



## Optimizing Digital Auto Lending to Overcome the Captive Advantage

22 December 2020 By: Austin Kilgore

Traditional auto lenders face tremendous competition from disruptive startups seeking to redefine how consumers shop for, purchase, and ultimately use cars. This report examines new models for auto lending and leasing, how market newcomers are attracting consumer interest, and how the relationships among dealers, lenders, and consumers are evolving.

### **Key questions discussed in this report:**

- How has the COVID-19 pandemic affected auto finance?
- How can banks, credit unions, and other lenders compete with manufacturers' captive lending units?
- How do fintech lenders offer a different approach from traditional auto finance participants?
- How must auto lenders adapt to the changing dynamics of vehicle type, price, and consumers' use of automobiles?

Consumer data in this report was collected via an online survey fielded in April 2020, consisting of 1,000 consumers who obtained at least one auto loan or lease on or after January 2018.

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