



Car Buying Outlook 2025 Report



When the Capital One Car Buying Outlook launched five years ago, we viewed dealers as central to the car buying experience. As this year's findings illustrate, that remains true even amid dramatic changes in a more digital world. Dealers provide an in-person experience that helps foster positive emotions in car buyers—and more and more, dealers also offer informative digital tools that buyers can capitalize on before they visit a showroom.

The volume of digital information isn't the only thing that's increasing: As the 2025 Capital One Car Buying Outlook shows, car buyers' trust in dealers and their perception

year, historical findings from the Car Buying Outlook chart some of these shifts. For example, dealers continue to find more competitive value in digital tools, while buyers place more trust in dealers. Buyers also perceive car makers as trustworthy, which can work to dealers' benefit since the shopping experience can involve digital information from both car manufacturers and auto dealers. And members of Gen Z, many of whom are making their first car purchases, are more likely than other groups to be familiar with dealers' digital tools as well as feel they have the necessary ones in place.

It takes both digital and human input for car buyers to feel informed, trust and, ultimately, excitement about where the experience leads.

of transparency are growing as well. Buyers who shop in person are more likely to say they feel in control of the experience and feel more excitement and delight at its outcome. Take it all together, and this is an exciting time to be part of the industry.

The combination of information from digital tools and the in-person experience can help car buyers to feel informed, trust and, ultimately, excitement about where the experience leads.

An analysis of our data shows that satisfaction, trust and transparency are all related. When tools help enable car buyers to gather reliable information on models, inventories, pricing and financing, they can arrive at the dealership ready to discuss their options with confidence. Online tools can also help car buyers identify which dealerships they want to do business with—and buyers who see the process as transparent are more likely to be repeat customers.

The context in which car buyers and dealers pursue these relationships has changed in recent years. Now in its fifth

A satisfying car buying experience is something both buyers and dealers can strive for and appreciate. It's even better when an experience leaves people not just satisfied but excited. When dealers understand buyers, their attitudes, and the way they use new technology tools, they can do more to bring joy and excitement to the experience.

We should remember that cars are one of the most significant purchases people will make in their lifetimes—and buyers *should* feel excitement in reaching the milestone of car ownership. Through the Car Buying Outlook, Capital One is committed to providing insights that help dealers refresh and refine that understanding so they can create the most transparent and trustworthy car buying experience possible.



Sanjiv Yajnik

President,
Capital One Auto

Executive Summary

Car buyers' trust in dealers has surged from 44% in 2023 to 69% this year, and buyers who trust a dealer are more likely to bring them repeat business. Furthermore, car buyers and dealers alike perceive the car buying process as more transparent than past years.

The availability of digital tools, like auto loan calculators, car comparison sites and tools for finding dealers, can contribute to this transparency. In 2025, most car buyers (60%) relied on external sources not related to the dealership when they began to research a car purchase, and almost half of recent buyers (46%) researched vehicles online before visiting a dealership in person.

- When buyers are familiar with a dealer's digital tools, they're 16 percentage points more likely to see the buying experience as transparent and 26 percentage points more likely to understand all its steps.
- For their part, dealers recognize this power: 86% say digital tools give them a competitive edge, an increase of more than 25 percentage points from 2021.

Car buyers use online tools for ease and then shop in person for excitement. Most recent car buyers (74%) used a mixture of online and in-person buying in 2025. Recent buyers report starting the process online, such as conducting research on vehicles (46%) and local inventory (38%), then moving to down-the-funnel activities in person.

- Over half of consumers shop online due to the ease of comparing prices online (54%) and like being able to find all the information they need online (37%).
- Forty percent of in-person shoppers found the experience transparent, compared with only 18% of online shoppers.



- In-person shoppers also felt more excitement (67% vs. 56%) and delight (52% vs. 44%).

Car dealers can benefit from buyers' perception of manufacturers' trustworthiness.

- Three-fourths (73%) of car buyers trust manufacturers to provide accurate information throughout the car buying process.
- Forty-five percent of recent buyers said manufacturers contribute to the trust they feel in dealerships.

Gen Z exemplifies many of the corresponding traits to both online and in-person shopping.

- They're more likely to use external sources, not only during a dealer visit (40%) but also when deciding which dealer to engage (53%) than other generations.
- Many of them (25%) feel frustrated with price negotiations and financing, 34% feel overwhelmed by the whole experience, and 29% feel stressed.
- But at the same time, Gen Z was the only generation to rank dealers among their top five most trusted sources of information.

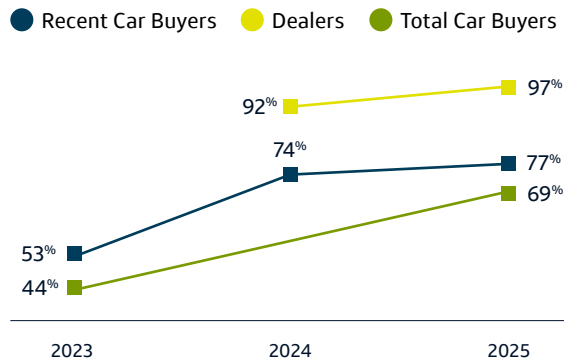
SUMMARY

So if trust in dealers is more pronounced among the industry's newest customers—who have more of their lifetime car buying ahead of them—dealers can take heart. They can also welcome the notable increase our research found in how much car buyers trust dealers overall. More trust can lead to more repeat business. New tools are helping car buyers feel more informed and helping to forge new relationships that car buyers and dealers can both appreciate.

Digital tools can bridge the buyer-dealer perception gap and continue building trust

The availability of digital tools may contribute to trust and dealers are recognizing the potential benefits.

View Dealerships As Trustworthy



Note: data tracking for this question began in 2023 for Buyers and 2024 for Dealers.

KEY INSIGHTS

- Over the last three years, recent buyers' trust in dealers has increased significantly
- When car buyers are familiar with digital tools, they are more likely to trust the dealership
- Dealers increasingly recognize that digital tools offer a competitive edge
- Car buyers who trust a dealer are more likely to return more than once
- Car buyers who see the experience as transparent are also more likely to be repeat customers

71% of car buyers **trust dealerships** when they are familiar with digital tools, compared to **56%** who are unfamiliar with them.

86% of dealers in 2025 believe that **digital tools** are a necessary component of maintaining a competitive edge, compared to **61%** in 2021.

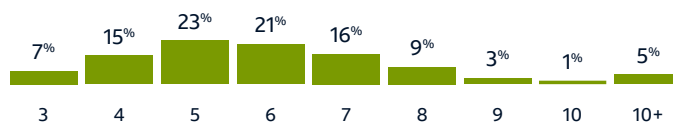
When Future Repeat Buyers Plan to Return to the Same Dealership



In-person shoppers are more likely to feel control and excitement; repeat customers report higher satisfaction

Shopping with both online and in-person resources is the norm. Though many car buying experiences “start digital,” personal interaction between buyers and dealers corresponds to more positive emotional responses for buyers. When asked why they chose to complete some of the process in-person versus online, car buyers were nearly twice as likely to say they felt motivated by a greater sense of control shopping in person compared to shopping online. Dealers have an opportunity to use digital tools to help car buyers arrive at the showroom feeling more informed and in control.

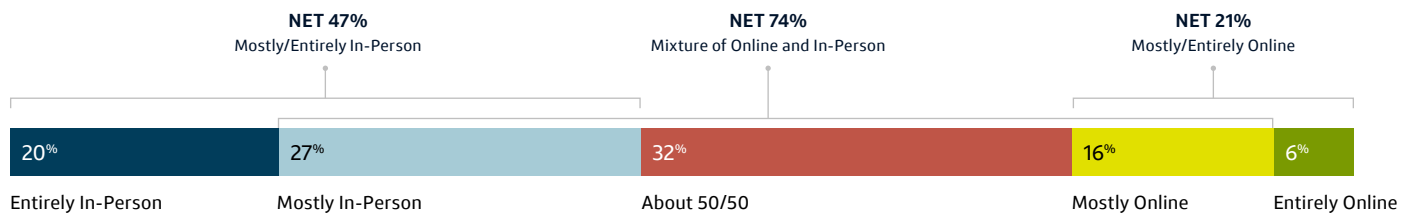
Dealers' Average Number of Customer Touch Points



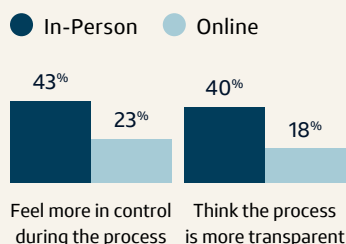
KEY INSIGHTS

- Dealers report an average of six customer touch points before purchase
- A car buying experience that uses both digital and in-person resources is the norm
- In-person shoppers are more likely to report positive emotions than online shoppers
- Shopping at least partially in person corresponds to more reported feelings of control and transparency

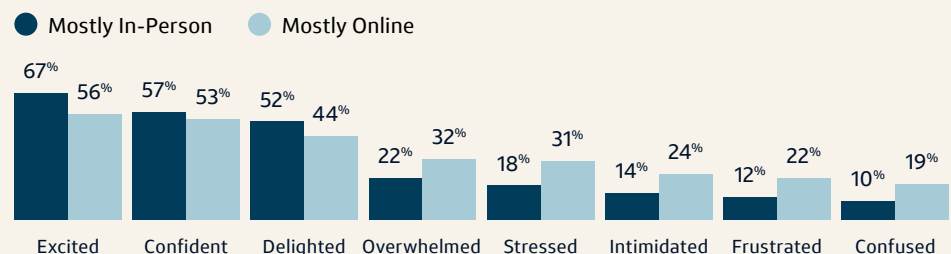
In-Person vs. Online Car Shopping in 2025



Control and Transparency in In-Person Buying



Emotions Experienced Throughout the Car Buying Process



*Among those who shopped entirely or mostly in person and those who shopped entirely or mostly online.

Car buyers perceive manufacturers as trustworthy—and dealers can benefit

Buyers put the most stock in their own past experiences, but manufacturers enjoy a level of reported perceived trust that can work to dealers' advantage.

KEY INSIGHTS

- Car buyers feel manufacturers are trustworthy, and manufacturers contribute to trust in dealers more than twice as much as last year
- More recent car buyers started to think about financing at the “make and model” stage—a manufacturer touch point that can “lend” trust to dealers



In 2025,

45%

of respondents reported that manufacturers contributed to trust in dealerships

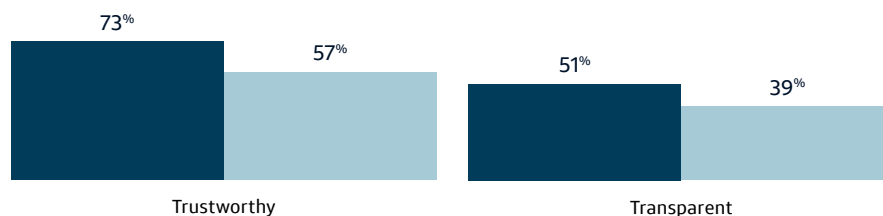
compared with less than half that in 2024:

20%

Among recent car buyers who trust dealerships

Manufacturers Perceived as More Trustworthy and Transparent

● Manufacturers (e.g., GM) ● Car Dealers



When Recent Car Buyers Started Thinking About Financing

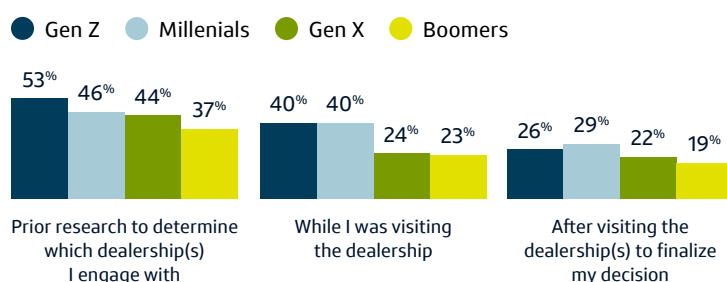
● 2022 ● 2023 ● 2024 ● 2025



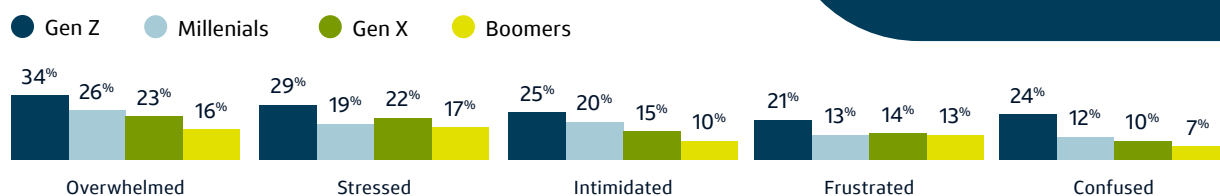
Gen Z has more trust in dealers than other generations as they navigate the car shopping experience

The latest generation to embark on first-time car buying reports more frustration than other generations right now—but its members are more likely to trust dealers, and they're also more open to external information from sources such as third-party websites when making decisions.

Points At Which Buyers Rely On External Sources



Emotions Experienced Throughout The Car Buying Process



KEY INSIGHTS

- Much of Gen Z relies on external sources for research even while visiting the dealership
- Gen Z car buyers are more likely than other generations to feel negative emotions throughout car buying
- There are a variety of topics top of mind for Gen Z at the dealership, but test drives (42%) and interest rates (41%) rank highest
- Unlike other generations, Gen Z ranks dealers as a top-five most trusted resource

Topics Gen Z Most Frequently Ask Dealers About

42% Test Drives

41% Interest Rates

Finds Each Source of Information 'Trustworthy'



Survey Methodology

The Capital One Car Buying Outlook consists of findings from two surveys targeting car buyers and dealers respectively, both of which were conducted on behalf of Capital One Auto through Rep Data. Diagnostic tests (panel-level, statistical, logic-based, refielding) were conducted to remove low-quality respondents and ensure the integrity of the final sample.

The analyzed buyer survey was conducted online from August 12 through August 24, 2025 with a margin of error of $\pm 2.2\%$. The analyzed car buyer survey consists of 2,042 U.S. car buyers (recent and future), ages 18+. Of these, 829 purchased a car in the last six months and are considered “current car buyers”, while 1,213 said they’re planning to purchase a car within the next year and are considered “future car buyers”. Among our total car buyer sample, 1,679 shopped or plan to shop entirely/mostly online, 50/50 online/in-person or mostly in-person and are considered those who ‘shopped/plan to shop at least partially online.’ 1,959 shopped or plan to shop entirely/mostly in-person, 50/50 in-person/online or mostly online and are considered those who ‘shopped/plan to shop at least partially in-person.’ Generational data was pulled for Boomers and older (ages 61+), Generation X (45-60), Millennials (29-44) and Generation Z (18-28).

The analyzed dealer survey was conducted online in two parts, from August 11 through August 22, 2025 and September 15 through September 17, 2025 with a margin of error of $\pm 4.4\%$. The analyzed dealer survey consists of over 489 U.S. car dealers. These respondents currently work for an automobile dealership as an owner, general manager, F&I director, sales manager, internet manager or in the business development center at dealerships with an approximate annual sales volume of at least \$1M.

Findings are compared to the 2024 Car Buying Outlook (fielded between May 1-20, 2024 to 1,994 U.S. recent car buyers with a margin of error of $\pm 2\%$ and 600 U.S. car dealers, with a margin of error of $\pm 4\%$), the 2023 Car Buying Outlook (fielded between October 10-15, 2022 to 2,210 U.S. recent and future car buyers with a margin of error of $\pm 2\%$ and 400 U.S. car dealers with a margin of error of $\pm 5\%$), the July 2022 Car Buying Outlook (fielded between June 7-13, 2022 to 2,209 recent and future car buyers with a margin of error of $\pm 2\%$ and 400 car dealers with a margin of error of $\pm 5\%$), and the 2021 Car Buying Outlook (fielded between October 1-20, 2020 to 1,000 future and recent car buyers with a margin of error of $\pm 3\%$ and 401 car dealers with a margin of error of $\pm 5\%$).

All data in this report is from self-reported, anonymous research of U.S. respondents broadly, not specifically from or about Capital One customers or employees.

