



# 2022 Fleet Technology Trends Report

**verizon<sup>v</sup>  
connect**

# Fleet technology usage holds strong as fleets face new challenges.

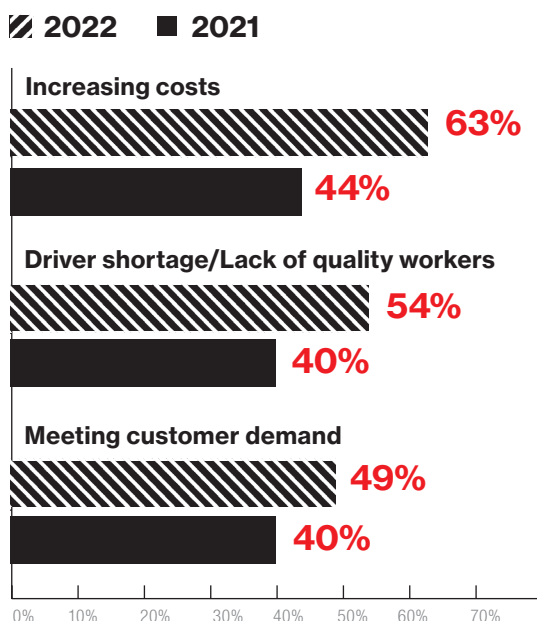
**GPS fleet tracking technology helps fleets meet customer demands, offset rising costs and protect themselves from accidents and their fallout.**

Last year, the 2021 Fleet Technology Trends Report revealed an 8% increase in the adoption of fleet technology between 2019 and 2020. The pandemic may have been the driving factor as fleets faced new challenges, like social distancing, home garaging and remote work. But the 2022 report shows adopting fleet technology wasn't simply a stop-gap measure.

For the second year in a row, more than 70% of respondents said they are leveraging fleet tracking technology to better manage their operations, signaling the effectiveness of their solutions and their ongoing commitment to technology. Now, fleets are facing new challenges, like the rise in last-mile deliveries, increasing costs and the threat of false claims. Fortunately, fleet technology is helping with these new challenges too.

GPS tracking technology helps fleets improve routing to meet increasing customer demands and home deliveries. Fleet tracking technology also helps fleets fight ever-rising costs by improving productivity and maintenance, and decreasing accident, labor and fuels costs. And video telematics continues to help protect fleets from false claims and devastating nuclear verdicts.

## Top 3 challenges to daily business (all respondents)



## Key takeaways

- 90% of fleets using GPS tracking software found it beneficial
- Among transportation and distribution respondents who use GPS fleet tracking, 44% improved routing and 57% improved customer service
- More respondents cited increasing costs as their biggest challenge this year, at 63%, compared to 44% in the 2021 report
- Meeting customer demands is becoming more challenging, with 49% of fleets listing it as a top challenge, versus 40% in the 2021 report
- In the transportation industry, 78% of respondents said in-cab video was very or extremely beneficial
- In the government industry, 83% of respondents said fleet technology helps protect their organization from false claims

# Fleet technology continues to be widely adopted among fleets.

The number of respondents who use GPS tracking technology held steady from the 2021 report, after an 8% increase the previous year.

## Fleet technology trends quick hits

**71%**

of fleets use GPS tracking technology

**90%**

said using GPS tracking software was beneficial

**63%**

said increasing costs are the biggest challenge to their daily fleet operations

**31%**

reported seeing a positive ROI within six months of adopting fleet tracking technology



Customer service emerged as the top area of improvement for the second year in a row, followed by improvements in productivity and maintenance.

## On average, respondents using GPS tracking reported a:



10% decrease in **fuel** costs



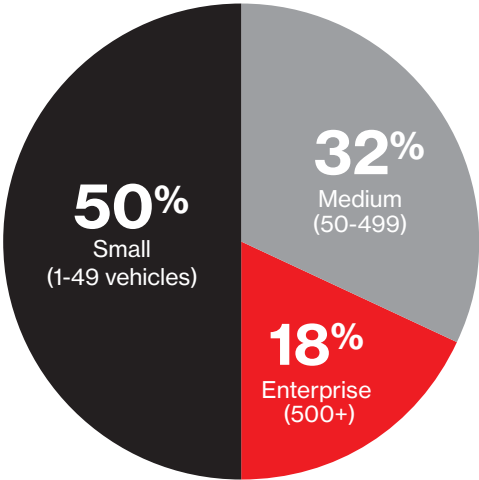
14% decrease in **accident** costs



10% decrease in **labor** costs

# Who responded to the study?

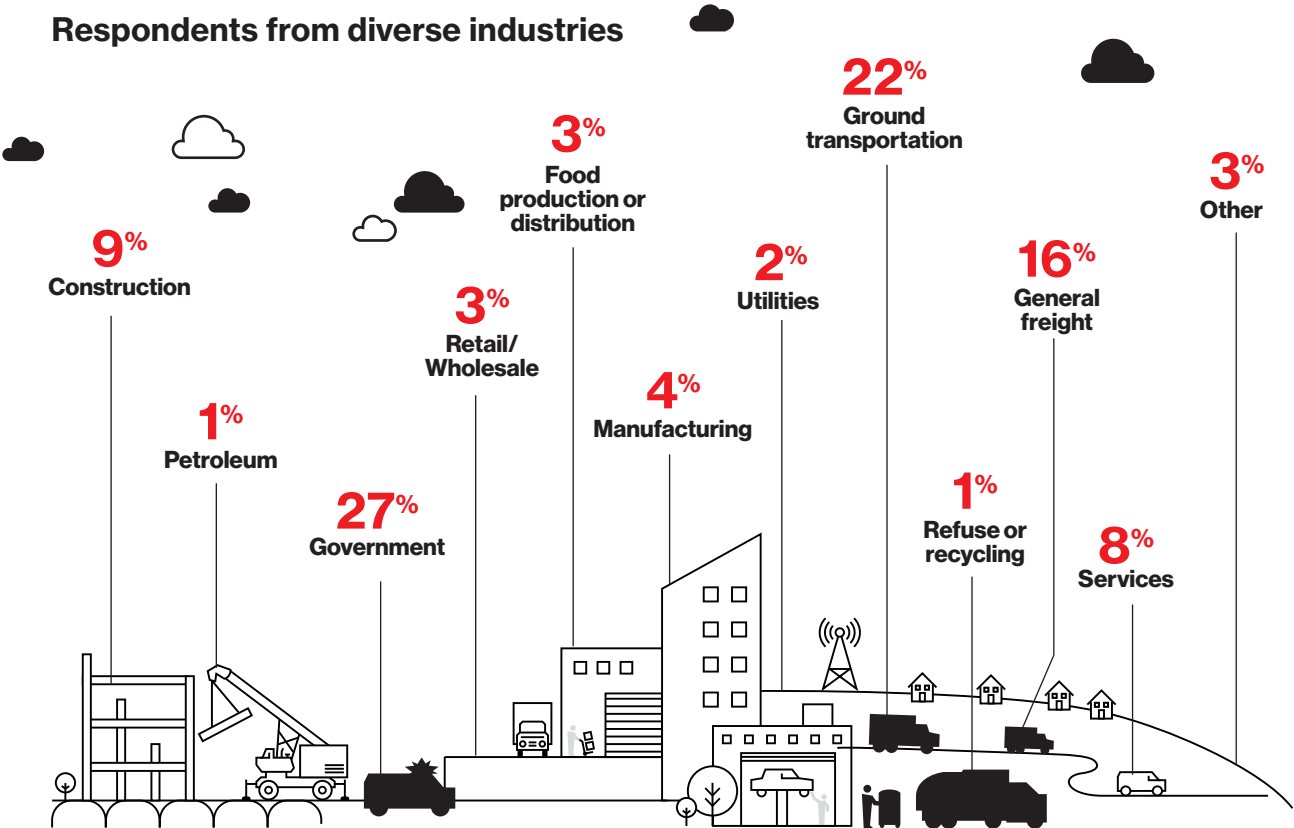
## Fleets of all sizes



## Individuals with varying job functions

Executive	32%
Fleet manager	29%
Management	21%
Risk/Safety	4%
Finance	3%
Other	12%

## Respondents from diverse industries



# Who is benefiting from GPS fleet tracking software?

**Overall, nearly three-quarters of respondents (71%) are using GPS fleet tracking software.**

That percentage has held strong from the 2021 report and accounts for a 7% increase compared to prepandemic usage in 2019.

Enterprise and medium fleets continue to see the highest adoption rates, at 85% and 80% respectively. While small fleets have a lower adoption rate (60%), high marks in all categories year over year demonstrate that fleets continue to see the value of fleet tracking technology.

**The average fleet size for all respondents to the survey was 517 vehicles. These fleets are made up of a combination of light to heavy-duty trucks, trailers, off-road equipment, and cars.**



## Adoption rate by industry

### Transportation



**83%**

### Government



**65%**

### Services



**64%**

### Construction



**49%**

The transportation industry had the highest adoption rate once again, increasing 2% from the 2021 report. As more people adapted to online ordering and home deliveries increased following stay-at-home orders in 2020, it's no surprise this segment of the industry is the top user of GPS fleet tracking technology.

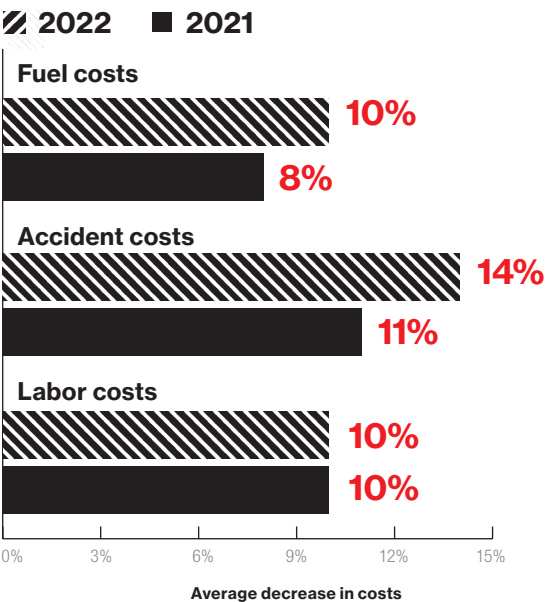
However, as fleets become aware of how tracking technology is yielding positive business outcomes for the transportation industry, it's likely that more fleets in the services, government and constructions industries will add GPS tracking software to their technology toolbox.





# Fleets are achieving a positive ROI with fleet tracking technology.

A majority of respondents across industries (62%) indicated that they realized a positive ROI after implementing a fleet management solution and noted:

- **Improvements** in key business areas, such as customer service, productivity and vehicle maintenance
- **Cost reductions** related to fuel consumption, accidents and labor costs, which held steady or increased since last year's report

## Positive improvements after implementing GPS fleet tracking



Timeframe to achieve positive ROI		Less than a year	One year or more
	Transportation	52%	13%
	Construction	51%	19%
	Government	32%	24%
	Services	31%	31%



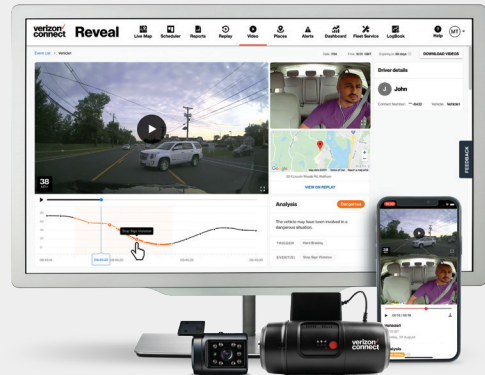
# How video telematics benefits fleets

Video telematics is more advanced than ever before. Using AI technology as well as both road-facing and driver-facing cameras, video telematics gives fleet managers more visibility by providing a virtual ride-along.

Video telematics helps fleets reduce the likelihood of at-fault crashes. And when crashes do happen, recording the incident reduces false claims that in turn can cause premiums to skyrocket. With fewer crashes and false claims, video telematics helps reduce accident costs and keep insurance premiums in check.

## What improvements did users of video telematics see?

- 79% of all respondents saw improvements in driver safety
- In the transportation industry, 78% of respondents considered in-cab video very or extremely beneficial
- 75% of respondents in the services industry found video telematics to be extremely beneficial
- More than two-thirds of respondents used in-cab video to improve driver safety and protect themselves from false claims



## Goals achieved with video telematics (all respondents using video)

Improved  
driver safety

**79%**

Protection from  
false claims

**67%**

Reduced  
insurance costs

**44%**

Reduced accident  
costs

**38%**

Improved  
protection from  
false claims

**70%**

of transportation  
fleets

**83%**

of construction  
fleets

**83%**

of government  
fleets

## Video telematics results by industry Saw improved driver safety

**76%**

of transportation  
fleets

**75%**

of services fleets

**69%**

of government  
fleets

**67%**

of construction  
fleets

# Top 4 goals achieved by industry after implementing GPS tracking

A majority of respondents across industries (65%) consider GPS fleet tracking very or extremely beneficial to their business, backed up by the cost savings they are experiencing. On average, they reported a 14% decrease in accident costs and a 10% decrease in both labor and fuel costs.

Other goals being realized by fleets who use GPS fleet tracking include improvements in productivity, maintenance, routing and customer service, as well as decreases in accidents.

## Top 4 goals achieved after implementing GPS tracking

### Transportation



57%

Improved customer service

56%

Improved ELD/ regulatory compliance

46%

Improved productivity

44%

Improved routing

### Services



56%

Improved vehicle maintenance

50%

Decreased fuel consumption

44%

Improved productivity

44%

Improved customer service



## Industry spotlight (cont'd)

Top 4 goals achieved after implementing GPS tracking

### Construction



50%

Improved productivity

50%

Improved customer service

44%

Improved vehicle maintenance

31%

Decrease in accidents

### Government



47%

Improved vehicle maintenance

43%

Improved productivity

43%

Improved routing

35%

Improved customer service

# Addressing fleet challenges and driving down costs

Fleets continue to cite increasing costs, driver shortage or lack of quality, and meeting customer demands as the top three challenges impacting daily operations. Users of fleet tracking technology have shown remarkable benefits in these and other KPIs.



### Increasing costs

Survey respondents reported that fleet technology decreased costs in three categories, including accident costs, fuel costs and labor costs, helping to offset rising costs in other categories.



### Driver shortage/quality

Telematics allows fleets to gather data about driver behavior that can be used to coach employees and improve the quality of the drivers they have on the road. 79% of respondents reported that video telematics helped them improve driver safety.



### Meeting customer demands

GPS tracking technology can help fleets get to customers faster and complete more jobs per day and trip. 42% of respondents said a GPS fleet tracking solution helped them improve routing, 46% said it improved productivity and 48% said it improved customer service.

## Fleet management software helps reduce costs.



All industries



Transportation






Government

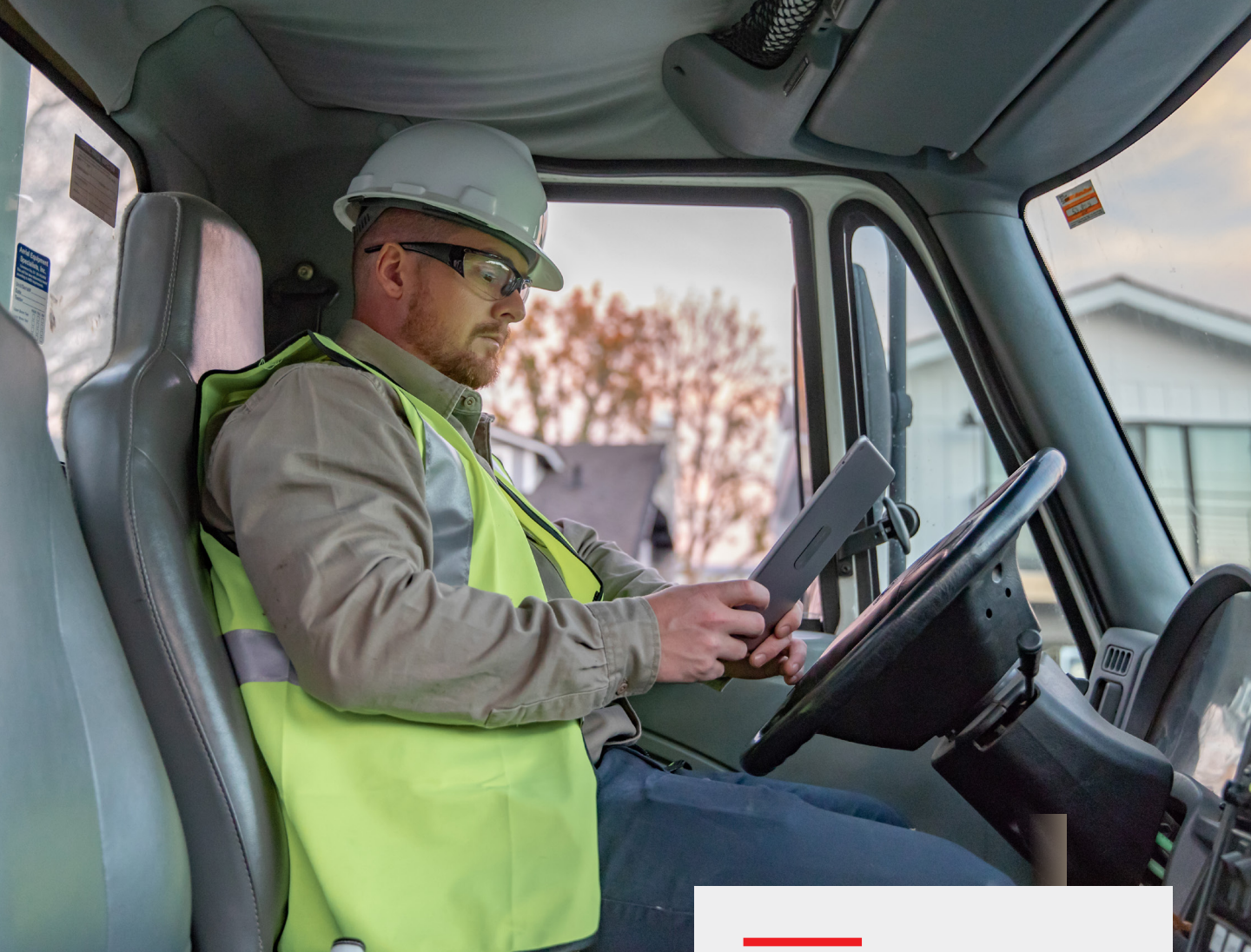


Construction



Services

	All industries	Transportation	Government	Construction	Services
 <b>Fuel</b> cost reduction	10%	12%	6%	19%	6%
 <b>Accident</b> cost reduction	14%	17%	7%	15%	18%
 <b>Labor</b> cost reduction	10%	13%	5%	16%	5%



# The bottom line

As costs continue to rise, customer expectations become greater, and operating a safe fleet is more important than ever. Fleet tracking technology gives organizations the data they need to improve their operations in all of these areas of concern. The challenges fleets will face next are yet unknown, but with GPS fleet tracking technology that empowers fleets to make data-based decisions, they will be able to better navigate whatever comes next.

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## Methodology

The Fleet Technology Trends Survey was 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. This study is intended to develop a stronger understanding of the adoption and outcomes 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 522 responses (340 completed and 182 partially completed surveys) were collected between June 7, 2021 and July 19, 2021.

# About Verizon Connect

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