

Whitepaper



5 ways to reduce fleet fuel costs

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Contents

Introduction.

Use the right vehicle for the job.

Change driver behaviour.

Deploy better maintenance planning.

Utilise vehicle tracking.

Manage and monitor your fleet data correctly.



Introduction

Since fuel and labour are the top two operating expenses for businesses in today's challenging economy, efficient fuel utilisation is essential. Fuel prices are uncontrollable and, as these costs rise, profits diminish correspondingly.

In order to offset rising fuel costs, businesses normally find that they need to make efficiencies in other areas of the organisation that can affect growth, so reducing fuel costs whenever possible is paramount.

Fleet managers need to embrace best practices in fleet management, including the important issue of reducing fuel consumption and better prepare their organisation for the future.

ONE - Use the right vehicle for the job

Vehicle specifications are an important factor in achieving savings. This is not only due to the obvious such as depreciation, but there some hidden areas that you should consider.

Choosing the correct vehicle for the job is often overlooked when purchasing a vehicle. The correct weight, engine specifications, engine torque and power for the required use is critical. For example, selecting an engine with either too much or too little power can lead to inefficiencies in fuel economy. Choosing a smaller CC may result in lower fuel economy if the vehicle is straining to carry the cargo weight.

TWO – Change driver behaviour

Driver training - even a few simple changes in driving techniques can produce sizable fuel savings. Excessive speeding is dangerous and burns extra fuel, adding risk and expense to overall fleet operations. The Freight Transport Association report that a 5% reduction in fuel consumption can be achieved simply by reducing your speed from 56 to 50 mph.

Idling is also an issue as running at idle speed dramatically reduces engine life and directly impacts fuel economy. One extra hour a day of idling is equivalent to 64,000 miles of engine wear. This prematurely ages the vehicle which also impacts fuel economy and efficiency. According to a Driving for Better Business report, two minutes idling uses the same amount of fuel as that required to drive one mile.



Finally, training drivers about the importance of reducing cargo weight will impact the fuel economy of a fleet vehicle. How many drivers carry tools or equipment that is used once a year?

THREE - Deploy better maintenance planning

Have your vehicles serviced on time. Proactive vehicle maintenance means that a properly maintained engine will operate more efficiently than a neglected one, saving money and fuel expense. Proactive maintenance can also make other savings, for example; Fleetnews.co.uk highlight that unplanned maintenance work that puts a vehicle off the road can cost a business between £1500 - £3000 per day.

Carry out regular walk around checks. Studies have proven that proper tyre pressure not only enhances fuel economy but also improves the useful life of the tyre itself. Under-inflated tyres diminish vehicle mileage by increasing the tyre rolling resistance, making it more difficult for the engine to move the vehicle along the road.

FOUR - Utilise vehicle tracking

Route planning and use of live satnav can help drivers shorten driving times and avoid traffic jams.

Installing vehicle tracking also encourages drivers to be more accountable and to have safer driving habits. Once employees know you are monitoring their driving style, they tend to take greater care in how they are using company vehicles. This improved behaviour will save fuel, reduce unsafe driving and enhance your business's reputation with the public.

The most expensive mile you'll ever drive is the one you didn't need to. According to the RHA Goods Vehicle Operation Costs Report 2018, the average operating cost is £0.63 per mile. If the average number of miles driven each year is 100,000 per vehicle and 10 per cent of that is out of route miles (OOR miles), companies could save £6,300 per vehicle, per year just by effectively and efficiently cutting OOR miles.



Five - Manage and monitor your fleet data

Is your fleet at risk of fuel theft that you might be unaware of? Fuel theft and unauthorised fuel purchases could be costing your business more than you realise.

With accurate reporting, you can monitor each vehicle's fuel usage, economy and mileage. This can help detect any abnormalities when compared with vehicle averages.

While traditional fleet management practices such as whiteboards or spreadsheets may remain effective, other options are available to a dramatically-changing environment.

Dedicated fleet management technology such as FleetCheck will join up all the information you need by leveraging data such as fuel consumption, fuel efficiency, driver training and maintenance schedules. This can help your business save thousands of pounds a year in lost profits.

FleetCheck also integrates with multiple providers, such as telematics and fuel card providers giving robust reporting including fuel exception reports. This means you will be able to highlight improper fuel purchases such as multiple fill-ups in a day, transactions in excess and anomalies such as petrol purchases for a diesel.

Live alerts and notifications for scheduled maintenance based on variables such as miles driven, time duration or date plus vehicle summary reports will also ensure each vehicle in the fleet is operating as efficiently as possible.

Conclusion

As you well know, keeping control is the key. The old adage is true, you can't manage what you can't measure. If you don't implement the correct tools to define and track your fuel you can't know if you are being successful in minimising the cost.

Once you have these measures in place you can be sure you are on the right road to success and may save up to 10-15 per cent on annual fuel costs.