

STATE *of the* DEALER

REPORT

New and Certified Vehicle Movement Hit Three Year Highs

Gains Are Fueled by
Increased Supply Rather
Than Higher Sales Efficiency



All three vehicle sectors—new, used, and certified—point to sustained strength in vehicle movement. In the case of new and certified, these levels are the highest they have been in three years.

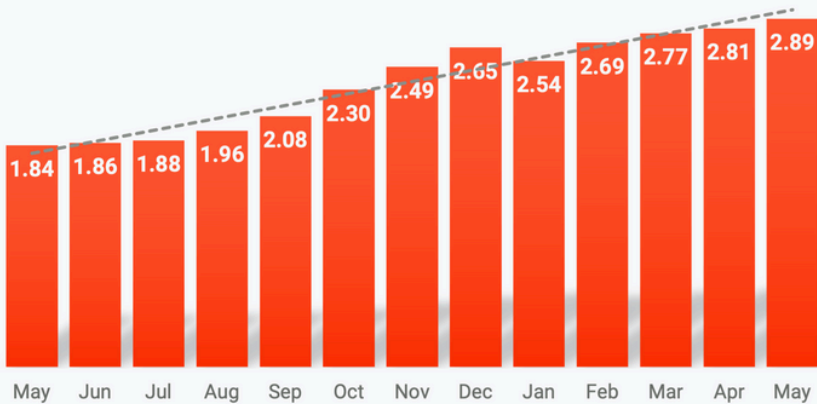
Improving new and certified vehicle inventory is certainly giving consumers a wider variety of choices to purchase. New vehicle supply continues to move upward (though the pace of growth is slowing), and 3.0MM is within the industry's sights. And certified inventory hit its highest level since the earliest days of the pandemic in April 2020.

Underlying metrics such as turn rates and days-to-move are settling in at sustained levels, indicating that the movement growth is being fueled by higher supply rather than increasing sales efficiency.

The State of the Dealer report strives to address the question of whether it is going to get harder or easier for dealers to sell a vehicle in the next 30 days. At an overall industry level, the answer is 'easier', though the reality for an individual dealer is that there is greater competition that comes along with the wider alternatives that consumers have to currently choose from. For that reason, dealers should make sure that their inventory is being properly supported to ensure that it stands out in the marketplace.

STATE of the DEALER

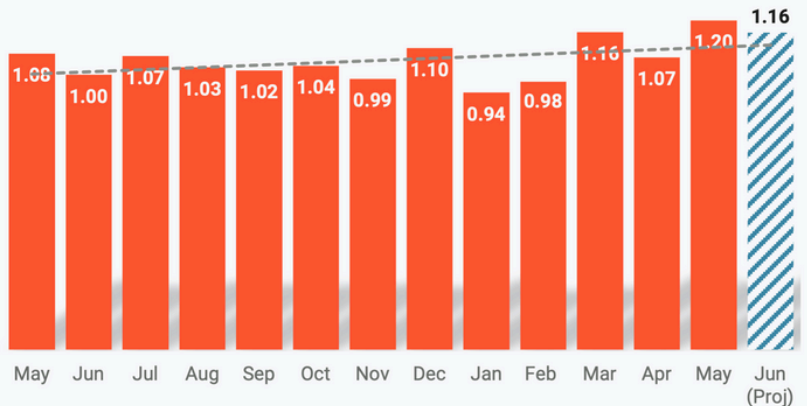
Average Inventory - New (MM)



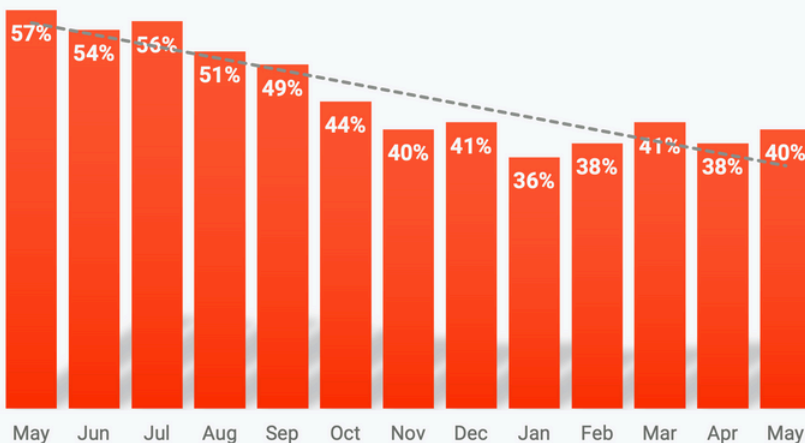
New vehicle Inventory continues to tick upward, with a **2.8%** increase in the current month compared to April.

Vehicle movement, however, is the key story in May, hitting **1.2 million** for the **first time in three years**. While this count is expected to fall back slightly in June, the general trajectory of this metric has been moving in a positive direction throughout 2024.

Vehicle Movement - New (MM)



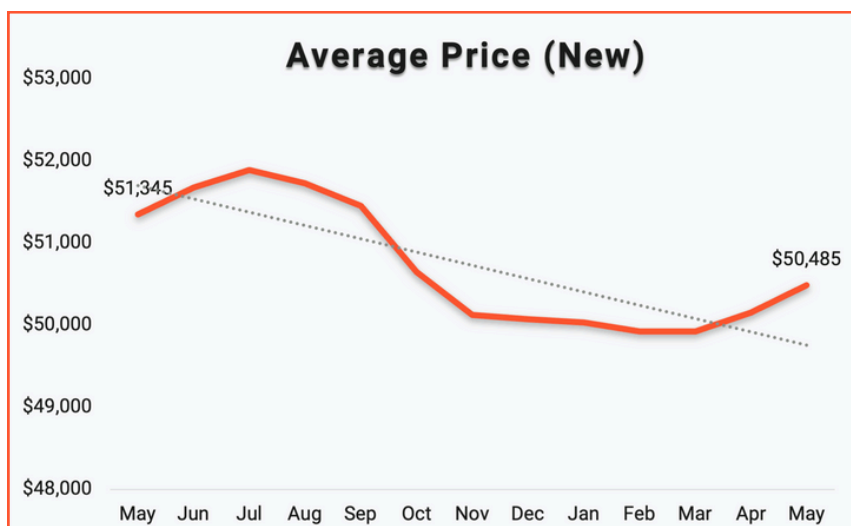
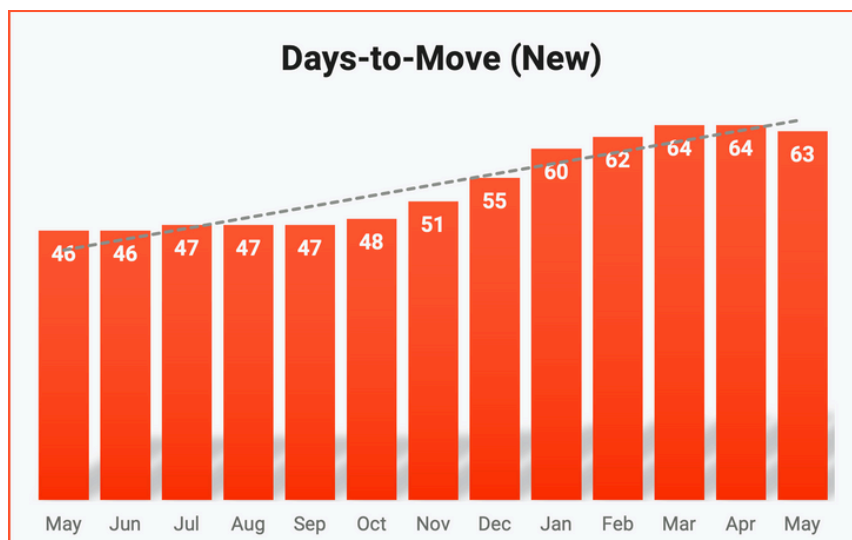
Turn Rate (New)



Meanwhile, the underlying efficiency-oriented dynamics of the market have continued to be in a relatively narrow range since the beginning of the year, with turn rates in the high 30s to low 40s...

STATE *of the* DEALER

...and days-to-move in the low 60s.



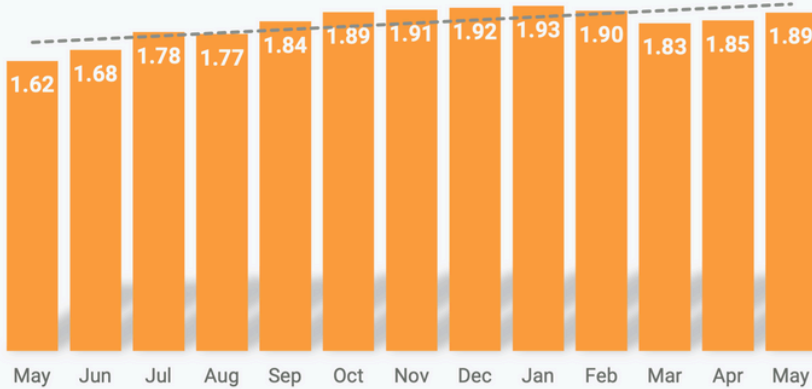
Marketed prices have started to bounce back, surpassing the longer-term trend line for the second straight month.

OVERALL ASSESSMENT - NEW

“The new vehicle movement count is very encouraging and points to a continuing resilience in the marketplace,” said Jeff Englishmen, Vice President of Dealer Success at ZeroSum. “Even in the face of elevated prices and stubbornly high interest rates, consumers are still taking advantage of the improved availability that comes with strong inventory levels.”

STATE of the DEALER

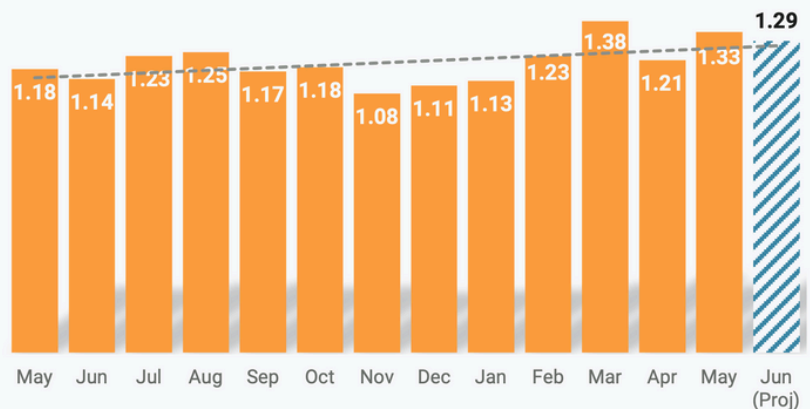
Average Inventory - Used (MM)



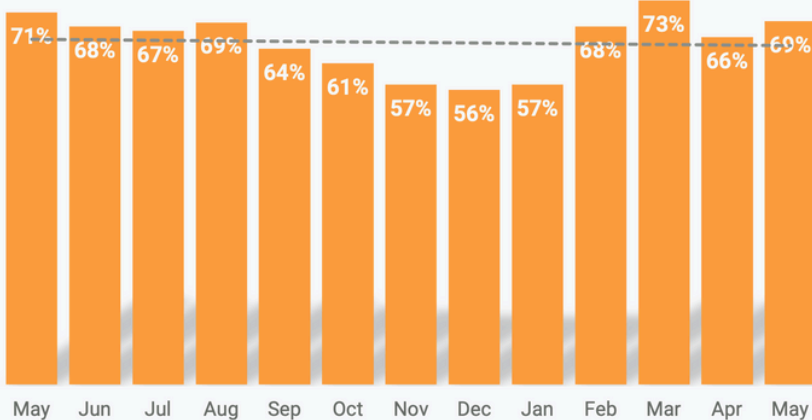
Used vehicle inventories ticked up slightly for the second straight month, though they have remained in a very narrow range since the Fall.

Vehicle movement shows signs of sustained strength, surpassing the **1.3 million** mark for the second time in three months. The 30-day forecast for June points to a continuance of this trend at 1.29 million.

Vehicle Movement - Used (MM)



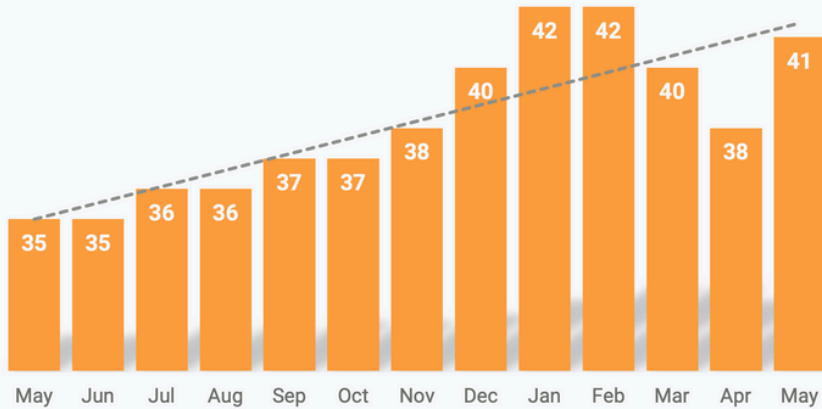
Turn Rate (Used)



Over the past several months, underlying diagnostic metrics are generally within a relatively narrow range, with turn rates remaining above end-of-2023 levels and similar to year-ago counts.

STATE of the DEALER

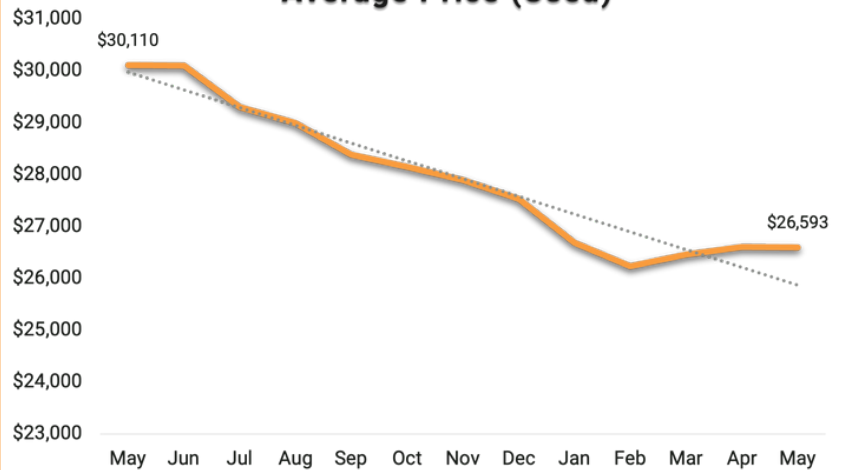
Days-to-Move (Used)



Days-to-move trends seem to be settling in around the **low 40s**, which is somewhat longer than what was true in mid-2023.

Marketed prices, meanwhile, have also been in a tight span since the beginning of the year, though well below their level a year ago.

Average Price (Used)

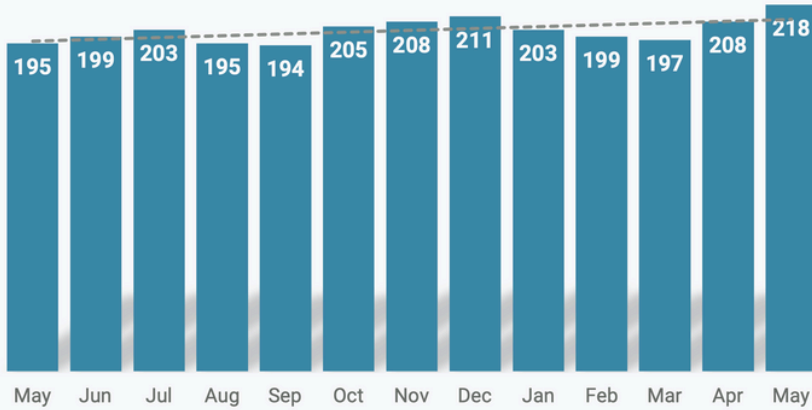


Overall Assessment - Used

“The recent strength in used vehicle movement is a welcome development, but doing so in light of a flat inventory picture is even more impressive,” said Englishmen. “The ongoing pricing differential with new cars is playing a role in used performance and is likely to continue to do so in the near future.”

STATE of the DEALER

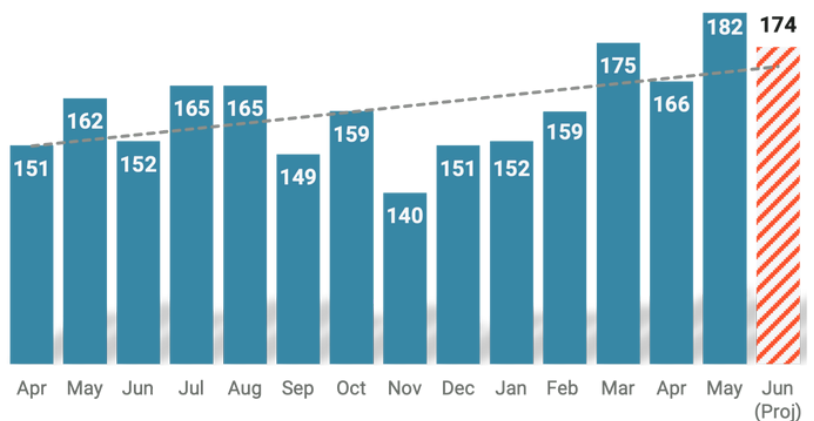
Average Inventory - Certified (000s)



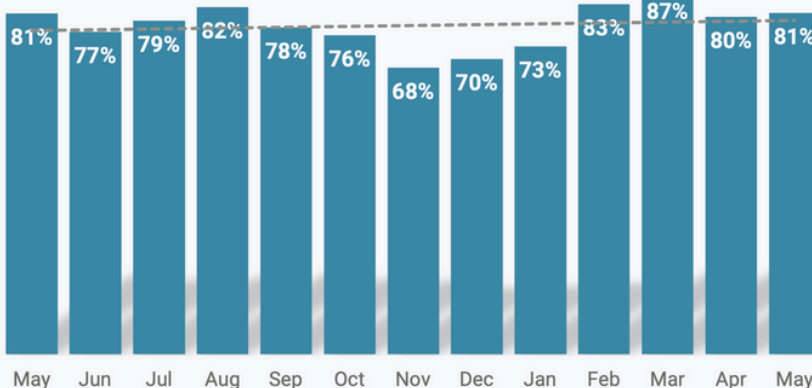
In the certified car segment, inventory increased for the second straight month and **hit its highest point since April of 2020**.

Vehicle movement also moved upward, reaching **182,000** for the first time since March 2021. The 30-day forecast points to a pullback from that number but stays above recent levels and indicates sustained strength in this vehicle sector.

Vehicle Movement - Certified (000s)

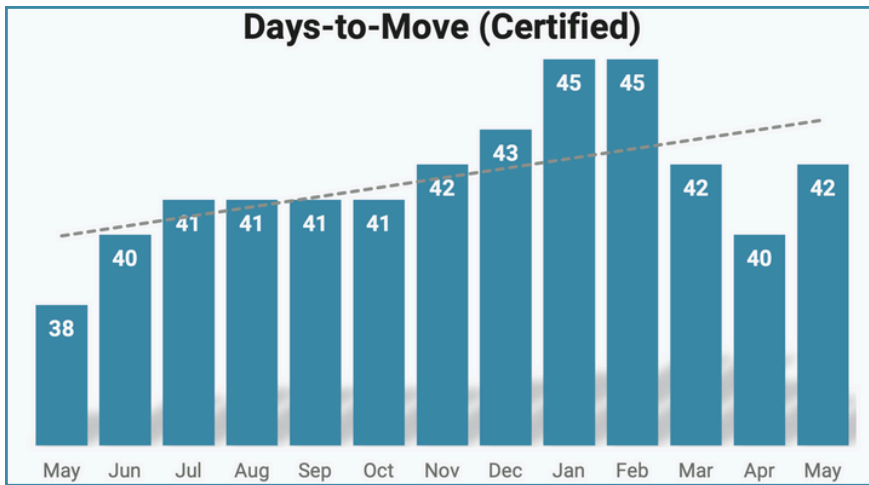


Turn Rate (Certified)



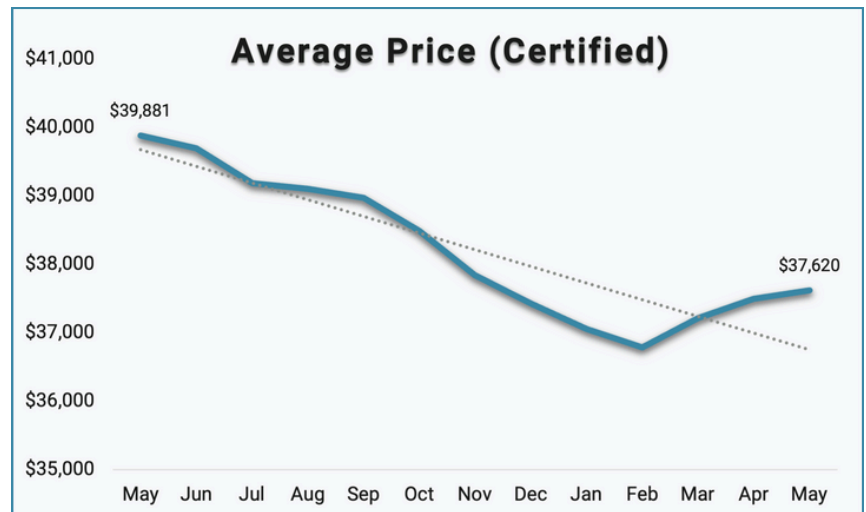
Certified turn rates remained above **80%** for the fourth consecutive month...

STATE *of the* DEALER



...while days-to-move stayed in the low 40s in the current month.

Marketed pricing ticked up and **surpassed the longer-term trend line for the second straight month.**



OVERALL ASSESSMENT-CERTIFIED

Certified vehicles are following the same pattern as the new car market, with strong movement growth; the highest they have been in three years.

ABOUT ZEROSUM'S STATE OF THE DEALER REPORT

The ZeroSum State of the Dealer Report is the first and premier data source for the new, used, and certified pre-owned automotive market. ZeroSum serves as a crucial resource for automotive dealers, offering indispensable data on supply and demand trends and delivering unprecedented insights on inventory and 30-day forecasts on vehicle movement. State of the Dealer answers the question that all automotive dealers are wondering: "Is it going to be harder or easier to sell a car next month?"

About ZeroSum

ZeroSum is an industry leader in software, marketing, and data. Powered by its SaaS platform, MarketAI, ZeroSum is simplifying and modernizing automotive marketing by leveraging artificial intelligence, data, and scaling ability to acquire new customers. ZeroSum is the first and only company that matches consumer demand with automotive data in real-time for elite dealer marketing efficiency. For more information, visit www.zerosum.ai.

Want to learn more? Book your demo now.

[ONLINE DEMO](#)

Contact

hello@zerosum.ai
888-580-9010

ZeroSum
1331 Lake Dr, Suite 100
Grand Rapids, MI 49506