



The Truck Intercept Study:

Developing a Competitive Long Haul Truck in a Transforming Industry

An Ipsos RDA **White Paper**

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A Transforming Industry

Studies attest that US trucking is growing exponentially, with revenues expected to climb to \$1.52 trillion by 2026.¹ However, the industry is simultaneously faced with a significant and growing employee shortage, especially among Class 8 long haul tractor-trailer drivers.² A recent release by the American Trucking Association reports: “the shortage (will) reach 50,000 by the end of 2017 and... could grow to more than 174,000 by 2026.”³

Truck manufacturers are also facing disruptions similar to the experiences of the automotive industry in the last five years. App-based services such as Uber Freight make it easier for owner-operators to book loads independent of large freight companies, increasing the desirability of working as an independent contractor.⁴



Uber Freight Video: <https://youtube/ORfz2UunRs4>

In November 2017, Tesla unveiled its fully electric Semi that both challenges existing fueling infrastructure and epitomizes the direction of new safety features focusing on automation and autonomous driving.⁵ Most recently, on December 18th, 2017 the long anticipated Electronic Logging Device (ELD) mandate went into effect, further pushing more experienced drivers, who see such technologies as a threat to their independence, out of the industry.⁶ The converging of these trends and new demands are creating an intense lobbying focus to lower the age of truck drivers from 21 to 18, along with a broad aim to recruit younger drivers in an industry where the current average age is 49.⁷ Together, these trends contribute to fierce competition for qualified drivers.

To put this competition into perspective, consider that the annualized turnover rate among Class 8 truck drivers reached 90% by the second quarter of 2017.⁸ Besides increasing driver pay and benefits, freight companies seeking to recruit and retain drivers are offering newer trucks equipped with better safety features.⁹

¹ American Trucking Association “U.S. Freight Transportation Forecast to 2026” July 27, 2015.

² Class 8 refers to heavy duty trucks (26,001–33,000 lbs) – Semi-trailer trucks fall into this category. See: <https://www.afdc.energy.gov/data/10380>

³ Sean McNally Large Truckload Driver Turnover Rate Rose in Third Quarter December 7, 2017 <http://www.trucking.org/article/Large-Truckload-Driver-Turnover-Rate-Rose-in-Third-Quarter>

⁴ <https://freight.uber.com/>

⁵ Jerry Hirsch Trucking industry both skeptical and wary of Tesla Truck plans April 18, 2017. <https://www.trucks.com/2017/04/18/trucking-industry-skeptical-tesla-truck/>

⁶ The Electronic Logging Device tracks the amount of time a driver operates their vehicle to ensure compliance with state and federal regulations. As freedom from typical business hierarchy and a sense of independence rate as key factors motivators, the ELD has met with much hostility particularly among older drivers. Source: Ipsos Truck Intercept Study 2017.

⁷ “CVSA Prepares for December 2017 ELD Implementation; Announces April 1, 2018, Effective Date for Out-of-Service Criteria Related to ELD Rule.” Commercial Vehicle Safety Alliance 2017.08.28. <http://cvsa.org/news-entry/2017-eld-implementation/>

⁸ *ibid*

⁹ Bob Costello “Truck Driver Shortage Analysis 2017” American Trucking Association 10.2017 pg. 3. <http://progressive2.sef.playstream.com/truckline/progressive/ATAs%20Driver%20Shortage%20Report%202017.pdf>

How Ipsos is leading the Way

This industry competition has created an unprecedented opportunity for Ipsos to provide strongly needed driver experience data to inform both truck manufacturers and large freight companies on what drivers want in their trucks. We have pioneered this exciting field by offering the Truck Intercept Study. By leveraging our extensive experience conducting automotive quality inspections research to deep dive product satisfaction, driver experience, challenges and needs, we are able to gather truck driver feedback. Through this feedback, we provide valuable insights to identify actionable product improvements into the design of future vehicles and services which optimize driver experience in order to maximize product design investments. Truck Intercepts provide a platform for gaining Class 8 driver feedback and insight from both long haul and regional drivers regarding driver satisfaction, experiences, challenges and needs. This feedback provides the tools to support actionable product design changes, uses and improvements for future trucks, dealerships and service stations. Clients have also attended our events to learn directly from their end customers.

The Truck Intercept Study brings highly trained Ipsos researchers to strategically selected truck stops across the U.S. to interview drivers and gain insight into their customer experience. The intercept study focuses on identifying driver pain points, best brand practices, motivators and desires alongside complex demographic data. Intercepts create an unparalleled context for companies to speak directly to their customers, as well as the competition, to learn from them in ways that may disrupt long held assumptions.

Based on our success with the Truck Intercept Study, Ipsos is developing a new platform for hosting online panel discussions and call-in focus groups among drivers. These offerings will encourage even greater leveraging of driver opinion by facilitating in-depth guided discussion among carefully selected Long Haul drivers whenever the

need arises. With these new products, Ipsos is equipped to meet a broad diversity of industry research needs including:

- competitive assessments
- concept development and evaluation
- styling and design
- product packaging
- voice of the driver
- subsystem evaluation and position
- product quality, and more

Designing a Truck Intercept in 4 Steps

Step 1: Determine Locations, Timing and Extent of Study

While truck drivers may traverse the country, we have found significant regional differences among them. We recommend an intercept plan that incorporates at least two regional hubs. Locations should be areas of high freight traffic and near multiple distribution centers. Seasonality may also come into play as road safety represents one of the greatest concerns among drivers. Speaking with them during periods of heightened road hazards, from weather or construction for example, can provide unexpected insight.

The team at Ipsos is capable of running a variety of study parameters in numerous locations based on client needs. From strategic, smaller intercepts that cover one location and meet a condensed reporting timeline to extensive sampling and ongoing tracking of multiple locations, our advanced analytical team works with our client to develop an optimized intercept program to best answer their business objectives. Whether 50 or 500+ interviews, our team is fully equipped to customize and implement a wide range of intercept plans.

Step 2: Survey and Sampling Design

Poor survey design represents the primary factor contributing to poor program design and quality.¹⁰ Preparation begins by collaborating with the client to develop the most effective questions to identify and meet their business objectives. For example, while one of our clients produces a highly competitive vehicle, their dealership experience ratings were underperforming. We adapted a large portion of the survey to focus on this issue and provided deep customer insight to identify the problems with their dealerships and the best practices of competitors. We further determined that the negative experience occurred most sharply among owner-operators. Analyzing driver feedback equipped our team to recommend the most impactful areas to invest and improve for the desired segment of customers (those with the most direct purchasing power).

Throughout the process we work with the client to develop questions which are concise and efficient. Most questionnaires should last only 10–15 minutes per intercept and focus on providing evidence to support specific organizational changes. Well before the actual interview, we design proper analysis strategies with our client that shape how questions are asked and what points to push respondents on for greater insight.

We design interview scripts around the most up-to-date driver profiles and demographic data to ensure relevancy and diverse sampling. Intercepts can be highly customizable to function as standalone studies or complement existing data sets. Our offerings can integrate into known client sales data and customer experience data. We have experience providing specific recommendations based on younger driver segments, increasingly critical to future industry decisions. We also continue to invest in our research methodology and technology in order to provide the most accurate and prompt reporting possible.

Step 3: On-site Events

Strategically designed intercepts provide both an in-the-moment opportunity to measure how well drivers are receiving brand messaging along with reactions to new technologies or industry regulations, while contributing information critical for understanding customer defection and what the best practices are to achieve brand loyalty and retention. At every turn, Ipsos researchers provide guidance and recommendations for best capturing customer pain points, delight points and identifying expectations.

Our positive partnerships with national travel centers provide many critical benefits to our studies. Along with offering an incentive, such as a localized gift card, we have found that leveraging the established relationship many truck drivers have with on-site staff proves an effective means to encourage drivers to engage with our researchers and builds trust.

Step 4: Reporting

We begin designing our final reports before our first client meeting by anticipating the best ways to package the data we will collect to meet versatile needs within the organization and to provide efficient evidence for supporting actionable change.

After the on-site event concludes, we provide a raw Excel data file of all transcribed interview responses to the intercept survey. We ensure this file includes any useful variables, such as demographics, driver type, level of experience, etc. This file is formatted to be immediately filterable to answer many high-level questions and cleaned to provide the most accurate information. We then provide an executive report, summarizing key findings and insights, designed to promote research findings internally. A highlight video, a third optional deliverable, offers professional quality production that mirrors the written report feedback through succinct customer footage. This video represents an excellent way for interested parties to get a nearly firsthand account of the intercept, generate excitement and distribute findings.

¹⁰ Nicholas Mecurio and John Flesta "Designing A 'Smarter' Mystery Shopping Program: Seven Steps to Success" Ipsos Loyalty June 2017.

Building Value through Direct Insight

Ipsos Truck Intercepts provide the unique opportunity to learn about needs straight from the end customer, leverage truck driver feedback to develop new product designs and implement improvements that will be immediately relevant to their experience. For example, while it may be obvious that a GPS is a critical piece of technology for the truck driver, we found that drivers often use multiple GPS systems simultaneously to take advantage of various functionalities and those technologies that may make their lives easier can be at direct odds with dearly held values. Customer feedback also provides vital information for determining the effectiveness of driver training on new technology and regulations—what works and what doesn't among the different segments of drivers. In terms of preference, we found that while drivers under the age of 45 were most concerned about the spaciousness of their cab, older drivers were more concerned over the quality of their refrigerator. These types of minor insights are especially useful when developing a dealership sales strategy based on market segmentation.

Next Steps

The critical need for driver experience data suggests that the time to mobilize our experience to work for you is now. The Ipsos Truck Intercept Study is adaptable to fit a variety of budgets and can target specific business needs. The intercept also provides an excellent first step to the broader range of Ipsos offerings including focus groups and tracking studies, which work together to provide a total understanding of the truck driver experience.

Conclusion

A well-designed truck intercept study promises to provide critical, timely and precise driver experience data in an industry undergoing tremendous change. By measuring what drives operator satisfaction and learning directly from truckers themselves, Ipsos uniquely bridges the gap between driver and manufacturer. We provide actionable, impactful recommendations for business-wide optimization and improvements.¹¹

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About Ipsos

Ipsos is an independent market research company controlled and managed by research professionals. Founded in France in 1975, Ipsos has grown into a worldwide research group with a strong presence in all key markets. Ipsos ranks third in the global research industry.

At Ipsos we are passionately curious about people, markets, brands and society. We make our changing world easier and faster to navigate and inspire clients to make smarter decisions. We deliver with security, speed, simplicity and substance. We are Game Changers.

With offices in 88 countries, Ipsos delivers insightful expertise across six research specializations: advertising, customer loyalty, marketing, media, public affairs research, and survey management.

Ipsos researchers assess market potential and interpret market trends. We develop and build brands. We help clients build long-term relationships with their customers. We test advertising and study audience responses to various media and they measure public opinion around the globe.

Visit www.ipsos.com/en-us to learn more about Ipsos' offerings and capabilities.

GAME CHANGERS



¹¹ Intercept studies themselves also provide an excellent context for recruiting participants for future studies. Since we began offering the Truck Intercept, we have worked to build a database of truck drivers for recontact.



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