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**THE ROAD TO ZERO**

***Isuzu Comment: Isuzu Australia Limited Chief of Strategy, Grant Cooper***

When we consider what a zero-emission transport future might look like, it is global industry gatherings such as the reimagined Japan Mobility Show that really hone our focus on what tomorrow holds.

From a product perspective, the Mobility Show stands as a rare chance to not only interact with new technologies from the automotive world but across a vast spectrum of related industries.

In a jump from its previous incarnation as the Tokyo Motor Show, a staggering 400 organisations and start-ups have a stake in the 2023 event, cementing it amongst the world’s foremost transport technology showcases.

In Australia, it’s within this global context that we hunt through the prevailing technologies to see what range of products best suits our unique corner of the world.

But it’s not just the operating environment in Australia that has its demands.

In arriving at the best combination of zero emission product and support for the Australian consumer, first and foremost there’s a need to understand their perceptions and preferences very clearly.

**The good fight**

In terms of the ‘road to zero’ as it is being called, there is a level of assumed knowledge and consensus here.

We simply must take the deliberate steps required for a cleaner, more efficient, zero tailpipe emission road transport future. That much we can all agree on.

In the vast expanse that is Australia, the impact of road transport as one of the major causes of air pollution in and around urban areas is being tackled and is no longer glibly dismissed as ‘a battle for another day’.

Indeed, we’re in the midst of this fight right now, and whilst the war is far from won, there’s a growing sense that with a considered and sensible approach there’s a clear path to victory.

As a concept, a zero-emission future is as timely as it necessary, but we must explore and understand the appetite of Australian operators for turning it into a reality.

**Customer is king**

We now find ourselves at a crucial juncture in the state of play on the road to zero in Australia—that being customer preference.

A key part of Isuzu Australia’s product development approach in recent years has been the commissioning of longitudinal research, which takes the form of the Isuzu Future of Trucking (FoT) report.

This report presents follow-up data from a survey of over 1,000 Australian stakeholders within the trucking and road transport sector who provided their perspectives initially in 2019, and then again in 2023.

The survey aims to examine emerging patterns in the trucking market post-pandemic and to identify key insights that will be likely influence the industry in the coming years. The findings also uncover sentiment around the appetite for a zero-emission future as well the perceptions of EV product in the Australian market.

Whilst a moment in time of course, the data provides a rare insight into the thought process of end users, which in-turn works to inform transport solutions that we see at events like the Japan Mobility Show.

**The hunger is there**

The good news is that Australian transport businesses are well and truly considering adopting a zero-emission strategy for their own truck fleets, with a huge 91 per cent in favour according to the FoT report.

While this is a positive sign, only 10 per cent of businesses (approximately) are considering implementing a zero-emission strategy right now, whereas 70 per cent of businesses are looking at implementing within a timeframe of two to five years. This is telling data on the industry’s readiness for the transition.

These findings are in-line with other research we’ve conducted with some of the country’s largest road transport fleets. The ship is turning—albeit at a slower than desired pace for some.

In terms of the strictly zero (tailpipe) emission methodologies fleets are considering, Battery Electric is overwhelming the preference followed by Hydrogen Fuel Cell, and then the Hydrogen Internal Combustion Engine (ICE), which has gained considerable momentum since we last conducted this survey.

This, and the additional FoT data on perceptions of EV tells us a few things…

Firstly, opinion continues to be mixed, with about half of businesses agreeing that electric trucks are reliable and suitable for Australian conditions, have strong residual value and will play a major role in the future of trucking.

The other half of those surveyed have concerns about the time it takes to charge an electric truck and their performance compared to a diesel-powered internal combustion engine.

**The right tool for the job**

There’re a great many theories on exactly how we get there but when it comes to Isuzu, a sustained focus on electrifying the right trucks for the right tasks stands us in good stead to make a considered and sensible transition away from a reliance on internal combustion technology.

The consensus remains that battery electric vehicles (BEVs) are the most realistic and widely feasible form of zero-emission vehicles (ZEVs) able to be meaningfully applied in Australia, right now.

That said, whilst the push toward ZEV is in train, it is not the sole goal.

The commercial and economic realities of transport and logistics operations in this country and indeed around the world, coupled with the relative energy density of diesel by weight (compared to battery electric or other technologies for long-haul transport) mean ICE technology will remain with us for a while longer yet.

**On home soil**

A recent, more localised indicator of this broader drivetrain transition manifested itself earlier this year at the Brisbane Truck Show, the southern hemisphere’s largest road transport gathering,

The range of available and forecasted electric product on display from the major truck OEMs was encouraging to see, especially by Australian standards.

For Isuzu, the Brisbane Truck Show was a landmark occasion for the brand with a world-first preview of the new light-duty N Series EV from Japan. More than simply another showcase, it was an opportunity to unpack the overarching ZEV product approach locally; described at the time as ‘dynamic and crucially, customer led’.

Isuzu has looked at the product rollout from four critical perspectives…

1. Carbon neutrality

2. Driver comfort

3. Safety, and

4. Connectivity

In delivering this, Isuzu will make available a wide choice of powertrains from battery and fuel cell electric to hydrogen internal combustion engines.

Both the research and development Isuzu Motors Limited (IML) is undertaking and the strategic partnerships the company has entered into are driving genuine results here.

Crucially, the technology applied will be relevant to the operating requirements, infrastructure, and regulations for customers in their given markets.

It’s clear that there’s still plenty of work to do; to continue to provide reliable and accurate information about this emerging technology and how it can and should answer the needs of Australian businesses.

**What next?**

Faced with a myriad of challenges, our corner of the world has nonetheless begun to take the steps required for a cleaner, more efficient road transport future.

With a sustained focus on electrifying the right trucks for the right tasks, we stand in good stead to make a considered and sensible transition here in Australia.

From Isuzu’s end, we set out on this journey some years ago to understand very clearly how commercial zero emission vehicles can meet our customers’ needs, in-line with the available technology and operating parameters.

What we’ve found is a consumer group essentially looking for support. They want OEMs like Isuzu to educate, build awareness, manage and mitigate risk, and importantly, add value to their operations.

In fact, they demand a reliable zero-emission transport partner that offers more than just a vehicle.

We believe that with a collective industry focus on these core customer requirements, Australia’s road transport sector will be in the box seat to see this transition not only take place but thrive.

**ends**

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