

CONNECTIONS

The Premier Connected Home Conference

Hosted By
PARKS
ASSOCIATES

May 23-25, 2017

Hyatt Regency San Francisco Airport

KEYNOTE SPEAKERS

TUESDAY, MAY 23

4:30 PM



Comcast Cable

Sridhar Solur

Senior Vice President, Product & Development for Xfinity Home, Internet of Things, and Data Services

Humanizing Connected Home Experiences: Using Machine Learning and Voice Control



WEDNESDAY, MAY 24

9:30 AM



Vivint Smart Home

Matt Eyring

Chief Strategy and Innovation Officer

Finally Delivering on the Promise of the Smart Home



2:15 PM



Cox Communications

Kristine Faulkner

Senior Vice President / General Manager, COX Homelife

What About the Customer? Bridging the Divide in Smart Home Services



5:00 PM



Intel Corporation

Miles Kingston

General Manager, Smart Home Group

The Smart Home: A Domestic Revolution



THURSDAY, MAY 25

9:45 AM



Qualcomm Technologies, Inc.

Rahul Patel

Senior Vice President and General Manager of Connectivity

Creating a New Foundation to Enhance IoT Experiences in the Home



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RESEARCH HIGHLIGHTS

Voice Control

Key Trend: Voice controls is vying to become the primary user interface for the smart home and connected lifestyle.

- 44% of U.S. broadband households use voice controls on Internet-connected devices.
- More than half (55%) of U.S. broadband households want to use voice to control their entertainment and smart home devices.
- Adoption of smart speakers with personal assistants, including Amazon Echo, Dot, or Tap, or Google Home, is 10-11% of U.S. broadband households and, in 2020, annual sales in this product category will exceed 50 million units.
- 75%-85% of smart product owners rate voice control of smart lighting, smart thermostats, smart smoke detectors, and smart garage door openers as appealing.

Mobile Devices and Services

Key Trend: The smartphone market plateaus, and mobile carriers experiment to retain subscribers, which will threaten fixed broadband services.

- 51% of U.S. broadband households have fixed-line phone service.
- 10% of U.S. broadband households are likely to cancel their fixed broadband service over the next 12 months.
- 71% of U.S. broadband households have Wi-Fi or Apple AirPort access and these Wi-Fi households average over 30% more computing devices than non-Wi-Fi households.
- One-half of broadband households use a 3G/4G mobile data as a primary source of Internet access within their home.
- Wi-Fi households own an average of 5.7 computing devices and 8.1 connectable CE devices.

Connected CE

Key Trend: Manufacturers focus on new product categories and ecosystem strategies to compensate for stagnation in a mature market.

- By the end of 2016, 46% of U.S. broadband households owned a smart TV, and 19% plan to buy one in 2017; 37% owned a streaming media player, and 14% plan to buy one in 2017.
- At the end of 2016, 23% of U.S. broadband households owned wireless earbuds, and 16% owned wireless headphones, with ownership likely to increase as smartphone makers drop the audio jack on their models.

VR / AR

Key Trend: Virtual and augmented reality gain a foothold in niche operations and greater awareness among early adopters, creating opportunities for social VR experiences.

- At the beginning of 2017, 6% of U.S. broadband households owned a virtual reality headset.
- 15% of consumers who try a virtual reality headset enjoy the experience and then buy a headset.
- More than 60% of U.S. broadband households claim to know little or nothing about virtual reality.

OTT Media

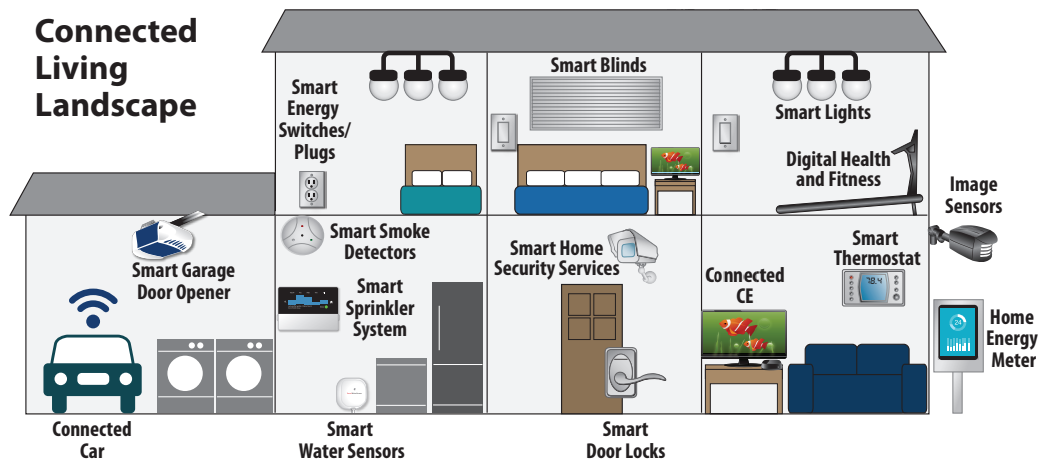
Key Trend: The differences between on-demand and live viewing continue to blur as consumers embrace a variety of OTT video services.

- Over 63 million U.S. broadband households subscribe to an OTT video service, and 36% of U.S. broadband households have at least one streaming media player.
- 59% of U.S. broadband households visit an online video site on a regular basis, and 39% visit a video sharing site like YouTube at least once a week.
- 26% of households participate in live streaming activity, such as streaming video from their own device or watching video over a live streaming platform.
- More than one-fourth of U.S. broadband households trialed at least one OTT service in the previous six months and, of these users, 47% subscribed to at least one trial service after the free period expired.

Connected Cars

Key Trend: Consumers increasingly expect connectivity in their cars, but pricing, safety, and data privacy concerns inhibit market growth.

- Nearly two-thirds of U.S. broadband households with a smartphone want embedded connectivity in their next car.
- 92% of U.S. car owners perform an activity that requires a mobile or Internet connection while driving.
- U.S. automakers will spend \$10.8 billion for in-vehicle software in 2017, increasing to \$16 billion by 2022.
- Over 50% of U.S. car owners are concerned that connected car features will lead to distracted driving.



UNDERSTANDING THE CONNECTED CONSUMER

Smart Home

Key Trend: To cross the chasm, the smart home industry will continue to develop new use cases for security, peace of mind, and energy management.

- 38% of professionally monitored security subscribers have interactive services, such as monitoring through an app and mobile control, and that number will grow to 60% by 2021.
- By 2020, more than 12 million U.S. households will have a smart water leak detector, more than 40 million will have a smart thermostat, nearly 50 million will have a smart light bulb, and nearly 14 million will have a smart home controller.
- 49% of U.S. broadband households want the ability to monitor and adjust their thermostat remotely.
- 36% of U.S. broadband households find a system that manages or monitors their home energy usage very appealing.
- Roughly 50% of consumers are willing to share data from smart devices for discounts on electricity, and 40% are willing to share data to update and improve their products.

Insurance in the IoT

Key Trend: Insurers are exploring new business opportunities in smart home products and services and will continue to launch trials and new partnerships.

- More than 50% of U.S. broadband households rank insurance providers alongside electricity providers and security monitoring providers among the top three most trustworthy companies in the IoT space.
- Insurers and U.S. consumers spend more than \$50 billion per year on home health services.
- 51% of U.S. broadband households find an IoT device that alerts them to smoke and fire highly appealing; 41% find a device that alerts them to a water leak to be highly appealing.

Wearables and Smart Watches

Key Trend: Wearables and smart watches are expanding as healthcare tools and will be integrated with other IoT applications.

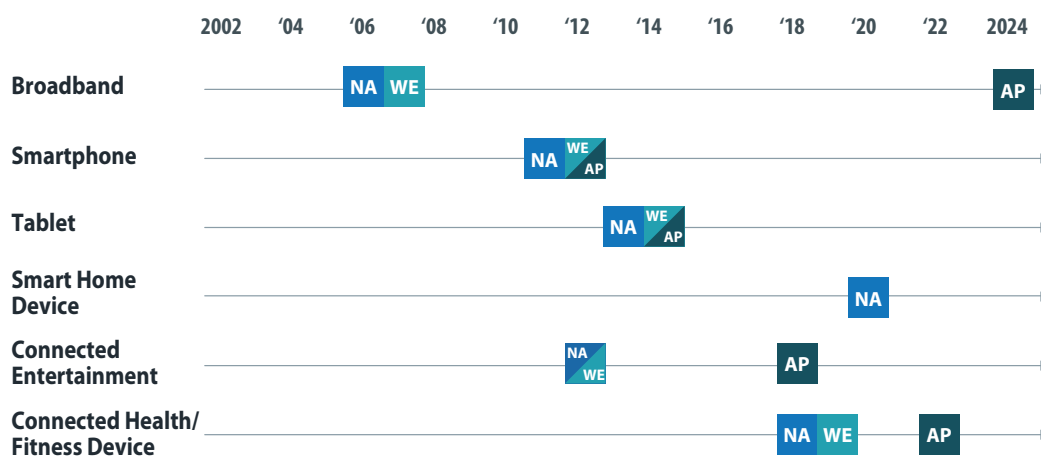
- Smart watch adoption among U.S. broadband households rose from 4% to 13% over a nearly two-year period.
- Nearly one-third of smart watch users have an Apple Watch, a quarter have a Samsung smart watch, and a tenth have a Fitbit smart watch.
- At the end of 2016, 20% of U.S. broadband households planned to buy a smart watch in the next 12 months.
- 31% of Apple Watch owners search for information using voice commands on a weekly basis, compared to 19% of non-Apple smart watch owners.

Connected Health

Key Trend: Consumerization of healthcare services and devices drives integration with smart home ecosystems and new business models.

- Over 35% of U.S. broadband households own a connected health device.
- More than 20% of U.S. broadband households have used websites or apps to communicate with a medical professional in the past 12 months.
- Almost 70% of U.S. broadband households are interested in visiting physician services, while roughly 60% are interested in remote care taking place online or by telephone.
- Caregivers' adoption of technology for caregiving tasks has increased slightly - 44% now use at least one smartphone app to manage caregiving tasks, up from 41% in 2015.
- 14% of U.S. broadband households report being "very interested" in remote monitoring solutions.

Timeline of the Connected Lifestyle



50% of households have adopted product/service in specified region.

■ NORTH AMERICA (NA) ■ WESTERN EUROPE (WE) ■ ASIA-PACIFIC (AP)

Sources: Multiple Parks Associates Consumer Surveys and Parks Associates Forecasts

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UPCOMING EVENTS

Connected Health Summit: Engaging Consumers

August 29-31, 2017
San Diego, CA



CONNECTIONS™ Europe

November 1-2, 2017
Amsterdam, The Netherlands



CONNECTIONS™ Summit at CES

January 2018
Las Vegas, NV



Smart Energy Summit: Engaging the Consumer

February 19-21, 2018
Austin, TX

