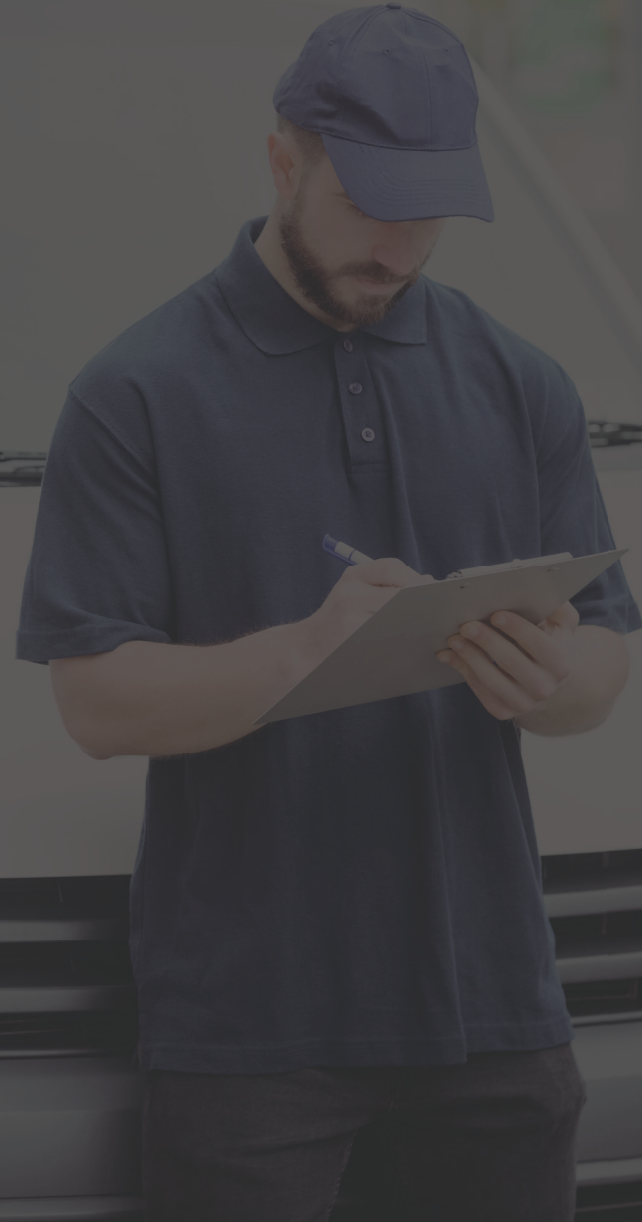




Fleet Safety

Services Benchmark Report



Don't let vehicle incidents get in the way of keeping your business moving.

In 2017, over half of workers involved in fatal motor vehicle incidents were not dedicated motor vehicle operators.¹

Service vehicles may be thought of as just a means of getting from place to place, but they pose a high risk to your bottom line, employee safety, and overall customer satisfaction. In this report, we'll guide you through common costs affected by motor vehicle incidents, their potential impact on your business, and how Nauto can help improve your fleet safety and maximize your customer service.





Estimate how much your fleet risk is costing you today.

You can't improve what you can't measure. To help you understand the impact of vehicle incidents on your business, we've laid out common costs and your industry's cost benchmarks to help you assess your fleet safety.



Worker Productivity

For businesses measured by on-time service and customer satisfaction, employee productivity and timeliness largely impact customer lifetime value. When vehicle incidents occur, not only are employees often delayed in providing services to customers, but severe incidents also may create lost days of service. In fact, more than half of vehicle incidents force employees to miss work.²

To understand the impact of vehicle collisions on your productivity and service up-time, it is critical to calculate the revenue-generating opportunity for each day of service and multiply that against the number of lost service days as a result of vehicle incidents. In addition to the annual cost of lost productivity, you should also consider the long-term impact on customer lifetime value as a result of lost service days.

SERVICE INDUSTRY AVERAGE ANNUAL IMPACT

**12 days lost for every
severe event.³**





Workers' Compensation & Benefits

Worker injuries don't just happen while performing a job. Vehicle incidents create costly benefit payouts, including workers' compensation, overtime, sick leave, disability, and even insurance administration. Furthermore, although workers' compensation has experienced an overall decline in claim frequency, claims for vehicle accidents have witnessed the opposite trend. From 2011 to 2016, the frequency of all workers' compensation claims declined by 17.6%, while the frequency of claims for motor vehicle accidents increased by 5%.⁴

To measure the effect of workers' benefits on your collision costs, align your health benefits payouts with your transportation claims. For example, for every vehicle incident claim, track the amount paid out in worker benefits annually. You should also consider its impact on your historical insurance premiums and identify any associating trends.

SERVICE INDUSTRY AVERAGE ANNUAL IMPACT

\$5,000 per crash
in health benefit costs²

Asset Maintenance

Naturally, you can't perform services with broken equipment. And with labor rates, parts, and service time steadily increasing year over year, fleets are taking a proactive and preventative approach to optimize their asset replacement strategy.⁵ One lever fleets can utilize to improve their repair & maintenance costs is collision rate reduction.

To assess the possible impact of fleet safety on asset loss costs, you need to associate a proportion of your current repair & maintenance costs to vehicle incidents. You can do this by investigating direct costs imposed by auto incidents: property damage, towing charges, and temporary rental costs. In addition to these direct costs, consider adding an additional cost buffer to account for the accelerated depreciation on existing assets used for replacement in the case of incidents.

SERVICE INDUSTRY AVERAGE ANNUAL IMPACT

**\$1,300 per vehicle
in property damage costs²**





Litigation & Loss Adjustment

Highly trafficked metropolitan environments expose businesses to a higher risk of unpredictable third-party claims. Without concrete evidence, many fleets must engage in lengthy, “he said, she said” investigations to help protect their employees in frivolous lawsuits. The same holds true even when an incident does occur, whether the driver is at-fault or not-at-fault. Especially for fleets with high brand exposure, it is useful to measure and record historical litigation and loss adjustment costs related to vehicle claims.

Especially for those with high exposure, fleets should investigate historical litigation and loss adjustment costs related to vehicle claims. For wrongful at-fault auto claims, a fleet safety solution with video can help quickly exonerate employees and protect your company’s brand. In other instances, video evidence can streamline claims processes to reduce overall litigation & loss adjustment costs.

SERVICE INDUSTRY AVERAGE ANNUAL IMPACT

**\$1,500 per incident in legal
& administrative costs for true
collisions⁶**

Third-Party Liability

Given the dynamically changing routes and dense driving environments for service businesses, fleets are highly susceptible to third-party claims from vehicular incidents. In fact, the majority of nonfatal vehicular incidents involve another party, so service fleets' exposure on public roads can pose a threat to the larger community they serve.⁷

In addition to considering the societal impact that vehicle incidents impose, you should assess your historical liability losses from vehicle incidents to understand how they impact your bottom line. By improving your fleet safety, you can both reduce your auto liability losses and build a stronger brand of safety.

SERVICE INDUSTRY AVERAGE ANNUAL IMPACT

**\$13,000 per crash
in liability losses²**





Safety Management Program

Traditional safety programs that depend solely on in-person coaching sessions are not only time-intensive and unscalable, but pose a tradeoff between coaching drivers and servicing customers.

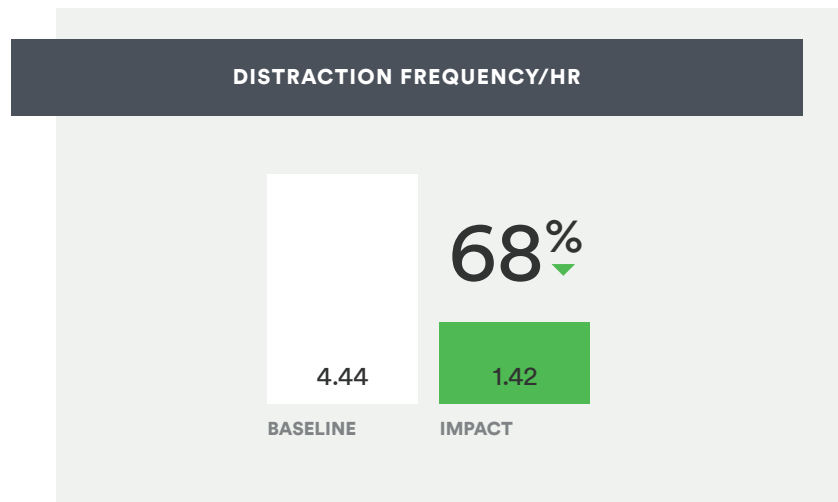
There is no doubt that companies should invest resources into improving fleet safety, but recent innovations in fleet safety technology have enabled fleets to further optimize their driver safety initiatives. By quantifying current resources used to run your safety program, you can identify savings opportunities enabled by new technologies.

PRO TIP

If you leverage coaching sessions to improve fleet safety, calculate the numbers of coaching hours multiplied by the hourly cost of a safety manager.

Drive your business farther with Nauto.

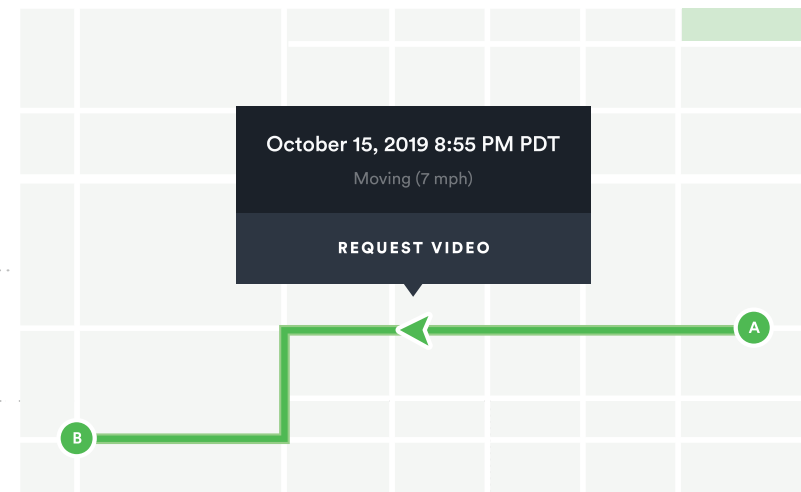
Nauto is the only real-time, AI-powered fleet and driver safety provider that helps predict, prevent and reduce distracted driving today.



Help keep your employees focused.

Our analysis found that service fleet customers achieved over 65% improvement in distraction frequency with Nauto's In-Vehicle Alerts in three months.

Nauto Driver Safety Study:
Reduce Distracted Driving with Real-time In-Vehicle AI, 2019.



Know what happens, when it happens.

Nauto's Claims Management enables customers to request upload of video footage from Nauto trips to help protect employees and the business.

Arrow Termite & Pest Control

Servicing an average of 15 to 20 home visits per vehicle year round, Arrow Termite & Pest Control counts on Nauto to keep drivers safe and accountable while on the road and to prevent wrongful claims due to high visibility within the community.



10 exonerations in the first 12 months

Not only was Arrow able to use Nauto's Claims Management to provide video evidence that exonerated them from ten incidents in the first year, but they were also able to prove fault and receive payment from the at-fault party in each of the incidents.



Reduced safety violations by 90%

Since implementing Nauto, behaviors such as having others in the car, using cellphones, smoking in the vehicle, improper storage of chemicals, and non-compliance with state traffic laws has seen a dramatic reduction.



Incorporated driver incentives into safety program

Arrow shares Nauto's VERA Score® with its drivers monthly to provide coaching and monetary incentives for continued compliance.

“Nauto is an asset to fleets. I believe that Nauto helps with claims and exonerations, and keeps your employees safe with In-Cabin Alerts.”



Jewel Dunn
Safety & Fleet Manager

Measure yourself against the rest.

Use our cost of collisions worksheet to begin to map out how your fleet costs stack up. At Nauto, we can help you identify the cost of your vehicle incidents and quantify the impact of implementing a real-time, AI-powered driver behavior solution. Get in touch to learn more.

General fleet Information

Total number of employees _____

Number of vehicles _____

Number of drivers _____

Annual miles or hours driven _____

Incident rate (or total annual collisions) _____

Annual Cost Information

Third-party Liability

Ultimate loss _____

Third-party insurance premium _____

Excess liability premium _____

Asset Maintenance

Repair cost from incidents _____

Maintenance costs _____

Workers' Compensation

Total annual workers comp expense _____

% of total from auto _____

Litigation & Loss Adjustment

Litigation costs from auto incidents _____

Total loss adjustment / claims admin expenses _____

% of total from auto _____

Safety Program Management Costs

Annual spend on coaching resources _____

Productivity

Annual revenue dependent on vehicles _____

Downtime per incident _____



At Nauto, we can help you identify the cost of vehicle incidents on your business and quantify the impact of implementing a real-time, AI-powered driver behavior solution on your fleet.

Get in touch to learn more

info@nauto.com

www.nauto.com/contact



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- 1 Bureau of Labor Statistics. Fatal occupational injuries resulting from transportation incidents and homicides by occupation, all United States, 2017.
 - 2 Network of Employers for Traffic Safety. Cost of Motor Vehicle Crashes to Employers Report, 2015.
 - 3 Bureau of Labor Statistics. Number of nonfatal occupational injuries and illnesses involving days away from work by event or exposure leading to injury or illness and number of days away from work, and median number of days away from work, private industry, 2018.
 - 4 National Council on Compensation Insurance (NCCI), Motor Vehicle Accidents in Workers Compensation Research Brief. 2018.
 - 5 Element Fleet Management and Automotive Fleet, 2017.
 - 6 National Highway Traffic Safety Administration. The Economic and Societal Impact Of Motor Vehicle Crashes, 2010 (Revised), 2015.
 - 7 Bureau of Labor Statistics, 2018.