

# BEYOND FINANCE

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## WHY FLEET MANAGERS SHOULD PAY ATTENTION TO THE INTERNET OF THINGS



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As featured in **CommercialFleet**





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The “Internet of Things” (IoT) refers to the idea that objects can share data within a massive, global network, and there’s been a great deal of talk about how revolutionary it is. But for all the excitement, there is a degree of scepticism about the IoT: a recent KPMG report found that 70% of consumers believe that more interconnected devices make it easier for things to go wrong.

If you’re a fleet decision maker, this scepticism is likely more pronounced. The commercial automobile market has a history that can be traced back to Henry Ford, the father of modern industry. In 2015, the sector saw record sales. What, precisely, is there to improve?

You’d be surprised. The IoT has serious implications for fleets worldwide.

**By Tristan Watkins**  
CEO, BNP Paribas Leasing Solutions UK

## 1. DRIVERLESS VEHICLES

90% of traffic accidents are caused by human error. The simplest solution to this is to take humans out of the equation.

The idea of driverless automobiles is almost as old as automobiles themselves; like Da Vinci's helicopter, they're something of an inevitability. However, there are many obstacles in the way of a full rollout – weather, traffic, terrain, pedestrians, and routing are only the most obvious examples. There is also the inconvenient fact that, while these machines may create jobs in other areas, many drivers will immediately lose their livelihoods. If you recall the recent Uber protests in France, you'll know they're unlikely to take this very well.

The IoT at least solves the technical problems with sensors and real-time environmental data analysis – and, with U.S safety regulators announcing that Google's AI system could officially be recognised as a "driver", progress is further along than you might think. With this technology, it could be possible to make deliveries and pickups more efficiently (and with less margin for error) than ever before.

## 2. FUEL COSTS

Reducing fuel costs is an excellent way to boost your overall profits, but the means of doing so aren't always obvious, and can vary according to individual drivers. With the right analytical tools, you can determine, for example, if your vehicle is overburdened, or if you are taking a route that is longer than necessary. Data can also inform you of vehicle faults that might be affecting fuel efficiency.

The IoT is therefore capable of providing greater insight into the fuel inefficiencies of each individual vehicle. You can then use these insights to advise (or reprogram...) specific drivers to change their behaviour. With this information, you'll eventually be able to create and apply best practices across the entire fleet.

## 3. FLEET MANAGEMENT

Individual vehicles require a lot of care. In a commercial fleet, they will have to make several long trips over a short space of time. Mileage and damage can accumulate very quickly. Entire fleets of vehicles will require exponentially more care - more than any one fleet manager can reasonably provide without assistance.

Thankfully, the IoT can provide this assistance. Using sensors hidden in relevant parts of the automobile – the tyres, for example – it's possible to gain a data-driven view into things like air levels and tread, quickly and accurately. When you can apply this across the entire fleet, you can design a maintenance schedule calibrated for maximum efficiency.

The very nature of the commercial vehicle market is changing. The IoT still faces some scepticism, but it is rapidly becoming undeniable. One thing's for sure – early adopters will feel its benefits most keenly.



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BUSINESS POTENTIAL PLEASE EMAIL: [MARKETING.LEASINGSOLUTIONS@UK.BNPPARIBAS.COM](mailto:MARKETING.LEASINGSOLUTIONS@UK.BNPPARIBAS.COM)



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