

The year IoT comes into its own

 By [Eckart Zollner](#)

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2017 promises to be an exciting year in the field of IT and telecommunication as projects and technologies that have been unable to get out of the starting blocks for the last two to three years, take off.



The big story for 2017 is going to be the push to get the internet of things (IoT) off the ground, but there's also lots of growth in FTTX, cloud and satellite. Unfortunately, the digital divide looks like it is going to grow but, on the up side, we can look forward to more over-the-top (OTT) disruption.

Here are my top predictions for 2017:

- **IoT networks**

2017 is going to see the start of the first mass rollouts of (IoT) networks and solutions. New narrowband technologies such as SIGFOX and LoRa will reach their first significant market penetration while new technologies such as the 3rd Generation Partnership Project (3GPP)-defined NarrowBand IoT (NB-IoT) solutions driven by mobile vendors and mobile operators will be deployed on the back of existing 4G networks.

It is early days for NB-IoT, with the first network infrastructure being deployed and the first chipsets being released, so we are likely to see early trials and concept demonstration of such technology driven by early technology adoption in the security and vehicle/asset tracking sector. However, development of an effective ecosystem for NB-IoT as well as effective network coverage is expected to take between 18 and 24 months, so only relatively low-volume deployments for this technology are predicted.

- **OTT players collaborate with network providers**

In a climate of declining data prices, conventional network operators are struggling to invest in substantial network upgrades to keep up with technology advances on their own. In 2017, this will result in more OTT players collaborating with network providers to invest in substantial infrastructure projects that can overcome the service delivery and customer experience challenges that result from slow routes and outdated transmission technology.

- **FTTX**

2017 will see a continuation of the aggressive push for the deployment of FTTX infrastructure across emerging markets. Driven by consumer demand, the deployments started in 2016 will continue as demand for fibre services grows among enterprises, affluent home owners and aspiring small businesses.

- **Global subsea fibre projects**

2017 will also see the start, and continuation of many new global subsea fibre projects. They will provide additional routes, improving network redundancy and resilience, as well as open new direct communication links. Users will also benefit from new technology, namely ultra-low latency high-capacity solutions. These new routes will improve traffic between Asia and Europe, Asia and the eastern United States, Asia and Africa, and Africa and Latin America.

- **Satellite**

The satellite industry is poised to see new investments. These will gain impetus through 2017, especially across Africa. Fibre is creating an appetite for broadband connectivity but geographically difficult terrain can delay rollouts. Satellite is able to quickly meet basic demand. With increased and more effective competition, price levels have reduced substantially, bringing this technology within reach of more businesses. Satellite also remains an effective backup solution where there is high reliance on new single route fibre deployments and redundancy is required for the transport layer.

- **5G trials**

During 2017, we will see additional trials and demonstrations of 5G technology. There will be less 5G action in the commercial sector, but many vendors will be testing advances in air interface technology as well as software-defined networking to build core networks compliant with the design principles behind 5G technology.

- **The rise and rise of new tech - cloud, digital and social-visual**

Legacy technologies such as copper networks, DSL technology and conventional voice-based solutions will continue to decline and be replaced by social media messaging and VoIP-based platform technologies. Cloud services will continue to enjoy increased adoption, driving demand for greater corporate connectivity.

Digital media and content services will continue to see increased investment from content owners who wish to broaden their distribution footprint. Social media will continue to be dominated by increased adoption of image and video services and will drive data consumption per capita higher than ever.

- **Digital divide will grow**

The gap between the connected society in affluent urban areas and the unconnected in rural and remote areas will continue to widen. We have not yet seen the right level of initiatives by government and regulators to build and focus effective policy on the provision of services into the less lucrative market sectors.

- **Cheap phones, but data still too expensive**

New brands of smartphones available at retail prices below US\$100 will continue their entry into markets that currently cannot afford to participate in the digital economy. However, in many less developed markets, high data prices and a lack of new innovative data price plans will hamper real growth in the number of previously unconnected customers who wish to participate in the digital economy.

Technology build-outs broaden the opportunity in 2017 to connect – with all that implies for personal productivity and entertainment, and business and customer engagement. However, real long-term growth for South Africa will require broader economic growth. We have a responsibility to push for policies that will help close the digital divide – it's going to be very good for business.

ABOUT ECKART ZOLLNER

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