

Home Automation Goes Mainstream

Written by Bob Snyder
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A new study from ABI Research says that a technology shift now under way is opening up a new mainstream consumer market for Home Automation and creating a new opportunity for broadband and telephone service providers.

For 30 years, HA to control lights, blinds, access and heating/air-conditioning fell into two broad categories: custom-installed systems for luxury homes from companies such as AMX and Crestron that cost an average of \$60-70,000; and low-end DIY products using technologies such as X10, aimed at tech-savvy enthusiasts. The expense of the former and the limitations and unreliability of the latter constrained the size of the market, says ABI.



Recently, however, a new breed of standards-based wireless technologies such as ZigBee and Z-Wave promise a middle ground. Says ABI senior analyst Sam Lucero, "The introduction of ZigBee, Z-Wave and similar standards-based technologies has led to new systems for mainstream consumers. There are two main categories: comprehensive but more economical systems for the consumer to own; and home automation and monitoring as a managed service offered by broadband and telco service providers."

Systems resembling those \$60,000 custom installations are now in the \$10-15,000 range with prices falling fast. One leading player here is Control4. "ABI Research thinks this movement holds great promise," says Lucero. "Big retailers such as Best Buy are getting involved and offering standard packages."

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The managed services approach enables telcos and broadband service providers to include remote home monitoring/automation as additions to their bundled packages. They use webcams and sensors to provide security and other monitoring; with time, more controls and features are being added.

Lucero comments: "Telcos and broadband service providers are uniquely positioned to roll managed home automation and monitoring services out on a large scale, to publicize them, and to educate consumers about their value."

"Rather than trying to 'reinvent the home automation wheel,'" advises Lucero, aspiring service providers should take advantage of the excellent turnkey solutions available from vendors such as 4HomeMedia, iControl Networks, Portus, uControl, Xanboo, and others.

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