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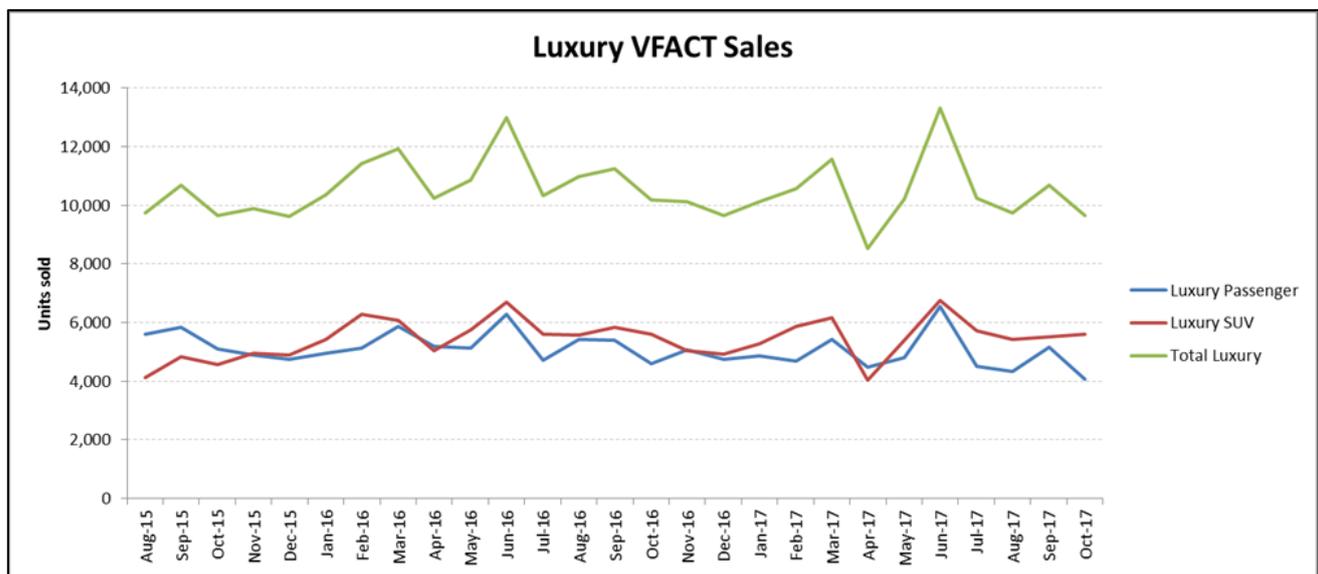
Thursday, 16 November 2017

## Luxury car sales positioned to accelerate

Luxury car market sales are down 5.6% in October compared with the same period last year, but with a proliferation of models covering a wide range of price points, and changing buyer preferences, the luxury segment could be poised for growth.

June is typically the luxury car market's biggest month by volume with End of Financial Year sales promotions driving volume. June this year was no different with sales reaching a record high of 13,300 units - setting a sales record for the past two years.

### Australian luxury vehicles sales to October 2017



**Source:** VFACT figures released by the Federal Chamber of Automotive Industries Aug 2015 - Oct 2017

At this point in the sales cycle luxury passenger car sales totalled 48,862 in January to October 2017, down by 7.2% compared to the same period last year.

Against an overall backdrop of increasing market demand for family-friendly SUVs, luxury SUVs sales totalled 55,756 units - down by just 3.7% compared to a year earlier.

Strong offerings in the luxury market such as the Porsche Macan, have been enthusiastically received. Retailing at around \$90k, the Porsche Macan is the most affordable Porsche yet - marking a new entry point to the Porsche range in Australia.

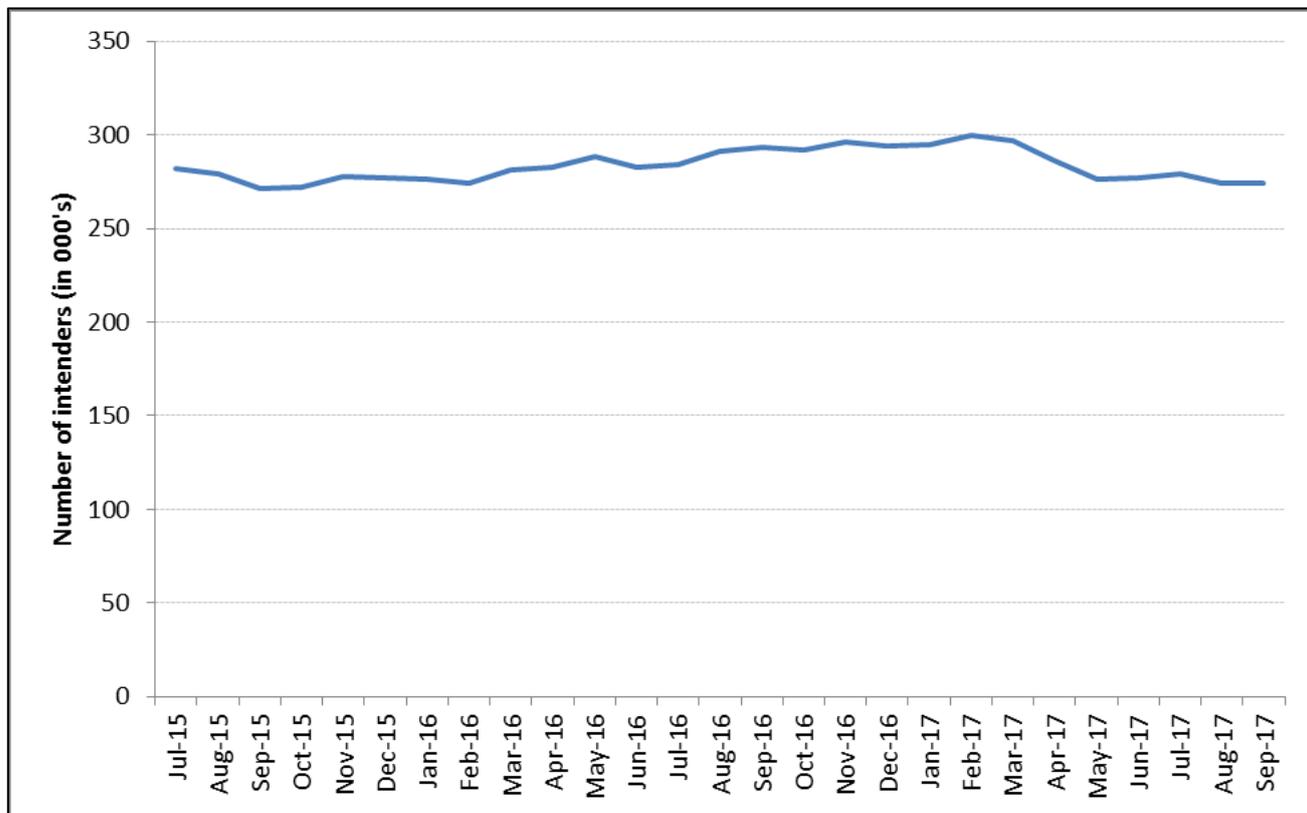
Mercedes-Benz is having a strong year with its C-Class models doing particularly well. 2017 has been a tougher year for Audi and BMW so far, but with new models coming to market before year-end they are manufactures to watch.

FOR IMMEDIATE RELEASE

## Intention to purchase luxury cars in the next four years remains positive

While the luxury car market has been in decline, the outlook is more positive. Roy Morgan's luxury segment intention data suggests many consumers are looking to purchase a luxury vehicle within the next four years.

### Australians intending to buy a new luxury vehicle in the next four years



Source: Roy Morgan Single Source (Australia), August 2014 – September 2017 (12 month moving average n=50,000+)

#### Norman Morris, Industry Communications Director, Roy Morgan says:

*“Despite a slowdown in luxury vehicle sales in October - off the back of a sales record in June - there are signs that the market could recover in the near term.*

*“Record sales were achieved in June 2017 and Roy Morgan’s luxury segment intention data, a lead-indicator of purchasing intention, suggests an improvement is in sight.*

*“Potential catalysts for growth in the luxury car market include new models incorporating the latest in driver support technology, rising interest in electric vehicles, as well as a greater proliferation models by manufacturers covering a wide range of different price points. Really strong offerings at different price points is bringing new buyers into the luxury segment.*

*“Interestingly, as Australian vehicle manufacturing draws to a close, there will be new opportunities for luxury car manufacturers to convert current customers of premium Australian made passenger cars. Changing market dynamics and new consumer purchasing patterns as Australian manufacturing ends is an area to watch.”*

**For comments or more information about Roy Morgan’s automotive research, please contact:**

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**About Roy Morgan**

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 70 years’ experience in collecting objective, independent information on consumers.

**Margin of Error**

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2