



Open Lending Research Exposes Opportunity for Automobile Lenders

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AUSTIN, Texas--(BUSINESS WIRE)--Nov. 15, 2022-- [Open Lending](#) Corporation (NASDAQ: LPRO) (“Open Lending” or “the Company”), an industry trailblazer in lending enablement and analytics solutions for financial institutions, has completed a survey on vehicle accessibility and consumer perception in the U.S. As car prices climb and more Americans return to in-person work environments, the survey’s findings shed light on the vehicle affordability crisis, as well as reveal how these barriers impact Americans’ quality of life and influence their beliefs about what financial products they can access. The findings also validate lenders’ opportunity to prove wrong the consumer perception across all credit segments that automobile loans aren’t an accessible option for them.

Non-car owners in a diverse set of age ranges, income brackets, and credit segments reported that buying a car feels out of reach amidst today’s financial climate, with many citing uncertainties and doubts around the lending process. But respondents also made it clear that the desire to own a car has not waned, as doing so would make a difference in their personal and professional lives. In their own words, respondents noted how a personal vehicle would help them generate extra income, meet family needs, and alleviate the stress of coordinating appointments and childcare alongside their work schedules.

Open Lending gathered responses from 1,347 full- and part-time employees in the U.S., including 597 car owners and 750 non-car owners. Of all respondents, 54% qualify as non-prime or near-prime borrowers and 25% qualify as prime borrowers. Key findings from the survey include:

- **Cars remain unaffordable for many, with some disqualifying themselves from the lending process before even trying.** Nearly half (48%) of non-car owners said they simply couldn’t afford a car, with 8% saying they don’t think they’d qualify for a car loan.
- **Car inaccessibility is a roadblock to career growth: 55% of non-car owners said they have had to turn down lucrative job opportunities and promotions.** Meanwhile, 62% said a car would improve their job performance either moderately or significantly, and 64% said not having a car impacts their overall earning potential.
- **Simplicity and transparency in the lending process present a major opportunity for financial institutions.** One-quarter of non-car owners see the car buying process as unclear or confusing. A good experience makes a big difference for this group: Among all non-car owners, 83% said they would return to a lender for other purposes if they had a positive automotive loan experience.

“At Open Lending, we know car ownership has the power to change people’s lives — but for many, buying a car doesn’t seem like an option. This new study further validates the longstanding value proposition that Open Lending delivers to the industry, and sheds light on why it is even more valuable today given current consumer perceptions,” said CEO Keith Jezek. “Our Lenders Protection™ program helps financial institutions reach those borrowers who think the lending process isn’t for them and offer loan rates that work for their lives.”

With Open Lending’s [Opportunity Calculator](#), financial institutions can get customized results on their potential to increase near- and non-prime loan originations with the Lenders Protection™ insured decisioning platform. Since its launch in 2003, Open Lending’s Lenders Protection™ program has been utilized by more than 400 financial institutions to originate and insure more than \$16 billion in auto loans.

Open Lending will release its full vehicle accessibility report and announce findings via a webinar on December 13. Sign up to receive the report and attend the webinar [here](#).

About Open Lending

Open Lending (NASDAQ: LPRO) provides loan analytics, risk-based pricing, risk modeling and default insurance to auto lenders throughout the United States. For over 20 years we have been empowering financial institutions to create profitable auto loan portfolios by saying “yes” to more automotive loans. For more information, please visit www.openlending.com.

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