



**EUROPEAN
RENTAL
ASSOCIATION**

ERA CASEBOOK

Examples of best practice
for digitisation and IT
in the rental industry



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DIGITISATION

Pierre Boels, ERA President

Thanks to digitisation, we are living through one of the most technologically revolutionary periods in human history. The Internet of Things, Big Data, smart phones and cloud-based computing are transforming the way we live and work.

Forward-thinking rental companies are already taking advantage of the huge opportunities offered by these new technologies. These include opportunities to make our operations more efficient, improve customer service, and even to create completely new solutions to our clients.

In this e-book, we provide case studies from some of the companies that are right on the leading edge, in terms of digitizing their business models. We also examine some of the challenges that leading rental companies have faced when implementing and rolling out digital solutions.

In this way, these examples of best practice aim to demonstrate how embracing the digital age can provide us with strong foundations for the future success of the equipment rental industry.

Key topics covered in this e-book include Zeppelin Rental's impressive roll-out of its online rental platform. The success of this initiative was recognised at the European Rental Awards 2017, when Zeppelin Rental won the Digital Innovation award.

My own company, Boels, has always understood the value of new technology since we built our own IT system back in 1989. In this e-book, we discuss the benefits we have seen since we implemented the SmartEquip spare parts management system across our multinational business.

Ramirent is another international company at the forefront of the digital revolution. In this case study, we examine its

digital marketing expertise and share best practice from this increasingly important field.

Finally, our in-depth case study examines the growing role of telematics, as access platform specialist Riwal explains how the technology is enabling it to create an entirely new rental business model. Riwal's partnership approach to working with telematics experts Trackunit is a great example of how transcending the typical customer-supplier relationship is paying dividends for both companies.

We are very grateful to the rental companies who gave their time to be interviewed for these case studies: Boels, Ramirent, Riwal, and Zeppelin Rental. All the participants gave us very open and honest accounts of their processes, without giving away any commercially sensitive information.

While they are all quite large organisations, many of the digital technologies they are implementing are now affordable to smaller rental companies. One of the reasons why digitisation is happening so quickly is that these solutions work equally well for any size of business.

As always, we would welcome your feedback and stories about your own experiences. We are also very interested in hearing from members who would be willing to give us case studies for future publications, so please get in touch.



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Summary of Key Points

Key Points

- Talk to every department to find out its requirements
- Invest in employee training and education to ensure strong buy-in
- Be prepared to face challenges along the way



ZEPPELIN 

CASE STUDY

E-COMMERCE: ZEPPELIN RENTAL

Dominik Baumann, Head of Marketing, and Sebastian Wiese, Head of e-Commerce and Digital Business, explain how digitisation has made a positive impact on their business – and built strong foundations for future growth.

Zeppelin Rental has undergone a digital revolution. In 2016 it digitised its entire business model, including launching its online rental offering to customers. This pioneering work saw Zeppelin Rental win the Digital Innovation award at the European Rental Awards 2017.

With the launch of online rental in September 2016, Zeppelin Rental became the first rental company in Europe to provide its customers with a comprehensive online rental process. This includes real-time availability of its rental fleet at more than 120 rental locations, along with specific terms and conditions and transport costs for each line item.

Online rental exceeded all expectations. In just four months, over 1,200 people registered to use the service – and more than half were new customers.

“In order to build an e-commerce ecosystem we talked to every department of our company to find out their requirements,” said Sebastian. “For example, we involved over 100 members of the sales team in Webex sessions to explain the benefits of online rental. They were very enthusiastic and buy-in was immediate.”

“We fully integrated e-commerce with our IT infrastructure. This makes it a much better customer experience. It is the same as walking into a branch in terms of pricing and availability.”

Zeppelin Rental built on this success with an app for iPhone and Android in November 2016, which was downloaded over 1,000 times in less than six months. In late 2017 it will launch v2.0 which enables users to customise the app according to their specific business needs.

Zeppelin Rental also involved its customers and employees in every step of the process, using their feedback to perfect its e-commerce platform.

“Customers benefit from easier and quicker processing that enhances their efficiency as well as increasing their flexibility,” said Dominik. “They have the possibility of ordering 24/7, regardless of opening hours, and are provided with greater transparency in terms of both availability and pricing.”

Of course there are challenges along the way but this level of innovation makes it really exciting to work for Zeppelin Rental. We are ahead of our competitors in terms of e-commerce and we intend to stay there.”

In order to ease business for customers, Zeppelin Rental launched further high-quality online services like its modular space configurator that allows the easy planning and three-dimensional visualization of container complexes of up to 32 single units. Depending on the customers' needs, they individually decide on the container types and the interior, the number of floors and the size of rooms. They select different options like including toilets and kitchenettes, can save the project and request a quotation by Zeppelin Rental for their individual complex with just one click.



COMPANY PROFILE

- 1,236 employees
- More than 62,000 rental items
- €363 million turnover in 2016





CASE STUDY

PARTS MANAGEMENT: BOELS RENTAL

Guy Cremer, Director of Fleet Operations, highlights how moving to a digital parts management platform has enabled Boels Rental to further improve customer service.

When Guy Cremer joined Boels in 1989, the Dutch company was already committed to digitisation – it had designed and built its own IT system the year before. Since then, Boels has grown from three rental stores to almost 400, expanding across the Netherlands and into 10 other countries.

“In 2005, I saw SmartEquip at the American Rental Association show,” he said. “One of the major US rental companies took us to visit a branch that was using the technology. A mechanic there looked me in the eye and told me that if they were to get rid of the system, he ‘would quit’. For me, that was the real drive behind investigating it further.”

“We had almost 120 depots by then and our mechanics were vital to our quality service. At that time, it was very hard to find and keep good mechanics, so we felt that a parts system could not only improve our efficiency, but it could also help us to retain our best mechanics.”

In 2012, the company tested SmartEquip at 20 locations, all based in the same country. “Within 6 months we trained everybody within the Group, and after 8 months we ordered 95% of our parts via the platform, company-wide. It was really well-accepted in a very short space of time.

“We have a very centralised structure: we use one system for all countries and all depots. Integration is much more difficult if the rental company is using multiple systems. That was one of our biggest advantages when it came to digitisation.”

The main benefits of using SmartEquip were an approximately 80% reduction in the time spent trying to identify, find and order parts; and another 80% reduction in the number of line items stocked in Boels’ central warehouse.

“In the past, if the parts team ordered the wrong part, or it was delayed, eventually the technician would go and buy it himself. This meant that we didn’t have quality control over the part that mechanics buy – and we would end up with many duplicates.”

Other advantages include improved machine uptime. Mechanics now have all the service, parts and technical information at their fingertips, on an iPad, in their native language.

“Boels Rental operates in 11 countries, so we need a parts management system that supports all the relevant languages. If you are a Polish mechanic, it automatically provides you with the information in Polish.”

“The mechanics don’t like computers. They prefer to have dirty hands – ‘wrench time’ is what they like because it is what they are trained to do. They do not want to spend ages looking up spare parts. SmartEquip makes it more fun for a mechanic because it reduces the hours spent looking up parts by 80%.”

Key Points

- Visit rental companies and other businesses to see parts management in action
- Look for a solution that can integrate with your existing IT systems
- Having a strong centralised structure can make digitisation much quicker and easier



COMPANY PROFILE

- Founded in 1977
- Almost 400 rental locations across 11 countries
- 3 main divisions: Machines, Party & Events and DIY Rental



CASE STUDY TELEMATICS: RIWAL

Olaf Sterkenburg, Group Commercial Director, of Riwal, outlines how the powered access rental specialist Riwal is using telematics to enhance customer service.

Trackunit has worked with Riwal for over a decade, starting out by supplying GPS tracking devices to Riwal's operations in Denmark.

"They were the first ones to supply to our Danish operation to locate our machines," said Olaf. "As tracking developed, they added more features. We grew with them and the features that they added. The technology has advanced to provide a much more robust remote connection. And the amount of data has significantly increased - it is no longer just machine location but also the ability to charge for the hours that customers actually used the machine.

"In most markets where we operate, the rental contract is for a 5-day per week period. But a lot of our customers were using the machines over the weekend. We don't mind that, but we want them to pay for it. So Trackunit created a nice ROI for us. We could check on a Monday morning who had used the machines over the weekend."

In 2012, Riwal took a strategic decision that any new, high-value access platforms it purchased would be fitted with tracking units. Typically this would be larger scissor lifts and big booms. By 2015, it decided that every unit - large or small - should include tracking. Riwal has more than 14,000 access platforms in its fleet, and by the end of 2017, it intends to have 10,000 of them fitted with tracking devices. Every machine will include a Trackunit device by December 2018. The main reason for this rapid expansion is the positive response from customers.

"We have integrated Trackunit into our customer portal named Access4U. Now the site manager or contractor can see precisely who is operating the machine - customers see great value in that. Two years ago we had 83 users of Access4U and now more than 500 customers in over 5 countries and growing."



Advances in telematics also permit the device to communicate with the access platform's CAN Bus system, which provides remote access to diagnostic fault codes.

"Part of The Riwal Way ethos is to deliver the best customer experience. With telematics, we can be a proactive rental company, because we can see problems before they cause the machine to stop working. In this way, we can promise our customers that we will plan maintenance in a way that doesn't affect their up-time."

"We are not interested in being the cheapest company in the business. Instead, we are focused on helping our customers improve their profitability. We take pride in what we do. We try to create something of genuine value to our customers and this has been recognised by our peers."

Riwal won the Access Rental Company of the Year category at the International Awards for Powered Access (IAPAs) 2017, where judges singled out how Riwal was 'innovative with new technologies'. It also won Large Rental Company of the Year at the European Rental Awards 2016.

Key Points

- Telematics can help you identify unauthorised | use of your machines, such as at weekends
- Sharing data can deliver positive results for you and your customers
- Ensure that innovation is driven by what your customers really want
- Look beyond traditional relationships with your suppliers
- Digitisation can move you up the value chain



COMPANY PROFILE

- 5,000 machines in rental fleet
- 67 depots employing more than 1,600 people, in 16 countries
- Conducts business in approximately 70 countries
- Circa €270 million annual turnover



Key Points

- Big Data is great, but you need the resources to properly analyse it
- Find innovative companies and build long-term partnerships with them
- Telematics reduces total cost of ownership for rental companies
- Digitisation can differentiate you from your competitors



CASE STUDY PART 2 TELEMATICS: RIWAL

Keen to innovate, Riwal has taken a step further. The company is now using its deep partnership with telematics provider Trackunit to create completely new ways of working.

The advances in telematics are enabling Riwal to transition from the traditional rental model to a new way of doing business.

"In the digital age, I don't believe that IP or proprietary data is a good business model," said Olaf. "If you can share data to create something meaningful, it creates value for both the customer and the supplier."

"Increasingly our customers are inquiring about paying for actual usage by the hour - and we are really OK with that. Most rental companies think that this business model will hurt them, but we actually think that it will help us."

"We believe that rental should be about customers paying for what they use, not paying to have a machine available just in case they need it. This is a far more transparent business model and delivers a better customer experience, which is what Riwal is all about."

"This model also means that we can make one machine available on site to multiple contractors at once. This is a much safer and more sustainable way of working, as well as being more cost-effective for our customers."

"All too often, we see our customers over-order: they hire too many machines. For example, by analysing the data we can show the customer that they have hired 5 machines, when they could quite easily manage with just 4. If there are occasions when they need 5, we can plan to supply an extra machine as it is needed."

"This is the direction in which we are pushing Trackunit. We want to create a control room that analyses the data and translates it into meaningful solutions for our customers."



"With the help of Trackunit, we have built a customer portal that transforms the traditional rental process into a fully digital process. Hire, off-hire, safety, invoicing, and GPS location are all digital now."

Riwal Access4U is an online secured management tool, providing customers with instant access to all their hire information. Additionally, clients can view in real-time which machines are working on which projects and at which location.

Users can rent and off-rent equipment; find specific machine documents, such as downloadable inspection and operating sheets; and have complete access to their invoice history. They can even check which employees need renewed training based on the validity of their certificate - and request new training from Riwal as required.

"We don't have a traditional customer/supplier relationship with Trackunit; we are in this together. Through this unique partnership, we are breaking new ground in a positive transformation for both companies."

"We cannot simply be a 'me-too' company. We want to be the company that does things differently and is a market leader. Part of that is the responsibility of taking the industry to another level. It makes us smile and it makes our shareholders smile, too."



COMPANY PROFILE

- Winner of Large Rental Company of the Year at European Rental Awards 2016
- Winner of Access Rental Company of the Year at IAPAs 2017
- Worked with Trackunit for over a decade

SUMMARY OF KEY POINTS

This page aims to provide you with a handy summary of the key points from all of the case studies. They are separated under two titles: Cultural Approach, and Operational Approach.

Cultural Approach offers advice on conveying the benefits of digitisation to your customers, suppliers, employees and other stakeholders.

Operational Approach looks at the logistics of identifying what digitisation is right for your business, which suppliers and products will work best for you, how you deploy digitisation, and how you maximize the benefits.

CULTURAL APPROACH

- Digitisation can differentiate you from your competitors and move you up the value chain
- Ensure that innovation is driven by what your customers really want
- Talk to every department to find out its requirements
- Invest in employee training and education to ensure strong buy-in
- Look beyond traditional relationships with your suppliers
- Sharing data can deliver positive results for you and your customers

OPERATIONAL APPROACH

- Visit rental companies and other businesses to see digitisation in action
- Look for a solution that can easily integrate with your existing IT systems
- Find innovative companies and build long-term partnerships with them
- Having a strong, centralised company structure can make digitisation much quicker and easier
- Big Data is great, but you need the resources to properly analyse it
- Be prepared to face challenges along the way!

About ERA

The key mission of ERA is to promote the rental concept in order to facilitate a continued growth of the rental industry by creating an open European market, at a much larger scale than any national market. To achieve this goal, ERA acts as the representative association of the equipment rental sector at European level, complementing the activities undertaken by national rental associations locally. Our work focuses on 4 main areas:

- Promotion of the rental concept
- Rental market statistics and data
- Equipment technology
- Sustainability