

Auto Insights for 2025

State of the Auto Industry



Seamless customer experiences will be an imperative differentiator

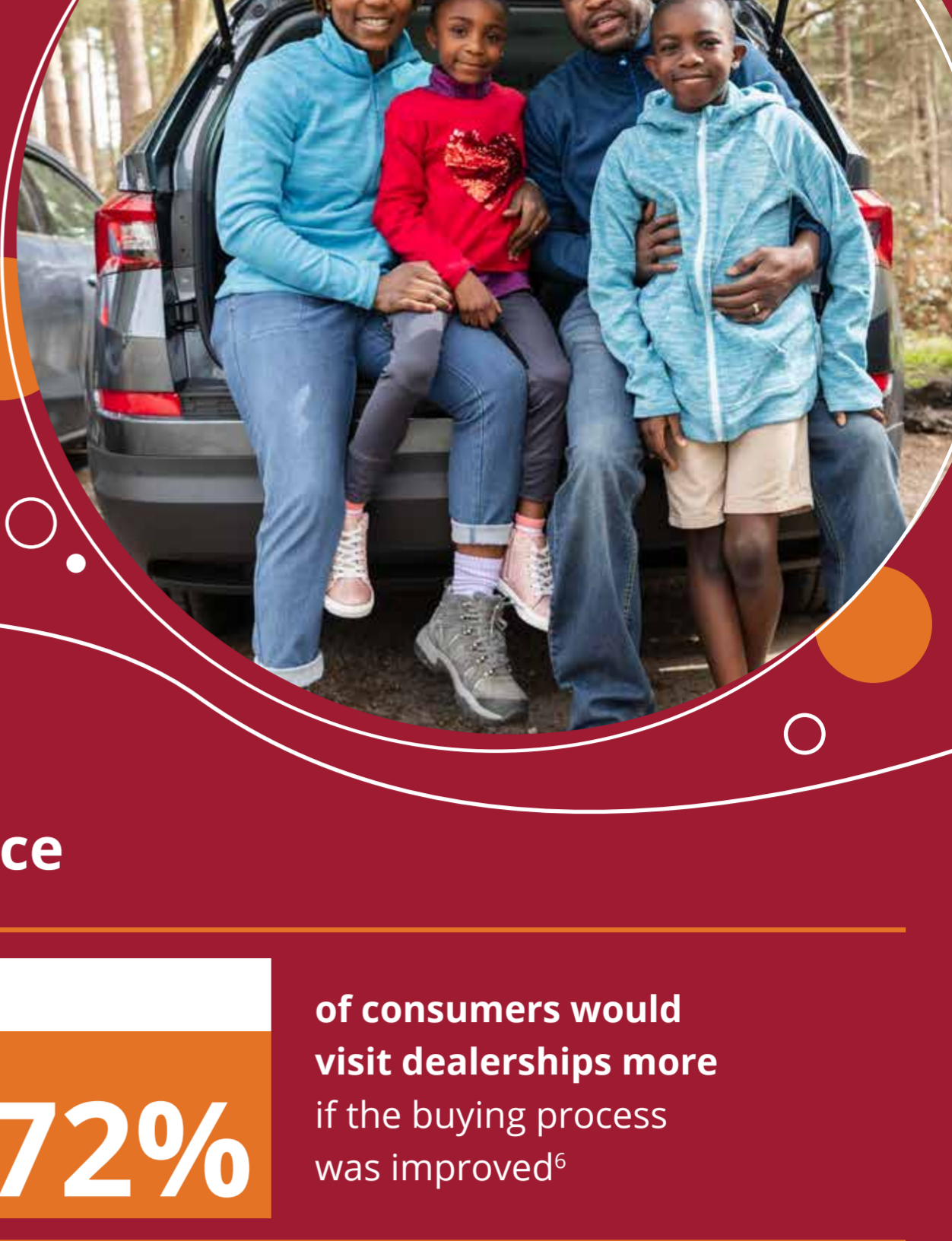
— all while addressing fraud and rising delinquencies in the auto industry.

What Does This Mean?



For Auto Dealers

Dealers can identify their most interested, qualified customers



High-touch customer experiences can make the difference

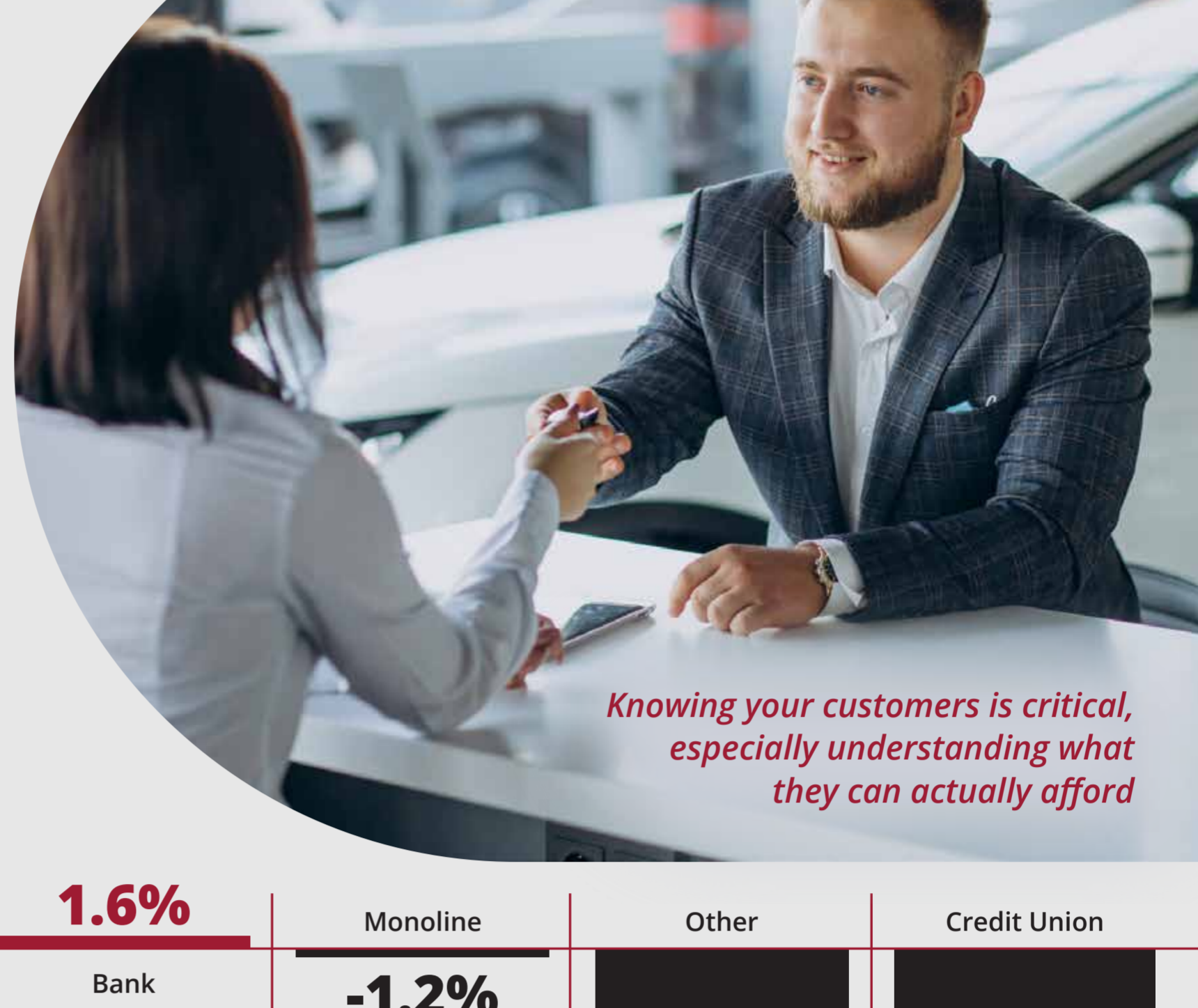


Most buyers prefer a combination of in-dealership and online



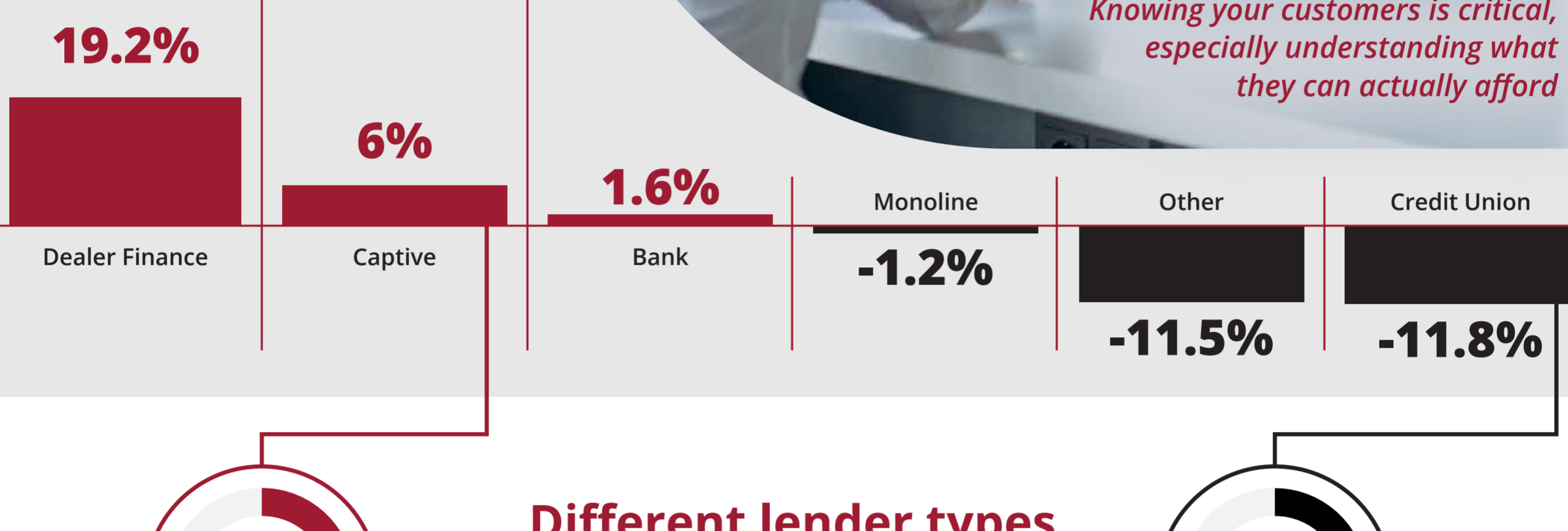
For Auto Lenders

Certain lender types may be more impacted by fraud and delinquencies than others

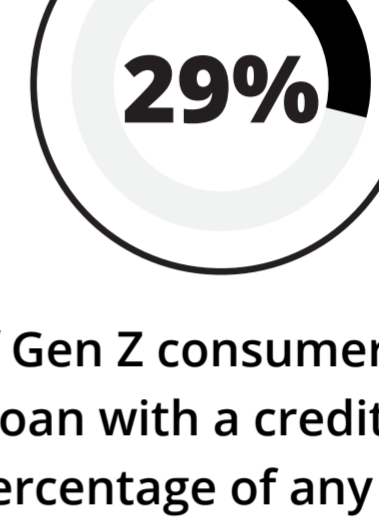


Knowing your customers is critical, especially understanding what they can actually afford

Auto origination growth by lender types YoY Nov 2024¹



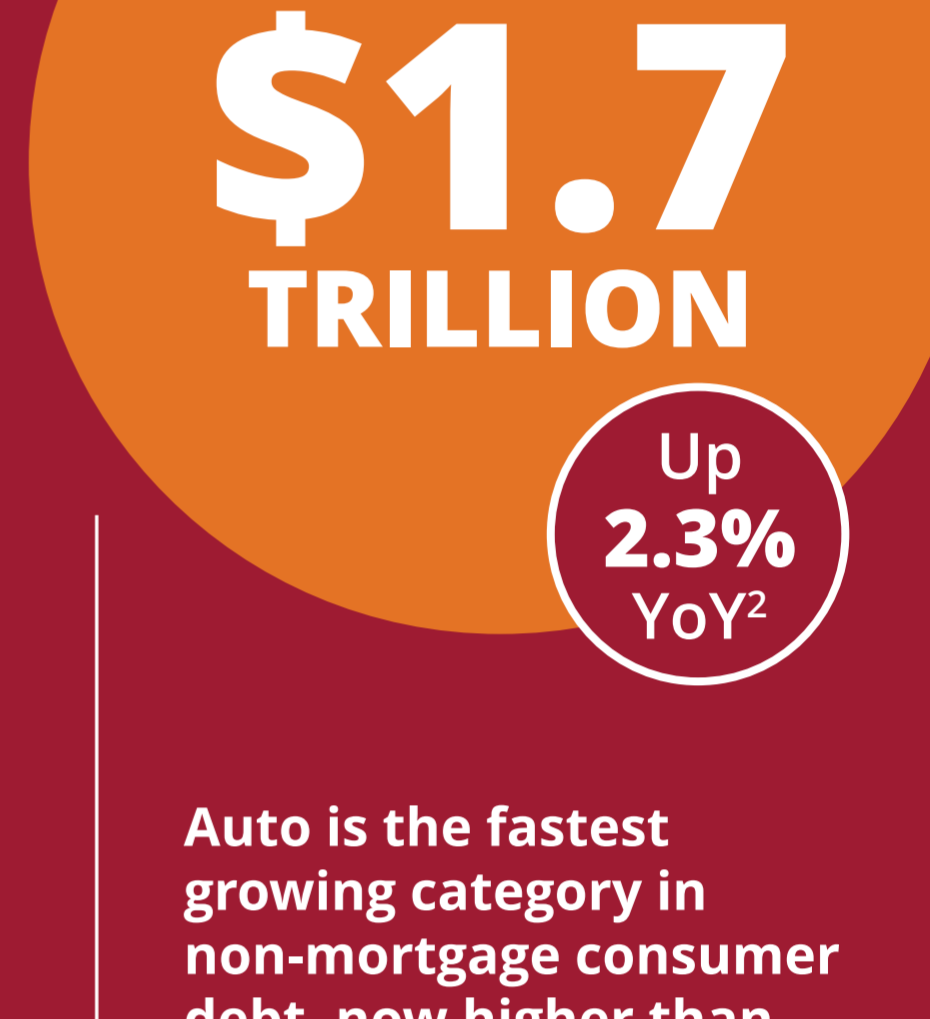
43% of Baby Boomers use captive financing (more than any other generation)¹



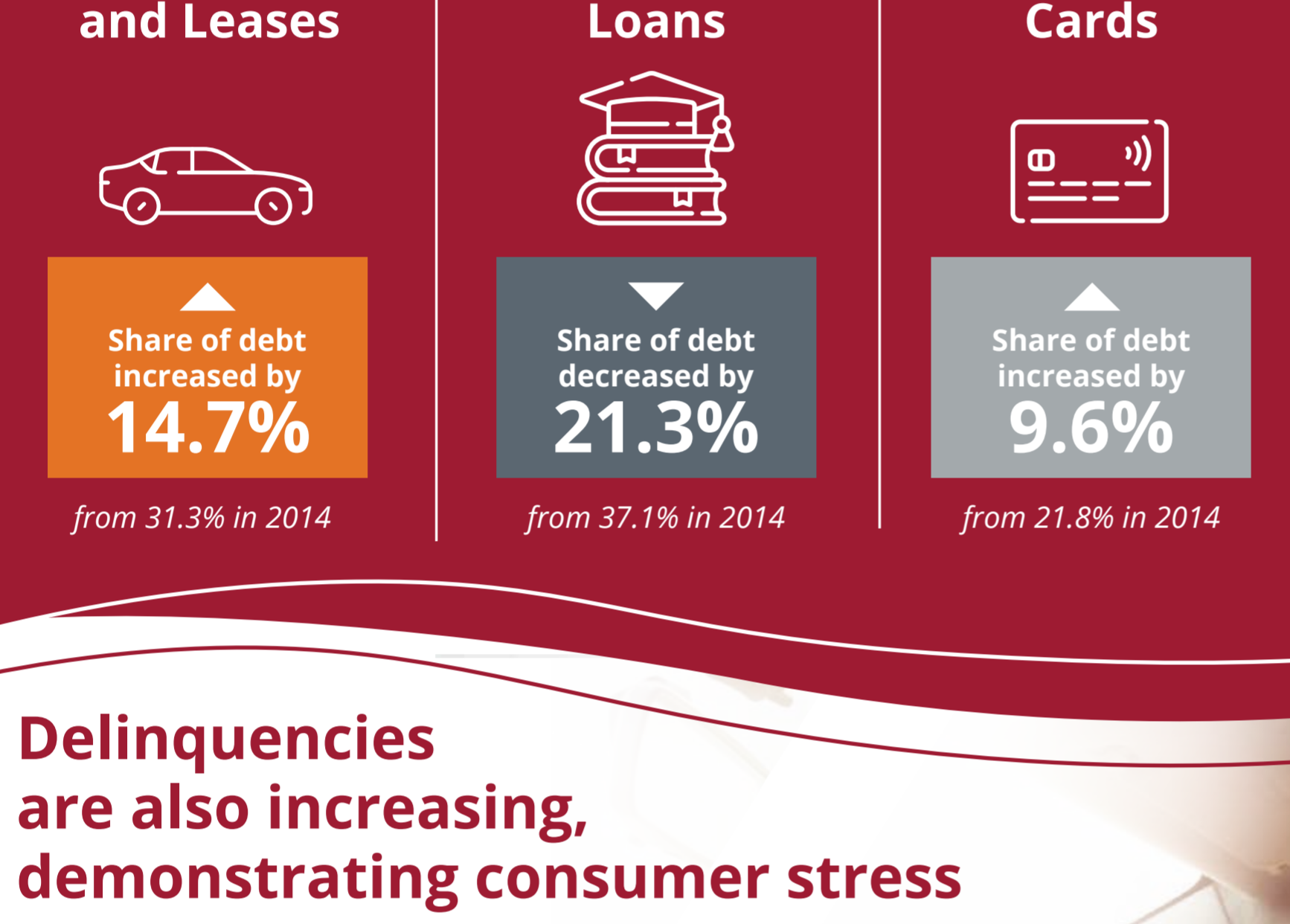
29% of Gen Z consumers opened an auto loan with a credit union (The highest percentage of any generation)¹

State of Consumer Finances in 2025

Debt for auto loans and leases has risen nearly 15% in the last 10 years²



Percent of Total Non-Mortgage Consumer Debt²



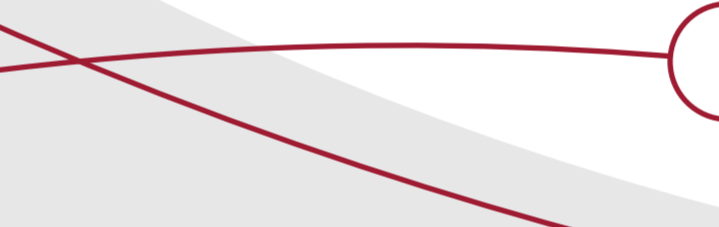
Auto is the fastest growing category in non-mortgage consumer debt, now higher than outstanding²:

- Student loans
- Bankcards
- Personal loans
- Private label cards

Delinquencies are also increasing, demonstrating consumer stress

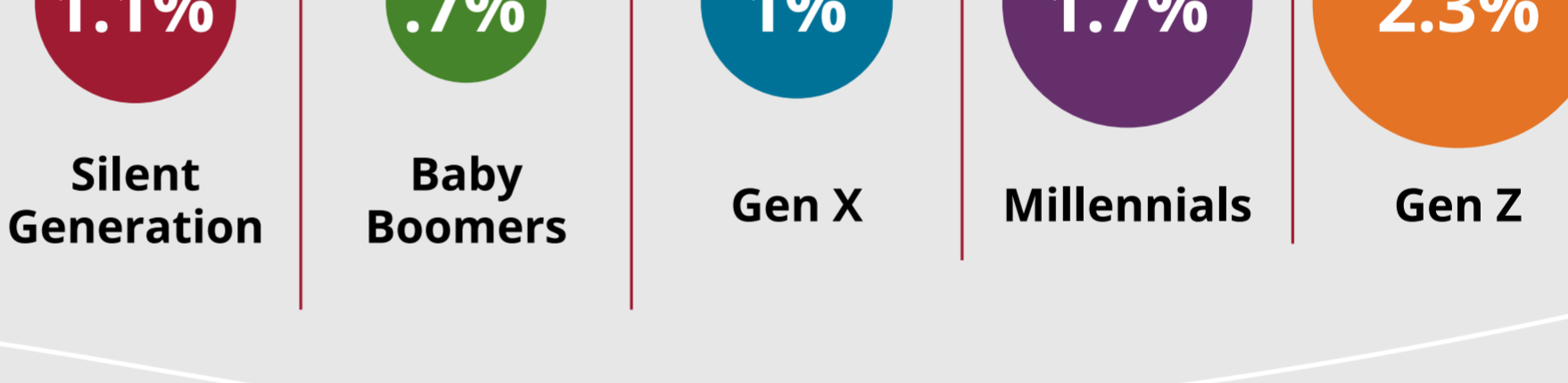
Auto Delinquencies²

60+ days past due



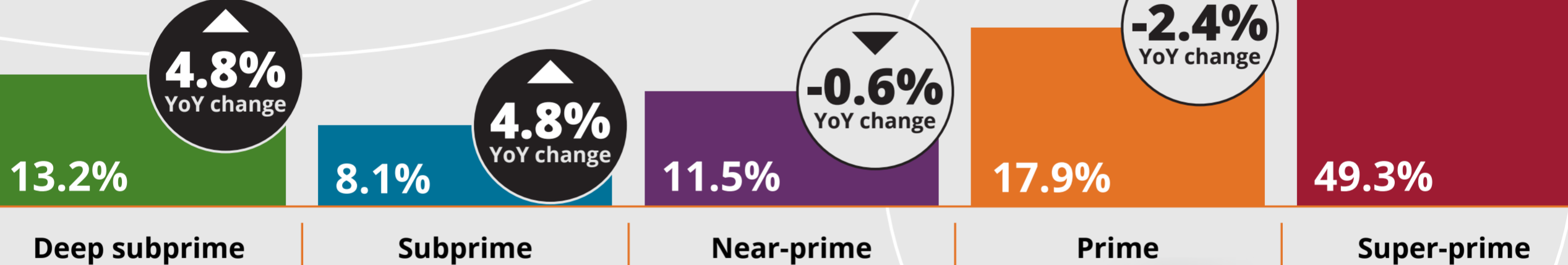
Some Generations Feel The Pressure More Than Others

Percentage of auto loans in 60+ delinquency, dollar rate (excluding severe derogatory)⁴



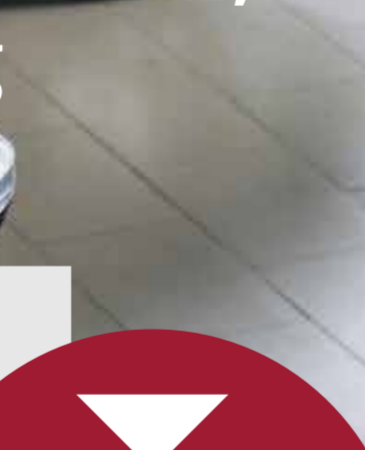
The YoY percentage of **deep subprime** and **subprime** borrowers with auto loans and leases is growing the most compared to other score bands¹

% Accounts per Score Band¹

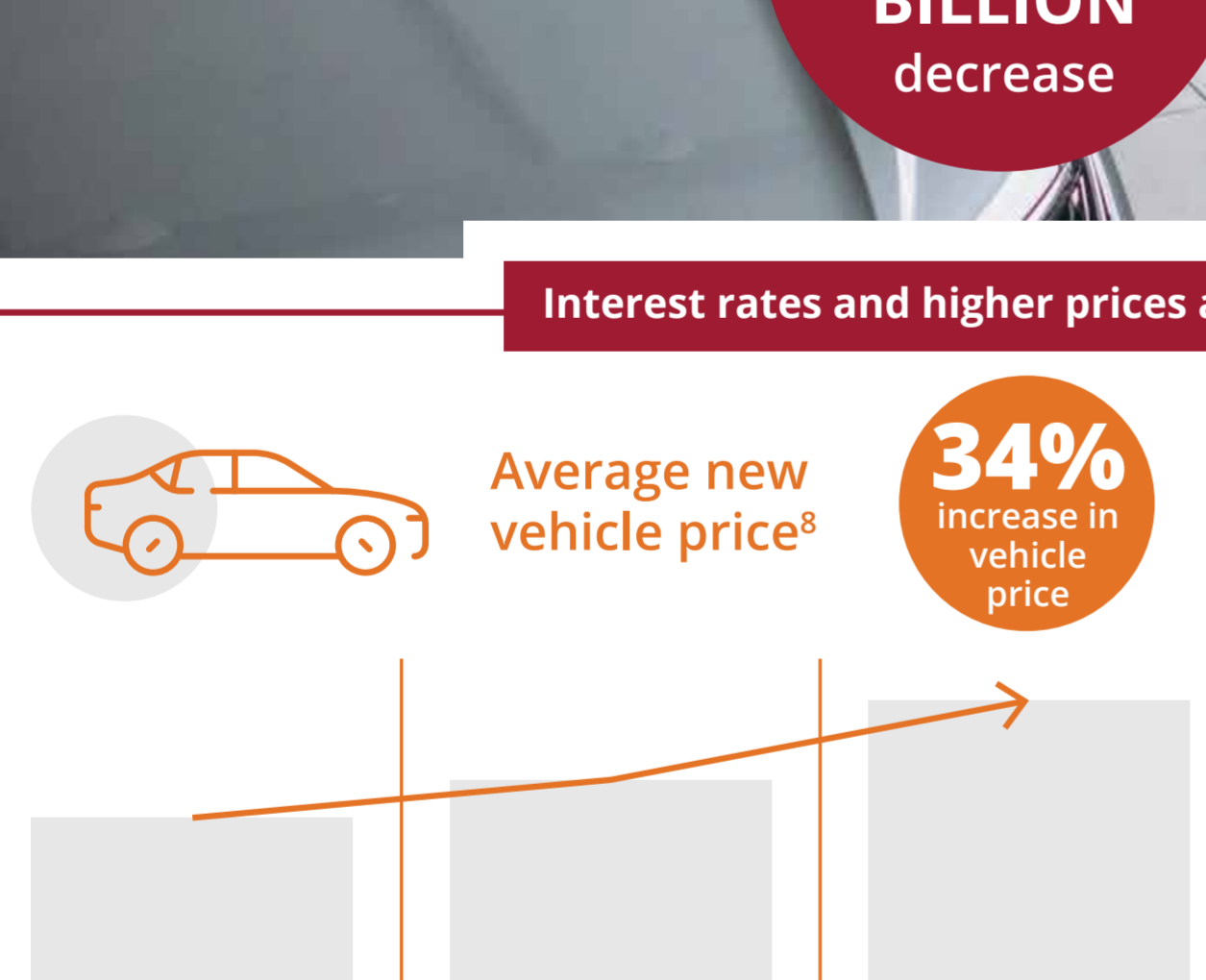


As financial pressure is felt, fewer cars are selling

Auto loan and lease originations dropped 1.6% YoY Sep 2024³

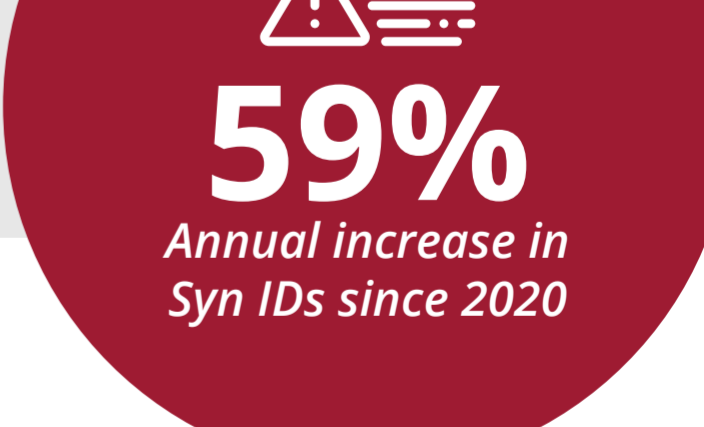


Interest rates and higher prices are partly to blame for slower sales



Fraud is a Major Factor in the Auto Industry

Synthetic identities (Syn ID) have increased 59% annually since 2020.¹⁰

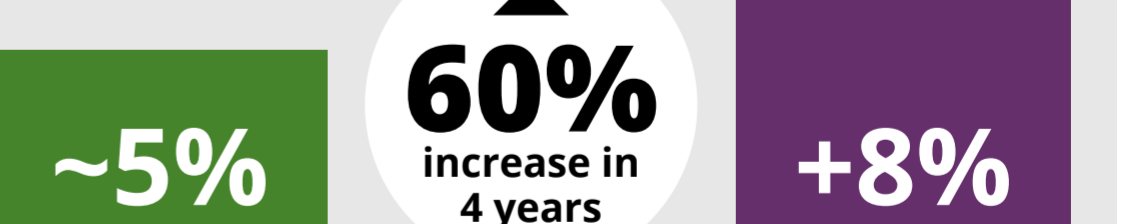


In 2023, Syn ID fraud rose by 98%¹¹

resulting in **\$7.9 BILLION** in losses



Loans and leases with a Syn ID risk have a delinquency rate 3 to 5 times higher than the portfolio average⁵



Know Your Customer (KYC) to Avoid Fraud

A proactive approach is key to help prevent fraud losses.

Equifax can help:

- Deliver buying power insights at the onset of the shopping process
- Secure the buying experience with seamless KYC tools
- Stop fraud in its tracks



Check out these solutions

- [PreQualification of One™](#)
- [Digital Identity Trust](#)
- [OneScore](#)



Contact Us for More Lender and Dealer Solutions

Get the Latest Auto Insights

Sources
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 3. Equifax Market Pulse January 2025
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