



Yes Global

## CARS OF THE FUTURE, AS THE AUTOMOTIVE SECTOR CHANGE

INTERVIEW WITH ANDREW KEENE, MANAGING  
DIRECTOR CORDENCE WORLDWIDE

"The car of the year 2000 will be beautiful and shiny, it will be fast and silent, it will be a delicate engine, it will have a calibrated exhaust and a smell that does not pollute" sang Lucio Dalla in 1976 anticipating the epochal transformation currently taking place in the automotive sector since ever at the forefront of innovation and design. A few weeks after the Automotive & Industrial Good Summit organized by Cordence Worldwide, partnership of excellent management consultancy companies that Bonfiglioli Consulting has also joined since 2008, we talked about it with Andrew Keene, Managing Director.

**What are the main trends in the automotive industry and how do they affect the sector?**



First of all, energy transformation: for many reasons, such as climate change, the industry is moving away from internal combustion engines to switch to alternative forms of mobility. The second major trend is digitalization. Today, for example, I wanted to go to the beach, leaving the house I checked the app and found an electric bike nearby, so I went there by bike. In the afternoon, I went to the city and always from the app on the phone, I checked the timetables of buses and trains. Transformation is already underway: these two factors, energy transformation and digitalization, are truly changing the way we travel and the means of transport. Fewer and fewer people own a vehicle, public transport is becoming

more common, and as cities become more and more car free, opportunities for electric and hydrogen powered vehicles increase. Fewer machines will be built because people will buy fewer cars but the vehicles produced will be more and more smart in order to enable new revenue opportunities from after-sales services. The use of data, for example, enables predictive maintenance and allows us to offer the customer a series of packages for monitoring the car before the various components are worn or broken and perhaps enables a discount on insurance as it is guaranteed a car constantly under control and less prone to breakdowns and failures.

### **Thanks to your international experience, have you noticed differences of approach in the different countries?**

In Italy, I think the way in which some companies, such as Lamborghini, are preserving the artisan quality of their brand with a digital approach to production, is very innovative. The United States is pushing hard on the digitization of both services and sales. And in China they are working on the first virtual showrooms where to promote online shopping as well as the possibility of accessing a test drive that would allow the potential buyer not to have to go to the dealer. In Korea, the government is overseeing the whole process very closely by regulating the development of everything that is smart, smart cities, smart factories, smart phones, to help the Korean industry be more successful.

Another interesting approach comes from Japan where in the future it will be essential for organizations to work together and collaboratively on the prototype of the products. This is the test bed business approach, the so-called "banco prova (in Italian)", in which several companies with different objectives participate. In the example of the electric vehicle (fig. 1), the manufacturers of electric cars aim to optimize their energy efficiency programs, the manufacturers of batteries for electric cars collect data on rechargeable batteries and the utility uses the electric car as a counter intelligent. Just as the organization that provides the test bed platform - which does not necessarily have to be a company, it can also be an industrial district or an institution, like a municipality - obtains empirical data on energy consumption and environmental impacts.

It is clear that the more companies participating in the test bed, the richer and more valuable the big data collected by each participating company will be. This way of proceeding, in comparison with the standard product development process, allows each company to collect data, analyze it appropriately and develop effective applications and at the same time, all participants to benefit from the data and information collected jointly.

The ingenuity of production in the IoT era must not aim at improving the standard quality but at the uniqueness of the value created.

