

CASE STUDY:

Akzo Nobel

Akzo Nobel is a Dutch-based multinational that creates decorative paints and performance coatings for industrial and retail customers worldwide, owning brands such as Dulux, Cuprinol, Sadolin and Polyfilla.

Arval and its global partner, Element, provide fleet services to the company in 27 countries, managing almost 5,000 vehicles in total. In the UK, Akzo Nobel operates 470 cars, mostly allocated to its field sales force, and around 230 vans, used mainly for deliveries and distribution.



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BACKGROUND



5 year sole supply deal

In mid-2019, Akzo Nobel UK signed a five year sole supply fleet deal with Arval and, soon afterwards, discussions began about the company's fleet insurance and risk management needs.

Akzo Nobel UK Fleet Manager Karl Allward explained: "We found that we'd reached a point where

we felt as though we weren't getting what we wanted out of our existing provider, and there didn't seem to be any way to move things forward.

"This is an area that we take very seriously and we spend a lot of time on risk management. All of our drivers undergo an

annual online assessment, plus an in-car exercise every 3-4 years. There are even corporate bursaries available to fund classroom training for drivers who we feel would benefit from additional support.



We simply felt that we weren't making much progress in terms of driving down our incident rate, plus when repairs were needed, getting vehicles back on the road was often slower and more difficult than we expected - so we started talking to Arval about their Total Care product.



METHOD

David Brown, Corporate Business Manager at Arval, takes over the story:



Arval Total Care has been created as a simple and inclusive package with an insured leased vehicle and an accident management solution for our customers, with a simple pricing structure based on a charge per vehicle.



"The whole product is designed to remove the kind of frustrations that Akzo Nobel were experiencing. It delivers a fast and efficient claims and repairs process, controls costs to deliver highly competitive pricing, and provides key data through which areas for risk management improvements can be identified.

"Towards the end of 2020, we were given the opportunity by Akzo Nobel to tender for their insurance and accident management business, and this was ultimately successful, with the product going live at the start of 2021."



RESULTS

The impact of adopting Arval Total Care has been immediate, Karl says, with a number of benefits already easily identifiable.

"The biggest change is really the simplest; so that everything regarding the insurance and repair process sits with one provider and one phone number. So if there is an incident, both we and our drivers know who to call, and the resulting process is slick and efficient.

"This has been a huge advantage from an administrative point of view. We used to spend a lot of time in the fleet department chasing repairs, checking progress and trying to find out who was responsible for different elements. That has now disappeared.

"The repair process is also faster and, as a result, we are saving money on daily rental and reducing other costs associated with vehicles being off the road. These soon used to mount up under the previous system, and we now feel as though everything is being much more closely and effectively managed.

"One specific point that has been resolved is that previously we often had issues with completed vehicles not being released by repairers, thanks to the need to pay the excess and VAT in advance. Again, because everything is now centralised with one supplier, this is a problem that never arises. As soon as a car or van is fixed, it's available to us.

"With the new arrangement having been in place for a few months, we are now planning to examine the claims and risk management data provided in order to identify areas where we can make improvements in our incident rate. This is something that previously just wasn't possible.

We've been seriously impressed with Arval Total Care. The areas of frustration that we previously identified around our fleet insurance and accident management all feel as though they have been resolved or are moving forward.

Arval Total Care key features:



All fleet vehicles are automatically covered from delivery until they are returned



There is a 48-hour total loss process



The risk of a financial shortfall from a total loss is removed



A one day reduction in average vehicle off-road times is achieved



Reduced operational costs and time management savings are delivered



Quarterly claims and risk management reviews are provided



Arval's Total Care service delivers data analysis and recommendations



Each customer is assigned a dedicated support team

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