



DAILY NEWSLETTER, ISSUE #3  
FRIDAY 19.09.2014

# AUTO+ MOBILITY WEEK

## MAGNIFICENT MELBOURNE

The MCG plays host to  
Mobility Conference  
2014's gala dinner



TO FIND OUT MORE VISIT [WWW.FIA.COM](http://WWW.FIA.COM)



## WORKSHOPS

# Progress through partnership

Two of yesterday's workshops focused on member services, with both concluding that forging new alliances is the way forward

In the workshop entitled 'Membership in a Connected World', keynote speaker, Lauren Anderson of Collaborative Lab, explained that the collaborative economy, in which private individuals share services, was developing rapidly and that collaborative models were emerging in all spheres.

She suggested that such models

offer enormous opportunities for clubs in developing partnerships with their members and not just through the provision of goods and services.

She cited the extraordinary growth of accommodation provider Airbnb, saying that its CEO discovered in developing the business model that while under previous consumption models purchases have been a one-way transaction, members of the service are enjoying a two-way relationship with the provider.

She posed the question of how clubs are capitalising on the trust members already have in the organisation and that just as collaborative economies build communities, clubs need to view their member base as a community.

"A sense of community is such a strong foundation on which to maintain and enhance the relationship and it is central to your business to keep members involved," she said. "Globally there is a growing movement, brought about by the connected world, for passive consumers to become active participants and to thereby actually spread your brand name for you."

Later, in the session entitled 'Marketing the Member Value Proposition', Peter Moxon from the New Zealand Automobile Association (NZAA) said that the club's philosophy is to offer low cost and high-value member services.

"Commercial partnerships are the most logical way to add value and Smartfuel, which was introduced only a few years back, is now ranked as the second most important member service after roadside assistance," he said.

He added that the fuel savings to a motorist in an average year with Smartfuel more than paid the annual membership fee.

He continued by saying that other business partnerships, such as those with a spectacle provider and car driving schools enhanced the value proposition, with member benefits in dollar terms working out to be more than twice the membership fee.

To capitalise on the value offered, the NZAA issued its annual membership invoice in a format that outlined costs of renewal against benefits received in dollar terms over the past 12 months.



## WORKSHOPS

# The data debate

Yesterday's remaining workshops dealt with the issue of data and how clubs can maintain control of it

While connectivity provides opportunities for improving the safety and sustainability of cars, it also has the potential to transform a club's relationship with its members. Two of Thursday's workshop tackled the issue of access to and use of data.

In the first session 'The Power is in the Data', David Marchand of consultancy

firm Frost & Sullivan, Singapore said that "securing car owners in their data collection and usage is key to developing new business opportunities for clubs".

"Car data collection will generate important opportunities to third parties of the automotive industry," he added. "Aggregating services related to repair, service and insurance for end users will be the first way to leverage data collection for automotive players."

Abhijeet Agarwal of data strategists Quantum, added that "data can help clubs think not only of traditional customers but to target others who might turn out to be the best customers".

Finally, Joel Gibson of Australian consumer network One Big Switch, said that companies such as his can offer valuable partnership opportunities to clubs. "We have similar membership organisations. What One Big Switch can offer is new ways of empowering members and involving clubs in creating special offers."

In the second workshop, entitled 'Data Ownership', Jacob Bangsgaard of FIA Region I, told delegates about the Draft EU General Data Protection Regulation, which plans to unify data protection laws across the region and which allows end users to transmit personal data harvested by one controller to third parties of their choosing.

He said the FIA is working to secure freedom of choice for consumers in this regard, with high levels of protection and on secure platforms.

He added that eCall systems have been mandated for all new cars sold in the EU from 2015 and that this technology could lead to a boom in telematics applications and services.

Finally, Johann Grill of Germany's Allgemeiner Deutscher Automobil-Club (ADAC) urged clubs to advocate for data protection (the right to safety) and consumers' right to be informed, the right to choose and the right to be heard on the issue of data protection.





KEYNOTE SPEECH

# Triple A explores new routes

The AAA faces similar challenges to other clubs but it has plans to tackle them, says CEO Bob Darbelnet

Bob Darbelnet, CEO of the American Automobile Association, yesterday gave delegates an insight into how the club is dealing with shifting mobility trends in the US market, saying that while challenges exist steps are being taken to meet them.

Outlining the forces at play he first pointed to a drop in membership growth since the 2008 economic downturn, a fall-off he attributed to a decline in the number of miles being driven by the average road user and a delay in drivers obtaining a first licence. In turn, he said the decrease, from one million new members annually prior to 2008 to a current yearly total of approximately 800,000, was potentially being caused by a 'soft' US economy, high youth unemployment and underemployment, urban renewal, which for some obviated the need for a car, generational changes and the growth of new technologies.

The solution put in place by the AAA, as with many other clubs, is to broaden the service offering to members, no longer solely relying on roadside assistance, which at the AAA has decreased to 0.57 calls per member, per year.

In strengthening the club's offering Darbelnet said it's approach was akin to a "three-legged stool", with the focus on "providing the best possible road service, a range of other reasons to join the club and, finally, delivering the right service to members, at the right time and through the right channels".

He added that the strengthening of the club's offer was being achieved through



the provision of discount programmes to members, greater involvement in insurance, which he added is a good way of retaining members as over time few choose to change insurance provider, and through a new ID protection scheme, operated in association with information services group Experian.

Darbelnet also spoke about new competitors in the US marketplace, particular web-based services such as accommodation sharing site Airbnb, the 'ride-sharing' UberX service and the traffic information app Waze.

These, he said, represent a possibly significant shift in how customers access services but he added that, currently, these are not spaces that the AAA is looking to become involved with due to the harm that could possibly be done to the Triple A brand

through negative feedback of under-vetted representatives.

Speaking about the connected car, Darbelnet said that while concerns over the choice of technology and access to data are likely to be overcome, the main issue continues to lie in defining a viable business model, as all the club's research points to members not being willing to pay extra for connected car services.

He said that revenue streams in this regard could come from user-based insurance, in which premiums would be discounted according to driving behaviour, repair referrals to associated businesses, proximity-based discounts, hotel bookings and anticipatory road assistance, by which car problems would be identified and dealt with in advance of breakdown. However, he concluded that clubs may have to come to the realisation that connected services are a cost clubs may have to deal with.

FIA SHARE FAIR

# Sharing the road ahead

Delegates yesterday had the chance to explore a range of FIA programmes

Designed to give delegates the chance to personally connect with a range of mobility programmes, yesterday's Share Fair showcased seven projects.

Delegates were given an update on the United Nations' MY World 2015 survey in which people around the world are being invited to suggest issues for inclusion in the UN's post-2015 development goals.

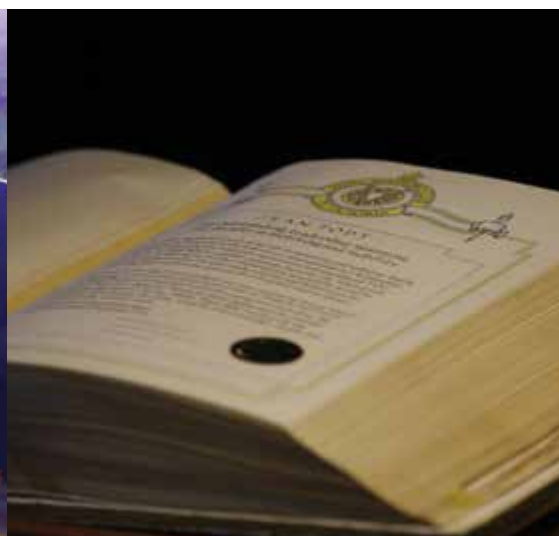
FIA staff were on hand to guide delegates through the federation's grants programmes, explaining how past allocations have been made and how applications can be submitted for future funding. Conference attendees were also shown how to access and

make use of the new FIA Connect online portal, through which clubs can share information and exchange examples of best practice.

There were also booths detailing developments in the use of the Carnet de Passages en Douane and International Driving Permit travel documents, the FIA University and the new FIA Driver Training Certification, which has been designed to raise driving standards internationally.

Finally, delegates were also able to learn about iRAP, the international road assessment programme that aims to improve the quality of road infrastructure around the world.





## GALA DINNER

### Dining with a Melbourne icon

If you want to get to the heart and soul of Melbourne then look no further than the Melbourne Cricket Ground. Home to Australian Rules Football and cricket, the MCG is quite possibly the best-loved building in this sports mad city. So, in order to give delegates a gala night to remember, full of true blue Aussie hospitality, then the MCG was the one and only venue on the list. And the iconic venue didn't disappoint. Delegates were treated to a lavish reception in opulent surroundings before heading for a sumptuous dinner hosted by Paul Sheahan, President of the Melbourne Cricket Club. During the event, FIA President Jean Todt was invited to sign a special golden book created by the RACV to honour those who have made a significant contribution to road safety. The book was also signed by President Todt's partner Michelle Yeoh during her recent visit to the city.

