

AUTOMOTIVE

Luxury models comprise more than 25pc of new vehicle purchases today: Cox

March 6, 2023



The average MSRP for new vehicles in the United States is close to \$50,000, according to new findings by Cox Automotive. Image credit: Cox Automotive

By LUXURY DAILY NEWS SERVICE

New vehicle purchases in the United States are becoming luxury purchases by default, per new findings from [Cox Automotive](#).

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

The world's largest provider of automotive services and technology study reveals that in 2017, less than 8 percent of new vehicles had MSRPs over \$60,000. Today, that figure amounts to more than 25 percent.

Hefty price tag

In a recent [release](#), the Cox Automotive Industry Insights team compared new vehicle prices from December 2017 with those from December 2022.

At the end of 2017, 36 auto models had MSRPs below \$25,000, and represented 13 percent of new vehicle sales, whereas by December 2022 there were 10, representing four percent of sales.

By contrast, in December 2022, 90 models, or 25 percent of new vehicles, had MSRPs of \$60,000 or more, whereas, in December 2017, 61 models 8 percent were offered at this price point.

The average cost of those luxury vehicles reached \$67,050 in November 2022, according to a recent report by Cox subsidiary Kelley Blue Book ([see story](#)). According to experts, consumers have been paying well above MSRPs since July of last year.

A subsequent study from the California-based vehicle valuation company published last month found that in January, luxury brands comprised a record 19.6 percent of total new sales, and that the average high-end buyer spent \$65,953 on new vehicles that month, down \$1,560 from the month before.

Yet, non-affluents are expected to spend pay high prices relative to their income for vehicle models across the board.

As part of a joint research exercise from Cox Automotive and partner Moody Analytics issued last month, Cox

Automotive chief economist Jonathan Smoke suggested that while current payment rates will limit the potential market to top-end luxury buyers, overall affordability could improve if both buyer incomes and incentives continue to grow.

© 2023 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.