

Actionable intelligence driving fleet trends into 2018

 By [Grant Fraser](#)

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Ten years ago, analysts predicted that technology would be the greatest catalyst for change in the fleet telematics space and it certainly has been.



Grant Fraser, commercial director MX Telematics (Africa)

But, as technology continues to evolve, it remains the cornerstone of telematics development, innovation and, ultimately, success in the local market. 2018 will be no different.

Substantial shift in innovation

In fact, we are bound to witness a substantial shift in innovation – underpinned by solutions that are beyond what we once would have imagined as technology becomes smarter and more intuitive.

Recent research* shows the South African telematics market growing at an annual growth rate of 12.6% and that it is expected to reach R1.9 million by 2021 which indicates not only massive growth but that there is a clear need for such solutions – those that drive change, efficiency, and cost reduction.

“ The question is, what is driving this uptake and how are businesses in the South African market going to differentiate themselves – what trends will mark the year ahead? ”

Economic pressure catapulting competitiveness

Well, there is no doubt that one of the defining factors for 2018 will be the volume of market competition.

In South Africa, there are currently more than 40 fleet management companies operating in the local industry - a mix of renowned international providers, as well as locally born and bred businesses – together they provide the fleet customer with great options but, as businesses, how will they all ensure business continuity?

As a mature telematics market, the relevant players are conditioned to such a competitive landscape, however, a defining factor into 2018 is how they rise above a volatile economy and ensure they offer businesses a solution that is unique.

Key to this will be ensuring a solution that is not only customisable to the unique needs of each business but, more so, a solution that can promise cost reductions in the right places – such as fuel and maintenance, better efficiency and fleet productivity.

Reducing big data into digestible ‘bite-sized chunks’

The SaaS model offers a cost-effective solution that can be scaled as needed, providing either a full spectrum offering including: the ability to monitor and correct driver behaviour, manage fuel and keep an eye on one’s fleet, or to merely know where a vehicle is at any given time. However, a key hindrance to fleet adoption in the past has been the ability to use the data derived from such models to drive real insight and action.

Therefore, while not a new trend, but certainly a developing one, the ability of fleet solutions providers to generate ‘bite-sized’ data and streams of focused actionable intelligence that can be used to really drive immediate, real-time change within the fleet environment will become a critical consideration into the next year.

Service providers that help business improve their fleet management with the most relevant data, and that empower businesses to interpret their own data with advance online tools (with ongoing solution provider support of course) will most certainly lead the way.

Critical analytical data creates the ability to make changes based on real-time insight, for example: immediately change routes, identify driver issues, and recognise fuel pilferage.

Artificial intelligence (AI) and the advent of tomorrow’s insight

AI is one of the major driving forces of the fourth industrial revolution and is sure to create a business landscape with unimaginable optimisation.

“ For the fleet sector, while not there yet, the next five years – if not less – will be driven by developing AI models that support this sector. ”

Imagine a world where businesses not only have real-time access to what is happening within their fleet here and now, but one where predictive analysis provides insight into what could take place in the future – based on current patterns.

AI will become as critical in the fleet space as in any other services business – the ability to truly gain actionable insight as well as being able to automatically correct inefficiencies, without human intervention, is what we believe is going to set the

industry apart.

The advantage of small/micro enterprises

SMEs contribute between [52 – 57%](#) to South Africa's GDP and therefore, their continuity is important.

SMEs require access to affordable fleet management solutions that are not only tailored to their business but those that can demonstrate strong returns – ensuring that their business can showcase innovation within the broader business sector while reducing costs and remaining both sustainable and competitive.

Telematics can offer SMEs the opportunity to reduce costs and increase efficiencies – which is key to their sustainability into 2018.

The year to come promises to be challenging, yet it certainly offers the fleet industry a key opportunity to demonstrate real innovation, to again deliver solid solutions that are backed by leading, smart technologies and to become agents for change in how fleet businesses operate, improve and sustain themselves.

We believe 2018 will be a defining year for many industries – it is now that opportunity is rife and businesses should be taking steps to ensure they are ahead of the game.

*www.iot-now.com

ABOUT GRANT FRASER

Grant Fraser is the Commercial Director at MX Telematics (Africa). He is responsible for the marketing portfolio for the MX Telematics brand across Africa, he plays a critical role in the strategic and commercial development of the brand. Fraser has over 15 years' automotive industry experience, with international business and executive leadership experience in strategy, product development, marketing, finance and operations.

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