



2016-17

FLEET MANAGEMENT TECHNOLOGY REPORT

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Adoption - Who's Using Telematics



Choosing a Provider - What's Important to Consider



Benefits - How it Helps Commercial Businesses



ROI - What Commercial Fleets Should Expect

WHAT IS TELEMATICS?

Telematics is the interdisciplinary field that encompasses telecommunications, vehicular technologies, road transportation, road safety, electrical engineering (sensors, instrumentation, wireless communications, etc.), and computer science.

In simple terms, Telematics is vehicle and asset tracking technology.

ABOUT THE REPORT

GPS Insight sponsored a fleet survey conducted by Bobit Business Media, publisher of Automotive Fleet Magazine, Fleet Financials Magazine, Business Fleet Magazine, and Work Truck Magazine. GPS Insight asked a series of questions pertaining to fleet management and Telematics to examine the current state and experiences of the marketplace.

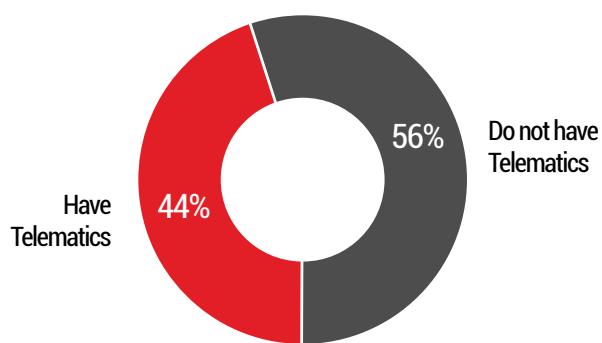
The online survey was sent to all Commercial fleets that subscribe to the Bobit Business Media publications. A total of 614 surveys were collected between August 31 and September 20, 2016.

**Some data may not total 100% due to rounding or multiple choice responses.*

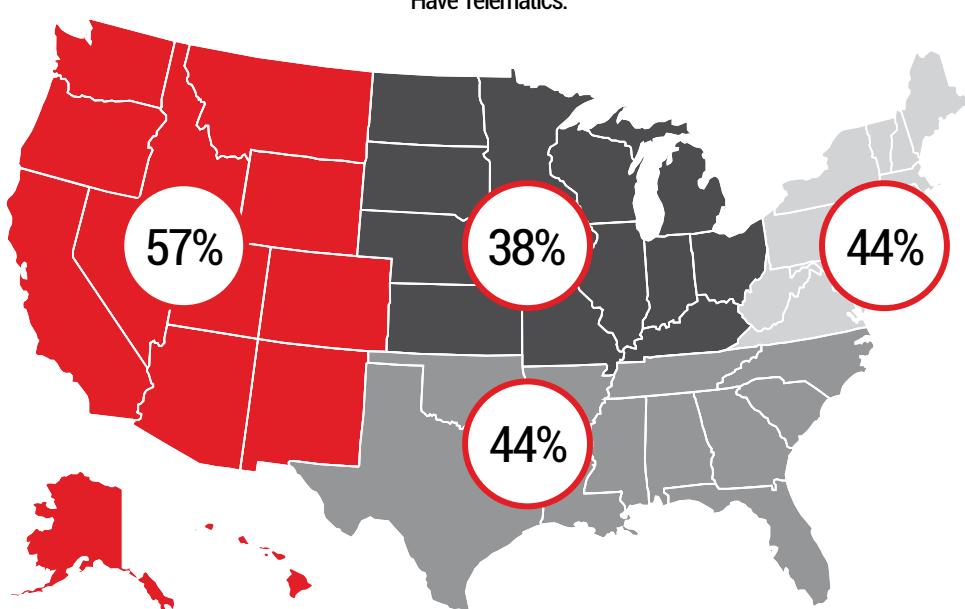


Adoption - Who's Using Telematics

The Telematics industry continues to grow as commercial fleets are adopting the technology at a steady rate. Fleets across all industries are finding that Telematics is providing insight they never had before which helps them reduce costs, reduce risk, and increase revenue. Most industry reports state that the adoption rate is somewhere between 30-40%. The findings of this report show that 44% of fleets are now using Telematics, with the highest rates of adoption found within the western region of the United States, fleets made up of 101-350 vehicles and operations in the Utilities industry.

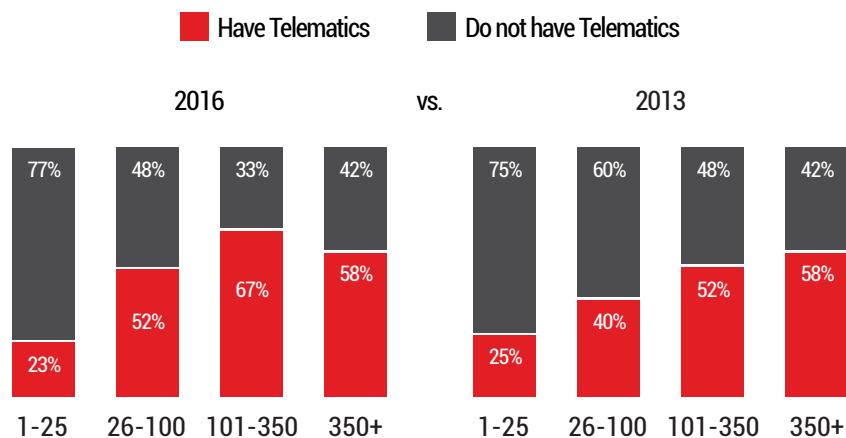


📍 Adoption Rate by Region

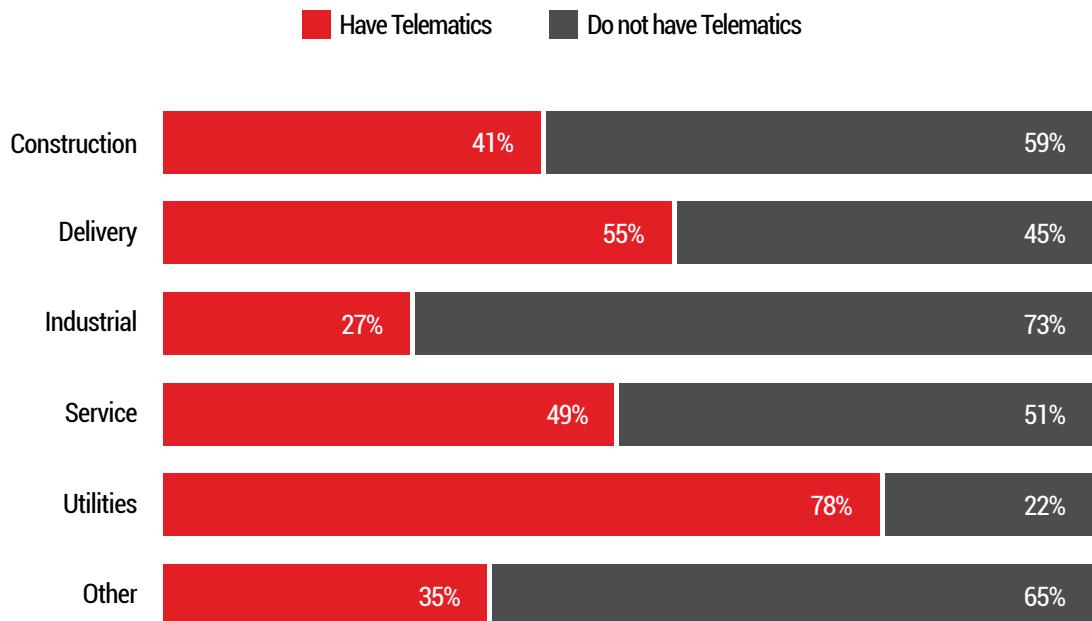


Adoption Rate by Fleet Size

The previous Fleet Management Technology Report was completed in 2013. This chart compares current results to past results. Fleet sizes ranging from 26-350 vehicles and assets saw the most significant increase in adoption compared to 2013.



Adoption Rate by Industry



Top 3 Challenges for Fleets

U.S. fleet managers have expressed their top 3 challenges moving into 2017. The number one challenge identified by Fleet Managers is maintenance and repairs, followed by equipment acquisition/replacement, and fuel cost/consumption. This is the inverse of the 2013 report, which indicates that due to lower fuel costs at the pump, fleet managers are focused on keeping their fleet up-to-date and running as effectively as possible.



1 Maintenance / Repairs

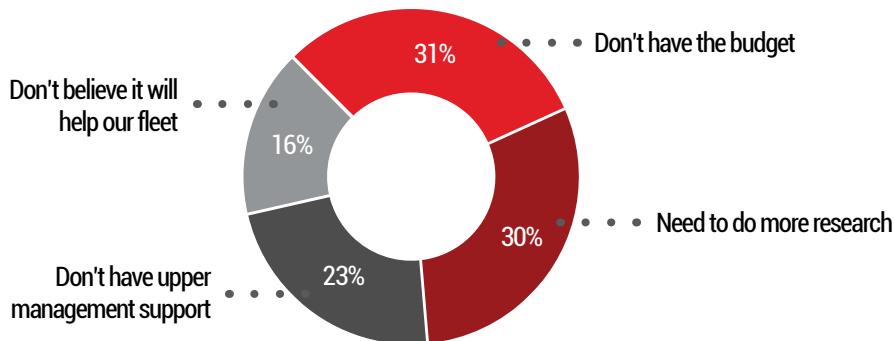


2 Equipment Acquisition/
Replacement

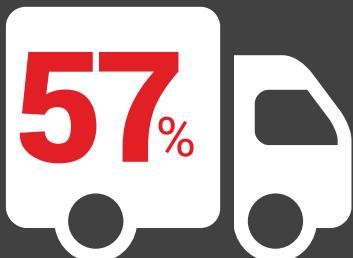


3 Fuel Cost / Consumption

Top Reasons Why Fleet Managers Have **Not Implemented Telematics Yet**



Did you know...



of all respondents believe using **Telematics solutions** will become a standard practice within **3 years**

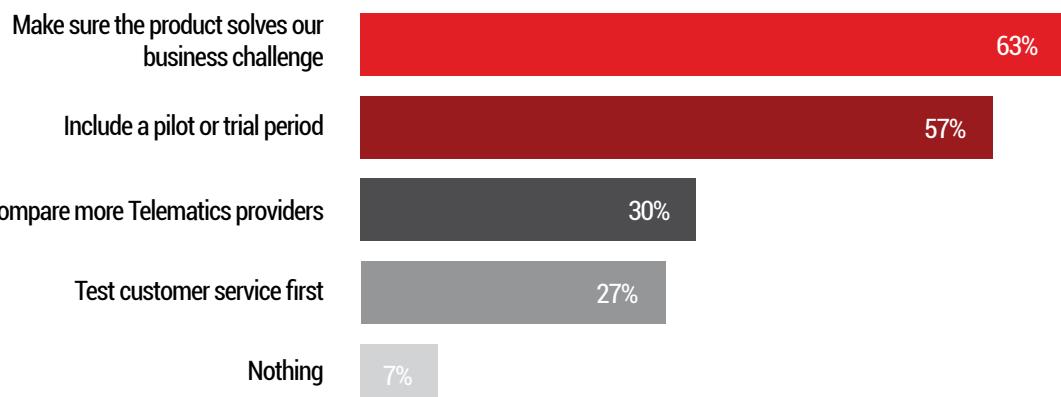


Choosing a Provider - What's Important to Consider

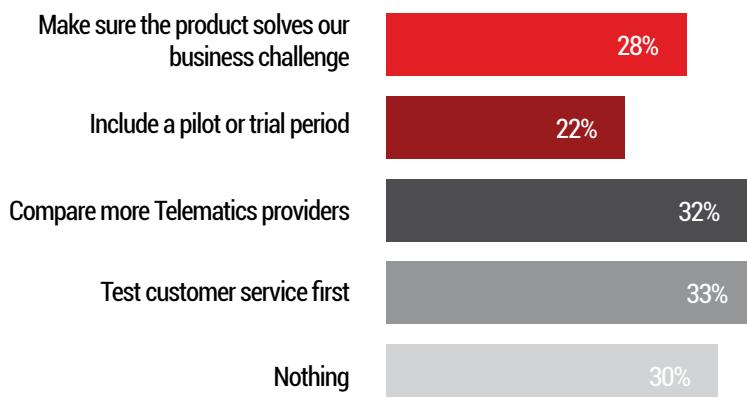
This survey asked two groups of respondents, those who currently use Telematics and those who do not have the solution in place, what they felt were the most important factors when choosing a provider. The responses from those who currently have a Telematics system provide key insights to first time buyers and those looking to switch systems.

The findings below show that testing customer service and conducting a pilot or trial are the most important considerations for those who are currently using Telematics.

Lessons Learned From Those Currently Using Telematics



What Fleet Managers Would Have Done Differently After Implementing Telematics



★ Top 3 Features

that fleets wish their Telematics provider had



🎯 3 Most Important Considerations

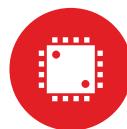
of those who already have Telematics



Post Sale Service & Support



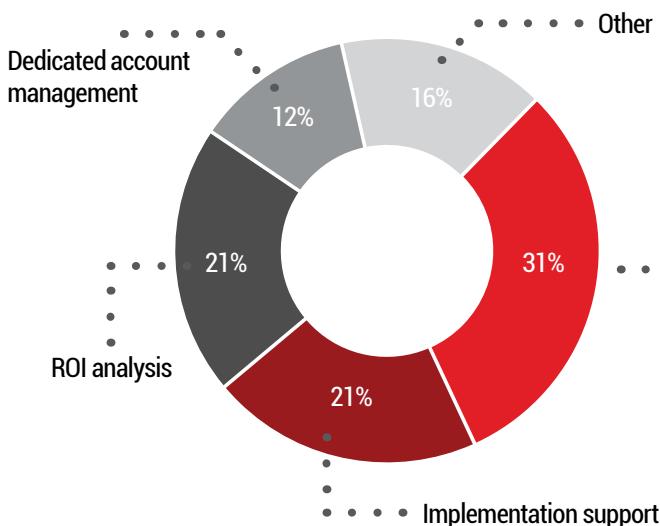
Price



Continually Advancing Technology

★ Key Value Adds

of those looking to implement Telematics



31%

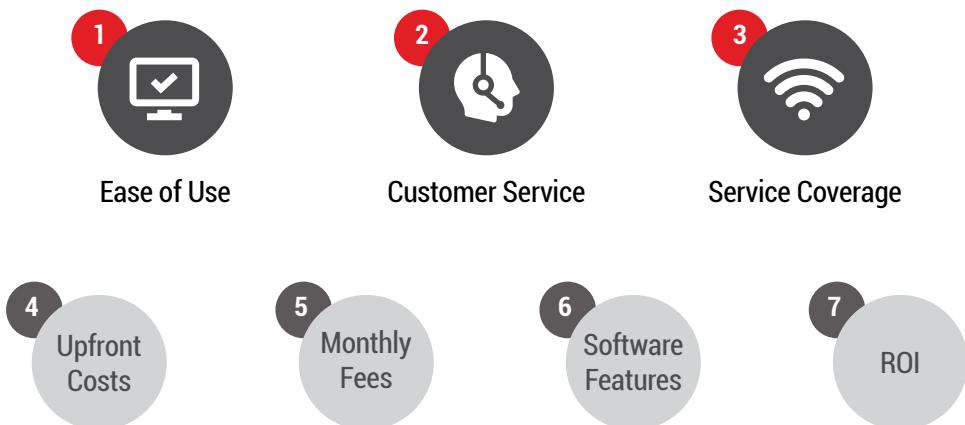
say the most important resource
a Telematics provider can offer is

24/7/365 technical support

Top Factors When Choosing a Telematics Provider

When asked what the most important criterion are for choosing a Telematics provider, respondents said that ease of use, customer service, and cellular service coverage were at the top of the list. Ease of use and service coverage are no surprise, but it is important to note that the value in customer service is on the rise.

Many fleets that purchased Telematics have found that they wish the customer service of their provider was better. Customer service should always be an important factor when weighing the decision to buy technology.



Leading Telematics Providers

that were **most relevant** to fleet managers (*listed alphabetically*)



Benefits - How it Helps Commercial Businesses

98% of respondents using Telematics stated that Telematics has been somewhat, very, or extremely beneficial in managing their fleet.

How Beneficial Has **Telematics** Been in Managing Your Fleet?



46%
say **very beneficial**

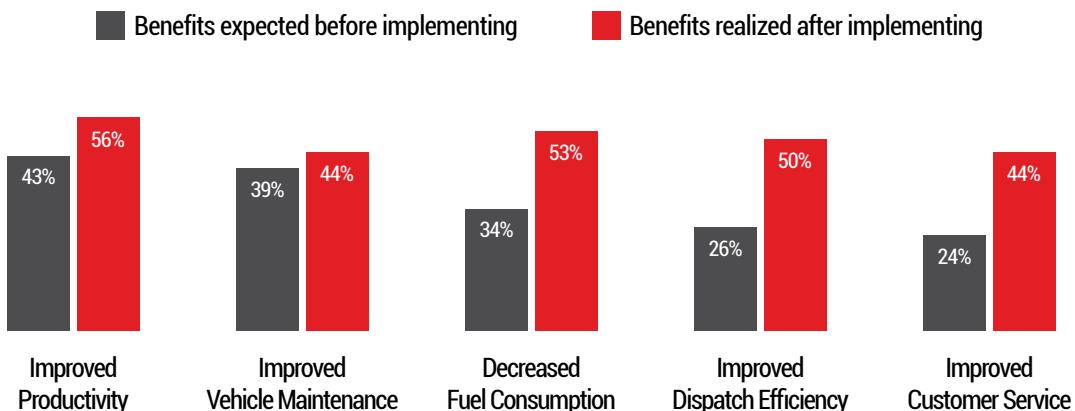
18%
say **somewhat beneficial**

35%
say **extremely beneficial**

Top 5 Benefits

when measuring expectations vs. reality

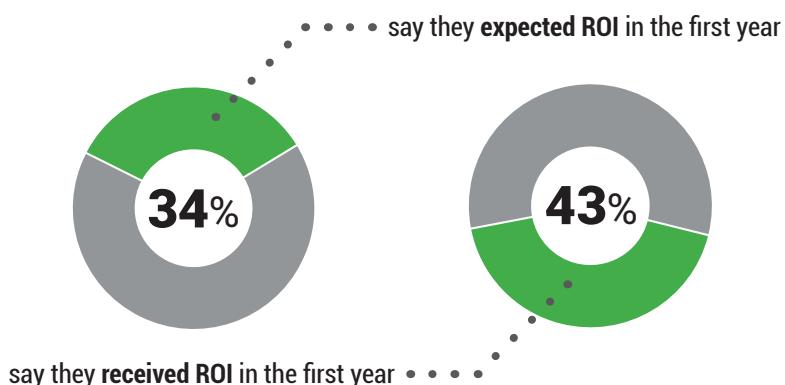
When weighing the expectation vs. the reality of the benefits experienced using Telematics, the reality of the benefits far exceeded the expectation.



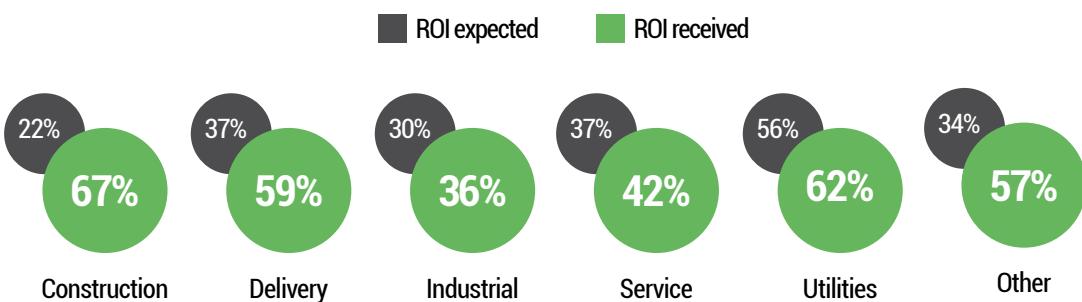


ROI - What Commercial Fleets Should Expect

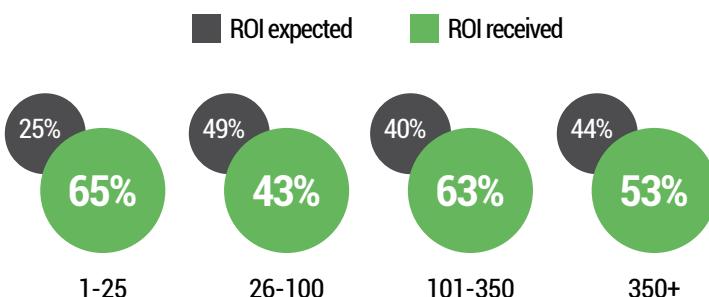
Many fleet professionals not using Telematics systems are skeptical when it comes to their expectations that the technology will provide a quick return on investment (ROI). While gaining ROI in the long term matters, it is a lot easier to see value when Telematics yields savings and drives revenue sooner. For those respondents who are using Telematics, it turns out many have received a full ROI within the first year.



\$ ROI Expected vs. Received in 1st Year by Industry



\$ ROI Expected vs. Received in 1st Year by Fleet Size



ABOUT GPS INSIGHT

GPS Insight is a top technology provider of GPS fleet tracking software for businesses and government agencies with mobile assets. Using the GPS Insight Vehicle & Asset Tracking Solutions, customers realize a significant increase in efficiency and gain insight into all aspects of their fleet operations. Fleets work with GPS Insight to solve their unique fleet challenges through increased revenue, reduced costs, and reduced risk. GPS Insight provides highly flexible solutions, which include a wide range of customized reports, alerts, and other innovative features that can be tailored to meet specific customer requirements and ensure maximum return on investment.



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