CALVI

The Big Trends for Leasing Companies and Fleet Owners

‘Integrated bill becomes Indispensable’



Developments in the area of mobility have rarely been as rapid-paced as they are now. Breakthrough innovations and the adoption of electric vehicles have played an enormous role in driving this trend. But while all this has been happening, leasing companies have been tasked with enabling more flexibility, customization, and continuous and accelerated innovation, preferably at a competitive price. Strange as it may sound, a solid bill would go a long way in empowering leasing companies to achieve these goals.

Major events such as the COVID-19 pandemic, the conflict in Ukraine, rising energy prices, and the shortage of raw materials and computer chips exacerbated by the global supply-chain disruption have all put increased pressure on the leasing market. Certain trends that had been slowly coming to the forefront for a long time are suddenly becoming very visible.

Unlike most, Ivo Lissone is well aware of the trends that leasing companies have to deal with in today’s turbulent times. This is because his long career and years of experience as CCO of Alphabet Netherlands gave him a holistic view of a growing and in-demand industry and the unique challenges and opportunities it presents. Since he departed Alphabet in 2020, he has taken his knowledge and insight and began supporting organizations as an external advisor on all things fleet management and billing. In his recent role as a Calvi Ambassador, Ivo is focused on consolidating and simplifying billing flows and answering the fundamental question of why the bill is so important? “*Because everything revolves around the customer*,” Lissone explains. “*And as a leasing company, you can only reach your customer at a few key moments. These usually occur when the car is transferred, the contract term starts, or if you send bills and related messages. These moments have to be perfect. Unfortunately, this is often much different in practice.*”

Electric Driving

Electric vehicles are turning the leasing world upside down, Lissone observes, “*For leasing companies and fleet owners, this poses a specific problem. Power is charged many times and at different locations and also in many ways: at the charging station, at the office, at home on private power, and even at quick charging stops while on the road. Added to this picture is the fact that the prices of KWH constantly fluctuate, which will become even more complex when we soon begin using services such as recharging. This leads to much more complex bills. Expanding the customer contact center could provide a solution. However, in my opinion, not in the right direction. Only with a clear, concise, and integrated bill, can you tackle the problem at the core and prevent a lot of questions later on.*”

In Transition

Lissone sees the second trend as the transition from leasing companies to mobility companies. “*This is irreversible and was accelerated by the Global Pandemic and rising energy prices”*, states Lissone. However, this means that a relatively simple product – the leased vehicle – is suddenly supplemented with all kinds of services that must be provided and passed on by third parties. Leased bikes, shared vehicles and scooters, public transport, taxis, you

name it. You're not providing an effective service to your customer if you are sending separate bills for each modality without being able to charge and distinguish product stackability intelligently. Multiple bills per month are currently what you now see involving lease cars.

'Normative Regulation'

The above trends have to do with sustainability. A development in The Netherlands that will also lead to new legislation from January 1, 2023, when 'normative regulation' comes into effect, obliging large enterprise companies to keep track of (and reduce) the CO2 emissions of their business mobility. According to Lissone, "*That also leads to more forms of transport, and that all needs to be mapped out because you want to count every bike ride if you want to achieve your goals. The bill is the most appropriate instrument within which to maintain an overview. The miles per type of transport can easily be translated into CO2 emissions.*"

Acquisitions

Scaling up is also an important trend. Acquisitions are the order of the day and are accompanied by an increase in efficiency. "*Preferably, we show the customer from Day 1 that from now on, you are part of the family and will continue on this journey with us as one new company. Do you first have to integrate two IT systems fully? Then you are already a few years further on. It's much more effective to layer over those billing systems so that the customer receives one clear, consolidated standard bill from the get-go"* argues Lissone. *"This is precisely why I love working for Calvi. We make an easy-to-read dashboard of the bill. At first glance, you can see the broad outlines and total costs, and from there, you can easily move on to the underlying details. Our solution drills down to the level of the individual lease vehicles and provide a level of bill presentment and expense management that is indispensable to mobility customers.*"

More Service, Fewer Costs

The latter trend is perhaps the most important for today's leasing companies. Customers demand more service and more clarity across all areas. As Lissone points out: "*Data provided by the leasing company should be clear and readily available for easy integration into the customer's financial systems. E-invoicing is becoming the new standard and is now (in some countries) only mandatory if you want to do business with the local government, but that will undoubtedly apply to other sectors in the future. This forces the leasing company to continue to develop and innovate, and with the momentum being placed through strong competition going on, all leasing companies will like to be at the forefront. This is best possible with Calvi's services as a proven and trusted leader in this market. There are 35% to 40% fewer customer questions about the bill after implementing Calvi's solution and recommendations, making investing in billing extremely cost-efficient and resulting in higher customer satisfaction and best-in-class billing experiences, making this a clear-cut business case.*"

Chances

"You can see that all major trends have common ground with the customer bill. And that bill represents an important moment and asset in the overall customer experience," concludes Ivo Lissone. "*Leasing companies will miss vital opportunities in many of their customer segments if they don't pay more attention to the monthly bill."*

In an ever-shifting world, Calvi has maintained one constant: leadership in the bill presentment and expense management eco-system. Founded in 2001, Calvi enables you to deliver the best billing experience possible by making bills simpler, smarter and more profitable. Calvi has offices in Tilburg, The Netherlands and Toronto, Canada and is privately held.
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