



TRACKING SERVICES

Sector Review

May'19

SERVICE DEFINED

Generally tracking is the observing of persons or objects on the move and supplying a timely ordered sequence of respective location data to a model e.g. capable to serve for depicting the motion on a display capability.

Tracking companies provide total visibility and control of mobile assets, using technology of Global Positions system (GPS), Global System for mobile communication (GSM), General Packet Radio Service (GPRS),

TYPES OF TRACKING DEVICES



PERSONAL TRACKING



VEHICLE TRACKING



FLEET TRACKING



CONTAINER / CARGO TRACKING

What is GPS:

The Global Positioning System (GPS) is a technical marvel made possible by a group of satellites in Earth's orbit. It transmits precise signals, allowing GPS receivers to calculate and display accurate location, speed, and time information to the user.

What is GPRS:

General Packet Radio Service (GPRS) is a packet-based mobile data service on the global system for mobile communications (GSM) of 3G and 2G cellular communication systems.

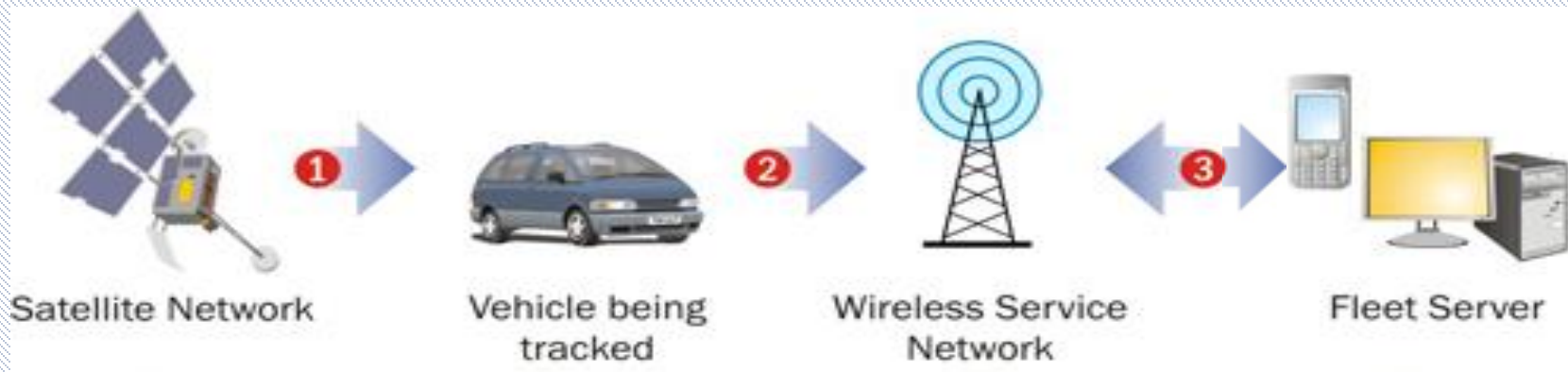
HOW TRACKING DEVICE WORKS

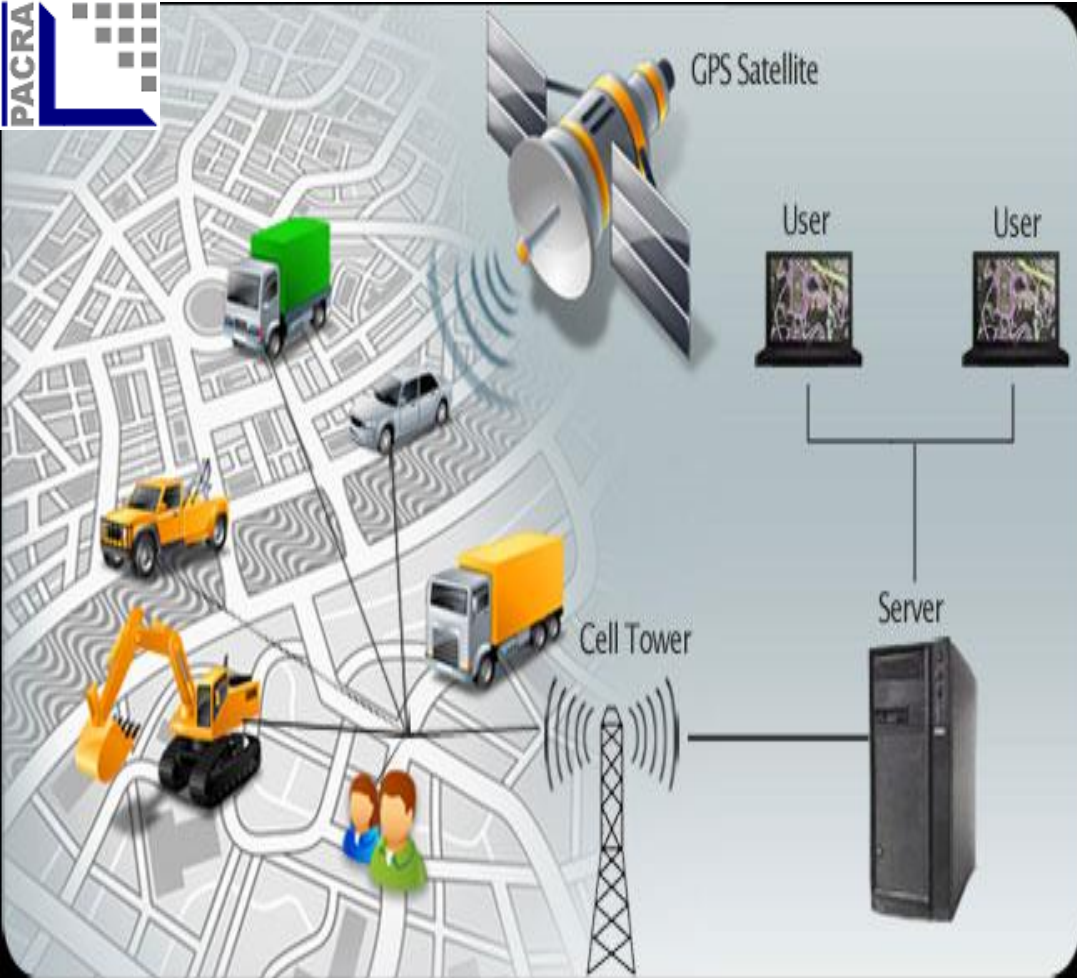
GPS satellite send location, speed and heading of the vehicle to the controller unit located in the Vehicle

When requested, the controller unit retrieves the GPS data and send it to the wireless service provider network using th GPS receiver

The Wireless service network forwards the notifications and location data received from the controller unit to the central fleet server using SMS/GPRS or to any mobile phone.

A web based interface allows graphical tracking of your entire fleet as well as receiving notifications via emails or SMS on your mobile devices.





Services offered are generally categorized into:

1. ASSET TRACKING SOLUTIONS

- I. Vehicle Tracking solutions
- II. Fleet management solution
- III. Personal Tracking
- IV. Power generator monitoring
- V. Dashboard monitoring system | M.I.S etc

2. CONTAINER TRACKING SOLUTIONS:

Cargo tracking requirements of commercial and military transporters; tracking and in transit visibility, protection against intrusion or pilferage, and other services.

TYPES OF SERVICES

INDUSTRY | STRUCTURE

TECHNOLOGY LICENSE

License Issued by Pakistan Telecommunication Authority, Government of Pakistan

- **Class Value Added Services License Services (CVAS)**, regulated under Class Value Added Services Licensing and Registration Regulations, 2007
- **License Type: Data CVAS** – non-voice data communication
- Services allowed: Vehicle Tracking Services (VTS)
- Other data services (non-voice telecommunication), in addition to VTS, can be allowed by PTA under the same license;

	Apr19	Apr18
Total CVAS DATA licensees	600	622
VTS licensees	149	162

- Many Vehicle Tracking Solution - VTS licenses have been obtained by corporates and logistic companies to meet internal requirements and does not offer services for commercial use. The industry is **Fragmented**
- From 2006 till 2018, VTS licenses of 495 companies were terminated on the back of continuous losses and failure to maintain competitive technology infrastructure.

INDUSTRY | DYNAMICS

More than 90% revenue of the Tracking sector is generated through vehicle tracking, automobile offtake directly impacts the sector dynamics. This also includes increased demand from large businesses using extensive transportation fleets.

Government sponsored schemes is helping the motor segment

CY18: Punjab Government Women Motorcycle Scheme 2018

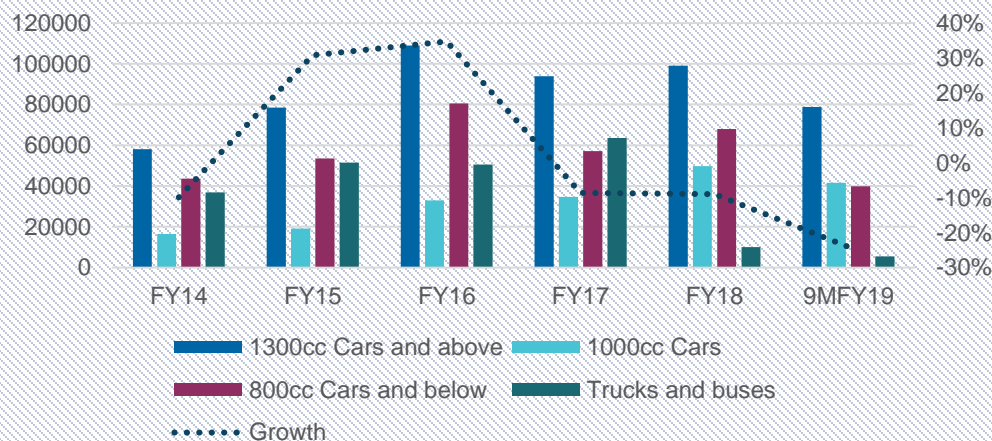
CY17: CM Punjab APNA ROZGAR Suzuki Ravi and Suzuki Bolan Scheme 2017

CY17: Orange Cab schemes – 100,000 cars

CY17: Introduction of Careem and UBER service

The Tracking sector is largely import dependent, which is catered from China mainly. All devices are imported

Automobile Offtake



DEMAND
SHIFT

The industry is facing a demand shift towards monitoring services and other business avenues from vehicle tracking.
Tracking business will be more dependent on fleet management and container tracking

SOME INDUSTRY PLAYERS - PROFILE

Profiles of some of the market players are given below. The mention of these players does not reflect ranking of any sort.



TPL Trakker Limited

Vehicle tracking and fleet management solutions, portfolio management, container tracking solutions, navigation, Personal Tracking, takes up a sizable portion of the market share.



Falcon-i (Pvt) Limited

Vehicle tracking solutions and fleet management solutions, in addition to other value added products. The company is a long-standing player in the market and has good penetration.



itechnologi

Itechnologi Group is rapidly growing and primarily focuses on IoT (Internet of things), D.O.T (Data on things), Satellite/Vehicle Tracking, GIS & Mapping, logistics, transportations and fleet management solutions.



Tracking World (Pvt) Limited

Joint venture of Webtec Wireless Inc. Canada – operates in 40 countries including UK, USA, America, Europe, central America, UAE, KSA, and Canada.

Products: Vehicle tracking and fleet management solutions, In-dash navigation, Biometrics, car Accessories, etc

NEW ENTRANTS

- Market of tracking service is subjected to technology innovation which is limited in Pakistan.
- The number of new entries in the business are small
- Competition is over cost effectiveness and value added service
- Life cycle of the industry is short.
- High competition, keeps operating margins thin

COMPETITIVE ENVIRONMENT

SUPPLY

- Technology Infrastructure: Continuous up gradation of technology is the back bone of the industry and essential for players survival.
- All industry players import tracking devices; vendors provide application and software.
- Supplier power lies in the uniqueness of the service provided

DEMAND

- Moderate growth prospects in the automobile sector
- Private Cab Schemes; Careem & UBER
- Rising trend in the need for fleet management by Corporates because of value added services offered by tracking companies
- Disposal income of masses along with cellular penetration, has improved
- General Law and order situation of the country; though improved, remained a concern which triggers demand for tracking services
- Government departments requirements are increasing i.e. CPEC project & Tracking System for Pakistan railways – New Govt. initiative.

SUBSTITUTION

- Different type of new handy gadgets with built in GPS
- Built in MIS dashboards in the automobiles is another alternative
- More cheaper options available
- Introduction of new technology and features such as vehicle immobilizer

- PACRA Desktop & in house research
- <https://tribune.com.pk/story/1906476/1-train-tracking-system-improve-travel-experience/>
- <https://www.thenews.com.pk/print/402496-sindh-govt-making-trackers-mandatory-for-motorbikes>
- https://www.punjab.gov.pk/transport_initiatives_yellow_cab_scheme

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