Latest Study Shows High Gas Prices Affecting Consumer Shopping Behavior

Consumers Alter New Vehicle-Buying Decisions, Shop and Eat Out Less Often Due to High Gas Prices

With gas prices reaching their highest level in recent history, $3.10 a gallon for regular unleaded, a majority of consumers plan to take steps to combat the hit to their wallets. According to the latest Kelley Blue Book Marketing Research study on gas price effects, half of new vehicle shoppers plan to purchase less retail items such as clothes and shoes, more than a third plan to eat out less often, and another third plan to buy less media entertainment items as long as gas prices continue to squeeze their wallets. Luxuries like a night out on the town, music sales, as well as movie ticket sales could all experience declines through the summer when gas prices are expected to top $4 a gallon.

When it comes to shopping for their next new vehicle, nearly six out of 10 new-vehicle shoppers (59 percent) say that the upward trend in gas prices has either changed their mind about the vehicle they are considering buying or are strongly considering the purchase of a vehicle they normally would not have considered

With the quick rise in gas prices and expectations for even higher prices heading into the summer, only a small few are not yet fazed, while others plan to do more research before they buy a new vehicle. Twenty-seven percent of in-market new-vehicle shoppers said that current gas prices are having little or no effect on the vehicle they are planning to purchase. Fourteen percent of vehicle shoppers say higher prices did not have an effect on their decisions because they were already planning to buy a fuel-efficient vehicle. Forty-one percent of those participating in the survey say that if gas prices rise an additional 25 cents above current levels, they too will start researching vehicles they would not normally have considered.

"These results make it clear that American consumers are more than willing to make changes in their buying decisions due to rising gas prices," said Jack R. Nerad, executive editorial director and executive market analyst at Kelley Blue Book. "This will have negative implications for the domestic manufacturers as they are perceived as building low mileage vehicles and will therefore be an issue the new ownership of Chrysler will have to deal with immediately to assist in the turn-around of that company."

About Kelley Blue Book (kbb.com)

Since 1926, Kelley Blue Book, The Trusted Resource®, has provided vehicle buyers and sellers with the new and used vehicle information they need to accomplish their goals with confidence. The company's top-rated Web site, kbb.com, provides the most up-to-date pricing and values, including the New Car Blue Book® Value, which reveals what people actually are paying for new cars. The company also reports vehicle pricing and values via products and services, including software products and the famous Blue Book® Official Guide. Kbb.com is rated the No. 1 automotive information site by Nielsen//NetRatings and the most visited auto site by J.D. Power and Associates eight years in a row. No other medium reaches more in-market vehicle shoppers than kbb.com; nearly one in every three American car buyers performs their research on kbb.com.

SOURCE: Kelley Blue Book

CONTACT: Robyn Eckard, +1-949-268-3049, reckard@kbb.com, or Ernesto Del Aguila, +1-949-268-3079, edelaguila@kbb.com, both of Kelley Blue Book

Web site: http://www.kbb.com/

https://mediaroom.kbb.com/press-releases?item=105670