

U.S. Home Broadband & WiFi Usage Forecast, 2013-2018

Market Report
Second Quarter 2014





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Abstract

This study estimates the amount of data used by fixed broadband connections in U.S. households. This report also estimates the amount of data usage that is driven by devices that primarily connect via WiFi – laptops, tablets, smartphones, e-readers, game consoles, etc.

In the U.S., in-home WiFi usage is important for several reasons:

- 1) It tends to be high quality – 11g or 11n – so users are accustomed to very low latency and high connection speeds.
- 2) It is wireless and, as this report suggests, subscribers are increasingly accustomed to data-intensive activities on laptops, smartphones, tablets, etc.
- 3) In-home usage is a precursor to outside-the-home usage. If a user gets accustomed to streaming music over an in-home cable / WiFi network, then that same user is likely to stream their music when they step outside the home. And given that there is little effective drop-off in average throughput per user inside or outside the home, the experience can be very similar – it primarily just differs on the form factor side. For example, music streamed through ear buds rather than a desktop computer's speakers, etc.
- 4) The key companies in the mobile space are making a concerted effort to get inside the home while also making the user experience as comparable across platforms as possible. For example, Apple's iOS and Mac OS X are increasingly converging in look and feel and capability. Google and its various services are essentially identical regardless of how they are accessed. (Windows Phones and the general failure of the Windows 8 UI is perhaps the best counter-example of this trend.)

And this, of course, is why wireless operators (and device OEMs) care about the in-home data usage: They provide the networks and devices that subscribers will use as blithely as today's 40-somethings used Sony Walkmans two decades ago. Today's users expect a world in which they always have high-speed access to anything they want – cloud music, cloud information, etc. Internet and data access is inextricably woven into the personal, social and business fabric of modern life.

Key questions addressed:

- Amount of in-home wired broadband usage per household
- Amount of in-home broadband usage that is driven by WiFi
- Forecasted in-home broadband usage per household

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- Number of broadband-enabled U.S. households
- Key in-home usage metrics – devices, applications.

Who should read this report?

- Mobile operators
- Cable MSOs and other fixed broadband providers
- Device OEMs
- Content providers and distributors
- Financial analysts and investors.

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