

# 2025 fleet risk environment

Managing fleet safety is more important than ever.

## Trends impacting commercial auto insurance



### Sharp increase in roadway fatalities

Fatality rate has increased 14% since 2019. Increased speeding and distracted driving are factors, along with decrease in safety belt usage.<sup>1</sup>



### Rising auto body repair costs and time

Average repairs take 6 to 8 weeks from scheduling to completion and minor fender benders average \$4,000.<sup>2</sup>

25%

### Employee fatalities

Motor vehicle crashes are the leading cause of work-related deaths in the U.S., making up 25% of all worker deaths.<sup>3</sup>



### Social Inflation

Increasing trend to get an attorney immediately and belief that filing a lawsuit is appropriate. Higher compensation for damages expected. Nuclear verdicts, those over \$20 million, have risen substantially.

**Is your organization placing as much emphasis on managing fleet safety as it should?**

## Key accident factors



### 94% of collisions due to driver error

Driver inattention, distractions, driving too fast for conditions, etc.<sup>4</sup>



### Distracted driving

Hands-free may be legal in your state, but it still poses a significant hazard. No cell phone use is the best policy.



### Speeding

29% of all fatal crashes are speed-related. The number of fatal traffic crashes increased 28% from 2019 to 2022.<sup>4</sup>



### Rear-end collisions

Often severe and almost always at fault. On average, make up one-third of an organization's claim costs.



### Intersection collisions

Another high severity accident type. Left turn collisions trending up.



### Pedestrian collisions

Pedestrian fatalities grew 20% from 2019 to 2022 and 56% over the last 10 years!<sup>5</sup>



### Driver shortage

Hiring unqualified drivers increases accident frequency and severity.



**Nationwide**  
is on your side

Review the next page for ideas and visit our [Loss Control Services vehicle safety web page](#) for resources to assist.

## Core fleet safety management best practices



### Establish fleet safety policies and procedures

- A written [fleet safety program and driver handbook](#)
  - For small fleets, <5 vehicles, [driver rules](#) and core policies may be acceptable in lieu of a full handbook
- Apply the same safety requirements to employees driving their own vehicles and validate they have their vehicle adequately insured
- Designated person or group responsible for [overseeing fleet safety](#)



### Purchase vehicles with safety in mind

- High safety ratings ([IIHS Ratings](#), [NHTSA Ratings](#))
- Advanced Driver Assistance Systems ([ADAS](#)): automatic emergency braking, lane change warnings, etc.
- Establish sound vehicle inspection and maintenance procedures



### Hire qualified drivers

- At least five years of driving experience, two of which are operating a vehicle similar to the one they will be driving for your organization
- [Road test](#) drivers to ensure they practice safe driving techniques and have not developed unsafe habits
- Establish guidelines for what constitutes an [acceptable motor vehicle record](#) (MVR). At a minimum, MVRs should be run at hire and annually thereafter
- Ensure drivers are [alcohol and drug free](#) behind the wheel



### Provide safety training and awareness to reinforce safe-driving behaviors

- Even experienced drivers can develop poor driving habits.
- Provide core [safe driving training](#) at least annually
- Provide awareness training to all drivers [at least monthly](#)
- Key topics: [preventing rear-end collisions](#), [intersections](#), [distracted driving](#), [speed management](#)



### Supervise drivers to reinforce safe-driving expectations

- Use [telematics](#) systems to identify unsafe driving behavior: speeding, hard brakes, etc.
- Conduct periodic [driver ride-alongs](#) to review safe driving techniques
- Coach drivers to improve behavior and reward safe drivers



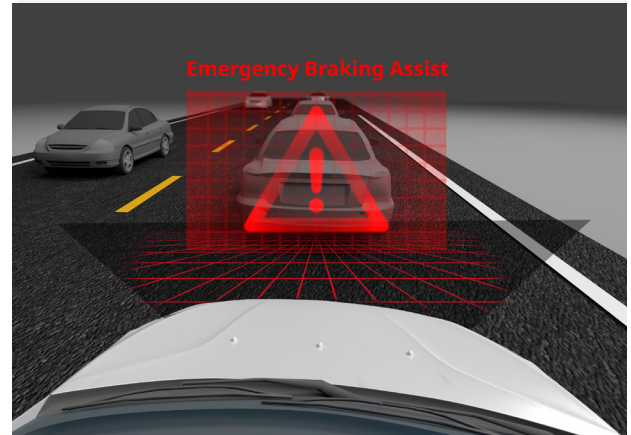
### Prevent distracted driving

- [Educate](#) drivers on the dangers of inattentive driving
- Develop clear [policies](#) against distracted driving, including limitations on cell phone use of any kind

## Industry Insight: Technology to prevent accidents

### Advanced Driver Assistance Systems (ADAS)

ADAS such as adaptive cruise control, automatic emergency braking and lane keeping assist have been shown to reduce accidents significantly. For example, **a 50% reduction in rear-end crashes** with forward collision warning, plus automatic emergency braking.<sup>8</sup> For more [info](#).



### Vehicle Telematics

Telematics systems can be effective in identifying aggressive driving and used to improve driver behavior. Speeding, hard braking, harsh acceleration and distracted driving are a few of the behaviors identified. Telematics cost about \$20 per mo. per vehicle for basic features. Contact your agent for information on Nationwide-sponsored telematics programs starting under \$10 per mo. per vehicle. For more [info](#).

### Dashcams

Dashcams can be extremely valuable in managing driver behavior and are essential tools in determining the cause of auto accidents.

Stand-alone cameras cost less than \$150, with no monthly subscription. Telematics-based systems cost \$45 to \$60 per mo. per vehicle. For more [info](#).

### Nationwide can show fleet administrators how to benefit from these technologies.

<sup>1</sup> National Center for Statistics and Analysis. (2024, September). Early estimate of motor vehicle traffic fatalities for the first half (January–June) of 2024 (Crash•Stats Brief Statistical Summary. Report No. DOT HS 813 633). National Highway Traffic Safety Administration;

<sup>2</sup> Driving Behaviors Survey Findings: 2023, Nationwide claims data, March 2023;

<sup>3</sup> U.S. Bureau of Labor Statistics. Census of Fatal Occupational Injuries, 2022 (bls.gov);

<sup>4</sup> National Center for Statistics and Analysis. (2024, July). Speeding: 2022 data (Traffic Safety Facts. Report No. DOT HS 813 582). National Highway Traffic Safety Administration

<sup>5</sup> Pedestrians, Traffic Safety Facts DOT HS 813 590, 2022 data, NHTSA, July 2024