HOW DATA IS CHANGING
THE WAY WE DRIVE

Technology and data interpretation previously associated with Formula One cars is now a key component in the management of everyday vehicles. Telematics, the technology of gathering information on a vehicle, is increasingly being used by organisations to monitor driver behaviour, with 17% of organisations in our survey currently using it – 7% more than in 2015.

WHAT IS **TELEMATICS?**

Telematic systems gather and record driving data from an organisation's cars and vans, then transmit that information for storage and interpretation.

Vehicles are usually fitted with an on-board device (OBD) that tracks its location via GPS and records information on areas such as braking, acceleration, maximum speed, journey time and out of hours usage.

WHAT ARE THE BENEFITS
FOR FLEET MANAGERS?

Telematics data can reveal driving habits that are costing the organisation money or even placing drivers at risk. For example, it may reveal that drivers are leaving their engine running while making a delivery, leading to higher fuel costs, or that they are regularly breaking speed limits.

Fleet managers can also track journey times and use the information to plot more efficient routes, or warn drivers about using expensive petrol stations. Telematics can even be used to identify recurrent mechanical problems or links between driver behaviour and excessive tyre wear. Furthermore, insurance companies typically offer a discount on premiums for vehicles fitted with telematic devices.
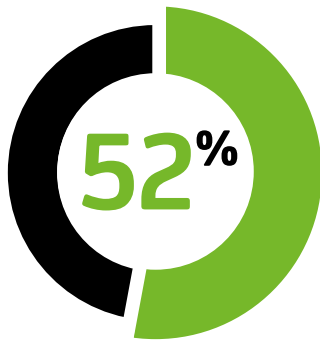
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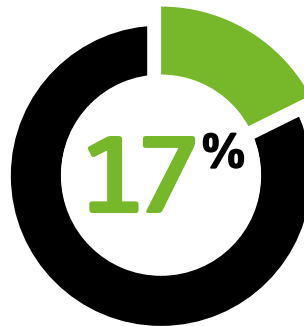
PERCENTAGE OF BUSINESSES USING TELEMATICS

SPLIT AS

9% of SMEs

27% of mid-sized businesses

40% of corporate businesses
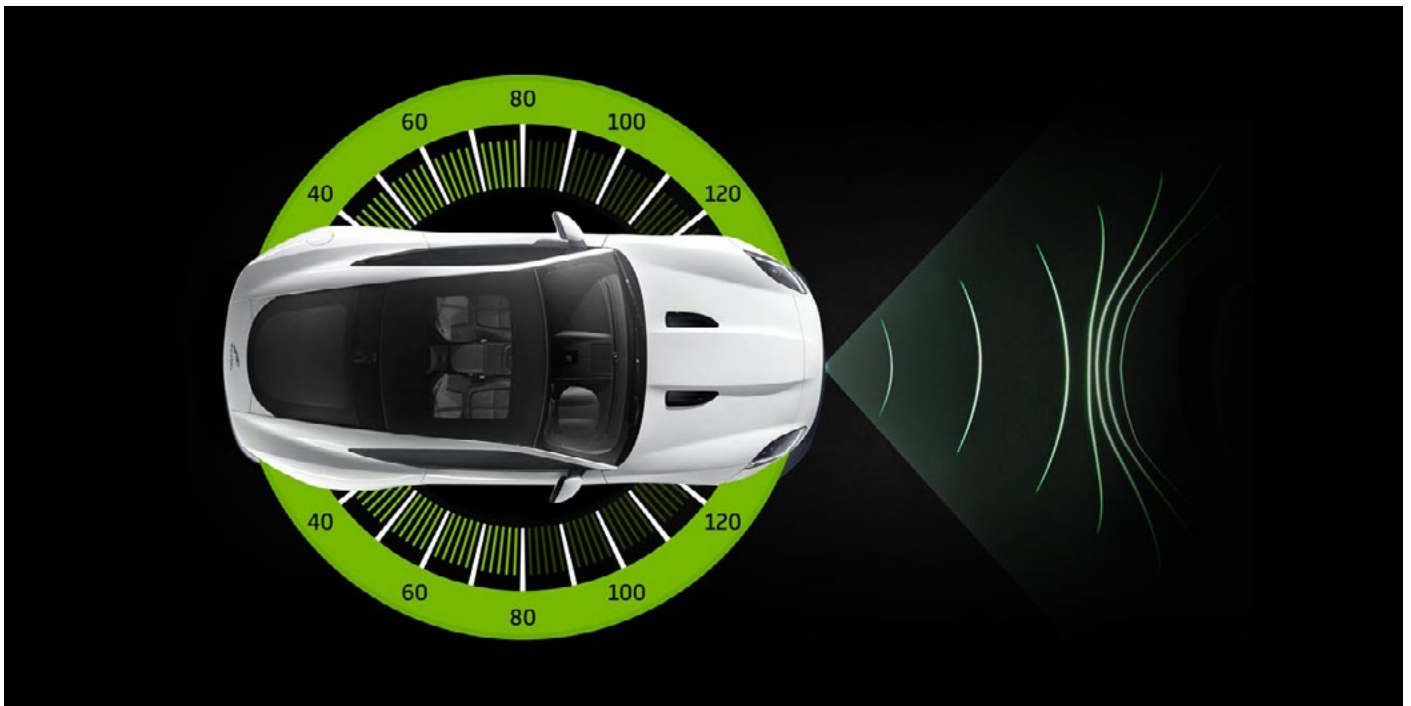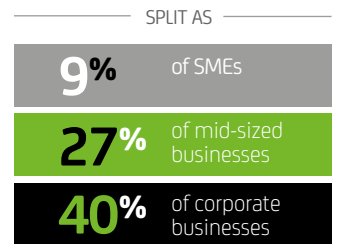
ADOPTING **TELEMATICS**

Adding telematics to a vehicle fleet could save fuel, cut maintenance costs, reduce insurance premiums and improve driver safety, and many businesses admit telematics would improve the behaviour of their drivers.

52% OF BUSINESSES SAY TELEMATICS WOULD IMPROVE DRIVER BEHAVIOUR

Despite this, just 19% of businesses think it is an important part of their fleet management and only 27% of businesses plan to bring in the technology over the coming two years.
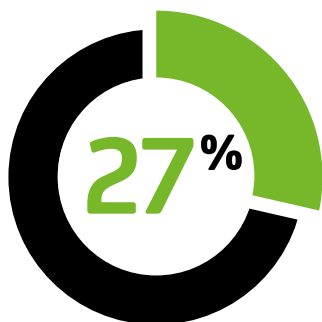
27% OF BUSINESSES PLAN TO BRING IN THE TECHNOLOGY OVER THE COMING TWO YEARS

OF BUSINESSES AGREE THAT TELEMATICS WOULD IMPROVE MANAGEMENT INFORMATION **50%**
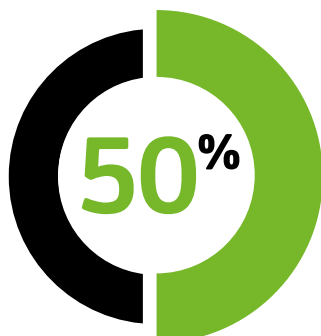
Cost, privacy issues and the interpretation of raw data may explain any reluctance to use telematics. However, technology trends suggest that costs will reduce as telematics becomes more embedded within the sector, while improved clarity about the legality of data collection and storage may also increase take-up. The software which interprets raw data and flags any driving behaviour to correct will also improve, becoming more user-friendly.

WHAT SOLUTION IS RIGHT **FOR MY ORGANISATION?**

The cost of telematics tends to be a monthly subscription and there may be an initial installation fee, depending on the service used. A more expensive option is to pay for a perpetual licence with no follow-up subscription fee. The range of service providers and options allows an organisation to choose what is best for their purposes.

The most basic options come with location tracking and simple analytics tools, but higher end solutions offer servicing and fault monitoring.

It is important for organisations to choose the package that is right for their needs, as there is no point paying for extras that will not be used. It is also important that they take into account potential hidden costs, such as contract termination fees or roaming charges when the vehicle leaves the country.

It is also worth noting that cars are increasingly 'connected' and collect data without the need for an on-board device. At the time of writing manufacturers, drivers and lease companies are discussing who 'owns' this data and how it can be used, but once resolved there is no doubt that even more vehicles will have automatic data collection.

The rise of data collection systems built into a vehicle by the manufacturer also means that plug-in telematic devices could become obsolete in the long-run. However, the benefits of a plug-in system is that it can be used across a variety of different manufacturers and models to collect data in a consistent format.

CREATING THE RIGHT PROGRAMME

The six step process to ensuring the right telematics programme.

1. **UNDERSTANDING YOUR GOALS** – it is important to clearly identify what is needed from a telematics system. Is it monitoring driver behaviour, analysing travel and routes taken, capturing mileage or live route planning? The needs will often differ between vehicles.

2. **APPOINTING THE SUPPLIER** – a telematics supplier should outline the risks, benefits and available technology, then detail a roadmap to show their implementation process. They should also ensure the organisation's dedicated project manager has a strong understanding of the telematics data being created.

3. **CHECKING PLANS** – with the support of the telematics supplier, organisations should identify whether the goals and KPI ambitions identified in step 1 are being met, and that expensive or over-complicated systems which produce vast amounts of data the organisation will not use has not been recommended.

4. **DESIGN AND BUILD** – working with the telematics supplier, an organisation should decide the best way to implement the scheme and the level and type of data they want to identify.

5. **PILOT** – organisations should ideally launch a telematics programme on a limited number of vehicles first, to help their team test and evaluate the process. This will also highlight any changes that may be needed before the scheme is rolled out across the organisation.

6. **PROGRAMME LAUNCH** – when formally launching a telematics programme, an organisation should ensure their administrative team have easy access to support from the telematics supplier. They should also develop ongoing support for when the programme becomes 'business as usual'.

WHAT FLEET MANAGERS NEED TO DO

19% OF FLEET MANAGERS/DECISION-MAKERS SEE THE MONITORING OF TELEMATICS AS AN IMPORTANT PART OF THEIR FUEL MANAGEMENT PRIORITIES

There is little point in installing telematics unless the data they provide is acted upon. Although automated management information (MI) software will interpret data, fleet managers must use it to monitor and train drivers on how driving behaviour can be made safer and more efficient.

More importantly, if data reveals that an employee is driving dangerously but no action is taken to prevent this, the organisation could be held partially liable if the driver is then involved in an accident.

EXCEPTION REPORTING

The key differentiator between the many telematics systems is its practical application within the organisation. Telematics can produce vast amounts of raw data, so it is key to have a system that ignores all but the most important data required. If monitoring driver speeds, for example, exception reports should only flag instances of speed limits being broken.

TELEMATICS TO SUPPORT VEHICLE DECISION-MAKING

Telematics can be used by organisations considering electric vehicles within their fleet. Analysis of the typical range a vehicle drives within a day, and where they could charge, can be used to assess whether the journey patterns and types are suitable for a pure electric or plug in hybrid vehicle. This information can also be used to calculate the correct number of recharging points needed at work locations, helping avoid the cost of fitting unnecessary charge points.

Heatmaps can also be created to highlight areas where vehicles are parked for extended times, ensuring charge points are installed and positioned in the most convenient or suitable places.