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Wolters Kluwer, a global leader in professional information, software solutions and services, announced today new analysis from its Auto Finance Digital Transformation Index, a key resource that tracks the rate at which auto dealers,

service providers and lenders are seeing growth in the evolution from paper-based

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online shopping in that it represents the conversion of back-office processes from paper to digital assets.

According to Wolters Kluwer's Auto Finance Digital Transformation Index, the industry saw a 78.86% growth in digital financing transactions between 2021 and 2020, and a 38% growth from 2019 to 2020. The company also saw a 98% increase in digital transactions comparing Q4 2021 with Q4 2020.

As the consumer experience has become more digital and the critical need during covid to transact remotely, this combination led to the adoption of more digital processes and transactions through digital channels, including lease buyouts directly through the lender leveraging digital contract channels. What's more, the rise of used-vehicle purchases took place with many large used dealership conglomerates that now use digital platforms.

Even though the Index has shown a 79% growth rate between 2020 and 2021, up from 38% from 2019, there remains more room for industry adoption. In 2021, nine million out of 28 million auto finance originations were eContracted, representing just 32.5% of all auto (new/used) loan transactions.

"Lending transactions are being completed in many places today with new models emerging such as the adoption of EV, which caters to a more holistic digitized loan origination and document management process," said **Tim Yalich, Head of Auto Strategy for Wolters Kluwer**. "In particular, lenders are now looking for seamless, automated and compliant ways to transact and secure the benefit digital offers over paper. Lenders, third-party providers and dealers are now leveraging digital ecosystems that are purpose-built to handle the auto finance industry's origination channel diversity, eliminating the complexities around managing various multi-channel assets post-execution, and drastically reducing operational and time costs."

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