KPMG for EUROPEAN RENTAL ASSOCIATION

ERA (European Rental Association)

From Digitalization to AI

KPMG Strategy | Final report

November 2025

CONFIDENTIAL

Executive Summary (1/2)

Main topic	Key insights
AI scope, definition & trends	• AI has been developed in the 1950's and now encapsulates **a wide variety of concepts** (machine learning, deep learning, gen-Ai, agentic AI) and **ever-more advanced applications**, including for rental companies • **Generative AI** is a type of AI that relies on Large Language models (LLM) and generates new content such as text, images, audio, video, code, 3D objects and data. Natural Language Functionality is built in by default so you can seamlessly interact with the models • **Agentic AI** are software entities that autonomously or semi-autonomously gather information, reason with LLMs, and use tools to plan and execute actions toward goals • Across the rental industry, **AI is perceived as a core business enabler** (e.g., for fleet management and utilization, operational efficiency and logistics, pricing and demand planning, damage and theft prevention), yet with very **limited adoption rates**. The sales function finds many mature AI use cases and could be significantly improved
AI use cases for rental co	• This report gathers **40 AI use cases meaningful for rental companies**. 17 AI experts from 10 rental companies **selected** the most relevant use cases for the industry and **scored their impact** (economic gain, non-economic gain and scalability) **and accessibility** (compatibility with existing assets, required investments, risk level). The presented outcomes are **preliminary** and should be referred to as an indicative baseline to work with and to be refined. • **The risks**, associated to each AI use cases depend on each company and should be looked at carefully before any AI implementation. • Fleet management optimization, inventory optimization, rental demand forecasting, maintenance assistant, delivery route optimization, and pricing optimization use cases are considered **the most strategic to address**, despite high implementation barriers • Sales-related use cases (online product comparison tool, customer chatbot, customer visits prioritization for salesforces) were scored as easier to implement, yet with still quite high impact • Market-wise, **multiple tech providers** (rental-specific or not) have developed AI solutions for those use cases, however the global maturity of those solutions remains **exploratory/early stage**.

Executive Summary (2/2)

Main topic	Key insights

AI implementation guidelines	For a successful AI implementation at scale, rental companies require **a clear vision**, based on:
	• A **dedicated and clear AI governance**:
	  • As AI has both front and back-office impacts, **tech must co-evolve with business**, ensuring AI is not only built but also useful, usable and effectively used
	  • An **AI Lead should be designated** to embody the vision and coordinate AI initiatives. This AI lead may be either someone with an existing C-suite role or someone new, external
	  • This AI lead will help **raise awareness about AI within the company**, **ensure the AI solutions used deliver targeted business outcomes** and that people utilize the appropriate AI tools, regulatory compliant
	• An **adequate delivery model**:
	  • Depending on a company size, its AI maturity and strategic goals, different delivery models might be relevant. As most rental companies are SMEs, an **approach with off-the-shelf AI products suitable for standard AI use cases with limited in-house configuration or development** might be the ideal initial AI path to engage in
	  • However, this scenario might vary depending on key constraints around cost and time, expertise and resources, security and regulation, evolution and agility. In certain cases, **customizing and training a foundation AI might be a better option**, or even building its own in-house AI
	• The **right actionable data**: AI solutions all rely on data, therefore **ensuring the quality, relevance and structuring of the data is a fundamental prerequisite** before any AI implementation. For certain use cases, requiring large amounts of aggregated data, issued from multiple sources, a **data lake implementation can be necessary**.
	• A **robust change management approach**: cultivating AI talents and ensuring the development of technical skills for all – meaning employees are continuously informed and actively engaged to integrate AI innovations into their daily practices
	• The **right ecosystem of partners/providers**: to refine progressively and co-build AI applications relevant for the industry, with rental-specific tech providers for core business AI use cases and rental-specific or more generic providers for support function AI use cases
	• A **thoughtful and secure framework**: to control and mitigate AI-related risks, ensuring compliance with regulations (such as the **EU AI Act**), standards, and best practices

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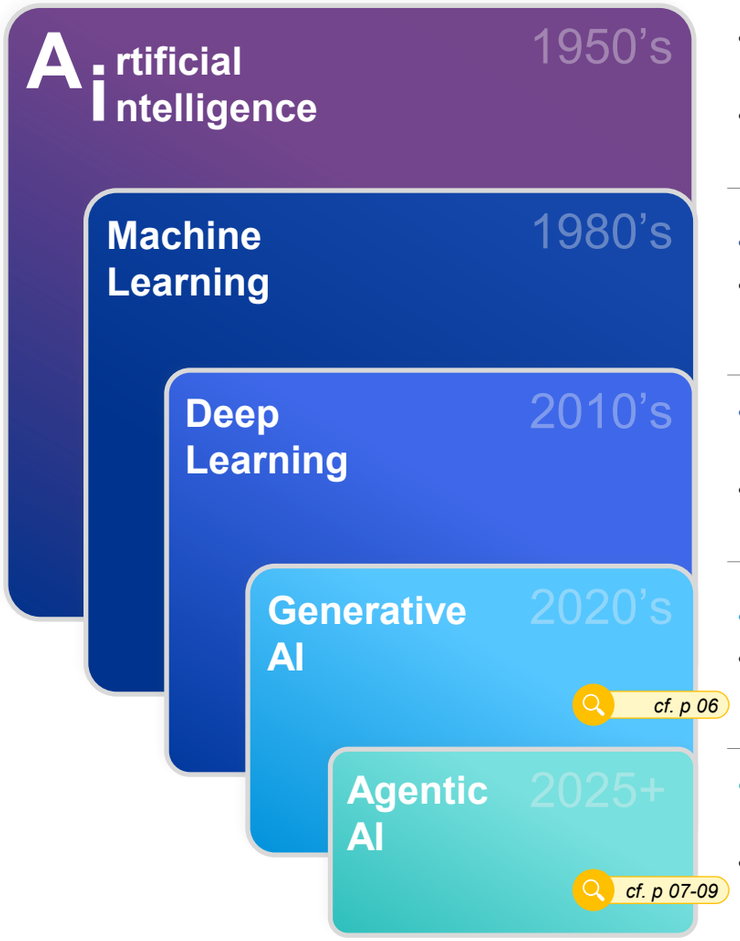
AI has been developed in the 1950's and now encapsulates a wide variety of ever-more advanced applications, including for rental companies



Key AI concepts	Scope & definitions	Illustrative rental AI use case
Artificial Intelligence (1950's)	• Refers to **systems that mimic human intelligence to analyze, interpret, predict, or perform tasks** • Uses input data such as numbers to produce outputs like probabilities or numerical values	*If the site is uneven, **then** recommend the adequate undercarriage (wheels or tracks)*
Machine Learning (1980's)	• **Simulates human learning** by continuously analyzing and evaluating data sets • Develops and continuously improves performance, adapting based on patterns and feedback	***Predict** increased demand for equipment type **based on data sets** such as weather conditions*
Deep Learning (2010's)	• **Uses artificial neural networks with many layers** to learn from large amounts of data • Doesn't rely on structured datasets and learns through trial and error, adjusting its algorithms	***Detect** cracks or wear on a backhoe loader **using customer-submitted photos***
Generative AI (2020's)	• **Goes beyond analysis, creates** • Generates new content by leveraging patterns learned from existing data (e.g., text, images, music…)	***Create** a technical report on equipment condition with maintenance suggestions, **based on visual and sensor data***
Agentic AI (2025+)	• **Is capable of independent reasoning, decision-making and goal-oriented execution** • Can proactively manage complex processes, adapt to changing conditions and collaborate with humans and other systems	***Detect** a motor anomaly via sensors, **schedule** a technician, inform the client, **propose** a temporary replacement, and **update** the rental calendar*

Sources: KPMG Research & Analysis

Generative AI has potential to accelerate content production and personalization

Zoom **Gen AI**

Definition & usage

1

Generative AI is a type of AI that relies on **Large Language models** (LLM) and **generates new content** such as text, images, audio, video, code, 3D objects and data

2

Natural Language Functionality is built in by default so you can seamlessly interact with the models

Key GenAI applications and illustrative rental use cases

ILLUSTRATIVE, NON-EXHAUSTIVE

Content Creation

GenAI can generate text, image, reports, music, videos…

Rental example

Generate product descriptions, write equipment utilization guides, create how-to use videos…

Personalization

GenAI can create personalized content for marketing and customer service

Rental example

Create personalized marketing emails and landing pages tailored to different customer segments

Data Augmentation

GenAI can create synthetic data to supplement real data, improving performance of models

Rental example

Generate synthetic datasets to train predictive models for equipment failure without exposing sensitive customer data, ensuring GDPR compliance

Simulation and testing

GenAI can generate business scenarios and test strategies

Rental example

Produce simulated demand scenarios (e.g., peak rentals during major construction projects) and test fleet allocation strategies

Design and prototyping

GenAI can create new design concepts in very short time

Rental example

Rapidly create prototypes for a new mobile app interface, to facilitate equipment inspection at delivery & pickup

Risk Management

GenAI can create a wide array of possible risk scenarios to be better prepared for potential issues

Rental example

Generate financial risk scenarios to model the impact of sudden interest rate hikes or concrete sales increases on profitability

Sources: Corporate websites, KPMG Research & Analysis

Even more so with agentic AI that marks a shift towards autonomous execution…

Zoom ***agentic AI***

Definition and function of an agentic AI…

Agentic AI *are software entities that* ***autonomously or semi-autonomously gather information****, reason with LLMs, and use tools to* ***plan*** *and* ***execute*** *actions toward goals*

COLLECT

…observe & process information from their environment, via :

- **Interfaces** (APIs, user interactions, metrics, sensor outputs…)
- **Memory & Context** from past interactions, allowing contextual understanding in multi-step operations

PLAN

…**evaluate and prioritize actions** using LLM based on:

- **Goals** to be accomplished
- **Roles** defining the agent's behavior and type
- **Reasoning abilities** powered by LLMs
- **Context & Memory** built by the agent

ACT

…**execute tasks,** by:

- **Leveraging interfaces**, APIs and data sources
- **Delegating actions** to other AI agents
- **Asking user** for more clarification if needed

… more advanced and autonomous than an AI assistant

AI Agents		AI Assistants
Domain **specific**		**General** knowledge
Finetuned on **single task**		**Multitask** purpose
Fully **autonomous**		**Supports** human decision / **no action**
Delegation		**Inspiration & Interaction**

Sources: KPMG Research & Analysis

…unlocking new opportunities with a diverse landscape of AI agents, from simple automation to self-learning systems

Zoom *agentic AI*

Typology of AI agents

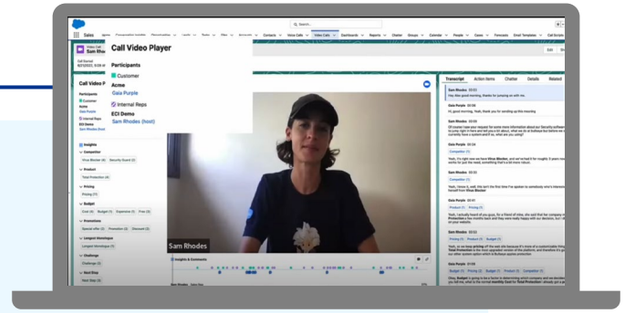
	Fixed Automation	LLM-enhanced	ReAct	ReAct + RAG	Tool enhanced	Self reflecting	Memory-enhanced	Environment Controllers	Self-learning Agent
	THE DIGITAL ASSEMBLY LINE	SMARTER, BUT NOT EINSTEIN	REASONING MEETS ACTION	GROUNDED INTELLIGENCE	THE MULTI-TASKER	THE PHILOSOPHER	THE PERSONALIZED POWERHOUSES	THE WORLD SHAPER	THE EVOLUTIONARIES
Main charac-teristics	No real intelligence, predictable actions, narrow functionality	Rule-based, context-sensitive, no memory retention	Multi-step execution, dynamic planning, basic problem-solving	Access to outside data, reduced hallucination risk, real-time updates	Combines tools, executes dynamically, highly automated	Self-monitoring, transparent decision-making, continuous learning	Long-term memory, learns from interaction, user-adaptive	Autonomous system control, environment-responsive, feedback loop-driven	Learns and adapts independently, scalable behavior, evolves over time
Examples of use cases	RPA workflows, auto-reply emails, basic scripting	Spam filters, content moderation, support ticket triage	Trip planners, AI-based project tools, interactive gaming assistants	Legal research bots, AI medical assistants, advanced support systems	Code writing assistants, data analytics bots	QA bots, systems that self-assess or optimize	Smart assistants, AI for personalized project management	AutoGPT, smart cities, adaptive robotics	Predictive AI in finance, neural networks, swarm intelligence
Best suited for	Routine tasks with structured inputs that don't require flexibility	High-volume tasks with some variation, where accuracy and cost efficiency matter	Strategic tasks, scenario planning, and adapting to evolving inputs	High-risk decision-making, specialized areas, real-time data dependency	Complex workflows with heavy API/tool usage	Environments where traceability, responsibility, and iterative improvements are key	Personalized experiences and sustained interactions	IoT management, autonomous systems, infrastructure-level automation	Cutting-edge R&D, systems that learn and grow without direct intervention

Sources: KPMG Research & Analysis

For instance, AI agents can significantly improve the efficiency of the customer services: from client call to CRM data consolidation

*Zoom **agentic AI***

Example of process redesign with AI agents



AI META- AGENT

Orchestrator

A global agent to orchestrate, monitor progress of global process and validate each step

Client call

AI AGENT 1

Call transcription

An AI agent is launched to convert call speech into text. Potentially, another AI agent is also translating the text.

AI AGENT 2

Summary & action points

Then an AI agent summarizes the call in a given format, and put light on action points

AI AGENT 3

Emails

Some of the action points can be taken by AI agents to write emails and requests to different internal services

AI AGENT 4

Quality score

A quality score is also produced by another AI agent, taking into account the tone of voice and vocabulary, using sentiment analysis

AI AGENT 5

CRM data consolidation

Finally a last AI agent consolidates everything that has been produced and integrates this for further use into CRM, check by human

Sources: KPMG Research & Analysis

Ultimately, AI has the power to deeply transform businesses with diverse levels of impact, depending on deployed solutions and their adoption scale

Multiple levels of impact

1 On daily ways of working

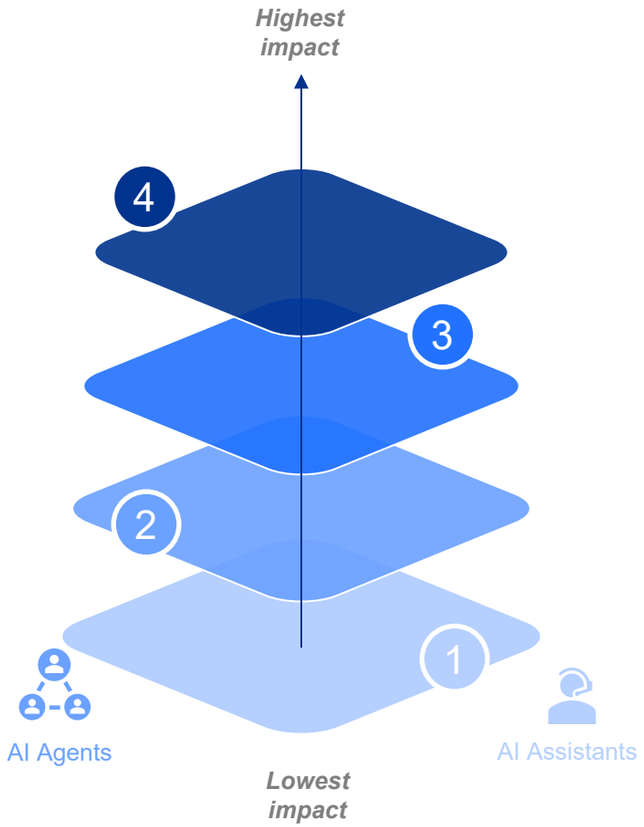
- New office tools with AI
- Automation of tasks, decision support, knowledge
- Personal productivity, employee satisfaction, error reduction

Challenge → Problem adoption & ROI

2 On functions & macro-processes

- Reshape of functional process with AI
- Empower employees with AI capabilities on functional expertise and optimize workflows
- Revenue growth, Cost reduction, efficiency & time to market

Challenge → Difficult to initiate transformation at scale with all angles



3 On business models

- New product & services with AI
- Enlarge offer with data/AI-based hyper personalized services for customers, data monetization
- Revenue diversification, competitive advantage

Challenge → Potential disruption in market, how to position in my sector?

4 On society

- New relation to information, transformation of work, new leisure with AI, new products & services as citizen
- AI is going to be more & more embedded in personal daily life
- More connected & augmented

Challenge → *Fear, trust, sovereignty, AI for good*

Sources: KPMG Research & Analysis

Across the industry, AI is at least perceived as a core business facilitator, at best being adopted widely with already significant positive outcomes

Key AI-adoption metrics across the industry in Europe & North America

EQUIPMENT RENTAL*

An early-stage adoption…

- **~30%** of equipment rental companies* consider their AI adoption to be **early stage and experimental**
- **~40%** of equipment rental companies* consider their AI adoption to be **opportunistic**, **limited to isolated pilot use cases**

…with potential to transform Sales & Operations

- **Sales**, notably through **customer chatbots**
- **Operations,** notably through **enhanced maintenance**

CAR RENTAL

A still moderate adoption rate…

- **~65%** of car rental companies are **expected to adopt AI solutions** by 2025
- **12%** only of car rental operators actively use **AI-driven dynamic pricing**

… whereas AI helps improve significantly revenues…

- **+15%** in conversion rates for car rental platforms delivering **tailored search results**
- **+20%** in conversion rates for **content adapted to local languages**, along with significant increases in website traffic and engagement
- **-30%** of maintenance costs with AI-powered preventive maintenance

… and operational efficiency

- **+15-20%** of **fleet utilization** thanks to AI-driven inventory optimization
- **+70%** of **handling customer inquiries** in some firms with AI-chatbots
- **-13%** of **fleet downtime** with AI-based scheduling
- **-35%** of **administrative processing time** with AI automation
- **+60%** **speed of rental agreements** with AI-based document verification

MANUFACTURING

A wider adoption…

- **78%** of organizations (all industries) **use AI** in at least one business function
- **71%** report **regular GenAI use** in at least one business function

… yet not industrialized

- **29%** of manufacturers report using AI at **facility or network level**, particularly in **inventory management**
- **24%** report **GenAI deployed at scale**

Sources: RateGain State of Car Rentals 2025, Car Rental Industry Report 2025, McKinsey Global AI Survey 2025, ~1,300 execs, Deloitte Smart Manufacturing Survey 2025, AllAboutAI – AI Statistics in Manufacturing 2025, KPMG Research & Analysis | * Figures displayed in this section were gathered during a workshop session held at the 2025 ERA Convention in Dublin

Indeed, rental companies face key challenges in managing their fleet, revenue and customer service that could be addressed leveraging AI solutions

Fleet Management & Utilization

- **Asset underutilization / idle time** to be reduced
- **Maintenance scheduling**, without unnecessarily taking equipment out of service
- **Tracking & asset visibility** to know where each piece of equipment is in real time, especially across multiple sites

Operational Efficiency & Logistics

- **Truck load optimization** for efficient delivery tours
- **Real-time availability / inventory management** to match equipment availability with fluctuating project demands
- **Rental process duration** (reservation, documentation, and check-out) sometimes lengthy

Pricing & Demand planning

- **Dynamic pricing difficulties**, balancing competitive pricing with profitability while adjusting for seasonal demand
- **Demand forecasting**: Accurate forecasting of rental demand to optimize inventory

Damage & Theft Prevention

- **Theft and loss**: Equipment theft or loss from sites causes significant financial losses
- **Insurance complexity**: Managing claims and insurance coverage effectively

Digital Transformation

- **Legacy systems**: Many still rely on outdated or fragmented IT systems, complicating customer service and data analytics
- **Data fragmentation**: Data siloed across multiple systems limits insight generation

OVERALL EXPECTED BENEFITS ▶ **Sales increase** | **Cost reduction** | **Productivity gains** | **Improved customer satisfaction**

Sources: ERA, KPMG Research & Analysis

For instance, the sales function, addressing key customer concerns, could be significantly improved with AI

Across industries, sales challenges increase…

88%

Customers believe that a **company's experience is as important as its products and services**

82%

B2B customers want a **purchase experience similar as what they expect for themselves**

75%

B2B customers saying that **connected processes are key to winning a business**

54%

Customers who believe that **companies need to change the way they interact with them**

INCREASED CUSTOMER EXPECTATIONS → **SALES CHALLENGES**

78%

Buyers looking for **advisors who add value to their business**

89%

Percentage of sales functions **adopting or using AI in their daily life**

3x

Seller Rate **interacting virtually with their clients rather than in person**

33%

Percentage of time **spent by sellers selling**

… highlighting potential for sales transformation in the rental industry

NON-EXHAUSTIVE

	Transformative action	Illustrative rental use case
AUTO-MATION	• Allowing sales forces to **improve their efficiency** and gain time… • …to **focus on more value-added tasks**	***Reduce time spent on the phone*** *with customers by* ***streamlining document generation and sending*** *(e.g., equipment info, rental contracts t&c)*
CUSTOMER FOCUS	• Developing a more customer-centric approach… • …to **meet expectations of hyper-personalized services**	***Customize service*** *with* ***virtual assistants*** *that* ***provide recommendations*** *for adequate product selection & use and* ***answer questions*** *along the rental process*
TRANS-VERSALITY	• Developing **a stronger integration with marketing and customer services…** • …to ensure a best-in-class customer experience	***Mutualize databases*** *to prioritize customer visits.* ***Analyze customer interactions from varied data sources*** *(e.g., phone records, claim records, web traffic).* ***Rank clients*** *based on potential value and risk of churn;* ***plan visits*** *accordingly*

Sources: KPMG Research & Analysis

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Looking at a typical rental operating model, a large variety of challenges can be addressed through targeted data-driven and AI solutions

Examples of role-specific challenges and the data solutions to address them

	Hire Consultant	Branch Manager	Maintenance Manager	Driver	Fleet Manager	Sales Executive
Role	**Primary client interface**; Manage **daily operations** including transport, rental quotation, invoicing, and aftersales support	Lead the branch's **performance**, overseeing P&L, staffing, and fleet availability; Ensure business growth and **operational efficiency**	Ensure the **proper condition, safety, and regulatory compliance** of equipment both on-site and in the fleet	Ensure **timely and safe equipment delivery** / return of equipment to / from client sites, following quality and safety guidelines	**Manage** the **availability, inspection,** and **condition** of the **equipment fleet**; Oversee fleet turnaround between rentals	**Expand client portfolio** and nurtures existing relationships; Drive revenue by **promoting rental services and offers**
Challenge	Time lost handling **repetitive** administrative tasks, inconsistent customer responses, difficulty in **prioritizing** customer requests during peak times	**Limited visibility** on operational performance, difficulty in **forecasting demand** and managing branch profitability, fragmented reporting	Lack of preventive insights on equipment issues, **heavy manual workload** to monitor compliance and safety	**Unpredictable delivery routes**, risk of non-compliance with safety standards, lack of visibility on last-minute changes	Difficulty **tracking** usage and condition of equipment **in real time**, high idle time, lack of visibility on return status	Low visibility on customer behavior and needs**, limited support to target prospects** effectively, difficult ROI justification.
Technical solution	Workflow Automation	Dynamic Pricing	Predictive Maintenance	Route Optimization	Fleet Health Monitoring	Sales Forecasting Assistant
	Quotation Assistant	Assistant for Workforce Planning	Technical Instruction Chatbot / Assistant	Delivery Report assistant	Return Inspection Checklist Assistant	CRM Assistant

Sources: Corporate websites, Research & KPMG analysis

Advanced Data Analytics LLM / AI Use Case

AI can be deployed within multiple functions across rental companies

Definition of key functions within a rental company

Core business functions

Sales & Aftersales

- Customer **support for purchase and use**
- Satisfaction measurement, **claims** handling
- **Business development**: customer acquisition & account management

Fleet Management

- **Selection and purchase** of machines, tools, and vehicles
- Vendor negotiations and **partnerships with OEMs & Suppliers**
- Fleet **renewal** and disposal

Operations

- **Rental contract** management
- **Reservation**, check-out, and return processes at branch level
- Scheduling, dispatching, and **logistics** of equipment (delivery/pickup)

Maintenance

- **Safety inspections** and compliance checks
- **On-site service interventions**
- **Equipment repairment** and workshop operations

Support functions

Finance

- Budgeting, cost control, and **profitability tracking**
- **Billing and payment** collection
- Risk management and **insurance**

HR

- **Recruitment**, and **career management** of employees
- Ongoing **training**
- Compensation and **payroll**

IT

- Rental management systems (**ERP**)
- Online **platforms** and apps for booking
- Telematics and **IoT** for fleet tracking
- **Cybersecurity** and data analytics

Marketing

- **Brand management** and market positioning
- **Digital marketing** and customer acquisition
- Promotions, **events**, and sponsorships

Legal

- **Contract** drafting and negotiation
- **Litigation and claims** handling
- **Compliance** with labor, transport, and environmental laws

Strategy

- **Market analysis** (trends, competition)
- **Growth scenarios** (organic or acquisitions)

Sources: ERA, KPMG Research & Analysis

AI can be deployed within multiple functions across rental companies

40 AI use cases relevant for rental companies, but non-exhaustive, have been identified

15 Core business functions

Sales & Aftersales	Fleet Management	Operations	Maintenance
1 Online product comparison tool	7 Supplier assessment	10 Delivery route optimization	12 Safety inspection support
2 Customer chatbot	8 Equipment & spare parts inventory optimization	11 Rental demand forecasting	13 Incident pattern detection
3 Customer visits prioritization	9 Fleet management optimization		14 Maintenance assistant (reactive / preventive)
4 Tailored commercial plan			15 Damage recognition
5 Customer care analysis			
6 Claims classification & smart rerouting			

4 Transversal

Daily tasks
37 AI-powered task automation
38 Document intelligence & knowledge management
39 Automated report generation
40 RFQ automation (vendor & customer)

21 Support functions

Finance	HR	IT	Marketing	Legal	Strategy
16 Automated billing validation	22 AI-powered recruitment	25 Data harmonization	29 Creation of SEO-optimized text content	32 Document compliance checker	35 M&A opportunity screening
17 Insurance risk modelling	23 Talent management optimization	26 Cybersecurity threat detection	30 Multi-channel marketing campaign generation	33 Client Risk profiling / Fraud prevention	36 Automated market intelligence watch
18 Asset profitability analysis	24 Payroll automation	27 Internal support chatbot	31 NPS / Brand sentiment analysis	34 Contract lifecycle management automation	
19 Intelligent capital planning		28 IT developments accelerator			
20 Pricing optimization					
21 Automated financial closing					

Click on business function names and use case numbers to access more details

Sources: ERA, KPMG Research & Analysis

Quick win Strategic recommendation

Overview of top 40 most relevant AI use cases for rental companies

Panorama of AI use cases relevant for rental companies *(1/8)*

Click to return to the panorama of use cases

Functions	Sales & Aftersales				
Use case	**1 Online product comparison tool** Cf. p 39	**2 Customer chatbot** Cf. p 40	**3 Customer visits prioritization** Cf. p 41	**4 Tailored commercial plan**	**5 Customer care survey analysis**
Outcome	Grow revenue / Cut cost Optimize operations **Interact seamlessly** Transform workforce Ensure compliance	Grow revenue / Cut cost **Optimize operations** **Interact seamlessly** Transform workforce Ensure compliance	**Grow revenue / Cut cost** **Optimize operations** Interact seamlessly Transform workforce Ensure compliance	**Grow revenue / Cut cost** **Optimize operations** Interact seamlessly Transform workforce Ensure compliance	Grow revenue / Cut cost **Optimize operations** **Interact seamlessly** Transform workforce Ensure compliance
Objective	• Help customers **compare equipment features and performance** (e.g., loading capacity, power system) to support informed decision-making during the rental process	• Help customer **select adequate products** and right-size their fleet • Answer **questions related to the rental process** (e.g., contract types, branch opening hours, equipment availability) and **equipment use** (e.g., configurations) • Provide **personalized recommendations** based on customer needs	• **Score and rank customer accounts** based on urgency, strategic value, and churn risk (e.g., transaction frequency or engagement decline) • Recommend **prioritized visit scheduling** across the portfolio to maximize retention and upsell opportunities	• Analyze **outcomes of recent interactions** (visits, calls, emails) • Recommend **next best action** (e.g., follow-up call, revisit, targeted promotion, marketing campaign) • **Automate personalized action plans** to improve conversion and customer satisfaction	• Structure and analyze **customer feedback** to assess satisfaction and service quality • Identify **improvement areas** and track sentiment trends
Required data	• *Product catalogue* • *Equipment specs (e.g., engine type, load capacity)*	• *Product catalog, equipment specs, availability data* • *Contract terms and conditions*	• *Transactional data (rental history, payment records)* • *Customer engagement metrics (e.g., CRM data, visit logs, satisfaction or complaint history)*	• *Sales records* • *Customer engagement metrics (e.g., CRM data, visit logs)*	• *Survey responses (ratings, comments)* • *Aftersales discussion feedbacks* • *Online reviews*

Sources: ERA, KPMG Research & Analysis

Client-oriented UC | Quick win | Strategic recommendation | Core business function | Support function

Panorama of AI use cases relevant for rental companies *(2/8)*

Click to return to the panorama of use cases

Functions	Sales & Aftersales	Fleet Management			Operations
Use case	**6 Claims classification & smart rerouting**	**7 Supplier assessment**	**8 Equipment & spare parts inventory optimization** Cf. p 35	**9 Fleet management optimization** Cf. p 31	**10 Delivery route optimization** Cf. p 32
Outcome	Optimize operations Ensure compliance	Optimize operations	Optimize operations	Grow revenue / Cut cost Optimize operations	Grow revenue / Cut cost Optimize operations
Objective	• Automatically **categorize incoming customer claims** • **Route claims** towards dynamic Q&A page and/or teams for faster resolution	• **Evaluate OEMs** based on factors such as price, delivery time accuracy, quality of products/services provided, compliance to standards, and responsiveness • **Recommend optimal sourcing strategies** by comparing OEM performance to market trends	• Automate **inventory tracking of acquired, sold, out of service or rented equipment**, extracting asset-related data from invoices, contracts • Anticipate **equipment availability** and **schedule allocation** to meet demand by region and season • Anticipate **spare parts** demand and optimize stocks	• Predict **optimal timing for equipment purchases** based on usage patterns and market conditions • Recommend when **to renew or retire assets** to maximize fleet performance and financial return	• Optimize **scheduling**, **routing**, and **resource allocation** for field technicians • **Visualize and optimize delivery and pick up routes** to customer sites using GPS data
Required data	• *Claim description, claim types, routing rules*	• *Supplier performance history (e.g., delivery delays, response time), product quality reports, compliance audits, market benchmarks*	• *Inventory database, rental booking schedules, asset records* • *Equipment availability forecasts (e.g., regional demand forecast, seasonal usage trends)*	• *Equipment usage logs (e.g., hours, fuel), market trends, asset age and depreciation records*	• *GPS data, real-time traffic data, fleet schedules*

Sources: ERA, KPMG Research & Analysis

Quick win | Strategic recommendation | Core business function | Support function

Panorama of AI use cases relevant for rental companies *(3/8)*

Click to return to the panorama of use cases

Functions	Operations	Maintenance			
Use case	**11 Rental demand forecasting** Cf. p 37	**12 Safety inspection support** Cf. p 33	**13 Incident pattern detection**	**14 Maintenance assistant (reactive / preventive)** Cf. p 36	**15 Damage recognition** Cf. p 38
Outcome	**Grow revenue / Cut cost** **Optimize operations**	**Optimize operations** **Ensure compliance**	**Optimize operations** **Ensure compliance**	**Optimize operations**	**Optimize operations** **Interact seamlessly**
Objective	• Forecast **rental demand by region and season** using historical and external data • Support inventory planning and pricing strategies	• Identify **missing or outdated safety checks** conducted on equipment • Ensure **timely inspections** of equipment to meet safety and regulatory standards	• Analyse historical incident data to identify **recurring safety issues** • **Trigger alert** to inspect other units of the same model across the fleet in case of an issue detected on a specific machine • **Recommend preventive actions** and compliance improvements	• **Optimize reactive maintenance**: detect early signs of equipment failure using sensor data, classify repairment needs, route to the adequate maintenance operator • **Schedule preventive maintenance** to reduce downtime and extend asset lifespan, based on predictive models	• **Streamline inspection process,** by **automatically checking equipment** in and out to assist staff in quickly identifying and documenting any damages before or after a rental
Required data	• *Historic rental data (volumes by equipment type, region, time)* • *External data (e.g., weather forecasts, construction permits, economic indicators)*	• *Inspection checklists, safety logs, regulatory compliance records*	• *Incident logs (e.g., breakdowns), equipment model metadata, asset records, maintenance records, regulatory compliance records*	• *IoT sensor data, maintenance history, repair classification rules* • *Operator skillset, location and availability* • *Predictive maintenance models*	• *Equipment images (before/after rental), rental timestamps* • *Damage classification database, inspection history, equipment metadata (model, ID)*

Sources: ERA, KPMG Research & Analysis

Quick win | Strategic recommendation | Core business function | Support function

Panorama of AI use cases relevant for rental companies *(4/8)*

Click to return to the panorama of use cases

Functions	Finance				
Use case	**16 Automated billing validation**	**17 Insurance risk modelling**	**18 Asset profitability analysis**	**19 Intelligent capital planning**	**20 Pricing optimization**
Outcome	Grow revenue / Cut cost **Optimize operations** **Interact seamlessly** Transform workforce **Ensure compliance**	**Grow revenue / Cut cost** **Optimize operations** Interact seamlessly Transform workforce Ensure compliance	**Grow revenue / Cut cost** **Optimize operations** Interact seamlessly Transform workforce Ensure compliance	**Grow revenue / Cut cost** **Optimize operations** Interact seamlessly Transform workforce Ensure compliance	Cf. p 34 **Grow revenue / Cut cost** **Optimize operations** Interact seamlessly Transform workforce Ensure compliance
Objective	• **Automatically generate invoices** collecting and structuring the data • Automatically **approve for payment** or **flag for review** by cross-checking invoices against purchase orders, contracts, delivery receipts	• **Tailor insurance coverage** and premiums based on client profiles • Predict **likelihood of claims / damage / incident** per asset or customer	• **Automate ROI and TCO calculations** for each equipment unit • Determine the **minimum rental duration required** for each equipment unit to break even • Conduct **scenario planning** to identify the impact of shifting resources allocation or changing prices	• **Analyze historical capital spending** data including financial performance and operational data • **Recommend the most suitable capital spending** allocation factoring in **external drivers** (e.g., market trends) that may impact the strategic plan	• Adjust prices based on customers segment and **personalized pricing strategies** (e.g., promotions) • Adjust prices **dynamically** based on real-time competitor activity, local demand (e.g., equipment category, rental length), and external factors such as weather and nearby events
Required data	• *Invoice files, purchase orders, contracts, delivery receipts, invoice status rules*	• *Claim history, asset profiles, customer risk data, insurance coverage details*	• *Financial statements, asset inventories* • *Equipment acquisition cost, usage data, ROI/TCO models*	• *Financial KPIs, capex history, market trends, macroeconomic indicators*	• *Market & demand data (real-time rental demand, historical pricing)* • *Competitor pricing* • *Asset data (e.g., equipment availability, rent frequency)*

Sources: ERA, KPMG Research & Analysis

Quick win | Strategic recommendation | Core business function | Support function

Panorama of AI use cases relevant for rental companies *(5/8)*

Click to return to the panorama of use cases

Functions	Finance	HR			IT
Use case	**21 Automated Financial closing**	**22 AI-powered recruitment**	**23 Talent management optimization**	**24 Payroll automation**	**25 Data harmonization**
Outcome	Grow revenue / Cut cost **Optimize operations** Interact seamlessly Transform workforce Ensure compliance	Grow revenue / Cut cost **Optimize operations** Interact seamlessly **Transform workforce** Ensure compliance	Grow revenue / Cut cost **Optimize operations** Interact seamlessly **Transform workforce** Ensure compliance	**Grow revenue / Cut cost** **Optimize operations** Interact seamlessly Transform workforce Ensure compliance	Grow revenue / Cut cost **Optimize operations** **Interact seamlessly** Transform workforce Ensure compliance
Objective	• Automate **matching of transactions** across accounts and systems • Detect and **flag discrepancies** or missing entries • **Streamline** monthly or year-end closing processes	• Draft **job requisitions** • **Analyse CVs**, screen and rank candidates based on job fit • **Assist the interviewer** during candidate interviews by providing targeted questions • Test candidates • Generate offer letters	• Oversee and support employees throughout their career journey **from onboarding to career development** • **Develop tailored** online workforce **trainings matching operational needs,** effective through tracking and gamification	• **Classify** payroll documents (e.g., timesheets, leave requests) and **validate** inputs against employee contracts and policies • **Flag anomalies** (e.g., missing approvals, excessive overtime) • Automate payroll **calculations** and payment **scheduling**	• Clean and **unify data across systems** to improve consistency and reporting • Identify and consolidate duplicates, **fix** formatting issues, missing values and inconsistent naming • Ensure real-time **synchronization** and enable **cross-system analytics**
Required data	• *Transactional data (e.g., journal entries, bank statements)* • *System data (e.g., exports from ERP or accounting tools)*	• *Job descriptions, CVs, interview scores, test results*	• *HR database (e.g., tenure, reviews), employee surveys, career paths, onboarding checklist* • *Skill matrix, job role requirements, learning platform data*	• *Payroll documents and employee profiles, contracts* • *Payroll rules and validation logic, payment schedules and exception handling rules*	• *Rental system data (e.g., ERP, CRM), schema definitions, data quality metrics*

Sources: ERA, KPMG Research & Analysis

Quick win | Strategic recommendation | Core business function | Support function

Panorama of AI use cases relevant for rental companies *(6/8)*

Click to return to the panorama of use cases

Functions	IT			Marketing	
Use case	**26 Cybersecurity threat detection**	**27 Internal support chatbot**	**28 IT developments accelerator**	**29 Creation of SEO-optimized text content**	**30 Multi-channel marketing campaign generation**
Outcome	Cf. p 41 **Transform workforce** **Ensure compliance**	**Optimize operations** **Transform workforce**	**Grow revenue / Cut cost** **Optimize operations** **Interact seamlessly**	**Grow revenue / Cut cost** **Optimize operations**	**Grow revenue / Cut cost**
Objective	• Monitor systems for **suspicious activity:** detect unusual login patterns, data access, or system behavior and automatically notify IT/security teams of potential breaches • Simulate **phishing attacks:** test employee response to fake phishing emails, provide training based on simulation results	• Provide employees with instant **answers, especially to IT and HR questions** using AI-powered chatbots • Reduce support workload and improve responsiveness	• **Automate repetitive development tasks** (e.g., ticketing, testing, code optimization) to free up developer time and reduce both dev. costs and time-to-market • **Structure and build add-ons / websites / tools / app prototypes** through guided interfaces or low/no-code tools	• Generate multilingual, SEO-optimized content using **high-ranking keywords** to boost website traffic and visibility • Create **engaging app store content** (ASO) to improve app discoverability and attractiveness	• Automatically **generate marketing campaigns** across channels, with tailored messages and assets by audience
Required data	• *System logs, login records, access logs, network traffic, email metadata, known threat patterns*	• *IT/HR knowledge base, employee queries, chatbot logs*	• *Business requirements (user stories, workflows, …)* • *Repetitive dev tasks (e.g., ticketing, testing, optimization)*	• *Website/app content, target keywords per language, SEO performance data, app store metadata, supported languages*	• *Customer profiles, campaign templates, channel performance data, social media activity logs, brand tone guidelines*

Sources: ERA, KPMG Research & Analysis

Quick win | Strategic recommendation | Core business function | Support function

Panorama of AI use cases relevant for rental companies *(7/8)*

Click to return to the panorama of use cases

Functions	Marketing	Legal			Strategy
Use case	**31 NPS / Brand sentiment analysis**	**32 Document compliance checker**	**33 Client Risk profiling / Fraud prevention**	**34 Contract lifecycle management automation**	**35 M&A opportunity screening**
Outcome	Grow revenue / Cut cost **Optimize operations** Interact seamlessly Transform workforce Ensure compliance	Grow revenue / Cut cost **Optimize operations** **Interact seamlessly** Transform workforce **Ensure compliance**	Grow revenue / Cut cost **Optimize operations** Interact seamlessly Transform workforce **Ensure compliance**	Grow revenue / Cut cost **Optimize operations** Interact seamlessly Transform workforce **Ensure compliance**	**Grow revenue / Cut cost** **Optimize operations** Interact seamlessly Transform workforce Ensure compliance
Objective	• Monitor **online reputation** and customer sentiment across platforms (social media, reviews, forums) • Measure **Net Promoter Score** and identify areas for brand improvement	• Streamline the client onboarding process by automatically **validating customer-provided documents** (e.g., KYC, insurance certificates, licenses) against legal and operational standards • **Flag missing, expired, or non-compliant** documents to prevent operational risks and legal exposure	• Utilizes machine learning to **analyze client financial data**, investment history, and behavioral patterns **to create accurate risk profiles**, ensuring investments are aligned with client risk tolerance • Forecast **potential payment delays or defaults**	• Streamline **drafting, approval, and renewal** processes • Detect **contract anomalies** and ensure legal and financial compliance	• Identify **potential acquisition targets** using public and internal data sources • Conduct **AI-based due diligence**
Required data	• *Social media & online mentions* • *Brand performance metrics (NPS scores, brand indexes from third party analytics)*	• *Onboarding forms* • *KYC databases, certificates* • *Contract templates, approval workflows, renewal dates, compliance checklists*	• *Financial statements, investment history, payment timelines, overdue records, risk indicators*	• *Contract documents, approval workflows, compliance rules, renewal timelines*	• *Financial statements, performance KPIs, acquisition criteria*

Sources: ERA, KPMG Research & Analysis

Client-oriented UC | Quick win | Strategic recommendation | Core business function | Support function

Panorama of AI use cases relevant for rental companies *(8/8)*

Click to return to the panorama of use cases

Functions	Strategy	Transversal			
Use case	**36 Automated market intelligence watch**	**37 AI-powered task automation**	**38 Document intelligence & knowledge management**	**39 Automated report generation**	**40 RFQ automation (vendor & customer)**
Outcome	Grow revenue / Cut cost **Optimize operations** Interact seamlessly Transform workforce **Ensure compliance**	Grow revenue / Cut cost **Optimize operations** Interact seamlessly **Transform workforce** Ensure compliance	Grow revenue / Cut cost **Optimize operations** Interact seamlessly **Transform workforce** Ensure compliance	Grow revenue / Cut cost **Optimize operations** Interact seamlessly **Transform workforce** Ensure compliance	Grow revenue / Cut cost **Optimize operations** **Interact seamlessly** Transform workforce **Ensure compliance**
Objective	• Automatically monitor and analyse **market trends, competitive landscape**, and **sector-specific developments** • Automatically watch **tender platforms** to detect relevant opportunities • Monitor **regulatory changes** and alert teams to non-compliance risks	• Automate low-value repetitive tasks such as **email sorting, meeting transcriptions, summaries, and reminders** to improve employee productivity	• Simplify **access to internal and external knowledge** bases (e.g., inventories records), centralized on **a unique data platform** • **Automatically retrieve, translate, summarize** recurring documents and queries	• Automate the creation and distribution of **business reports** using AI tools • Make **tailored recommendations**, provide **visually** impactful **data**	• **Extract** client RFQs from online channels, and **prioritize high-value ones** and suggest **automated responses** (e.g., pricing, terms) • Automatically **generate supplier RFQs**; **compare** responses and **recommend** the best options (e.g., based on cost, lead time, reliability)
Required data	• *News feeds, competitor websites, regulatory bulletins, tender APIs*	• *Keyword databases, multilingual content libraries, traffic analytics*	• *Knowledge base content, document repositories, query logs, language preferences, metadata schemas*	• *Business data sources, reporting templates*	• *Client requests (e.g., emails, platforms), historical RFQ data (e.g., pricing, terms)* • *Equipment data (e.g., stock)* • *Supplier catalogs & profiles (e.g., availability, reliability, lead times)*

Sources: ERA, KPMG Research & Analysis

Quick win | Strategic recommendation | Core business function | Support function

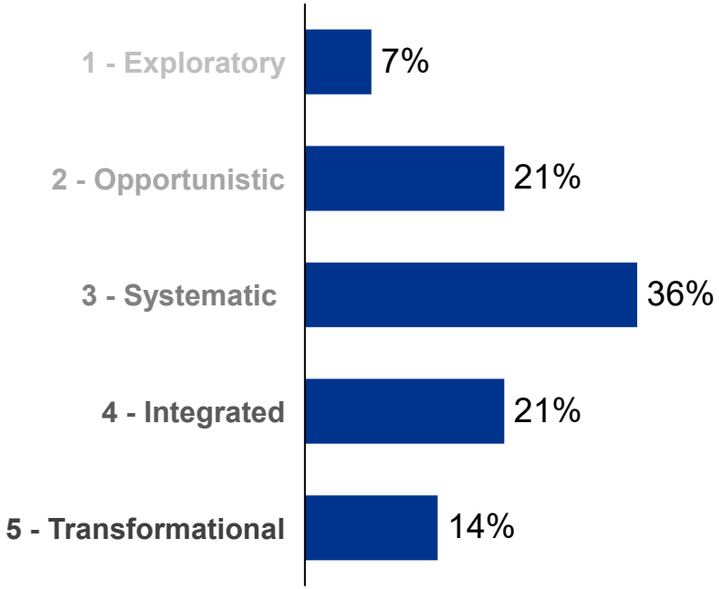
KPMG for EUROPEAN RENTAL ASSOCIATION

Contents

17 respondents from 10 rental companies provided their vision on most relevant AI use cases for their industry; ~70% of them having expertise in data, digital or IT

Respondents by perceived individual AI maturity

→ ***Question asked***: *How would you describe your personal familiarity with AI topics? Please select an option, from 1: AI-enthusiastic to 5: AI expert*



Description

1-I'm curious/enthusiastic but have limited AI knowledge

2-I have basic awareness and use AI tools occasionally (2-3 times/ week)

3-I actively follow AI developments and use AI tools daily

4-I am part of an AI taskforce within my company and help deploy AI solutions

5-I am an AI expert and conceive AI solutions

Companies of the respondents

Boels RENTAL · KELOUTOU · renta · LOXAM · omnirent · Niederstätter FEEL FREE TO BUILD · TESYA · SUNBELT RENTALS · ZEPPELIN · AvescoRent

Respondents by type of job (#, %)

IT leadership	5	29%
Digital & Transformation	4	24%
Data & Analytics	3	18%
Executive	3	18%
Operations management	2	11%

Sources: LinkedIn, Corporate websites, KPMG Research & Analysis

Top respondents · AI-oriented · Business-oriented

They selected 12 use cases among 40 and prioritized them using an impact / accessibility assessment, through 6 key criteria

Prioritization methodology breakdown

1 Selection

Each respondent selected up to 12 use cases among the 40: the ones with most added value, the ones found most interesting, the ones that are linked to their current job position...

1 7
2 8
3 9
4 10
5 11
6 12

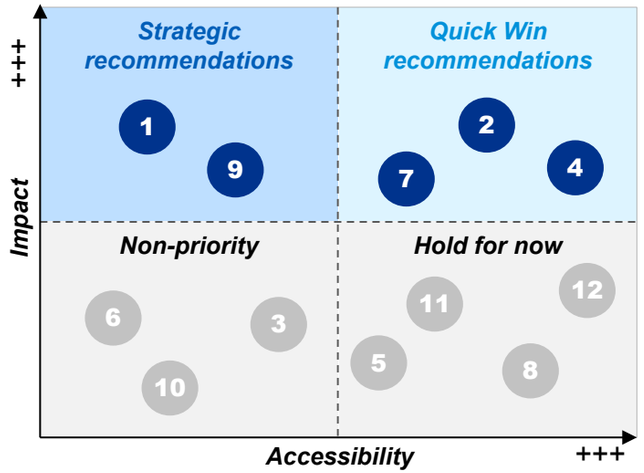
2 Scoring criteria

Each respondent assessed the 12 use cases selected by scoring 6 criteria on a scale of 1 (low) to 5 (high), to the best of their knowledge: this assessment is preliminary and should be refined at a later stage

IMPACT		*ACCESSIBILITY*	
1	**Economic gain** e.g., revenue growth, margin growth, cost avoidance or cost reduction	1	**Compatibility with existing capabilities** e.g., data readiness, data architecture, IT tools, current organization…
2	**Non-economic gain** e.g., customer or employee satisfaction, productivity gain, safety improvement, compliance gain, innovation, …	2	**Required investments** e.g. build costs, run costs
3	**Scalability** e.g., potential of the use case to be replicated beyond proof of concept / extended	3	**Risk level** *cf. next slide* - ***Data*** (e.g., using sensitive data, potential lack of representativeness) - ***Model*** (e.g., complexity) - ***Human*** (e.g., extreme performance focus only)

3 Mapping & recommendations

The scoring of each use cases enables to position each use case on an impact/ accessibility matrix. In a preliminary assessment, **blue use cases should be the priority focus**



Strategic Plays
Longer term plays with high value potential

Quick Wins
Shorter term plays with high value potential

Sources: ERA, KPMG Research & Analysis

Those criteria encapsulated a preliminary assessment of AI-related risks, covering data, model and human-related risks

Zoom ***AI risks***

Types of AI-related risks

	DATA	MODEL	HUMAN
MAIN RISKS	• Lack of **representativeness** • **Intellectual property** infringement • **Sensitive/confidential** data • Data **quality** problems	• Use of **non-optimized** models • Inadequate **security** • Lack of **explicability** and **complexity**	• **Dehumanized processes** • **Extreme performance focus only** (over human/CSR considerations) • **Confirmation bias** through lack of awareness and training
KEY IMPACTS	• **Unusable/ inaccurate** data • **Legal actions**	• **Hallucinations** • **Cyberattack** • **Unusable** data	• **Safety**, **ethical** and **social** impact • **Over-reliance** on AI • **Significant consumption** of energy resources

Most AI-related risks can be mitigated with proper human supervision

Illustrative risk mitigation approach

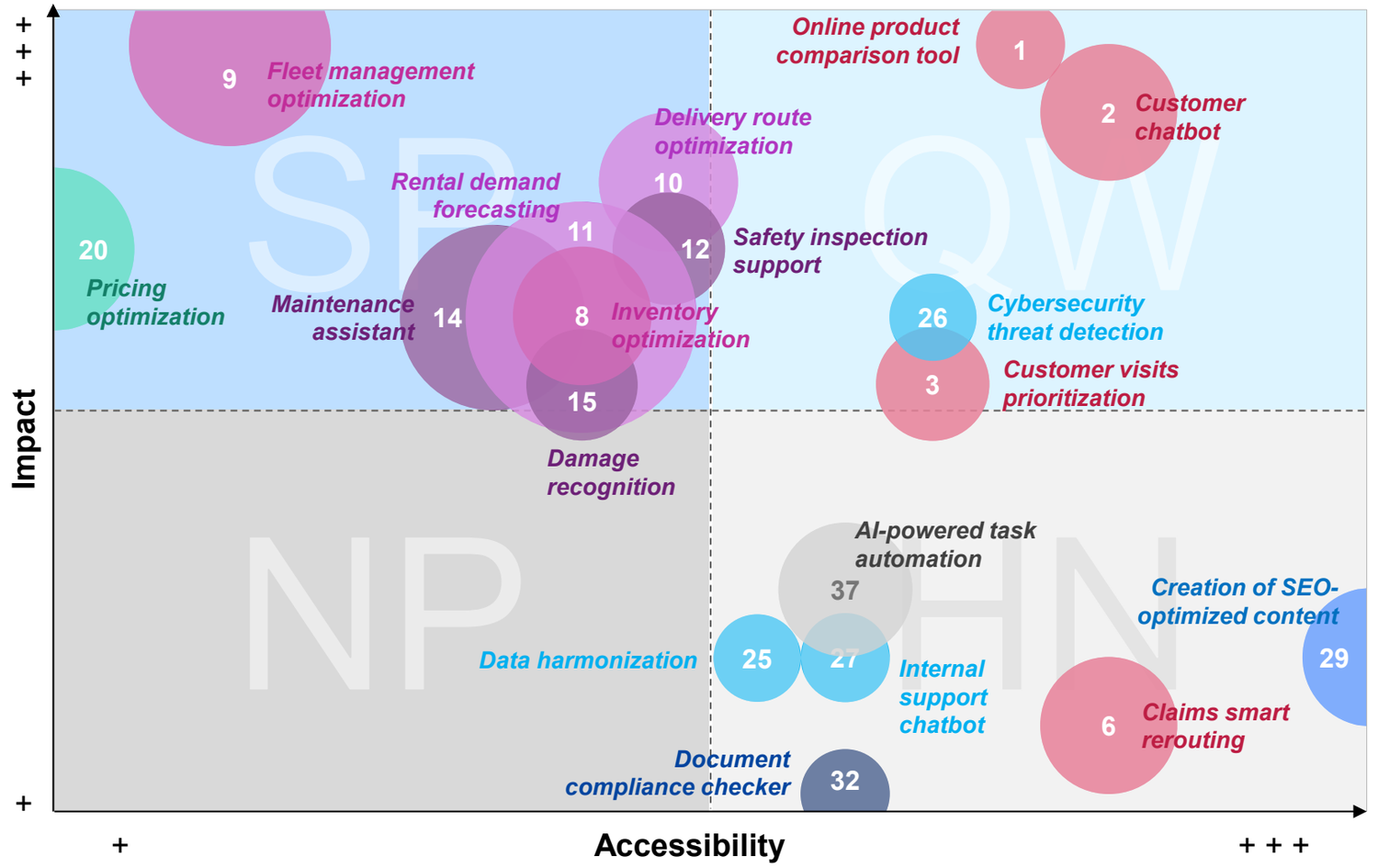
When implementing an AI chatbot for HR…

- …The **confidentiality** of employee-related data induces ethical and legal issues
  - ▶ It can be mitigated by **training teams to be aware** of the importance of confidentiality
- …The developed solution risks being a **sub-optimal** search engine
  - ▶ It can be mitigated by ensuring **queries go beyond most frequently asked questions**
- …The reduction of human interaction hinders **the personal aspect** of the process
  - ▶ It can be mitigated by integrating the **possibility of making appointments with the HR**

Sources: ERA, KPMG Research & Analysis

Fleet management, Operations and Maintenance-related AI use cases are considered the most strategic to address, despite high implement barriers

Prioritization matrix of top use cases (selected 4 times or more)



Sources: ERA, KPMG Research & Analysis

Comments

- **Out of 40 AI use cases:**
  - **8 strategic use** cases (7 of which are core business related)
  - **4 quick wins** (3 core business)
- **Top 4 picks are:**
  - 11 Inventory optimization *(10 votes)*
  - 9 Fleet management optimization *(9 votes)*
  - 14 Maintenance assistant *(8 votes)*
  - 20 Pricing optimization *(7 votes)*

SP ***Strategic Plays*** QW ***Quick Wins***

NP ***Non-Priority*** HN ***Hold for Now***

Core business functions
- Sales & AS (4)
- Fleet management (2)
- Operations (2)
- Maintenance (3)

Support functions
- Finance (1)
- IT (3)
- Marketing (1)
- Legal (1)

Transversal (1)

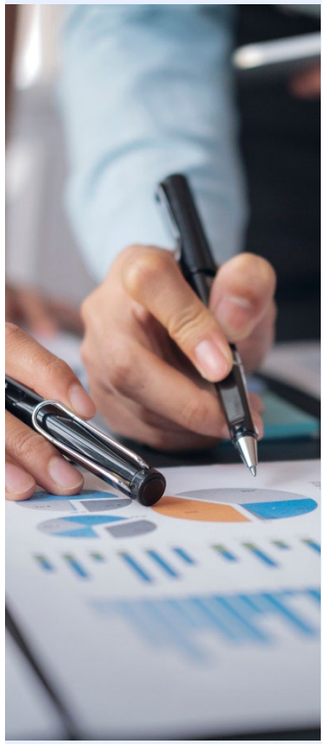
Number of respondents

9 Fleet management optimization

Fleet mgmt

Click to return to the description of use cases

Use case description



CHALLENGE ADDRESSED

- **Limited visibility on fleet condition** and performance across branches
- **Lack of centralized insights**, relying on manual processes over data-driven decisions
- Unclear demand patterns, making **purchase and resale decisions difficult**
- High costs from **underutilized assets** and **delayed fleet renewal**

BENEFITS

- **Cost reduction** through optimized purchase and renewal cycles
- **Higher financial returns** by maximizing asset lifecycle and resale value
- **Improved fleet utilization** and reduced idle time, in alignment with operational needs

Towards implementation

IMPACT* 3,8 / 5		ACCESSIBILITY* 2,7 / 5	
Economic gain	4,3 / 5	Compatibility w/ assets	2,8 / 5
Non-economic gain	3,7 / 5	Required investments	2,4 / 5
Scalability	3,4 / 5	Risk level	2,9 / 5

Prerequisites

- **Asset data:** usage logs (hours, fuel, maintenance history), age, depreciation records, and residual value
- **Market trend information:** pricing, demand forecasts, and economic indicators
- Integration with **fleet management or ERP systems**
- AI/Machine learning models to analyze patterns and **predict optimal timing for purchases or retirements**

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory | Few live business cases | Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

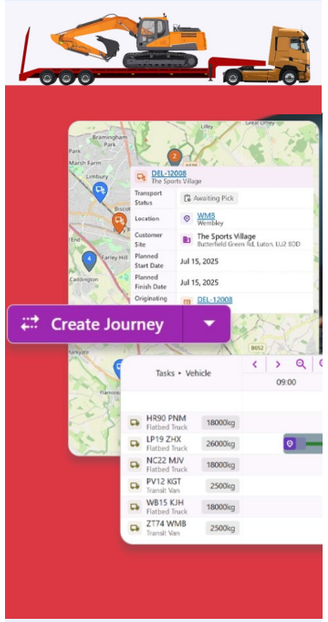
Limited | Moderate | High

10 Delivery route optimization

Operations

Click to return to the description of use cases

Use case description



CHALLENGE ADDRESSED

- High operational costs due to **non-optimized routes** (fuel, driving time, maintenance)
- **Delivery and pickup delays** impacting customer satisfaction
- Difficulty managing **unexpected events** (traffic, cancellations) with static schedules
- **Inefficient resource utilization** (vehicles, drivers) caused by manual planning

BENEFITS

- **Lower operational costs** (fuel, overtime)
- Improved on-time delivery and **customer satisfaction**
- **Increased productivity** through better resource allocation
- **Real-time visibility** to adjust routes based on traffic or weather conditions
- **Reduced carbon footprint** thanks to optimized routes

Towards implementation

IMPACT* 3,6 / 5		ACCESSIBILITY* 3,2 / 5	
Economic gain	3,7 / 5	Compatibility w/ assets	3,2 / 5
Non-economic gain	3,5 / 5	Required investments	2,8 / 5
Scalability	3,7 / 5	Risk level	3,5 / 5

Prerequisites

- **Vehicle & route data**: GPS data, real-time traffic information, delivery/pickup schedules
- Integration with **fleet management or ERP systems**
- **Mobile connectivity** for drivers for dynamic route updates
- AI/Machine learning algorithms to analyze traffic patterns, predict delays and **optimize route planning**

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ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory — **Few live business cases** — Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

Limited Moderate High

12 Safety inspection support

Maintenance

Click to return to the description of use cases

Use case description

CHALLENGE ADDRESSED

- Missed or outdated safety checks create compliance risks and **potential accidents**
- **Inefficient manual inspection processes**, impacting customer experience and productivity
- Lack of documented inspections increases **fraud risk and financial losses**
- Non-compliance exposes companies to **fines and costly delay**

BENEFITS

- **Reduced risk of accidents and improved customer safety** through timely, systematic inspections
- Faster, automated workflows **enhance customer experience** and **minimize downtime**
- **Reduced financial losses** via documented equipment condition and fraud prevention
- **Compliance assurance** reduces risk of penalties and costly disruptions

Towards implementation

IMPACT* 3,5 / 5		ACCESSIBILITY* 3,2 / 5	
Economic gain	3,2 / 5	Compatibility w/ assets	3,2 / 5
Non-economic gain	3,8 / 5	Required investments	2,4 / 5
Scalability	3,4 / 5	Risk level	4,0 / 5

Prerequisites

- **Inspection data:** checklists, safety logs
- **Compliance records:** regulatory standards and certification documentation
- Integration with **fleet management or ERP systems**
- **Digital tools** for scheduling and tracking inspections
- AI/ Machine learning models to **identify** gaps and **predict inspection needs**

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ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory — **Few live business cases** — Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

Limited Moderate High

20 Pricing optimization

Finance

Click to return to the description of use cases

Use case description

CHALLENGE ADDRESSED

- Static pricing models failing to capture **real-time market fluctuations,** leading to:
  - **Slow responsiveness to competitor** price adjustments
  - Revenue loss due to **underpricing** during high demand or **overpricing** during low demand
- **Lack of personalization** for different customer segments

BENEFITS

- **Increased revenue** through dynamic and personalized pricing strategies
- **Improved competitiveness** by reacting to market and competitor changes in real time
- **Enhanced customer experience** with tailored promotions and offers
- **Optimized asset utilization** by aligning pricing with demand and availability

Towards implementation

IMPACT* 3,5 / 5		ACCESSIBILITY* 2,5 / 5	
Economic gain	4,6 / 5	Compatibility w/ assets	2,6 / 5
Non-economic gain	2,6 / 5	Required investments	2,0 / 5
Scalability	3,3 / 5	Risk level	2,9 / 5

Prerequisites

- **Market and demand data:** real-time rental demand, historical pricing
- **Competitor pricing information**
- **Asset data:** equipment availability, rental frequency
- Integration with **pricing/ booking and ERP systems**
- AI/ Machine learning models to **adjust prices dynamically**

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory | **Few live business cases** | Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

Limited Moderate High

8 Equipment & spare parts inventory optimization

Fleet mgmt

Click to return to the description of use cases

Use case description

CHALLENGE ADDRESSED

- **Inefficient manual inventory tracking** that is **time-consuming** and prone to errors
- **Complex anticipation of equipment availability** and **asset allocation** across regions and seasons
- Inefficient spare parts management leading to **stock shortages or excess inventory**
- **Limited visibility into asset status**, causing delays, operational inefficiencies, and increased risk of theft

BENEFITS

- **Automated tracking of equipment status** (acquired, sold, rented, out of service) for real-time visibility improving operational efficiency and preventing theft
- **Cost reduction** by minimizing shortages and overstock through better planning
- **Optimized allocation** of equipment and spare parts by forecasting availability and demand

Towards implementation

IMPACT* 3,4 / 5		ACCESSIBILITY* 3,1 / 5	
Economic gain	3,7 / 5	Compatibility w/ assets	3,3 / 5
Non-economic gain	3,3 / 5	Required investments	1,8 / 5
Scalability	3,3 / 5	Risk level	4,2 / 5

Prerequisites

- **Inventory database** and **asset records**
- Rental **booking schedules** and **maintenance history**
- Integration with **fleet management or ERP systems**
- AI/ Machine learning models to **predict shortages/ overstock** and **optimize allocation** of equipment and spare parts

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory — **Few live business cases** — Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

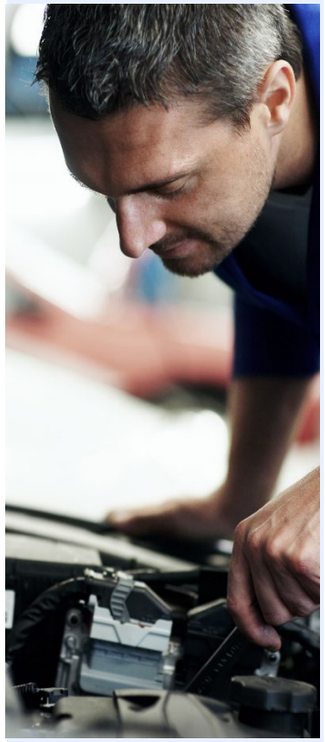
Limited Moderate High

14 Maintenance assistant (reactive / preventive)

Maintenance

Click to return to the description of use cases

Use case description



CHALLENGE ADDRESSED

- Unplanned equipment failures causing **costly downtime and delays**
- **Inefficient manual** maintenance scheduling, reducing productivity
- Difficulty predicting failures and **prioritizing repairs** across large fleets
- **Limited visibility into asset health**, leading to reduced lifespan and compliance risks

BENEFITS

- **Early detection of equipment issues** through sensor data
- **Reduced downtime and extended asset lifespan** via preventive maintenance
- **Improved operational efficiency** with automated scheduling and task routing
- **Enhanced visibility and control** over maintenance activities and thus asset management

Towards implementation

IMPACT* 3,4 / 5		ACCESSIBILITY* 3 / 5	
Economic gain	3,9 / 5	Compatibility w/ assets	2,6 / 5
Non-economic gain	3,3 / 5	Required investments	2,5 / 5
Scalability	3,0 / 5	Risk level	4,0 / 5

Prerequisites

- **Equipment data:** real-time IoT sensor readings and historical maintenance records
- **Operator info:** skillset, location, and availability data
- Integration with **fleet management or ERP systems**
- AI/ Machine learning **models** to **detect** failures and **plan preventive maintenance** schedule

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory | Few live business cases | **Multiple providers**

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

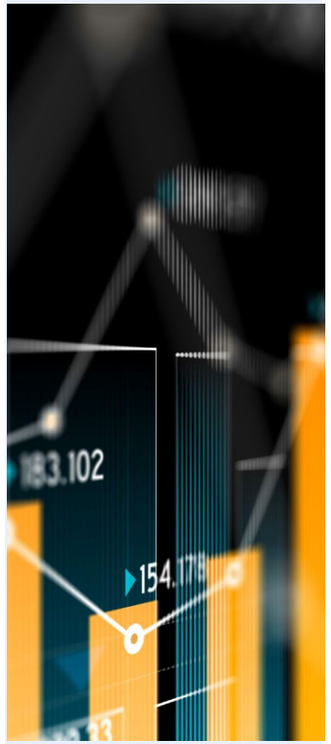
Limited | Moderate | High

11 Rental demand forecasting

Operations

Click to return to the description of use cases

Use case description



CHALLENGE ADDRESSED

- Without demand forecast, the lack of forward visibility can lead to:
  - **inefficient asset allocation**, with costly overstock and missed rentals
  - **missed revenue opportunities** without efficient price adjustment to demand
- With manual forecasting, the limited data risks leading to **time-consuming and inaccurate predictions**

BENEFITS

- **Accurate demand forecasts** using historical and external data at varied granular levels (by category, by geography, by season, …, daily, quarterly, yearly)
- **Optimized inventory planning and asset allocation** by region and season
- **Improved pricing strategies** aligned with market demand

Towards implementation

IMPACT* 3,4 / 5		ACCESSIBILITY* 3,1 / 5	
Economic gain	3,4 / 5	Compatibility w/ assets	2,8 / 5
Non-economic gain	3,1 / 5	Required investments	3,0 / 5
Scalability	3,6 / 5	Risk level	3,6 / 5

Prerequisites

- **Historic rental data**: volumes by equipment type, region, and time to identify patterns
- **External data sources**: weather forecasts, construction permits, concrete sales, economic indicators
- Integration with **pricing/booking CRM and ERP systems**
- AI/ Machine learning algorithms to **predict demand at granular level** (e.g. by region, season)

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory | Few live business cases | Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

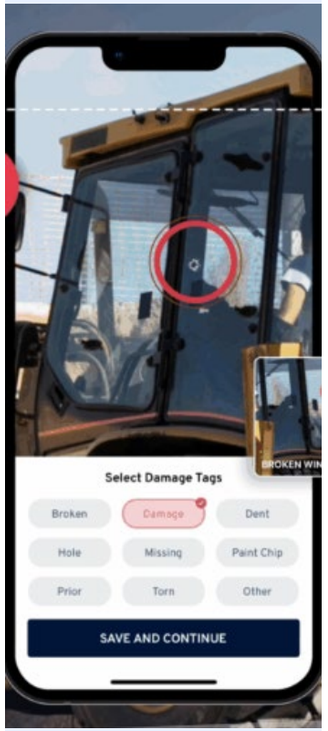
Limited | Moderate | High

15 Damage recognition

Maintenance

Click to return to the description of use cases

Use case description



CHALLENGE ADDRESSED

- Manual inspections are slow and error-prone, causing **missed or undocumented damages**
- Poor documentation increases **disputes and financial losses**

BENEFITS

- **Accurate damage detection** with automated image checks
- **Reduced fraud and liability risks** through better traceability
- Streamlined workflows **saving time** and **improving customer experience**

Towards implementation

IMPACT* 3,3 / 5		ACCESSIBILITY* 3,1 / 5	
Economic gain	3,4 / 5	Compatibility w/ assets	2,6 / 5
Non-economic gain	3,4 / 5	Required investments	2,6 / 5
Scalability	3,0 / 5	Risk level	4,0 / 5

Prerequisites

- **Equipment images** before/ after rental
- **Equipment metadata** (model, ID) and rental timestamps for traceability
- **Damage classification database** and historical inspection records for accurate identification
- **Integration** with **fleet management or ERP systems** to link inspection with contracts, billing
- AI/ Machine learning models to **detect** and **classify** damages automatically

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory — **Few live business cases** — Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

Limited Moderate High

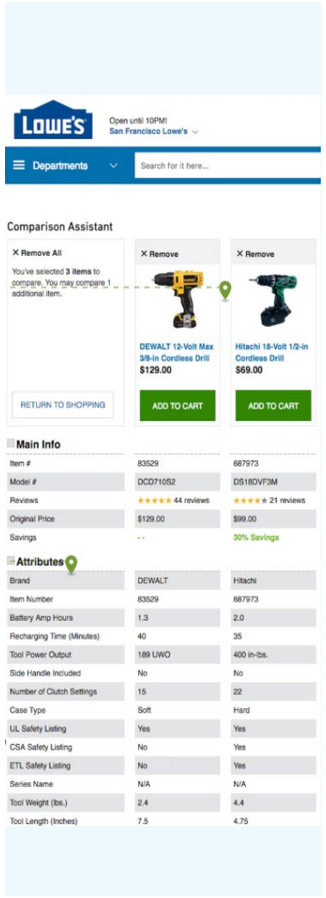
1 Online product comparison tool

Sales

Click to return to the description of use cases

Quick win

Use case description



CHALLENGE ADDRESSED

- **Long decision-making process** without a comparison tool, slowing down rentals
- **Difficulty identifying the right equipment** for specific needs, creating uncertainty
- **Poor customer experience** due to lack of clarity and transparency in options

BENEFITS

- **Simplified comparison** of equipment features and performance for informed decisions
- **Improved customer confidence** through clear, transparent specifications
- **Opportunity for upselling** by highlighting alternative or premium options (e.g., electric models), increasing revenue
- **Faster rental process** thanks to streamlined online comparison

Towards implementation

IMPACT* 3,8 / 5		ACCESSIBILITY* 3,6 / 5	
Economic gain	3,3 / 5	Compatibility w/ assets	2,8 / 5
Non-economic gain	3,3 / 5	Required investments	3,5 / 5
Scalability	4,8 / 5	Risk level	4,5 / 5

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

Prerequisites

- Comprehensive **product catalog** with accurate and up-to-date equipment details
- **Structured equipment specifications** (engine type, load capacity, power system)
- **Integration** with **online rental platform** for real-time availability and pricing
- AI/ Machine learning models to enable **dynamic comparison** and **highlight optimal options**

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory | Few live business cases | Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

Limited | Moderate | High

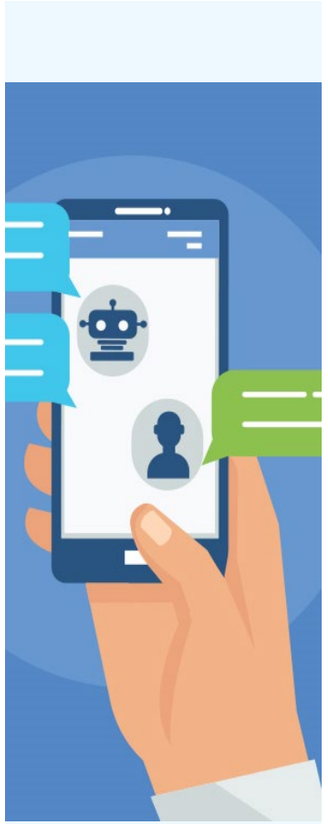
2 Customer chatbot

Sales

Quick win

Click to return to the description of use cases

Use case description



CHALLENGE ADDRESSED

- Complexity of product catalogs and technical specifications, making **equipment selection difficult**
- **Fragmentation of information** on availability, contract terms, and delivery options
- **Lack of personalized recommendations** tailored to specific customer needs
- **Time wasted** by staff answering repetitive questions about rental processes.

BENEFITS

- **Optimized operations** through fast, accurate responses to customer inquiries
- **Reduction of support costs** by automating routine interactions
- **Improvement of customer experience** with personalized, context-aware recommendations through a seamless, proactive service

Towards implementation

IMPACT* 3,7 / 5		ACCESSIBILITY* 3,7 / 5	
Economic gain	3,7 / 5	Compatibility w/ assets	4,2 / 5
Non-economic gain	3,3 / 5	Required investments	3,3 / 5
Scalability	4,0 / 5	Risk level	3,5 / 5

Prerequisites

- **Product** catalog, technical specs and availability info for accurate equipment matching
- **Contract** terms, penalties, insurance policies
- **Customer context**: usage intent, location, and live metrics (e.g., weather)
- Integration with **CRM and rental platforms**
- AI/Natural Language Processing models: **to interpret queries** and **provide context-aware answers**

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory | Few live business cases | Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

Limited | Moderate | High

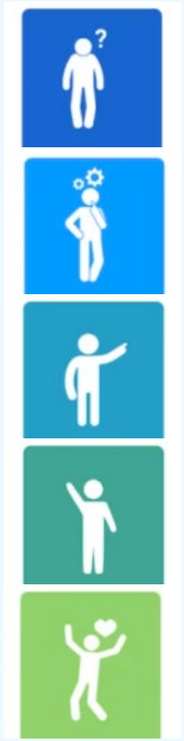
3 Customer visits prioritization

Sales

Quick win

Click to return to the description of use cases

Use case description



CHALLENGE ADDRESSED

- **Difficulty in identifying which customers require urgent attention** or have high strategic value
- Inefficiency in scheduling visits without clear prioritization, leading to **missed upsell opportunities**
- **Risk of churn** due to lack of proactive engagement with declining or inactive accounts

BENEFITS

- **Improved prioritization of customer visits** based on data-driven scoring
- **Maximized retention and upsell potential** through targeted scheduling
- **Optimized resource allocation** by focusing on high-value and at-risk accounts

Towards implementation

IMPACT* 3,3 / 5		ACCESSIBILITY* 3,5 / 5	
Economic gain	3,6 / 5	Compatibility w/ assets	3,2 / 5
Non-economic gain	3,0 / 5	Required investments	3,4 / 5
Scalability	3,4 / 5	Risk level	3,8 / 5

Prerequisites

- **Historic visit data**: frequency, outcomes, and customer profiles to identify patterns
- Integration with **CRM and sales platforms** for real-time customer and contract information
- AI/ Machine learning algorithms **to rank and prioritize customers** based on potential value and urgency

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory | Few live business cases | Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

Limited | Moderate | High

26 Cybersecurity threat detection

IT

Click to return to the description of use cases

Quick win

Use case description

CHALLENGE ADDRESSED

- **Increasing sophistication** of cyberattacks targeting rental company systems and data
- **High vulnerability** due to multiple access points across branches
- **Limited visibility into** unusual login patterns, data access, or system **anomalies**
- **Human factor risk** from phishing emails and lack of employee awareness

BENEFITS

- **Early detection of suspicious activity** to prevent data breaches and financial loss
- Automated alerts to IT/security teams for **faster incident response**
- **Improved resilience** through phishing simulations and targeted employee training
- **Regulatory compliance** by strengthening cybersecurity protocols and monitoring

Towards implementation

IMPACT* 3,4 / 5		ACCESSIBILITY* 3,5 / 5	
Economic gain	2,3 / 5	Compatibility w/ assets	3,8 / 5
Non-economic gain	4,0 / 5	Required investments	3,3 / 5
Scalability	4,0 / 5	Risk level	3,5 / 5

Prerequisites

- **System logs and access records** to track user activity and detect anomalies
- **Network traffic data and email metadata** for phishing detection and threat analysis
- **Threat patterns** and attack signatures for accurate identification
- Integration with **IT/security platforms**
- AI/ Machine learning models **to analyze behaviors** and **predict breaches**

DISCLAIMER: The estimation below reflects preliminary information available on tech providers' websites and needs to be further refined

ESTIMATED MATURITY OF THE SOLUTIONS

Very limited, exploratory | Few live business cases | Multiple providers

*averaged scores provided by respondents

Sources: ERA, Corporate websites, KPMG Research & Analysis

Limited | Moderate | High

KPMG for EUROPEAN RENTAL ASSOCIATION

Contents

Key success factors when engaging in an AI journey at scale

Vision

Ensure a long-term strategic vision & identify precisely the key areas to be strengthened by AI

STRATEGY PILLARS

1. **Governance, organization & ownership**
   Define an adapted governance with specific AI roles and responsibilities across the company

2. **Delivery model**
   Set the frame for collaborations with AI providers, ensuring that partnerships are structured to leverage specialized expertise and streamline the integration of advanced technological solutions

CRITICAL ENABLERS

3. **Technical architecture & data**
   Support AI adoption by rigorous management of high-quality data, enhancing analytical accuracy, and forming the backbone of reliable decision-making processes

4. **Talents & Change Management**
   Cultivate specialized talents and ensure the development of technical skills, that can leverage AI adoption ; this must be anchored in a comprehensive cultural shift, ensuring that employees are continuously informed, actively engaged, and prepared to integrate AI innovations into their daily practices

5. **Ever-on experimenting culture & ecosystems of partners/providers**
   Propel AI adoption with a culture of continuous experimentation, ensuring iterative development processes, embracing agile methodologies, and progressively refining technological applications, with the right mix of alliances and partnerships to deliver your ambitions

FOUNDATION

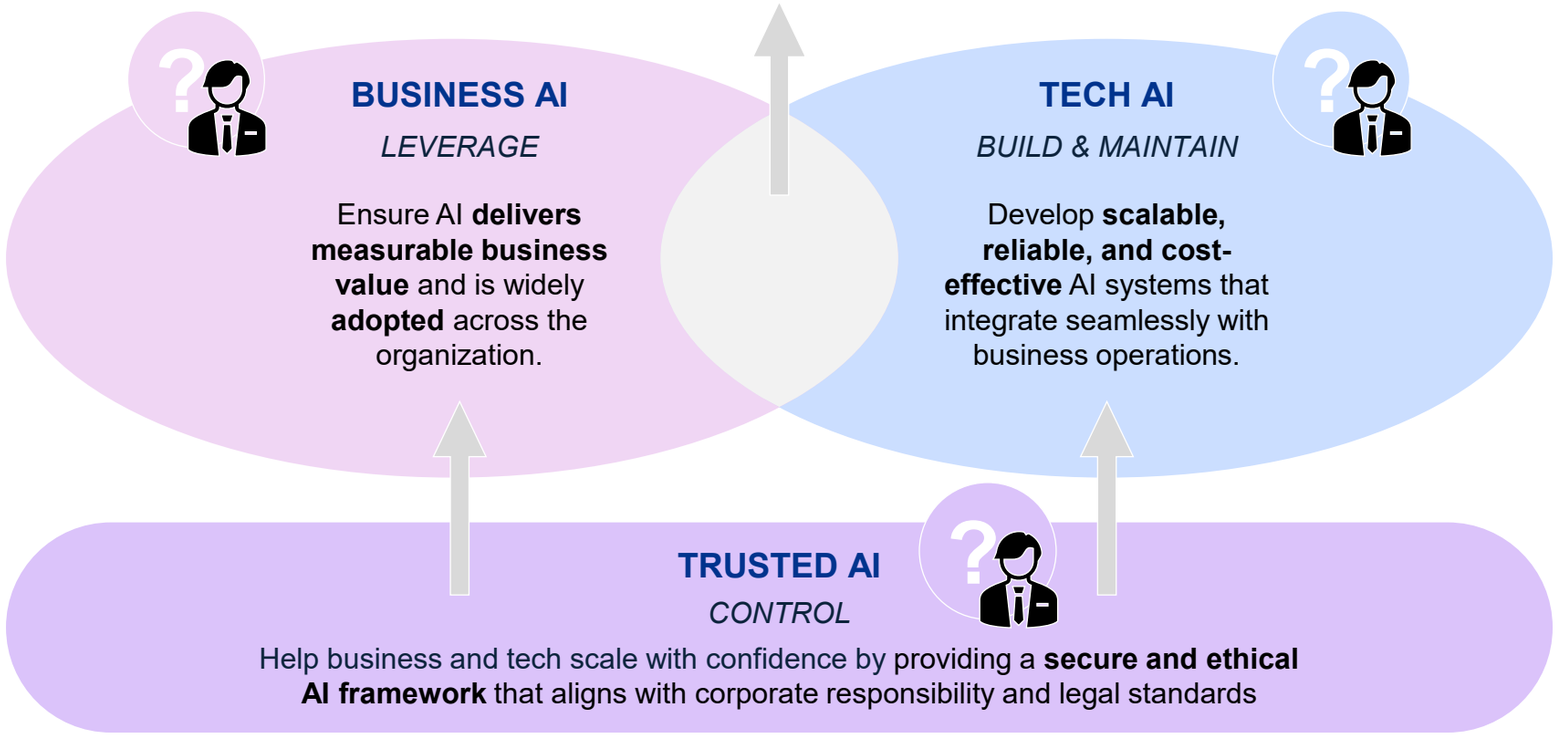
6. **Risks, Legal, Ethics & Regulation**
   Establish controls that manage and mitigate risks, acting as safeguards to ensure compliance with regulations, standards, and best practices, and helping establish and maintain a secure, ethical, and reliable environment for AI deployment

Sources: KPMG research & analysis

As AI has both front and back-office impacts, it concerns every employee within a firm and inevitably involves ownership challenges

→ 3 key dimensions to consider when talking about AI ownership

Tech must co-evolve with business, ensuring AI is not only built but also **useful**, **usable** and **effectively used**



AI LEAD

ADOPT & DRIVE

A chef d'orchestre to **embody the vision** and **coordinate** AI initiatives, that may be either someone with an existing C-suite role within the company or someone new, external, appointed as a Chief AI Officer

cf. next slide

Sources: KPMG Knowledge base

In the early stages of your journey, establish an AI Lead as the guiding force for enterprise-wide AI experimentation and scaling

Zoom ***AI lead***

Robust leadership is a foundational enabler of any business change, and AI adoption is no different. To ensure this, we recommend establishing a dedicated role of an **AI Adoption Lead**. With the **right leadership, strategic vision, and expertise**, they will help ensure the journey delivers the key business outcomes, utilizes the appropriate tools, maintains regulatory compliance, and demonstrates clear benefits to stakeholders.

AI Adoption Lead

TYPICAL RESPONSIBILITIES

- **Shaping AI vision and strategy** to support organization's business outcomes, catering to its strengths, challenges, and technological maturity.
- **Driving investment processes for AI initiatives**, ensuring alignment with the organization's goals.
- **Establishing a trusted AI framework** for ethical, sustainable, and responsible AI use to ensure compliance with relevant regulations and ethical guidelines.
- **Integrating AI into the portfolio of offerings,** to enhance efficiency, effectiveness, and customer experience.
- **Overseeing change management, upskilling and communication programs** to enable adoption across the enterprise.
- **Raising awareness about AI** within the organization and promoting its benefits.

SKILLS / EXPERIENCE

- **Strategic thinker:** a voice with a vision for how AI can transform the business and go from pilots to value creation and scale for customers and employees.
- **Empathetic and inclusive leader:** demonstrates exceptional people skills and the ability to build strong relationships across the organization. This individual is a trusted leader who can effectively communicate the value of AI to diverse audiences, inspiring buy-in and mitigating various types of biases.
- **Visionary change agent:** possesses a proven track record of driving successful business transformations through innovative thinking and a deep understanding of how to leverage AI to create new value streams and optimize existing processes.
- **Knowledge of the AI domain:** a deep understanding of the technical capabilities and limitations of AI, as well as all things data.
- **Adept at risk management:** can balance the risks and opportunities from AI to monetize initiatives safely and to help progress the organization on their AI journey.

Sources: KPMG Knowledge base

Depending on context, size and AI maturity, AI Lead role may be assigned to an existing C-Suite role…

Zoom **AI lead**

Chief Information Officer

Great "default" candidate to lead AI adoption, especially in the short and medium term when the volume of AI activity is still moderate. As this increases, capacity challenges may cause them to compromise on either, or both, their CIO and AI roles.

Opportunities

- **Deep understanding of technology** - IT infrastructure, systems, and security, crucial for integrating AI seamlessly
- **Low change management effort**: Well-embedded into existing tech organization and business structures, allowing them 'to hit the ground running'
- **Cost-effective**, thanks to leveraging existing leadership resources

Risks

- **Risk of competing priorities** between the CIO and AI responsibilities, especially when the volume of AI adoption activity increases
- **Potential for technological bias** resulting in a focus on tech over broader business goals and AI strategy
- **Potentially limited AI expertise**, which may require additional training or external AI advisory support

Chief Data Officer

Excellent AI adoption Lead candidate for organizations with particularly challenging data landscapes and objectives. In the long term, fulfilling both CDO and AI roles may cause similar capacity challenges as described for the CIO.

Opportunities

- **Deep understanding of data**, and of the critical role it plays in AI success
- **Analytics expertise** allowing to better leverage data to measure AI impact and demonstrate ROI
- **Cost-effective**, thanks to leveraging existing leadership resources

Risks

- **Risk of competing priorities** between the CDO and AI responsibilities, especially when the volume of AI adoption activity increases
- **Data-centric bias**, which may overshadow broader AI strategy and its business application
- **Potentially limited AI expertise**, which may require additional training or external AI advisory support

Chief Digital Officer

Strong contender to lead AI adoption, particularly in organizations where digital transformation and customer experience are key priorities. Their expertise positions them well to integrate AI into business processes and strategies but their focus on digital goals may limit a broader AI perspective.

Opportunities

- **Deep understanding of digital transformation**, including customer experience and business process optimization
- **Expertise in leveraging AI for digital innovation**, enhancing the adoption of AI-powered tools and services
- **Ability to act as a bridge** between technology, data, and business units, ensuring seamless integration of AI.

Risks

- **Risk of conflicting priorities** between digital transformation goals and AI-specific initiatives, especially as AI expands
- **Focus on digital strategies** may result in less emphasis on AI applications beyond digital innovation
- **Limited technical expertise** in AI may require additional support from specialized teams or external advisors

Sources: KPMG Knowledge base

… or warrant a dedicated resource, a new AI Lead role

Zoom *AI lead*

Chief AI Officer

Most challenging option due to the requirement to redefine the boundaries within and beyond the C-Suite. This may be justifiable for organizations with particularly ambitious AI objectives, a higher level of AI maturity, or an increased need to balance individual functions' competing AI agendas.

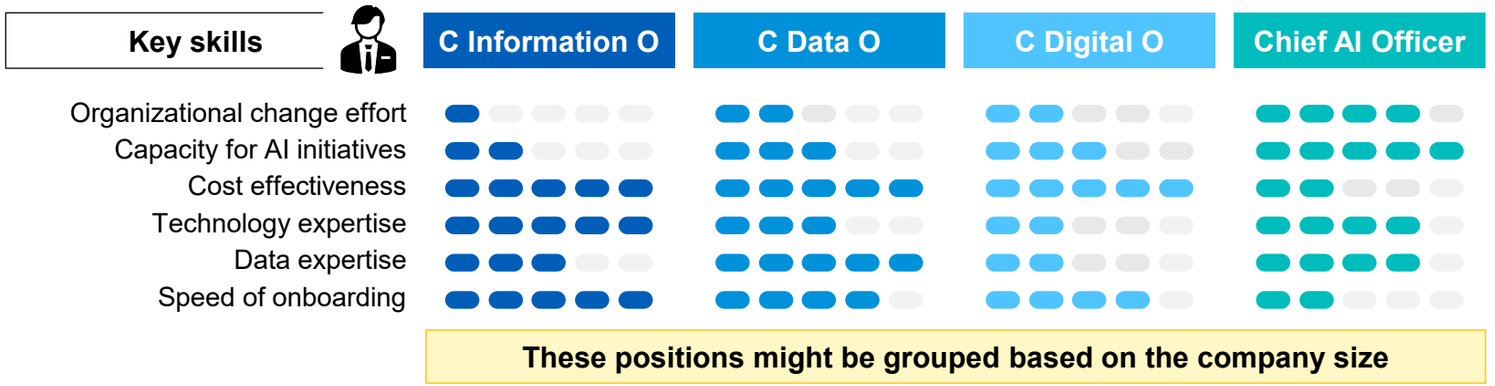
Opportunities

- **Introduces an impartial perspective on AI** to balance function-focused agendas of other CxO with a broader, enterprise level point of view
- **Deep AI expertise** enabling better prioritization of AI initiatives and management of adoption requirements
- **Dedicated capacity**, ensuring AI initiatives receive the necessary support

Risks

- **Risk of organizational disruption** due to the consequent restructuring and adjustments to existing leadership dynamics
- **Costly**, due to the requirement to fund a new C-level position
- **Potentially extended onboarding timelines** due to required seniority and rare skillset (unless staffed with an existing in-house resource)

Comparison between potential candidates to be AI Lead



These positions might be grouped based on the company size

Best practices

Regardless of who takes on the role of AI Adoption Lead, there are several common best practices that should be followed to ensure successful AI implementation and scaling across the enterprise.

- **Establish or redefine key roles:** establish an AI Adoption Lead role, upskill and retrain employees, ensuring they are fit to support the immediate and future AI adoption requirements
- **Develop or recruit specialized AI skills:** cultivate necessary roles and skills within your existing workforce and consider bringing in external talent where needed.
- **Drive cultural change:** build awareness and understanding of AI, address common fears, and highlight the benefits for employees and the organization.
- **Embody a bridge between front and back teams**: facilitate communication and collaboration to ensure a seamless work towards common AI goals.

Sources: KPMG Knowledge base

4 key AI delivery models exist to integrate AI effectively into one's company: the best solution depending on one's size, AI maturity, and strategic goals

*Zoom **service delivery model***

Each organization may choose to adopt **one**, a **selection**, or **all patterns concurrently**, or **even move between them** depending on their requirements, size and AI maturity.

AI Service Delivery models	1 Out of the Box AI	2 AI Workbench	3 AI Factory	4 Federated AI
	Business Units using their own off-the shelf AI products for standard AI use cases with limited in-house configuration or development	All Business Units consuming centrally developed, pre-configured AI capabilities that fit a broad range of generic use cases	A hybrid option with a set of shared AI capabilities shared across the BUs, and centrally managed platforms enabling BUs to build and operate their own capabilities	BUs developing their own AI capabilities with the alignment to central business platforms and architectural guidance safeguarded by a central hub
Suitability	Recommended for use cases with low customization requirements to prioritize speed to market and agility, at the cost of potential increase in duplication and costs.	Recommended for use cases with low customization requirements to prioritize economy of scale and speed to market.	Recommended for organizations with a wide range of common, BU-independent use cases, who also need to develop BU-specific capabilities on top to fit specific business requirements.	Recommended for use cases with BU-specific, high customization requirements and organizations with high engineering maturity who want to prioritize speed to market.
	Time to value Investment Engineering complexity Risk	Time to value Investment Engineering complexity Risk	Time to value Investment Engineering complexity Risk	Time to value Investment Engineering complexity Risk

Low / little — ***Required AI Maturity level & company size*** — *High / large*

Most rental companies may find Model 1 or 2 sufficient, due to a relatively low AI maturity as of now and limited company size

Sources: KPMG Knowledge base

Each AI delivery model comes with a different split of AI-related responsibilities across the organization

*Zoom **service delivery model***

We recommend caution and diligence when choosing the right model, as it will drive **significant changes in the distribution of AI funding**, **headcount**, and **decision rights**

AI Service Delivery models

1 Out of the Box AI

AI capabilities are delivered through off-the-shelf products or vendor add-ons to existing SaaS/Enterprise Apps, enabling quick adoption without in-house development

2 AI Workbench

AI capabilities are delivered through predefined AI services provided by a central function covering common business needs (e.g., chatbots, analytics tools, GPTs, business apps)

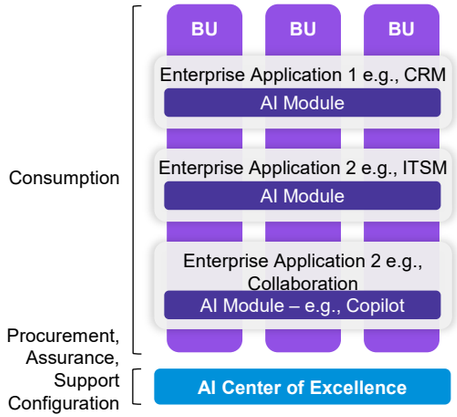
3 AI Factory

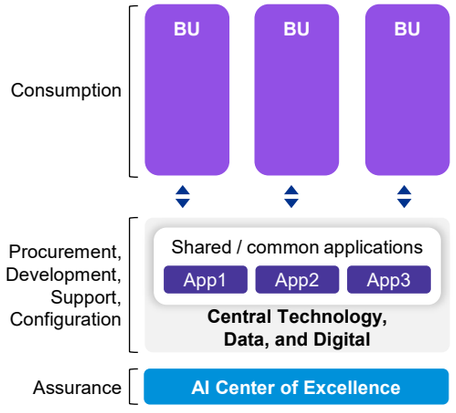
Enterprise platforms allow teams to build scalable AI solutions via self-service environments and toolkits, supporting custom capabilities across the organization

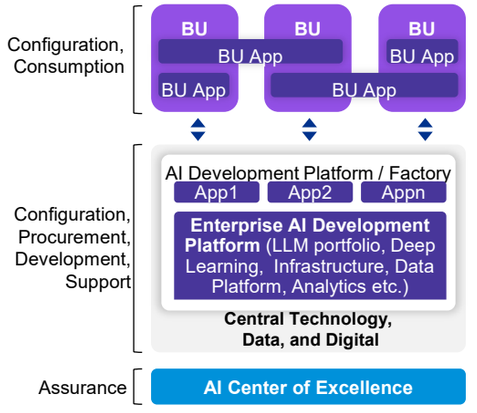
4 Federated AI

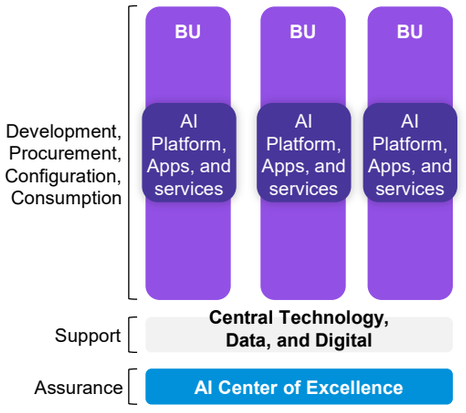
Business units create their own AI platforms internally, aligned with governance standards, supported by a Center of Excellence for guidance and compliance

AI-related roles split across the organization









Most rental companies may find Model 1 or 2 sufficient, due to a relatively low AI maturity as of now and limited company size

Sources: KPMG Knowledge base

The choice of the right AI development scenario can be guided by answering a few questions relative to the core objective and main constraints

BUY – *externalization* | *internalization* **– MAKE**

Buy Commercial Off-the-Shelf products | **Customize & train a foundation AI** | **Make your own AI**

Cost & Time

- **How much** are you willing to invest into a generative AI solution?
- **How quickly** do you envision the solution being implemented and actively used in your organization or for your project?

Expertise & Resources

- Do you have AI expertise **within you organization or** do you have the **capacity to recruit** the right AI experts ?
- Do you have **access to adequate hardware resources** for AI operations ?
- Do you have **the right data**? It is **structured**? Is there **enough of it**?
- What **level of customization** & fine tuning are you looking for?
- What **level of accuracy** are you expecting from the solution?

Security & Regulation

- What **level of data confidentiality** are you looking for?
- Are there any **specific industry regulations** you are subject to (e.g., AI Act)?
- **How tolerant** is your organization to AI project risks?
- Are you concerned about the **IP ownership** situation of generative AI?

Evolution & Agility

- Are you looking to always **be on the latest technology**?
- Do you **anticipate significant scalability requirements**?
- **How fast** are you looking to deploy the Generative AI solution?

Sources: KPMG Research & Analysis

Assessing investments to develop external AI solutions implies anticipating build and run costs, relative to AI pricing models

Key pricing models of external AI solutions

	Model	Description	Example	Key benefit	Key constraint
Access	User/ License	***Fixed cost** charged **per user or per license***	grammarly	Easy to predict cost	Costly when scaled up
Usage	Token	***Fixed cost** charged **per token** (i.e., unit of text) processed*	OpenAI	Fair cost with pay-per-use	Large potential overcost
Usage	Prompt	***Fixed cost** charged **per query** or task submitted*	cohere	Good for discrete tasks	Requires prompting skills
Usage	Service	***Fixed cost** charged **per service** (e.g., API call or compute time)*	Midjourney	Flexible for advanced users	Large potential overcost
Result	Output	***Fixed cost** charged **per unit of output delivered** (e.g., image)*	DALL·E	Cost aligned with deliverable	Requires prompting skills
Result	Value	***Fixed cost** charged **per business value delivered** (e.g., time saved, solved case)*	chargeflow	Cost aligned with business impact	Hard to measure delivered value

Please note that due to overall low maturity of their solutions, <u>rental-specific tech providers offer on-demand custom made pricing packages</u>, therefore they were not fitting the above categories

Comments

Hybrid

Access & usage-based	Packages
Fixed subscription cost** combined with **variable usage-based	***Fixed subscription cost** per **predefined bundles** (e.g., Basic, Pro, Enterprise) with increasing features*
jasper	Microsoft

Key insights

- The **most relevant pricing model varies** depending on a company's needs and usage
- These needs and usage patterns **may evolve over time** and require a reassessment of the chosen option

Sources: Corporate websites, KPMG Research & Analysis

Highly limiting · Moderately impactful · Highly beneficial

A first must-have step towards AI implementation is having the right actionable data

Macro-illustration of data flow from extraction to exploitation

Data preparation

Ensure the quality, relevance, and structuring of the data

This step involves collecting, cleaning, and organizing data to guarantee accuracy and usability across the entire pipeline

Data Acquisition
Collect raw data from various sources to build a comprehensive dataset

Data Curation
Clean, organize, and validate data to ensure accuracy and consistency

Zoom ***data lake***

DISCLAIMER: For small, restrained AI applications, a data-lake is not necessary. This option is only relevant to scale up AI with use cases requiring large amount of data coming from different sources

Training and customization

Optimize performance and adapt to needs

This step involves pre-training on large datasets, fine-tuning for domain-specific requirements, and ensuring alignment with operational objectives

Pre-Training Model
Leverage large-scale datasets to create a foundational AI model

Customization
Adapt the model to specific business requirements and domain constraints

Information Retrieval
Extract relevant data points to support model training and analysis.

Deployment

Integrate into an environment ensuring stability & accessibility

This step focuses on delivering reliable inference, implementing safeguards, and maintaining compliance and security standards

Inference
Generate predictions or insights from the trained model in real-time or batch mode

Safeguards
Implement controls to ensure compliance, security, and ethical use of AI systems

Comments

Data can be **a strategic enabler, however**…

- … some **simple AI applications do not require extensive data rework** and can be activated directly
- … **ensuring data quality is challenging but key.** Companies need to **define clear business objectives from the start,** a/o embark on an iterative journey with a test & learn methodology
- … depending on amounts of data, preparing data may represent **a costly amount of work** ; especially for large rental companies with IT legacy and multiple **non-harmonized systems**

Sources: ERA, KPMG Knowledge base

Ensuring the right data architecture with data-lakes: the cornerstone to scale up AI with use cases requiring large amount of data coming from different sources

Zoom **data lake**

Macro illustration of data refinement from sources to usage *ILLUSTRATIVE*

Data sources

Systems, applications, or platforms that generate and provide raw data for ingestion into the data lake

Internal sources

- ERP
- CRM
- HR systems
- Fleet mgmt. systems
- …

External sources

- Open-source *(e.g., weather data, emission factors, …)*
- Third-party data *(e.g., IoT sensor data, …)*

A clear strategy is needed to define what priority data to put into the data-lake

Data lake

A centralized storage system that holds large amounts of raw data, allowing flexible analysis and processing

Raw Data Ingestion

Filtered, cleaned Data

Business-level Data

Data usage

Tools and processes that analyze data to deliver insights and value

Actionable Data

- Real-time insights
- Dashboards & reports
- Predictive & advanced analytics

Comments

- AI requires both **large volumes** and **high-quality** data, making data management a key challenge
- To leverage advanced AI applications, rental companies need **to adapt their data architecture**
- A **flexible architecture** like a data lake enables the transformation of raw data into business-ready insights

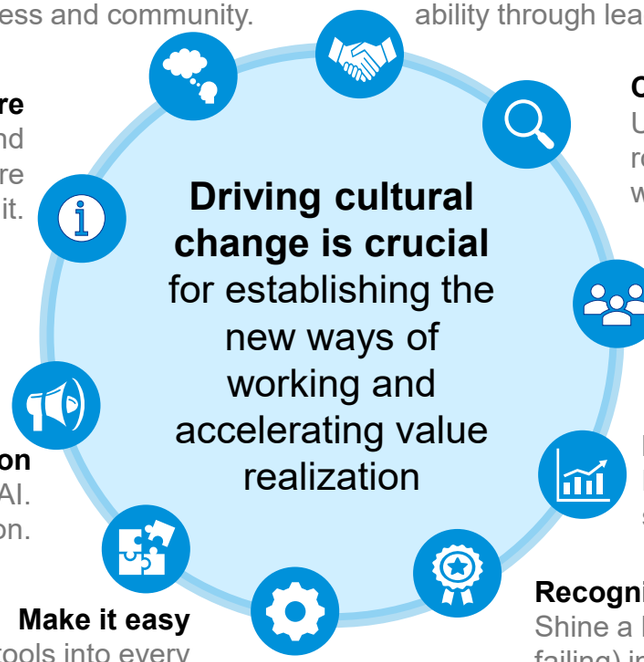
- Structuring data can either be done **in-house or externally**, depending on:
  - The **strategy** of the enterprise
  - The level of required **investments**
  - The availability of expert **resources**
  - The targeted **time-to-market**

Sources: ERA, KPMG Research & Analysis

Whatever the chosen model, foster a future-ready culture that prioritizes people. If not the case, change management will be key

80% about people
20% about technology

Changing the DNA organization is about changing the culture first. Driving cultural change is important for **establishing the new ways of working** and **accelerating value realization**.



Reduce fear
Debunk the myths. Address the common fears around trust, autonomy, connectedness and community.

Build Belief
Increase confidence and trust in the organization's AI commitment and ability through leadership advocacy and role modeling.

Engage, Inform, Prepare
Build awareness and understanding around your AI vision and journey including; what you're doing with Gen AI, why you are implementing It and how you will be deploying it.

Create Clarity
Understand impacts and clearly define the "from-to" for each role, highlighting benefits from revised methods and processes while outlining expectations to ensure quality

Prevent AI Fatigue
Communicate AI initiatives thoughtfully and meaningfully to avoid over-saturating the AI conversation

Develop Desire
Be explicit about the benefits adopting AI will have for employees as well as the company, partners and customers. Use emotions to inspire and motivate.

Empower Innovation
Encourage agile behaviors and seek future uses of AI. Crowdsource ideas to drive employee-led innovation.

Inspire continuous growth
Design an AI reskilling program and plan that provides on-going support while also inspiring future-focused, long-term growth.

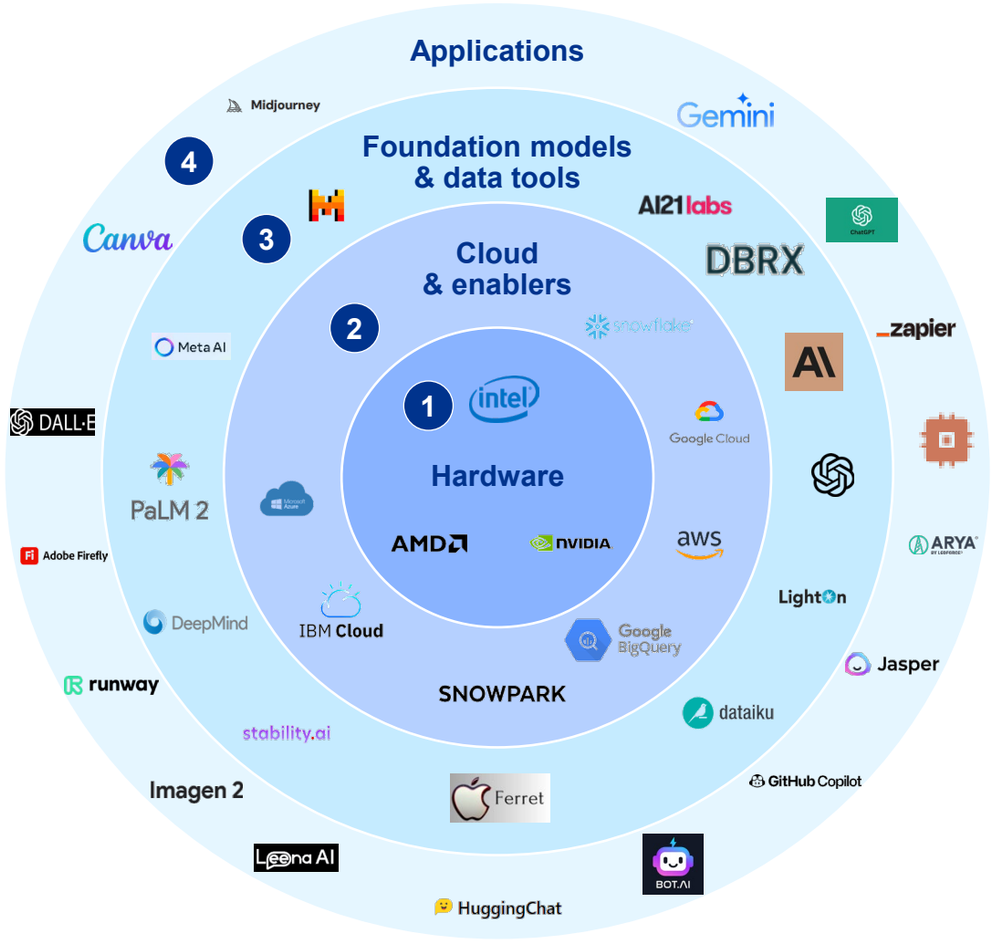
Make it easy
Make the use of AI second nature, by integrating tools into every process employees perform so that they are readily available and seamlessly incorporated into an employee's daily activities.

Recognize and reward
Shine a light on employees trying, using, succeeding (and even failing) in using AI and the new ways of working while embedding AI objectives in people performance management.

Sources: KPMG Knwoledge base

The selection of key partners to implement AI solutions must come with a clear understanding of their positioning on the value chain

Macro illustration of the AI value chain *ILLUSTRATIVE*



Key evolutions of the AI value chain

1 2 Existing layers, reinforced by AI

- **Hardware**
  Optimized accelerator chips (GPU/TPU) for training and running models
- **Cloud and enablers**
  Management of AI models to facilitate access to computing power and optimize costs (plus new technologies)

3 4 New links in the value chain related to AI

- **Pre-trained models / foundation models**
  Used to generate specific types of content and perform tasks, based on large volumes of data. These models can be proprietary or open source.
- **APP / BOT**
  B2B and B2C products that leverage the value chain for specific use cases, adding functionalities or content (e.g., RAG)

Sources: KPMG Research & Analysis

For core business AI use cases, rental companies can leverage specialized tech providers and draw inspiration from success stories…

ILLUSTRATIVE

Improve customer experience

KELOUTOU — Sales

ShareMat — Simplified customer access to fleet information

"With ShareMat, our customers have access at all times to their rental fleet, as well as regulatory and technical documents for the time of rental." Transformation Director

BREEDON — Ops

webfleet — Optimized delivery with smart routes

"With Webfleet's HGV routing, we can set much more accurate routes avoiding low bridges, weight restrictions and narrow lanes." General Manager, Transport & Logistics

ARMO — Ops

mcs — Optimized delivery with smart routes

"In the past, we needed one working day for to plan our routes. Today, we do it in either one hour for simple routes or two hours for more complex routes." ARMO GmbH

Gain efficiency through automation

AINSCOUGH — Finance

staedean — Streamlined transactional and customer order management

"Ainscough Crane Hire has grown its revenue significantly {...] This has been enabled by a deep understanding of the end-to-end transactional and customer order data." IT & Transformation director

PW — Finance

booqable — Streamlined transactional and customer order management

"[From] Word documents and a basic online booking form [to] a more efficient way to invoice, quote, email, and take payment from clients" Founder

SYNERGY EQUIPMENT — Maintenance

Point of Rental Software — Streamlined equipment inspection

"They create a quick inspection right there on the spot and it's automatically stored and catalogued. They've obviously embraced it because it makes their job that much easier." Director of Product support

Enhance insights for strategic decision-making

ENCO — Fleet mgnt

hiboo — Centralized multi-brand equipment data

"Before Hiboo, we had to struggle with multiple platforms to gather partial information, which made any strategic use extremely complex." Key account manager

SUNBELT RENTALS — Fleet mgnt

Trackunit — Enhanced equipment data for further utilization insights

"We use [Trackunit] today to make sure we're not only operating the machines very effectively, but also looking into the future to address the ESG." VP of Digital Product Management

FLAGSTAFF EQUIPMENT — Sales

Quipli — Enhanced visibility on operations and schedules

"Quipli has saved [Flagstaff Equipment] a lot of time, easily decreasing the time we are on the phone with customers by about half." Rental Manager

Sources: Corporate websites, KPMG Research & Analysis

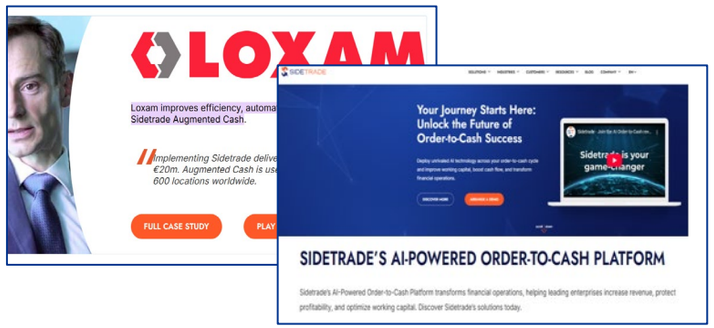
… learning from rental companies who already implemented AI use cases to drive operational and business performance, with in-house or external solutions

Examples of AI solutions actioned by Rental Companies

AI for finance and customer service

Loxam uses **Sidetrade's AI-powered Augmented Cash platform** to **predict payment behavior**, **automate follow-ups**, and improve **cash collection**

This led to a reduction in **Days Sales Outstanding (DSO)**, freeing up nearly **€20 million**



AI for predictive maintenance and fleet management

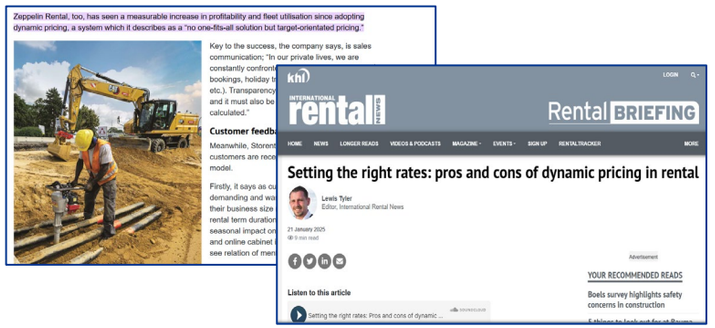
Boels **improves decision-making** and **operational efficiency** by using **telematics data** from its fleet, collected via ZTR, to **monitor equipment usage, health, and location**

Although still evolving, the system supports future improvements such as **proactive servicing** and **downtime reduction**

AI for dynamic pricing

Zeppelin Rental has implemented an **AI-assisted dynamic pricing** algorithm to **maximize profitability and fleet utilization**. The system adjusts rental rates in real time based on **demand**, **utilization**, **seasonality**, and **location**

This approach helps **reduce idle time** and **increase revenue per asset**



Sources: Corporate websites, KHL, Research & KPMG analysis

For non-rental specific use cases, a wide variety of tech providers exists (1/6)

Finance

Overview of finance-oriented AI solution providers

NON-EXHAUSTIVE

Category	Illustrative examples of tech providers*
Financial Closing	BLACKLINE, highradius, Numeric
Budgeting	cube, datarails, Anaplan, planful
Billing	ramp, Brex, coupa navi
Audit & Insurance	datasnipper, MindBridge, Validis
Regulatory, TAX & ESG Compliance	Avalara, Workiva, blue dot
Business Insights	StackAI, AlphaSense, Power BI by Microsoft

Illustrative success story

Numeric × posit

Key challenge	AI solution
Time-consuming month close and error risk	*Real-time integration and AI-powered flux analysis*

Outcome: *Financial closing went from 7 to 2.5 days*

Key insights*

- AI leaders use 3x more AI in finance than other organizations — creating **a major performance gap**
- AI is especially implemented in **financial planning** and **accounting** with the highest rates of wide adoption (10% vs 3% for tax operations)

Sources: Corporate websites, 2025 KPMG global AI in finance study, KPMG Research & Analysis | *Please note certain providers may cover multiple categories. Current positioning reflect their most important field of application

For non-rental specific use cases, a wide variety of tech providers exists (2/6)

HR

Overview of HR-oriented AI solution providers

NON-EXHAUSTIVE

Category	Illustrative examples of tech providers*
Talent acquisition	fetcher, HiredScore, TALENTERIA
Onboarding	Coursebox, Talentech, Microsoft Mesh, HEYTEAM
Learning & development	lingio, SC training, Dextego, zavvy
Talent analytics	visier, seekout, NEOBRAIN
Performance management	Peoplebox.ai, effy
Career management	gloat, eightfold.ai

Illustrative success story

eightfold.ai × Coca-Cola EUROPACIFIC PARTNERS

Key challenge

Unoptimized internal talent management

AI solution

Talent intelligence bridging skills and operational needs

Outcome

"Employees now see opportunity for growth in the company."
VP of People and Culture, CCEP

Key insights*

- HR-oriented solutions have strong **potential for efficiency gains**
- Their **adoption is limited** by **compliance**-related risk (e.g., sensitive personal data use, **bias and unfairness**) due to the lack of human qualities (e.g., emotional intelligence) affecting candidates or employees

Sources: *AIHR (Academy to innovate HR), Corporate websites, KPMG Research & Analysis | *Please note certain providers may cover multiple categories. Current positioning reflect their most important field of application

For non-rental specific use cases, a wide variety of tech providers exists (3/6)

IT

Overview of IT-oriented AI solution providers

NON-EXHAUSTIVE

Category	Illustrative examples of tech providers*
Code generation	GitHub Copilot, replit, tabnine
Code testing & fixing	qodo, CodeRabbit, CodeMate.ai, Claude Code
Documentation & code understanding	mintlify, Scribe
Collaboration & workflow	CodeStory by GitHub, Bugasura, What The Diff
Low/ No-code development	appian, outsystems, quickbase
Cybersecurity	HOXHUNT, knowbe4, Gophish

Illustrative success story

CodeRabbit × VISMA

Key challenge	AI solution
Hard-to-navigate codebase (decades-old, massive, error-filled)	*Smart bug detection to enhance code quality and streamline reviews*

Outcome

90%+ of bugs detected,
50% shorter reviews
4x faster integration in master

Key insights

- AI tools for developers are **mature solutions**, **widely adopted** at company-level
- In a study conducted with Accenture, GitHub revealed a **successful adoption rate** of their AI solution (96%), and average **intensive usage** among developers (5 days per week)

Sources: Corporate websites, KPMG Research & Analysis | *Please note certain providers may cover multiple categories. Current positioning reflect their most important field of application

For non-rental specific use cases, a wide variety of tech providers exists (4/6)

Marketing

Overview of marketing-oriented AI solution providers

NON-EXHAUSTIVE

Category	Illustrative examples of tech providers*
Content & SEO	SURFER, frase, Koala, jasper
Visual & Video creation	Canva, Midjourney, synthesia, descript
Ad performance	BlendAI, adext, AdRoll
Customer engagement & behavioural analysis	INTERCOM, zendesk, Optimizely, crazyegg
Email marketing automation	INTUIT mailchimp, klaviyo
Marketing intelligence reporting	whatagraph, Supermetrics, Looker

Illustrative success story

jasper × OLD DOMINION FREIGHT LINE

Key challenge	AI solution
Low brand visibility and recognition of the service trustworthiness	*Scaled content creation: industry-specific, with SEO-boosted performance*

Outcome *increased web traffic with scaled qualitative content*

Key insights*

- About **75% of marketers consider AI either very or critically important** to the success of their marketing
- **ChatGPT is still the undisputed leader** of AI tools, but its popularity declines as companies get bigger

Sources: *2025 State of marketing AI report by Marketing AI Institute, Corporate websites, KPMG Research & Analysis | *Please note certain providers may cover multiple categories. Current positioning reflect their most important field of application

For non-rental specific use cases, a wide variety of tech providers exists (5/6)

Legal

Overview of legal-oriented AI solution providers

NON-EXHAUSTIVE

Category	Illustrative examples of tech providers*
Contract drafting	Spellbook, GENIE AI, Robin, LEGALFLY
Contract review	ThoughtRiver, LITERA Kira, Luminance
Litigation & claims handling	Briefpoint, Everlaw, DISCO
Compliance & regulatory monitoring	KLARITY, ContractPodAi
Legal research	CoCounsel Thomson Reuters, Lexis+ AI, Harvey
Contract lifecycle management	docusign, LINKSQUARES, Ironclad, SIRION

Illustrative success story

Luminance × Avianca

Key challenge	AI solution
Time consuming contract reviews	*Seamless review of the full data set and insights*

Outcome: *From a month to a 3-hour review of all contracts*

Key insights

- Although AI solutions **allow for automation and efficiency gain**, their effective use might depend on the level of **seniority**
- AI adoption is also limited by a potential **low appetite for change** as the legal sector is typically slow to adopt new technology

Sources: Corporate websites, KPMG Research & Analysis | *Please note certain providers may cover multiple categories. Current positioning reflect their most important field of application

For non-rental specific use cases, a wide variety of tech providers exists (6/6)

Strategy

Overview of strategy-oriented AI solution providers

NON-EXHAUSTIVE

Category	Illustrative examples of tech providers*
Competitive intelligence	CRAYON, Browse AI
Consumer intelligence & trends detection	GLIMPSE, Brandwatch
Gen-AI market research	Quinn by quantilope, GWI Spark, qualtrics XM, perplexity
Interviews & survey automation	SEMBLY AI, Speak, Poll the People, SurveyMonkey
Voice of customer	Clootrack, Medallia, SurveySparrow, canvs
Revenue intelligence	GONG

Illustrative success story

GWI Spark × Microsoft

Key challenge	AI solution
Democratizing fast access to expert-level insights	*AI-powered market research assistant*

Outcome: *Quick access to strategic insights to launch targeted marketing action*

Key insights*

- Although AI solutions **democratize insights**, their effective use might depend on the level of **seniority**
- They might be too generic**; not be able to separate signal from noise** or **to own executive-level synthesis**

Sources: Corporate websites, KPMG Research & Analysis | *Please note certain providers may cover multiple categories. Current positioning reflect their most important field of application

AI implementation and use at scale come with numerous risks to be mitigated and anticipated to ensure compliance with regulations and best practices

Change management

- **Hostility** / refusal to change
- **Lack of** corporate **rules** and precise **policy**
- **Lack of trainings** and over-reliance
- Inaccurate and inappropriate use / **shadow AI**
- Explainability and decision making

Cyber-security

- **Data protection** threats
- **Loss of control**
- **Phishing** scams
- Prompt Injection

Sustainability

- Technological process **complexification**
- **Ecological impact**

Execution

- Risks of **technical debt** or **operational bottlenecks**
- **Vendor lock-in**
- **Scalability** challenges
- **Cost overruns**
- AI solutions / agent **anarchy**

Data

- **Hallucinations** (inaccurate / imprecise information / misinformation / fake news)
- **Bias** (data, algorithms, human, deployment)
- **Lack of representativeness** and **differentiation**

Legal

- **IP** infringement
- Abusive use of **confidential** information
- Involuntary **leakage**
- **Private life violation**

Brand reputation

- **Transparency** issues
- **Discrimination** bias
- **Loss of creativity**
- Deep fakes

Sources: KPMG Knowledge base

To regulate AI and safeguard users, international organizations – particularly the EU – have established several legal frameworks

Global regulatory framework…

International *guidelines*

NON-EXHAUSTIVE

- **G7** → Global Partnership on AI (GPAI)
- **OECD** → Principles on AI
- **World Economic Forum** → AI Government Procurement Guidelines
- **INTERPOL & UNICRI** → Towards Responsible AI Innovation
- …

EU *Regulations*

NON-EXHAUSTIVE

Transversal

- GDPR
- Intellectual property law
- Protection of trade secrets
- Right to privacy
- Criminal law
- Texts & standards related to cybersecurity and digital technology

Sector-specific

- Health Sector
- Banking / Finance
- Public sector / Defense

… paving the way for AI-specific regulations

EU *Regulations*

September 2023 | November 2023 | March 2024

Data Governance Act

Establishes a legal framework to facilitate the secure sharing of data between the public and private sectors, in order to promote innovation and trust in AI (through data intermediation services or data altruism organizations, for example). Includes GDPR applying to personal data

Data Act

Regulates the use of data generated by IoT, in order to ensure fair and secure use of this data. It governs their access and sharing, while implementing measures to prevent misuse

AI Act

Builds a legal framework aimed at promoting trustworthy AI that respects fundamental rights, and ensure the compliance of AI models and tools marketed in the EU (by classifying them according to risk level and defining appropriate measures)

cf. next slides

→ The **European AI Act** is considered the **most far-reaching regulation of AI worldwide**, with a rights-driven approach, whereas US are following a market-driven approach and China a state-driven one

Sources: EU AI Act, KPMG research & analysis

The EU AI Act is a risk-based approach, to ensure AI systems utilized within the EU or affecting EU citizens are trustworthy, legally compliant, and ethical

Zoom AI Act

DEFINITION

The EU AI Act is a proposed regulation that aims to **ensure AI systems** utilized within the EU or affecting EU citizens **are trustworthy, legally compliant, technically robust, and ethically sound**.

The regulation adopts a **risk-based approach** that requires operators to assess and document potential risks posed by AI systems to comply with existing EU laws, rights, and values to prevent harm to its citizens.

KEY OBJECTIVES

1. **Correct abuses** and **regulate usage**, with strict requirements and **penalties** for the riskiest systems
2. **Prohibit AI systems that present unacceptable risks** to fundamental rights
3. **Ensure secure and transparent AI systems** to provide a stable legal framework for investment and innovation

REACH

The AI Act obliges **providers**, **authorized representatives**, **importers** and **users** of AI systems. Yet, the impact of the obligations varies

The AI Act has **extra-territorial reach**. Thus, it applies to:

- **All providers**, who introduce an AI system into the EU market or make it available for use in the EU market
- **All users**:
  - **Located within the EU**, regardless of where the system originates
  - **Based outside of the EU**, if their AI system is used or has an output within the EU market

Maximum fine of 15M€ or 3% of global turnover, whichever is higher, for users of AI system trust passing the EU AI Act

Sources: EU AI Act, KPMG research & analysis

This approach classifies risk levels and sets obligations for both AI providers and AI using companies

Zoom AI Act

AI typologies

4

AI seen as a clear threat to fundamental rights

- Subliminal techniques below the threshold of consciousness
- Social rating by public authorities for general purposes
- Use of “real-time” biometric identification systems in public spaces for repressive purposes
- Emotion recognition systems used in the workplace
- Facial recognition through untargeted extraction of facial images

3

AI components of safety products or autonomous AI presenting a high risk to the health and safety or fundamental rights of people

- AI for CV sorting / Candidate evaluation / Determining access to an educational institution
- Prioritize dispatch of emergency response services
- AI used by law enforcement authorities to determine the likelihood of a person committing an offence or reoffending
- AI application in robot-assisted surgery
- Credit rating denying citizens the possibility of obtaining a loan
- Biometric identification and emotion recognition systems

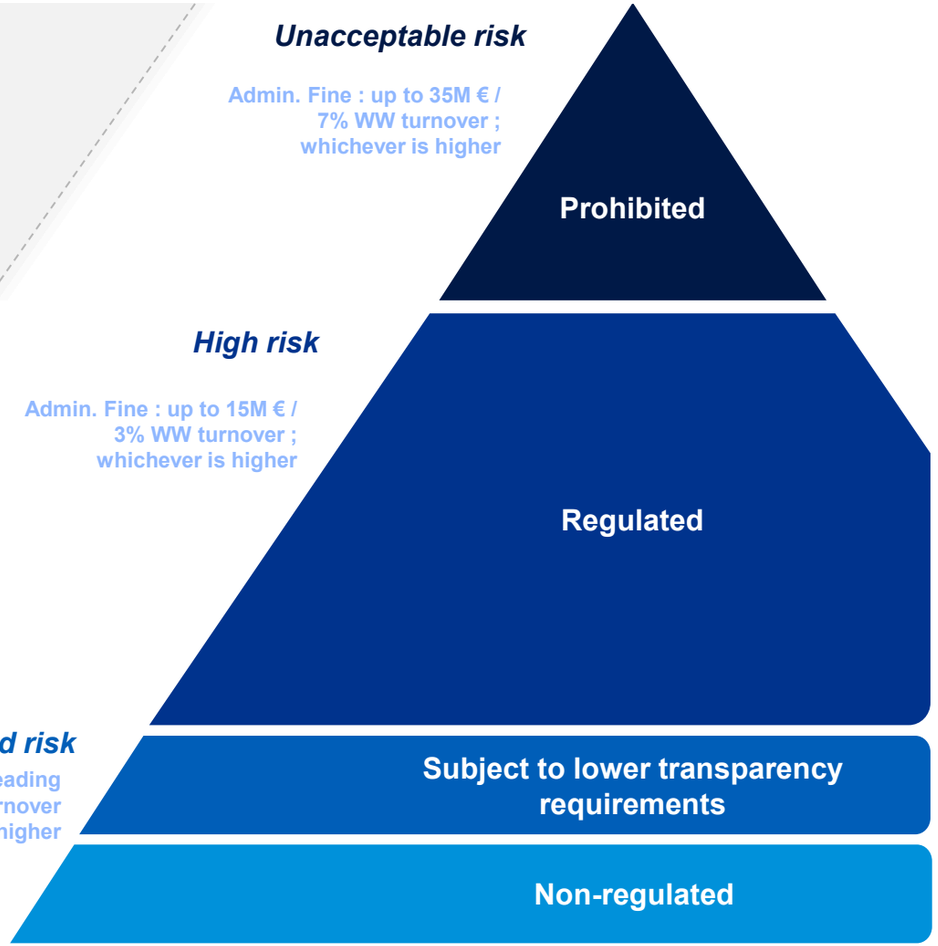
2

General-purpose AI (chatbots, deepfakes, etc.)

1

Most common AIs (video games, spam filters, automatic recommendations, etc.)

Risk, outcome & fine pyramid



Sources: EU AI Act, KPMG research & analysis

Within your organization, you may define an AI clause/charter to clarify rights, obligations, responsibilities, risks, and potential sanctions if any

This clause / charter should be:

1. **Wide enough** to encapsulate all upcoming AI usage and **potential risks**
2. **Reassuring about the technical and legal safeguards** AI deployment will face

1 Clarify the definition and purpose of AI

Within the company and how and why it is used

2 Display ethical commitments of the company regarding AI use

Particularly in terms of transparency and fairness

3 Define the rights, obligations and responsibilities

of employees concerning the use of AI in a professional context

EXAMPLE

- ***Data Protection:*** *Define rules to prevent disclosure of confidential or personal data, ensuring GDPR compliance and respect for privacy*
- ***Responsible Use:*** *Require verification of AI-generated content before sharing and promote critical, informed evaluation of AI tools*

4 Anticipate and prevent the specific risks

associated with these emerging technologies (leakage, copyright, bias, discrimination…)

EXAMPLE

- ***Intellectual property rights****: raise awareness of the risks of copyright infringement and define best practices for respecting intellectual property rights*

5 Define potential sanction measures

in the event of non-compliance with the defined rules

Sources: KPMG research & analysis

The rise of AI is far from carbon neutral and 2030 global energy demand from data centers is expected to equal ~4 times France's 2023 annual carbon footprint

AI usage is more and more energy consuming

Key drivers

1. Increasingly large AI models requiring more and more training power
2. Exponential growth in the use of generative AI-based applications
3. Content creation consumes more energy and emits more carbon

Electricity consumption

- **Energy demand** due to GenAI will grow at ~ **+70% per year until 2027**, mainly due to the growth of data centers
- By 2027, GenAI could **consume as much energy as a country like Spain**
- **1 ChatGPT request = 10 Google searches**

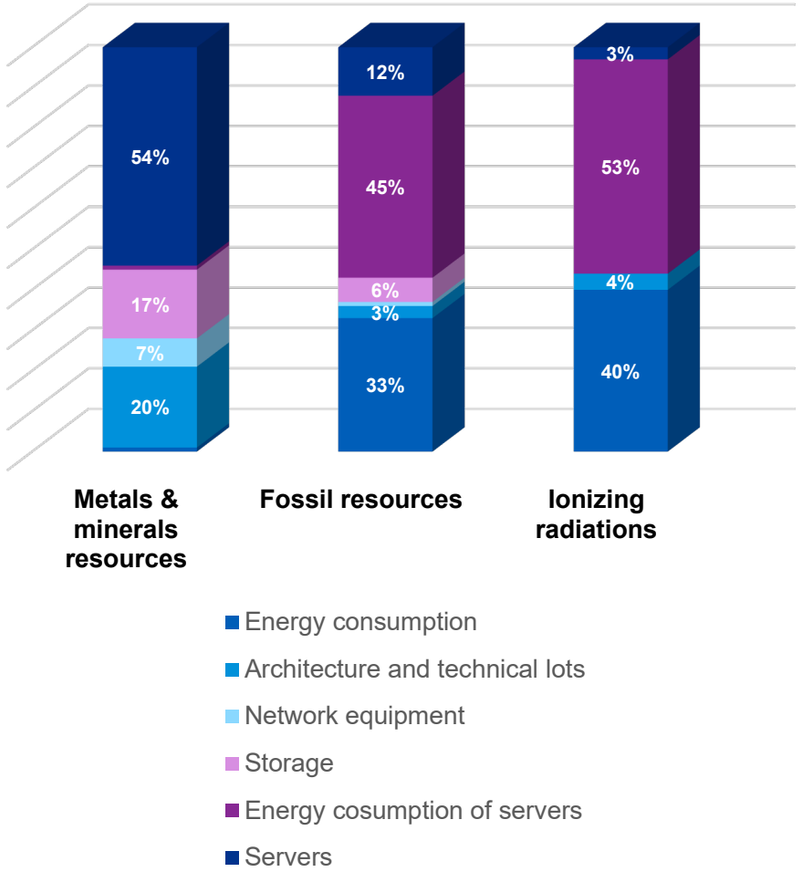
+ Water consumption

- **Water consumption by Google's data centers** reached 24 million m^3 in 2023, equivalent to **9 600 Olympic swimming pools**
- **Cooling servers** requires an average of 1.7 million liters of water per day, **equivalent to the daily consumption of 11,000 people**

+ Carbon footprint

- **+29%** increase in **Microsoft's** carbon emissions between 2020 and 2023
- **+48%** for **Google**
- **+160% increase in global energy demand from data centers by 2030**, reaching 2.5 billion tons, ie. ~4 times France's 2023 carbon footprint

Environmental impact of data centers by equipment type



Sources: Governing Sustainability Transitions in a World of AI-Powered Greenwashing, The Guardian, ADEME, Arcep (2022), KPMG research & analysis

The remedies? A sensible and even deliberately targeted use of AI to improve air quality and energy consumption

A few recommendations to lower AI's environmental impact…

Conception

Design more energy-efficient data centers

Leverage **Corporate Power Purchase Agreements** (CPPA)*, **green hydrogen, waste heat, underwater data centers**, etc. to reinforce data center energy sustainability

Prioritize less energy-intensive AI models

Limit the use of deep learning, **minimize** algorithm and neural network **training**, and **implement a policy** for archiving, expiring, and deleting data

Utilization

Using AI with restraint

Encourage AI use that asks "Do I really need this?" before launching new projects

Raise awareness and train users

Educate and equip consumers and end users so that they understand their environmental impact when using AI

… or to use it to support sustainable practices *ILLUSTRATIVE*

Improve air quality

- Forecasting and anticipating increases in air pollution
- Simulation of various air quality scenarios based on data such as traffic patterns, industrial activities, and weather conditions
- IQAir Initiative (UN): the project uses AI to analyze data from 25,000 stations and provide air quality forecasts and anticipate pollution peaks

Reduce energy consumption

- Real-time data processing: AI analyzes sensor readings to detect anomalies and excessive consumption
- Learning consumption habits: models are trained on historical data to predict energy needs
- The Energiency project enables manufacturers to identify potential energy savings. The goal is to achieve up to 15% energy savings in one year.

Sources: KPMG research & analysis | * long-term contracts with renewable energy producers, enabling data centers to secure energy supplies and meet legal obligations regarding renewable energy

To put it in a nutshell, a 9-step recommendation for cross-functional AI project mode and use case implementation

The recommendation below is to adapt according to the context of each rental company
Please note project speed may vary

FRAME

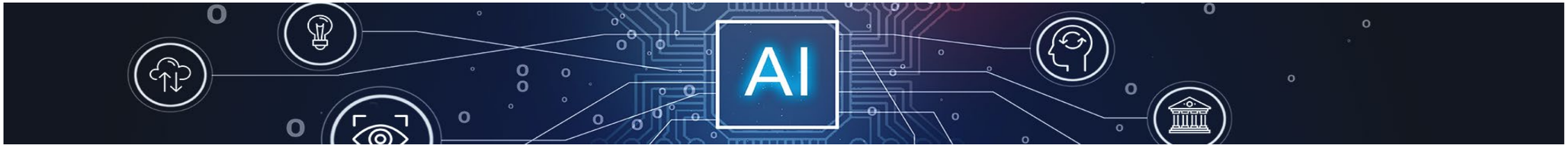
1. **Define the needs and use cases key for the business, solving a pain point** requiring a potential AI solution
2. **Identify total project scope** (objectives, stakeholders, responsibilities, constraints, usage, KPIs and target budget)
3. **Assess project** according to multiple criteria (impact, feasibility, risks)
4. **Select a scenario:** an **external solution provider** to work with vs. an **in-house solution**

SET-UP

4. **AI compliance documentation:** instructions for use, creation of training databases, risk analysis, integration conditions
5. **Standard compliance documentation:** personal data, impact analysis, cybersecurity, data localization, supplier compliance documents
6. **Contractualization:** check, in particular, exclusions of liability and warranty clauses

TEST & LEARN

7. **Communication** → Inform key stakeholders and obtain validation
8. **Set-up phase** → Test phase → Deployment
9. **System monitoring and evaluation** & user feedback



Sources: KPMG Knowledge base

KPMG for EUROPEAN RENTAL ASSOCIATION

Contents

The identification of relevant AI use cases and their assessment was enriched by responses from rental companies to the online survey

Key survey features

Objective	Respondents
To collect preliminary insights from ERA members on AI use cases	With 17 respondents from rental companies

Questions asked

1. How would you describe your **personal familiarity with AI topics**? Please select an option, from 1: AI-enthusiastic to 5: AI expert
2. How would you describe your **company maturity on AI topics**? Please select an option, from 1:AI-enthusiastic to 5: AI expert
3. **Select** among the 40 **AI use cases** a maximum of 12 that resonate with you or your company
4. For each selected AI use case, please **assess** the following use case, **by scoring the impact/accessibility criteria**
5. Is there **any other use case(s)** not included in the list that is implemented in your company?
6. Is there **any other use case(s)** not implemented in your company that you don't see in the list and think would be particulary relevant for the rental industry ?

Comments

Approach to survey answer

- Respondents were given a leaflet for online survey, gathering:
  - **a selection of 40 AI use cases**, organized by business functions
  - a **prioritization methodology**, detailing scoring criteria and guiding the assessment process

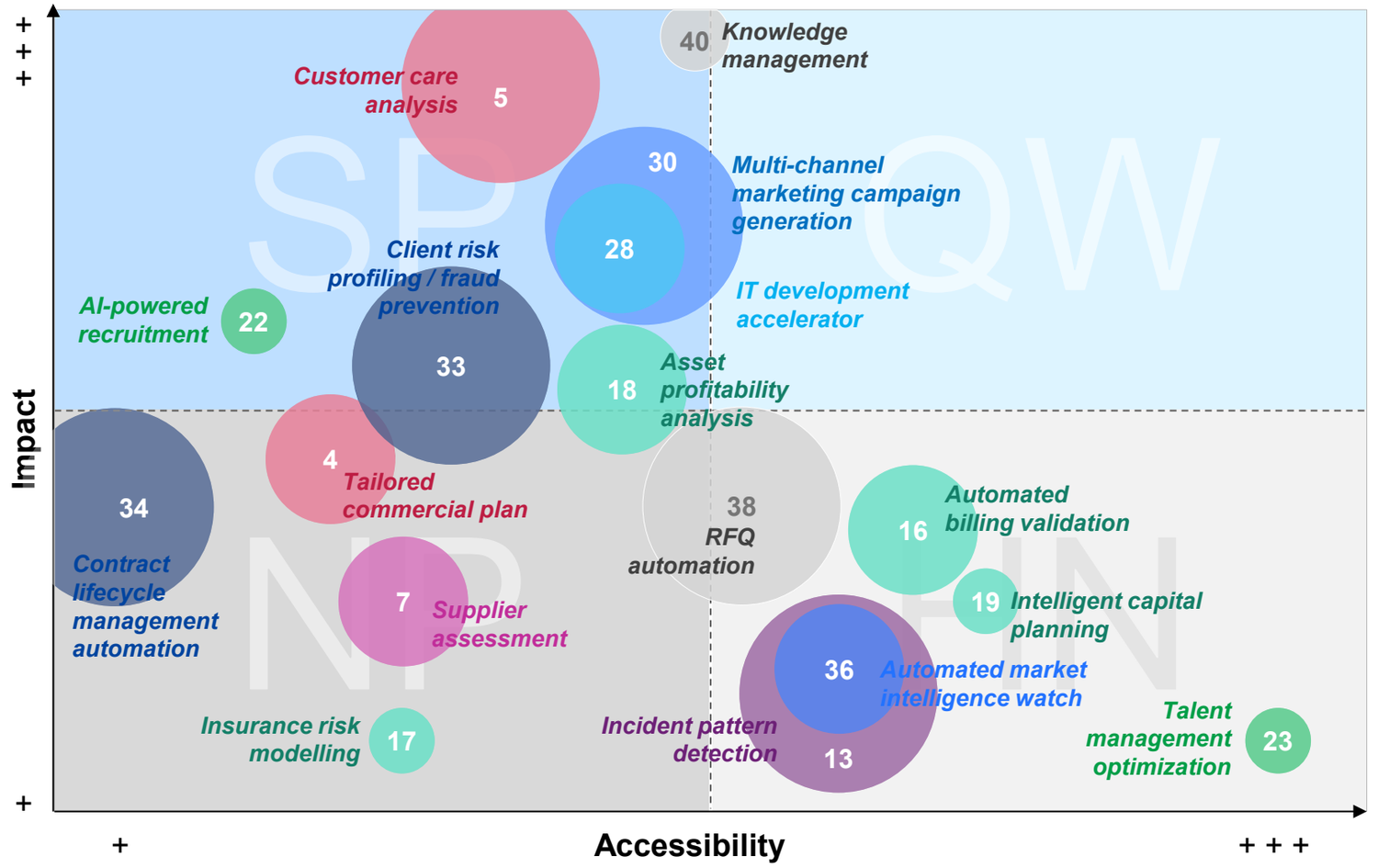
Respondents profile

- Respondents have **varied AI maturity, with equally distributed levels** - a third being either enthusiastic, confirmed or expert
- Companies have **overall a rather low AI maturity**, with 64% considered as experimenting or having a limited AI adoption

Sources: ERA, KPMG Research & Analysis

Use cases around fraud prevention, client risk profiling, customer care analysis, multi-channel marketing campaigns and incident pattern detection also emerged

Prioritization matrix of less selected use cases (selected 1 to 3 times)



Sources: ERA, KPMG Research & Analysis

Comments

- **Few impactful use cases**
- **7 strategic use** cases (6 of which are related to support functions)
- **Top picks** (selected 3 times) are:
  - 5 Customer care analysis
  - 30 Multi-channel marketing campaign
  - 33 Client risk profiling / Fraud prevention
  - 34 Contract lifecycle management
  - 38 RFQ automation

SP	*Strategic Plays*	QW	*Quick Wins*
NP	*Non-Priority*	HN	*Hold for Now*

Core business functions
- Sales & AS (2)
- Fleet management (1)
- Maintenance (1)
- **Transversal** (2)

Support functions
- Finance (4)
- HR (3)
- IT (1)
- Marketing (1)
- Strategy (1)
- Legal (2)

Number of respondents

Example of a complete risk impact analysis matrix when implementing an AI chatbot for HR

Most AI-related risks can be mitigated with proper human supervision

CAUSES		IMPACTS							PROBABILITY	REMEDIES
Families	Examples & ideas	Financial	Legal	Reputational	Operational	Organisational	Societal	Environmental	Occurrence probability	
HUMAN	Dehumanization of processes : reduced human interaction and loss of the personal aspect of recruitment	1	1	4	4	1	1	1	2	Integrate the possibility of making appointments with the HR department despite the presence of the chatbot, reassuring users
DATA	Data confidentiality : risks of data leakage, ethical and legal issues	3	4	3	1	1	1	1	3	Reinforce data security measures. Ensure compliance with regulations such as the GDPR. Make teams aware of the importance of confidentiality
MODEL	Risk of hallucination or generation of harmful content	1	4	3	3	1	1	1	2	Add a prevention step , automated and/or human control loop
	Risk of sub-optimal solution, which serves as a simple search engine on a work chart	2	1	1	1	1	1	3	3	Ensure that employee queries go beyond the most frequently asked questions, implement an upstream FAQ

Scale from 1 to 4, 1 being low risk and 4 the highest

Sources: KPMG Knowledge base

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