Convert Fraud Risk into Resilience with Smarter Strategies

Fraud is evolving – but so are the dealers who fight it



Evan Baker
Chief Risk Officer
Capital One Auto

Capital One Auto

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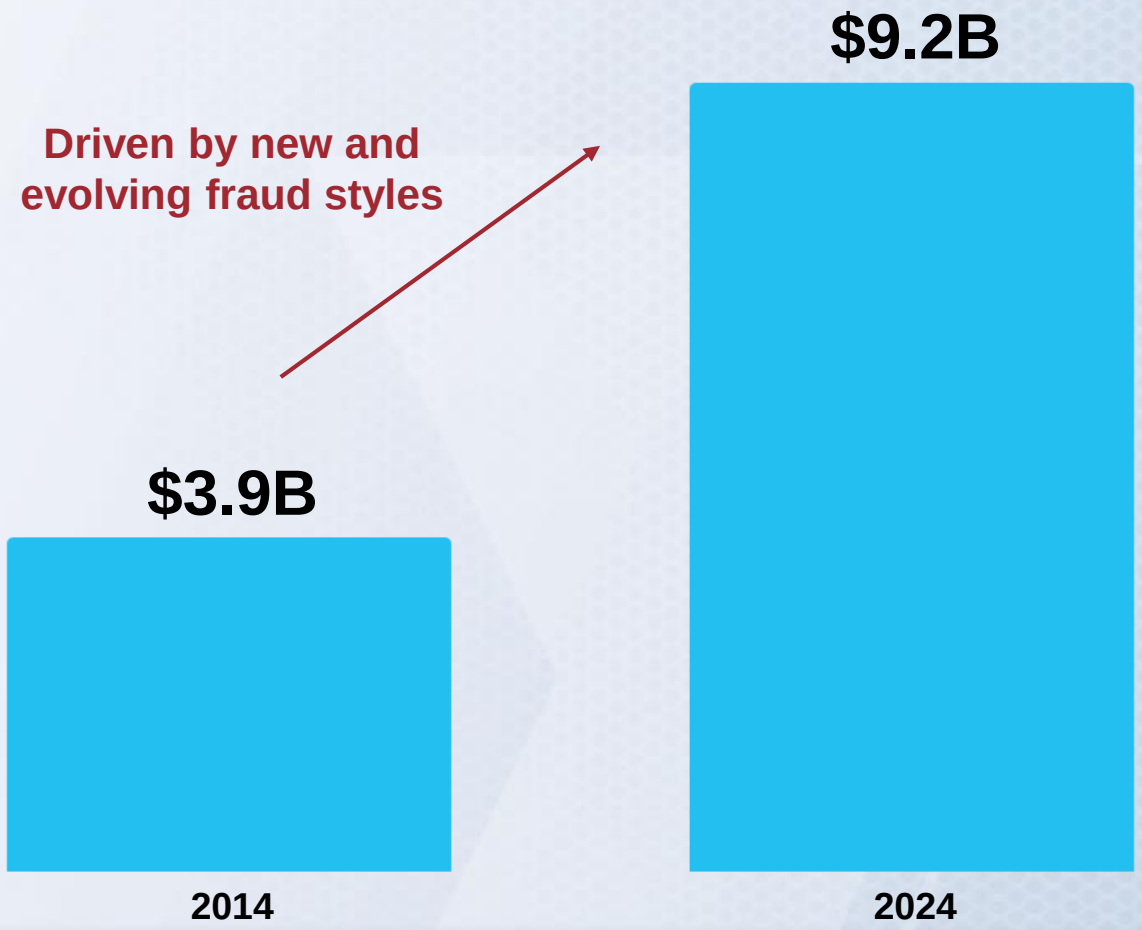
In the last 12 months, how many of you have experienced attempted fraud?

Fraud touches nearly every dealership – awareness is the first defense



The fastest-growing threat in auto is hiding in plain sight

Fraud losses more than doubled in ten years – every store has felt the impact



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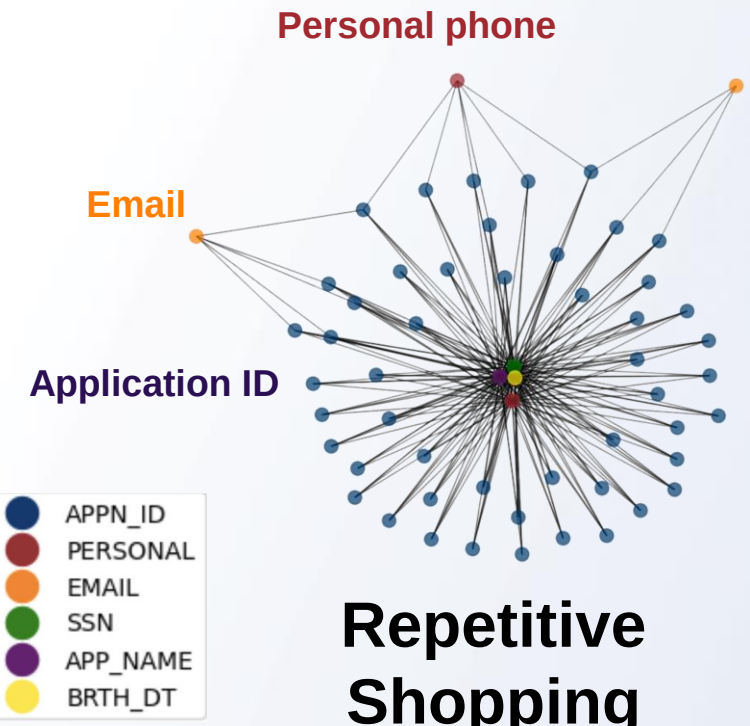
Fraud tactics are evolving fast

Identity and income manipulation now drive most dealer losses

Income & Employment Misrepresentation	Synthetic Identity & Credit Washing	True Name Identity Theft
$3.9B	$2.5B	$1.6B
▲10% YoY	▲10% YoY	▲29% YoY

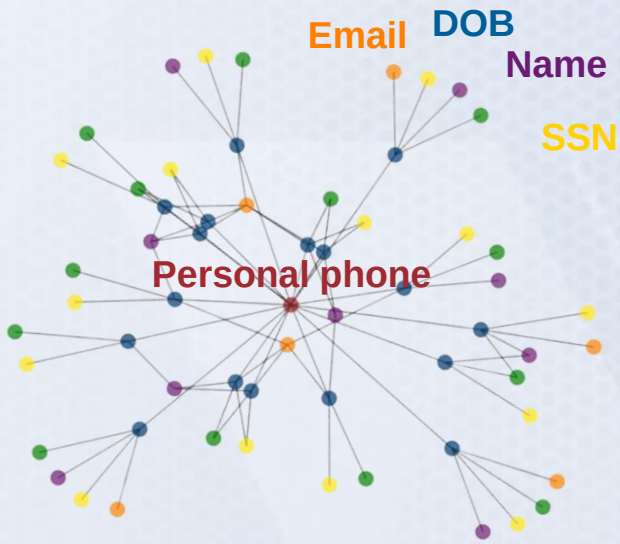
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Fraud leaves patterns – but you can't see them from a single transaction



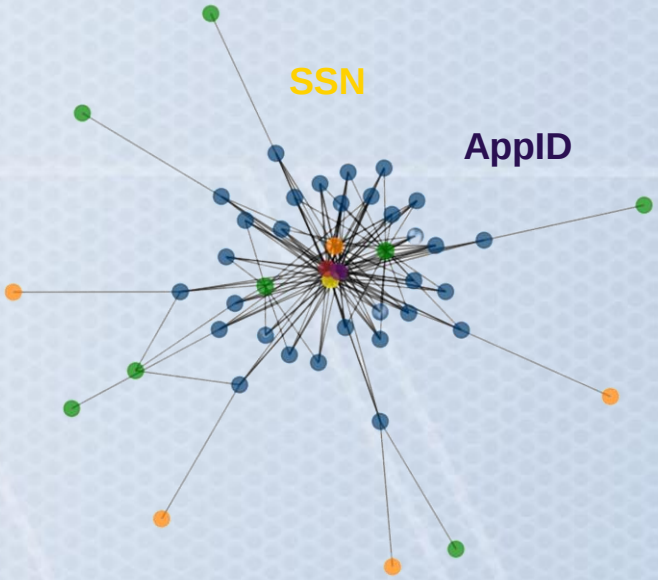
Repetitive Shopping

SAME: name, DOB, SSN & phone number



Linked Contact Information

SAME: phone number
DIFFERENT: name, DOB & SSN



Phishing for a SSN match

SAME: name, DOB
DIFFERENT: SSN, Any phone number

Source: Plot from real COA Application Data

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Fraud disrupts more than deals – it erodes trust and confidence



Customer friction hurts deals



Dealer's business is at risk



Lenders face huge losses

AI isn’t the problem – misuse is

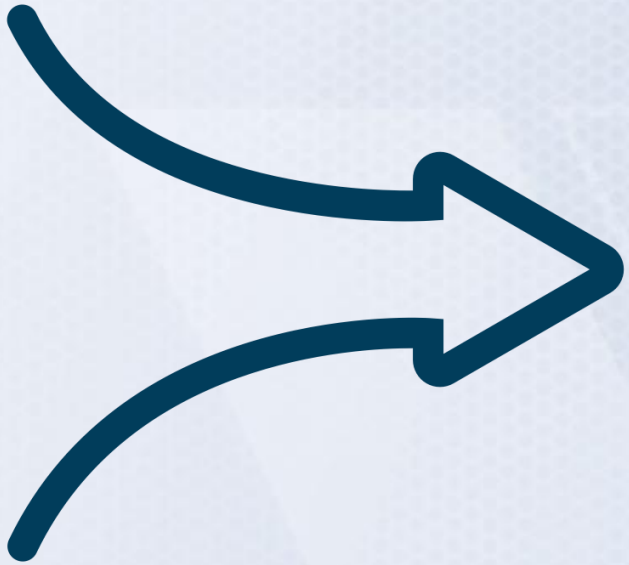


Source: New York Times

Tech that thinks as fast as fraud moves

Digital Indicators

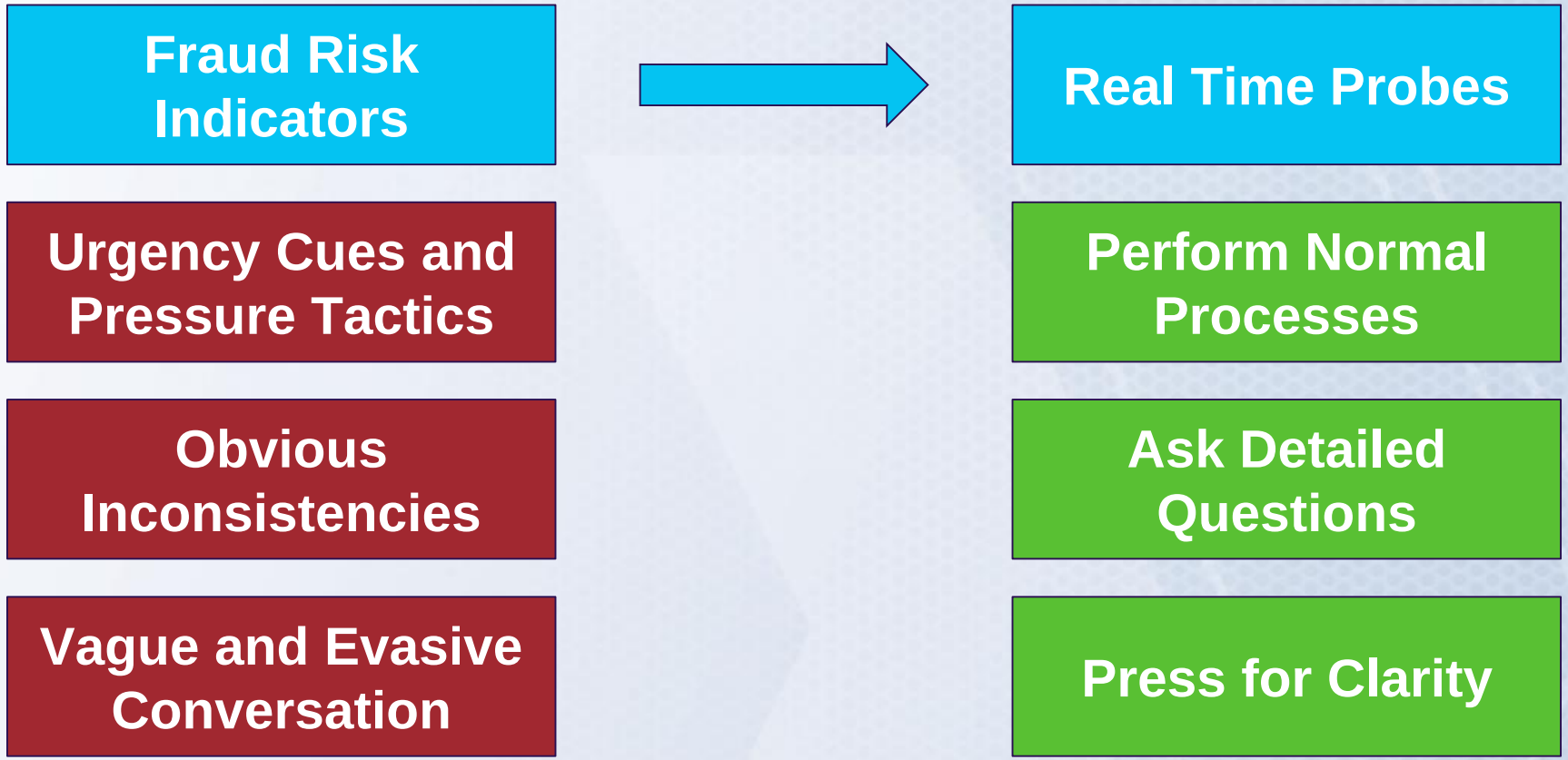
- Data Inconsistency
- Document Doctoring
- Lack of Digital History
- Network Flags





Only *half* of dealers say they are confident in their current cybersecurity protection systems
(2023 Data)

Your team is the first and best line of defense



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Responsible AI protects without slowing the sale



Fraud evolves rapidly – protective tech powered by machine learning and AI can evolve with it

Gut instinct is data in disguise



If the deal or the applicant seems too good to be true, it just might be. Check your gut intuition with tech and behavioral indicators

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Fraud is getting smarter – so should our defenses

- AI Enabled Global Cybercrime Groups
- Sophisticated Document Doctoring
- Deep Fakes
- Fully Automated Phishing

AI doesn’t cause Fraud – but AI tech in the wrong hands makes fraud harder to detect and prevent

Sophisticated fraud demands a smarter playbook

Identify Risk Indicators

Enact Protective Measures

Prevent Fraud

The right detection mix blends tech with human experience



Digital Footprint



Behavioral Indicators



“Gut” Intuition

Fraud can come from both consumers selling used cars and consumers purchasing from your lot

Dealer action framework: three ways to strengthen fraud resilience

Arm yourself with high quality tech: catch inconsistencies before funding

Train your team: awareness and confidence stop most fraud early

Trust your gut: intuition confirmed by data is your sharpest tool

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Fraud will keep evolving – but so will we



Evan Baker
Chief Business Risk Officer
Capital One Auto

Let's Connect!
Evan.Baker@Capitalone.com

Capital One Auto

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QUESTIONS?

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