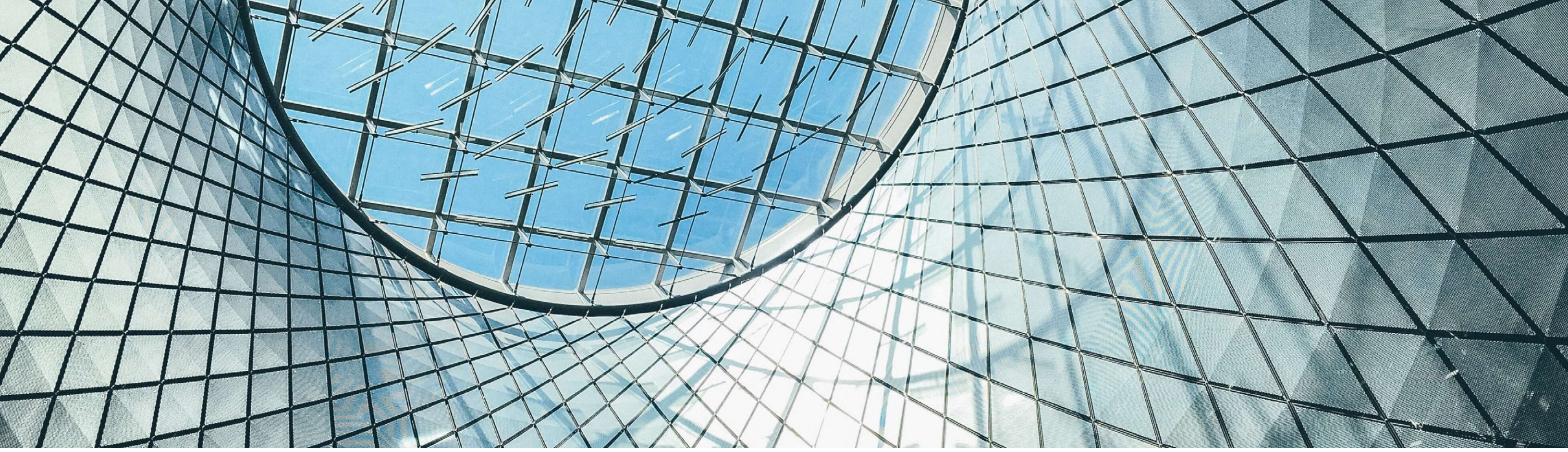

Market Insight Report Reprint

KeepTruckin rebrands to Motive, expands into fleet management, driver safety, asset monitoring

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by Mark Fontecchio

The company built its name as an ELD provider for transportation companies, but now has offerings in operator monitoring, cargo tracking, fuel efficiency and even spending management. The expansion widens Motive's addressable market, yet it now faces a larger list of competitors.

451 Research

S&P Global
Market Intelligence

Introduction

The company formerly known as KeepTruckin has recently renamed itself Motive. The new branding comes as it seeks continued expansion beyond its roots as a company selling electronic logging devices (ELDs) for carriers toward becoming a comprehensive provider of systems and software for monitoring a fleet's vehicles, operators and assets.

THE TAKE

KeepTruckin – now called Motive – built its name in the mid-2010s as a provider of ELDs to trucking companies that sought to meet U.S. regulatory mandates around how long truck drivers could work and drive. While that is still a large part of its business, Motive has expanded into all manner of transportation telematics, including the monitoring, tracking and analysis of vehicle fleets; the drivers who operate them; and the goods they transport. The expansion substantially widens the company's addressable market, albeit while facing a larger list of competitors.

Context

San Francisco-based KeepTruckin was founded in 2013 by CEO Shoaib Makani, technical co-founder Ryan Johns and COO Obaid Khan, who have backgrounds in venture capital, advertising technology and federal legislative affairs, respectively. The company's main business was initially in ELDs and related software for commercial motor vehicles. It now provides technology for managing fleet vehicles, monitoring driver safety and tracking assets. It has more than 3,000 employees and 120,000 customers, which includes many SMB carriers transporting goods as well as a growing number of enterprises. Major verticals include trucking and logistics, construction, oil & gas and food & beverage. The company said that more prospects from verticals other than trucking were asking about their products, and that helped push the name change from KeepTruckin to Motive.

Motive has received $600 million in venture funding from investors that include Kleiner Perkins, GV, BlackRock, Insight Partners and Index Ventures. A $150 million series F round announced in May had a post-money valuation of $2.85 billion. The company says that its annual recurring revenue (ARR) increased 75% in 2021; we estimate it to be more than $200 million.

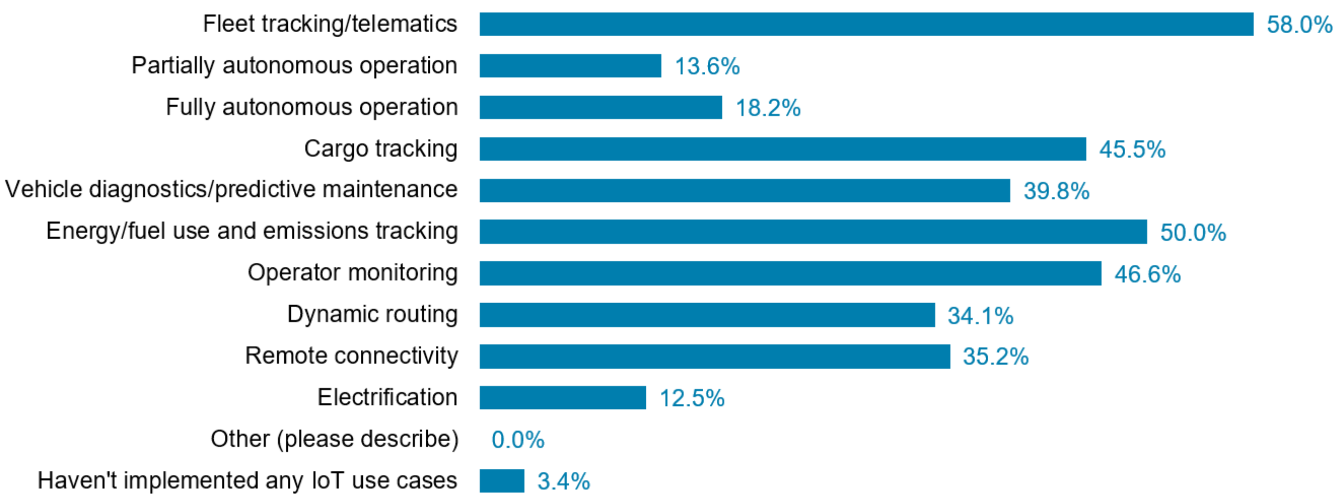
Strategy

Motive's strategy is to help customers "unlock the potential of the physical economy." By "physical economy," Motive means businesses that are responsible for delivering goods and services, and the company foresees a massive expansion of that physical economy.

By any measure, freight demand continues to increase. According to the U.S. Bureau of Transportation Statistics, the total weight of domestic shipments is expected to increase 11% to 21.9 billion tons between 2020 and 2030. The value of those goods is projected to jump even more – 22%, to $26.4 trillion. Accommodating that increased demand requires a means of transport, and Motive's goal is to provide its customers with ways to transport those goods more efficiently and profitably.

Motive's technology assists with many of the digital transformation projects that commercial transportation enterprises are adopting. The vendor has offerings in production now or the near future which address the top five projects – fleet management, energy use, operator monitoring, cargo tracking and predictive maintenance – according to 451 Research's Voice of the Enterprise: Internet of Things, The OT Perspective, Use Cases & Outcomes survey.

IoT Projects Among Commercial Transportation Companies



Q. You indicated you work in the commercial transportation sector. Within your vertical, which of the following IoT use cases have you implemented today? Please select all that apply.

Base: Transportation respondents (n=88)

Source: 451 Research, Voice of the Enterprise: Internet of Things, The OT Perspective, Use Cases & Outcomes 2021

Products and technology

Motive believes its differentiation lies in the numerous applications it offers for managing vehicles, operators and assets, along with software that can integrate them. That software, called the Motive Automated Operations Platform, aims to tackle one of the top hurdles to IoT adoption in the commercial transportation sector: deployment and integration. Rather than buy several products from different vendors and integrate them by themselves, transportation companies often seek to purchase everything from one vendor that does the stitching together for them. The end result would be a unified user interface from which companies can easily collect, see and analyze datapoints that are most crucial to their operations.

Currently, Motive has several devices it offers, which collect data at the edge. They include telemetry devices for collecting vehicle data, one-way and two-way dashcams for collecting driver behavior and outside environment information, and an asset gateway for collecting data from assets such as trailers and the goods inside them. Customers pay a one-time fee per device and then monthly usage-based payments for its cloud-based software. Some of the use cases these devices enable via apps from Motive include:

- Tracking and telematics for real-time (30-second pings) visibility into the location and condition of vehicles and assets, with features that include geofencing and predictive ETAs.
- Operator monitoring with the company’s dashcam and telemetry devices, for analyzing driver safety-related behavior and providing them with feedback and reporting.
- Compliance with U.S. and Canadian ELD mandates to limit how many hours drivers can be working and driving, as well as other regulatory mandates.
- Maintenance management that can provide real-time alerts on vehicle issues to reduce unplanned maintenance time, as well as track service history over the life of the vehicle.
- Fuel savings and sustainability to track fuel consumption trends across drivers, identifying routes and times of the day to save money on fuel, and partnerships that help meet sustainability goals of customers or the suppliers they serve.

The company's most recent product is a Motive credit card that customers can use to save money on fuel and maintenance services from Motive partners, along with reporting on spending patterns and trends. Finally, the company has a marketplace for integrations with third-party applications that customers may already have in place, such as their transportation management system (TMS) software. On the roadmap are additional devices for monitoring assets and vehicle environs, along with functions such as supporting a fleet's transition to electric vehicles.

Competition

Considering the breadth of its offerings, Motive will likely compete most often with companies like Verizon Connect and Samsara Inc., which similarly sell comprehensive vehicle, driver and asset tracking devices and software. Samsara listed on the NYSE at the end of 2021 with an 11-figure valuation. Motive has been exploring the possibility of an IPO as well but did not disclose details on if and when that might happen. We suspect there is a strong possibility that that company eventually will go public.

Beyond those two, Motive will battle against players in each of the areas where it provides products and services. In the ELD and telematics space, that means companies like CalAmp, Geotab, GPS Trackit, ORBCOMM, Platform Science and Omnitracs. In the dashcam space, they would face off against providers like Lytx and SmartDrive Systems.

SWOT Analysis

STRENGTHS	WEAKNESSES
Motive is well established in the commercial transportation and trucking space as a telematics hardware and software provider.	The company is still widely known as a provider of ELDs to SMBs for meeting federal limits of driver hours – building a brand name beyond that is a goal.
OPPORTUNITIES	**THREATS**
Seemingly endless freight volume increases, along with companies' desire to improve operational and environmental efficiencies, requires the collection and analysis of downstream supply chain data in which Motive specializes.	Expanding its product offerings into driver safety and monitoring and now asset monitoring – while ambitious – opens Motive up to a host of new competitors with which it must compete.

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