



Local Media  
Marketing Solutions

# December Automotive Update

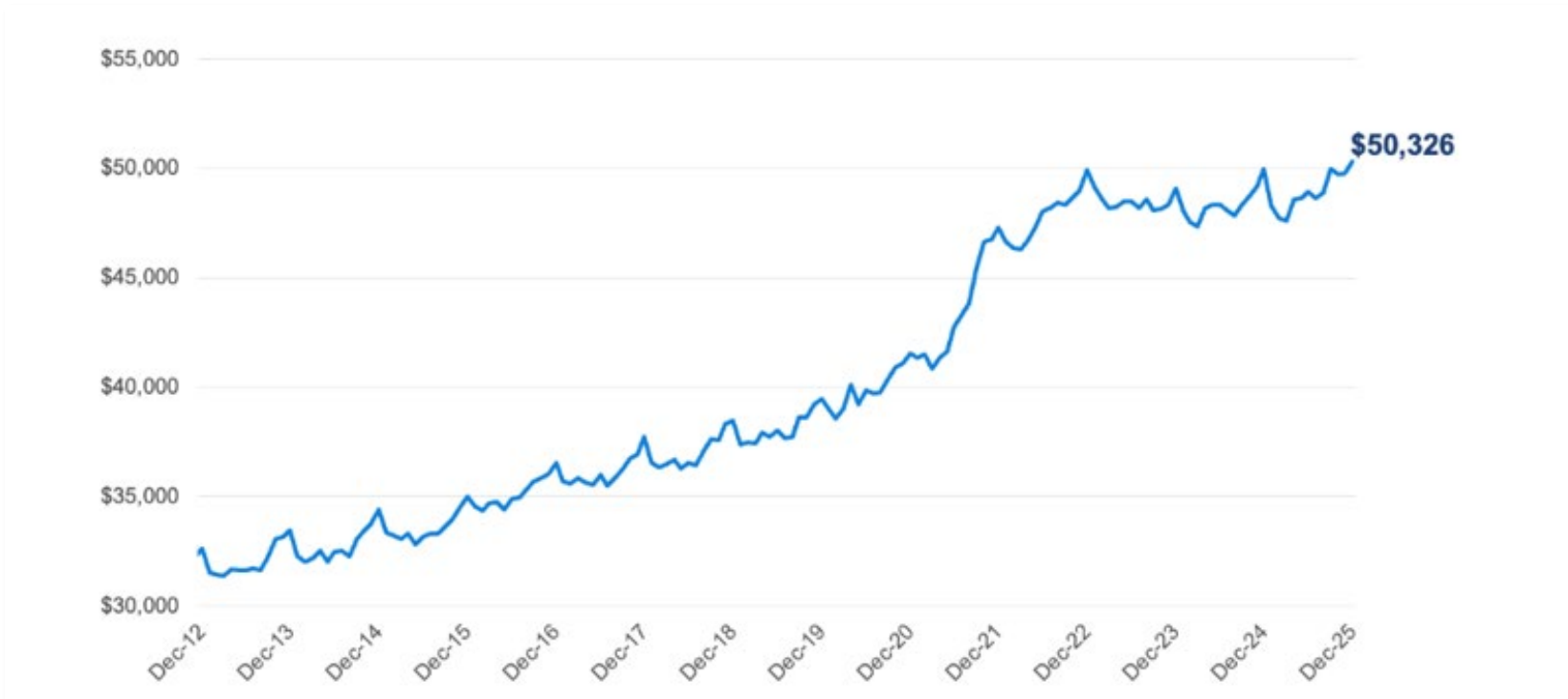
*Trisha Ripperger, EVP, Chief Client & Communications Officer*

# December Sales Review

	2025	2024	% Change
<b>Total Sales</b>	1,460,177	1,494,220	- 2.3%
<b>Retail Sales</b>	1,208,305	1,270,587	- 4.9%
<b>SAAR</b>	16.0 mil	16.8 mil	- 8.2%
<b>Retail SAAR</b>	13.1 mil	14.0 mil	- 8.2%

# ATP Higher in December

New-Vehicle Average Transaction Price



# New-Vehicle Prices Hit New High in December 2026

- A strong mix of midsize SUVs and full-size pickup trucks pushed the average higher, as **both segments outperformed in the final month of 2025**. (Note: New-vehicle prices typically peak in December).
- **The average price paid for a new vehicle in December was \$50,326**, an all-time high according to initial Kelley Blue Book estimates. The ATP last month was up 0.8% year over year and up 1.1% from November.
- The average new-vehicle manufacturer's suggested retail price (MSRP) – commonly called “the asking price” – **also set a record in December, at \$52,627**. The average MSRP was 1.2% higher year over year, below the long-term average increase. The average MSRP has been above \$50,000 for eight straight months.
- **Incentives increased in December to 7.5% of ATP, the highest point in 2025**. The incentive level in December increased 10.7% compared to November (6.7% of ATP) but was lower year over year. In December 2024, the average incentive was equal to 7.9% of ATP.

# Full-Size Pickups Surpassed \$15 Billion in Sales For The First Time in December

- Strong sales of full-size pickup trucks also pushed the ATP higher last month. With more than 233,000 full-size pickups sold, **December was the best month for the segment in five years and the sixth best in the past decade.**
- The average price paid for a full-size pickup in December was \$66,386, slightly below the record set in October 2025. In December, combined revenue from retail and fleet sales of full-size pickups surpassed \$15 billion for the first time.
- *“Last month, nearly 20% of shoppers bought luxury, a peak for 2025 – and that doesn’t include the volume of high-end pickups that were snapped up by affluent shoppers.”* – Erin Keating, Cox Automotive Executive Analyst

# 2025 EV Sales Decline Only 2% Vs. 2024

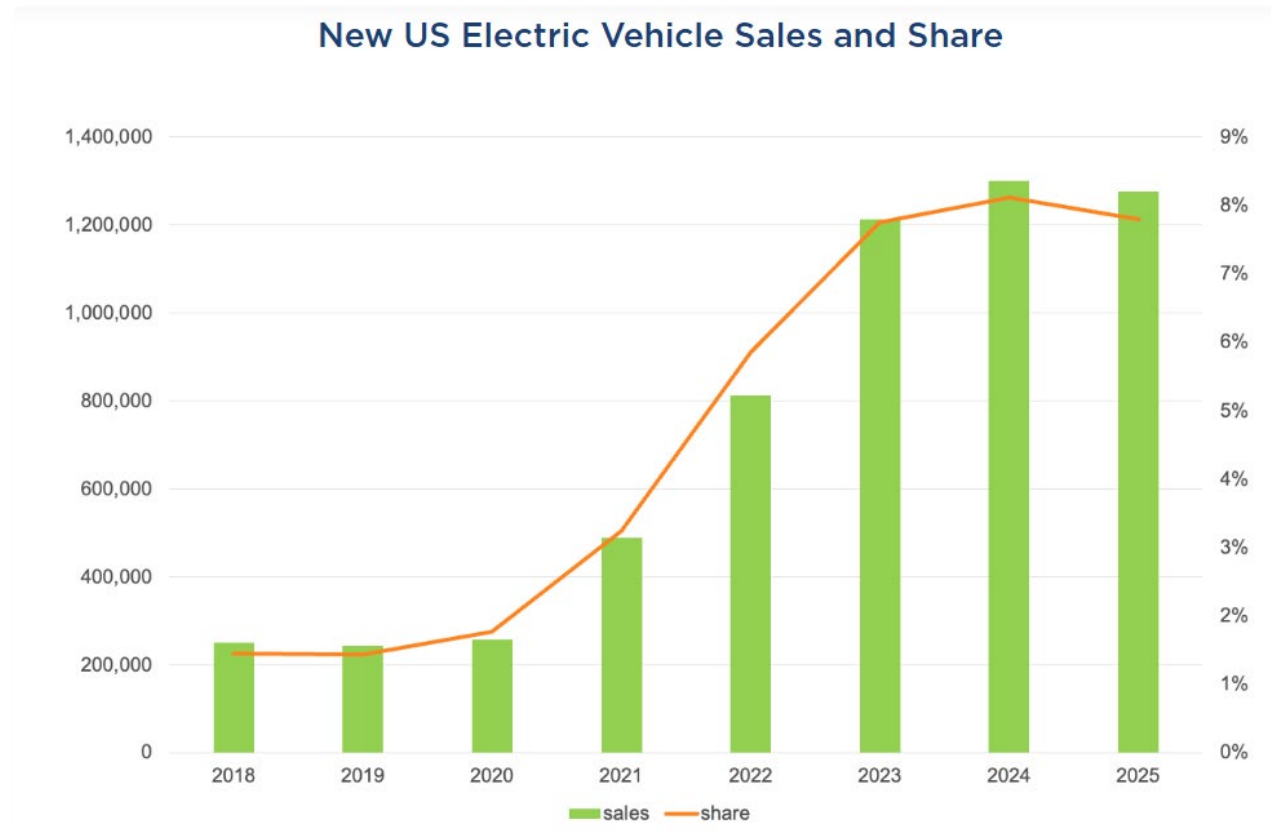
## Policy Shifts, New Product Set Stage for Next Chapter

- As widely forecast, sales of new electric vehicles (EVs) in the U.S. fell sharply in the fourth quarter, following record-breaking results in Q3.
- With government-backed sales incentives revoked at the start of October, total EV sales in Q4 plunged to 234,000 units, down 46% compared to Q3 and 36% lower year over year.
- Sales in the final quarter of 2025 were at the lowest point since Q4 2022.
- While the Q4 collapse will command headlines, total EV sales in calendar year 2025 tell a different story:

*Thanks in part to record volume in Q3, total EV sales last year came in just shy of 2024's 1.30 million. In fact, 2025 was the second-best year on record for EV sales in the U.S., and the EV share of total market sales was a strong 7.8%, down from 8.1% a year earlier, according to Kelley Blue Book estimates.*

# 2025 Was The Second-Best Year on Record For EV Sales in The U.S.

The EV Share of Total Market Sales was a Strong 7.8%, Down From 8.1% a Year Earlier



# Auto Dealer Sentiment Turns Positive in 2025



Source: Kerrigan Automotive

# Survey Reveals Profit & Valuation Expectations Improve for the First Time Since 2021

- More positive than negative
- Earnings expectations improve
- Dealers believe that dealership values will increase or remain stable
  - 2026 – **83%**
  - 2025 – **67%**
    - *A 16% increase; domestics are most optimistic*

Source: Kerrigan Automotive

# 2026 Forecast

In the 2026 Auto Market, franchise auto dealers consider:

- Consolidation
- Hybrid/EV acceleration
- Strong fixed-operations/services performance, creating an environment ripe for opportunity for buyers and sellers.

Rising vehicle prices and interest rates are keeping customers in their cars longer, **boosting service visits and making fixed operations a reliable profit driver!**

- Advertise service business
- Stock Vehicles that people want
- Target your messaging to reach affluent buyers **AND** value shoppers

# Take Action!

- **Driving Sales** – Dealers must focus on building their brand to reach new customers and earn more sales.
- **Incentives are strong** – Craft messaging accordingly. I.E., *“You could get a new vehicle with a lower payment.”*
- **Service Revenue and Ticket Volume are up** –
  - Dealers need to use the most trusted media to instill consumer confidence
  - Tell potential consumers why they should service their vehicle from your dealership
  - Also, a great way for used car acquisition and new car sales