Smart Homes Case

Building Smart homes as a category in India

Smarthome is a subset of the overall consumer IOT ecosystem and has seen a lot of interest over the past few years. Smarthome is loosely defined as home enabled with modular IOT devices such as Smart lights, controllers for ACs, Cameras, etc. These interact with each other to help users do daily tasks easily. Examples include: Entertainment, lighting controls, security amongst others.

The ecosystem is made of several players such as Hardware manufacturers (OEMs) as well as software players consisting of communication protocols and consumer applications, etc. It is useful to understand the role of players in the evolution of the category.

Additionally, in the recent past Infrastructure foundation blocks are being laid out - high speed Wifi connected home in India is ~25mn, IOT devices continue to get cheaper, ambient computing is being enabled by Voice Assistants. On the consumer side, there is improved awareness of the IOT capabilities due to marketing/ distribution push from key brands in the space.

Google's participation in the Category
Google is participating in this ecosystem in multiple forms:
1. Google hardware devices: Google designs and builds hardware devices such as smartphones, smart speakers, streaming devices, thermostats, cameras etc. These are all vital cogs in building a comprehensive smart home solution.
2. Google Assistant as a platform: This unlocks multiple areas of participation:
    a. Offering voice enablement of most smart home related use cases.
    b. A platform for 3rd party hardware manufacturers to integrate with and offer voice enablement on their devices
    c. Drives device usage by allowing conversational language to control devices

As an outcome of this study, we should be able to define a strategy for building Smart Home as a category.

Below are a few pointers that can give directions on building the strategy –

1. **Define market opportunity/TAM* for the category**
   Estimate number of Smarthomes that would exist in India in 2019 and 2022 with rationale for forecast by triangulating data across multiple sources/ related categories.

   (For our purpose, Smarthome is defined as households having at least 1 Smart device apart from Smartphones)

2. **Identify enablers to grow smart home adoption in India**
   a. Identify points of frictions in the consumer journey while purchasing Smarthome devices
   b. Identify critical use cases that can act as enablers for the Smarthome growth
   c. Suggest price points which can unlock mass market for the Smarthome category

3. **Go To Market (GTM) strategy**
   Amongst the various consumer electronics distribution, which channels would work best for Smart Home category aligning sales strategy to the #1, #2 points mentioned above.