



The great home reset

Home has moved beyond the domestic and become the center of human experience. By unlocking the potential of smart home technology, communications service providers (CSPs) can adapt to create new partnered offerings that add value and delight. By capitalizing on their existing trusted relationships with users, they can orchestrate new multifaceted home experiences.

What's going on

Technology's continuous promise of the smart home has driven the industry to ideate and innovate to make this a reality.

At first, the design of a seamless utopia of connected devices and intelligent, personalized experiences seemed within reach in a consumer market ready for change. Leading this charge were the CSPs, perfectly placed in the home with long-standing, trusted consumer relationships and the capability to build a new suite of tools and devices around safety, convenience and security.

But today, the reality is stark.



Solution developers are taking a technology-first approach to deliver the latest and greatest, rather than seeking to understand the consumers' needs holistically. They are led by what product they can build and distribute rather than what will create real value for consumers. The result is a smart home that is built with an incoherent ad hoc set of unconnected devices.

Meanwhile, there is a shortfall in technology adoption driven by products built on hypotheses rather than true customer needs. Devices are being manufactured with little consideration for how people will adopt them, and the lack of interoperability has led to inertia among mass-market consumers.¹

The dream of a smart home is not dead, however.

The smart home market has potential for real growth, but only if the thinking behind its design is fundamentally reimaged to be experience-led. This means adopting a human-first mindset.

What's next

Much has changed in the months since spring 2020, creating an unprecedented opportunity to reimagine the experience CSPs can provide consumers.

Before the pandemic, consumers were spending more time at home.² Covid-19 accelerated this trend. As more of the external world entered our personal space, the home transitioned into the place where most of our human experiences in work, health and play take place.

In this new hybrid world, connectivity and technology have become vital enablers, but there are also new challenges.

Many people have had to adapt their spaces and routines to accommodate the new ecosystem of experience.

As a result, the idea of creating a one-size-fits-all smart home experience for the consumer has been disproven. This has been replaced with the knowledge that needs dictate that everyone be technologically proficient—or have a tech solution that works for all.

Unprecedented need for modularity and flexibility has shifted smart home strategy fundamentally.

Need and desire has grown for a new experience that is more responsive to changing human needs, behaviors, a diverse set of consumer circumstances, and demands around connectivity, security and devices. Meanwhile, frustration over suboptimal connectivity has been magnified.

CSPs have been the home's connectivity conduit up to this point. Now, they have an opportunity to be a truly smart partner.



The notion of home has been reset. The rapid need to adapt to a remote working experiment has been a net positive for many people. A vaccine will not revert the world to its pre-pandemic state, and our homes will continue to be the center of human experiences in a way we could not have imagined in 2019.

At a time when consumers' perception of their providers is increasingly being shaped around reliance and trust, CSPs need to grab this opportunity to reimagine their vision for the future home.

Opportunities for reimagination

1. Multipurpose life

People's need for multipurpose spaces and experiences means that the connected home isn't just about adapting to physical changes and uses but enabling need shifts in real time.

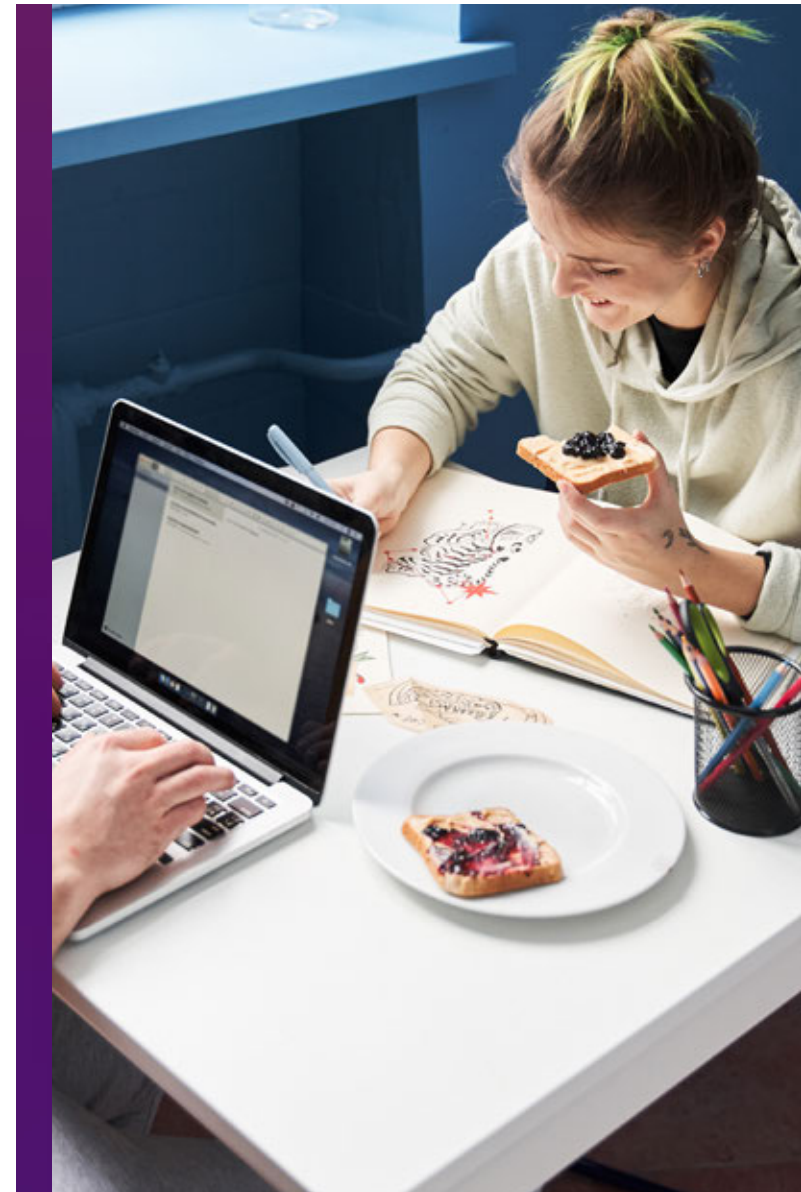
Consumers define the home as a place of comfort, safety and control. However, the definition of those words can vary depending on mindset and circumstance.³ As needs and experiences expand, so too do those definitions.

The smart home is no longer limited to security and energy saving. It is now a fundamental part of a home functioning across a spectrum of human experiences. Reliance on tech and connectivity is now a vital component of work, education and health at home.

As needs adapt and flow, CSPs should provide a tailored and modular approach to their services and products.⁴

To tap into the future home, CSPs must start by partnering with their customers to deliver front end services that enhance what they already have. We call this Connectivity+—and parental controls, Wi-Fi troubleshooting, new device pairing, and third-party device troubleshooting are the starting points. If CSPs can facilitate the new expectations of seamless service meeting their existing needs and simplifying features (e.g., device pairing), they can gain entry to the next step—transformation into a service delivery platform (with add-ons like faster speed for different times of day).

By creating this modularity of services, CSPs could create a tangible benefit with better value for their customers—enabling them to pay for what they actually use, for example, or to be less wasteful with money but also more environmentally responsible.



As consumers use parts of the home in different ways, technology should be adapted to create zones where multipurpose use of the space can be defined. In this way, CSPs could support consumers to move from home to home and bring their tailored human experiences with them.

Control will mean giving consumers the confidence to make proactive decisions about their human needs while also leveraging data and behavioral patterns to anticipate those needs in the future. Comfort will be about providing a stress-free environment to work and educate as well as a warm home.

2. Equality at work and home

Connectivity, adaptability and flexibility of experience and movement at work are inherently linked to productivity, work ethic, perception of employer and career progression. How do we ensure access to the tools at home that ensure equality in the workplace and beyond?

More than a quarter of participants in one recent survey reported inequality arising from the pandemic. Around 61% are worried that their employer would not be aware of all the work they do while 37% are concerned



that they will not have the right supports to progress their career.⁵ Tackling this will require policy changes by employers as to how they view work from home, with considerations for availability, clear markers for productivity, and defined opportunities for flexibility.

Covid-19 shifted the “always on” approach to employment (a phenomenon we were already observing⁶) to an even more, ever-present reality, according to a report by the UN.⁷ Further, there is clear evidence that, although both genders have seen their unpaid home workloads increase, women are bearing more of the burden.⁸ Now, as we prepare for a new “return to work” reality,

there’s an opportunity for technology to help solve for these issues.

CSPs could be pioneers, creating a hybrid ecosystem that links home to office to ensure that the parent staying at home by necessity is not adversely affected. This can help drive progress in empowerment and flexibility.

They can achieve this by destigmatizing the work from home and enhancing the processes, capabilities and solutions that were rapidly adopted in lockdown, such as digital twins, virtual collaboration and handoffs, and new tools for working.



There's also an opportunity for CSPs to work with employers to continue to build suites of tools at home and in the office that are driven by employee equality and ensure transparency and visibility across the workforce.⁹ What's more, the impact of such solutions will not only be felt along gendered lines—it also has far reaching consequences across the digital divide. Accessibility, age, and socio-economic circumstances benefit from options that are fit for purpose across the workforce. With CSPs at the helm to deliver workplace accessibility solutions, companies will reap the benefits—those with above average diversity have shown to be almost two times more likely to be innovation leaders in the market.¹⁰

The opportunity here is to trigger change, leading the charge for both employees and consumers to ensure that everyone can be empowered to work from home by providing access to connectivity. Access to connectivity is no longer a luxury—it's a basic right to function in an increasingly online society.

The blocks on which we build equal opportunities for all are fundamental to society, whether that's through tailored bundles or partnering with businesses to ensure their employees are given the access to the tools and services. All of this will lead to the creation of a level playing field across the workforce and community.



3. Palace or prison

Home is still home, which means it's vital to ensure that it remains a safe and relaxing space for people. How can CSPs enable virtual work/school while still providing access to vital everyday services such as health and entertainment, all of which contributes to a positive human experience for every person in the home?

What's become clear since the start of the pandemic is that how we view our homes has changed as the external world has infiltrated the personal—from home being a place of respite to a center of rotating human experiences. For some, this home base has been a blessing; for others, home confinement has been difficult.¹¹

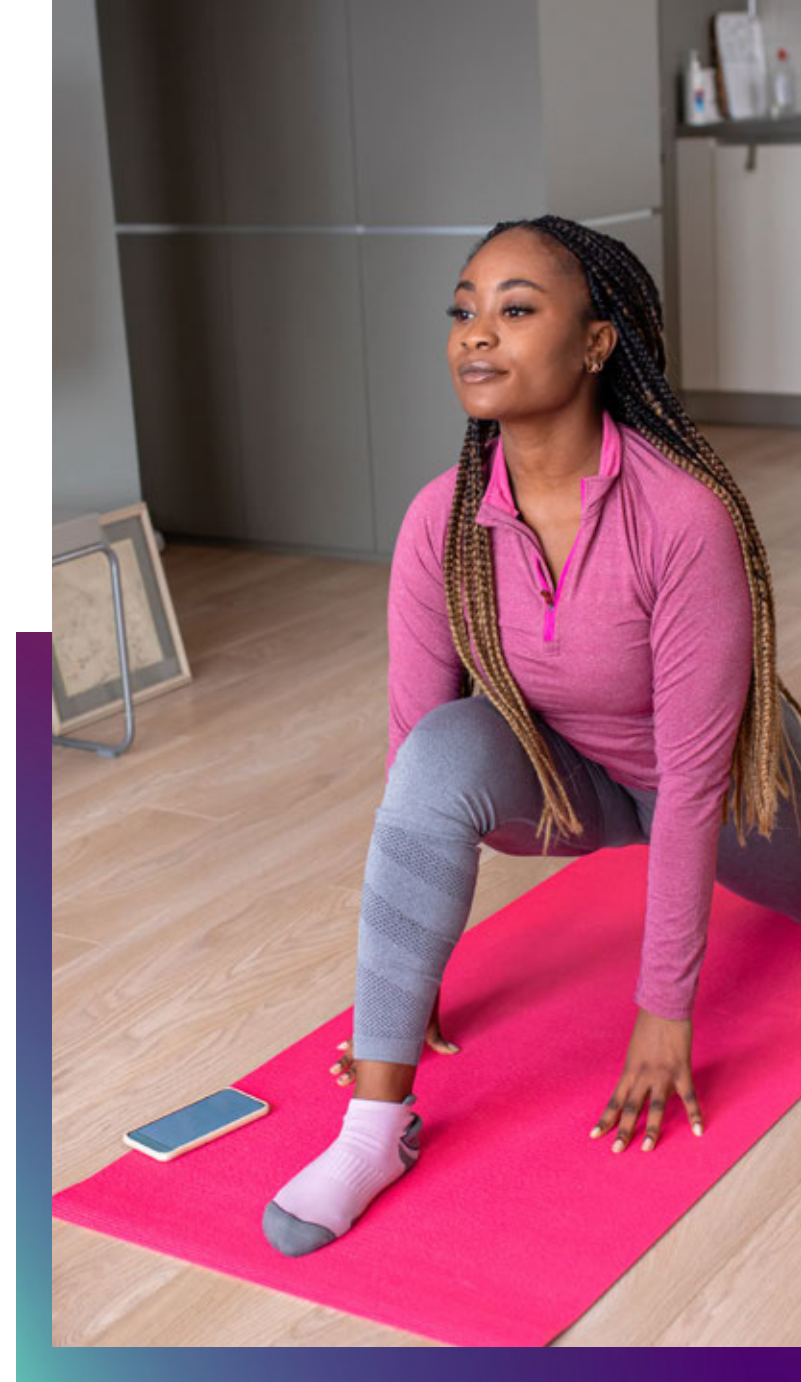
Through all this, however, the increase in time people spend at home is bringing CSPs and their customers closer together—in both service delivery and intimacy—as customers increasingly see their CSP as a trusted and relied-upon partner. This creates opportunities for CSPs.

The smart home is morphing into a modular ecosystem across device security, media, social experience, energy production, education, health and work. As this gains

momentum, CSPs have an opportunity to build on the consumer trust they already have to develop data security options across these new human experiences. With trust, they can deliver the full promise of services like telehealth. With trust, data can be more than just a hypothetical commodity—it can be a solution whereby CSPs can connect a complex ecosystem of new digital offerings from physical smart devices to analytics-based services.¹²

To deliver on the original promise of the smart home—to accelerate flexibility and the seamless experience—CSPs' efforts should be grounded in the data driven by human experiences in the home, and the devices and tools used to facilitate that. They should also consider leveraging those lessons learned from the way data is used in other industries¹³ to enhance the human experience for consumers at home.

Ultimately, CSPs can develop a clear understanding of how to automate things people don't want to think about, and to help them make the choices they need to in real time.¹⁴



What CSP leaders can do

1. Think modular and flexible

When redefining the smart home, be modular and flexible in your thinking. Drive this thinking by prioritizing human experience and build technology to partner with those opportunities.

Consumers could choose to define their bandwidth levels to ensure that important times of the day, where connectivity is vital to function, can be offset by quieter periods of relaxation and device-free experiences, for example.

2. Build equality

Reimagine connectivity with a broad spectrum of consumers, circumstances and digital access in mind. Be ambitious in redefining the ecosystems that create equality in this space.

Develop products and services that look to serve equality across the spectrum of users—not just the new hybrid workforce at home. Consider, for example the older generation who look to connectivity as lifeline to a connected society, or the families who long for times to thrive in their own tasks but also find dedicated moments to come together.

3. Own data security

Capitalize on the growing reliance and trust amongst consumers to become the safeguards of their data—both for security and to create opportunities for smart home residents and the services they consume.

Consider how CSPs can become the home's CIO for consumers, driven by data to create autonomy and real-time control.



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