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17 November 2016

According to ABI Research, 2017 will mark another milestone in Bluetooth technology through the release of Bluetooth 5 specification, further pushing wireless networking technology as the leading connectivity solution for the IoT.



The analyst forecasts 2021 Bluetooth Smart and Smart Ready device shipments reaching 5 billion units, the result of technical enhancements opening new opportunities, use cases and device types. Outside of mobile space, key IoT market growth areas include smart home and smart lighting, beacons and wearables, among others.

“While smartphones and audio accessories remain Bluetooth’s largest markets, the technology is becoming more attractive to low-power IoT applications,” ABI says. “Though Bluetooth still faces strong competition from the other standards, mesh networking will enable new opportunities for the technology in the smart home, building automation, and emerging IoT markets in which robustness, low latency, scalability, minimal power consumption and strong security are all additional critical requirements.”

The past few years have seen a "significant" number of Bluetooth-enabled smart lighting products, and the standardisation of mesh networking can take such devices to the next level. Bluetooth-enabled smart lighting products can already control lighting across an entire smart building from a single gateway or controlling device, smartphone-style, putting Bluetooth on a more even playing field with other mesh networking technologies such as Z-Wave or ZigBee.

Another opportunity is in Bluetooth beacons used in personal tracking tags, retail and advertising. ABI says Bluetooth beacons in these markets will achieve a CAGR of 133% during

the 2016-2021 period. The increased broadcasting capacity of Bluetooth 5 will drive these markets further, as it allows for higher quality content and richer contextual information.

Apple's controversial decision to remove the headphone jack from the latest iPhone will also drive adoption of Bluetooth wireless headsets, headphones and emerging hearables. Mobile accessories should account for 13% of 2021 Bluetooth device shipments, and growing Bluetooth use in speakers and the automotive segments highlights the continued importance of audio in the market. Codecs such as aptX HD and LDAC have brought improvement in Bluetooth streaming audio quality, and Bluetooth 5 should boost speed and bandwidth further.

Go Bluetooth Smart Evolution Helps the Technology Break into Key IoT Market Verticals