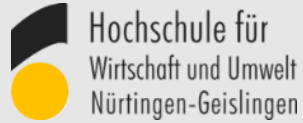


Corporate Mobility 2020

International Fleet Meeting Geneva 2015



Prof. Dr. Stefan Reindl
Sascha Kahl
Carsten Lieber

Fleet Survey 2015

Geneva
March, 2015





Business Mobility 2020

Agenda

about **FLEET**

fleet
competence
Expertenwissen für Flottenbesitzer

1. Global View: Market Structures

2. Trends Affecting Mobility and Fleets

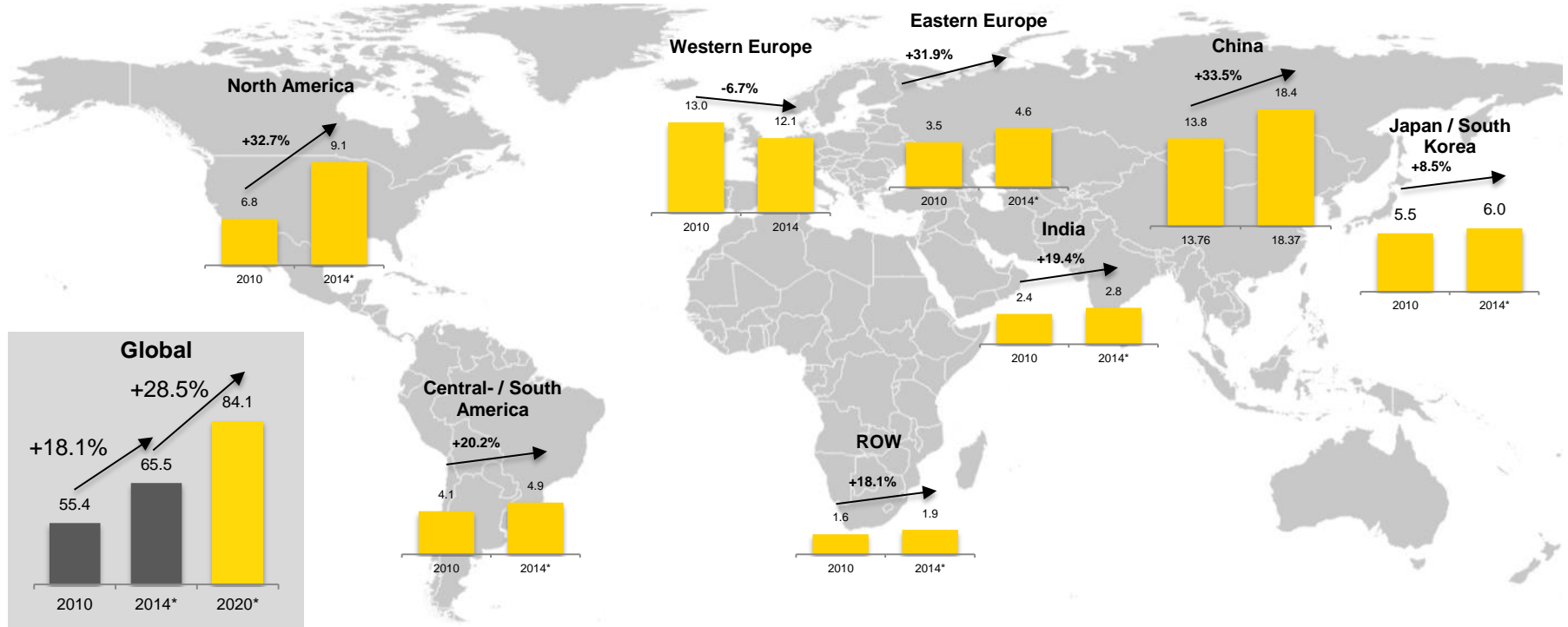
3. Selection of Vehicles and Brands

4. Fleet Management Challenges

5. Fleet Management 2020

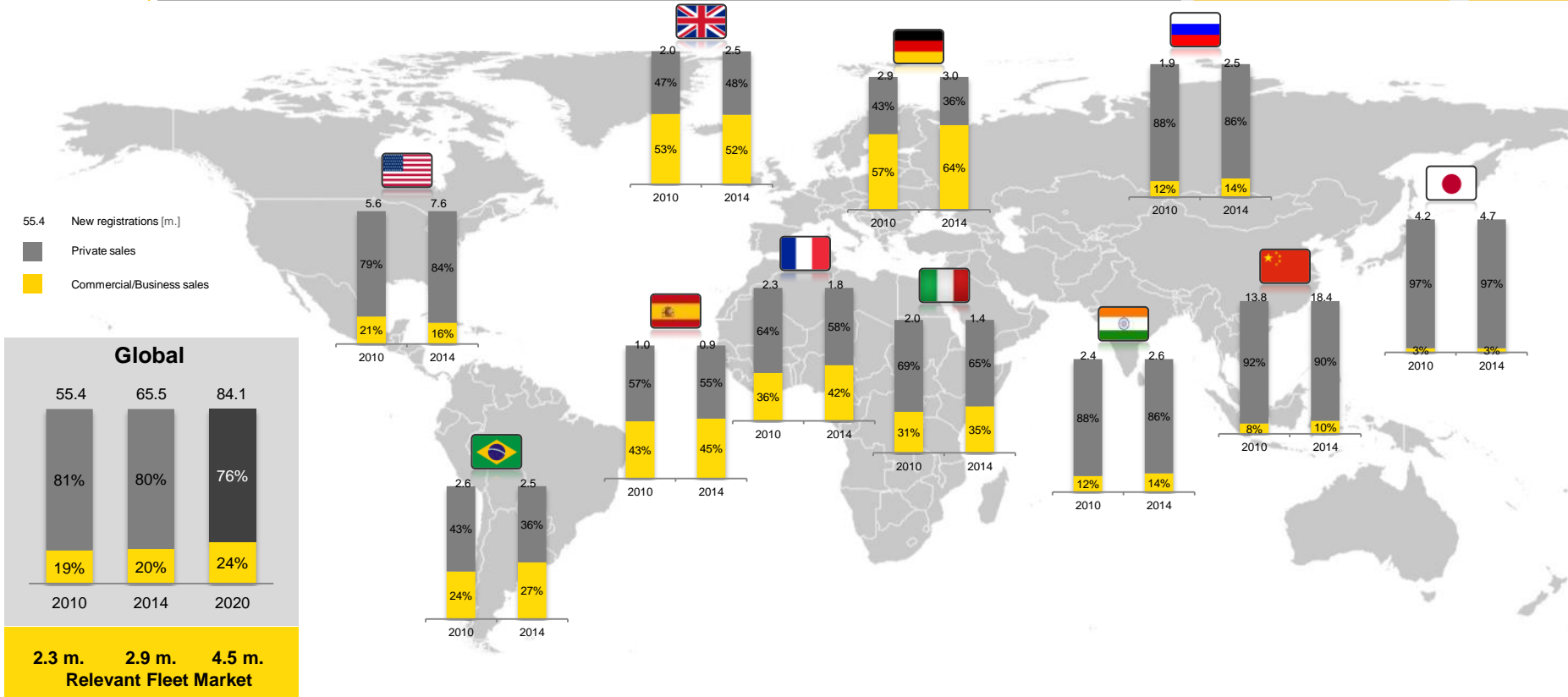
New Registrations in Different Market Areas

Passenger cars [m.]



Overview: Global Fleet Market

New registrations in fleets: Passenger cars & light vehicles





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Selected Drivers for Change in Mobility

Trends lead to new attitudes regarding mobility by car



Urbanisation
Smart Cities



Overcharged
Infrastructure



Multimodal
Mobility Concepts



Environmental &
Climate Problems



Craving for
Flexibility



Craving for
Connectivity



Changing
Demographics



Gap between the
rich and poor



Altering
Lifestyles



Advanced Car
Technologies



Internationalization
& Globalization

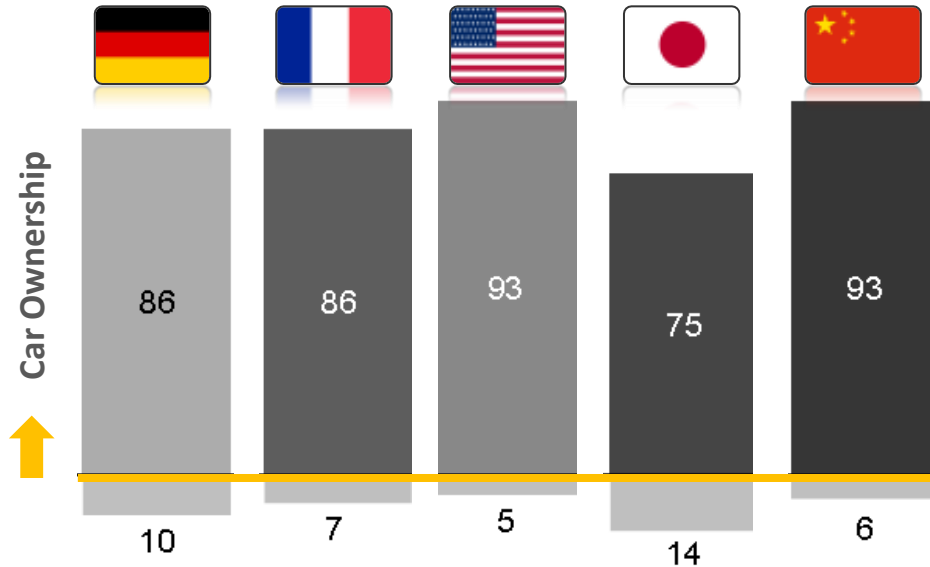


Shrinking Real
Earnings

- ➔ Optimization of Infrastructure and telematics systems and services
- ➔ Intelligent and connected vehicles, means of transport and people
- ➔ New information and communication systems to connect different modes of transport
- ➔ Networking of manufacturers, suppliers, mobility providers etc.
- ➔ Creating and establishing new mobility services and new business models
- ➔ New drive concepts for cars (BEV, Fuel Cell, Hybrid)
- ➔ ...

Car Ownership in Selected Market Areas

Most respondents prefer car ownership



→ The Question: Your available budget and your everyday needs are given. What do you prefer?

- own a car for yourself
- something else

→ Something else means:

- “lease a car for yourself“
- “rent a car wherever you need it“
- “use a car of a car sharing organization“

Relevant Fleet Management Drivers

Institutional players and determinants

Company related players and determinants

Company	<ul style="list-style-type: none"> ▪ Total cost of ownership (TCO) ▪ Financial situation ▪ Corporate policy ▪ Tax burden, tax implications, inflation ▪ Unrestricted labor mobility and vehicle access
Stakeholder	<ul style="list-style-type: none"> ▪ Shareholder interests and values ▪ Financial solvency ▪ General business risks ▪ Cost efficiency
User Chooser	<ul style="list-style-type: none"> ▪ Personality, personal identity and image ▪ Motivation and aspiration ▪ Services to ensure unrestricted mobility ▪ Mobility effectiveness

External players and determinants

Environment	<ul style="list-style-type: none"> ▪ Fuel alternatives ▪ Emission standards ▪ Vehicle selection (Remarketing) ▪ Market specific volume and vehicle demand ▪ Driver's preference, attitude and ethos ▪ Inflation
Government	<ul style="list-style-type: none"> ▪ Transport policy and regulations ▪ Fiscal policy and road pricing ▪ Strategy in transport safety ▪ Environmental policy and regulations
Fleet Management Companies	<ul style="list-style-type: none"> ▪ Contract volume and sales ▪ Residual value management ▪ Services and client support ▪ Competitiveness
Car Manufacturers	<ul style="list-style-type: none"> ▪ Distribution and service network ▪ Fleet model and service range ▪ Attractiveness of financial and fleet services ▪ Competitiveness in fleet management

Structure and Characteristics of Fleets

e. g. Chinese fleet sectors und decision criteria

	Government	Taxi Companies	Police	Leasing Companies	Insurance Companies
Holding Period	< 5 years	4-8 years	3-5 years	3-5 years	5-6 years
Regional Coverage	<ul style="list-style-type: none"> Capital: Group purchasing for all central authorities Other cities: local purchasing 	<ul style="list-style-type: none"> All cities: Each city does its own purchasing 	<ul style="list-style-type: none"> Capital: Group purchase for Ministry of Public Security Other cities: local purchasing 	<ul style="list-style-type: none"> Big cities: Central purchasing at headquarters such as in Beijing and Shanghai 	<ul style="list-style-type: none"> Big cities: Central purchasing at headquarters such as in Beijing, Shanghai and Shenzhen
Decision-making Process	<ul style="list-style-type: none"> Central ministries: Central purchasing through public tenders Local governments conduct public tenders, but each department manages own transactions 	<ul style="list-style-type: none"> Local taxi mgmt. bureau determines a shortlist of taxi models and brands Taxi companies or individual taxi drivers determine their preferred model based on shortlist 	<ul style="list-style-type: none"> National or local Ministries of Public Security carry out group purchasing through public tenders 	<ul style="list-style-type: none"> Companies purchase centrally through tenders 	<ul style="list-style-type: none"> Companies purchase centrally through tenders
Decision Criteria	<ul style="list-style-type: none"> Brand fit of official profile After-sales service centers and discounts Price (needs to be within certain range) 	<ul style="list-style-type: none"> Price Fuel efficiency Maintenance cost Quality/reliability 	<ul style="list-style-type: none"> Quality Price 	<ul style="list-style-type: none"> Price Aftersales service network coverage Brand recognition 	<ul style="list-style-type: none"> Price Brand After-sales network coverage



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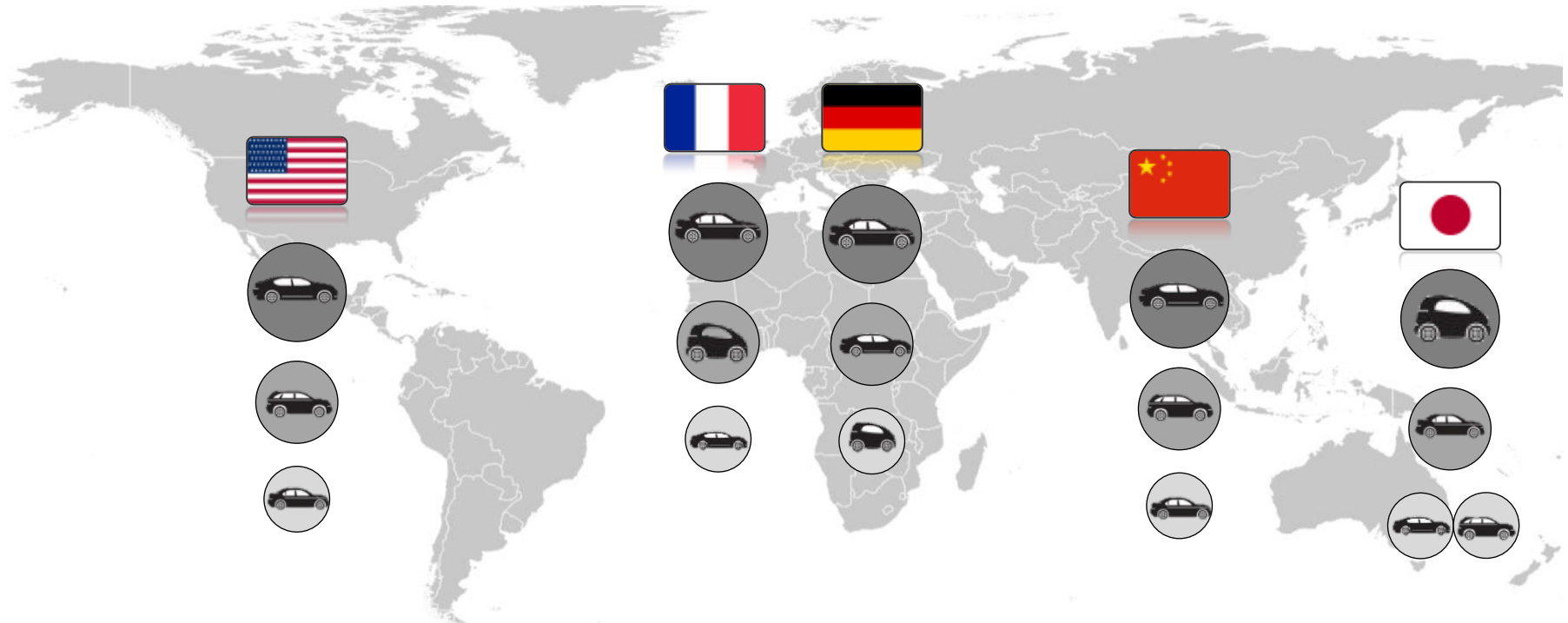
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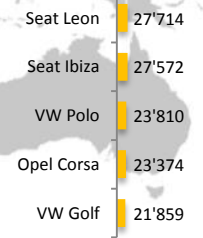
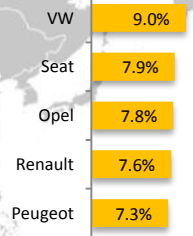
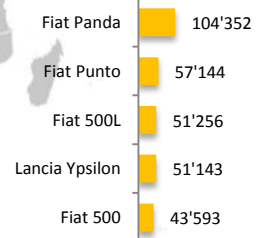
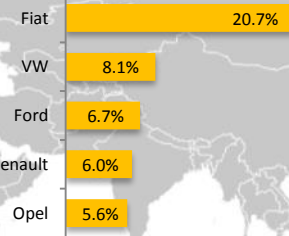
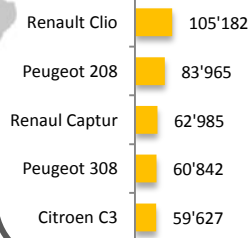
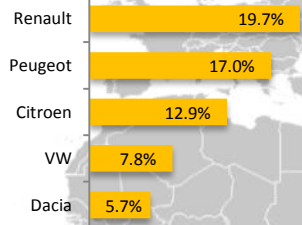
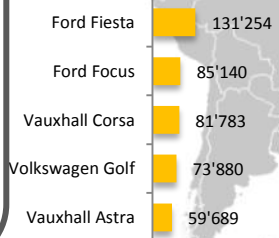
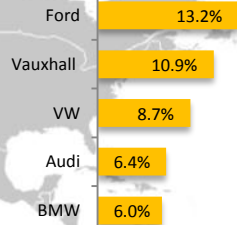
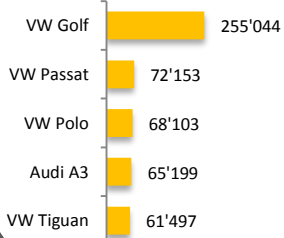
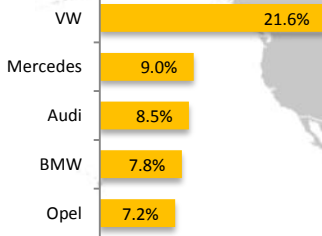
Fleet Management: Selection of „Right“ Vehicles

Preferred types of vehicles in specific market areas



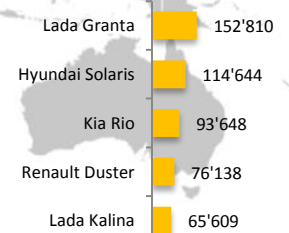
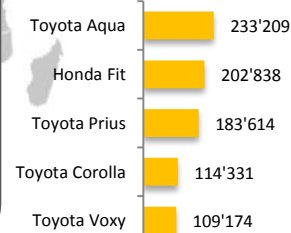
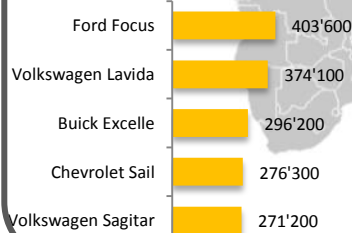
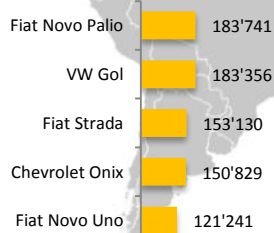
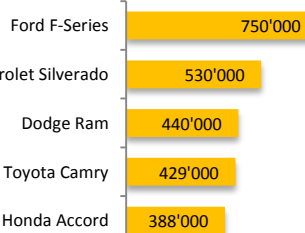
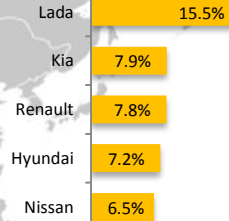
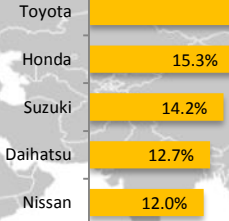
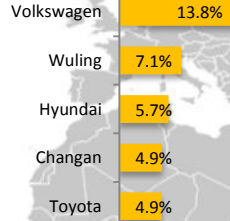
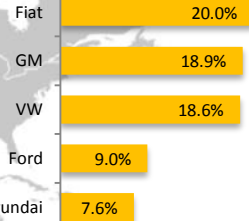
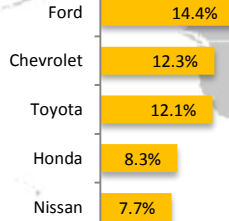
Preferred Brands & Vehicles in Different Market Areas (1)

TOP 5 CARS in selected markets



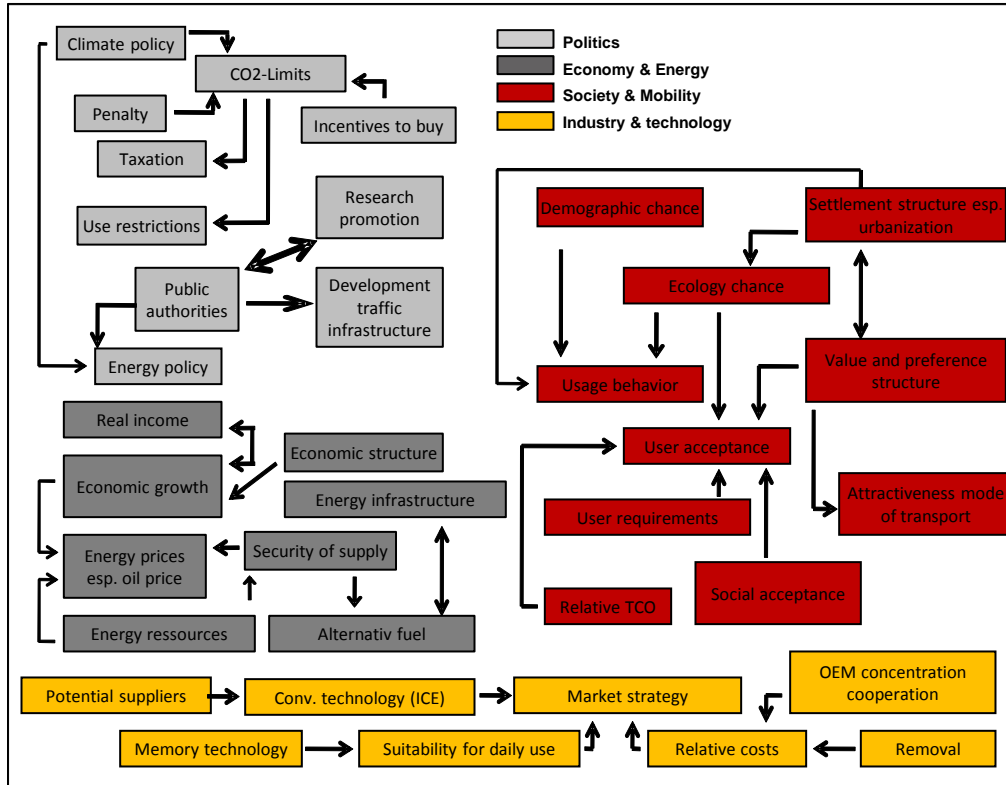
Preferred Brands & Vehicles in Different Market Areas (2)

TOP 5 CARS in selected markets



ICE Powertrain Alternatives

General determinants with high complexity in interdependency

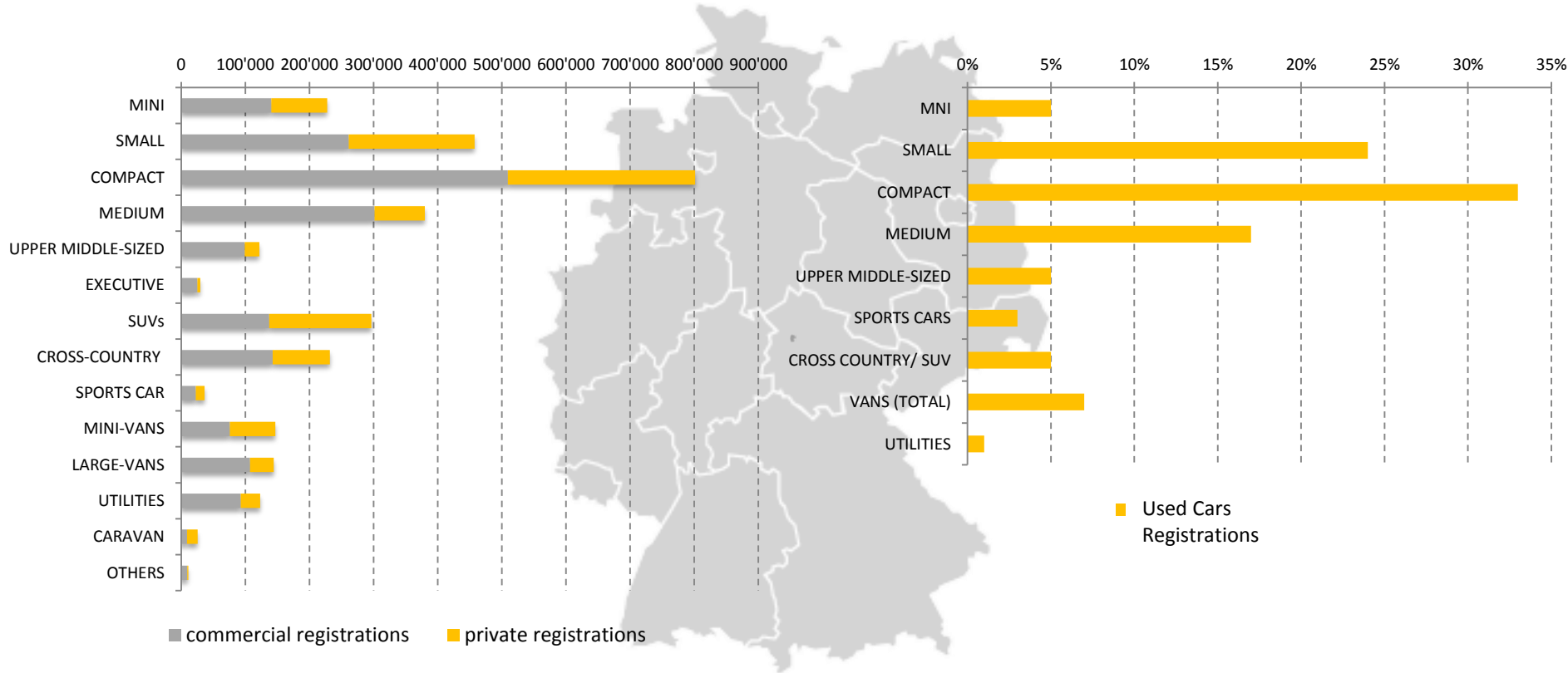


Source: Institut für Automobilwirtschaft, Survey: „Otto-, Diesel-, Elektromotor – wer macht das Rennen?“

- ➔ The competition between old and new technologies are determined by a field of different political, economic and technical factors and variables.
- ➔ The slide displays an overview of the relevant variables as well the possible interactions.
- ➔ Overall, 36 scenario variables can be derived, in conjunction with their future development on calculations, but also through experience-based, qualitative estimates in the scenarios.
- ➔ High complexity and large uncertainties in estimating future developments of relevant variables limit the forecasting.

Residual Value as a Core Challenge

e. g. Germany with different sales structures: Private vs. commercial registrations





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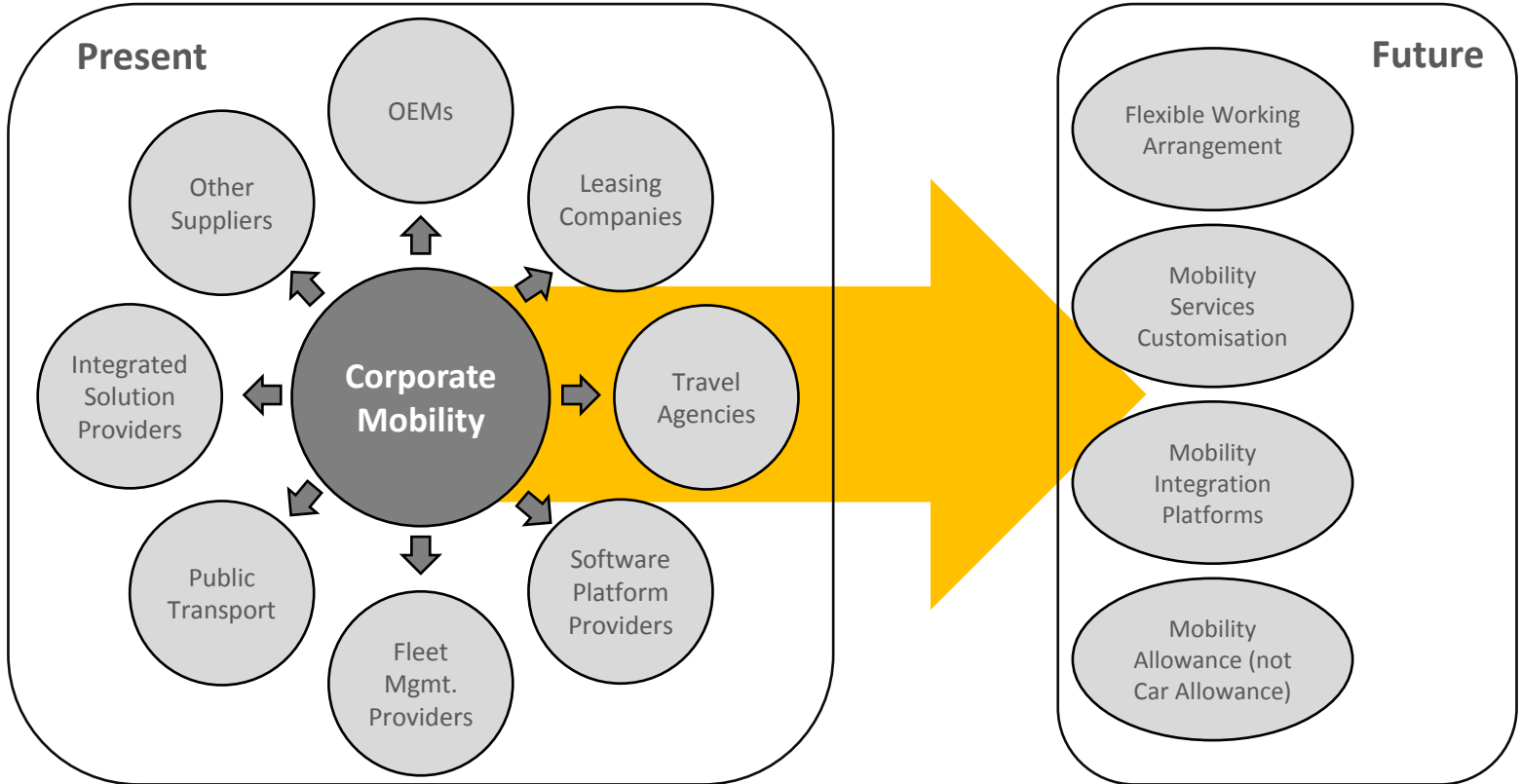
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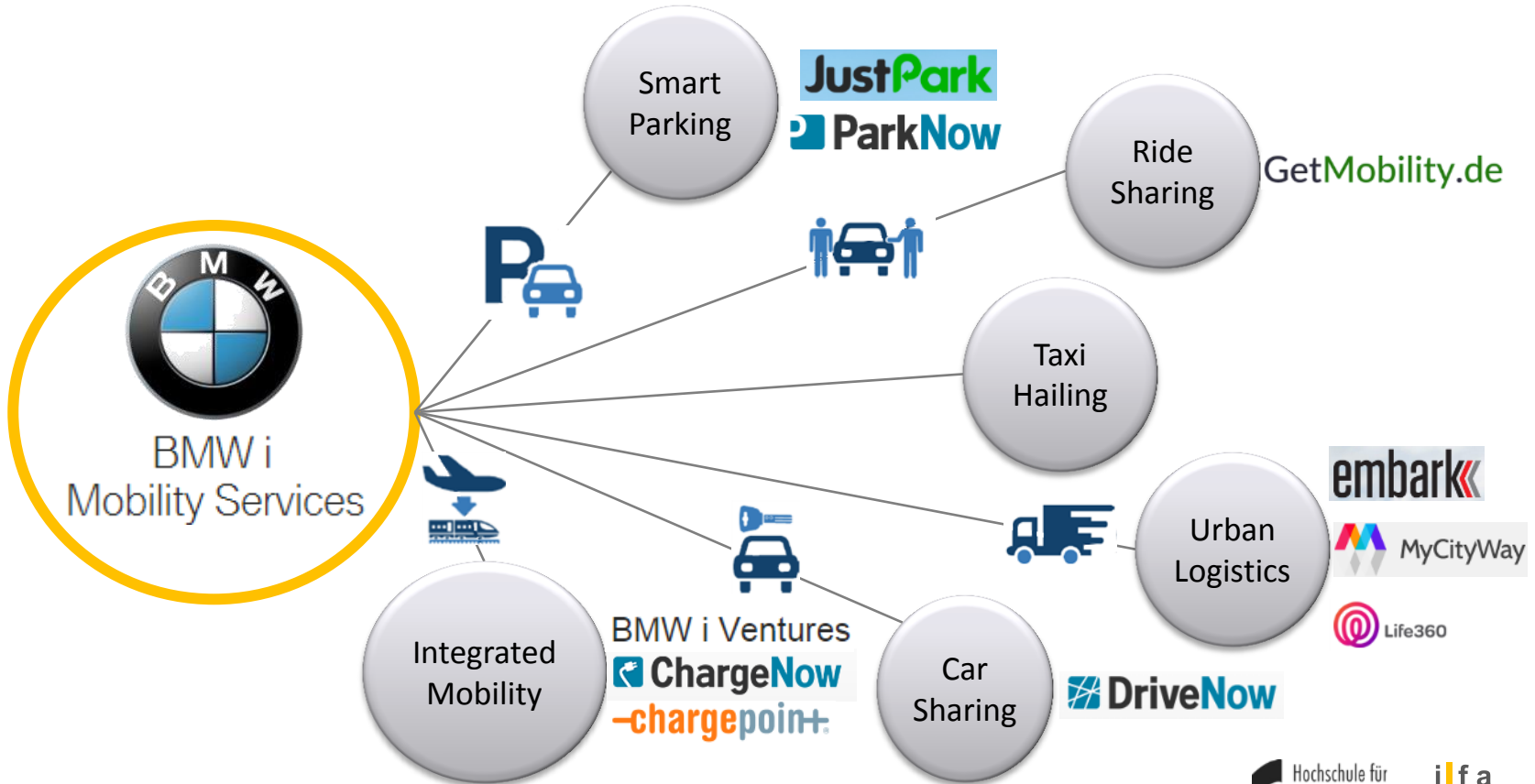
Core Challenges for Corporate Mobility

Present and today's requirements: Flexibility & connectivity



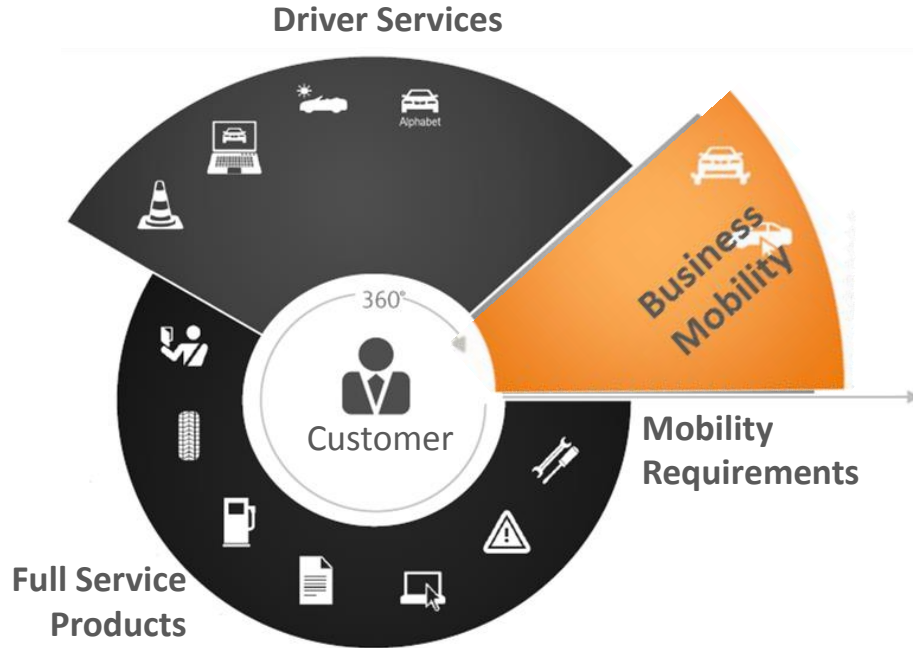
Case Study: BMW

Manufacturer changing their strategies: „Mobility Provider“



State of the Art: Provider


















Services and functions on example



Services	Funding Solutions	Fleet Management Services	Advanced Mobility Solutions
Product Portfolio	<ul style="list-style-type: none"> Contract hire Finance lease Sale and lease back Contract purchase Commercial vehicle funding Structured employee car Ownership Employee car schemes Salary sacrifice 	<ul style="list-style-type: none"> Maintenance and repair Tyre management Insurance Roadside assistance Safety/ Eco driver training Fleet administration Rental services Fuel management Accident management Online services Customer service LCV consulting Mileage capture and audit Alpha Risk (Risk management) Tax management Fine management CO2 compensation 	<ul style="list-style-type: none"> AlphaCity (Car sharing) AlphaElectric (Electric mobility) AlphaGuide (Smart app) JustPark Strategic mobility consultant

Mobility Needs and Requirements

Connected means of transport

Current Services	Integrated Booking	Real-time Information of Integrated Means of Transport	Alternativ Routing	Cross & Upselling-products (Hotel, Suggage Service...)	Social Travelling			
 Rental Car	 Taxi	 Local public transportation	 Bicycle	 Car Sharing	 Car	 Flight	 Long-distance transport	 Coach
 AVIS Europcar	 + partners	 + partners	 Flinkster Mein Carsharing multicity CITROËN book-n-drive	 PTV GROUP the mind of movement	 mein Reiseportal + partners	 + partners	 FLIXBUS IC Bus	



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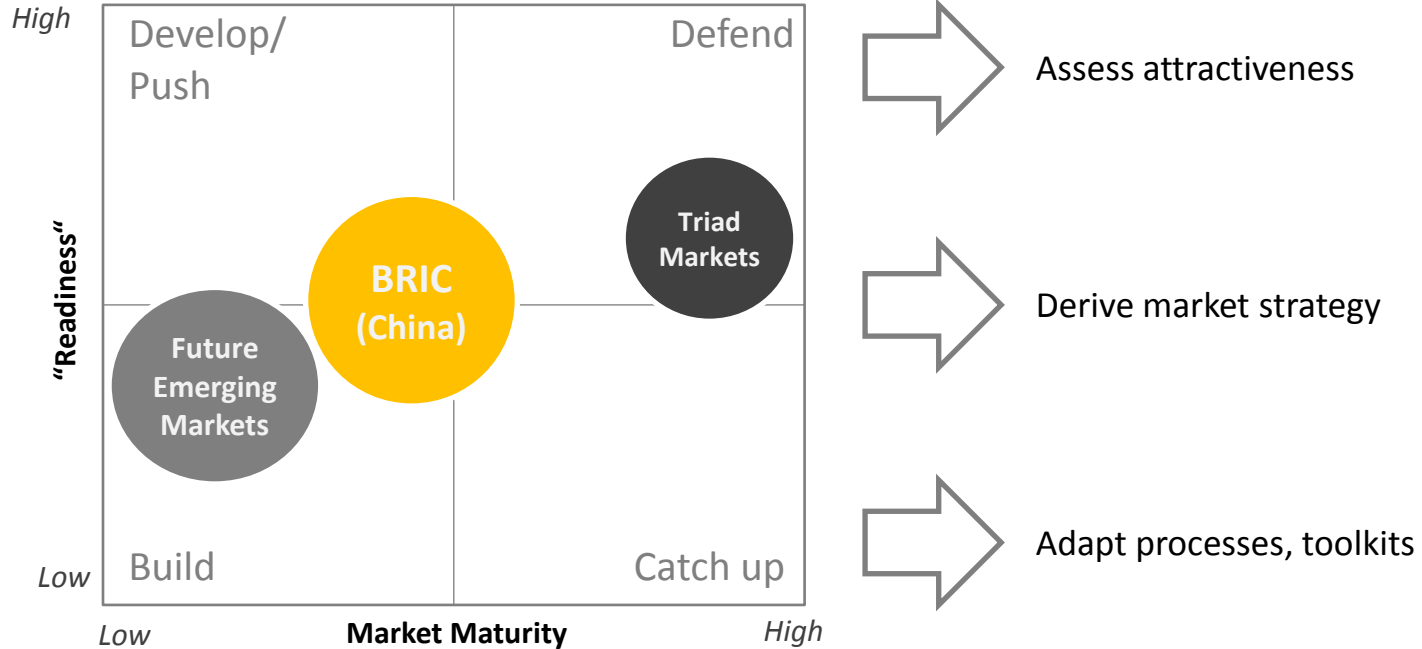
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Fleet Professionalization

Market-specific approach



Changing Mobility Requirements

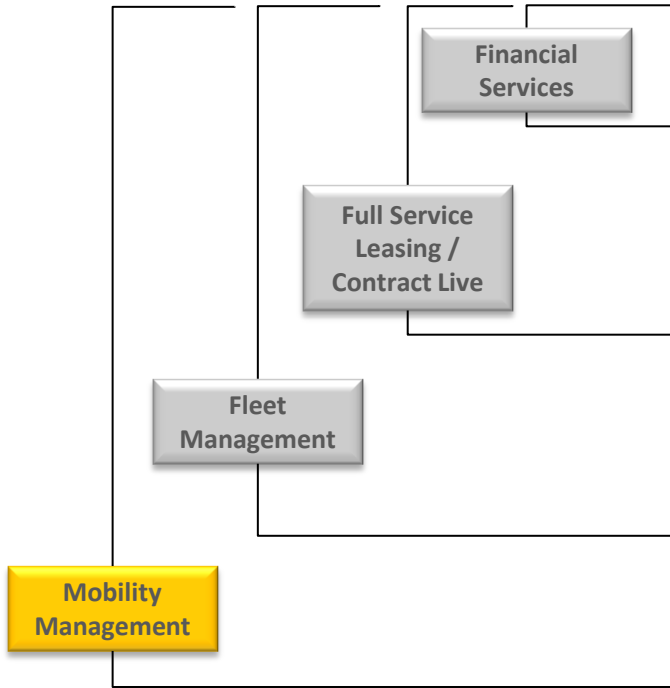
New challenges for corporate mobility

1. Fleets	3. Services
<ul style="list-style-type: none"> - Increasing demand for flexible car using concepts to reduce investment-, fixed- and operating cost - Decreasing significance of the car as a status symbol for companies 	<ul style="list-style-type: none"> - Corporate mobility with more importance than company fleets - Rising demand for services, which combine mobility and value added benefits, e. g. media integration, connectivity etc.
2. Products	4. Mobility
<p>Main trends and focuses on these aspects:</p> <ul style="list-style-type: none"> - Downsizing - Customizability - Total cost of mobility - Product innovation - “Environmental and political correctness“ 	<ul style="list-style-type: none"> - Global growth in demand for mobility - less available funds of companies for mobility or shifted budget priorities - Increasing demand for flexible mobility solutions

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State of the Art: Provider Network

Services and functions



Fleet Structure Configuration

- Fleet dimensioning
- Vehicle configuration
- Funding

Fleet Configuration

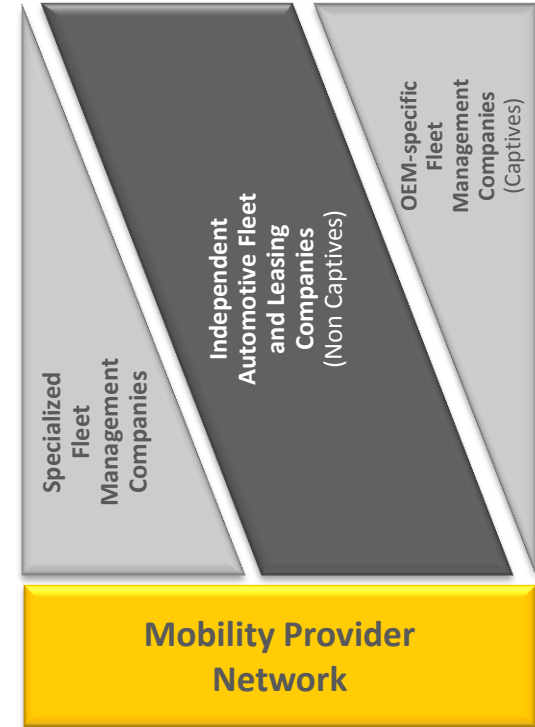
- Technical service
- Type of fuel
- Legal investigation
- Vehicle replacement
- Data collection and analysis

Fleet Disposition

- Special configuration of line networks
- Determination of vehicle usage rules
- Tourplaning (assignment driver, vehicle, route)
- Design of an information and communication architecture

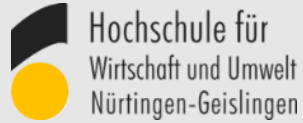
Mobility Services

- Travel management
- Carsharing
- Mobility budget



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