2026 Global State of Asset Finance

Unlock how lenders are modernizing to meet borrower expectations, improve efficiency and drive growth



TECH STUDIO™ | FIS

Contents

1. Executive Summary
2. A profitability and productivity squeeze
3. An uneven modernization starting line
4. Fragmentation is slowing transformation
5. Origination takes center stage
6. Industry-specific perspectives on origination
7. Regional perspectives: A shared modernization agenda with different priorities
8. Institution perspectives: Different priorities, different starting points
9. Investment follows operational friction
10. Operational AI moves through pilots
11. Efficiency is the gateway to growth
12. What defines modernization success
13. What will differentiate modernization leaders
14. Survey methodology
15. About FIS

1. Executive Summary

Asset finance, spanning equipment finance, auto finance and wholesale finance, is moving into a more connected phase of modernization. The 2026 Global State of Asset Finance survey captures perspectives from 334 senior leaders across 22 countries and shows how organizations are responding to profitability pressure, operational friction and rising customer expectations.

The findings point to a clear execution gap. The leading business challenge is margin pressure and declining yields, while 76% say their organizations are only slightly effective or not effective at addressing their most important challenges. Nearly seven in ten remain primarily legacy or only partially modernized.

Fragmentation drives that gap: 77% cite a lack of integration between systems and 62% cite limited automation. Modernization is moving into the operating core, with origination and onboarding a top-three priority for 81% and credit decisioning selected by 55%.

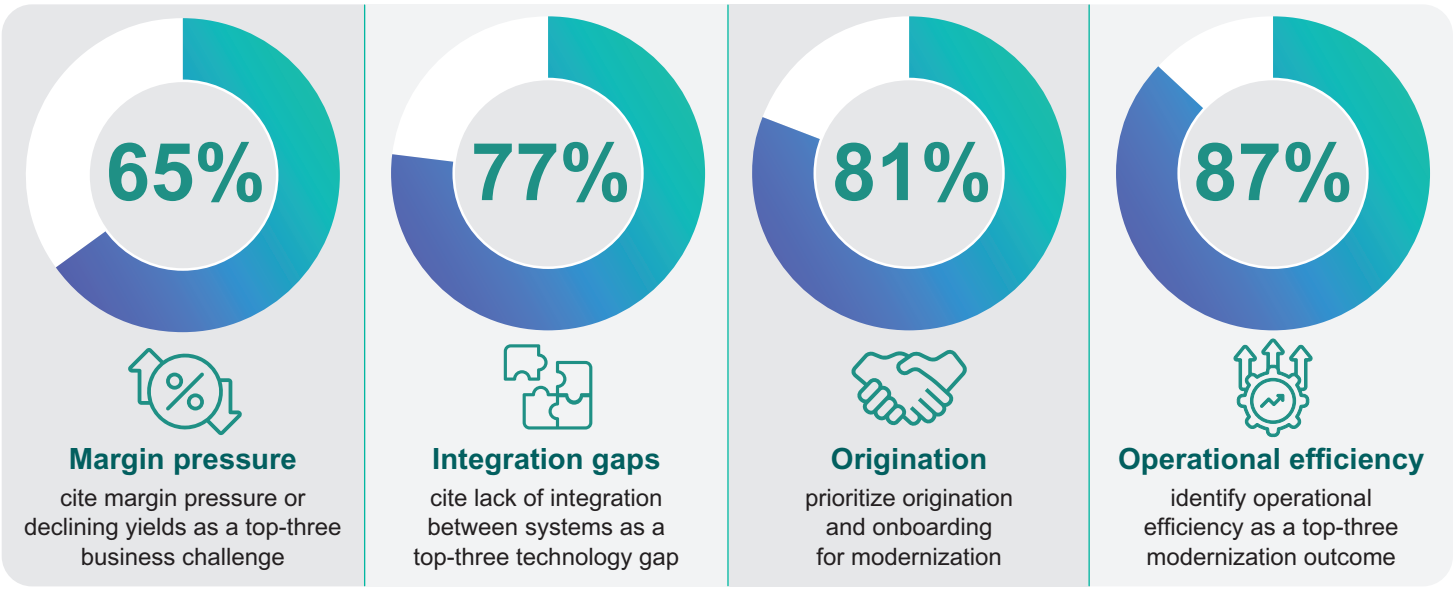
Investment is following that friction. Workflow automation and cloud lead planned investment, while AI is moving into process automation, collections, customer service and portfolio monitoring. Operational efficiency is the clearest immediate business case, identified as a top-three desired outcome by 87%, while customer experience, growth and risk management broaden the value of transformation.

The direction is toward a more connected operating model. Organizations that link data, workflows, automation and intelligence across the financing lifecycle will be better positioned to make faster decisions, improve experiences and create capacity to grow.

Unless stated otherwise, all data is sourced from the 2026 Global State of Asset Finance survey of 334 senior leaders across banks, captive finance companies, independent finance companies/lenders and credit unions in 22 countries. The survey was conducted in August 2026 by TechStudio™, an Energize Marketing® company, in partnership with FIS®.

> "The auto and equipment lenders are navigating mounting pressure from affordability concerns, regulatory complexity and rising operating costs, while legacy systems add inefficiency and limit their ability to adapt."
>
> – Steve Sabin, SVP, Division Executive – Lending, FIS

Key findings



2. A profitability and productivity squeeze

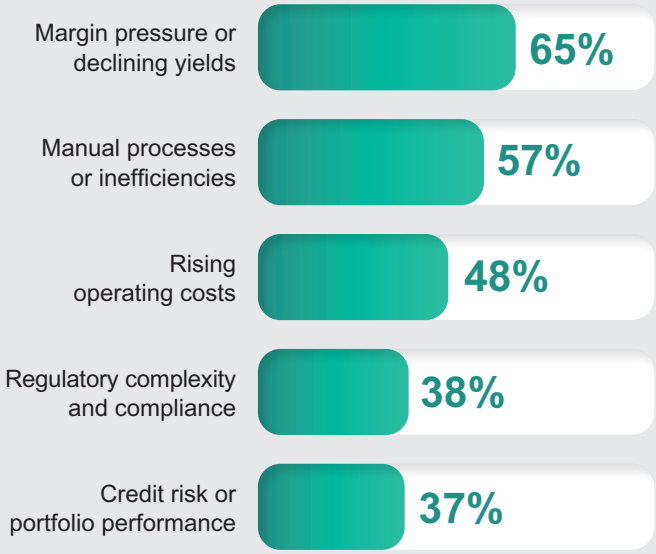
Asset finance organizations are confronting a mix of financial and operating pressures. Sixty-five percent cite margin pressure and declining yields as a top-three challenge, followed by manual processes or inefficiencies at 57% and rising operating costs at 48%. Regulatory complexity and credit risk add to the pressure and increase the need for adaptable, auditable processes.

While responses are spread relatively evenly across the range of threats, respondents again rank margin compression and profitability pressure as the single biggest threat, followed by AI disruption and technology-driven competition. Economic uncertainty, cybersecurity, and data and integration challenges also register as concerns.

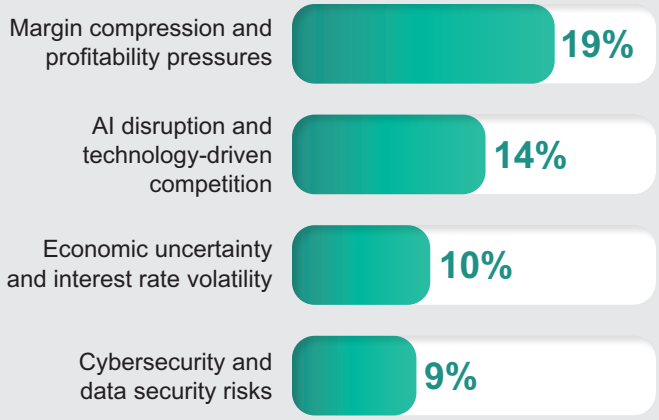
These pressures reinforce one another. Margin compression is harder to absorb when work remains manual, operating costs rise and data is fragmented, making modernization part of how lenders protect economics, improve productivity and create room to grow.

> "The industry needs to grow without sacrificing returns, but persistent pricing pressure could make that balance difficult to achieve."
>
> – VP, Consumer Lending Products, Credit Union, United States

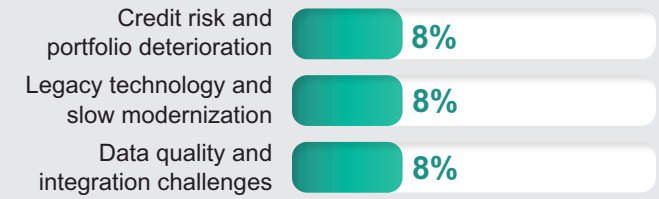
Top pressures facing asset finance organizations



What is the biggest threat facing the asset finance industry over the next three years?



Additional concerns



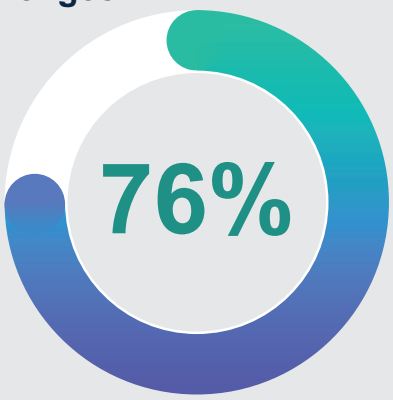
3. An uneven modernization starting line

The pressure to modernize is widely understood, but execution remains uneven. More than three-quarters of respondents (76%) say their organizations are not effective or only slightly effective at addressing their most important challenges.

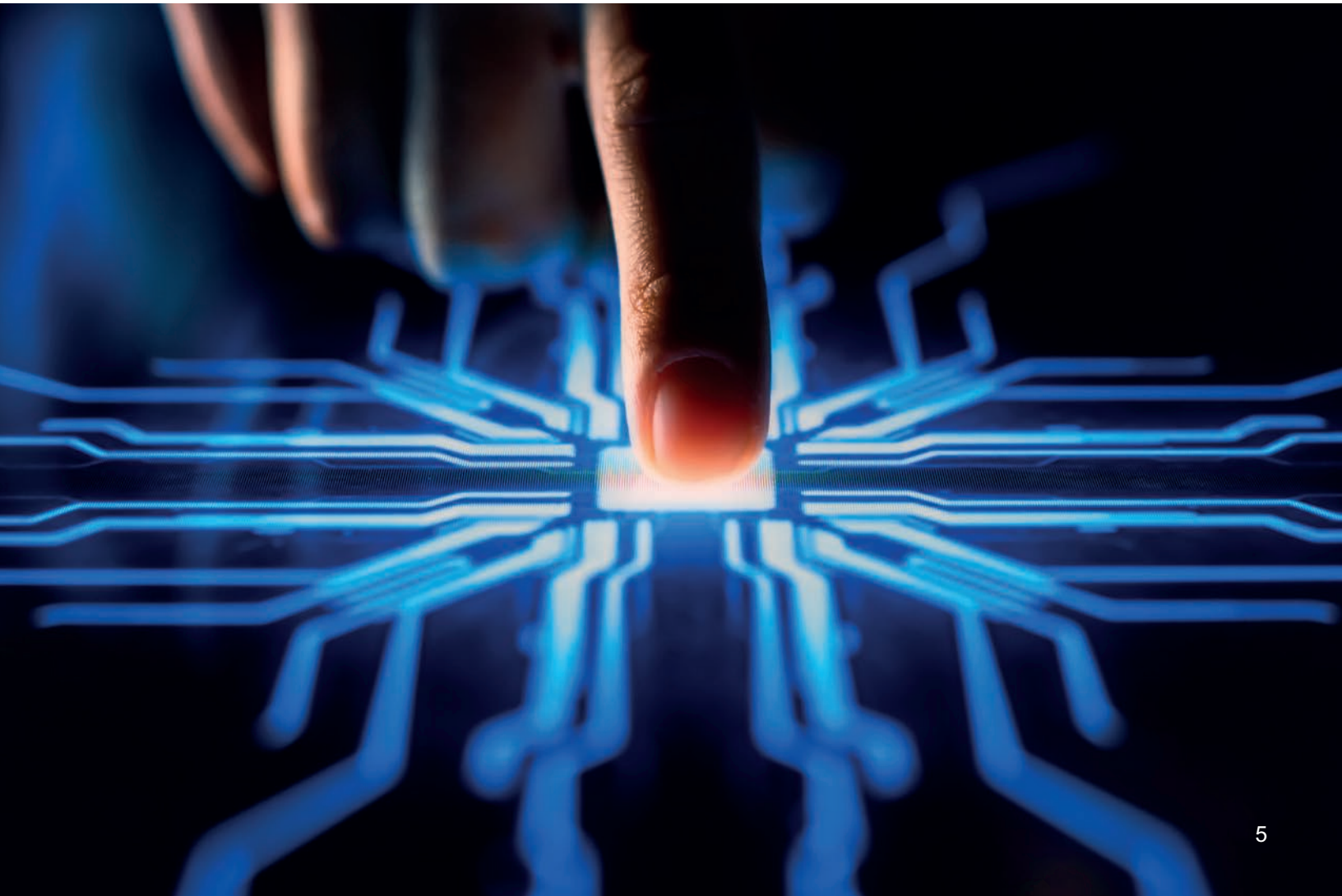
Respondents cite resource constraints as the most significant internal barrier at 37%, followed by inefficient processes or unclear ownership at 34% and legacy technology at 27%. Lack of an enterprise data strategy and siloed teams add further complexity, showing that modernization is as much an operating model challenge as a technology challenge.

Technology maturity reinforces the point: 47% describe their environment as partially modernized and 22% as primarily legacy, while just 12% say they are fully modernized, integrated and digital-first.

Effectiveness at addressing top challenges



are not effective or only slightly effective at addressing their most important challenges



4. Fragmentation is slowing transformation

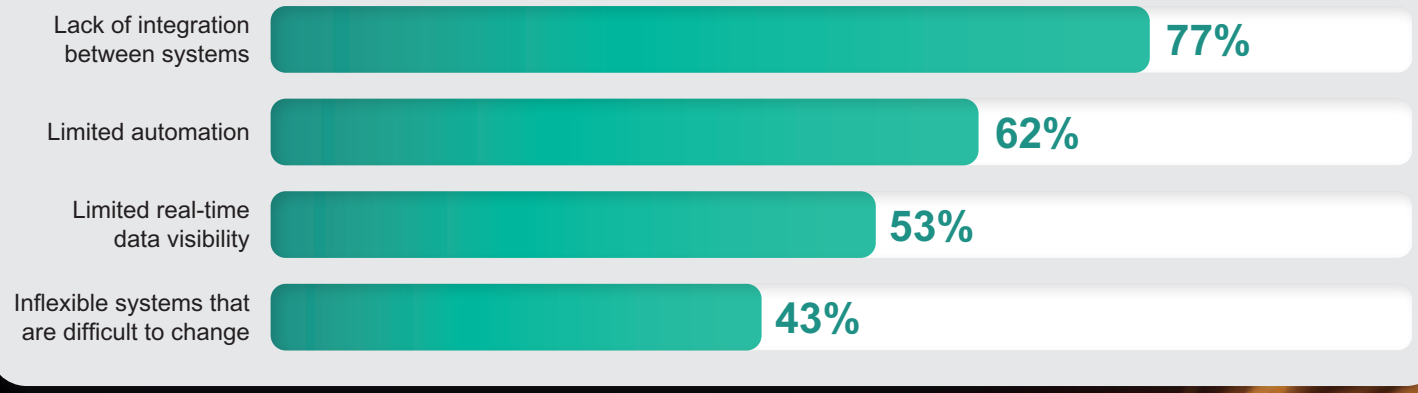
Fragmentation remains the clearest technology constraint. Lack of integration between systems is a top-three gap for 77% of respondents, followed by limited automation at 62%, limited real-time data visibility at 53% and inflexible systems at 43%.

The sourcing model reflects that complexity. Thirty-eight percent use a hybrid mix of in-house and vendor solutions and 32% operate proprietary systems with some cloud adoption. For many organizations, modernization means connecting and improving a mixed environment rather than replacing everything at once.

Better connectivity can reduce manual handoffs, improve data visibility and enable greater automation. Without it, new capabilities risk adding another layer to the fragmentation already limiting execution.

Top technology gaps

Share of respondents selecting each as a top-three technology gap.



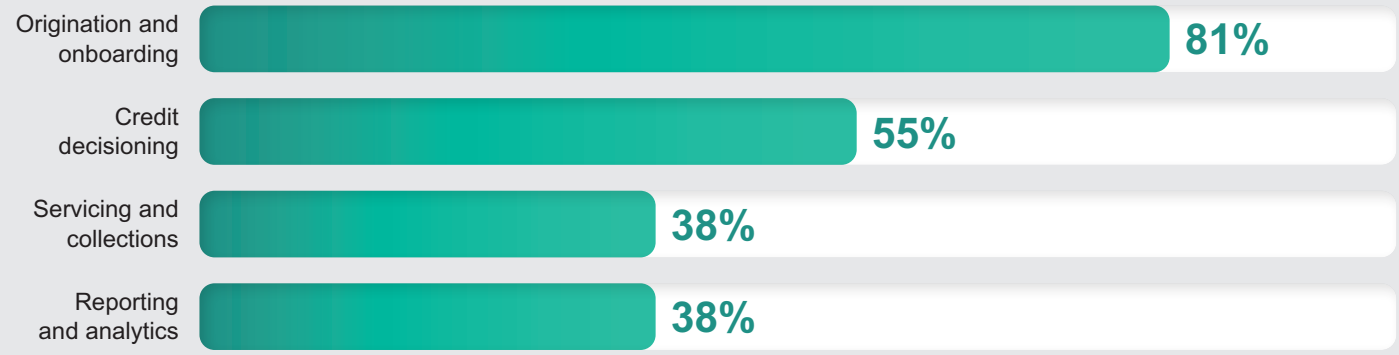


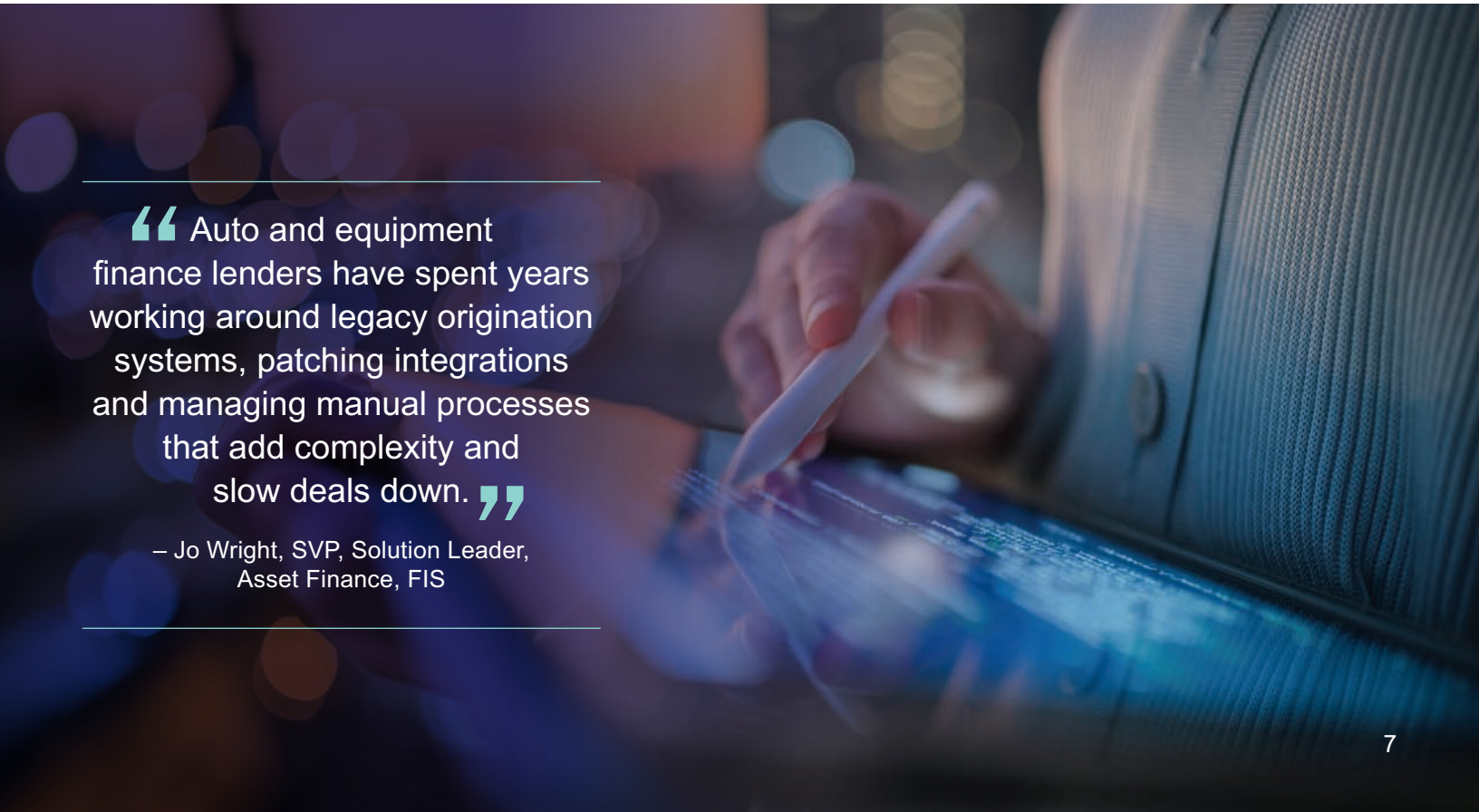
5. Origination takes center stage

Modernization is moving from isolated technology projects into the operating core of asset finance. As part of that move, origination sits at the front of the financing lifecycle, where customer and dealer experience, credit decisions, documentation, pricing, approvals and funding converge. Improving it can accelerate decisions, reduce manual work and create more consistent downstream workflows.

Origination and onboarding is a top-three modernization priority for 81% of respondents, while credit decisioning is selected by 55%. Servicing and collections and reporting and analytics follow at 38% each.

Rank the 3 areas of your operation that are the highest priority for modernization over the next 12–24 months.





> "Auto and equipment finance lenders have spent years working around legacy origination systems, patching integrations and managing manual processes that add complexity and slow deals down."
>
> – Jo Wright, SVP, Solution Leader, Asset Finance, FIS

6. Industry-specific perspectives on origination

Origination is a common modernization priority across the three major asset finance markets, but the surrounding business case differs based on industry. Each case provides unique insight into that industry and how businesses can develop effective modernization strategies.

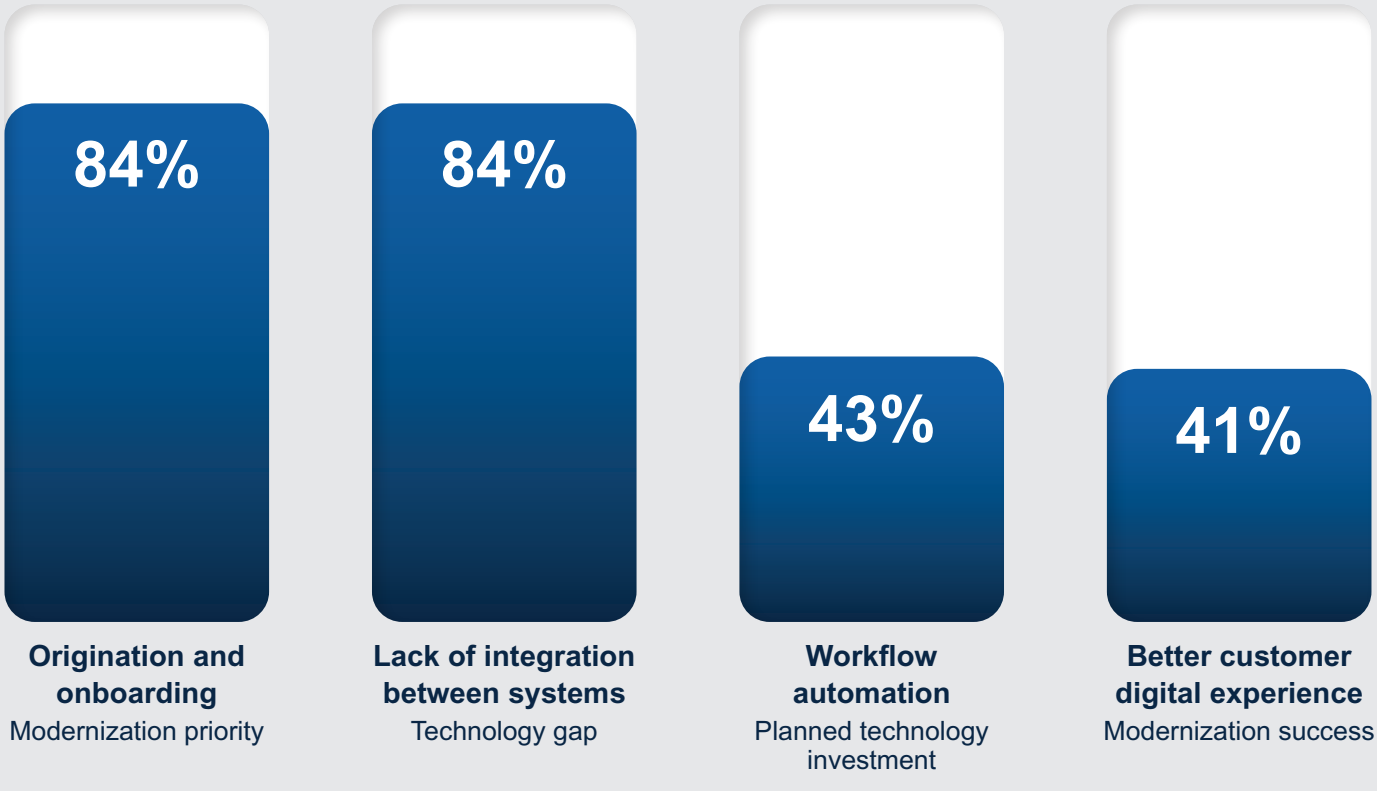
Auto finance: Accelerating decisions and digital experiences

Connecting dealer systems with finance platforms can help approvals, inventory and customer interactions update in real time, supporting faster decisions and simpler dealer and customer experiences.

Among auto finance respondents, 84% prioritize origination and onboarding and 84% identify lack of integration as a technology gap. Forty-three percent plan to invest in workflow automation, while 41% cite a better customer digital experience as a measure of modernization success.

Auto finance

Selected findings among auto finance respondents.



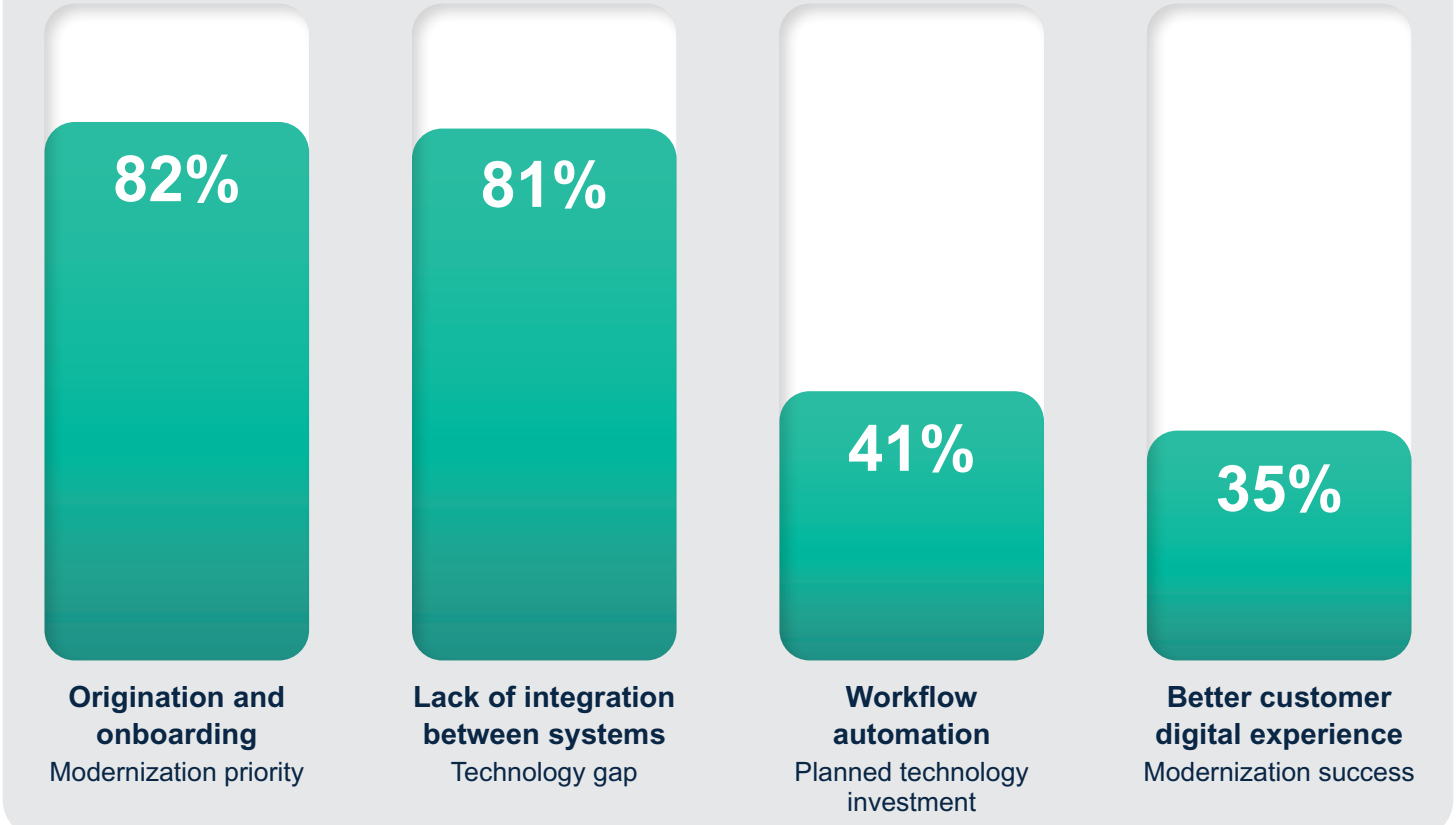
Market groups are nonexclusive. Respondents may be represented in more than one market.

Equipment finance: Connecting complex operations

For equipment finance, connected asset and utilization data can further support pricing, asset performance monitoring and utilization risk, making integration and decision intelligence central to the modernization opportunity. Origination and onboarding is a top-three priority for 82% of respondents, while 81% identify lack of integration as a technology gap. Forty-one percent plan to invest in workflow automation, and 35% cite a better customer digital experience as a measure of modernization success.

Equipment finance

Selected findings among equipment finance respondents.



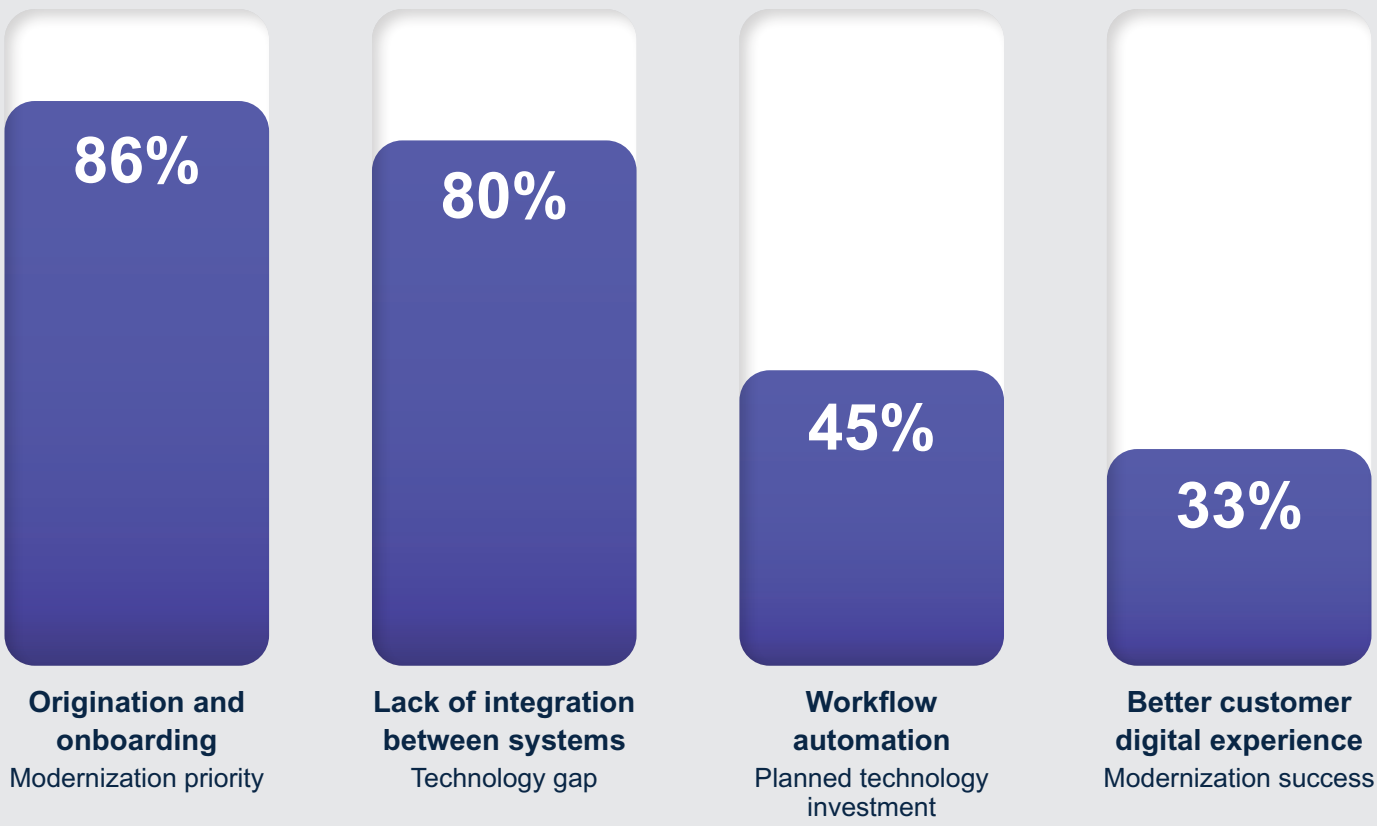
Wholesale finance: Putting workflow at the center

The opportunity is to reduce manual handoffs across dealer drawdowns, funding reconciliation, settlement, inventory data and dealer self-service, creating a more continuous financing workflow.

The pattern is broadly consistent with the other Asset Finance markets. Among wholesale finance respondents, 86% prioritize origination and onboarding, 80% identify a lack of integration as a technology gap, 45% plan workflow automation investment and 33% cite a better customer digital experience as a measure of success.

Wholesale finance

Selected findings among wholesale finance respondents.



7. Regional perspectives: A shared modernization agenda with different priorities

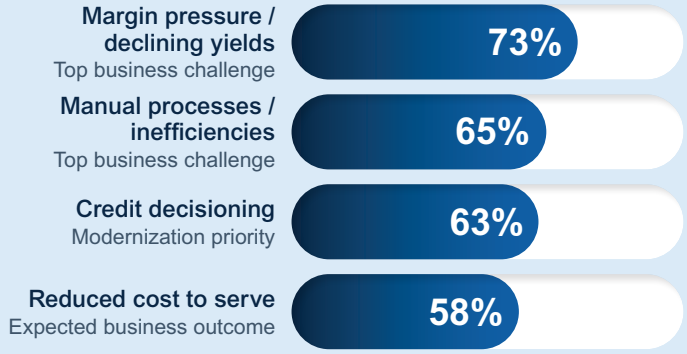
The modernization agenda is consistent across regions, but local economics, regulation and operating priorities shape what organizations need modernization to accomplish.

North America: Economics and execution pressure

Among North American respondents, margin pressure or declining yields is a top-three challenge for 73%, while 65% cite manual processes or inefficiencies. Credit decisioning is a modernization priority for 63% and 58% identify reducing cost to serve as a desired outcome.

The findings connect modernization directly to execution economics and profitability. Faster decisions, greater automation and more efficient processes can help reduce operational friction and create capacity to compete and grow. U.S. equipment finance volumes are on pace for a record year in 2026, even as inflation and funding costs continue to pressure the economics of financing.[1]

North America | Selected regional findings



> "Pressure to improve operational efficiency amid shrinking profit margins."
>
> – Chief Credit Officer, Bank, United States

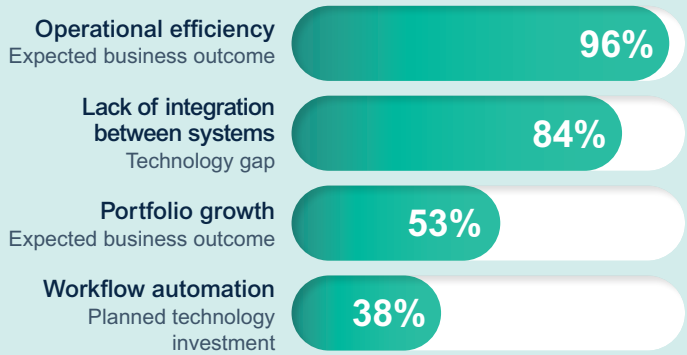


EMEA: Connection, efficiency and growth

In EMEA, 84% cite a lack of integration between systems as a top-three technology gap, while 96% identify operational efficiency as a leading modernization outcome. Portfolio growth is selected by 53% and 38% plan investment in workflow automation.

Integration and automation can help turn fragmented processes into more connected operations while supporting growth and scale. In the European Union, the Digital Operational Resilience Act (DORA) has also increased the focus on ICT risk, third-party technology dependencies and operational resilience.[2]

EMEA | Selected regional findings



> "Our focus is on creating a connected digital journey from application through account management."
>
> – Chief Financial Officer, Captive Finance Company, Spain



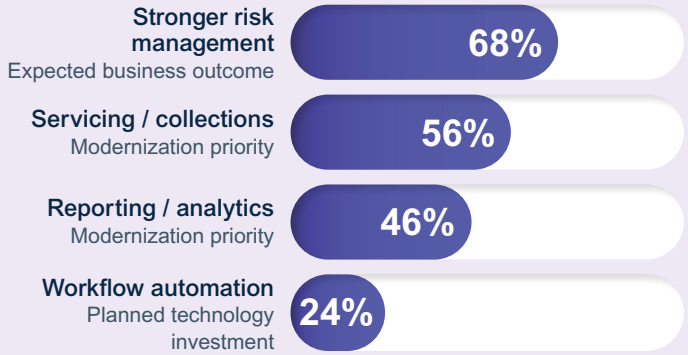
[1]Equipment Leasing & Finance Association, *Equipment Leasing & Finance U.S. Economic Outlook, Q3 2026*
[2]European Banking Authority, *Risk Assessment Report*, June 2026

Asia-Pacific: Risk, visibility and growth with greater control

Better visibility can support more informed decisions and controlled growth. Connecting data, workflows and decision-making can help organizations identify risk sooner and respond more effectively without weakening risk discipline.

In Asia-Pacific, credit risk or portfolio performance is a top-three business challenge for 64%, while 62% cite limited real-time data visibility as a technology gap. Stronger risk management is a top-three desired outcome for 68%.

Asia-Pacific | Selected regional findings



> "Telematics data feeds our AI risk models so we offer dynamic pricing based on actual usage and driver behavior."
>
> – Chief Financial Officer, Bank, India



Regional perspectives at a glance



North America

Economics and execution pressure

Profitability pressure, manual processes and faster decisioning are shaping the modernization agenda.





EMEA

Connection, efficiency and growth

Integration and workflow automation are central to improving efficiency while creating capacity to grow.





Asia-Pacific

Risk, visibility and controlled growth

Risk management, servicing and better data visibility are central to modernization priorities.



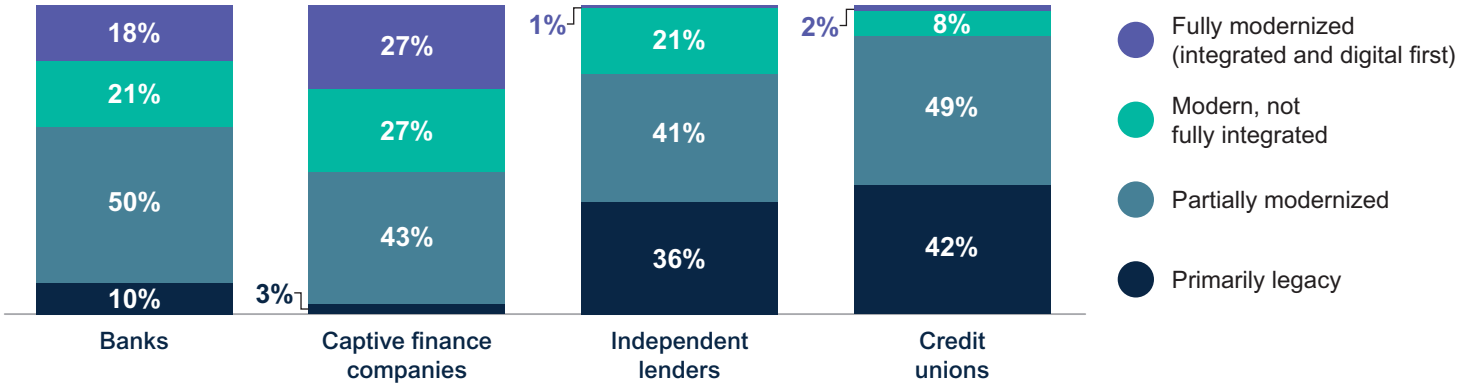
8. Institution perspectives: Different priorities, different starting points

Institution type also shapes the modernization path. Credit unions and independent lenders have the greatest concentration of primarily legacy environments, at 42% and 36%, while 27% of captive finance companies and 18% of banks describe themselves as fully modernized.

Priorities also vary. Credit unions place greater emphasis on credit decisioning (71%); captive finance companies combine an 80% focus on origination with 50% on reporting and analytics; and banks place comparatively greater emphasis on servicing and collections (45%). The findings reinforce the need for modernization strategies that reflect each institution's starting point and operating model.

Current technology environment by institution type

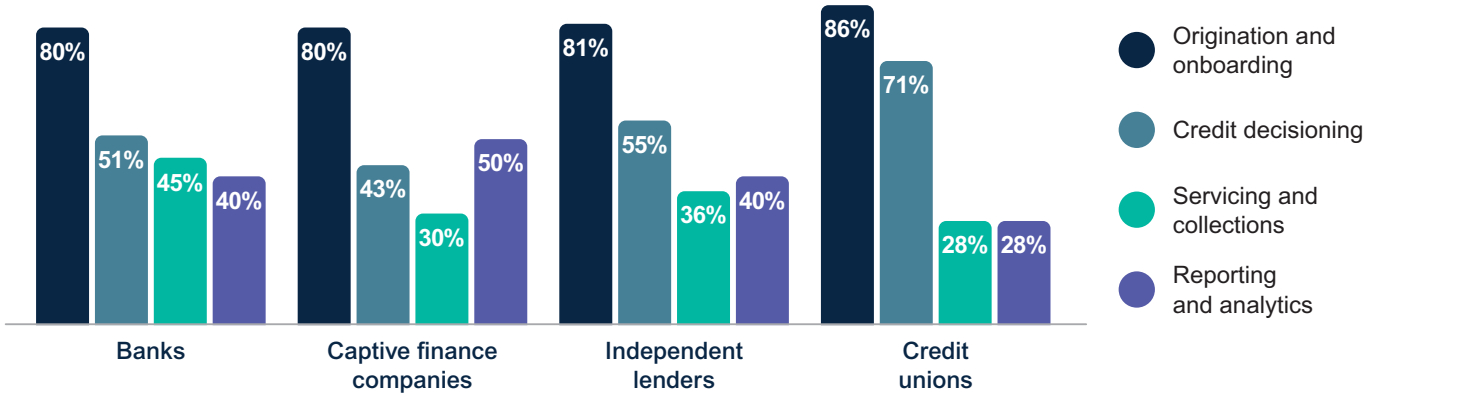
Percent of organizations



Key Insight: Technology maturity varies significantly by institution type, reinforcing the need for modernization strategies that reflect each organization's starting point, operating model and priorities.

Top modernization priorities by institution type

Percent of organizations selecting each as a top priority (top 3)



Key Insight: Origination and onboarding is a leading priority across institution types, but the mix of priorities around decisioning, servicing and collections varies, highlighting the need for flexible modernization paths.

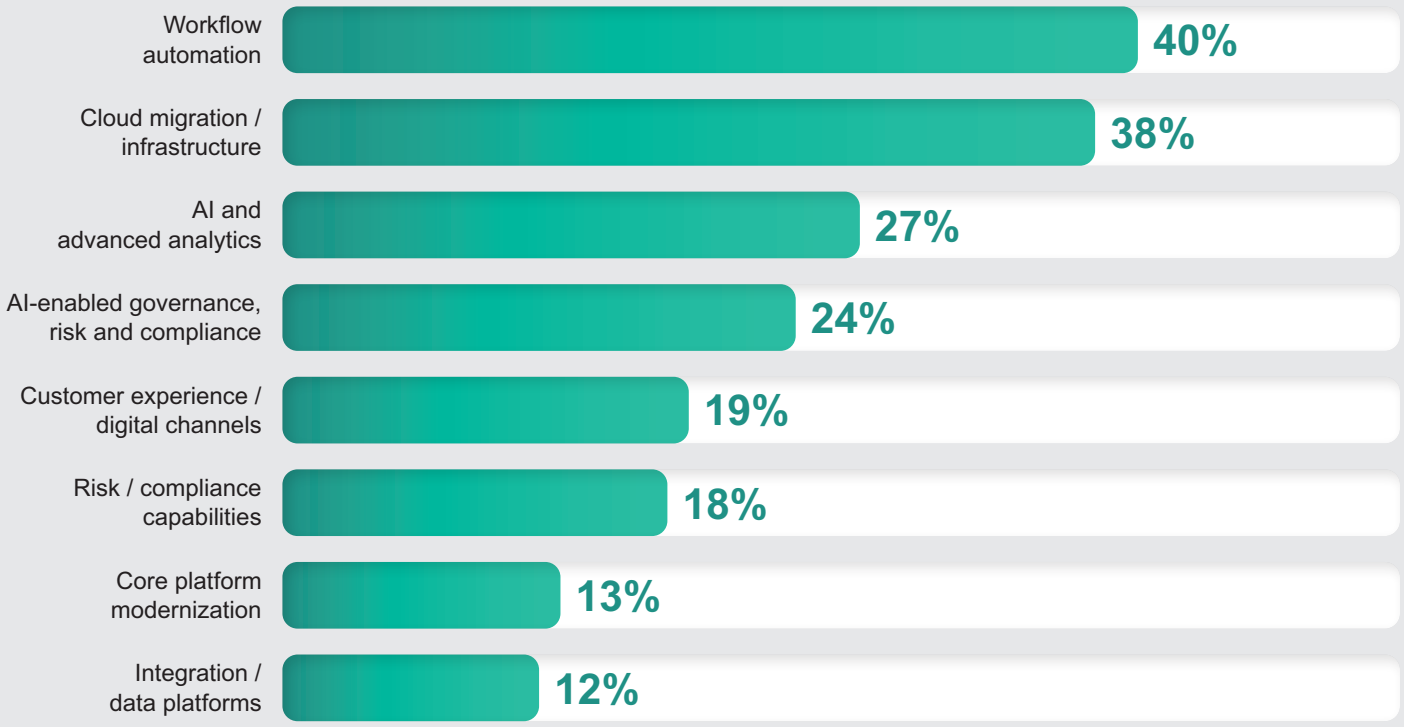
9. Investment follows operational friction

Over the next 12 to 24 months, workflow automation leads planned technology investment at 40%, followed by cloud migration and infrastructure at 38%. AI and advanced analytics follow at 27%, while 24% expect to increase investment in AI-enabled governance, risk and compliance.

The pattern mirrors the gaps identified elsewhere. Workflow automation addresses manual work, cloud supports scalability and connectivity, and AI can extend that foundation into credit assessment, pricing, servicing, collections and portfolio monitoring.

The emphasis is practical: build a more flexible operating foundation, connect more data and apply intelligence where it can create measurable business value.

Where does your organization expect to increase technology investment over the next 12–24 months?



Note: Select up to two. Percentages represent share of respondents.

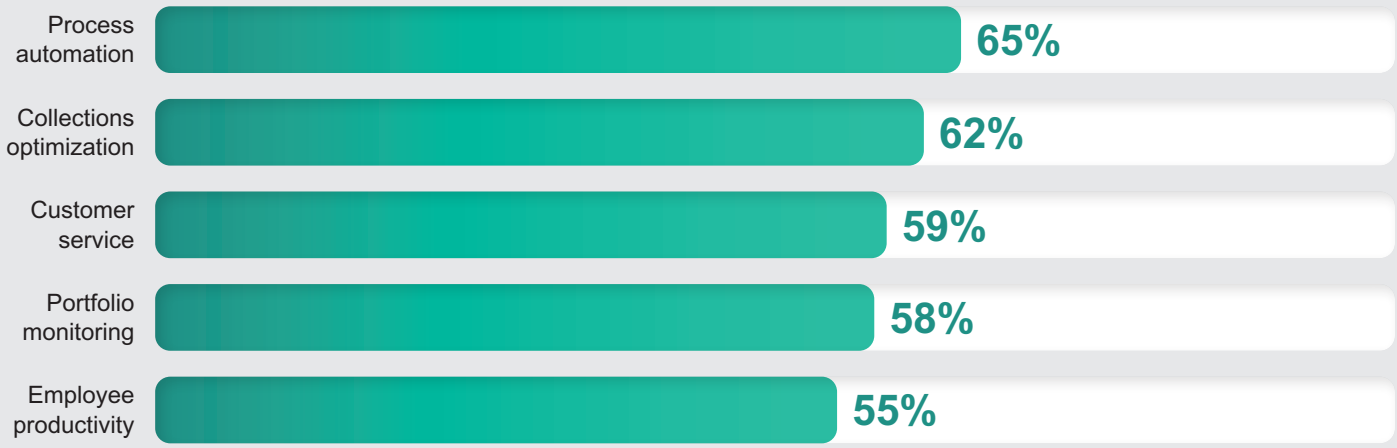
10. Operational AI moves through pilots

AI pilots are moving away from abstraction and into day-to-day workflows. Process automation leads at 65%, followed by collections optimization (62%), customer service (59%), portfolio monitoring (58%) and employee productivity (55%).

These use cases share a common profile: high volumes of data, repetitive activity and ongoing decisions. AI can help automate process steps, prioritize work, monitor changes and give employees better information to act on.

The next challenge is scale. Moving successful pilots into repeatable operational capabilities will depend on data quality, integration with core workflows and appropriate governance.

Where is your organization currently piloting AI in asset finance?



Note: Percentages represent the share of respondents indicating they are currently piloting AI in each area.



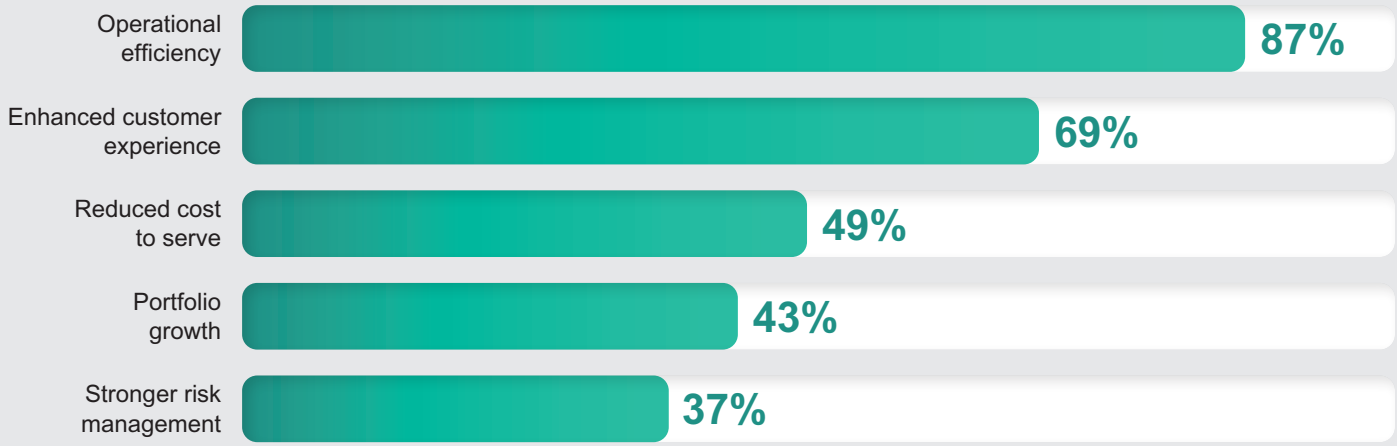
11. Efficiency is the gateway to growth

Operational efficiency provides the clearest immediate business case for modernization. It is a top-three desired outcome for 87% of respondents, well ahead of customer experience at 69%.

Greater efficiency can create capacity to originate and service more business without adding cost and complexity at the same rate. Automation can reduce manual handoffs, connected data can improve decisioning and portfolio visibility and integrated workflows can help teams respond faster.

That is why modernization is not primarily a cost-cutting exercise. Only 9% cite cost reduction as the primary driver. The broader opportunity is to improve operating economics while creating capacity for better customer experiences, stronger portfolio performance and growth.

What business outcomes does your organization most want to achieve through modernization?



Note: Select up to three. Percentages represent share of respondents.



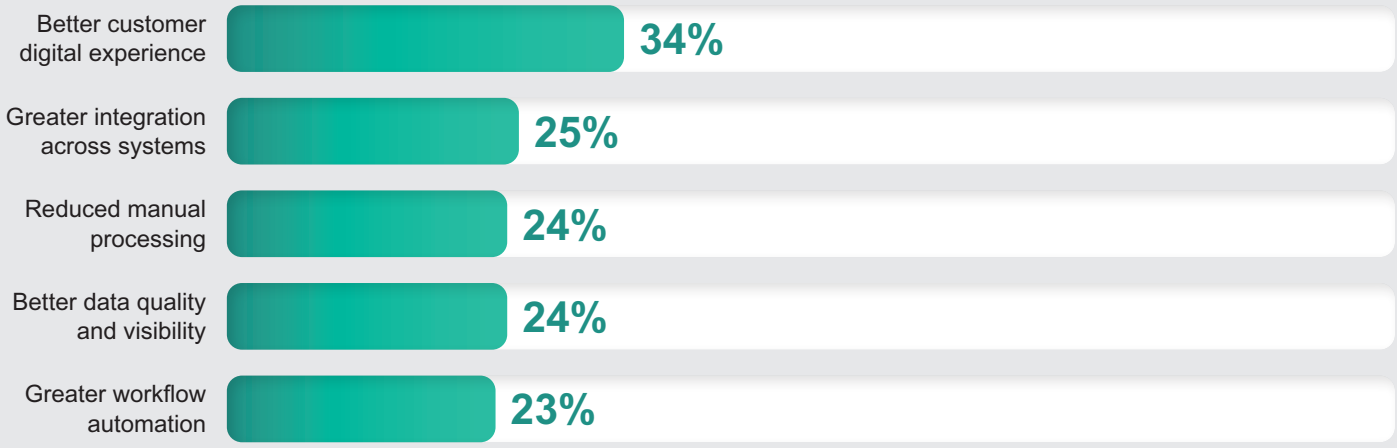
12. What defines modernization success

Modernization success is measured by what changes for customers and operations, not simply by whether new technology has been deployed. A better customer digital experience is the most frequently cited measure of success (34%), followed by greater integration across systems (25%).

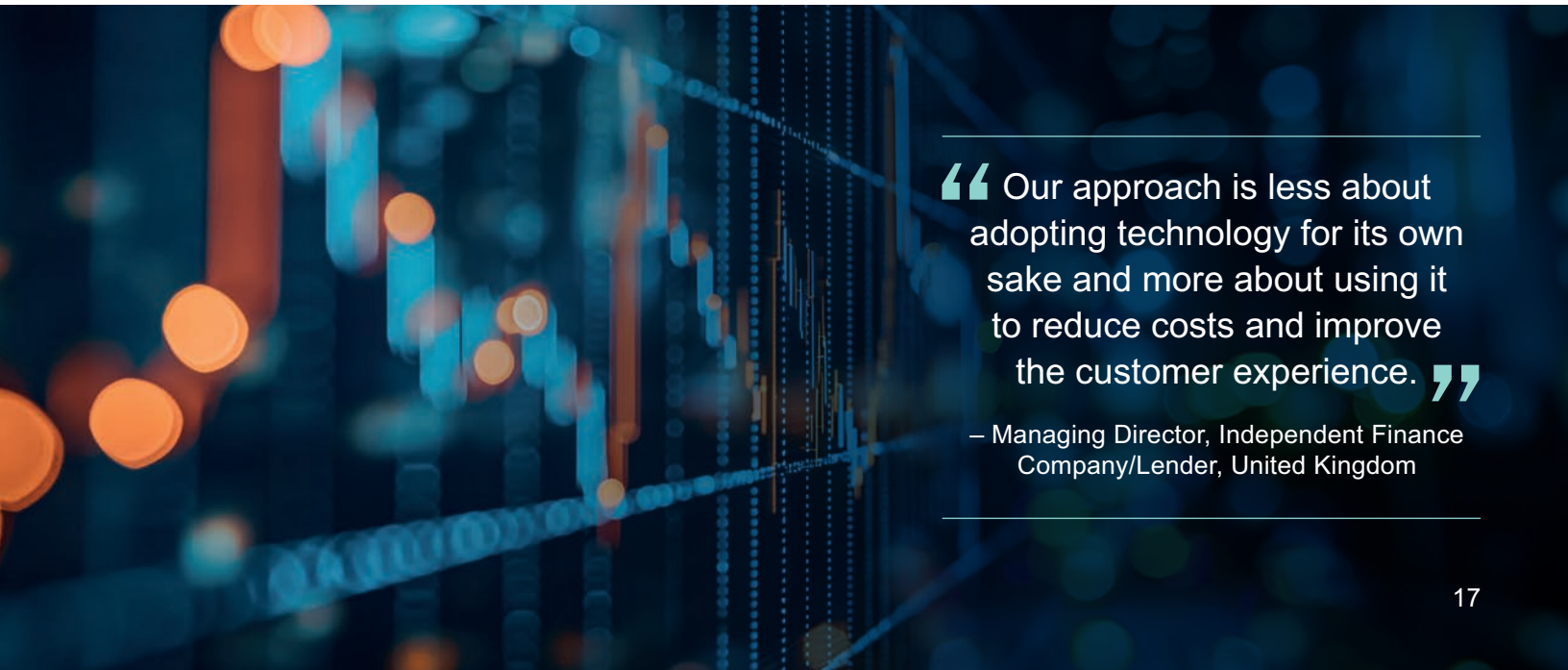
Operational improvements also matter: reduced manual processing, better data quality and visibility and greater workflow automation all rank among the top measures of success.

The distinction is important. Efficiency may provide the immediate business case, but organizations ultimately judge modernization by whether technology changes how the business operates, from customer experience to data quality, integration and scalability.

How does your organization define modernization success?



Note: Select up to two. Percentages represent share of respondents.



> "Our approach is less about adopting technology for its own sake and more about using it to reduce costs and improve the customer experience."
>
> – Managing Director, Independent Finance Company/Lender, United Kingdom

13. What will differentiate the leaders

The research points toward a more connected definition of modernization. Organizations are not defined by how many technologies they deploy, but by how effectively they connect those capabilities to improve the economics and experience of financing.

Origination, credit decisioning, servicing and collections, reporting and customer engagement all create and consume data. When those capabilities operate as disconnected islands, manual work and slower decisions carry from one stage to the next. When they connect through modern integration, workflow and data services, improvements can compound across the lifecycle.

Because hybrid environments dominate and many organizations will modernize in phases, cloud-enabled infrastructure, APIs, configurable business rules and componentized capabilities can help connect existing and new technology without waiting for a single replacement event.

The opportunity is to turn those connections into faster decisions, more efficient operations, better experiences and greater capacity to grow.



14. Survey methodology

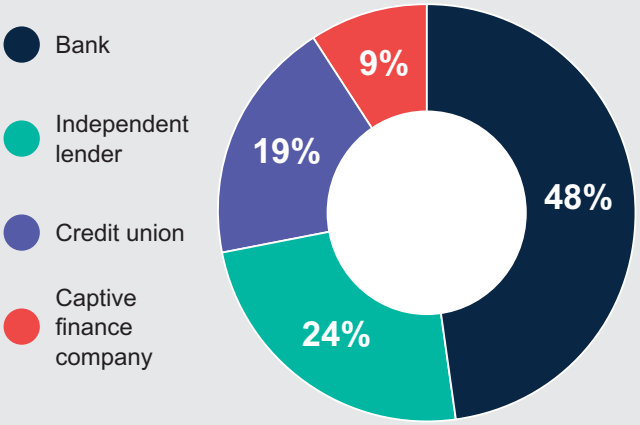
The 2026 Global State of Asset Finance Survey was conducted by TechStudio™, an Energize Marketing® company, on behalf of FIS. The study gathered insights from 334 senior leaders across banks, captive finance companies, independent finance companies/lenders and credit unions.

Respondents included C-level executives, business heads, senior vice presidents, vice presidents and directors with perspectives across strategy, operations, technology, lending and modernization. Market groups are nonexclusive; respondents may represent more than one asset finance market.

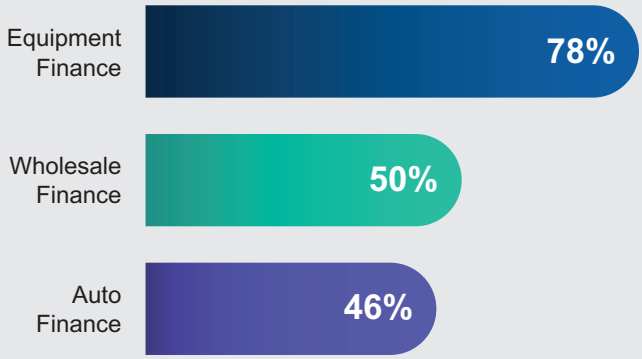
The research reflects perspectives from 22 countries across North America, EMEA and Asia-Pacific.

The overall survey carries an approximate margin of error of ±5.4% at a 95% confidence level.

Institution type

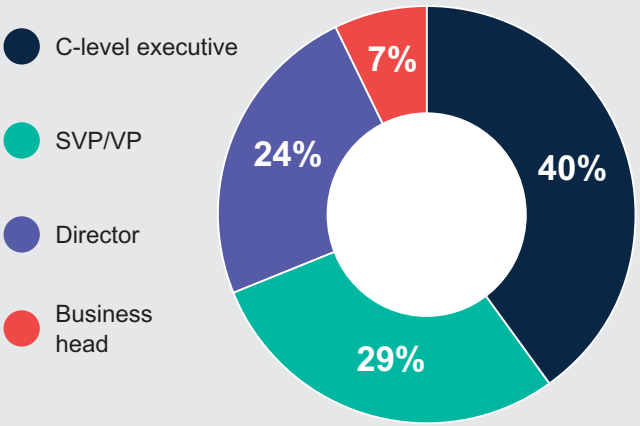


Market representation

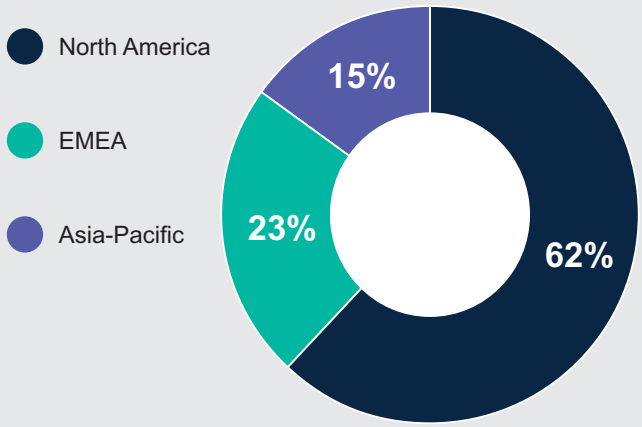


Respondents may represent more than one market, so percentages total more than 100%.

Job title/role



Region



15. About FIS

FIS Asset Finance helps lenders modernize and connect operations across the financing lifecycle with a flexible, configurable platform designed to improve efficiency, customer experience and growth.

From origination and pricing through credit decisioning, asset management, servicing and collections, FIS helps organizations automate workflows, improve data visibility and integrate existing and new capabilities through a flexible, componentized approach.

Let's talk



Money at rest. Money in motion. Money at work.™

FIS Asset Finance helps put capital to work by accelerating financing between lenders and borrowers.

Our technology powers the global economy across the money lifecycle.

Money at rest

Unlock seamless integration and human-centric digital experiences while ensuring efficiency, stability and compliance as your business grows.

Money in motion

Unlock liquidity and flow of funds by synchronizing transactions, payment systems and financial networks without compromising speed or security.

Money at work

Unlock a cohesive financial ecosystem and insights for strategic decisions to expand operations while optimizing performance.

About FIS

FIS is a financial technology company providing solutions to financial institutions, businesses and developers. We unlock financial technology that underpins the world's financial system. Our people are dedicated to advancing the way the world pays, banks and invests, by helping our clients confidently run, grow and protect their businesses. Our expertise comes from decades of experience helping financial institutions and businesses adapt to meet the needs of their customers by harnessing the power that comes when reliability meets innovation in financial technology. Headquartered in Jacksonville, Florida, FIS is a member of the Fortune 500® and the Standard & Poor's 500® Index. To learn more, visit FISglobal.com. Follow FIS on LinkedIn, Facebook and X (@FISglobal).

fisglobal.com/contact-us linkedin.com/company/fis x.com/fisglobal

This material is for information purposes only of the intended recipient. We have taken care in the preparation of this information but will not be responsible for any losses or damages including loss of profits, indirect, special or consequential losses arising as a result of any information in this document or reliance on it (other than in respect of fraud or death or personal injury caused by negligence). Terms and conditions apply to all our services.

The content of this material may not be reproduced without prior consent of FIS.

Copyright © 2026 FIS. All Rights Reserved.
FIS and the FIS logo are trademarks or registered trademarks of FIS or its subsidiaries in the U.S. and/or other countries. Other parties' marks are the property of their respective owners.

FIS | Advancing the way the world pays, banks and invests ™