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Yearbook  
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# Time and tide wait for no one

By Mark Binks, Bynx

**MANAGING FLEET ASSETS IN A CHANGING MOBILITY LANDSCAPE.** To say that the automotive leasing industry is going through a period of intense change and facing unprecedented challenges is an understatement.

The interest in mobility services and consumers' waning desire for vehicle 'ownership' is shaking up the whole concept of vehicle leasing, presenting both an opportunity and a threat to leasing and finance companies everywhere.

Although markets move at different rates, major shifts are already taking shape in key geographical areas. For commuters, the idea that they can use smart apps to access, book and pay for a range of transport options such as ride hailing, car sharing, short-term rental, is looking ever more attractive from both an environmental and cost benefit perspective.

The company car has been under pressure in many countries and regions for some time and is being attacked on all sides by environmental legislation, personal and corporate fiscal treatments that push up taxes (IFRS16, VAT disallowances and so on). Many markets are already shifting away from corporate car ownership to personal leasing schemes.

New mobility initiatives, such as Mobility-as-a-Service, are making things more difficult for leasing companies by giving individuals greater alternatives. Those companies now have to work harder to find new ways of attracting customers, adding value and staying relevant in a market dominated by disruptors like Zipcar and Uber who are unhindered by the legacy of traditional operation.

**The intensifying need for optimal fleet management.** In the midst of all this, however, one factor remains consistent and that is the need to optimally manage vehicle assets and all financial aspects involved – from billing to managing fines, road tolls, drivers and fuel costs – and all processes and transactions that go with them.

For the past 30 years, technology has played a key role in this, providing a software platform with modules for managing everything from vehicle procurement to lease contracts, drivers, licensing and all "in-life" costs associated with vehicle ownership. Managing fleets optimally helps reduce risk by flagging up and automating processes essential to regulatory requirements, such as vehicle and driver licensing, tyre management, proactive maintenance and so on.

Prior to the introduction of fleet and vehicle leasing management platforms much of this management activity was car-

ried out manually with records logged on spreadsheets. Part of a fleet manager's role was to develop a strategy to ensure nothing was missed and that licence information and vehicle road certifications were up-to-date. But that was only one tiny element of the business of fleet management.

The process of managing vehicles and lease contracts is incredibly complex. The number of transactions involved and interaction between those transactions is huge. In my experience, the fleet industry is like no other in that respect. Additionally, sound financial control is critical to the overall success and profitability of any vehicle leasing and finance business.

Part of what was done in the development of Bynx was to master the complexity and build a modulated financial and fleet management platform for handling the complexity. Initially, Bynx enabled the centralised storage of vehicle, contract, customer and driver data and for it to be available in any area of the business. This prevented the issue of duplicate records being created and mixed up. Rules could be set within the system that allowed companies to establish permissions and define who could have access to what elements of the system, what data they could see and whether or not they could make changes, add or delete information or records. Any discrepancies were flagged up to be investigated to minimise errors.



*Sound financial control is critical to the overall success and profitability of any vehicle leasing and finance business.*

Control costs, streamline business, manage vehicles and mobility services more efficiently using our proven fleet, rental and leasing management platform.

**Innovative** solutions for a mobility world

**Single** integrated platform - a single source of truth

**Agile**, adaptable and configurable

**Maximising** ROI and keeping you ahead of the game



**Contact us now to find out how Bynx is supporting the mobility mix**

**Delivering a 'single source of the truth'.** With any software management system, you have to ensure its integrity. That is the only way customers (and other users) will have confidence in it. Rather than continually dealing with errors and data discrepancies, the platform allows lease companies to be proactive rather than reactive, and that to me is the most important change that has happened in our industry over the last three decades.

Some 30 years ago, the world did not have the level of connectivity that exists today. Mobile phones were unaffordable for the masses and data was something produced and processed only by computers.

Vehicles were very simple in terms of technology and records were kept in a log book. And the connectivity we see today is just the beginning. It is amazing to think back to the number of bits of paper that used to float into an organisation giving details relating to the vehicle lifecycle. A solution had to be found to get all the data into the system in order to alert the customer. Now, vehicles have evolved in terms of safety features and service management alerts, but they often alert the driver who may not be the key decision-maker in terms of actioning that data.

These days we can capture that information from the data in the fleet management system and alert the fleet manager. Such information is now arriving automatically into the system from

many different sources – the driver, mobile devices and the vehicle itself – and with mobility it is even more complex.

Now, although the landscape is changing and the mobility mix is becoming more interesting, assets still need to be funded and fleets managed. Although the transaction touchpoints may be different, the reliance on fleet management will only increase.

Vehicles themselves are more sophisticated with sensor technology recording, analysing and logging data about its environment, road conditions, driver behaviour and vehicle performance. Much of this can provide useful insight for customers and help towards cost saving and safety management.

**Data coming from everywhere.** Drivers and commuters are now more connected than ever through smartphones and apps, which makes it easier for mobility operators to market their products and services directly.

And then there are the products and services being offered by lease companies to an increasingly diverse customer base whose tastes and wants are evolving in line with the services being offered. Customers want more flexibility in terms of lease length – long-term, short-term, mid-term. They want to communicate electronically, using smart devices and at times convenient to them, whether it is to access contract details at 3am, request a quote from the other side of the Atlantic Ocean at 8pm, these days business is global and 24/7. And then there is the



A single source of the truth

## Getting the most out of 'Big Data'

Big data can help lease companies launch new products and services but the potential of any new income stream from value-added services may be in jeopardy because drivers are so well connected through smartphones and apps that it is easy for disruptors to grab their attention.

This provides opportunities for dealer and OEM marketing. Driver apps and other intrusive distractions give the connected driver more freedom over who gets their attention and contact details. Not only does this mean fleet managers lose influence, it can also be detrimental to safety. Distractions can cause accidents, which raises overall fleet risk and could increase costs such as repair and insurance.

### Big data issues to think about now:

- What data collection systems do you have in place and at what touch points (customer website, call centre, in-car technology and so on)?
- What information do these systems provide (customer contact details, financial details, driver behaviour, vehicle performance etc.)?
- How is this information of value to others (the driver, passengers, retailers, service providers)?
- Can you provide these value-added services yourselves or do you need to look for technology or service provider partnerships?

issue of lease companies that operate internationally and in multiple markets.

Alongside enabling sound financial management, the whole ethos of Bynx is to minimise risk and legal exposure. Owning vehicles is risky, there is a lot of legal compliance to adhere to when it comes to driving, owning or operating them. But it has always been this way so although things are different today, Bynx has been designed around best-practice, compliance and fiscal responsibility from the start.

In-vehicle technology is enhancing fleet management capability but there are limited standards so far from OEMs and this is prolonging the role of the telematics intermediary. As MaaS progresses, the technology available to the driver and surrounding their one-2-many relationships must also be part of the collaboration to control these enhancement and benefit from them.

In response to this, Bynx has recently rebranded. The strategy remains broadly the same, which is to support customers in being more efficient and profitable, enabling them to optimise their sales efforts and boost customer satisfaction. But customers also need help to be more proactive and get the most out of the tsunami of data coming their way.

**Looking on the bright side.** We see MaaS not as a danger to future profitability for lease companies but as an opportunity. It is just another vehicle usage model that enables use of assets for business to be more accurately budgeted and charged for – based on actual usage and not retention length. With new MaaS offerings available alongside traditional lease and rental options, the industry now has an interesting mobility mix at its disposal.

Product management is an inherent element with Bynx, which enables new products and services to be quickly and effi-

ciently introduced allowing response to market demand and the creation of competitive differentiation.

**The growing need to adapt.** Lease companies must work with vehicle and driver technology directly and MaaS community offerings (their own or third-party providers) if they want to continue to add benefit, value and stay relevant.

From IFRS16 and 9, to green based legislation, health & safety and data protection, compliance is increasingly important to the fleet sector. Being compliant, however, is not enough, these days businesses have to prove their compliance. This will continue to effect day-to-day operation, corporate governance and reporting.

From our perspective, the focus is on data capture, ensuring completeness and consistency; the business rules management for maintaining governance; and then helping customers turn this overhead into a business benefit.

Documenting of completed processes and the maintenance of a full audit trail will continue to be challenging, but going forward an additional test will be in managing the touchpoints between all third parties.

When looking at the new WLTP measures that have been introduced to identify the final values applicable to a new registration, the process will involve multiple steps and multiple stakeholders.

What is needed within an application is to ensure that the focus is on the new engineering that is happening within the motor industry. There is a lot going on in terms of change, such as the new powertrains. Such information is needed because it will drive a lot of taxation and utilisation figures, in terms of how the governments are going to tax vehicles, for example, a usage term, as opposed to a flat rate for every car on the road.

Although time and tide wait for no one and it seems the pace of change is overwhelming, on the plus side the very element that is facilitating such challenges is also providing the solution. Technology is supplying the platform to revolutionise communication, grow connectivity, boost revenues and save substantial costs. What is needed in addition is a change of mindset that 'business as usual' is not an option, flexibility is required along with a willingness to embrace change and work collaboratively.



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