ERA Convention 2021 — Digitalised or not?

- Population
- Legal rental & safety regulations
- Labor cost
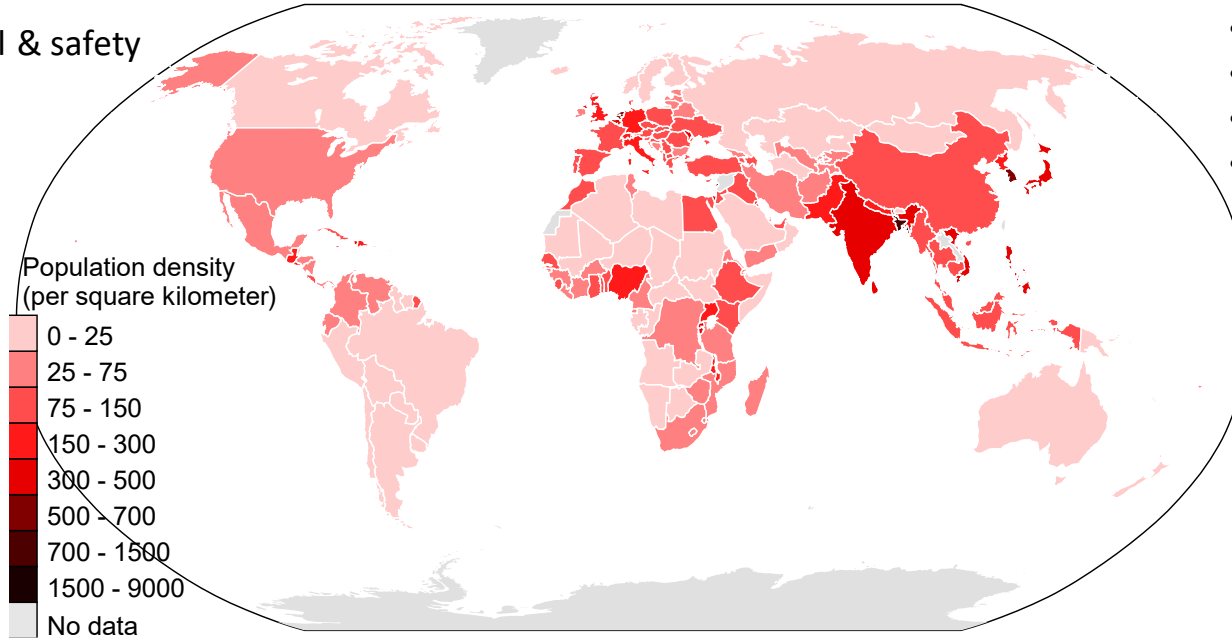
- Volume
- Complexity
- Competition
- Speed

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Population density
(per square kilometer)

- 0 - 25
- 25 - 75
- 75 - 150
- 150 - 300
- 300 - 500
- 500 - 700
- 700 - 1500
- 1500 - 9000
- No data

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ERA Convention 2021, "SMART RENTAL", Amsterdam, 29 and 30 September

From **_Gartner_**'s perspective:

- "the transformation journey is taking large enterprises especially,
- at least twice as long and
- costing twice as much as they originally anticipated." *

Rather than trying to create / buy the perfect system during a long (er) period in time, chose to work at the fastest pace possible, even scrapping 30% of the new features.

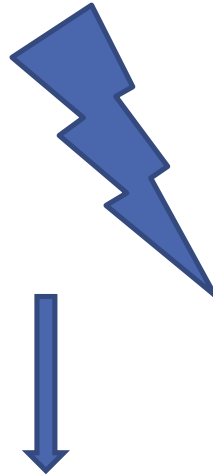The REAL value of the new digital idea will be given by its fast adoption by internal and external customers.

* Source GartnerThe IT Roadmap for Digital Business Transformation

Transforming a rental business with digital technology

Vulnerability
Uncertainty
Complexity
Ambiguity

Technology
People / **S**tatus quo
Speed to market

- SMB (0-100 people)
- SME (100-999 people)
- LARGE multinationals (>1000 people) with several legal / fiscal systems

- Speed / Agility / Adaptability / Comfort
- Footprint / Size
- Buying power / knowledge pool / complexity / diversity

CLASSIC RENTAL VERSUS *EQUIPMENT AS A TURN KEY SERVICE*

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SMB / Startups Take Aways:
- Just do it, don't delay it! Instead of implementing the perfect software in 6 months, implement the fastest one that adds value to your customers
- Think ROI not just in money, better in time currency
- Don't expect it to be perfect
- Listen, understand on focus on your good paying customers needs, focus on ADDED VALUE / PROFIT not on turnover
- Pay attention to quick wins / loses, not on everything
- Have your software prepared for "uberization" / cross rental

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SME Take Aways:

- Just do it, don't delay it! Instead of implementing the perfect software in 12 months, implement the fastest one that adds value to your customers, while serving your medium long-term development plan
- Think VUCA, the bigger you become, more complex and unpredictable, harder to steer in unchartered waters; don't loose speed, always put a challenging deadline in your software roadmap
- Don't expect to be perfect
- Look around you, learn and share experiences; learn from more developed industries
- Start to pay attention to complex customer requirements, not anymore just on "quick wins"
- Have your software prepared for new way of doing business:
    - Pay per service (invoice kW instead of rental days for a generator)
    - Daily rental
    - Pay as you go
    - Stand by and Pay per use
    - Rental sharing

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LARGE ENTERPRISES Take Aways:

- Just do it, don't delay it! Instead of implementing the perfect software in 24 months, implement the fastest one that adds value to your customers, while serving your medium long-term development plan
- DO NOT PROTECT STATUS QUO AGAINST AGILE PROGRESS: learn from the diversity you have in your team, from the Far East to the Wild West. Respect the data, do not overprotect technological legacy
- Always have advanced R&D leading the way, not looking backwards towards today's business habits
- Always look towards other industries and be constantly among the early adopters, if not pioneering innovators
- AVOID at all cost "ONE SOLUTION FITS ALL" approach: despite high commonality, each market has specific cultural, legal, economical, safety and environmental specifics that makes the difference between turnover and profit, safety and risk, sustainable and non-sustainable.
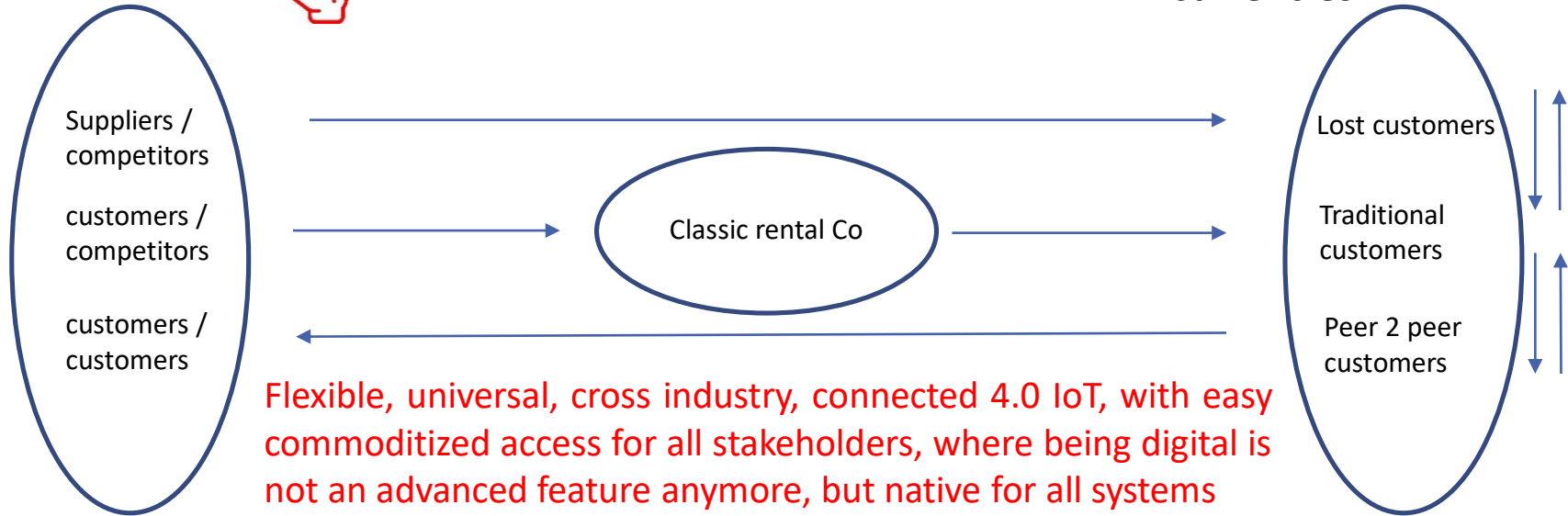- Be prepared for the most advanced tech to become commodity in months

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COOPETITION

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ECOSYSTEMS – solution at any level

Value creation through COOPETITION

CONNECTED *DATA* & *TIME* the new HARD currencies

Suppliers / competitors

customers / competitors

customers / customers

Classic rental Co

Lost customers

Traditional customers

Peer 2 peer customers

Flexible, universal, cross industry, connected 4.0 IoT, with easy commoditized access for all stakeholders, where being digital is not an advanced feature anymore, but native for all systems

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- Create biggest added value for your customers (internal and external); not just another software
- FAST! Speed to market is key, better have one up and ready than the perfect solution in 5 years
- Share your knowledge:

Despite it seems unlikely for one to share the very secret that he just implemented in his own company, it is actually paying more to share it, especially in the under-developed markets, where a great idea that becomes popular will boost the entire market at a much higher level, rather than increasing insignificantly just the original player.

Any new valuable gizmo (soft/hard) will create huge value for its creator within the first 6-12 months of full implementation. After the initial boost, the added value will decrease closing to 0, unless it gives another boost to the market through shared best practices and experiences. Keeping it hidden in-house proves less profitable for the creator than sharing it with the peers.

Morale: people should come together and freely share their knowledge and experience.

This creates positive traction, positive constructive competition and sharpens the capabilities of the players, for a better customer experience, safer working environment and transparent relationship among all stakeholders (manufacturers, banks, rental customers, insurance companies, regulators, etc).

THE SIZE DOES NOT matters most: pioneering, open mind attitude and change speed & readiness are more important than size.