

Lotlinx 2024 Inventory Predictions

'24 still in recovery mode? Here are 5 reasons we think so.

We predict that U.S. consumers in the market for a new vehicle in 2024 will continue to face affordability issues. Dealers may feel a sense of normalcy on the supply side, but factors such as high interest rates, tight credit conditions, and slow-to-recede new vehicle prices will continue to play a role in vehicle sales.

1

Production levels will continue to advance

In 2024, we predict that new vehicle inventory growth will present an opportunity to increase incentive levels, potentially easing price pressures realized across 2023.

2

New vehicle sales are expected to rise

Sales are expected to increase 1% to 15.7 million units next year, according to Edmunds, although high interest rates are likely to put pressure on demand.

3

Electric-vehicle projections

Electric-vehicle sales may be on the rise, but we foresee production outpacing demand, contributing to rising inventory levels and higher percentages of aged units. Market share is also expected to rise slightly to 8% of total new vehicle sales in 2024.

4

Reduced profit margins ahead

Some vehicle segments are becoming harder to sell than others due to affordability. In the past six months, the U.S. consumer market has shifted to brands that are perceived to be more affordable alternatives.

5

Days-supply varies by segment

A balanced market is around a 60-day supply of new inventory. Store gross is degraded when the days-supply falls below 45 days or surpasses 75 days. 2024 inventory days supply varies on a brand to brand basis.



Understanding potential risk factors will be crucial in managing sales and profitability in 2024.

Lotlinx's VIN Management Platform has all the information needed to expose inventory risk and help you to sell cars faster and more profitably.

Request your dealerships inventory risk analysis today!

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