Connecting Smart Objects

The Market - Global connections* (excluding M2M)

<table>
<thead>
<tr>
<th>Year</th>
<th>Connection</th>
<th>Market Share</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>7.3bn</td>
<td>99%</td>
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<tr>
<td>2020</td>
<td>8.9bn</td>
<td>114%</td>
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The Barriers and Challenges

- 62% found devices are too expensive.
- 47% are concerned with data security and privacy issues.
- 31% couldn’t connect to the internet.
- 23% are unsure which devices will be of use to them.
- 18% found devices too complicated to use.
- 16% of members said they would be likely to consider a watch with an emergency call function.
- 13% find devices too confusing.
- 13% feel the device did not work as advertised.
- 14% had problems setting up the device.
- 17% of IoT devices and services are purchased.
- 62% of members said they would be likely to consider a watch with an "ONE STEP CONNECTION" functionality.

What Consumers Want

- 65% of members said they would be likely to consider a watch with an "ONE STEP CONNECTION" functionality.
- 52% of members said they would be likely to consider a device with "ONE STEP CONNECTION" functionality.

Acceptable pricing on top of a $320 equipment:
- $30 Too Cheap
- $55 Great Value
- $110 Too Expensive

Source: Gemalto Enables

Ease of Use

Seamless connectivity experience for consumers

Freedom to Connect

Connecting users when they want, where they want

Quality of Experience

Ensure service continuity while connecting to the most reliable provider

Gemalto Enables

Find out more: http://www.gemalto.com/mobility/networks/on-demand-connectivity

Source: Gemalto Mobile Economy 2016 - Intelligence 2016
Source: 2016 Accenture Digital Consumer Survey
Source: Gemalto Ideas Hub Consumer Survey

*Sources:
GSMA (Mobile Economy 2016 – Intelligence 2016)
2016 Accenture Digital Consumer Survey
Gemalto Ideas Hub Consumer Survey