Confidential

Global AI Home Solution Market

Independent Industry Report

FROST & SULLIVAN
沙利文

For and on behalf of
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Overview of Global Smart Home Product Market
Definition and Classification of Smart Home Product

Definition of Smart Home Product

- Digital home and smart home solutions represent the early stages of Smart Home product development. An Smart Home product refers to an intelligent home ecosystem designed to empower end users by enabling whole-home network coverage and seamless device integration. It leverages voice interaction (e.g., smart speakers), visual interaction (e.g., cameras), and environmental sensing (e.g., Wi-Fi router-based sensing algorithms) to coordinate with Smart Home devices such as OTT devices and smart projectors — delivering an intelligent, collaborative, and seamless home experience. Beyond front-end devices and applications, Smart Home products also include essential system platforms and infrastructure to ensure deeply intelligent and scenario-based user experiences. Based on the product types offered, Smart Home products include Smart Home devices, Smart Home infrastructure, and Smart Home system platforms. Smart Home devices includes OTT devices, smart projectors, smart speakers, smart cameras, smart door lock and others that are equipped with AI capabilities such as voice interaction, visual interaction and others to interact with users in home spaces. For example, products like streaming media terminals with features such as real-time subtitles and translation, AI-driven audio separation, gesture recognition control, real-time AI video content analysis with related recommendations, and AI-enhanced UHD image quality reconstruction, camera with features such as visual analysis that enables cross-device proactive reposes, all fall under the category of AI home devices. AI infrastructure includes home gateway and routers, which provides the foundation for the whole-home network coverage and synchronization among different devices and system platforms. For example, products like optimal network terminals, routers, Modem with features such as environmental awareness, proactive network optimization, and AI agent collaboration, all fall under the category of AI home infrastructure. Smart Home system platforms offers a unified management interface that connects diverse devices to enable personalized and seamless interactions, while also creating opportunities for value-added services such as video entertainment, online shopping, music streaming and among others. For example, products like home AI agent powered by generative AI technology, OTT media streaming platform, all fall under the category of AI home system platforms.
- Technologies commonly adopted in AI home solutions include hardware-accelerated AI-SR technology, which enables real-time AI model inference on each video frame for pixel reconstruction and quality enhancement with ultra-low latency; real-time auto-focus and auto-keystone correction technology, which automatically adjusts settings to optimal levels without manual intervention; voice emotion recognition, capable of advanced emotion detection by analyzing acoustic features such as tone and speech rate to deliver more empathetic responses; and AI agent related technologies, which integrate all connected devices to provide a holistic understanding of the home environment and proactively take action.

➢ Based on the product types offered, Smart Home products include Smart Home devices, Smart Home infrastructure, and Smart Home system platforms.

Classification of Smart Home Product

Smart Home devices

➢ Smart Home devices includes OTT devices, smart projects and others that are equipped with AI capabilities such as voice interaction, visual interaction and others to interact with users in home spaces.

Smart Home infrastructure

➢ AI infrastructure includes home gateway and routers, which provides the foundation for the whole-home network coverage and synchronization among different devices and system platforms.

Smart Home system platforms

➢ Smart Home system platforms offers a unified management interface that connects diverse devices to enable personalized and seamless interactions, while also creating opportunities for value-added services such as video entertainment, online shopping, music streaming and among others.

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Source: Frost & Sullivan

Overview of Global Smart Home Product Market

Technological Evolution of Global Smart Home Product

- Driven by both technological innovation and evolving user demands, the global home solutions market is undergoing a profound transformation — from digital home to smart home, and now to Smart Home. This evolution is not just a technological upgrade, but a comprehensive enhancement of the home living experience. In the early stages, home devices focused primarily on fulfilling single functions, with little to no collaboration among devices. As technologies advanced, home devices began to feature automation capabilities, allowing users to remotely control them via smartphones or voice commands — laying the groundwork for a basic smart home network. Now, in a new phase led by AI technologies, home solutions have moved beyond traditional control models toward intelligent service systems driven by data, empowered by algorithms, and centered on natural language interaction. Building upon the foundations of the digital home, which focuses on the digitalization of standalone solutions, and the smart home, which emphasizes simple interconnectivity, Smart Home integrates and advances both concepts to enable more seamless and intuitive living experience. Smart Home is realizing full-scenario coverage through seamless cross-device coordination, deep scenario-based integration, and personalized service delivery. Devices no longer operate in isolation; instead, they autonomously sense user needs based on behavioral patterns and external environmental data, and proactively provide services. From simple function execution to comprehensive intelligent decision-making, Smart Home is making home spaces smarter, more efficient, and more emotionally responsive — offering users a truly seamless and intuitive living experience. This transformation not only redefines lifestyles at home but also create broader growth opportunities for the Smart Home market.

	Digital Home	Smart Home	Smart Home
Technological Features	➢ Internet, digitalization, and informatization technologies	➢ IoT, cloud computing, and big data	➢ AI technologies (including both discriminative AI and generative AI)
Scenario Characteristics	➢ Front-end home devices and infrastructure are digitally and informationally provided as standalone units	➢ Front-end devices and infrastructure evolve from standalone digital units to interconnected systems; users can control devices remotely ➢ User actions must be manually triggered; interconnectivity is based only on simple conditional logic	➢ Front-end devices and infrastructure possess predictive and analytical capabilities; users can control and coordinate them via natural language ➢ Devices and infrastructure can actively recognize the environment and proactively trigger actions based on real-time analysis
Openness	➢ Primarily focused on standalone digitalization and informatization	➢ Limited openness; interconnectivity is easier only among devices of the same brand or using a unified communication protocol	➢ Devices and systems from different brands can join an open ecosystem via the Matter protocol, enabling secure and reliable interconnectivity
Scenario Examples	➢ Users manually select media content on a TV via a set-top box	➢ Users remotely monitor home security and control indoor temperature via smartphone ➢ Interactive content recommendations based on big data and user history	➢ Devices enables real-time translation, image quality enhancement, human enhancement, gesture remote ➢ Devices enables proactive network optimization ➢ Devices automatically adjust temperature and lighting based on environmental sensing and contextual judgment ➢ Users interact with central home devices via natural language for entertainment and control tasks

Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Business Model of Global Smart Home Product Market

	Enterprise-facing model	Consumer-facing model
Target customers	➢ ***Operators and retail brands:*** providing Smart Home products to telecom providers and retailing providers	➢ ***End customers:*** Smart Home product providers directly offer end-users the Smart Home devices, system platforms, and infrastructure needed for home environments
Solution offering	➢ ***Customized solution:*** develops devices, system platforms, and infrastructure that enable enterprises to deliver Smart Home products.	➢ ***Standardized solution:*** provide consumers with a wide range of standardized solutions to choose from, allowing them to choose according to their needs
Distribution channel	➢ ***Enterprise distribution:*** the enterprises distribute the products and services through their own channels, addressing the diverse needs of various home environments.	➢ ***Vendor distribution:*** providers themselves choose the right way to distribute to end customers, e.g. e-commerce platforms, branded stores, apps, etc.
Investment Requirement	➢ ***Relatively low:*** mainly focuses on meeting enterprises' needs for product customization, designing of products and services, and technical support for solutions	➢ ***Relatively high:*** in addition to technical support, there are end customer facing marketing, market demand research, warehousing and storage
Market responsiveness	➢ ***Relatively slow:*** the solution needs to be updated and iterated based on market feedback captured by the enterprises, but it is usually more aligned with the actual needs of the market	➢ ***Relatively fast:*** quicker iterations based on direct consumer feedback, but may lead to higher R&D investment due to the diversity of needs from the market
Market entry barriers	➢ ***Relatively high:*** with entry barriers such as integrated delivery capabilities of the solution, barrier built by hub products, knowhow on home spaces, first-mover advantage and customer resource barrier, partnerships with ecosystem partners	➢ ***Relatively low:*** easier to roll out across multiple channels, such as digital channels like e-commerce, but also very competitive, requiring direct competition with other Smart Home product brands

- The global Smart Home product market primarily includes two business models: one is the consumer-facing model, and the other is the enterprise-facing model which aims at providing Smart Home products to telecom providers and retailing providers. In the consumer-facing model, Smart Home product providers directly offer end-users the Smart Home devices, system platforms, and infrastructure needed for home environments. In the enterprise-facing model, Smart Home product providers develop devices, system platforms, and infrastructure that enable enterprises to deliver Smart Home products. These enterprises then distribute the products and services through their own channels, addressing the diverse needs of various home environments.

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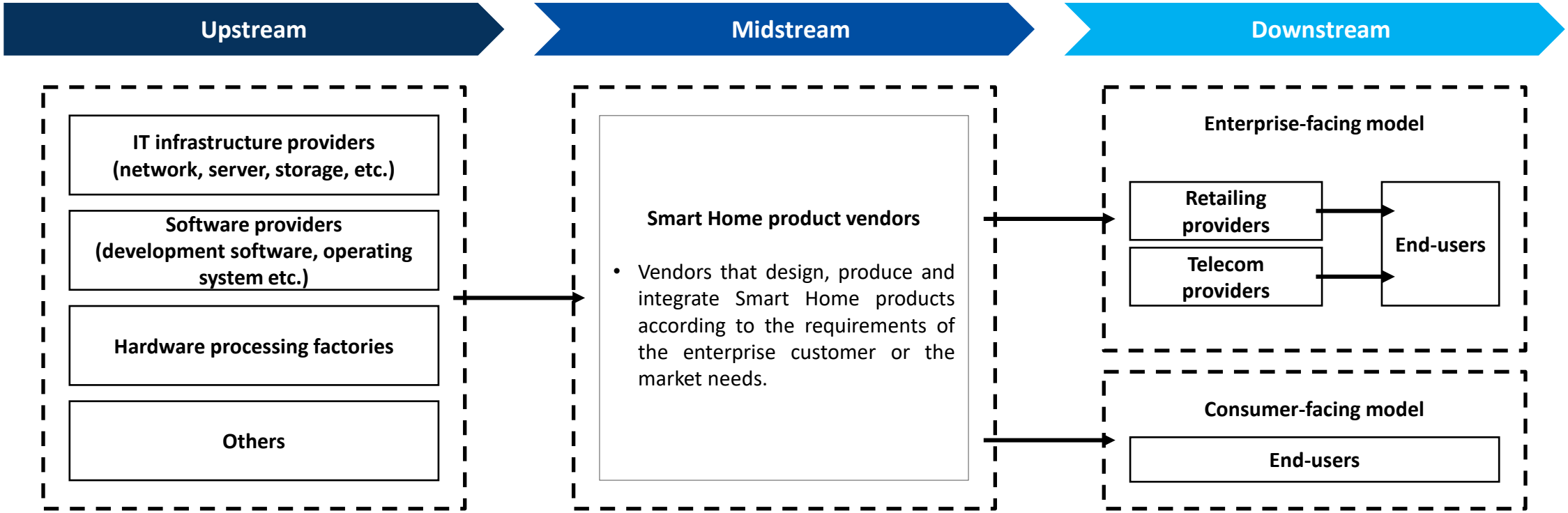
Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Value Chain of Global Smart Home Product Market



	Upstream	Midstream	Downstream
Key roles	• Providing IT infrastructures, software, Hardware processing factories other tools or components for Smart Home product vendors to develop their solutions. • Including but not limited to providers of AI algorithm, etc.	• Providing Smart Home devices, Smart Home infrastructure, and Smart Home system platforms for enterprises and end-users. • Often required to provide the necessary technical support to downstream market participants.	• Depending on the business model, under the enterprise-facing model, the downstream is mainly retailing providers, who then sell to end-users. Under the consumer-facing model, downstream is mainly end-users.

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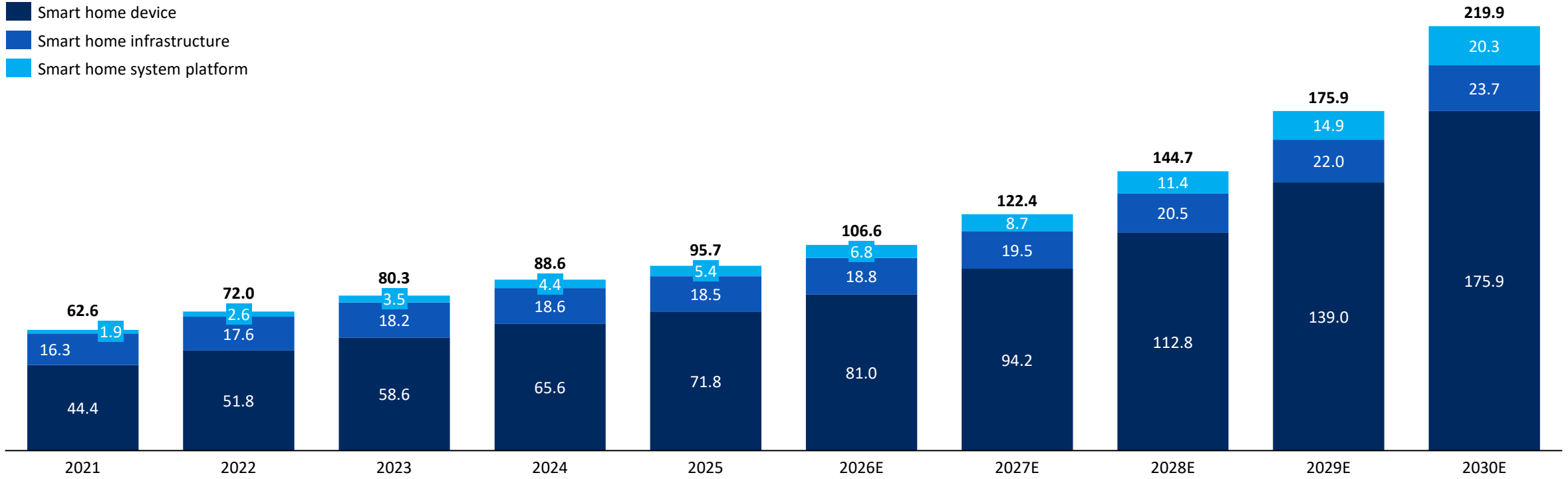
Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Size of Global Smart Home Product Market

Market Size of Global Smart Home Product Market

USD Billion, 2021-2030E

CAGR	2021-2025	2025-2030E
Total	**11.2%**	**18.1%**
Smart home device	12.8%	19.6%
Smartinfrastructure	3.2%	5.1%
Smart system platform	29.8%	30.3%



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Source: Frost & Sullivan

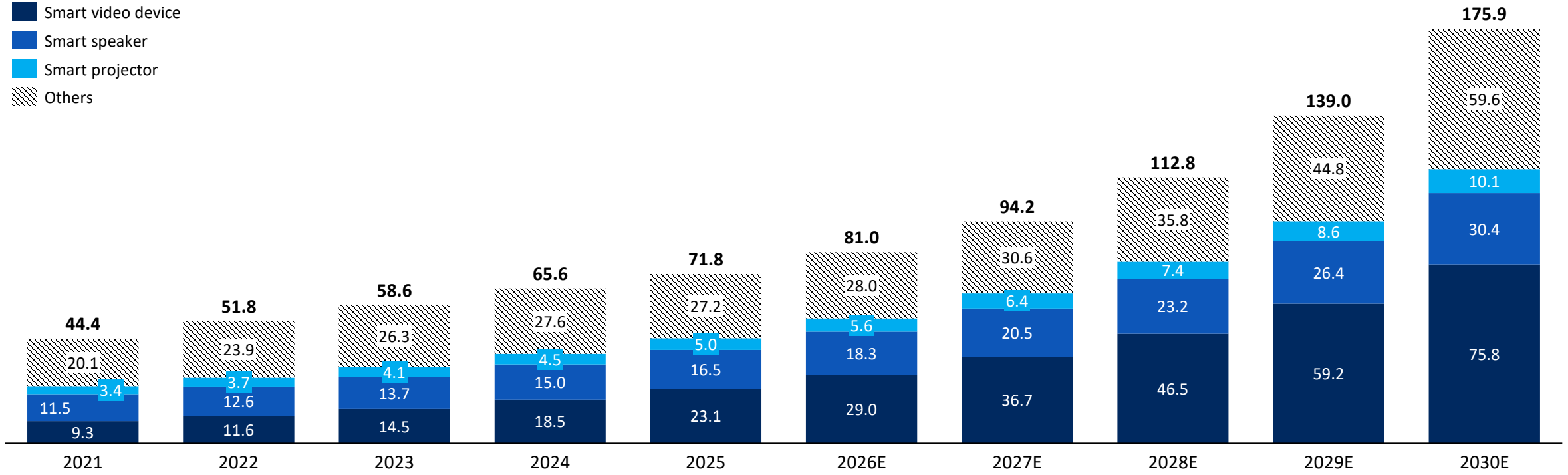
Overview of Global Smart Home Product Market

Size of Global Smart Home Device Market

Market Size of Global Smart Home Device Market

USD Billion, 2021-2030E

CAGR	2021-2025	2025-2030E
Total	**12.8%**	**19.6%**
Smart video device	25.5%	26.8%
Smart projector	10.1%	15.1%
Smart speaker	9.4%	13.0%
Others	7.9%	17.0%



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资料来源：沙利文研究

Overview of Global Smart Home Product Market

Drivers of Global Smart Home Product Market

Growing aspiration for a better lifestyle and rising demand for Smart Home products

- Traditional home devices can no longer satisfy the growing desire for a better lifestyle. Consumers today seek greater convenience and automation in managing their living spaces, such as using voice commands to control household appliances. This shift in demand is not only accelerating the intelligent upgrade of individual home devices but also encouraging enterprises to develop integrated, multi-device interaction scenarios. In response, enterprises are transforming fragmented functionalities of traditional appliances into cohesive Smart Home products that align more closely with modern living. This evolution is laying a strong foundation of market demand to support the continued growth of the global smart home market.

Continuous innovation and advancement in AI technology

- The ongoing development of AI technology is driving the growth of the Smart Home product market. By leveraging deep learning on massive volumes of user data, AI technologies can accurately predict user behaviors and preferences, enabling Smart Home products to deliver more personalized and intelligent services — greatly enhancing the user experience. At the same time, breakthroughs in large model technology have significantly improved the interaction capabilities and intelligence level of Smart Home devices. These advancements have made Smart Home products more accurate in natural language understanding, allowing them to precisely interpret user commands and needs, and respond with personalized voice interactions.

Development of network technology

- The continuous advancement of network technologies has laid a strong foundation for the growth of the global Smart Home product market. Breakthroughs in high bandwidth, low latency, multi-device concurrency, and interference resistance have greatly enhanced the stability and responsiveness of Smart Home services. With high-speed transmission and broad Wi-Fi coverage, Smart Home devices can connect seamlessly, enabling a more intelligent and integrated home experience. In addition, the evolution of network infrastructure not only accelerates performance improvements in Smart Home devices but also lowers deployment costs through more efficient resource utilization — providing essential technical support for the market's sustained expansion.

Unified service experience

- Smart Home product providers collaborate with partners such as domestic and international telecom providers, content providers, and channel providers to create an ecosystem around Smart Home devices, system platforms, and infrastructure. This ecosystem fosters mutually beneficial relationships and empowers each enterprise, improving collaboration quality and efficiency while offering users a unified service experience.
  - ***Background of the Matter protocol:*** Before the Matter protocol emerged, multiple underlying communication protocols existed in the market, making it difficult for different devices and system platforms to interconnect and communicate, leading to low collaboration efficiency. To address this issue, tech giants like Amazon, Apple, and Google collectively initiated the development of a standard communication protocol for the industry, officially launching the Matter 1.0 standard in October 2022.
  - ***Core value of the Matter protocol:*** The Matter protocol is an emerging IoT standard that solves the compatibility issues of multi-brand protocols in traditional smart homes by unifying device connection standards, allowing devices from different manufacturers to work seamlessly together.
  - ***Openness of the Matter protocol:*** The open architecture of the Matter protocol enables enterprises to integrate the hardware capabilities and content resources of ecosystem partners across Smart Home devices and system platforms. For example, by using smart speakers as central hubs to connect devices throughout the home, enterprises can create an end-to-end service loop. This open ecosystem allows for more efficient product iteration and scenario expansion at lower marginal costs, while delivering more accessible, affordable, and seamless Smart Home products to users.

Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Future Trends of Global Smart Home Product Market

Development of multimodal interaction technology, providing users with a more user-friendly experience

- Multimodal interaction technology combines voice recognition, computer vision, haptic feedback, and other sensory capabilities to accurately interpret user intentions and respond in context, greatly enhancing the naturalness of interactions with Smart Home devices. Leveraging advances in natural language processing and adaptive learning, these systems can learn user habits over time and build personalized interaction models. By integrating environmental sensing with contextual semantic understanding, Smart Home devices evolve from passively executing simple commands to proactively delivering intelligent services. The development and application of multimodal interaction technology not only improve the fluency and realism of human-machine interaction but also lower the learning curve for users. This drives broader adoption of Smart Home products across diverse households, enabling a seamless, immersive, and intelligent home experience.

Telecom providers becoming key players in driving consumer upgrades to Smart Home products

- As traditional telecom services reach saturation and emerging technologies such as cloud computing and IoT grow rapidly, telecom providers are leveraging their channel strengths to accelerate the adoption and deployment of home network devices, which includes promoting home gateways and mesh networking systems to secure control over the household communication entry point. At the same time, telecom providers are actively expanding their solution offerings and launching intelligent, AI-powered services to meet the rising demand for smart home experiences. For Smart Home product providers, forging strong, long-term partnerships with telecom providers will be essential for accessing key market channels and gaining a competitive advantage.

Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Challenges and Threats of Global Smart Home Product Market

Evolving consumer expectations and personalization demands

- As consumers become increasingly familiar with AI-driven services in other domains, their expectations for personalization and seamless interaction within the home environment are rapidly escalating. Consumers are moving beyond basic remote control, desiring systems that genuinely understand their habits, anticipate needs, and adapt proactively. Global Smart Home product providers might not be able to accurately and continuously meet and exceed consumers' rising expectations.

Privacy and security concerns

- With Smart Home products relying on information inputted by consumers or behaviors of consumers through their voice, movements and others, there is a concern over the security of personal data. Breaches or misuse of consumer data could result in a loss of consumer trust and stricter regulatory scrutiny, which not only hurt a single provider's reputation but also impact a healthy growth of the industry.

Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Entry Barriers of Global Smart Home Product Market

Brand loyalty and consumer trust	• Established Smart Home product providers have strong brand recognition and consumer loyalty. New entrants must invest in marketing and demonstrate value to overcome consumer inertia and build trust in their products.
Supply chain management capability	• Manufacturing and distributing different types of Smart Home products at scale requires robust and efficient supply chain management. New entrants may encounter difficulties in securing reliable component sourcing, managing complex manufacturing processes, and establishing efficient global distribution channels. This challenge is particularly acute when competing with established players who benefit from economies of scale and long-standing relationships with suppliers.

Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Policies of Global Smart Home Product Market

Policy Name	Issuing Authority	Issued Date	Key Contents
Opinions on Promoting New Urban Infrastructure to Create Resilient Cities《关于推进新型城市基础设施建设打造韧性城市的意见》	The General Office of the CPC Central Committee and General Office of the State Council, PRC	2024.12.05	• Taking the residence as a carrier, utilizing the Internet of Things, cloud computing, big data, mobile communications, artificial intelligence, etc. to realize the interconnection of system platforms and household products, accelerating the construction of a unified operating system ecosystem for cross-terminal sharing, and enhancing the applicability and safety of smart home equipment to meet the needs of residents in terms of safety of water use for electricity and fire, gas and water use, and monitoring of the environment and health.
5G Scale Application "Sail" Action Upgrade Plan《5G 规模化应用 "扬帆" 行动升级方案》	Ministry of Industry and Information Technology	2024.11.22	• Promote the R&D and application of 5G-based smart robots, smart mobile terminals, cloud devices, etc., and encourage the innovative development of smart home and other products integrating 5G.
Notice on Promoting the Development of the Mobile Internet of Things "All Things Connect"《关于推进移动物联网 "万物智联" 发展的通知》	Ministry of Industry and Information Technology	2024.08.29	• Basic telecommunication enterprises should deepen cooperation with home appliances and other enterprises, promote the application of mobile IoT in smart homes and other fields, and promote more convenient and comfortable life for the public. In the field of smart home, we will promote the integration and application of intelligent terminals such as light control, door locks, robots, security monitoring, etc., and enhance the ability of intelligent services in the whole home scene.
Action Program to Promote the Trade-in of Consumer Goods《推动消费品以旧换新行动方案》	Ministry of Commerce and other 14 departments	2024.03.27	• Subsidizing the purchase of smart home products. Encourage financial institutions to support the consumption of smart homes and other products in accordance with the principles of marketization and the rule of law, reasonably determine the interest rate and repayment period of the loan, optimize the approval process, and promote instant online processing. Promote smart homes in smart kitchens, health baths, home security, nursing care and other life scenes. Continuing to carry out the pilot construction of digital homes. Accelerate the improvement of smart home interconnection standards, develop and implement home improvement contract model text, and dynamically improve the promotion catalog of products for the elderly.
Action Plan for the Implementation of the National Standardization Development Program (2024-2025)《贯彻实施〈国家标准化发展纲要〉行动计划（2024—2025年）》	State Administration for Market Regulation	2024.03.18	• Formulate smart home standards that support coordination and harmonization, and improve the standard system for smart home appliances and electric furniture household goods.
Guiding Opinions on Accelerating Scenario Innovation to Promote High-Quality Economic Development with High-Level Application of Artificial Intelligence《关于加快场景创新以人工智能高水平应用促进经济高质量发展的指导意见》	Ministry of Science and Technology and other 6 departments	2022.07.29	• The home furnishing sector prioritizes the exploration of intelligent scenarios such as intelligent interconnection of families, intelligent monitoring of buildings, and online design of products.
Guiding Opinions on Deepening "Internet + Advanced Manufacturing" and Developing Industrial Internet《关于深化 "互联网+先进制造业" 发展工业互联网的指导意见》	State Council	2017.11.19	• In the application of intelligent networking products, focusing on smart home, wearable devices and other fields, it integrates advanced technologies such as 5G, deep learning, big data, etc., to meet the typical needs of high-precision positioning, intelligent human-computer interaction, safe and trustworthy operation and maintenance.
Guiding Opinions on Actively Promoting "Internet Plus" Actions《关于积极推进 "互联网+"行动的指导意见》	State Council	2015.07.01	• Relying on the Internet platform to provide AI public innovation services, accelerate the breakthrough of AI core technology, promote the popularization and application of AI in smart home and other fields, cultivate a number of backbone enterprises and innovation teams leading the global development of AI, and form an industrial ecosystem with active innovation, open cooperation and collaborative development. • Encourage traditional home furnishing enterprises and Internet enterprises to carry out integrated innovation, continuously improve the intelligent level of home furnishing products and service capabilities, and create new consumer market space.

Source: Frost & Sullivan

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Overview of Global Enterprise Smart Home Product Market

Definition and Classification of Global Enterprise Smart Home Product Market

Definition of Enterprise Smart Home Product

- Enterprise Smart Home products consist of Smart Home devices, infrastructure, and system platforms specifically designed to enable enterprises to deliver Smart Home products to end users.
- Depending on the sales channel, enterprise the Smart Home products can be categorized into two types: one tailored for telecom providers and the other for for retailing providers. Each type aligns with specific distribution models and service goals while leveraging the same core technologies.

Classification of Enterprise Smart Home Product

- Enterprise Smart Home product can be offered to different sales channels:

Enterprise Smart Home product for telecom providers

- Enterprise Smart Home product for telecom providers refers to a bundled offering where telecom providers sell Smart Home products and services alongside their core network services. Telecom providers typically have a large, established consumer base and already manage key infrastructure such as home internet connectivity, giving them a natural advantage in distributing Smart Home products.

Enterprise Smart Home product for retailing providers

- Enterprise Smart Home product for retailing providers focuses on enabling electronics brands, appliance manufacturers, or consumer tech retailers to offer smart home products directly to end users through retail channels. These retailing providers often have strong capabilities in product design, manufacturing, and brand marketing, which they can use to deliver differentiated Smart Home products.

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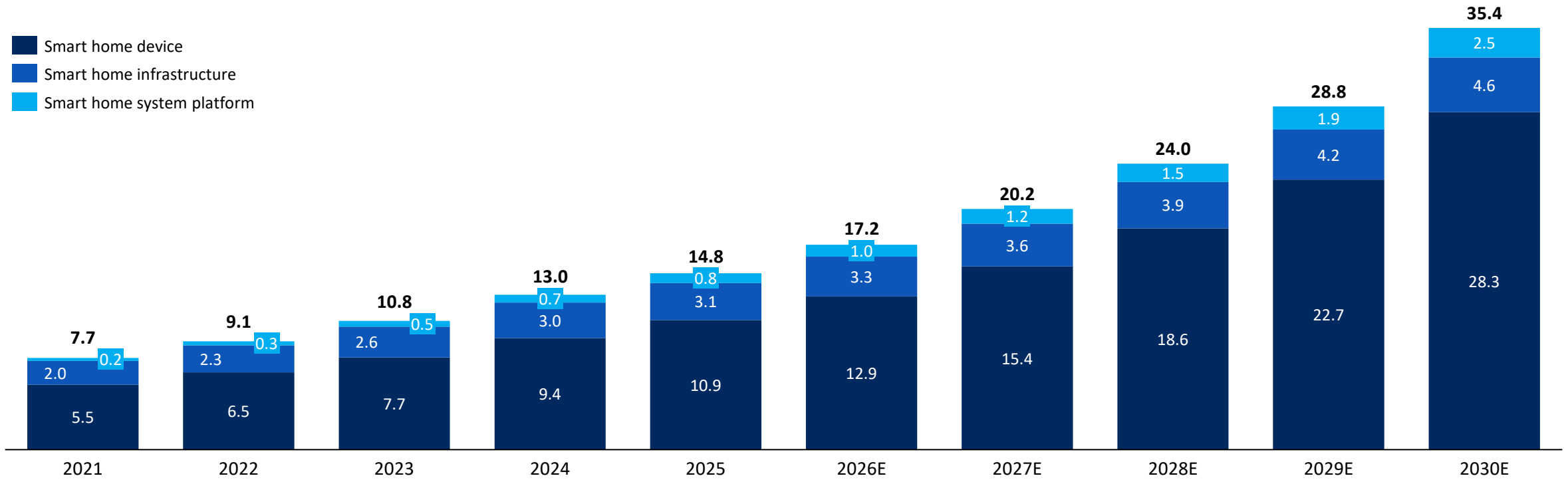
Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Size of Global Enterprise Smart Home Product Market

Market Size of Global Enterprise Smart Home Product Market

USD Billion, 2021-2030E

CAGR	2021-2025	2025-2030E
Total	**17.7%**	**19.1%**
Smart home device	18.6%	21.0%
Smart infrastructure	11.6%	8.2%
Smart system platform	41.4%	25.6%



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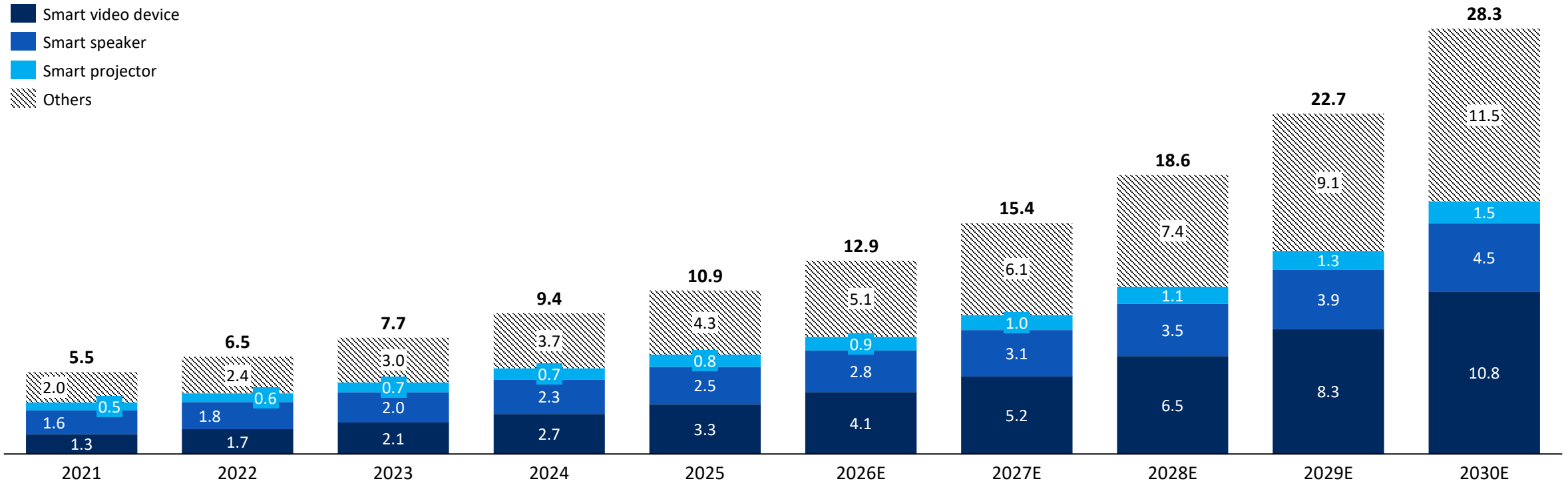
Source: Frost & Sullivan

Overview of Global Smart Home Product Market
Size of Global Enterprise Smart Home Device Market

Market Size of Global Enterprise Smart Home Device Market

USD Billion, 2021-2030E

CAGR	2021-2025	2025-2030E
Total	**18.6%**	**21.0%**
Smart video device	26.2%	26.8%
Smart projector	12.5%	13.4%
Smart speaker	11.8%	12.5%
Others	21. 1%	21.7%



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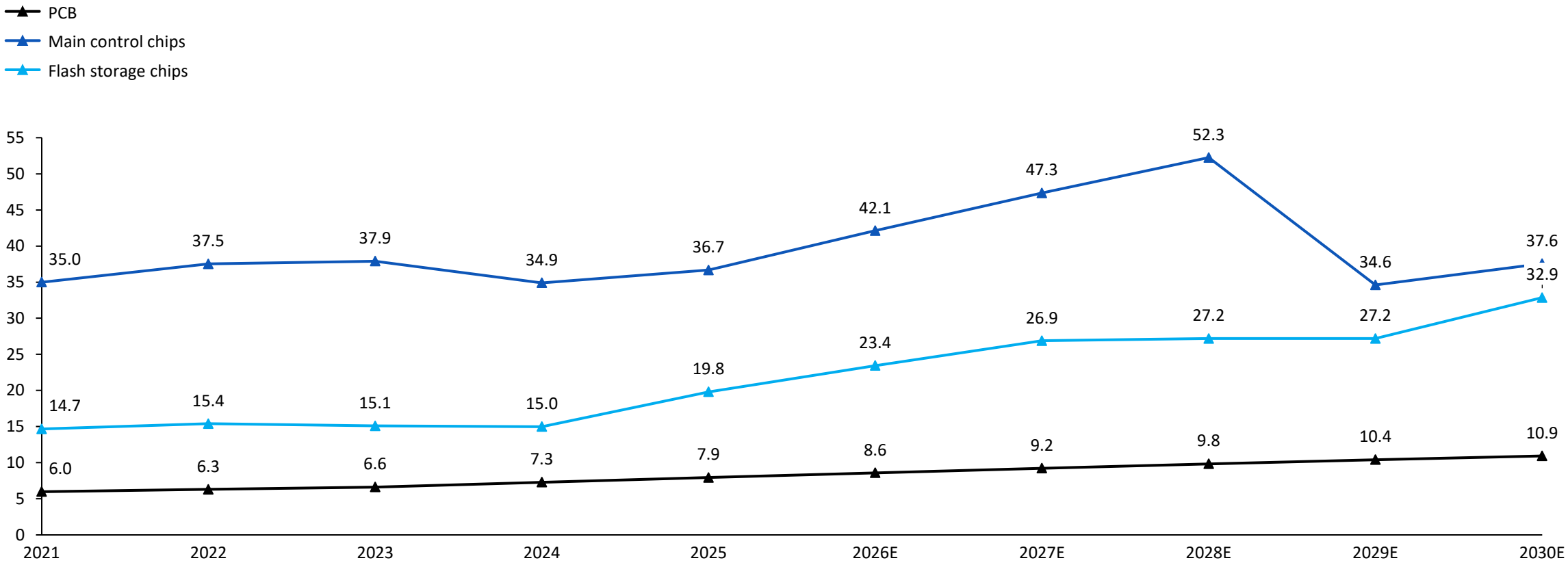
资料来源：沙利文研究

Overview of Global Enterprise Smart Home Product Market
Major Costs of Global Enterprise Smart Home Product Market

Unit Price of Major Raw Material

RMB, 2020-2029E



- The major cost components of the Group include main control chips, flash storage chips, PCB and others.

Source: Frost & Sullivan

Overview of Global Enterprise Smart Home Product Market

Drivers of Global Enterprise Smart Home Product Market

Demand for diversified value-added services	• After years of development, the broadband and mobile communication services market has reached a high level of saturation, with sluggish growth in new users and limited opportunities to increase spending among existing customers. The narrowing incremental growth potential in fixed broadband and mobile communication services has created significant challenges for telecom providers, prompting a need to optimize their revenue structures through high-value-added services. Enterprise Smart Home products — by combining the sale of smart home devices with content ecosystem partnerships — enable telecom providers to deliver diversified value-added services in a capital-light manner. This approach supports increased average revenue per user, improved capital efficiency, and stronger customer loyalty, ultimately driving long-term revenue growth. Globally, telecom providers can adopt Smart Home products as a strategic expansion pathway, evolving from traditional service offerings — such as fiber, mobile, and television access — to integrated home entertainment and interactive services. The strong demand among telecom providers for diversified revenue streams to offset high capital expenditures will be a key driver of sustained growth in the global enterprise Smart Home product market.
Demand for cross-device management	• In the current Smart Home scenarios, the wide variety of device brands and disparate communication protocols has led to significant fragmentation. telecom providers deploying whole-home smart solutions often face compatibility challenges between devices from different manufacturers, making seamless interaction difficult. This complexity extends to system debugging and after-sales support, where varied protocols and device types require substantial time and labor, driving up costs. By adopting standardized interfaces such as the Matter protocol and unified communication protocols, Smart Home products enable seamless interconnectivity and scenario-based control across devices, delivering a more stable and efficient one-stop user experience. Additionally, the cross-platform integration capabilities and strong ecosystem partnerships of Smart Home product providers help reduce deployment complexity and ensure consistent user operations — meeting the high demands for system stability and scalability from enterprise clients.
Demand for cross-business collaborative management	• Telecom providers' existing home-related services — such as broadband, television, and smart home offerings — are often operated independently, with limited integration and coordination across business units. This siloed approach leads to fragmented resources, inefficient allocation, and suboptimal utilization. Additionally, the absence of unified business processes and low levels of standardization create barriers to interdepartmental collaboration, resulting in reduced operational efficiency. These challenges hinder the establishment of a cohesive service delivery system and limit the ability to offer high-value, integrated services — ultimately impacting both user experience and business performance. Enterprise-grade Smart Home products address these issues by consolidating the core capabilities of various business modules — such as network management, device control, and user operations — into a centralized, end-to-end management platform. This integrated approach enables streamlined resource coordination, standardized workflows, and faster service response through a unified access point. As a result, telecom providers can convert fragmented operations into synergistic strengths, reduce redundant investments, lower collaboration costs, and enhance their competitiveness in delivering seamless, full-scenario smart home experiences.
Data-driven business growth	• Over years of operation, telecom providers have accumulated vast amounts of data on home networks and device usage. However, in the absence of robust data governance systems and advanced scenario-based analytics, they often struggle to derive meaningful behavioral insights from this data. This limits their ability to execute precise marketing strategies or develop innovative, differentiated services tailored to individual user needs. Smart Home products integrate built-in data analytics platforms capable of conducting multidimensional analysis across device status, energy consumption trends, and user preferences. These capabilities enable telecom providers to identify high-value user segments, develop personalized membership packages, and implement effective cross-selling strategies. As a result, they can increase user retention, re-engage inactive customers, and unlock the latent value of their existing user base — ultimately boosting customer loyalty and enhancing the competitiveness of their service offerings.

Source: Frost & Sullivan

Overview of Global Enterprise Smart Home Product Market
Future Trends of Global Enterprise Smart Home Product Market

OTT devices and gateways are becoming key hubs in Smart Home ecosystems

- OTT devices are evolving into voice-interaction centers equipped with sensing algorithms, enabling deep, interactive engagement with users and gradually becoming the central control unit of the Smart Home ecosystem. Their support for the Matter protocol allows seamless interoperability with other home devices, enabling coordinated execution of diverse household tasks and significantly enhancing overall convenience and intelligence. At the same time, OTT devices integrate a wide range of applications and internet-based content, offering users value-added services such as video entertainment, online shopping, music streaming, and gaming — further solidifying their strategic role as all-in-one home integration hub. Additionally, gateways — acting as the central hub for connecting and coordinating various smart devices and platforms — play a vital role in receiving user commands and orchestrating device interactions, making them an essential infrastructure component for realizing the full potential of Smart Home.

Telecom providers are expected to look for more diversified and integrated solutions

- As AI technology becomes increasingly integrated into home environments, telecom operators worldwide are seeking diversified, end-to-end Smart Home products to differentiate their services. On one hand, operators are accelerating the adoption of AI technology within existing product categories to enhance the appeal of home devices to home users, thereby driving growth of Smart Home products. Simultaneously, they are expanding their offerings with a wider range of intelligent services powered by AI technology and devices, enriching both user experience and service variety. On the other hand, operators are introducing innovative products like home service robots, AI glasses, and wearable devices to meet the growing demand for companionship, health monitoring, information access, and immersive entertainment. As a result, operators are raising the standards for system integration, scalability, and seamless hardware-software synergy in their solution offerings. Enterprise Smart Home products, with end-to-end delivery capabilities, multi-device collaboration, and continuous functional expansion, will maintain a competitive edge, positioning telecom operators to create differentiated and sustainable smart home service ecosystems.

More diversified business models

- As Smart Home devices expand to include a wider range of products such as home service robots, AI glasses, and wearable devices, enterprise Smart Home products will no longer focus solely on device and platform integration. They will increasingly incorporate value-added services enabled by cross-scenario and cross-device connectivity. These services may include media content management, home security, health management, health monitoring, pet care, and data services—creating multiple commercial pathways. This shift will drive Smart Home product providers to continuously evolve in business model innovation, ecosystem operations, and ongoing service delivery, ultimately offering telecom providers and households a richer and stickier smart home experience.

Providers with stronger AI capabilities will demonstrate greater growth potential

- AI applications in home environments are advancing rapidly, with powerful AI capabilities enabling more precise and intelligent services such as intent prediction, human-machine interaction, and agent-based functionalities. Enterprises equipped with advanced AI technologies are better positioned to understand and respond swiftly to the evolving needs of home scenarios, empowering telecom operators and brand partners to deliver highly personalized solutions. This technological edge greatly enhances their market competitiveness and customer loyalty. Consequently, enterprise-level providers with strong AI capabilities are well-positioned to lead in both innovation and responsiveness, driving sustained growth in the enterprise Smart Home products market.

Source: Frost & Sullivan

Overview of Global Enterprise Smart Home Product Market
Challenges and Threats of Global Enterprise Smart Home Product Market

Geopolitics uncertainties

- Geopolitics uncertainty can lead to the sudden imposition of trade barriers, or even outright bans on foreign products, which might make a Smart Home products more expensive or impossible to sell in certain markets.

Talent and skills gap

- The global shortage of skilled AI professionals, particularly those with sophisticated AI skills and industry-specific expertise, poses a significant challenge for the development of enterprise Smart Home products, which may hinder AI home solution providers' ability to effectively manage and integrate latest AI technology into the solution offering.

Source: Frost & Sullivan

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Competitive Landscape of Global Enterprise Smart Home Product Market

Ranking of Global Enterprise Smart Home Product Market (1/2)

Ranking of Global Enterprise Smart Home Product Providers					
Ranking	**Company**	**Revenue (RMB Billion, 2025)**	**Market Share (%, 2025)**	**Integrated Provider or Not**	**Headquarter**
1	Company A	13.9	13.4%	√	France
2	Company B	11.5	11.1%	√	France
3	Company C	7.2	7.0%	X	China (Taiwan)
4	Company D	4.7	4.6%	√	China (Mainland)
5	Company E	4.6	4.5%	X	China (Taiwan)
6	Company F	3.5	3.3%	√	China (Mainland)
7	The Company	3.4	3.3%	√	China (Mainland)
8	Company G	3.0	2.9%	X	China (Taiwan)
9	Company H	2.6	2.5%	√	Korea
10	Company I	1.4	1.4%	X	China (Mainland)
	Subtotal	**55.9**	**53.9%**		

Notes:

1) Company A, founded in 1915 with the headquarter in Paris, France, is a public company listed on Euronext Paris, which primarily provides connected home manufactures broadband modems and Android TV set-top boxes. It has less than 5,000 employees worldwide, a total asset of approximately USD2 billion and a total revenue of over USD2 billion as of December 31, 2025.

2) Company B, founded in 2008 in Bois-Colombes, France, is a private company, which primarily provides products for the broadband, audio video products and energy markets. It has more than 6,000 employees worldwide as of December 31, 2025.

3) Company C, founded in 2003 in Taiwan, China, is a public company listed on TWSE, which primarily provides integrated digital home, mobile broadband and multimedia gateway products. It has less than 1,000 employees worldwide, a total asset of over USD1 billion and a total revenue of nearly USD2 billion as of December 31, 2025.

4) Company D, founded in 1997 in Shenzhen, China, is a public company listed on SZSE, which primarily provides digital home products. It has less than 5,000 employees worldwide, a total asset of approximately USD1.5 billion and a total revenue of over USD1 billion as of December 31, 2025.

5) Company E, founded in 1989 in Taiwan, China, is a private company, which primarily provides networked devices and smart application products. It has less than 6,000 employees worldwide as of December 31, 2025.

6) Company F, founded in 1985 in Shenzhen, China is a public company listed on SZSE and HKEX, which primarily provides network infrastructure and enterprise products. It has more than 50,000 employees worldwide, a total asset of approximately USD30 billion and a total revenue of over USD15 billion as of December 31, 2025.

7) Company G, founded in 1992 in Taiwan, China, is a public company listed on TWSE, which primarily provides broadband products. It has more than 8,000 employees worldwide, a total asset of approximately USD1.5 billion and a total revenue of approximately USD2 billion as of December 31, 2025.

8) Company H, founded in 2001 in Seongnam, Korea, is a public company listed on KOSDAQ, which primarily provides OTT and network products. It has less than 300 employees worldwide, a total asset of less than USD0.5 billion and a total revenue of less than USD0.5 billion as of December 31, 2025.

9) Company I, founded in 2001 in Shenzhen, China, is a public company listed on SSE, which primarily provides OTT and network products. It has less than 2,000 employees worldwide, a total asset of less than USD0.5 billion and a total revenue of approximately USD0.5 billion as of December 31, 2025.

Source: Frost & Sullivan

Competitive Landscape of Global Enterprise Smart Home Product Market

Ranking of Global Enterprise Smart Home Product Market (2/2)

- The global enterprise Smart Home product market is relatively fragmented. The company was eighth largest providers in the global enterprise Smart Home product market and ranks the third among mainland China-based providers in terms of revenue in 2025. In the global Smart Home product market, integrated providers refer to those that offer Smart Home devices, infrastructure, and system platforms commercially at large scale at the same time. The company also ranks fifth among integrated providers in the global enterprise Smart Home product market in terms of revenue in 2025.
- The global Smart Home products for enterprise-level customers market is highly competitive and the competitive landscape is relatively fragmented. Based on the different operation models, the major players in the global Smart Home market for enterprise-level customers can be further categorized into two types: corporate-serving Smart Home product providers under the light moderation model and such providers under the heavy operation model. The light operation model features product design as their core competition strength while products involved in Smart Home products are manufactured through OEMs. The heavy operation model, in turn, refers to providers that manufacture their own products. Compared with the heavy model, solution providers under the light model are more flexible. Providers using the light models can choose production sites and co-production partners around the world according to customers' needs, thus shortening the production and delivery cycle to the greatest extent possible while reducing the impact of geopolitical tension at the same time.

Source: Frost & Sullivan

Competitive Landscape of Global Enterprise Smart Home Product Market
Entry Barriers of Global Enterprise Smart Home Product Market (1/2)

Integrated delivery capabilities of the solution

- The successful delivery of enterprise Smart Home products hinges on the seamless integration of product development, localization support, and customized service capabilities. At the development stage, leading providers possess cross-disciplinary technical expertise and robust system platform development capabilities, enabling continuous product performance enhancements. By integrating advanced technologies such as AI algorithms and edge computing, these companies ensure their Smart Home products meet global benchmarks for performance and reliability. Additionally, recognizing the diverse functional needs of users across regions, top-tier providers demonstrate a deep understanding of local user behaviors, network environments, and regulatory requirements — such as alignment with regional content ecosystems and compliance with country-specific data privacy standards — facilitating effective localized deployment. Moreover, they offer flexible service modules tailored to the customization demands of telecom providers. In contrast, new market entrants often lack the technical depth and localized resources necessary to deliver fully integrated solutions, facing significant barriers to entry as a result.

Barrier built by hub products

- Hub products in Smart Home products typically exhibit several key characteristics: they connect local Matter-enabled devices to the cloud, incorporate edge computing capabilities, and support sensing and user interaction functions. As the most frequently used and interacted-with devices in home environments — such as OTT devices — hubs serve as the primary control platforms and the most familiar touchpoints for users. This positions providers of hub products with a distinct competitive advantage over those offering only non-hub devices. Leveraging this strategic position, hub-product providers are better equipped to expand their product portfolios and build centralized Smart Home ecosystems by seamlessly integrating a wide range of Smart Home devices into their core platforms. This enables the creation of a cohesive, collaborative ecosystem and establishes a strong competitive moat. In contrast, non-hub devices like smart cameras are typically used for specific, low-frequency tasks and lack the depth of user interaction and habitual engagement necessary to evolve into centralized control platforms. As a result, providers focused solely on non-hub devices often struggle to overcome structural limitations. The centrality of hub products thus confers significant, hard-to-replicate advantages for building scalable, platform-based Smart Home ecosystems.

Source: Frost & Sullivan

Competitive Landscape of Global Enterprise Smart Home Product Market
Entry Barriers of Global Enterprise Smart Home Product Market (2/2)

Knowhow on home spaces

- A deep understanding of household needs and the ability to continuously iterate and enhance product features are critical success factors — and significant entry barriers — in the global Smart Home product market. Leading global providers stand out with their strong capabilities in technological innovation and customized product development, allowing them to quickly adapt to evolving household demands and deliver timely updates. In contrast, new entrants often struggle with immature product offerings and a limited user base, which hampers their ability to align product functionality with real-world usage scenarios. This disconnect makes it difficult for them to refine their solutions in real time based on user feedback and experience.

First-mover advantage and customer resource barrier

- When selecting global Smart Home product providers, enterprise clients typically apply stringent evaluation criteria. Beyond assessing design and R&D capabilities, product development experience, and global service and after-sales support, they also place significant emphasis on supply chain management. Early entrants to the global Smart Home product market have leveraged their first-mover advantage by building strong brand recognition, delivering market-validated, high-quality products, and cultivating close relationships with internationally renowned clients. Leading companies, backed by robust solution delivery capabilities and value-added service operations, have established long-term, stable partnerships with premium enterprise customers worldwide. In contrast, newer entrants — still in the early stages of development and lacking extensive market validation — often face challenges in earning enterprise clients' trust and widespread recognition, resulting in high barriers to entry.

Partnerships with ecosystem partners

- Leading enterprise Smart Home product providers significantly boost their product competitiveness through long-term partnerships with top content platforms and operating system providers. For instance, devices certified by platforms like Netflix or Amazon Prime often come pre-installed with popular streaming applications, simplifying user operations, enhancing user experience, and allowing manufacturers to leverage the platform's brand equity and extensive user base to accelerate market penetration. However, these major content platforms enforce stringent certification and access standards, and enterprise clients typically partner only with suppliers officially authorized by these platforms. This creates a high entry barrier for new market entrants, who often struggle to develop products that meet the certification requirements of multiple streaming platforms within a short timeframe — resulting in lower product competitiveness. In contrast, leading providers benefit from close integration with multiple ecosystems, enabling their Smart Home products to connect seamlessly with a wide range of smart home environments. This not only streamlines device development and integration but also delivers a smarter, more convenient user experience.

Source: Frost & Sullivan

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Appendices
Supplementary Information (1/2)

	Key Contents
1	• SDMC became one of the first companies in China to secure a Google Android TV certification in 2017 and the first ODM company worldwide to secure a Google TV projector certification in 2023
2	• SMDC was the world's largest Android TV smart terminal supplier measured by sales volume in 2024
3	• ALTICE LABS S.A., Comumicación Celular,8.A, MAGYAR TELEKOM NYRT., Telia, and Reliance are world-renowned multinational telecom operator giants or top-ranked telecom operators in certain regional markets.
4	• Walmart is a global brand owner.
5	• SDMC is the first company in the PRC to launch DOCSIS 4.0 modems.
6	• It is not uncommon in the industry that Smart Home products providers may also provide raw materials, such as chips and DDR RAM, to OEMs for manufacturing digital video and network infrastructure products and to raw material suppliers when they are short of supplies and Smart Home products providers have extra storage of such supplies.
7	• Propelled by continuous function enrichment and performance improvement of smart home hardware combined with escalating consumer demand for higher-configuration smart home terminals and next-generation networking solutions, the global Smart Home products market is going to rise.
8	• The market transitioned from Wi-Fi 5 to Wi-Fi 6 in 2024. The market is gradually transitioning from Wi-Fi 6 to Wi-Fi 7.
9	• Given the maturity of production technologies and the availability of sufficient professional OEM vendors in the Smart Home industry, SMDCs' adoption of a full outsourcing model can ensure stable production capacity, good quality, and reduced costs.
10	• SMDC is a globally leading provider of holistic Smart Home products, dedicated to advancing the application of AI technologies in home

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Source: Frost & Sullivan

Appendices
Supplementary Information (2/2)

	Key Contents
11	• The advent and maturing of AI has catalyzed a paradigm shift from “smart home” to “Smart Home” — a transition from passive responsiveness to proactive services, enhancing convenience, energy efficiency, security, health management and cross-device synergy with intelligent, personalized and automated technologies.
12	• Champion Asia, Twowing and Luxshare are leading OEMs on Matter-compliant IoT devices.
13	• SDMC has established long-term, stable collaborative relationships with top-tier telecom operators in Europe, North America, Latin America, Asia and Africa, many of which are Fortune Global 500 enterprises, including world-renowned multinational telecom operator giants, and top-ranked telecom operators in 13 regional markets. In addition, SDMC also provide ODM services for global brand owners.
14	• Android TV smart media streaming terminals are important constituents of the Smart Home market.
15	• Google certification is an indispensable condition for entry in the Android TV terminal market.
16	• SDMC’s products have become integral components of the Google ecosystem. SDMC’s partnership with Google extends across Android TV, Google Home, Google Cloud and Gemini, positioning us as a premier strategic collaborator within the Google ecosystem.
17	• Matter is an industry standard protocol for smart homes designed to eliminate compatibility issues, simplify device setup and connectivity, and increase security and reliability, edge computing allowing the capture, processing, and analysis of data at the farthest reaches and in real-time to enhance the performance and responsiveness of smart home, and environment perception and automatic control enabling our Smart Home products to make better and more precise interaction with home users.
18	• SDMC is among the few companies in China to have launched a fusion gateway solution integrating XGS-PON and Matter for overseas logistics operators.

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Source: Frost & Sullivan

Scope, Methodology and Key Assumptions

- ✓ Unless otherwise specified, the report defines 2025 as the base year, 2021 to 2025 as the historical period, and 2026 to 2030 as the forecast period.
- ✓ The methodology employed in this report combines data from proprietary database, insights gathered through interviews with industry experts, and our understanding on the defined markets. This integrated approach facilitates a thorough and accurate analysis of current developments, trends, market sizes, and competitive landscapes within the defined markets, ensuring the provision of precise and reliable information.
- ✓ This report is prepared under the key assumptions that the social, economic, and political environments in the PRC and globally will remain stable throughout the forecast period, ensuring sustainable and steady development of the defined markets. It also assumes no significant adverse changes in government policies affecting these markets.

About US

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Frost & Sullivan prepared its report based on its in-house database, independent third-party reports and publicly available data from reputable industry organizations. Where necessary, Frost & Sullivan contacts companies operating in the industry to gather and synthesize information in relation to the market, prices and other relevant information. Frost & Sullivan believes that the basic assumptions used in preparing the Frost & Sullivan Report, including those used to make future projections, are factual, correct and not misleading. Frost & Sullivan has independently analyzed the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan's research may be affected by the accuracy of these assumptions and the choice of these primary and secondary sources.

Thanks !

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