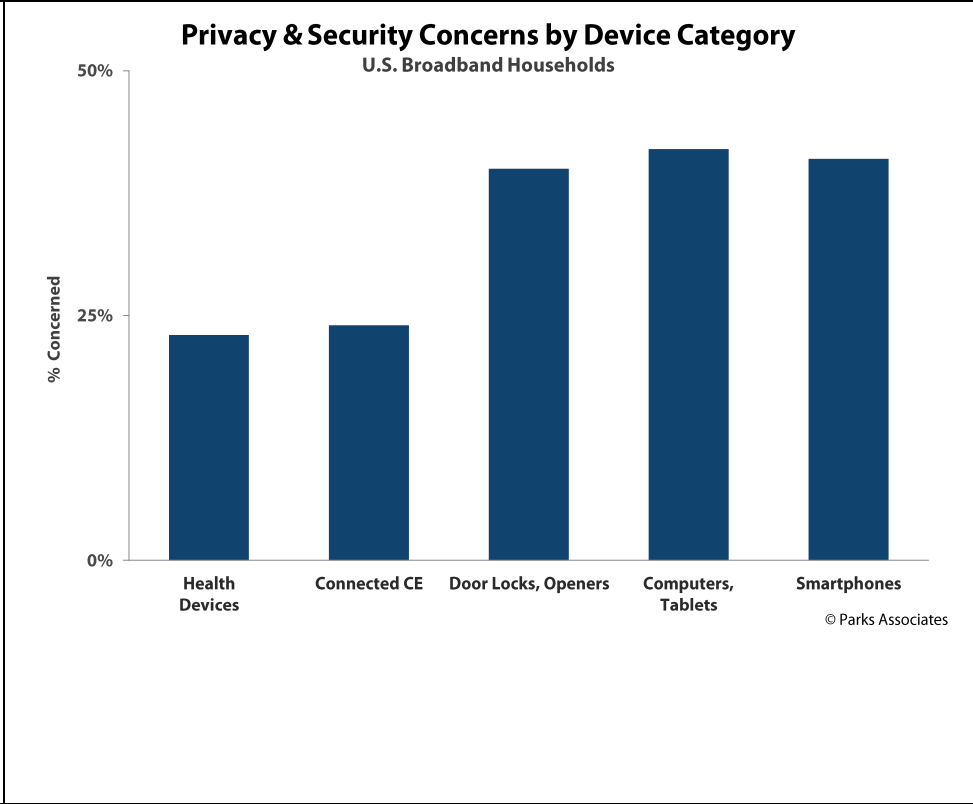


Synopsis

High-profile security breaches, combined with the increased hacking risks of that come with smart devices, raise consumer concerns about the privacy and security of their personal information. However, big data and analytics are key tools for success with connected home products and systems. This report evaluates consumer concerns and preferences, assesses the security and privacy issues in the current market, and looks at best practices for companies to store and use consumer data while providing consumers with the necessary levels of privacy and security.

Publish Date: 3Q 15

Security Concerns per Device



“The presumption of security is no longer a luxury any company can afford. Consumer perceptions of companies are starting to include assessments of both the privacy and security of their data,” said Brad Russell, Research Analyst. “Companies that implement forward-thinking security strategies can position themselves as safeguarding consumers, perhaps even differentiating themselves around this commitment.”

Contents

Dashboard

1.0 Report Summary

- 1.1 Purpose of Report
- 1.2 Scope of Report
- 1.3 Research Approach/Sources

2.0 Privacy Concerns and Big Data Opportunities Emerge from IoT Expansion

- 2.1 Growth in Connected Home Products and Services
 - 2.1.1 Smartphone Forecast (2014-2019)
 - 2.1.2 Smart TV Forecast (2012-2019)
 - 2.1.3 Forecast for Smart Home Controllers (2013-2019)
 - 2.1.4 Networked Medical Devices Forecast (2014-2019)
 - 2.1.5 Connected Fitness Devices Forecast (2014-2019)
- 2.2 Growth in Connectivity

3.0 The Data Privacy and Security Ecosystem

- 3.1 Top Ten Threats
- 3.2 Device Vulnerabilities

4.0 The Risks of Data Retention and Costs of Data Breaches

- 4.1 Business Operations Risks
- 4.2 Costs for Companies

5.0 Sources and Value of Big Data

- 5.1 Consumer Profile Data
- 5.2 Personally Identifiable Information (PII)
- 5.3 Media Interaction Data
- 5.4 Quality of Performance Data
- 5.5 Payment Card Industry (PCI) Data
- 5.6 Public Data
- 5.7 Data Moves the Levers: Creating Value from Big Data
 - 5.7.1 General Business Value Levers
 - 5.7.2 Specific Big Data Levers for the Smart Home Sector

6.0 Consumer Perspectives on Privacy and Big Data

- 6.1 The Risk and Rewards of Big Data for Consumers
 - 6.1.1 The Risks
 - 6.1.2 The Rewards
- 6.2 Consumer Privacy and Security Concerns for Connected Devices

7.0 Finding the Sweet Spot

- 7.1 Privacy as Incidental to the Product versus Essential Feature
- 7.2 Security as Ancillary versus Core Business Function
- 7.3 Security as Risk Management versus Business Agility
- 7.4 Consumer Education versus Consumer Security-Informed UI
- 7.5 Low Bar versus Best Practices
- 7.6 Proprietary Concern versus Shared Solutions
- 7.7 Big Data versus Smart Data

8.0 Appendix

- 8.1 Glossary
- 8.2 Index of Companies

Figures

- Timeline of Device Adoption
- Forecast: Smartphone Unit Sales in U.S.
- Forecast: Smartphone Penetration in U.S.
- Forecast: Unit Sales of Smart TVs in U.S.
- Forecast: Penetration of Smart TVs in U.S. Broadband Households
- Forecast: Smart Home Controller Unit Sales in U.S.
- Forecast: Smart Home Controller Penetration in U.S.
- Forecast: Networked Medical Device Unit Sales in U.S.
- Forecast: Connected Fitness Tracker Unit Sales in U.S.
- Forecast: Connected Fitness Tracker Penetration in U.S.
- Forecast: Global Fixed-Line Broadband Homes

Privacy and Big Data: Safeguarding Consumers
Table of Contents

By Brad Russell, Research Analyst

Forecast: Global Mobile Broadband - 4G/LTE Subscribers
 Data Privacy and Security Ecosystem
 Device Vulnerabilities and Remedies
 Building Security in Maturity Model
 Privacy Policy Word Count and Transparency & Choice Options
 The New Technology Stack
 Smart Home Big Data Levers, Concerns, and Cloud Services
 Level of Privacy & Security Concern by Device Category
 Privacy or Security Concerns for Smart Home Device Owners versus Non-owners
 Leading Privacy and Security Concerns by Device Category
 Effectiveness of Privacy Rights to Relieve Concerns
 Incremental Impact of Privacy Rights on Concerns
 Willingness to Share Data by Owners of Connected CE Devices
 Willingness to Share Data by Owners of Fitness Health Devices
 Willingness to Share Data by Owners of Smart Entry Devices
 Willingness to Share Data for Benefits by Specified Age Groups

List of Companies

1Password	LastPass
7signal	Microsoft Azure
Acxiom	Mineful
All ClearID	Netflix
Amazon	Online Trust Alliance
Anthem	Open Web Application Security Project (OWASP)
Apple	PassSafe
ARM	PasswordBox
Arrayent	Pew Research Center
AT&T	Ponemon Institute
Ayla Networks	Preact
BillGuard	Progressive
BSIMM	Promera
Cisco	Roboform
Cloudera	Samsung
Community Health Systems	Sendify
Dashlane	Sift Science
dunnhumby	SmartThings
Echo	Sony Pictures
Experian	Spotify
Facebook	Sprint
Federal Communications Commission	Symantec
Federal Trade Commission	Target
FIDO Alliance	Thingworx
Figurr	T-Mobile
Forgerock	Twitter
Global Platform	Uber
GNIP	Verizon
Gold Key Security	Viant
Google	VISA
Hewlett-Packard	

By Brad Russell, Research Analyst

Home Depot	Vivint
IBM	Wal-Mart
iControl Networks	Yahoo Tumblr
J.P. Morgan	Zubie
Kroger	

Attributes

Parks Associates
15950 N. Dallas Pkwy
Suite 575
Dallas TX 75248

800.727.5711 toll free
972.490.1113 phone
972.490.1133 fax

parksassociates.com
sales@
parksassociates.com

Authored by Brad Russell
Executive Editor: Tricia Parks
Published by Parks Associates

© July 2015 Parks Associates
Dallas, Texas 75248

All rights reserved. No part of this book may be reproduced, in any form or by any means, without permission in writing from the publisher.

Printed in the United States of America.

Disclaimer

Parks Associates has made every reasonable effort to ensure that all information in this report is correct. We assume no responsibility for any inadvertent errors.