

# Kbb.com Reports Vehicle Manufacturers With Best Total Cost of Ownership

## Audi, Kia Lead Luxury, Non-Luxury Segments with Minimal Depreciation, Low Fuel Costs

IRVINE, Calif., Aug. 15, 2011 /PRNewswire/ -- Kelley Blue Book [www.kbb.com](http://www.kbb.com), the leading provider of [new car](#) and [used car](#) information, today reports the top three luxury and top three non-luxury brands with the lowest average Total Cost of Ownership for the initial five-year ownership period. Based on Kelley Blue Book's analysis, [Audi](#), [Lexus](#) and [Cadillac](#) (respectively) top all [luxury brands](#), while [Kia](#), [Hyundai](#) and [Honda](#) (respectively) dominate among all non-luxury brands for lowest average total ownership costs.

Total Cost of Ownership is developed using Kelley Blue Book® Residual Values to calculate depreciation costs. Depreciation plays the largest role in Total Cost of Ownership, followed by the cost of fuel during the ownership period. Kelley Blue Book calculates total ownership costs for new vehicles by applying a sophisticated valuation methodology along with critical financial data from third-party providers.

By reviewing the Total Cost of Ownership for vehicles on their consideration list, consumers can better understand the overall financial implications associated with vehicle ownership through the initial five-year ownership period. Kelley Blue Book's Total Cost of Ownership features easy-to-understand charts and graphs on [kbb.com](http://kbb.com) to help car shoppers make informed purchase decisions by breaking down the typical ownership costs for a particular vehicle, including depreciation, expected fuel costs, insurance, maintenance and repair costs, state fees and more.

"The average vehicle typically maintains about 30 percent of its original MSRP after five years of ownership, whereas a handful of vehicles maintain more than 45 percent after the same time period," said Eric Ibara, director of residual value consulting for Kelley Blue Book. "The new Total Cost of Ownership data on [kbb.com](http://kbb.com) is based on Kelley Blue Book Residual Values, which are used by banks and manufacturers nationwide."

At the brand level, Audi and Lexus currently have the lowest depreciation and best fuel economy among luxury brands, giving them an advantage in low cost of ownership at the luxury level. In addition, Audi, Lexus and Cadillac all offer models that carry a lower MSRP compared to other luxury brands. Combined with their entry-level vehicles, these brands stand out among their competitors for having low overall ownership cost. Audi's Total Cost of Ownership success is primarily driven by the A3 2.0T and A4 2.0T sedan models. Both edge out competitors with their minimal depreciation and stellar fuel economy.

For non-luxury brands, Kia and Hyundai have a number of successful redesigns, greatly improved quality and competitive pricing, which sets them apart from other non-luxury brands in terms of cost of ownership. Key Kia models contributing to the brand's low Total Cost of Ownership include the [Rio](#), [Optima](#) and [Forte](#). Additionally, Honda continues to be a reliable choice with strong fuel economy and customer loyalty.

<b>Top Luxury Brands</b>	<b>Average MSRP</b>	<b>Average Depreciation</b>	<b>Average Total Cost of Ownership (Five-Year Ownership Period)</b>
Audi	\$47,506	\$33,467	\$68,866
Lexus	\$55,273	\$37,029	\$73,605
Cadillac	\$53,684	\$40,028	\$77,680

<b>Top Non-Luxury Brands</b>	<b>Average MSRP</b>	<b>Average Depreciation</b>	<b>Average Total Cost of Ownership (Five-Year Ownership Period)</b>
Kia	\$21,643	\$15,599	\$38,884
Hyundai	\$23,359	\$16,688	\$40,092
Honda	\$26,301	\$17,120	\$40,862

"Kelley Blue Book's Total Cost of Ownership gives car shoppers a realistic view of what they will spend during the initial one- to five-year ownership period, allowing them to get the most for their dollar in today's economy," said Juan Flores, director of vehicle valuation for Kelley Blue Book. "More informative than simply having the purchase price alone, Total Cost of Ownership empowers car shoppers by including all significant costs that are part of the ownership experience."

Kelley Blue Book's Total Cost of Ownership launched with the redesigned kbb.com in May 2011 and is available free to consumers at [www.kbb.com](http://www.kbb.com).

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