

PAY AS YOU DRIVE

INTRO

As the market penetration of telematics companies in the B2C segment is rather limited, this use case is a great platform for telematics service providers to reach new target groups such as private car owners. **Pay As You Drive** is a fairly well-known business model that offers better risk management tools for insurance companies and better service quality and commercial conditions for drivers willing to install GPS trackers and comply with traffic rules.

CHALLENGE

The reason for the rather low B2C market penetration lies in some major challenges. Firstly, when it comes to doing business with private car owners, **installation is often an issue**. It is much easier to deal with fleets of 10+, 100+ or 500+ vehicles because you can manage the installations in bulk. On the other hand, when you have to install GPS tracking devices for customers in the B2C segment, each installation becomes a unique logistical operation. As a result, it is difficult to sell in bulk and scale up.

Another issue is the **accuracy of the data** received from a vehicle. In the Pay As You Drive use case, one of the most important parameters is the total distance travelled, also known as odometer data. This information is usually based on GPS calculations. The accuracy of this is suitable for most applications, but it still has some limitations - driving in tunnels and other places where the GPS signal is blocked can affect the total mileage value. Also, in order to calculate the total distance travelled via GPS, the driver has to enter the first value manually and synchronise it later. This could become a significant administrative task.

SOLUTION



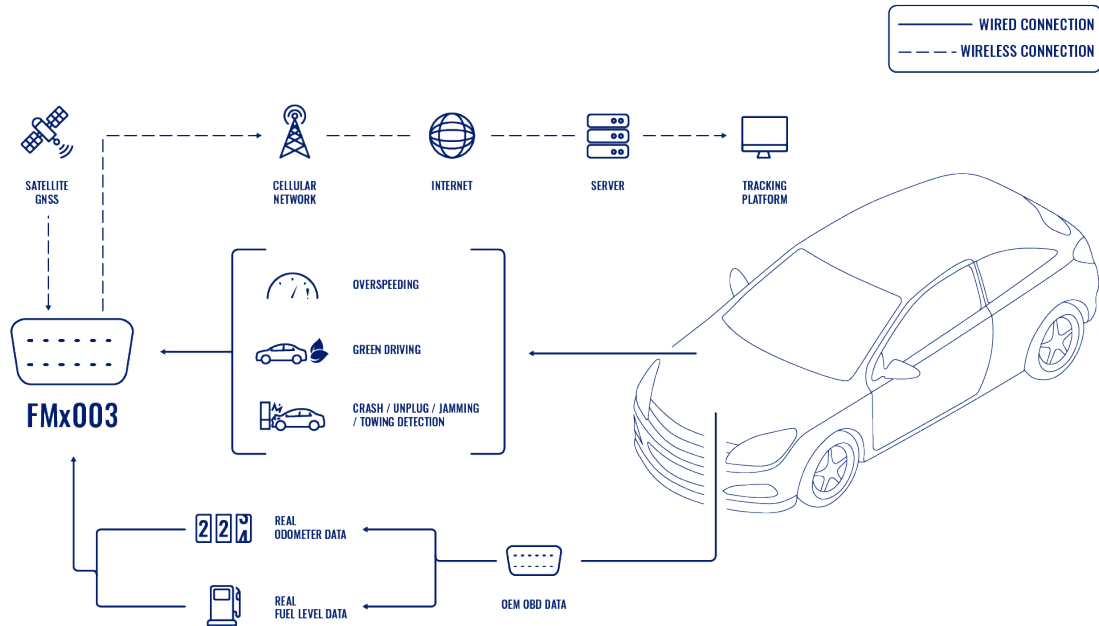
Teltonika Telematics offers a solution that helps to overcome both limitations - installation difficulty and data accuracy concerns. It consists of two main parts - the new generation compact OBD-II **FMC003** series tracker and cloud-based VIN decoding combined with the OEM data request database.

How it works - as an example, we take the Teltonika **FMC003**, the compact 4G LTE Cat 1/ GNSS/ Bluetooth tracker with an OBD-II connector. It is the key component of this solution and makes installation as convenient and quick as possible. With some guidance, such as a quick start guide, this type of setup can be done by almost anyone. This opens the door to the B2C segment, which is of great interest for insurance telematics.

Also, **FMC003** contains a rich feature set that comes with the FMB platform. One of the most important features needed in Pay As You Drive applications is the ability to analyse a driver's performance – harsh acceleration, harsh braking and harsh cornering. This can be analysed with Overspeeding and Green Driving scenarios. The Green driving scenario is achieved by a built-in accelerometer. That means these events are being generated even when a GPS signal is not available.

Crash detection is another helpful scenario for insurance companies included in the feature package of the **FMC003** tracker. It is a practical solution that collects and analyses data right before the crash happened and during the crash. In addition, **FMC003** has a unique feature that provides the driver with both Real Fuel and Real Odometer data. This means that a driver can now read real mileage data from their vehicle dashboard and get the correct data online.

TOPOLOGY



BENEFITS

- **User-friendly Installation** - our OBD-II interface ensures hassle-free installation, allowing end users to install the GPS tracker themselves, reducing logistical challenges.
- **Compact design, maximum functionality** - despite its ultra-small footprint, our unit comes packed with GSM/ GNSS/ BLE 4.X modules and antennas, making it ideal for vehicles with limited installation space.
- **Precision data tracking** - get real-time, accurate mileage and fuel data directly from your vehicle's dashboard, improving the reliability of Pay As You Drive services.
- **Driver behaviour analysis** - Teltonika advanced algorithms analyse driving patterns, including harsh acceleration and braking, to provide a more personalised and fair insurance premium.
- **Enhanced safety measures** - built-in collision detection provides invaluable data before and during an accident, helping to speed up claims processing and potentially reduce premiums.
- **Future-proof connectivity** - with 4G LTE support and 2G fallback, Teltonika OBD trackers ensure you're always connected, making it a long-term investment.
- **Eco-driving scenarios** - our built-in accelerometer supports green driving scenarios, encouraging eco-friendly driving habits and potentially leading to insurance discounts and cost-efficiency.

WHY TELTONIKA?

Teltonika Telematics has extensive experience in telematics use cases, including insurance telematics and the financial sector. We have been developing OBD GPS/GNSS trackers since 2012 and have the know-how, equipment and facilities to design solutions completely in-house from start to finish. The FMx003 tracker series is the 3rd generation of Teltonika OBD devices. We are sure that we bring something very special to the global market as there is very little competition for this type of solution and this device is truly unique in many ways.

When it comes to Pay As You Drive telematics, we are the partner you have been looking for. Teltonika advanced technology goes beyond basic data collection to deliver actionable insights that can revolutionise your insurance offerings. With features such as real-time tracking, advanced analytics and user-friendly dashboards, we empower you to make data-driven decisions that benefit both your business and your customers.

FEATURED PRODUCT

FMC003

RELATED PRODUCTS

FMB003, FMM003

