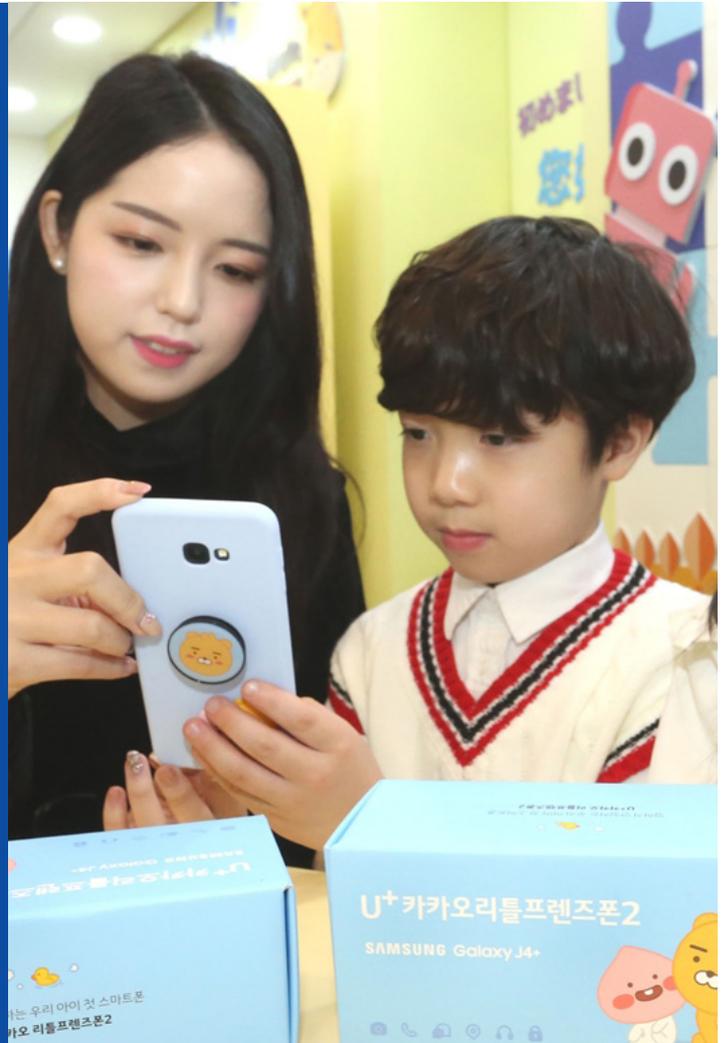


# SAMSUNG

## LG U+ works with partners to launch a kid-safe phone in South Korea

Phones customized with Knox Configure open up new market segment.



### Challenge

In South Korea, mobile device sales are flattening, yet demand for kids' smartphones remains strong. LG U+, one of the country's top three telecommunication companies, wanted to build business with a new, unique product that could drive sales and boost loyalty of existing customers. Marketing kids' phones in South Korea, however, requires stringent privacy and security protections.

### Solution

Samsung Knox Configure made it possible for LG U+ to offer a fully customized and secure phone to its large customer base. The phones offered unique kid-focused content and apps to help parents monitor usage and featured the country's super-trendy Kakao Kids characters. The telecom's system integrator partner, KIWI PLUS, managed all customization.

### Benefits

The first order of the Kakao phone nearly sold out within three months of its launch in 2018, leading to a second version that has experienced similar success. As a result, LG U+ is the new market leader among kids' smartphones and has added subscribers. LG U+ has also saved significant time and money by avoiding the need to manually configure and manage phones, because Knox Configure simplifies and automates this process.





**LG UPLUS CORP** is a prominent South Korean telecommunications provider owned by LG Corporation, Korea's fourth largest conglomerate and parent company of LG Electronics.

**KIWI PLUS** a kakao company

**KIWI PLUS** is a company specializing in selling smart devices for children's segment, with a unique combination of strengths in both software development and device sourcing. It is a subsidiary of Kakao Corporation,\* South Korea's largest mobile messaging app operator and an integrated mobile lifestyle platform company.

\* Kakao is South Korea's leading internet services company, providing instant messaging, mapping, taxi, e-commerce, news, music, character licensing, and other mobile content.

“ Innovation and practicality are key to success in today's smartphone market. ”

Chulhoon Byun  
Chief director  
KIWI PLUS

## Challenge

Launching a premium children's phone to expand share

In South Korea, telecommunications firms face flat demand in a saturated smartphone market. While smartphone growth is declining globally, the situation is more pronounced in South Korea where 95 percent of adults already own smartphones. LG U+, one of the country's major telecom operators, wanted to increase market share with new offerings. The company wanted to capitalize on an appetite for specialty phones aimed at distinct audiences, such as kids. Capturing these new customers is also good for long-term growth, since happy kid customers tend to grow into future adult customers.

Existing smartphone options for kids, however, were lackluster. Typically custom-ordered from low-cost OEMs, these phones offer limited features. Cameras tend to be low-resolution, there are no web browsing capabilities, and devices don't support Google Play. A competitive new phone aimed at kids would need to look slick and offer capabilities comparable to top brand-name phones.

There was an additional requirement for this market: safety. Kids crave devices so they can communicate with friends and have fun, while parents appreciate the ability to stay in touch with their kids and provide opportunities for online learning. These days, parents worry about exposing their kids to inappropriate or dangerous content, addictive games, fraud, and online predators. There are even legal requirements related to underage phone usage in South Korea.

Launching a kids' phone had sales potential, but LG U+ knew that requirements were tricky and the right execution was critical. Additionally, adding a phone typically would require LG U+ to manage inventory and associated risks—activities that the company did not want to undertake.



## Solution

Systems integrator uses Samsung Knox Configure to deliver customized phones

KIWI PLUS, a local systems integrator with experience customizing OEM phones for the youth market, joined forces with LG U<sup>+</sup> to support the launch. The partnership was key to an innovative go-to-market strategy that simplified the overall LG U<sup>+</sup> effort to create a kids-safe phone.

KIWI PLUS opted to use Knox Configure and its remote configuration capabilities to tailor the content and user interface of high-quality Samsung phones. KIWI PLUS would customize the phones to feature the popular Kakao Kids characters and add age-appropriate content and games.

LG U<sup>+</sup> saw an opportunity for a win-win partnership with KIWI PLUS. The two companies could deliver a fun, name-brand product just for kids that parents would also love.

“Using Knox Configure, we could cost-effectively transform a standard commercial smartphone into a custom children’s phone with safety features and content kids want,” says Chulhoon Byun, chief director at KIWI PLUS.

The ease with which LG U<sup>+</sup> could deliver a custom phone was the biggest reason to select the Samsung solution. KIWI PLUS simply uses the Knox Configure cloud-based console to upload the apps and design the user experience for thousands of devices without opening the boxes. When the device boots up, the apps automatically install. Parents don’t have to install or adjust applications or change settings: The phone is ready for children to use.

One of the preloaded apps is Kiwi Play for Kids, which works in tandem with Kiwi Play for parents. Developed by KIWI PLUS, which has deep expertise in the children’s

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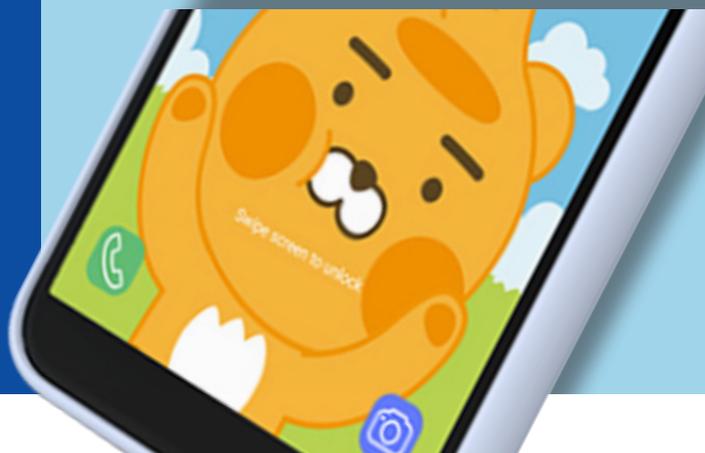
market, the app allows parents to track a child’s location and supports responsible smartphone usage. This is especially important for new, young users. Parents can check app usage by time, set time limits per app, and control which apps to install. They can also use the app to block calls from unknown numbers. Parents can be confident that the Kiwi Play app is always present to create a safe and secure mobile phone experience, because Knox Configure prevents kids from deleting preloaded apps even if the device is reset to factory settings.

The Samsung solution made it possible for LG U<sup>+</sup> to take an existing line of devices and give it new life as the foundation for innovative children’s devices. KIWI PLUS uses Knox Configure to replace the home and lock screens with images featuring the trendy Kakao characters. The exclusive character-themed layouts and icons are visible as soon as customers turn on their phones. KIWI PLUS also preloads LG U<sup>+</sup>’s own kids’ apps, including audio storybooks, picture books, and educational programs.

### LG U<sup>+</sup>, KIWI PLUS, AND KNOX CONFIGURE

Here is how Knox Configure helps convert premium smartphones into kid-safe phones parents appreciate:

- Customizes booting logo, lock screen, and home screen.
- Preloads apps over-the-air.
- Prevents deleting certain apps.



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## Benefits

Delighting existing customers, adding new ones

As a result of this partnership, LG U+ has pioneered an exciting new smartphone product just for kids, expanding the customer segment dramatically in a short period of time. The new phone filled a market void, as previous kids' phones were low-end devices lacking the cool features and new capabilities that kids craved. And by providing discounts for families who sign new payment plans for their kids, LG U+ can lock in existing users.

"Innovation and practicality are key to success in today's smartphone market," says Chulhoon Byun. "We helped our partner LG U+ achieve its goals with the Samsung Knox Configure solution and the embedded Samsung Knox security platform."

**Increased market share and subscriptions.** The first order of the Kakao phones nearly sold out within three months of launch in 2018, confirming the success of the safe-for-kids smartphone concept. LG U+ launched the second version of the Samsung phones in January 2019, with a larger volume sold within the first three months. The custom phones are contributing to overall growth of the company, driving revenue and subscriptions.



**Reduced barriers to entry for phone launch.** Because Knox Configure eliminates manual configurations and manual unpackaging and repackaging to add customizations and preloaded apps, LG U+ and KIWI PLUS saved time and money in IT resources. This also means that LG U+ can easily convert any phone into a kid-specific phone, without ordering custom manufacturing or entailing much IT work.

The success of the new phone will likely lead to more concept phones in the future. As the new leader in the kids' phone market, LG U+ will continue launching kid-customized phones with Samsung devices, at predicted sales of 100,000 devices annually. The company may also expand customized phones into other segments, such as for senior citizens.

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## About Samsung Electronics Co., Ltd.

Samsung Electronics inspires the world and shapes the future with transformative ideas and technologies that give people the power to discover new experiences. With a constant focus on innovation and discovery, we keep redefining the worlds of TVs, smartphones, wearable devices, tablets, digital appliances, network systems, and memory, system LSI, foundry and LED solutions.

## For more information

For more information about Samsung Knox Configure, visit:  
[www.samsungknox.com/kc](http://www.samsungknox.com/kc).

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