

Summary of the decision-makers' industry event

„Truck Customer Needs 2010 – A Challenge for the OEM and Service Providers“

Checking the customer's pulse

Customised mobility offers secure the OEM's future growth

For the second time now, Europe Net, the leading European truck service organisation, welcomed 100 decision-makers from the commercial vehicle sector at Schönbrunn Castle to discuss the industry's latest trends and challenges. The proceedings opened with the results of the European-wide "European Truck Customer 2010" survey presented by Oliver Wyman. Replies from more than 2,300 truck drivers and hauliers showed clearly that services will play an ever more important role in the eventual purchasing decisions and in overall customer satisfaction level. At the same time, expectations regarding additional service offers from OEM are still not being satisfactorily met – a clear indication that there lies a substantial prospect of attracting and retaining customers. According to the survey, 60 per cent of drivers and hauliers see mobility solutions as interesting whilst, on the other hand, 40 per cent are hesitant to consider them because of misgivings, negative experiences and the fear of higher costs.

Concrete recommendations for action by OEM follow from these findings:

- Providers of mobility services should further diversify and elaborate their offers in more detail to create for their clients attractive and measurable added values.
- Price remains a decisive factor in the acquisition of a vehicle and trailer. Therefore, the value factor argument is to become more and more important.
- The quality of services must stay at a high level to retain existing customers and attract new ones. Some 10 per cent of non-clients have already had negative experiences.
- The offer of mobility guarantees should be strengthened so that they meet the customers' individual needs.
- The right design of mobility services is an essential success factor for manufacturers. Clients name mobility services as one of the top three reasons for purchasing a commercial vehicle.

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Radu Dinescu, secretary general of UNTRR (National Union of Road Hauliers from Romania), explained the significant differences between the various European markets for services. In Romania, 72 per cent of all transport is done by road. Nearly half of all hauliers have just one vehicle, the other half possesses between two and ten vehicles. Some 70 per cent of the vehicles belong to the hauliers, around 20 per cent are leased and 10 per cent are hired. In the past two years the number of haulage firms dropped by 15 per cent. In this situation the possibility of planning costs, the quality and availability of spare parts and securing liquidities plays a particularly important role for haulage contractors. At the same time, the government is

expected to improve significantly the overall legal conditions for the transport sector by expanding the road infrastructure, introducing tax relief and enforcing harsher measures against illegal competition.



From the perspective of the rental sector, Ralf Faust, CEO of Euro-Leasing GmbH / MAN Rental, listed the challenges faced by his branch. It is confronted mainly by the requirement to cut costs further, the demand to ensure the clearest possible cost transparency, the need to secure financial independence and to preserve flexibility in the use of vehicles and investments. For the vehicle fleet, it means that in the services especially the availability of spare parts, the duration of repairs, guarantees and goodwill settlements and the quality of the services provided need to help cut costs and to make them predictable. To do so, Euro-Leasing/MAN Rental introduces one-stop-shop solutions, the use of traffic detection systems to

monitor fleet operations and costs, a round-the-clock breakdown service to cut downtime, as well as a fair and transparent leasing return process to allow hauliers to retain their flexibility and remain competitive thanks to the availability of a high quality service.

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From the point of view of manufacturers, Torsten Bürger, Senior Manager Service Marketing, Commercial Vehicles, Global Services & Parts and Andreas Häbold, Manager Mobility Products & Service 24h, Global Service & Parts from Daimler AG, explained how this leading European truck manufacturer is responding to growing servicing needs. To meet expectations regarding competence, customer proximity and availability, Daimler AG offers its customers a network of 1,500 stations Europe-wide. All service queries for all brands of the group are run through the Customer Assistance Center in Maastricht, which deals

and coordinates them around the clock. Throughout Europe the breakdown service is ensured by the group's own workshops network. This year, the company introduces the "Mercedes-Benz Truck Mobility" solution for trucks and trailers. It aims at helping hauliers control and plan their costs, and cut downtime in case of breakdown. At the same time the solution aims at making the best possible use of the company's services structure whilst maximising customer loyalty and satisfaction. These services are tightly integrated with the MercedesServiceCard, which deals with the administrative and financial operations, and which thus helps cut additional costs for customers in case of breakdown.



Faulty tyres are still the most frequent reason for truck breakdowns in Europe. Alexander Chmiel, Head of Brand Management Truck Tires for the tyre manufacturer Continental Reifen Deutschland GmbH, explained how a 360-degree approach can meet the growing



services needs of fleet operators. The main features of the market now are increasing concentration, growing fleets and more and more transnational traffic. These developments result in more complexity and rising costs for fleet managers who outsource the management of their tyres. However, the cost pressure remains as fuel prices, wages, taxes, tolls as well as maintenance charges keep rising. With this background, Continental is striving to introduce standard prices and service levels throughout Europe, to offer comprehensive service solutions and to develop interesting offers to cut operating costs. The ECO-PLUS label designates products that have a significant fuel-saving potential and better environmental impact. Tyre marking

complying with planned EU directives is already being introduced, giving details of the tyres' fuel consumption, braking characteristics and noise levels. The introduction of the 360° Fleet Services are aimed mainly at cutting the growing maintenance costs thanks to

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a European-wide range of standardised products for haulage fleets. This all-round package includes Fleet Reporting, Casing Management, breakdown assistance, regular fleet inspection as well as Fitment Services. This new service was introduced in partnership with ADAC TruckService in the five largest markets in Europe in the spring of 2010, and will be continuously expanded.



Service cards are an important tool to simplify administrative processes and to retain customer loyalty in the commercial vehicle sector. UNION Tank Eckstein GmbH & Co. KG (UTA) is one of Europe's largest providers of service cards with some 50,000 customers. To round of, UTA Managing Director Frits Baron van Dedem explained how expanding service cards options may improve the offer of services. Besides their original use for refuelling, their function has been extended to further value added services. Among these, a European-wide breakdown service, vehicle repair, tyre service and replacement, the use of these cards as means of payment for taxes and vignettes as well as to get VAT refunds. These services will be further widened

with an offer of services such as route planning and listings of petrol stations, which drivers will be able to access via the Internet, and of analyses for fleet managers which will give the latter information regarding the routes covered by their fleet and the resulting costs. With these options, service cards increase the liquidities of companies, improve security for drivers and hauliers through cashless transactions and eventually reduce the administrative costs for firms.

In the following discussion, it became obvious that building up the provision of services, mainly with competent partners, is not at present just a necessity to ensure customer loyalty, but also an opportunity for firms to expand constantly their offer of services to customers. Services are increasingly emerging as a strategic tool to achieve unlimited mobility at a transparent cost, like in the motorcar industry. However, OEM must continue to expand their efforts to develop close service partnerships with their customers as these face extreme challenges in market conditions. Georg Greutter, Europe Net Managing Director and host of this year's event, concluded with the following remarks: "Last year we discussed solutions to the crisis, this year our debates focused on innovations that will enable OEM and service providers to understand and satisfy their customers even more. In view of the active participation and positive reactions, Europe Net is planning to hold another event bringing together decision-makers next year also. We have built here, together with our first class participants, a unique forum to tackle and discuss further the pressing issues facing our industry."

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With the closing gala dinner, Europe Net offered its participants a unique occasion for an international exchange of experience between professionals from the commercial vehicle industry. The informal evening get-together that followed the conference gave representatives of all commercial vehicle manufacturers, service providers, experts and consultants the opportunity to hold further talks and to establish personal contacts.