FINANCIAL IMPACT

FLEET MANAGEMENT

BENEFITS OF EFFECTIVE IMPLEMENTATION

TELEMATICS

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BUSINESS TRANSFORMATION

The Telematics in the Transport Provides BIG SAVINGS in many areas of the company, and has a Impact direct in the operation by adding VALUE AND BENEFITS economic economics throughout the Time.

Specific Telematics Features Driving Savings

Security 29%

Unsafe driving has a tremendous effect on financial performance, including tangible costs, reputation costs that affect sales, depreciation, and asset cancellations.

Productivity 28%

Route planning and optimization are two of the most important activities to increase the capacity of commercial vehicles and increase asset efficiency.

Fuel 30%

Monitor fuel usage and optimize factors that influence fuel efficiency, such as: aggressive driving, idling times, out-of-hours use.

Maintenance 32%

Engine data and vehicle usage statistics minimize corrective maintenance, increase vehicle life, recover and improve asset efficiency.

Average Profitability Increase 30%

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PROFITABILITY

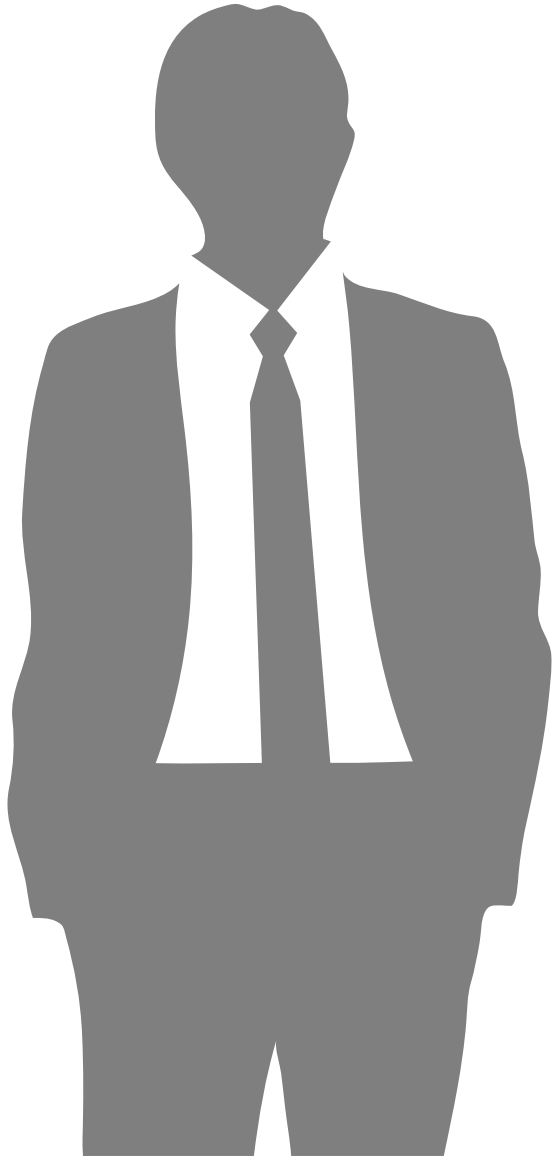
The evaluation of the IMPACT OF TELEMATICS organization-wide rather than a single project.

When considering an investment in Telematics for your business, it's important to analyze POTENTIAL BENEFITS project. Two types of benefits should be considered in the decision-making process:

Tangible and Intangible Benefits.

When both types of benefits can be so important to any type of trade, that means it's also critical to know how to measure them.

Managing a fleet without a telematics platform leads to higher costs and low visibility to improve.



Strategic Technology Investment

01 IDENTIFY BENEFIT

- Decrease in Accidents
- Decreased Corrective Maintenance
- Decrease in Idling Time
- Increased Route Compliance

02 TYING BENEFIT TO A COMMERCIAL OBJECTIVE

- Insurance Cost Reduction
- Maintenance Cost Reduction
- Reducing Fuel Consumption
- Sales Increase

03 QUANTIFY PROFIT

- With the benefit and associated business objectives identified, an organization can use any method to quantify and analyze the potential value of the benefits

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SMART INVESTMENT

Tangible

- Increased sales
- Increased market share
- Reduced transaction costs
- Reduced labor costs

Direct analysis of revenue or a decrease in costs, comparing before and after the investment.

Quantifiable and well-measured, they are often the benefits that organizations seek to achieve immediately.

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Intangible

- Increased compliance
- Increased customer satisfaction
- Improving employee morale
- Improved job security

They are harder to measure, as they cannot be translated directly into money, but they are easy to see.

Deep and long-term benefits are game changers that can have a serious impact on the way an organization operates.

OPPORTUNITY **Savings**

While initial costs can be accounted for, one must examine the intangible and future BENEFITS of the technology.

Intangible Measurement:

Predictive Analysis
Maintenance Reduction

Accident Reduction
Risky Driving Behavior

Gamification
Motivate Drivers by Qualification

Compliance
Ensuring Customer Deliveries

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RETURN ON INVESTMENT / COST OF IGNORING

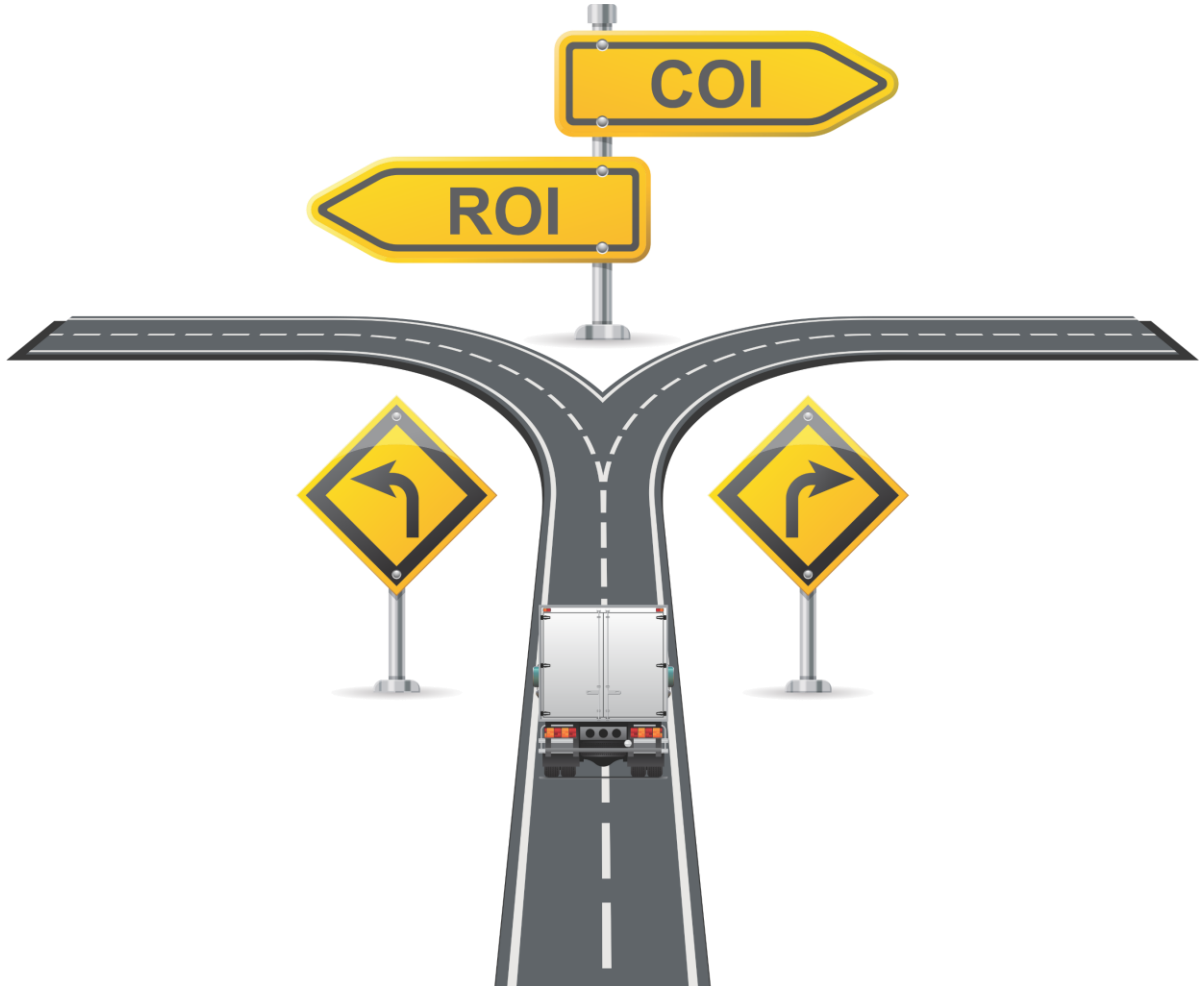
Although the Cost of Ignore (COI) has the same STRATEGIC OBJECTIVE than its best-known cousin Return on Investment (ROI), there are some FUNDAMENTAL DIFFERENCES. In short, the IOC focuses on minimizing operating costs, while ROI focuses on maximizing incremental revenue.

ROI

1 **INCREASE Profitability**

2 **Maximize The Income Incremental**

3 **HOW SHOULD WE Spend?**



COI

INCREASE Profitability 1

Minimize The Costs Operating 2

WHERE CAN WE Save? 3

STRATEGIC FOCUS DIFFERENTIATOR

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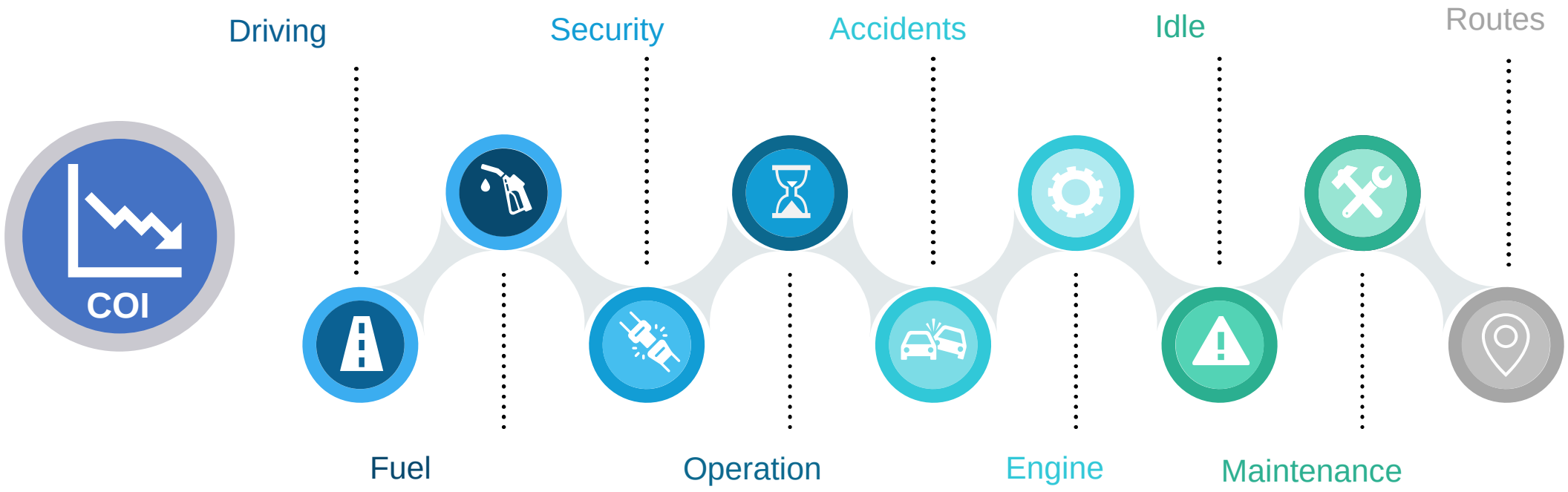
REDUCE COI, SAVINGS OPPORTUNITY

With the **Telematics**, fleet managers can identify and quantify **Opportunities** of **Saving** fleet-wide and implement **PROPER INITIATIVES** management and drivers to achieve them.

DO YOU KNOW THE COST OF IGNORING YOUR FLEET?



COST OF IGNORING is the additional expense or lost savings that result when a company does not make a strategic business investment that could **IMPROVE OPERATIONAL EFFICIENCY.**

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COST REDUCTION

WHERE TO FIND SAVINGS?

Security

Collision reduction expensive vehicles

Reducing costly vehicle collisions

Each accident at work costs employers between $16,000 and $500,000 Usd. depending on its severity. Insurance companies have reported a 45% reduction in accidents and a 50% reduction in the costs of paying accidents through the effective use of telematics, with an additional 5% to 25% reduction in the comprehensive cost of insurance.

Fuel

Cost control

Controlling fuel costs

The U.S. Department of Energy reports that rapid acceleration and heavy braking increases fuel consumption by up to 33% for driving; while idling and speed can also have drastic impacts on Km/L performance.

Maintenance

Reducing repairs

Reducing repairs and maintenance

Planned maintenance is a standard part of vehicle ownership, but unplanned repairs due to aggressive driving and vehicle misuse are an unnecessary cost. The Organisation for Economic Co-operation and Development (OECD) reports that telematics technology can help a company reduce these scheduled and unscheduled maintenance and repair incidents by up to 14%.

Productivity

Increased efficiency the workforce

Increasing workforce efficiency

Driver compensation is often an important component of a fleet's total operating budget. Market research suggests that telematics can increase labor force productivity and reduce labor costs by up to 12%

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3 WAYS TO SAVING PROACTIVE MANAGEMENT

01 Enforce usage seat belt

The best way to prevent and even avoid injury altogether while driving a motor vehicle is to always wear a seat belt.

The use of the seat belt can reduce the risk of fatal injury by 45% for drivers and passengers in the front seats." (NHTSA)

In 2015, (NETS) stated that not wearing a seat belt cost employers $4.9 billion USD. in relation to accidents.

Not fastening your seat belt can be fatal and costly for everyone involved in the event of an accident.

The use of the seat belt, or lack thereof, can affect the cost of an accident.

02 Decrease speeding

Speeding is the main factor in traffic-related accidents and deaths, with an annual cost of $8.4 billion USD. (NETS)

A 5 km/h reduction in speed can lead to a decrease of at least 15% in accidents." (Transport Accident Commission)

In 2015, more than 9,500 people died in accidents involving speeding, according to NHTSA.

Protecting employees from car accidents is a cost-effective investment of time and resources.

Speeding increases fuel expenditure

03 Reducing fleet idling

A idling vehicle could be burning between a fifth and a gallon of fuel per hour, according to the U.S. Department of Energy.

Decreasing the idling time of your fleet can result in substantial annual savings, avoiding costs, and is better for the environment.

Eliminating 1 hour of idling per week could save more than 500 pounds of CO2 per year per truck.

Idling vehicles put overtime and engine hours into your fleet when it could simply shut down. This can increase the amount of oil changes and the amount of maintenance required in your vehicles, increasing fleet costs without providing a return.

National Traffic Safety Administration (NHTSA)
Network of Employers for Traffic Safety (NETS)

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PROFITS AND SALES PER VEHICLE

In practice, there are two metrics that drive an assessment of how telematics can deliver profitability to the operation.

Vehicle earnings / Sales per vehicle

These metrics measure the Capacity fleet owner to create the real option of reducing fleet size or driving growth through increased vehicle utilization.

Together, they push the argument of how telematics delivers shareholder value through the FINANCIAL RETURN.

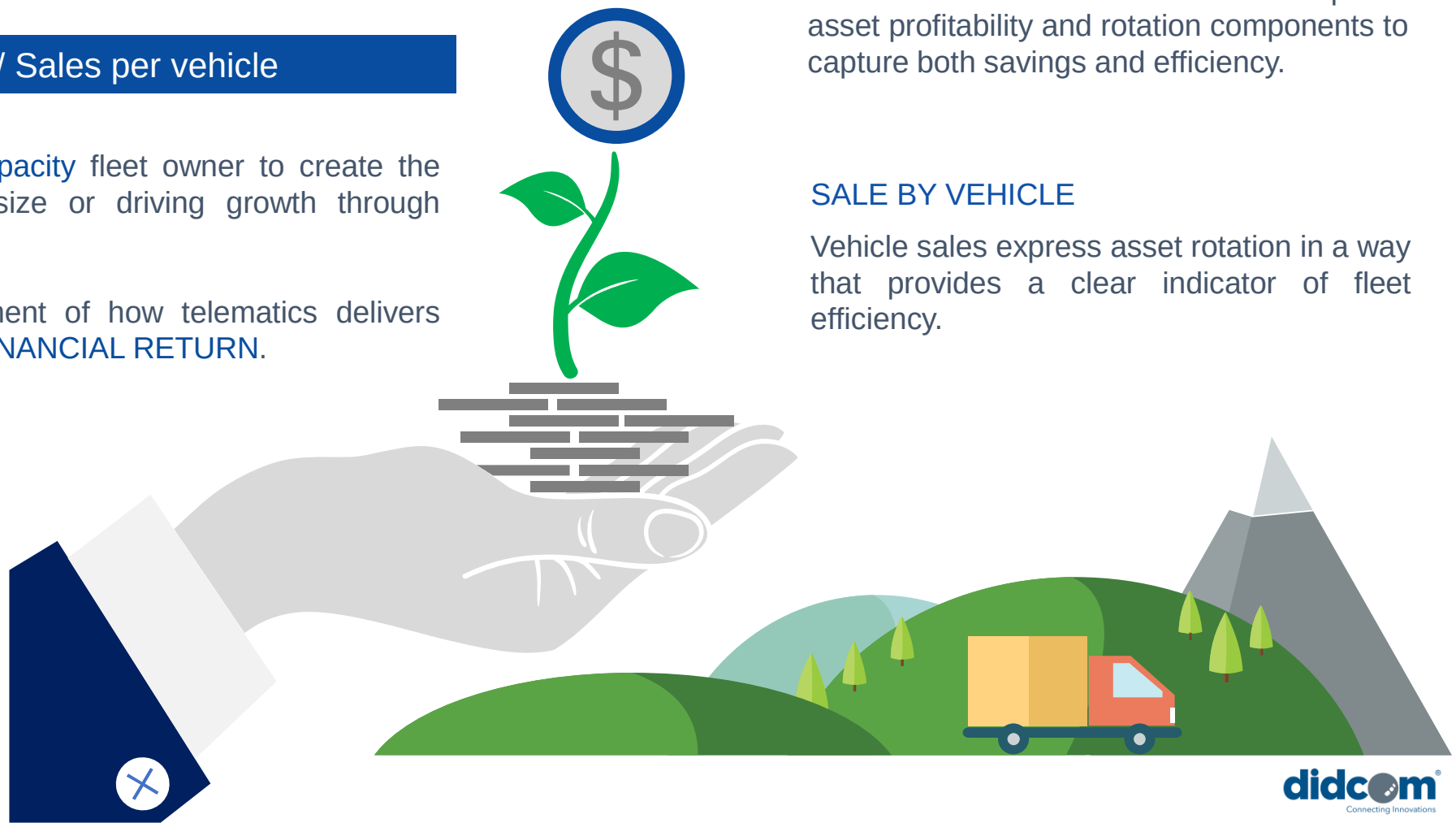
VEHICLE GAIN

Vehicle benefit combines and simplifies asset profitability and rotation components to capture both savings and efficiency.

SALE BY VEHICLE

Vehicle sales express asset rotation in a way that provides a clear indicator of fleet efficiency.

Do MORE with LESS



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