2019 TELEMATICS BENCHMARK REPORT

UK EDITION

TELETRAC NAVMAN

TeletracNavman.co.uk

FOREWARD

A variety of fleet management and fleet operations professionals participated in the survey, bringing expertise from the retail, manufacturing and other transportation industries. The report examines best practices, trends and current issues influencing fleet management in the United Kingdom. The survey was conducted online between April-May 2019.

METHODOLOGY AND SAMPLE

The 2019 Teletrac Navman Benchmark Report includes responses from more than 2,100 fleet operations and fleet management professionals from around the world. Of the total survey respondents, 474 indicated that they were based in the UK. Respondents span operations in for-hire and private fleets, government agencies and other fleet operations. This report provides an understanding of best practices and fleet management trends in business, general telematics, emerging technology, transportation, external factors and talent, from those 474 UK Responents. Results may not amount to 100 percent due to questions with multiple selections. For reporting purposes, all statistical values have been rounded to the nearest whole number.

UK

RESPONDENT PROFILE

ROLE

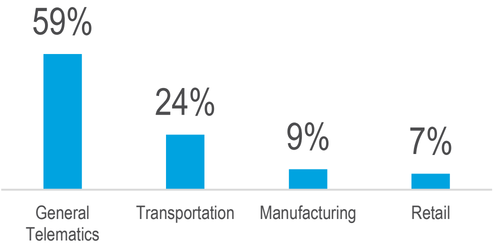
Owner	17%	▲ 11%
Administrative (back office functions)	15%	▲ 9%
General/regional manager	12%	
Operations manager	12%	▼ 25%
Fleet/equipment manager	9%	

VEHICLES IN FLEET

1-9	36%	▲ 23%
10-24	28%	
25-50	13%	
51-100	7%	▼ 14%
101-500	12%	
500+	3%	▼ 11%
Average	70	▼ 115

FLEET OPERATIONS

INDUSTRIES



DRIVER & EQUIPMENT OPERATOR WORKFORCE MAKE-UP

Full-Time	90%	▲ 81%
Part-Time	4%	
Majority Contractors (FT or PT)*	5%	
Other	2%	▼ 7%

▲▼= significant change vs 2018 (% = 2018 value)

* New response option for 2019

UK

EXECUTIVE SUMMARY AND RECOMMENDATIONS

MANAGING COSTS

Managing costs remains companies' biggest business challenge. Business expansion and revenue growth are lesser challenges than they were in 2018.

REPORTED INCIDENT REDUCTION CLIMBING

Telematics' impact on incident reduction has been steadily climbing since tracking began in 2017.

NEW FLEET, UPGRADES

Companies' top investment focus area is new fleets / fleet upgrades to meet top goals of increasing profits and reducing operational costs. The majority of companies are planning such upgrades in the next year.

TRAFFIC CONGESTION

Traffic congestion is cited as the biggest external industry threat. Route planning telematics can help drivers navigate alternate routes.

TELETRAC NAVMAN

BUSINESS GOALS AND CHALLENGES

BUSINESS CHALLENGES AND EXPENSES

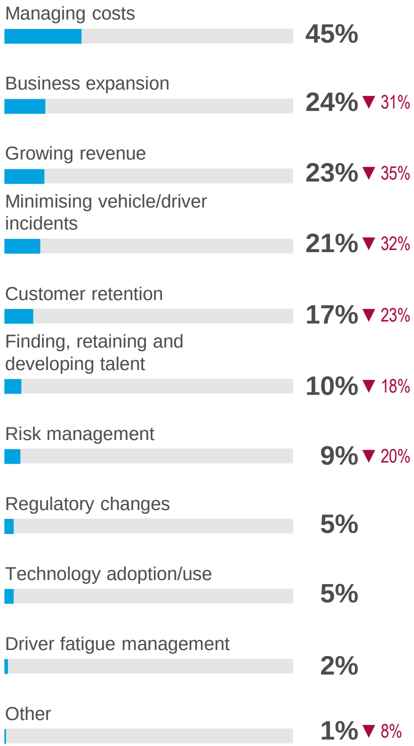
Managing costs remains the top business challenge, and payroll (down vs. 2017) the biggest expense.

Significantly fewer report business expansion, revenue, driver incidents, customer retention, talent and risk management challenges vs. 2018.

New equipment/vehicle purchase expenses are less pervasive than they were in 2018.

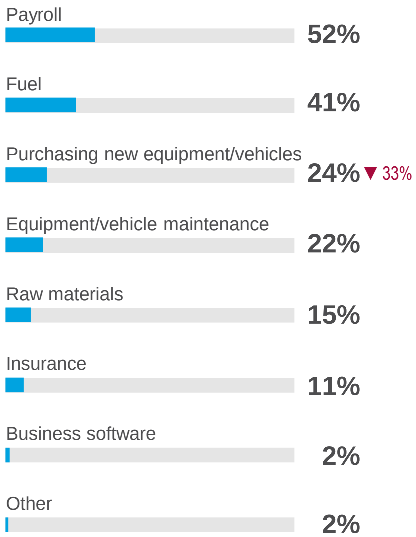
TOP BUSINESS CHALLENGES

Select up to 2



LARGEST EXPENSE AREAS

Select up to 2



* New response option for 2019 ▲▼= significant change vs 2018 (% = 2018 value)

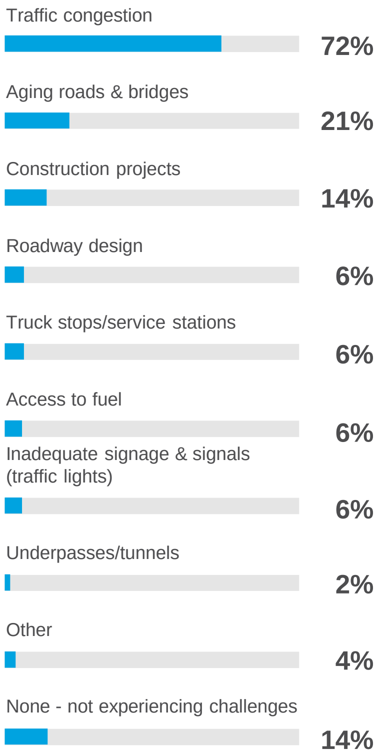
UK

INFRASTRUCTURE CHALLENGES

Traffic congestion reigns as the biggest infrastructure challenge.

MOST CHALLENGING INFRASTRUCTURE ISSUES

Select up to 2



▲▼= significant change vs 2018 (% = 2018 value)

UK

BUSINESS GOALS AND INVESTMENTS

Not surprisingly, increasing profits and reducing operational costs are top goals. Fleet upgrades are a top investment area for meeting these goals.

EMPLOYEE RETENTION UP

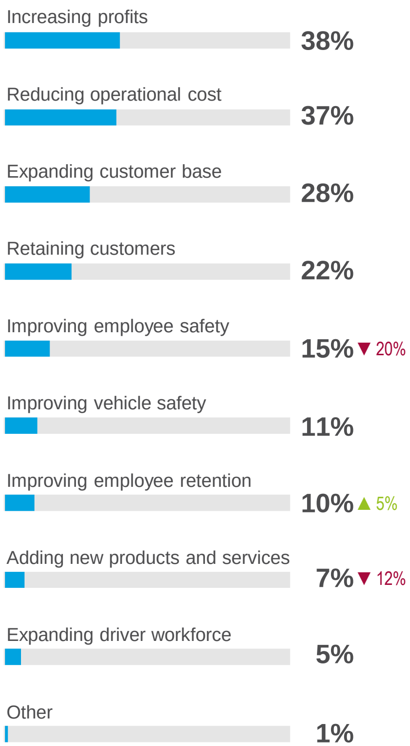
While the focus on improving employee safety has decreased compared to last year, employee retention is up.

LESS FOCUS ON CUSTOMER EXPERIENCE

One-third have plans to make investments to improve the customer experience yet focus has downshifted vs. 2018.

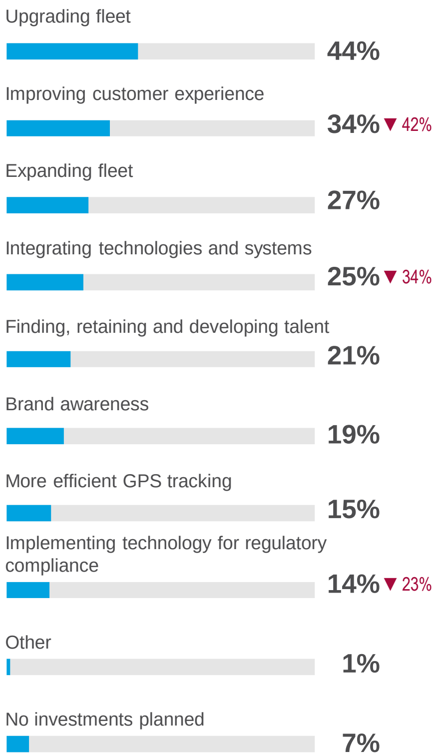
TOP BUSINESS GOALS FOR 2019

Select up to 2



INVESTMENTS PLANNED FOR 2019

Select all that apply



▲▼= significant change vs 2018 (% = 2018 value)

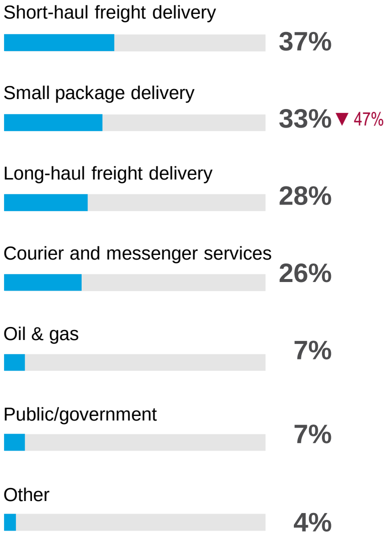
UK

GROWTH OPPORTUNITY SEGMENTS

Short-haul freight delivery remains the biggest growth area. Small package delivery has declined considerably since 2018 (47% vs. 33%).

SEGMENTS WITH BIGGEST REVENUE GROWTH OPPORTUNITY

Select up to 2

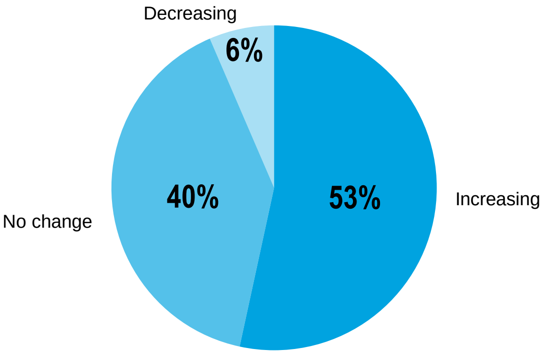


▲▼= significant change vs 2018 (% = 2018 value)

ECONOMIC GROWTH INCREASING FLEET

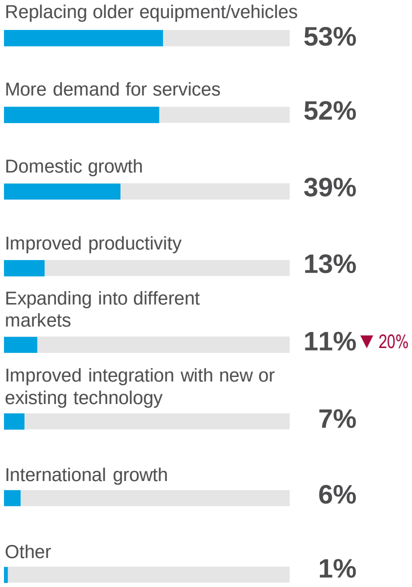
Majority have plans to increase equipment / fleet size over the next year, primarily by making new outright purchases to replace aging vehicles/equipment. Aging vehicles and service demands are key motivators.

FLEET SIZE



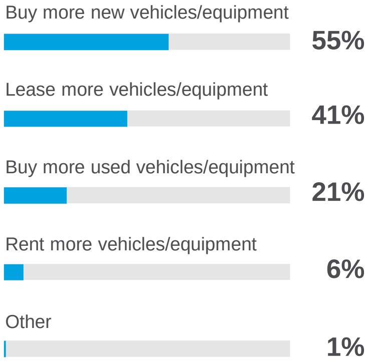
REASONS FOR INCREASING FLEET SIZE

Select all that apply



HOW FLEET SIZE WILL INCREASE

Select all that apply



▲▼= significant change vs 2018 (% = 2018 value)

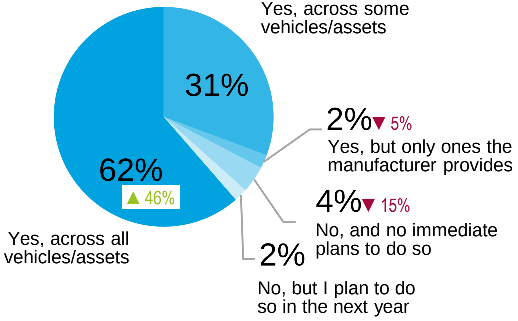
TELEMATICS

UK

TELEMATICS USAGE

Telematics usage has increased significantly since 2018 and continues to be used primarily to track vehicles and equipment, with monitoring of many other behaviours and practices on the decline. Telematics functionality is grossly underutilised, with companies using 3 (of 12 tested) features, on average.

TELEMATICS USAGE



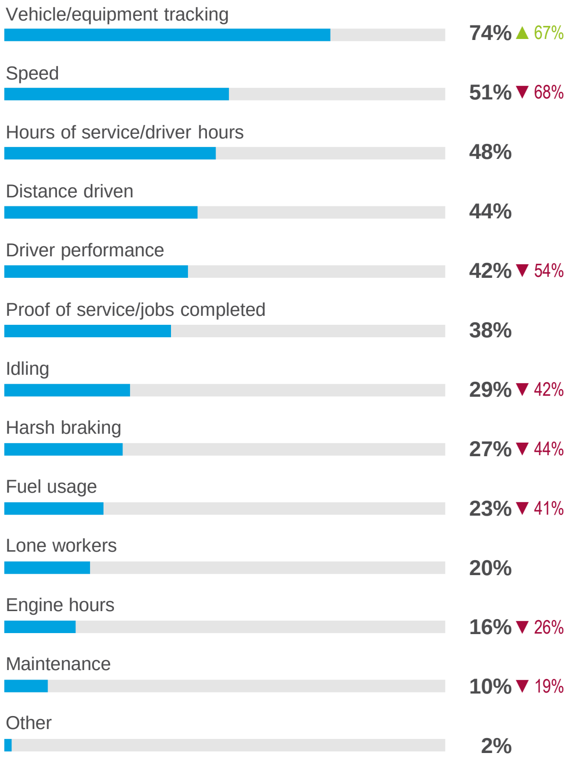
Average Fuel Reduction

Average	10.9%
5%-10%	39%
11%-20%	15%
21%-30%	4%
31%-40%	0%
More than 40%	0%
None	41%

Three in five who monitor fuel usage have decreased consumption by 11% on average.

WHAT IS MONITORED WITH TELEMATICS

Select all that apply

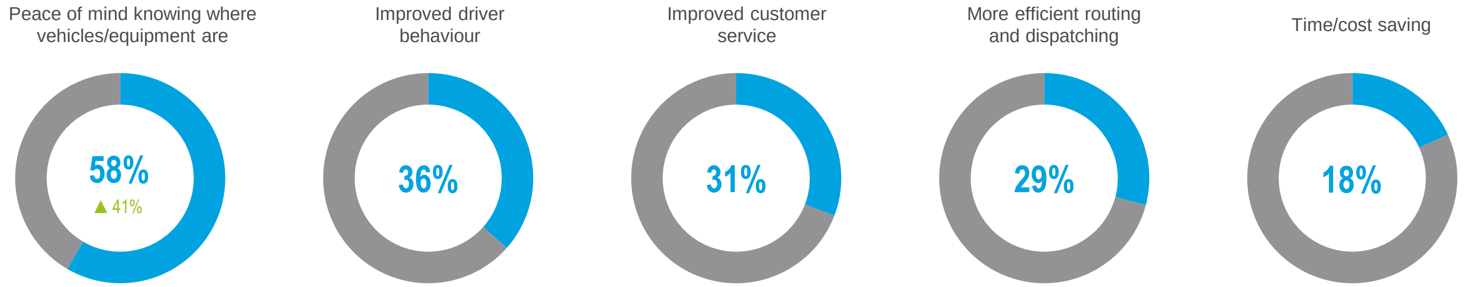


▲▼= significant change vs 2018 (% = 2018 value)

TELEMATICS TOP BENEFITS

Select up to 3

Peace of mind around equipment and vehicle location is a top benefit; it aligns with the primary reason for using telematics and has gained traction since 2018.



*go to appendix chart A to see all response options

UK

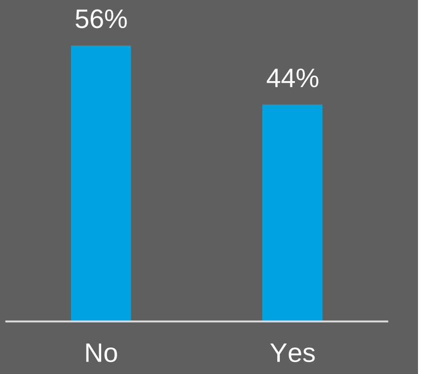
TELEMATICS SAFETY

Telematics’ impact on incident reduction has been steadily climbing since tracking began in 2017.

Driver monitoring and speed prevention are perceived to be the top telematics safety benefits.

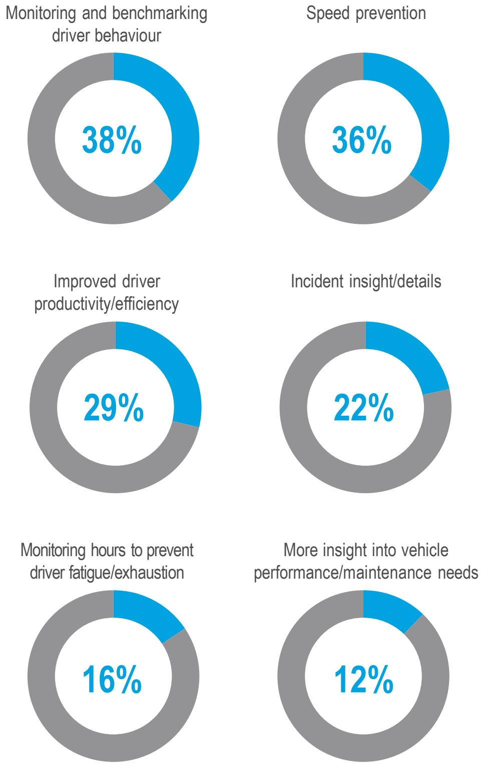
FEWER INCIDENTS SINCE TELEMATICS ADOPTION

Proportions reporting fewer incidents, though not significant, are on the upswing (up from 38% in 2018).



TOP SAFETY BENEFITS OF USING TELEMATICS

Select up to 2



▲▼= significant change vs 2018 (% = 2018 value)

COMPLIANCE

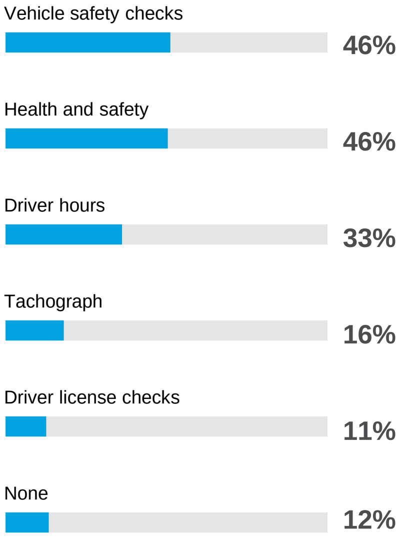
UK

COMPLIANCE CONCERNS

Nearly half express compliance concerns around vehicle safety checks and health and safety.

TOP COMPLIANCE CONCERNS

Select up to 2



▲▼= significant change vs 2018 (% = 2018 value)

TECHNOLOGY AND SECURITY

UK

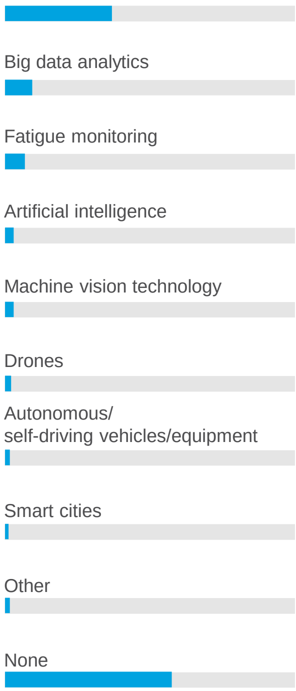
TECHNOLOGY IMPLEMENTATION & IMPACT

Driver warning / alerting tops the list of technologies to be implemented, with more than one-third, and is expected to have the greatest operational impact.

Anticipated usage of self-driving vehicles is small; autonomous vehicles are not expected to impact business for about 10 years.

10.4 ▲ 9.4

AVERAGE YEARS UNTIL AUTONOMOUS DRIVING EXPECTED TO IMPACT BUSINESS



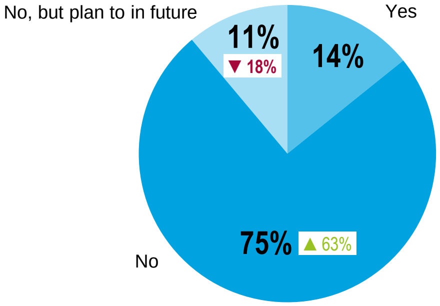
	POTENTIAL 2019 IMPLEMENTATION *Select up to 2*	**GREATEST IMPACT ON OPERATIONS** *Select up to 2*
Driver warning/alerting technology	36%	37%
Big data analytics	9%	11%
Fatigue monitoring	7%	11%
Artificial intelligence	3%	13%
Machine vision technology	3% ▼ 11%	7%
Drones	2%	5%
Autonomous/ self-driving vehicles/equipment	2%	11%
Smart cities	1%	13%
Other	2%	1%
None	55%	26%

▲▼= significant change vs 2018 (% = 2018 value)

BIG DATA ANALYTICS

Few are using data analytics for strategy development; there has been a shift from planned future usage to simply not using. Using big data to forecast hiring needs is down since 2018 and is a distant second to manual processes. Lack of internal expertise / resources may be to blame.

BIG DATA USED FOR STRATEGY DEVELOPMENT



Forecasting Business Hiring Needs

Select all that apply

Manually pulling records/paper-based processes
36%

Tools for big data analysis
12% ▼ 23%

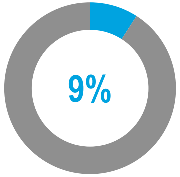
Guessing
10%

Other
8%

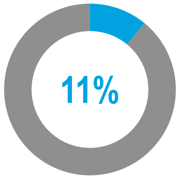
Not currently doing this
39%

Globally, Big Data is becoming more common place as companies look for ways to improve efficiencies and increase profits. With fewer UK businesses prioritising Big Data, it can be a real marketplace differentiator for those who do embrace the emerging technology.

CONSIDERING IMPLEMENTING BIG DATA ANALYTICS IN 2019



BIG DATA ANALYTICS WILL HAVE GREATEST IMPACT ON BUSINESS OPERATIONS



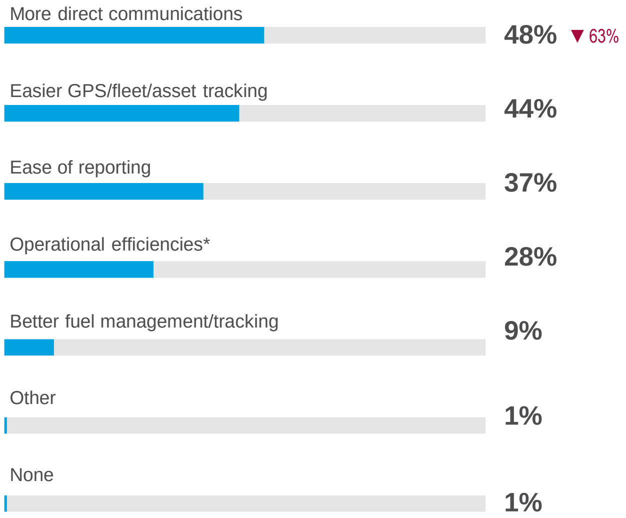
▲▼= significant change vs 2018 (% = 2018 value)

UK

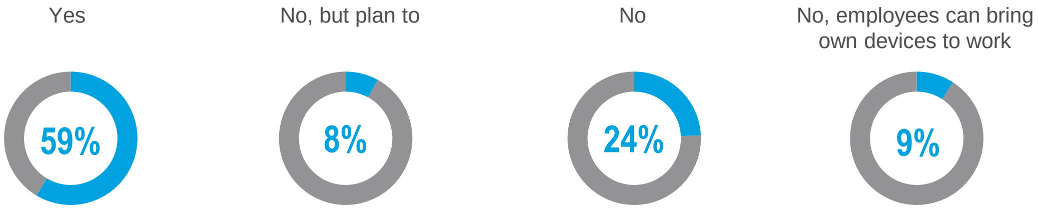
TECHNOLOGY / MOBILE DEVICES

MOBILE TECHNOLOGY EFFICIENCIES/ BENEFITS

Select up to 2



MOBILE DEVICES/TECHNOLOGY ARE OFFERED TO DRIVERS/EQUIPMENT OPERATORS FOR FLEET/ASSET MANAGEMENT



Majority of companies offer mobile technology to drivers, resulting in direct communication facilitation (down from 2018) and improved asset tracking.

* New response option for 2019 ▲▼= significant change vs 2018 (% = 2018 value)

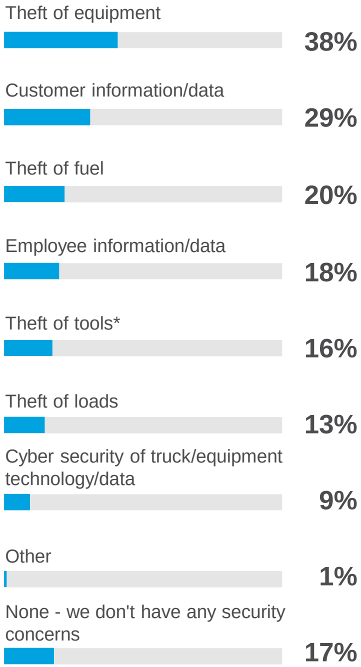
UK

SECURITY CONCERNS

Equipment theft is the top security concern.

BIGGEST SECURITY CONCERNS

Select up to 2



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TALENT

UK

TALENT RECRUITMENT

While nearly half plan to increase drivers similar proportions have no plans for staff increases.

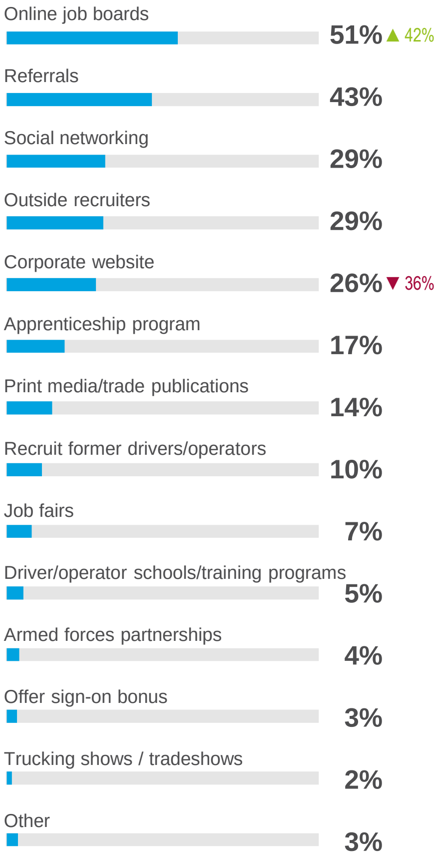
Primary recruitment methods are online job boards (up vs. 2018) and referrals.

Planned Staff Increases

Select all that apply

Drivers/Equipment operators	45%
Fleet/Equipment operations	13%
Maintenance managers/professionals	11%
Dispatchers	9%
Technology experts	7%
Safety/Compliance professionals*	6%
Telematics professionals	2%
Other	1%
None	39%

RECRUITMENT METHODS *Select all that apply*



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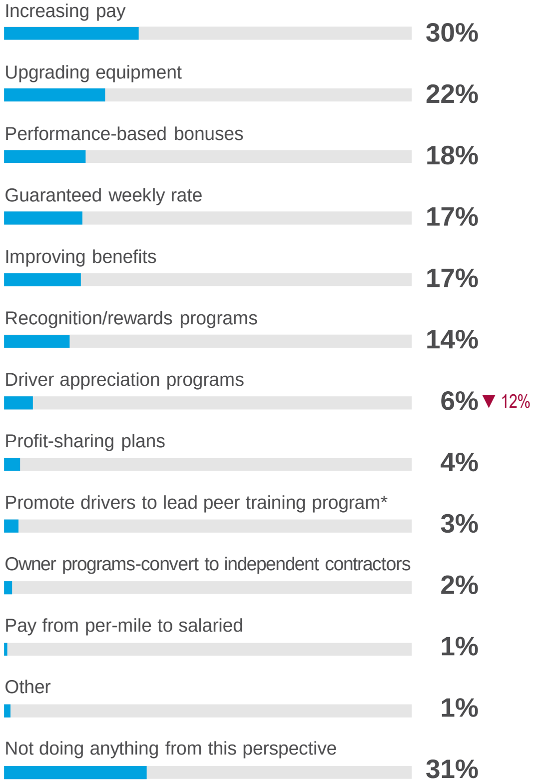
UK

TALENT RETENTION

One in 10 cite employee retention as a top business goal. Primary retention tool is pay increases. Top tactics generally involve financial incentives.

RETENTION METHODS *Select all that apply*



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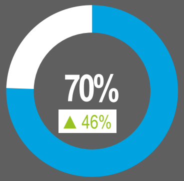
UK

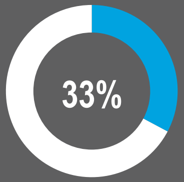
DRIVING BEHAVIOUR

Majority of companies are monitoring driving, with a third rewarding good driving, a practice that has been steadily gaining momentum since tracking began in 2017. Such rewards have resulted in improved safety and retention.

MONITORING DRIVER BEHAVIOUR

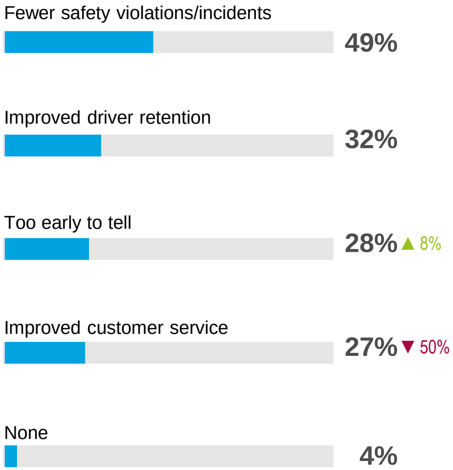


REWARDING SAFE DRIVING



RESULTS OF SAFE DRIVER REWARDS

Select all that apply



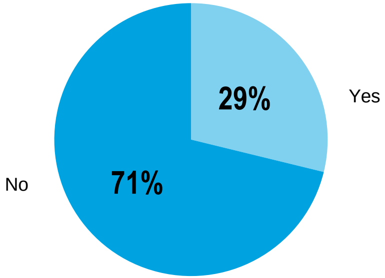
▲▼= significant change vs 2018 (% = 2018 value)

UK

DRIVER SHORTAGES

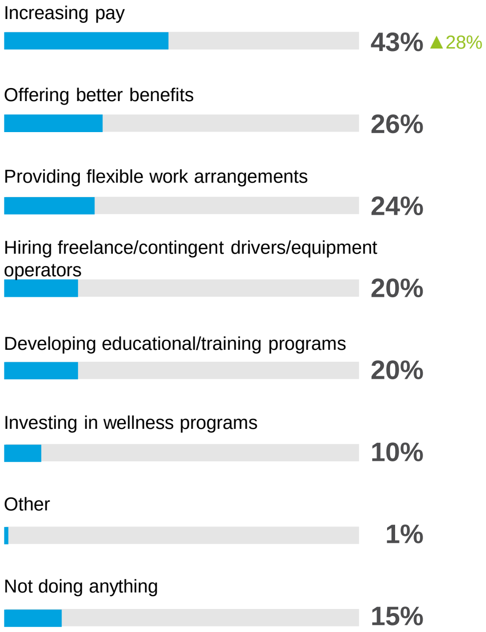
The driver shortage is comparatively low in the UK and is being largely addressed by pay increases. Increased demand, if addressed at all, is solved by outsourcing workers and establishing more efficient routes.

DRIVER / EQUIPMENT OPERATOR SHORTAGE



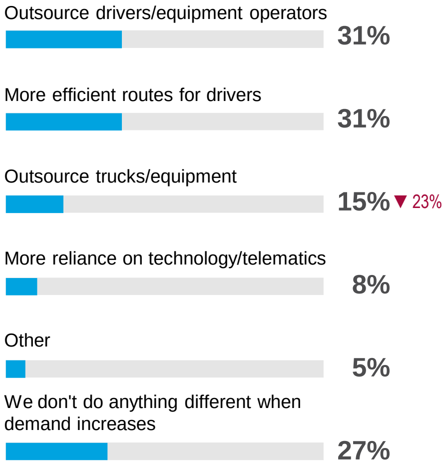
HOW DRIVER/OPERATOR SHORTAGE IS ADDRESSED

Select all that apply



METHODS FOR MANAGING INCREASED DEMAND FLUCTUATIONS

Select all that apply



▲▼= significant change vs 2018 (% = 2018 value)

APPENDIX

Chart A

Top Telematics Solutions Benefits *Select up to 3*	
Peace of mind knowing where vehicles/equipment are	58% ▲ 41%
Improved driver behaviour	36%
Improved customer service	31%
More efficient routing and dispatching	29%
Time/cost savings	18%
Improved driver safety	17%
Improved fuel efficiency	11% ▼ 24%
Meeting compliance requirements	8%
Reduced insurance premiums	8%
Fewer incidents	7%
Reduced incidents/theft	6%
Preventing fuel loss	4%
Reduced maintenance costs	3%
Fewer unexpected equipment failures	1%
Other	1% ▼ 4%
None*	2%

Chart B

Role	
Owner	17% ▲ 11%
Administrative (back office functions)	15% ▲ 9%
General/regional manager	12%
Operations manager	12%
Fleet/equipment manager	9% ▼ 25%
Executive/vice president/managing director	7%
Service manager	4%
Dispatcher/dispatch manager	4% ▲ 2%
Site manager	3%
Maintenance manager	2%
Safety manager	1%
Compliance manager	1% ▼ 4%
Service technician/fleet maintenance	1%
Mine/quarry manager	0%
Production manager	0%
Driver or equipment operator	0%
Other	0%
None	12%

Chart C

Industry	
Professional Services	8%
Energy/Utilities	5%
Health Care/Pharmaceutical	5%
Non-profit	4%
Leisure/Hospitality	4% ▲ 1%
Technology	3%
Government	3%
Education	1%
Defense/Aerospace	1%
Other	26%

* New response option for 2019 ▲▼= significant change vs 2018 (% = 2018 value)

TELETRAC NAVMAN

Teletrac Navman is a leading software-as-a-service (SaaS) provider leveraging location-based technology and services for managing mobile assets. With specialised solutions that deliver greater visibility into real-time insights and analytics, Teletrac Navman helps companies make better business decisions that enhance productivity and profitability. Its fleet and asset management technology uncovers information that would otherwise go unseen, helping customers reduce risk and confidently move their business forward with certainty. It tracks and manages more than 550,000 vehicles and assets for more than 40,000 companies around the world. The company is headquartered in Garden Grove, CA, with additional offices in the United States, United Kingdom, Australia, New Zealand and Mexico.

CONTACT US

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