

Post

M2M General



A peek at the evolution of M2M business

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At a packed event in London there were the usual M2M operators talking about including Big Data, Alliances, growth strategies and value chain challenges. But for the first time, we saw the growing importance of the following key trends:

Importance of Partnerships & Solutions: Key to evolve customer propositions. The approach varied significantly with Telefonica presenting the most integrated approach

Slower Market growth: Markets are not growing as fast as analysts have been predicting. It's still double digit but maybe not the 25%+ pa we were led to believe!

Increasing M2M Data consumption: Although expected from EE who had a head start, there is noticeable growing customer demand for data bundles as new solutions come to market

Insurance Telematics opportunities: A growth area for M2M which a number of operators are targeting. Telefonica is one of the few who has real live customers in Spain and Germany

Flexible Global business models: Customers are looking for more flexible, bespoke approaches that complement their core business and go to market propositions. Global pricing models are increasingly important, yet this needs to be balanced with flexibility to meet customer market reality

However – and arguably more importantly – there were also subjects where there was little focus, discussion or agreement, namely:

Customer centricity and insight: Most conversations were technology centric rather than customer centric. As an industry we need to always start from the customer insight and then develop the propositions



Case studies/ proof points: Despite the focus across fleet telematics and smart cities, there were very few real world case studies. Whilst undoubtedly a growth area, the ecosystem is complex and the drivers in these tough economic times are challenging

“All are equal but some are more equal than others”: It’s clear that as the market matures, the real market leaders have emerged and the rest are effectively niche players. It’s great that Telefonica have recently been recognised yet again as a clear leader by [Machina Research](#).

Broader ecosystem: As an industry we need to look increasingly focus on the whole end to end value chain to make sure that we deliver the best customer experience - from sensors, devices and platforms to physical installation of kit where needed. Adopting an open platform and standards based approach is key yet we need to also ensure that it supports our agile way of working. After all, if industry standards aren’t ready, the market will not stand still!

Innovation: This area has great potential as a key area of focus and differentiation. How do we work more closely with Universities, SME s and entrepreneurs. Clearly Wayra is one great way of achieving this but how can we turbo charge our rate of innovation even further? It’s a challenge we readily accept.

Big Data or Big Value?: How do we really extract meaning and value from the information? After all, data is only of value to customers if we can do something intelligent with it. This is potentially a huge untapped area that holds lots of promise and will be of increasing focus to us all. For Telefonica Dynamic Insights are leading the way (<http://xxxxSmartSteps>)

Let’s continue to transform Telefonica to become truly digital. A relentless focus on the customer will make sure we lead the M2M market by adding real meaning and value to customers everyday lives.



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