

# Getting over Alexa - new opportunities in the smart home

David Pringle, Associate Senior Analyst  
at STL Partners

30 April 2019

# The underlying demand for the smart home

In an era of housing shortages, rising inequality, internet shopping and digital surveillance, householders want:

- **Peace of mind** = security + privacy
- **Support for rental and deliveries** = remote controlled access + monitoring
- **Simplicity** = ease of configuration + ease of use
- **Convenience** = a single dashboard for remote control of appliances and gadgets, energy usage, security/access and insurance.

It is not about smart speakers

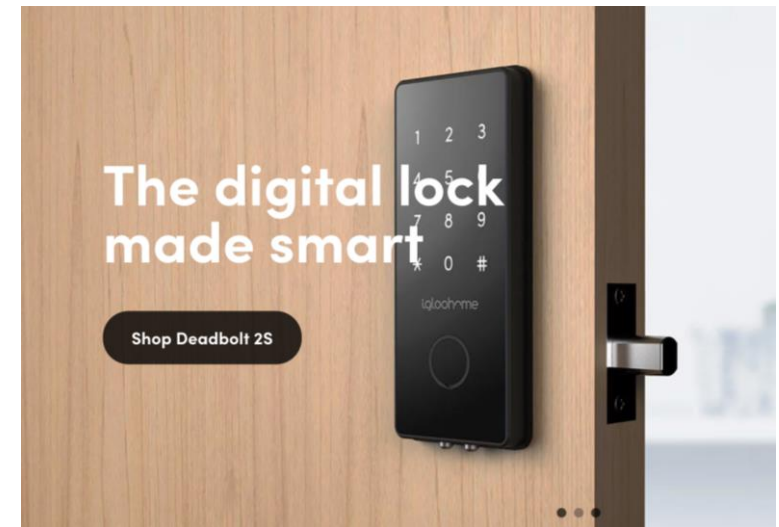


Image source: Igloohome

# How telcos can address these demand drivers

<b>Problem</b> [in order of importance]	<b>Potential solutions</b>	<b>Relevant telco capabilities</b>
<b>Complexity of managing a home</b>	A dashboard covering everything the homeowner cares about – its location, its status, when it was last serviced, its insurance, power consumption & the source of that power	Reliable and complete connectivity in and out of the home Systems integration/middleware to combine hardware & software from different suppliers
<b>Maintaining privacy</b>	Give the householder control of where collected data is stored and who is allowed to process it	Local storage Systems integration/middleware Long-lived, trusted brand
<b>Household security</b>	Connected sensors monitor windows and doors Connected cameras and sensors monitor in-home movements	Secure wireless connectivity that can't be tampered with or hacked Long-lived, trusted brand
<b>Providing easy access</b>	Connected locks that can be remotely activated Digital authentication systems	Secure wireless connectivity that can't be tampered with Long-lived, trusted brand
<b>Remote parenting</b>	A dashboard that enables parents to monitor/block children's usage of specific services and apps	Reliable and complete connectivity in and out of the home
<b>Sustainable energy supplies</b>	A dashboard that shows the cost of the house's energy usage in both financial terms and emissions	Connected meters Systems integration of data about local power sources (e.g. solar panels) with that from utilities
<b>Housework</b>	Connected appliances that can be activated and monitored remotely	Requires reliable connectivity throughout the property

# Examples of telcos coordinating the smart home

- DT's Magenta SmartHome service encrypts communications and stores data on servers in Germany or locally on the smart home gateway
- Orange is developing a consumer proposition encompassing home automation, security, entertainment, communications and financial services
- AT&T's limited and rigid Digital Life smart home solution has stumbled, underlining the need to see the big picture
- Comcast has successfully used its entertainment proposition as a springboard into the smart home market

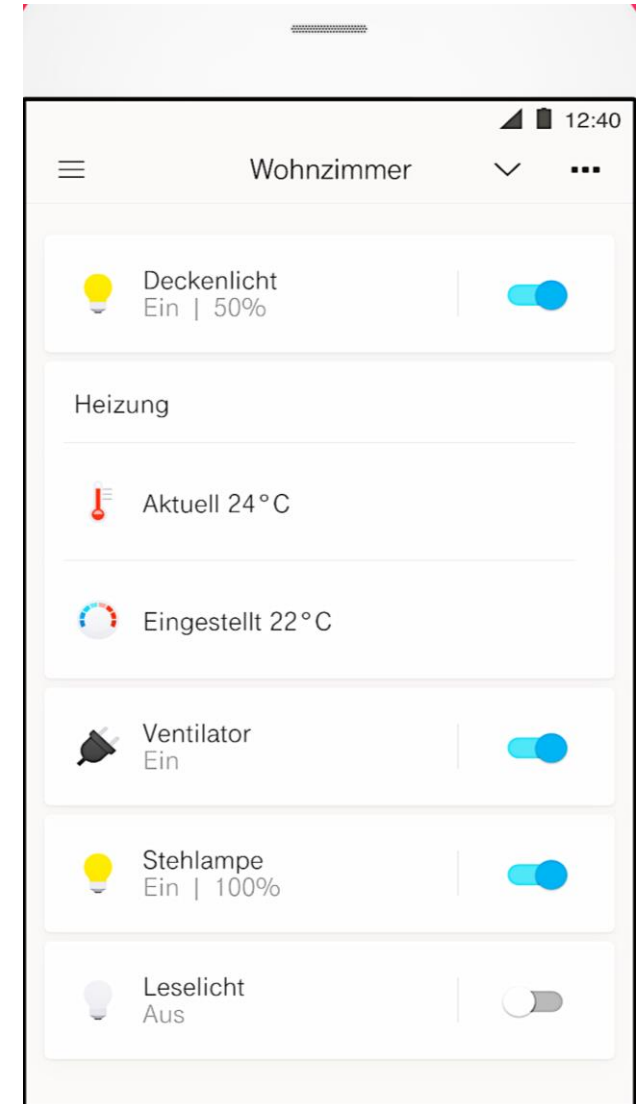


Image source: DT via Google Play

# Entertainment – demand drivers

<b>Problem</b> <small>[in order of importance]</small>	<b>Potential solutions</b>	<b>Relevant telco capabilities</b>
<b>No single company provides all the entertainment people want</b>	A service that makes it simple for consumers to access a very broad mixture of both global and local content easily and on a pay-as-you-go basis	Local and global content partnerships, Systems integration/middleware Flexible billing/authentication
<b>Too much content and choice</b>	Crowdsourced/personalised recommendations that span multiple different sources of content	Large customer base Reliable authentication Access to behavioural data/big data analytics
<b>Maintaining privacy</b>	Local storage of viewing/listening data and a dashboard that enables consumers to easily abstract that data and then share it with service providers of their choice – transparency	Reliable authentication, local storage capabilities Long-lived, trusted brand
<b>Advertising is broken</b>	Advertising becomes interactive, affirming that consumers have viewed the commercial But consumers able to choose the right balance between payment and advertising for them: transparent trade-offs	Reliable authentication Requires partnerships, Systems integration/middleware Access to behavioural data/big data analytics
<b>Content stutters and freezes</b>	Reduce network congestion at peak times Reduce latency Apportion bandwidth	Set-top boxes/local storage Content delivery networks/edge computing Fibre + better WiFi + 4G/5G Flexible connectivity – call up more bandwidth as needed

# Summary: telcos in the smart home

- Smart homes, entertainment and personal transport are natural bedfellows
- But no one single player can provide all the pieces
- Telcos can act as systems integrators, coordinating propositions from tech companies, utilities, insurance companies, entertainment providers, transport providers, security specialists and similar
- They also need to ensure connectivity (WiFi and/or cellular) is always available and always secure
- For people who value privacy, telcos can provide secure and local data storage

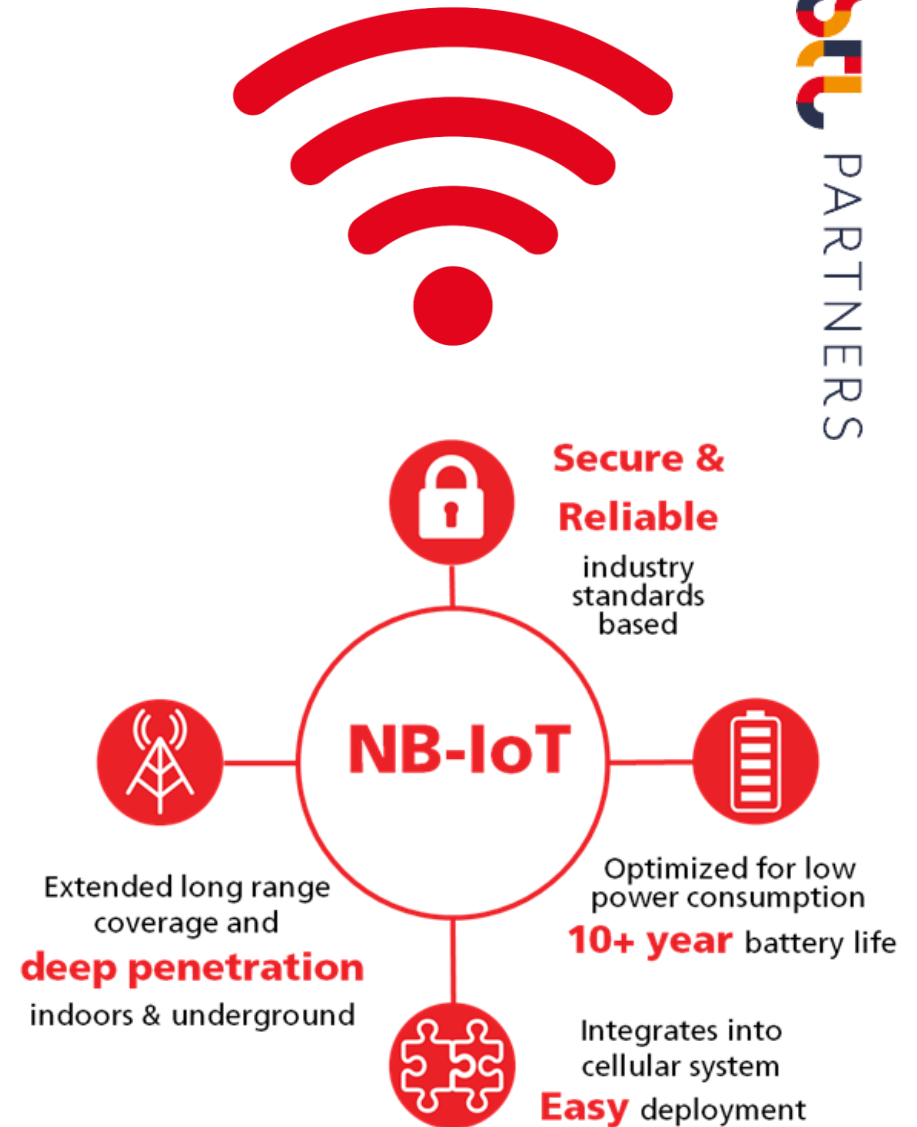


Image source: Ublox

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David Pringle, Associate Senior Analyst | david.pringle@stpartners.com | January 2019

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Dean Bublely, Associate Director | dean.bublely@stpartners.com | April 2019

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David Pringle, Senior Associate Analyst | david.pringle@stpartners.com | February 2019

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