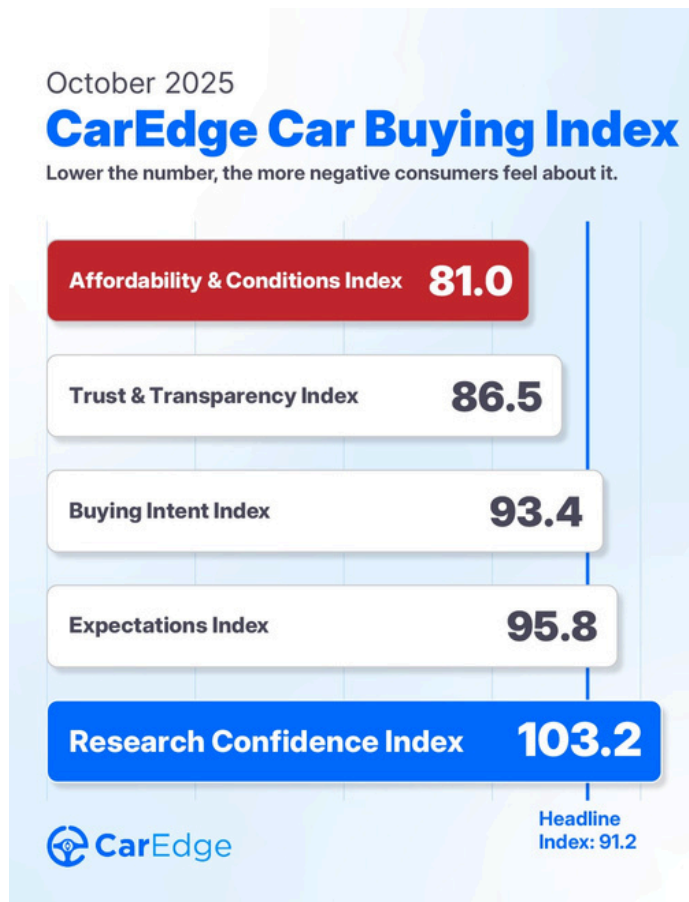


# CarEdge Car Buying Index Reveals Affordability Crisis and Trust Deficit in Auto Market

The CarEdge Car Buying Index (CCBI) is a new consumer sentiment measure designed exclusively for the automotive market. Based on responses from over 1,000 car shoppers, the October 2025 reading shows that American buyers are approaching the market with growing skepticism. The CCBI will serve as a monthly pulse check on how consumers feel about buying cars.

This month's data reveals two defining challenges: an ongoing affordability crisis and a trust deficit of historic proportions. The vast majority of car buyers report vehicles are less affordable than a year ago, while trust in both dealerships and automakers has hit new lows. In an industry built on relationships and negotiation, these twin pressures are reshaping the entire buying experience.

The October 2025 headline CCBI stands at 91.2—below the neutral baseline of 100—reflecting this combination of affordability pressures, trust deficits, and overall caution. Yet despite the pessimism, the data reveals something surprising: consumer intent to buy remains strong, and confidence in research has never been higher.



## What the Index Reveals — Five Key Findings

### Affordability & Conditions Index: Widespread Concerns

The Affordability & Conditions sub-index scores 81.0, making it the single largest drag on overall car buyer sentiment. Consumers overwhelmingly feel that car prices are too expensive, and that the situation is unlikely to improve in the near term.

What does this paradox mean? Car buyers don't trust the players, but they trust themselves to navigate the process. It's a defensive posture. Consumers aren't walking into dealerships expecting partnership. They're expecting a fight, and they're coming prepared.

## Expectations Index: Stable Finances Confront a Tough Market

The Expectations sub-index comes in at **95.8**, just below the neutral 100 mark. This near-neutral reading masks two diverging forces pulling in opposite directions.

On the personal finance front, consumers are relatively stable. When asked about their household financial situation compared to a year ago, **63% said about the same**, **21% said better**, and **16% said worse**. Looking ahead 12 months, the outlook is similarly steady: 67% expect their finances to be about the same, 22% expect better, and 11% expect worse. These aren't the numbers of a consumer base in panic mode.

But when the lens shifts from personal finances to the car market itself, optimism fades. As noted earlier, only 20% think the next 12 months will be a good time to buy a vehicle. Electric vehicle sentiment adds another layer of intrigue. When car shoppers were asked if they'll be considering an electric vehicle or plug-in hybrid in the next 12 months, **69% said no**. Just 11% said yes, while 20% said maybe. With battery electric vehicles (BEVs) exceeding 10% of new car sales for the first time in Q3 2025, it looks like slower growth is going to be the theme moving forward.



The numbers tell a clear story. When asked how affordable vehicles are compared to a year ago, **74% of respondents said less affordable**, 22% said about the same, and just 4% said more affordable.

Availability compounds the problem. Nearly half of all buyers say they're not satisfied with the availability of vehicles in their price range. This comes at a time when affordable models are being discontinued by automakers, despite the drumbeat of consumers asking for affordable options.

Only 8% report being very satisfied with current vehicle availability, while 43% are somewhat satisfied. Buyers aren't just frustrated by high prices; they're frustrated by the gap between what they can afford and what's actually available at that price point.

Looking ahead doesn't offer much relief. When asked if the next 12 months will be a good or bad time to buy a vehicle, **only 20% said good**. Just over half landed on neutral, while one-quarter expect bad conditions.

## Trust & Transparency Index: A Deficit Too Big to Ignore

If affordability is the practical barrier to car buying, trust is the emotional one. The Trust & Transparency sub-index scores **86.5**, reflecting a consumer base that approaches dealerships and automakers with deep skepticism.

Among all respondents, 82% report low trust in dealerships to treat consumers fairly. Another 17% feel neutral about it. **That leaves just 1% who express high trust in car dealerships.** Put another way: 99% of car buyers have either low or neutral confidence in the retail channel that sells them vehicles.



Automakers fare slightly better than dealers, but the numbers are still damning: 59% of buyers report low trust in automakers, 39% feel neutral, and only 2% have high trust. For an industry that spends billions on brand-building and customer experience, these figures represent a large failure. Yet there's a twist. When asked how confident shoppers are that they can complete a purchase without paying for unwanted extras or fees, 66% express at least some confidence. That breaks down to 23% very confident and 43% somewhat confident, with 34% not confident.

This tepid consumer interest signals a continuing mismatch between the dozens of new electric models coming to showrooms, and what most buyers actually want.

## Buying Intent Index: Pent-Up Demand Meets Reality

The Buying Intent sub-index scores **93.4**, below the neutral baseline but not dramatically so. More telling is the raw statistic behind it: 58% of respondents say they're likely to purchase or lease a vehicle in the next six months.

Think about that for a moment. In a market where sentiment sits at 91.2, affordability is at 81.0, and trust is at 86.5, a clear majority still intends to buy. This is the signature of need-based demand. People need vehicles even when they don't want to buy them under current conditions.

As year-end sales approach, half of all respondents (51%) say they're most likely to purchase or lease a new vehicle. Just 29% say used, and a noteworthy 20% are shopping both options. That the preference for new vehicles persists despite affordability pressures indicates that buyers may be willing to stretch budgets or extend loan terms to get what they want.

This is pent-up demand meeting harsh market realities. If conditions improve with falling interest rates or widespread incentives, this demand could release quickly and lift the market. But if affordability continues to squeeze, buyers may be forced into compromises that leave them frustrated and financially overextended.

### Pent-Up Demand Meets Reality



## Research Confidence Index: The Bright Spot

In a market defined by skepticism toward automakers and dealers, car buyers are finding confidence in one place: their own research. The Research Confidence sub-index stands at **103.2**, the only component of the CCBI above the neutral 100 baseline. Perhaps this shouldn't be shocking, since car buyers have more tools at their disposal than ever before.

When asked how confident they are that the information they find when researching cars is accurate and unbiased, **86% of buyers express confidence in their research**. Just 14% say they're not confident in their research.

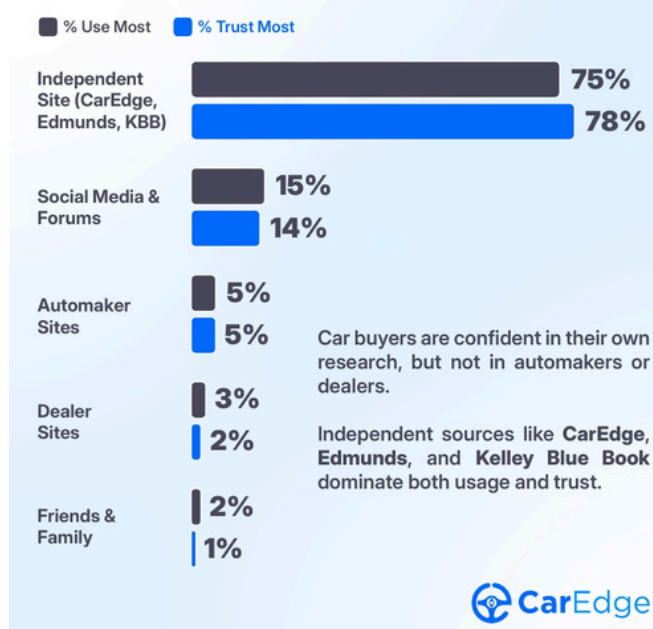
This matters because it represents a fundamental shift in the power dynamics of car buying. For decades, information asymmetry—what the dealer knows versus what the customer knows—has been the source of consumer frustration and dealer advantage. That gap is closing. Buyers are walking into showrooms armed with data on invoice pricing, market values, reliability ratings, and negotiation know-how. They may not trust who's selling them cars, but they trust their homework.

Where are they turning? Overwhelmingly, to independent sources. When asked which source they turn to most when researching vehicles before buying, 75% said independent sites like CarEdge, Edmunds, and Kelley Blue Book. Social media and forums came in second at 15%, followed by automaker sites at 5%, dealer sites at 3%, and friends or family at 2%.

Trust follows the same pattern, but even more pronounced. When asked which source they trust most for unbiased information, 78% chose independent sites.

Social media and forums garnered 14% trust, automaker sites 5%, friends and family 1%, and dealer sites brought up the rear at just 2%.

## Where Car Buyers Turn for Research, and Who They Trust Most



The implications are significant. Dealer websites—the digital front door of the retail experience—are trusted by only 2% of car buyers. Automaker sites, despite massive investments in content and user experience, earn trust from just 5%. Meanwhile, independent platforms have captured three-quarters of consumer attention and nearly four-fifths of consumer trust.

This explains the paradox from earlier: buyers don't trust dealers or automakers, yet 66% feel confident they can avoid unwanted extras and fees. They're not relying on the sellers to be fair. They're relying on independent information to level the playing field.

Research Confidence (103.2) is the one genuinely positive signal in the October 2025 CCBI. It suggests that even as market conditions strain buyers and trust erodes, consumers feel equipped to make informed decisions. Information, it turns out, is the great equalizer. And in 2025, car buyers have more of it than ever before.



# What the CCBI Tells Us About the Market

## Affordability Is the Core Issue

**Concerns about affordability are dragging down overall car buyer sentiment in 2025.** When three in four buyers say vehicles are less affordable than a year ago, that's not to be overlooked.

This affordability squeeze has multiple causes. Average transaction prices remain elevated, even as some incentives have returned. Interest rates, while down from their 2023 peaks, are still materially higher than the sub-3% loans that defined the 2010s.

And inventory, while improved from the shortage years, has shifted toward higher-trim, higher-priced models that push many buyers out of their comfort zones. Automaker's captive lenders are now bringing 84-month loan incentives to market as a result, despite the consensus that 7-year auto loans are a recipe for negative equity. Moreover, OEMs continue to cancel affordable models, with the Kia Soul being the latest casualty of this broader trend.

The result is a market where buyers feel they have two bad options: stretch the budget and risk financial strain, or settle for less vehicle than they want. Neither feels like winning.

## Severe Lack of Trust Creates Friction



The severe lack of trust creates friction at every stage of the car buying process. When consumers approach a transaction assuming the other side is looking to take advantage, negotiations become adversarial by default. Every offer is scrutinized. Every add-on is suspected. Every friendly gesture is viewed with cynicism.

This isn't good for anyone. Dealers spend more time defending their practices than building relationships. Buyers spend more emotional energy on guard than on finding a vehicle they love. And automakers watch their brand equity erode, despite billions spent on customer experience initiatives.

The 66% who feel confident avoiding unwanted extras reveals the coping mechanism: preparation and vigilance. Buyers aren't trusting sellers to be fair. They're trusting themselves to be smart enough to spot the fake fees and unwanted add-ons. This defensive posture turns what should be an exciting purchase into a battle of wits.

For Ray, the trust numbers are the most alarming finding in the entire survey: "

*82% of respondents don't trust the dealership to treat them fairly. That represents just how poorly dealerships have operated for decades. That number should scream 'we need to change how we operate' to both dealers and manufacturers. It is almost out of the Twilight Zone: 'imagine if you will, a way to make the second most expensive purchase of your life not only fun but also to be treated fairly by the seller.' People can't imagine it, and dealers don't seem to be concerned enough to change the process. And well, that needs to change."*



## Most Consumers Are Pessimistic, But Still Planning to Buy

Here's the puzzle at the heart of the October CCBI: **overall sentiment sits at 91.2**, well below neutral. Affordability scores 81.0. Trust scores 86.5. By every measure, buyers are dissatisfied with the market. And yet 58% still plan to buy or lease a vehicle within the next six months.

This is the signature of need-based demand. Cars aren't discretionary purchases for most Americans. For the majority, they're essential. When your current vehicle reaches the end of its useful life, or when circumstances change and you need different transportation, you buy.

Market conditions might determine what you buy and how much you pay, but they rarely determine whether you buy at all.

This creates a form of pent-up demand that's different from typical economic cycles. In a normal downturn, consumers can delay purchases until conditions improve. But vehicles wear out on their own timeline. Lease terms end. Families grow. Jobs change. Life doesn't wait for interest rates to fall or inventory to balance.

The risk is what happens when need collides with unfavorable conditions. Buyers may stretch into loans they can barely afford. They may settle for vehicles that don't meet their needs. They may defer maintenance on their current cars longer than is safe, hoping conditions improve. None of these outcomes are good for consumers or for the long-term health of the market. The opportunity, conversely, is that this demand is real. **If conditions improve, this 58% of shoppers could convert quickly.** The intent is there. Automakers, dealers, and the market just need to meet buyers where they are.

## Research as the Great Equalizer

The October Research Confidence score (103.2) represents a structural shift in how car buying works. Information used to be scarce, and was more likely than not tilted in the seller's favor. Dealers knew invoice prices, holdbacks, and incentive structures. Buyers knew sticker prices and whatever their neighbor told them. That imbalance gave dealers pricing power and negotiating leverage.

That world is gone. Today's buyers come armed with previously behind-the-scenes car market data. Today, buyers are just a click away from real-time market factors that influence negotiability, on-demand expert help, and even AI-assisted negotiations. They've

watched YouTube videos explaining F&I tactics, and have consulted forums on Reddit and elsewhere. They know what questions to ask and what red flags to watch for.

This doesn't mean every buyer is an expert. But it means the information barrier has largely collapsed. Buyers who want to be informed can be. And 86% feel confident in the research they're doing.



Zach Shefska, CarEdge CEO and Co-Founder.

Information is the great equalizer. Today's buyers come armed with data on pricing, incentives, and negotiation strategies. The information barrier has largely collapsed.





The 78% who trust independent sites most reveals where this shift is happening.

These platforms—CarEdge among them—have built credibility by aligning with consumers rather than sellers. They explain what buyers need to know, not what dealers want to highlight. They call out bad practices. They celebrate transparency when they find it.

The buyers who show up in 2025 are informed, skeptical, and prepared. The businesses that thrive will be the ones that treat that as an opportunity rather than a threat.

## How the CCBI Is Calculated

The CarEdge Car Buying Index is designed to be a repeatable, unbiased measure of consumer sentiment toward the automotive market. Developed by CarEdge's Justin Fischer and Steve Saed, the CCBI was inspired by the University of Michigan Consumer Sentiment Index's tracking of broader economic confidence.

The October 2025 inaugural survey collected responses from 1,048 participants drawn from CarEdge's audience of 370,000 weekly newsletter subscribers. The survey ran from September 30 through October 6, 2025, and consisted of 14 standardized multiple-choice questions covering current conditions, future expectations, trust, research confidence, and purchase intent.

Each scored question uses a simple framework: positive responses receive +1, neutral responses receive 0, and negative responses receive -1. These scores are then converted to a 50–150 scale, where 100 represents neutral sentiment. Scores above 100 indicate optimism; scores below 100 indicate pessimism.

The headline CCBI weighs responses strategically: 60% comes from Current Conditions and Core Expectations (the immediate realities buyers face), while 40% comes from Trust & Transparency, Research Confidence, and Buying Intent (the softer factors that shape behavior). Sub-indices track sentiment within specific categories, allowing for deeper analysis of what's driving overall sentiment up or down.

This October 2025 release establishes the baseline. Moving forward, the CCBI will be conducted during the final week of each month, with results published shortly after. Month-over-month comparisons will reveal how sentiment shifts in response to interest rate changes, new model launches, seasonal patterns, economic news, and policy developments. The methodology is fully transparent, with no editorial adjustments to the data. When the CCBI is referenced externally, CarEdge must be cited as the source.

# Appendix: Complete Survey Data and Analysis

## Survey Overview

**Sample Size:** 1,048 respondents

**Survey Period:** September 30 - October 6, 2025

**Sample Source:** CarEdge newsletter audience (370,000 weekly subscribers)

**Survey Format:** 14 standardized multiple-choice questions conducted online

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## Headline CCBI and Sub-Indices

### Headline CCBI (October 2025): 91.2

- Below the neutral baseline of 100, indicating mildly pessimistic overall sentiment
- Core block (60% weight): 92.0 — Average of Current Conditions & Core Expectations
- Other block (40% weight): 90.0 — Average of Trust & Transparency, Research Confidence, and Buying Intent

### Sub-Indices (50–150 scale; 100 = neutral)

- **Affordability & Conditions:** 81.0— Prices and availability remain challenges.
  - **Expectations:** 95.8—Near neutral; forward views are slightly cautious.
  - **Trust & Transparency:** 86.5—Trust in both automakers and dealers remains weak.
  - **Research Confidence:** 103.2—Consumers are generally confident about researching.
  - **Buying Intent:** 93.4—Below neutral; 58% plan to buy/lease within 6 months.
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## Complete Survey Questions and Responses

### Current Conditions

#### Q1. Compared to a year ago, is your household's financial situation:

- Better: 21%
- About the same: 63%
- Worse: 16%

**Q2. Compared to a year ago, how affordable do you feel vehicles are today?**

- More affordable: 4%
- About the same: 22%
- Less affordable: 74%

**Q3. How satisfied are you with the availability of vehicles in your price range?**

- Very satisfied: 8%
  - Somewhat satisfied: 43%
  - Not satisfied: 49%
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**Expectations**

**Q4. Looking ahead 12 months, do you expect your household's financial situation to be:**

- Better: 22%
- About the same: 67%
- Worse: 11%

**Q5. Do you think the next 12 months will be a good or bad time to buy a vehicle?**

- Good: 20%
- Neutral: 54%
- Bad: 26%

**Q6. Do you see yourself considering an electric vehicle or plug-in hybrid vehicle in the next 12 months?**

- Yes: 11%
  - Maybe: 20%
  - No: 69%
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**Trust & Confidence**

**Q7. How much do you trust automakers to treat consumers fairly?**

- High: 2%
- Neutral: 39%
- Low: 59%

**Q8. How much do you trust dealerships to treat consumers fairly?**

- High: 1%
- Neutral: 17%
- Low: 82%

**Q9. How confident are you that you can complete a purchase without paying for unwanted extras or fees?**

- Very confident: 23%
  - Somewhat confident: 43%
  - Not confident: 34%
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## **Research Confidence**

**Q10. How confident are you that the information you find when researching cars is accurate and unbiased?**

- Very confident: 18%
- Somewhat confident: 68%
- Not confident: 14%

**Q11. Which source do you turn to most when researching vehicles before buying?**

- Independent sites (CarEdge, Edmunds, KBB, etc.): 75%
- Social media/forums: 15%
- Automaker sites: 5%
- Dealer sites: 3%
- Friends/family: 2%

**Q12. Which source do you trust most for transparent, unbiased information?**

- Independent sites (CarEdge, Edmunds, KBB, etc.): 78%
  - Social media/forums: 14%
  - Automaker sites: 5%
  - Dealer sites: 2%
  - Friends/family: 1%
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## **Buying Intent**

**Q13. How likely are you to purchase or lease a vehicle in the next 6 months?**

- Very likely: 28%
- Somewhat likely: 30%
- Not likely: 42%

**Q14. What type of vehicle are you most likely to purchase or lease?**

- New: 51%
- Used: 29%
- Not sure: 20%