

ROAD CONDITIONS

The State of
Independent Truckers
and Small Fleets



SmartHop[®]

INTRODUCTION



Each year, class 8 trucks move more than **10 billion tons of freight**. That's nearly three-quarters of the total domestic tonnage shipped across billions of miles annually. But until recent years, when the pandemic caused unprecedented disruptions in the logistics industry, how consumers get their goods delivered has not always been top of mind.

The majority of these goods are transported by owner-operators — independent truckers who own and drive their truck — and small carriers. In fact, **more than 90% of trucking companies** in the U.S. operate six or fewer trucks, with small fleets employing roughly three million drivers. Despite these numbers, this group faces significant challenges, such as thin margins, access to quality loads, and lack of resources. If left unresolved, these concerns jeopardize the health of both their companies and the supply chain.

SmartHop recently polled 1,000 of these truckers to better understand what keeps them up at night, how they have overcome roadblocks, and what they see on the horizon for the trucking industry. These insights provide a deep dive into the current mindset of the women and men who keep our nation's goods moving and what needs to be done to keep them moving.

KEY FINDINGS

Trucking is an attractive career.

Despite an ongoing and well-documented labor shortage, being a trucker remains a highly attractive job, with many newcomers joining the field. More than 40% of respondents have been on the job for two years or fewer, indicating that they entered the industry during the Covid-19 pandemic when many Americans reassessed their career paths.

Why trucking? For many respondents, trucking was viewed as a well-paying career (35.3%) that didn't require an advanced degree (16.8%). Other perks that attracted them to become CDL holders: the joy of being on the road (26.7%) and the flexibility to set their own schedules (21.2%).

HOW LONG HAVE YOU BEEN A CDL DRIVER?



WHY DID YOU DECIDE TO START YOUR CAREER IN TRUCKING?





But some consider hitting the breaks.

Although more than a quarter of respondents (27.7%) state that they've been in the industry for over five years, many truckers question whether they're still in it for the long haul. In fact, half of all respondents (50.4%) said they had considered quitting in the previous six months, with men (52.2%) slightly more apt to make a move than women (47.9%).

What's driving them to quit? Long and irregular work hours (65.1%) was cited as the top reason for considering a new career. Other factors include a lack of stability from a fluctuating spot market (64.1%) and burnout from higher pressure and supply chain demands (63.7%).

WHAT FACTORS WOULD DRIVE YOU TO QUIT?



A threat to the supply chain.

In addition to leaving the industry entirely, the growing risk of losing truckers to larger or legacy logistics companies, amidst an already grim labor shortage, poses a significant threat to both small trucking businesses and the wider supply chain.

63.6% of respondents have considered making the move to a larger company. Men (69.9%) were much more likely to have considered changing employers than women (55.7%), citing a steady paycheck (34.5%) as the top factor. Other reasons include more stability and consistency in booking loads (26.9%), and not having to manage overhead such as fuel and insurance costs (14.8%).

How can industry vendors prevent this? Truckers need assistance in three critical areas: finding discounted fuel (62.3%) and insurance (55.2%), along with support finding and booking high-quality loads (63.4%).

WHAT TYPES OF PRODUCTS/SOLUTIONS DO YOU NEED/WANT TO SEE MOST FROM TRUCKING INDUSTRY VENDORS?





Road conditions are improving.

Is technology the answer to overcoming these roadblocks? Nearly half (42.6%) of respondents stated that the quality of their jobs has improved in the past few years, with fewer than 1 in 5 (17.4%) reporting they felt job quality had declined. Almost a quarter of respondents claim technological improvements (22.5%) are the reason for this shift.

Trucking innovations and apps have improved truckers' lives in three top areas:

1. **More visibility into their routes with fewer phone calls** **57%**
2. **Improved margins** **55.6%**
3. **Access to same resources as larger companies** **54%**

Taking a closer look at the data, trucking technology impacted carriers, small company drivers, and owner-operators differently. For example, small carriers were more likely to see improved margins (64.8%) and more visibility into their routes (62.3%) with trucking technology than any other segments. Meanwhile, company drivers were the only segment that didn't see "more visibility" as a top-three impact of technology. Owner-operators running under their own authority and small carrier drivers were the only two that ranked "made driving safer" as a top three improvement. These differences highlight the diversity of the technology needs of independent truckers.

SMALL CARRIERS

1. Improved margins **64.8%**
2. More visibility into their routes with fewer phone calls **62.3%**
3. Access to same resources as larger companies/making driving safer (by reducing time on phone) **52.0%**

COMPANY DRIVER

1. Access to same resources as larger companies **55.4%**
2. Increased rate per mile **53.2%**
3. Made driving safer **52.8%**

O-O LEASING ON

1. More visibility into their routes with fewer phone calls **56.0%**
2. Access to same resources as larger companies **55.0%**
3. Improved margins/increased rate per mile **53.1%**

O-O/OWN AUTHORITY

1. More visibility into their routes with fewer phone calls **57.1%**
2. Made driving safer **55.4%**
3. Access to same resources as larger companies **54.1%**



“ **Trucking technology has given me more visibility into my business with fewer phone calls and improved margins.** ”

– Cited by **57%** of respondents

Independent truckers face many challenges in today's economy. The pandemic heightened the attention on market forces, from shipping delays to supply chain shortages. But technology can and has proven its ability to smooth many of the bumps in the road.

Independent truckers seeking to increase job quality and revenue while reducing churn and burnout should consider the following actions:



Embrace and Leverage Technology: The ability for trucking technology to increase profit margins, rate per mile, safety, and visibility into routes is significant. Respondents also noted technology's ability to increase access to needed resources. Independent trucking companies should explore and embrace tech designed specifically for their unique needs.



Find a Trusted Partner: The top three concerns for respondents include finding and booking profitable loads and reducing the costs of both insurance and fuel. Truckers should consider using a trusted partner to help find high-quality loads and source discounts for fuel and insurance. Some partners can also help manage day-to-day operations, such as dispatching, driver communication, and back-office support.



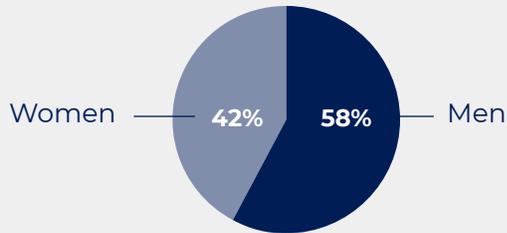
Mitigate Burnout with Strategic Planning: Burnout from irregular work hours is the top reason respondents cite for wanting to leave trucking. Truckers should think beyond rate-per-mile when choosing the next load. They can start by developing a long-term strategy that helps earn more in the long run and maintain better control over schedules and routes.

METHODOLOGY

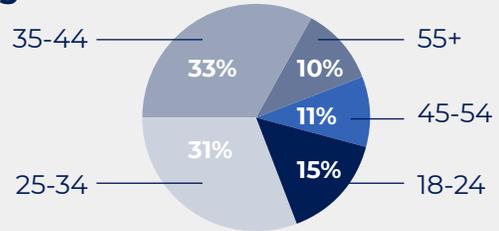
This report is based on the results of a survey to 1,000 respondents, including owners of small fleets, those with small fleet drivers, and independent owner-operators. The survey was conducted via the online platform Pollfish from Dec. 23, 2021, to Jan. 7, 2022, on behalf of SmartHop.

DEMOGRAPHIC OF RESPONDENTS

Gender



Age



Carrier/Trucking company owner (<20 trucks)

28%

Employee driver of company (<20 trucks)

28%

Owner-operator leased to company or fleet (<20 trucks)

21%

Independent owner-operator

23%

ABOUT SMARTHOP

SmartHop is on a mission to help independent truck drivers and carriers get more while stressing less. Our smart trucking solutions empower our customers to maximize their profits while minimizing downtime and cutting overhead costs. With SmartHop, it has never been easier and more profitable to run a trucking business.

As former truckers, we've experienced the challenges in the trucking industry firsthand. We believe that our customers shouldn't have to choose between running under their own authority and having access to better opportunities. That's why we're here to lend a hand — with booking profitable load strategies, providing back-office support, and more.

For more information on how SmartHop can help you, please visit www.smarthop.com

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