Opportunities and Challenges of the Connected Home

C102
Streaming Media West - 2017
Your Panelists

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Smart Speakers Turf War

Amazon Alexa
Estimated 15 million Echos Sold*
Integrated with Sonos among Others

Google Assistant
Estimated 5 million Google Homes Sold*
Integrated with Sony among Others

Siri
HomePod Coming December 2017
Music & Smart Home Concentration

Cortana
Microsoft Invoke
Harman Kardon Smart Speaker

*Source - Consumer Intelligence Research Partners (CIRP) - Sept 2017
Echo Devices Own the Market (for now)

USER SHARE OF VOICE-ENABLED SPEAKERS IN THE US

Individuals in the US who use a voice-enabled speaker at least once a month in 2017

- **Amazon Echo**: 70.6%
- **Google Home**: 23.8%
- **Other**: 5.6%

**35.6M users of voice-enabled speakers in 2017.**
**+129% over 2016.**

SOURCE: eMarketer
Interesting Facts

This year, 35.6 million Americans will use a voice-activated assistant device at least once a month. That’s a jump of 128.9% over last year.

eMarketer expects usage will grow 23.1% in 2017. This category includes Amazon’s Alexa, Apple’s Siri, Google Now and Microsoft’s Cortana.

“As prices decrease and functionality increases, consumers are finding more reasons to adopt these devices.”
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The Infinite Dial 2017, 7% of Americans 12+ own a “Smart Speaker,”
Habit Forming

This year, 35.6 million Americans will use a voice-activated assistant device at least once a month. That’s a jump of 128.9% over last year.

This year, 60.5 million Americans will use Siri, Cortana or another virtual assistant at least once a month. That equates to 27.5% of smartphone users, or nearly one-fifth of the population.

In terms of generation, more than one-third of millennials (33.5%) will use a virtual assistant this year.

65% of Smart Speaker owners indicate that they would not want to go back to their lives before getting one of these devices. Indeed, 42% of owners say that their device is now “essential” to their everyday lives.

Habit — On average, it takes more than 2 months before a new behavior becomes automatic.
The First Mover Advantage

Your Brand Front and Center with Early Adopters

Hone Your Workflow

Monetization
Just One (Four) More Devices to Worry About?

Not For Everybody

Brand Advantages

Industry ‘Standard’ Formatting
The Amazon Way (Skills vs Briefings)

Flash Briefings

Skills

Advertising
Workflow, Costs, Challenges

Video v. Audio

Traditional Broadcasters

New Media and Podcasters
Monetization and Return on Investment

Amazon Holds Close to Vest

Ads vs. Subscriptions

Unobtrusive Sell Without Selling
Balancing User Expectations and Trust

Privacy

Ease of Use

Other Concerns
Balancing User Expectations and Trust

Major concerns consumers have about using smart devices in their homes (Forrester)

- 53% -- Monthly service cost would be too high
- 42% -- Initial cost of setup would be too high
- 42% -- Could compromise privacy of personal information
- 32% -- Reliability of the technology systems in a power outage situation
- 29% -- Could compromise security of home
- 29% -- Technology could malfunction on a regular basis
- 17% -- Will not be easy enough to use
The Future of the Smart Speaker

Convergence

On Demand

Expansion and Integration In Our Lives
Thank You!

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