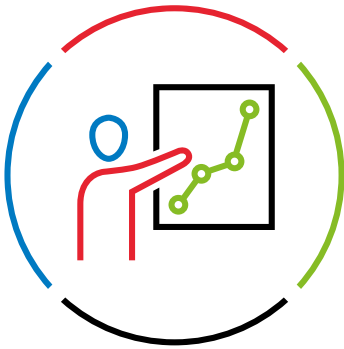




Auto Finance

Automotive Finance Digital Transformation Index Q4 2023

Wolters Kluwer, a global leader in professional information, software solutions, and services, announced fourth quarter 2023 results and analysis from its Auto Finance Digital Transformation Index, which tracks the rate at which auto dealers, service providers, and lenders are advancing digitization from paper-based finance back-office processes. The key resource revealed that digital adoption rates experienced a strong finish to 2023 amid record-high digital loan volumes.



Auto Finance Digital Transformation Index

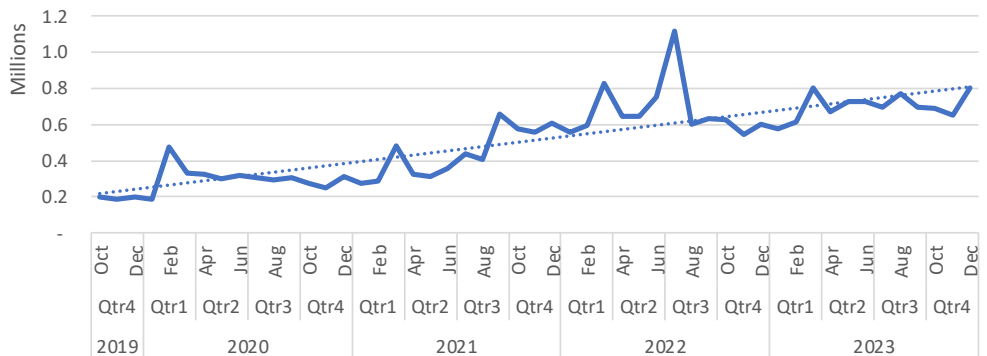
Helping to identify and track adoption drivers, the Wolters Kluwer Auto Finance Digital Transformation Index provides insights into market shifts that may impact the digital evolution within the automotive ecosystem. Results of the most recent Index revealed a healthy 21% increase in digitization growth for auto dealers, service providers and lenders compared to the same period last year. Meanwhile, securitized markets experienced a dramatic 325% increase in fourth-quarter year-over-year comparisons.

Digital adoption rates accelerate significantly year-over-year

Although the digital adoption growth rate remained relatively flat in the fourth quarter of 2023 compared to the third quarter, Wolters Kluwer’s most recent Auto Finance Digital Transformation Index recorded the strongest December on record – buoyed by a 21% Q4 boost compared to the same period in 2022. Even more, over the past four years, the digitization rate increased by 129%, underscoring the industry’s recognition of the value and importance of adopting digital workflow strategies.

The growth in digitization mirrors the successful post-pandemic rebound of the automobile sales market, which increased 12.4% in 2023 over the previous year. Industry experts say pent-up demand and supplemental dealership inventory contributed to the positive sales figures.

Vehicle eContracting volume Q4 2019 - Q4 2023





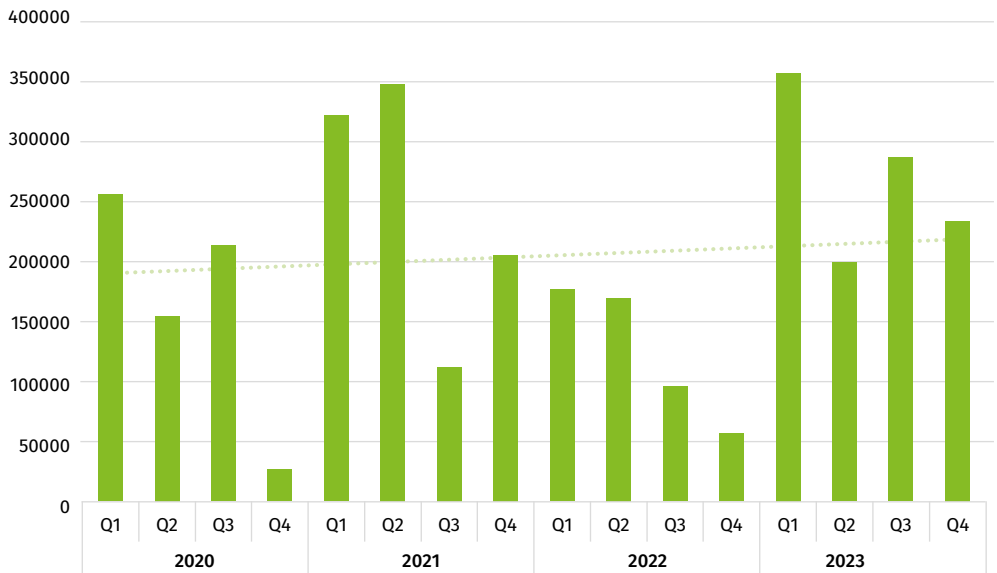
Digital adoption shifts into high gear within securitization markets

The most recent Index also showed that the adoption rate for monetized digital auto loans accelerated dramatically, skyrocketing 325% in fourth quarter year-over-year comparisons. The final quarter of 2023 also saw a record-high digital loan volume, which contributed to a 15% overall increase in the four-year adoption rate – marking the first time the four-year trend line has turned positive.

“The steadfast commitment to embracing digital workflow strategies has not only streamlined the operations of many in the industry, but has also become a driving force behind their success. We continue to navigate challenges with agility, leveraging technology to propel us forward. This focus on innovation and efficiency reaffirms our position at the forefront of a dynamic and evolving automotive landscape.”

Tim Yalich
 Head of Auto Strategy for Wolters Kluwer

Auto securitization transactions by quarter



Summary

The Wolters Kluwer Auto Finance Digital Transformation Index helps identify and track adoption drivers while providing insights into market shifts that may impact the digitization of the automotive ecosystem. Results of the Q4 Index showed a strong digital adoption growth rate, with a significant increase for securitization markets.



About Wolters Kluwer Financial & Corporate Compliance

Wolters Kluwer (EURONEXT: WKL) is a global leader in information, software, and services for professionals in healthcare, tax and accounting, financial and corporate compliance, legal and regulatory, and corporate performance and ESG. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with specialized technology and services.

Wolters Kluwer reported 2022 annual revenues of €5.5 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 20,000 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

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