

## Can GPS Tracking Save Your Business Money?

We have all heard about GPS Navigation devices, and many of us have used them to get directions to a destination. What about [GPS Tracking](#), a tracking device that will track the current or past whereabouts of vehicles, people, animals, or any object? It may be more common than we realize. The tracking devices are commonly used for businesses applications ranging from ensuring employee safety to routing the closest vehicle to an address.

Recent studies indicate that businesses have reported a reduction in fuel usage as the biggest advantage of GPS tracking. Monitoring and reducing speeds, routes, and idle time are just a few things that fleet owners can do to lower the fuel bill. Each mile per hour above 50 MPH increases fuel consumption by 1 ½ percent. Higher speeds also cause more tire heat, which puts more wear on tires. Wear on tires will almost double at road speeds of 70 MPH or greater. GPS tracking systems can report all vehicle activity and immediately alert fleet managers by cell phone and email of speeding and unauthorized use of company vehicles.

Business owners are most concerned with fuel & maintenance, employee overtime, and employee productivity. GPS vehicle tracking solutions can significantly reducing excess costs for businesses:

**Fuel & Maintenance** - The average operating cost per vehicle is about \$1.50 per mile. A company can reduce at least 25 miles per week for each vehicle with a GPS tracking device.

**Employee Overtime** - The employee overtime rate is estimated at about \$30 per hour. On average, a company can reduce at least 1 hour of overtime per week with a GPS fleet tracking system.

**Employee Productivity** - On average, each vehicle could complete at least 1 extra stop, job, or delivery per week with a live GPS tracking unit.

For an average size fleet of 10 vehicles, this means an estimated monthly savings of over \$6000 with a GPS tracking solution.

The cost of a GPS Tracking Device has significantly dropped over the past 10 years. A high quality device can be purchased for around \$425. It's typical for a company to see their return on investment within about 30-45 days. For an average size fleet of 10 vehicles, this means an estimated monthly savings of over \$6000 by using a GPS tracking solution.

### What are the Benefits of GPS Tracking?

(18 Benefits of GPS Tracking)

**Decreases Excess Speeds:** By tracking the speed of your vehicles you can reduce the chance of an accident and save money on fuel. Our systems keep a complete record of your vehicles speed at any particular moment.

**Validates Service Calls:** By simply looking at the history of a vehicle you can quickly tell when it arrived and how long it was at a particular service call. There is a clear record which eliminates assumptions and guesswork.

**More Accurate Billing:** Using GPS tracking creates a digital log of time speed and route used by your fleet. Time and fuel costs used specifically on the job can be accurately calculated with this digital log.

**Reduce Fuel and Maintenance Costs:** The average operating cost per vehicle is about \$1.50 per mile. A company can reduce at least 25 miles per week for each vehicle with a GPS Tracking System.

**Reduce Delay and Time Spent at Unauthorized Locations:** With our software you can not only track but easily establish an alert system for events like a driver going outside of a designated area or staying idle for too long.

**Receive Lower Insurance Rates by up to 35%:** Many insurance companies offer discounted premiums for vehicles that have a Real Time GPS system.

**Increase Efficiency:** On average, each vehicle could complete at least one extra stop, job, or delivery per week by using the one of our web-based systems.

**Eliminates Paper Logs:** The digital record is not subject to human error and makes the process of record keeping more in depth without any additional hassle.

**Improves Response Time & Customer Service:** By knowing where your vehicles at all times on a real time map, dispatchers can easily send the nearest vehicle when a new job arises. This saves both money and time.

**Monitors Driver Activities:** Many of our systems report all vehicle activity and immediately alert fleet managers by cell phone and email of speeding and unauthorized use of company vehicles.

**Application Options:** Your system can be set up to detect several activities that are complete separate from simply tracking. You can monitor: seatbelt use, door lock/ unlock, starter kill, vehicle alarm notification, vehicle remote start (If equipped with remote start).

**Reduces Operating Costs:** Idling causes twice the amount of damage as average driving. One hour of idling is equal to between 80 and 120 minutes of driving time. The resulting loss of fuel economy from excessive idling can add up to 800 gallons of fuel annually for the average truck. Monitoring and reducing speeds, routes, and idle times are just a few things that fleet owners can do to lower their fuel bills. Each mile per hour above 50 MPH increases fuel consumption by 1.5 percent. Wear on tires almost doubles on road speeds of 70 MPH or greater.

**Reduces Overtime:** Employee overtime rates are estimated at about \$30/hour. On average, a company can reduce at least 1 hour of overtime per week with a GPS fleet tracking system.

**Monitors Routes and Stops:** Creating a digital log of routes and stops is key for determining whether your fleet is running efficiently. Idle time and stops at unauthorized locations can become costly for your business; with a GPS system you can ensure that this does not become a problem.

**Eliminates Paper Logs:** GPS software keeps a digital log of speed, stops, route, and arrival times. This record is far more accurate and harder to dispute than paper logs. A digital record is not subject to human error. It creates more detailed records without any additional hassle.

**Detects Side Jobs:** By tracking both real time and historic data you can spot and eliminate suspicious use of your vehicles by employees. If employees are aware that they can be monitored they are less likely to engage in side jobs and unproductive behavior.

**Improves Safety & Driver Responsibility:** Drivers who know they are being monitored are more careful. This can reduce accidents.

**Prevents Fraudulent Claims:** With a good digital log you can prove that your fleet was where it needed to be when it needed to be there.

### **How do I select a GPS Tracking Solution?**

"There are two aspects of selecting a GPS tracking solution", said Brad Borst, President of Rocky Mountain Tracking, Inc, one of the industries leading GPS providers: The tracking device and the tracking software.

There are hundreds of tracking devices on the market to choose from, Borst said. Some devices don't even have the proper certifications to operate on networks within the United States. Others have only been in operation for a short time and don't yet have a proven track record. Warranties are great until the company goes out of business. Do your research and make sure you select a GPS device that is reliable with a good track record. Most GPS tracking devices communicate on a cellular network, just like a cell phone. Be sure to find out what cellular network provides service for the tracking device and check your coverage area.

The tracking software can be the most part of the tracking because that is what is use on a day-to-day basis. There are two types of software. The first is a desktop-based software that limits you to one computer and sometimes has a license fee associated for each computer. Desktop software is not so common anymore.

The second and most common is web-based software. Web-based software can be accessed from any computer with internet access and viewed by unlimited computers or users at one time. Again, do your research; get an online presentation of a vehicle in action. This will allow you to identify any flaws and narrow your search. A good question to ask is if the company develops their own software or are they a reseller for another company. The customer may have a request for custom functionality of the software, and if the company is a reseller, they generally have limitations in terms of what changes the developer with implement.

Finally, choose a company that has been in business for a while. Choose a company that has enough staff that can support you or your company. Try calling their technical support or customer service department to see if a representative is ready and willing to help you.

### **Use the following check list to ensure that you ask the right questions:**

Has the company been in business for at least 3 years?

Does the company have a good reputation?

Does the company answer the phone? Try calling their technical support department to see if they answer the phone.

Does the tracking device have the proper certifications?

How long has the tracking system been in operation?

What is the failure rate of the GPS tracker?

How many GPS tracking devices does the company have in operation?

Does the company have an installer in your area?

Does the company offer at least a 1-year warranty?

How is the cellular coverage in your area?

Does the company develop it's own software?

Is the software web-based?

Have you seen a presentation of the software?

Are you limited to a certain frequency of location update intervals? Two-minute location update intervals could be too restrictive for some applications.

What are you getting for your money? Compare your cost for the number of locates / updates you are getting and any restrictions on update frequency.

To learn more about GPS Tracking visit [www.RMTracking.com](http://www.RMTracking.com)

## About the Author

Rocky Mountain Tracking, Inc. (RMT) provides of location-based solutions in the areas of GPS tracking for various applications, mapping/GIS, and integration of location data with other applications.

Rocky Mountain Tracking operates NavIQ™, robust, yet economical tracking software developed by Locatient, a Rocky Mountain Tracking company.

### **Our Team**

At RMT, our team has special expertise in moving information wirelessly - across town or around the world - using WiFi, cellular and satellite packet data services over 802.11x, GSM, CDMA, GeoSync Satellite and Low Earth Orbit Satellite services. Our mapping expertise extends to GIS systems such as ESRI ArcGIS, MapInfo/MapX and to consumer oriented mapping products such as Microsoft MapPoint. We bring these skills together by developing end-user applications for Web based software - using development tools for the Microsoft Windows platform. RMT employs experts who have more than 20 years of experience to develop, maintain, and continuously upgrade what we believe is one of the best tracking software solutions. Although we could integrate almost any device with our software, we're picky about which devices we support. RMT chooses only those devices that meet or exceed the most rigorous GPS tracking standards. RMT's mission is to provide customers with the best and most affordable solution for their application and we strive to exceed our customers' expectations.

### **Company History**

RMT was founded in 2003, and our headquarters are based in Fort Collins, Colorado. RMT has more than 12,000 customers nationwide, and we have sold more than 20,000 GPS tracking devices. RMT has become one of the leading GPS tracking providers in the United States. RMT is committed to providing long-term support and service to its customers and has a team of experienced professionals that strive for excellence in product and service.

Source: <http://www.spivo.com/articles>