

FleetAnswers



# Telematics Survey

Industry Insights in 2017



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## Overview

Telematics and GPS (global positioning systems) provide significant benefits to fleet leaders. Many companies utilize these technologies to help control costs and increase efficiency and productivity, as well as improve driver behavior and safety. However, many companies have also reported varied levels of satisfaction with their telematics experience.

Understanding the ways in which fleet managers use such systems is crucial for both fleet leaders and the companies that create these programs.

An online survey of fleet leaders regarding their current use of telematics is helpful to fleet professionals as well as telematics providers, as the survey results offer valuable insights into industry trends in 2017.

Only results from respondents who are currently using telematics are included in the report.

The respondents represent a range of industries from government agencies, utility or energy, route delivery to manufacturing and logistics. While participants represent fleets of all sizes, majority of them worked in companies with a fleet size of 1,000 – 5,000 units.

Key findings:

- **Driver behavior is the top reason why fleets are using Telematics.** Of all the respondents who are currently using telematics, the top reason for using telematics is related to driver behavior such as idling, speeding, miles driven, and unauthorized usage.
- **Most fleet leaders saw an improvement in driver behavior from using telematics.** 54% of respondents indicated that they saw improvement in driver behavior after utilizing telematics or GPS in their fleet. Increased fuel savings (49%) and accurate utilization tracking (51%) were also among the most commonly experienced benefits.
- **One of the biggest challenges fleet leaders faced when implementing telematics or GPS is the lack of accountability.** 61% of respondents stated that their biggest challenge when using telematics is the lack of use of telematics data to improve fleet operations. 57% of respondents reported that the lack of accountability (e.g. data not used to improve fleet operations) and data issues

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(e.g. quality, complexity, relevance, application) contributed to their neutral or low levels of satisfaction with their telematics experience.

- **Many fleet leaders are satisfied or very satisfied with their current telematics service provider.** While 28% of respondents felt neutral about their current telematics service provider, 47% of respondents were satisfied and very satisfied with their service provider. Good customer service (e.g. response time, technical support) is the main reason for their overall satisfactory experience.

What does this mean for telematics providers and the fleet leaders who use the products and services they provide?

- Companies should acknowledge the need for more accountability such as using data to improve fleet operations. They should have a plan for integrating telematics data with other fleet data to inform future decision making, policy changes, and operational diagnoses within the organization.
- Providers offering telematics services should focus on data quality and to assist fleet leaders in analyzing, interpreting, and using the data they receive.
- Good customer service such as fast response time and adequate technical support as well as insightful, relevant, and reliable data are very important to fleet leaders. These factors contributed to fleet leaders' levels of satisfaction. Telematics service providers should aim to do well in both areas.
- Finally, fleet leaders shopping for telematics systems should prioritize a service provider that is known for its good response time, technical support, reliable hardware, and a user-friendly platform to maximize the use of telematics.

Considering benefits from telematics, fleets should move forward with confidence in selecting a telematics service provider.

# Overall Telematics Uses

Overall, the top reason for using telematics or GPS among fleet leaders is to monitor and improve driver behavior such as idling, speeding, miles driven, and unauthorized use of vehicles.

Obtaining location information of units in real time, accessing accurate odometer and engine hours are the second and third most commonly cited reasons for using telematics.

## Reasons Fleets Are Using Telematics

Reasons	Rank <sup>1</sup>
Driver Behavior	1
Location Information	2
Accurate Odometer/Engine Hours	3
Fuel Management (Fuel level, Fuel usage, HPG)	4
Asset Utilization	5
Fuel Codes & Analytics (Service intervals/PM, DTC codes)	6
Route Management	7
Customer Service (ETAs, Delivery, Dispatch)	8
Crew Productivity	9
Insurance (Claims analysis, Lower risk)	10
Other	11

There were differences in what fleet professionals prioritize based on the industry they belong to. Fleet professionals working for a government agency ranked accurate odometer/engine hours as the top reason for using telematics.

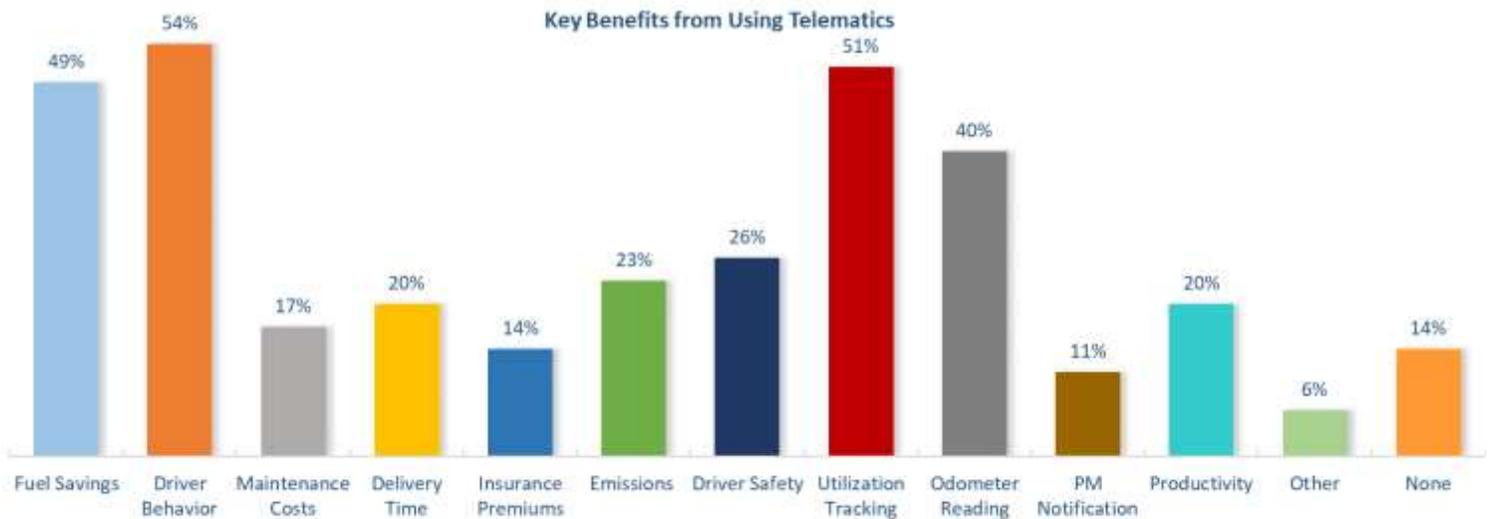
Fleet professionals working for a private or publicly held company, on the other hand, ranked driver behavior (e.g. idling, speeding, miles driven, unauthorized usage) as the top reason for using telematics.

<sup>1</sup> Score is a weighted calculation. Items ranked first are valued higher than the following ranks. The score is the sum of all weighted rank counts.

## Overall Key Benefits

Fleet managers who use telematics in the field reported considerable benefits. The biggest benefit they experienced from using Telematics is an improvement in driver behavior (54%). Other commonly experienced benefits from using telematics include accurate utilization tracking (51%) and increased fuel savings (49%).

Fleet leaders also reported 'other' benefits (6%) such as better job response time. Only 8% of fleet leaders reported not experiencing any benefits from using telematics in the field.

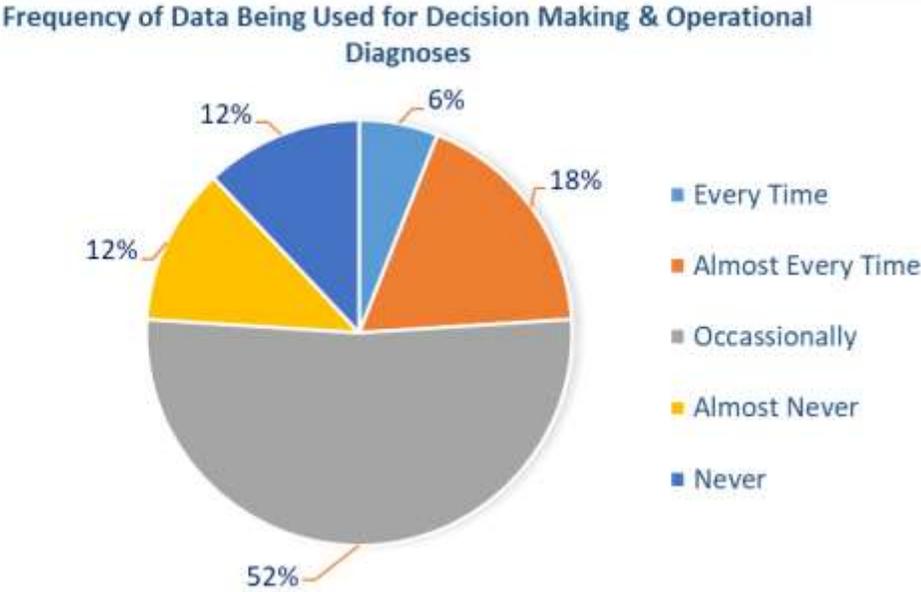


There were differences in key benefits experienced by fleet professionals based on the industry they belong to. Fleet professionals working for a government agency experienced accurate utilization tracking as the top benefit from using telematics whereas fleet professionals working for a private or publicly held company experienced improved driver behavior as the top benefit.

# Utilizing Telematics Data: Decision Making & Operational Diagnoses

Overall, majority of fleet respondents (52%) reported using telematics data occasionally for decision making and operational diagnoses within their organization.

18% of respondents used the data for decision making and operational diagnoses almost every time. However, a consideration proportion of respondents (24%) almost never or never use their data for decision making and operational diagnoses.

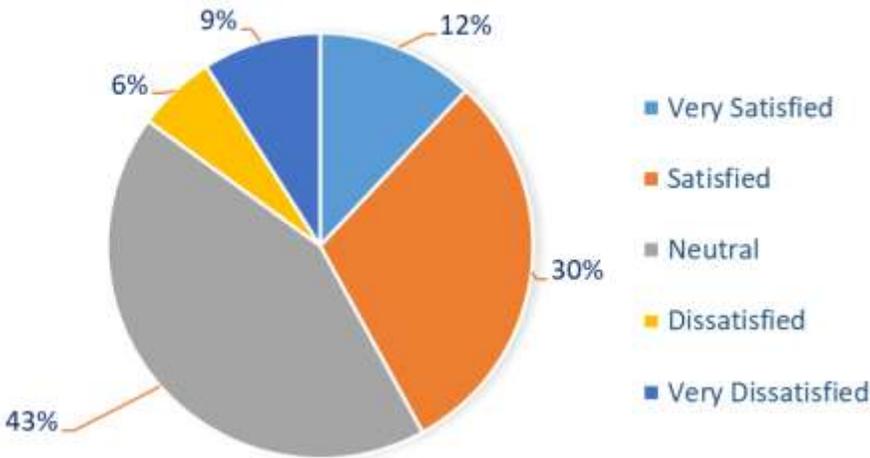


# Overall Satisfaction Level: Telematics Experience

Most fleet leaders felt neutral about their telematics experience (43%). Overall, 42% of fleet leaders were very satisfied or satisfied with their telematics experience and 15% of leaders were very dissatisfied or dissatisfied with their experience.

Majority of fleet professionals working for a government agency were neither satisfied nor dissatisfied with their telematics experience. Conversely, majority of fleet professionals working for a private or publicly held company were satisfied with their telematics experience.

Overall Satisfaction with Current Telematics Experience



Majority of fleet leaders who were satisfied with their telematics experiences ranked data quality (e.g. complexity, relevance, data application) as the top reason for their satisfactory experiences. On the other hand, fleet leaders who were dissatisfied with their telematics experiences ranked lack of data accountability (e.g. data not being used to improve fleet operations) as the top reason for their dissatisfactory experiences.

Reasons for Low/Neutral Levels of Satisfaction with Telematics Experience

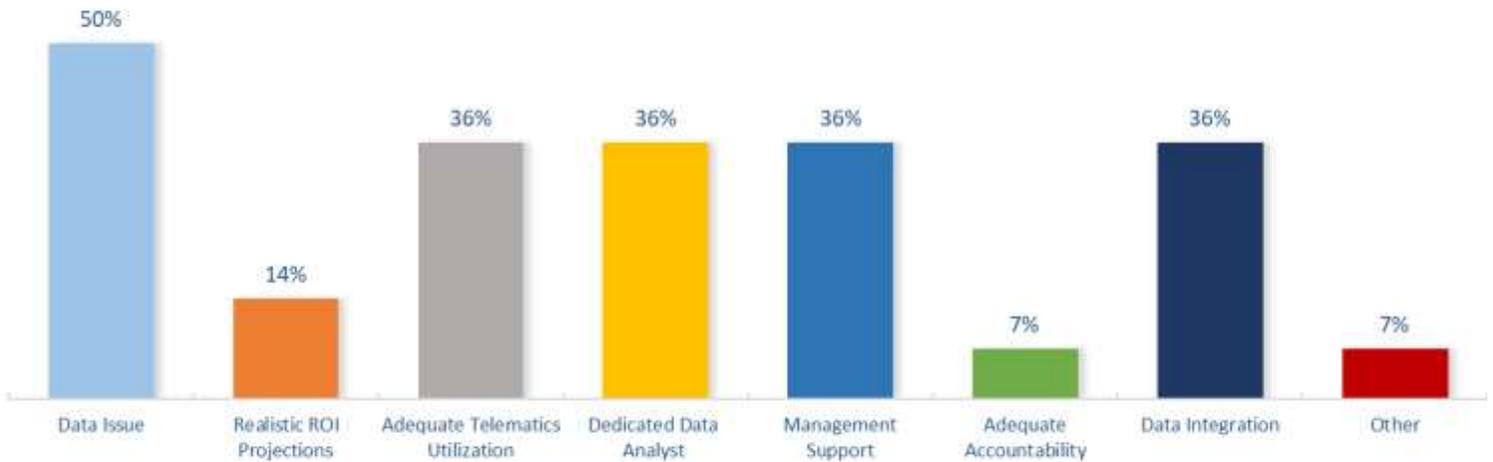


Overall, for fleet leaders who were *dissatisfied* with their telematics experiences, lack of accountability (61%), data issues (56%), and lack of data integration<sup>2</sup> (50%) were among the most commonly cited reasons for their unsatisfactory experience with telematics.

'Other' reasons that contributed to fleet leaders' low/neutral level of satisfaction included poor after sale and installation services.

<sup>2</sup> Lack of data integration/synergy with other data is defined as telematics data not being used with other fleet data.

Reasons for High Levels of Satisfaction with Telematics Experience



For fleet leaders who were *satisfied* with their telematics experiences, good data quality (50%), adequate utilization of telematics within the company (36%), having a dedicated and competent resource for analyzing telematics data (36%), support from management (36%), and good integration of telematics data with other fleet data (36%) were among the most commonly cited reasons for their satisfactory experience with telematics.

‘Other’ reasons that contributed to fleet leaders’ high level of satisfaction included being locate vehicles in real time.

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## Fleet Leaders' Wish List

Fleet leaders were asked what were things they would change about their experiences with utilizing Telematics in their fleet (e.g. devices, service provider, management support, driver resistance, learning curve, data report, etc), if given the opportunity.

### Verbatim Responses: Things You Would Change about Your Experiences with Telematics<sup>3</sup>

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A system that caters to our operation business practice

Adjust staffing to fully implement the program, analyze the data and show management how decisions can be made from the use of the data

Change to a provider with better customer service once the contract is signed. Follow-up, dealing with issues, and administrative duties for us is a major problem for the entire corporation

GPS needs to fragment into specialties where equipment is universal, and communications are severed from analytics. It would be nice to purchase each component rather than have a provider be all encompassing

I would like to see GPS providers offer “complete” packages rather than just a GPS product. I currently have three different manufacturer products installed in my cabs; i.e. backing cameras, forward/rear facing dash cams, and ELD devices. A one stop shop would be much simpler from an installation standpoint.

I wouldn't install it

More accurate reporting – mainly for idling activity

(Would change my) service provider

Service provider – we are looking to get more reliable and consistent data and less administrative work on our end

Stronger management support

Support is key to the “administrative” side of the telematics project. I feel that is lacking. Emphasis is not given to the back office for assistance, guidance, training, and a dedicated line for help to keep on top of inventory, IDs/Passwords, etc.

Telematics policy and union buy-in prior to implementation of telematics

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<sup>3</sup> Responses related to being new users of Telematics such as “too soon to identify and discuss”, “still new to the system” were not included in this list. Similar experiences were also not included.

(I wish) telematics provider would not be so secretive about issues they are having with the application and involve users in finding a solution. (I wish) mapping software would be different or at least complaints would go to Verizon and not to TomTom

Easier integration with our current system, meter reading, etc.

Better management support

There are numerous examples where the data accuracy/reporting was less accurate than promised. (It was a) very bumpy implementation. It seemed that we (client) were the ones discovering the issues versus the service provider (i.e. we have been and continue to be their R&D department). Several examples of slow responses and our follow up was essential to resolve issues.

According to the word cloud, which represents the prominence or frequency of words, many fleet leaders would like to change their experiences related to better support from management as well as service provider (e.g. data analysis), if given the opportunity.

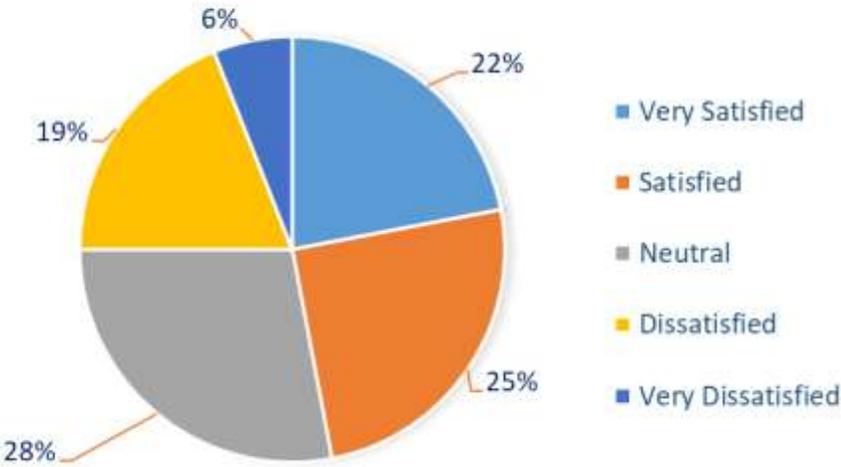


# Overall Satisfaction Level: Telematics Service Provider

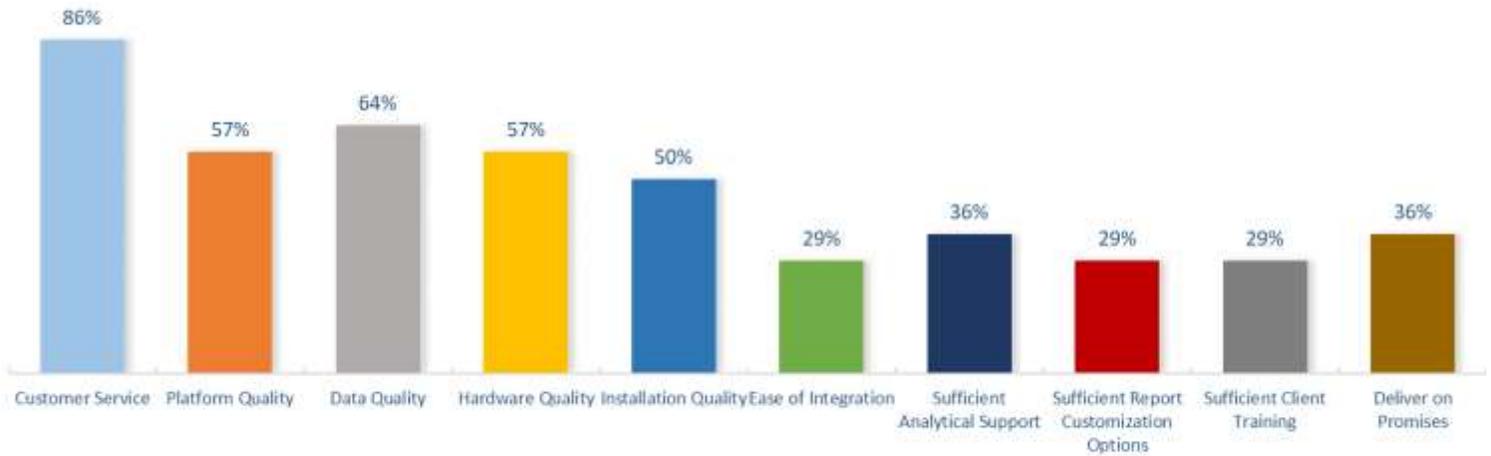
Overall, 47% of fleet respondents were either satisfied or very satisfied with their current telematics service provider. Customer service and quality of data are the two main reasons for fleet leaders' overall levels of satisfaction with their service provider.

28% of fleet leaders were neither satisfied or dissatisfied with their telematics service provider. However, there were differences in satisfaction level based on the industry fleet leaders belong to. Majority of fleet professionals working for a government agency felt neutral about their telematics provider. Conversely, majority of fleet professionals working for a private or publicly held company were satisfied with their telematics provider.

Overall Satisfaction with Current Telematics Provider

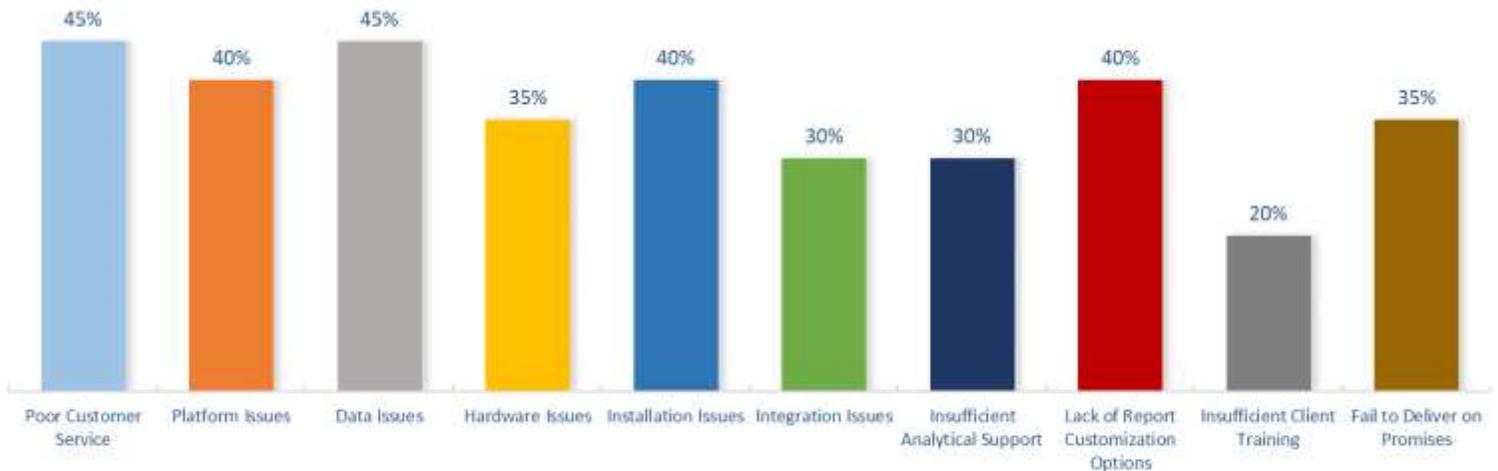


Reasons for High Level of Satisfaction with Telematics Provider



For fleet leaders who were *satisfied* with their telematics provider, most respondents cited good customer service (e.g. response time, technical support), data quality (e.g. ease of understanding, insightful, relevant), platform quality (e.g. ease of use, reliable, useful features), and hardware quality (e.g. reliable) as being among the top reasons for their satisfactory experience.

Reasons for Low Level of Satisfaction with Telematics Provider



In addition to poor customer service and data issues (e.g. unreliable, difficult to understand, irrelevant), fleet leaders who were dissatisfied with their telematics provider also listed platform issues, installation problems, and lack of report customization options as being among the top reasons for their unsatisfactory experience.

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Respondents who were unhappy with their telematics service provider for failing to deliver on promises cited reasons such as being slow to roll out improvements to software or to fix issues with data, as well as making unreliable or unrealistic promises. 'Other' reasons that contributed to respondents' unsatisfactory experience included lack of open access to data and not being effective for the company's business model.

## Overall Sentiment: Major Complaints & Compliments

Fleet leaders were asked about their biggest complaints and/or compliments from using telematics.

### Verbatim Comments: Major Complaints and/or Compliments from Using Telematics

Cost per unit, customer service is awful

Customer reporting capability is not provided

Data is not accurate, system is slow to respond, not 95% reliable

Great customer service. Issues or changes handled quickly

Integrate system with data from other sources. Expected more from sources

Lack of customer service; lack of overall integrity for data and hardware; reports are not customizable. Even if we are willing to pay, the timeline for response for custom reports is not acceptable

Lack of knowledge by the vendor on industry/manufacturer spec changes; hardware was corroded directly from the factory; lack of support for back-office personnel running the telematics

No issues with the provider, the company direction has changed and now feel the information provided by telematics is no longer beneficial in our business model

Platform has been difficult to access and slow to use on occasion. Response from provider on questions for system process and best practices have gone unanswered. On the good side, they have recently implemented an assigned fleet contact to manage our issues and get us answers to questions in a more timely fashion

Reports need to be customizable to our fleet needs. The mapping software has so many incorrect speed zones it is impossible to bring the issue up with a driver unless you go to Google street view and find a speed limit sign. It takes too long to put in a correction request and then wait to see if it is approved].

Since implementation and the first 2 years of service, our service provider has significantly improved. [Provider is] willing to participate in regular conference calls to identify issues/review reports. However, communicated expectations were not met as promised, causing increased work and high level of frustration.

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Software and data seemed unreliable. The sales rep is very responsive but issues seemed to lay unresolved or are not able to be fixed

They stopped developing analytics

Delay in receiving large shipments of telematics devices

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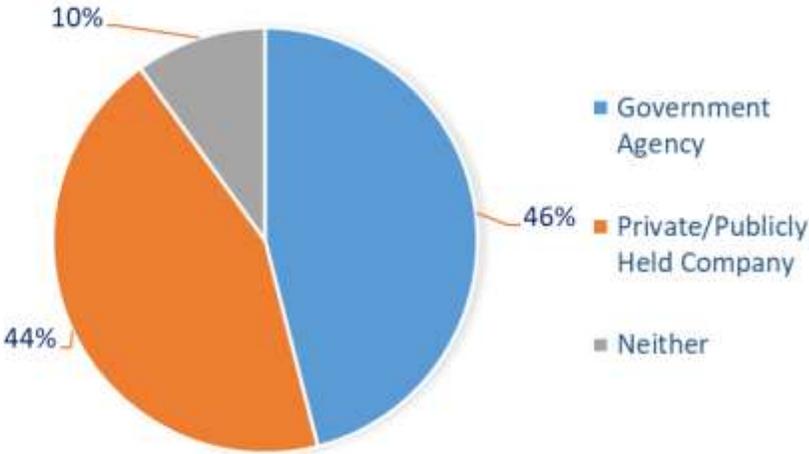
According to the word cloud, which represents the prominence or frequency of words, many fleet leaders reported complaints rather than compliments. Overall, fleet leaders complained about a lack of custom reporting and poor after-sales service.



# Demographics: Fleet Professionals

Respondents are mainly fleet professionals who work in roles and positions where they have the capacity to propose, plan, evaluate, and approve fleet investments and projects. They are directors, managers, or supervisors.

Proportion of Fleet Respondents Based on Industry

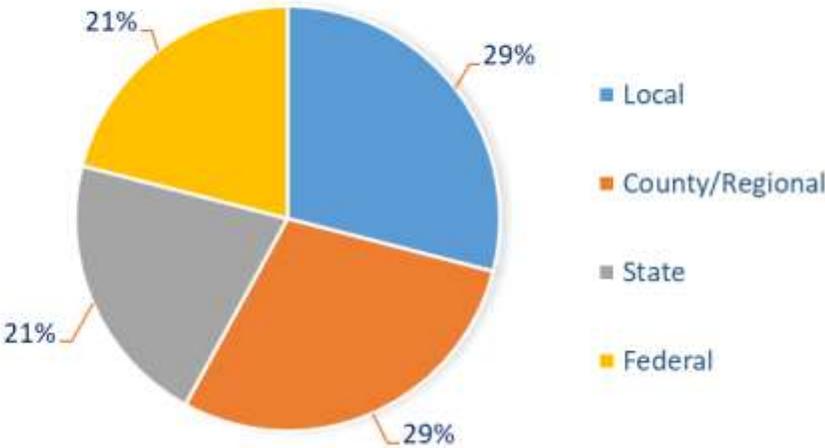


46% of respondents work in a government agency or organization, and 44% work in a private or publicly held company or organization. 10% of respondents who chose 'neither' work in positions as fleet consultants or other non-fleet related departments.

## Proportion of Respondents Based on Agency and Vertical

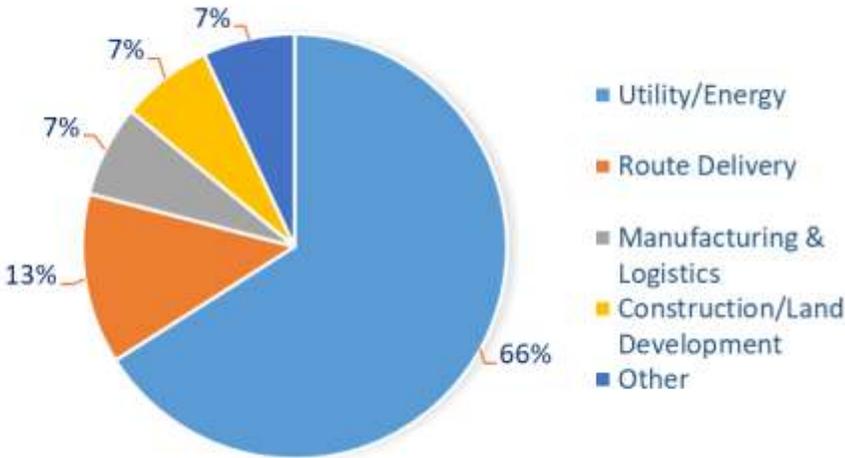
Of all the respondents who hold fleet positions within government agencies, 29% of them work for a local government agency and 21% work for the state. 29% of respondents work for government agencies belong to county or regional agencies, and 21% of respondents work for a federal government agency.

Proportion of Respondents Based on Government Agency



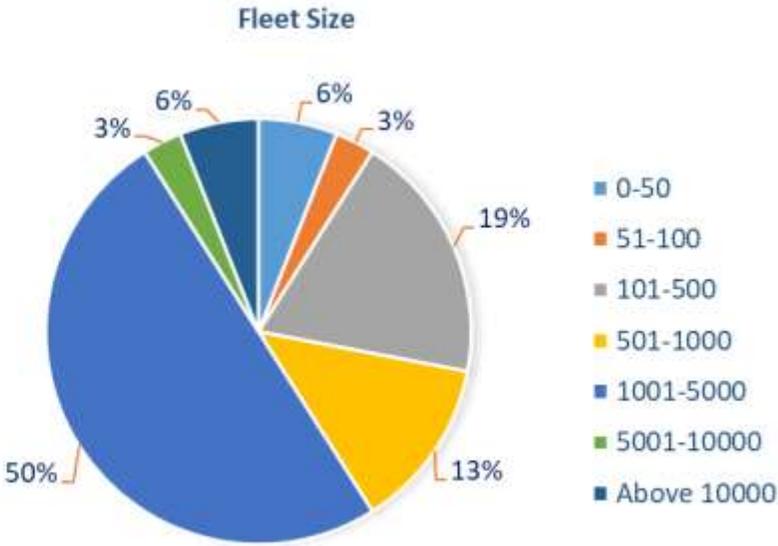
Of all the respondents who hold professional positions within publicly or privately held companies, most of them work for the utility and energy industry (66%), followed by route delivery (13%).

Proportion of Respondents Based on Vertical



### Proportion of Respondents Based on Fleet Size

Most fleet leaders work for companies with a fleet size of 1,001 – 5,000 units (50%), followed by a fleet size of 101 – 500 units (19%), and a fleet size of 501-1,000 (13%).



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## Do you have survey topics to suggest?

If you have survey topics that you would like us to cover, or have questions regarding any of our surveys, please contact us at [mchen@fleetanswers.com](mailto:mchen@fleetanswers.com).

To access more surveys, please visit our [Research section](#).

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Through our **membership-driven community**, individuals within fleet organizations can reach out to other fleet professionals, at a job-specific level, to **connect** and network with them. Our members consist of some of the industry's top decision makers. Crowd-source answers and solutions to problems from the **best** and **brightest minds** in the fleet industry.

Join an **Intelligent Fleet Community™** that lets your organization acquire information and valuable knowledge in a collaborative setting that will help your fleet **achieve operational excellence**.

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