



Automotive Industry Trends

Navigate the automotive
market through key and
developing trends

July 2022

Executive Summary

New and Used Vehicle sales continue recent trend

- New Vehicle Transaction prices continue to remain strong up 34% over June 2021 due to limited new vehicle inventories
- Used vehicle Transaction prices dipped in May but continues to average above \$3500 PUVR
- Consumers are returning to market on average in 29 months for both new and used despite rising inflation

Service intervals are shortening

- Consumers are coming in for their first service sooner as miles driven returns to pre-pandemic levels
- While Average RO counts have declined 6% from June 2021, average dollar per RO is 13% higher than June 2021
- Average dollar per customer pay increased to 20% higher than June 2021
- Service Retention continues to hover above 58%

Consumers are taking advantage of higher trade-in valuations

- Trade-in age at lowest point in 2022
- Average vehicle value of the trade-in at the time of deal over \$23k in June 2022

Methodology

National sample of approximately 1,500 automotive dealers in U.S.

- Vehicle sales transactions (new vehicles)
- Repair order transactions

Results are weighted to represent national and OEM segment trends

- OEM segments: domestic, import, luxury brands
- Weighting based on vehicle sales market share
- Additional brands were added in November 2021 to better represent population, so metrics may not match prior reports

Same-store approach

- All dealers were open each month during measurement period
- Consistent group of stores measured across time periods

National Sales Trends

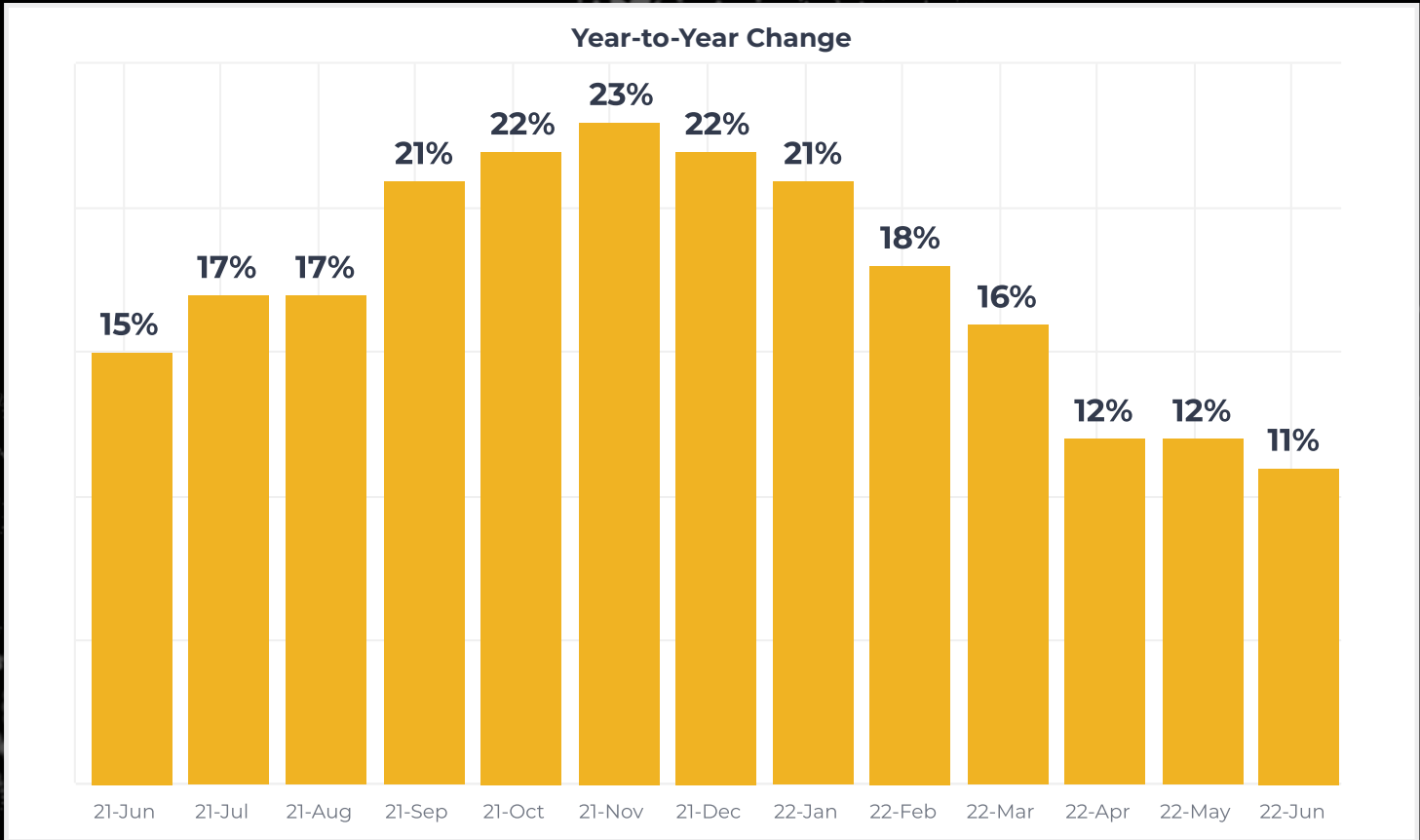
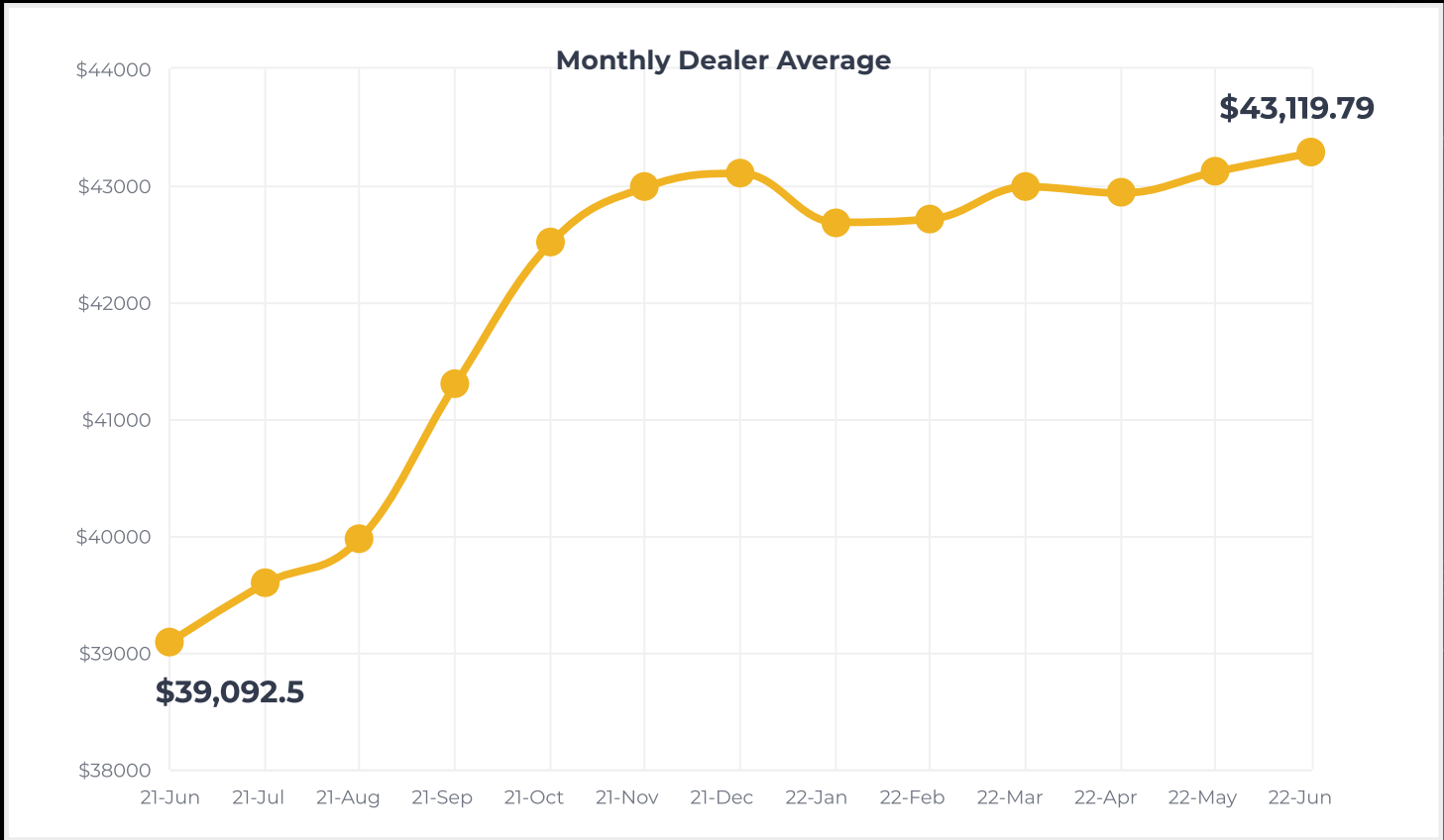
New Vehicles



July 2022

Average Revenue

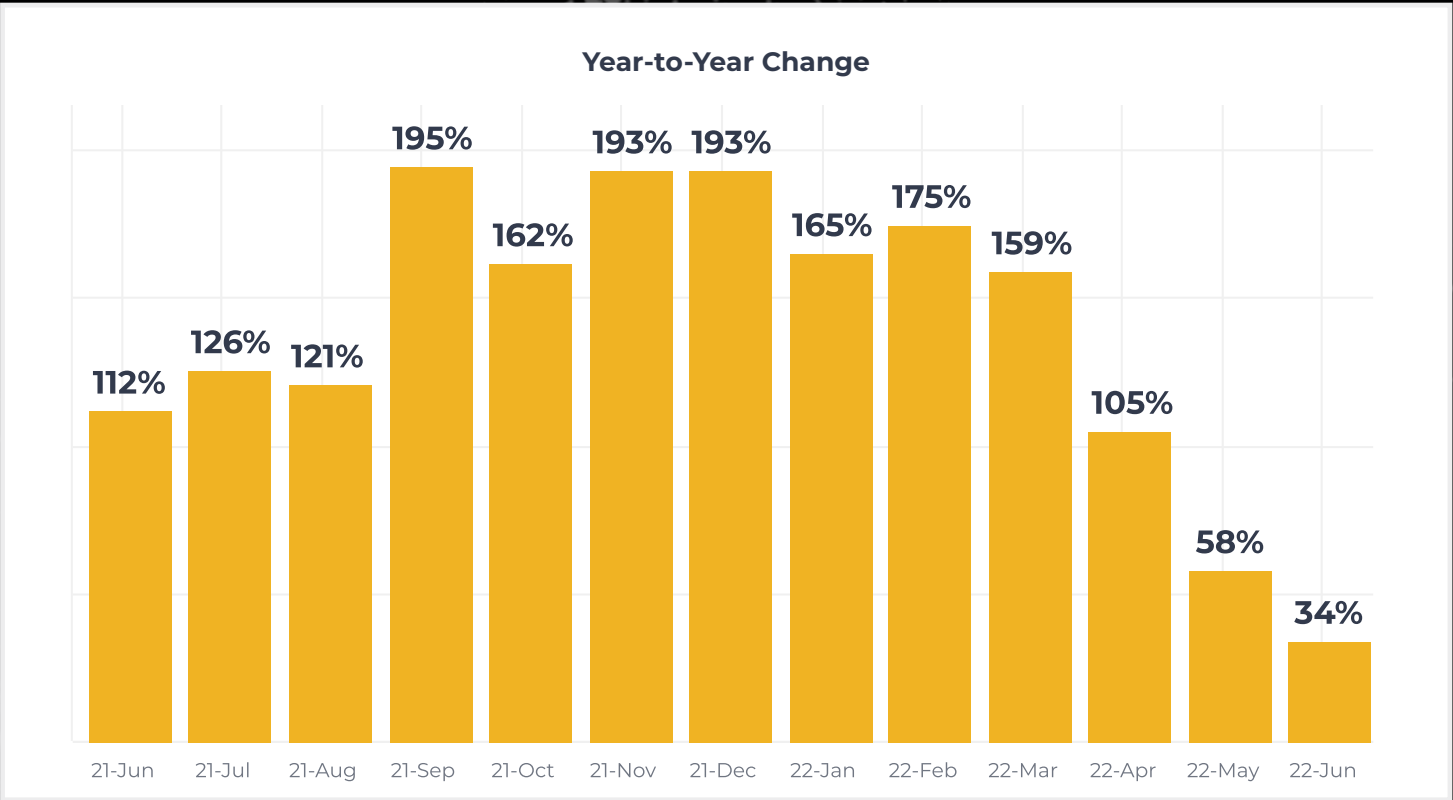
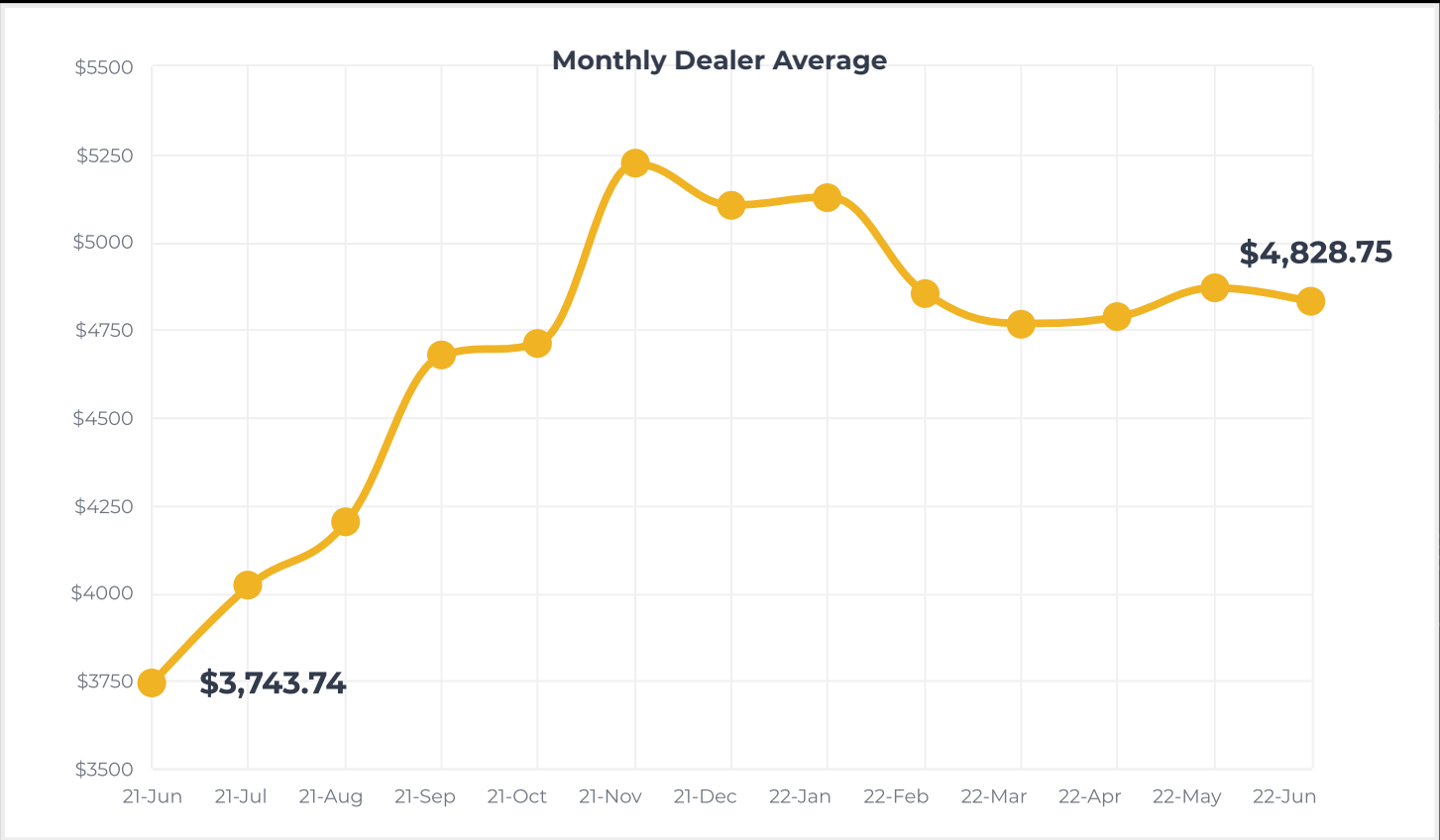
Average sale price per new deal continues to **increase another 0.4%** over May 2022



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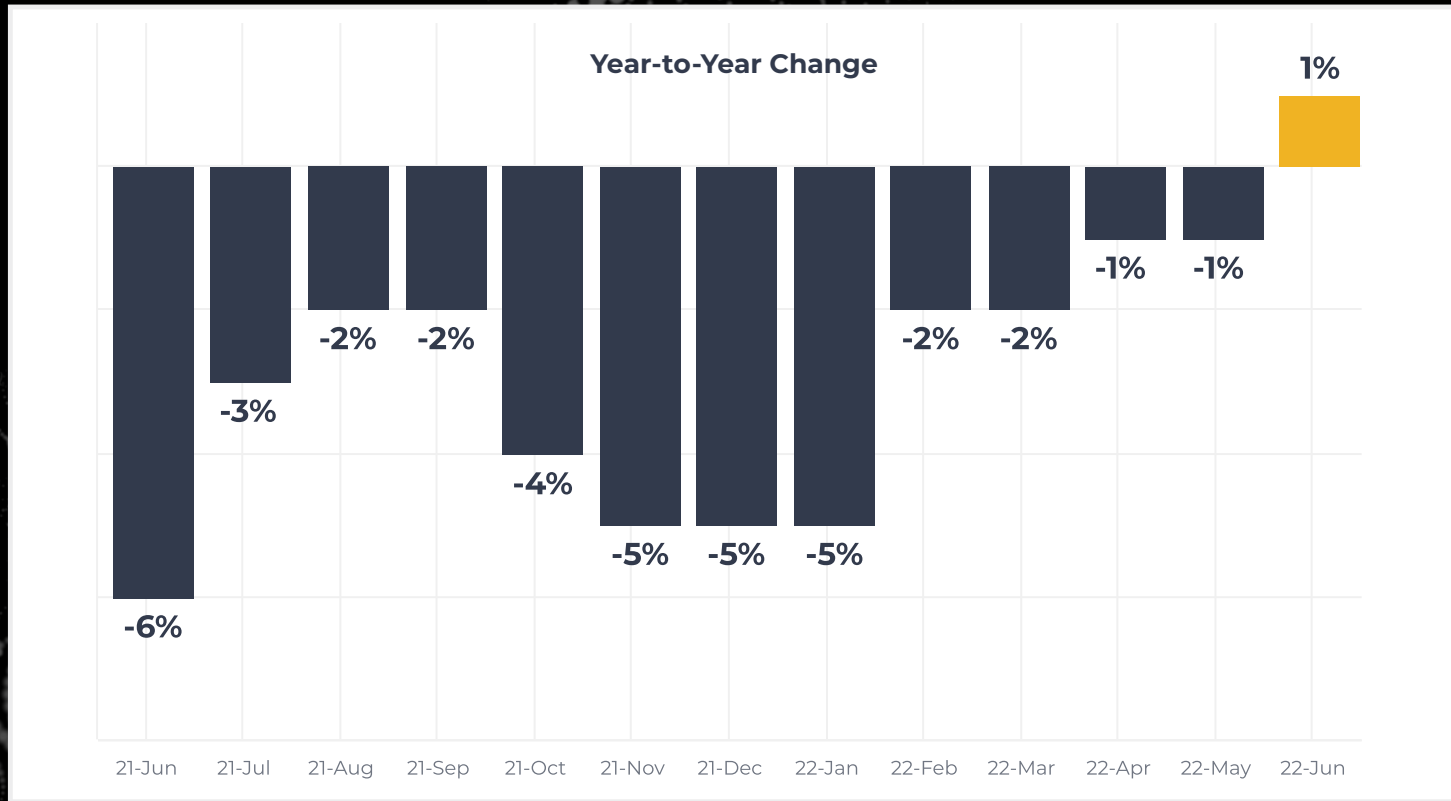
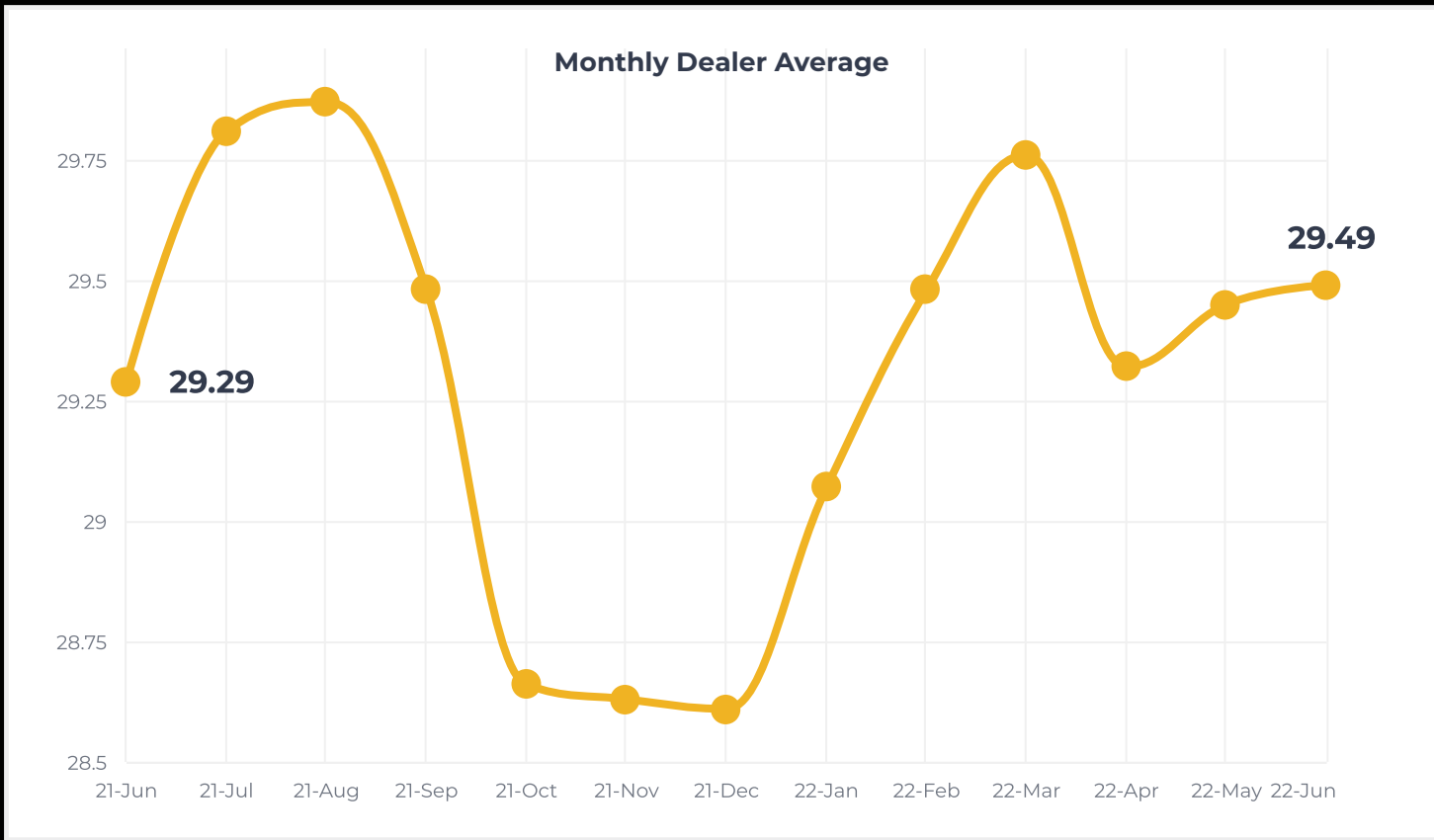
Average New Vehicle Gross

Average gross profit per new vehicle continues to remain strong with a **slight decrease of 0.8%** since May 2022



Average Repurchase Months

Average months between current new deal and prior new or used deal per customer continues to remain the same with a **slight increase of 0.13%** from May to June 2022



National Sales Trends

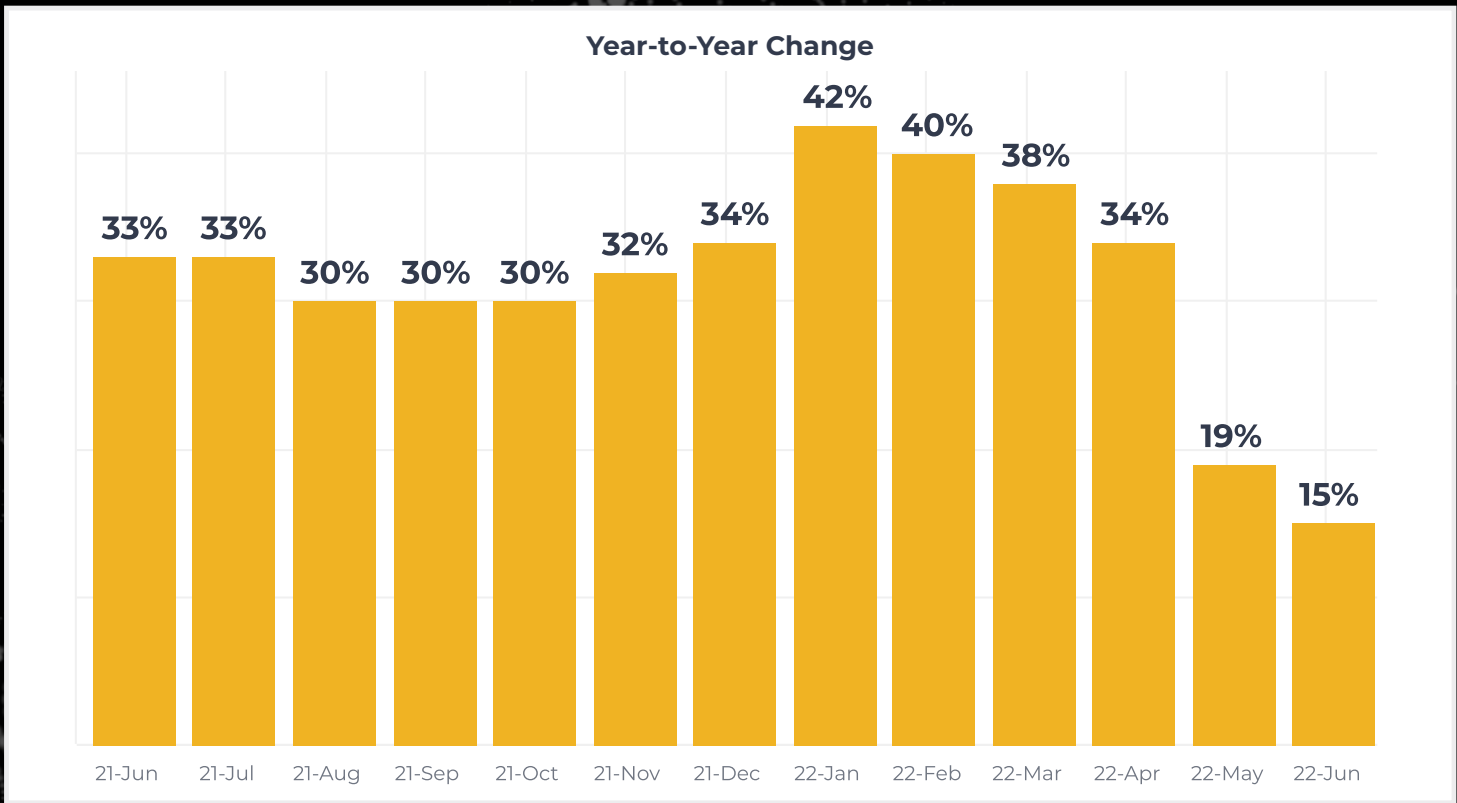
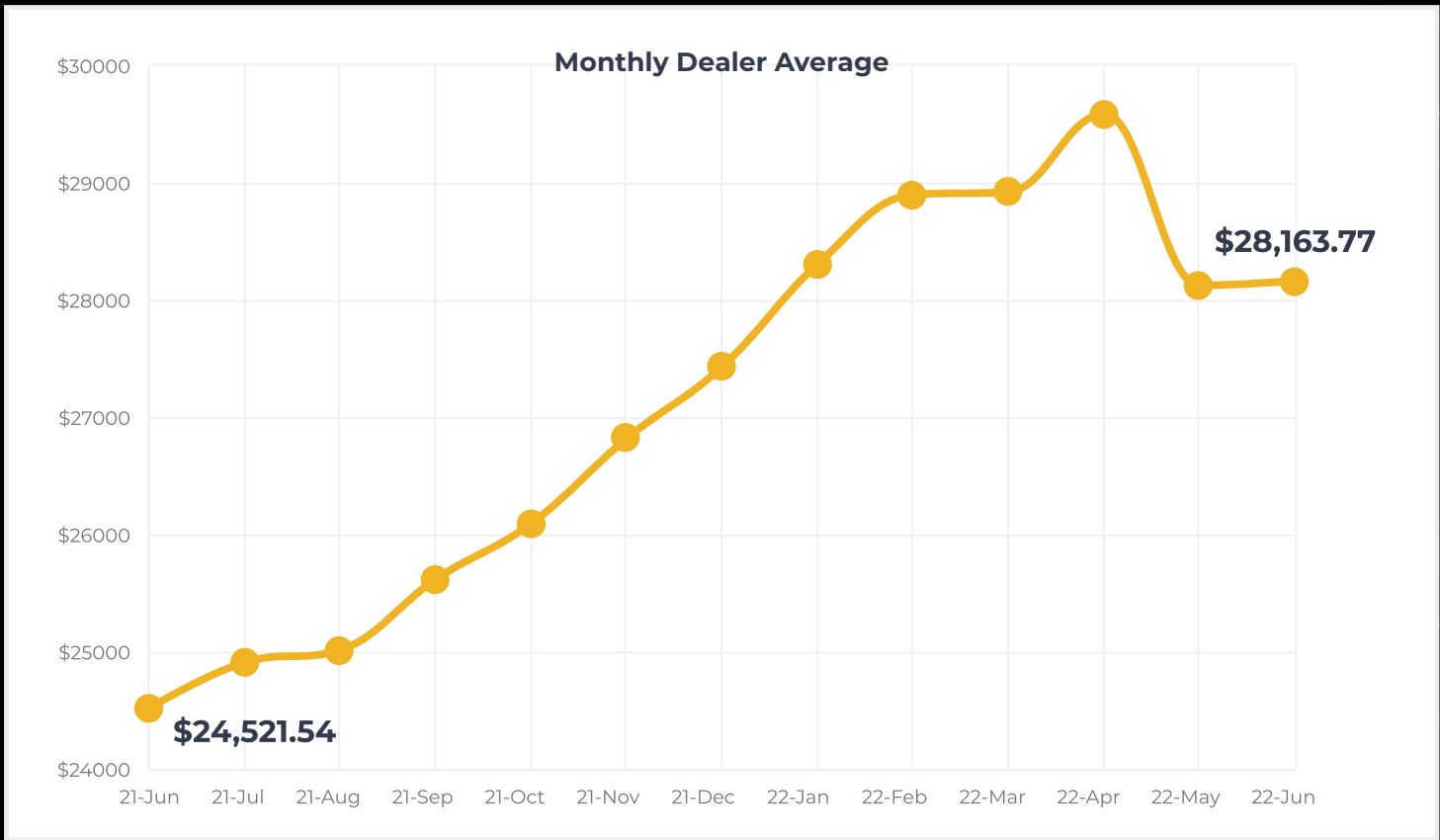
Used Vehicles



July 2022

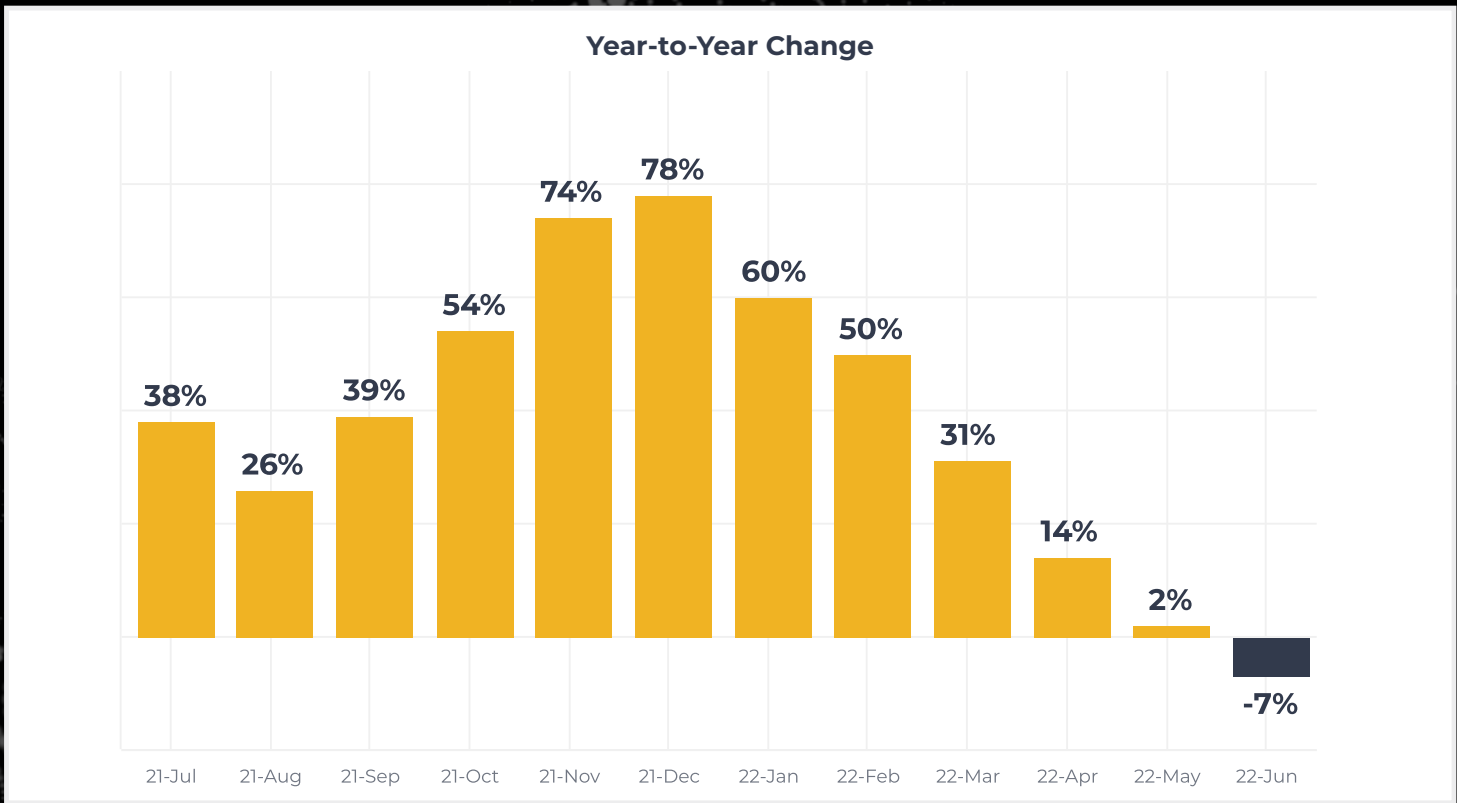
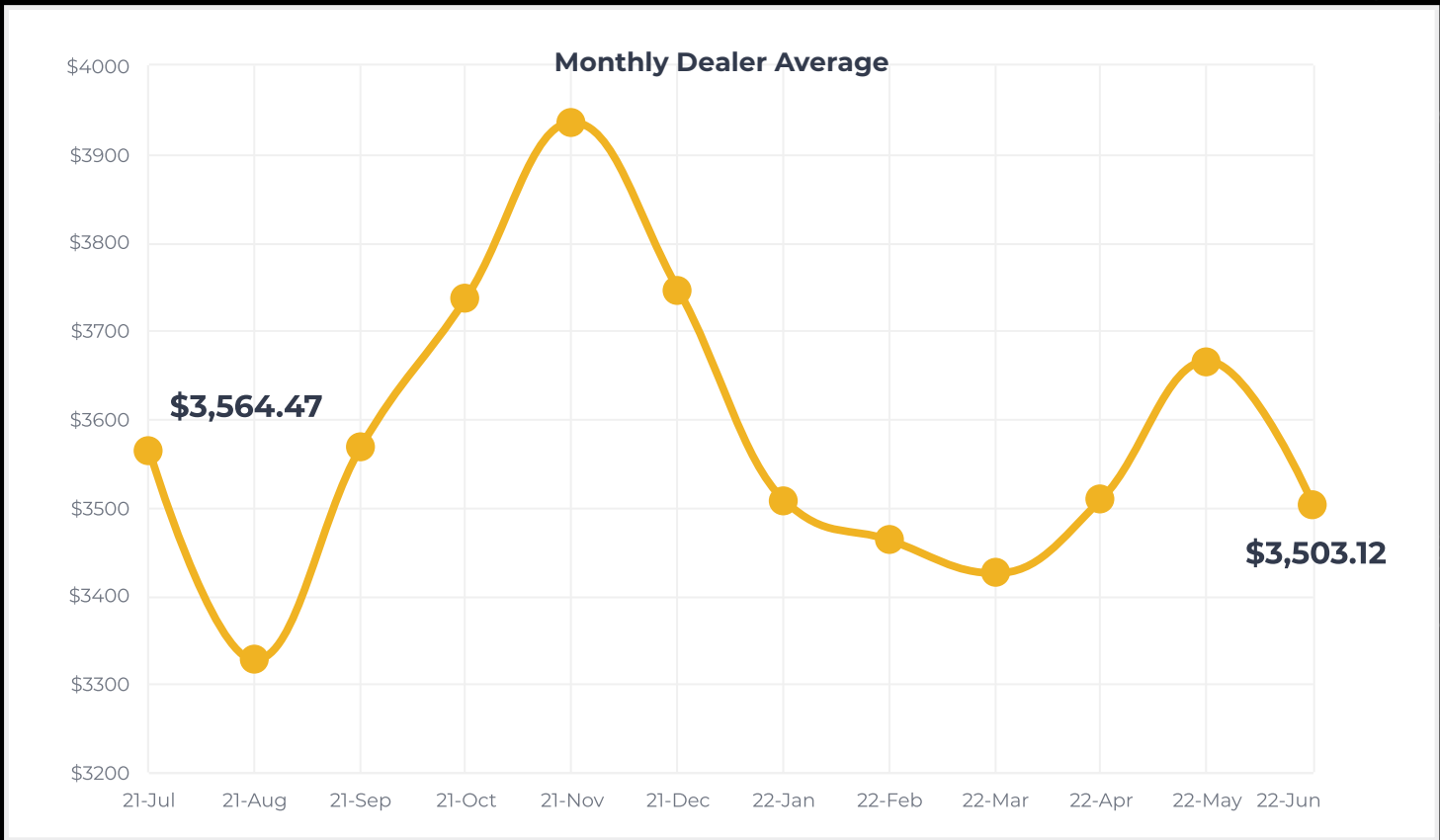
Average Revenue

Average sale price per used deal remains strong and has **slightly increased by 0.14%** since May 2022



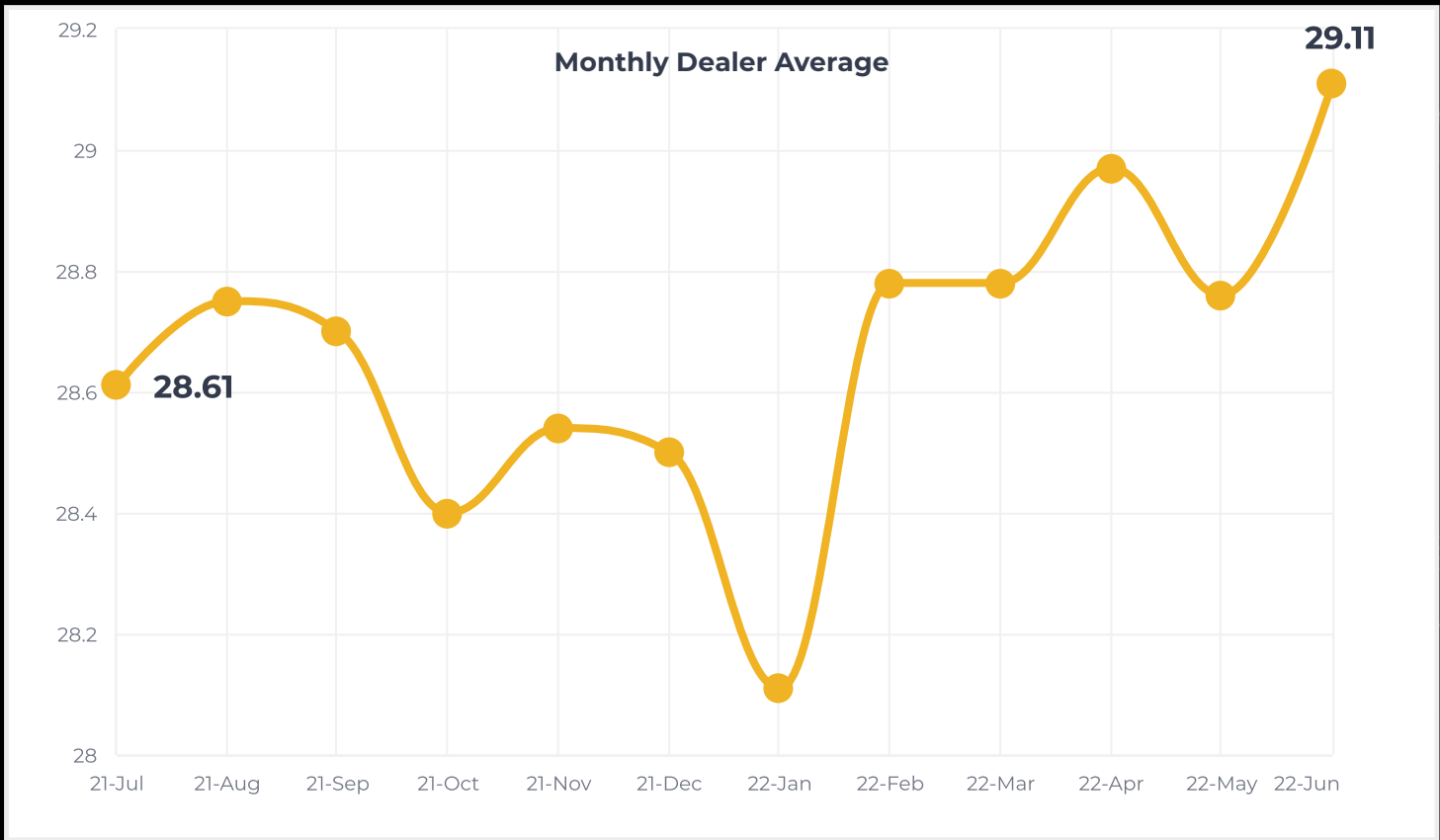
Average Total Gross

Average gross profit per used deal has **decreased by 4.4%** over May 2022



Average Repurchase Months

Used vehicle repurchase months **increases by 1.2%** from May 2022 but still remains under 30 months

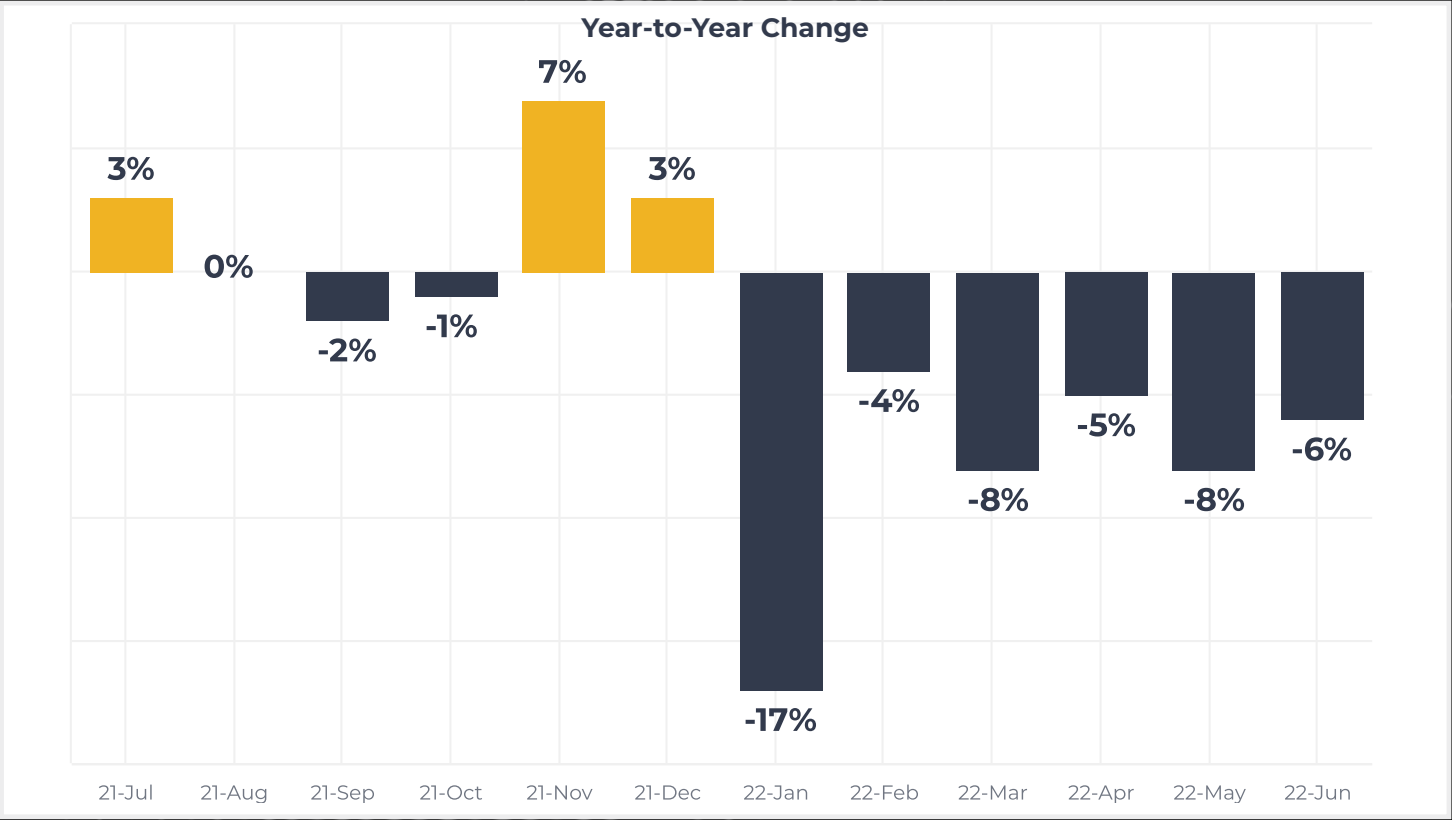
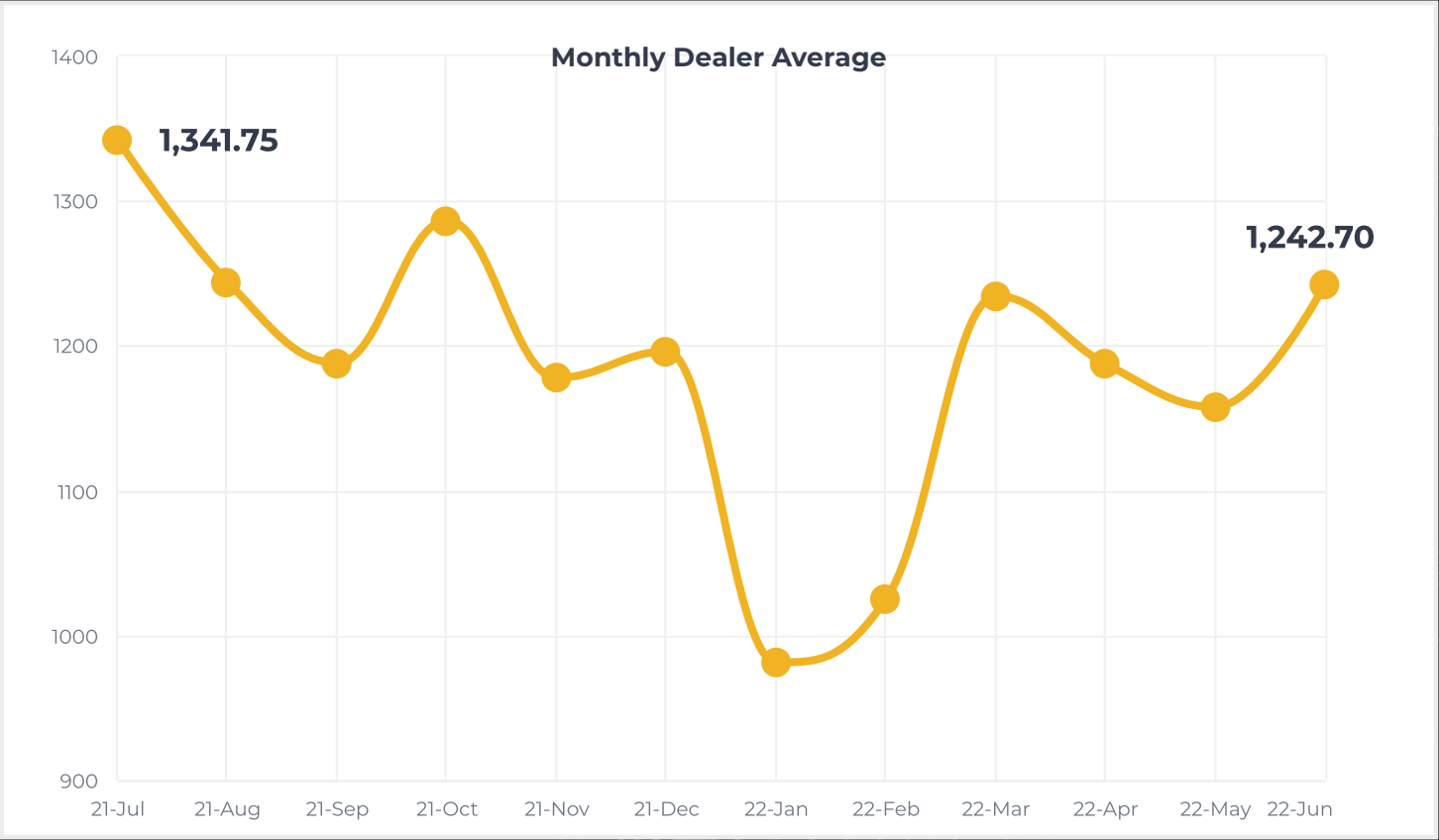


Service Trends

July 2022

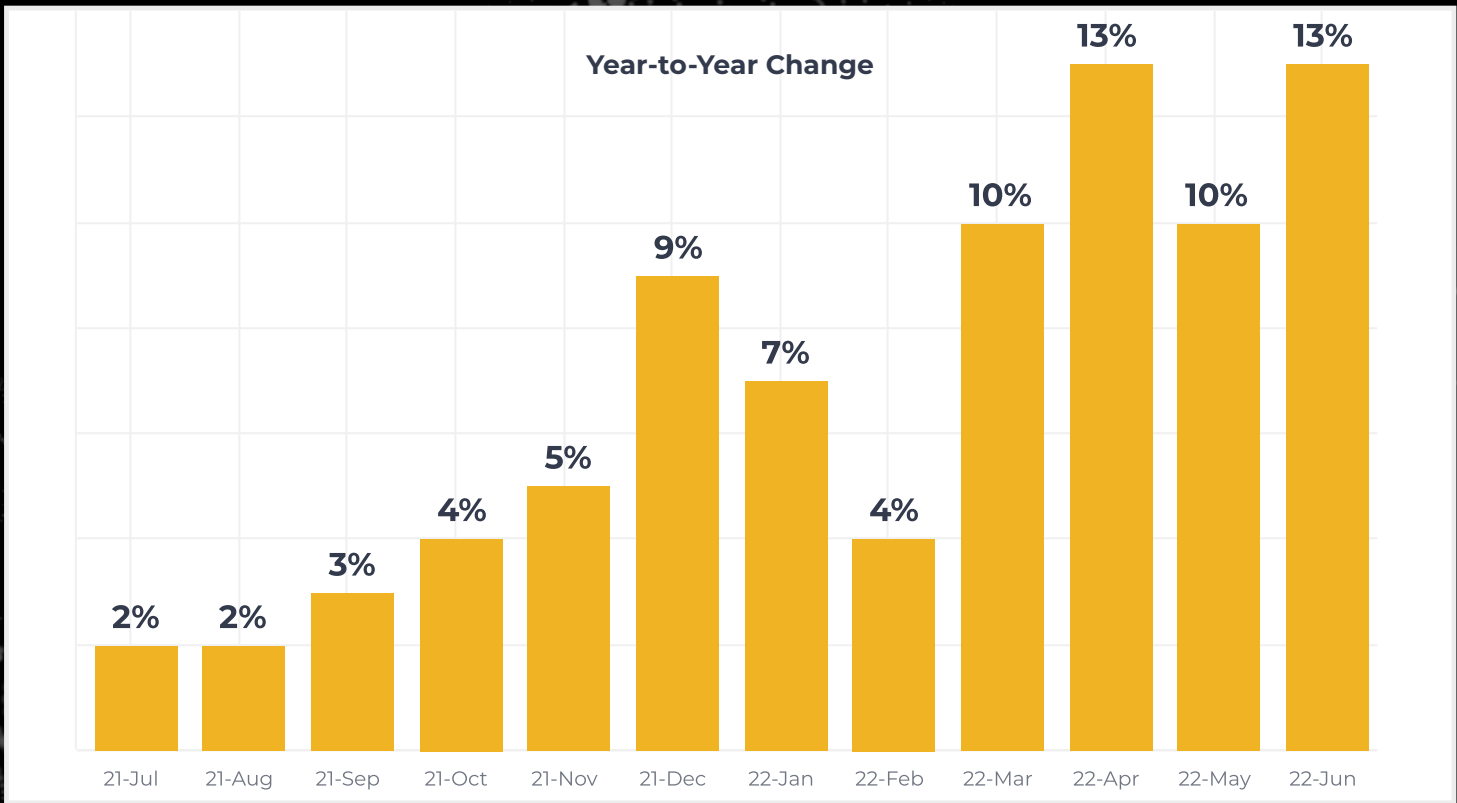
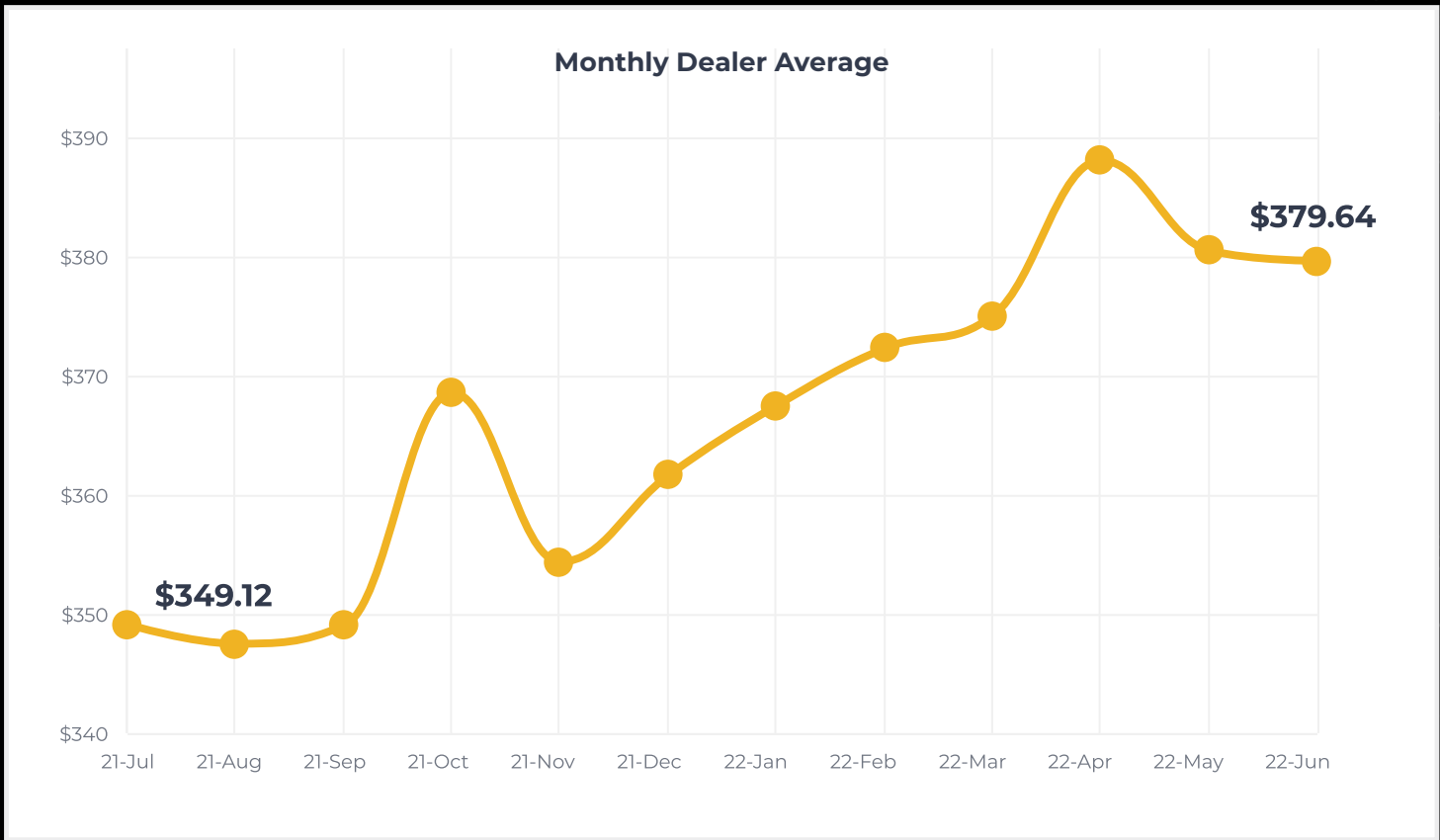
RO Count Trend

The monthly average repair order count per store is at the highest point in 2022 with a **7.3% increase** from May to June 2022



Average Dollar Per RO

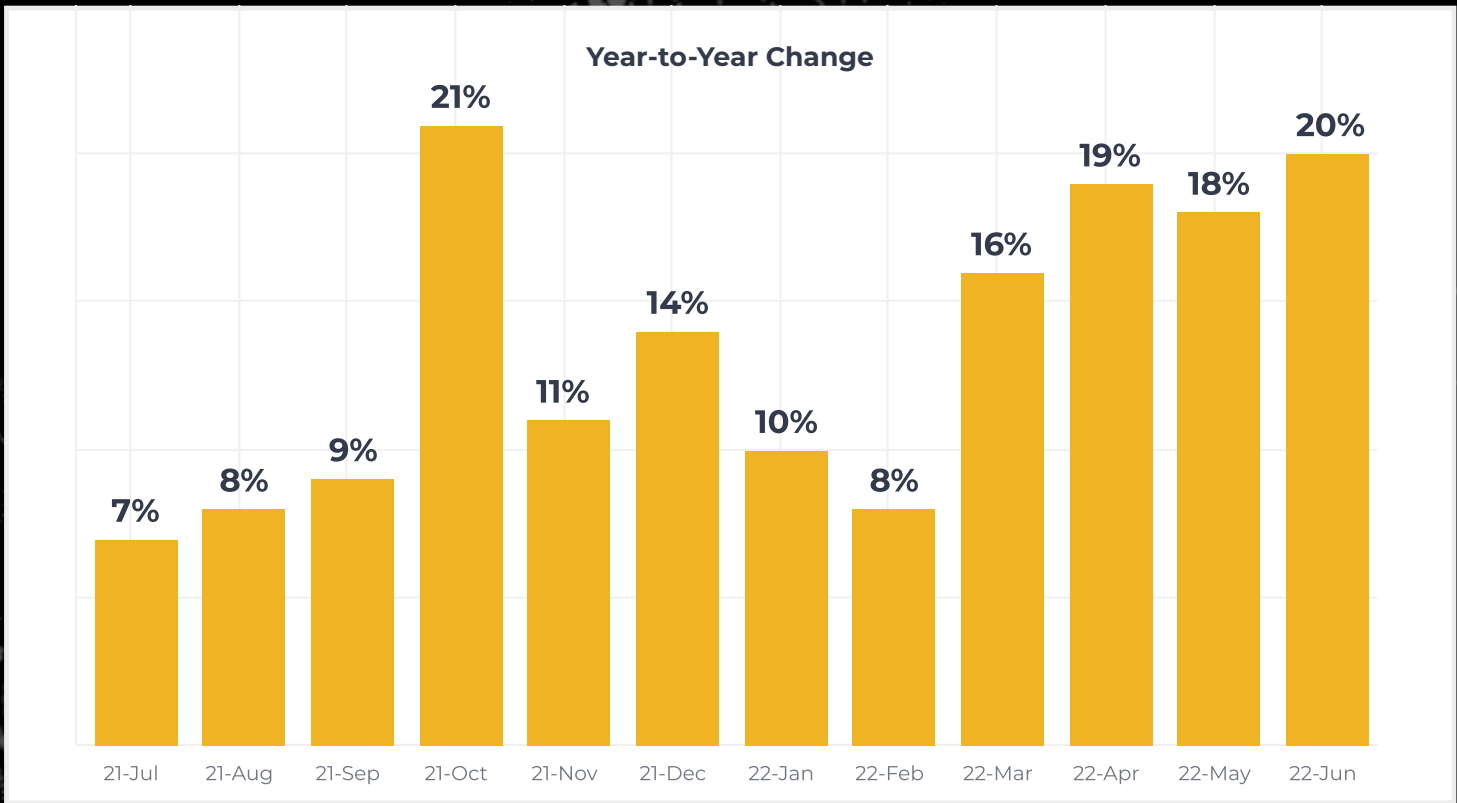
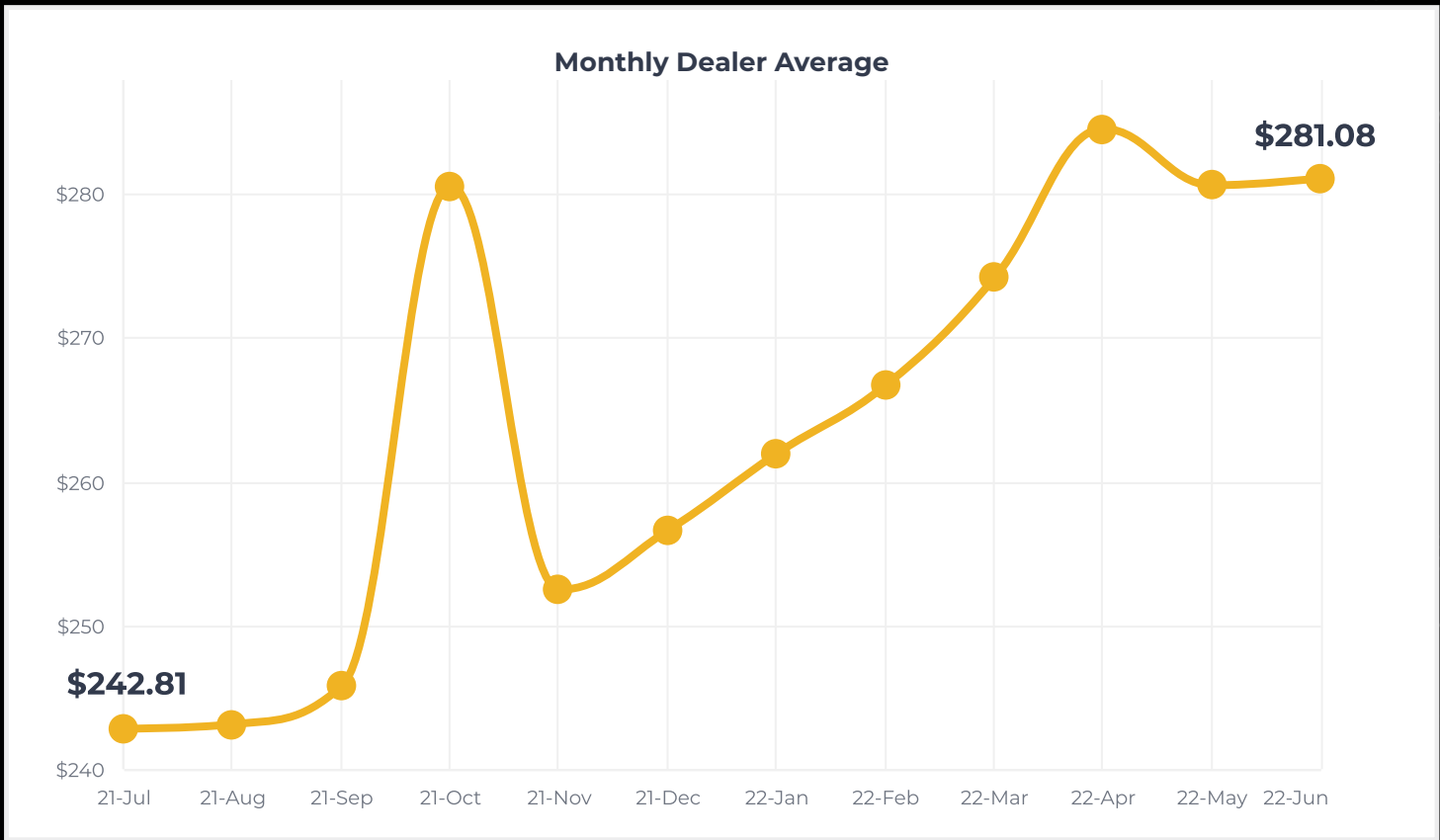
Monthly average dollars per RO has **decreased** by 0.2% in June 2022



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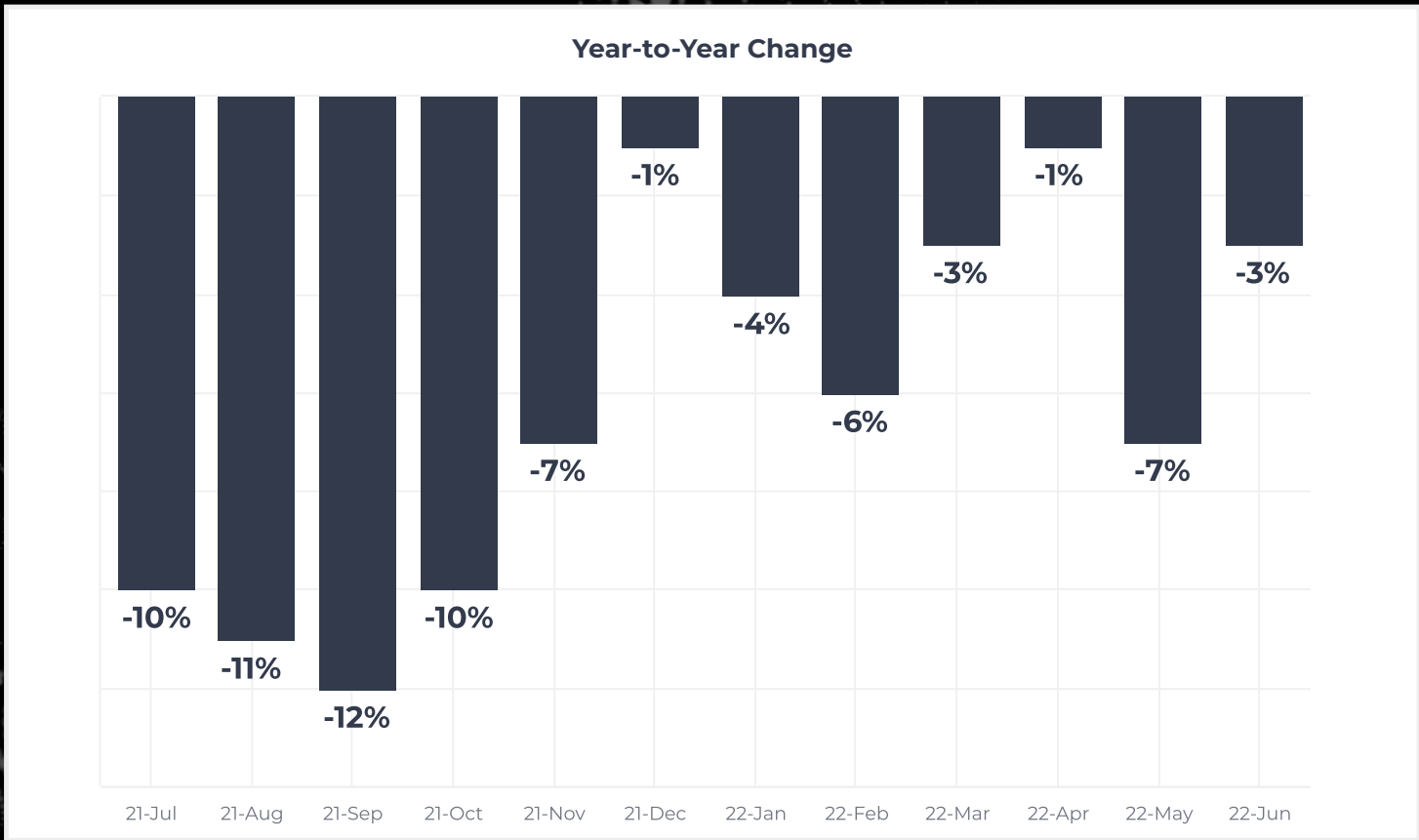
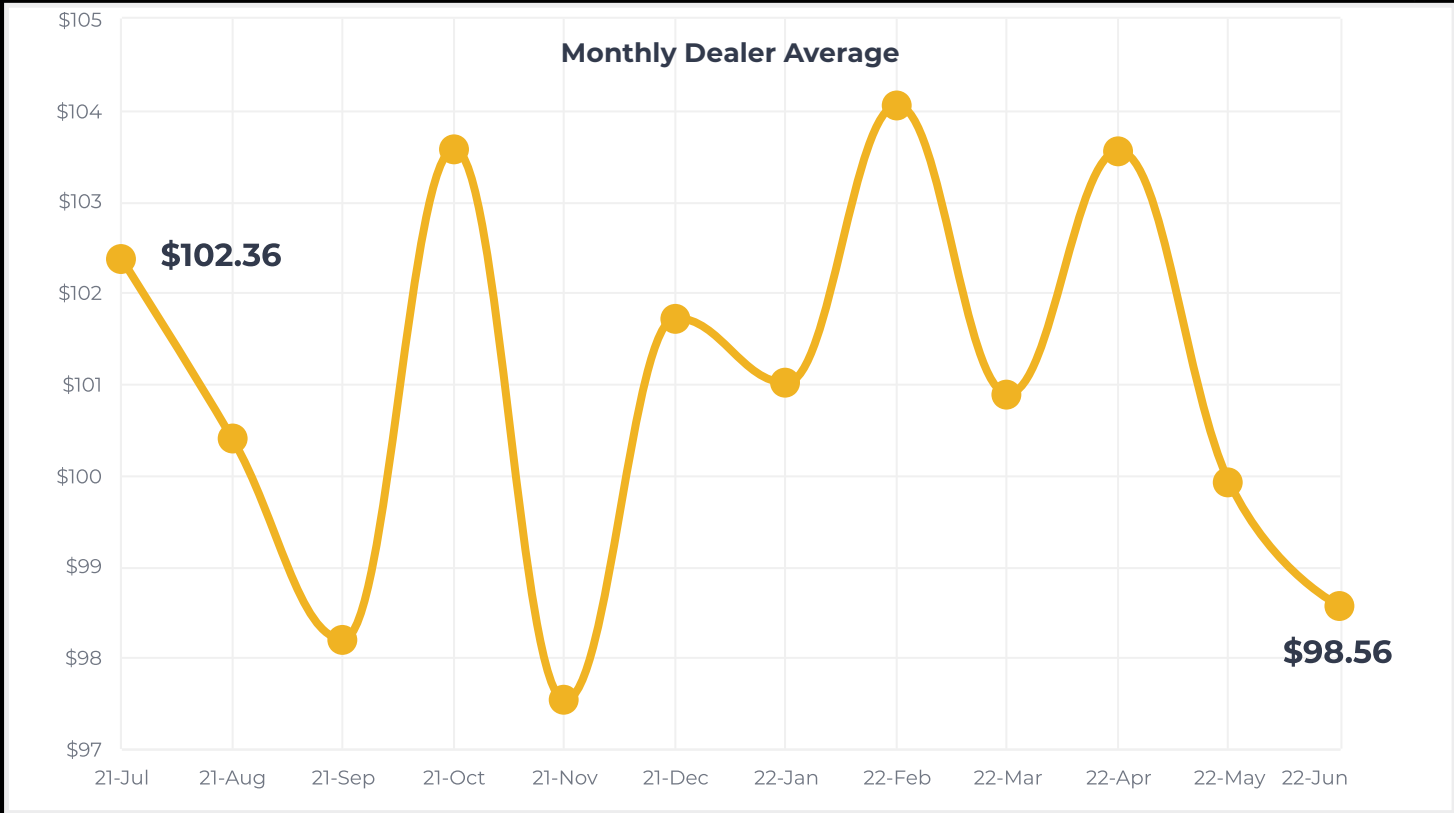
Average Dollar Per CP

Average customer pay per repair order has a small **decrease of 0.17%** from May to June 2022



Average Dollar Per WP

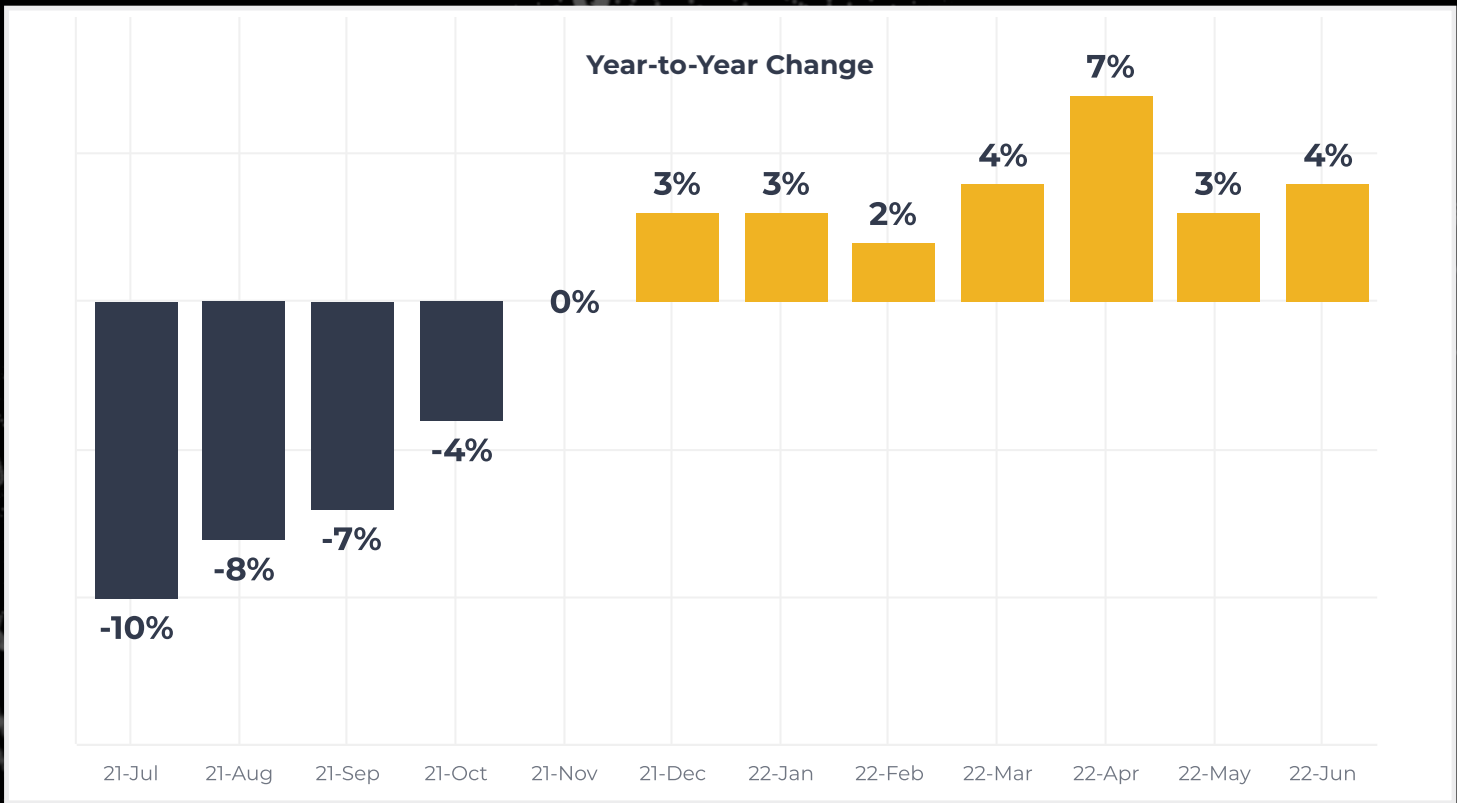
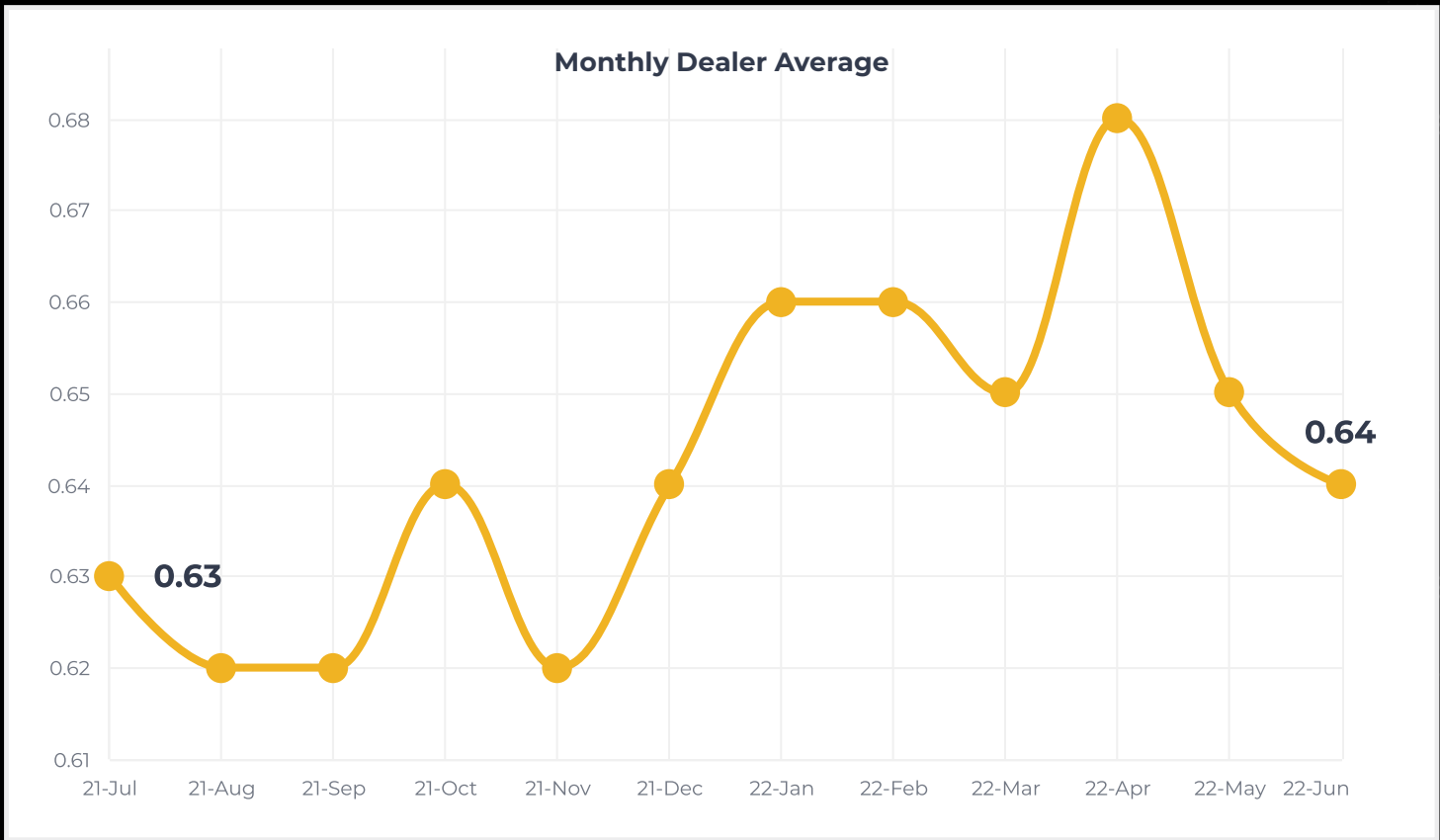
Monthly average warranty pay per repair continues to **decrease in June 2022 by 1.3%**



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Average Labor Hours

Average labor hours per repair order remains around the same at **0.64** through June 2022



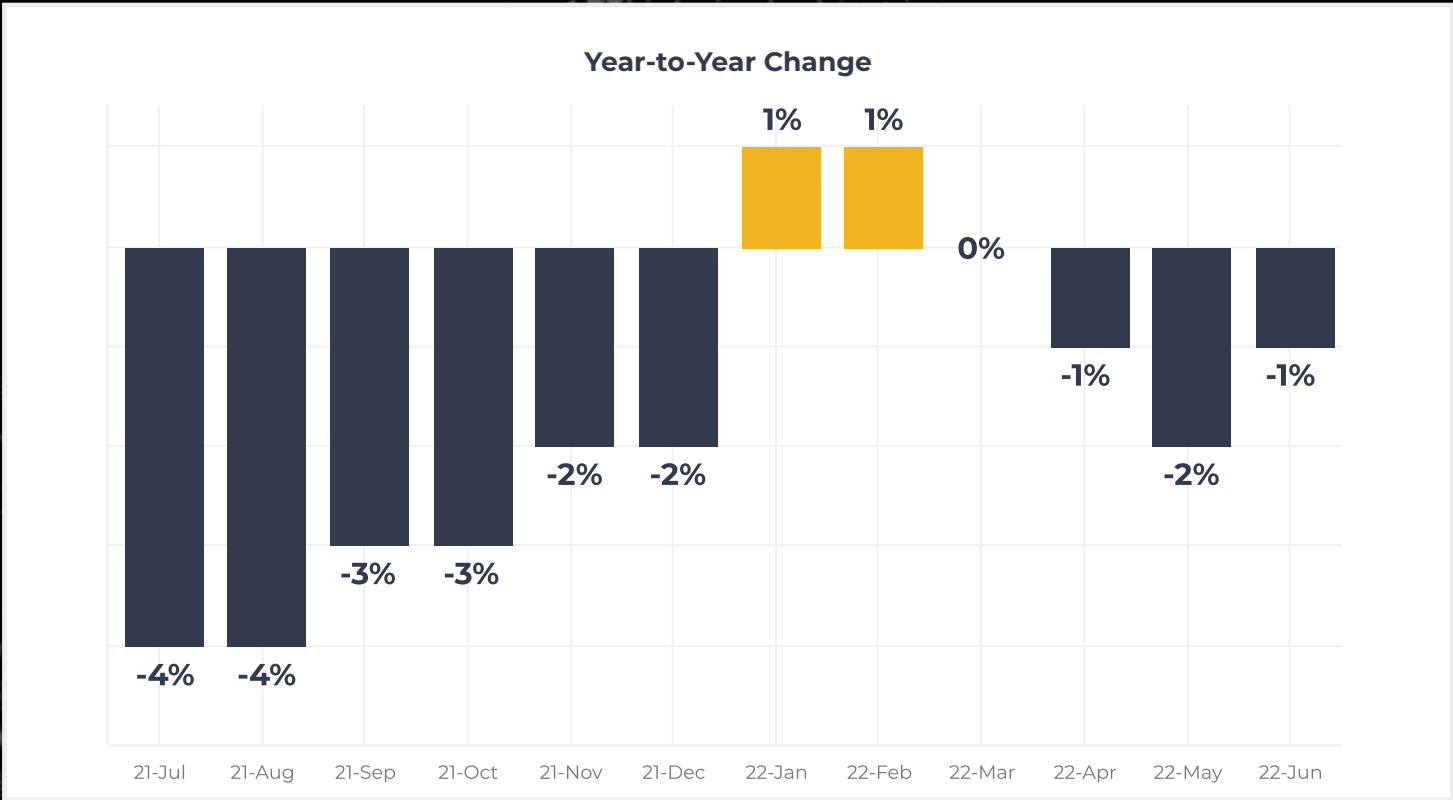
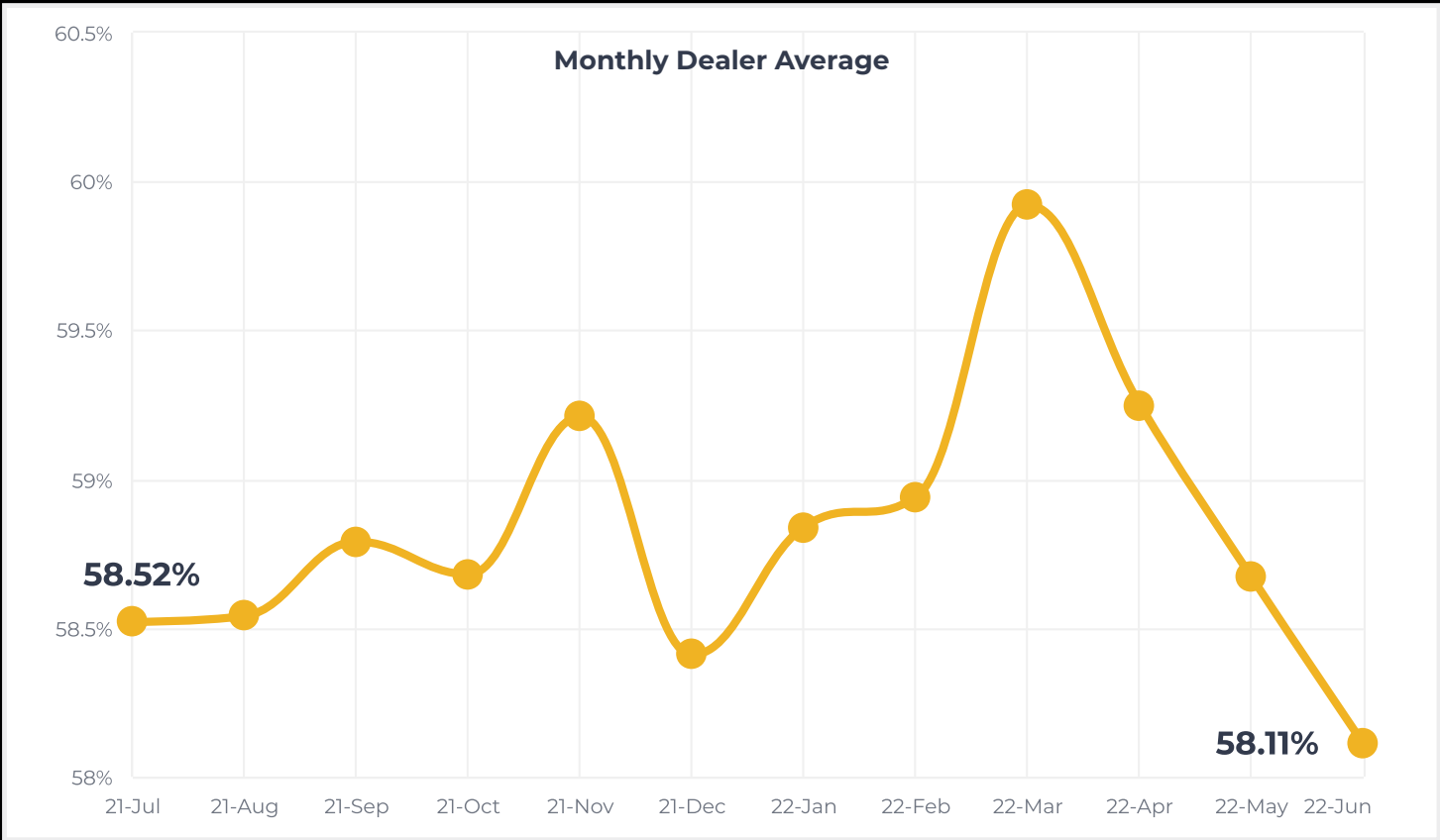
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Service Retention Trends

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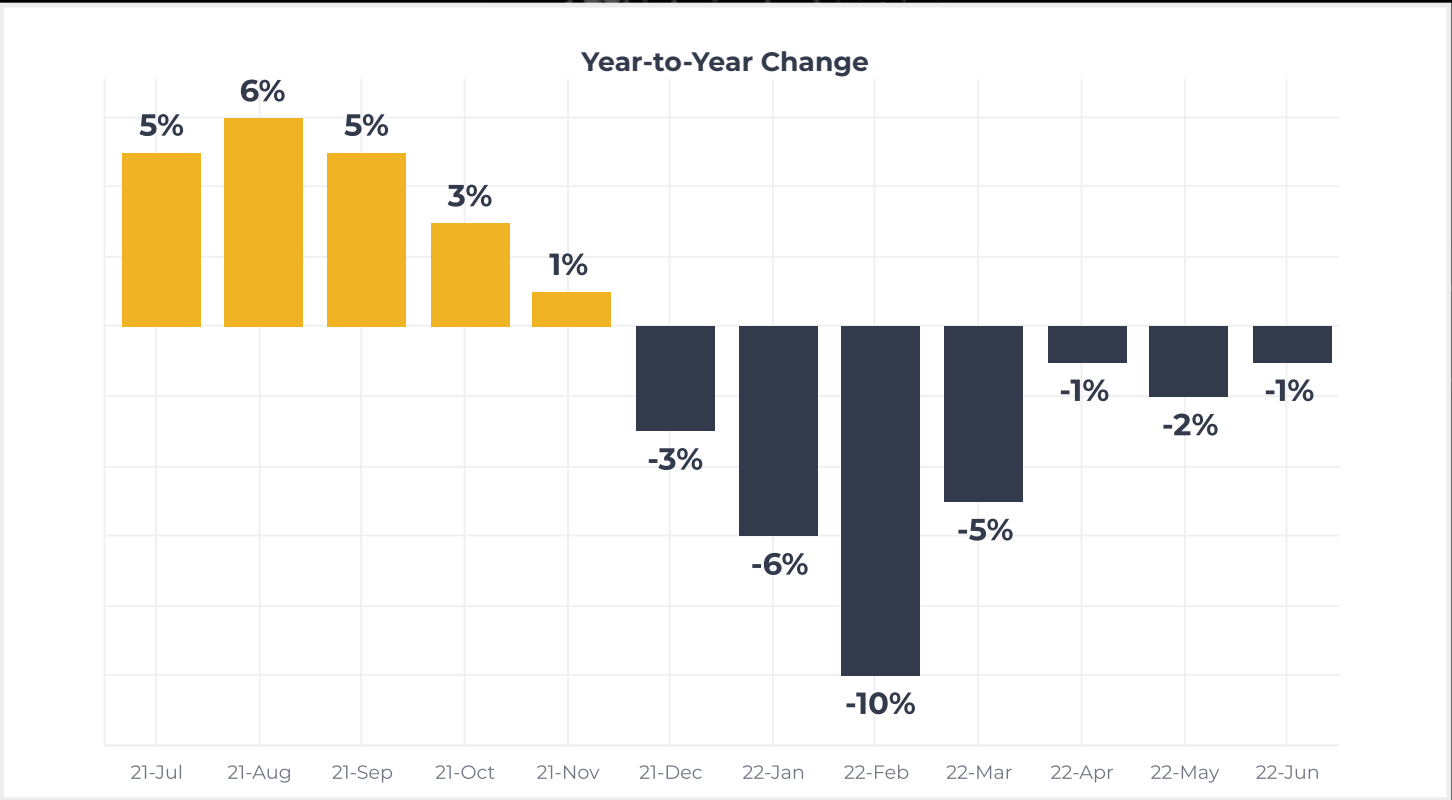
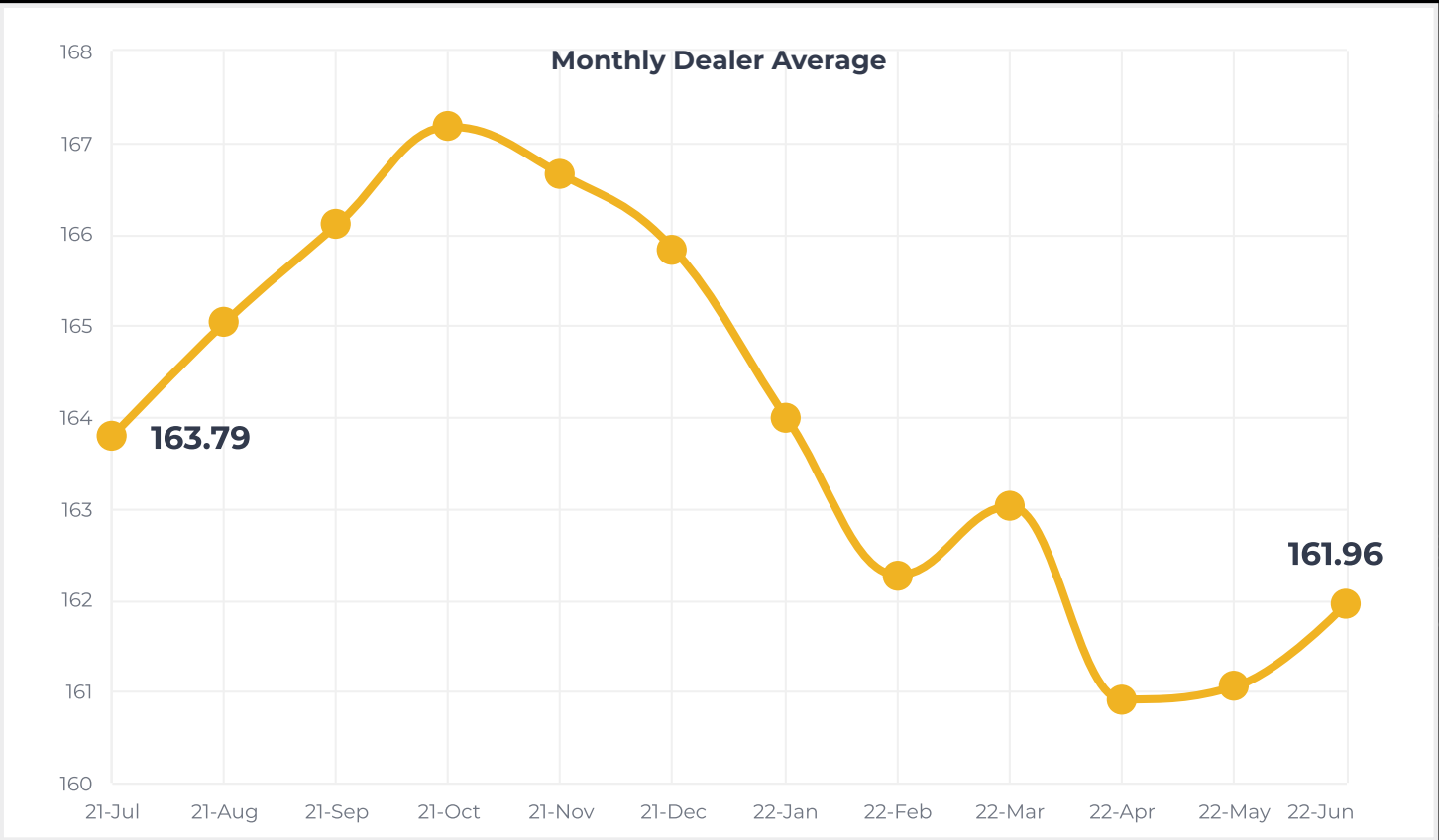
Sold to Service Rate

The monthly percentage of new vehicles came in for the first RO within 30-365 days from the first year after purchase **decreases again by .09%** through June 2022



Days to First RO

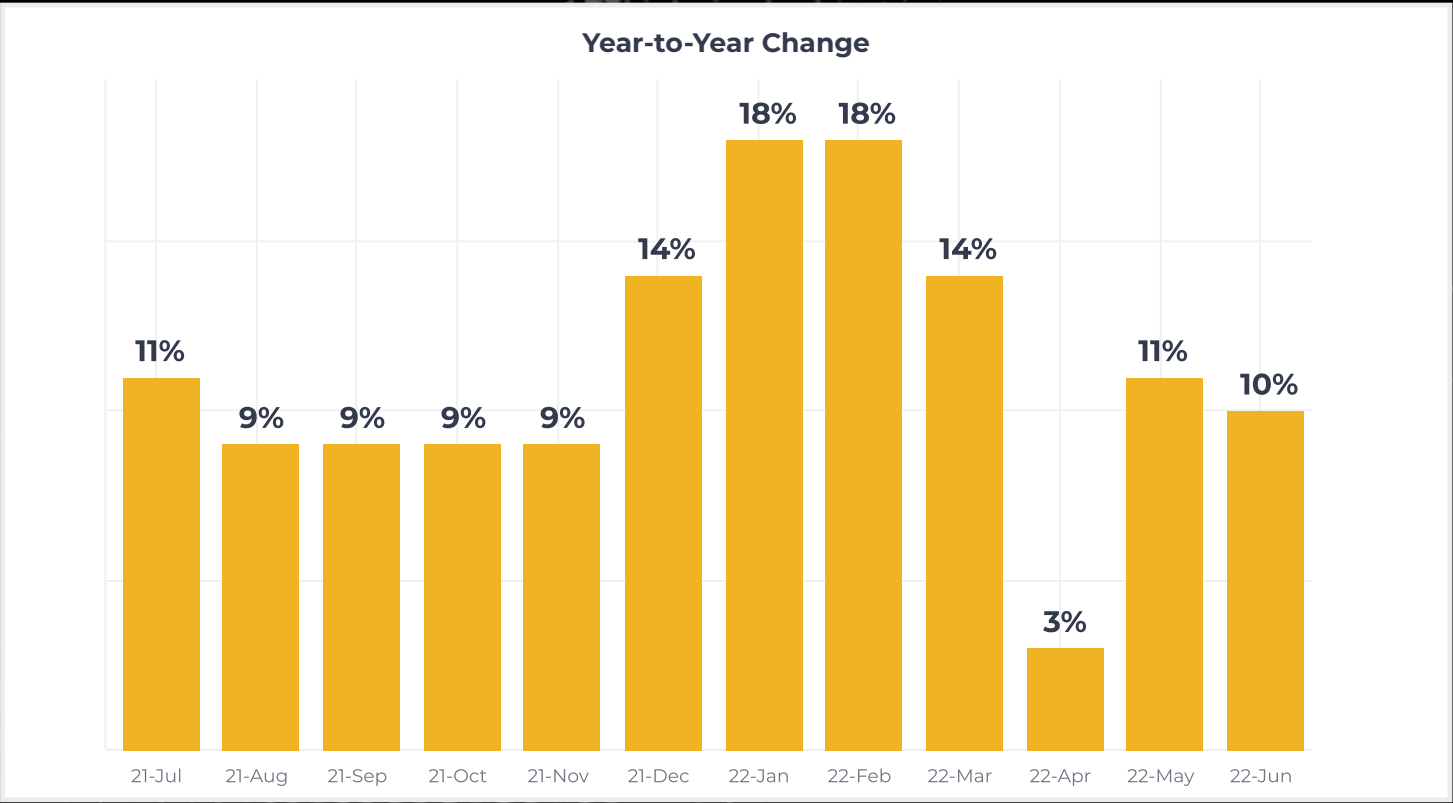
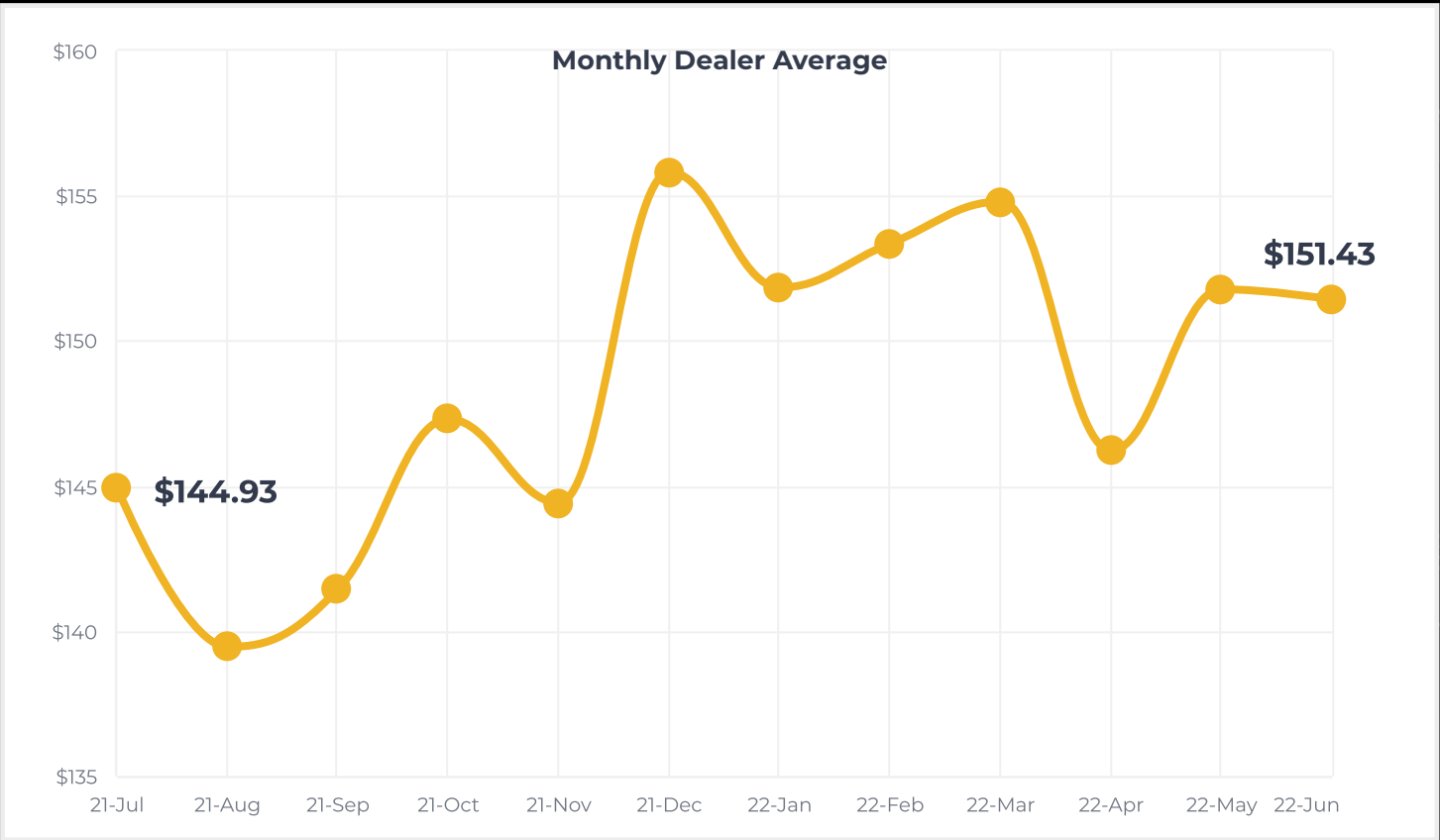
Monthly average days between new vehicle purchased 12 months ago and first RO within 30 – 365 Days **remains the same at 161.96** in June 2022



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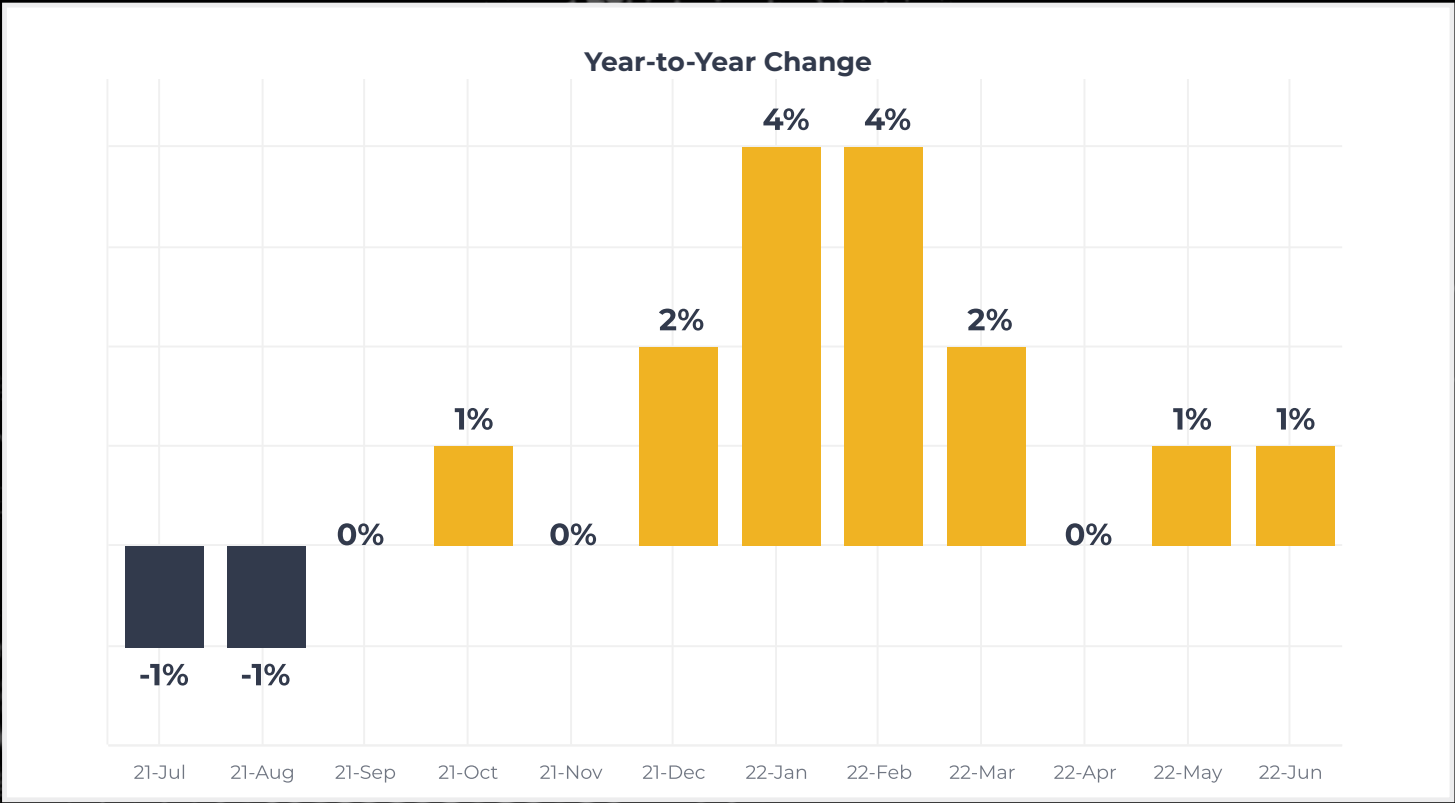
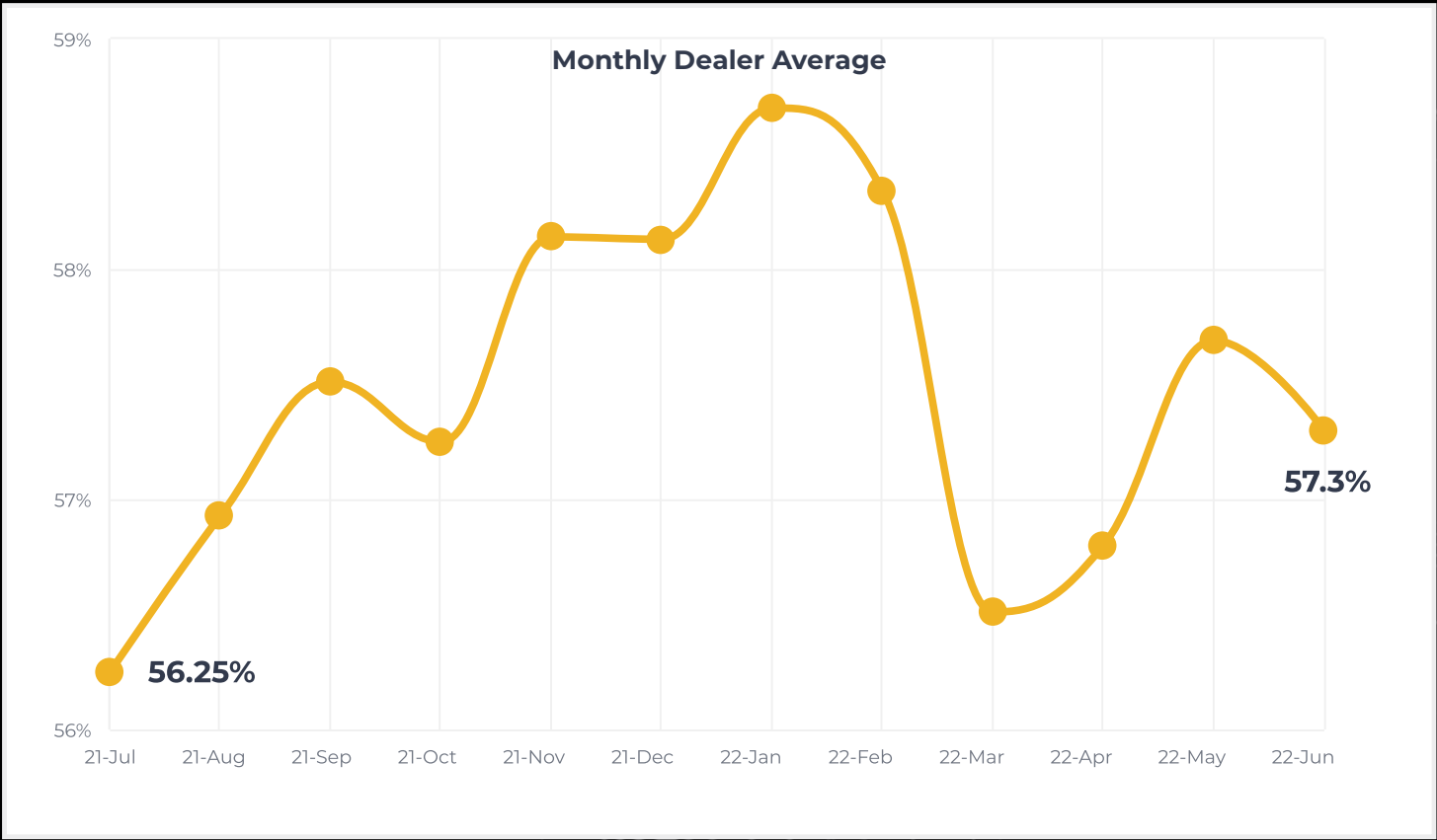
First RO Average RO Dollar

Average monthly customer pay + warranty pay for first service of new vehicle purchase 12 months ago has **remains the same at \$151.43** in June 2022



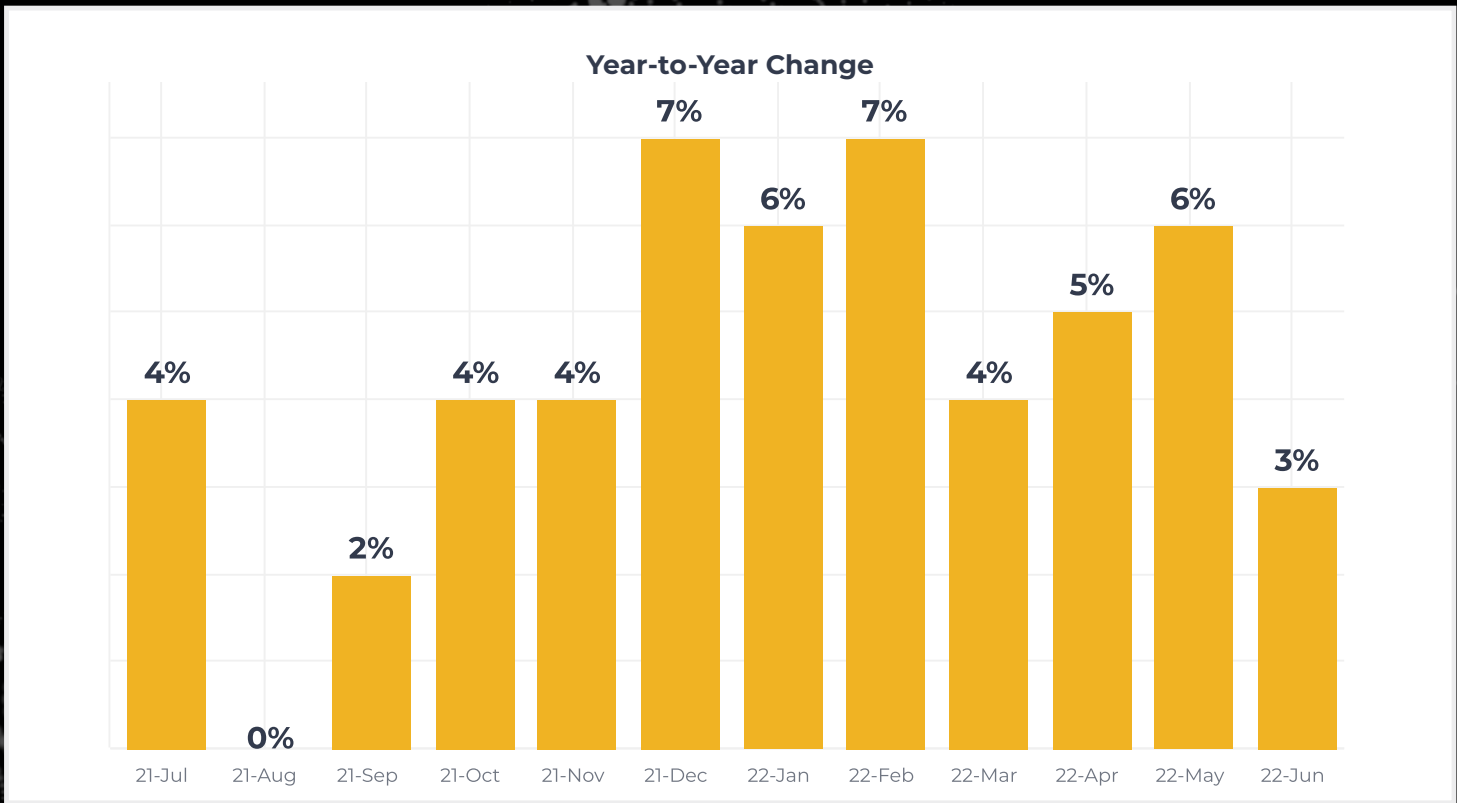
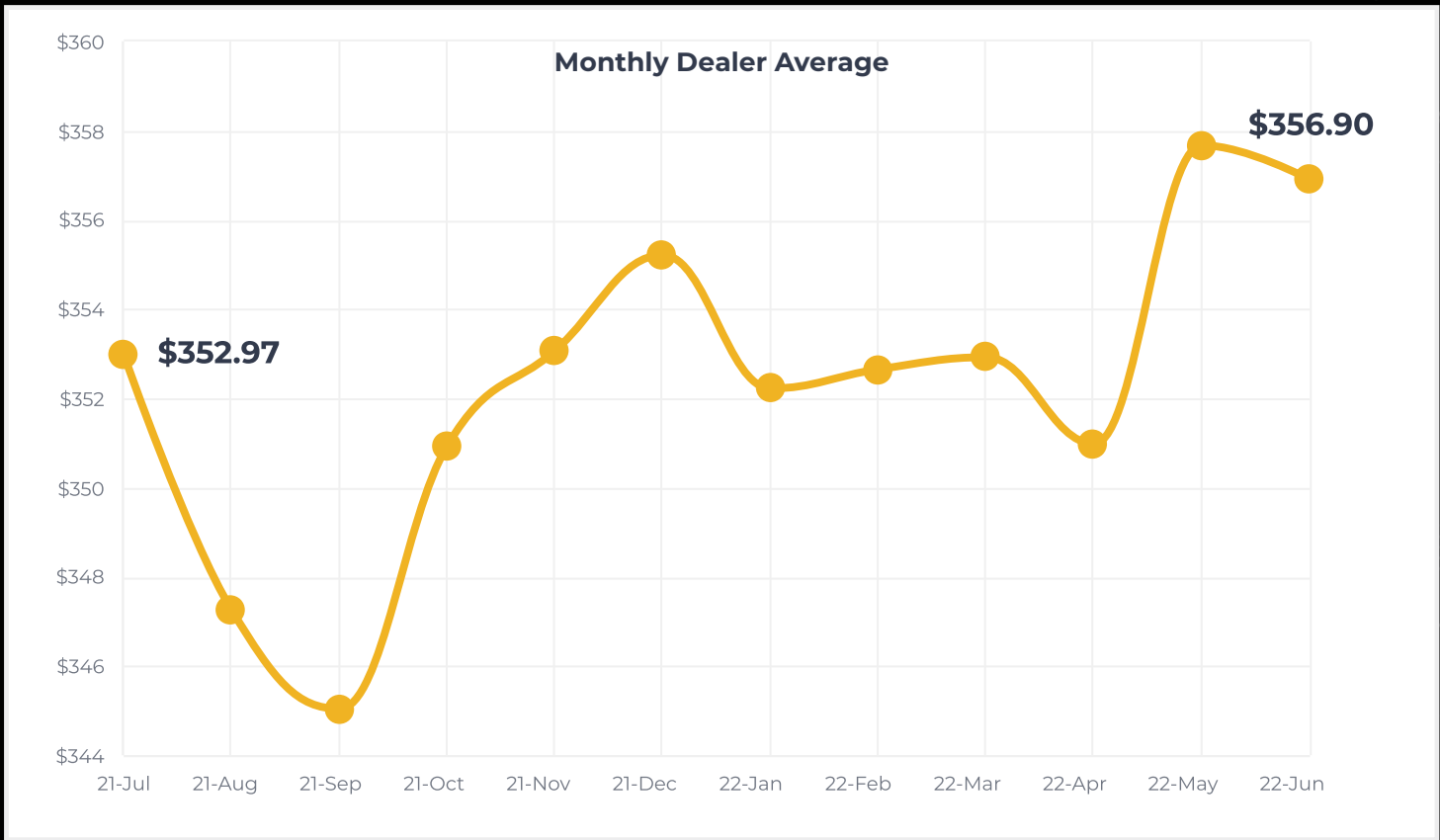
Service Retention Rate

Service retention rate has a slight **decrease by 0.67%** from May to June 2022



Average Retained RO

Monthly average retained RO **slightly decreased by 0.2%** from May to June 2022



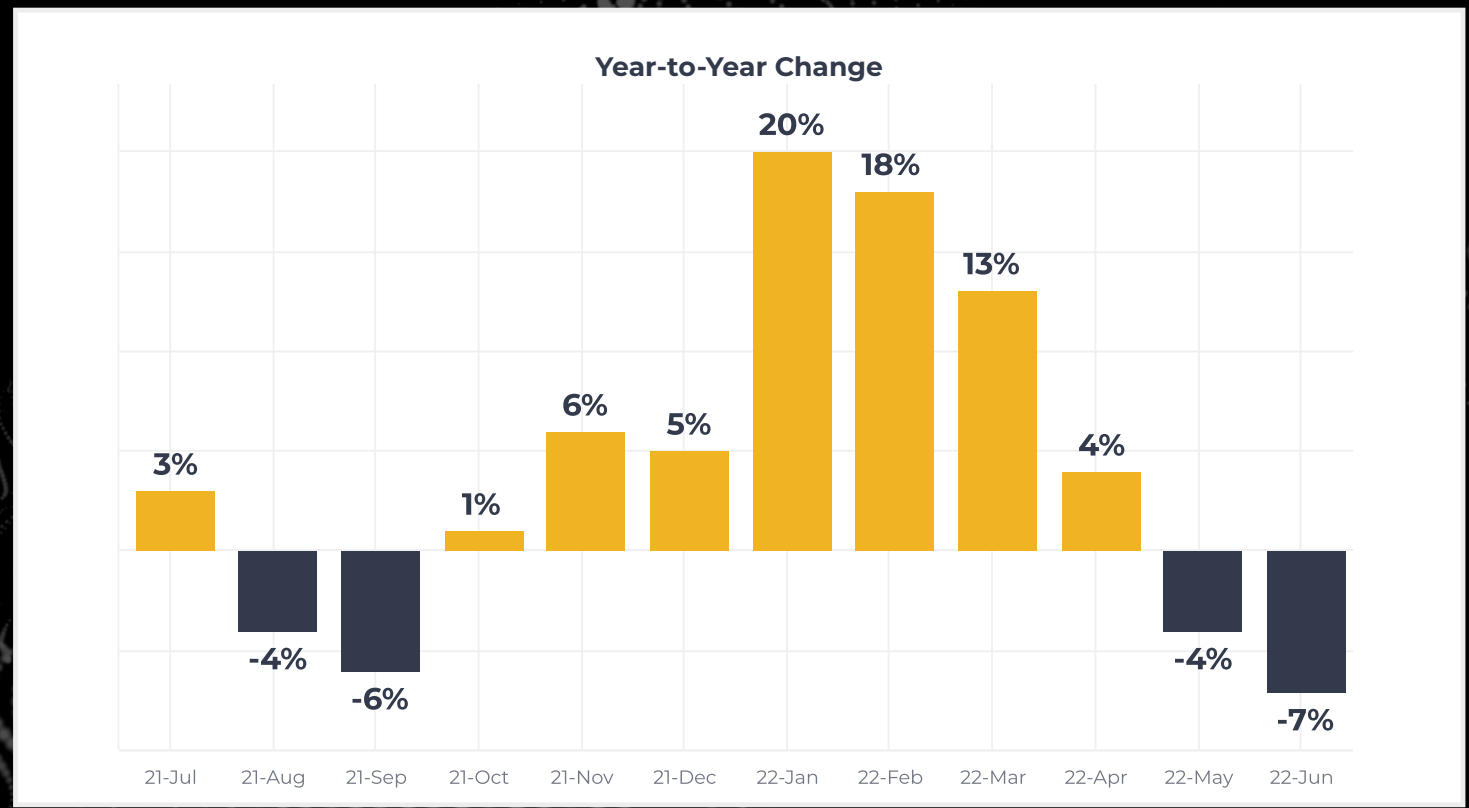
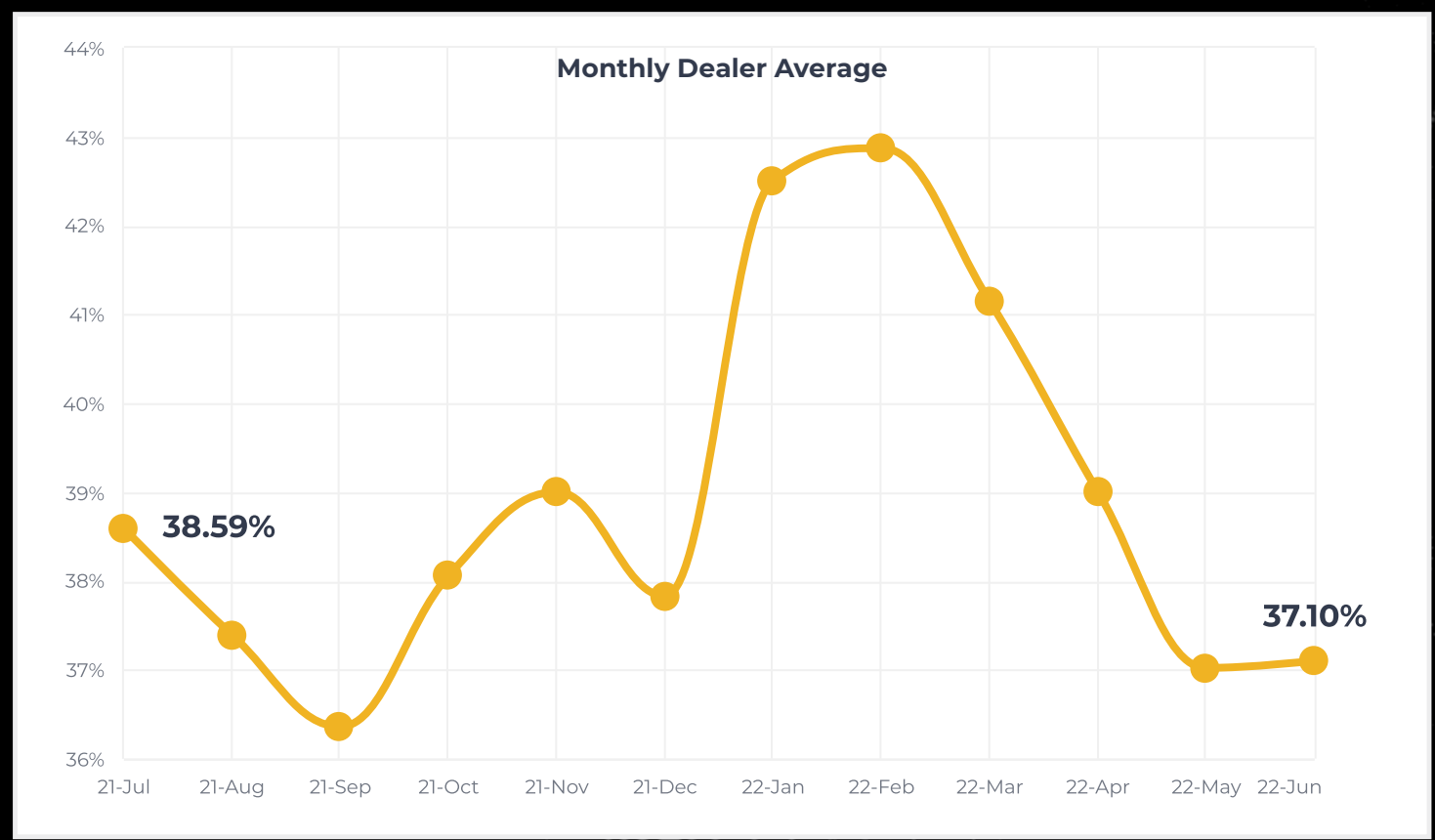
Trade-in Trends



July 2022

Trade-in Rate

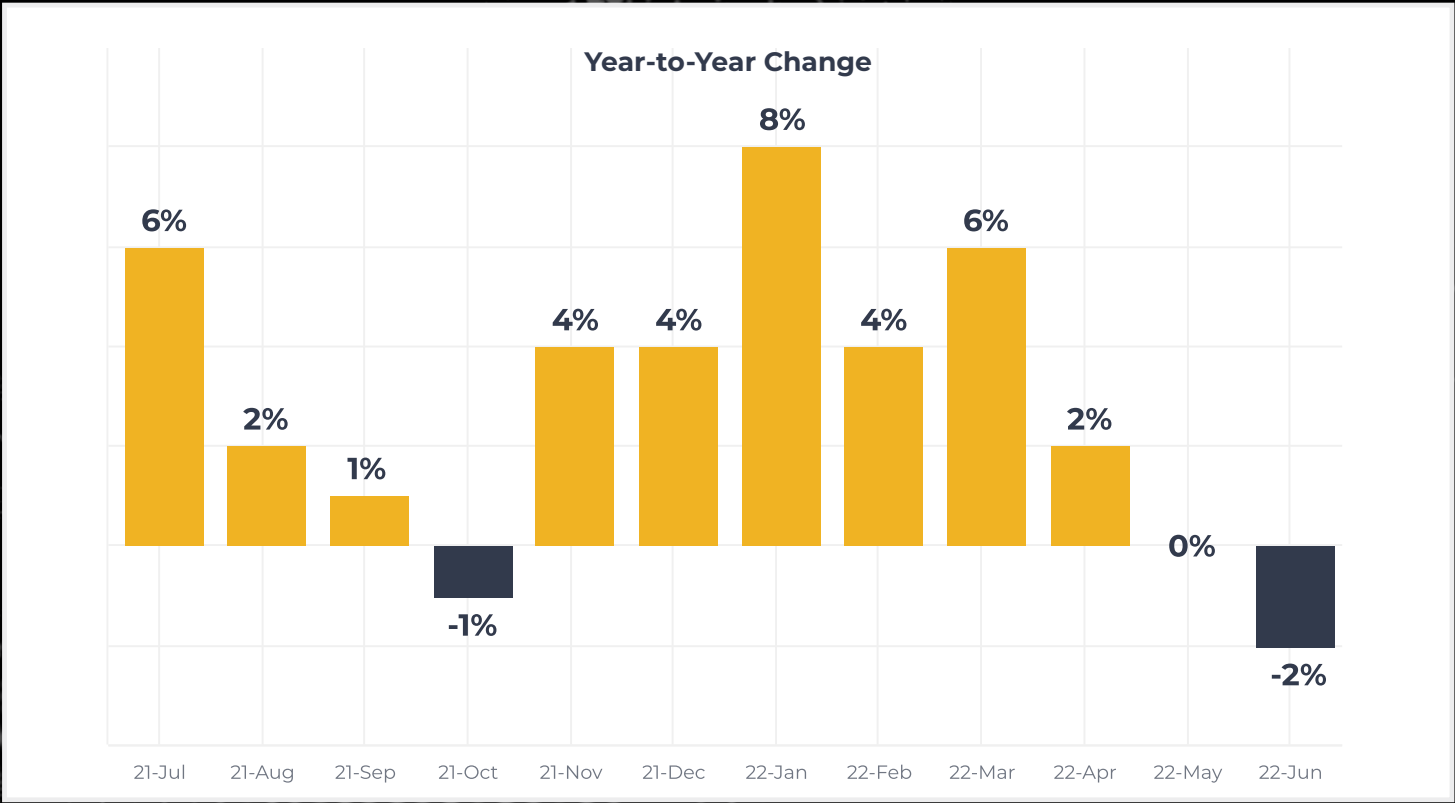
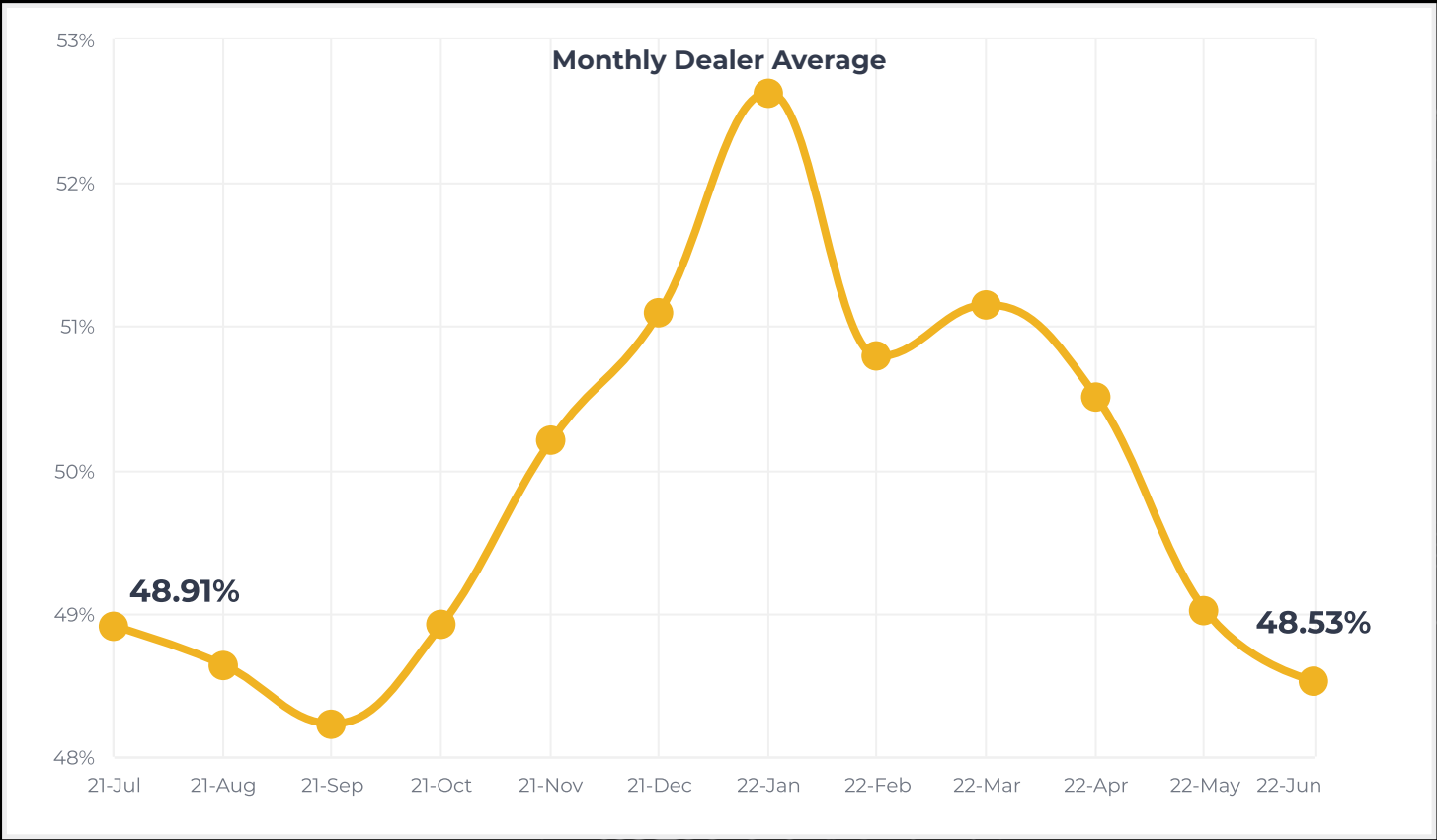
Percentage of new deals in June 2022 **decreases 7%** from June 2021



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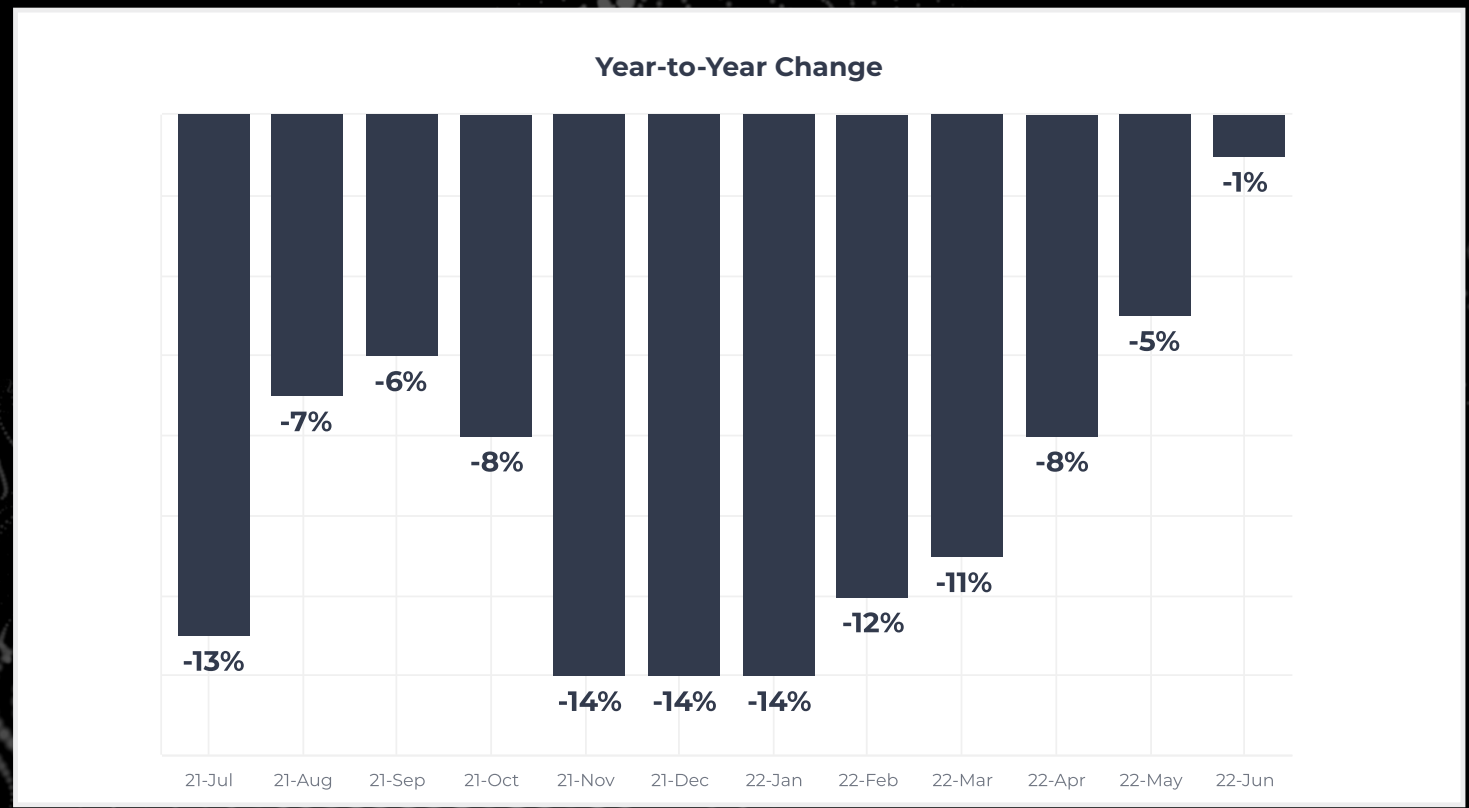
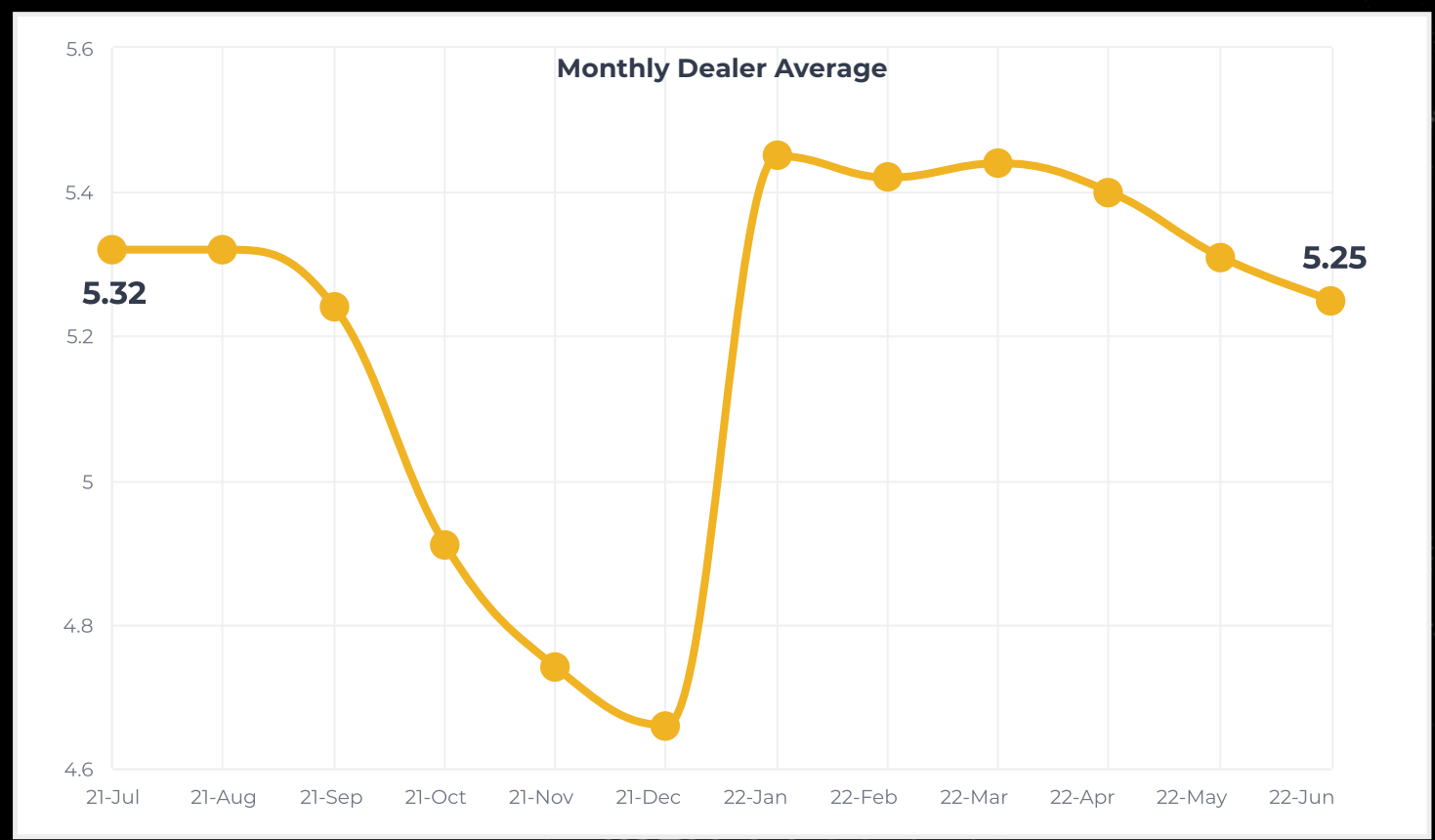
Same Make Trade-in

Percentage of trade-ins that had the same vehicle make as the vehicle purchased
decreases again by 0.9% over May



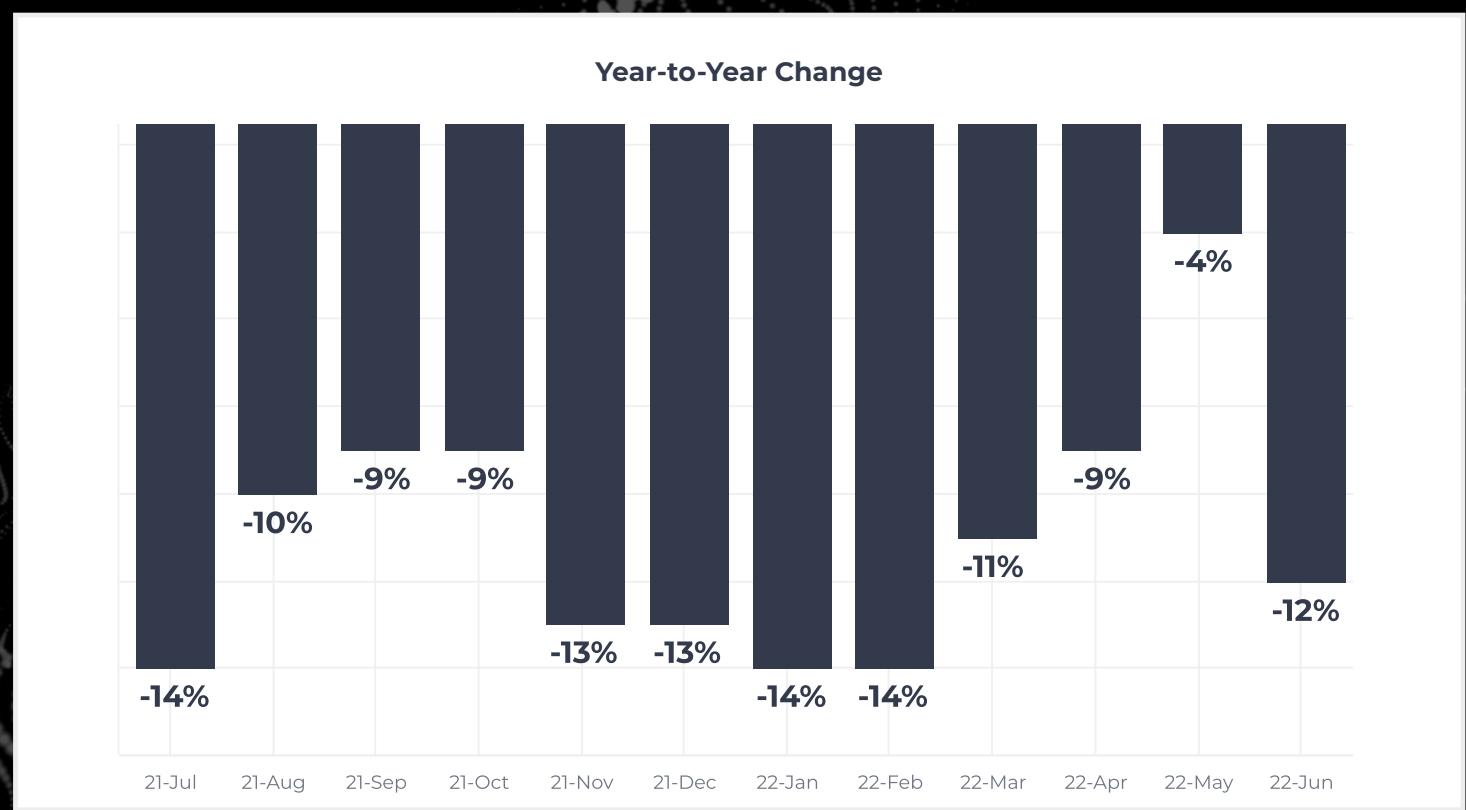
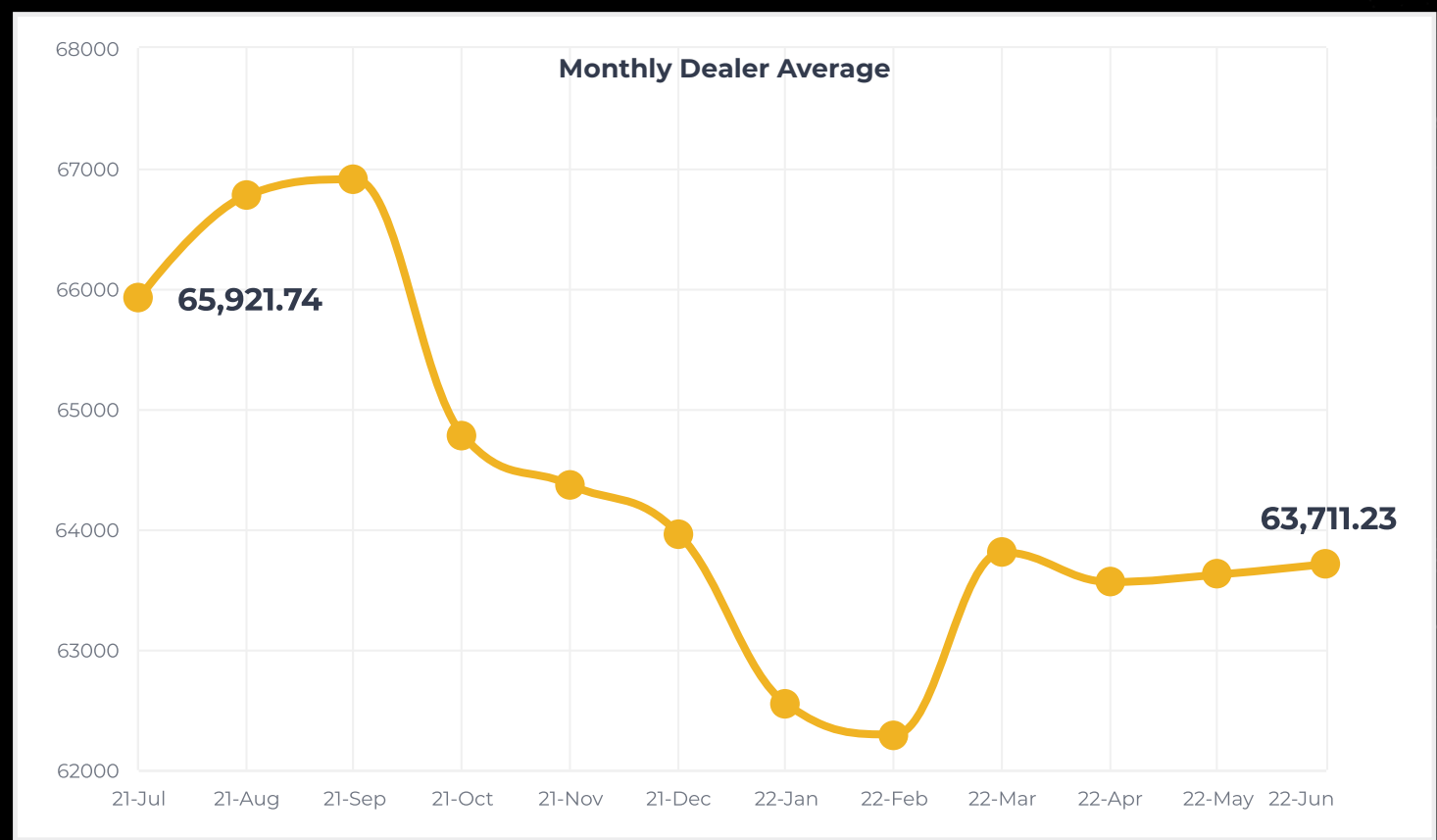
Trade Age

Average vehicle age of the trade-in at the time of the deal has slightly **decreased again by 1.2% since May 2022**



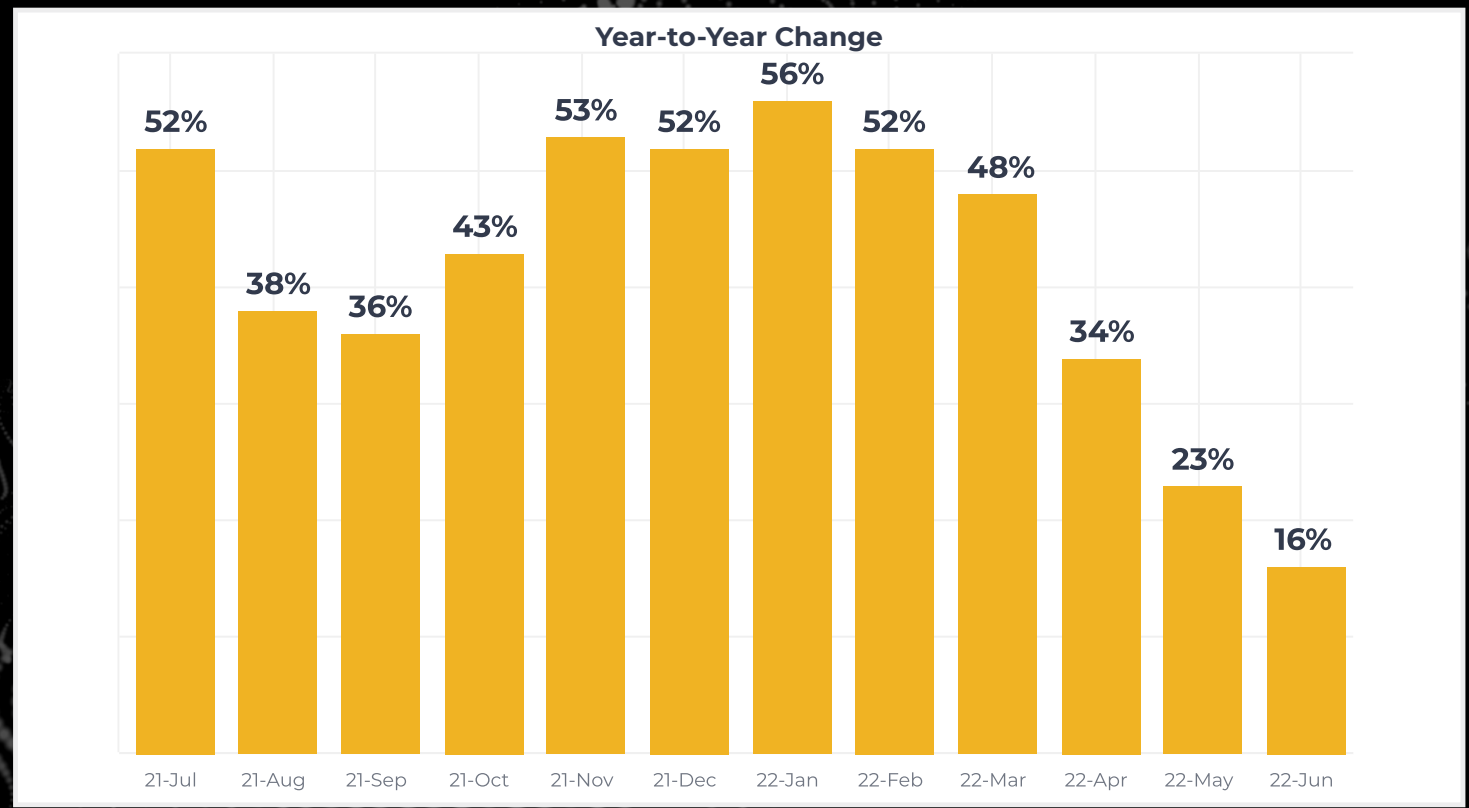
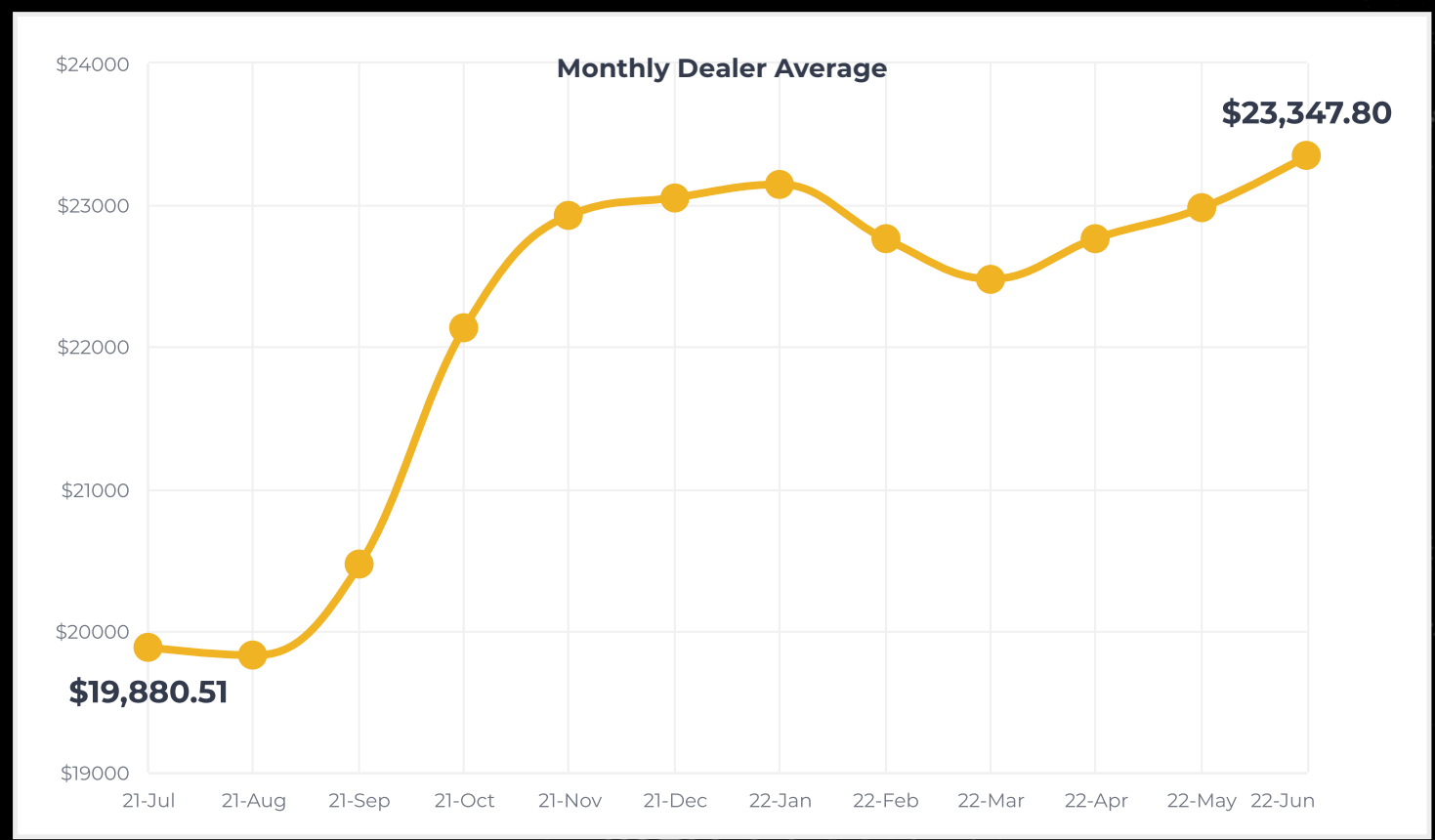
Trade Mileage

Average vehicle mileage of that trade-in at the time of the deal continues to **remain around 63k**



Trade Value

Average vehicle value of the trade-in at the time of the deal **increased by 1.5%** from May to June 2022



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