

How telematics can improve e-commerce in SA during Covid-19

By <u>Justin Manson</u> 8 Apr 2021

With more South Africans currently choosing online as their preferred shopping channel over traditional brick-and-mortar stores, now would be the right time for the e-commerce sector to adopt telematics technology as Covid-19 has disrupted the retail landscape. According to a Mastercard study, as much as 68% of South African consumers said they are shopping more online since the onset of the pandemic.



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More online shopping means that there are more deliveries to be made, and the logistics industry has had to scale operations to meet the growing demand. The various levels of lockdown, Covid-19 regulations and people working from home have created a greater reliance on home deliveries, with the industry now finding itself at an all-time peak, and with more vehicles on the road than ever before.

New challenges for courier companies

Whether it's an established company with a massive fleet or a startup business with only two vehicles, courier companies now need to manage their deliveries as efficiently, safely, and cost-effectively as possible. That's because increased demand for e-commerce has created an even greater expectation by customers to consistently receive their items when, how, and where they want – placing pressure on courier companies and drivers to meet this demand.

At the same time, businesses also need to ensure drivers follow Covid-19 regulations while out on deliveries, especially considering that they're coming into contact with more customers than ever before.



Unfortunately, adding to this pressure is the increased need for driver and cargo safety. While the immense growth in online shopping has boosted the e-commerce sector, it's also resulted in more criminals shifting their focus to courier vehicles, targeting goods in transit. There's been a massive spike in hijackings over the last year, with the current trend involving criminals targeting courier deliveries to steal the cargo instead of the vehicle itself.

Incidents of armed courier vehicle robberies have been on the rise, with one incident taking place as recently as February this year, where armed robbers fired shots at a courier van delivering cellphones in Pretoria.

Telematics solutions can drive safety and efficiency

Telematics technology can significantly improve operational efficiencies, increases customer satisfaction, and promote safety for drivers and packages. There are now also solutions that are essential business tools for courier companies, equipping fleet managers with the resources to respond effectively to the demand for home delivery and growing customer expectations.

These solutions enable fleet managers and the end customer to gain visibility of a vehicle's location in real-time. Fleet managers can also establish the optimal route for drivers, add new jobs to the schedule or implement corrective action to re-route a driver to avoid congestion or accidents. Better driving practices reduce vehicle maintenance requirements, and the system can alert vehicle owners about scheduled services, so that vehicle downtime can be planned around. These both contribute to lower operating costs and maximised profits.

Using this technology, brands can provide full transparency to customers, who aren't left wondering when their package will arrive.



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Telematics data can also produce detailed fuel efficiency reports by monitoring driver habits, including idling, revving, speeding, and excessive braking. This data then helps fleet managers identify improvement areas when training drivers to drive more efficiently.

Easy-to-use software-as-a-service telematics technology fits any commercial vehicle for advanced vehicle tracking. That means fleet managers gain total visibility of everything that happens on the road, including vehicle usage. They can also support drivers in the field with the right tools to keep them safe and make their jobs easier.

The technology can also facilitate contactless deliveries by enabling companies to go paperless and instead use electronic

invoicing. That way, drivers can maintain a safe distance when out in the field, and fleet managers can ensure customers receive their cargo on schedule.

Telematics software can transform the e-commerce supply chain and customer experience, enabling the sector to reassure customers that they're receiving a reliable, safe, and cost-effective service.

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