

Certified Pre-Owned Vehicles Close Affordability Gap For Luxury Brands

Consumers Find New Entry Point For Brands They Aspire To Own

ATLANTA, Nov. 18, 2015 /PRNewswire/ -- Luxury brands are the most popular among Certified Pre-Owned (CPO) shoppers, according to Autotrader's October 2015 Trend Engine data, which measures consumer shopping activity on the website each month.

Consistently over the last three months, the luxury car, luxury SUV and sports car segments out performed their more mainstream counterparts such as compact and mid-size cars and SUVs.

Segment	Share Last Year	Share Last Month	Share This Month
Compact Car	8.68%	7.87%	7.60%
Compact SUV	4.37%	4.27%	4.31%
Compact Truck	1.87%	1.88%	2.04%
Exotic	0.26%	0.37%	0.38%
Full-size Car	2.85%	2.53%	2.63%
Full-size SUV	4.22%	3.96%	3.76%
Full-size Truck	11.07%	11.79%	11.86%
Luxury Car	22.51%	22.78%	22.69%
Luxury SUV	10.88%	12.02%	12.20%
Midsize Car	10.14%	8.76%	8.56%
Midsize SUV	14.26%	14.23%	14.43%
Sports Car	7.00%	7.72%	7.77%
Van	1.89%	1.80%	1.77%

In October, six of the top 15 CPO models with the greatest leap in monthly share were entry-luxury or luxury brands such as Audi, BMW, Bentley, Infiniti and Mercedes-Benz.

Make	Model	MOM Share Increase
1. Kia	Sorento	46.4%
2. Kia	Optima	45.2%
3. Audi	RS Models	23.5%
4. Subaru	Impreza	20.3%
5. Toyota	Sequoia	19.9%
6. RAM	2500	18.5%
7. BMW	X6	18.0%
8. Chevrolet	Volt	15.1%
9. Bentley	Continental	14.5%
10. Chrysler	300	14.0%
11. Infiniti	Q-Series	14.0%
12. Jeep	Compass	12.5%
13. BMW	4 Series	12.3%
14. Dodge	Durango	12.0%
15. Mercedes-Benz	SL Class	11.8%

"Both aspirational and economic forces appear to be at work simultaneously in the CPO space," said Michelle Krebs, Senior Analyst for Autotrader. "Despite fluctuations in the stock market and predictions of a hike in interest rates, this data shows consumers are

increasingly interested in well-appointed, status brands but with the added peace of mind, cost certainty and affordability that certified pre-owned vehicles provide."

[The 2015 Autotrader CPO Study](#) of car shopping behavior uncovered that many consumers, particularly Millennials aspire to luxury brands, but many can't yet afford the cost of a new car. CPO vehicles are a bridge that allows consumers to crossover into the brands they want to drive sooner. Autotrader site activity data in October saw the proportion of used car vehicle detail pages going to CPO increase by nearly 10 percent year over year.

Consumption of auto-related video content appears to be trending in the same direction. A September 2015 ZEFR Insights Report titled [Cars in Context: Targeting Automotive Content On YouTube](#), cited 18% of all videos uploaded to YouTube are auto-related and of the top-eight car brands featured on YouTube, five are in the luxury or high-end sports car category. BMW leads the way with close to 5 billion lifetime views. Mercedes-Benz is third with nearly 4 billion lifetime views. Lamborghini, Ferrari and Audi have roughly 3 billion views each.

Coupled with Autotrader's search data, the video content consumption figures from ZEFR clearly point to an uptick in consumer demand and desire for luxury rides. CPO can help turn aspirations into reality by bridging the affordability gap between a new and a used vehicle.

Krebs added, "Given the surplus of low mileage, late model used cars that are and will continue to be abundant, we're advising all our OEM clients to ensure they are certifying enough of their eligible inventory now to start winning customer loyalty and repeat purchases sooner rather than later."

About The Study

To understand shopper perceptions of CPO vehicles as well as the CPO ownership experience, Autotrader conducted two quantitative online surveys, which together comprise the [2015 Autotrader CPO Study](#). For the shopper portion of the study, Autotrader completed a total of 445 interviews among shoppers, split evenly among New, Used and CPO considerers who were planning to purchase a vehicle in the next 6 months. To understand the CPO ownership experience, Autotrader surveyed 1,358 current CPO owners. Both surveys took place in August 2015. Highlights of the Autotrader 2015 CPO Study were revealed in a presentation yesterday at the Used Car Week CPO Forum by Isabelle Helms, VP of Research and Market Intelligence, Cox Automotive.

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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