



CarGurus Report Shows Automotive Affordability Continues to Drive the Market

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With tariffs going into effect, report uncovers trends in new car supply, consumer demand, and pricing—plus opportunities where shoppers can still find savings

BOSTON, April 02, 2025 (GLOBE NEWSWIRE) -- CarGurus (Nasdaq: CARG), the No. 1 visited digital auto platform for shopping, buying, and selling new and used vehicles¹, today released its Quarterly Review for Q1 2025. The report provides a view into the key trends influencing pricing, inventory, and demand for new and used vehicles so far this year, along with factors that could impact the road ahead.

"It's no secret that the first quarter has been dominated by tariff news," said Kevin Roberts, Director of Economic and Market Intelligence at CarGurus. "Steady consumer purchase patterns for most of the first quarter suggest a market that was in wait-and-see mode. But a shift in urgency has taken hold as impending tariffs on auto imports—which account for nearly half of new listings—start to take effect, influencing an uptick in activity on dealer lots and new car sales in recent days."

New car pricing continues to be one of the most pressing challenges for the market, with vehicles under \$30,000 accounting for 13% of inventory, a sharp contrast to 37% in Q1 2020. With tariffs, affordable new vehicles may become harder to find as the average list price could increase by over \$3,300 to approximately \$52,800. According to a CarGurus analysis of current tariff policies, the share of listings priced under \$30,000 could decline by 42%, while those above \$50,000 would increase by 15%.

Other key themes from Q1 2025 include:

- **Tariffs trigger a late-month surge:** Days to Turn during Q1 remained stable with little variation across countries of origin, showing earlier tariff speculation didn't translate to increased urgency. But, a late-month shift took hold after the tariff news broke on March 26th, pushing estimated new car retail sales up by nearly 30% month-over-month. A focus on value and practicality drove import demand throughout the quarter, with imported models in lowest supply being compacts and fuel-efficient options mostly priced under \$40,000. CarGurus analysis shows the most popular imported models with the lowest inventory include nameplates like Toyota's RAV4 and Tacoma; Honda's Civic and CR-V; and Subaru's Crosstrek and Forester.
- **The used market has more options, but not without trade-offs:** The used market offers shoppers some relief from tariff-related increases, but value for the money in this segment is also shifting. While used car inventory is up, buyers seeking affordability face a selection with older vehicles and higher mileage. In Q1 2020, a budget of \$15,000 to \$20,000 would afford an approximately four-year-old model with 47,000 miles, while today that translates to a nearly seven-year-old car with 73,000 miles. Further, CarGurus analysis shows that almost two-thirds of used sales (64%) in Q1 2020 were under \$20,000, while that share dropped to 43% in Q1 2025.
- **Used electric vehicles (EVs) present a bright spot in the affordability story:** The used EV market is steadily gaining ground as selection rises and prices stabilize to an average of about \$36,000. With affordability taking center stage, the category is emerging as a practical, low-mileage alternative. The under-\$25,000 market especially shines as used EVs turned faster than comparably priced internal combustion engine models. Used models like the Nissan LEAF and Chevrolet Bolt have averaged under \$17,000 in Q1 2025 (with mileage under 32,000), standing out in a market driven by value and affordability.

CarGurus also shared tips for shoppers navigating the market today:

- **Stay informed on price trends:** Platforms like CarGurus, which provides unbiased deal ratings on the largest selection of new and used vehicles in the U.S.², are a powerful resource to compare prices and track inventory. Used car shoppers can also turn to CarGurus' [Price Trends tool](#) to research and track model trends.
- **Understand buying power early in the process:** Many sites, including CarGurus, enable shoppers to get [pre-qualified for financing](#) from the comfort of home, letting them browse listings with real interest rates in hand and filter options by estimated monthly payment.
- **Consider a wider search radius:** For those with a specific model in mind, there may be a benefit in searching broadly to get the best price since local market demand can also impact car values. Using online search tools, shoppers can view pricing across regions and consider how delivery costs factor into getting the best deal.

To learn more about these trends, view the CarGurus Quarterly Review for Q1 2025 [here](#).

About CarGurus, Inc.

CarGurus (Nasdaq: CARG) is a multinational, online automotive platform for buying and selling vehicles that is building upon its industry-leading listings marketplace with both digital retail solutions and the CarOffer online wholesale platform. The CarGurus platform gives consumers the confidence to purchase and/or sell a vehicle either online or in-person, and it gives dealerships the power to accurately price, effectively market, instantly acquire, and quickly sell vehicles, all with a nationwide reach. The company uses proprietary technology, search algorithms, and data analytics to bring trust, transparency, and competitive pricing to the automotive shopping experience. CarGurus is the most visited automotive shopping site in the U.S.¹

CarGurus also operates online marketplaces under the CarGurus brand in Canada and the U.K. In the U.S. and the U.K., CarGurus also operates the Autolist and PistonHeads online marketplaces, respectively, as independent brands.

To learn more about CarGurus, visit www.cargurus.com, and for more information about CarOffer, visit www.caroffer.com.

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¹ [Similarweb](#): Traffic Report [Cars.com, Autotrader, TrueCar, CARFAX Listings (defined as CARFAX Total visits minus Vehicle History Reports traffic)], Q4 2024, U.S.

² Compared to [Autotrader.com](#), Cars.com, [TrueCar.com](#) (YipitData as of September 30, 2024), and CarFax (Joreca as of September 30, 2024)

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