FLEET INSURANCE

Use cases

# HOW TO AVOID OVERSPENDING ON THE INSURANCE OF YOUR FLEET

## **THE PROBLEM**: WHY FLEETS OVERSPEND ON INSURANCE

The examples of 2 recent use cases are used to provide insight into why companies overspend on fleet insurance and how we have been able to assist to achieve sustainable savings.

**Context**. Both clients operated sizable corporate fleets, **Client 1 (≈2,900 vehicles)** and **Client 2 (≈2,200 vehicles)**, insured for years through incumbent arrangements. Despite professional internal teams, insurance had gradually become a cost line rather than a strategic lever.

### Common pain points we encountered

- **Incumbent lock-in.** Longstanding single-broker/single-insurer setups with limited market testing.
- **Fragmented international approach.** Desire to **set up or roll out** an international programme, but each country worked differently, creating inconsistency and missed scale advantages.
- **Unclear business case.** Leaders sensed potential savings but lacked credible benchmarks and a structured forecast to justify action.
- **Stakeholder hesitation.** Concern about the **reaction of the current broker** and perceived operational risk during any transition.
- **Bandwidth & expertise gaps.** Internal staff reductions and competing priorities limited the ability to run a rigorous market exercise.
- **Under-optimised terms.** Deductible structures, exclusions and service levels had not been revisited in light of loss history and market appetite.

### Client starting points

- **Client 1:** Local agreement placed through a broker; no recent, full-scope market test.
- **Client 2:** Similar legacy structure; uncertainty about savings and change risks made decision-makers reluctant to move.

**So the core problem** was not simply pricing. It was **governance and process**: no current benchmark, no structured business case, and no managed path to market that aligned stakeholders. Without that, real savings, improved terms and international coherence remained out of reach.

# **OUR APPROACH**: FROM HYPOTHESIS TO EXECUTED TENDER

Before developing a claims reduction program, it is essential for all stakeholders to have a clear understanding of its objectives, structure, and potential outcomes.

### Intake & scoping

We start with a focused discovery: fleet profile, country footprint, special exposures (e.g., airport vehicles), current policies, claims performance, and all relevant stakeholders (procurement, fleet, insurance/risk, finance, legal, operations).

### Data collection & normalisation

We map the exact data needed and agree on roles: what the client pulls vs. what we gather. We then cleanse and structure the dataset against our EU benchmark database to enable like-for-like comparisons..

### Analysis & business case

We quantify a realistic savings range and highlight terms worth improving (coverage, deductibles, SLAs). A concise **Business Case for Savings** gives leadership the confidence to proceed, supported by benchmarks and examples from similar projects..

### Full-scope tender to market

If the case is compelling, we run a managed tender: inviting **alternative insurers**, coordinating with the **incumbent broker** and market participants, and setting clear evaluation criteria. We lead negotiations on pricing **and** conditions — not price alone.

### Stakeholder enablement

For client 1, we **trained & coached internal stakeholders** on **deductible structures** using memos, workshops and simulations. Across both clients, we addressed internal concerns about broker relationships and transition risks with clear governance and communication.

### Transition support

We oversee the switch where relevant: documentation, country onboarding, timelines, and issue resolution, ensuring operational continuity and policy accuracy across borders.

### Outcome of the approach

A transparent, benchmark-anchored process that protects relationships, widens market choice, and turns insurance from a passive cost into an actively managed value driver.

## **THE WIN**: FINANCIAL, CONTRACTUAL & ORGANISATION IMPACT

### Headline results

- **Client 1: 23% annual reduction**, ~€300,000 per year in insurance spend, by sourcing alternative proposals, managing the incumbent broker relationship, and negotiating improved terms alongside price.
- **Client 2: 30% annual reduction** in insurance cost via a full-scope tender, stakeholder training on deductibles, and structured transition support.

### Contractual & risk improvements

- Terms aligned with actual loss profile; **deductibles** right-sized for total cost of risk.
- Clearer SLAs and service governance; better fit for special exposures (e.g., airport operations).
- Increased insurer competition now and in future renewal cycles.

### Organisational gains

- **Clarity & control**. A repeatable methodology, clean data and a market benchmark to guide decisions every 3–5 years (in line with lease/insurance tender cycles).
- **Stakeholder confidence**. Internal teams understand the "why" and the "how," reducing resistance and ensuring smoother execution across countries.
- **International coherence**. Practical steps to **set up or roll out** a coordinated programme while accommodating local realities.

### What this means for similar fleets

Most enterprises with mature but untested placements can expect **20–30%** savings potential **plus** materially improved terms when governance and market access are done right. The intangible win: **leverage and confidence** — moving from "we just renew" to "**we know our options, we set the terms, and we win the economics.**"

## Want to see what we can do for your fleet?

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