White paper

Embracing the future of wholesale finance & mobility

Unlock operational efficiency and scalability

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Executive summary

Wholesale financing (inventory, stock or floor plan financing) is the backbone of the automotive and mobility industry. And the industry is now ready for the shift to fully digitized, flexible and scalable operations that support evolving business models like connected, shared and electrified mobility. But is your business ready for the next step in digital transformation to meet your clients' needs?

This paper explores the digitization of wholesale financing at a dealer level and its extension to fleet-based mobility solutions. By incorporating global industry use cases, this paper provides actionable insights into how digital transformation in wholesale finance can enhance operational efficiency, scalability and dealer satisfaction.

Key topics covered include:

- Wholesale digitization for dealers: How digitization addresses inefficiencies in current workflows.
- Wholesale financing for mobility: Supporting new mobility models through innovative financing structures.
- Transformational roadmap: A phased approach to modernizing wholesale financing for future mobility trends.

FIS® Asset Finance is a comprehensive solution to streamline the wholesale financing process for automotive dealers, independent lenders, global captives and banks who may be introducing or offering finance. The existing manual workflows and tasks, particularly the reliance on Excel sheets (or older closed legacy systems), increase risk management, limit scalability of operations and lead to inefficiencies or even worse: human error.

Asset Finance allows clients to improve the quality of (client-centric) service with automated loan and lease approvals. Asset Finance provides an extensive range of dealer financing options, alongside a consolidated end-to-end wholesale and retail experience within a single platform. The one platform approach for the two most important lines of business is a true pioneer in the market: a true SaaS-based wholesale finance operating system that integrates with existing loan operations to deliver more efficient management while improving risk and compliance.

Current pain points across wholesale finance

As the industry shifts towards digital, flexible financing models, the current – often manual – spreadsheet-based systems or legacy and in-house build systems will hinder scalability and customer experience, and increase the total cost of ownership (TCO). Through conducting meaningful discussions with market-leading providers, we see the following pain points:

1. Manual email processing for account payoff (no dealer portal)

Pain point: Currently, dealers must email their requests for payoff processing, leading to delays and administrative overhead.

Solution: The FIS Dealer Self-Service module provides a dedicated dealer portal where dealers can directly initiate payoff requests.

This removes the need for email-based communication, enabling faster and more accurate processing while improving dealer experience through self-service capabilities.

2. Manual funding reconciliation and settlement processing

Pain point: Many banks and captive finance providers are still managing wholesale drawdowns, disbursements and dealer repayments through manual funding reconciliation workflows – slowing down time to fund and increasing audit risk.

Solution: Asset Finance automatically validates the dealer drawdowns, disburses funds and posts transactions to general ledger in real time. Reconcile payments and track settlements without manual intervention.

3. Lack of new vehicle notifications from OEMs

Pain point: Dealers only receive notification of new vehicle arrivals when an ACH (automated clearing house)/BACS (bankers automated clearing services)/SEPA (single European payment area) is processed, creating gaps in inventory awareness and planning.

Solution: Asset Finance notification system integrates with OEM feeds to provide real-time updates on new vehicle arrivals to be ordered. Dealers receive automated alerts as soon as new vehicles are ready to be financed under a floor plan facility, providing timely information and enabling better inventory management.

4. No securitization or asset-backed security (ABS) pooling options

Pain point: Legacy platforms and manual processes limit access to advanced financing structures like securitization or ABS pooling, which reduces flexibility and scalability for financing. Due to the high volume and turnover of transactions in the wholesale business, this process becomes unmanageable without automated and extensive system capabilities.

Solution: Asset Finance includes securitization and ABS pooling capabilities, allowing the client to package dealer loans into financial products. This expands financing options and enables the client to offer more competitive terms, enhancing liquidity and diversifying funding sources.

5. Restrictions on curtailment plans and internal asset transfers

Pain point: Legacy systems have limited flexibility with curtailment plans and can't transfer assets between floor plans internally. As repayment plans typically differ for new, used and demo assets, this is an important factor in helping dealerships manage their cash flow and liquidity.

Solution: Asset Finance enables customized curtailment schedules, which default and apply automatically, giving dealers flexibility in how they manage their payments. Additionally, the dealer portal supports asset transfers across floor plans, allowing dealers to reallocate inventory as needed, providing them with greater operational control.

6. A legacy or homegrown system

Pain point: Difficulty in keeping the TCO low due to being held back by high maintenance and difficult-to-use platforms. Challenges in competing with new entrants to market as technology has become a blocker, not an enabler.

Solution: Asset Finance provides a global front to back platform for all lines of business. The full suite of modules has a managed services approach to enlighten the IT department: client-centric dealer, broker and end user portals, Credit Assessment module, invoice manager module, full collection capabilities, netting from retail to wholesale, and a scalable and robust contract management system.

Asset Finance highlights

- Highly configurable workflows
- AI-driven credit approvals and invoice management
- Working capital products with instant access to cash for better dealer satisfaction
- Automated floor plan processing to rapidly increase time to funding
- Business Logic Designer (separate white paper published and available)
- 24/7 front to back, omnichannel, real-time dealer service
- Collections module
- Wholesale to retail netting
- APIs: access to marketplace partners
- Dealer and client portal
- Integration with asset audit providers

Asset Finance provides a committed roadmap to build a resilient, dealer-friendly model that integrates automation, advanced analytics and AI.

Client benefits:

Increase the yield of commercial loan book

- Banks can increase balance sheet utilization and improve yields by financing dealer inventory, which generates frequent drawdowns, short-term high-turn loans and fee-based revenue.
- Inventory financing provides substantially better returns relative to a bank's traditional commercial and industrial loans.

Attract new dealership depository relationships

- By consolidating a dealer's needs, adding inventory financing to a bank's offerings will attract new dealership customers.
- The bank's current dealer customers are sourcing inventory financing elsewhere.

Digitize operations while mitigating risk

- Combines a robust back-end loan management system with modern front-end tooling to support key functional areas like ease of client onboarding, a Credit Assessment module and AI-driven approving digital invoice management.
- Integrated into the workflow management system to process applications faster.
- Automates payments to suppliers and borrowers through secure integrations.
- Uses advanced modeling to detect and create alerts for early risk warning indicators in the portfolio.
- Real-time inventory levels and bank account integrations make collections a breeze.

Extending wholesale financing to mobility

The mobility sector is undergoing rapid transformation, driven by trends like electrification, autonomous driving and shared mobility.

These shifts are fueled by evolving consumer expectations, sustainability imperatives and advances in connected technologies. Wholesale financing plays a foundational role in enabling this transformation by providing the financial infrastructure needed to scale these capital-intensive mobility models.

Key trends driving mobility transformation

1. Electrification and sustainability

The transition to electric vehicles (EVs) is accelerating due to:

- Stricter emissions regulations
- Government subsidies and tax credits
- Corporate sustainability goals and ESG mandates
- Rising fuel and maintenance cost pressures on fleets

Impact on mobility:

- Fleet operators are replacing internal combustion vehicles with EVs, requiring access to new forms of financing that accommodate higher upfront costs.
- Shared mobility and subscription fleets need faster vehicle turnover and flexible financing aligned with usage-based business models.
- OEMs and fleet-tech companies are increasingly bundling vehicles with charging, telematics and maintenance, making the funding more complex.

Role of wholesale financing:

- Funds EV adoption by covering the higher upfront costs of electrified fleets, helping mobility operators preserve working capital.
- Enables real-time funding of new vehicles through digital floor plan lines, aligning with fast-paced, asset-light models.
- Supports flexible drawdowns and repayments, ideal for fleet-as-a-service and pay-per-use deployments.
- Provides dealer and OEM liquidity as EVs move through the supply chain faster due to demand-side incentives.
- Improves traceability and risk management via VIN-level funding, inventory monitoring and curtailment schedules – critical for ESG compliance.

2. Shared and subscription-based mobility

The shared mobility market – including car-sharing, ride-hailing, and vehicle subscription services – is evolving rapidly, fueled by urbanization, changing consumer preferences and the rise of asset-light business models. These operators require access to scalable, flexible fleet acquisition strategies to meet fluctuating demand without locking up capital.

Impact on mobility:

- Operators need the ability to quickly acquire or rotate vehicles in and out of service as demand shifts.
- Subscription pilots often start with small, agile fleets and need to scale fast without long procurement cycles.
- New entrants and tech-led platforms often lack the upfront capital or traditional credit history to secure large vehicle inventories.

Role of wholesale financing:

- Provides flexible credit lines tailored for fleet acquisition and ongoing renewal cycles.
- Enables inventory-backed funding, allowing operators to finance vehicles against their projected utilization, not just balance sheet assets.
- Supports pilot programs and scale-ups, reducing capital expenditure needs and allowing for faster go-to-market timelines.
- Improves cash flow management by deferring payment until vehicles generate revenue, making mobility ventures more financially sustainable.

Why it matters:

Wholesale financing helps bridge the gap between fleet ownership and usage-based mobility models. By enabling shared mobility platforms to access vehicles as-a-service, it removes one of the biggest barriers to growth – vehicle capital costs – while ensuring that financing is structured to reflect modern, usage-based economics.

3. Digital-first consumer behavior

The rise of ride-hailing apps, digital subscriptions and online vehicle access is reshaping mobility expectations. Consumers increasingly prefer seamless, on-demand access to vehicles, without long-term ownership burdens or financing complexities.

Impact on mobility:

Digital-first consumers expect instant access, flexible usage terms and simplified digital experiences. Fleet operators must scale quickly and adjust financing in real time based on shifting demand patterns.

Role of wholesale financing:

- Enables embedded, real-time financing through API-integrated dealer and fleet lending platforms – eliminating manual drawdowns and delays.
- Offers dynamic credit lines that flex with vehicle utilization, subscription demand and seasonal fleet needs.
- Supports usage-based business models by aligning financing structures with unit-level data, such as miles driven or subscription length.

4. Urbanization and smart cities

Urban centers are rolling out mobility-as-a-service (MaaS) strategies to combat congestion, reduce emissions and modernize transit infrastructure. These programs often include electrified vehicle fleets, shared mobility hubs and tech-enabled route optimization.

Impact on mobility:

Both municipal and private fleet operators require scalable, rapid financing to acquire and deploy clean vehicles, expand service coverage and meet sustainability targets.

Role of wholesale financing:

- Provides fast, scalable fleet financing for public-private partnerships and zero-emission zone initiatives.
- Funds multi-modal vehicle types (bikes, EVs, shuttles, etc.) with configurable credit products that match city project timelines.
- Improves funding transparency and control for municipal partners through VIN-level tracking, curtailments and ESG-aligned reporting.

How wholesale financing fuels mobility growth

Wholesale financing is essential for scaling mobility by providing access to capital and enabling innovative funding models. Key contributions include:

1. Scalable fleet acquisition

Wholesale financing structures, such as FleetCo and Special Purpose Vehicle (SPV) models, allow mobility operators to scale fleets efficiently.

- FleetCo example: Daimler's Moovel platform used FleetCo funding to expand its ride-sharing fleet across Europe, addressing demand spikes without over-leveraging capital.
- SPV example: Volkswagen's SPV structure enabled the financing of large fleets for ride-hailing in Latin America, maintaining liquidity and operational flexibility.

2. Flexibility in funding structures

Mobility solutions often require financing tailored to varying operational needs, such as subscription models or pay-per-use services.

- Dynamic credit lines: Wholesale lenders provide credit facilities that adjust based on fleet utilization, ensuring operators are not overburdened during low-demand periods.
- Subscription funding: Wholesale inventory financing supports subscription pilots by covering fleet costs until consumer adoption scales.

Example: Startups can use wholesale funding to test subscription-based mobility services, scaling operations rapidly as demand grows.

3. Electrification support

The shift to EVs demands wholesale solutions tailored to electric mobility.

Decoupling battery from ownership:

- Instead of owning the entire EV asset outright, operators finance the vehicle (chassis) separately from the battery, or through inventory-backed wholesale funding.
- This is especially relevant in Battery-as-a-Service (BaaS) models, where batteries are leased separately (e.g., by the kWh or by usage).

Inventory-backed or usage-based financing structures allow:

- Lower initial capital outlay for fleets.
- Flexible repayment terms based on vehicle utilization (e.g., per-mile or per-month).
- Separate funding lines for batteries vs. chassis if structured through OEM or dealer networks.

Floor plan/wholesale models allow dealers or fleet operators to:

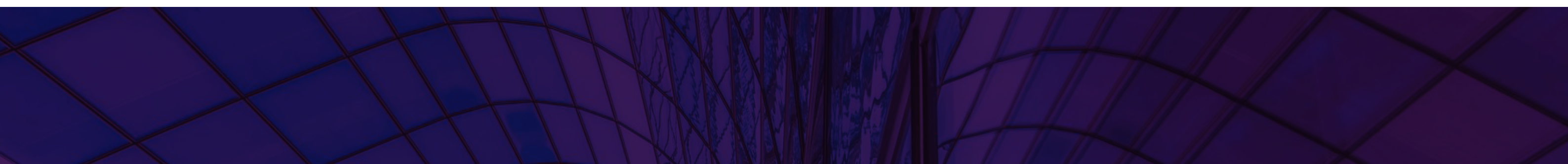
- Hold EV inventory (including battery) without paying full cost upfront.
- Release capital only when the asset is put into service or sold.

Why it reduces entry barriers:

- Reduces CapEx pressure – operators don't need to lock in G0K+ for an EV upfront.
- Aligns financing with fleet cash flow and utilization models.
- Encourages smaller fleets or startups to enter electrified mobility markets faster.
- Makes EVs more affordable as-a-service rather than as owned assets.

Industry examples:

- Nio (China) and Renault offer BaaS with decoupled financing.
- Shared mobility startups often fund EVs through dealer networks or captive financing, not balance sheet purchases.
- Volvo Trucks and Daimler are exploring financing models that separate battery ownership.



4. Risk management for new mobility models

Wholesale financing de-risks mobility ventures by spreading costs and liabilities across financial institutions, operators and OEMs.

New mobility models – including EV fleets, ride-hailing, and subscription services – face unique financial challenges:

- High upfront costs (e.g., EVs, charging infrastructure)
- Uncertain or seasonal demand
- Short asset lifecycles
- Thin margins and evolving regulatory landscapes

Wholesale financing helps mitigate these risks by restructuring how capital is accessed, deployed and repaid.

Key risk-reducing mechanisms:

Securitization & ABS pooling

- Lenders can bundle vehicle loans into diversified pools and sell them as asset-backed securities.
- This spreads risk across multiple units and investors, improves capital access and reduces concentration risk.
- Operators benefit from lower borrowing costs and greater funding availability.

Inventory-backed lending

- Vehicles are financed as inventory, not fixed assets.
- Credit is released as needed (drawdown), aligning with cash flow and reducing exposure from idle assets.
- Fleet operators avoid over-leveraging by only financing what's in service.

Dynamic credit limits

- Credit facilities adjust in real time based on usage, utilization and market demand.
- Protects lenders from over-extension and helps operators scale safely.

Predictive analytics & AI

- Wholesale platforms use AI to analyze utilization trends, resale value and repayment behavior.
- Helps identify early signs of stress, enabling proactive credit risk management.
- Example: Ford Credit used predictive models to monitor ride-hailing fleets and adjust exposure accordingly.

Shared liability models

- Risk is shared between OEMs, operators, dealers and lenders through floor plan and co-financing structures.
- Distributes exposure across the value chain rather than concentrating it on a single stakeholder.

Conclusion

FIS Asset Finance is a strategic solution to address the client's operational pain points, offering a pathway from manual, spreadsheet-driven processes to a digital, scalable system. The client can not only address current inefficiencies but also position themselves as a forward-thinking, digitally enabled player in the asset and automotive finance space. FIS Asset Finance is the solution for all your finance lines of business.

FIND YOUR UNLOCK

FIS Asset Finance helps you put capital to work more efficiently.
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.

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