

2024 Fleet Technology Trends Report



verizon
connect

The background of the report cover features a dark theme with a stylized city skyline in white outlines at the top. Below the skyline, a complex network of red and grey lines represents data or circuitry. A prominent red line runs vertically down the center-right, with several yellow geometric shapes (a diamond, a square, and an octagon) placed at various points along it. The overall aesthetic is modern and technological.

Overcoming challenges and achieving goals with fleet tech

In an era of rising costs, fleets are using technology to get more out of their resources, and find new ways to control costs and generate revenue.

For the first two decades of the 21st century, the U.S. inflation rate for urban consumers stayed below 3%¹—but in 2021, it jumped to a monthly average of 3.6%. One year later, the average hit a whopping 6.2% and fleet budgets have felt it ever since. Although 2023 saw the inflation rate dip slightly, costs remain high.

Inflation affects nearly every budget line item, from vehicles and equipment to labor and insurance, so fleets

are forced to get creative. Fleet management technology can be an effective cost-control tool—helping fleet managers get more out of existing resources, find new ways to cut costs and become more competitive.

Adopting fleet technology is a standard practice, according to respondents of the most recent Fleet Technology Trends Survey, which was conducted between May 19, 2023, and July 29, 2023, for Verizon Connect by Bobit Business Media, publishers of leading trade publications such as Automotive Fleet, Business Fleet, Government Fleet and Heavy Duty Trucking.

Top challenges	2021 report	2022 report	2023 report	2024 report
Increasing costs	44%	63%	80%	79%
Driver shortage/lack of quality workers	40%	54%	59%	53%
Meeting customer demand	40%	49%	52%	52%

Key takeaways

GPS technology usage

Four out of five respondents indicated they use at least one form of fleet technology.

Controlling costs

The percentage of fleets indicating increasing costs are very or extremely impactful remains high at 79% in this year's report. GPS technology is helping fleets control costs. On average, fleets using a GPS fleet tracking system reduced fuel costs by 9%, accident costs by 15% and labor costs by 10%.

Getting more from existing resources

The top goal achieved by fleets using a GPS fleet tracking system was improved productivity, which saw the largest increase since last year's report, from 50% to 55%.

¹https://data.bls.gov/timeseries/CUUR0000SA0L1E?output_view%3Dpct_12mths&sa=D&source=docs&ust=1693331474385030&usg=AOvVaw2k7GN-yCQYj2mXLcR4J1yx (change the "from" field to "2000" and check the box that says "include annual averages")

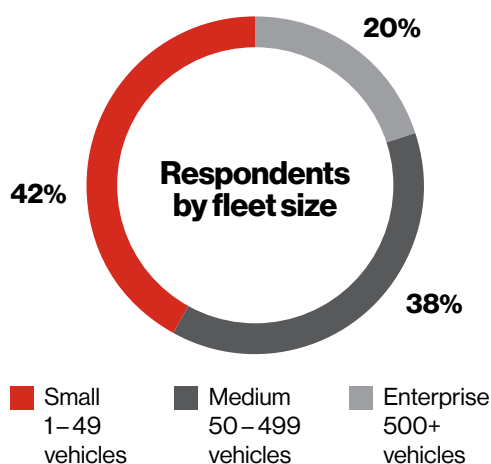
An overview of survey results

Respondents by job function

Fleet management	35%
Upper management	21%
Executive	21%
Risk/safety	6%
Finance/procurement	3%

Respondents by industry

Government	28%
Transportation	12%
General freight	11%
Construction	9%
Manufacturing	7%
Retail/wholesale	6%
Food production/distribution	5%
Services	5%
Petroleum products	3%
Utilities	2%
Other	12%



Technology type used, based on fleet size

	Small 1-49 vehicles	Medium 50-499 vehicles	Enterprise 500+ vehicles
GPS tracking	56%	83%	80%
In-cab video (including front-facing and driver-facing cameras)	31%	52%	33%
Field service/workforce management (scheduling, dispatch, communication)	25%	46%	43%
Asset/trailer/equipment tracking	18%	42%	45%
None of the above	33%	8%	14%



Factors influencing fleet management trends

Increasing EV adoption

Federal investments in nationwide charging infrastructure, tax incentives for EV purchases and an increased focus on sustainability are increasing EV ownership. However, it's still in its infancy: 22% of survey respondents indicated they have EVs in their fleet, but 75% of those respondents said EVs make up less than 5% of their lineup.

The driver shortage

The driver shortage continues to be a top challenge, but it's down slightly from 59% in last year's report to 53% in this year's report.

Among the top goals achieved using GPS tracking solutions, improved productivity saw the largest increase between this year's report (55%) and last year's report (50%), suggesting more productive employees could be helping to reduce the need to hire more drivers.

Supply chain disruptions

After years of global supply chain challenges, vehicle availability continues to push fleets to prioritize maintenance over replacement. As a result, fleets need to keep vehicles roadworthy, making preventive maintenance more important than ever. According to this year's survey, 49% of respondents said using a GPS fleet tracking solution helped improve maintenance—a 2% increase since last year's report.

Keys to fleet success

EVs

The right fleet technology can help you identify internal combustion engine (ICE) candidates for replacement, create a charging plan, track and compare total cost of ownership (TCO), and determine true EV range.

Routing

Routing helps drivers accomplish more each day, reducing the hiring burden.

Maintenance

Telematics data helps fleets identify optimal maintenance intervals, stay on top of maintenance scheduling and retain vehicles longer.

Customer service

An integrated fleet technology platform can bring data together from multiple sources, simplify fleet management and improve service to customers.

Getting more from fleet solutions

A majority of fleets across industries have adopted GPS tracking solutions—and they are getting value from their investments. Despite competitive pressure, they are using technology to help navigate a difficult landscape to keep customers satisfied. For private sector fleets, these solutions are extremely beneficial, helping them reduce costs and achieve their goals.

Valuable GPS technology

According to this year's survey, 70% of fleets use a GPS tracking solution, and 70% of those respondents say it is extremely or very valuable in helping to manage their fleets, and 41% say they saw a positive ROI in less than one year.

Top industry users

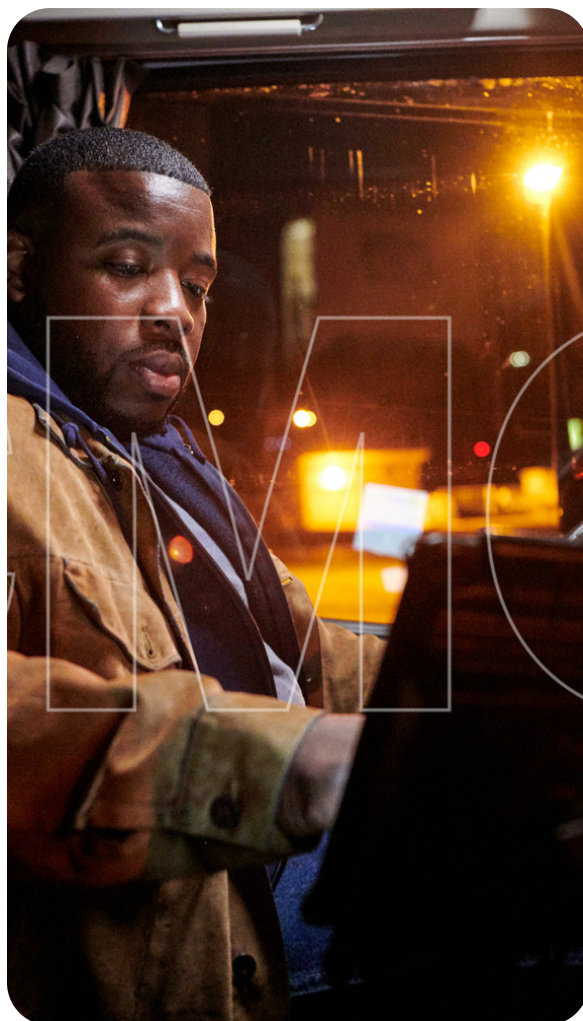
For the fourth year in a row, transportation and distribution fleets are the top users of GPS tracking solutions—and the percentage of respondents using them has grown from 78% last year to 83% in this year's report.

Competition, complexity and customer service

The challenge of competitive pressures has increased from 28% in last year's report to 32% in this year's report. Over the same timeframe, respondents said that service offerings have become more complex, jumping from 26% to 34%. And among all fleet respondents, 45% said GPS tracking solutions helped them achieve their goal to improve customer service, which can help fleets gain an edge in an increasingly competitive market.

Private sector fleet performance

GPS tracking solutions are helping private sector fleets improve performance: 77% say these tools are very or extremely beneficial, and 47% saw a positive ROI in less than one year. These fleets are achieving their goals, including improving productivity (58%), customer service (47%) and routing (45%). Expenses are also decreasing. On average, fuel costs are being reduced by 10%, accident costs by 17% and labor costs by 11%.



Use and value of GPS fleet tracking

	Use GPS	Say GPS is extremely or very beneficial ²
All industries	70%	70%
Transportation/distribution	83%	79%
Construction/field services/utilities	76%	73%
Government	66%	52%

²Based on respondents who said they use GPS tracking solutions.

Achieving goals after implementing a GPS tracking solution

In a time when the cost of everything is high, vehicle availability is limited and competitive pressure is up, technology helps fleets squeeze more out of their existing resources.

As the top goals achieved with GPS tracking demonstrate, technology is helping fleets perform even as they face rising inflation. In this environment, making improvements in the following areas becomes more important than ever.

Productivity

Automating manual processes and giving drivers easy-to-use technology is key to helping streamline operations and improve productivity. Improved routing also boosts productivity, as it helps reduce drive time and allows operators to fit more jobs into the same workday.

Maintenance

With parts and new vehicle availability strained, keeping up with maintenance becomes increasingly important to prevent breakdowns, avoid downtime and keep TCO from getting out of control as vehicles age.

Customer service

Retaining customers and creating loyalty among new ones is critical for offsetting steep price increases. GPS tracking helps drivers arrive at the right place at the right time and supports better communication with customers.

Routing

Effective routing addresses two challenges: fuel costs and customer service. Using GPS tracking, fleets can reduce unnecessary miles and save fuel while also fitting in more stops per driver.

Fuel consumption

Using less fuel is good for budgets and the environment. GPS tracking helps fleets reduce idling, catch fuel fraud, keep vehicles well maintained and locate the gas guzzlers in the fleet.

Goals achieved	2022 report	2023 report	2024 report
Improved productivity	46%	50%	55%
Improved maintenance	44%	47%	49%
Improved customer service	48%	50%	45%
Improved routing	42%	47%	44%
Reduced fuel consumption	29%	36%	35%



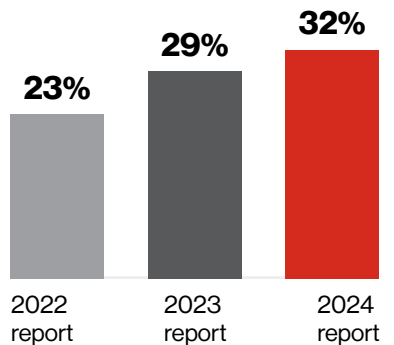
Increasing use of asset tracking solutions

During its steady climb over the last three years, use of asset tracking has seen a gain of 9%. Much like GPS fleet tracking, asset tracking helps organizations get more out of their existing resources while reducing operating costs. This is reflected in the top goals achieved:

- **Improved equipment and trailer utilization** saves fleets from investing in additional assets
- **Improved security** saves replacement costs and keeps insurance premiums down
- **Improved productivity** for workers, drivers, office staff and management means higher priority work gets done in a day without the need to add headcount

A majority of fleets were able to receive a positive ROI on an asset tracking solution—46% in less than one year and 19% in more than one year.

Asset tracking use



Goals achieved

2024 report

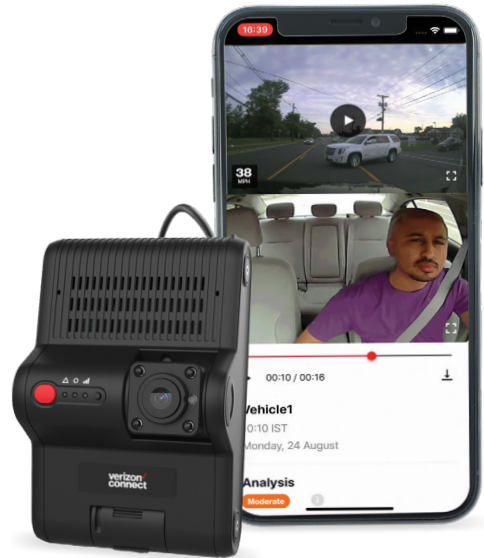
Improved equipment/trailer utilization	58%
Improved equipment/trailer security	54%
Improved efficiency/productivity for drivers/workers	50%
Improved efficiency/productivity for office staff/management	44%
Reduced insurance costs	34%

Controlling costs and promoting safety with dashcams

The top goals that fleets achieved with video technology were improved protection from false claims (77%), improved driver safety (73%), reduced accident costs (48%) and reduced insurance costs (44%). Each percentage is up compared to last year's report. This makes video another tool fleets can use to control costs and fight inflation.

Dashcams are increasingly used to coach safe-driving behaviors, and the technology continues to evolve. Artificial intelligence (AI) and machine learning are providing better, faster safety insights that can help protect both drivers and fleets. The use of AI-enabled driver-facing cameras can help reduce the likelihood of accidents by sending audible in-cab alerts for risky behaviors like tailgating, distracted driving or driving while drowsy.

Video footage is a tool fleet managers can use to provide fact-based coaching and create actionable opportunities for drivers to improve. Putting better drivers on the road helps keep everyone safe.



Time to achieve a positive ROI on an in-cab video solution

Fleets were able to achieve a positive ROI on an in-cab video solution—47% in less than one year and 15% in more than one year.

Value of video tracking

70%

of respondents currently using in-cab video solution consider it extremely or very beneficial.

Benefits for organizations and employees

Video technology is helping businesses reduce costs, including protecting them from false claims that could result in nuclear verdicts.

The same solutions also help protect employees. When drivers operate in a safe manner, they are less likely to be involved in crashes that could cause serious injuries or worse. Drivers with dashcams can also get protection from fines, insurance premium increases and disciplinary action by using video footage to prove they aren't at fault for a crash.

As video technology gains popularity, drivers are beginning to understand that technology is intended to protect them, not watch their every move.

Improving efficiency with field service management solutions

A field service or mobile workforce management solution offers fleets an automated way to manage and dispatch jobs, and communicate with field workers.

This year's survey revealed that half of the respondents are using software to manage their jobs, up from 45% in last

year's report. Improved scheduling is a top goal achieved with field service management solutions, second only to improved operational efficiency.

Goals achieved

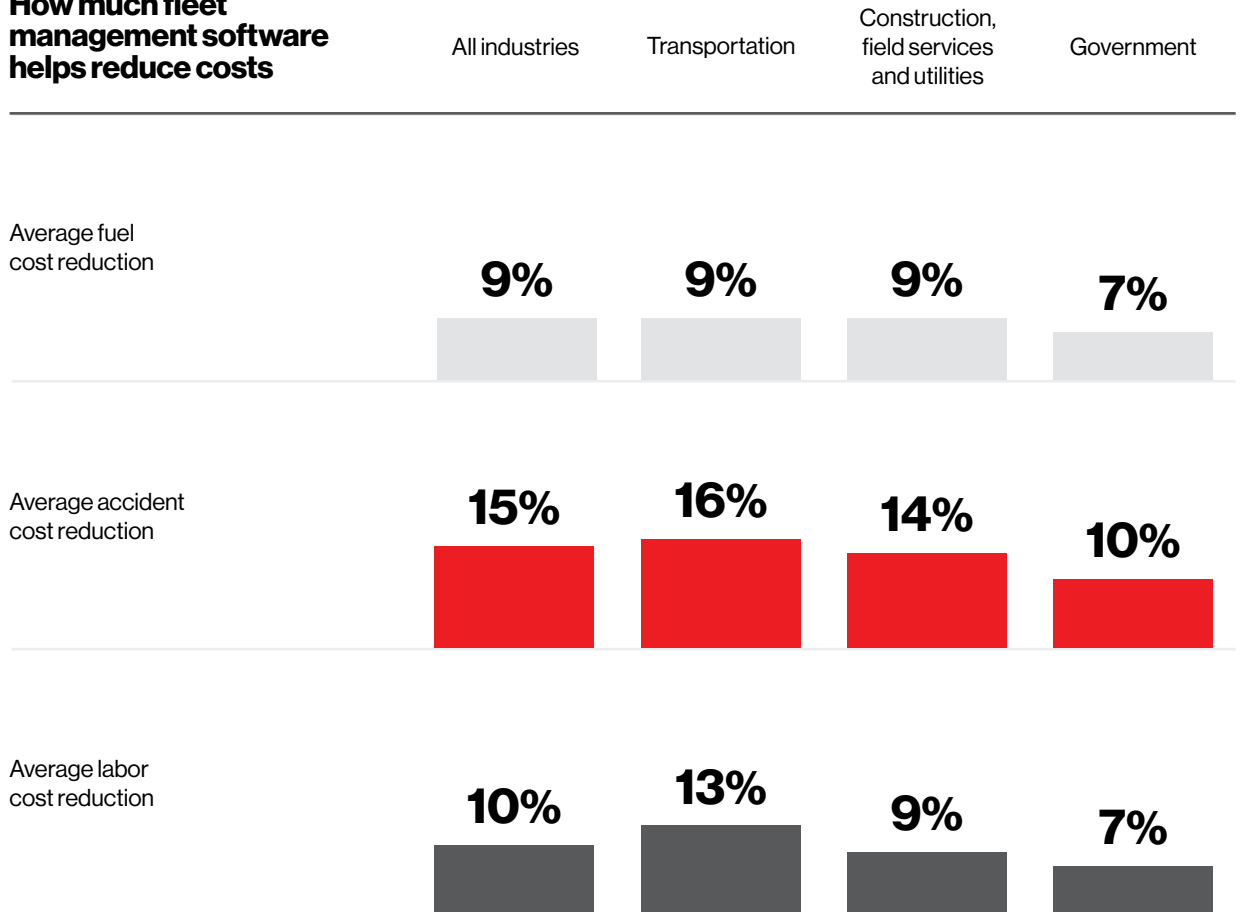
Improved operational efficiency	61%
Improved scheduling	57%
Improved communication with techs/drivers	54%
Improved visibility into near real-time location of techs/drivers	37%
Improved communication with customers	31%
More jobs per tech/driver	26%



Reducing fleet management costs with technology

Saving on fuel, labor and accident costs can help fleets offset the effects of inflation. As fuel prices fluctuate, fleet management software helps fleet managers identify ways to cut costs and reduce fuel use. This same technology can be used to promote safety and improve productivity, as shown by savings in accident and labor costs.

How much fleet management software helps reduce costs





The bottom line

In an environment where costs continue to increase, competitive pressure is high, and meeting customer demand is increasingly challenging and complex, fleets must be agile. Fleet technology can unlock new ways for you to operate efficiently, reduce costs and generate more revenue—all while helping you prioritize safety.

Methodology

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. As an incentive, a \$25 Amazon gift card was offered to the first 350 respondents who qualified and completed the survey. A total of 657 responses (462 completed and 195 partially completed surveys) were collected between May 19, 2023, and July 29, 2023.

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