



“Transfusing the spirit of the start-up world”

Hendrik Rosenboom, Chief Digital Officer and Managing Director of DKV Holding, speaks about the digital strategy of the transport services provider and the role cooperation with start-ups plays in it.

***I* t is not all that long ago that your customers had to fill out the form for their toll box by hand. Last year, you received the Digital Leader Award. What happened there?**

DKV has long seen itself as being one of the transport industry’s leaders in technical change. Back in those early days, we were one of the first companies to launch a fuel card. To have forged ahead with digitisation so far that customers can now do so much more online was a marathon. It has taken us around three years.

What form did this marathon take?

I joined DKV about three and a half years ago to drive forward digitisation and the development of new business models. The first step in this marathon was to see whether we even had the necessary IT capabilities. We certainly had highly reliable IT solutions for fuel cards and toll invoicing but digitisation does not stop there. The question was therefore: How could we enhance and expand our IT such that it could also grow and be used for new, different tasks? On the other hand, the needs of our customers must have clear priority on our way to digitisation. They have become accustomed to ordering goods whenever they like online and ask: Do I really have to order my toll box on a paper form? They have finally been able to do this online for about a year.

The transport industry is not exactly notorious for being digitally minded. How do you know what solutions the customers really need?

We conducted interviews with hauliers across the whole of Europe and were able to see quite precisely what they did not like about our procedures at the time. One conclusion from the survey was that speed is the most important factor. As a result, customers can now order the toll box from us in advance, immediately relieving them of needless delay and effort every time they get a new vehicle. The second factor is that transport companies typically use a great many different toll boxes to cover all their various routes. It



is not difficult for them to lose track of the status of their registration documents. To have these stored digitally in one place makes this task much easier. We introduced DKV Cockpit to allow this – not only for toll boxes but also for all the customer’s fuel cards.

What is the actual role of the recently set up Digital Solutions unit?

The unit is extensively concerned with portals and apps and connecting directly to vehicles. We seek to develop innovations in this field that will revolutionise the transport industry. We have also built a team that focuses clearly on customer experience, i.e. its members are ceaselessly working to ensure our digital products are intuitive to use. The more digital services a company offers, the greater the danger of its website confusing the user. In that event, nothing has been gained and the customer concludes: I would be better off just phoning customer service. The question is: When you alter a house, how do you phase it so that the people residing there, in our case the users, can continue without restrictions? Therefore, we are going forward carefully and gradually with the digital transformation and the extension of our digital competence.

What are the next steps?

We listen to the problems of hauliers and consider where we can, if possible, contribute something to solving them. In addition to the ever-present problem of lack of drivers, costs are a constant issue, for example the need to make savings on fuel – above and beyond the good terms we offer for fuel purchasing. In the near future, we will make it possible for drivers to use a new app package on TomTom Bridge to navigate to the fuel stations offering the best individual discounts along their routes.

Drivers, however, will also have their favourite fuel stations, whatever the suggestion of the boss may be...

Drivers can be rewarded for driving to the fuel station most advantageous for the company by, for example, their actions being linked to a bonus system. In addition, we have integrated elements of gamification into another app to encourage drivers to drive more economically. The app has been well received in tests by drivers. The beauty of the app is that we can reach a great many drivers, thanks to the widespread popularity of TomTom. As well as this, we are currently in discussions with two truck manufacturers about integrating these modules into their telematics systems.



Is this service free of charge to DKV customers?

Some of it is, some of it isn't. There will be a free basic app available in TomTom Store designed primarily for drivers, as well as a premium version offering more extensive analyses and a bonus shop for hauliers.

You have recently been seeking to collaborate with the start-up world and cooperate with Startplatz, the largest start-up incubator in North Rhine Westphalia. Do the rock-solid, firmly established fuel card business and start-up atmosphere really go together?

Our company is 85 years old and has 1000 employees. We have been and continue to be very successful in our traditional field of business. I would certainly not intend to turn DKV into a start-up. The idea behind this is to transfuse the spirit of the start-up world into our team. Therefore, we cleared our company restaurant for and hosted the start-up competition Rheinland-Pitch. We added a touch of optimism to the mix and now we are partnering with our own start-ups.

What must a start-up have for you to invest in it?

Ideas are mainly what we get from start-ups – we don't necessarily plan to purchase one; we see them rather more as partners. The new Trucker apps, for example, were developed by start-ups. There are many small companies that have developed great ideas and products but simply don't have the access to the market needed to realise them. DKV, on the other hand, is present all over Europe, has a stable and close customer base and therefore a greater understanding of their requirements. Something DKV has always done: brought different parties together. Such as fuel stations or toll organisations and hauliers.

How do the start-ups gain financially from this?

There are various models, for example, we may finance the development of specific software or we may pay them a fee based on the number of user interactions. In the past, I have founded start-ups myself and know for sure that start-ups find it more important to gain a real, large customer than garner risk capital from investors. Therefore, we do not have to purchase a start-up. That makes us much more flexible and able to react. From their side, start-ups profit by gaining experience in the haulage and logistics industries and from our expertise.

They offer their employees involved in these cooperative efforts with Startplatz the use of a co-working space. What else are you hoping to get from it?



By entering into these arrangements, we not only get to work closely with start-ups. We are a very solid, traditional company – the main motivation for us is to offer our employees experience of agile working and bring them closer to the design-thinking approach. If we work in a continuous trial and error process together with the customer on a product, that is considerably more expedient than the traditional practices in a historically engineering-based country, such as Germany, where in some cases, even after a long time working on a product, the final result does not please the customer. Completed projects such as the development of our digital toll box ordering process, which takes consistent account of the customer's requirements, are testament to the success of this approach. Also developed in the same way was our new key box system, DKV Key Sharing, where we had a great deal of interaction with fleet managers.

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Have these agile working methods also taken root in your own working environment?

Yes, we have rearranged our offices to allow collaborative working as well as activities requiring concentration. Teams can withdraw into small, sound-insulated areas of the office for discussions. However, having modern offices alone is not guaranteed to make an organisation agile. The approach must become part of the organisation's mindset and, in this respect, we still have some way to go.

You are already working with the start-up zahlz on mobile payment solutions. How are things going with digital fuel cards?

We are pinning great hopes on this concept and are currently developing customer solutions for contactless payment for face-to-face transactions by card or app as well as for remote payment – i.e. payment from the vehicle. We have several active projects under way and are continually taking them forward. One example – we have developed a Bluetooth digital fuel card with Q1 Energie AG. We are also working with Q1 Energie AG on another pilot project in the remote payment field. The big challenge here is to come up with a solution that crosses boundaries to cover everything. IT infrastructures have to engage with each individual fuel station chain at various levels, while on the other hand we are faced with a very mixed bag of interests in the industry when it comes to mobile payment.

Last year, you introduced DKV Key Sharing, in which an app is used to open the car door and a tactile key is stored in a box in the car. Is this solution destined to be used for trucks?

Simply transplanting this product, which was originally designed for car fleets, in its present form to truck fleets is not quite the sure-fire success we initially expected. The preferences of the truck drivers play a great role here, because some of them do not like app-controlled access being given to other employees to enter their very personal workplace – even if this saves them time and effort, for example when refuelling. We are therefore modifying the access-granting mechanisms to allow for this proviso.



Can we expect real keyless solutions from your company in the short to medium term?

For now, we are taking a completely pragmatic approach. Haulage industry customers would like simple, quick to implement and above all affordable solutions. DKV Key Sharing can be retrofitted, i.e. it can be fitted to any tractor unit and is manufacturer-neutral. Will there be another DKV key box within ten years? I don't think so, because for this to happen real keyless solutions will have to be implemented on the vehicle manufacturer's side anyway.

You have started cooperating with the card service provider HERE. What's the reasoning behind this?

This is entering the strategic field. We already exchange data between our companies – some of the fuel station data in HERE-cards already comes from us. What's planned here is that we, as a service-en-route provider, assist customers with new, card-based, real-time services for administering and managing transport movements, in effect a logical extension of the fuel and toll services we already offer today. In the first stage, the cooperation with HERE involves the provision of fuel station data through DKV Euro Service on the HERE OLP Marketplace, a new marketplace for the exchange and enhancement of location-based data.

Where do you plan to obtain the data for these applications?

We plan to offer our customers extended track-and-trace services based on the position data made available by the new EETS Box. Above all we would like to enable not only fleet owners to see this data but also their customers as well if the fleet owners wish.

Is that not a little problematic in terms of GDPR?

Position data are of course only passed on with the agreement of all parties involved. Data protection requirements should not be underestimated. We ensure the quality of the data. We market it under our brand, which has gained a high reputation for professionalism in the field of invoicing. It's important for us to transform the solid performance of our company into the digital age – consequently we have also had our IT certified for ISO 27000.



It is intended that in future all toll fees in Europe will be able to be settled using the European Electronic Toll Service, referred to as EETS, using one single type of box. How is the market introduction of the DKV BOX EUROPE going?

The change to EETS represents a revolution for the toll industry, comparable with the switch to international roaming in the telecommunications industry. The DKV BOX EUROPE has been designed so that it is capable of being used on a Europe-wide, heterogeneous toll infrastructure. In addition, the boxes have to be certified by each participating country. For this reason, the various tolls will be switched on successively over the air.

We are bang on schedule with the DKV BOX *EUROPE*. Customers can already order it and it should be delivered starting in May. This year will see the tolls for Belgium, Germany, Austria, France, Spain and Portugal made available on the box. Within a few years, when all tolls have been certified, then toll invoicing will be able to be done using a single OBU – which will mean much less work for hauliers with large fleets that have to be deployed flexibly across international borders.

What proportion of turnover at DKV will the digital business model have in five years' time?

Perhaps not quite in five, but in ten years a significant part of our sales in the toll segment will be generated over digital channels. In the fuel sector, things will not appear much different. In the electro-mobility segment, the value-added chain is for the most part already digital: the infrastructure for the E-charging network, which we are extending in cooperation with Innology, is 100% app-controlled. We also see new, fully digital services for the transport industry accounting for a two-figure proportion of our sales volume.

Do you see yourself as a digital pioneer in the market?

In the field of mobility services provision, there are certainly one or more companies in the USA that have progressed further in the digitisation field than us or our market competitors. In any event, however, we can claim that we seek to become the leaders in this technology in Europe and I see every chance that we will be successful.