

OFF-ROAD COMMERCIAL FLEET TELEMATICS Global Study

**FREE
ABSTRACT**



The reference
report on commercial
fleet telematics for on-
road and off-road
vehicles

*Has the time come for vehicle OEMs to dominate
fleet telematics?*

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Published in January 2022

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This is the most complete report on telematics solutions for commercial fleets of on-road and off-road vehicles



More than just market research.

A strategic analysis on the telematics business of commercial vehicle and heavy equipment fleets

- A **421-page analysis of the global commercial fleet telematics market** based on:
 - 11 years of constant market surveillance
 - 26 interviews with key stakeholders
 - Nine months of desk research
- An **in-depth introduction to the commercial fleet telematics market, with analyses into** the telematics value chain, new technologies, benefits of telematics, and the Covid-19 impact
- A **Total Cost of Ownership (TCO) analysis of off-road commercial vehicles**
- **Granular analysis of telematics in construction and agricultural industries** that includes:
 - Cost structure, revenues and telematics needs of fleet operators
 - Supply and demand analysis of current telematics solutions
 - Major players in the telematics value chain and their strengths
- An **in-depth assessment of 29 companies supplying fleet telematics (18 TSPs and 11 OEMs) analysing:**
 - Their telematics business and corporate strategy
 - Their value proposition, pricing model, target segments, positioning and partnerships
 - A benchmark and gap analysis of their solution
- **2020-2030 bottom-up market forecasts encompassing:**
 - The number of vehicles in use for off-road fleet telematics
 - Subscriptions and revenues for the off-road telematics market, split by OEM and aftermarket
 - Regional projections for Europe, Americas, Asia Pacific, Africa and Middle East

The study answers the following key strategic questions on the commercial fleet telematics landscape

What is the strategy of major OEMs in telematics?

What are customers' expectations to a fleet telematics service provider?

How can telematics improve the TCO of commercial fleet vehicles?

What will be the role of aftermarket devices in the future off-road commercial fleet telematics market?

What are the trends and drivers for off-road commercial fleet telematics growth between 2020 and 2030?

Will OEMs' telematics solutions challenge existing TSPs' business?

What is the impact of government legislation on the commercial telematics industry?

What will be the role of new and emerging players in the CFT* value chain?

What will be the size of the off-road commercial fleet telematics market in 2030 by region?

In which country will CFT* grow the most by 2030?

Which suppliers are leading in the market?



The commercial fleet telematics market is growing, and OEMs will strengthen their position to the detriment of TSPs



Fleet telematics relies on various technologies to create, transmit, store, analyse and visualise vehicle data.

Technological progress in areas like vehicle connectivity, geo-location and electrification opens for a potential shift in who the dominant players in fleet telematics are.

Since the mid-90s, the industry has been heavily associated with the aftermarket, with countless players providing both hardware and service solutions to meet the needs of commercial fleets.

Old habits die hard...

In the off-road* segment, issues abound with respect to

data privacy and vehicle ownership rights in North America and Europe. However, big telematics growth drivers are the shortage of skilled operators, sub-optimal management of the vehicle TCO**, and the inefficient operation of equipment.

... but OEMs are responding

Technically, embedded Telematics Service Provision dominates the off-road commercial fleet telematics market. However this is very commonly provided in the guise of free-at-the-point-of-use telematics that can be packaged with new equipment purchases, furthermore, with the prevalence of embedded connectivity, there is a reducing demand on third-party hardware and a move towards

aftermarket TSPs connecting directly with vehicle data feeds.

Nonetheless, there will always be a requirement for aftermarket service provision, either for older equipment or to assimilate new equipment into pre-existing fleets.

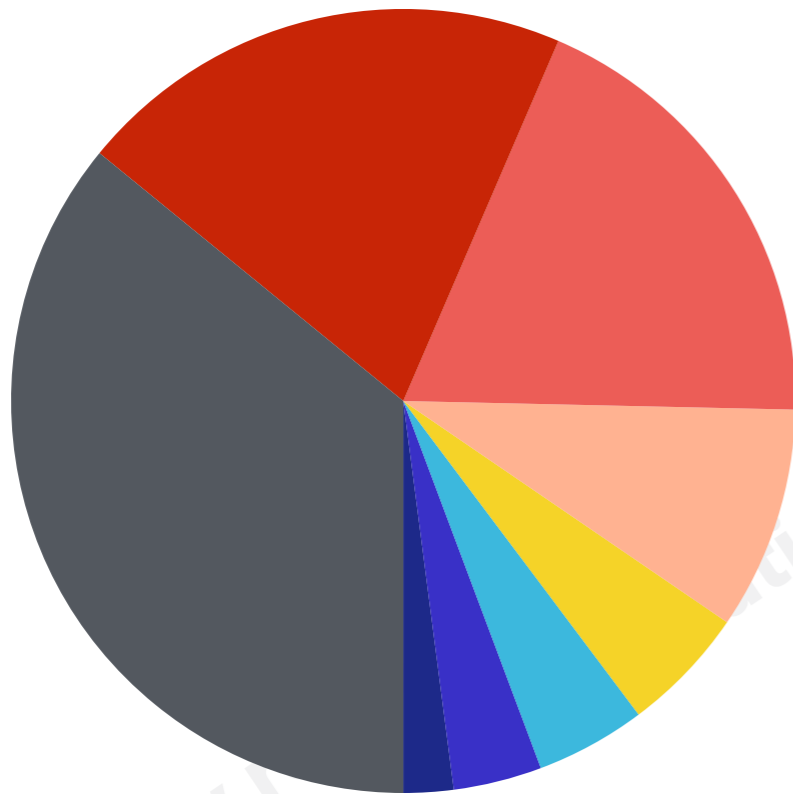
In either case, whilst PTOLEMUS expects connectivity to be increasingly controlled by OEMs, the overwhelming majority of revenue will be generated by the aftermarket, and will continue to be the case up to and beyond 2030.



Extract of two TCO slides

XX% of the costs associated with operating agricultural equipment relate to X, Y and Z

Breakdown of the TCO per year for a 310 PTO Hp Tractor in the United States




- We have estimated based in the Uni
- Per our estimatio to depreciation,
- Fuel comes in as affected by the i
- Other variable of consumables such implementation coming slides

Details available in the report

TCO calculation hypothesis

Details available in the report



Gap analysis extract of the off-road telematics market

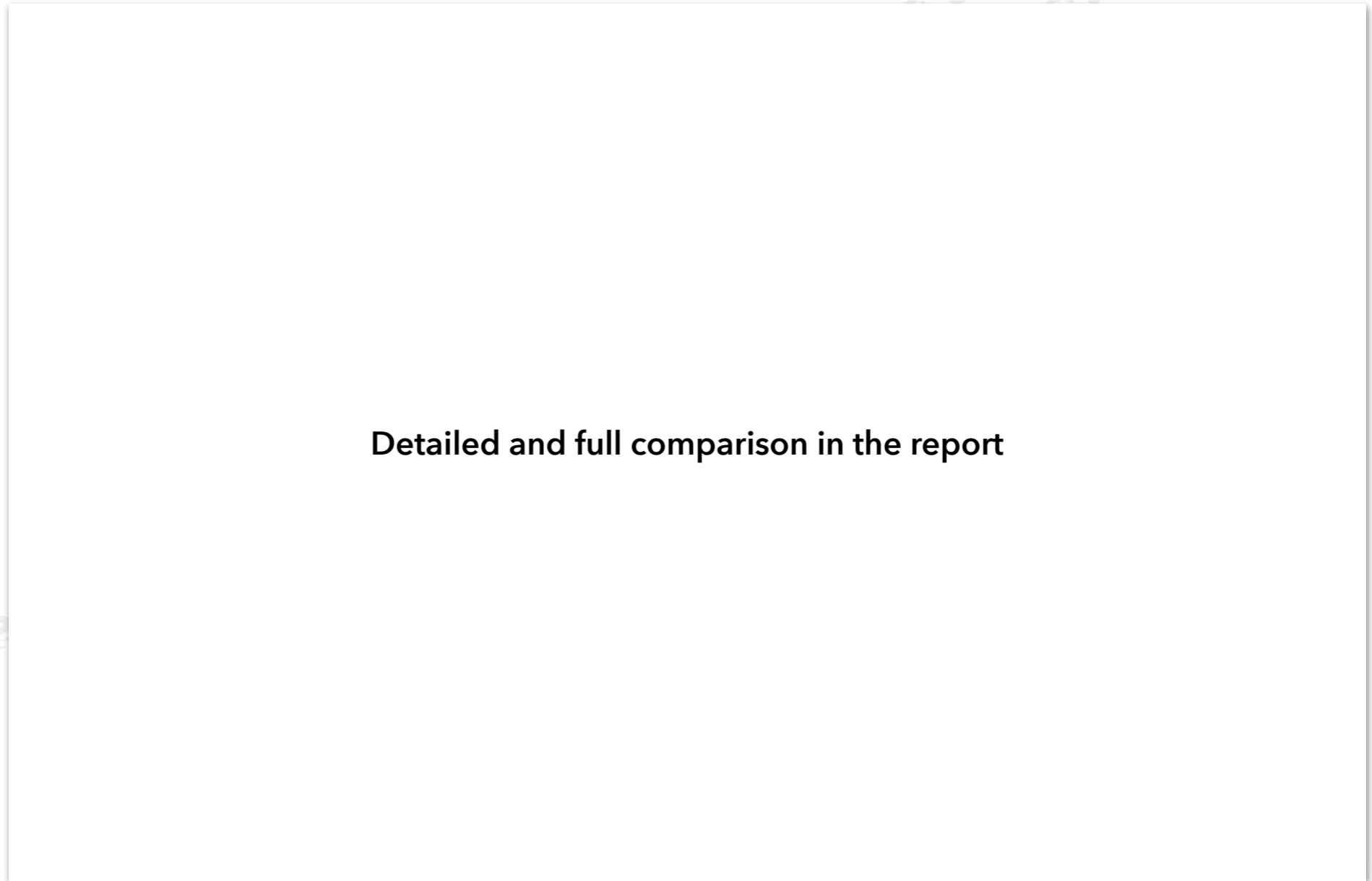
OEMs target visibility and productivity services for off-road telematics, but few provide productivity consulting

Availability of telematics services provided by OEMs

- Full services
- Planned/partial service



- Visibility
 - Geofencing and routing
 - Total fleet management
 - Third party integration
 - Fleet management software
- Ease of use
 - High-speed connectivity
 - Installation support
 - Customer service
- Productivity & Efficiency
 - Maintenance reminders
 - Productivity consulting
 - Route guidance
 - Productivity assessment
 - Predictive maintenance
 - OTA maintenance updates
 - Predictive maintenance
 - Remote diagnostics

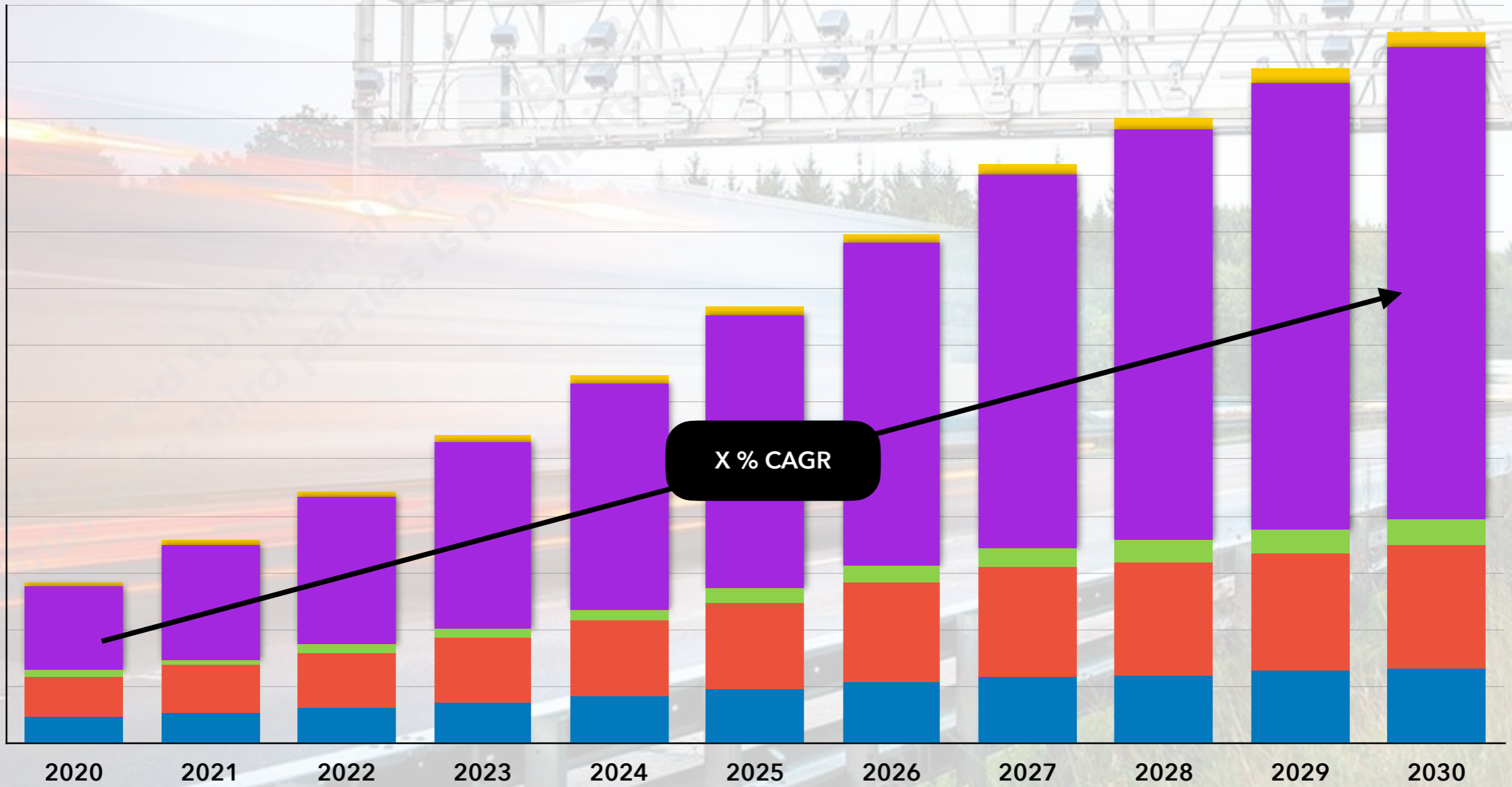


Detailed and full comparison in the report

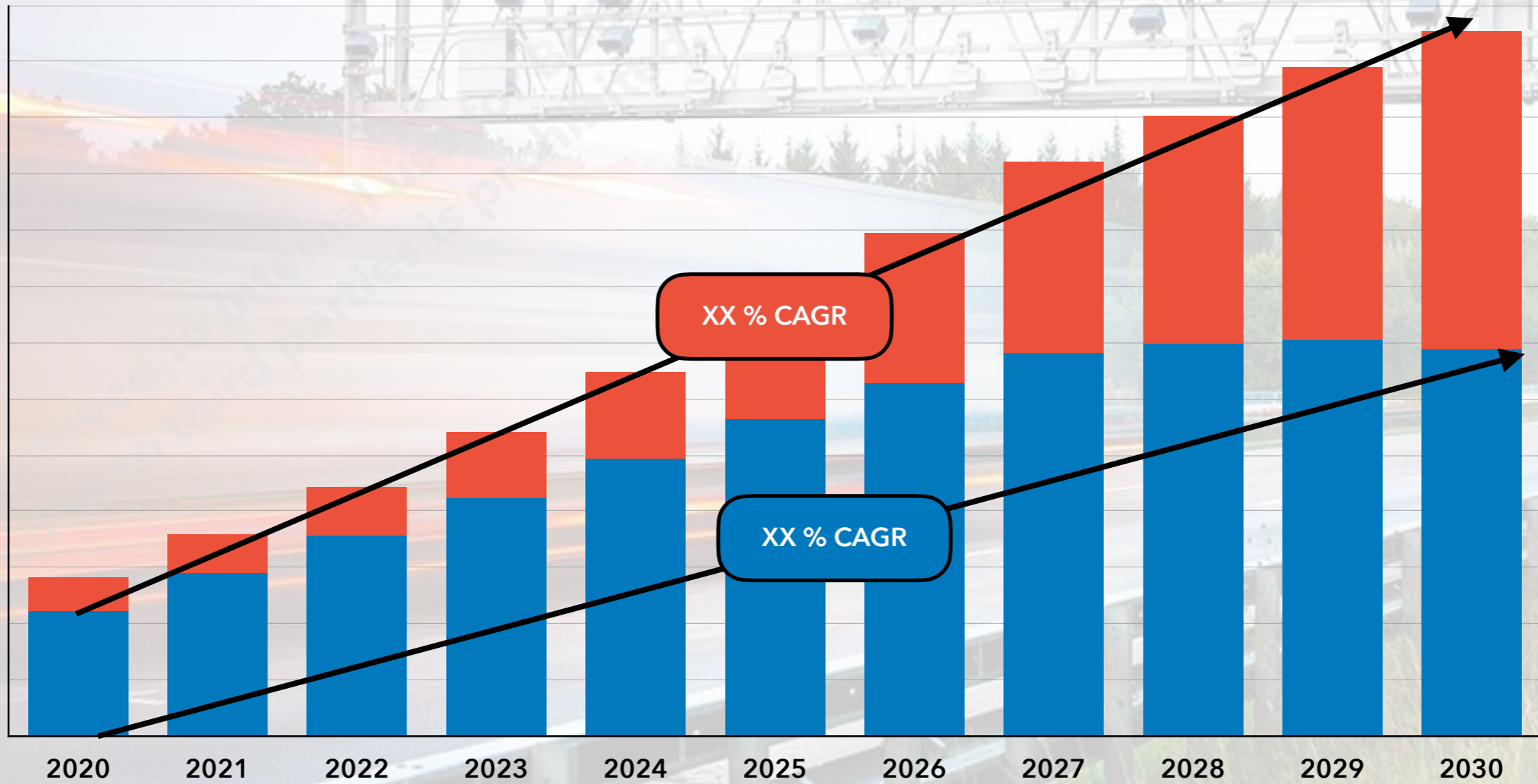


Extract of two market forecast slides

Global active subscriptions are forecast to grow at X % per annum, with Y % of subscriptions based in xx by 2030



Embedded subscriptions will grow at X %, reducing global aftermarket subscriptions to X % by 2030





Extract of two slides from the conclusions

TSPs are leveraging "open" communication standards to boost coverage of fleet operators' mixed vehicle fleets

- Off-road OEMs currently hold a dominant position in the off-road market, accounting for approximately % of all active telematics service subscriptions
- The advent of **AEMP 2.0** has caused these OEM platforms to now open further, enabling improved mixed fleet service provisioning
- **OEMs are predominantly leveraging turn-key TSP solutions** to boost **after-sales revenue** in the form of **parts and servicing**
- However, PTOLEMUS predicts that the "opening-up" of vehicle diagnostics, via communications standards such as **AEMP2.0** which was introduced in 2020, will give the aftermarket an opportunity to grow its customer base by leveraging OEMs' telematics APIs
- PTOLEMUS forecasts that active subscriptions in the aftermarket segment (including those connected to OEM line-fitted devices) will grow at % annually through to 2030
- This will be due to more equipment coming into the off-road area, pre-connected, and capable of providing a wider array of data directly to TSPs' platforms in a more standardised format
- In addition, machine owners, particularly in the North American agriculture sector, are pushing back against OEMs, **claiming the right to repair**:
 - The **Right to Repair (R2R) movement** is being heavily contested in the United States **between farmers and agricultural machinery manufacturers**
 - End-users are demanding the **legal right** to choose how their machinery is repaired, without the invalidation of warranties or the denial of access to diagnostics data
- Furthermore, OEMs such as AGCO will increasingly move to a fully **open model** cooperating with as many TSP providers as possible to provide the best service/customer experience possible for end-users
- As a result of the technical and political forces at play, the need for third-party hardware will be negated, impacting TSP revenues, and enabling TSPs to focus on software provision, leveraging direct data feeds and providing competitive mixed-fleet services to end-users
- The outcome is that aftermarket revenues will grow **through to 2030**, and be valued at **€ million**
- The combined value of off-road telematics services from OEMs and aftermarket TSPs is estimated to be worth **over € billion** by 2030



PTOLEMUS Consulting Group

About PTOLEMUS



The first strategy consulting & research firm entirely focused on augmented mobility & automation

Strategy consulting services



Market research services



Fields of expertise

Mobility services	Car pooling Car sharing MAAS	Micro-mobility Ride hailing Shared mobility	Smart parking Tax refund
Vehicle services	bCall eCall FMS SVT / SVR	Tracking VRM In-car Wi-Fi Parking	Navigation Speed cameras Traffic information
New energies	BEV EV charging Fuel cards	Fuel cells Hydrogen	PHEV Vehicle-to-grid
Usage-based charging	Car As A Service Electronic Toll Collection	Mobility-as-a-Service RUC	UBI / PAYD Vehicle rental Vehicle leasing
Vehicle data & analytics	AI CAN-bus Crowd-sourcing Data protection	Driver safety OBD Predictive analytics	Remote diagnostics xFCD
Vehicle automation	ADAS Autonomous cars	Autonomous trucks	Robo-taxis Shuttles
Enabling technologies	Positioning (GNSS / WiFi / cellular) M2M / connectivity	Smartphones Sensors	Telematics devices V2X

We serve over 300 clients across the mobility ecosystem

Analytics, maps & applications providers



Automotive manufacturers & suppliers



Telematics solution providers



Insurers, aggregators & assistance providers



Mobile telecom players



Fleet & fuel, ITS & regulators

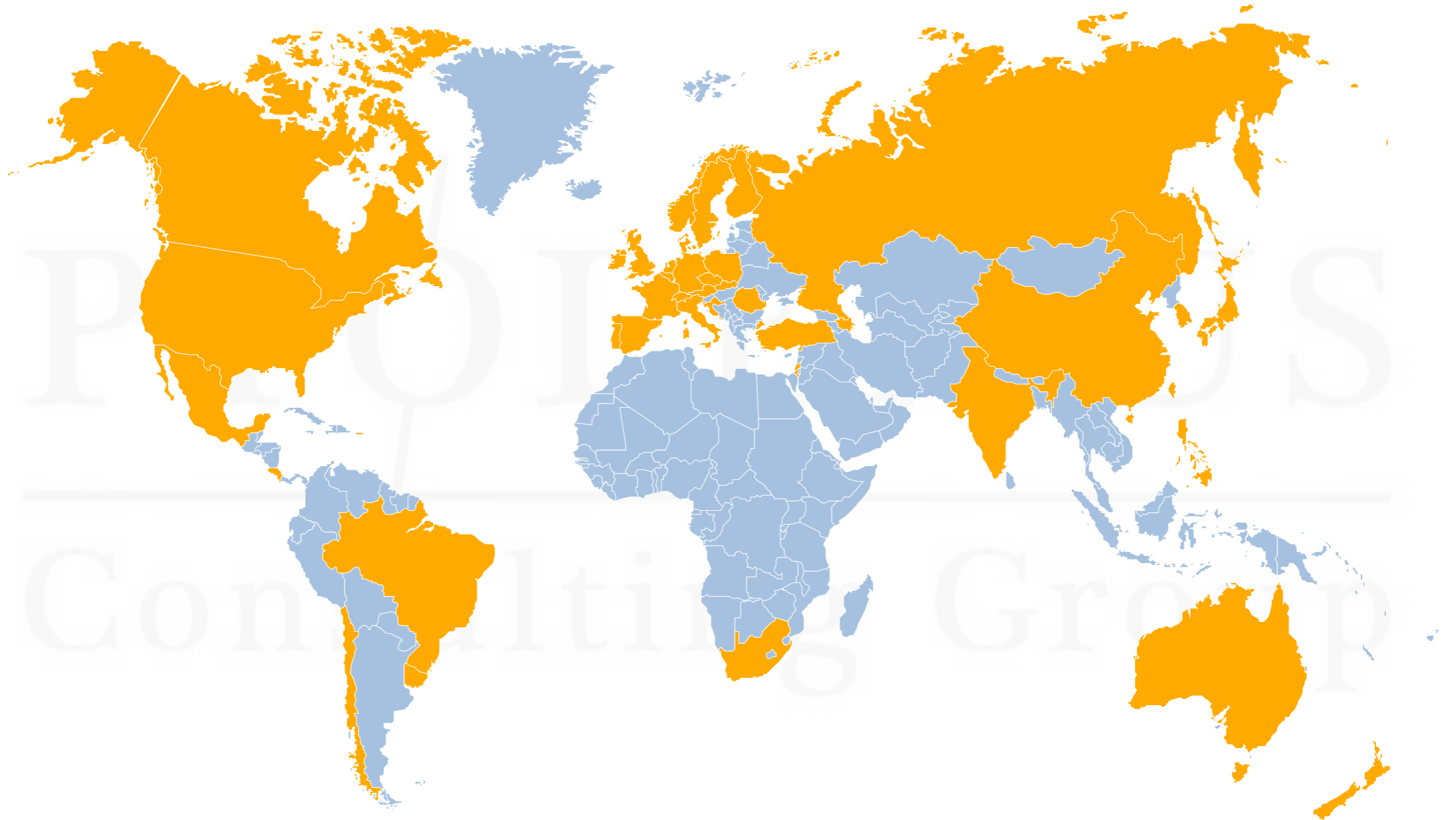


Banks & private equity investors



Our team of consultants, experts & analysts consisting of 16 nationalities helps our clients worldwide

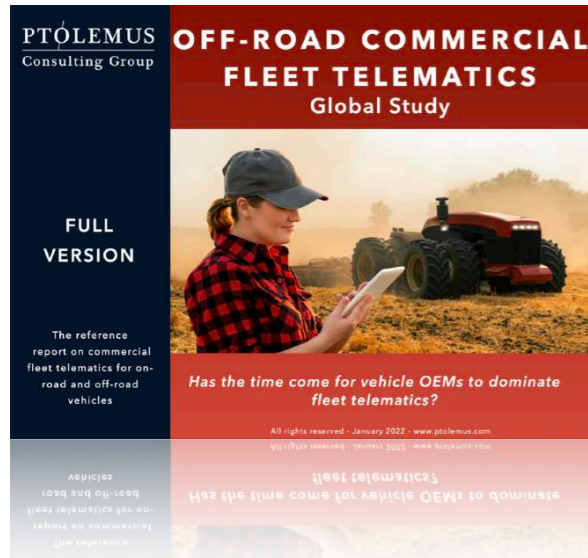
 Clients



PTOLEMUS can help your organisation define and achieve its fleet strategy in fast-moving times

- **Strategy definition**
 - Strategic plan
 - Market entry assistance
 - Data strategy and analysis
 - Connected vehicle / telematics strategy
 - Decarbonisation strategy
 - Strategy orientation workshops
- **Innovation strategy**
 - Fleet services convergence strategy
 - Telematics product definition
 - Consent management
 - Data analytics & monetisation strategy
- **Innovation delivery**
 - Proof of concept design & launch
 - Architecture definition
 - Project management
- **M&A advisory**
 - M&A strategy
 - Commercial due diligence
 - Technology due diligence
 - Feasibility studies
 - Fleet services market sizing
 - Business case development
 - Cost benefit analyses
 - Post-merger integration
- **Procurement**
 - Definition of EV migration strategy
 - Assistance with tenders
 - Selection and sourcing of fleet telematics, software, data, platform, etc.
- **Business development**
 - Partnership strategy definition
 - Assistance to tender response
- **Project management**
 - Assistance in management of decarbonisation plan
 - Congestion charge project management

The study comes with a single, worldwide company licence



The reference report on commercial fleet telematics for on-road and off-road vehicles

	Report ONLY		Market forecasts (Available separately)	FULL report & market forecasts
	Buy direct (Invoice)	Buy online (Visa or MasterCard)		
Contents	<ul style="list-style-type: none"> A 421-page analysis of the global commercial fleet telematics landscape based on: <ul style="list-style-type: none"> - 11 years of constant market surveillance - 26 interviews with key stakeholders - Nine months of desk research Granular analysis of telematics in on-road, construction and agriculture, including: <ul style="list-style-type: none"> - Cost structure, revenues and telematics needs of end-users - Supply and demand analysis of current telematic solutions Major players in the telematics value chain and their strengths An in-depth assessment of 29 companies engaged in commercial fleet telematics 		<ul style="list-style-type: none"> Excel file with outputs and charts 2020-2030 bottom-up market forecast encompassing: <ul style="list-style-type: none"> The number of vehicles in use for off-road fleet telematics Subscriptions and revenues for the off-road telematics market, split by OEM and aftermarket Regional projections for Europe, Americas, Asia Pacific, Africa and Middle East 	Includes all report and market forecast content as described
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