CO-CREATING TECHNOLOGIES – AN OPTION OR A MUST IN TELEMATICS?

INTERACTIVE SESSION REPORT 3/3 - HOSTED BY TELTONIKA

The 8th Telematics Conference CEEurope was held in Poland end of September 2018. The main topic this year was Telematics Industry Collaborations. The event also hosted 3 interactive sessions, which provided brainstorming and workshop style interaction among the participants and the facilitators.

The third interactive session was hosted by Lithuanian company Teltonika and facilitated by its Chief of Sales for SEE Group Aurimas Brazionis. The facilitator introduced the framework of the session and acted as moderator, while the participants actively participated in the discussion about "Co-Creating Technologies – an Option or a Must in Telematics?". The goal of this session was to discuss the questions if it is better to develop everything by yourself or is more optimal to share some development projects with other companies within the industry or outside the industry. The session tackled the question what are the critical changes in the market and what telematics solution providers should focus on today and in the future**.**

The workshop was organised according to the well known World Caffee methodology and organised participants in 6 groups, each one addressing different topics.

First group was sharing ideas why B2C market is not attacked by TSP's. What is needed to sell telematics to passenger car segment? Why consumer should buy telematics service?

According European Automobile Manufacturers Association in Europe we have around 300 mil cars. Which split in to around 40 mil commercial transport and around 260 mil passenger's cars.

Group agreed that there is lack of safety features in telematics solutions that could be used in passengers' cars. Also, this segment is not educated yet to understand and see the value of current telematics solutions. There is lack of collaboration between TSP's and insurance companies to create attractive solution/proposal for passenger car users in all the countries. If TSP's really want to start selling to passengers cars segment they have to bring additional features like security for the client. For example, to be notified when their family members are over speeding or driving aggressively. Provide security alerts when cars alarm is activated and

other security alerts. Crash detection in order to know immediately if some accident happened. Toll payments to be done with one single device that is in the car. Even car sharing mobile app could be attractive for sharing car between family members. If all users could pay less for the insurance while using GPS tracking device on their cars.

Second topic was: What selling points TSP's should use for future clients when fuel will not be a concern anymore ?

After long discussion we came up with such ideas: The range of electrical car could be measured in order to understand how far you can go. To monitor the style of driving (Eco driving) in order to reduce repairing costs of the car. Security reason in case of stolen car will still be a concern also.

For commercial vehicles there should be an interest in efficiency and fastest way of delivery that can be achieved by using TSP's services. Also, if to use BLE technology there could be possibility to monitor what kind of goods vehicles are transporting and if any of them are lost.

Third topic was about cooperation with built in GPS. Is it possible at all or not? And if its opportunity or threat for telematics service providers?

Group agreed that for the moment there is no possibility to cooperate with vehicle manufacturers.

The main reason would be data protection (GDPR). Also TSP's don't see it as threat, because vehicle manufacturing companies keeping the data for themselves and if they are sharing this in any shape or form of Telematics services its very expensive.

Fourth topic that we analysed was What kind of combination of Hardware ad Telematics software could be for car dealerships? Where is the value (monetization)? Why end customers should buy it?

Group agreed that for dealers would be interesting to monitor status of the cars, send notification about upcoming service (using mobile app) and gain extra income for providing it.

Also, monitor car mileage and mechanical usage when customer not buying the car but leas it. In case if engine check error come up to notify the customer immediately about following action to do.

For customers value could be security. For example, open/close with mobile app. Insurance discounts, SOS systems and online help in case vehicle face any technical issues.

Monetization could be done using Car sharing feature. Dealers could start "putting cars on streets"and letting use them via Car sharing platform. This could generate even more income than selling the cars.

Fifth topic was about how to choose the right hardware and software provider for successful TSP's business model.

From software side the most important things were user-friendly interface and reliability. Then was customization and flexibility, because of the different client's needs. Technical support also was among the most important things. Also, it was mentioned that software should have unique solution, support most popular brands of GPS hardware. New developments should be available and also interaction with 3d party's software.

Choosing GPS hardware, the most important things was quality and support. Also, price was the key aspect. Then size of portfolio and experience of producer. Last things and important was the brand.

Sixth group discussed advantages and disadvantages (risks) when entering foreign problematic markets with local partner.

Group agreed that it's hard to trust local partner and quality of services they will provide under your name. There could be a problem in different price models. Also, local certification could be an issue.

Advantages was that TSP's can enter bigger markets and have bigger brand recognition. Also, it is new experience for the company and addition income.