

IoT Trends

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2019 should be a very good year for operators. Fearless forecasts reveal the potential IoT revenue profit that awaits. The Internet of Things is driving the connected living phenomenon, and top research firms predict anywhere from 20 to 50 or more billion [IoT devices](#) will be in use by 2020.

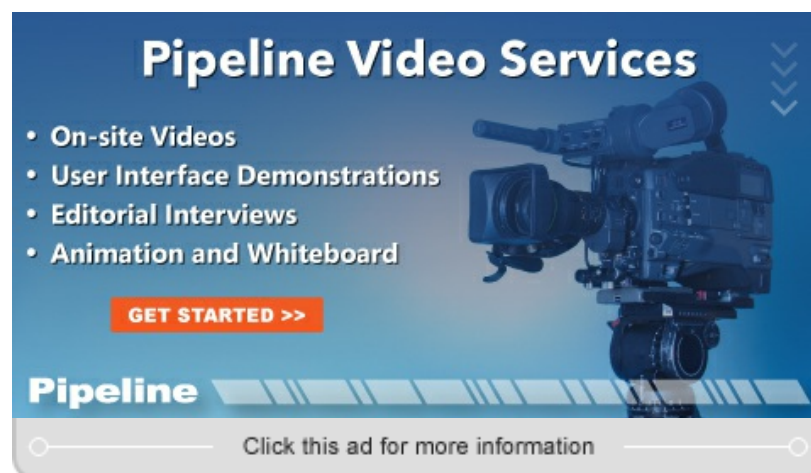


But where is the path to profit? It lies not so much in selling and integrating hardware once or even offering a growing number of compatible devices as with operators creating value to enable recurring revenue. In fact, according to [PlumChoice's research](#), a brand's ability to provide the assistance needed to use and enjoy its products is a leading indicator of customer loyalty. As the report states, "This data presents smart device manufacturers, distributors, and brands with an opportunity to become a true partner for consumers who need more information and help."

Looking forward to 2019, how can operators leverage these findings? Here's the short-term anticipated evolution of IoT:

Forecast: More and more consumers will adopt IoT

The number of IoT connected devices in use may rise to at least 20 billion by 2020. Most consumers are getting on board via the fastest and easiest way, which is simply to buy one of the many point devices and gadgets that are readily available through retail channels. Quickly, however, consumers find themselves overwhelmed with devices in which they've invested quite a bit of money but that are now simply collecting dust because buyers don't know how to integrate them into a single system. To add to the frustration, some devices are not compatible with each other.



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How to leverage this opportunity

Operators can resolve consumers' confusion by offering a complete package: service, interoperability, continuity, and support. Providing consumers with integrated smart home solutions

is the biggest opportunity that operators have had in years. Customers will soon find out that the benefit of buying from an operator is a system that works. Interoperable devices and a single point of contact offering support in the event of technical problems are together going to prove immensely valuable.

By offering the customer a system that works, operators can leverage existing consumer relationships to add a completely new and highly profitable line of business—the connected life—in addition to further engaging with their customers by enriching their offerings with a whole ecosystem of smart home devices and new long-term services based on data analytics.

Forecast: IoT security issues will increasingly matter

Even as consumer adoption of IoT connected devices becomes ever greater, and businesses devote billions (if not trillions) of dollars to IoT solutions, one thing stands in the way of success for operators: the increasing security vulnerabilities of these devices. Data breaches have become prevalent among IoT devices. [Malware](#) that can access IoT devices via default usernames and passwords can result in DDoS attacks. Needless to say, security standards and requirements must accompany each IoT product.

How to leverage this opportunity

Operators must provide peace of mind by adding cybersecurity to their offerings. Operators who are ISPs are already used to delivering these systems, which entails extending physical protection to the cyber zone and ensuring that the IoT systems and all related interactive devices in the home are protected against attacks.

Additional potential for profits also lies in voice interactivity, which means making voice a premium option within the existing safety and security system or a complete home management solution. Voice security can be implemented in a few ways. It allows the system to be armed and disarmed only by predesignated individuals. It can also be used in two-way communications with the monitoring center. Lastly, specific code words can be designated to indicate the level of emergency, be it suspicious noises, fire, or a medical emergency.

Forecast: Healthcare will increase its IoT dependency

[Healthcare](#) has increased its use of IoT medical devices—primarily for patient monitoring and maintenance—to improve patient care as well as to optimize processes and reduce expenses. According to a recent [survey](#), the global IoT healthcare market (mainly IoT devices for remote monitoring) should reach \$169.3 billion by 2020, and 87 percent of healthcare organizations will use IoT technology in 2019. But as the population ages and standard hospital admission costs go through the roof, how can consumers use IoT to their advantage?

How to leverage this opportunity

Operators can fill the rapidly rising global demand for [PERS systems](#). Demand is propelled by higher life expectancy, the resultant rising costs and pressure on the public healthcare system, the increasing need for seniors to be able to maintain self-sufficiency and independent living for as long as possible, and the increase in usage of smartphones among younger seniors.

Imagine if seniors living alone could use smart devices in ways that protect their health or dispatch help. Such a smart device could send an immediate alert after a fall or request help in case of an emergency. Self-learning systems for seniors could learn their patterns and report anomalies—like

someone suddenly increasing bathroom visits or reducing trips to the kitchen due to illness—with the potential for reducing costs further by catching illnesses in the early stages before it may require hospitalization.

Forecast: The IoT market will grow massively across the board

Currently 3.6 billion devices are performing daily tasks—and this number is only growing. The number of devices in use causes so much traffic that, to ease the congestion, operators must be prepared to make the 5G network a reality. Experts predict that retail, healthcare, and supply chain industries will experience the biggest IoT growth. Retailers are using IoT to better personalize customer interaction, healthcare is promoting wearable devices to track and monitor, and supply chains are taking advantage of smart logistics tracking.

How to leverage this opportunity

IoT profit is waiting for operators across niches. Offering end-to-end IoT lifestyle solutions is a rapid way to increase ARPU and expand your customer base. By using a service provider, consumers get both a system that works and ongoing support and connectivity to another service already offered by the service provider.

And the potential for operators to offer connected home service offerings on top of mobile, broadband, cable, triple-, or quad-play services simply offers another way to satisfy customers' lifestyle needs while generating new revenue streams.

Forecast: The IoT voice world will enjoy continued growth

Amazon's Alexa, Apple's Siri, Microsoft's Cortana and Google Assistant have integrated voice in IoT devices, resulting in new and simpler user experiences. Twenty percent (47.3 million people) of American adults already have smart speakers, a figure that's expected to increase by 50 percent.

How to leverage this opportunity

All major technology players are launching [voice activation](#) products combined with artificial intelligence to bridge the gap between technology and human interaction.

Operators can offer "voice assistants" to help consumers manage anything from their alarms to power consumption, from controlling the lighting to turning garden sprinklers on or off while away, all via simple voice commands. An always-active technology that recognizes preset vocal commands and triggers specified actions enables senior residents to [receive emergency attention](#) in situations where they are unable to activate a panic button. This technology gives a major boost to a senior care market that has remained largely stagnant in its ability to move past the basic [panic button](#) technology.

The opportunities for operators in IoT are really endless. It's just a matter of getting started.