

The revenue you're leaving on every route

Why the shortest path may
not be the most profitable



Introduction: The shortest path trap

For years, routing software has sold itself on a simple promise: find the shortest path between stops, reduce fuel spend and get drivers home on time. It's a reasonable goal, but it misses the point: shorter routes aren't necessarily the most profitable.

Basing profitability on miles driven made sense when fuel was the dominant cost variable. It falls short when a technician can only complete six calls instead of eight. When they arrive at a job they're not qualified for or they miss an appointment window, an appointment can easily turn into a lost contract or regular booking.

None of those outcomes show up in a mileage figure. In fact, shorter routes that look more efficient on a report may be more costly in reality.

This guide reframes routing for what it actually is: a profit and loss lever. The cost shows up in three places first: lost revenue, dispatch overhead and missed appointment windows.



Shorter routes that look more efficient on a report may be more costly in reality.

1 Lost revenue → 2 Dispatch overhead → 3 Missed windows

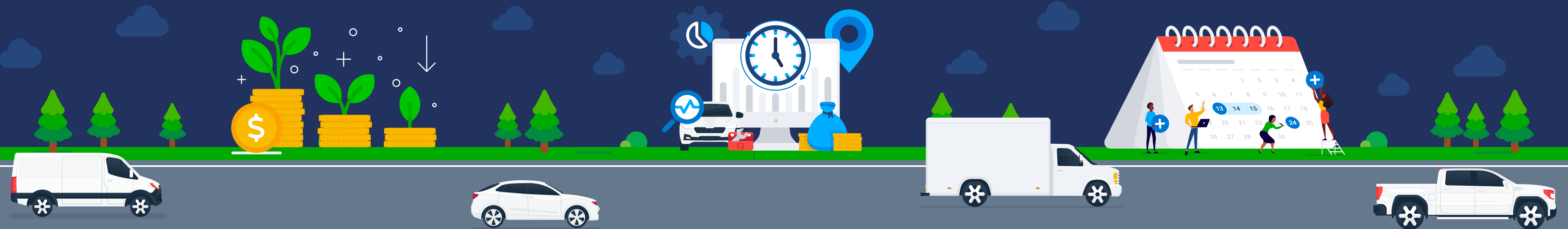


Table of contents

CHAPTER
01
The revenue
your routes are
costing you

CHAPTER
03
Every missed
appointment
window is a
renewal risk

CHAPTER
02
The dispatch
time tax

CHAPTER
04
How economic
routing changes
the math



01 The revenue
your routes are
costing you

02 The dispatch
time tax

03 Every missed
appointment
window is
a renewal risk

04 How economic
routing changes
the math

CHAPTER 01

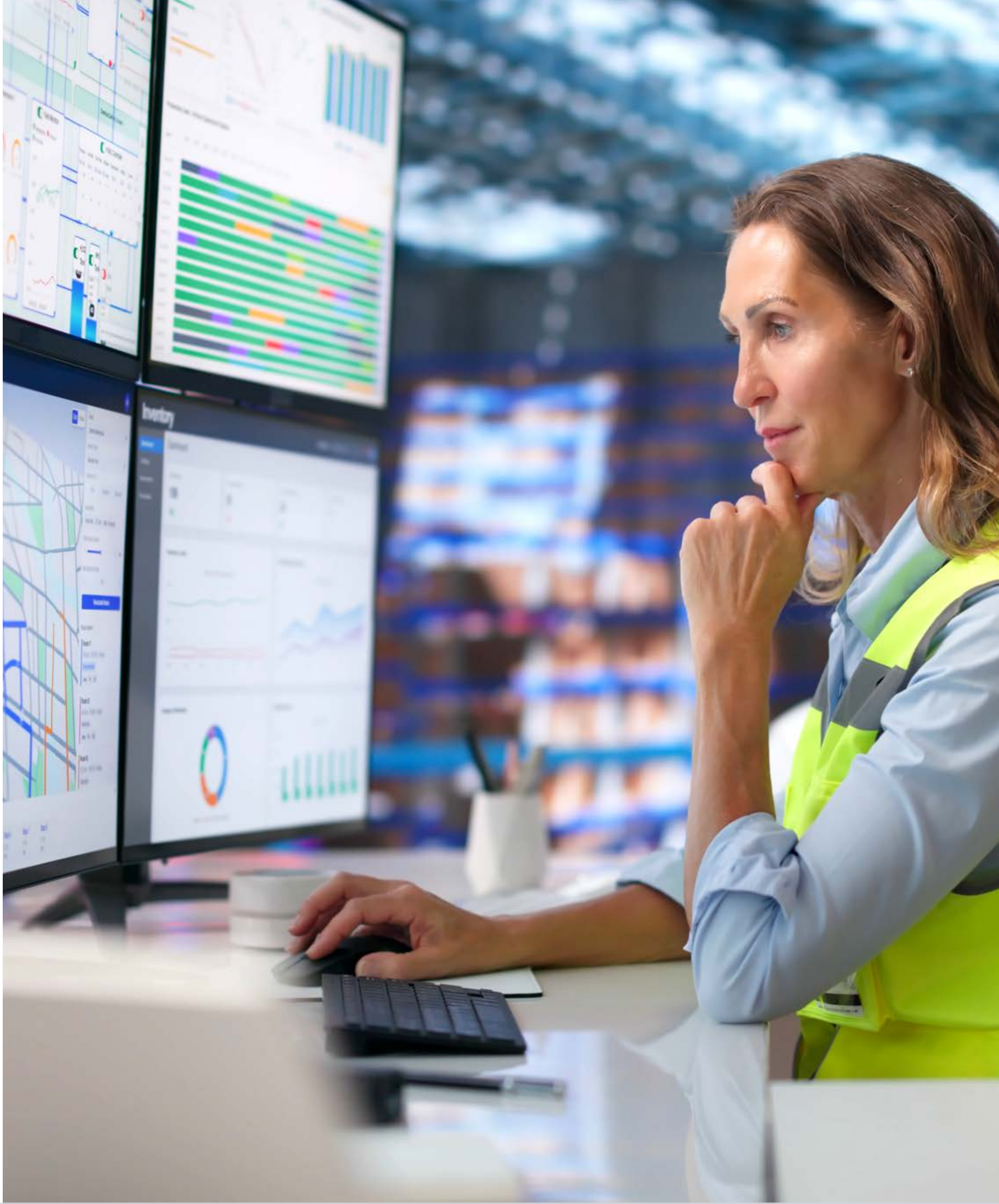
The revenue your routes are costing you

Routing decisions happen dozens of times a day inside every field service operation. Many of them are made quickly — by dispatchers working from habit, proximity and gut instinct — without a clear view of what each decision costs.

The costs may be out of sight, but you can find them in a predictable place: unrealized revenue and capacity. Most field service operations are running below their actual output ceiling because the routing process is leaving jobs unscheduled that the existing fleet could complete.

Geotab internal route analysis shows field service teams can add two or three calls per technician per day. Across a team of 30, that’s 60 to 90 additional service calls a day: more capacity, without more headcount, trucks or territory.

It shows up inside each technician’s day too. A meaningful share of working hours are lost to transit between poorly sequenced stops. That’s billable time the routing process burns before the next job begins. The fuel costs follow.



01 The revenue your routes are costing you

02 The dispatch time tax

03 Every missed appointment window is a renewal risk

04 How economic routing changes the math

CHAPTER 02

The dispatch time tax

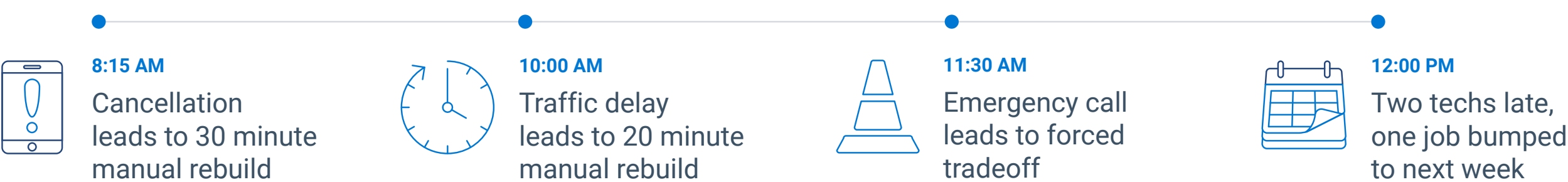
3–4 hours every morning. **500+ hours of annual dispatch capacity** – before a single technician turns a key.

For a route planner managing a fleet of any meaningful scale, building routes manually can consume 3-4 hours every morning: 500+ hours of annual capacity. Before a single technician turns a key, the dispatch process has already determined how profitable the day will be.

When an inevitable disruption hits, those routes break. When an emergency call comes in, the dispatcher rebuilds on the fly. When traffic backs up, they’re calling technicians to redirect. Each disruption compounds the next.

A typical cascade: a cancellation comes in at 8:15. The dispatcher manually rebuilds the affected route: 30 minutes. A traffic delay hits at 10:00. Another rebuild, another 20 minutes. An emergency call arrives at 11:30. The dispatcher now chooses between protecting the existing schedule and serving the new customer. They can’t do both. By noon, two technicians are running late, one appointment has been pushed to the following week and the dispatcher hasn’t handled a single customer escalation.

For larger operations — fleets of 200 vehicles or more — one disruption rarely stays inside one route. It ripples through interconnected schedules, triggering a chain of manual interventions that consume dispatcher capacity and drive overtime in the field.



- 01 The revenue your routes are costing you
- 02 The dispatch time tax
- 03 Every missed appointment window is a renewal risk
- 04 How economic routing changes the math

Why rules-based routing falls short

Many dispatch teams use rules-based routing software to help manage their schedules. It can generate a replacement route quickly when something breaks. What it cannot do is evaluate which appointments are worth protecting based on revenue value. That judgment stays with the dispatcher, made under pressure and with incomplete information. The software can't identify which technician is best positioned to absorb the emergency without compromising the rest of the schedule.

Manual dispatch overhead is a profitability problem. Every hour your dispatchers spend rebuilding routes is an hour they can't spend on customer escalations, call volume or the exceptions that actually require human judgment. Every manual re-plan has costs your business won't recover: dispatcher hours lost to route rebuilding, technicians on routes that sacrifice revenue and customers left with a worse experience as a result. Rules-based software doesn't fix any of them.

Rules-based

Generates a replacement route

Closest technician gets the job

Dispatcher rebuilds under pressure

Economic routing

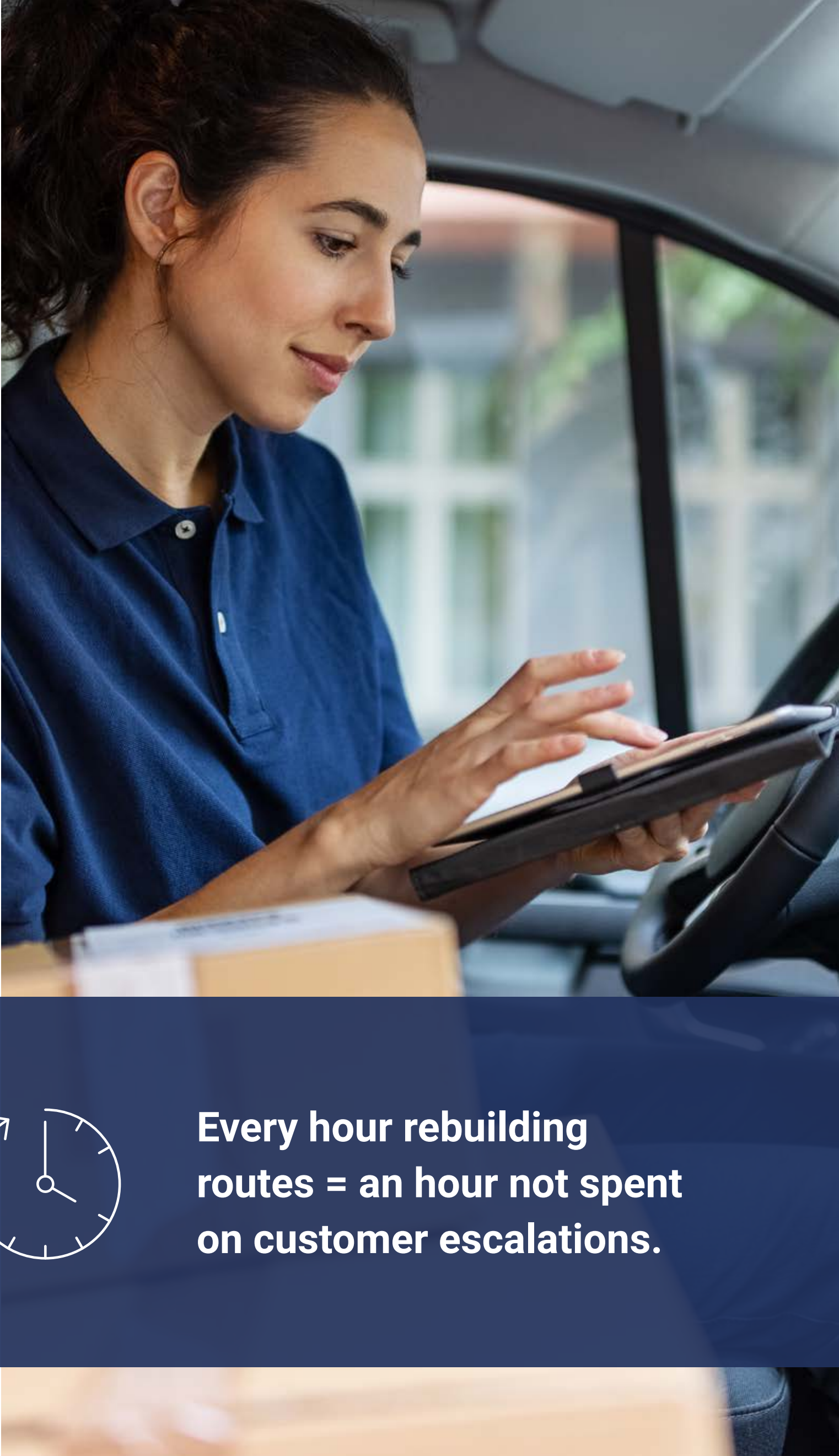
Evaluates which appointments are worth protecting

Right technician and right revenue outcome

System resolves disruptions automatically



Every hour rebuilding routes = an hour not spent on customer escalations.



01 The revenue
your routes are
costing you

02 The dispatch
time tax

03 Every missed
appointment
window is
a renewal risk

04 How economic
routing changes
the math

CHAPTER 03

Every missed appointment window is a renewal risk

The bar for appointment communication shifted when Amazon made real-time delivery tracking the default. Your customers track a package by the hour and bring the same expectation to the HVAC technician, the plumber and the electrician.

When a technician arrives and completes the job within the appointment window, the customer renews the contract or books the next appointment. When a technician arrives 45 minutes late with no ETA update, the customer has a reason to call a competitor.

- ✓ ETA shared
- ✓ Tech arrives within window
- ✓ Customer renews
- ✓ Referral given

- ✗ Tech arrives 45 minutes late
- ✗ No update sent
- ✗ Customer calls competitor
- ✗ Contract goes with them
- ✗ Referral goes with them

Losing that contract or booking costs more than one billing cycle. A referral walks with it and a three-year agreement goes to the competitor that showed up on time. Sharing real-time ETAs before the technician arrives changes that dynamic.



**A customer who knows
the technician is 18 minutes
out tolerates variability.
A customer who hears
nothing does not.**



01 The revenue
your routes are
costing you

02 The dispatch
time tax

03 Every missed
appointment
window is
a renewal risk

04 [How economic
routing changes
the math](#)

CHAPTER 04

How economic routing changes the math

Economic routing software works differently from a rules-based system because it routes for revenue, not distance. It evaluates every decision against the economics of the whole day.

Consider: A call comes in. Two technicians are available. Technician A is four miles away, working through their schedule ahead of pace, with two high-value afternoon appointments still to complete. Technician B is nine miles away, has the specific certification this job requires and one appointment remaining in their shift, with room to absorb one more.

A rules-based algorithm sends Technician A, the closer technician. A system that also accounts for certifications might send Technician B, but leaves Tech B's remaining appointment unassigned and doesn't evaluate what the choice costs either technician's afternoon.

The economic model sends Technician B to the new call because they have the required certification and enough room in their day. It then shifts Tech B's remaining appointment to Technician A, who has the pace and schedule to cover it.

The result is a shorter route plus the right technician on the right job, Tech A's high-value appointments are preserved and Tech B's customer is kept in the schedule.

The same logic applies when a cancellation opens a gap. Instead of filling it with the nearest available call, the system evaluates unscheduled jobs by technician skill, appointment value and location and recommends the highest-value option the operation can realistically deliver. The dispatcher assigns it. The system removes the guesswork.

Without that whole-day view, Technician A takes the job. The certification gap means a return visit. Tech B's afternoon appointment goes unassigned. Both outcomes were avoidable.



- 01
- The revenue your routes are costing you
- 02
- The dispatch time tax
- 03
- Every missed appointment window is a renewal risk
- 04
- How economic routing changes the math

How Geotab routing and optimization works

Service contracts renew and repeat bookings increase when the tech shows up on time with the right skills and finishes the job on the first visit. Geotab Routing & Optimization is built to make that the default, not the exception.

The solution runs on a Geotab-patented economic model built on six million active subscriptions. Instead of optimizing for one variable, it weighs technician skills, appointment value, vehicle capacity, customer time windows, fuel costs and maintenance costs on every route, every day. The result is a route plan built around profitability, not just geography.



Technician skills



Appointment revenue value



Vehicle capacity



Customer time windows



Fuel cost



Maintenance costs

The same model governs the booking moment. When a customer calls to schedule a service visit, the system generates ranked appointment windows shaped by the same operational variables before the route is built and before dispatch begins.

Geotab customers report on-time arrival rates of up to 98% after implementation. GPS-verified arrival timestamps can help resolve billing disputes before they escalate. But that proof only matters if the routing decision at 7 a.m. gets the right technician there on time.

The same arrival record that confirms a service level agreement was met can also help resolve false incident claims. Driver exoneration and customer trust run on the same data.

Geotab customers switching from static or rules-based planning report 20-55% efficiency gains over their previous model, a range that reflects how much revenue was being left on the table before optimization. Customers also report 5-10% maintenance cost reduction alongside the mileage savings, a direct outcome of smarter vehicle utilization and reduced wear.

Booking and routing in the same moment

Most field service scheduling tools treat booking and routing as separate decisions: a coordinator picks a time, and dispatch figures out how to route around it after the fact. By then, the committed window may already be unworkable.

Geotab Routing and Optimization embeds optimization at the point of booking. When a customer calls to schedule, the system returns ranked appointment windows shaped by operational conditions: travel time, technician skills and existing workload. Every option the coordinator offers is one the operation can actually deliver.

Example: At 11 a.m., a coordinator takes a call requesting a same-day visit. Instead of estimating and hoping, she sees three available windows, each pre-validated against real capacity. She books the 2 p.m. slot. By the time she hangs up, the route has already updated.

No manual rebuild. No overcommitted technician. No rescheduled customer. The day stays optimized from the first call through field execution.

- 01

The revenue
your routes are
costing you
- 02

The dispatch
time tax
- 03

Every missed
appointment
window is
a renewal risk
- 04

How economic
routing changes
the math



Working with your existing tools

Most field service operations already run on a CRM, an ERP or a job management platform. Geotab Routing & Optimization connects to all of them through open APIs, adding routing intelligence to the tools your team already uses without replacing them.

Enterprise fleets can route incoming service requests through their existing CRM to Geotab’s optimization engine, which returns ranked appointment windows directly into the booking interface their teams already use. Implementation is designed to get operations running quickly.

See the revenue in your own data

Before committing to any routing solution, the question you should ask is simple: **what is your current routing actually costing you?**

Geotab's Routing ROI Calculator projects what smarter routing would recover for your operation. Fleets that have already invested in a routing solution typically find ~15% additional savings still available. Most reach payback in under six months.

Run the analysis. Find out what you're leaving on the table.

This ebook is intended to provide information and encourage discussion on topics of interest to the telematics community. Geotab is not providing technical, professional or legal advice through this white paper. While every effort has been made to ensure that the information in this white paper is timely and accurate, errors and omissions may occur, and the information presented here may become outdated with time.

©2026 Geotab Inc. All rights reserved. Geotab and the Geotab logo are trademarks of Geotab Inc.



Already a Geotab customer?

You can get a custom routing efficiency analysis built on your actual fleet operations and learn how much revenue your current routing is leaving on the table. Ask your Geotab representative for details.



GEOTAB®

[f](#) [in](#) [X](#) [▶](#) [🎧](#) | [geotab.com](#)