



EMERGING
Credit Rating Ltd
an independent house of risk assessment

RIDING THE MARKET:

CONSUMER PREFERENCES AND STRATEGIC INSIGHTS
INTO DHAKA'S MOTORCYCLE INDUSTRY

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Abstract

This study aims to elucidate consumer preferences and market dynamics within Dhaka's motorcycle market, recognizing the industry's critical role in Bangladesh's economy and the need for brands to align with shifting consumer demands. Utilizing a comprehensive methodology, Emerging Credit Rating Ltd. (ECRL) conducted primary surveys, expert interviews, and secondary research to gather and analyze data. The primary survey, which included 170 motorbike users in Dhaka, revealed that over 90% of respondents were male, aged 25-44 (76%), with tertiary education (90%), and predominantly employed as servicemen. These demographics underscore the use of motorcycles as an efficient transportation solution in Dhaka's traffic-congested environment, with income levels ranging from BDT 20,000 to BDT 80,000, reinforcing affordability as a key factor in purchasing decisions.

The data analysis incorporated descriptive statistics, correlation checks, reliability tests, factor analysis, and regression models. **The regression analysis identified resale value and spare parts availability as significant determinants of purchase frequency, while fuel efficiency, design, and engine capacity (cc preference) were key drivers of budget range.** These quantitative insights were further corroborated by expert interviews with manufacturers and dealers, which provided valuable qualitative insights into market dynamics, consumer preferences, and the broader challenges facing the industry.

Additionally, the study integrates secondary data from ECRL's databank, academic journals, and industry literature, contributing to a comprehensive understanding of the market context, including projected industry growth and revenue figures. This research offers critical insights into Dhaka's motorcycle market, enabling brands to optimize their product development, marketing, and sales strategies to better align with consumer needs, ultimately driving market growth. The findings also benefit consumers by ensuring that their preferences are addressed, leading to improved product offerings, enhanced customer satisfaction, and greater overall market efficiency.



Snapshot

Research objective:

The study aims to analyze consumer preferences and market dynamics in Dhaka's motorcycle market, providing insights for brands to align with evolving demands through comprehensive data analysis.



Surveys outcome:

Note: Survey Conducted through 170 respondent

Majority users
Young to middle-aged



Profession
(57% Respondent)
Service holder



Earning Range
BDT 20-80 Thousand



Authorized Dealers

Preferred Purchase Source
(85% Respondent)

Japan
Country Most Preferred
(65% Respondent)



150-165 CC
Preferred Cubic capacity or CC



Budget Range
BDT 80-300 Thousand



25

Penetration per **1000** in Bangladesh which is lowest among the South Asian countries

Market Insider view of consumers' preferred facilities

EMI facility, spare parts availability, warranty or after sales service



Secondary information:

96%

Local assembling/
Production

Expected Motorcycle
Revenue by 2024

USD 1.95 billion

136,614

Motorbike
Registered in
2024

Analysis results:

Regression Outcome:

- Purchase frequency (repurchase) significantly increases with spare parts availability and decreases with the resale value, CC preference, and technology.
- Consumer's budget range increases with design and CC preference while decreases with fuel efficiency

Most Correlated Factors:

**Safety and comfort,
Fuel efficiency and price**

Summary Statistics:

Single factor emphasize most while choosing a motorcycle

Price, Brand, Fuel Efficiency



Government Policies:

Reduced duties on imported parts from 25% to 20%



Cash Incentives for 0.50-15% for export



Implications: Reduced Motorcycle price in recent times

Background

The motorcycle industry in Bangladesh, particularly in Dhaka, plays a pivotal role in the nation's economic and social framework. With expected revenue of US\$1.95 billion by 2024 and projections to reach US\$2.10 billion by 2029, the industry remains a key economic driver contributor (Statista (Motorcycles - Bangladesh), 2024). By 2021, the sector employed around 200,000 people in both direct and indirect jobs, emphasizing its role in job creation and economic stability. Despite challenges, the industry's growth is reflected in the sales figures, with 310,418 units sold in 2023, following a peak of 506,912 units in 2022 (BRTA, 2024). This sustained demand highlights the increasing reliance on motorcycles as a primary mode of transport in Bangladesh, particularly for daily commuting.

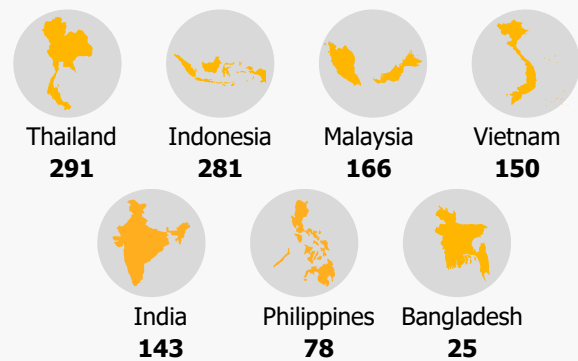
Dhaka's chronic traffic congestion underscores the importance of motorcycles. Over the past 15 years, the average traffic speed in the city has dropped from 21 km/h to 7 km/h, with forecasts predicting a further decline to 4 km/h by 2035 (Hussain Imam, 2023). In this scenario, motorcycles provide a faster, more cost-effective alternative to cars, making them the preferred choice for many commuters. Additionally, the rise of ride-sharing platforms and e-commerce delivery services has fueled the demand for motorcycles as a convenient and affordable mode of transport in the traffic-laden city.

Current market trends reflect a complex mix of opportunities and challenges. A 39% drop in sales in 2023, attributed to economic instability and inflation, has affected the market overall. However, high-end motorcycle sales grew by 13%, signaling a shift in consumer preferences. Notably, there has been a growing interest in higher engine capacities, with consumers increasingly testing motorcycles in the 150-165cc range, up from a previous preference for 125cc bikes. The government's initiatives to reduce import duties and registration fees, combined with the expansion of local manufacturing and assembly, have further supported the market's growth potential.

Another critical indicator of untapped market potential is motorcycle penetration in Bangladesh, which currently stands at 25 per 1,000 people. This figure is significantly lower than in other Asian countries, such as Thailand (291 per 1,000), Indonesia (281), and Malaysia (166), highlighting substantial growth opportunities for the sector.

This study adopted a comprehensive approach, surveying 170 motorbike users across Dhaka and conducting expert interviews with manufacturers and dealers. Through descriptive statistics, correlation checks, reliability tests, factor analysis, and regression models, we identified key factors influencing consumer preferences. These insights are designed to guide business stakeholders in aligning their strategies with evolving market needs. By understanding consumer behavior, brands can better tailor their products and marketing efforts, driving growth and remaining competitive in the dynamic motorcycle industry. The findings also provide valuable guidance for policymakers, enabling more informed decisions that could further support the industry's development.

Two-Wheeler Penetration per 1,000 population Country Wise



Methodology

ECRL conducted a comprehensive study using a multifaceted data collection approach to understand the motorbike industry's consumer preferences and the overall market dynamics. This included a primary survey of 170 motorbike users in Dhaka, expert interviews with key market players, and extensive secondary research from various credible sources.



Primary Survey

Data collected from 170 Motorbike users in Dhaka.



Expert Interviews

One to One interaction with the management of key market players.



Secondary Survey

ECRL Data Bank (data of 30,000+ companies) and various credible sources.



Primary Survey

Utilizing both digital and physical questionnaires to gather firsthand insights from two-wheeler users in Dhaka city

ECRL conducted a primary survey using structured questionnaires to collect primary data directly from consumers. The survey was administered through online platforms like Google Forms as well as offline printed forms at strategic locations within Dhaka city. This method ensured access to participants who were readily available and willing to contribute valuable information about their experiences with motorbikes. The sample consisted of 170 two-wheeler users who have experience with motorbikes.



Expert Interviews

An extensive compilation of data from diverse sources like internet articles, academic journals, and existing research studies.

The secondary research phase involved gathering data from an array of sources including internet articles, academic journals, existing research studies, and other pertinent literature. This approach allowed ECRL to build upon established knowledge bases and incorporate broader market trends into their analysis. The comprehensive nature of this data collection ensured a well-rounded understanding of the market dynamics.



Secondary Survey

In-depth interviews with market players provide valuable perspectives on industry trends.

Expert interviews were conducted with key players in the motorbike market sector. These discussions offered deep insights into consumer behavior patterns and preferences, which are crucial for understanding current dynamics within the industry. The expert opinions helped to contextualize the survey data and provided a nuanced view of the market challenges and opportunities.



Survey Analysis

Descriptive Statistics, Reliability Test, correlations between variables, Regression Analysis

For analysis purposes, statistical tools were employed to perform summary statistics analysis, which included checking correlations between variables as well as reliability tests (Cronbach's alpha reliability and Kaiser-Meyer-Olkin Measure of Sampling). Furthermore, regression analyses were carried out using linear regression models to assess how various factors influenced motorbike purchase frequency and budget ranges among consumers. The hypothesis tests evaluated the impact of confounding variables on motorbike purchase frequency and budget range, providing a detailed understanding of the factors driving consumer behavior. The confounding variables are,

Regression 1: Purchase Frequency

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_n X_n + \epsilon_i$$

Y= Purchase frequency: It was defined as the interval at which respondents consider purchasing a new motorcycle.

β =constant purchase decision when $X = 0$

X=Variables impacting the purchase frequency include budget range, price, brand, monthly income, fuel efficiency, performance, design, comfort, safety features, technology and connectivity, resale value, warranty/after-sales service, availability of spare parts, EMI facility, country of origin, and CC preference

ϵ = Vector of error

Regression 2: Budget Dependency

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_n X_n + \epsilon_i$$

Y= Budget Range: It was defined as the respondents' expected spending range for a new motorcycle.

β =constant purchase decision when $X = 0$

X=Variables impacting the Budget Range include frequency of purchase, price, brand, monthly income, fuel efficiency, performance, design, comfort, safety features, technology and connectivity, resale value, warranty/after-sales service, availability of spare parts, EMI facility, country of origin, and CC preference

ϵ = Vector of error



Summary Statistics



AGE 25-44
76%



Male Over
90%



Preferred Origin
Japan



Income
BDT 20-40
Thousand
49%



Education College
to Postgraduates
90%



Income
BDT 41-80
Thousand
27%



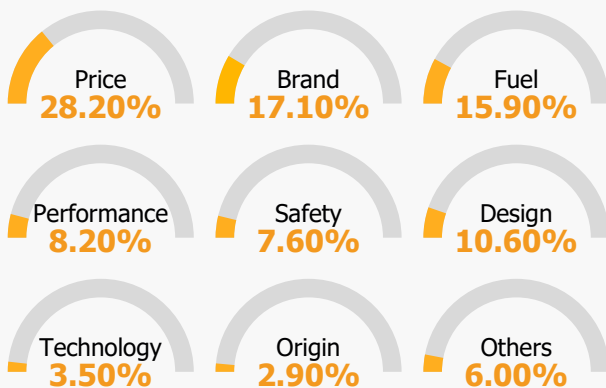
Point of purchase
Authorized dealer



Preferred CC
150-165

Single most prioritized factor

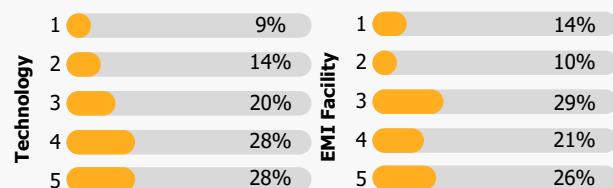
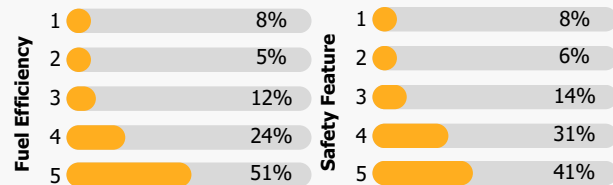
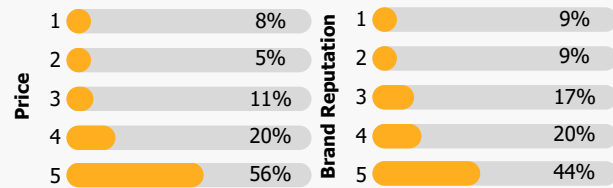
While asking to choose one single factor for Buying a motorcycle



Major Correlated Variables

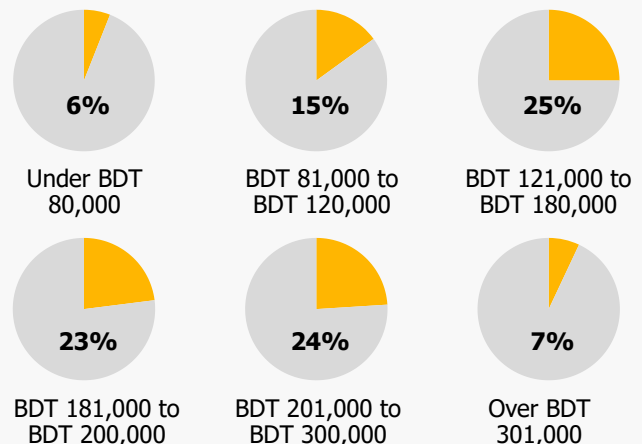
Variables	Pairwise Correlation
Fuel efficiency -Price	0.7652
Safety-Brand	0.7081
Safety-Performance	0.7077
Safety-Comfort	0.831
Comfort-Fuel efficiency	0.7039
Technology-Safety	0.7457
Spare parts availability-Fuel efficiency	0.7471
Spare parts availability-Warranty	0.747
Design-Brand	0.7499
Design-Performance	0.706
Design-Safety	0.7122
Design-Technology	0.7131

Features Consumers prefer

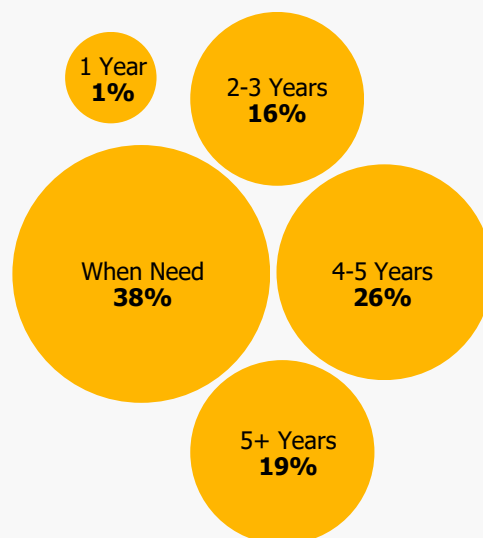


Note: Scale of 1-5, where 1 = Not Important, 2= Less Important, 3= Indifferent, 4= Important and 5 = Very Important

Budget



Frequency of Purchase





Feedback and interviews

Expert Opinion

Manufacturers and dealers have provided valuable insights into the current state of the motorcycle market in Bangladesh, highlighting significant shifts in consumer preferences and the challenges faced by the industry. Over the past few years, there has been a noticeable shift in consumer priorities, with an increasing emphasis on quality, performance, and brand reputation when purchasing motorbikes. This trend is particularly evident in the growing demand for bikes in the 150CC to 165CC range, which are favored for their lower maintenance costs and superior reliability.

The availability of loan financing has emerged as a crucial factor influencing consumer behavior. Many consumers prefer to purchase motorbikes through EMI or loan options, and cheaper loans or easier access to personal financing could potentially drive higher sales. This trend underscores the importance of financial accessibility in the purchasing decisions of motorbike users.

Brand preferences also play a significant role in the market dynamics. According to dealers, Japanese-origin bikes, although assembled in India, dominate sales in Bangladesh. However, there is a gradual shift towards Bangladeshi-assembled bikes, with consumers increasingly valuing stability and safety features. Despite a decline in market share, Bajaj remains the industry leader, followed by Suzuki and Yamaha, with TVS also being a strong player in terms of sales volume.

The competitive landscape is evolving, with Indian bike manufacturers facing increased competition from local assembly plants established by global players, particularly Japanese manufacturers. These new entrants offer bikes at similar prices but with higher perceived quality, which is shifting consumer demand away from Indian brands. This shift highlights the importance of perceived quality and brand reputation in influencing consumer choices.

Dealers report that their commissions are satisfactory, and they believe that an effective integration of advertising, after-sales service, and distribution channels will further enhance market presence for both manufacturers and dealers. There is also a high demand for second-hand bikes over new ones, except for bikes of Chinese origin or e-bikes, which are less popular in the used market. This demand for second-hand bikes indicates a market segment that values affordability and practicality.

A major challenge for both assemblers and suppliers is the disruption in the supply chain, particularly due to the ongoing dollar crisis, which directly impacts consumer purchasing power. Economic and political factors also play a critical role in shaping the industry's landscape. The current economic situation has reduced people's purchasing power, forcing them to prioritize spending on necessities rather than luxuries such as personal transport. Inflation and political uncertainty, especially in an election year, further exacerbate these challenges.

Manufacturers and dealers are working to navigate these evolving consumer demands and market challenges, balancing product offerings with logistical and economic constraints. By understanding and addressing these factors, brands can better align their strategies with consumer needs, ultimately driving growth and competitiveness in the motorcycle industry in Bangladesh.

Motorbike Price Comparison

Price comparison across different engine capacities (CC) reveals a competitive landscape. In the under 125 cc segment, Bajaj's Pulsar Ns125 is priced at BDT 1,89,750, while Yamaha's Salute 125 UBS and TVS Raider are priced at BDT 158,000 and BDT 158,999 respectively. Honda offers the SP 125 and CB Shine SP at BDT 165,000 and BDT 151,000. Hero's Ignitor variants range from BDT 156,000 to BDT 160,000, with Suzuki's GSX 125 at BDT 141,950 and Runner's Turbo models at BDT 129,000. In the under 160 cc category, Honda's CBR 150R ABS leads at BDT 600,000, followed by Suzuki's GSX R Dual ABS at BDT 465,950. Runner's Knight Rider series offers more affordable options ranging from BDT 135,000 to BDT 146,000. The under 250 cc class features Bajaj's Pulsar N250 at BDT 329,999 and Hero's Karizma XMR at BDT 399,990, catering to a niche market segment seeking robust performance and advanced features.

CC	Bajaj Auto	Yamaha	TVS Motor	Honda	Hero MotoCorp	Suzuki	Runner
Under 125 cc	Pulsar Ns125 BDT 1,89,750	Yamaha Salute 125 UBS BDT 158,000	TVS Raider BDT 158,999	Honda SP 125/ Honda CB, Shine SP BDT. 165,000/ 151,000	Hero Ignitor - FV XTEC Refresh/ Ignitor FV XTEC BDT 156,000/ 160,000	Suzuki GSX 125 BDT 141,950	Runner Turbo 125 Matte/ Runner Turbo v2 BDT 129,000/ 129,000
Under 160	Bajaj Pulsar N160 – BDT 264,900	Yamaha FZS v2 (150 CC) BDT 235,000	TVS Apache RTR 160 SD BDT 177,999	Honda CBR 150R ABS BDT 600,000	Hero Hunk 150R BDT 181,000/ Hero Hunk 150R ABS BDT 192,000	Suzuki GSX R Dual ABS (150 cc) BDT 465,950	Runner Knight Rider (150 cc) BDT 135,000/ Runner Knight Rider v2 (150 cc) BDT 146,000
	Bajaj Pulsar 150 Twin Disc ABS BDT 225,000	Yamaha FZS V3 ABS (BS6) (150 CC) BDT 269,000	TVS Apache RTR 160 RACE EDITION ABS BDT 186,999/ TVS Apache RTR 4V ABS (160 cc) BDT 229,999	Honda SP 160 ABS BDT 225,000/ Honda X Blade ABS (160 cc) BDT 222,000 Honda CB Hornet 160R CBS BDT 212,000	Hero Thriller 160R 4V BDT 254,990/ Hero Thriller 160R Fi ABS DD BDT 202,000	Suzuki Gixxer Classic Matte (150 cc) BDT 201,950	Runner Bolt 165R Dual Tone BDT 179,000
Under 250	Bajaj Pulsar N250 BDT 329,999				Hero Karizma XMR 210 BDT 399,990		

Impact of Policy Changes

The Road Transport and Highways Department, along with representatives from BRTA, BUET, the police, and the Roads and Highways Department, has drafted the "Motorcycle Movement Policy, 2023," which is expected to receive ministry approval soon. Some committee members have indicated that the policy will be carefully revised, though it is not yet decided who will undertake this task.

The policy aims to reduce road accidents by regulating motorcycle movement, encourage the use of safer motorcycles, and raise awareness among motorcyclists. It includes provisions such as :



Restrictions on motorcycles with less than 126cc capacity on highways.



Prohibiting pregnant women, elders, and children under 12 from traveling as passengers.



Banning the use of earphones or mobile phones while riding.



Restricting the unsafe carriage of goods without a carrier.



Drivers must also wear safety gear.



Motorcycles will be banned from highways 10 days before and after major festivals, and passengers will not be allowed on highways.

Finalizing the policy will take time once the entire process is completed.

The policy also suggests a speed limit of 30 km per hour in urban areas, which may demotivate motorcyclists who rely on faster travel. Industry experts have mixed reactions, noting that the policy only restricts motorcycle speeds and not other vehicles, which might cause road anarchy. They recommend that the government should establish a 30 km per hour speed limit for all vehicle classes in urban areas. Notably, at this speed, there is an 80% chance of surviving motorcycle accidents.

Major Findings of the survey and Analysis

To ensure the reliability of our data, ECRL conducted thorough statistical tests, especially **Cronbach's alpha reliability and Kaiser-Meyer-Olkin Measure of Sampling**, confirming that all data points are reliable and valid for analysis. This section presents the major findings from our survey and analysis, offering actionable insights for business leaders, brands, dealers, and policymakers.

In Dhaka, the rising population and severe traffic congestion have driven office-going males, including Uber and Pathao bikers, to favor motorbikes for their efficiency and speed. According to the ECRL survey, these motorbike owners are predominantly young to middle-aged adults (25-44 years) with tertiary education, primarily servicemen. With approximately 70% of respondents earning between BDT 20,000 to BDT 80,000, motorbikes are seen as a convenient and affordable transport option, often financed through EMI or loan options.

Regression Analysis for Motorbike Purchase Frequency

$$Y^{\wedge}=3.72+0.07 X1+0.11 X2-0.07 X3+0.02 X4-0.16 X5+0.20 X6+0.09 X7+0.07 X8-0.20 X9-0.35 X10^{*}+0.05 X11+0.26 X12+0.04 X13-0.06 X14+0.12 X15-0.19 X16$$

Where, X1= Price, X2=Brand, X3=Monthly Income, X4=Fuel Efficiency, X5=Performance, X6=Design, X7=Comfort, X8=Safety Features, X9=Technology and Connectivity, X10=Resale Value, X11=Warranty and After-sales service, X12=Availability of spare parts, X13=EMI facility, X14=country of origin, X15= Budget Range and X16=CC preference

Significant Variables:

Resale Value: A lower resale value discourages frequent purchases. If customers feel they won't get a good resale price, they will buy less often.

Availability of Spare Parts: When spare parts are easy to find, people buy motorbikes more frequently. Customers are likely to buy again if they know they can maintain the bike easily.

CC Preference: Customers who prefer bikes with a larger engine size (higher cc) tend to buy less frequently, possibly because these bikes are more expensive or last longer.

Technology and Connectivity: This shows that advanced tech features, while desirable, might reduce how often people buy new bikes, potentially because tech-heavy models are more expensive or complex to maintain.



The regression analysis identified several significant factors affecting how often consumers purchase motorbikes. Notably, resale value and the availability of spare parts emerged as critical determinants. A lower resale value discourages frequent purchases, as customers are less likely to buy new bikes if they feel they won't get a good resale price. Conversely, easy access to spare parts encourages more frequent purchases, as consumers are more likely to buy again if they know they can maintain their bikes easily. Additionally, customers who prefer bikes with larger engine sizes (higher cc) tend to buy less frequently, possibly due to the higher cost and longer lifespan of these bikes. Advanced technology and connectivity features, while desirable, might also reduce purchase frequency due to their higher costs and maintenance complexity.

Regression Analysis for Motorbike Budget Range

$$Y=0.46+0.11X1-0.07X2+0.09X3+0.10X4-0.21X5+0.02X6+0.20X7+0.03X8+0.08X9+0.04X10+0.17X11+0.00014X12-0.05X13-0.03X14+0.04X15+0.56X16+\epsilon$$

Where, X1=Purchase Frequency, X2=Price, X3=Brand, X4=Monthly Income, X5=Fuel Efficiency, X6=Performance, X7=Design, X8=Comfort, X9=Safety Features, X10=Technology and Connectivity, X11=Resale Value, X12=Warranty and After-sales service, X13=Availability of spare parts, X14=EMI facility, X15=Country of origin, X16=CC preference.

Significant Variables:

Fuel Efficiency: Customers who prioritize fuel efficiency tend to have a lower budget. This likely reflects the fact that people looking to save on fuel also look for more affordable bikes.

Design: A good design increases the budget range. Customers are willing to pay more for bikes that are visually appealing or have unique designs.

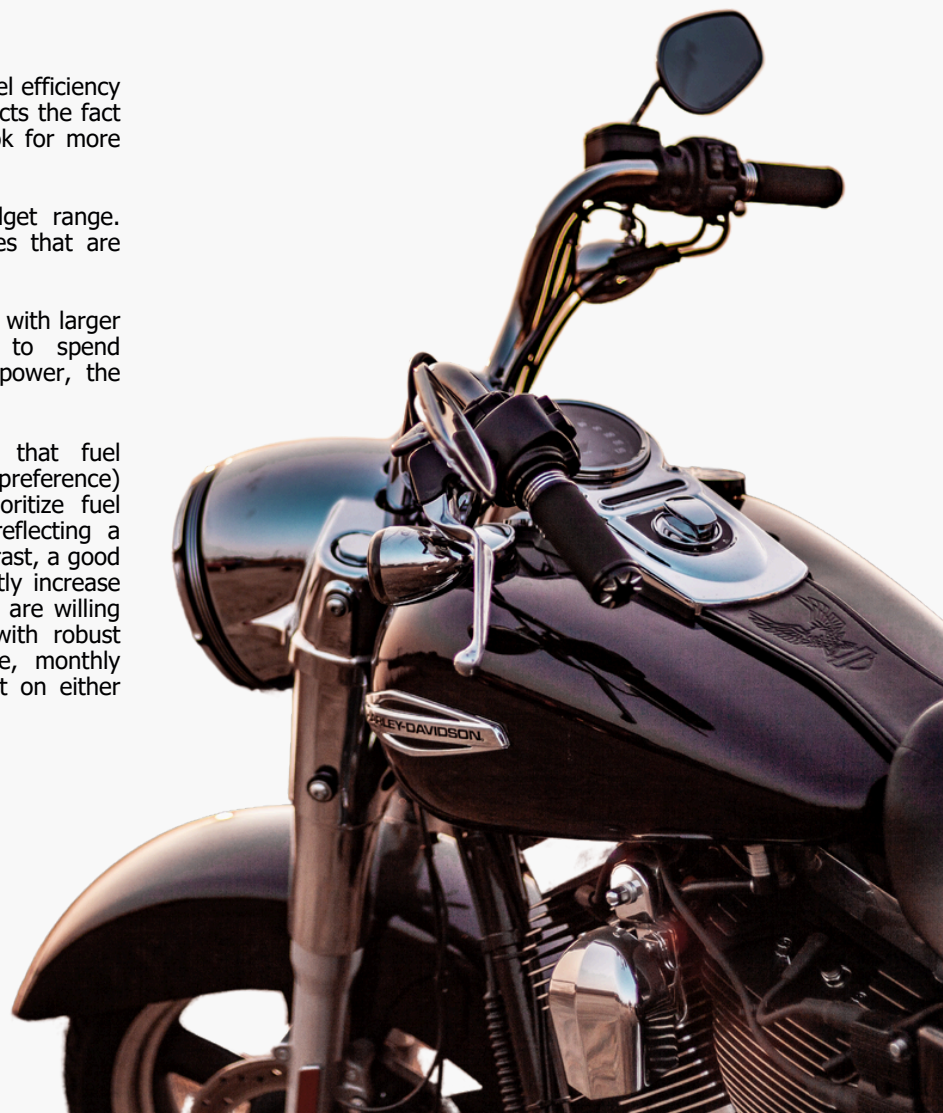
CC Preference: Customers who prefer bikes with larger engine capacity (higher cc) are ready to spend significantly more. The higher the engine power, the bigger the budget.

The analysis of budget range revealed that fuel efficiency, design, and engine capacity (cc preference) are significant factors. Customers who prioritize fuel efficiency tend to have a lower budget, reflecting a preference for more affordable bikes. In contrast, a good design and higher engine capacity significantly increase the budget range, indicating that consumers are willing to pay more for visually appealing bikes with robust performance. Surprisingly, factors like price, monthly income, and brand loyalty have little impact on either purchase frequency or budget range.

Findings Summary and recommendation

The regression analysis of the motorcycle market in Dhaka highlights critical factors influencing consumer behavior. For purchase frequency, the availability of spare parts and resale value are paramount; easy access to spare parts encourages frequent purchases, while lower resale value discourages them. Additionally, advanced technology and larger engine capacities tend to reduce purchase frequency due to higher costs and maintenance complexities. On the other hand, budget range is significantly influenced by fuel efficiency, design, and engine capacity. Consumers with a focus on fuel efficiency tend to have lower budgets, whereas those prioritizing design and higher engine capacities are willing to spend more. Surprisingly, factors such as price and monthly income have minimal impact on both purchase frequency and budget range.

To capitalize on these insights, brands should enhance their resale value propositions and ensure the availability of spare parts to encourage repeat purchases. Investing in fuel-efficient and well-designed bikes can attract budget-conscious consumers, while integrating advanced technology can appeal to those seeking premium features. Offering flexible financing options, such as EMI, can further attract a broader customer base. By aligning their strategies with these consumer preferences, brands can drive growth and maintain competitiveness in Bangladesh's dynamic motorcycle industry.



Global Motorbike Industry's Future and Technology:

In recent times, the shift towards electric and hybrid motorcycles is gaining momentum as manufacturers prioritize eco-friendly solutions that offer both performance and sustainability. Advances in battery technology have made electric motorcycles more efficient and practical, providing longer ranges, faster charging times, and improved performance (Jamesjordan, 2024). This shift not only reduces environmental impact but also caters to the growing demand for cleaner transportation options. Safety is also a major focus, with modern motorcycles featuring systems like traction control, ABS, and adaptive cruise control to enhance stability and rider confidence in various conditions (Jamesjordan, 2024).

Additionally, motorcycles are becoming more connected, with GPS, Bluetooth, and smartphone integration offering riders real-time information and customization. Companies like Bajaj Auto are exploring new fuel options, including CNG motorcycles, aiming to appeal to consumers focused on fuel efficiency. The use of AI, vehicle-to-vehicle (V2V) communication, and improved ergonomic design is transforming the riding experience, while government incentives and tax benefits for electric models encourage the adoption of eco-friendly vehicles, shaping the future of the motorcycle industry (Fortune Business Insights, 2024).

The growing focus on connectivity and sustainability is further driving the adoption of electric bikes, with the market valued at USD 30.11 billion in 2022 and projected to grow at a 19% CAGR from 2023 to 2030. This expansion is supported by advancements in charging infrastructure, decreasing battery costs, and innovations in battery management and telematics, all enhancing the overall user experience. Rising demand for energy-efficient commuting, coupled with concerns over carbon emissions from traditional internal combustion engine (ICE) vehicles and increasing fossil fuel prices, is pushing consumers toward electric options (Grand View Research, 2023). Government initiatives, such as Indonesia's USD 455.88 million subsidy for electric motorcycles and India's increased subsidies under the FAME India phase II scheme, are making electric bikes more accessible. Leading brands like Zero Motorcycles and Lightning Motorcycles are setting the pace with cutting-edge models, and Zero's significant improvements in lithium-ion battery energy density by 20% further elevate performance, making electric bikes a compelling choice for diverse riders (Sheld, 2023).

Conclusion

The motorcycle industry in Dhaka, Bangladesh, is a dynamic and evolving market, shaped by a variety of economic, demographic, and technological factors. Our comprehensive analysis has highlighted the critical elements influencing consumer preferences, providing valuable insights for brands, dealers, and policymakers. The preference for motorbikes among office-going males, driven by severe traffic congestion and the need for efficient transportation, underscores the importance of understanding the specific needs and behaviors of this demographic.

Key findings from our regression analyses reveal that factors such as resale value, spare parts availability, fuel efficiency, and design significantly impact consumer purchasing decisions. Brands that focus on enhancing these aspects are likely to see increased consumer loyalty and market share. Additionally, the integration of advanced technology and flexible financing options can further attract a broader customer base, catering to both budget-conscious consumers and those seeking premium features.

The demographic insights, highlighting a young and educated consumer base with a significant portion earning between BDT 20,000 to BDT 80,000, emphasize the need for affordable and accessible financing solutions. The strong correlation between comfort and safety features also indicates that these aspects should be prioritized in product development and marketing strategies.

Looking forward, brands must prepare for future market shifts by investing in research and development, exploring the potential of electric motorcycles, and adapting to new government regulations. Emphasizing sustainability and innovation will be crucial in meeting the evolving demands of consumers and maintaining competitiveness in this dynamic industry.

By aligning their strategies with these consumer preferences and market trends, brands can drive growth, enhance customer satisfaction, and achieve long-term success in Bangladesh's motorcycle industry. This report serves as a guide for business leaders and policymakers to make informed decisions that will shape the future of this vital sector.



About ECRL


Emerging Credit Rating Limited (hereinafter referred to as ECRL) began its journey in the year 2009 with the motive to deliver credible superior & quality credit rating opinions in various industry segments around Bangladesh. ECRL obtained a credit rating license from Bangladesh Securities and Exchange Commission (BSEC) in June 2010 as per Credit Rating Companies Rules 1996 and also received Bangladesh Bank Recognition as an External Credit Assessment Institution (ECAI) in October 2010 to do the rating of Banks, Financial Institutions and their borrowers and also from Insurance Development & Regulatory Authority (IDRA) in 2015 to do the rating of Insurance Companies & affiliated with Malaysian Rating Corporation Berhad.


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ECRL Research provides insights, opinions, and analysis on Bangladesh and International Economies. ECRL Research conducts surveys and produces working papers and reports on Bangladesh's different socio-economic issues, industries, and capital market. It also provides training programs to professionals from financial and economic sectors on a wide array of technical issues.