The European Wireless M2M Market

The European Wireless M2M Market is the third consecutive report analysing the market for mobile network machine-to-machine communication in Europe.

This strategic research report from Berg Insight provides you with 150 pages of unique business intelligence including 5-year industry forecasts and expert commentary on which to base your business decisions.

Highlights from the third edition:

- **Wireless** M2M market data per country and estimated market shares for network operators.
- **Summary** of important regional and vertical market trends.
- **Revised** market forecasts lasting until 2013.
- **In-depth** profiles of 11 mobile operators and 13 wireless M2M communication aggregators.
- **Case** studies of major deployments of GPRS in smart metering projects.

See inside for further details →

Berg Insight's M2M Research Series

What are the key business opportunities in the emerging European wireless M2M market? Berg Insight's M2M Research Series is a unique series of market reports published on a quarterly basis. Each title offers detailed analysis of a specific vertical application area such as intelligent metering, fleet management or vehicle telematics. Once per year we also a publish summaries of our research with detailed forecasts for the Global and European wireless M2M markets, respectively.

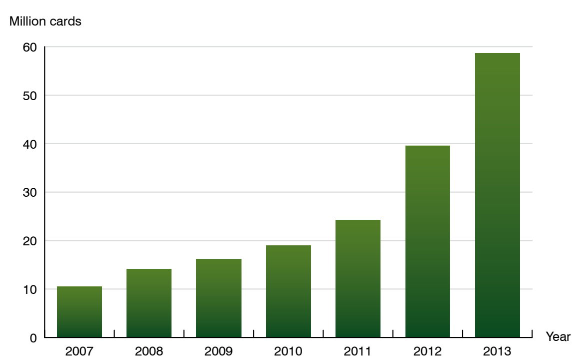
www.berginsight.com

BERG INSIGHT

What are the latest trends on the European wireless M2M Market?

Berg Insight estimates that the number of active SIM-cards in use for wireless M2M applications in EU23+2 will reach 14.1 million at the end of 2008. This means total number of mobile network connections used by machines now equal that of a medium-sized European country. Until 2013, the number of wireless M2M connections is forecasted to grow at a compound annual growth rate of 32.9 percent, reaching 58.6 million at the end of the period. Currently energy meters are estimated to account for the largest installed base, ahead of private and commercial vehicles. By 2013 the automotive sector is projected to account for 61 percent of the number of wireless M2M connections in Europe. Energy meters will remain the second largest application area ahead of security alarms and POS-terminals. Growing adoption of remote equipment monitoring will also generate a substantial number of wireless M2M connections for other types of assets and products from virtually all manufacturing industries. In light of the recent economic turmoil it is however important to note that the wireless M2M market is sensitive to fluctuations in shipments of products such as motor vehicles, energy meters, security alarms, POS-terminals and miscellaneous machinery and equipment.

Adoption of wireless M2M has been growing rapidly across Europe in the recent years. Berg Insight estimates that the number of active SIM-cards in use for wireless M2M applications in EU23+2 was 12.3 million at the end of Q2-2008. This corresponded to 2.2 percent of the total number of SIM-cards in the region. Sweden and Finland stood out the rest of the European countries with M2M accounting for 13.4 percent and 7.7 percent respectively of all mobile connections. Other countries with high ratios of M2M connections were Denmark with 3.8 percent and Spain with 2.7 percent. All other countries were in the range of 1–2 percent. In absolute terms, Italy constituted the largest geographical market with 1.9 million connections, followed by Germany and the UK with 1.8 million and 1.7 million respectively. Other markets with one million connections or more were Sweden, Spain and France.



Active wireless M2M SIM-cards in Europe (2007–2013)

Even if wireless M2M is a B2B market in the sense that products and services are sold to enterprise customers, the underlying demand is in fact to a large extent driven by consumer markets. That is particularly true for the largest projects that involve hundred thousands of devices. Nine out of the ten largest wireless M2M deployments in Europe are consumer-oriented. These include smart metering projects in Sweden, Finland, Italy and the Netherlands; pan-European vehicle tracking solutions for private vehicles; OEM car telematics solutions from major car brands and the largest solution for monitored security alarms in Europe. Only the German truck road charging system Toll Collect cannot be classified as a consumer-oriented application.

Berg Insight believes that the wireless M2M network service value chain will undergo a significant transformation in the coming years. Until recently the world's largest mobile operator groups have shown limited interest in M2M. Top global players such as Vodafone, Telefónica and Deutsche Telekom have not yet formulated any official group strategies for exploiting the new market opportunities. Current business development and marketing efforts are primarily being made by relatively small teams on individual markets. One notable exception is Telenor which is actively addressing the international M2M market through the new business unit Telenor Connexion, launched in October 2008.

This report answers the following questions:

- Which are the largest and most successful wireless M2M applications in Europe?
- What are the differences and similarities in how M2M is adopted in different European countries?
- Who are the leading providers of GPRS-based vehicle tracking, fleet management and smart metering solutions?
- How is fixed to mobile substitution affecting the POS-terminal and security alarm segments?
- How are the mobile operators positioning themselves on the M2M market?
- Which mobile operators have the highest share of M2M connections in their networks?
- Which are the main alternative wireless M2M communication providers in Europe?
- What impact will initiatives such as Telenor Connexion and M2M Alliance have on the market?
- How will the wireless M2M market be affected by the economic downturn?

Table of Contents