INTERNET OF THINGS CASE STUDY

TRANSFORMATIVE IoT
BEYOND CONNECTIVITY

Telefónica's IoT Solution Fights Motorbike Theft

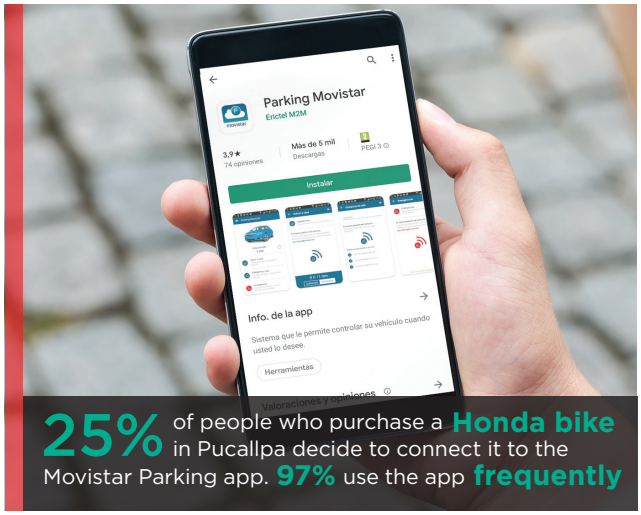
SOPHISTICATED TRACKING SOLUTION HELPS KEEP HONDA MOTORBIKES SAFE AND SECURE IN PERU

Multinational Telco Telefónica has developed a sophisticated Internet of Things (IoT) solution to help Honda Motor counter the theft of motorcycles in Peru. The solution incorporates a GPS chip, a SIM card and an accelerometer into a small 3G cellular module that can transmit information on the motion and location of a motorcycle even when the engine is turned off. A motorcycle owner can then use the Movistar Parking smartphone app to configure an alarm if their bike moves unexpectedly. They can also use the app, or send an SMS to a dedicated number, to locate their bike at any time.

Regarded as premium models, Honda bikes were being targeted by criminal gangs in Pucallpa, a city of more than 200,000 people in the Amazonian rainforest in Peru, where motorbikes are the main form of transport. Once they had stolen a bike, thieves would typically charge a ransom for its return. A spate of such thefts and high ransom demands led to a slowdown in sales of Honda motorbikes in the city. To counter this problem, Honda dealers asked Telefónica to develop a customised asset tracking solution that would deter thieves.

Telefónica's new cellular-connected GPS module is small enough to be hidden inside the motorcycle body, so it can't be easily detected and removed by criminals. It is a simple device, that in Honda's case, has been through an intricate customisation.

Since it was launched in May 2015, thousands of Honda customers have opted to buy motorbikes equipped with the new module. Telefónica says **25% of people who purchase a Honda bike in Pucallpa decide to connect it to the Movistar Parking app**. Of these buyers, **97% use the app frequently**, Telefónica adds. As a result, many of the Honda motorbikes stolen in Pucallpa can now be located and retrieved by their owners. By providing peace of mind, Telefónica says the solution has improved bike riders' lives and encouraged them to "be openly proud of their motorcycles" again.



BROAD FUNCTIONALITY ADDS VALUE

Telefónica says its solution is differentiated from other track and trace systems by additional functionalities available in the app, such as recognition of parking status, route sharing and the ability to flag the vehicle's location confidentially via Google Maps, an SMS or an emergency call. If the rider has an accident, the on-board module can be configured to send an alert to the emergency services pinpointing its location. In the event that the motorbike is involved in a collision or a fall, an alert is sent to a pre-configured email account. Some riders have told Telefónica they no longer need to worry about their motorcycle, which is now safeguarded for them. The app is also integrated with a web portal, which bike owners can use to provide mileage information to repair shops.

Telefónica says the cost-effective solution is underpinned by a business model that meets the client's needs. Telefónica, Honda and the concessionaire share the cost of the module, while the motorcycle owner pays the operator a monthly fee for the package of services.

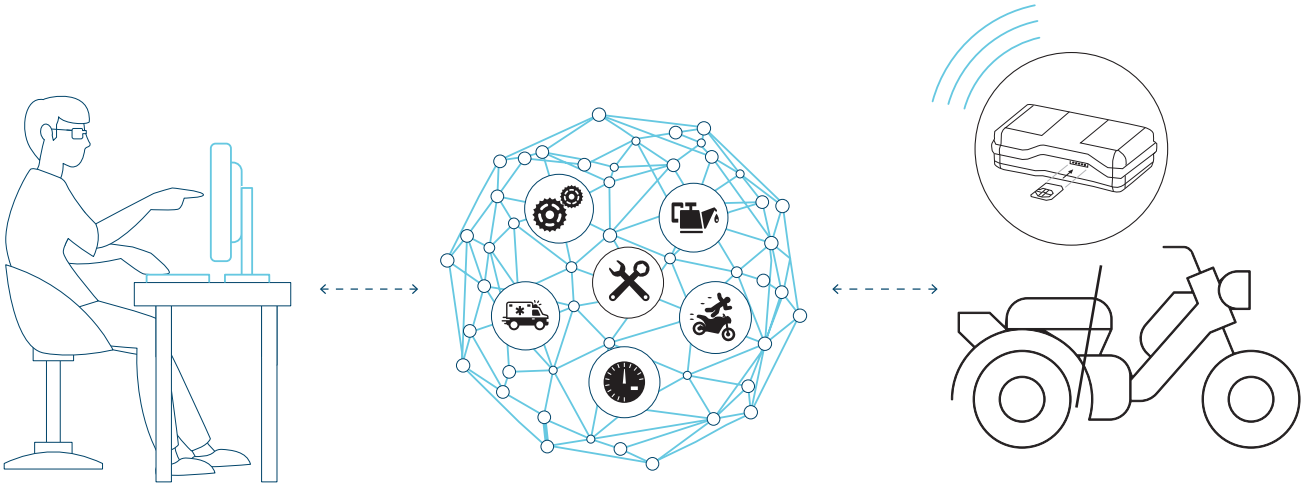
Moreover, the solution has given Honda dealers a better understanding of those customers that opt in to the service enabling them to offer timely maintenance and establish a solid long-term relationship.

"The best part of this is that we are able to consolidate our relationship with the customer because we are helping them look after their motorcycle," notes Arturo Godoy, a concession manager for Honda in Pucallpa.

Telefónica says it is continuing to help Honda, a leader in motorcycle sales and "valuable customer in the automotive industry," to improve its value proposition for customers, increase its sales and strengthen its position as market leader. The two companies are discussing further projects to establish new revenue streams and increase customer loyalty, according to the operator. Telefónica says it is also working with other automakers and insurance companies to deploy similar solutions that meet their business needs and specific use cases.

Find out more:

https://www.youtube.com/watch?v=aXrKYl5BYHc



Internet connected device collects data about GPS location, routes, mileage, non-permitted use or accidents.

About the GSMA

The GSMA represents the interests of mobile operators worldwide, uniting more than 750 operators and nearly 400 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and internet companies, as well as organisations in adjacent industry sectors. The GSMA also produces the industry-leading MWC events held annually in Barcelona, Los Angeles and Shanghai, as well as the Mobile 360 Series of regional conferences.

For more information, please visit the GSMA corporate website at www.gsma.com.

Follow the GSMA on Twitter: @GSMA.

About the GSMA Beyond Connectivity campaign

Delivering seamless IoT connectivity has been a crucial element in helping operators to launch new services such as low power wide area (LPWA) networks, using NB-IoT and LTE-M technologies and create added value and sustainable growth. Now leading IoT operators are building on this and their reputation as trusted industry partners by delivering value added services beyond connectivity.

These end-to-end solutions include services across big data, machine learning, analytics, edge computing and distributed ledger technologies. They are delivering substantial benefits to customers such as increased productivity, reduced costs and automated business processes as well as driving innovative new products and services, new lines of business and new business models.

Services beyond connectivity are transforming businesses and industries.

www.gsma.com/BeyondConnectivity

About Telefónica Tech

Telefónica is a company that is aware of the new challenges posed by today's society. This is why we offer the means to facilitate communication between people, providing them with the most secure and state of the art technology in order for them to live better, and for them to achieve whatever they resolve. An innovative and attentive spirit with an immense technological potential that multiplies the ability to choose of its more than 356 million clients. Telefónica operate in 14 countries and has a presence in 24, with and an average of 120,138 professionals.

IoT-Big Data is one of the recently integrated digital services offered by Telefónica, together with the cloud and cyber security services, in Telefónica Tech, a new unit that brings together these three businesses with a high growth potential and with which it seeks to accompany its customers in their digital transformation. At the close of 2019, Telefónica was managing 23.8 million IoT connections worldwide. Recently, for the sixth consecutive year it has been recognised as a global Leader in Gartner's Magic Quadrant Managed IoT Connectivity Services. In addition, Telefónica has also been recognised as Leader among Specialized Insights Service Providers for Big Data.

www.telefonica.com