



Recalculating route:

*Adapting to affordability,
AI search and the rise
of Chinese brands*

Global Automotive Disruption
Speedometer 2026



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Introduction

WHEN DID YOU LAST ASK AI FOR HELP? PERHAPS YOU FOUND THIS REPORT THROUGH AN AI QUERY: **"HOW ARE AUTOMOTIVE CONSUMER HABITS CHANGING?"** THE RESULTS OF OUR 2026 SPEEDOMETER SURVEY¹ SHOW THAT THE TECHNOLOGY IS FAST BECOMING EMBEDDED IN THE DISCOVERY, SEARCH AND CAR-BUYING JOURNEY.

It also shows that today's consumer is focusing on money. Continued cost-of-living stress means monthly affordability has replaced sticker price as the top consideration when purchasing a car. And it is affordability, not environmentalism, that has caused EV (Electric Vehicle) consideration to climb again.

Brand loyalty, meanwhile, is loosening its grip on purchase decisions. This is good news for Chinese brands, whose reputation has morphed from cheap-and-cheerful to cheap-and-quality in European markets.

This report explores these shifts and more to help the automotive industry navigate 2026 and beyond.

Over 8,000 consumers across nine countries tell us where the automotive industry needs to reroute or change course completely.

1. This survey was in field before the H1 2026 Middle East conflict, so does not represent any temporary or permanent preference shift to EVs as a result of oil price changes.



A white SUV is driving on a paved road that curves through a valley. The landscape is lush with green fields and rolling hills in the background. The sky is filled with soft, golden clouds, suggesting a sunset or sunrise. The car is in the lower left of the frame, moving towards the right.

In this report

Sticker price comes unstuck

Sticker price was the number one factor when choosing a car just two years ago. It's now fifth. Monthly cost is the new mantra amid a cost-of-living crisis, and brand is losing its pull.

Page 04

The car salesperson of the future? Ask AI

Over 60% of consumers expect to use AI when buying their next car, a percentage that is only set to grow. How will that affect marketing and the purchase process?

Page 09

Cheaper EVs are turning heads, but where to plug in?

Falling prices and better range are pulling consumers back towards EVs. But charging infrastructure remains the handbrake for some.

Page 12

Chinese cars get a reputation reboot

Chinese cars aren't just a budget option. Quality perception (and reality) have turned, and consumers are willing to pay.

Page 16



Sticker price *comes unstuck*

In our 2024 Speedometer report, sticker price was the number one factor when buying a car. Not anymore. As cost-of-living pressures and elevated interest rates bite, consumers have shifted their focus to regular outgoings.

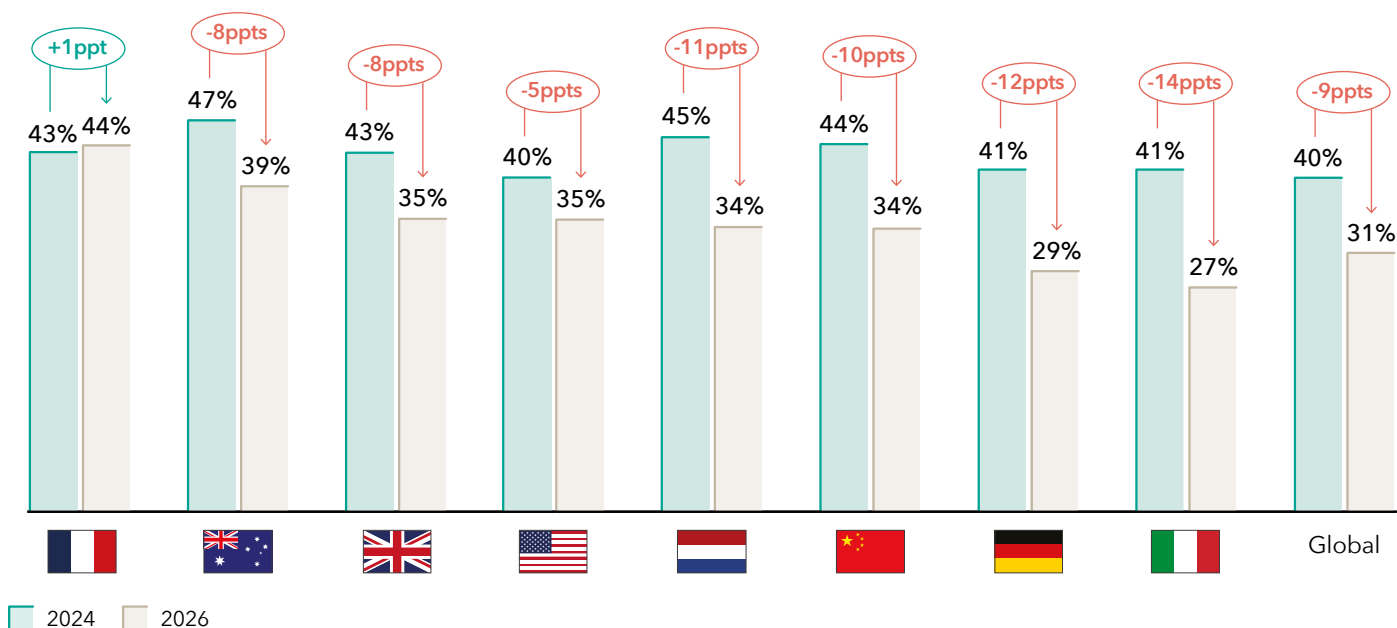
In the ranking of key purchase considerations for all buyer types, monthly affordability leapt from ninth place in 2024 to fourth place in 2026. The quality of deal offered also surged from fifth to second place, showing consumers are fiercely scrutinising value for money. Vehicle reliability remains paramount in an environment where there is no room for repair shocks.

Brand is mattering less

Brand remains the third most important consideration when buying a car, but its influence slipped by 9ppts between 2024 and 2026. As newer manufacturers enter the market and affordability climbs the priority list, buyers are increasingly willing to look past the badge.

CAR BRAND IMPORTANCE¹

% Respondents Ranked in Top 3 (2024-2026)

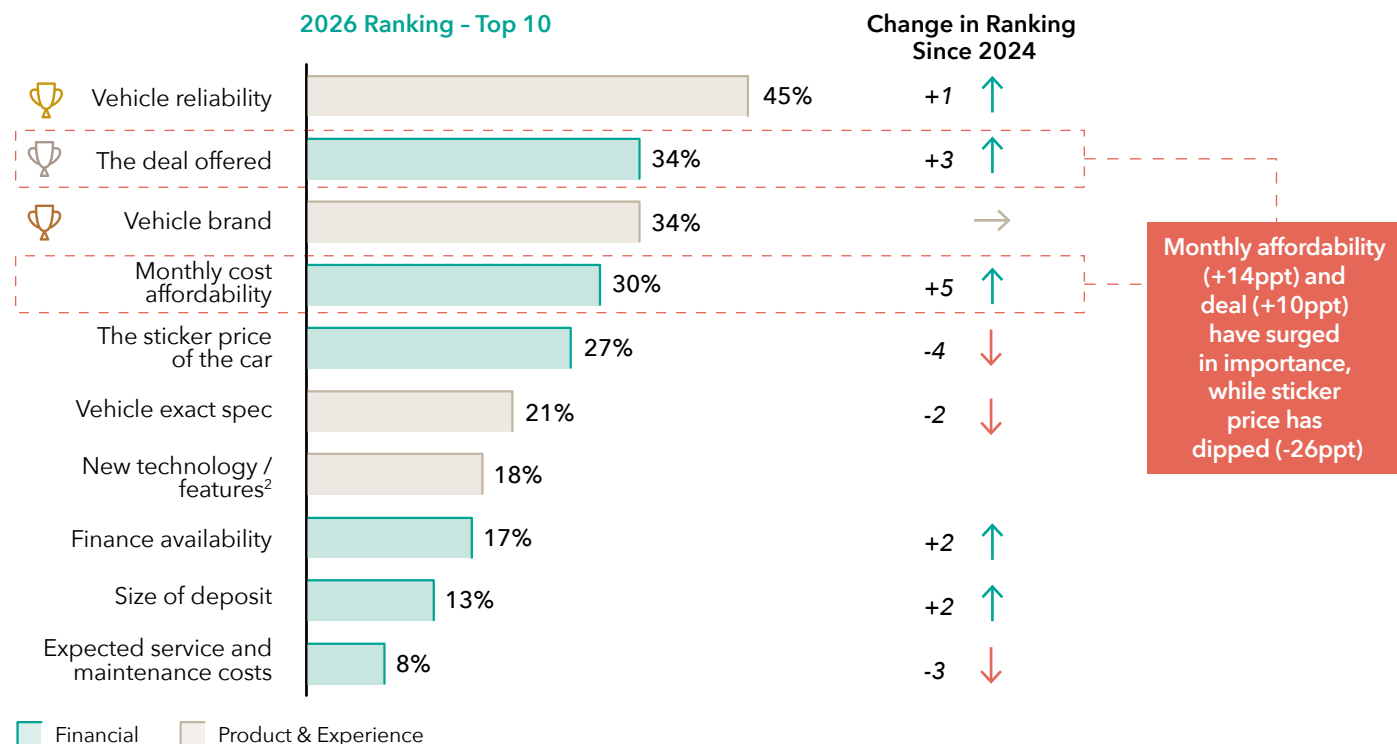


1. Q23G: How important were the following factors in choosing your current car? - Brand of the vehicle.

Source: Speedometer Survey 2024-2026, OC&C analysis.

FACTOR IMPORTANCE IN CHOOSING A CAR¹

% Respondents Ranking in Top 3 (2024-2026)



1. Q23G: How important were the following factors in choosing your current car?

2. New option added in 2026 Speedometer.

Source: Speedometer Survey 2024-2026, OC&C analysis.

KPC IMPORTANCE BY TYPE OF BUYER¹

% Respondents Ranking KPC Within Top 3 Importance to Them (2026)

	2026 Ranking - Top 10 All Buyers	Delta: Monthly Buyers vs Average	Ranking	Delta: Cash Buyers vs Average	Ranking
Reliability of the vehicle	45%	-6%	2 🏆	6%	1 🏆
The deal offered	34%	-5%	3 🏆	2%	3 🏆
Brand of the vehicle	34%	-6%	4	5%	2 🏆
Monthly cost affordability	30%	20%	1 🏆	-11%	6
The sticker price of the car	27%	-4%	6	3%	4
Exact spec of that vehicle	21%	-2%	8	3%	5
New technology / features	18%	0%	9	0%	7
Availability of finance	17%	11%	5	-7%	9
Size of deposit	13%	7%	7	-6%	13
Expected service and maintenance costs	8%	-1%	11	2%	8

1. Q23G: How important were the following factors in choosing your current car?

Source: Speedometer Survey 2026, OC&C analysis.



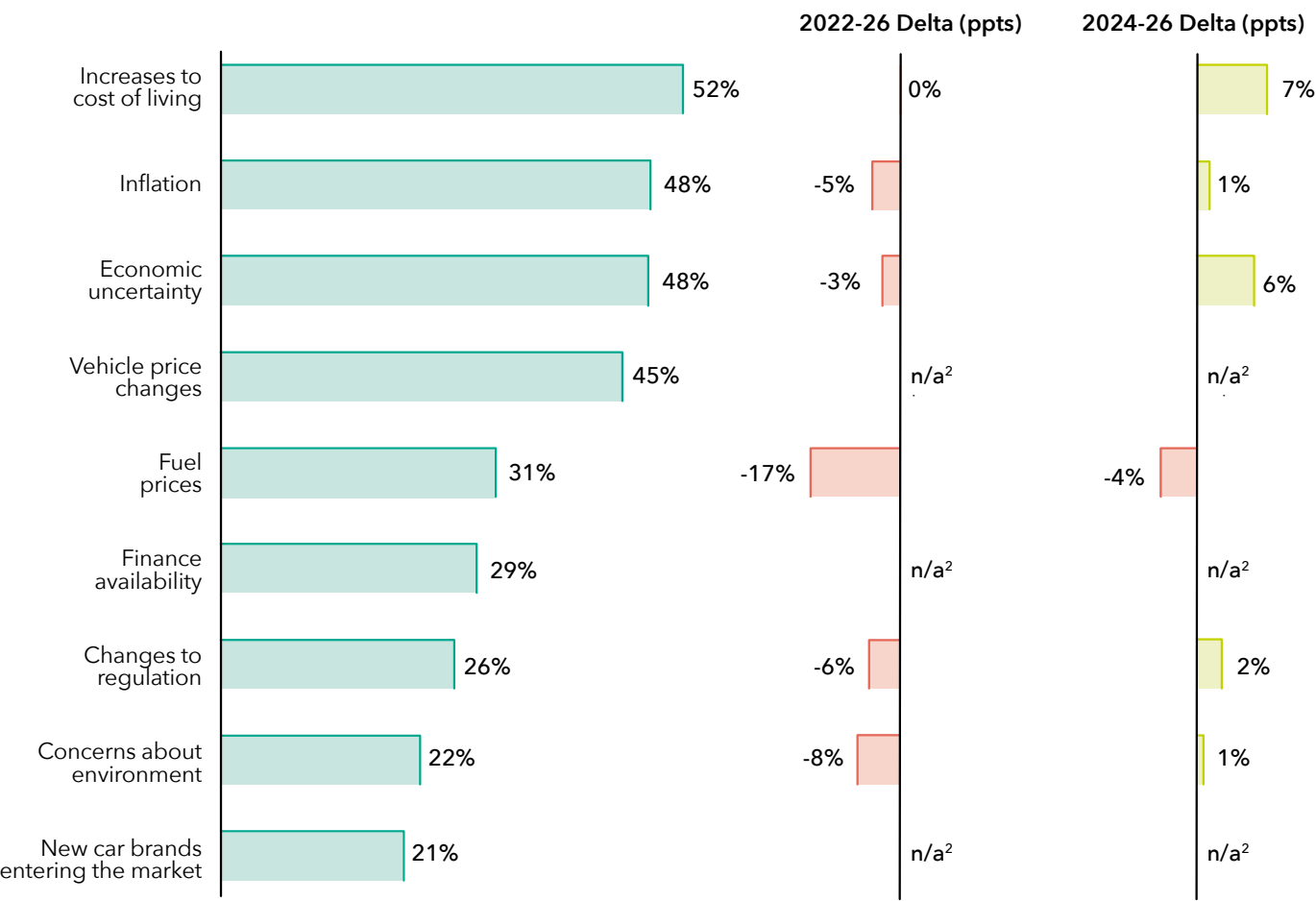
Buyers of nearly new vehicles are most likely to delay

Over half of consumers say rising cost pressures will delay their next purchase, blaming cost of living increases, inflation and economic uncertainty. But the pressure is not evenly spread across the market.

Buyers who bought a vehicle within the last six years are most likely to delay their purchase due to squeezed budgets; while wealthier, new car buyers are less affected. Older car buyers are more likely to press on into buying new models out of necessity.

IMPACT OF EXTERNAL FACTORS ON PURCHASE DELAYS¹

% Respondents Who Believe It Will Delay Their Next Purchase (2026)

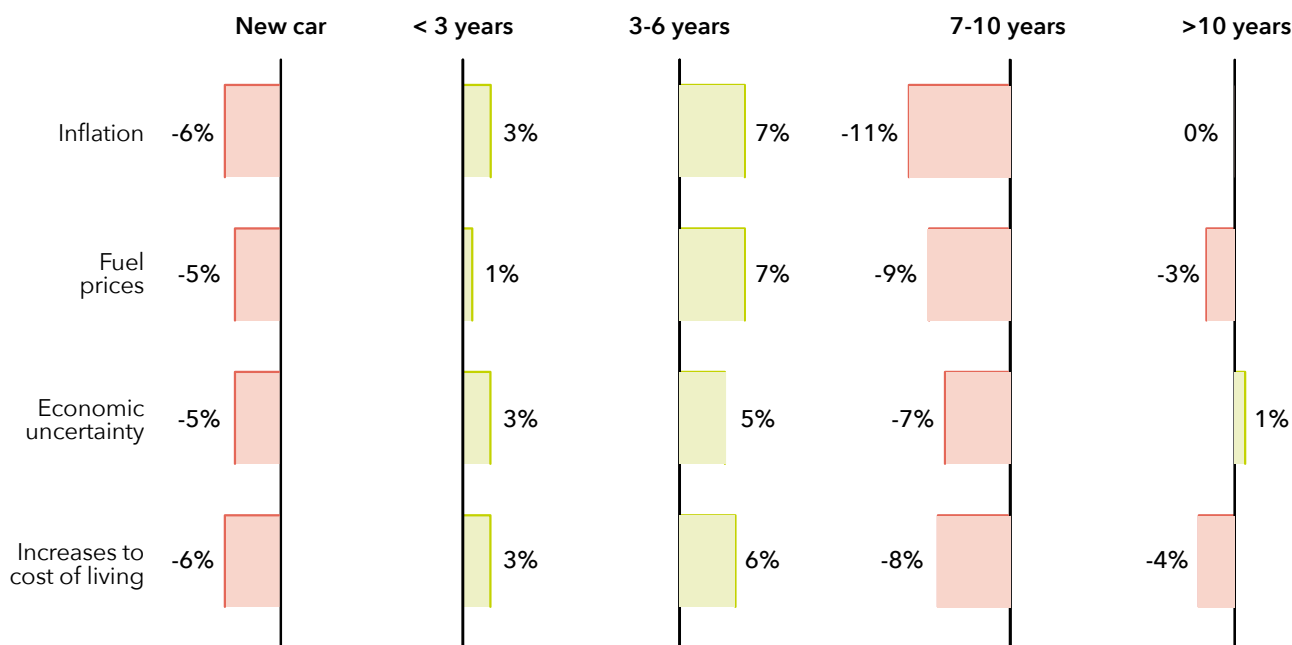


1. Q24AR: Do you expect the following recent market changes to impact your decision on when to get your next car?
2. Not included in 2022 or 2024 surveys.
Source: Speedometer Survey 2022-2026, OC&C analysis.

Over half of consumers say rising cost pressures will delay their next purchase, blaming cost of living increases, inflation and economic uncertainty.

IMPACT OF EXTERNAL FACTORS ON PURCHASE DELAYS - DELTA TO ALL RESPONDENTS¹

%ppts Delta to All Respondents Who Believe It Will Delay Their Next Purchase² (2026)



1. Q24AR: Do you expect the following recent market changes to impact your decision on when to get your next car?

2. Respondents who will probably or definitely delay their purchase.

Source: Speedometer Survey 2026, OC&C analysis.

Rerouting - how to adapt

Sticking to sticker price misses the point: Consumers are drawing up monthly budgets and keeping to them.

The era of the brand-first, sticker-price led purchase is dead. Retailers are used to selling on monthly finance cost, but working out true cost of ownership is still too hard for consumers - are we approaching the point when a fully bundled monthly cost goes mainstream, including servicing and potentially insurance? Models exist in niches in multiple countries, and EV servicing predictability and connected car insights might be the unlock.

Classifieds should enable consumers to search and compare vehicles based on monthly affordability beyond just the finance cost, reflecting how purchase decisions are increasingly made.

Retailers and classifieds should use iterative, AI-powered chatbots to guide users to the right make and model for them - enabling consumers to search by budget, use case and mobility needs, not brand-first.

Used leasing still has plenty of room to grow – when monthly cost matters most, owning the car outright matters less.



The car salesperson of the future? *Ask AI*

60%

of consumers expect to use AI to research their next car

1 in 10

consumers intend to make AI their main research tool

It's been less than four years since the launch of ChatGPT and generative AI has moved from novelty to necessity in everyday decision-making. For the first time, this year's Speedometer asked consumers about how they intend to use AI when buying a car.

Some 60% expect to use it for at least one activity in their next car purchase, particularly for activities higher in the sales funnel. These include researching the next car they want to buy, finding the actual car (i.e. researching which dealer has it), and calculating part-exchange prices.

More than half of consumers intend to use AI to research their next car purchase, with 12% making it their preferred method. That roughly one in ten consumers are planning to use AI as a primary research tool is a signal no part of the market can ignore.



Early adopters: Who is using AI in the car buying journey?

Younger buyers drive AI car research

Unsurprisingly, AI usage skews young, with ~75% of 18-34-year-olds open to using the technology, versus 29% of those over 65.

China's AI-forward car buyers

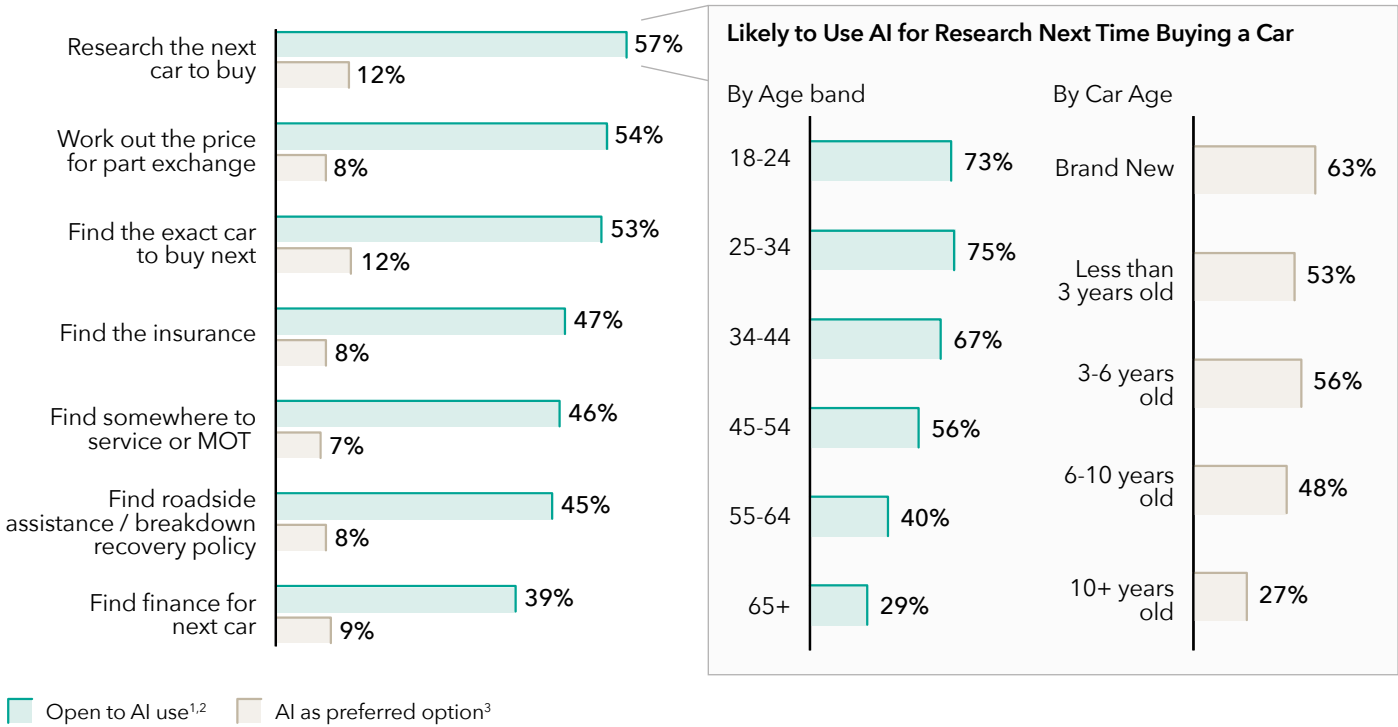
China indexes significantly above other countries on every AI activity, with high intent to use AI in all of the car purchase related activities, reflecting the digital-forward bias of Chinese car consumers that we have seen in previous reports.

Buyers of new cars most likely to use AI

Interest in using AI is highest among buyers of newer cars and declines with vehicle age across the whole purchase journey. This may reflect the nature of the research itself: new car buyers can use AI to explore spec and feature options, while old car buyers care about mileage and service history, for which AI is less useful.

INTEREST IN AI FOR FUTURE CAR PURCHASE ACTIVITIES¹

% Respondents with Expectations to Use AI for Next Purchase² (2026)



1. Q18a: Do you expect to use AI for any of the following activities next time you do them?
2. Respondents who will probably or definitely use AI.
3. Q32BR: Thinking about next time you do these activities, where would you prefer to do the following activities? - Online with an AI Agent.
Source: Speedometer Survey 2026, OC&C analysis.

Rerouting - how to adapt

AI hasn't replaced the car salesperson. But it is reshaping the top of the funnel. With more than half of consumers expecting to use AI to research their next car, the battle for attention is shifting from showroom and configurator to chatbot.

If a consumer asks an AI tool to recommend a reliable SUV under £400 a month, your brand needs to be in the answer. That means ensuring vehicle data, pricing, reviews and stock information are structured in ways AI tools can find and surface. In marketing terms, GEO (Generative Engine Optimisation) is the new SEO (Search Engine Optimisation). The same goes for Service, Maintenance and Repair (SMR) providers, with almost half of users expecting to use AI to research service and assistance options.

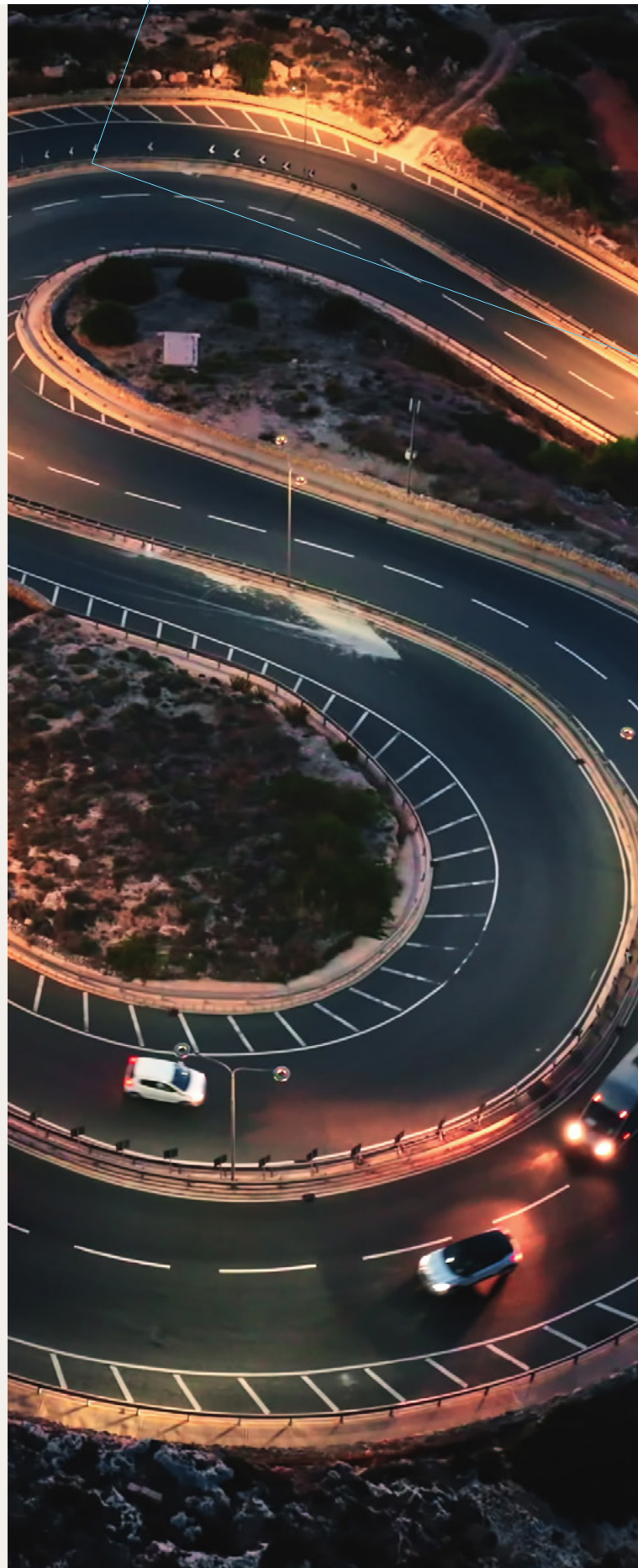
AI will allow valuable salespeople to focus their time where it is most valuable, including on converting high-quality customers who have already narrowed their options and are ready to buy. The opportunity is not to replace human interaction, but to use AI to streamline the path towards it through gathering preferences, answering questions and reducing friction before a customer enters the showroom.

For classifieds and marketplaces, the stakes are higher. AI tools that can compare models, estimate part-exchange values and find finance deals threaten to bypass aggregator sites entirely. Data providers can support this with much richer insight than was the case two years ago, including finance quotes relevant to the consumer's credit score.

For challenger marketplaces, AI could be a leveller. While market leaders may resist sharing inventory data with AI tools to protect direct traffic, the number two and three players have less to lose from proactively engaging with AI providers.

Keep an eye on China: its consumers already index significantly above every other market on AI intent across the full purchase journey, consistent with broader adoption of AI tools in everyday transactions.

One group to watch: buyers of newer vehicles, who show the highest AI intent across all activities. These are the consumers already navigating complex decisions around finance, EVs and configuration, which is exactly the kind of multi-variable situation AI is built for. As AI innovation grows, expect AI usage to move from research companion to purchase co-pilot, helping consumers progress more quickly from exploration to action. The winners will be those that use AI not only to improve discovery, but also to simplify the journey to test drive, purchase and ownership; ensuring customers arrive informed and ready to engage.





Cheaper EVs are turning heads, *but where to plug in?*

Consumer appetite for EVs has grown since our first [Speedometer report in 2019](#), albeit with a wobbly trajectory. In 2026, hybrid remains the most popular option under consideration, followed by plug-in hybrid and fully electric.

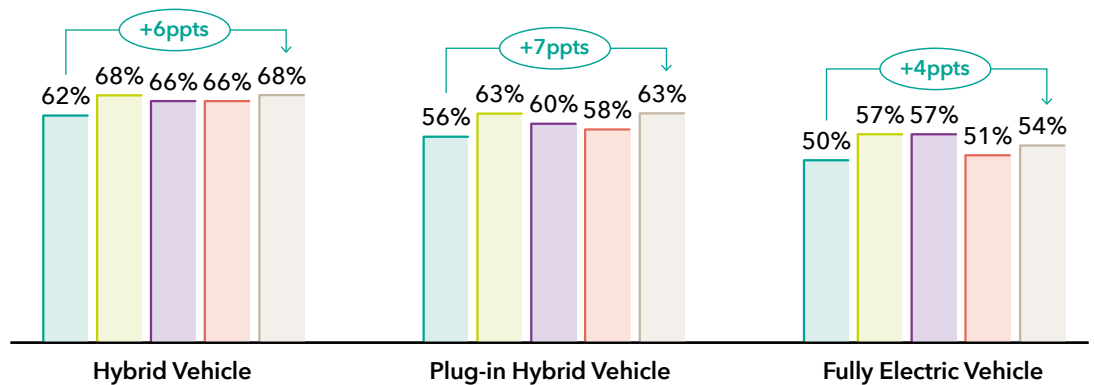
While intent to purchase is up, improved price and range have replaced environmental benefit as the main motivator; concern around charging has replaced price as the number one turn-off.

LIKELIHOOD TO CONSIDER PURCHASING AN EV¹

% Respondents Would Consider (2019-26)

Markets Covered Vary by Year²

2019 2021 2022 2024 2026



1. Q28: When considering your next car, how likely are you to consider an Electric/Hybrid vehicle?

2. 2019: UK, US, DE, FR & CN; 2021: UK, US, DE, FR, CN & IT; 2022: UK, US, DE, FR, CN, AU & NL; 2024 & 2026: UK, US, DE, FR, CN, AU, NL & IT.

Source: Speedometer Survey 2019-2026, OC&C analysis.

How likely are you to consider an electric/hybrid vehicle as your next purchase?

68%

hybrid - the highest level in the Speedometer's history

63%

plug-in hybrid

54%

fully electric

EV consideration by country

The UK, Germany and China have each surged eight percentage points on expected eventual EV ownership since 2019. In contrast, the US is barely budging.

China remains the runaway leader. A staggering 87% of Chinese consumers would consider going electric, a full 31 percentage points ahead of Italy, the next closest market.

Consumer intent doesn't tell the whole story. Tax incentives, Zero Emission Vehicle (ZEV) mandates, and manufacturer supply decisions shape the numbers too. The US trajectory illustrates this clearly: weakening policy support under the current administration has dampened momentum as much as any shift in consumer sentiment.

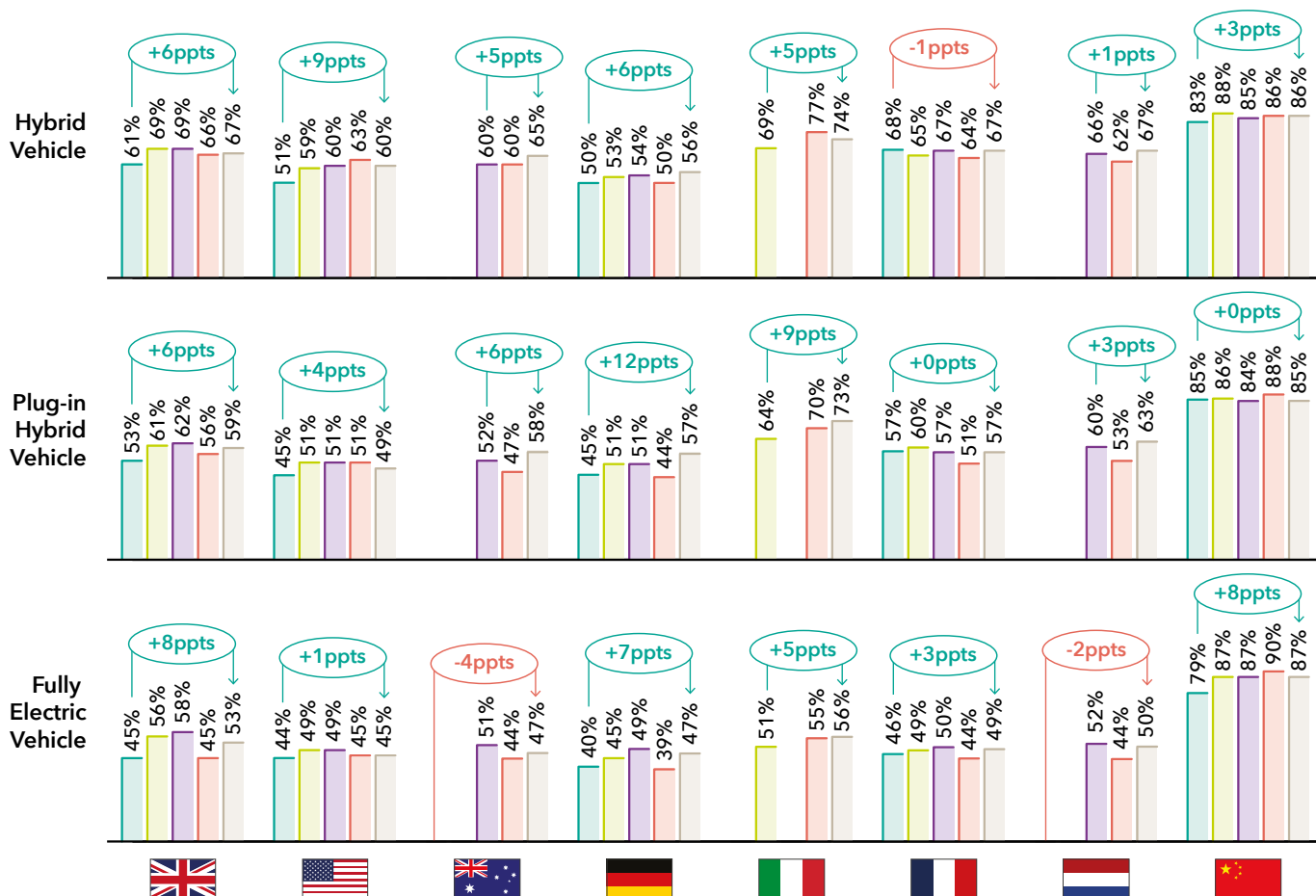
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LIKELIHOOD TO CONSIDER PURCHASING EVS¹

% Respondents Would Consider (2019-2026)

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2019 2021 2022 2024 2026



1. Q28: When considering your next car, how likely are you to consider an Electric/Hybrid vehicle?

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Source: Speedometer Survey 2019-2026, OC&C analysis.

EVs: the price is right

Falling prices and improved range are attracting consumers to electric cars in 2026. As household budgets tighten, the narrowing price gap between EVs and ICE vehicles is finally starting to count. Other budget-related factors like fuel and electricity prices and availability of government incentives are also high on the list of influencing factors.

Good range (the second highest motivator) and charging worries (the number one deterrent) are two sides of the same coin: if drivers can't trust they'll find a working charge point, they need to trust their battery will get them home without one.

How can dealers help drivers plug in?

Doubling down on solving the charging problem – beyond just a bundled charger offer – would remove one of the biggest friction points at the point of sale, perhaps by recommending an EV-focused energy supplier or helping calculate charging costs. Public charging infrastructure, meanwhile, remains largely in the hands of government, and the industry should be lobbying hard to ensure countries with ambitious EV targets match them with ambitious infrastructure investment. And communicate hard about range – the best EVs are now essentially matching the range of an ICE vehicle, and is roughly double average weekly mileage.

Among EV Considerers:

57%

cite price as a motivator, up from 5% in 2024

54%

cite range, up from 41%

47%

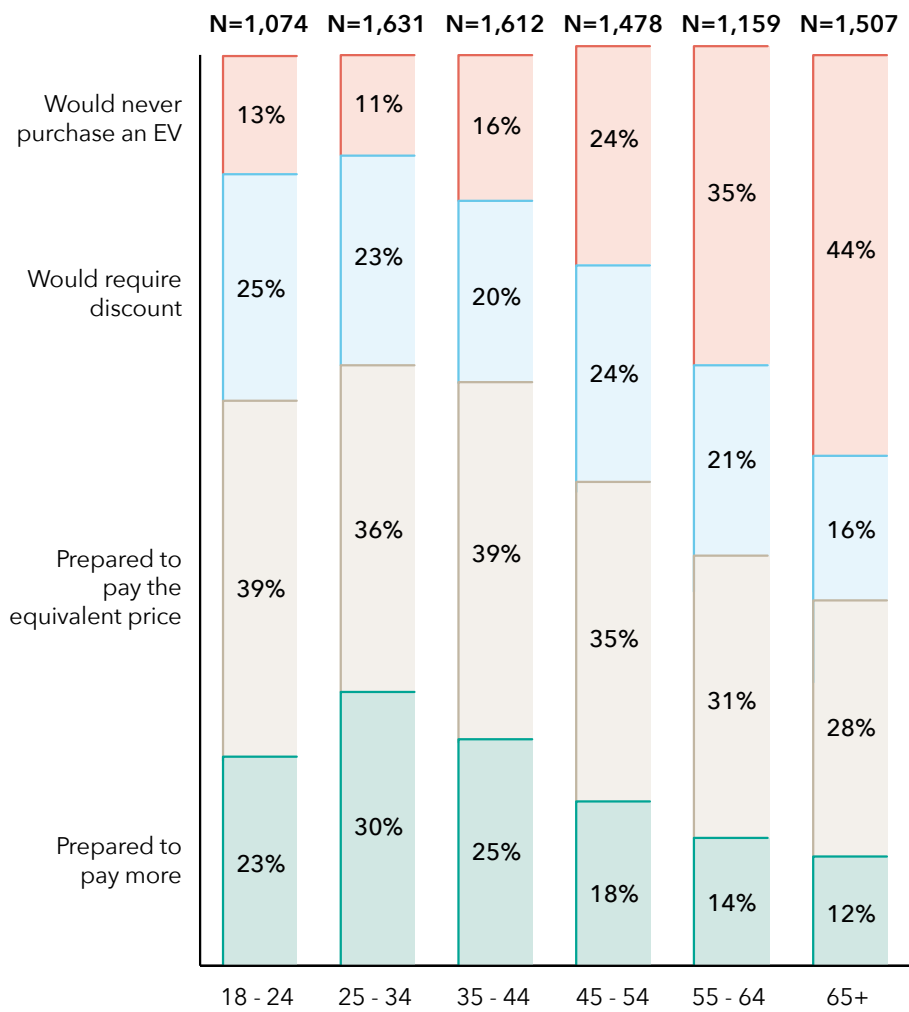
cite environment, down from 61%

Among EV rejectors, 42% cite charging availability as a barrier, higher than any other factors

The affordability barrier is lifting

The market is now able to break out of the 20% of buyers who are willing to pay a premium into the 35% who are happy to pay par - with those who would only consider EVs cheaper than the ICE equivalent likely to be accessible soon.

WILLINGNESS TO PAY FOR EVS VS ICE CARS BY AGE¹
% Respondents (2026)



1. Q35C: Thinking about potentially buying an electric / hybrid vehicle, would you be prepared to pay more or less than the cost of an equivalent petrol/diesel car? Note: This question is asking about a fully electric vehicle (i.e. not hybrid).

Source: Speedometer Survey 2026,OC&C analysis.

Rerouting - how to adapt

Consumers are no longer choosing electric primarily for environmental reasons; they are choosing it because the economics are becoming more compelling. OEMs and dealers should lead with total cost of ownership, emphasising monthly affordability, lower running costs and reduced maintenance requirements rather than green credentials. The dramatically lower cost and practicality of home charging are still poorly understood, with regulations often getting in the way.

For dealers and OEMs, brand is becoming less of a deciding factor which means competing on value, range and ownership convenience will matter more than badge appeal. EV marketing should focus less on aspiration and more on reassurance, simplicity and everyday usability.

As the sticker-price gap between EVs and ICE vehicles narrows, higher EV depreciation continues to put pressure on monthly costs and consumer perception of resale value. Used EV leasing could help consumers access EVs, with some lease structures allowing them to avoid residual value risk.



Chinese cars get *a reputation reboot*

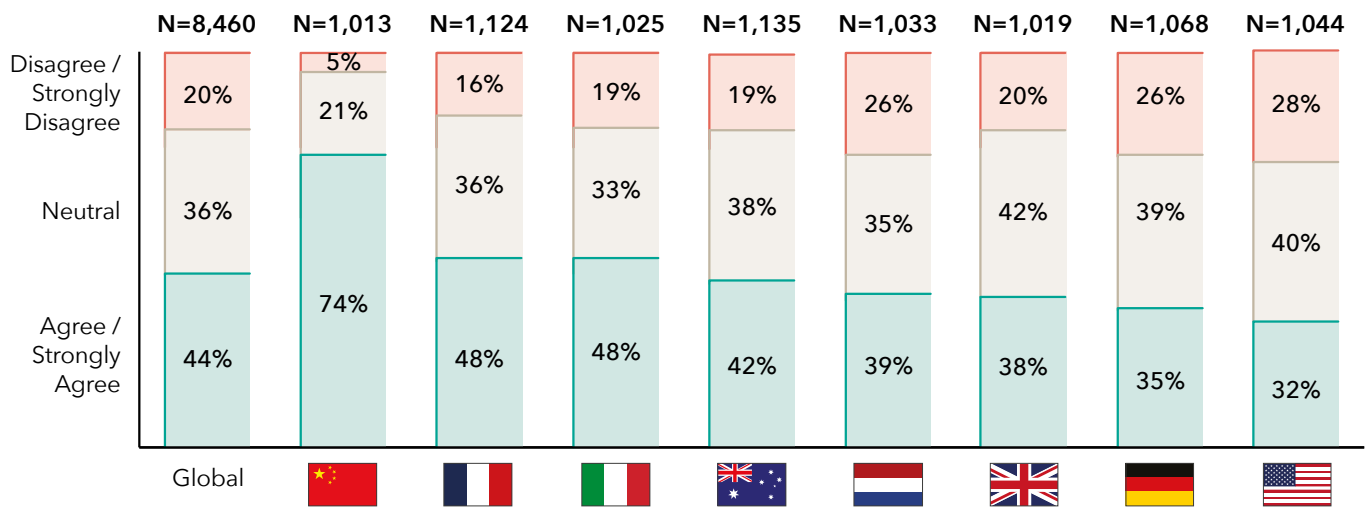
The framing of Chinese cars as budget alternatives is outdated. Quality perception – and reality – have turned, and willingness to pay has followed, and in several European markets the opening is already substantial.

From cheap to credible

Across the globe, 44% of consumers now agree that some Chinese EVs match or exceed Western quality. Strip out China's own consumers, and the figure still sits between 30% and 50% depending on the market. French and Italian consumers are the most open, with the US lagging (likely due to limited familiarity and a political environment which favours domestic marques).

QUALITY ATTITUDES TO CHINESE BRAND EVS VS WESTERN ALTERNATIVES¹

"I believe some Chinese Brand EVs are equivalent or better quality than western alternatives" (2026)



Except the US, all market show more than a third and often to up to a half positive perception

1. Q43: To what extent would you agree with the following, where 1 = disagree and 5 = agree? "I believe some Chinese Brand EVs are equivalent or better quality than western alternatives".

Source: Speedometer Survey 2026, OC&C analysis.

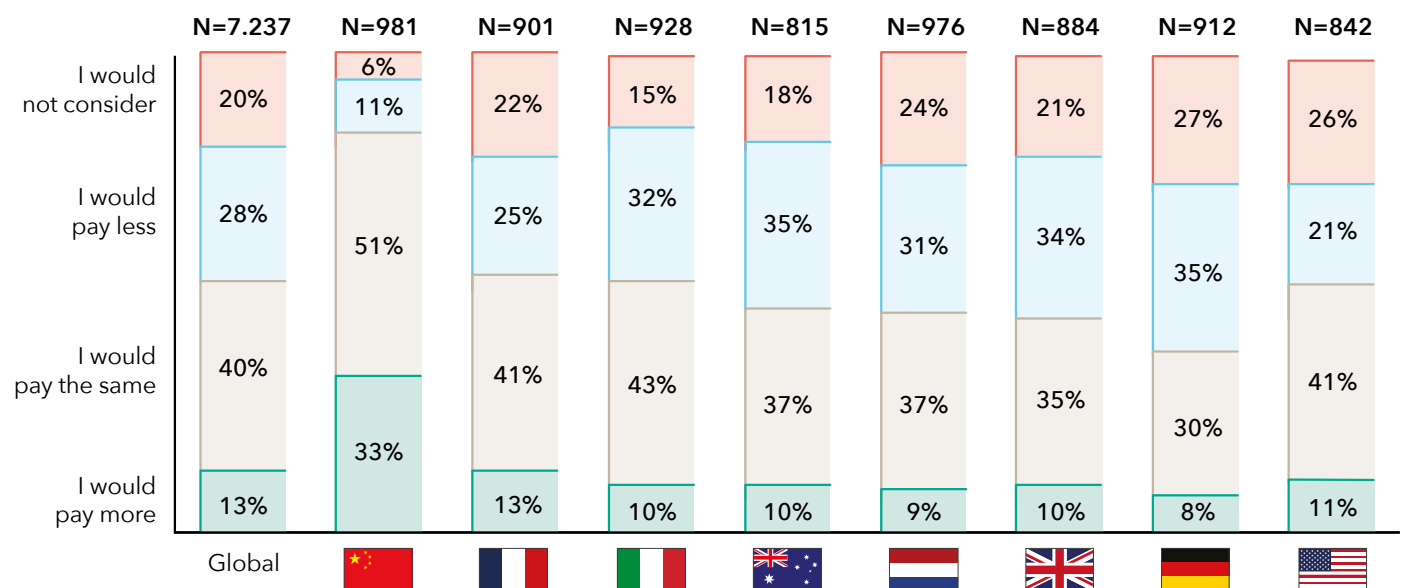
Some customers will even pay a premium for Chinese-made

Among consumers already open to buying an EV, 13% would pay more for an equivalent Chinese model over a Western one, and 40% would pay the same. That's more than half of EV-considerers who see no reason to pay a premium for a Western badge.

APPETITE FOR CHINESE OEM EVS¹

% Respondents (2026)

Appetite to Pay for EV from Chinese OEM vs Equivalent Western OEM¹



1. Q35D: If you were buying an electric vehicle, would you pay the same, more or less for an equivalent EV from a Chinese brand vs an established Western brand?

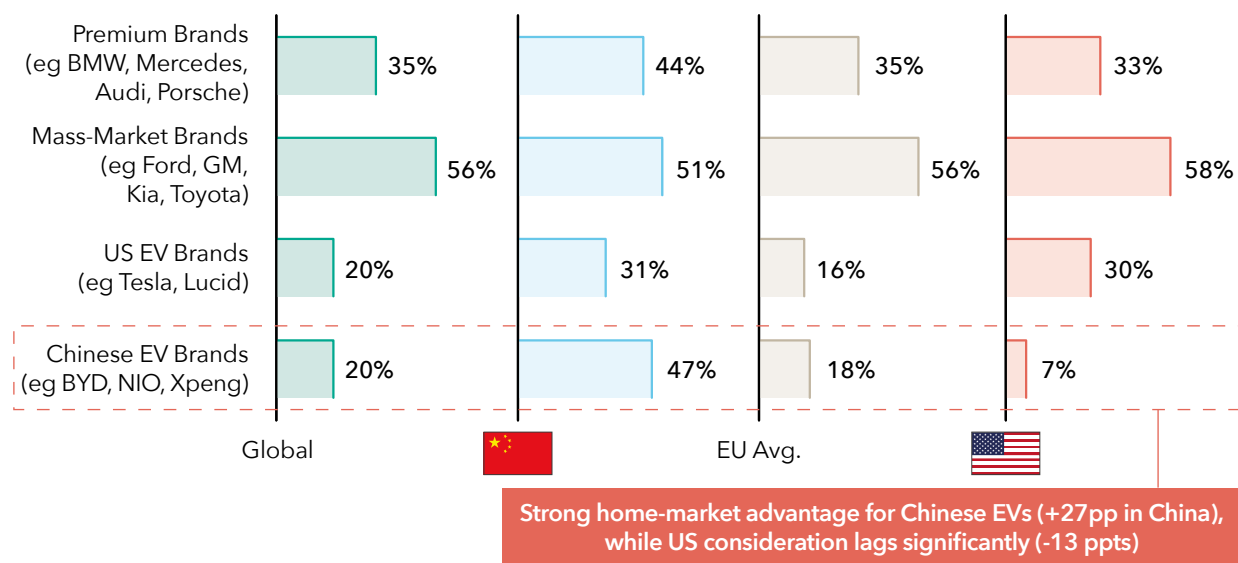
Source: Speedometer Survey 2026, OC&C analysis.

Only Americans prefer Tesla to Chinese OEMs

The EV brand landscape is fracturing along geographic lines. In Europe, consumers still favour domestic manufacturers, but Tesla has lost its status, sitting at roughly the same level of consideration as Chinese brands.

In China itself, consumers are open to allcomers but rank Tesla bottom. Only in the US does Tesla retain a clear edge, and even that market is seeing growing openness to Chinese alternatives.

BRAND PREFERENCE FOR EVS¹ (N= 8,460)



1. Global includes; UK, US, DE, FR, CN, AU, NL & IT.
Source: Speedometer Survey 2026, OC&C analysis.

Rerouting - how to adapt

Western OEMs can no longer rely on brand loyalty to hold the line against Chinese competitors. With more than half of EV-open consumers willing to pay the same or more for a Chinese model, perceptions of quality and value have shifted.

For European OEMs, the message is stark: Chinese brands are increasingly competitive on both price and product. The window to respond through sharper pricing, stronger EV line-ups and clearer value propositions is narrowing.

However, competing solely on vehicle attributes risks playing on the challengers' terms. As product gaps continue to close, Western OEMs will need to differentiate through the broader ownership experience, leveraging advantages that are harder to replicate such as an established service network, aftersales support, financing capabilities and reliable depreciation and disposal channels - ultimately positioning a Western brand as the "safer" car to own.

For Chinese OEMs entering Western markets, the play remains to target receptive markets such as the Netherlands, Italy and the UK, where consumer openness is already highest.



Estimated time to destination: *get there faster with OC&C*

This year's Speedometer shows consumer habits are changing, and Western OEMs must urgently adapt. The signals are clear: consumers want affordability, reliability and convenience, and they'll reward the businesses that deliver. Winners will be those who move at pace, whether that means rethinking how you price, where you market, or how you meet buyers at the top of the funnel.

This report is just a snapshot of the findings from our 2026 Speedometer report. Whether you sit in vehicle manufacturing, retail, leasing/rental or servicing, we can share further data to help you understand your customer. Get in touch.

About the research

The Global Automotive Disruption Speedometer launched in 2019 and is now on its fifth edition. We surveyed 8,173 drivers, asking ~60 questions on their car decisions and driving habits to understand how consumer attitudes and behaviours towards the auto industry are changing and the impact this will have on the industry. The study covered nine countries: Australia, Canada, China, France, Germany, Italy, the Netherlands, the UK, and the US.

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If you would like to discuss any of the themes covered in this report, we'd be delighted to talk.

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