

Fleet Logistics shares its ten golden rules to effectively manage car choice lists

Changing suppliers and rationalising a company car choice list is a major undertaking. To guide fleet decision makers through this process, Thibault Alleyn of FleetVision and Thorsten Bertram of Fleet Logistics offered delegates 10 golden rules at the Fleet Europe Summit.

Speaking at the Summit, held in Estoril, Portugal on November 6/7, Alleyn and Bertram gave the following advice:

1. **Use car lists wisely.** Standardising vehicle selection, so every employee of a similar grade drives the same car, can bring huge purchasing and administrative advantages; for example, reallocating cars is much easier. But don't ignore local preferences and judge whether the administrative effort required to introduce this is justified.
2. **Know what you need.** Investigate the mileage patterns of your vehicles, their usage, both daily and weekly, and consider any mandatory options, such as safety equipment, to ensure any new car choices will be fit for purpose.
3. **Take people into account.** Identify any clusters around certain driver needs, look at recent order history and survey drivers to ensure any new company car choices fit with market trends. Don't ignore the importance of the local perception of specific brands and models with employees.
4. **Adjust to context.** A variety of external factors can impact the way cars are received and their fleet suitability, so make sure you are aware of WLTP emissions, local tax treatments, vehicle image perceptions, and the extent of dealer networks in different countries. Be prepared to allow local exceptions

where these are more effective and efficient; however, do ensure that exceptions are granted on the basis of a solid business case.

5. **Procurement issues.** Take into account your buying strategy - will you be sourcing a single vehicle or batch ordering; dealing with a local or a global supplier; standardising vehicles to the same make and model or simply harmonising to the same manufacturer? The answers to these questions can make a big difference in effectiveness and cost.
6. **Reassess contracts periodically.** Car choice lists are not set in stone, and require monthly checks to ensure different model variants are still available; three to six month checks to potentially accommodate new drive trains; and six-monthly feedback sessions with suppliers. FleetVision also recommends completely renegotiating supply contracts every two to three years.
7. **Stay informed.** Use external sources such as lease companies, OEMs, fleet management companies and the media to keep up to date with fleet trends, tax changes, market evolution, vehicle availability and delivery times, and movements in residual values.
8. **Define your TCO.** To compare apples with apples, so to speak, it's important to use a consistent set of data to calculate total cost of ownership, such as lease rates, services, fuel costs, and indirect taxation. Moreover, don't overlook other costs such as internal fleet management, end of contract vehicle return charges, as well as positives such as any periodical rebates from suppliers.
9. **Dare to experiment.** Avoid 'big bang' commitments to new products and services, but take gradual steps to trial different power trains, longer and shorter lease durations, new brands and models, and even mobility alternatives.
10. **Monitor compliance.** Checking that supply agreements are honoured and that local companies respect the corporate car list is important in evaluating

the success of a new arrangement. It's also vital to measure actual TCO against forecast TCO.

Thibault Alleyn, FleetVision, added that while many concepts are arising on the market, including intermodal mobility packages and advanced telematics, fleet operators should especially focus nowadays on effective execution of fleet management strategies.

A company shall, therefore, first need to ensure operational stability and leverage on its current day-to-day fleet business, prior to taking radical decisions on advanced and disruptive alternatives.

"We absolutely support new mobility initiatives, and play a key role in advising our clients on their setup. However, this shouldn't be to the detriment of currently operated tool fleets," said Alleyn.

If you wish to find out how FleetVision consultants' expertise can be applied when optimising car choice lists across Europe, please contact Thibault at +32 475 705 755 or talleyn@fleetvision.biz.