Kbb.com: Majority of Car Shoppers Looking to Year-End Sales Events for Next Purchase

Difficulties Finding Specific Vehicle and Inability to Negotiate Acceptable Price at Dealerships, Reasons for Not Buying Now

IRVINE, Calif., Sept. 14, 2011 /PRNewswire/ -- According to the latest Kelley Blue Book www.kbb.com Market Intelligence Consumer Sentiment survey, 62 percent of new car and used car shoppers are looking to purchase within the next three months, due primarily to year-end sales events. Consumer sentiment is in line with what Kelley Blue Book market analysts anticipate will be a strong fourth quarter with increased cash incentives and attractive lease offerings.

Among surveyed shoppers that have visited a dealership, 42 percent noted difficulties finding the specific vehicle they want, followed by a small selection of vehicles (40 percent) and the inability to negotiate an acceptable price (28 percent).

"Consumers seem to know what they want... it is just a matter of finding it in the current marketplace," said Camryn Craig, research analyst for Kelley Blue Book's kbb.com. "Inventory levels improved in September and are expected to continue improving through the end of the year."

In-market car shoppers also were more likely to have decided on the segment (55 percent) and price (54 percent) of their next vehicle they plan to purchase or lease. Among those who have decided on a price, new-car shoppers are willing to pay $28,297 on average, while used-car shoppers are prepared to pay $11,415 on average. According to Kelley Blue Book data, the average new car actually sells for $26,493 (based on the current Fair Purchase Price for 2011 model-year vehicles, weighted on current year-to-date retail sales volume), which is $1,804 less than what new-car shoppers reported they are willing to pay. Used cars sell for $8,327 on average (based on the current Private-Party Value of all vehicles; model-year 1995 and newer, weighted on year-to-date used registrations), a $3,088 difference from what consumers reported they are willing to pay for a used car.

	Willing to Pay	Actually Paid	Difference
New-Car Shopper	$28,297	$26,493	-$1,804
Used-Car Shopper	$11,415	$8,327	-$3,088

Forty-three percent of consumers have decided what brand of vehicle they plan to purchase or lease, followed by 41 percent of car shoppers that have established what features will be in the vehicle. Consumers place a great deal of importance on fuel efficiency, advanced safety features, power windows and locks, and cruise control. They also are willing to spend additional money to have these features. In addition, 37 percent of consumers plan to trade in their current vehicle at a dealership toward the purchase or lease of another vehicle. Twenty-nine percent plan to sell their vehicle to another person.

The latest Kelley Blue Book Market Intelligence survey about consumer sentiment and gas prices was fielded to 644 in-market new- and used-car shoppers on Kelley Blue Book's kbb.com from August 4-19, 2011. Kbb.com's Market Intelligence team is part of the Analytic Insights division of Kelley Blue Book.

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