

FUEL FOR THOUGHT

Shell's survey of fleet managers, released at the CV Show, provides powerful evidence that driver- and fuel-focused telematics are key to cutting costs – but not on their own. Brian Tingham reports

Most transport engineers and fleet managers believe that focusing on fuel-efficient driving behaviour is now crucial to reducing the industry's greatest variable costs – fuel consumption – but that it's easier said than done. That's the unsurprising top-line finding of independent research published by Shell, which also points to the green CO₂ emissions benefits and their potential to improve operators' business potential among the big league.

The Fuel Matters 2014 study – commissioned by Shell to examine practices and thinking around fuel management – took views from 200 road haulage managers, so it's a representative piece of work. Interestingly it suggests that, not only do two thirds (67%) single out driving skills as key, but just over half (54%) are also convinced that this alone could cut fuel bills by at least 5%, with more than one in 10 (12%) believing there's greater than 10% available.

Yes, but no

These are big potential savings, particularly for long-haul operators. Indeed, they are surprisingly high, given that many have already been through the basics of updating vehicles, buying route planning systems, etc. However, the stumbling block identified by this study is that nearly half (46%) feel powerless to capitalise on the opportunity – citing a lack of resources, funds for driver training and/or the data to drive a fuel-efficient driving project. That's the case

67%
driving skills are
crucial to reducing
fuel consumption

even for some that have gone the extra mile and implemented telematics systems, designed to track vehicles' fuel consumption and driver performance.

Why? Backtrack a moment and the

research suggests that more than one third (36%) of fleet managers reckon they're already saving up to 5%, due to existing fuel management activities. Half (51%) claim 5–10% improvements and a minority (13%) suggest their operations have seen savings of 10% or more. The majority (58%) cite fuel card information management systems and route planners as the keys to those achievements. So-called 'fuel-economy fuels' (those claimed by manufacturers to enhance engine performance) come in third (37%). Telematics systems are ranked fourth (32%) and fraud prevention systems come in fifth (31%).

Well and good, but the world has moved on and what this study also appears to identify is that such systems have to-date mostly been implemented and used standalone and ad hoc. The implication: that, while management teams have sanctioned 'point solutions', relatively few have yet thought about joining the dots, or probably their next investments. Given fleet managers' clear agreement that

54%
better driver
behaviour can cut
fuel bills by
5 -10%

improving driver behaviour is the next priority for cutting fuel bills, and the acknowledgement by half (49%) of Shell's respondents that telematics is critical to any such project, it would appear that management needs to update its thinking.

That's certainly the view of Phil Williams, head of Shell Commercial Fleet UK. "In a world of tighter margins, stricter environmental legislation and a growing need to prove green credentials during customer tenders, our survey suggests strongly that fuel-efficient driving can make a real difference to the profitability of a haulage business," he says. "This is why so many [fleet managers] feel frustrated that they don't have the resources to capitalise upon the opportunities available," he adds.

See what you're missing?

Changing that, he says, is about getting a grip on the issue and helping operators' boards of directors to understand what they're missing. Shell's study might well help. Of the majority who believe driver behaviour is key to reducing fuel consumption, nearly three quarters (73%) agree that is best achieved using telematics as the underpinning system. And for unequivocal corroboration, note that 96% of fleet managers using telematics concur – stating that they could generate further fuel savings, if they just had the support (people resources, money for driver training and follow-up, and management commitment). In fact, two thirds of those already saving 5% or more by using such systems reckon they could at least double that figure.


So, let's flesh out the problem. Shell's study finds nine out of 10 (87%) fleet managers conceding they are currently only able to use and action less than two thirds (60%) of the useful information generated by their telematics. Nearly half (45%) are able to use less than a third (30%) of it. And note, 47% of respondents blame this state of affairs on lack of time, while 28% say reports from their existing systems are just too confusing.

For Williams, it's time operators' directors recognised the changing roles of their fleet managers and reviewed the support they afford them and the business benefits that might bring. "Nowadays, the role of a road haulage manager has become more important and much more

46%
can't capitalise on
fuel-reducing
opportunity

complex," he asserts. "Not only are they required to manage day-to-day fleet operations, but they also have to stay on top of emissions regulations, investigate new fuels and vehicles, and find ways to minimise fuel consumption. Many managers are telling us they're just not getting the support they need to deliver this. We hope that the advice and guidance we are providing to

fleet managers, through Fuel Matters 2014, will help them to achieve their goals."

And he says that Shell is ready to help – and not just by offering high-quality, fuel-efficient fuel, nor even its subscription-based Shell FuelSave Partner fuel management system, which provides reports linking fuel card transactions with vehicle and driver data. "FuelSave Partner is a powerful tool that provides driver and vehicle performance information that can challenge assumptions. But that's the beginning of the journey and we're here to support businesses with our account teams. They will work alongside fleet managers to identify what matters to them – whether it's using cruise control more or bearing down on harsh acceleration and braking – to deliver fastest payback." 

To download a copy of the Fuel Matters 2014 report, road haulage operators can visit: www.shell.co.uk/FuelMatters

Golden rules

To help road haulage operators capitalise on the fuel cost savings and emission reductions available to them from improving drivers' fuel-efficient behaviour, Shell is articulating the following golden rules:

- Get buy-in from drivers by providing them with real examples of how their driving behaviour impacts fuel consumption and the company's operating costs and ability to win contracts.
- Use fuel management telematics, like Shell FuelSave Partner, and coach drivers one-on-one on how improve, based on the information your system provides.
- Respect and recognise the challenges drivers face in reducing fuel consumption while maintaining operational performance – and reward those who achieve it.
- Introduce friendly 'opt in' competition, with driver league tables that don't punish poorer performers.

73%
telematics is key
to underpinning
driver behaviour
projects