



**2026 Dealership
Benchmarks**

New Zealand

ProfitFocus™

Introduction

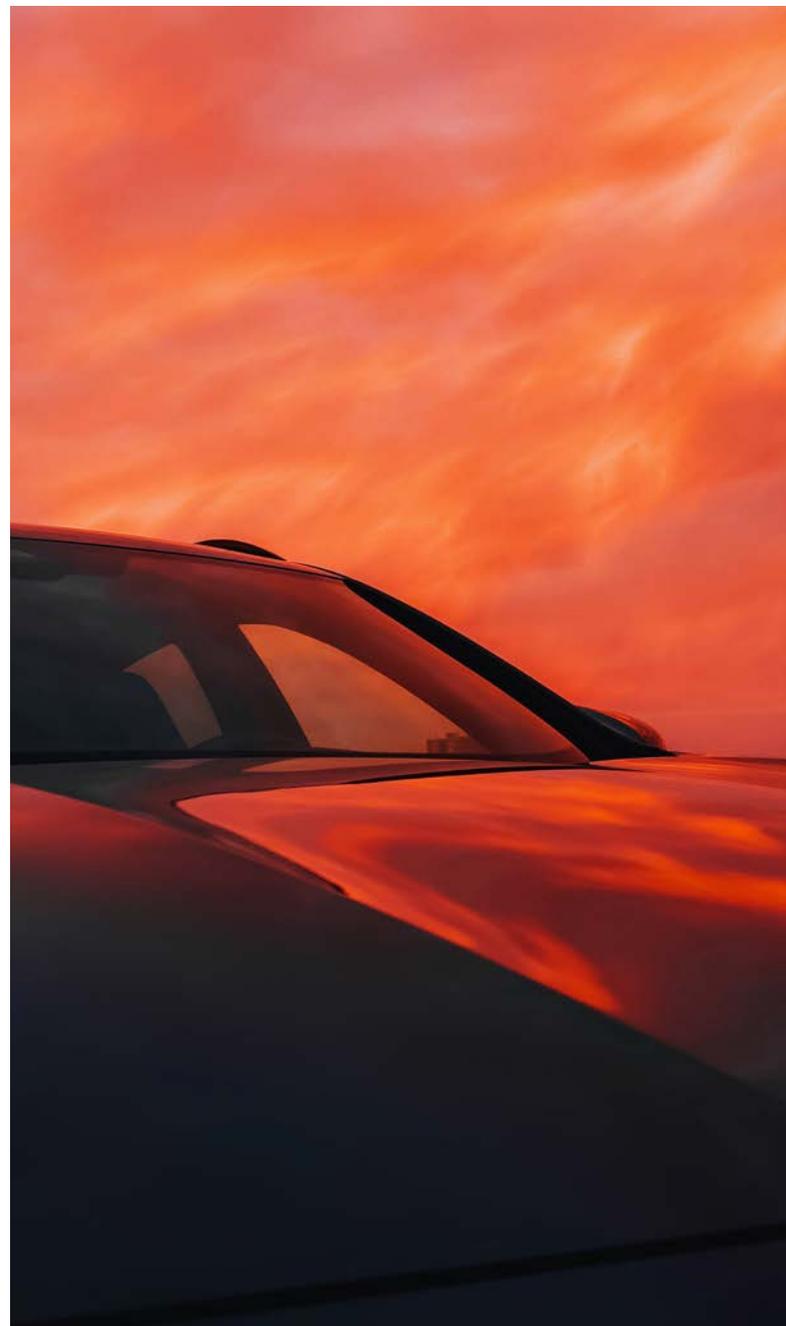
To help navigate these changing times, we are delighted to present our **2026 Dealership Benchmarks** for the New Zealand car market.

2025 continued to be a challenging market for New Zealand dealers. The overall economy was still in recovery in the first half of the year. Although interest rate relief did towards the end of the year did start to stimulate some confidence.

A clear trend was evident during the whole of 2025; management agility and team productivity across the total dealership was key to achieving strong commercial returns. Customers also showed they wanted engaging and relevant offerings from their dealership.

The starting point for these benchmarks is the data uploaded to the ProfitFocus™ system by more than 200 dealers in the New Zealand market in the 12 months leading up to the benchmark period. The actual results of the top 30% of dealers in each key department (new, used, parts, service and finance & insurance), as well as the top performers overall, form the reference point.

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



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Light vehicle market

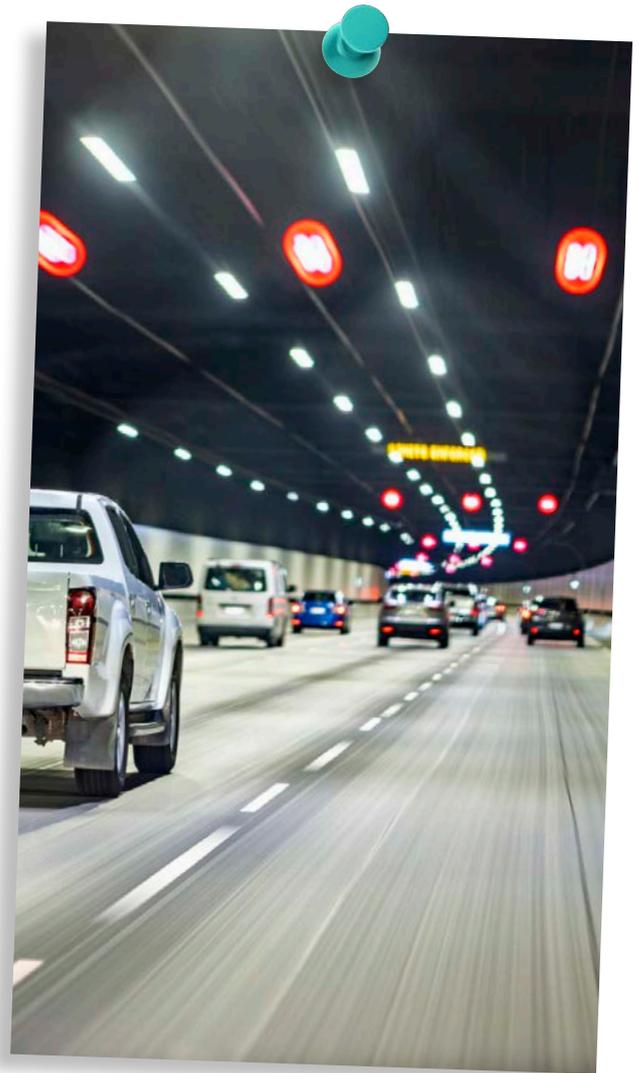
Light vehicle market benchmarks

On balance, the new car market continued to evolve based on customer sentiment and late-year changes to the Clean Car standards.

Opportunities in the used car market remained strong, provided dealers maintained weekly focus on vehicle ageing to ensure they were buying and selling within the same market while sustaining a pipeline of stock.

F&I continued to present good opportunities, although several sub-vented programs impacted profitability. Service bookings were stronger in 2025, highlighting the significant contribution Aftersales can make to a balanced dealership. Consistently managing these factors enables a benchmark dealer to achieve strong net profits for the year.

For New Zealand dealers, these are the top five benchmark metrics to focus on in 2026:



- 1**
Net profit as a % of sales **2.8-3.0%**
- 2**
Selling gross profit per new vehicle sold **\$1,900-\$2,400**
- 3**
Total gross profit per used vehicle retailed **\$3,500-\$4,000**
- 4**
Parts & service absorption **55-57%**
- 5**
Overheads as a % of dealership gross profit **43%**

A note 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 200 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 nzprofitfocus@deloitte.co.nz

Total dealership

Trading summary

Net profit as % of sales	2.8-3.0%
Days to dealership breakeven*	25

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

Dealership structure

	Orientation	GP %
New	35%	9-10%
Used	21%	10-12%
Parts	17%	24-28%
Service	27%	60-62%
	100%	14-16%
Front end (vehicle operations)	56%	
Back end (fixed operations)	44%	
Finance and insurance income	8% of total gross	
Other income and incentives	6% of total gross	

Orientation = Where does the gross profit come from?

GP% = Gross Profit % Sales. How strong are my gross 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	\$18,380
Net profit per employee per month	\$3,685

Vehicle operations

Product	New	Used
Gross profit per unit*	Volume: \$3,750-\$4,250 Luxury: \$6,500-\$9,000	\$3,500-\$4,000 \$4,750-\$5,250
Used/new ratio (retail)	n/a	0.89
Days supply	50-60	50-60
Stock turns p.a.	6-7	6-7
Gross ROI**	44%	63%

* 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	Volume: 10-12 Luxury: 8-10	11-13 10-12
Gross profit per salesperson per month	Volume: \$37,500-\$51,000 Luxury: \$52,000-\$90,000	\$38,500-\$52,000 \$47,500-\$63,000

Finance and insurance (F&I)

F&I product	New	Used
Finance penetration	Volume: 28-30% Luxury: 26-28%	26-28% 24-26%
Finance income per contract	\$2,500-\$2,900	\$2,300-\$2,500
Finance per retail unit sold	\$811	\$658
Insurance per retail unit sold	\$40	\$140
F&I selling gross per vehicle retailed		\$621

People

Vehicles retailed per F&I staff per month	40-50
Salaries and commissions as a % of income	29%
F&I income per dept employee per month	\$53,517

Fixed operations

Parts department	Sales mix %	GP %
Retail/counter	21%	29%
Wholesale/trade	16%	25%
Workshop	31%	34%
Warranty	16%	14%
Internal	9%	21%
Other	7%	24%
Total	100%	24-28%
Operational benchmarks		
Days supply		23-25
Stock turns p.a.		14-15
Monthly sales per employee		\$111,265
Monthly gross per employee		\$29,632
\$ sales per \$ salary		\$12.7

Service department	Sales mix %	GP %
Labour		
• Retail	71%	68%
• Warranty	9%	49%
• Internal	20%	65%
Total labour sales	100%	62%
Sublet sales		11%
Total gross profit (% sales)		60-62%
Operational benchmarks		
Performance index (productivity x efficiency)		95-100%
Monthly labour sales per technician		\$14,466
Monthly labour gross per technician		\$9,004
Parts/labour ratio		0.83
Ratio of chargeable to non-chargeable		1.3-1.5
Parts and service absorption		55-57%
Retention – relative service size**		\$4,671

** Labour sales per new retail unit sold per month

Department profitability

Vehicle operations	% Gross	New	Used
		\$/Unit	\$/Unit
Gross profit*	100%	Vol: \$3,750-\$4,250 Lux: \$6,500-\$9,000	100% \$3,500-\$4,000 \$4,750-\$5,250
Sales staff salaries and comms	22.4%	844	17.0% 793
Manager salaries and comms	3.6%	136	6.0% 307
Aftermarket salaries and comms	0.0%	0	0.0% 0
Other salaries	4.0%	151	1.2% 66
Pre-delivery costs	1.0%	39	- -
Free service/policy	1.3%	48	- -
Used warranty	-	-	1.1% 58
Advertising	7.9%	299	3.3% 165
Training	0.3%	12	0.2% 12
Floorplan	7.6%	288	1.3% 66
Demonstrator expenses	1.3%	49	1.6% 72
Selling gross profit	51.6%	Vol: \$1,900-\$2,400 Lux: \$1,800-\$4,300	68.3% \$2,000-\$2,500 \$2,600-\$3,100
Selling gross profit per salesperson		Vol: \$20,681 Lux: \$35,370	\$38,000 \$50,583
Selling gross profit per employee		Vol: \$13,270 Lux: \$22,288	\$21,939 \$27,578

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

Fixed operations	Parts % gross	Service % gross
Salaries (non-chargeable)	34.0%	31.2%
Advertising and promotion	0.8%	1.4%
Training	0.2%	1.4%
Policy/freight	0.1%	0.3%
Tools and supplies	0.2%	1.4%
Equipment and vehicle maintenance	1.8%	5.0%
Sick/holiday – technicians	–	6.5%
Selling gross profit	62.9%	52.7%
Selling gross profit per technician	–	\$6,772
Selling gross profit per employee	\$19,316	\$4,116

Dealership overheads

	% Gross
Administration and salaries	6.6%
Training	0.1%
FBT (net of contributions)	0.9%
Payroll tax	0.0%
Superannuation	0.9%
Long service leave	0.0%
Rent (or mortgage interest)	11.4%
Rates and taxes	1.2%
Property maintenance/outside services	2.5%
Telephone	0.4%
Insurance (including workers compensation)	1.9%
Office supplies/stationery	0.4%
Professional fees	1.2%
Data processing	1.7%
Bank charges and taxes	0.3%
Interest (overdraft/working capital)	1.3%
Bad debts	0.1%
Depreciation	5.2%
Electricity	1.1%
Travel and entertainment	0.5%
Management fees	0.5%
Miscellaneous	2.6%
Total fixed expenses	40.8%

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

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