

genpact



Shifting gears

The state of
AI in automotive finance



Boosting processes, experiences, and competitive advantage with AI

The race to innovate in automotive finance is heating up as customer expectations shift and market demands grow. And artificial intelligence (AI) helps the winners take pole positions. But how far have we really come with AI?

To find out, Genpact partnered with puls Marktforschung to conduct an in-depth study across Germany's automotive finance industry.

The study draws on primary research insights from 21 executive interviews with senior leaders across major automotive finance institutions, dealer groups, and leasing companies, offering their perspectives on AI readiness, adoption, and organizational dynamics.

Additionally, it incorporates insights from the Car Buyer Monitor 2025, a monthly survey of **1,000 car buyers**.

Our findings reveal a clear picture: auto bankers, dealers and customers believe in AI's true value.

The objective was to understand:

- How is AI changing automotive financial services?
- What is the current maturity of AI adoption, and where can it make the biggest impact?
- What barriers and enablers will determine the pace of sustainable, large-scale AI implementation ahead?

Read on to unpack the trends and market needs shaping the future of mobility finance.



The AI of now: Findings from the field

AI has clearly moved beyond the experimentation phase in automotive finance. Across banks and dealers, AI adoption is picking up steam. But everyone is moving at their own pace. The focus is on customer interaction, analytical decisions, and operational efficiency. Our study identifies five patterns that show what's happening right now.

1. The AI appetite: From hype to real implementation

Most captive and non-captive banks now actively steer AI with dedicated teams typically housed within IT or digital transformation units. Yet, maturity levels vary. Non-captives, often less challenged by legacy systems, are ahead in digitalization, process automation, and customer-facing capabilities. In contrast, captives continue to operate within stricter governance and slower approval cycles.

2. Deployment focus in banks: Risk control and operational efficiency

AI is delivering meaningful value behind the scenes in internal and analytical functions, but not customer-facing applications (figure 1).

- **Credit and lending:** Automating credit decisions for private customers is widespread. But this isn't considered a true AI use case, as most systems rely on established rule-based models. AI's emerging role is in testing decision models and spotting anomalies in complex commercial loan portfolios
- **Fraud detection and contract management:** Banks rely heavily on external providers for document verification and fraud prevention. Use cases include AI-driven document forgery detection, process mining, and contract optimization, all designed to reduce manual reviews and improve compliance
- **Research and information gathering:** This is the most mature AI application area. Banks use AI tools, including ChatGPT-like platforms, for competitive analysis, product testing, and vendor evaluation. These insights increasingly shape market positioning and innovation cycles
- **Internal operations and human resources:** Implementation remains limited to invoice automation and pilot projects for employee reference checks. But data privacy and legal compliance slow further expansion
- **Vehicle valuation:** Early pilots are using image-based AI to assess damages and residual values, which is especially useful for leasing and pre-owned electric vehicles

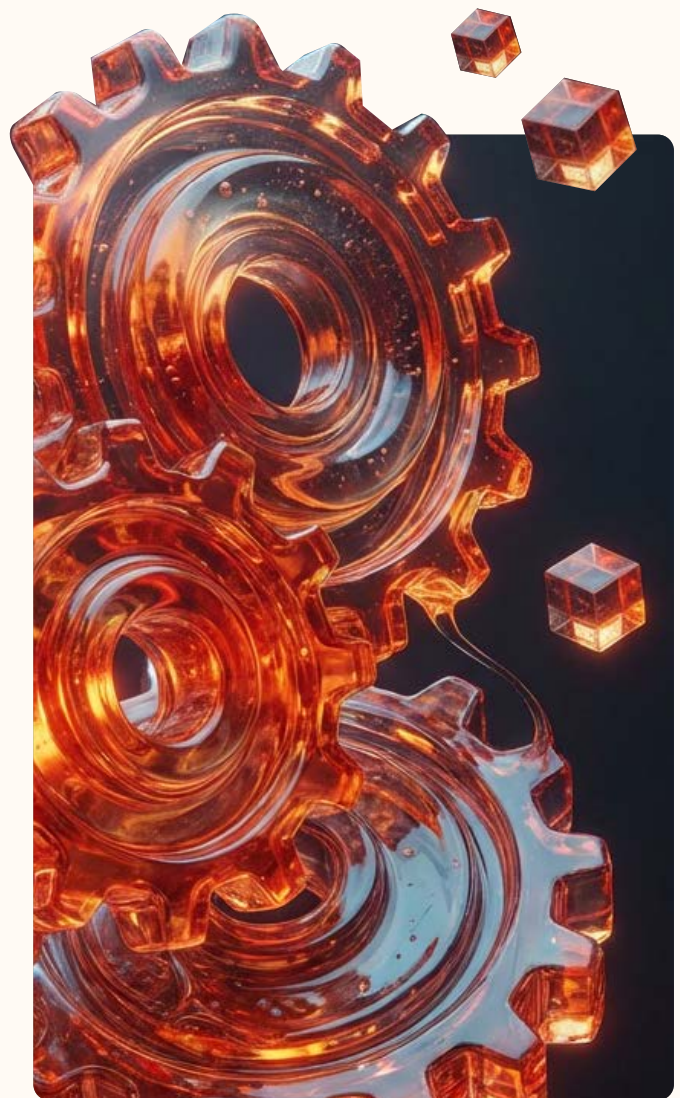
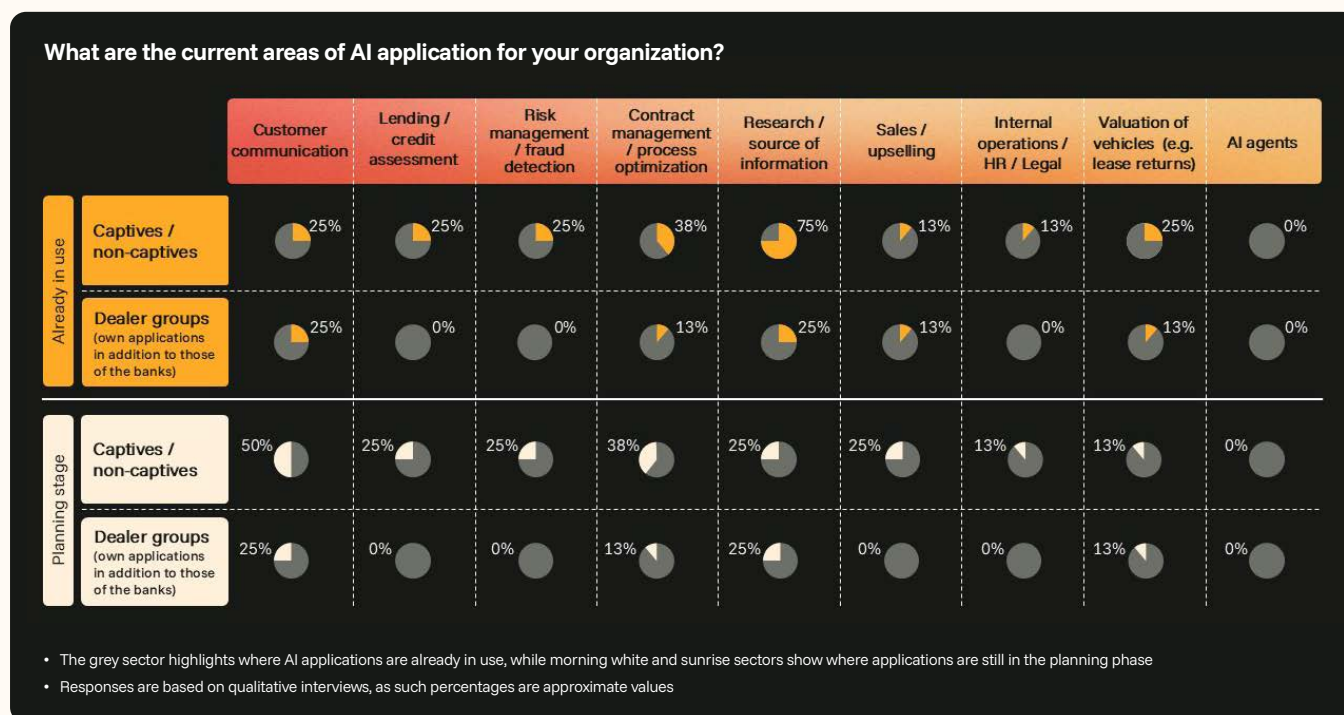


Figure 1: AI application areas for banks and dealers



3. The dealers' view: Cautious on customer-facing AI, keen on integration

Dealers see great potential for AI to boost backend efficiency but are wary of using it in customer interactions. They want banks and captives to:

- Improve digital links between dealer management systems and banking platforms
- Share AI roadmaps and testing opportunities more openly

- Provide data-driven insights that directly enhance customer service and lead management

Dealers consistently rate non-captive banks higher for IT user-friendliness and processing speed, which are clear indicators of AI readiness. While captives enjoy stronger original equipment manufacturer (OEM) alignment, they are often seen as slower to adopt new technologies. Dealers also worry about data privacy, preferring that customers are not directly exposed to visible AI interfaces like chatbots.

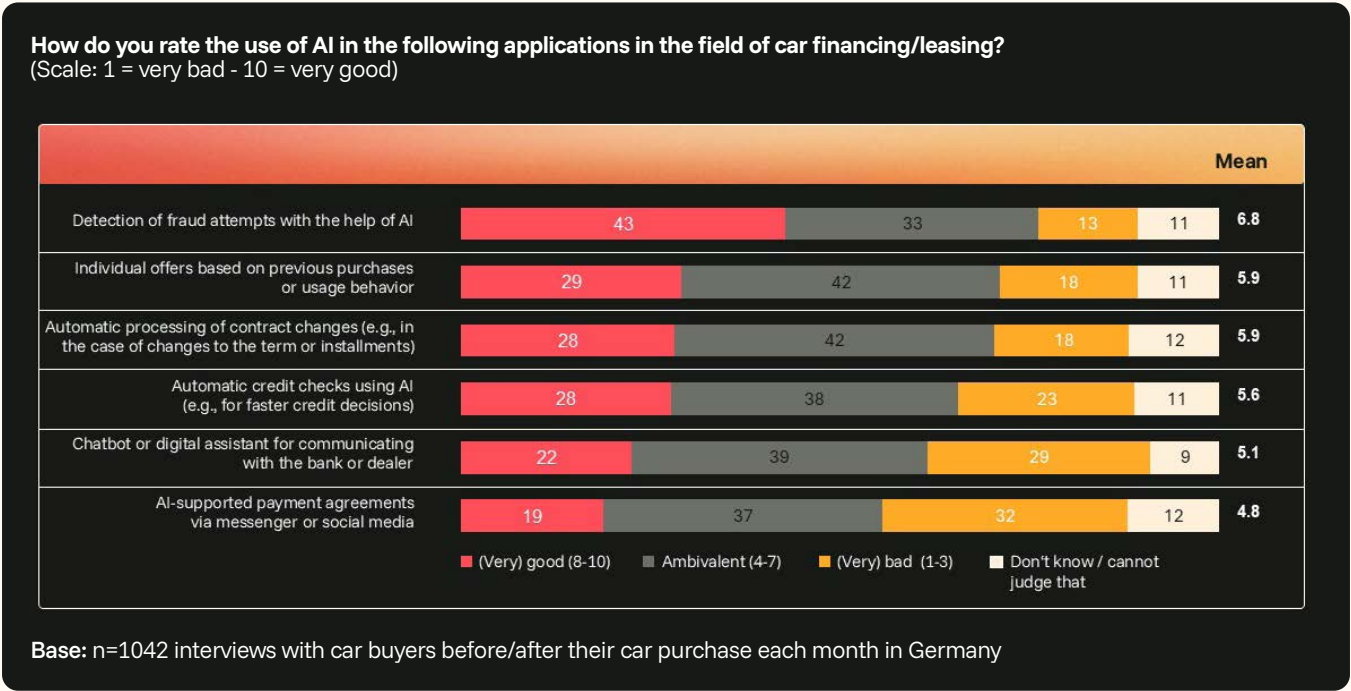
4. Customer experience: Trust, transparency, and an age divide

Consumers show selective acceptance of AI in automotive finance, depending on perceived benefits and data sensitivity (figure 2).

- Fraud detection scores the highest (6.8/10). Why? Customers trust AI to protect them in a low-touch, seamless way that doesn't disrupt their experience

- AI-driven payment agreements score the lowest (4.8/10). Money matters feel personal and high stakes. And customers still want the reassurance of a human touch
- Mid-range ratings like 5.9/10 for personalized offers and contract changes show cautious acceptance. Customers appreciate convenience but only when the process is clear and they're in control

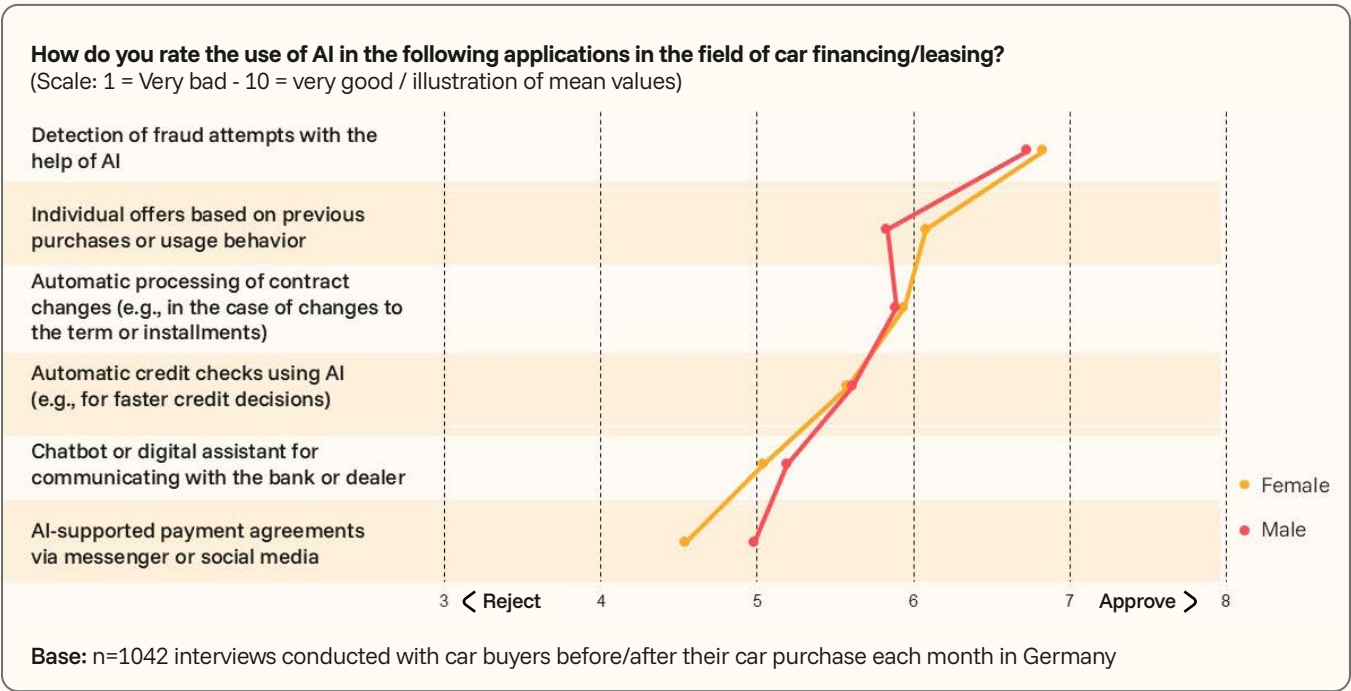
Figure 2: Acceptance of AI applications by end customers



Demographic patterns are clear:

- Women value safety and personalization more than men, who tend to prioritize convenience (figure 3). This insight emerges from ratings tied to individualized offers based on previous purchases or usage behaviors

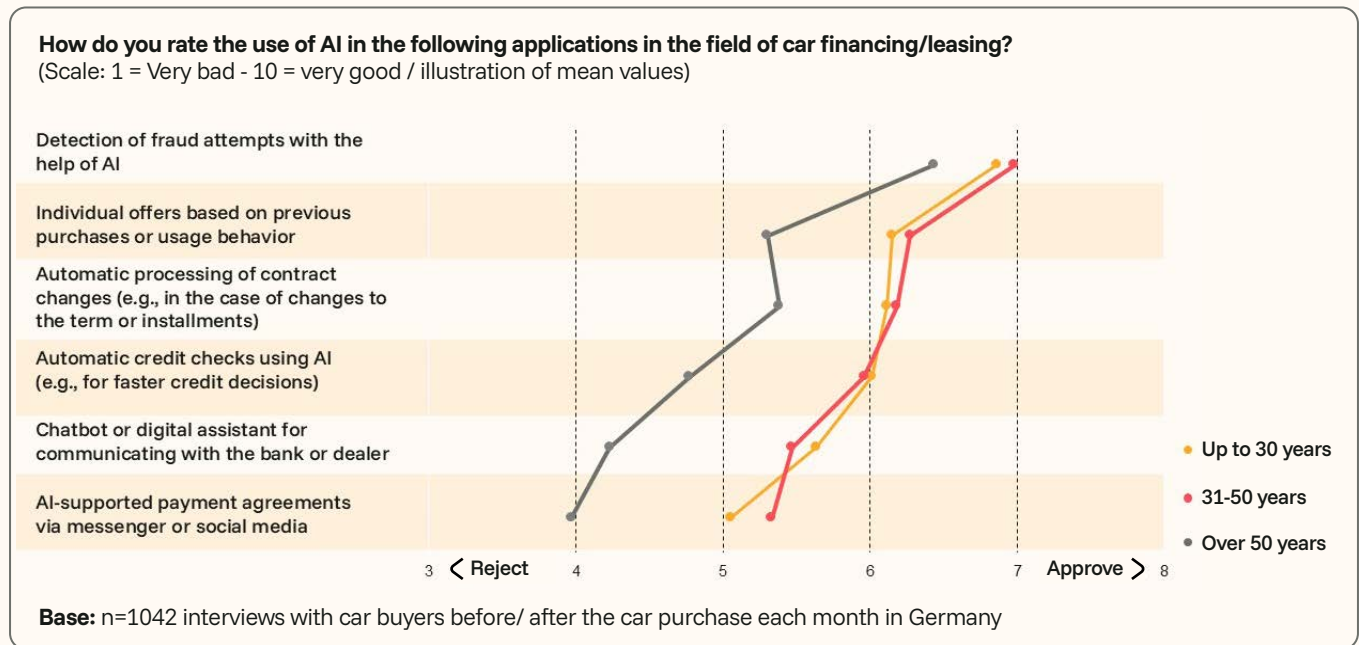
Figure 3: Acceptance of AI applications by end customers' gender



We acknowledge that there're more than two ways people identify. Future surveys will aim to reflect a more inclusive range of identities.

- Younger customers (under 50) are far more open to AI than older buyers. Across all groups, transparency is key. AI used in background processes should remain transparent, while AI-driven communication must be clearly disclosed (figure 4)

Figure 4: Acceptance of AI applications by end customers' age group

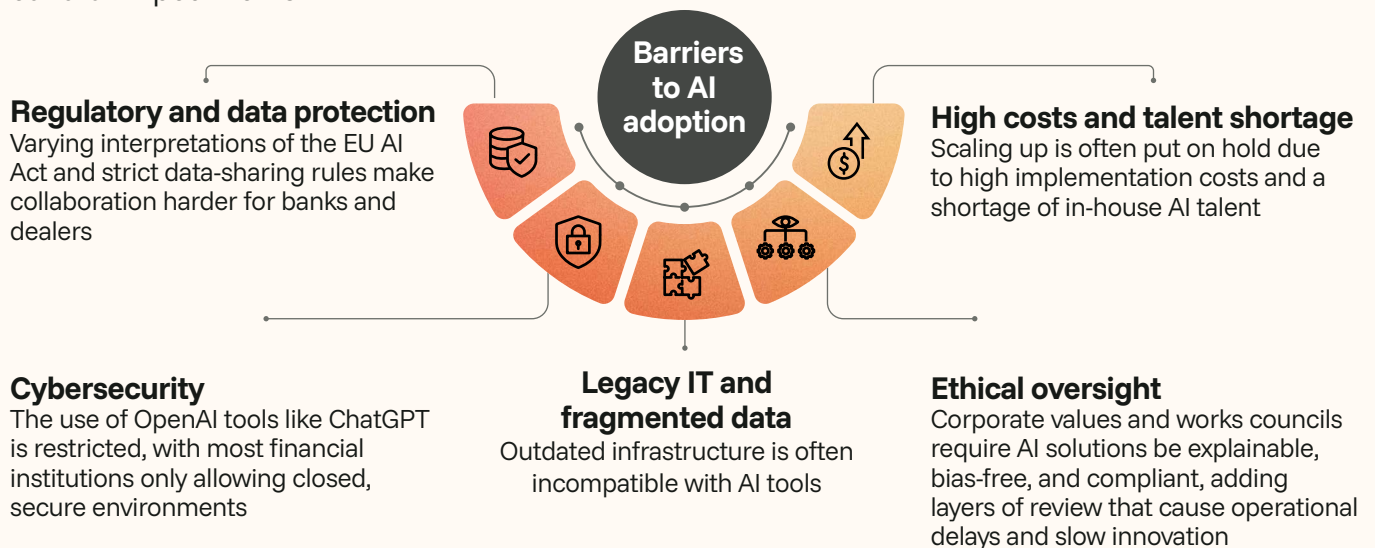


5. Organizational readiness: Awareness without a formal strategy

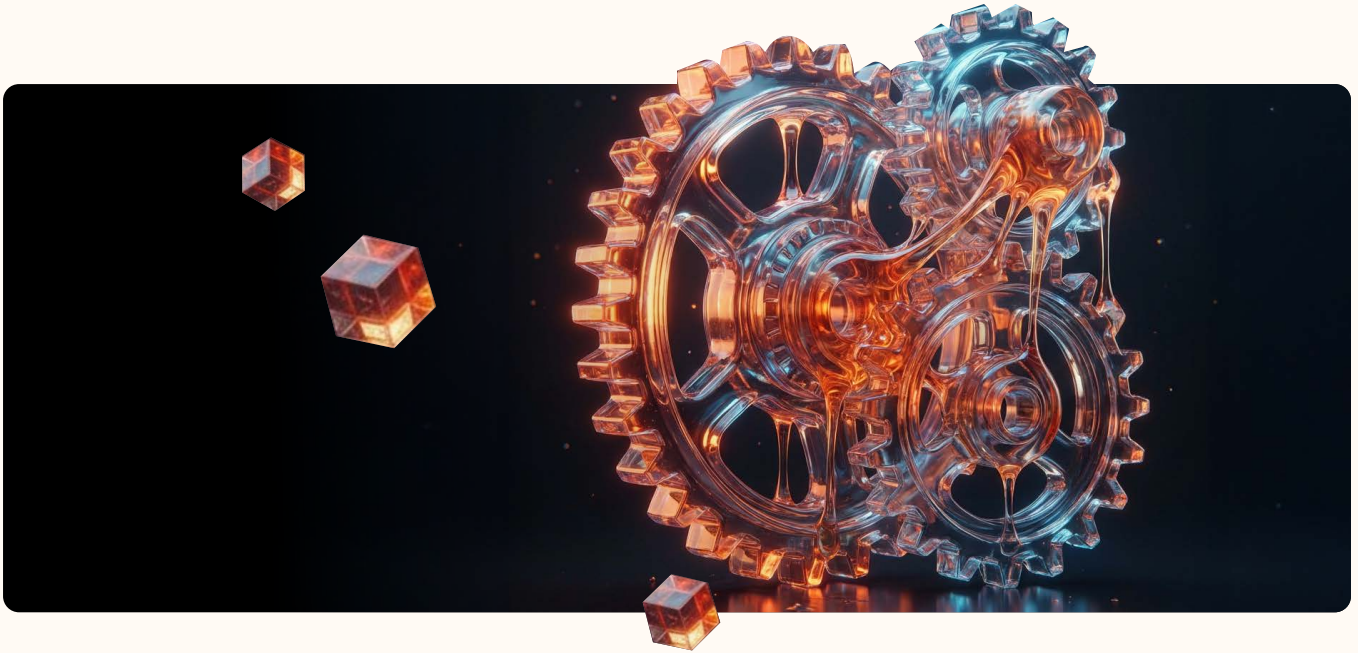
Nearly all banks rate their AI maturity as low to mid-level, considering themselves still in the experimental phase (average self-assessment: 1–3 on a 5-point scale, where 1 represents low or still in early experimentation and 5 represents high or broader operational use). While awareness of data challenges is high, none of the participants reported having a formal AI strategy that defines which technologies to use, where to apply them, and for what business goals. AI budgets remain small and fragmented, reflecting a cautious, compliance-first mindset rather than bold innovation.

Barriers to AI adoption

Despite growing confidence in AI's potential, adoption is hindered by several structural and cultural impediments:

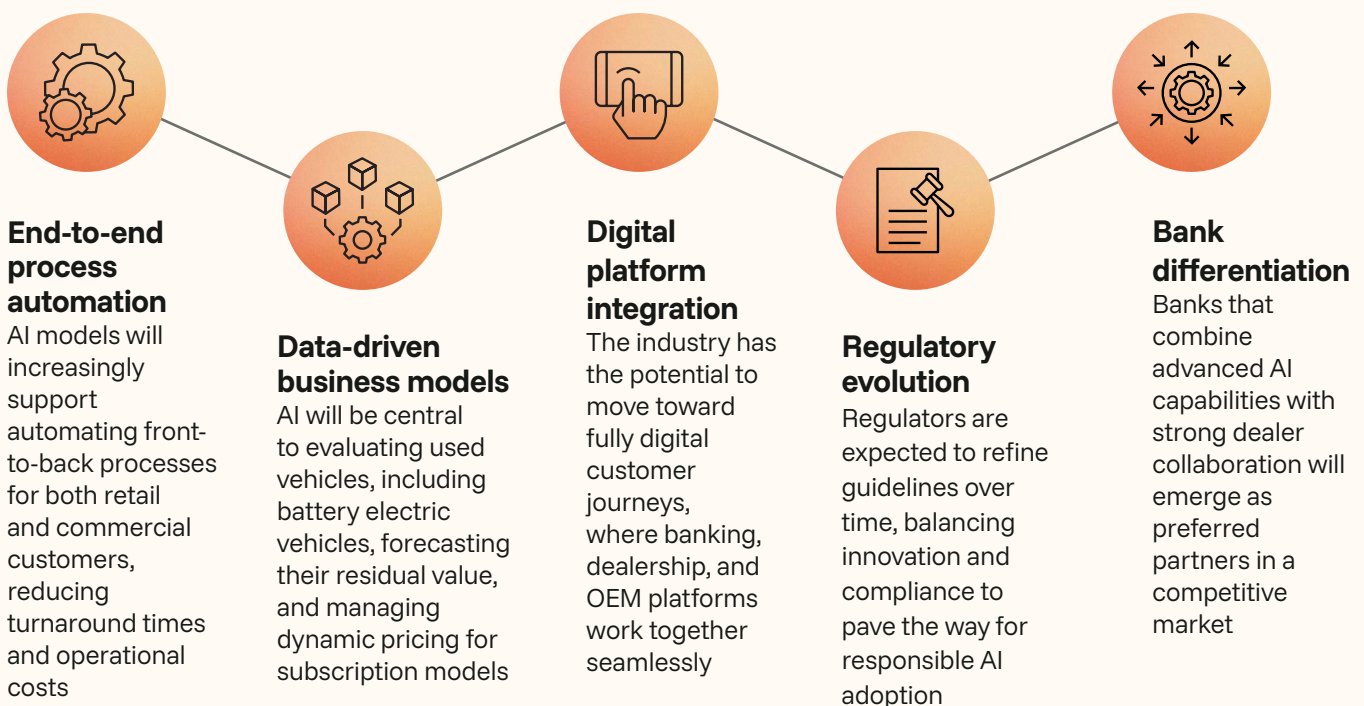


These factors contribute to a cautious wait-and-see approach across most organizations.



Future outlook: Toward AI-native models

Over the next five years, AI is poised to become a **core differentiator** in automotive finance. These five shifts are expected to define this evolution:



Together, these trends signal a shift from **AI-enabled processes** to **AI-native business models**, where decision-making, customer journeys, and asset management are largely automated and fully data-driven. The next stage of evolution will be **agentic AI systems**: autonomous, self-learning entities capable of acting on insights in real time. By embedding these into internal operations, customer, and dealer journeys, automotive finance firms can transition from reactive operations to proactive, intelligent orchestration across the value chain.

Getting started

To begin your transition to an AI- first business, your company should:

Strengthen the data foundation

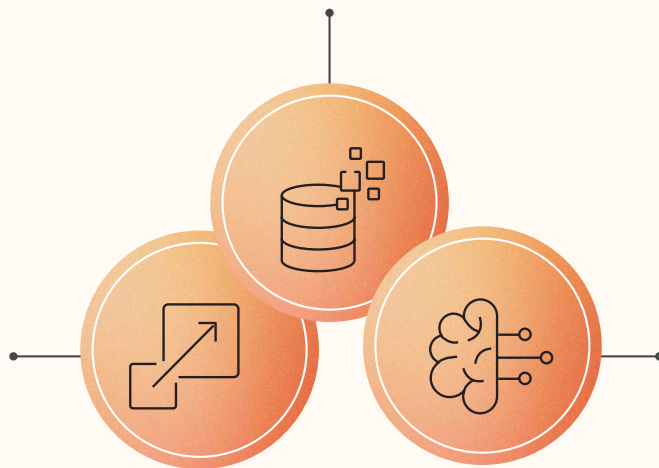
Identify, harmonize, and govern the data required to train and validate AI models across credit, customer, and dealer domains

Integrate systems for scalability

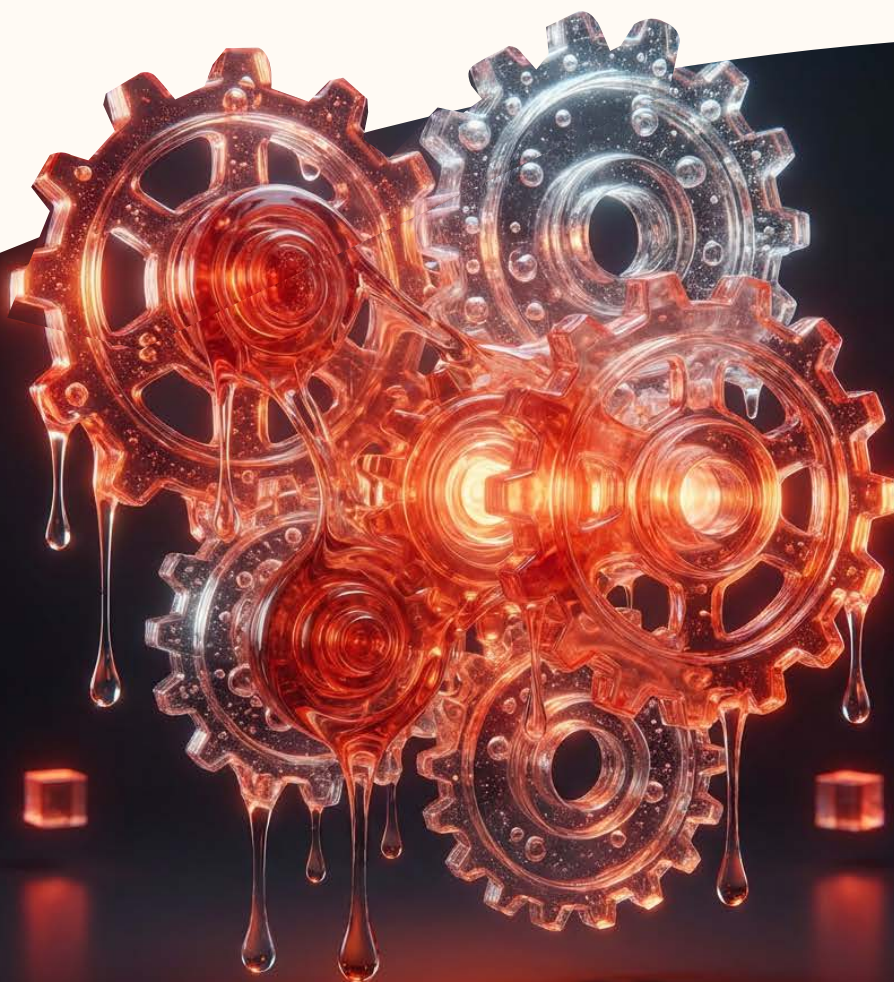
Modernize and connect legacy IT and dealer platforms to enable seamless data exchange and AI-driven decision making

Activate agentic AI for growth

Deploy intelligent, autonomous systems capable of recommending the right offer to the right customer at the right time, turning AI from an efficiency enabler into a commercial growth engine



By following these recommendations, auto finance companies can shape their strategic AI vision, lay the groundwork for responsible and scalable AI adoption, and co-develop agentic solutions with partners. We're already part of the action as companies focus on getting their AI journeys right. So, don't wait. It's time to accelerate yours, too.



To find out more about the report, connect with our expert.



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