ERICSSON WHITE PAPER
Uen 284 23-3278 | January 2016

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CELLULAR NETWORKS FOR MASSIVE IOT

ENABLING LOW POWER WIDE AREA APPLICATIONS

With new standards specifically targeting the connectivity requirements of Massive Internet of Things (IoT) applications, cellular networks can deliver reliable, secure and diverse IoT services using existing network infrastructure.

DELIVERING NEW VALUE IN THE NETWORKED SOCIETY

In the future, all devices that benefit from an internet connection will be connected. In this Networked Society, every person and every industry will be empowered to reach their full potential. Internet of Things (IoT) technology is a key enabler of this vision by delivering machine-to-machine (M2M) and machine-to-person communications on a massive scale.

As shown in Figure 1, Ericsson predicts there will be around 28 billion connected devices by 2021, of which more than 15 billion will be connected M2M and consumer-electronics devices [1]. A large share of these will be applications served by short-range radio technologies such as Wi-Fi and Bluetooth, while a significant proportion will be enabled by wide area networks (WANs) that are primarily facilitated by cellular networks.

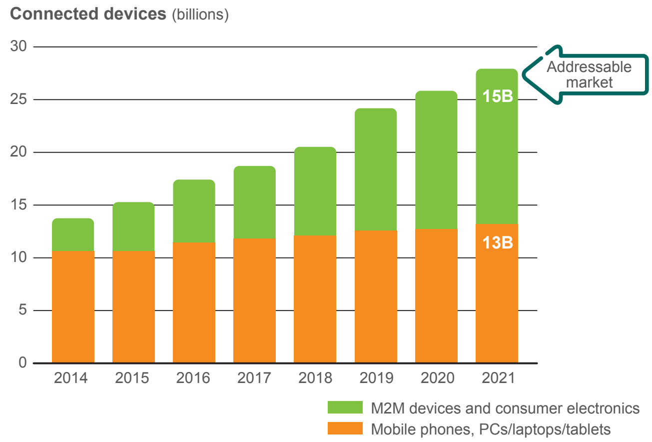

Figure 1: Growth in connected devices.

THE NEW IOT LANDSCAPE

The IoT revolution offers huge potential value in terms of improved efficiency, sustainability and safety for industry and society. Analysts predict that the total added value of the IoT will be USD 1.9 trillion by 2020 [2].

The variety of applications and solutions designed for individuals, business and industry is spurring the rapid expansion of the IoT market. The IoT is playing a major role across a variety of vertical sectors, generating cost savings, new revenue streams and other benefits.

Each IoT application needs a clear value proposition and business logic in line with the prevailing ecosystem, business models and value chains of the various stakeholders. For all applications, solutions need to be integrated on platforms that can scale and handle millions of devices efficiently. Business processes for administration, provisioning and charging will have to be streamlined to minimize costs and enhance the business case.

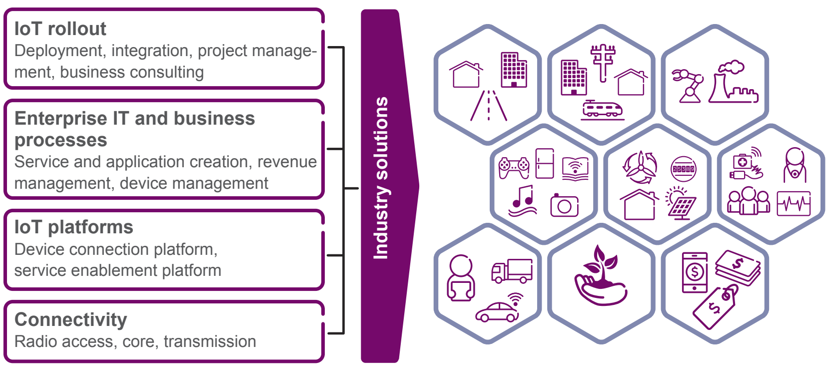

Figure 2: The new IoT landscape.

As they are largely responsible for wireless connectivity on a global scale, operators are in an excellent position to capture a share of the added value generated by the emerging IoT market. The size of this share will depend on the role that operators adopt in the value chain. This could range from being a straightforward connectivity provider (monetizing connectivity in new ways), all the way to being an end-to-end solution provider of turnkey solutions to vertical markets [3].

DIFFERENT IOT CONNECTIVITY ALTERNATIVES

Connectivity is the foundation for IoT, and the type of access required will depend on the nature of the application. Many IoT devices will be served by radio technologies that operate on unlicensed spectrum and that are designed for short-range connectivity with limited QoS and security requirements typically applicable for a home or indoor environment. Currently, there are two alternative connectivity tracks for the many IoT applications that depend on wide-area coverage:

Cellular technologies: 3GPP technologies like GSM, WCDMA, LTE and future 5G. These WANs operate on licensed spectrum and historically have primarily targeted high-quality mobile voice and data services. Now, however, they are being rapidly evolved with new functionality and the new radio access technology narrowband IoT (NB-IoT) specifically tailored to form an attractive solution for emerging low power wide area (LPWA) applications.

Unlicensed LPWA: new proprietary radio technologies, provided by, for example, SIGFOX and LoRa, have been developed and designed solely for machine-type communication (MTC) applications addressing the ultra-low-end sensor segment, with very limited demands on throughput, reliability or QoS.

One way to segment IoT applications is to categorize them according to coverage needs and performance requirements (such as data speed or latency demands).

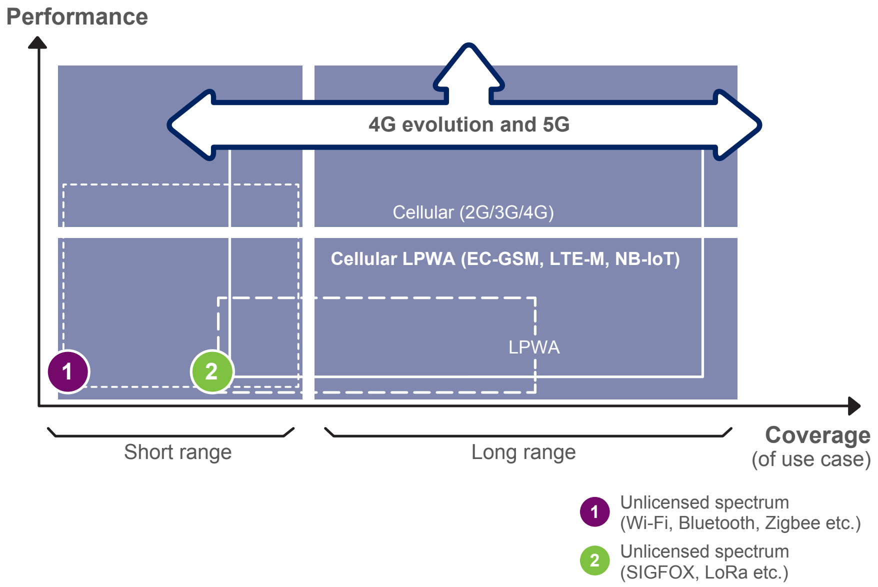

Figure 3: Technologies addressing different IoT segments.

The coverage needs of a particular use case may be highly localized (such as a stationary installation within a building), while other use cases require global service coverage (such as container tracking). 3GPP technologies already dominate use cases with large geographic coverage needs and medium- to high-performance requirements.

With new feature sets specifically tailored for LPWA IoT applications, 3GPP technologies are taking a large leap forward to cover segments with low-cost, low-performance requirements too.

CAPILLARY NETWORKS COMBINING CELLULAR AND UNLICENSED STRENGTHS

Even when existing 3GPP end-to-end connectivity is not feasible, cellular technology can still provide key benefits when used as a bridging option, i.e. as an aggregation and routing solution. This capillary network approach allows end devices to utilize varying access solutions from either the short range or LPWA domain and access the cellular networks via a gateway device. Capillary networks enable the reuse of cellular functions and assets such as security, device management, billing and QoS without requiring each end device to be cellular-enabled.

A WIDE RANGE OF IOT REQUIREMENTS

There will be a wide range of IoT use cases in the future, and the market is now expanding toward both Massive IoT deployment as well as more advanced solutions that may be categorized as Critical IoT, as shown in Figure 4.

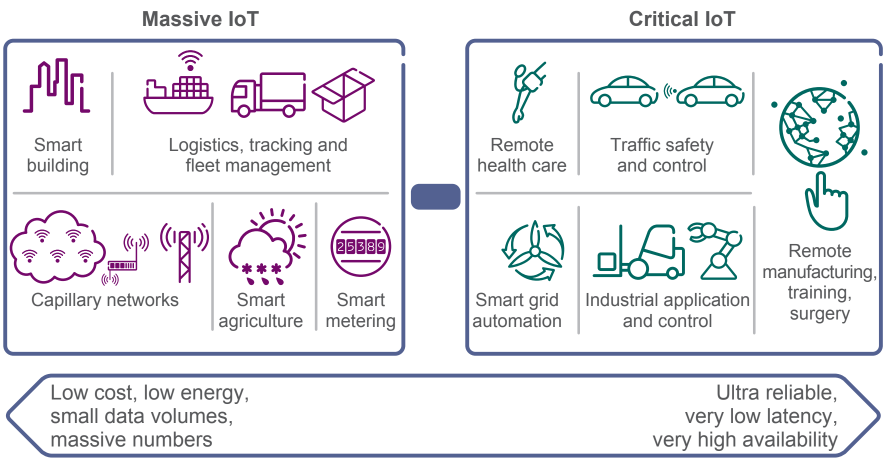

Figure 4: Differing requirements for Massive and Critical IoT applications.

At one end of the scale, in Massive IoT applications – typically sensors that report to the cloud on a regular basis – the end-to-end cost must be low enough for the business case to make sense. Here, the requirement is for low-cost devices with low energy consumption and good coverage.

At the other end of the scale, Critical IoT applications will have very high demands for reliability, availability and low latency. These use cases are enabled by LTE or 5G capabilities. Here, the volumes are typically much smaller, but the business value is significantly higher.

There are, however, many other use cases between the two extremes, which today rely on 2G, 3G or 4G connectivity.

MASSIVE IOT USE CASE DIVERSITY

The Massive IoT market segment includes several applications widely used in industries and societies, as shown in Figure 5.

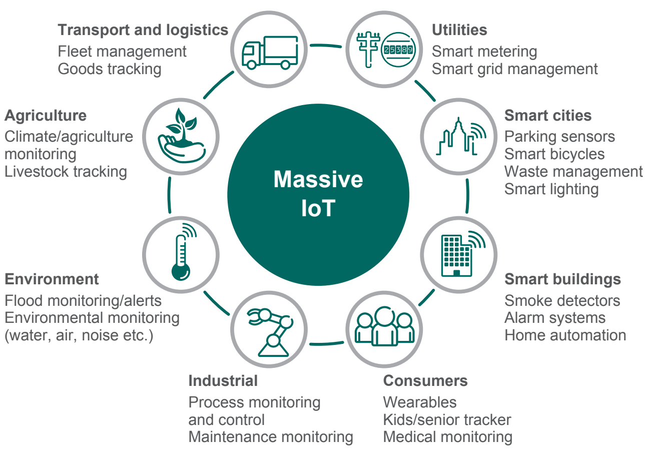

Figure 5: Industry and society applications enabled by LPWA.

The potential applications for the IoT run into the millions, with a huge variety of requirements regarding cost, battery life, coverage, connectivity performance (throughput and capacity), security and reliability. Figure 6 illustrates some such applications and their requirements regarding devices and connectivity.

Some devices will only send a few messages per day – such as status indicators for temperature – while others may need to transmit a video stream to guide a remote repair technician, for example. The difference in throughput requirements is huge. If operators or service providers handle several applications, it may be of great benefit to be able to harmonize communication modules, so that they all use the same underlying radio solution to reduce operational and fault management effort and complexity.

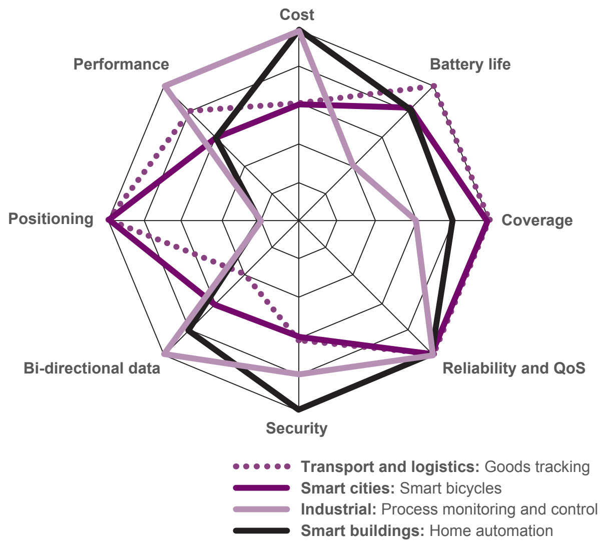

Figure 6: Device and connectivity requirements for sample IoT use cases.

Many higher-value applications will require two-way communications – in other words, an uplink as well as a downlink – to enable monitoring and control of devices in systems like heating, ventilation and cooling plants. The long lifetime of many IoT applications makes it invaluable to be able to perform over-the-air device updates for new functionality or parameter settings. The amount of data sent for such updates can often be more demanding for the network than the monitoring or control application itself.

Relatively simple uplink-focused applications can benefit greatly from a bi-directional link to provide robustness. For example, a connected smoke detector must deliver a smoke alarm with absolute certainty. The ability of a network to provide acknowledgements of a received message enables better fault management and the required level of reliability. Positioning can be used to locate the sensor at the point it failed and simplify operations. For tracking applications, location information is essential.

In applications like building security, sensitive information could be reported over the air, which will require strict security. Furthermore, in the case of a break-in, it is crucial that the alarm information reaches the control center in time – making QoS and two-way communication vital.

KEY CHALLENGES FOR MASSIVE IOT

The key challenges to enabling large-scale uptake of Massive IoT include:

Device cost – clearly a key enabler for high-volume, mass-market applications, enabling many of the use cases.

Battery life – many IoT devices will be battery-powered, and often the cost of replacing batteries in the field is not viable.

Coverage – deep indoor connectivity is a requirement for many applications in the utility area. Furthermore, regional (or even national or global) coverage is a prerequisite for many use cases, especially within the transport area.

Scalability – in order to enable a Massive IoT market, networks need to scale efficiently. The initial investment required for supporting a limited number of devices has to be manageable, while on the other hand, the network capacity must be easy to scale to handle thousands – or millions – of devices.

Diversity – connectivity should be able to support diverse requirements from different use cases. One network supporting everything from simple static sensors to tracking services, to applications requiring higher throughput and lower latency is essential in terms of total cost of ownership (TCO).

THE ADVANTAGES OF CELLULAR TECHNOLOGIES

Each of the technologies available for IoT connectivity has its own advantages and disadvantages. However, the range of IoT connectivity requirements – both technical and commercial – means cellular technologies can provide clear benefits across a wide variety of applications, as summarized in Figure 7.

Figure 7: Advantages of cellular technologies.

In terms of global reach, cellular networks already cover 90 percent of the world's population. WCDMA and LTE are catching up, but GSM will offer superior coverage in many markets for years to come. Cellular networks have been developed and deployed over three decades, and they will be around for the foreseeable future.

The cellular mobile industry represents a huge and mature ecosystem, incorporating chipset, device and network equipment vendors, operators, application providers and many others. The global cellular ecosystem is governed by the 3GPP standardization forum, which guarantees broad industry support for future development.

When it comes to scalability, cellular networks are built to handle massive volumes of mobile broadband traffic; the traffic from most IoT applications will be relatively small and easily absorbed. Operators are able to offer connectivity for IoT applications from the start-up phase and grow this business with low TCO and only limited additional investment and effort. Operation in licensed spectrum also provides predictable and controlled interference, which enables efficient use of the spectrum to support massive volumes of devices.

Cellular connectivity offers the diversity to serve a wide range of applications with varying requirements within one network. While competing unlicensed LPWA technologies are designed solely for very low-end MTC applications, cellular networks can address everything from Massive to Critical IoT use cases.

QoS mechanisms will be essential for many IoT applications. Cellular systems have mature QoS functionality, and this enables critical MTC applications to be handled together with traffic from sensors, voice and mobile-broadband traffic on the same carrier. QoS, along with licensed spectrum as described above, provides a foundation for long-term Service Level Agreements with a specific grade of service.

Traditionally, the security mechanisms of cellular networks have been based on a physical SIM attached to the device, referred to as a Universal Integrated Circuit Card (UICC). This has also enabled roaming between operators, which has been one of the main factors behind the huge success of mobile networks. The SIM will also be essential in future IoT applications, with SIM functionality embedded in the chipset (eUICC) or handled as a soft-SIM solution running in a trusted run-time environment of the module.

With a straightforward rollout of new software, cellular networks will be able to support the full breadth of applications, ranging from low-end use cases in the LPWA segment, to the high-end segments of in-car entertainment and video surveillance. One network connecting the whole diversifying IoT market will guarantee the lowest possible TCO as well as fast time to market.

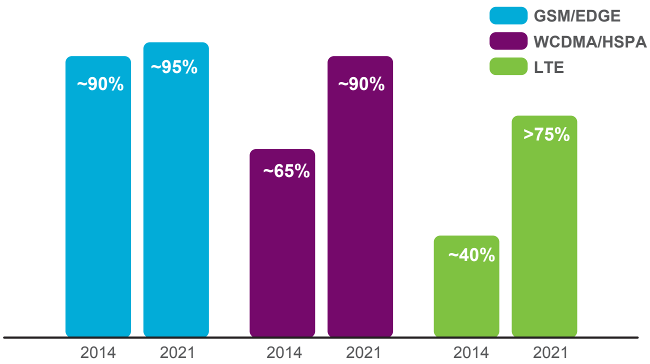

Figure 8: World population coverage by cellular 3GPP technology.

EVOLVING STANDARDS

To meet the new connectivity requirements of the emerging Massive IoT segment, 3GPP has taken evolutionary steps on both the network side and the device side.

The key improvement areas addressed in 3GPP up to Release 13 are:

- Lower device cost – cutting module cost for LTE devices by reducing peak rate, memory requirement and device complexity. The LTE module cost-reduction evolution started in Release 8 with the introduction of LTE for machine-type communication (LTE-M) Cat 1 devices with reduced peak rate to a maximum of 10Mbps, and continued in Releases 12 and 13 with reduced device complexity for lower performance and using less bandwidth or a narrowband IoT carrier to cut costs further.
- Improved battery life – more than 10 years of battery life can be achieved by introducing Power Saving Mode and/or extended discontinuous reception (eDRX) functionality. These features allow the device to contact the network – or to be contacted – on a per-need basis, meaning that it can stay in sleep mode for minutes, hours or even days.
- Improved coverage – an improvement of 15dB on LTE-M and of 20dB on NB-IoT and GSM, which translates into a seven-fold increase in the outdoor coverage area and significantly improved indoor signal penetration to reach deep indoors. This supports many IoT devices like smart meters, which are often placed in a basement.
- Support for massive numbers of IoT connections – specifically, one LTE cell site can support millions of IoT devices, depending on the use case. Core network enhancements include software upgrades for service differentiation handling, signaling optimization and high-capacity platforms (more than 30 million devices per node).

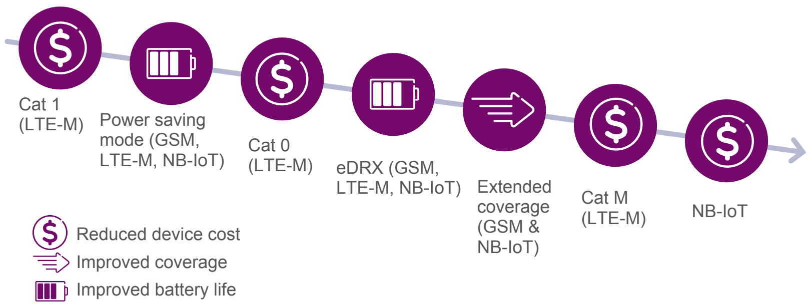

Figure 9: 3GPP evolution steps for Massive IoT.

A FULL RANGE OF CELLULAR LPWA SOLUTIONS

No single technology or solution is ideally suited to all the different potential Massive IoT applications, market situations and spectrum availability. As a result, the mobile industry is standardizing several LPWA technologies, including Extended Coverage GSM (EC-GSM), LTE-M and NB-IoT.

LTE-M, NB-IoT and EC-GSM are all superior solutions to meet Massive IoT requirements as a family of solutions, and can complement each other based on technology availability, use case requirements and deployment scenarios. LTE-M consisting of Cat 1, Cat 0 and Cat M supports a wide range of IoT applications, including those that are content-rich; NB-IoT covers ultra-low-end IoT applications with a cost and coverage advantage over LTE-M; and EC-GSM serves IoT services for all GSM markets.

For example, a smart city application such as waste management may use EC-GSM technology to provide LPWA connectivity in markets where it can be deployed on existing 2G networks; NB-IoT technology may be used for water-metering applications, which have some of the most extreme coverage requirements in underground locations. On the other hand, asset-tracking applications that can support a relatively high number of messages triggered by certain events may employ LTE-M.

EC-GSM – GLOBAL CELLULAR IOT FOR ALL GSM MARKETS

GSM is still the dominant mobile technology in many markets, and the vast majority of cellular M2M applications today use GPRS/EDGE for connectivity. GSM is likely to continue playing a key role in the IoT well into the future, due to its global coverage footprint, time to market and cost advantages.

Recognizing this – and identifying the requirements for Massive IoT discussed earlier in this paper – an initiative was undertaken in 3GPP Release 13 to further improve GSM.

The resulting EC-GSM functionality enables coverage improvements of up to 20dB with respect to GPRS on the 900MHz band.

This coverage extension is achieved for both the data and control planes by utilizing the concept of repetitions and signal combining techniques. It is handled in a dynamic manner with multiple coverage classes to ensure optimal balance between coverage and performance.

EC-GSM is achieved by defining new control and data channels mapped over legacy GSM. It allows multiplexing of new EC-GSM devices and traffic with legacy EDGE and GPRS. No new network carriers are required: new software on existing GSM networks is sufficient and provides combined capacity of up to 50,000 devices per cell on a single transceiver.

Initially part of EC-GSM but now a separate 3GPP item, eDRX improves the power efficiency – and therefore the battery life – for many use cases. eDRX improves the idle mode behavior by allowing the use of a number of inactivity timers, where the device can choose to tune in to the network and listen for downlink pages and traffic.

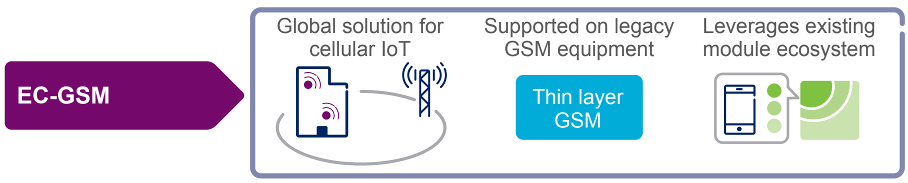

Figure 10: EC-GSM.

EC-GSM extends the data handling and power efficiency advantages that GSM/GPRS technology already offers for MTC, and it will help operators extend the service life of their huge 2G legacy base.

LTE-M – SUPPORTING A WIDE RANGE OF MASSIVE IOT USE CASES

LTE is the leading mobile broadband technology and its coverage is expanding rapidly. So far, the focus has been on meeting the huge demand for mobile data with highly capable devices that utilize new spectrum. With features like Carrier Aggregation, MIMO and Lean Carrier, the gigabit per second performance for LTE cell throughput is now reaching levels that result in an excellent mobile broadband user experience.

The advent of LTE-M signifies an important step in addressing MTC capabilities over LTE. LTE-M brings new power-saving functionality suitable for serving a variety of IoT applications; Power Saving Mode and eDRX extend battery life for LTE-M to 10 years or more. LTE-M traffic is multiplexed over a full LTE carrier, and it is therefore able to tap into the full capacity of LTE. Additionally, new functionality for substantially reduced device cost and extended coverage for LTE-M are also specified within 3GPP.

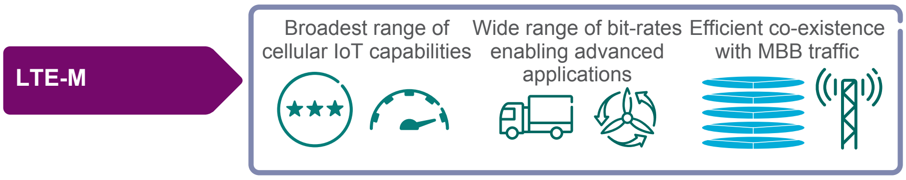

Figure 11: LTE M.

NB-IOT – SUPPORTING ULTRA-LOW-END MASSIVE IOT APPLICATIONS

In addition to LTE-M, NB-IoT technology is being standardized in time for 3GPP Release 13. NB-IoT is a self-contained carrier that can be deployed with a system bandwidth of only 200kHz, and is specifically tailored for ultra-low-end IoT applications. It is enabled using new network software on an existing LTE network, which will result in rapid time to market.

Figure 12: NB-IoT.

NB-IoT provides lean setup procedures, and a capacity evaluation indicates that each 200kHz NB-IoT carrier can support more than 200,000 subscribers. The solution can easily be scaled up by adding multiple NB-IoT carriers when needed. NB-IoT also comes with an extended coverage of up to 20dB, and battery saving features, Power Saving Mode and eDRX for more than 10 years of battery life.

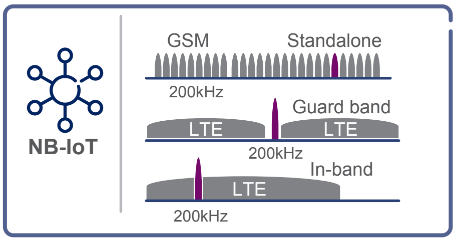

Figure 13: NB-IoT deployment.

NB-IoT is designed to be tightly integrated and interwork with LTE, which provides great deployment flexibility. The NB-IoT carrier can be deployed in the LTE guard band, embedded within a normal LTE carrier, or as a standalone carrier in, for example, GSM bands.

- Standalone deployment in a GSM low band: this is an option when LTE is deployed in a higher band and GSM is still in use, providing coverage for basic services.
- Guard band deployment, typically next to an LTE carrier: NB-IoT is designed to enable deployment in the guard band immediately adjacent to an LTE carrier, without affecting the capacity of the LTE carrier. This is particularly suitable for spectrum allocations that do not match the set of LTE system bandwidths, leaving gaps of unused spectrum next to the LTE carrier.
- Efficient in-band deployment, allowing flexible assignment of resources between LTE and NB-IoT: it will be possible for an NB-IoT carrier to time-share a resource with an existing LTE carrier. The in-band deployment also allows for highly flexible migration scenarios. For example, if the NB-IoT service is first deployed as a standalone deployment in a GSM band, it can subsequently be migrated to an in-band deployment if the GSM spectrum is re-farmed to LTE, thereby avoiding any fragmentation of the LTE carrier.

NB-IoT reduces device complexity below that of LTE-M with the potential to rival module costs of unlicensed LPWA technologies, and it will be ideal for addressing ultra-low-end applications in markets with a mature LTE installed base.

CONCLUSION

Uptake of Massive IoT is set to take off, and operators have a unique opportunity to drive the implementation of new IoT applications by offering affordable connectivity on a global scale.

For IoT applications, existing cellular networks offer distinct advantages over alternative WAN technologies, such as unlicensed LPWA. The global reach, QoS, ecosystem, TCO, scalability, diversity and security of cellular networks are all vital factors that can support the fast uptake and success of IoT. Enabled by new software in existing legacy networks, cellular networks can support a diverse range of IoT applications – ensuring the lowest possible TCO.

3GPP standardization work for GSM and LTE, and the recent addition of NB-IoT, is further improving the ability of cellular networks to address the Massive IoT market, where ultra-low end-to-end cost is a prerequisite.

GSM/GPRS, which already serves the majority of cellular-based MTC applications, is evolving with a new EC-GSM standard, which delivers significantly better energy efficiency and increased coverage. EC-GSM enhancements will cement GSM's position as a highly relevant connectivity platform for low-end, Massive IoT applications globally.

New downsized NB-IoT and LTE-M chipsets, designed for MTC, and features that improve both coverage and device battery life will boost the ability of LTE infrastructure to address the IoT market. One network that supports all applications – from advanced mobile broadband services, VoIP and all kinds of low- to high-end IoT use cases – creates a very strong value proposition.

Whether operators choose the GSM, NB-IoT or LTE-M track – or a combination of these – will depend on several factors such as technology coverage, future technology strategies and targeted market segments. Whichever path they take, they have a huge opportunity to benefit from the emerging IoT revolution. Operators can choose to continue offering telecom-grade connectivity as they do today, or they can evolve to become a platform or fully-fledged IoT service provider targeting a larger slice of future IoT revenues.

GLOSSARY

EC-GSM	Extended Coverage GSM
eDRX	extended discontinuous reception
eUICC	embedded Universal Integrated Circuit Card
IoT	Internet of Things
LPWA	low power wide area
LTE-M	LTE for machine-type communication
M2M	machine-to-machine
MIMO	multiple-input, multiple-output
MTC	machine-type communication
NB-IoT	narrowband IoT
TCO	total cost of ownership
UICC	Universal Integrated Circuit Card
WAN	wide area network

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