

What to consider when purchasing a motoring fleet

By [Jim Dando](#)

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Because it represents the largest chunk of sales, car companies generally focus on the retail market - but fleet purchases also play an important role.



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This is borne out in the latest auto industry figures which show rental and government fleet sales were up between 26 and 33% year-on-year in January, compared to consumer sales fell almost 4%.

Vehicle fleets are important to a range of other customers, including corporates, large and small businesses, entrepreneurs and taxi owners.

With fleet sales in the spotlight, I'd like to share some tips for potential fleet purchasers:

1. Get a feel for a dealership or car company's fleet department

Vehicle fleet ownership should be the start of a strong relationship between the car brand, the fleet purchaser and the fleet driver.

Most car companies and/or dealerships have dedicated fleet personnel who offer advice and support to potential and existing fleet clients. As a crucial link during the sales and aftersales experience, their job is to ensure satisfied fleet managers and drivers.

You'll want value-for-money offerings and excellent service, so go with someone you trust and feel comfortable with.

2. Identify the reason for the fleet purchase

Each fleet purchaser has a different need.

For example, a company's sales and marketing fleet – possibly incentive-driven – may range from entry-level to high-end passenger vehicles.

A building and construction business is likely to be looking at durable transport with maximum load capacity. While there's a wide variety of hardy single and double cab pickups, I'd be remiss not to highlight the three-quarter tonne Nissan NP200 - South Africa's most popular single cab bakkie – and the Nissan NP300 one-ton Hardbody double cab, both of which offer enviable value for money.

Taxi owners or companies that provide employee transport will be eyeing minibuses that ensure safety, comfort and reliability.

While green-conscious companies will veer towards low- or zero-emission vehicles. And here the Nissan LEAF fully electric vehicle is in a league of its own as the global leader.

3. Determine your procurement spend

Your budget will determine the size of your fleet.

With economies of scale at play, vehicle costs are likely to be more competitive the larger the fleet.

But as with the retail market, look out for special deals on finance, warranty and service plan options.

4. Take other costs into account

As well as weighing up your finance options, bear in mind other costs like insurance, vehicle registration and servicing.

While dealerships provide an efficient after sales service, depending on your fleet size, it might be practical to install an in-house service and repair facility, as well as a petrol/diesel pump station.

Or - in the case of hybrid and electric vehicles - a battery-charging facility or renewable energy source.

5. Weigh up the pros and cons of fleet branding

Vehicle branding is a great way to give your company exposure and hopefully grow your business. However, it can be a double-edged sword.

With your name in full public view, perceptions will depend on a number of factors. For example, a dirty car with tatty decals won't send a positive message about your brand. Neither will a bashed-up or a broken-down car. Not to mention a driver with bad driving habits.

So make sure your vehicle is a true brand ambassador, in tune with how you'd like customers to perceive and

remember you.

6. Familiarise fleet drivers with code of conduct

Driving a fleet vehicle is a privilege, not a right.

Make sure everyone is aware of vehicle fleet company policy. Parameters for individual and company responsibility. Guidelines on procedures in the event of a breakdown or accident. Regular vehicle maintenance and treatment of car.

These last two are especially important to ensure a good trade-in value when the time comes. It's fairly easy to identify a neglected vehicle that has been subjected to some "hard" driving.

7. Be cautious with pre-owned fleet vehicles

On the subject of trade-ins, you may be considering a pre-owned fleet option. As with any second-hand purchase, it can be risky.

There's likely to be high mileage and excessive wear and tear. Vehicles with one owner are generally in better condition than those with multiple owners. But don't leave it to chance.

As well as checking the vehicle's history and service record, it's advisable to book a technical inspection with a credible organisation like the Automobile Association.

8. Embrace the fleet-buying experience

Whether brand new or pre-owned, a fleet purchase is always exciting.

It might be a completely new experience; renewing and/or upgrading your current vehicle fleet or upscaling or rightsizing your fleet complement to suit the company's needs.

Ultimately, your vehicle fleet will play a key role in the trajectory of your company – and indirectly your chosen auto brand's too.

We look forward to driving beside you on your journey and reaping the mutual rewards of fleet ownership.

ABOUT THE AUTHOR

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