

Getting your fleet strategy right in Asia

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As part of our strategy to serve clients globally, South East Asia is now a core area for our geographic expansion. This is also embodied into our newly launched “Move 2025” strategy.

By opening shop in Malaysia, we have demonstrated confidence and potential we see in the local market. Backed by our track-record of developing new markets in the LATAM region, for example, we have accrued dedicated expertise in emerging markets. Our local experts, [Sujit Reddy](#), General Manager at ALD MUL Mobility Services Malaysia Sdn Bhd and [Jeremy Cleary](#), Regional CCO South East Asia, take a closer look in the interview below at the APAC market and provide more insight into the role ALD Automotive is going to play in South-East Asia.

Learning in LATAM

It is fair to assume that most corporate clients have their key regions well under control; for several decades, the client and the supply chain have been professionalizing fleet management across Europe and North America. Having explored most opportunities of consolidation in the “old” markets, the client has started shifting its attention to emerging markets, and leasing companies have followed.

ALD Automotive has done exactly that, first in Latin America and now in Asia. Sujit Reddy explains: "When we move to a new country, we do so in partnership with our clients first, but in order to deliver the service levels that they expect from us, we know that we need to put the right foundations in place. For example, maintenance and repair networks need to be reliable and use official spare parts. Our local Operations Director has done an excellent job building these networks and putting the right processes and controls in place."

Jeremy Cleary continues: "We've gone the extra mile in Malaysia. Our operations will be hosted on the same platform that we use in Europe, which delivers benefits that are essential to our customers: they can expect ALD Automotive to offer the same full-service operational lease product that they're used to, including our reporting tools, contracts with terms and mileage scenarios and the possibility to recalculate."

The Client's aspirations

Vendor consolidation is important for the client's procurement experts, but the need for a professional and global partner goes beyond increasing purchase power. Jeremy: "The client is looking for partnerships that check all the boxes: savings potential, of course, but also compliance, safety and sustainability. Giving them the control over their costs and the opportunity to integrate their Asian fleets into their global strategies has a lot of value."

The global customer is essential for ALD Automotive's expansion into Malaysia. Sujit: "Leasing is a volume business. The more vehicles we have in our portfolio, the better conditions we can offer. Our strategy is to unlock the potential of ALD Automotive's global contracts to reach these volumes first. In addition, onboarding our global clients in new markets generates additional benefits: we're setting standards that will benefit the entire ecosystem and attract local customers."

Malaysia and beyond

Sujit: "We're entering the Asian market with a strong partner, Mitsubishi UFJ Lease & Finance Company (MUL). MUL has been anchored in the region for many years and their expertise will benefit the ALD customer. The partnership with MUL also allows us to look beyond Malaysia; ALD is committed to expand into other countries with leasing potential in South-East Asia. Our clients are already asking us when we'll be opening in Thailand and Indonesia!"

Tips for the Global Fleet Manager

Asia is complex and, consequently, corporate clients are still hesitating to actively take control over local fleet management. Jeremy wants to reassure: "First, the market is ready for leasing. Residual values and interest rates, for example, are stable. Next, it makes sense to lease in Asia: it's a growth market and our clients want to focus on their core business. Finally, ALD is the right growth partner: we're there to remove complexity and help our customers to optimize their fleet management processes across the world."

On a more tactical level, Jeremy and Sujit have some tips for Fleet Managers looking into the APAC region: "The groundwork is about understanding tax systems and doing a lease versus buy exercise using TCO metrics. Then, have a look at vehicle selection: is it fit-for-purpose? Are you selecting the most

sustainable versions at the optimal term and mileage? And of course, select the right partner to kick off your leasing journey in Asia!”

Global Fleet Summit APAC 2021

Join us on **20 & 21 January** for this inaugural edition of the Global Fleet Summit APAC 2021 to take a closer look at fleet management challenges in Asia - webinars, debates and information packed presentations with our experts.

ALD Automotive events include:

- **January 20 – 10:00 AM (CET) / 5PM Singapore time - Webinar Deepdive**

Getting your funding strategy right in Asia: Misconceptions around buying vs. leasing explained

with [Jeremy Cleary](#), Regional Chief Commercial Officer South East Asia at ALD MUL Mobility Services

- **January 21 – 10:30 AM (CET) / 5:30PM Singapore time - Roundtable discussion with Founding APAC Summit members**

Ensuring fleet customer satisfaction and managing fleet and mobility expectations in APAC

With [Sujit Reddy](#), General Manager at ALD MUL Mobility Services Malaysia Sdn Bhd

And don't forget to join us at our booth!

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