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Fleet IoT Providers: The Top 6 Fleet Needs that Should be on Your Radar






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The fleet management market is growing, reflected by an increasing number of organizations penetrating the space with IoT-enabled applications. The optimal fleet management solution varies from operator to operator based on their unique needs, however most options provide the following functionalities to some degree:

VEHICLE MANAGEMENT

Capabilities related to remotely tracking vehicle position, tracing movements and velocity in real-time.

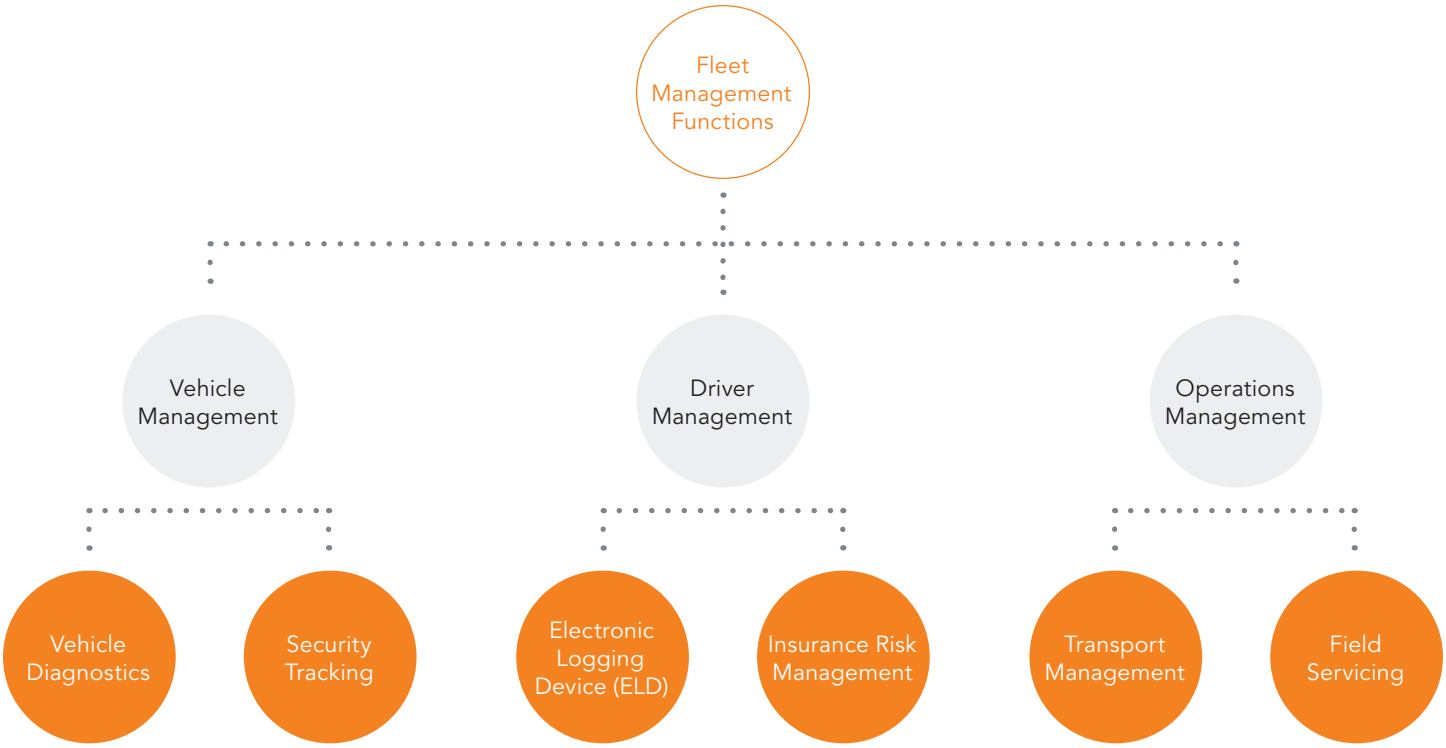
DRIVER MANAGEMENT

Capabilities related to tracking and monitoring of individual driver performance and activity levels, including the reporting required for varied regulatory policies.

OPERATIONS MANAGEMENT

Capabilities related to operational processes such as dispatch and routing, as well as other monitoring functionalities that are unique from business to business.

Although competitive pressures are high for application developers in the fleet IoT space, there are a wide variety of technologies, services, and offerings that fleet IoT providers can adopt to add value to existing solutions or to generate and diversify their revenue streams by bringing new solutions to market. These are six of the most promising, innovative opportunities that your organization should consider to remain competitive:



1. VEHICLE DIAGNOSTICS

Vehicle diagnostics solutions are a valued service among fleet operators that are increasingly seeking ways to limit vehicle downtime, extend vehicle lifecycles, and reduce repair costs. By integrating fleet IoT applications with standardized devices, such as ODB-II for cars and light trucks, organizations can monitor, analyze, and present data regarding critical vehicle systems to enable more efficient preventative maintenance.

Fleet IoT businesses can also enhance vehicle diagnostics technologies to develop adjacent, remote diagnostics capabilities that can be integrated into their offerings as a value-added service. With these enhanced solutions, customers benefit from access to expert troubleshooting and guidance regardless of location.

The global automotive diagnostic tool market has seen significant expansion, with future demand expected to grow with a CAGR ~5%[1]

2. SECURITY TRACKING

Security tracking technologies consist of specialized vehicle tracking applications intended to prevent criminal theft and recover stolen vehicles or cargo should theft occur. Security tracking and stolen vehicle recovery solutions represent significant opportunity in regions where these types of crimes regularly occur, including a number of countries in Latin America and Europe. Best practices for fleet IoT companies seeking to offer these services include the integration of specialized GPS devices that are capable of blocking signal jammers, as well as mechanisms that enable emergency immobilization of a vehicle. Many of the leading providers in this space have also partnered with local authorities to implement automatic alerts when a theft occurs.

It is estimated by 2025, stolen vehicle recovery solutions will be used in nearly half of vehicles on the road[2]

3. ELECTRONIC LOGGING DEVICE (ELD)

Electronic Logging Device (ELD) solutions are federally mandated in the U.S. for all commercial drivers required to prepare Hours of Service (HOS) and Records of Duty Status (RODS) reports. Most fleet IoT and telematics applications are robust enough to provide the required information, however organizations can add value for customers by also providing the tablet devices required to host their application, display HOS reports as needed, and meet federal compliance. Comprehensive ELD solutions are especially attractive for fleet operators that may not have the technical resources to address ELD application provisioning and management.

Although the federal mandate was put into effect in December of 2017, many operators have been slow to adopt and there is still a significant opportunity for fleet IoT companies to gain market share. Even among long-haul carriers with an estimated compliance rate over 90%, value-added and comprehensive ELD solutions give organizations a competitive edge.

Shorter-haul regional fleets have a federal compliance rate of just 75%[3]

4. INSURANCE RISK MANAGEMENT

Insurance risk management solutions leverage telematics technologies for fleet operators to benefit from Usage Based Insurance (UBI) policies. Many commercial motor insurers award discounts to fleets who have implemented these types of solutions that use driver behavior data to calculate individual risk profiles and individualized premium calculations.

In addition to targeting fleet operators with these types of solutions, fleet IoT companies also have the opportunity to market telematics UBI solutions to insurers themselves, making their insurance services more attractive to downstream customers.

Approximately 70% of all auto insurance carriers in the United States are expected to use telematics UBI by 2020[4]

5. TRANSPORT MANAGEMENT

Transport management services are focused on the movement of goods and cargo as opposed to the vehicles or drivers themselves. As companies lose billions of dollars worth of luxury goods each year due to cargo theft or loss[5], these technologies represent a growing opportunity in the fleet IoT arena. Key functionalities for transport management solutions are similar to traditional fleet management or telematics solutions, including real-time GPS position monitoring for trailer location tracking.

Organizations can also expand their offerings with these solutions to monitor the status of the actual goods being transported. By embedding sensors in trailers or other types of shipping containers, and integrating these sensors with a fleet IoT application, end users have real-time visibility into specific cargo conditions such as temperature, humidity, or vibration levels.

It is estimated that the global market for connected freight and logistics represents a nearly $2B opportunity[6]

6. FIELD SERVICING

Field servicing solutions are intended to improve operational efficiencies for fleet operators, with a focus on managing the mobile workers employed to conduct vehicle servicing and repairs. The data sets these workers need to do their jobs effectively are very similar to the data sets generated by most fleet IoT applications, making this use case a relevant, adjacent space for fleet IoT companies to enter.

Field servicing applications for commercial fleets can be delivered via tablet or smartphone so technicians have access to vehicle data regardless of their location. By delivering bundled, comprehensive solutions that combine applications and devices, fleet IoT companies can add value for customers by simplifying their field service deployments.

36% of companies have already incorporated IoT with service processes, and an additional 37% plan to do so over the next 2 years[7]

Organizations that are able to successfully adopt one of more of these six value-added solutions are better poised to establish competitive differentiation in an increasingly saturated marketplace. By expanding and enhancing their existing portfolios with these services, fleet IoT providers are also better positioned to remain on the cutting edge of innovation, enabling the penetration of new and unique customer segments to significantly impact their bottom line.

Looking for more information on how your organization can add value to fleet IoT offerings?

Reach out to KORE today to learn more about how we can simplify the complexity of IoT so you can concentrate on growing your business.

Sources

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