

The background features a series of concentric, slightly irregular circles in a light gray color. Scattered across these circles are numerous small red dots. Some of these dots are connected to the circles by thin, curved gray lines, creating a sense of movement or data points. The overall aesthetic is clean, modern, and tech-oriented.

2021 Fleet Technology Trends Report

**verizon^v
connect**

Fleet technology drives results, bolsters resilience

Technology adoption and benefits show continued growth in a year like no other.

COVID-19 forced fleets across industries to navigate uncertainty and swiftly adapt to new ways of operating. And despite this uncertainty, 2020 saw continued investment in fleet technology.

Beyond the standard benefits, fleet tracking helped businesses address the year's unique challenges, such as social distancing, home garaging, coordinating scheduling and dispatch from remote locations, and pivoting to remain efficient in the face of schedule upheaval.

The Fleet Technology Trends Survey conducted for Verizon Connect by Bobit Business Media, publishers of leading trade publications such as *Automotive Fleet*, *Business Fleet*, *Government Fleet* and *Heavy Duty Trucking*, reported an increase of 8% – from 64% in 2019 to 72% in 2020 – in the number of fleets using GPS fleet tracking technology.

Here are some of the key takeaways:

- 96% of fleets using GPS fleet tracking software found it beneficial.
- Customer service emerged as one of the key areas of improvement for those who adopted fleet tracking technology, with 54% reporting a marked improvement in this key performance indicator (KPI). This is up 4% from last year.

- 55% of survey respondents reported a negative impact of the pandemic in 2020. However, that did not stop fleets from experiencing remarkable returns from investing in technology. 32% reported a positive return on investment (ROI) in just six months of implementing fleet tracking technology.
- For new technologies, in-cab video was the star. 35% of respondents said they used in-cab video, which includes both front-facing and driver-facing cameras.
- In a time of economic and regulatory uncertainty, keeping costs in check is vital for fleets. In fact, 44% of fleets rated increasing costs as a top challenge to daily fleet operations. This is yet another area where fleets are seeing a positive impact from GPS fleet tracking: respondents reported an average 8% decrease in fuel costs, an 11% reduction in accident costs and a 10% decrease in labor costs.

This report, based on surveys completed by more than 700 U.S. fleet managers, executives and other mobile-business professionals, highlights the value fleet businesses are achieving by investing in fleet tracking technology.

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Fleet Technology Trends Survey key takeaways

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reported a positive ROI in just six months of implementing fleet tracking technology.



Customer service emerged as one of the key areas of improvement.



In-cab video was the hottest new technology trend.

GPS fleet tracking respondents reported:



An average 8% decrease in **fuel** costs



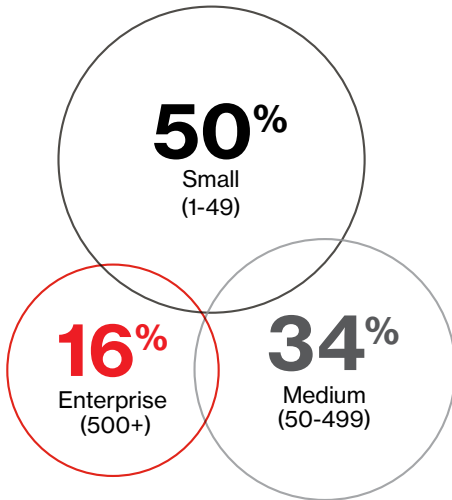
11% decrease in **accident** costs



10% decrease in **labor** costs

Who responded to the study?

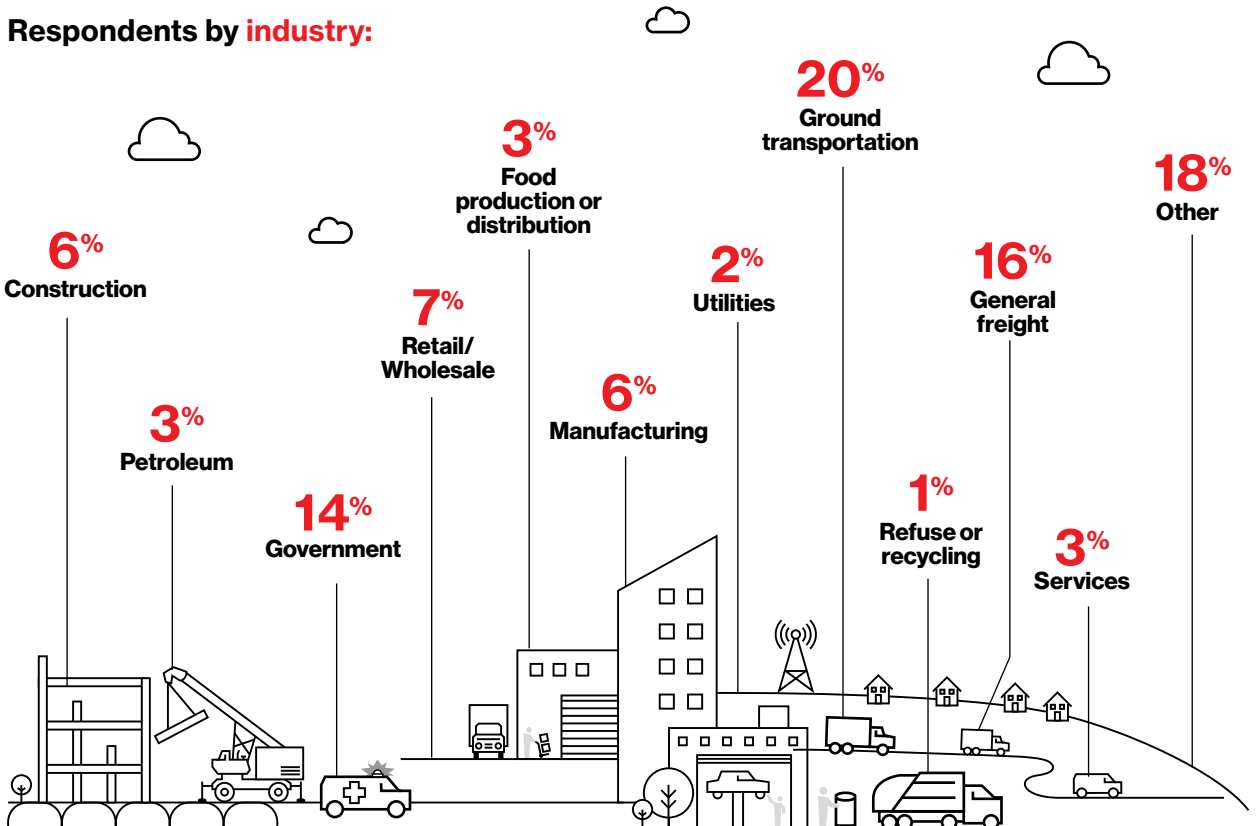
Respondents by fleet size:



Respondents by job function:

Fleet manager	31%
Executive	27%
Management	22%
Other	12%
Risk/safety	5%
Finance	3%

Respondents by industry:



Who uses fleet management systems?

Overall, 72% of all respondents currently use GPS fleet tracking software, up from 64% in 2019.

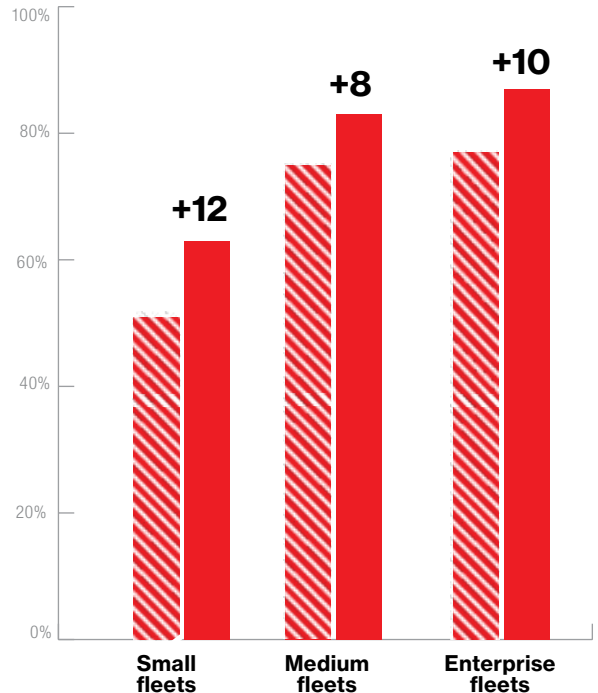
While enterprise and medium-sized fleets lead the way in adoption rates, small fleets have increased their rate of adoption by an impressive 12% over the last year. This signals an upward trend on the value that businesses of all sizes place on GPS fleet tracking technology.

The average fleet size for all respondents to the survey is 611 vehicles; these fleets are composed of various vehicle types.

Trailers	214
Light-duty trucks	209
Heavy-duty trucks	198
Cars	150
Medium-duty trucks	116
Off-road equipment	78

Use of GPS fleet tracking by business size:

2019 2020



Use of GPS fleet tracking by industry:

Transportation



81%

Services



77%

Government



68%

Construction



50%

Looking at the use of GPS fleet tracking by industry, it is not surprising that transportation continues to lead the way in utilization. However, the services industry – followed by construction and government – is quickly catching on. It's only a matter of time before more players in various industries realize the true benefits of having an efficient technology toolbox.

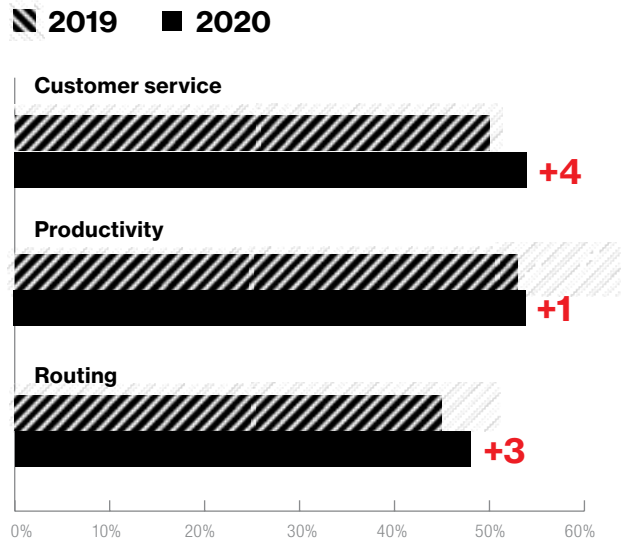
Does fleet tracking technology impact ROI?

The answer is a resounding yes. Across the board, the majority of survey respondents noted:

- **Increased improvements** in critical areas, such as customer service, productivity and routing, as compared to last year.
- **Decreases** in fuel consumption, accidents and labor costs, which held steady at last year's percentages.

A majority of respondents from the transportation and services industries indicated that they achieved a positive ROI in less than a year after implementing GPS fleet tracking. Over a third of government respondents noted ROI in less than a year, and over a quarter of construction industry respondents realized ROI in the same timeframe.

Positive improvements after implementing GPS fleet tracking



Timeframe to achieve positive ROI:

		Less than a year	One year or more
	Services	59%	21%
	Transportation	50%	19%
	Construction	36%	26%
	Government	35%	31%

How technology empowers a competitive edge

A majority of respondents across industries said GPS fleet tracking has had a beneficial impact on their fleet operations – **72% consider fleet tracking “very” or “extremely” beneficial.**

Within the transportation industry, **62%** of those currently using a GPS fleet tracking solution realized improved customer service. This is terrific news as many businesses are finding it crucial to focus on service and support in addition to the quality of a product. Rising customer expectations and the growing influence of online reviews, increased technical complexity and a competitive landscape can put pressure on even the best-run companies.

Other goals realized that can help give companies a leg up on the competition include **ELD/regulatory compliance, improved routing, improved productivity (including number of jobs and vehicle utilization) and improved vehicle maintenance.**

Transportation industry

Goals achieved since implementing GPS tracking:

62%

Improved customer service

54%

Improved compliance

50%

Improved routing

41%

Improved vehicle maintenance

49%

Improved productivity



In the services industry, the majority of respondents were also able to achieve critical business goals.

Services industry

Goals achieved since implementing GPS tracking:

63%

Improved vehicle maintenance

53%

Decreased fuel consumption

50%

Improved customer service



80%

said they achieved improved productivity in terms of number of jobs and vehicle utilization, and 63% saw an improvement in vehicle maintenance.

Video telematics delivers tangible results

AI-backed video telematics with driver-facing and road-facing cameras is reshaping safety and efficiency for fleets. Fleet businesses are able to see how smart video can serve as an unbiased witness, an incomparable driver training tool and a gold mine of data.

Of those using an in-cab video solution:

- A whopping 83% achieved improvements in driver safety.
- In the transportation industry, 74% of respondents considered in-cab video "very" or "extremely" beneficial.
- Over three-fourths were able to improve driver safety and protect themselves from false claims.



Goals achieved in the transportation industry from implementing video:



Improved driver safety

78%



Reduced false claims

76%



Reduced accident costs

54%



Reduced insurance costs

42%

(Percentage of respondents)

For those in the **services industry** using in-cab video, **83%** improved driver safety.

In the **government sector**, **68%** saw improved driver safety, and **65%** improved their organizations' protection from false claims.

68% consider in-cab video "extremely" or "very" beneficial.

In the **construction industry**, **57%** credit in-cab video for reduced accident costs and improved driver safety.

43% also saw reduced insurance costs.

Undeniable cost savings

According to our survey, 44% of businesses said cost was one of their biggest business challenges, followed by lack of quality technicians, and customer demands at 40%. Users of fleet tracking technology have shown remarkable benefits in these and other KPIs.

Across all industries GPS tracking users decreased fuel costs by an average of 8%. Users also saw an average decrease of 11% in accident costs, and a decrease in overall labor costs of 10%.






All industries

Transportation

Government

Construction

Services

	All industries	Transportation	Government	Construction	Services
 Fuel cost reduction	8%	10%	6%	8%	9%
 Accident cost reduction	11%	14%	7%	14%	8%
 Labor cost reduction	10%	9%	5%	10%	15%

In the transportation industry, 63% saw improved productivity as a potential benefit of GPS fleet tracking technology. 50% saw better customer service and improved routing as potential benefits. Timely vehicle maintenance and reduction in labor cost were the other expected benefits with nearly 40% reporting positive trends in these areas.



The bottom line

Building a resilient business is more important now than ever before. Use these data points to make long-term purposeful decisions that will help your fleet withstand the complex business environment or any other emergency in the future.

Fleet tracking technology goes beyond just dots on a map. It gives fleet managers much-needed visibility into driver behaviors, fleet costs and vehicle wear and tear. With dashboards and customizable reports, you can check the pulse of your business at any point in time.

Methodology

Conducted by Bobit Business Media for Verizon Connect, this study aims to dive deeper into the understanding and adoption of GPS fleet tracking systems and other related technologies. An email invitation to participate in an online survey was sent to those in the *Automotive Fleet*, *Business Fleet*, *Work Truck*, *Government Fleet*, *Fleet Financials*, *Business Fleet*, *Metro*, *LimosForSale* and *HDT (Heavy Duty Trucking)* databases. A total of 726 responses (467 completed and 259 partially completed surveys) were collected between August 14 and September 11, 2020.

About Verizon Connect

Verizon Connect is guiding a connected world on the go by automating, enhancing and revolutionizing the way people, vehicles and things move through the world. Our full suite of industry-defining solutions and services puts innovation, automation and connected data to work for customers and helps them be safer, more efficient and more productive.

Connect your fleet. Call 866.844.2235 or visit verizonconnect.com to learn about our powerful, easy-to-use fleet solutions for businesses of all sizes.

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