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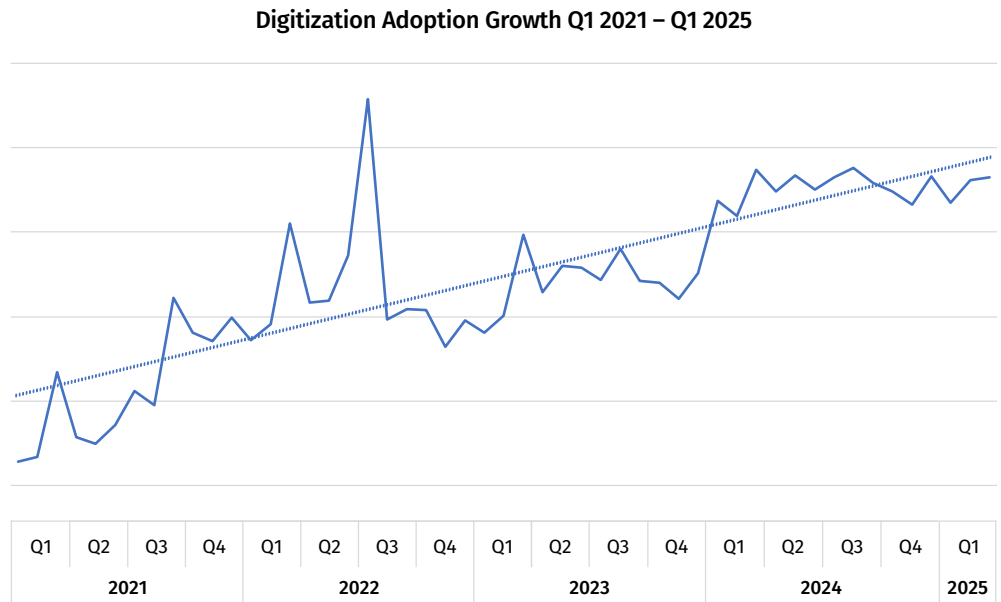
**Auto Finance**

# Automotive Finance Digital Transformation Index Q1 2025

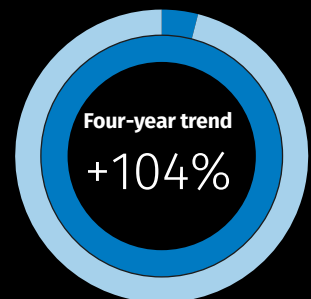
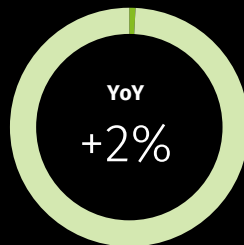
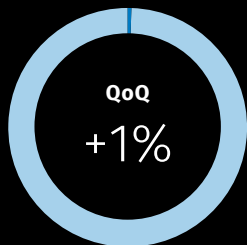
Wolters Kluwer, a global leader in professional information, software solutions, and services, announced the first-quarter 2025 results and analysis from its Auto Finance Digital Transformation Index. The key resource – which tracks the rate at which the industry is advancing digitization from paper-based finance back-office processes – revealed continued growth in digital adoption over the past four years.

## Growth rate cruising for eContracting adoption

Auto dealers, service providers, and lenders marked the new year by continuing the drive to incorporate digitized contracting and documentation workflows. The four-year trend has increased more than 104 percent dating back to the first quarter of 2021, accentuating the industry’s recognition of the value of adopting eContracting workflows to increase back-office efficiency. The first-quarter adoption rate was only slightly higher (1 percent) than last quarter, according to Index results. Meanwhile, the YoY rate rose just 2 percent compared to Q1 of 2024, mirroring the auto industry’s meager growth over the same timeframe. Still, propelled by strong enticements, high dealer inventories, and very aggressive incentives, sales in the auto industry [were up 4.5 percent](#) in Q1 of 2025 versus Q1 of 2024.



## eContracting digital adoption rate



# Securitized markets see quarterly uptick

The Wolters Kluwer Index also found that the rate of digital adoption continued to accelerate in securitization markets, increasing 13 percent in the first quarter compared to the fourth quarter of 2024. While the data reflected a 50 percent YOY decrease when comparing Q1 2025 with Q1 2024, the four-year trend remained positive, with a growth rate of 24 percent.

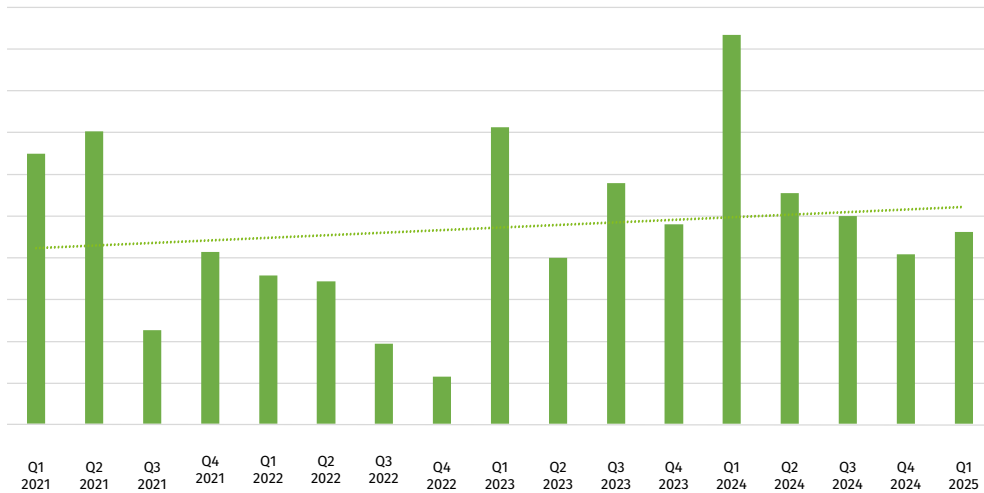
Furthermore, the overall activity for [auto ABS](#) reflected normal seasonal trends during the first quarter, with month-over-month improvements in losses, recoveries, and delinquencies. In addition, for the second month in a row, prime auto loan losses and 60-plus-day delinquencies declined and recoveries improved.



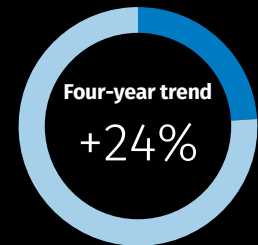
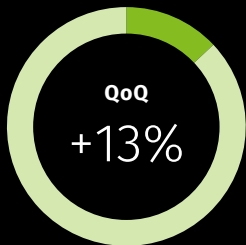
**Matt Babcock**  
Digital Lending Product  
Strategy for Wolters Kluwer

*“The continued significant jump of digital documentation processes over the last four years highlights the ongoing dedication of auto lenders and their dealer partners to modernize operations. Despite the modest growth of digital adoption in the first quarter, businesses continue to recognize the importance of making digital investments, and we expect that lenders, dealers, and their partners will continue to migrate toward digital workflows for their operations.”*

**Auto securitization transactions by quarter**



# Securitization adoption rate





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## 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 equipment lessors and servicers. Results of the Q1 2025 Index showed a positive four-year trend for both eContracting and securitized markets, with the latter also growing by double digits compared to the previous quarter.



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### About Wolters Kluwer Financial & Corporate Compliance

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

Wolters Kluwer reported 2024 annual revenues of €5.9 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 21,600 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

Wolters Kluwer shares are listed on Euronext Amsterdam (WKL) and are included in the AEX, Euro Stoxx 50, and Euronext 100 indices. Wolters Kluwer has a sponsored Level 1 American Depositary Receipt (ADR) program. The ADRs are traded on the over-the-counter market in the US (WTKWY).

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