

Meta Title: What Is Telematics for Fleets? | Azuga

Meta Description: Telematics is a significant part of any fleet management software. Find out what telematics is and how it can benefit fleet businesses.

Suggested URL: /fleet-tracking-glossary/telematics

Telematics

Introduction

Technology is vital to fleet management. The most integral technology used in fleet management is telematics, which combines telecommunications, vehicle technology, and computer science. When vehicles directly communicate with operational software systems, that's telematics. Fleet managers can use telematics to maintain compliance with government regulations, improve fuel efficiency and [driver safety](#), stay on top of vehicle maintenance, and even lower insurance premiums.

A Breakdown of Telematics

Telematics can track all kinds of data, such as speed, location, fuel efficiency, HoS, maintenance requirements, and more. Fleets can combine GPS tracking with dash cams and asset tracking to provide even more detailed information. Usually, the hardware is simple. A driver plugs a device into their OBD port, and it's ready to go. The device will then transmit data to the office's fleet tracking software so that fleet managers can view the information in real-time. Finally, software consolidates this information into reports that make it easy to find patterns and data that businesses need to make decisions. It's easy to obtain the necessary data, and fleet managers can use it for various purposes.

How Can We Use Telematics?

Insurance

Telematics systems can help lower fleets' insurance premiums. By demonstrating consistent driver safety and vehicle maintenance, businesses can prove to insurance carriers that they are not a risk. Furthermore, [asset trackers](#) can help recover stolen equipment and vehicles, making companies far less risky to insure.

Safety

Telematics helps businesses keep track of driver behaviors to know when their drivers are exhibiting unsafe habits on the road. This behavioral monitoring is vital in ensuring that businesses' fleets are safe. Some telematics programs even gamify safety by offering rewards to drivers who exhibit positive behaviors, further promoting safe driving.

Compliance

Maintaining compliance with federal regulations is one of the most critical aspects of fleet management. These regulations require the use of telematics for purposes such as [e-logs](#). Fines for non-compliance can be a significant drain on any business, so ensuring compliance is key to a company's growth and success.

Maintenance

Keeping up with vehicle maintenance is part of keeping a business's fleet safe. Telematics is one essential part of staying on top of [predictive maintenance](#). It also prevents wear and tear, helping vehicles last longer and saving money in the long run on costly repairs and breakdowns. Telematics tells fleet managers when it's time for maintenance, so keeping track is no longer a concern.

Fuel Efficiency

One of the most expensive parts of running a commercial fleet is fuel. Luckily, telematics can analyze driving practices and driving behavior such as speeding, idling, inefficient routing, unauthorized vehicle use, or poor vehicle maintenance and find ways for businesses to cut down on fuel costs.

Conclusion

Telematics is a foundational part of any fleet management software. There are so many benefits, especially when paired with other technologies like [GPS tracking](#) and [dash cams](#). Azuga is a leader in telematics software; our technology is cutting edge and designed specifically for fleets, both large and small.