



Recording business mileage

Market analysis:
Is mileage registration costing businesses dear?

Let's drive business®

Market research:

Registration of mileage by operational and non-operational fleet drivers

The creation of accurate driver mileage records is an important administrative business task for claims reimbursement, management reporting and tax compliance.

This study provides an insight into non-automated procedures for mileage registration, and reveals the shortcomings of these processes from a driver's perspective.

Their revelations on the amount of working time lost to laborious, and predominantly paper-based, processes are sure to set alarm bells ringing among business owners and financial directors. More than half of drivers surveyed (54 per cent) spend more than two hours a month recording and submitting mileage records.

Their candid admissions to submitting inaccurate mileage claims will also be a cause for concern. For businesses employing numerous mobile workers, this has the potential to have a sizeable impact on business profitability.

More than a third of drivers (36 per cent) admit to submitting inaccurate mileage claims, with 29 per cent doing so regularly. Despite this revelation, 64 per cent have never been challenged by their employers over the accuracy of their mileage records.

The research highlights how business mileage can be a considerable cost burden to fleet operations and the importance of prudent management of the process.

Research methodology

The research was conducted by TomTom Telematics among business drivers from operational and non-operational fleets in five countries across Europe.

Operational fleets were defined as vehicles used for the delivery of goods or services (predominantly LCVs) and non-operational fleets as vehicles used by management or sales representatives (predominantly company cars).

The research was conducted among 462 operational fleet employees and 481 non-operational fleet employees in total; 100 operational and 111 non-operational in the United Kingdom; 100 operational and 100 non-operational in Germany; 70 operational and 57 non-operational in the Netherlands; 92 operational and 113 non-operational in France; and 100 operational and 100 non-operational in Ireland.

In order to qualify for the research, respondents had to be a company employee driving a vehicle for business purposes at least three days a week, without access to a system which automates the process of recording and submitting mileage records. The research was conducted at selected petrol and service stations in each country among a cross section of industries.



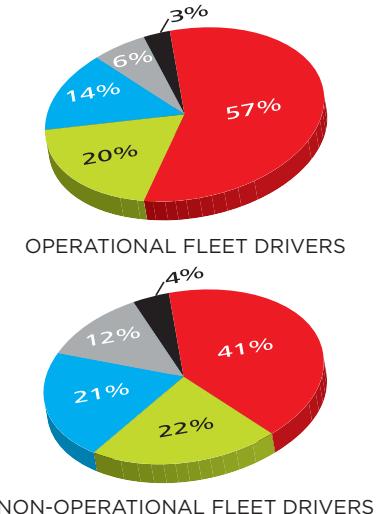
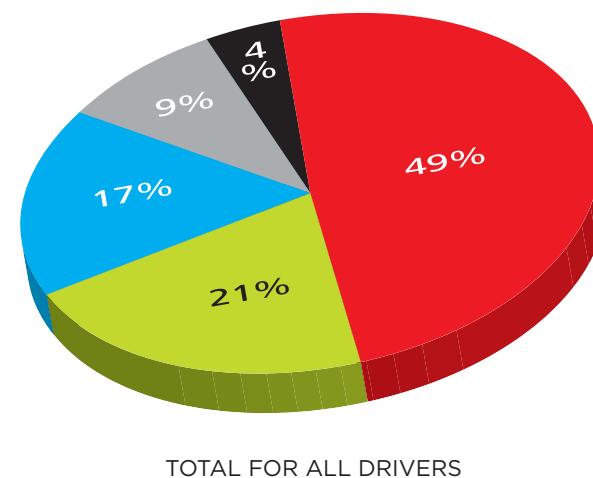
How do you keep records of your mileage?

Combined results

While 38% of respondents use a laptop, mobile phone or tablet to record their mileage, the clear majority (49%) still laboriously write their mileage down on paper or in a paper logbook.

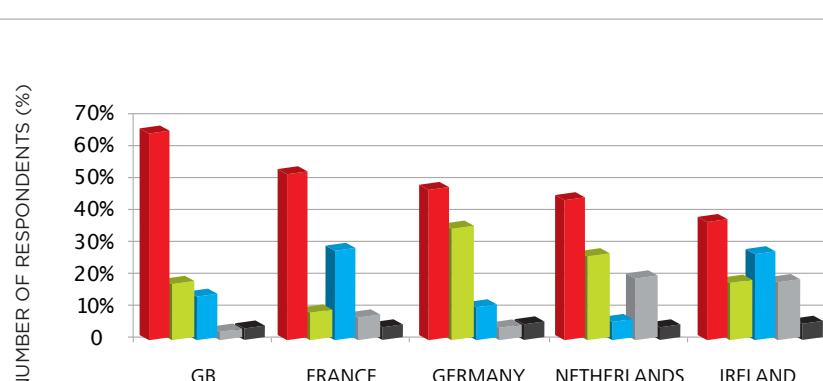
Interestingly, nearly one in 10 drivers (9%) now use a smartphone app for mileage registration (although these don't integrate with any GPS vehicle tracking data, so users still have to input data manually).

The research shows that van drivers are more likely to rely on paper recording methods than car drivers - 57% use paper to record mileage details, as opposed to only 41% of car drivers. The latter are also twice as likely to use a smartphone app (12% vs only 6% of LCV drivers).



Country-specific results

British employees appear to lag behind their European counterparts in the move to digital – 64% of respondents still record their mileage on paper, compared to only 36% in Ireland and 43% in the Netherlands. The Dutch have also adopted app technology the widest - one in five Dutch drivers (20%) now uses a smartphone app to record mileage.



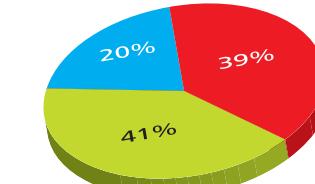
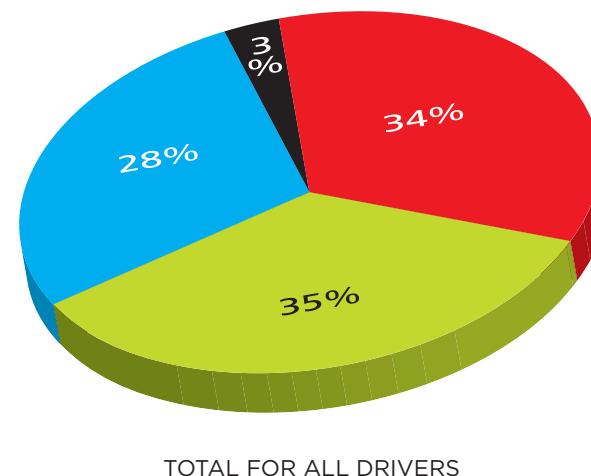
- On paper (on paper sheets or in a paper log book)
- On a laptop (using Excel or any other non specific software/application)
- On a phone, tablet or other mobile device (non specific mileage registration software)
- On a Smartphone app for mileage registration (without inclusive GPS tracking)
- Other

When do you carry out your mileage administration?

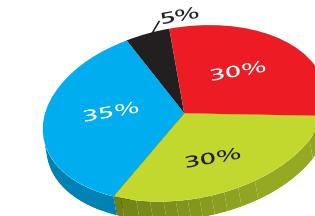
Combined results

Drivers record their mileage most once a day (35%) or at the beginning or end of each trip (34%). While 28% perform this task on a weekly basis, only 3% wait until the end of the month to record business trips.

LCV drivers are much more likely to record figures earlier on a daily or per-trip basis (80%) than car drivers (60%). In fact, 35% of staff driving cars wait a week, and 5% a month, to complete their mileage calculations.



OPERATIONAL FLEET DRIVERS



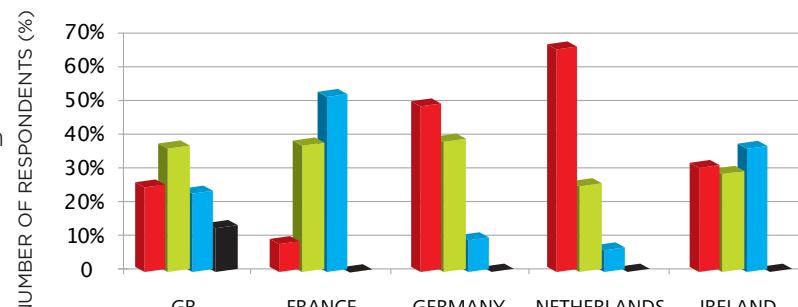
NON-OPERATIONAL FLEET DRIVERS

Country-specific results

The Dutch are the most fastidious drivers, with 69% claiming to work out their mileage at the beginning and end of every trip, compared to only 8% in France.

More than one in 10 of British respondents (13%) rely on their memories and wait until the end of the month to work out their mileage. This contrasts sharply with their German counterparts, 91% of whom record their mileage at least once a day or with every trip.

The majority (54%) of French drivers wait until the end of the week, still affording plenty of opportunity for errors.



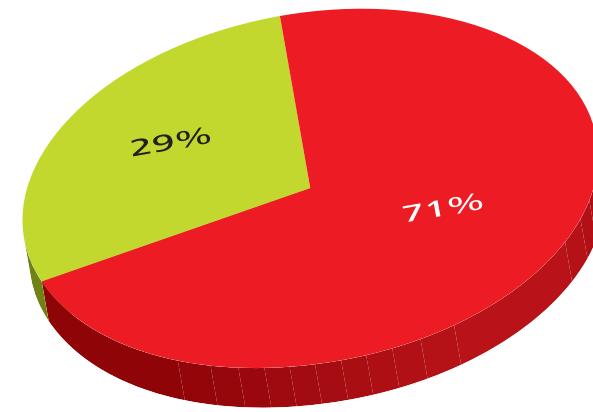
- With every trip (start and/or end of each trip)
- Once a day (start and/or end of the day)
- Once a week
- Monthly

Q3

Do you find the process of keeping mileage records and making mileage claims a laborious and time-consuming task?

Combined results

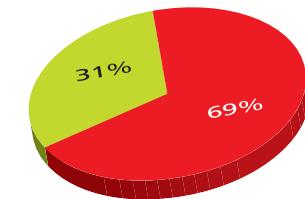
A total of 71% of respondents agreed with the statement that keeping mileage records and making mileage claims is a laborious and time-consuming task.



TOTAL FOR ALL DRIVERS



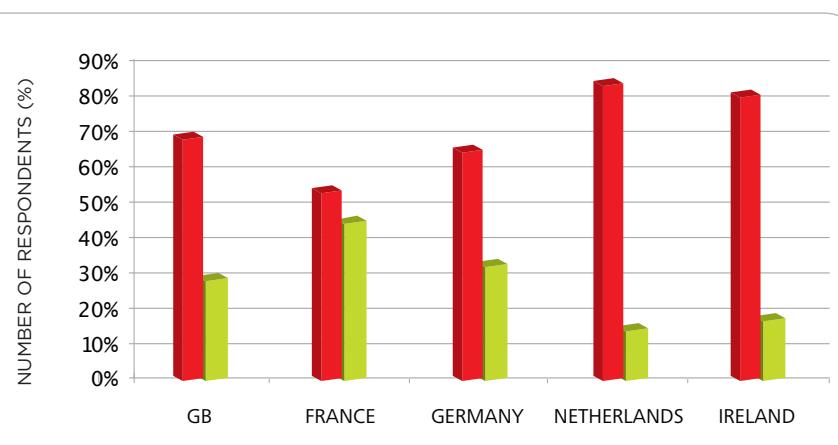
OPERATIONAL FLEET DRIVERS



NON-OPERATIONAL FLEET DRIVERS

Country-specific results

Making mileage claims is viewed as a tedious task across the board, but this is particularly the case in the Netherlands (85%) and Ireland (82%). French drivers appear least concerned with nearly half (45%) disagreeing with the assertion.

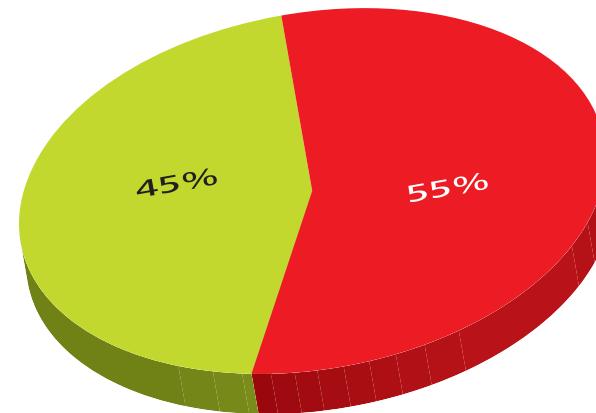


Q4

Do you have to reproduce your mileage records in another format, or computer system, for your company when you get back to the office?

Combined results

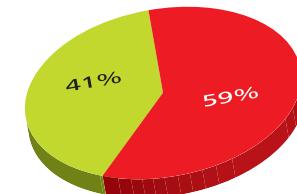
Most respondents (55%) have to reproduce their mileage records in another format, or computer system, for their company when they get back to the office. Car drivers (59%) have to re-input data more than van drivers (50%).



TOTAL FOR ALL DRIVERS



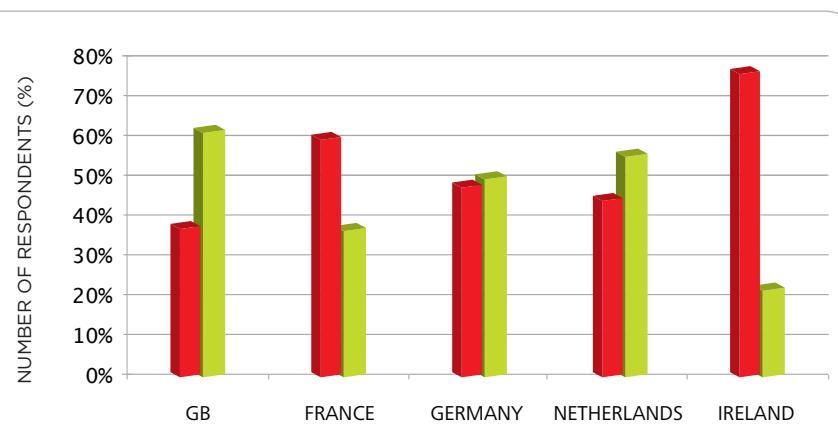
OPERATIONAL FLEET DRIVERS



NON-OPERATIONAL FLEET DRIVERS

Country-specific results

78% of Irish drivers have to waste time reproducing or re-inputting mileage data back in the office. This contrasts sharply with Britain where only 38% of drivers claim to have to do this.



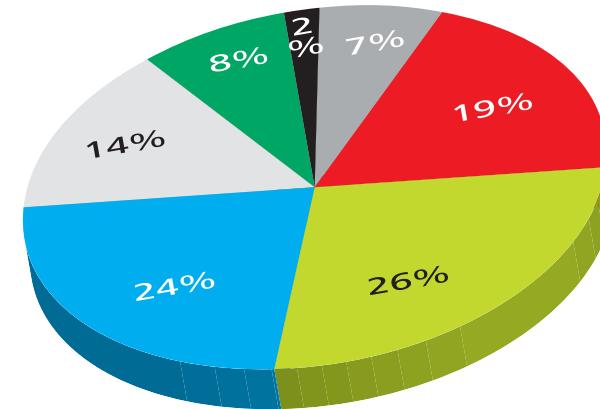
Q5

How much time do you spend recording and submitting mileage records?

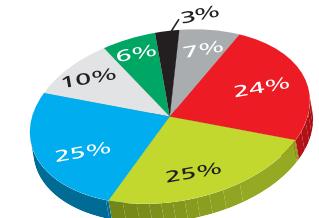
Combined results

Most of those surveyed (26%) spend between 30 and 60 minutes a week recording and submitting mileage records, although over a quarter (28%) spend more than an hour every week.

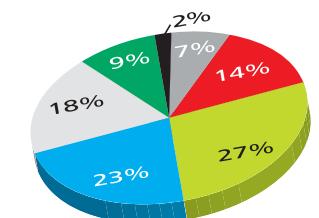
LCV drivers take longer than their car-driving counterparts to complete mileage claims – 34% take more than an hour compared to 23% of car drivers.



TOTAL FOR ALL DRIVERS



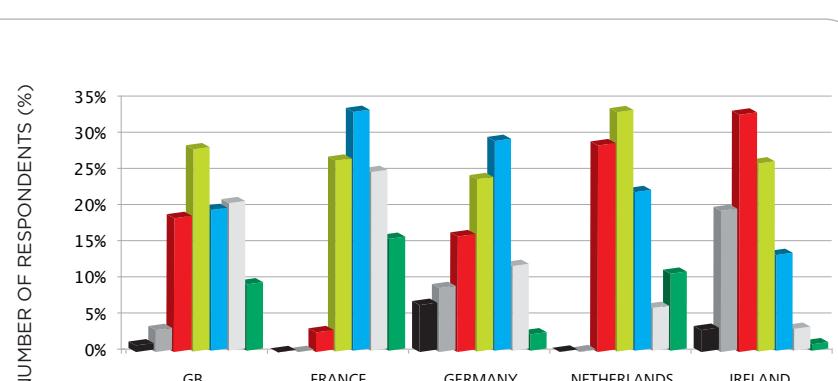
OPERATIONAL FLEET DRIVERS



NON-OPERATIONAL FLEET DRIVERS

Country-specific results

The French spend the least amount of time on mileage claims, with only 3% spending more than an hour and 16% spending less than five minutes a week on the task. Irish drivers appear to take the longest, with more than one in two employees (56%) taking more than an hour a week to file mileage data and 3% taking more than three hours. A total 7% of German employees surveyed regularly took more than three hours to complete the chore.



- More than 3 hours a week
- Between 2-3 hours a week
- Between 1-2 hours a week
- Between 30 and 60 minutes a week (6-11 minutes per day)
- Between 15 and 30 minutes a week (3-6 minutes per day)
- Between 5 and 15 minutes a week (1-3 minutes per day)
- Less than 5 minutes a week (less than a minute a day)

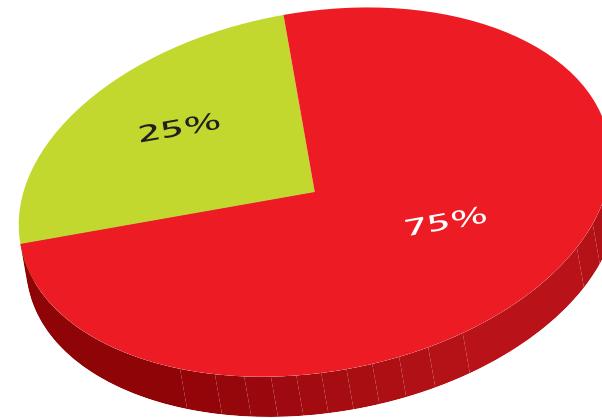
Q6

Would you welcome an automated system for keeping a record of your business mileage?

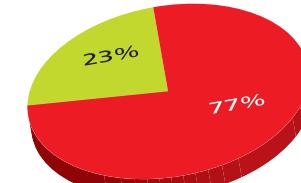
Combined results

Drivers across Europe would clearly welcome an easier way to record their business mileage. A convincing majority (75%) said yes to the idea of an automated system.

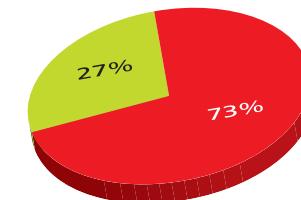
Time-pressed van drivers were slightly more positive, with 77% welcoming the idea compared with car drivers at 73%.



TOTAL FOR ALL DRIVERS



OPERATIONAL FLEET DRIVERS

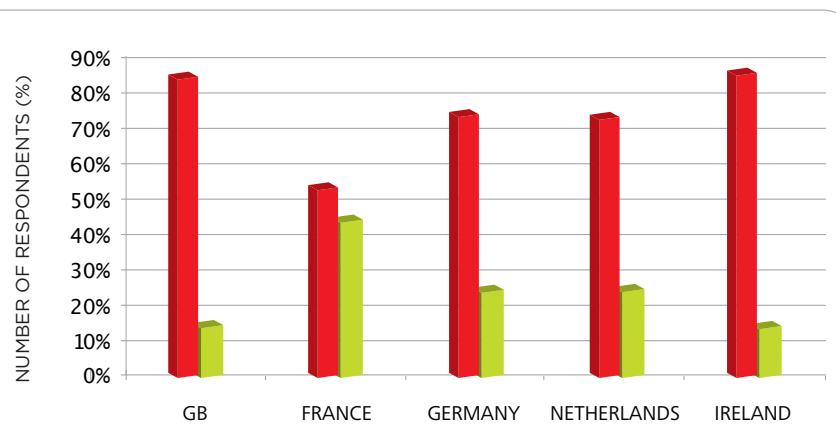


NON-OPERATIONAL FLEET DRIVERS

● Yes
● No

Country-specific results

The idea of automated mileage reporting proved most popular in Ireland and Britain, where 86% and 85% of respondents respectively gave the idea the thumbs up. Although French drivers were the least enthusiastic, most (54%) still said they would prefer an automated option to manual inputting.

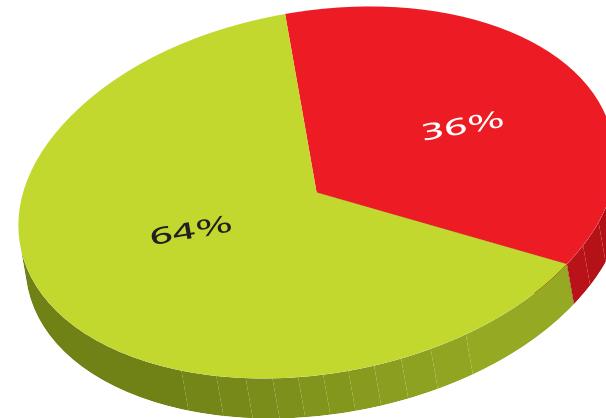


Q7

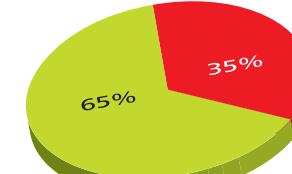
Have you ever been questioned by your employer over the accuracy of your mileage claims?

Combined results

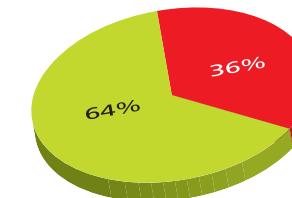
More than a third (36%) of the drivers surveyed had been questioned by their employer over the accuracy of their mileage claims.



TOTAL FOR ALL DRIVERS



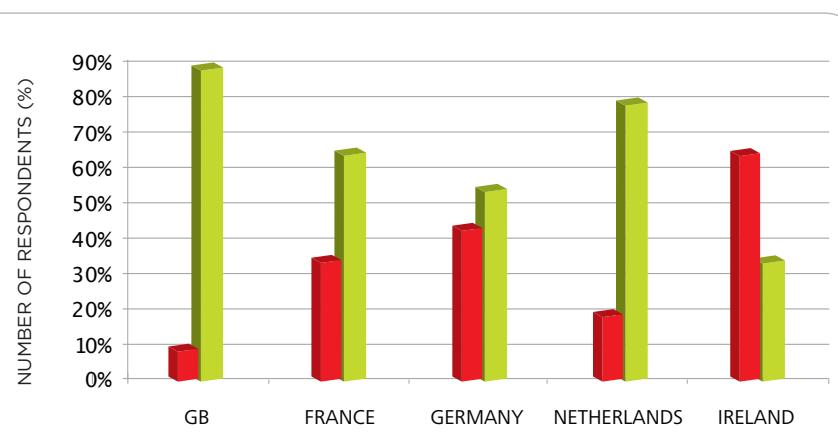
OPERATIONAL FLEET DRIVERS



NON-OPERATIONAL FLEET DRIVERS

Country-specific results

Dramatic differences were evident in the responses to this question across the different countries. While 65% of Irish drivers and 43.5% of German respondents had been quizzed by their bosses over accuracy, only 10% of British drivers claimed their mileage expenses had been queried.

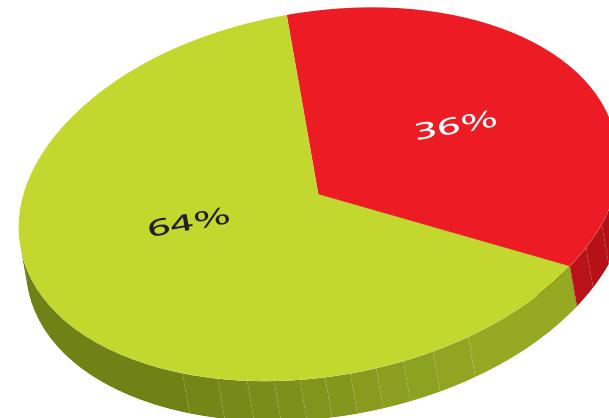


Q8

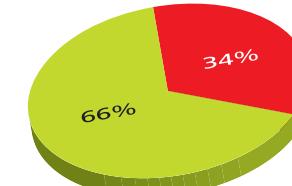
Have you ever over-estimated your mileage claims?

Combined results

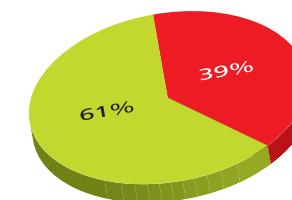
More than one in three (36%) European drivers admits to over estimating mileage claims – this figure rises to 39% with car fleet drivers.



TOTAL FOR ALL DRIVERS



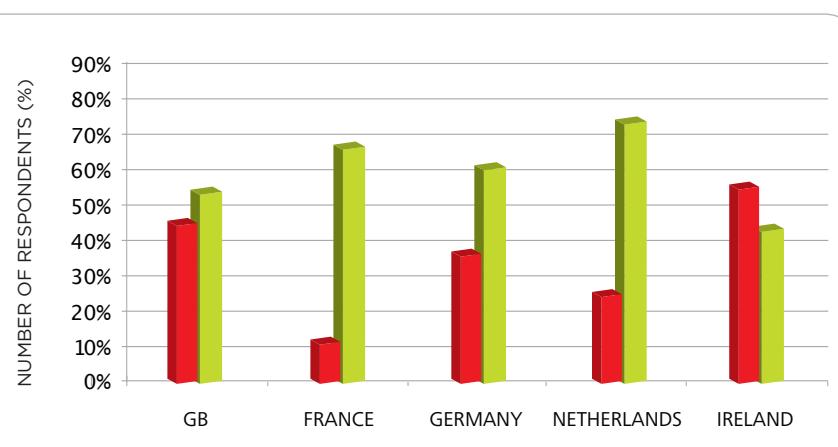
OPERATIONAL FLEET DRIVERS



NON-OPERATIONAL FLEET DRIVERS

Country-specific results

In Ireland, more drivers inflate their mileage claims than don't, with 57% of Irish drivers confessing to massaging the figures. Nearly half (46%) also hype up the numbers in Britain. This contrasts starkly with France where only 11% of drivers admit to over-estimating claims.

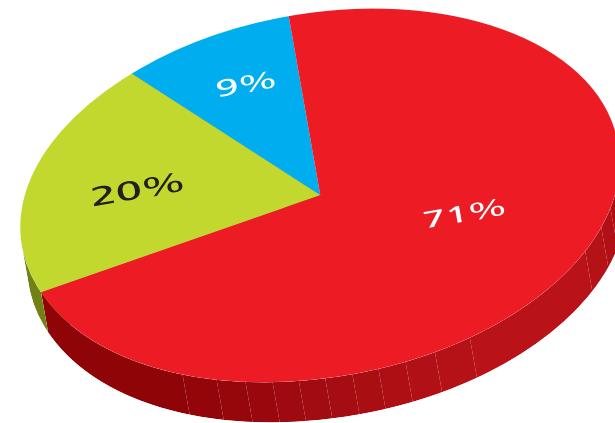


Q9

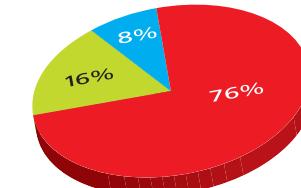
How often do you over-estimate your mileage claims?

Combined results

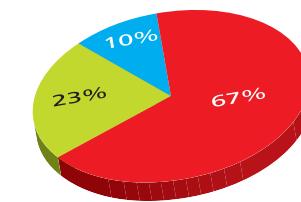
One in five of those drivers who admitted to over-estimating their mileage claims do so most of the time, and 9% claimed they did it all the time. A total of 33% of car drivers confessed to over-egging their claims either most or all of the time, compared to only 24% of LCV drivers.



TOTAL FOR ALL DRIVERS



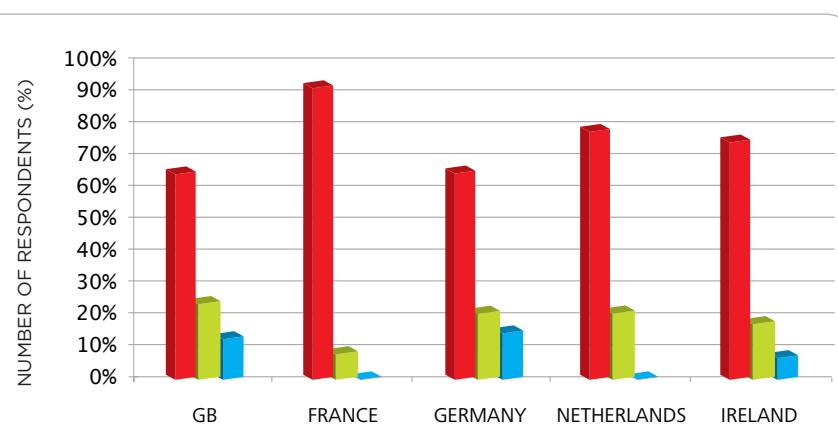
OPERATIONAL FLEET DRIVERS



NON-OPERATIONAL FLEET DRIVERS

Country-specific results

French drivers appear to be the most honest, with a significant 91% of those who admitted to inflating claims, stating that they only did so occasionally. A surprising 15% of the German drivers who admitted to over-estimating their mileage claims do so as a matter of course, every time, followed closely by Britain (12%) and Ireland (7%).



Research conclusion

More than ever, companies of all sizes are looking to reduce operational costs across every aspect of their business.

Mileage capture for fleet organisations has always been an important task, particularly in those countries where there is a legal duty for tax compliance. However, the processes used by many drivers to document and submit records are antiquated.

The results from this study illustrate the extent to which unautomated mileage registration is proving a drain on business resources – indeed the figures will alarm transport and finance executives alike.

The revelation that 54 per cent of drivers lose more than two hours a month, with nine per cent spending in excess of eight hours on the process, underlines the need to reduce this administrative burden. Lost productivity, after all, can have a significant impact on a company's ability to remain competitive in an increasingly challenging economic environment.

The study also highlights the shortcomings of traditional methods of manually recording and submitting mileage records. Business drivers submitting inaccurate mileage claims can dent business profitability and can have repercussions for tax compliance.

Advanced fleet management technology can help to simplify the mileage registration process for drivers, allowing businesses to guarantee the accuracy of records and maximize efficiency.

The business case for effective solutions becomes ever more persuasive.

Thomas Schmidt,
Managing Director,
TomTom Telematics.

