

**Repair Distribution Engine** 

# How leasing companies can use data to improve repair distribution and reduce costs



Leasing companies operate in a very volatile and competitive space. A cost-driven segment in which the importance of customer satisfaction is growing. In addition, vehicles are becoming increasingly complex, leading to rapidly rising repair costs. This case explains how you, as a leasing company, can counter these challenges by using the Openclaims Repair Distribution Engine

# The need to control repair distribution is growing

Car repair is one of the biggest cost items for leasing companies and in the past years the total costs of repair have rapidly increased.

- ADAS and the use of modern materials make cars more complex. As a result, repair becomes less straightforward, costs are rising and the quality of repair is at stake
- The number of hybrid and fully electric vehicles is growing faster than expected. The costs for repairing these cars are
  10 to 50% higher than those of conventionally powered vehicles.

As leasing companies renew their fleet every five years, they have a relatively large number of modern cars and EVs in their fleet. Therefore, leasing companies are more quickly confronted with rising repair costs than for example insurance companies.



### Growing challenges in car leasing:

- Fleets renew rapidly;
- Quality of damage repair is at risk;
- Rising repair costs pressure the existing business model;
- Increasing complexity of available data;
- Dated and poorly integrated solution landscape.

To control the increasing repair costs, models on how repair is purchased from and distributed to a contracted network of body shops are changing. Combining the plethora of available data sources and doing so efficiently and in a driver-friendly way is essential in this new reality..

# A data-driven approach to distribute car repairs to a contracted body shop network

To respond to the fast-changing repair ecosystem leasing companies can use the Openclaims Repair Distribution Engine. This cloud-based engine combines all available data sources, provides real time and in-depth insights into key repair metrics, and automates distribution based on data rules and a continuously optimizing AI engine.

With the Repair Distribution Engine, leasing companies can distribute repairs to their contracted body shops based on criteria that they consider most important. Think of: distance, costs, lead time, quality of delivered work, customer satisfaction (NPS), or even brand expertise and sustainability scores. For every individual vehicle damage, the Repair Distribution Engine automatically searches for the body shops that best meet the criteria set by the leasing company.

# A step-by-step approach for fast results

The Repair Distribution Engine is implemented in four phases to get the best results, quickly.

# Connecting to existing solutions

The Openclaims Repair Distribution Engine is connected to any existing software that is used for managing the repair process and body shop network. Analyzing existing data

All the available and relevant historical repair data is run through the Engine to be analyzed. Based on the criteria that are most important for our client, a repair analysis is generated, presenting direct starting points for the first use cases to be implemented.

### Configuring the Repair Distribution Engine

The Repair Distribution Engine is configured based on the results from the data analysis. Business rules around distribution are configured and the engine takes over from the existing ways of distributing repair, combining dispersed data in one place. 4

### **Start getting results**

The first results come in directly after implementing the business rules. Once the MVP is in the air, the focus is on continuously measuring and optimizing. Next to that, the AI engine is implemented. This allows for distribution to get smarter based on every repair that runs through the engine.

### The main advantages for leasing companies at a glance

The results? Automated, smart distribution of repairs based on the criteria that are most important for your organization. Next to that, dashboarding gives insight into real-time data from the entire process. This enables you to make direct, data-driven decisions.

5% reduction of repair cost

reduction of process costs

Implementation is done swiftly and takes minimal resources from the clients' IT department. The software can be easily linked to the leasing company's existing systems or can be combined with the additional functionality of the Openclaims platform, creating an end-to-end claims or damage process. The Repair Distribution Engine is one of the four suites of the Openclaims platform. A solution to orchestrate everything around claims and repair. Openclaims clients outperform the market:







insight into and control of the damage flow



**Customer Interaction Suite** 



Openclaims offers a Software-as-a-Service ("SaaS") solution to clients in the lease, insurance, and automotive market. The Openclaims platform provides an end-toend solution enabling customers to design touchless backend processes, organize digital customer journeys and set up data-driven distribution of vehicle repair. This results in top-quality repair, control of repair costs, lower process costs, and maximum customer satisfaction.

Want to know more about Openclaims and how the Repair Distribution Engine can take your claims and repair process to a next level? Visit our website or contact us directly!

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