MotorAssist™

Whitepaper

How technology is driving efficiency across the accident and claims management sector.

Greater visibility. Remarkable agility. Outstanding efficiency.

Executive Summary.

The fleet sector is moving into a new era of vehicle incident management, backed by rapid technological advancements and growing data availability.

Yet, in 2023, fleets face a multitude of challenges including supply chain issues impacting the availability of parts or vehicles, inflationary pressures which negatively influence costs, and how to integrate technology to stay competitive and introduce greater efficiency.

Motor Assist™ has carried out a survey of 200 UK fleet decision makers from both commercial vehicle (100 respondents) and car fleets (100 respondents) to investigate the impact and uptake of technology and data analytics to enhance fleet incident management processes.

Whether using outsourced incident management providers or managed in-house, Motor Assist™ has gauged how fleets are harnessing a new generation of technology to improve processes and provide a digital experience to customers and drivers - the report has identified several findings, including:

- Adoption of cutting-edge technology is by no means universal among fleets to help manage incidents with only 57% of fleets saying they use GPS trackers - the most popular form of fleet technology.
- Two thirds of fleets partially or fully outsource their vehicle incident management. Of these, 50% cited 'around the clock support/specialist support' as vital to their operations alongside reducing pressure on in-house staff - this suggests fleets don't always have the time or expertise to deal with incident management.
- Technology greatly benefits incident management efficiency. Nearly 90% of respondents said using technology to manage incidents reduces vehicle off road time and over three quarters of those surveyed (76%) said technology saves between 1 and 4 days per incident - a significant cost and efficiency saving.
- Fleets see significant safety benefits by using technology to manage incidents: it decreased incident frequency according to 59% of respondents.
- Nearly all respondents (95%) said they either somewhat agree or strongly agree that having more information about fleet risk and incidents would help them take action to improve their fleet, suggesting that most fleets could benefit from improved oversight of their fleet through more comprehensive, actionable data.

The following report from Motor Assist™ - the technology-driven end-to-end incident management service - investigates the use of technology used by fleets and service providers, and asks how new techniques, equipment and software are driving improvements in the sector.

Introduction.

The fleet sector is evolving quickly, especially in the realm of accident and claims management. With continual technological advancements and growing data availability, new developments provide unprecedented visibility into the claims process, the preferences of fleet decision makers, and the expectations of a new generation of drivers and customers who expect a digital experience.

The latter has been further accelerated by the COVID-19 pandemic [1] - which triggered the remote working revolution and reset customer expectations for a digital experience - prompting a wave of innovation and an expectation of intuitive digital engagement.

Starting even before an incident occurs, every touchpoint in the claims journey can be supported by a mix of technology and human intervention that seamlessly propels the process forwards more efficiently than ever. It was not always like this, however. Cumbersome and unintuitive systems and processes have previously stifled efficiency, but cutting-edge technology is enabling fleets and incident management providers to capitalise on previously untapped levels of efficiency, and potentially safety, that is now within reach.

With these capabilities in mind, this report analyses three key areas impacting UK fleets:

- Efficiency across the claim life cycle
- Improving driver safety
- Use of data insight to support decision making

To understand and provide insight regarding the above three areas, and following the launch of Motor Assist™, AX has undertaken comprehensive research to address and answer the following:

- What technology do fleets and incident management providers utilise to help manage fleet incidents?
- Has using technology to manage fleet incidents helped reduce average vehicle off-road time?
- What proportion of fleets actively monitor fleet risk and driver behaviour?
- And, what are the most useful forms of management reporting information available to fleets?

Context

Global dynamics affecting fleet incident management.

The past three years have seen fleets contending with multiple challenges, including the threat of global recession, the COVID-19 pandemic, war in Europe, continuing supply chain difficulties, a challenging labour market and rapidly rising interest rates; all contributing to a world which looks very different than just a few years ago.

Fleet decision makers certainly have their hands full. As well as the fleet technology revolution that is taking place, the vehicle car parc already looks radically different than just two years ago, with the Society of Motor Manufacturers and Traders (SMMT) reporting that electric car sales in 2022 represented 16.6% of the UK's new car market [2].

Resilience will be key to tackle the highly uncertain environment. As the sector prepares for a continuing wave of change, including the electrification of both commercial and car fleets, any efficiency or safety gains that can be made to incident management processes will help to ensure ongoing viability and offer a competitive advantage.

Whilst fleets are expecting to face considerable economic turbulence and possible recession in 2023 [3], the tools at their disposal to manage incidents are more intuitive and insightful than ever, helping to manage costs and resources more effectively while providing a better digital engagement for customers – business partners and drivers alike.

A poorly managed and inefficient incident management process will have a significant impact on the whole claim life cycle, which can increase costs, reduce safety and put a greater burden on time-pressured staff.

We are in a new era of incident management, one supported by rapid technological advancements and growing data availability.

The sector increasingly expects seamless, omnichannel, and real-time interactions on integrated platforms [4] that can provide advanced analytics for anything from driver behaviour data, routes, incidents, mileage, vehicle utilisation, tracking and more, which can then be instantly processed into management reports which can drive risk and efficiency decisions.

However, the customer and employee demographic mix will shift dramatically between now and 2030, at which point digital natives will make up over half of the adult population [5].

The macroeconomic challenges that have presented themselves over the past few years have resulted in spiralling costs. Fleet managers are also increasingly stretched for time as businesses balance their in-house resources with navigating a new commercial landscape impacted by the COVID-19 pandemic, while many are also in the process of integrating electric vehicles into their fleets.

The impact of this means that accessing new vehicles is more difficult due to manufacturers prioritising retail sales while production levels remain stunted, coupled with continued disruption to supply chains for replacement parts, whilst ongoing bodyshop capacity issues mean that repair times are longer and costs are higher – not ideal circumstances in which to operate an efficient, safe fleet.

Despite this, are fleets utilising integrated platforms and advanced analytics to improve their processes to improve efficiency, driver safety and management decision-making?

Survey Background.

We carried out a survey on 200 UK fleet decision makers to identify the level of uptake and use of technology to manage fleet incidents.

To enable us to analyse a wide spectrum of fleets, we surveyed decision makers who look after a modest number of vehicles (from 1-5) right up to very large fleets of 2,000 or more vehicles. This incorporated those who managed fleets fully in-house, as well as those who partly and fully outsourced their incident management operations.

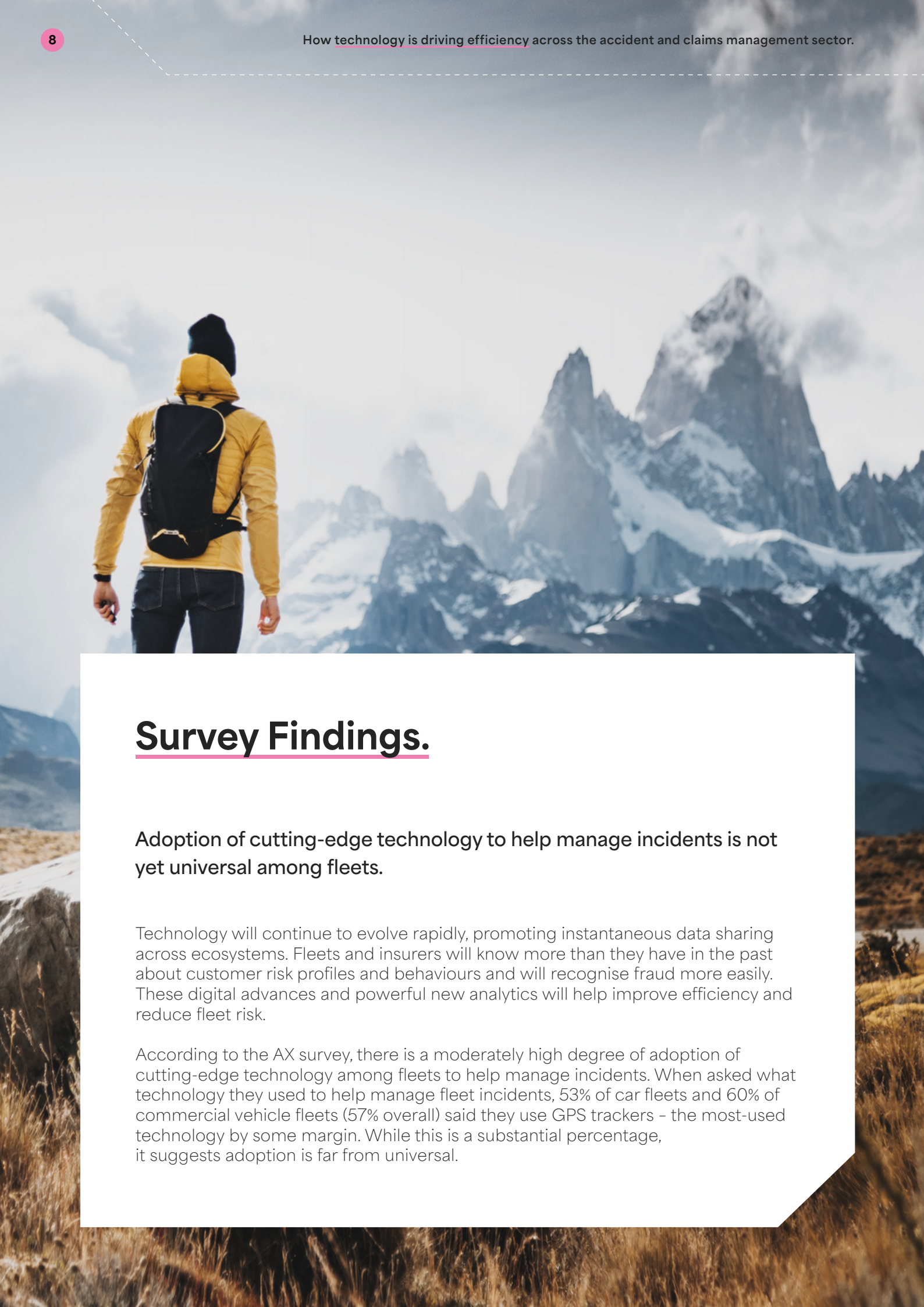
We also examined the headline technology in use by fleets; rather than investigating every conceivable technology available, we focussed on the overarching tools fleets or outsourced partners might deploy.

Our survey examined the following fleet technology:

GPS fleet trackers, fleet management software, telematics data for driver behaviour, telematics data for vehicle maintenance, cutting-edge incident management platform, real-time fleet dashboard showing current and past fleet performance, telematics data for asset tracking, in-depth data for management reporting, fleet-wide alerts.

Allowing us to investigate any key trends or differences between business or company car fleets (e.g. business cars, passenger cars, job need cars) and commercial fleets (e.g. trucks, vans, light commercial vehicles), we surveyed 100 decision makers in each category.

As an incident management specialist with more than 20 years of expertise and having launched its full-service Motor Assist™ offering last year, AX's primary goals for the survey were to understand how fleets are using technology (software, data, integrations, user platforms etc) to improve driver safety, fleet efficiency across the claim life-cycle and whether fleets are harnessing data for management reporting.



Survey Findings.

Adoption of cutting-edge technology to help manage incidents is not yet universal among fleets.

Technology will continue to evolve rapidly, promoting instantaneous data sharing across ecosystems. Fleets and insurers will know more than they have in the past about customer risk profiles and behaviours and will recognise fraud more easily. These digital advances and powerful new analytics will help improve efficiency and reduce fleet risk.

According to the AX survey, there is a moderately high degree of adoption of cutting-edge technology among fleets to help manage incidents. When asked what technology they used to help manage fleet incidents, 53% of car fleets and 60% of commercial vehicle fleets (57% overall) said they use GPS trackers – the most-used technology by some margin. While this is a substantial percentage, it suggests adoption is far from universal.

> GPS tracking technology has been available for some time now, so it is surprising that it is not utilised more widely. Every fleet, large or small, can benefit - but only if they act on the data or use it to inform decision-making. If human resources are scarce, this is where an outsourced partner is essential.

Scott Hamilton-Cooper
Chief Commercial Officer of AX Automotive.

Fleet management software was also utilised relatively widely, with 42% and 43% of car and commercial fleets respectively having implemented platforms. Just a third of all fleets (35%) used telematics data to monitor driver behaviour, while 34% used it for maintenance purposes (remote diagnostics, for example). Well-chosen telematics and technology systems can automate processes and streamline workflows, which can introduce operating efficiencies for vehicle operators resulting in financial benefits.

Over a third of all fleets said they use an incident management platform (which various stakeholders can access). Whereas slightly more commercial vehicle fleet decision makers (35%) than passenger car fleets (27%) said that they use a dedicated fleet dashboard that provides managers with an overview of current and past fleet performance, suggesting that more could benefit from the data that these powerful tools can generate to support decision-making. Validating this latter point, only 26% of all fleets said they utilise in-depth data for management reporting.

A surprising 8% of respondents said that they don't use any technology to manage their fleets, though these may be fleets that are much smaller in size than the average in the survey (14% of those surveyed managed fleet with just 1-5 vehicles while 75% of fleets averaged between 6 and 500 vehicles).

Two thirds of fleets in some way outsource their incident management, driven by a need for round the clock support.

The survey includes a balanced split of participants who either manage their fleets fully in-house (34%), partly in-house/partly outsourced (53%) or fully outsourced (13%), though fully outsourced represented the smallest proportion by some margin. Those who partly or fully outsource their incident management mostly opt for a fleet management provider (49%) while 30% use a specialist accident management service provider, and 21% use a contract hire and vehicle leasing funder.

'Around the clock support/specialist support' (48%) was clearly the most important reason for outsourcing incident management, while 'It takes the repair process off your hands' (42%) was the third most popular reason, and 'It reduces the pressure on in-house human resources' (39%) was fourth. All of these to some degree suggest that the time-consuming, specialist nature of dealing with incidents is critical for fleet managers who are often under pressure when it comes to human resources and may not have the expertise in-house.

Commercial vehicle fleets placed even more importance on 'It reduces the pressure on in-house human resources' than passenger car business fleets, with 43% of commercial fleet respondents choosing it as an option compared to 34% of car fleets. This significant difference could be due to commercial pressures, impacting the resources available while potentially having to manage tighter margins. Economic conditions may be forcing fleets to consider their internal headcount, and those operating commercial vehicles could be feeling the strain more than passenger car fleets.

This theory is potentially substantiated by the fact that 'controlling costs' was also deemed very important. Again, there was a clear difference between car business fleets (37%) and commercial vehicle fleets (49%), with the latter choosing cost control as the single most important reason for outsourcing.

Finally, respondents also believe that outsourcing can improve vehicle downtime. Nearly a third (32%) said that they made the transition to improve efficiency in this way.

Technology significantly reduces vehicle off-road time with 76% of fleets saying it saves between 1 and 4 days per incident.

Running a fleet efficiently and safely is a constant challenge, particularly when it comes to managing and monitoring how and when vehicles are used on the road.

With costs on the rise and aftersales supply and demand issues continuing, using technology and harnessing driver and vehicle data can enable businesses to improve efficiency in several ways, while minimising admin costs through streamlined digital processes. By increasing the use of incident management platforms and streamlined communication, fleet decision makers can ensure the right service is deployed first time while making sure the repair triage process is effective. From drivers not reporting incidents to incomplete case details and complex vehicle repairs, technology can help make the whole process much more joined up and efficient.

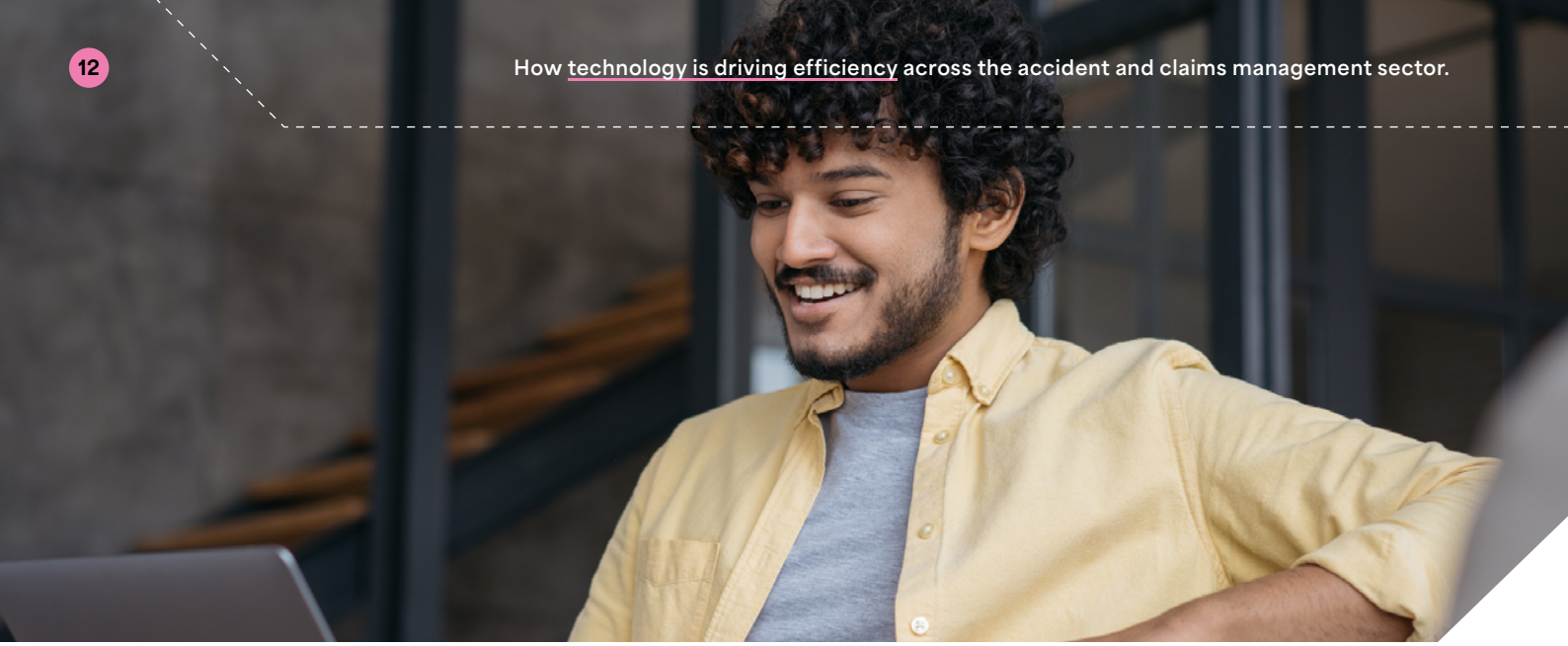
There is consensus amongst fleet decision makers that technology enhances efficiency. One of the most important markers for fleet performance is vehicle off-road time - and 89% of respondents said that this is reduced by adopting technology.

Examining how much vehicle off-road time technology can save, 40% of respondents said it saves between 3-4 days for each incident, a significant proportion of the overall average off-road time of 18 days per incident. Around a third of decision makers said it saved 1-2 days, so in total, 76% of fleet decision makers say that technology saves between 1 and 4 days per incident.

> **This is a huge saving which not only benefits the fleet through improved utilisation, but it also means incidents cause less of a drain on human resources. With improved workflows and greater access to data for incident management, vehicles will get back on the road more quickly - this is what our internal data shows, and it is positive to see that fleets across the UK see the same positive impact.**

Scott Hamilton-Cooper
Chief Commercial Officer of AX Automotive.

Looking at the difference between car and commercial vehicle fleets, the results showed that slightly more of the latter (44%) said it saves 3-4 days per incident, suggesting technology may be even more valuable to commercial vehicle fleets than to fleets of cars. Controlling costs is clearly the key priority for commercial fleets.



Crucially, using technology has decreased frequency of vehicle incidents according to 59% of fleet decision makers. And revealing what other benefits fleets are capitalising on by using technology to manage incidents, decision makers said that accidents being reported more quickly (52%) and repairs managed more efficiently (51%) were top of the list.

Fewer incidents through improved driver behaviour (39%) and 'a greater capability to capture incident details in full' (36%) were also amongst the most frequently chosen benefits of using incident management technology. The importance of driver behaviour is clearly a significant concern for fleets. It is apparent that fleets are aware of the need to monitor and act on driver behaviour, keeping it controlled to improve efficiency through fewer incidents and to improve safety.

While these results show a relatively broad focus on this facet of operations, businesses operating car or commercial vehicle fleets have a duty of care to their drivers. By not acting on the data available to them, fleets would be failing in their primary responsibility.

Overall, a third of respondents said they benefitted from a reduction in time and resources spent managing incidents, with more commercial fleet (39%) than car decision makers (27%) citing this as a benefit, perhaps suggesting commercial fleets are under more pressure when it comes to time and resources.

A large proportion of fleets of all sizes are clearly aware of the benefits of improving fleet efficiency, it is commercially sensible to do so, yet there is still a sizeable proportion which don't deploy tools at their disposal to improve their operations. This could be due to a lack of understanding of the benefits or a perception that technology is cumbersome and not intuitive or practical enough.

However, nearly all respondents (95%) said they agree that having more information about fleet risk and incidents would help them take action to improve their fleet, suggesting that most could benefit from improved oversight of their fleet through more comprehensive, actionable data.

Technology adoption has considerable safety benefits with 59% of fleet decision makers saying it decreased vehicle incidents per incident.

From a safety perspective, by monitoring and managing drivers more effectively a business can proactively confront the source of potential accidents to ensure that drivers are not being put under pressure to take risks on the road.

In-vehicle telematics or 'black boxes' can track speeding, harsh braking and acceleration, sudden steering changes, over-revving, and when vehicles are used. This data can be used to influence driver behaviour and create a culture of continuous driver improvement, which then reduces accident rates and fuel use.

Even with strong driver safety policies and processes, fleet incident rates of approximately 35% are typical. Driver safety should always be first and foremost, so are fleets using data to reduce the chances of incidents? And while prevention is preferable, when an incident does occur, how can technology help to expedite the process and increase driver safety in the future?

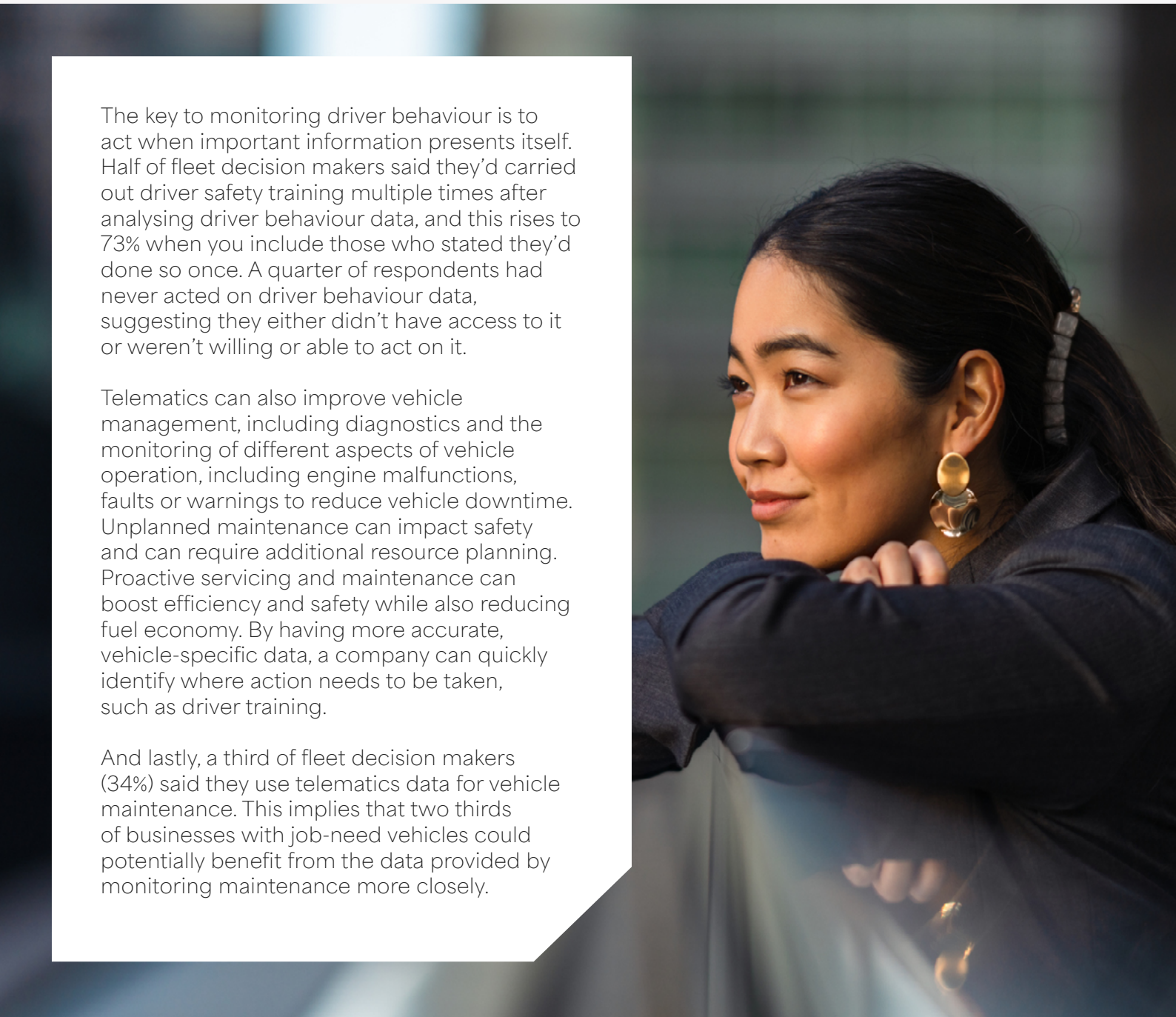
As touched on earlier in this report, fleet decision makers said that using technology has decreased the frequency of vehicle incidents by 59%. The figure for commercial vehicle and car fleets was roughly the same. This, clearly, has huge implications for driver safety - businesses have a duty of care to their drivers after all.

The perception that technology is reducing incidents is reflected in the fact nearly three quarters (74%) of those surveyed said they have a driver safety and fleet risk programme in place. Comparing commercial vehicle and car fleets, there was a small yet significant difference, reporting 78% and 70% respectively.

When asked how they monitor driver behaviour and risk, most fleets use technology to do so. Simple GPS monitoring (60%) is the most common method. Driver interviews/questionnaires (57%) was also commonplace, while 50% of decision makers also use reports created from telematics devices. Nearly half (43%) also utilise a customisable fleet dashboard to help them to track and report on driver behaviour.

> Fleets can really take control of their fleet when it comes to driver behaviour. It is a sensitive area, one which needs skill on the part of the fleet manager in addressing any issues with drivers, but it is vital to make timely interventions and to follow the data - it can positively impact fleet risk while reducing costs, and fleets agree yet the survey suggests there's room for improvement.

Scott Hamilton-Cooper
Chief Commercial Officer of AX Automotive.



The key to monitoring driver behaviour is to act when important information presents itself. Half of fleet decision makers said they'd carried out driver safety training multiple times after analysing driver behaviour data, and this rises to 73% when you include those who stated they'd done so once. A quarter of respondents had never acted on driver behaviour data, suggesting they either didn't have access to it or weren't willing or able to act on it.

Telematics can also improve vehicle management, including diagnostics and the monitoring of different aspects of vehicle operation, including engine malfunctions, faults or warnings to reduce vehicle downtime. Unplanned maintenance can impact safety and can require additional resource planning. Proactive servicing and maintenance can boost efficiency and safety while also reducing fuel economy. By having more accurate, vehicle-specific data, a company can quickly identify where action needs to be taken, such as driver training.

And lastly, a third of fleet decision makers (34%) said they use telematics data for vehicle maintenance. This implies that two thirds of businesses with job-need vehicles could potentially benefit from the data provided by monitoring maintenance more closely.

Most respondents (95%) said that having more information and actionable data about fleet risk and incidents would help them improve their fleet.

As technology progresses and uptake increases, fleets can access swathes of data that can support decision-making.

Data overload can have the opposite effect, however, stifling decision-making which leads to inaction. But cleverly designed, intuitive systems and software, like the tools that Motor Assist™ utilises, can greatly enhance management insight and provide easily actionable fleet intelligence.

However, many more fleets could be benefitting from improved access to data and management reporting. When asked 'what technology do you or your vehicle incident management provider utilise to help manage fleet incidents', the results showed that only a quarter of fleet decision makers said that they use in-depth data for management reporting.

As stated earlier, however, 95% of respondents said they either agree or strongly agree that having more information about fleet risk and incidents would help them take action to improve their fleet - clearly a significant proportion of UK fleets could benefit from increased oversight through greater access to comprehensive, actionable data.

While there appears to be some underutilisation of data to support decision-making, 89% said that technology helped reduce vehicle off-road time. And 93% of respondents said that it reduced it by one day or more per incident. While some of this will be due to efficiency gains provided by the intuitive, time-saving software and systems, there's no doubt that the insight that data provides to support proactive intervention is also responsible for the reduced off-road time and overall incident rate.

> With 59% of respondents saying that the use of technology reduces incident frequency, whether that be through proactive measures taken when presented with actionable data or the passive benefits of using up-to-date systems and software, this is a huge benefit. It shows again that when data is presented in a user-friendly format, management can make significant, positive impacts.

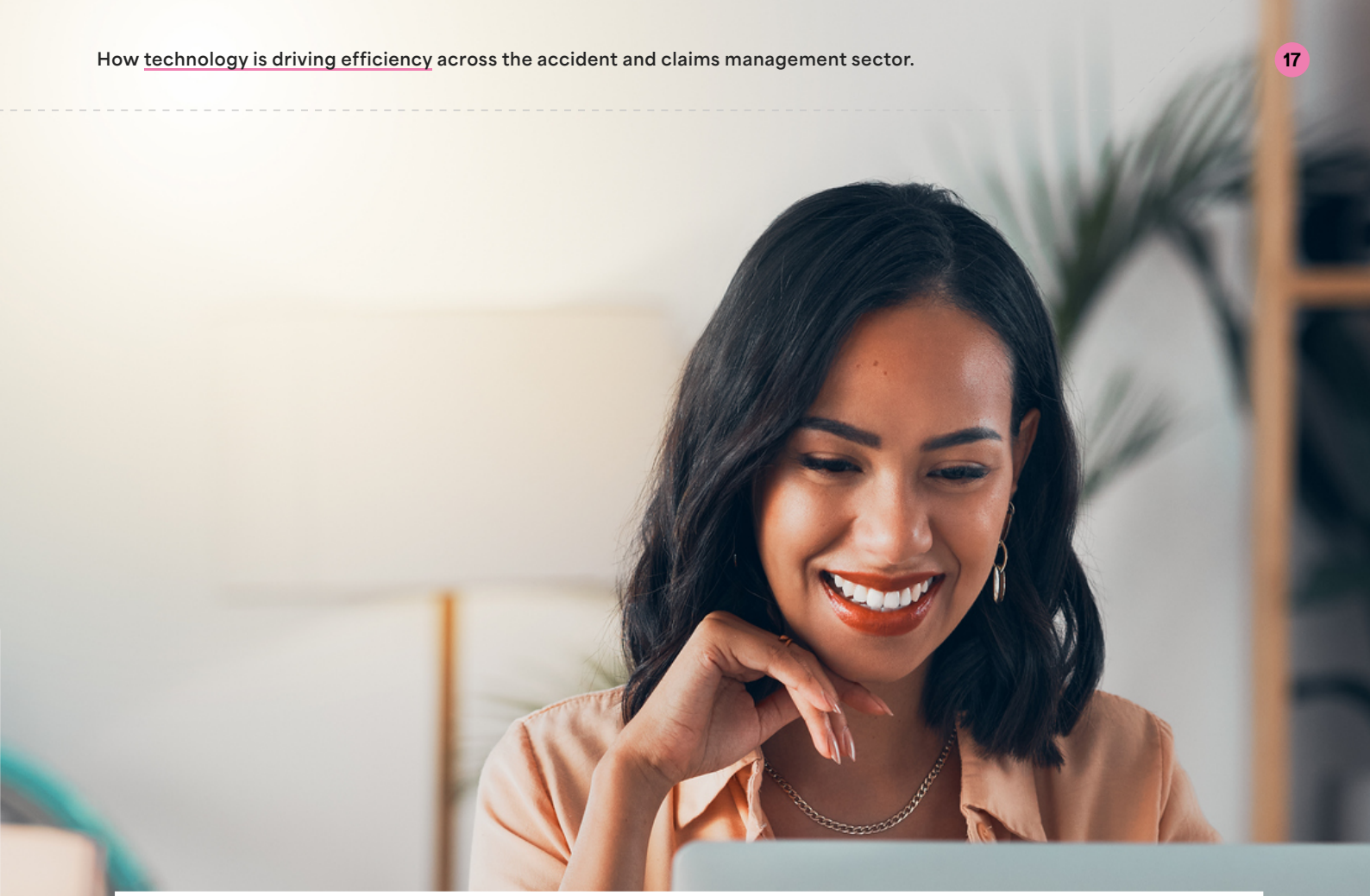
Scott Hamilton-Cooper
Chief Commercial Officer of AX Automotive.

Nearly three quarters (73%) of fleet decision-makers said they had instigated driver safety training following fleet risk and driver behaviour data analysis – this encapsulates the importance of accessing data and presenting it to management. Management insight for decision-making is especially important for fleet risk and driver behaviour, particularly those managing large numbers of vehicles.

Focussing on the specific benefits seen, improved driver behaviour (39%), which in most cases requires proactive intervention from management, and, for example, lower fuel usage (32%), all featured prominently in the list of advantages.

It is vital for information to be packaged in a way that managers can make improvements to the performance of their fleet. It can also be used to challenge liability in the event of an accident, and some systems, including AX's telematics solution, can recall in detail the moments leading up to an accident, including speed, steering and braking.

Overall, the survey suggested that there is not universal use of data to inform decision-making. And while many don't list it is a priority, lots of fleets do still use data to support operations and take action based on insight gleaned from technology.



Conclusion.

The fleet sector is changing. A new era of accident and claims management is in progress, fuelled by new advancements in technology and the resulting data that is generated - these new developments provide unprecedented visibility, and many are benefitting from greater fleet efficiency. But adoption is far from universal, and many aren't yet enjoying the benefits it can bring.

Over half of fleets are using GPS trackers and more than 40% use fleet management software, while around a third of fleets use telematics, incident management platforms and fleet dashboards.

By embracing technology, fleets are seeing fewer incidents and reduced off-road time when incidents do occur.

They are also seeing efficiencies elsewhere, with improved safety and lower costs. While many fleets are incorporating technology and seeing the benefits of how increased access to data can positively inform decision-making, some fleets may be left behind as the UK faces a multitude of economic forces which mean any competitive advantages are crucial.

As well as a full suite of claims and incident management services, Motor Assist™ also offers:

CAPS underpins the repair process and allows engineers, bodyshops and other repairers to send updates about the repair, automatically updating its progression

Integrating Google Maps allows you to locate providers and pinpoint vehicle or incident locations

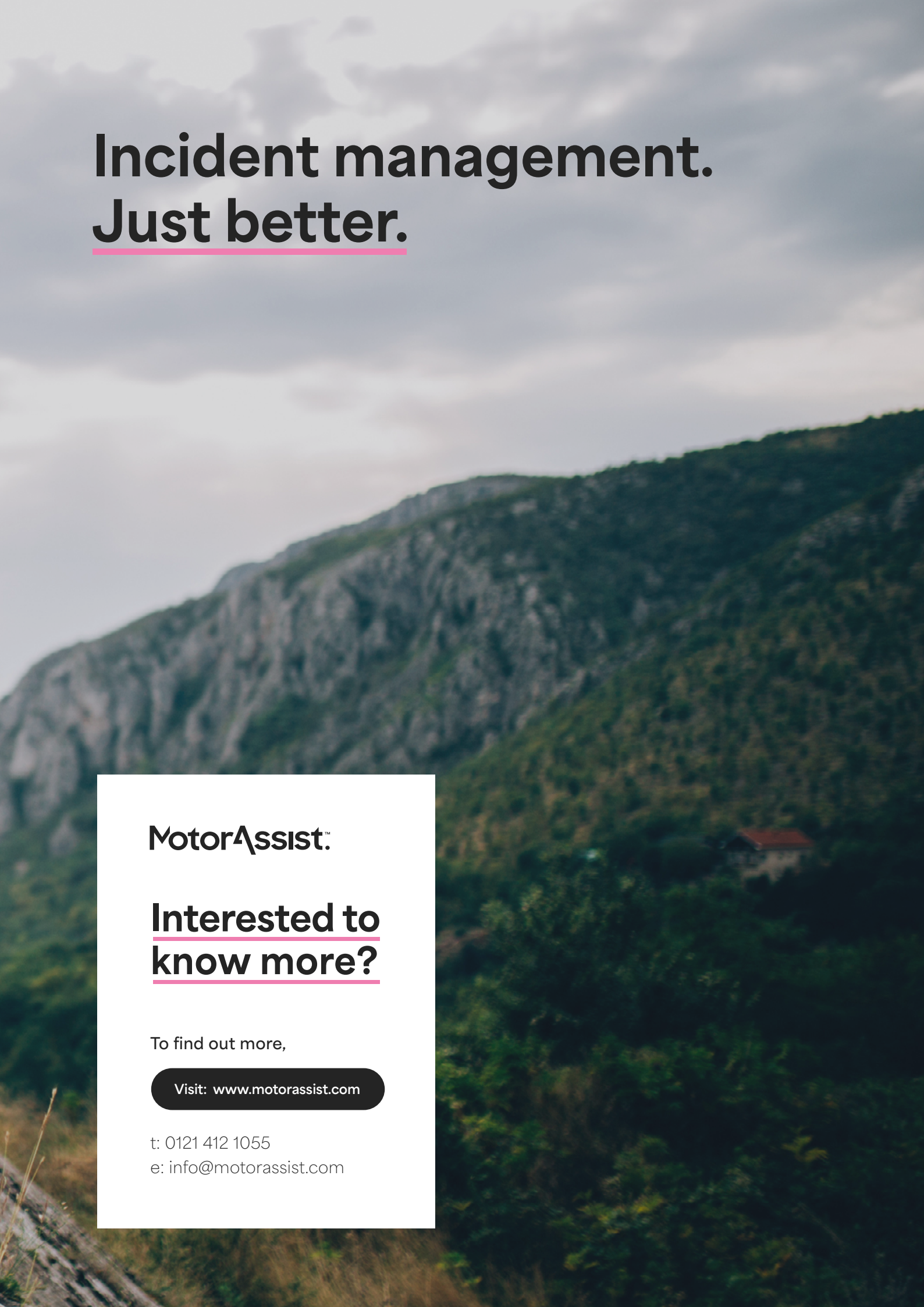
DVLA look-up enables you to search for vehicle information through its database

Clickatell facilitates SMS messaging (to drivers and repairers)

PAF makes it possible look up an address using a UK postcode

MID provides a database of insured vehicles MIAFTR (Motor Insurance Anti-Fraud & Theft Register) provides alerts when a vehicle is stolen or recovered

What3Words provides the simplest way to communicate a vehicle's precise location



Incident management. Just better.

MotorAssist™

Interested to know more?

To find out more,

Visit: www.motorassist.com

t: 0121 412 1055
e: info@motorassist.com