Together with experienced colleagues in the color lab, the Coatings division's know-how comprises not only the art of designing innovative and creative colors, but also the knowledge required to translate them into applicable paints.

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Source: The color distribution referred to in the BASF Color Report 2021 for Automotive OEM Coatings was calculated by BASF's Coatings division on the basis of the available information regarding global automotive production and paint application to passenger cars.

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