

AUTOMOTIVE

Luxury vehicle sales set new record in January 2023: KBB

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BMW was the most considered luxury brand for the fourth quarter in a row. Image credit: BMW

By LUXURY DAILY NEWS SERVICE

Amid a long list of luxury car brands, German automaker Mercedes-Benz and Toyota Corp.'s Lexus automaker are taking the top spot in a key shopping category, according to Kelley Blue Book's latest.

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The California-based vehicle valuation company is out with results from January 2023, showing luxury brand sales jumping up to a record 19.6 percent share of total sales. While average new-vehicle transaction prices (ATP) for both luxury and non-luxury options experienced a slight overall decline in the first month of the year, as compared to December, overall sales volumes are up by more than 6 percent year-over-year.

"The transaction data from January indicates that overall prices are no longer increasing like they were a year ago," said Rebecca Rydzewski, research manager of economic and industry insights for [Cox Automotive](#), in a statement.

"Both luxury and non-luxury prices were down month over month, but the mix of luxury vehicle sales last month at a record high near 2-percent helped keep the overall average price elevated," Ms. Rydzewski said.

Driving sales

The average high-end buyer spent \$65,953 on a new vehicle in January of 2023, a decline of \$1,560 from December 2022.

In Q4, BMW did perform well in the consumer interest category, maintaining its top position for four quarters in a row.

Kelley Blue Book [results for said timeframe indicate](#) that 22 percent of all luxury shoppers considered a BMW, thanks to the brand's X5 and 5 series, the shopping rates of which rose by 21 percent and 3 percent respectively.

This year begins to paint a different picture, as Mercedes-Benz and Lexus start off with the lead for strength of price, while luxury cohorts Audi, BMW, Infiniti and Lexus fell near the bottom of this category, selling at one percent or more below their suggested retail price.

Last month, Tesla continued to lead for electric vehicles (EVs), maintaining about two-thirds market share, though

its transaction prices dropped 8.4 percent month-over-month.

The company decided to make steep price cuts to its EVs due to the slowdown, first in December of 2022, and again in January of 2023 ([see story](#)).

Kelley Blue Book estimates the decrease in ATP to be \$5,440, though Tesla's volume of sales increased year-over-year in January by 30 percent or more.

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