Autotrader Data Shows Volkswagen Emissions Scandal Negatively Impacting Vehicle Prices, Consumer Consideration

Average prices and shopping activity on the decline since the news broke in early September

ATLANTA, Oct. 22, 2015 /PRNewswire/ -- As news of the Volkswagen emissions scandal continues to dominate the headlines, new data from Autotrader shows that the issue is having a direct impact in the marketplace. Since news broke in early September that VW diesel vehicles did not meet U.S. emissions standards, the average list price for VW vehicles for sale on Autotrader has declined, along with shopping activity.

The average list price for VW vehicles dropped by $271 (just more than 1 percent), since the story broke. The average price for VW diesel vehicles declined 3 percent, or about $711. The VW Beetle diesel and Jetta diesel saw the most significant declines; both showed average list prices decline by more than 4 percent or around $1,110 and $797 respectively. During that same period, list prices for diesel vehicles overall rose .2 percent, or around $227, and the average listing price for all vehicles listed on Autotrader was essentially flat.

"When you consider the fact that there are more than 100,000 VW vehicles for sale on Autotrader right now, a price shift of this magnitude in just over a month is significant," said Autotrader Senior Analyst Michelle Krebs. "It demonstrates the uphill battle the brand faces to regain the trust of consumers, and the challenge this presents for dealers."

Shopper interest data – defined by how many Autotrader visitors click on a listing of a car for sale – also shows trouble for the VW brand. Shopper interest in VW vehicles dropped 3 percent since the scandal broke, with the most significant declines noticed on non-diesel variants of the Golf (down 11 percent), Beetle, (down 8 percent) and Jetta (down nearly 8 percent). Interest in the diesel variants of the Passat and Jetta has actually gone up (7 percent and nearly 3 percent respectively), which Krebs attributes to a combination of owners curious about the current listing prices and bargain hunters seeking a deal.

The impact hasn't been limited to the VW brand – sister brand Audi has also seen list price and shopping declines. While the average list price for Audi vehicles listed for sale on Autotrader declined slightly (down $383 or nearly 1 percent), the list price for the diesel variant of the A3 dropped by more than $1,750 or nearly 6 percent. Shopper interest in Audi vehicles overall was down just over 3 percent, while interest in the diesel A3 plunged 17 percent. Shopper interest in non-diesel A3s declined just over 4 percent, and average list price dipped slightly by $155 or around a half percent.

"Volkswagen's price declines could be temporary as often is the case when an automaker has a problem," said Krebs. "The outcome largely depends on how Volkswagen handles the situation. Specifically, what it does to make help current owners regarding the value of their vehicles, how it supports dealers and the immediate steps they take to rebuild shopper confidence in the brand."

About Autotrader

Autotrader is the most visited third-party car shopping site, with the most engaged audience of in-market shoppers. As the foremost authority on automotive consumer insights and expert in online and mobile marketing, Autotrader makes the car shopping experience easy and fun for today’s empowered consumer looking to find or sell the perfect new, used or Certified Pre-Owned car. Using technology, shopper insights and local market guidance, Autotrader’s comprehensive marketing solutions guide dealers to personalized digital marketing strategies that grow brand, drive traffic and connect the online and in-store shopping experience.

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