

Why M2M?

Global ICT convergence leader

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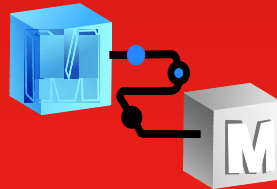
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Overview of M2M

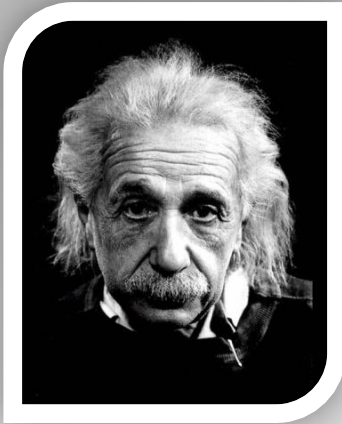
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- ③ Trends on M2M
- ④ Market outlook



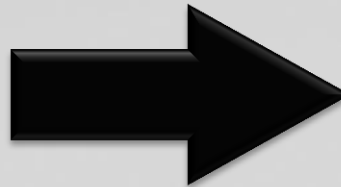
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What is M2M (Machine To Machine, Thing To Thing) ?

Mobile Bigbang!, All the pictured come true!



$$E=MC^2$$



Gateway to the new world, **M2M**

$$EI=M^2C$$

(Enhanced industry =
Machine to Machine × Customers passion)

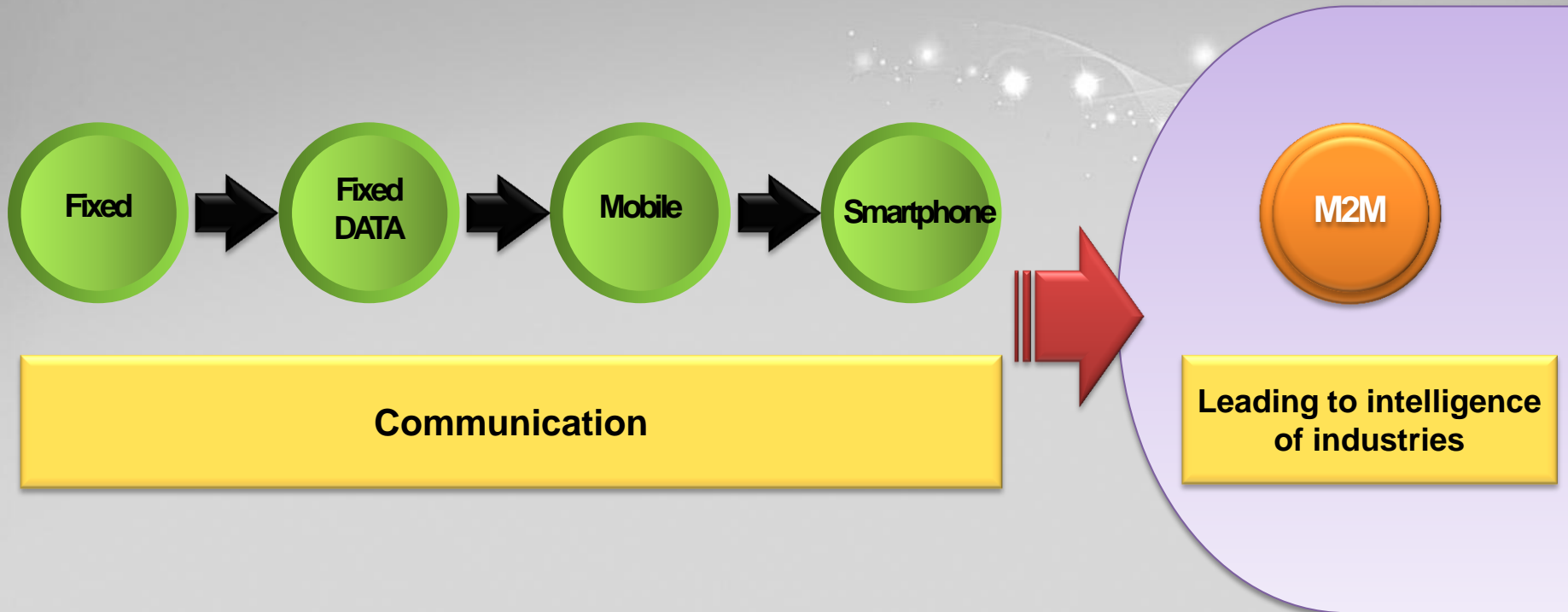
2 Customer needs

Always connected life by network!

Upgrade market competitiveness beyond network!



3 Trends on M2M – IT

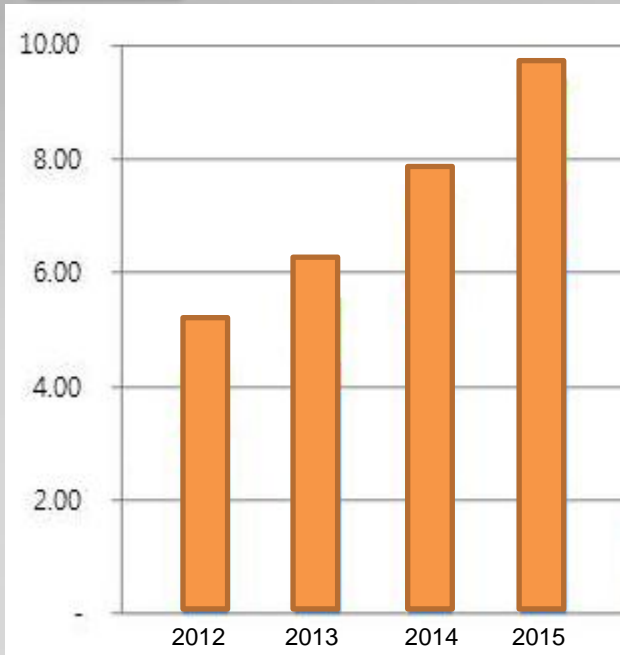


- ▶ M2M secures business competitiveness
- ▶ M2M creates new information business over all industries

4 Market outlook

Korea

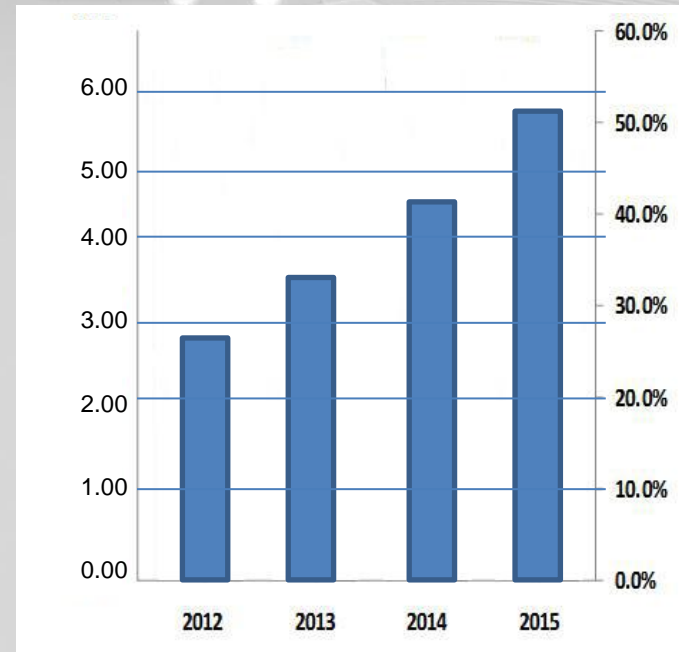
단위 : 1조(원)



(Source : analyzed by KT based on the research data by IDATE and Beecham)

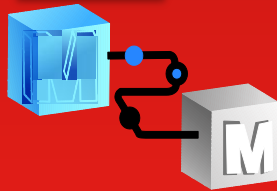
Global

단위 : 1000 억(\$)



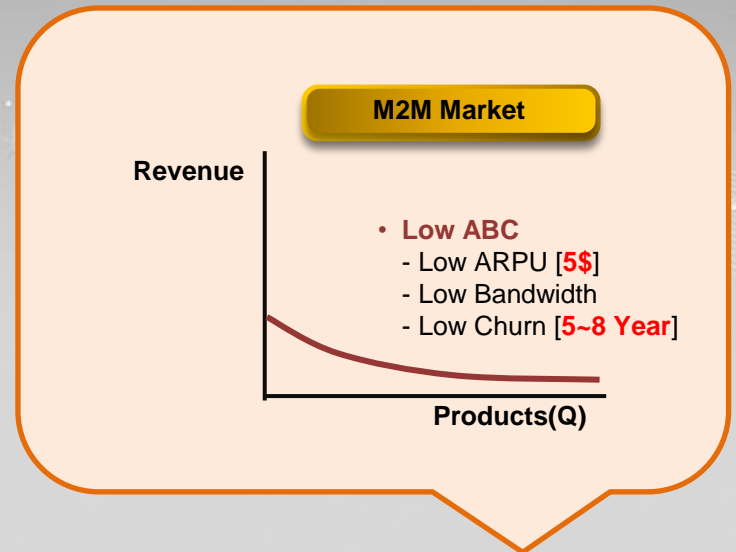
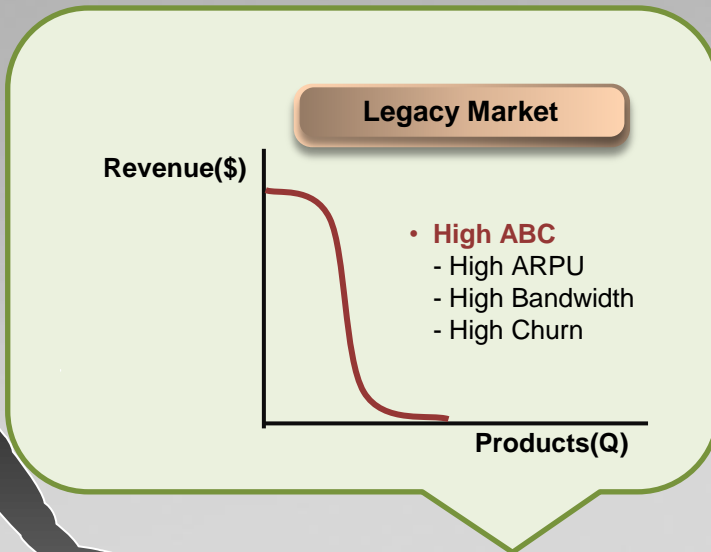
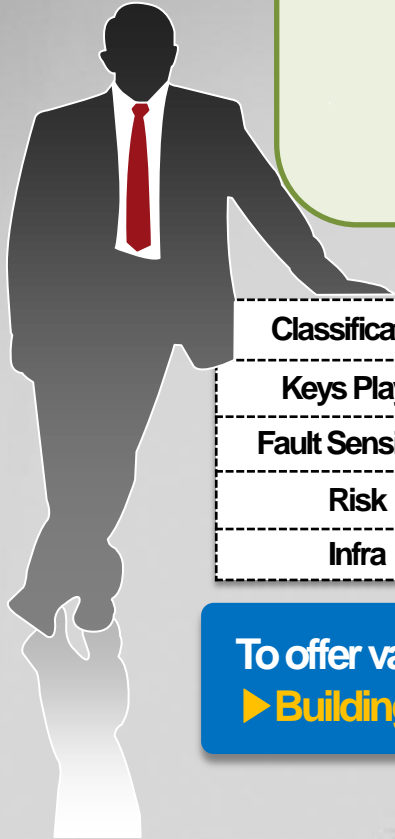
(Source : IDATE, 2011)

2 Dynamic force for KT, M2M!



- ① The peculiarity of M2M
- ② Capacity for M2M
- ③ KT strategy for M2M
- ④ M2M services by KT
- ⑤ Business cases

1 The peculiarity of M2M



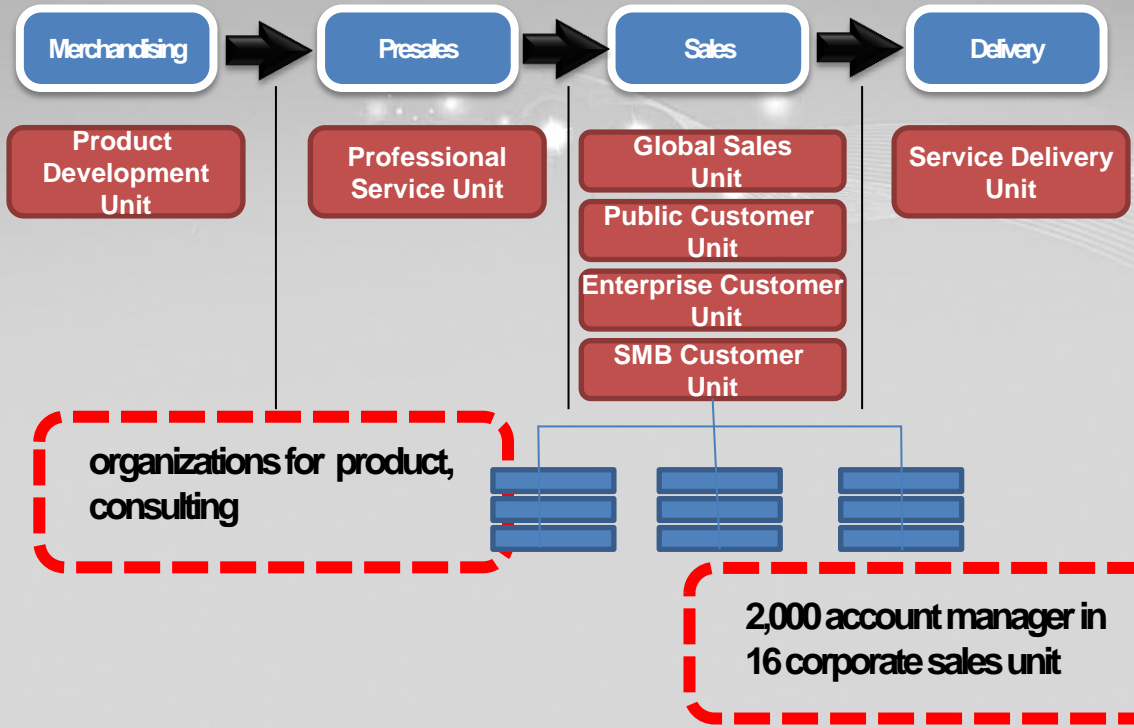
Classification	Mobile(voice + data)
Keys Player	Mobile Carrier
Fault Sensitivity	Weak
Risk	Customer chum in/out
Infra	Standard

M2M
Diversification of player(Device, Solution, NWW, etc)
Strong
Long-term contract(Changeover of NWW, device, etc)
Dedicated for M2M

To offer various services at low price and in time, open business infra is critical point
 ► Building up “Business Transformation” for M2M business

2 KT's Capacity for M2M

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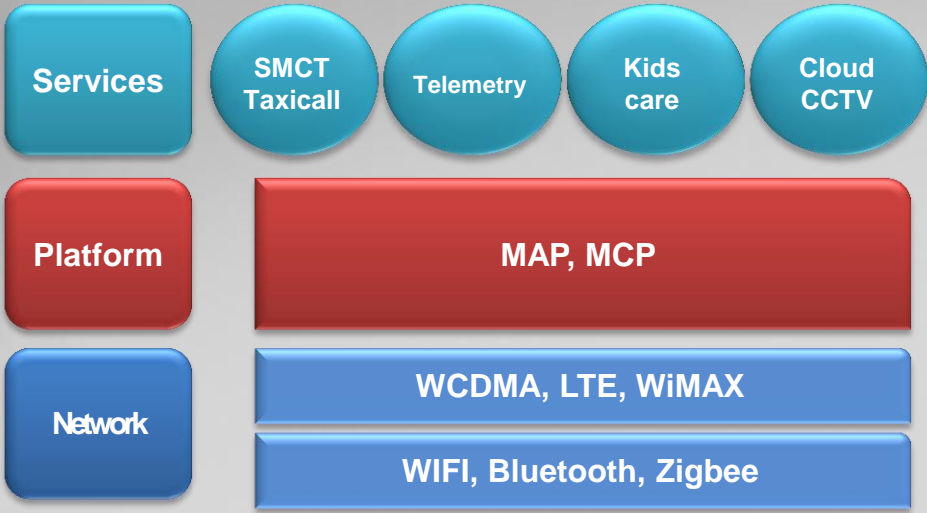


- kt networks kt h kt ds kt tech kt linkus kt commerce kt capital
 kt music kt innotz kt mhows kt m&s kt telecop kt powertel kt rental 

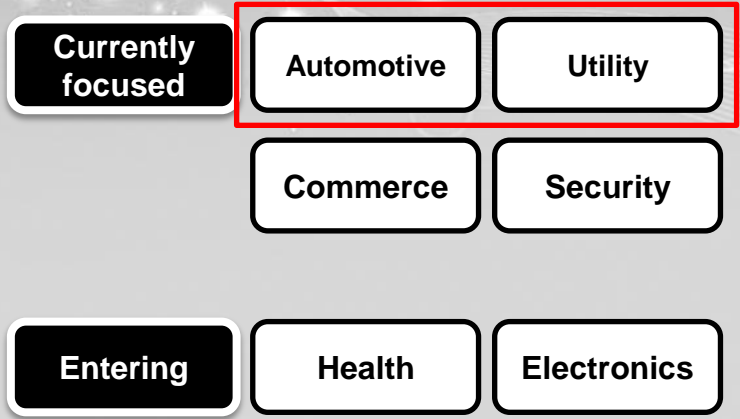
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KT's strategy for M2M

Business Architecture



Business Areas

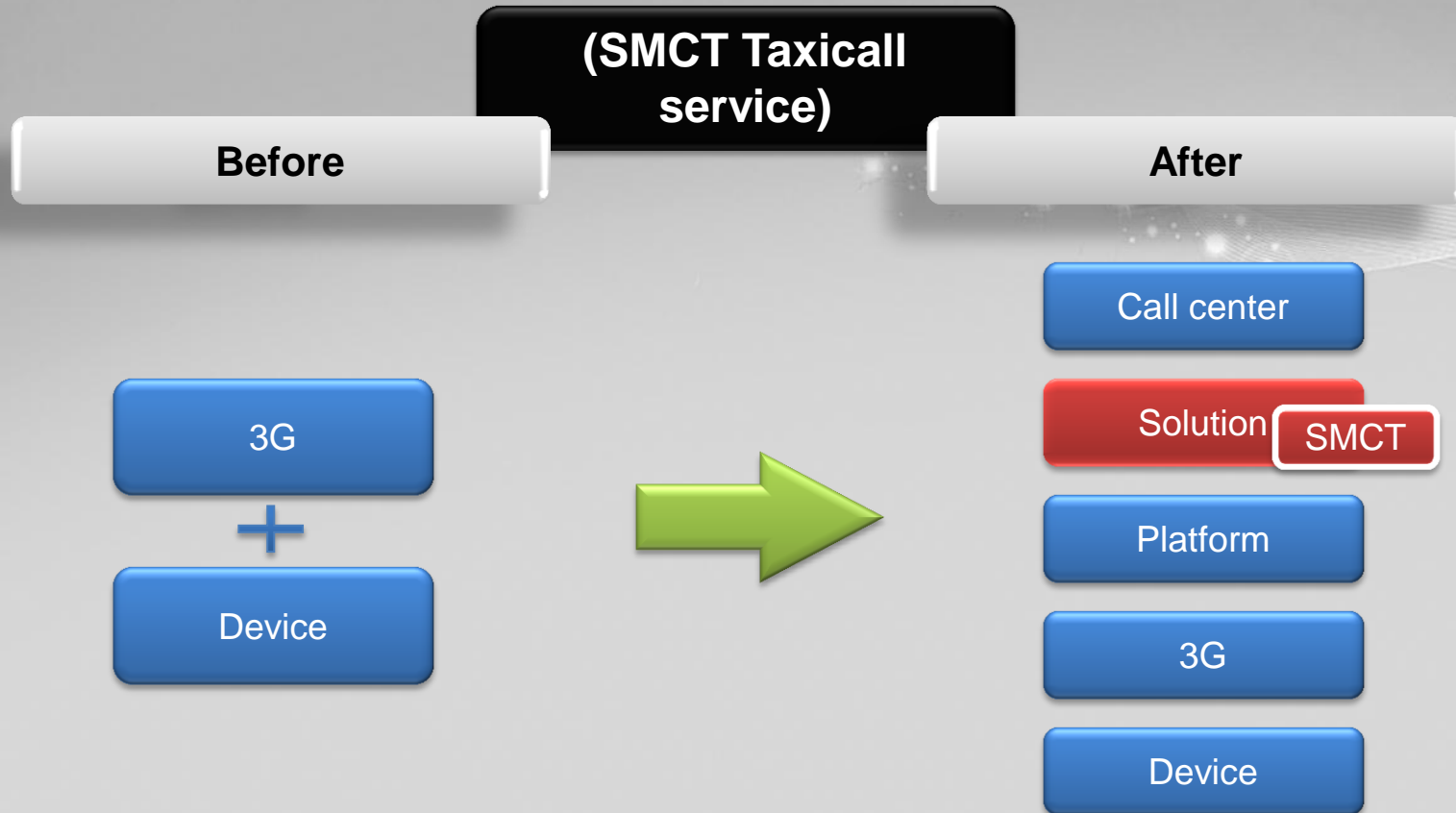


1. Total solutions based on KT Platform

2. Market expansion from B2B into B2C

3. Now, let's go to the global market

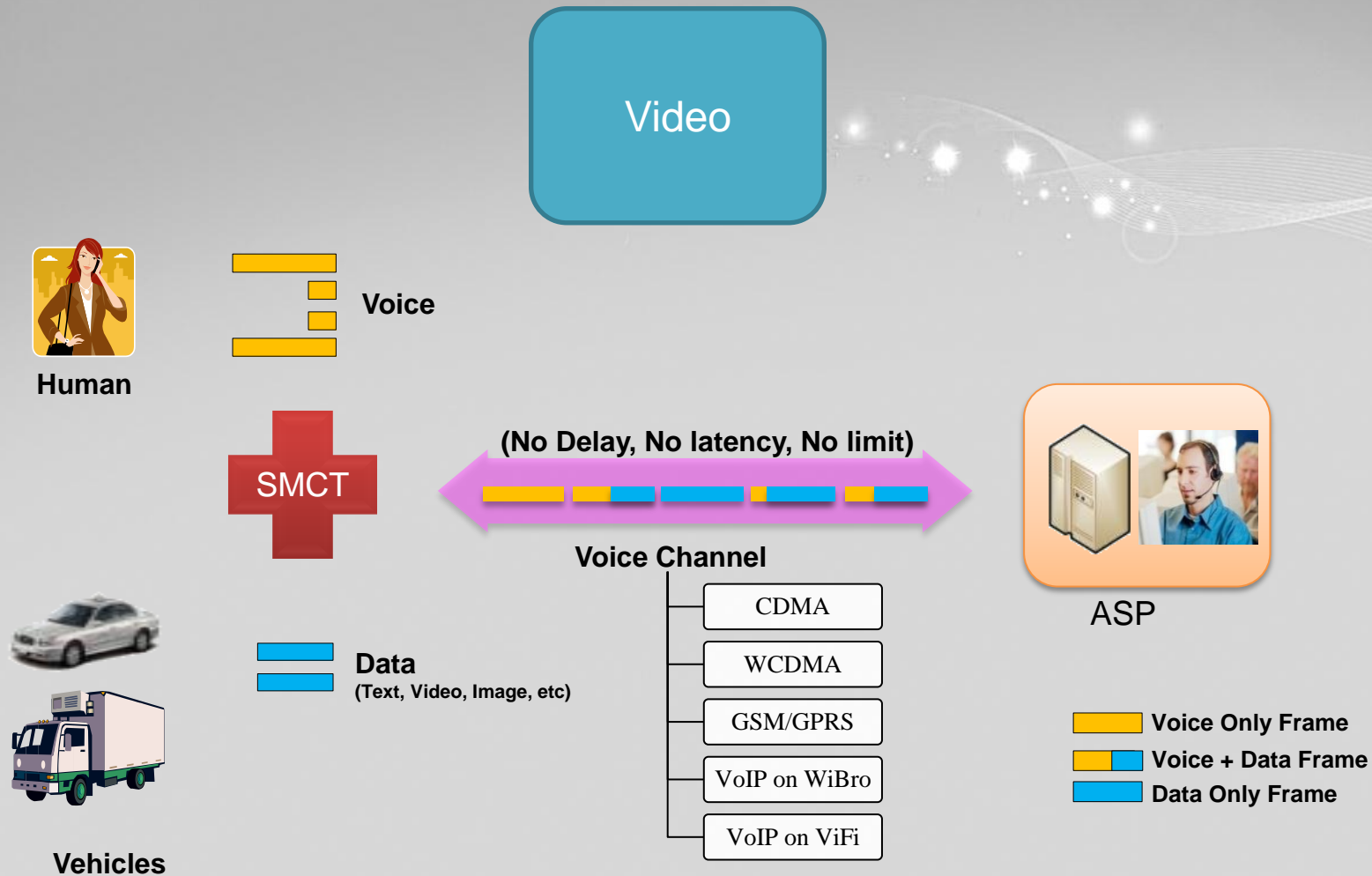
3-1 Appendix. Biz transformation case



1. Lock up customers in KT by a long-term contract(2yeas ▶ 5~7years)
2. Network service : ARPU up (4.5\$ ▶ 7\$)
3. Managed service for call center : 50\$(Monthly)

3-2

Appendix. What is SMCT ?



3-3

Appendix: Differentiation of SMCT from others

ITEMs	SMS	USSD	Packet	SMCT
Max. transmit rate	600bps / 1,000bps	same with SMS	2Mbps	9,600bps
Transmit packet length	80Bytes	182Bytes	no limit	no limit
Transmit delay	No real-time	Real-time (1/7 of SMS)	Real-time	Real-time
Delivery Path	Signaling/Traffic	Signaling/Traffic	Traffic	Traffic
Simultaneous voice and data on ONE traffic channel	X	X	X	O
Interactive service	X (Store and Forward)	O	O	O
TE -> Server	O	O	O	O
Server -> TE	O	O	X	O
TE -> TE	O	X	X	O

SMS

: Short Message Service

USSD

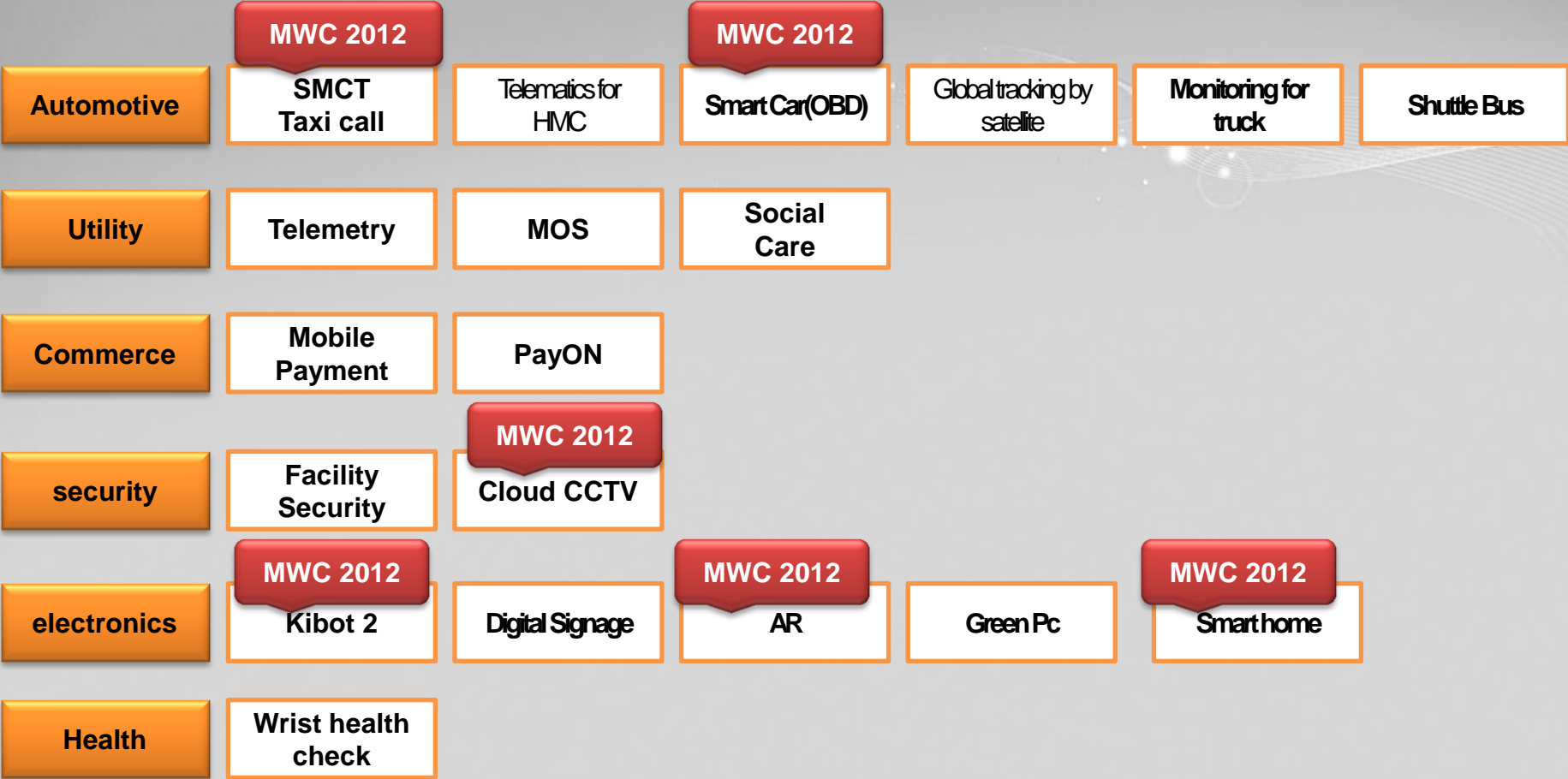
: Unstructured Supplementary Services Data

SMCT

: Space Mobility Communication Technology

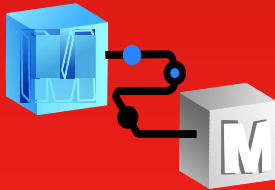
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M2M services by KT



3 Future image of M2M

- ① New world by M2M
- ② Customer value by M2M



1

New world by M2M



Monitoring environmental pollution



Monitoring wild animal



Monitoring civil facilities



M2M Control Center of KT

Monitoring natural disasters



Detecting forest fire

2

Customer value by M2M

