

RESEARCH

## Interest in auto-related wearables remains tepid: report

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*Mercedes' MB Companion app for Apple Watch*

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By JOE MCCARTHY

Wearable devices seem particularly well-suited for driving conditions, but drivers largely see no point, according to a new report by Strategy Analytics.

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Wearables have been heralded as a breakthrough technology, but marketers still struggle to prove their indispensability to consumers who regard many of the promised benefits as superfluous. To get past initial adoption humps, wearables have to put forth a value proposition that goes beyond satisfying invented problems.

"What these [survey] results do is highlight the disconnect between those consumers who would be interested in such features and those that actually purchase vehicles," said Chris Schreiner, director of user experience innovation practice at Strategy Analytics, Buffalo, NY.

"Wearable connectivity would certainly tick the box in terms of adding additional features, but the usefulness and ultimately the usage of those features is still in question," he said.

**Strategy Analytics** surveyed consumers in the United States and Western Europe regarding

their interest in wearables for the car.

## Compatibility

The auto industry has helped to shepherd wearables into the mainstream.

Various brands including **Mercedes-Benz** and **BMW** have created applications for Apple Watch or other wearable devices that control numerous functions remotely.



### *Mercedes-Benz Apple Watch app*

For instance, the Apple Watch app can synch with a car's infotainment system to provide door-to-door directions. The driver enters the destination in the watch, the watch hands off the directions to the car once inside and then picks up the navigation once the car is parked.

Consumers can also lock and unlock their doors, control temperature, volume and several other functions that would otherwise be done manually through car buttons.

The questions remains, however, is any of this necessary? Is it really that much of a hassle to receive directions solely through a car's navigation system or unlock a car manually?



### *BMW i Remote App*

Do these expediences justify the purchase? For many consumers, the answer is no.

According to the report, less than 50 percent of consumers in the U.S. and less than 40 percent in Western Europe are interested in a wearable device for remote functionality.

However, there was a spike in interest among young males and luxury car owners in the U.S.

Another potential area for wearable growth in the auto industry is health. Wearable devices are already associated with monitoring exercise and basic bodily functions such as insulin levels for diabetics.

The auto space is a logical extension for this technology, especially since drivers often encounter stressful situations and may be stationary for long periods of time.

Less than 45 percent of respondents in both the U.S. and Western Europe said they are open to this type of wearable use.

### Frontrunners

Despite the tentative adoption of wearables, brands are eager to enter the space before it is too late.

A Citi executive at the Global Mobile Internet Conference New York 2015 revealed the best practices retailers should follow when entering the wearable space, including the importance of quick and painless features.

During the “The New Mobile? The 10 Commandments of Wearables” session June 11, the executive gave guidelines for entering the wearable space with applications and urged developers to keep in mind this is not the mobile space but a new atmosphere all together. To make a wearable app effective it is important to consider a plan and develop what will work best for your brand ([see story](#)).

Getting consumers hooked on wearable devices will likely get easier in the years to come as exposure increases.

"A peripheral heart-rate monitor synced to an on-board Advanced Driver Assistance System certainly adds tangible value and an increased perception of safety," said Derek Viita, Senior Analyst and report author at Strategy Analytics, Buffalo, NY. "But communicating that value to consumers is crucial to increased interest and ultimately adoption.

"Our findings indicate that outside of a relatively small number of younger American consumers and luxury car owners, this will be a tough proposition," he said.

"In addition, wearable compatibility for remote functionality (e.g. remote parking) has a similar problem. This type of capability certainly adds value and a 'wow' factor, but there is little strong interest in use of this remote functionality outside of young U.S. males and U.S. luxury car owners."

### Final Take

*Joe McCarthy, staff reporter on Luxury Daily, New York*

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