we know the way

Getting ‘Bang for Buck’ from a GPS Tracking System
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Introduction

As a business owner with a mobile workforce, keeping track of your drivers can be time consuming and dealing with dispatching, logbooks, after hours vehicle use and timesheets can cause headaches & frustration.

How to keep track!

GPS vehicle tracking devices are a simple, affordable solution that lets you track your assets in real-time, allowing you to manage your staff more efficiently and increase customer satisfaction, saving you time and money.

There are countless benefits of installing GPS tracking in your vehicles. Once you’ve made the decision to implement this technology, you need to find a provider who will meet your specific needs.

There are many providers in the market and you need to be sure that you’re going to get the best service, up-to-date technology and most importantly, bang for buck. This guide is designed to help you make the most informed purchasing decision by breaking down some of the questions you should ask when comparing providers.
What is the minimum contract term?

Most fleet tracking companies have fixed-term contracts that you will need to sign in exchange for their services. These contracts lock the user in for a monthly subscription fee for up to 36 months! That’s a 3 year commitment at a cost of up to $50 per month, meaning you’ll end up spending up to $1,800 per vehicle.

Why lock in contracts are bad for your bottom line:

Lack of flexibility
If your business changes, you go through a down-turn or need to offload assets, you’re still stuck paying the same service fee for a device that isn’t needed.

Bundled costs
Some providers bundle the upfront hardware cost with your monthly subscription. With no transparency in their pricing, you end up paying well above market value for the hardware.

Additional payout costs
If you decide to end your subscription early, you’ll be lumped with expensive payout costs.

Shackled upgrades
When you’re locked in to a 3 year contract and the network changes, you’ll be forced to upgrade to new hardware, often at additional costs. For example, the closure of the 2G network has landed many customers with hefty bills to upgrade, even though they’re on a monthly subscription.

Customer service woes
With a lock-in contract, the provider doesn’t have to offer great customer service to keep you happy.

Bang for Buck
Tip 1

Do your research to find a provider that doesn’t lock you in to a fixed-term contract.
The Fleetdynamics difference

What's our minimum contract term? Great Question! Our minimum contract term is 0 days, 0 months!

That’s right, we have NO LOCK-IN CONTRACTS! You pay for the hardware outright and then pay us a minimal monthly fee for the service, SIM card, data and portal access.

You work hard to keep your customers happy so why shouldn't we? With no lock-in contracts, you can leave at any time you want so we have to try extra hard to keep you.

<table>
<thead>
<tr>
<th>Contract Suppliers</th>
<th>Fleetdynamics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware</td>
<td>Included in subscription</td>
</tr>
<tr>
<td>Monthly Subscription</td>
<td>$45</td>
</tr>
<tr>
<td>Contract Term</td>
<td>36 months</td>
</tr>
<tr>
<td>Total Price Paid After 3 Years</td>
<td>$1,620</td>
</tr>
</tbody>
</table>

You save $935

Extra Bang for Buck Tip

Take advantage of the ATO's instant write-off for assets under $20,000. That's right, if you pay for your hardware separately, the cost is immediately tax deductible for small businesses!
What’s included in the monthly service fee?

All fleet tracking providers work on a monthly fee for service, but some companies are sneaky about what is actually included in that monthly fee.

The bottom line is that your monthly service charge should cover everything required to track your fleet once the device is installed.

This includes:

- **SIM card and data**
  All GPS tracking products require a SIM card and use data from one of the major Australian networks such as Telstra or Vodafone. The SIM card and all data associated with running the tracking device should be included in your monthly service fee.

- **Data history**
  You should never have to pay to access data history, unless the device was deactivated or you haven’t paid your subscription fee. As long as you keep your subscription current, the data should be 100% accessible.

- **Access to a portal**
  Your monthly fee should also include access to an online portal where you can track your vehicles, monitor driver performance, print reports and set exceptions.

- **Access to an app**
  If the tracking company that you choose offers a smartphone or tablet based app to help you view your data, this should also be included in the monthly fee.

**Bang for Buck Tip 2**

Check to make sure the monthly service charge has no additional hidden costs.
What's not included in the service charge?

**Hardware**
Some companies try to bundle the hardware into the service charge but we advise against this as you end up paying much more in the long run. Look for companies that are transparent about the initial cost of the hardware as a separate charge.

**Installation**
Some tracking devices can easily be installed yourself via the vehicle’s OBD port. If the car is older or runs on 24V such as trucks and heavy commercial vehicles, the device will need to be hardwired by a licensed auto electrician. Most fleet companies can offer recommendations and expected costs for installation.

**Additional devices**
Driver ID tagging, roll-over alerts, emergency shut down and panic buttons are just some of the additional options that can be installed. The cost for these items is usually quoted separately.

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**The Fleetdynamics difference!**

The Fleetdynamics service charge covers your SIM card, data, access to our user portal and all historical data, which is available indefinitely. As long as you continue to pay your monthly service fee, you have access to your data!
Is the mapping technology used in the GPS device licensed?

If you’ve read this far then it’s fair to say that you’ve done your research of GPS devices. And I bet you’ve even had a look at the really cheap products available online and thought “How are they so cheap?”

These unlicensed providers will continually re-route your device, jumping from domain to domain, using free Google maps until they’re detected and they need to move on again. This is not only confusing and frustrating for the consumer, it’s illegal for the provider.

It’s no secret that mapping licenses are expensive, but a reputable GPS tracking company will have invested in their software and be using fully licensed mapping technology. This gives you the peace of mind that you won’t lose your data because Google shut down another cheap GPS company!

Bang for Buck
Tip 3

Confirm your provider is using fully licensed maps.
How does this affect you?

Unlicensed providers can be shut down at a moment’s notice. You’ll lose all your data and may need to fork out for new hardware with a new provider.

* Unlicensed data is not secure.
* Unlicensed providers will often not have the same level of reporting as a reputable provider.
* Unlicensed systems generally operate very slowly with lagging data. This doesn’t help you when you’re trying to manage your business, especially if you’re using GPS tracking to supply ETAs to customers.
* Finally, why would you knowingly do business with someone who steals map data? It’s just not good business practice.

The Fleetdynamics difference!

Fleetdynamics are a fully licensed provider of GPS tracking services. We pay for licensed maps from Google, which allows us to offer speed, reliability and high level reporting access.
Does the device come with concealment and tamper monitoring?

Unfortunately some employees dislike GPS tracking and may try to tamper with the device. It stands to reason that those employees that don’t want to be held accountable are often the ones who need additional supervision!

Secure your hardware to secure your investment

When you make the decision to invest in GPS tracking technology, the last thing you want is for the device to be disabled, damaged or removed. You need to be sure that the hardware provided will be secure, concealed and have the option of external tamper-monitoring.

Bang for Buck Tip 4

Keep your investment secure by choosing a provider that offers concealment and anti-tampering devices.
What’s the best way to address GPS tampering with your staff?

Be open and honest with your employees about the reasons for installing GPS tracking and be sure to advise all staff whose vehicles will be affected prior to installation.

- Develop a clear written HR policy that explains what the technology does, why it’s been implemented and what the consequences are for tampering.
- Ensure the device is securely installed and concealed so that it’s not in front of the drivers every day. After a time, they’ll usually forget it’s even there.
- Select a provider who offers tamper-monitoring alerts as standard. These alerts can be set up to send an email or text to a manager’s phone as soon as the device has been interfered with. Tamper-alerts are also useful for security of the vehicle as thieves will often check for GPS devices and try to remove them.

The Track Dynamics OBD product is delivered with a handy concealment pack and Y cable splitter, which allows you to tuck the device under the dash, concealing it completely while leaving an open OBD port available for servicing technicians. We also provide tamper-alerts as standard on all new units so you’ll know if one of the devices is being removed.
Has your software been developed in-house?

Any reputable GPS tracking provider will have invested in their tracking software by developing it in-house while continually conducting research and development to decrease load times, enhance functionality and increase security.

Bang for Buck

Tip 5

Choose a provider who has developed their software internally and allocates R&D spend to continually improve functionality.

How third party software can affect your bottom line

- Data may be hosted insecurely, including offshore data centres.
- You will have no guarantees of functionality when updates are made and the software simply stops working.
- There may be long delays when updating device software to comply with Google maps compatibility updates.
- Changes to a third party API may not always be in your best interests, particularly if the software provider shifts their focus to a different commercial application.
- You end up depending on a third party provider for something that is critical to the success of your GPS tracking integration.

Beware of GPS tracking companies that use software which has been sourced from a third party.
Is the software scalable?

Every business changes over time. You might increase your assets, acquire another business, or downsize your fleet.

You need to be sure that the GPS tracking provider’s software offers the flexibility to adapt as your business needs change.

Some software programs work fine for 10 or 20 vehicles, but will struggle when more than 50 vehicles are being tracked at the same time. Be sure to discuss your potential long-term requirements with your tracking provider so that you won’t be left having to upgrade to a more expensive software package. Ask the service provider to prove how well their software performs with larger fleets in a high-transaction environment and don’t be afraid to ask for a demo.

Can the software integrate with other business systems?

As technology in business increases, the number of systems and applications also grows.

It has therefore become critical that your systems can integrate to reduce data entry, minimise errors and promote business improvement through information sharing. Ask your GPS provider how their data can be used with other systems such as payroll, personnel records or asset registers. A reputable GPS tracking provider will have an API kit that you can request for custom integration into your systems.

The Fleetdynamics difference!

Fleetdynamics has a dedicated in-house team of developers who constantly work to enhance our purpose-built, fully scalable software.

Our investment in research and development ensures that our software platform enjoys close to 100% uptime, meaning that you'll never be without your mission critical data. Our in-house team also manage all upgrades to the software and any changes to the system are uploaded to the devices remotely so that your vehicles are never offline.

We provide an API kit to assist in your systems integrations and are happy to help set up custom reporting and exception alerts.

Our servers are securely hosted in Perth, Western Australia at the Osborne Park Data Centre.
Are you paying extra for functionality you’ll never need?

The technological advancements of the telematics industry means that it is on the cutting edge of integrating global positioning systems with the vehicles we all drive. When you start looking for GPS vehicle tracking, it can be easy to be blinded by complicated systems, colourful reports and a myriad of data options.

It’s good business practice to outline the objectives of your tracking system prior to researching providers. This way you won’t get caught out by shiny reports and added extras, which you end up paying for within an increased monthly service fee.

What’s your objective?

Business objectives might include some, or all of the following:

- **Reduction in administrative paperwork** – Confirm FBT and logbook reports are available and compliant with ATO requirements.
- **Improve driver safety** – Look for behaviour monitoring data.
- **Monitoring multiple drivers** – You’ll need Driver ID.
- **Business application integration** – Look for system integrations and API information.
- **Increasing sole worker safety** – Consider remote location tracking and panic button requirements.
- **Logistics and delivery** – Look for route calculators and dispatching integration.
The must-haves:

Real-time data
Even the most basic GPS system should show you your entire fleet on a single map, with the ability to select specific vehicles for current information.

Accessibility
Make sure you can access the tracking portal via a range of devices, including a mobile app.

Exception rules and reporting
You need to be able to focus on the exception data that will help you achieve your objectives. This might include driver behaviour, emergency response or fleet maintenance reports.

Logbook and FBT tracking
No one enjoys tax paperwork, so make sure your GPS provider offers ATO-compliant FBT reporting options.

When in doubt, ask for a demo login to the provider’s portal and look around yourself, without the pushy sales pitch.

Is the mapping accurate? Can you easily find your way around and search through reporting parameters? Is the vehicle and driver information easy to find? You’ll soon know whether or not you feel comfortable within the system and secure in the data provided.

The Fleetdynamics difference!

The Fleetdynamics portal offers a wide range of reporting and graphic options, a mobile app and ATO compliant FBT logbooks. We keep our system lean to reduce lag and load times. We would rather work with you to build the exact report you need, instead of lumping you with one that you don’t – so have a chat with our friendly team about your reporting needs.
What is your ‘return on investment’ for implementation?

Investing in GPS technology often yields immediate results for businesses by providing visibility into driver behaviour and fleet activity, which can be used to improve business performance and increase customer satisfaction. But the quantifiable benefits come when you calculate the potential savings that you can achieve for a range of fleet expenses including fuel, vehicle maintenance and payroll.

Your potential return depends on your business situation. There is no magic calculator!

As with any capital improvement project, it is good business practice to calculate what kind of return on investment you can expect from GPS tracking prior to investing in the technology.

That being said, there are no standard rules or universal assumptions that will tell you how much fuel or payroll you will save.

Your potential return will depend entirely on your business situation so beware of GPS providers that offer handy ‘ROI calculators’.

They are often based on assumptions that will be vastly different from your business. You are the best person to calculate ROI because you know your business and where savings might be found.

\[
\text{ROI} = \frac{\text{Benefit realised} - \text{Investment cost}}{\text{Investment cost}}
\]

This formula will give you a percentage that shows how much your benefit outweighs your investment.
We suggest you consider the following expenses when calculating your potential return:

**Fuel Savings**

GPS vehicle tracking is proven to decrease fuel costs by improving daily routing, reducing aggressive, fuel-heavy driving behaviours and eliminating fuel theft and unauthorised travel.

Understand your current monthly fuel costs and kilometres travelled via your fuel cards and log books, and then consider how much you could save by implementing GPS tracking.

**Payroll Savings**

A recent customer noted that her GPS devices would pay for themselves “within a month” due to the amount of false overtime claims she dealt with.

GPS vehicle tracking helps businesses take back control of their payroll and timesheet issues by monitoring unauthorised stops, extended lunch breaks, late starts and falsely claimed overtime. Once timesheet discrepancies become apparent, it doesn’t take long for businesses to resolve the issue and begin saving.

GPS tracking may also allow you to find additional payroll savings by reducing administrative office work and increasing productivity of drivers through quicker dispatching and improved routing efficiency.

**Maintenance Savings**

Keeping track of fleet maintenance can be time consuming and unscheduled breakdowns, engine wear caused by aggressive driving and forgotten servicing all contribute to additional maintenance expenses.

GPS tracking allows you to monitor vehicle maintenance, offer servicing reminders and send alerts when engine exceptions such as temperature are reached.

**Bang for Buck**

Tip 7

Beware of GPS providers who offer ROI calculators or guarantees. Your business and it’s operating assumptions are unique, so do your own ROI research.
So, who offers the best bang for buck?

As a business owner who has decided to implement GPS tracking into your fleet, you’re well on your way to increasing productivity and reducing fleet expenses.

Choosing the right GPS provider is the next decision and we hope these 7 questions will help you quickly weed out the providers who aren’t offering the best bang for buck.

To help simplify your decision making process, consider the following points from Fleetdynamics:

1. We offer no lock-in contracts and transparent, up-front hardware costs that are fully tax deductible!

2. Our low monthly subscription cost includes a SIM card, data, access to our user portal and all historical data, which is available indefinitely.

3. We pay for licensed maps from Google, which allows us to offer speed, reliability and high level reporting access.

4. Our products come with a handy concealment pack and tamper alerts for added security.

5. We have a dedicated in-house team of developers who constantly work to enhance our purpose-built, fully scalable software. We take data security seriously and our servers are securely hosted in Perth, Western Australia at the Osborne Park Data Centre.

6. We keep our system lean and mean to reduce lag and load times with all the information you need and nothing more.

7. We’ll work with you to integrate your tracking into incumbent business systems.

8. Our GPS products come with a lifetime hardware warranty and we offer a 30 day money back guarantee.

9. We provide an easy demo login that you can access from the comfort of your home or office, without the pushy sales tactics common with other providers.