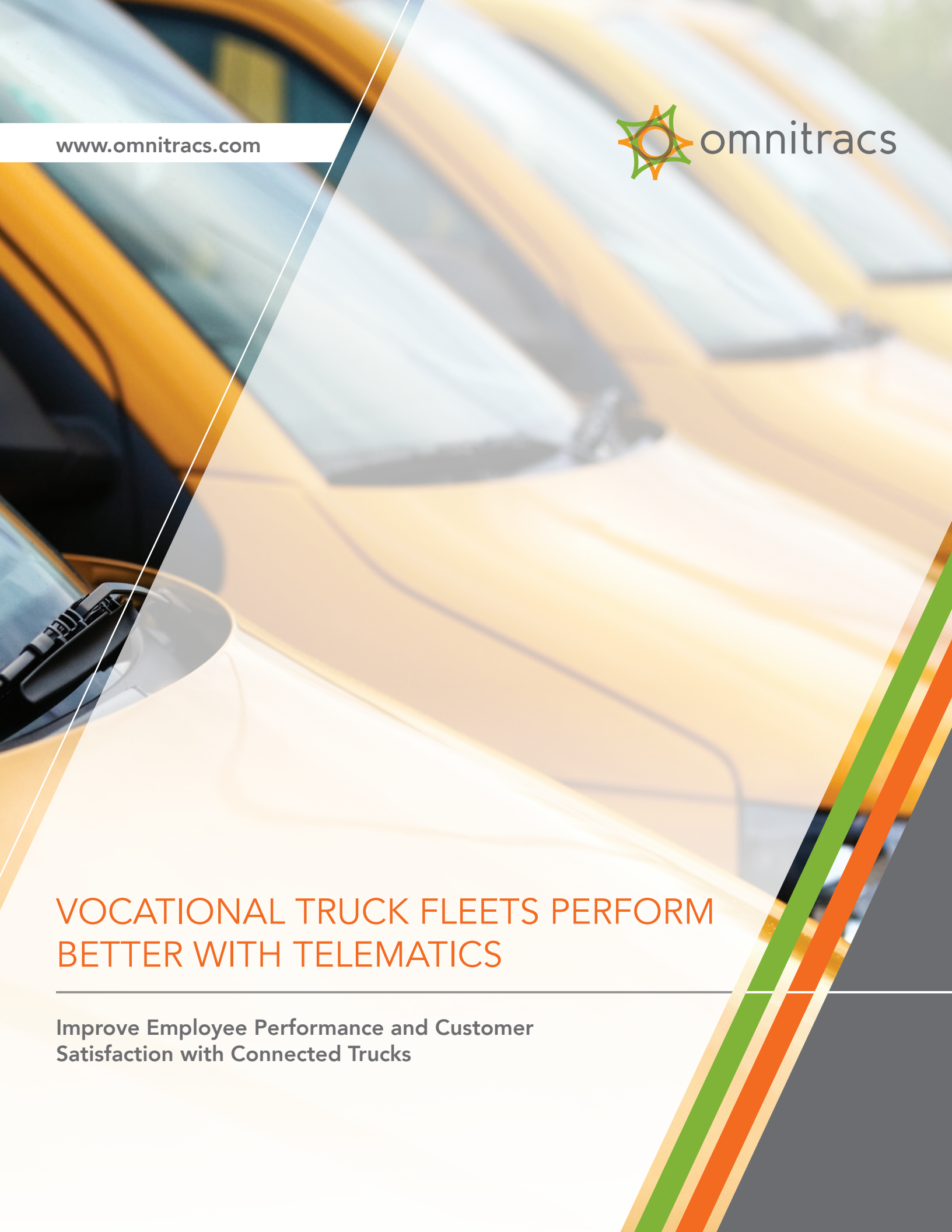

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VOCATIONAL TRUCK FLEETS PERFORM BETTER WITH TELEMATICS

Improve Employee Performance and Customer Satisfaction with Connected Trucks

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With today's technology, there's no excuse for being out of touch with a vocational truck fleet. The performance of vehicles and drivers is a vital factor in the health of a company from both a cost-control, and customer satisfaction perspective.

The operating cost of a work truck can far outweigh the acquisition cost based on maintenance, repairs, fuel economy, and more. Knowing where vehicles are in relation to customers' needs is vital. Customers are coming to expect the same level of notifications that delivery and ride-share services are able to provide – if Uber can give constant updates on where a car is, why can't a landscaping or appliance repair company do the same thing?

Fleet telematics is the tool that connects trucks to the Internet of Things to harness the power of information. Fleet managers can meet customer expectations in the on-demand economy while monitoring employees for maximum efficiency.

Manage fleet costs

The cost of operating a work truck fleet continues to rise, driven by fuel prices, the cost of repair and maintenance, and consumables like oil and tires. Research shows the average total cost of ownership (TCO) for a light-duty vehicle (under 10,000-pounds GVWR) ranges from $5,000 to $8,000 per vehicle, per year.[1] Costs can creep up gradually before managers notice the impact on the bottom line. When times get tough, those higher costs can really hurt.

While fuel prices haven't been volatile lately, fuel spend is an ongoing management focus. If a fleet is already well run, it's challenging to pursue expense reduction without sacrificing employee morale and customer service levels.

Overall, vehicle-related costs (equipment, maintenance, fuel, etc.) and employee costs account for roughly 66 percent of most local service fleets.[2] After reducing costs as much possible, the next step is ensuring that each truck in the fleet is reaching its full revenue potential.

How does telematics work?

It's difficult to build a complete picture of a vocational truck fleet's performance from maintenance records, employee time cards, and sales receipts. The answer is an easy-to-install telematics system. Depending on the device, a telematics solution just plugs into the vehicle's ECM port and begins working immediately after a brief set up process.

Today, fleet telematics systems gather data from sensors on the truck as well as GPS tracking to deliver a picture of where the truck is located and how it's performing. The telematics systems capture information such as acceleration and braking, fuel consumption, engine performance, and other data points. Managers can use this data to counsel drivers to save wear and tear on the truck and avoid safety problems. The data can support predictive maintenance programs to service trucks before they break down.

The telematics system provides clear, detailed oversight of how vehicles and drivers are operating at any moment in real time. It gives up-to-the-second reporting on where drivers and vehicles are at any moment and allows access to tools to improve management oversight. With telematics solutions, vehicle-based businesses can manage their teams more effectively and control operational costs in some surprising ways.

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Manage the Truck Fleet

Without telematics, fleet operators have to trust their employees implicitly. But the lack of management visibility makes it easy for employees to take advantage of the situation. From inaccurate hours to running personal errands while on the clock, it all adds up to one thing: wasting money.

Track Truck Location

Employees can be very creative in finding ways to pad their hours and avoid being where they're supposed to be. Typically, the owner has to trust employees blindly and hope they are not taking advantage of their timecards with no way to verify or challenge the workers' statements.

Without telematics, the fleet owner doesn't know when an employee starts or finishes work. Perhaps they show up at 7:25 a.m. and call it 7 a.m. on their time card. Or maybe the 15-minute break at a coffee shop slides closer to 30 minutes. Perhaps a driver finds a remote place to hide and parks the truck for a nap or stops off at a friend's house instead of hustling to the next job.

With a lot of fleets, employees drive the vehicles home. Perhaps they pick up some side jobs and use company fuel to meet their clients. Or they help a friend move or pull a trailer on the weekend. Geofencing capabilities can alert managers if a truck leaves a pre-set service area.

For fleets that bill based on the time personnel and equipment spend at a specific job site, GPS tracking automatically records that time for accurate billing. For companies that bill by the project or job, pricing can be based on actual usage and not a flat rate or per-vehicle charge.

Fleet owners could be paying for a lot of non-productive time and vehicle costs. In fact, customer service complaints could lead the owner to believe they need to add more trucks to the fleet. But that could be a massive waste of capital. With telematics, managers have the information they need to monitor driver routes and compare driver hours with location data to create a realistic picture of productivity.

Improve MPG

With even a basic telematics solution, managers can easily monitor, manage, and predict vehicle and fuel usage and reduce operational costs. Some telematics solutions have built-in tools specifically designed to monitor fuel-related costs and eliminate wasteful spending.

Managers can track idle times, acceleration, and non-work-related driving. Companies can develop driver scorecards to easily identify drivers with habits that waste fuel and consume brakes and tires. Often these drivers are at higher risk of safety violations a well. Some fleets create competitions to identify and reward drivers who improve their fuel consumption. Drivers at the bottom of the list can benefit from counseling to get their scores up.

Support Driver Safety

Reduce risky behavior with monitoring tools that hone in on problem areas. Drivers may not honestly see how their habits put themselves, company property, and other drivers at risk. With telematics, managers can focus on behaviors like speeding, aggressive driving, sudden braking, and after-hours use to reduce liability exposure.

Ultimately, fleets can avoid vehicle accidents and insurance claims. A comprehensive telematics solution lets managers monitor a full spectrum of risk factors including speed, harsh braking, and rapid acceleration, idle time, and stops per day.

A driver safety scorecard based on telematics data can be a powerful tool for driver counseling and correction as well as recognition. While it's common to recognize drivers for mileage or a time period without an accident, some drivers never make those lists. Telematics can help quantify the best practices of the safest drivers and make those fleet-wide standards.

Target Maintenance

Driving behaviors such as aggressive speeding and braking are not only potentially dangerous but also add to the wear and tear on vehicles. Frequent replacement of consumables such as tires and brake pads directly impacts the bottom line. Out-of-service vehicles reduce revenue and disappoint customers. Telematics can help reduce wear and tear and develop a predictive maintenance schedule.

For instance, the oft-quoted rule of thumb says that preventive maintenance should be performed every 3,000 miles, based on OEM recommendations. With data-driven decision making, those service intervals can be extended. Trucks can be brought in for service before they break down and routine maintenance can be scheduled when it makes sense. Avoiding breakdowns and unscheduled maintenance can boost productivity. In fact, telematics can reduce costs associated with out-of-service vehicles by up to 25 percent.[3] Vehicles that break down often can be identified and removed from the fleet.

Manage Customer Expectations

Ideally, the company's and customer's interests are aligned: all parties want the truck to be in the right place at the right time doing the right job. In today's connected world, customer expectations are high. But without telematics, managers can't provide accurate information.

Visibility

The same telematics features that help managers control their costs also provide visibility that customers love. GPS tracking provides an accurate, real-time location so managers can know exactly how far away trucks are from the customer. Location updates happen automatically, so everyone knows when a vehicle arrives and departs from a customer's site. Users can set up automatic alerts to notify customers by phone, text or email of the truck's estimated arrival time, saving time spent on phone calls. If a customer does call with a question, customer service can access the truck location without having to call the driver.

Routing

Trucks won't be lone rangers on the road anymore. Instead, telematics connects them with dispatchers to collaborate to make routing changes on the fly. Routing software can send drivers on the most efficient path, improving asset utilization. Drivers and dispatchers can collaborate to make routing changes on the fly. Trucks can be rerouted for emergencies or to pick up parts or tools along the way. Dispatchers can compare the actual route to the plan and know if a truck is behind or ahead of schedule and adjust accordingly.

Getting Started With Telematics

For those operating a vehicle-based business and looking to control costs and improve customer service and safety, telematics can take your fleet to the next level.

However, adding telematics to a fleet can be disruptive at first. Drivers typically don't like it initially, because they feel like Big Brother is watching. After experiencing the convenience that comes with telematics, they usually don't want to drive a truck without it. Depending on the age of the vehicles, installation is generally straightforward. Managers and dispatchers must be trained to use the tools and interpret the data to make the right decisions.

In today's connected world, fleets without telematics will be left behind, beset by out of control costs and lack of customer communications.

Omnitracs Roadnet Telematics helps vocational fleet operators control operating costs and improve efficiency. Omnitracs partners with businesses of all sizes to deliver solutions that can transform the way they do business.

For more information, visit https://www.omnitracs.com/products/roadnet-telematics.