



**2026 Dealership
Benchmarks**

Australia

ProfitFocus™

Introduction

To support dealers in these changing times, we are delighted to present our **2026 Dealership Benchmarks** for the Australian car market.

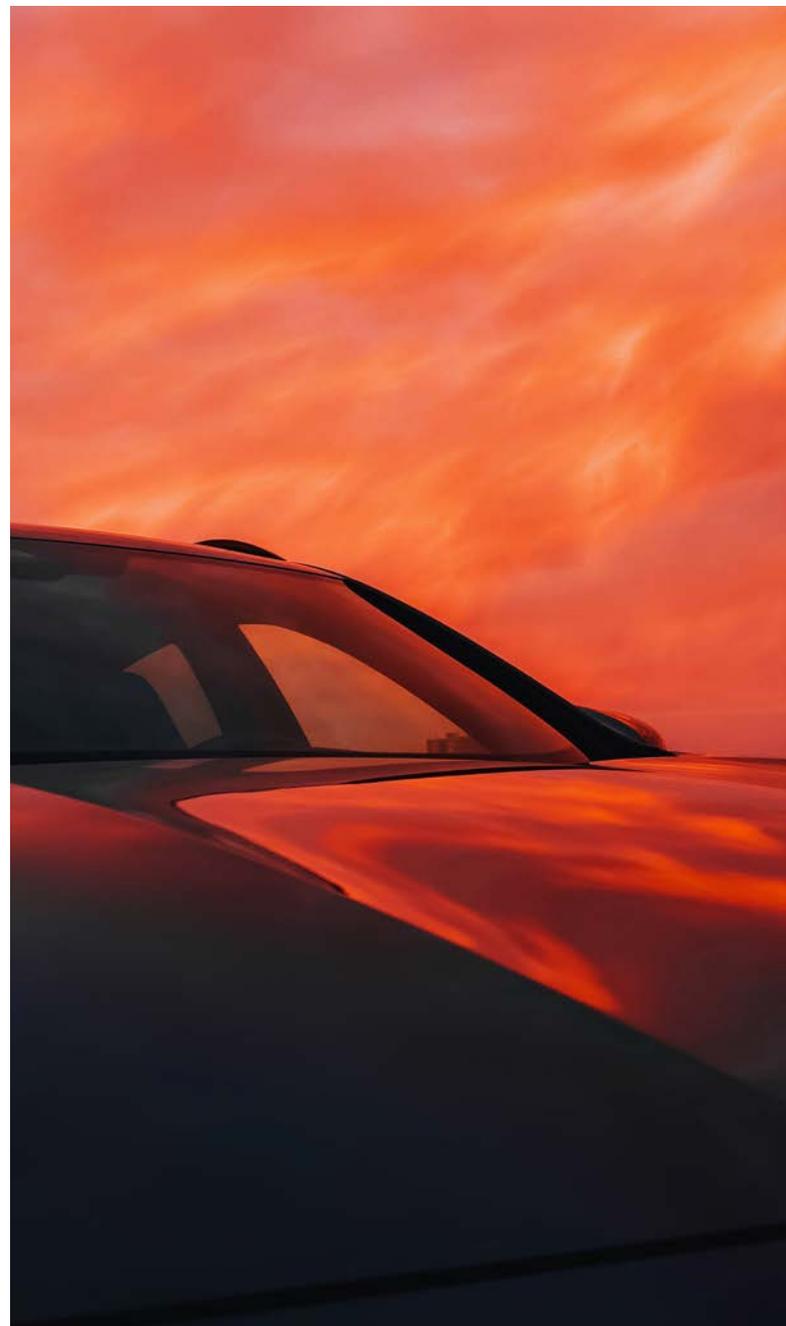
Following a record-volume year in the 2025 Australian new vehicle market, characterised by heightened brand competition, continued margin compression, and persistent cost pressures, we've analysed the data and refined our framework of performance metrics to help dealers build a sustainable, long-term business in an increasingly competitive environment.

In the 12 months leading up to the benchmark period, more than 2,000 Australian dealers uploaded data to the ProfitFocus™ system. This data is the starting point for these benchmarks, while the actual results of the top 30% of dealers in each key department – new, used, parts, service, and finance and insurance (F&I) – as well as the top performers overall, form the reference point.

This ensures the benchmarks are always tied to actual performance levels that are achievable in the prevailing market. We then review this raw data in light of industry trends and long-held best practices to derive a set of benchmarks.

The benchmarks are split into two market categories – Volume and Luxury – to reflect the most common business models among dealers. While these models are intrinsically impacted by the brands dealers carry, the benchmarks are not a commentary on the positioning or esteem of those brands.

We are always happy to discuss any aspect of these benchmarks, so please feel free to contact a member of the Deloitte team listed at the back of this booklet or at eprofitfocus@deloitte.com.au



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Volume market

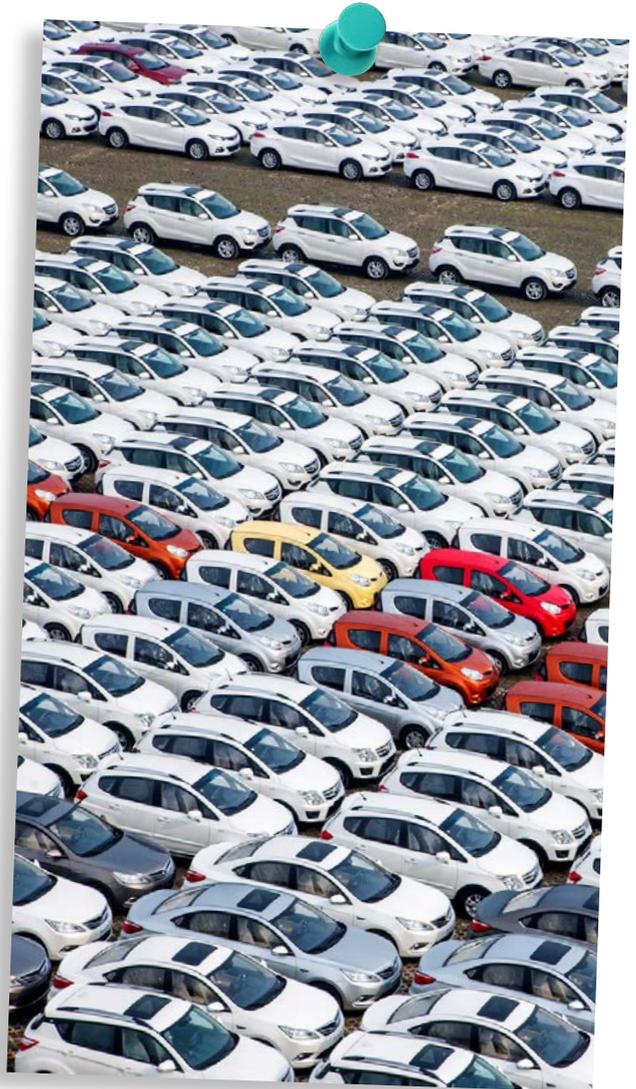
Volume market benchmarks

Our dealership benchmarks help dealers assess their performance against a hypothetical, high-performing business running a similar operation.

Volume dealers tend to focus more on volume than margin. It's important to note, that due to a shift in the market dynamics, the prestige and volume segment have now merged into one.

For the average volume dealer, 2025 saw profitability moderate as increased competition, price-driven discounting, and on-going costs increases placed pressure across all departments. New vehicle volumes remained and used volume grew through dealer channels but gross margins declined further in both departments. Aftersales performance also softened, with lower retail workshop throughput and higher costs impacting contribution. While factory support and incentive programs provided some offset, overall dealership profitability declined, with expenses remaining elevated following several years of structural cost growth.

For Volume dealers, these are the top five metrics to focus on in 2026:



- 1**
Net profit as a % of sales **3.0-3.5%**
- 2**
Selling gross profit per new vehicle sold **\$1,800-\$2,300**
- 3**
Total gross profit per used vehicle retailed **\$3,000-\$3,500**
- 4**
Parts & service absorption **50-52%**
- 5**
Overheads as a % of dealership gross profit **42%**

About these benchmarks

Benchmarking is an excellent method of monitoring performance and setting goals.

These benchmarks are a measure of best practice drawn from the top 30% of dealers in the ProfitFocus™ database, which features more than 2,000 dealers.

This booklet is intended as a guide to dealership performance. Some dealerships, due to certain geographic or demographic circumstances, cannot achieve all the guidelines.

For help clarifying and interpreting these benchmarks, please contact us at eprofitfocus@deloitte.com.au

Total dealership

Trading summary

Net profit as % of sales	3.0-3.5%
Days to dealership breakeven*	24

* Based on a full month i.e. 30 days

Dealership structure	Orientation	GP %
New	44%	9-10%
Used	12%	10-12%
Parts	12%	21-23%
Service	32%	63-65%
	100%	13-15%
Front end (vehicle operations)	56%	
Back end (fixed operations)	44%	
Finance and insurance income	10% of total gross	
Other income and incentives	10% of total gross	

Orientation = Where does the gross come from? GP % = How strong are my margins?

Note these orientation benchmarks provide a guide for achieving above average results in the market today. However, businesses that deliver sustainable results over a longer time frame tend to have a slight front-end bias to their operations.

People

Gross per employee per month	\$17,483
Net profit per employee per month	\$4,360

Vehicle operations

Product	New	Used
Gross profit per unit*	\$4,250-\$4,750	\$3,000-\$3,500
Used/new ratio (retail)	n/a	0.7
Days supply	50-60	50-60
Stock turns p.a.	6-7	6-7
Gross ROI**	52%	54%

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

** Gross as a % of cost of sales x turns p.a.

People	New	Used
Units per sales staff per month	15	16
Gross profit per salesperson per month	\$63,750-\$71,250	\$48,000-\$56,000

Finance and insurance (F&I)

F&I product	New	Used
Finance penetration	32-35%	26-28%
Finance income per contract	\$3,000-\$3,200	\$2,500-\$2,700
Finance per retail unit sold	\$831	\$604
Insurance per retail unit sold	\$65	\$92
F&I selling gross per vehicle retailed		\$679

People

Vehicles retailed per F&I staff per month	50-60
Salaries and commissions as a % of income	26%
F&I income per dept employee per month	\$39,751

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	7%	31%
Wholesale/trade	27%	19%
Workshop	24%	31%
Warranty	18%	9%
Internal	20%	19%
Other sales	4%	18%
Total	100%	21-23%

Operational benchmarks		
Days supply		45-50
Stock turns p.a.		7 to 8
Monthly sales per employee		\$122,748
Monthly gross per employee		\$26,222
\$ sales per \$ salary		\$15.2

Service department	Sales mix %	GP %
Labour		
• Retail	59%	81%
• Warranty	14%	66%
• Internal	27%	73%
Total labour sales	100%	74%
Sublet sales		16%
Total gross profit (% sales)		63-65%
Operational benchmarks		
Performance index (productivity x efficiency)		100-105%
Monthly labour sales per technician		\$23,700
Monthly labour gross per technician		\$17,237
Parts/labour ratio		0.64
Ratio of chargeable to non-chargeable		1.2-1.4
Parts and service absorption		50-52%
Retention – relative service size**		\$2,751

** Labour sales per new retail unit sold per month

Department profitability

Vehicle operations	New		Used	
	% Gross	\$/Unit	% Gross	\$/Unit
Gross profit*	100%	\$4,250- \$4,750	100%	\$3,000- \$3,500
Sales staff salaries and comms	13.6%	649	20.2%	639
Manager salaries and comms	6.6%	316	8.9%	280
Aftermarket salaries and comms	1.2%	58	0.5%	16
Other salaries	3.3%	156	5.6%	176
Pre-delivery costs	5.3%	252	–	–
Free service/policy	1.1%	54	–	–
Used warranty	–	–	2.4%	76
Advertising	3.7%	179	8.9%	281
Training	0.2%	12	0.1%	3
Floorplan	13.9%	664	6.4%	202
Demonstrator expenses	2.5%	118	2.7%	84
Selling gross profit	48.7%	\$1,800- \$2,300	44.3%	\$1,250- \$1,750
Selling gross profit per salesperson		\$33,837		\$22,085
Selling gross profit per employee		\$20,057		\$12,296

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	31.5%	31%
Advertising and promotion	0.8%	1.1%
Training	0.2%	1.8%
Policy/freight	2.3%	2.6%
Tools and supplies	0.4%	1.5%
Equipment and vehicle maintenance	1.9%	3.7%
Sick/holiday – technicians	–	6.1%
Selling gross profit	62.9%	52.2%
Selling gross profit per technician	–	\$10,956
Selling gross profit per employee	\$16,913	\$6,338

Dealership overheads

	% Gross
Administration and salaries	5.8%
Training	0.1%
FBT (net of contributions)	0.5%
Payroll tax	2.6%
Superannuation	5.2%
Long service leave	0.5%
Rent (or mortgage interest)	10.1%
Rates and taxes	1.6%
Property maintenance/outside services	2.8%
Telephone	0.3%
Insurance (including workers compensation)	3.1%
Office supplies/stationery	0.4%
Professional fees	0.7%
Data processing	1.9%
Bank charges and taxes	0.3%
Interest (overdraft/working capital)	0.7%
Bad debts	0.0%
Depreciation	1.5%
Electricity	0.7%
Travel and entertainment	0.6%
Management fees	0.4%
Miscellaneous	2.2%
Total fixed expenses	42.0%

Overheads are shown as a percentage of total dealership gross profit. This includes gross profit from the New, Used, Parts and Service departments, but excludes net F&I income which is brought into dealership profit at a selling gross level.

#02

Luxury market

Luxury market benchmarks

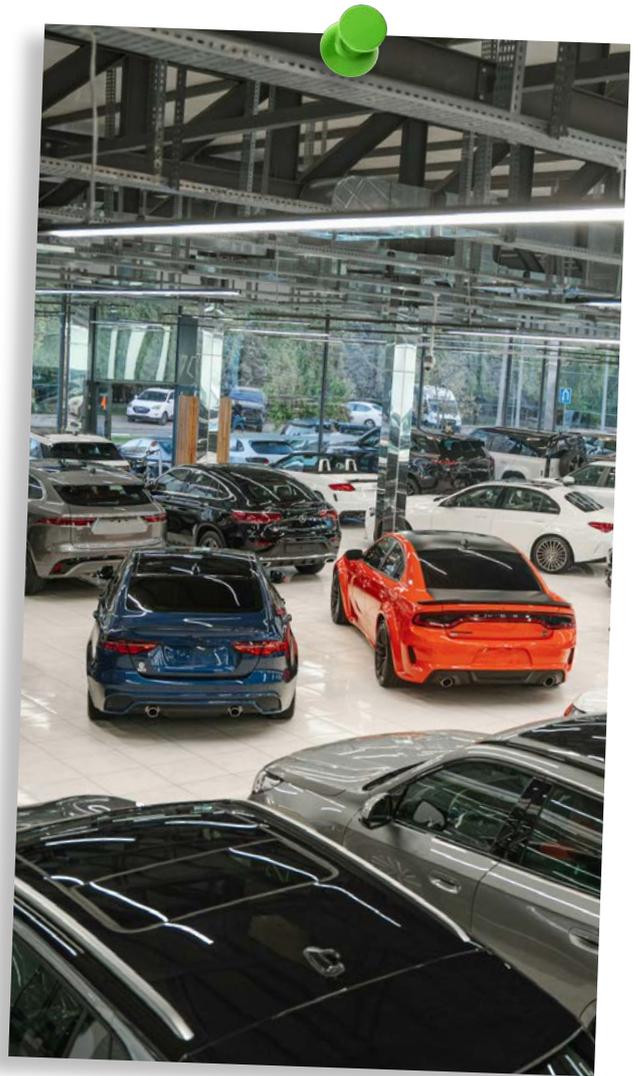
Our dealership benchmarks help dealers assess their performance against a hypothetical, high-performing business running a similar operation.

Luxury dealers tend to focus more on margin than volume.

Profitability softened in the luxury market, in line with volume. Margins softened across new and used, although dealers were able to mostly offset through greater salesperson productivity.

Finance campaign activity increased, with many dealers experiencing higher penetration despite the interest rate environment. Aftersales gross profit was relatively stable, however persistent cost pressures eroded contribution.

For Luxury dealers, these are the top five metrics to focus on in 2026:



1
Net profit as a % of sales **3.0-3.5%**

2
Selling gross profit per new vehicle sold **\$2,600-\$3,100**

3
Total gross profit per used vehicle retailed **\$3,000-\$3,500**

4
Parts & service absorption **50-52%**

5
Overheads as a % of dealership gross profit **44%**

About these benchmarks

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Total dealership

Trading summary

Net profit as % of sales	3.0-3.5%
Days to dealership breakeven*	24

* Based on a full month i.e. 30 days

Dealership structure

	Orientation	GP %
New	42%	10-12%
Used	11%	9-10%
Parts	13%	21-23%
Service	34%	64-66%
	100%	14-16%
Front end (vehicle operations)	53%	
Back end (fixed operations)	47%	
Finance and insurance income	9% of total gross	
Other income and incentives	10% of total gross	

Orientation = Where does the gross come from? GP % = How strong are my margins?

Note these orientation benchmarks provide a guide for achieving above average results in the market today. However, businesses that deliver sustainable results over a longer time frame tend to have a slight front-end bias to their operations.

People

Gross per employee per month	\$17,543
Net profit per employee per month	\$4,074

Vehicle operations

Product	New	Used
Gross profit per unit*	\$5,500-\$6,000	\$3,000-\$3,500
Used/new ratio (retail)	n/a	0.52
Days supply	50-60	50-60
Stock turns p.a.	6-7	6-7
Gross ROI**	55%	57%

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

** Gross as a % of cost of sales x turns p.a.

People

	New	Used
Units per sales staff per month	11-13	11-13
Gross profit per salesperson per month	\$60,500-\$78,000	\$33,000-\$45,500

Finance and insurance (F&I)

F&I product	New	Used
Finance penetration	30-32%	24-26%
Finance income per contract	\$3,200-\$3,600	\$2,500-\$2,700
Finance per retail unit sold	\$839	\$590
Insurance per retail unit sold	\$77	\$96
F&I selling gross per vehicle retailed		\$730

People

Vehicles retailed per F&I staff per month	45-55
Salaries and commissions as a % of income	26%
F&I income per dept employee per month	\$36,553

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	6%	25%
Wholesale/trade	26%	19%
Workshop	26%	31%
Warranty	23%	11%
Internal	15%	17%
Other sales	4%	14%
Total	100%	21-23%
Operational benchmarks		
Days supply		50-55
Stock turns p.a.		6-7
Monthly sales per employee		\$126,607
Monthly gross per employee		\$26,951
\$ sales per \$ salary		\$17.6

Service department	Sales mix %	GP %
Labour		
• Retail	60%	81%
• Warranty	13%	68%
• Internal	27%	75%
Total labour sales	100%	77%
Sublet sales		11%
Total gross profit (% sales)		64-66%
Operational benchmarks		
Performance index (productivity x efficiency)		90-95%
Monthly labour sales per technician		\$30,419
Monthly labour gross per technician		\$21,740
Parts/labour ratio		\$0.76
Ratio of chargeable to non-chargeable		1.1-1.3
Parts and service absorption		50-52%
Retention – relative service size**		\$3,904

** Labour sales per new retail unit sold per month

Department profitability

Vehicle operations	New		Used	
	% Gross	\$/Unit	% Gross	\$/Unit
Gross profit*	100%	\$5,500- \$6,000	100%	\$3,000- \$3,500
Sales staff salaries and comms	13.1%	712	19.3%	662
Manager salaries and comms	7.2%	393	8.1%	279
Aftermarket salaries and comms	1.4%	77	0.3%	10
Other salaries	2.7%	148	4.8%	166
Pre-delivery costs	6.7%	365	-	-
Free service/policy	1.1%	60	-	-
Used warranty	-	-	3.0%	101
Advertising	4.9%	265	7.8%	268
Training	0.3%	17	0.2%	8
Floorplan	13.8%	750	7.6%	261
Demonstrator expenses	2.2%	119	3.2%	108
Selling gross profit	46.6%	\$2,600- \$3,100	45.7%	\$1,150- \$1,650
Selling gross profit per salesperson		\$31,905		\$20,280
Selling gross profit per employee		\$19,464		\$12,199

* Includes holdback, bonuses, aftermarket and load reversals but excludes F&I

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	27.4%	32.1%
Advertising and promotion	0.7%	1.0%
Training	0.2%	2.1%
Policy/freight	1.8%	2.5%
Tools and supplies	0.2%	2.0%
Equipment and vehicle maintenance	1.4%	5.5%
Sick/holiday – technicians	–	5.6%
Selling gross profit	68.3%	49.2%
Selling gross profit per technician	–	\$12,636
Selling gross profit per employee	\$18,624	\$6,971

Dealership overheads

	% Gross
Administration and salaries	5.4%
Training	0.1%
FBT (net of contributions)	0.3%
Payroll tax	2.4%
Superannuation	5.0%
Long service leave	0.4%
Rent (or mortgage interest)	10.8%
Rates and taxes	1.8%
Property maintenance/outside services	2.9%
Telephone	0.3%
Insurance (including workers compensation)	2.8%
Office supplies/stationery	0.4%
Professional fees	0.7%
Data processing	2.0%
Bank charges and taxes	0.4%
Interest (overdraft/working capital)	1.2%
Bad debts	0.0%
Depreciation	2.1%
Electricity	0.9%
Travel and entertainment	0.7%
Management fees	0.5%
Miscellaneous	2.8%
Total fixed expenses	43.9%

Overheads are shown as a percentage of total dealership gross profit. This includes gross profit from the New, Used, Parts and Service departments, but excludes net F&I income which is brought into dealership profit at a selling gross level.



#03

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