Getting Your Fleet Road Ready With Telematics

It's no secret that one of the riskiest parts of your employees' jobs is when they are on the road driving. Many insurance carriers, including National Interstate and Vanliner, have invested in integrating telematics data to significantly improve customer experience, maintain healthy underwriting results and equip us and our customers with the information necessary to improve performance. We intend to help our insureds be among the safest and most efficient operators by providing tools to aid in continuous improvement.

But you may be asking yourself, *"What is telematics?"*

Telematics employs technology to collect and analyze real-time data from vehicles. The data collected provides insights into driver and vehicle information which can enhance safety, improve risk management, and reduce overall insurance costs.

How Telematics Data is Collected

Telematics collects vehicle data through communication devices like satellites and wireless technologies. The data collected may include driving speed, acceleration, braking, miles traveled and routes information.

Types of telematics devices include, but are not limited to:

GPS Tracking: Primarily tracks vehicle location and speed.

Engine Control Module (ECM): Captures data such as fuel usage, vehicle mileage, odometer readings and engine diagnostics.

Electronic Logging Devices (ELDs): Integrated with the vehicle engine to record driving time for accurate hours of service (HOS) by communicating directly with the vehicle's engine. Automatically records driving activity and other information such as engine hours, ignition status, location and miles driven.

Automated Event Recorders (AERs)/Video Telematics: Uses a small video camera to capture events inside and outside the vehicle, records G-Force events and stores the videos on your platform, allowing you to review the event with your driver and address unsafe behavior. In a 2018 survey conducted for National Interstate, 97% of customers believe that AERs provide a positive return on investment (ROI).

Advanced Driver Assistance Systems (ADAS): Includes applications, such as pedestrian detection/avoidance, lane departure warning/correction, traffic sign recognition, automatic emergency braking and blind-spot detection.

Advantages of Having a Telematics-Enabled Fleet

Telematics allows operators to utilize measurable, data-driven insights to optimize aspects of their fleet. This technology can provide immediate driver feedback on infractions like harsh cornering, hard braking and speeding, which, when coached, can lead to safer driving behaviors. Additionally, telematics offers accurate first notice of loss claim information that can improve claim reporting and speed to resolution. Combine that with some contextual data such as traffic density by time of day, weather patterns, claims information and benchmarking data, and you can provide prescriptive risk management programs, route planning and optimization to your drivers.

When used effectively, telematics can offer countless benefits, which generally fall into three main categories:

Operational Benefits: This includes things like route optimization and planning, fuel efficiency, vehicle maintenance and idle time.

Safety Benefits: Real-time data allows you to monitor driver's behavior on the road, helping to identify risky actions and provide opportunities for coaching. Aggressive driving, distracted driving and fatigued driving are high-risk behaviors tracked by a telematics device. Aggressive driving includes speeding, harsh braking and hard acceleration.

Compliance Benefits: Telematics can help you comply with federal or state mandates as well as your company policies. By reinforcing your safety policies through consistent monitoring and feedback, telematics can help create a culture of safety within your fleet.

How YOU Can Add Telematics to Your Fleet

There are two important factors when assessing a telematics program – the right fit and your management plan. Below are four tips to help you choose the right telematics solution for your operation.

Do your research: Talk with industry peers to see what solutions have worked for their operation. Discuss with your trusted advisors and see what their recommendations are specific to your operation. Emerging technology platforms and new terminology can cause information overload and confusion. Take time to evaluate these options to find the best solution for your operation.

Check-in with your insurance carrier: Many carriers have relationships with telematics vendors and may be able to provide you with recommendations. Inquire about any programs in place to help offset the expense of implementation. National Interstate and Vanliner offer multiple programs designed to accommodate fleets of any size. These programs include collaborations with selected vendors, providing eligible insureds with helpful support and resources.

Request a demo: Once you narrow your choices, request demos from your top picks. Come prepared with questions so you can walk away understanding the features that are important for your operation.

Develop a roll-out plan: Work with your selected vendor and your advisors on a roll-out plan. Adoption is important among drivers, so find a core group of drivers who will embrace the technology and start with them.

How OUR Team Can Evaluate Your Telematics Journey

Our team of experts is dedicated to helping you leverage telematics technology effectively, ensuring you achieve maximum ROI. Here are some key ways we can support you:

Enhanced Loss Control: Our experts provide customized loss control guidance tailored to your operation. With on-demand access to a user interface dashboard, you can access information, tools, and guidance specific to your needs. We aim to offer insights that help drive down loss frequency and total cost of risk.

Claims Handling Efficiency: Improve and streamline your claims process with direct access to data revolving around a claim, saving time and improving your experience.

Performance Benchmarking: Benchmark your data anonymously and see where you stack up against other operators in your industry that are insured through National Interstate and Vanliner. As more companies participate, benchmarking data becomes increasingly valuable. Our experts will help you interpret and utilize this data effectively.

Tailored Underwriting: Using telematics data for tailored underwriting is a game-changer in the auto insurance industry. By sharing telematics data, insureds benefit from a personalized approach, allowing the underwriting team to more accurately price policies based on detailed driving habits and fleet performance. This means safer drivers can potentially enjoy lower rates, rather than being grouped into generic pricing models.

Data Integration: Top telematics companies can share data with us. If you are utilizing multiple technologies across your fleet, we anticipate providing important telematics data from various TSPs on the same user interface.