



Silicon Valley Thought Leaders Series

**Internet of Things 2020:
A Glimpse into the Future**

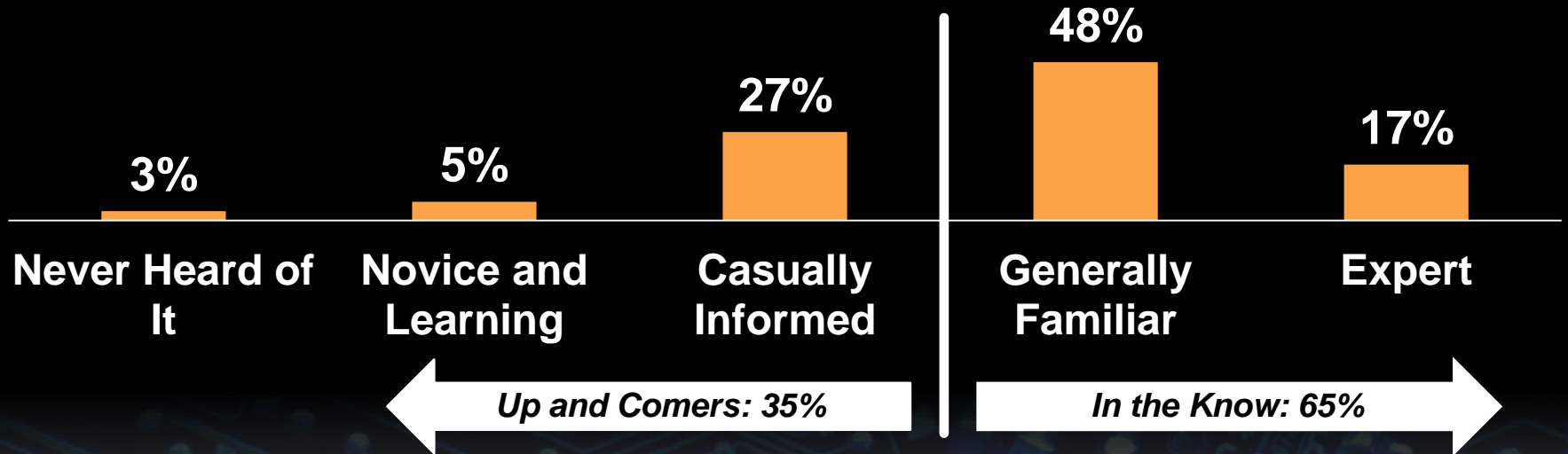


Alex Blanter
Partner
+1 510 710 4365
Alex.Blanter@atkearney.com
Follow me: [LinkedIn](#) | [Twitter](#)



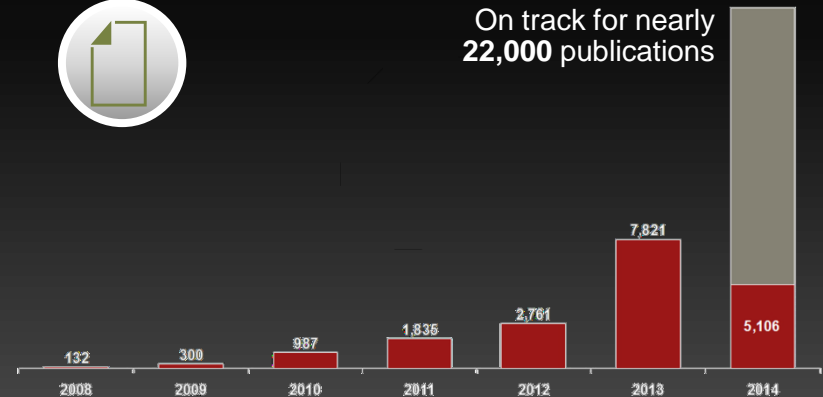
Mark Holman
Partner
+1 650 400 0264
Mark.Holman@atkearney.com
Follow me: [LinkedIn](#) | [Twitter](#)

We came here today to discuss the Internet of Things...



...ahead of this meeting we asked for your forecasts on time to IoT value, speed of adoption across sectors and industries, and barriers to overcome

Everybody seems to be talking about IoT

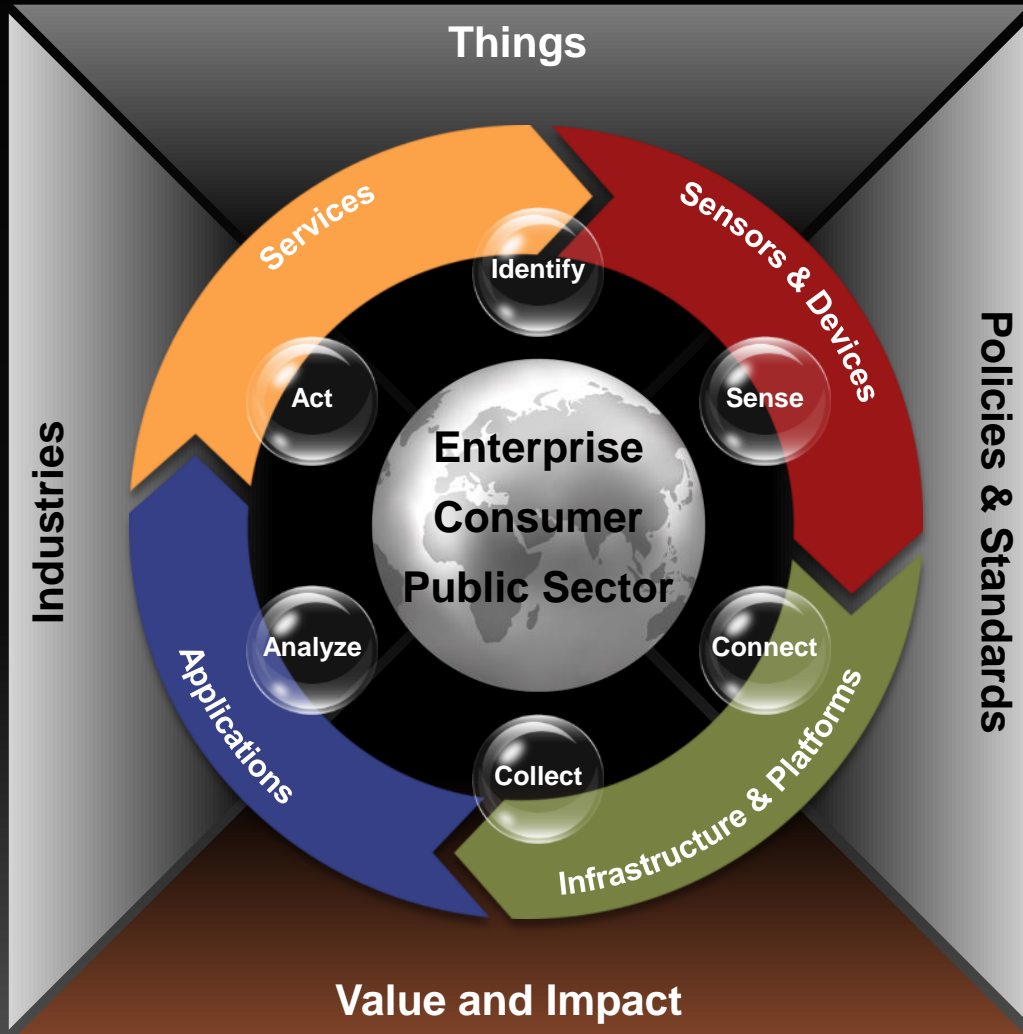


We define the Internet of Things as a...

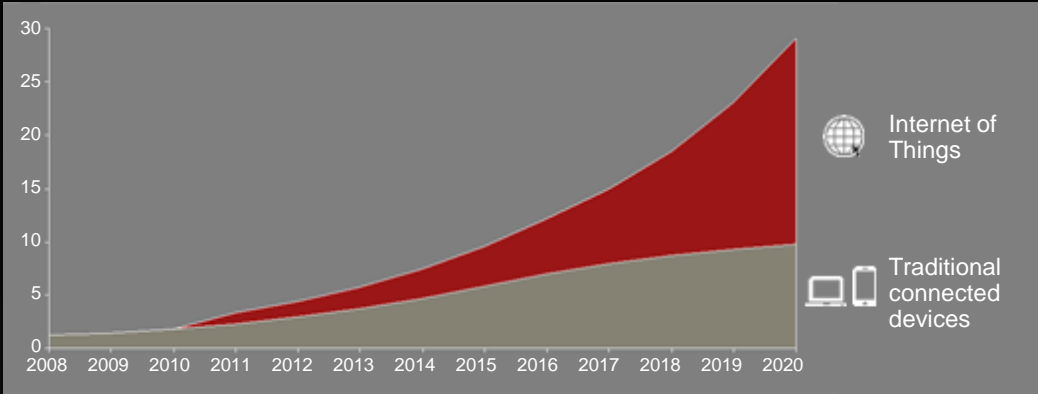
seamless combination of
embedded intelligence,
ubiquitous connectivity, and
deep analytical insights

that creates unique and disruptive value
for companies, individuals, and societies

Taking that definition to the next, more detailed, level...



IoT will be pervasive... are you ready?



2013 to 2020: From half as many to twice as many – growth of IoT devices relative to traditional connected devices

By 2020 in the World...



Nearly 30 billion devices



Over 7.7 billion people



20X+ as many connected devices per person



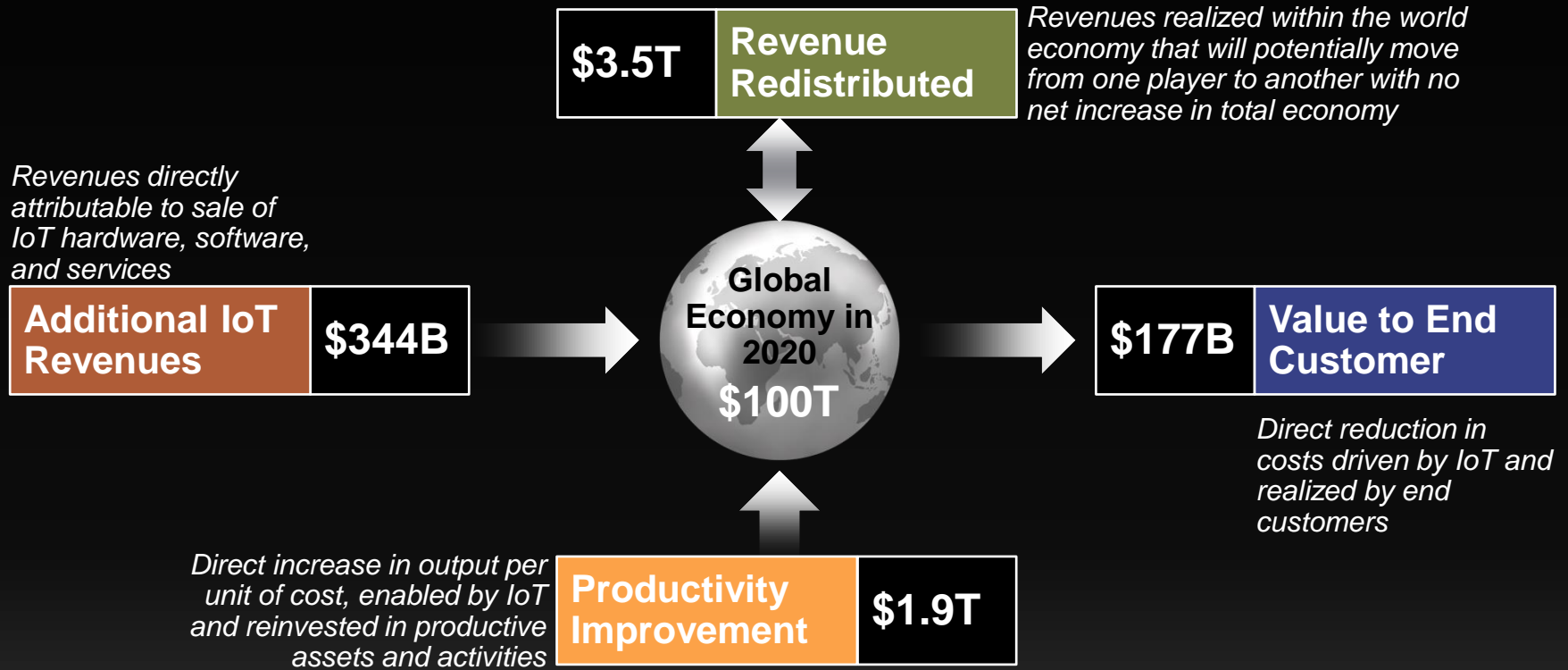
Over 3.2M people

Connected devices

Over 3.5 per every human on the planet

For a family of four: 250+
 For us in this room: 7,000+
 For all in Silicon Valley: 200M+

By 2020 IoT will impact close to 6% of the global economy




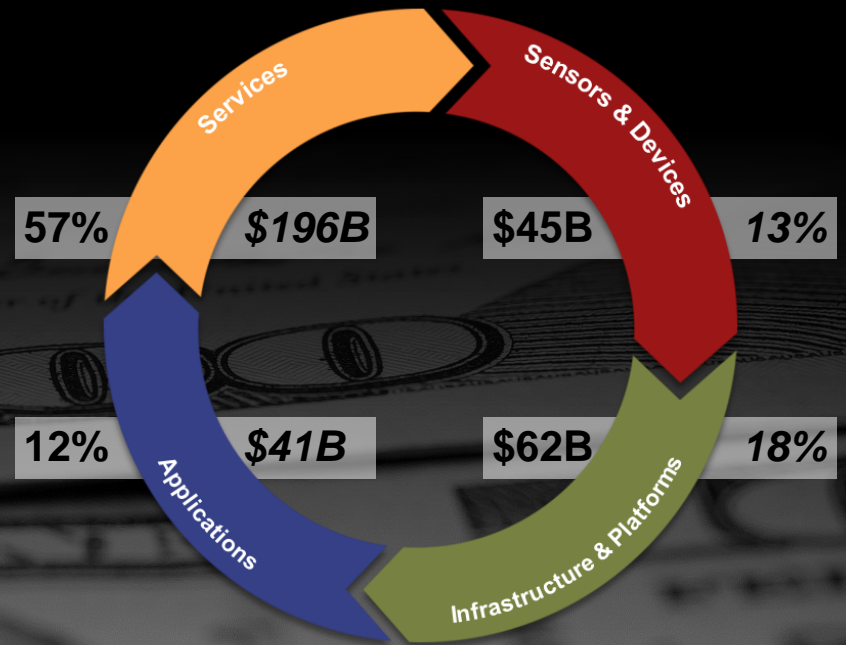
IoT will be materially **disruptive** – there will be **winners** and **losers**

Additional IoT revenues will be split in a multitude of ways

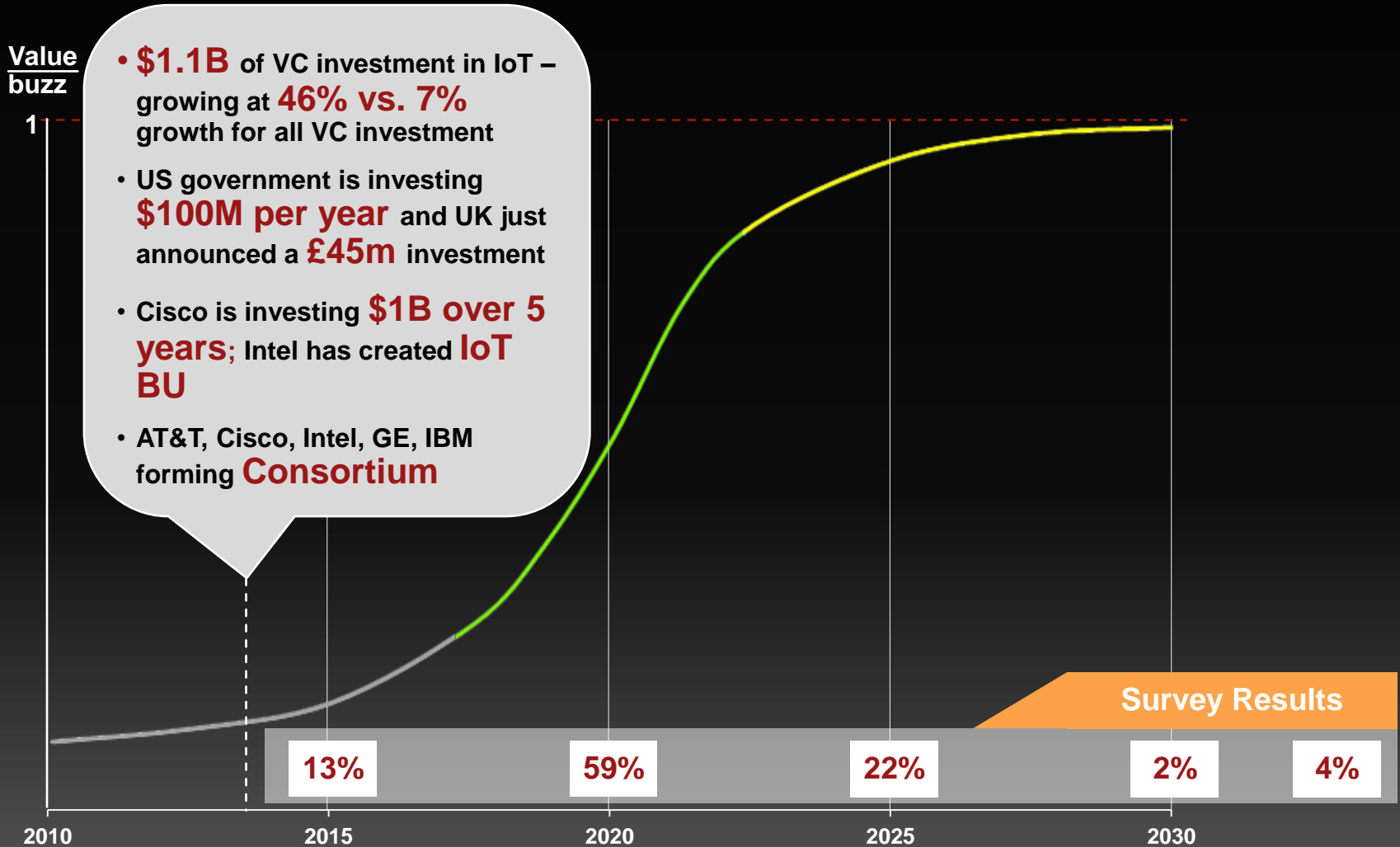
Additional IoT Revenues	\$344B
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Survey Results: Time to Value Rank

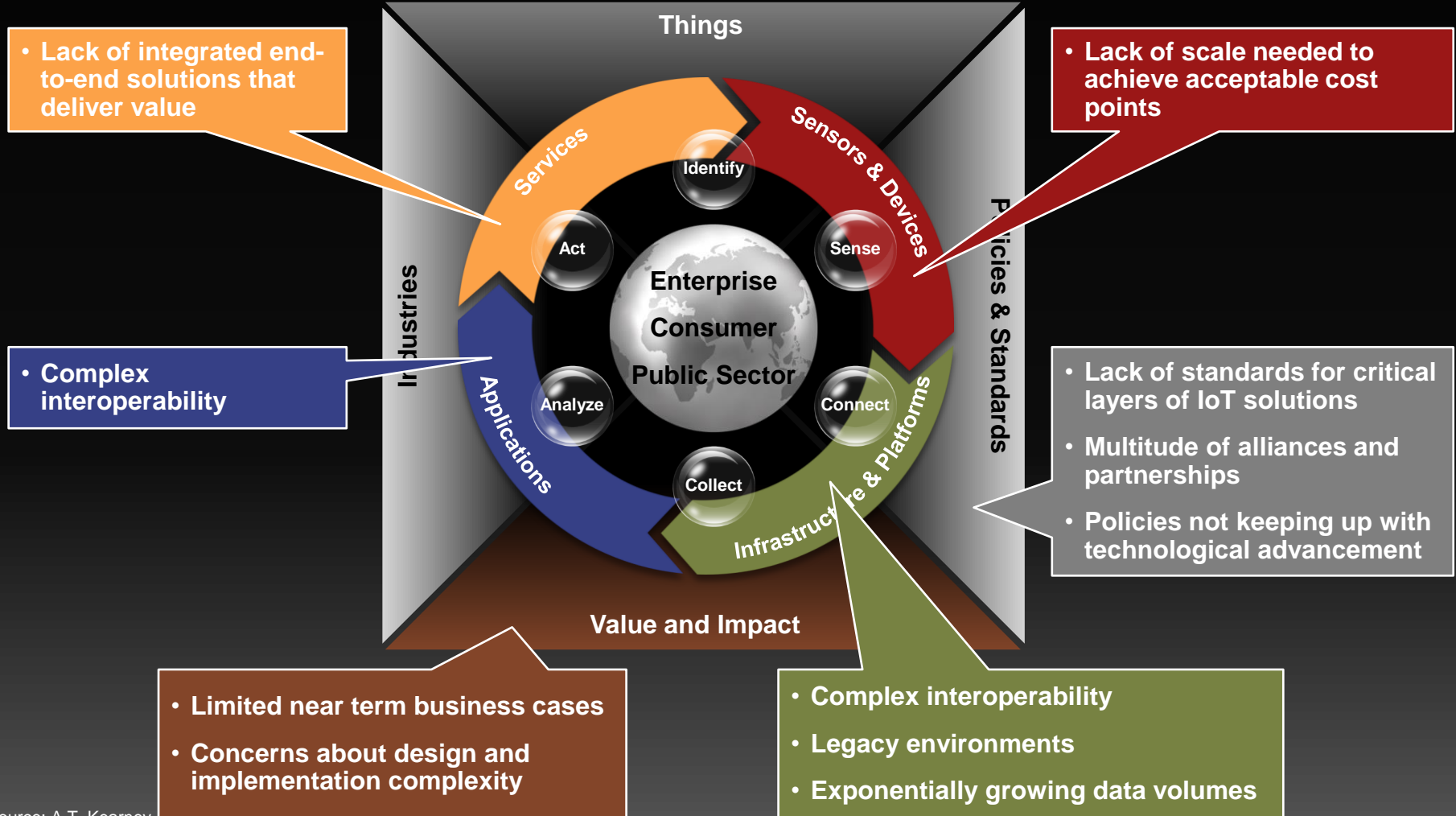
	Enterprise	63%	\$217B	1
	Consumer	28%	\$97B	2
	Public Sector	9%	\$30B	3



It will take years for IoT potential to be realized



Challenges to IoT deployment and value span 6 areas



Overcoming these challenges will require all and everyone – top 10 success factors

Overall Ecosystem



1. Standardized platforms and interfaces
2. Updated policies and regulations
3. Defined cross-industry collaboration models and alliances
4. Strategically eliminated systemic bottlenecks
5. Relentlessly lowered costs

Individual Company



1. Clarity of business value
2. Strategic and operational flexibility
3. Focus on superior innovation
4. Collaborative and co-creative culture
5. Teams capable of ecosystem collaboration

What will the future world look like?

Progress
by 2020



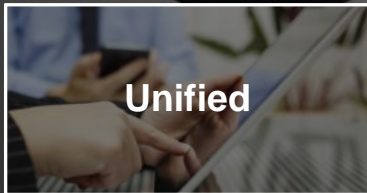
Digital identity for every human, creature, and object... and a home page
Everybody and everything is traceable and trackable
Technology is pervasive but invisible



Most everything is direct – intermediaries are gone
Most everything is real time – information, decisions, actions
Predictive, with an ecosystem that anticipates and responds to its environment



Objects communicate with each other without humans and act independently
Distributed intelligence enables self sufficiency
Experiences are personalized

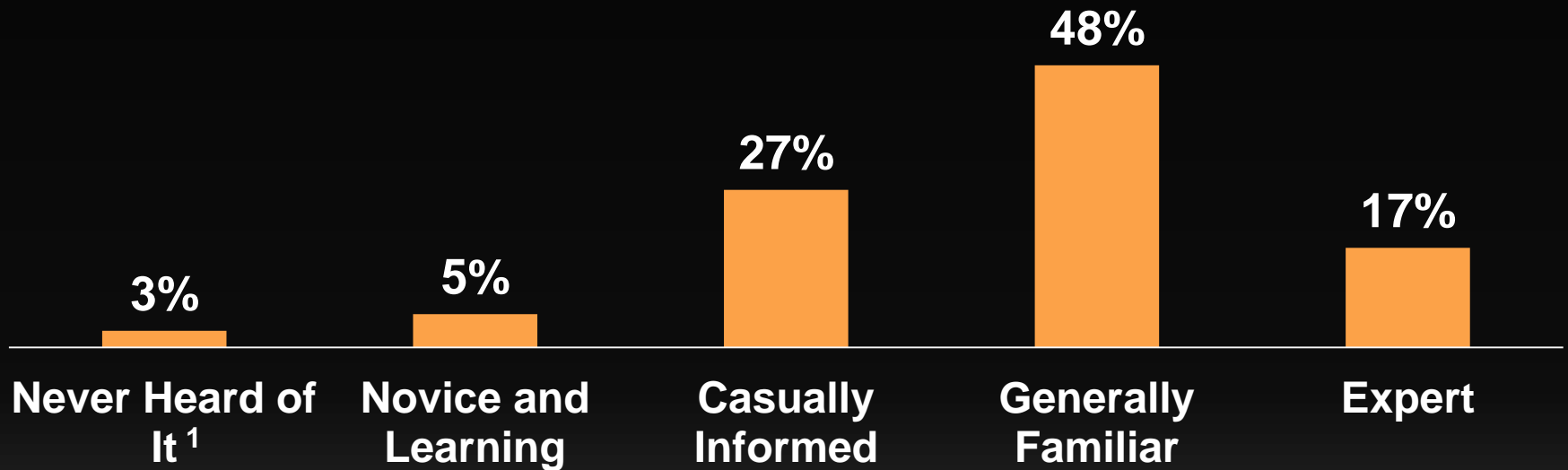


Analog and digital world merge, with seamless experiences across both
Everything can access everything else remotely
Sharing becomes predominant mode of use



Appendix: Survey Results

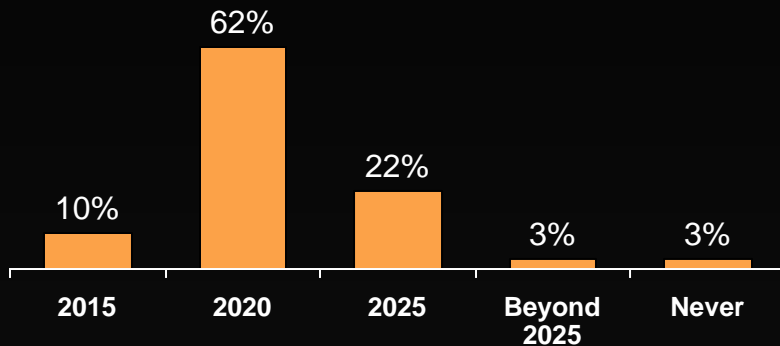
Question 1: How familiar are you with IoT? – 70+ responses received



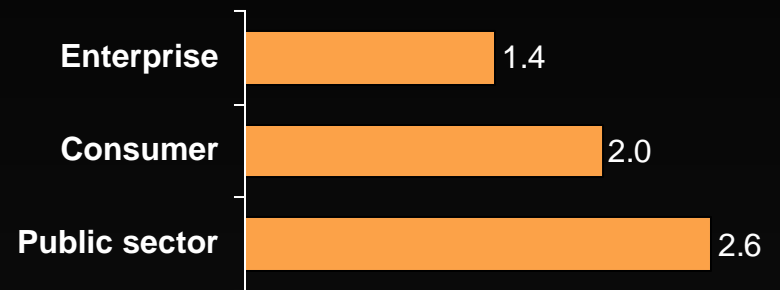
1. These responses omitted from the rest of the survey
Source: A.T. Kearney

Survey results

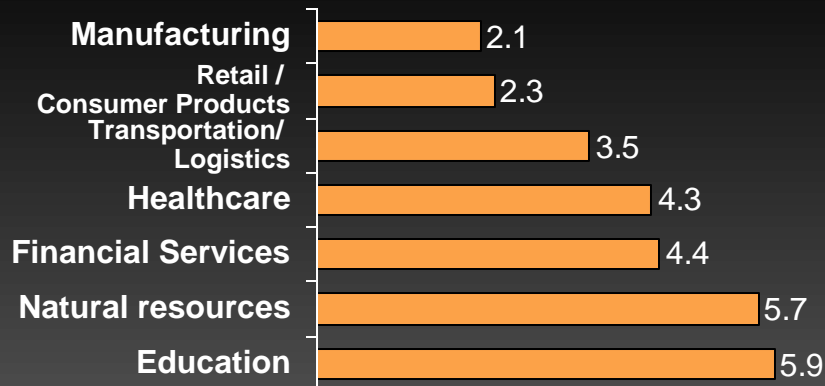
Q2: When will delivered IoT value live up to expectations?



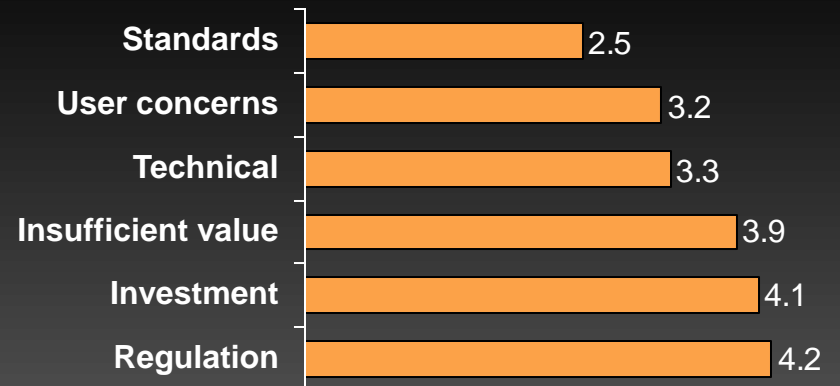
Q3: Which sectors of the economy will develop the fastest?



Q4: Which industries will be furthest along the adoption curve by 2020?



Q5: Which factors need to be overcome for IoT to reach its potential?



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