

Fleet management trends with Dr David Molapo

 By [Cari Van Wyk](#)

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With economic relief unlikely anytime soon, South African fleet managers are set to continue in belt-tightening mode through the coming year which will bring relentless pressure to reduce costs and to squeeze every bit of value out of their vehicles before replacing them. - Dr David Molapo, Head of Fleet Management at Standard Bank



Dr David Molapo

We asked Dr Molapo to share his insights for the year ahead.

■ **What are your most significant trends for the sector?**

David Molapo: Businesses are continuing the trend of "sweating their assets", in other words extending vehicle replacing cycles by holding onto their vehicles for longer. Many companies experience a downturn in business and, as a result, we expect that fleet managers will have a greater focus on fleet expenses in order to reduce the impact of fleet and transport costs on their bottom line.

■ **What do you think will be the game-changing trend in 2016?**

Molapo: We expect new and/or alternative payment mechanisms that will integrate into existing fleet management platforms and reporting systems to start filtering into the market. Such mechanisms will complement and enhance current payment mechanisms to improve risk management and fraud prevention.

■ **What do you hope to see more of?**

Molapo: Greater awareness of Full Maintenance Leasing and Operating Rentals as alternative to straightforward instalment sale. This may be applicable to certain pockets within businesses, or for businesses in specific sectors, but the advantages of a fixed monthly rental, residual values, not having to own a depreciating asset, etc. are very real and worth being considered by a much larger number of businesses and even individuals.

■ **One piece of advice for all fleet managers going into the New Year?**

Molapo: Driver behaviour has a significant impact on many elements that fleet managers are supposed to manage to contain and where possible reduce costs. Driver training is critically important for the simple economic logic of it: well-trained drivers use less fuel, fewer tyres, make fewer accidents, and take better care of the vehicles. The training pays for itself many times over. Drivers also benefit in terms of their own safety and improved job security.

ABOUT CARI VAN WYK

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