Summary

Executive summary

Fleet management (FM) is an ambiguous term used in reference to a wide range of solutions for different vehicle-related applications. Berg Insight's definition of a fleet management solution is a vehicle-based system that incorporates data logging, satellite positioning and data communications to a backoffice application. The history of fleet management solutions goes back several decades. On-board vehicle computers first emerged in the 1980s and were soon connected to various satellite and terrestrial wireless networks. Today, mobile networks can provide ubiquitous online connectivity in many regions at a reasonable cost and mobile computing technology delivers very high performance, as well as excellent usability. All of these components combined enable the delivery of vehicle management, transport management, driver management and mobile workforce management applications linking vehicles and enterprise IT systems.

Commercial vehicle fleets play an essential role in the economy in both North and Latin America. In North America, there are approximately 14.4 million GVW 3–8 commercial vehicles in use. Around 18 million lighter vehicles including GVW 1–2 vehicles and cars with no GVW are also used by enterprises or public entities. In Latin America, the number of commercial vehicles in operation is estimated to 26.7 million, out of which 5.9 million are heavy trucks and 20.8 million are light commercial vehicles. The market for fleet management in the Americas has been in a growth period for many years. While the global recession associated with the ongoing COVID-19 pandemic has hampered developments in 2020 to some extent, the setbacks are expected to be temporary. The advanced North American market is among other things driven by regulatory developments such as the ELD mandates in the US and Canada. The Latin American market has often required an educational process to extend the perception of fleet telematics beyond security-related aspects. Latin American fleets have however also started to embrace optimisation functionality to an increasing extent.

Berg Insight expects the FM market to recuperate and show healthy growth in 2021–2024. In North America, the number of systems in active use is forecasted to grow at a compound annual growth rate (CAGR) of 15.0 percent from 11.0 million units in 2019 to 22.2 million units

by 2024. The penetration rate in the total population of non-privately owned commercial vehicles is estimated to increase from 34.9 percent in 2019 to 62.0 percent in 2024. In Latin America, the number of systems in use is projected to increase from 3.8 million units in 2019, growing at a CAGR of 12.6 percent to reach 6.8 million units in 2024. The penetration rate in the region is estimated to increase from 13.9 percent in 2019 to 24.0 percent in 2024.

Geotab and Verizon Connect are the leading fleet telematics providers in the Americas. The two front-runners are the only players which have surpassed the milestone of 1 million active fleet management subscribers in the region. Additional providers with more than 0.5 million units include Trimble and Omnitracs, both active in the industry for decades, followed by the relative newcomer Samsara and the major video telematics player Lytx. The remaining top-10 players are Zonar Systems, Michelin, Fleet Complete and KeepTruckin. Michelin has established a strong position in the fleet management space through multiple acquisitions. There are more than 25 players with estimated installed bases of at least 0.1 million active fleet management units in the Americas, including also Gurtam, Teletrac Navman, CalAmp, PowerFleet, GPS Trackit, Azuga, Spireon, WideTech, GPS Insight, Pósitron, KORE Position Logic, J. J. Keller, Linxup, ORBCOMM, OnixSat, Autotrac and IntelliShift.

Most vehicle manufacturers now offer factory-installed fleet telematics solutions either independently or through partnerships. Examples of OEMs which have introduced systems in the Americas include PACCAR, Volvo, Daimler, Navistar, Ford, GM, Scania, Iveco, MAN, Hino, Isuzu, FUSO and Ram. The OEM telematics initiatives in the region have intensified over the years. Large installed bases are now found on the North American market, not the least for systems powered by established aftermarket fleet management solution providers. The activities are also increasing in Latin America. In the last few years, several of the commercial vehicle OEMs have extended their partnership strategies and started working with additional aftermarket telematics partners, enabling fleet customers to choose the systems which best match their specific needs. Some OEMs such as Ford and GM have also recently introduced new proprietary fleet telematics solutions offered as an alternative alongside a growing selection of partner-powered offerings. Notable fleet telematics providers working with OEMs include Verizon Connect, Geotab, Trimble, Zonar Systems, Platform Science, Fleet Complete, Samsara, Omnilink and Sascar. Solutions supplied by the OEMs are anticipated to increase in importance across both continents in the Americas in the coming years.