

HTE Infokom 2025

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Agenda:

1. The Smart Home Promise & Market Trends
2. Current Challenges in Smart Home Space
3. Why Telcos are Uniquely Positioned to Lead
4. Edge AI Revolution & New Advantages
5. Deutsche Telekom's Strategy & Vision
6. Future Opportunities in Smart Living



The Smart Home Promise: From Complexity to Mainstream Reality?

- Long promised easier, more convenient living
- Reality fell short: complex *if-then* logic and fragmented ecosystems
- Adoption remained limited to tech enthusiasts
- Now a turning point: **Matter, Thread, and AI** are here to change
- Smart homes evolving into an **essential part of modern living**



Market Trends Driving Smart Home Growth

Consumer Demand Rising

Households increasingly seek solutions for energy efficiency, health monitoring, and seamless entertainment experiences. The connected device market continues its rapid expansion.

Powerful Megatrends

Three forces are reshaping expectations: sustainability consciousness, aging populations requiring assisted living, and the universal desire for greater convenience in daily life.

93M+

Connected Homes

Expected globally by 2025

35%

Annual Growth

Smart home device
adoption rate

\$165B

Market Value

Projected global market
size



Challenges in the Smart Home Space

Despite enormous potential, the smart home industry faces significant headwinds that have hindered mass-market adoption.



Fragmentation & Interoperability

Competing ecosystems create confusion and limit device compatibility, forcing consumers to choose sides rather than best-in-class products.



Complexity Burden

Setup processes remain too technical for average users. Reliability issues and troubleshooting frustrate even tech-savvy consumers.



Trust Gap

Privacy concerns and cybersecurity vulnerabilities make consumers hesitant to bring connected devices into intimate home spaces.



Hardware Logistics

Device inventory, shipping, and support don't align with traditional telco business models built around services and connectivity.

Why Telcos are Uniquely Positioned to Lead

Telecommunications providers possess distinct advantages that position them as natural leaders in the smart home revolution. Their existing relationships and infrastructure create unmatched opportunities.

01

Connectivity

- Telcos own the essential infrastructure—Wi-Fi networks, fiber connections, and 5G coverage
- Reliability and security are the most valued.
- Thread (IP protocol) can be easily added to our home gateways.
- E2E IoT device management built into home gateways.
- Built-in cybersecurity protection.

02

Trusted Relationships

Established connections with millions of households provide credibility and direct access that new entrants must spend years building.

03

Neutral Orchestrators

Unlike device manufacturers tied to specific ecosystems, telcos can serve as independent integrators, connecting best-of-breed solutions for customers.





Deutsche Telekom's Smart Home Strategy

Deutsche Telekom has pioneered smart home services in Europe, learning valuable lessons while building toward an open, integrated future.

1

Early Innovation

Qivicon and Magenta SmartHome established DT as a first mover, providing crucial market insights and customer feedback.

2

Embracing Openness

Strategic commitment to Matter and Thread standards, plus broad partnerships, ensures customers access best solutions regardless of brand.

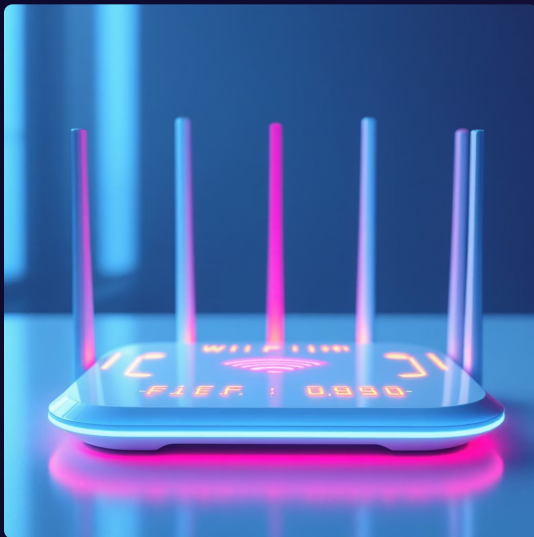
3

Integrated Experience

Seamlessly connecting connectivity, entertainment, energy management, and security into a unified customer experience.

"We're not just connecting homes—we're making them intelligent, secure, and truly responsive to how people live."

New Telco Advantages: The Edge AI Revolution



→ Home Network as Sensor

RF and Wi-Fi sensing technologies detect motion and presence without cameras, using existing network signals to understand household patterns.

Edge AI Processing

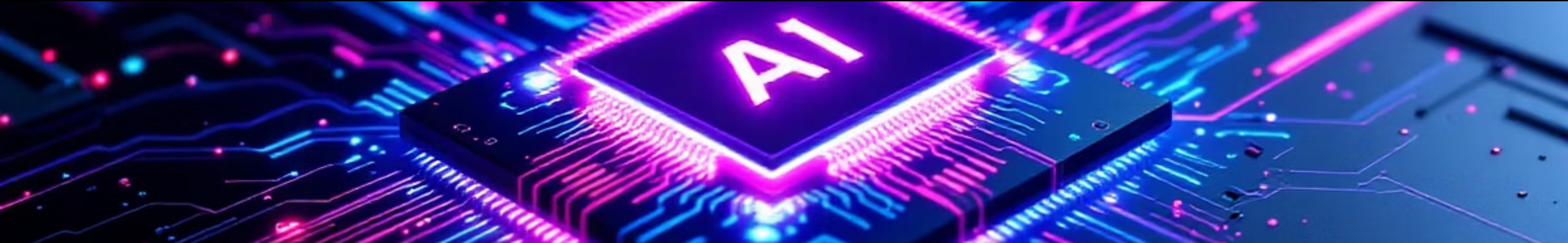
Routers and set-top boxes will be equipped with AI computing capacity and can host AI models locally, processing data without cloud dependency. This architectural shift positions telcos back to the game.

Privacy by Design

Personal data remains within the home network, never leaving the household. This addresses the trust gap that has plagued smart home adoption.

→ Digital Nervous System

Telcos transform from simple connectivity providers into the intelligent nervous system of the household, coordinating devices and anticipating needs.



Deutsche Telekom's Edge AI Vision

DT is making active investments in Edge AI hardware and models, transforming the concept of connected homes into genuinely intelligent living spaces.

Learning Systems

AI models learn from household history and context, adapting to unique family patterns and preferences over time.

Extreme Personalization

Each home becomes uniquely tailored to its residents, delivering experiences impossible with generic cloud-based approaches.

Privacy by Design

Processing at the edge ensures personal data never leaves the home, providing intelligence without compromising privacy.

From Connected and Smart

Devices that respond to commands

To Intelligent

Systems that understands the context and anticipate needs

And Autonomous

Homes that just work naturally

Opportunities Ahead: The Future of Smart Living

The convergence of connectivity, AI, and open standards creates unprecedented opportunities across multiple domains of home life.



Energy Management

Intelligent energy optimization reduces costs and carbon footprint. Real-time monitoring and automated adjustments based on usage patterns and grid conditions support sustainability goals.



Entertainment Convergence

Seamless experiences across devices and rooms create true whole-home entertainment. Content follows users, adapting to context and preferences automatically.



Health & Assisted Living

Ambient monitoring supports aging in place and chronic condition management. Non-invasive sensors detect falls, track movement patterns, and alert caregivers when needed.



AI-Driven Automation

Contextual living that anticipates needs before you ask. Homes learn routines, predict preferences, and orchestrate environments that adapt to daily rhythms and special occasions.

The Future is Connected, Secure, and Human-Centric

Better Living, Not Just Devices

Smart homes should enhance quality of life—making daily routines smoother, homes more comfortable, and families more connected to what matters.

Telcos as Trusted Leaders

Deutsche Telekom and other forward-thinking telcos possess unique assets: connectivity infrastructure, AI computing hardware, customer trust, service expertise, and neutral positioning to orchestrate ecosystems.

Our Vision Forward

We're building homes that are connected, secure, sustainable, and above all, human-centric—where technology serves people naturally and invisibly.

Intelligent Home

Seamless, secure, adaptive, contextual



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