



## **2006 CVO/TNS BAROMETER A newcomer, Poland, stands out**

This 4th study was conducted simultaneously in six countries (Germany, France, Italy, Poland (newcomer), Portugal, and Switzerland) during the first quarter of 2006, via questions posed to 2 712 decision makers, including more than 1220 company leaders. Beyond the decision-making spirit, the study revealed the local practices that are inherent in the corporate vehicle market as well as the major trends related to the company, its vehicles and drivers.

### **An improving European morale despite differences**

The leaders of small and medium-sized companies in Germany have recovered a good morale, carrying Switzerland on its trail. They believe in the corporate reforms of their new government as well as in the performance of their exports, most likely to take them on a true path for growth.

Despite a record-breaking unemployment rate (17.6%), Polish decision-makers are confident that brighter days are ahead.

The day following their Presidential election, the Italians find themselves to be in an intermediary situation.

On the contrary, France and Portugal stand out by their pessimism. The heads of large French companies (with over 1000 employees) appear to be shaken up, with some doubt arising as to any possible improvement in their national economy. However, they see good perspectives for their own companies. This is unfortunately not the case for the leaders of small firms, with only 20% apparently worried about their company.

Generally speaking,

- Decision makers are more concerned about the economy than about their own company. This gap between concern with respect to the environment and one's personal situation is illustrated in today's surveys taken with the general public. This reveals their concerns while faced with a changing world and their inability to understand the solutions proposed by their governments.
- Closer to the political scene, which appears to be less fragile, most large European companies show green indicators.

### **A larger share of French and Swiss companies declare not financing vehicles**

Over 80% of companies of more than 100 employees finance at least one corporate vehicle, except for France and Switzerland, where this proportion reaches only 60%. While this practice is commonly used in large French groups (82% of the heads of companies of over 1000 employees claim to finance a vehicle), this is clearly less common in large SMEs of a staff of 100 to 1000 employees (2/3 claim to resort to this practice).

On the contrary, with 98% of companies of over 100 employees and 72% of companies of less than 100 employees financing at least one vehicle, Poland is the country in which the largest proportion of companies has crossed the line. Nevertheless, it is important to put this success in perspective by fleet size, clearly lower than in the other countries, on average about 100. Poland is followed closely by 89% of large companies that finance at least one vehicle in Portugal, a country said to show a definite passion for cars.

Generally used in large companies, vehicle financing is clearly more discreet in very small enterprises as well as in SME/SMIs. Small French and Swiss companies are the ones to finance the lowest number of vehicles.



## **Yet, French large companies fall amongst the most inclined to increase the fleet compared to their European counterparts**

French large companies are preceded by Poland (with fleets still quite restricted) and followed by Germany which counts fleets of a relatively average size. The other countries seem to be in an intermediary position. It is important to highlight Portugal's score for SMEs and Switzerland's score for very small enterprises.

## **Strong Potential for the Development of Leasing with purchase option and Operational Leasing**

With the exception of large companies, modes of financing are not consistent at the European level.

All the countries (except for Germany) do agree, however, that Leasing with purchase option has become quite dynamic. The larger the size of the company, the more often leasing develops. Company of 10 to 99 employees have been calling on Leasing with purchase option, while companies of over 100 employees have been giving priority to Operational Leasing.

Germany and Italy appear to stand on the same ground, both countries adopting practically the same modes of financing for SME/SMI.

France prefers Operational Leasing, with respectively 70% and 77% of large SMEs (10-1000 employees) and large companies (> 1000 employees) indicating this practice, one that they intend to develop.

Poland and Switzerland stand out for their cash purchases, as Switzerland has never developed a credit culture and Poland has only been recently exposed to credit.

Finally, reimbursement based on mileage remains a common practice in Italy, Switzerland and Poland while an exception in France and Portugal (20% of French companies claim to resort to such a practice as opposed to one-third of companies in the other countries surveyed). Portugal's announcement to call on this practice more often within the next two years came as a surprise.

## **Driver Safety, what is the role of companies in prevention?**

Safety is the second criterion highlighted when choosing a corporate vehicle, behind prices.

Along the same lines, safety equipment is first and foremost for companies when they select a vehicle. The three main priorities (except power-assisted steering) are air conditioning, side airbags and a system for controlling the stability of the vehicle.

In addition, two-thirds of companies of over 10 employees claim to have set up preventive actions to ensure road safety. In France, half of the companies with a staff exceeding 10 employees have led a campaign devoted to driver training.

### **Press Contact**

First Name Last Name – E-mail address – Telephone No.