Economy Drives New-Car Shoppers' Interest in and Sales of CPO Vehicles

Shopper Insights from the AutoTrader.com Trend Engine show that 60 percent of new-car shoppers are more likely to consider CPO vehicles due to the economy; 29 percent are considering CPO for the first time.

ATLANTA, April 12, 2012 /PRNewswire/ -- Research conducted by AutoTrader.com and Morpace at the end of 2011 shows that 60 percent of new-car shoppers are now more likely to consider certified pre-owned (CPO) vehicles due to the state of the economy. Additionally, 29 percent of new-car shoppers – or half of those considering - are open to CPO for the first time. According to AutoTrader.com analysts, this influx of shoppers who have widened the types of vehicles they are considering is a contributing factor to the recent spike in CPO sales, which posted a 7.7 percent increase in units sold from March 2011 to March 2012, breaking the 170,000 mark for the first time. The total number of CPO sales in March was 174,471, which was also 16.9% higher than the month prior.

(Logo: http://photos.prnewswire.com/prnh/20110425/CL88097LOGO)

"Time and again, our research has shown that economic conditions over the last few years have caused numerous shifts in consumer shopping behavior—from when they plan to purchase to the types of vehicles they are considering," said Rick Wainschel, vice president of automotive insights at AutoTrader.com. "In many ways, CPO vehicles present a balanced set of benefits for car shoppers, offering a lower price point than a new car but with a better warranty and more peace of mind than a used car."

Warranty coverage was cited as the top two reasons new-car shoppers would consider a CPO vehicle, with 68 percent indicating that the certification/warranty gave them added peace of mind and 52 percent citing the fact that the warranty would be better than what they would receive on a used vehicle.

That added peace of mind, however, does come at a premium, but one that the majority of new-car shoppers appear willing to pay. In the study, 67 percent of new-car shoppers indicated that they would be willing to pay more for a CPO vehicle compared to a used, non-certified vehicle. The average premium they were will to pay was $1,380.

Most-Viewed CPO Vehicles on AutoTrader.com

On AutoTrader.com, top 10 most-viewed CPO vehicles in March show a healthy mix of vehicle types and costs.

"Many manufacturers offer great CPO programs that allow shoppers to step up in vehicle class without stepping out of their comfort zone in terms of price point," Wainschel added.

The list, shown below, includes everything from popular sedans such as the Toyota Camry and Honda Accord to trucks and a few luxury cars

Top 10 Most-Viewed CPO Vehicles on AutoTrader.com in March

1. BMW 3 Series
2. Honda Accord
3. Chevrolet Silverado 1500
4. Honda Civic
5. Ford F-150
6. Volkswagen Jetta
7. Toyota Tacoma
8. Audi A4
9. Toyota Camry

10. Toyota Tundra

The top three vehicles, the BMW 3 Series, Honda Accord and Chevrolet Silverado 1500, all held their ranking month-over-month. However, the Honda Civic and Volkswagen Jetta both made notable jumps in shopper interest from February to March, with the Civic moving up four spots and the Jetta moving up three. While the Silverado 1500 and Toyota Tundra held steady month-over-month, the Ford F-150 and Toyota Tacoma both moved down one spot in that timeframe.

"High gas prices are certainly having an effect on the vehicles shoppers are considering, as we're seeing more fuel-efficient vehicles gaining ground in consumer interest. However, it's important to note that while interest in trucks is declining slightly, the decrease is not yet as dramatic as one would expect," Wainschel continued.

Click here to view a snapshot of these Shopper Insights from the AutoTrader.com Trend Engine.

About AutoTrader.com

Atlanta-based AutoTrader.com, created in 1997, is the Internet's ultimate automotive marketplace and consumer information website. AutoTrader.com aggregates in a single location millions of new cars, used cars and certified pre-owned cars from thousands of auto dealers and private sellers and is a leading online resource for auto dealers, individuals and manufacturers to advertise and market their vehicles to in-market shoppers. The company also provides a robust suite of software tools for dealers and manufacturers to help them manage and market their vehicle inventory and display advertising on the Internet. AutoTrader.com continues to grow key business metrics, including revenue, profitability and site traffic. Today, AutoTrader.com attracts millions of unique monthly visitors who utilize the site to review descriptions, photos and videos of vehicles for sale; research and compare vehicles; review pricing and specials; and read auto-related content like buying and selling tips and editorial coverage of major auto shows and automotive trends. AutoTrader.com operates one other auto marketing brand, AutoTraderClassics.com. AutoTrader.com also owns used vehicle management software company vAuto, Kelley Blue Book (kbb.com), HomeNet Automotive, a leading provider of online inventory management and merchandising solutions for the automotive retail industry and VinSolutions, a leading provider of end-to-end solution platforms for dealers. AutoTrader.com is a majority-owned subsidiary of Cox Enterprises. Providence Equity Partners is a 25 percent owner of the company and Kleiner Perkins Caufield & Byers is also an investor. For more information, please visit www.autotrader.com.

SOURCE AutoTrader.com

For further information: Julie Shipp, +1-404-568-7914 (o), +1-404-558-7837 (m), julie.shipp@autotrader.com

---

Additional assets available online: View Report (1)