



Connected Living



Social and economic benefits of the IoT

November 2014

OUR VISION: TO ENABLE THE INTERNET OF THINGS, A WORLD IN WHICH CONSUMERS AND BUSINESSES ENJOY RICH NEW SERVICES, CONNECTED BY AN INTELLIGENT AND SECURE MOBILE NETWORK.

OUR AIM: TO HELP OPERATORS ADD VALUE AND ACCELERATE THE DELIVERY OF NEW CONNECTED DEVICES AND SERVICES IN THE M2M MARKET. ACHIEVED BY INDUSTRY COLLABORATION, APPROPRIATE REGULATION, OPTIMISING NETWORKS AS WELL AS DEVELOPING KEY ENABLERS TO SUPPORT THE GROWTH OF M2M IN THE IMMEDIATE FUTURE AND THE IOT

**IoT Connection
Efficiency**

**Future IoT
Networks**

**Remote SIM
Provisioning for M2M**

IoT Business Enablers

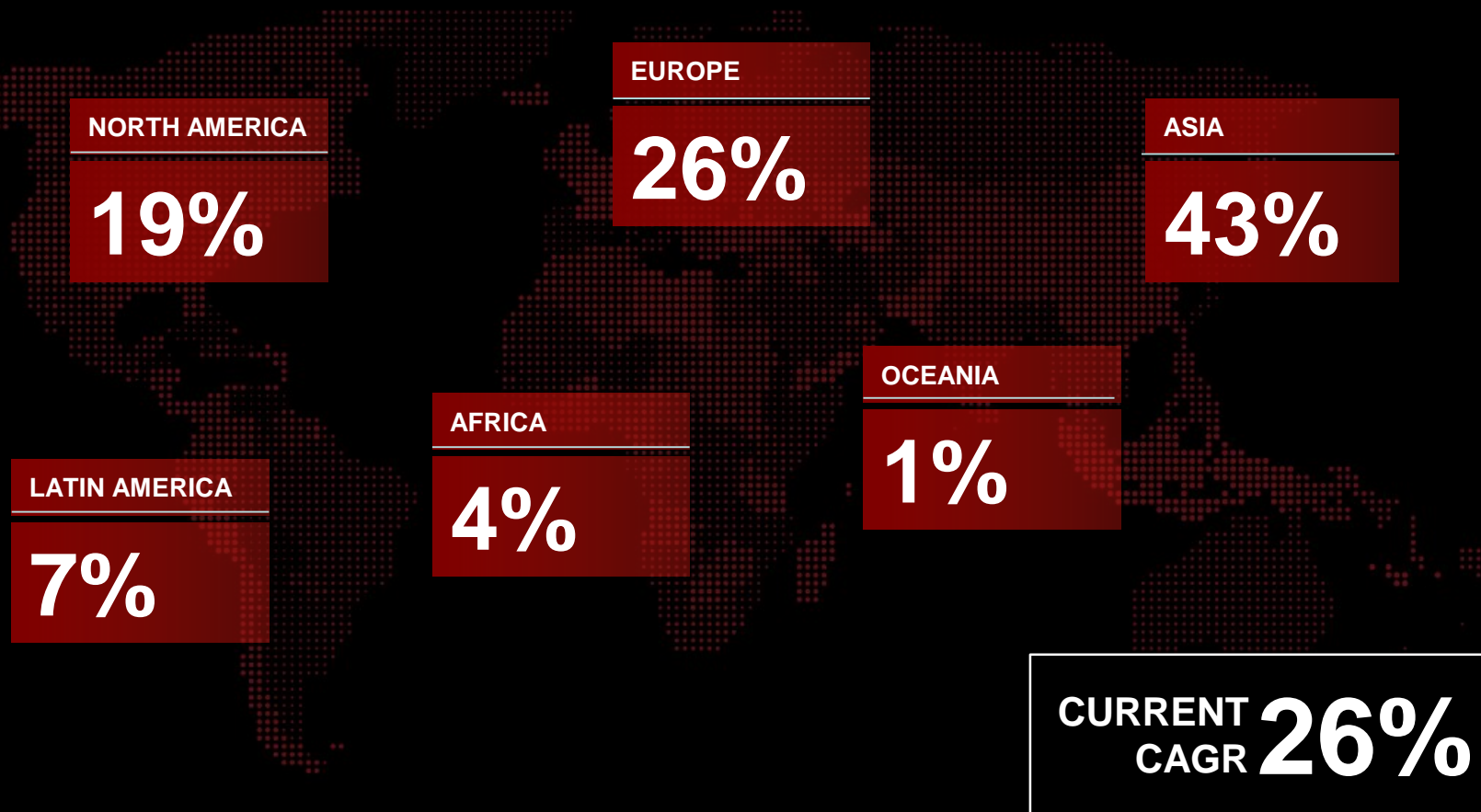
Ecosystem Engagement

468 mobile operators offer M2M services across 190 countries
which is equivalent to 40% of the world's mobile operators



GLOBAL CONNECTIONS BEYOND HANDSETS

2014 - 800m (250m M2M) versus 2020 - 3.2bn (2.0bn M2M)

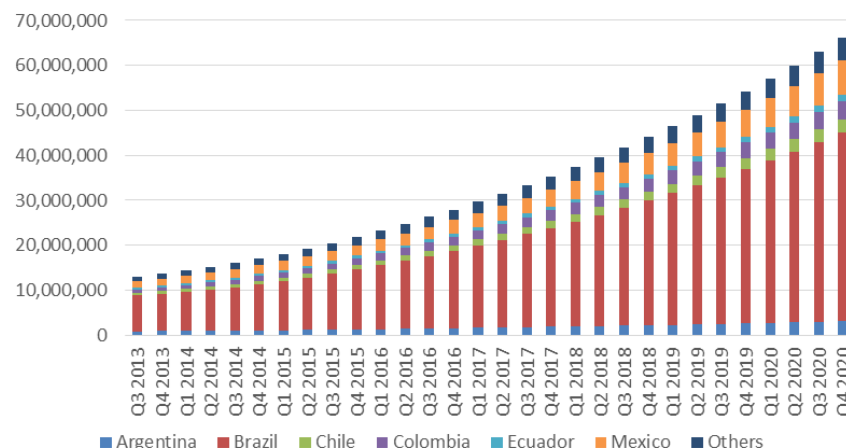


GSMA M2M forecasts for Latin America

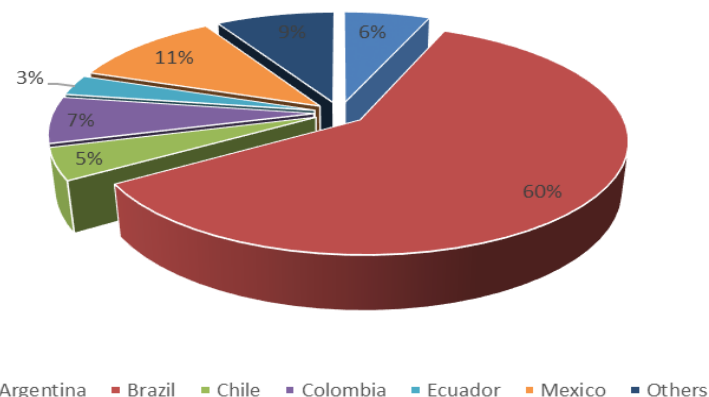


- ➔ Latin America is expected to be the third fastest growing continent with 25% CAGR between 2014-2020
- ➔ M2M connections accounted for 2.8% of all mobile connections at the end of 2013
- ➔ Brazil is expected to have 41.9 million M2M mobile connections by 2020; representing 63% of total Latin American connections
- ➔ Mexico (11%), Colombia (7%), Argentina (6%), Chile (5%) and Ecuador (3%)

M2M in Latin America - Forecast to 2020



M2M connections in Latin America



Source: GSMA Intelligence (2014)

IoT will have a significant impacts on consumers, businesses, citizens and Governments



One million

The number of lives mHealth will save in sub-Saharan Africa over the next five years

One in nine

The number of lives saved in road accidents in developed countries over the next five years due to mobile enabled in-car emergency services



\$400 billion

The amount saved in 2017 from the annual health care bill in developed countries as a result of mobile healthcare solutions



A week back every year

Smart commute interventions in developing world cities will give commuters back a whole week's worth of time every year



40 million

The number of people in developing countries, equivalent to the population of Kenya, that can be fed each year due to fleet telematics preventing food wastage during transport

1.2 billion trees

In developed world cities, smart metering will reduce carbon emissions by 27 million tonnes – equivalent to planting more than 1.2 billion trees



180 million

The number of children in developing countries that will have the opportunity to stay in school between now and 2017 due to mEducation



The example of mhealth in Brazil and Mexico

Range of mhealth benefit by 2017	Unit	Brazil	Mexico
Additional patients reached	mn	28.4	15.5
Total care cost saved	bn USD	14.1	3.8
Public care cost saved	bn USD	6.9	1.9
Additional patient accommodated within cost savings	mn	4.3	2.3
Additional economic output generated by healthier patients	mn USD	4.6	8.4

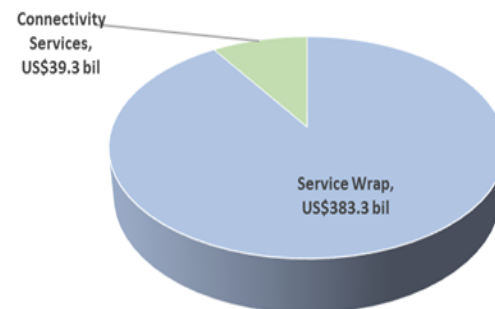
- ➔ Savings can be generated by better prevention and diagnosis, more effective monitoring and more efficient systems
- ➔ Benefits can be generated through policies fostering integration into nationwide healthcare, harmonized regulations, appropriate incentives schemes promoting m-health adoption.

IoT services are different from traditional telecom services

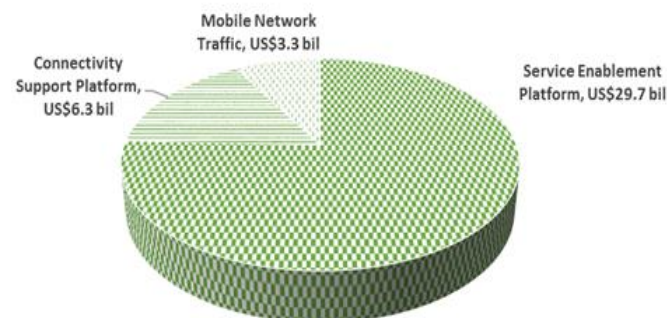


- Connectivity is just one element of the service proposition
- Closed user groups
- Voice and internet browsing are not the main purpose of the service
- A huge variety of business models
- Mobile operator's customers are most often businesses (B2B2C)
- Global distribution platforms
- Low ARPU per connection

Composition of Total M2M Service Revenues
(US\$422.6 bil), 2022



Breakdown of M2M Connectivity Services Revenues
(US\$39.3 bil), 2022



Source: Machina research

How to maximise the benefits of the IoT opportunity?



- Ensure applicable rules are relevant – recognize IoT is different
- Ensure a levelled playing field - equivalent services should receive the same regulatory treatment
- Avoid technology restriction, rely on competitive forces
- Allow simple, scalable, global platforms and cost-effective delivery models
- Focus on long-term benefits, avoid sector specific taxes

Ensure regulation is relevant, flexible, balanced and technology neutral

More information and how to get involved



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