

ON-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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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 **435-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 commercial vehicles**
- **Granular analysis of telematics in on-road, 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 (22 TSPs and 7 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 on-road fleet telematics
 - Subscriptions and revenues for the on-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 on-commercial fleet telematics market?

What are the trends and drivers for on-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 on-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...

The on-road* commercial fleet market is still wary of telematics. There is general agreement that telematics, **if correctly**

implemented, can yield significant benefits. However, there are still too many examples of data overload occurring, with fleet demands for more personalised insights being overlooked in favour of meeting the demands of the many.

... but OEMs are responding

Aftermarket Telematics Service Providers (TSPs) currently dominate the on-road commercial fleet telematics market. That dominance will increasingly be challenged during this decade.

OEMs' strategic position benefits from being present in the entire value chain. They keep adding connectivity to their vehicles.

By 2024, we expect approximately XX% of all new

vehicles to have embedded telematics.

Almost all OEMs have adopted the strategy of offering free, often time-limited telematics solutions with the purchase of a new vehicle or machine equipment.

In addition to connectivity, OEMs keep adding app marketplaces with many specialist services to their vehicles. The recently added app marketplace from Daimler, Volvo, MAN and Navistar illustrate this. They allow third-party integrations from both large full-service TSPs such as Geotab. The examples of Navistar's integration with Geotab, Samsara and Cloudera as well as Daimler's fully "open" Virtual Vehicle™ are illustrations of much more to come.

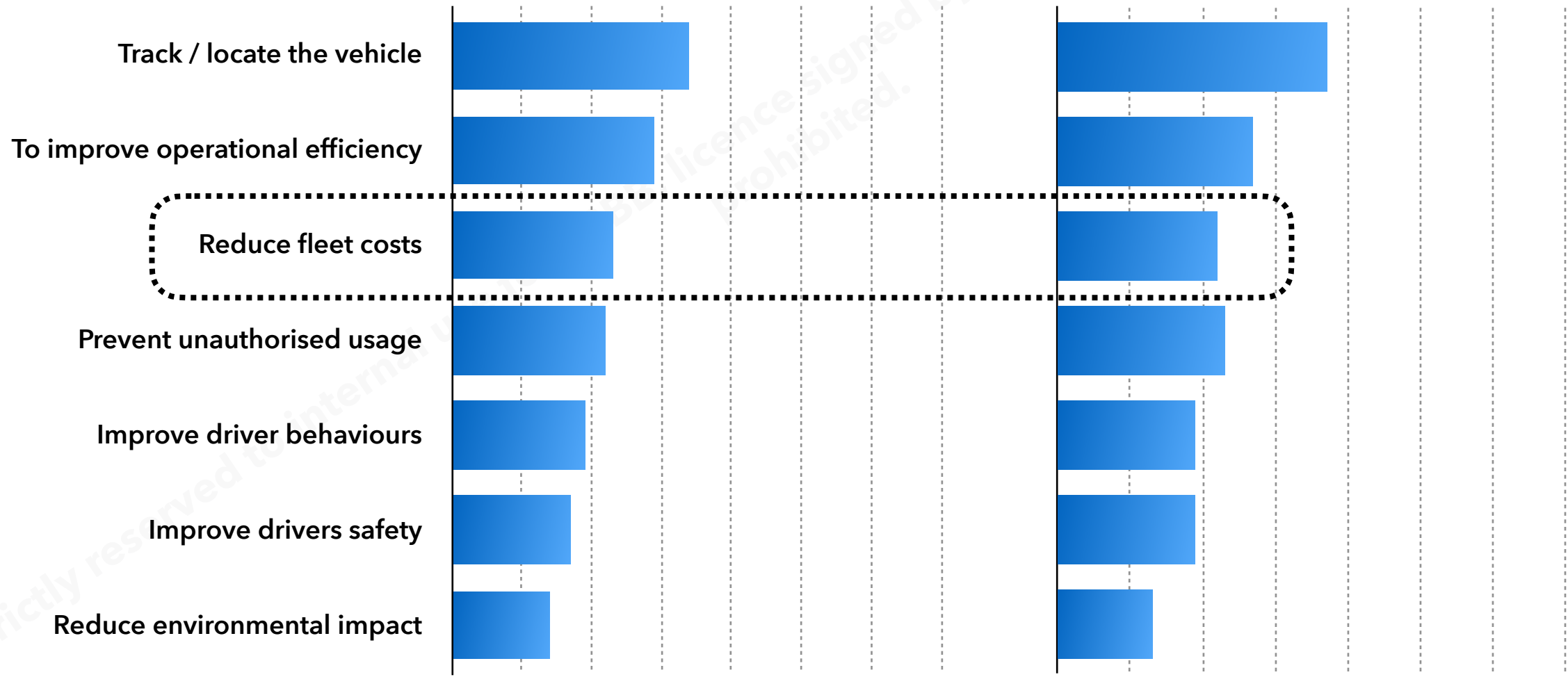


Extract of two TCO slides

Track and trace, improving efficiency and reducing costs are important factors for adopting telematics in LCVs

Main reasons for using telematics by company size

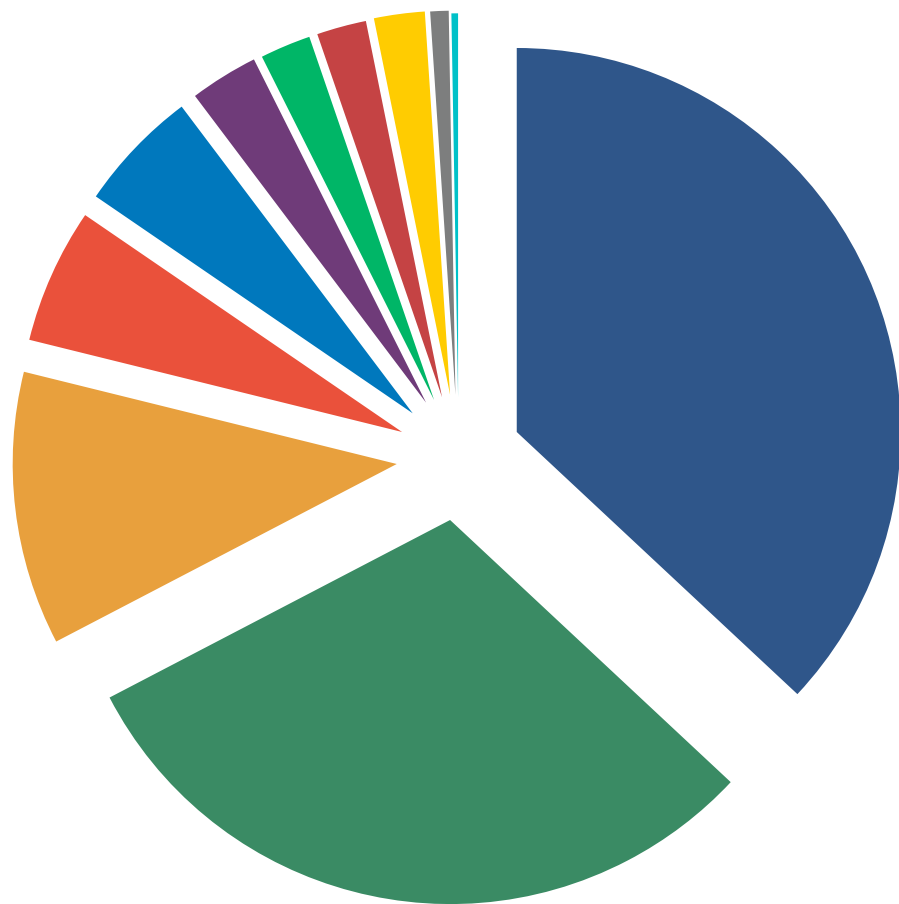
Sample of fleets of light commercial vehicles (LCVs)




By applying fleet telematics, PTOLEMUS estimates an average XX % saving on TCO per vehicle is possible

TCO variation using FMS solutions

TCO for HGVs with FMS (UK case)



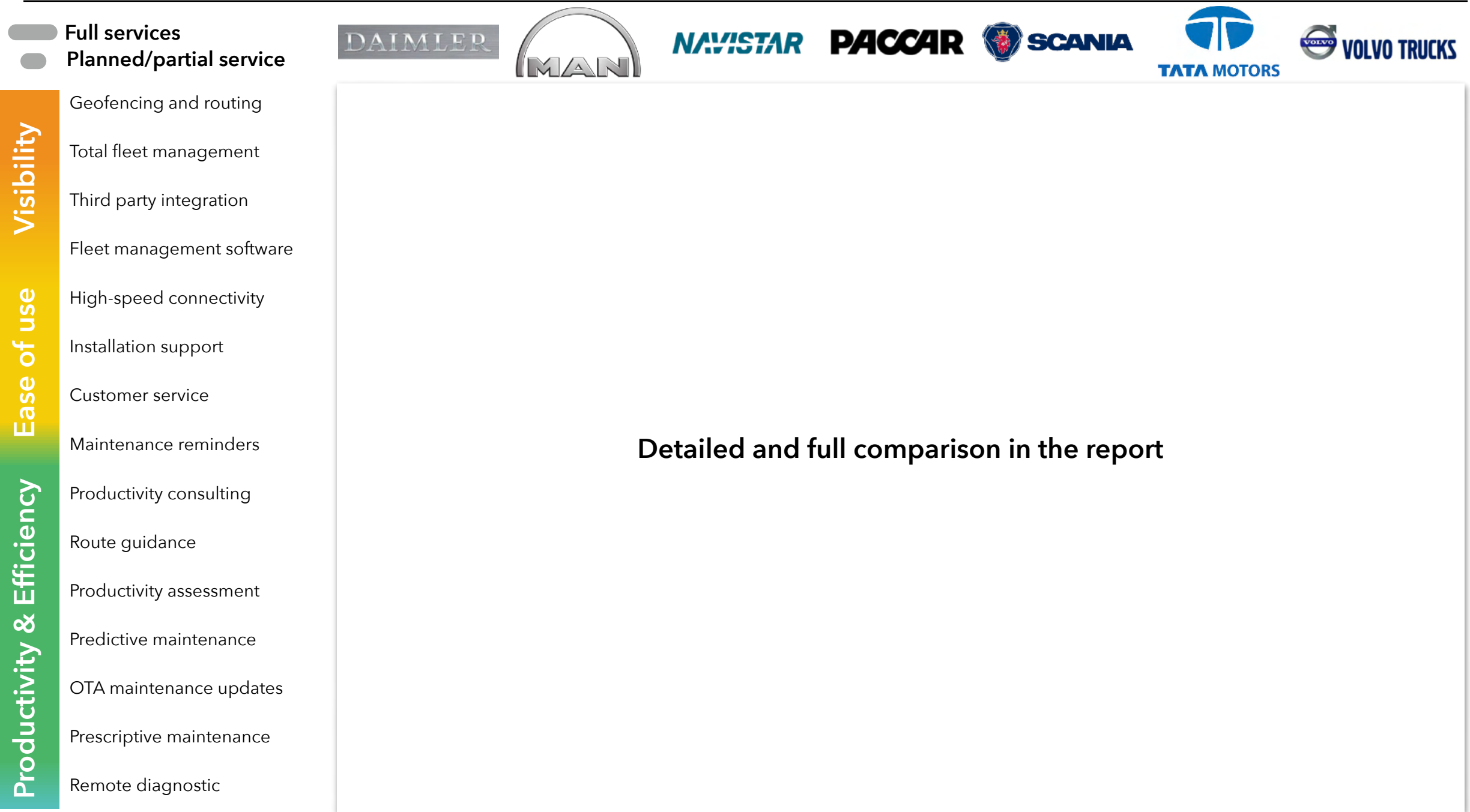
- Costs reduction thanks to telematics are most impacting on (read the full report)
- **In the UK case previously explained, introduction of FMS solutions could save up to XX % of the TCO**
 - The total cost per vehicle per year would be reduced from €* to €*, achieving savings of €*
 - **The FMS cost represents only X% of the TCO**
- Fuel and Driver costs could be improved thanks to routing and coaching features, **reducing costs by X%**
 - For instance, TX-FUELBOT from Transics, **uses Big Data analytics to optimise fuel consumption**
- Maintenance is the sector with the highest average **TCO reduction, it can reach X%;**
 - In the future **the savings could increase more thanks to predictive and prescriptive maintenance**
- According to our primary research, in-cab cameras and driver coaching solutions, could **reduce insurance costs up to X%**
- **Telematics services can reduce the TCO by 10% on average**



Extract of two slides from the gap analysis of the market

OEMs are ahead of TSPs in the development of predictive maintenance services

Availability of telematics services provided by OEMs

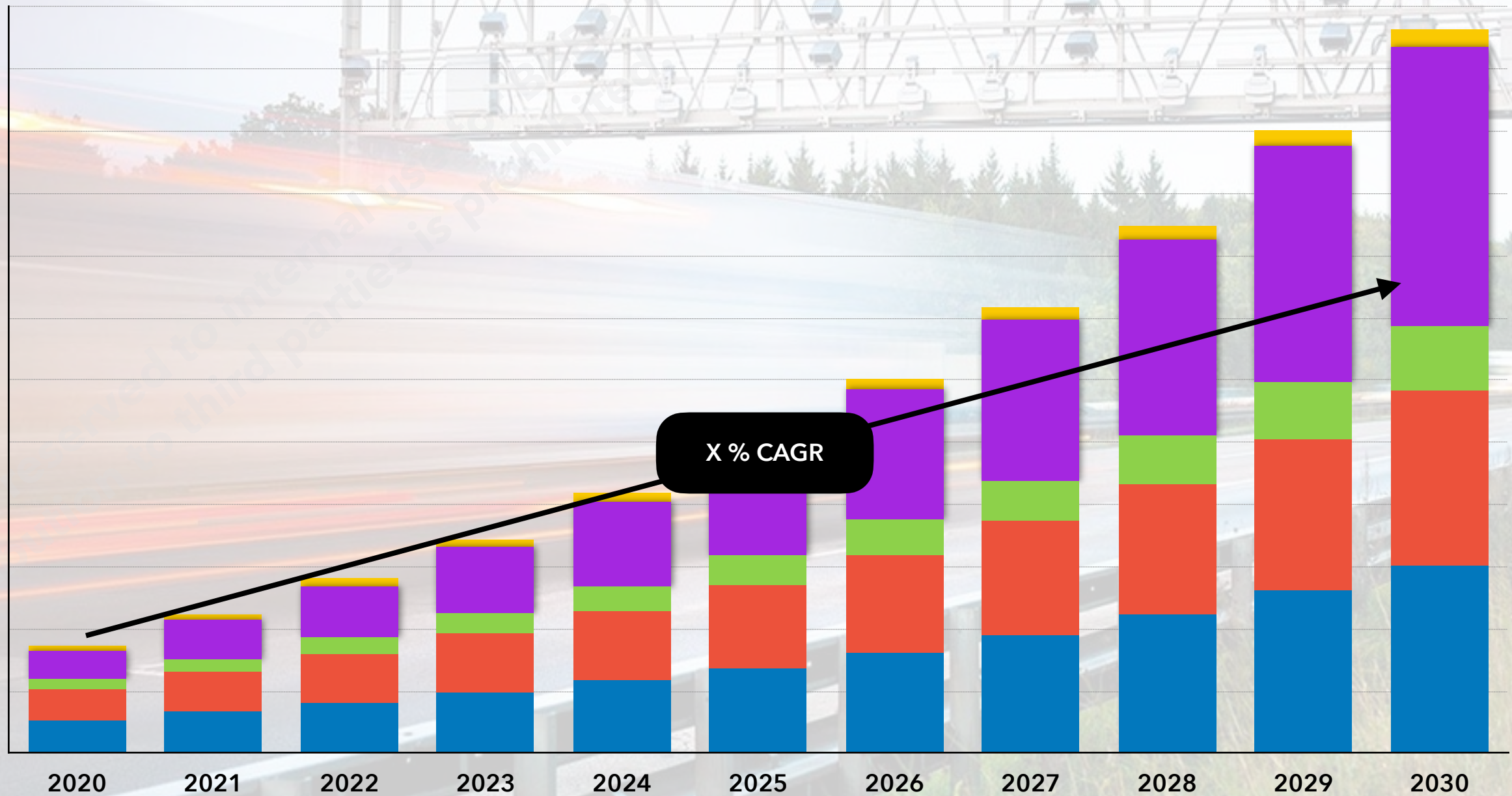




Extract of two market forecast slides

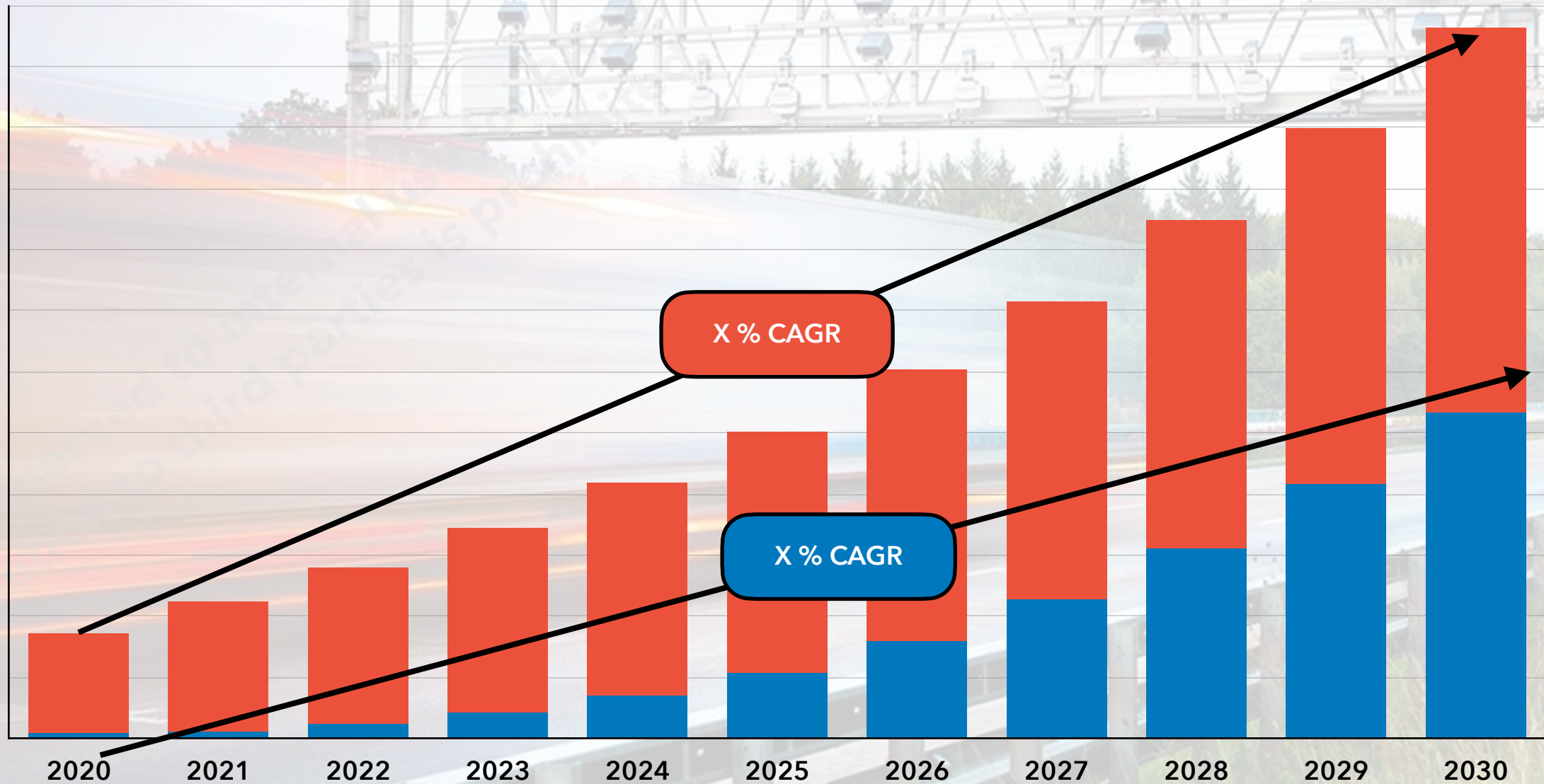
Global active subscriptions are forecast to grow at X % per annum, with Y % of subscriptions based in XX by 2030

Total number of vehicles with embedded or aftermarket telematics (millions)



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

Global on-road active subscriptions from embedded and aftermarket commercial fleet telematics (XXX)

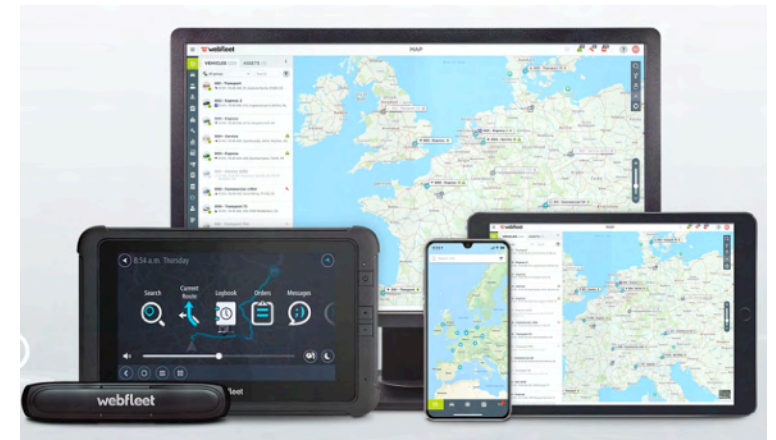




Extract of two slides from the conclusions

TSPs currently dominate the on-road sector but OEMs will increase their market presence by providing vehicle data

- Today, OEMs' telematics offerings are at a basic level when compared to aftermarket TSPs but will start to leverage the **data ownership** from their embedded devices
- OEMs are focusing on future market opportunities, for example Traton's RIO, which is focused on **goods management** rather than vehicle management. Other examples include:
 - Uber Freight, Sixth sense, Sendr* and Project44* are all initiatives integrating telematics with the transport of goods
- OEMs are developing functionalities to improve their **telematics capabilities and compete more directly with third-party TSPs**:
 - Daimler partnered with Platform Science, a fleet software platform focused on logistics and transportation sector
 - The platform acts as a marketplace and offers own services as well as third-party apps
 - Isuzu Commercial Truck recently confirmed a long-term collaboration with Decisiv, the industry-leading provider of dealer Service Relationship Management (SRM) software for its dealer network
- As a result, TSPs and other software platform providers will increasingly rely on OEMs' connected data to **offer additional services**
- Subsequently, **partnerships** between TSPs and OEMs will increase
 - OEMs are positioning themselves to be an open platform-enabling data exchange (e.g. Navistar's partnership with Geotab, Samsara, Cloudera)



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



Mobile telecom players



Fleet & fuel, ITS & regulators



Banks & private equity investors



Device & location suppliers

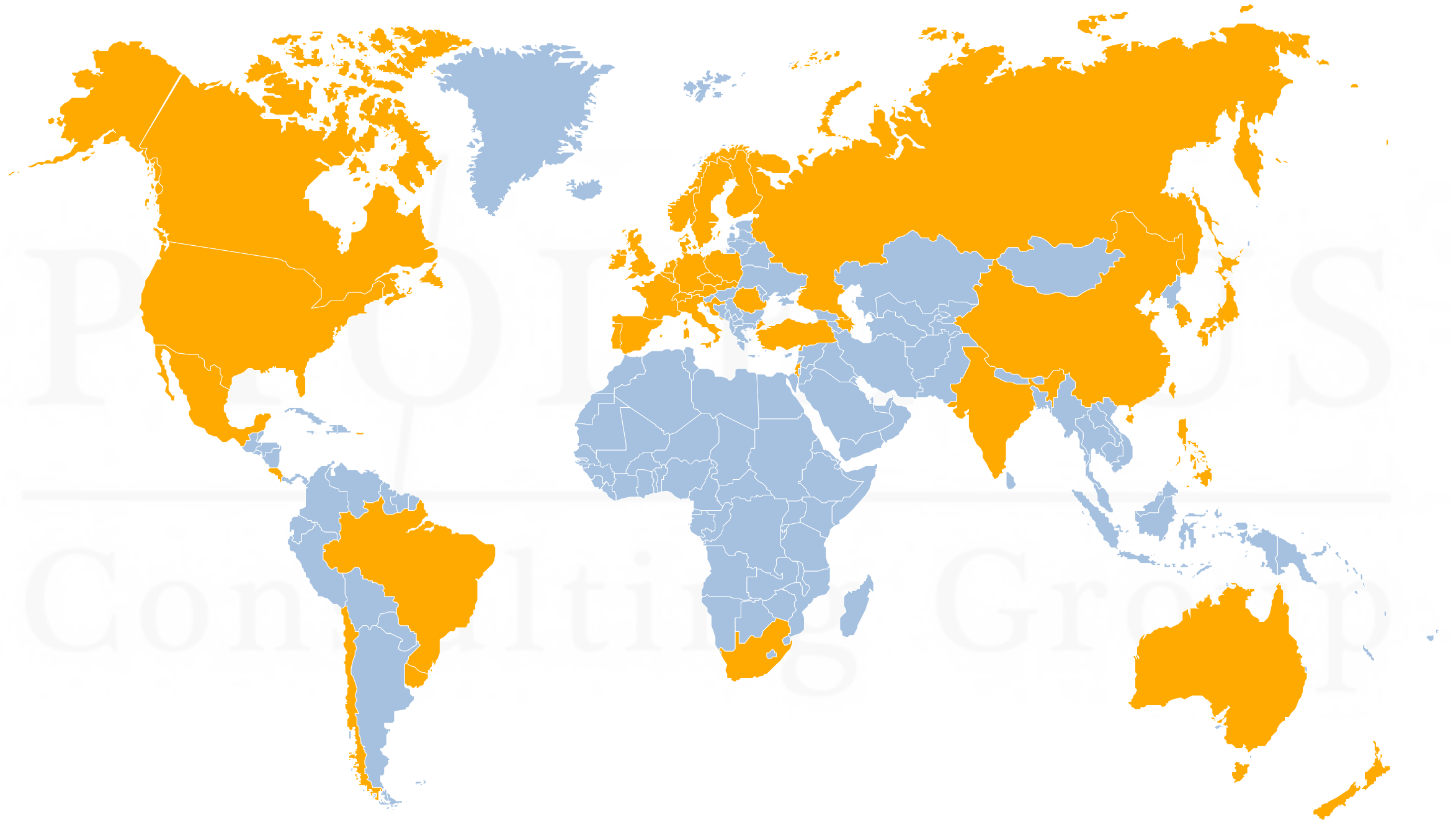


Insurers, aggregators & assistance providers



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 457-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: The number of vehicles in use for on-road fleet telematics Subscriptions and revenues for the on-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
Company-wide licence	€ 3,490 Approx. \$3,560	€ 3,490 Approx. \$3,560	€ 750 Approx. \$770	€ 3,990 Approx. \$4,070
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