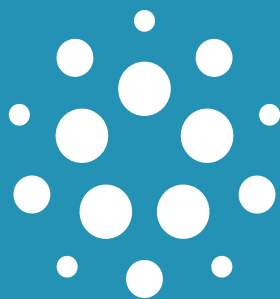


Telefonica



AI in the home

vol. III

A U R A S T O R Y B O O K



Telefónica
opens its Home
Ecosystem to the
most relevant
partners

Foreword



This is the story of Telefónica's leading role as the main provider of technology to homes, and of Spain as a pioneering country.

By 2008, Spain was lagging behind other countries in Europe in terms of homes with **fibre-to-the-home** (FTTH). But by 2014, it had leapt to **number one in Europe** thanks to the industry's investment of billions of euros in fibre optic networks.

Telefónica launched "**Movistar Fusión**" in 2012, becoming a pioneer in Europe in so-called quad-play: a low-cost package of mobile, fixed line, broadband and television. The strategic move into fibre attracted new customers and encouraged existing customers to buy more services.

In 2015, **Movistar +** was created in Spain to continue to add value in the homes of Telefónica customers. It gave customers **the best television package** with the most popular live sporting events, the biggest box-office films and a huge range of drama series.

By 2016, some 63% of Spanish homes had **access to ultra-fast broadband**. By September 2017, Telefónica had installed fibre for 18.6 million customers in Spain, making its FTTH network the largest in Europe. That is how Spain has been the fastest to develop a FTTH network of all European countries.

In 2018, **Aura** Artificial Intelligence was incorporated **into the Movistar + TV app** and **Movistar Home**, the first intelligent device for the home with native Aura integration, was released onto the market. This was just the beginning of something bigger, where Artificial Intelligence and voice pave the way for richer, more personal and – ultimately – more intelligent services.

Conscious of its position as market leader, Telefónica has decided to go a step further and open up its **Home Ecosystem** so the companies that are most important to customers can create unique **“Movistar Living Apps”**, a new type of app to enrich their living room experience.



Aura,

let's go!

CHAPTER 1

Home Ecosystem

For years Telefónica has been introducing a lot of different technology and services to its customers' homes: we have more than **9 million customers with fixed telephony, 18 million with mobile tariffs and 6 million with data and Internet access.** In addition, **4 million users have contracted Movistar+ pay TV and Movistar Home device with 10,000 units in homes.** Telefónica has a total of **41 million accesses.**

From the Company's strong position in the home, at **MCW '19** event, Telefónica's Chief Data Officer, Chema Alonso announced a new model of integration of important brands partners like Air Europa, Iberia, Atletico Madrid and El Corte Inglés. Chema Alonso explained that these partner brands will be able to create and roll out to customers in Spain unique experiences thanks to Telefónica's rich Home Ecosystem.

Telefónica **has made the home a connected space open to important partners to develop new experiences for the living room in this ecosystem of devices and services.** Those experiences are **Movistar Living Apps.** Complex tasks can be carried out just with our voices, talking naturally and with no need to use technical terms. Customers in Spain can now use travel, sport and online shopping services and get Movistar products through Movistar + TV, their Movistar Home device. In the future they also be able to do it all through apps on their phones or their intelligent remote control.

This new environment will allow all a home's devices to be coordinated to build unique experiences that allow **Aura, Telefónica's Artificial Intelligence assistant, to integrate the services and devices of the home to work together.**



The Home Ecosystem allows
coordinating devices to build
unique experiences

The background is a solid teal color. Overlaid on this are several faint, light-blue circular patterns that resemble stylized orbits or paths. These patterns consist of thick, rounded lines that form partial circles and arcs, creating a sense of movement and connectivity.

Telefónica
makes the home a
connected space
to the most relevant
partners

CHAPTER 2

Movistar Living Apps

2.1 Smarter Home

Important partners can use Movistar Living Apps to create experiences that enrich customers' homes, so that they can **do the things they need to do in a new way from the comfort of their living room**. These apps, available in November, will not be downloadable, they are at the TV and the customer can access them through the remote control or the Movistar Home device.



Air Europa

Through Movistar Home and their television, Aura will help customers to carry out targeted searches for trips searching by price, dates or length of trip. Using the voice command *"OK Aura, I want to get away for a weekend at Christmas under 200€"*, the user will see how easy it is to organise a trip.



Iberia

Telefónica wants to enrich customers' travel experience by allowing them to arrange trips from their sofa. There's no need to move: just open the Iberia app to access a travel magazine with recommendations on what to do in

Iberia's different destinations. "*OK Aura, I want to see Paris*" will launch a video guide with recommendations for things to do and see. "*OK Aura, what else can I do in Paris*" will show you different places, restaurants and upcoming events to enjoy in each destination.



La Liga

Using Aura, customers can follow the football minute-by-minute through Movistar Home on their TV. While the match is on the TV, the Movistar Home screen will automatically show the live match report, the results of other matches and up-to-date league standings in real time: "*OK Aura, go to results*".



Atlético Madrid

Just by saying "*OK Aura, open Atletico Madrid*", customers can access exclusive content from Atletico Madrid: analysis of the last match in the words of the players themselves, critical areas for the next match and the most spectacular videos and interviews of the football players.



El Corte Inglés

While someone is watching Movistar+, suggested related products may appear in Movistar Home. Simply by saying "*OK Aura, I'm interested* ", the product is saved to the customer's wish list. They can carry on shopping at El Corte Inglés on any device.

One of the most important things about this feature is that product suggestions do not interrupt what the customer's viewing, they just appear as suggestions on the screen of the smart device.

And that's not all. Telefónica is still creating the experiences that will be most important to customers, working with **partners such as Zeleris, Sanitas, Grupo Quirón Salud and NH Hotel Group**. Those are some of the new Movistar Living Apps that will soon come out.

These unique experiences have been included in Movistar services to make digital life easier for customers. What we are selling in the wider market we are also building in internally:



Movistar Cloud

Soon, by saying *"OK Aura, I want to see my photos"*, Movistar customers will be able to enjoy all their videos and photos saved in Movistar Cloud on their TV.



Movistar Car

On the television or on Movistar Home, the user can see up-to-date information about their car: its status, next service and where it is.



My Movistar App

Soon, Aura will show the customer everything they need to know about their Movistar services with the command *"OK Aura, I want to see my bill."*



Smart Wi-Fi

Through the command “*OK Aura, I want to see connected mobiles*” the customer will be able to check a list of connected devices.



Fundación Telefónica

Very soon, the user will be able to consult the most demanded digital profiles in Spain and access the agenda of cultural activities of the Espacio Fundación.

All about the
launch of Movistar
Living Apps

DON'T MISS OUT!

2.3 Ways of using the apps

Customers can access new Movistar Living Apps experiences through:



Voice

Thanks to Aura, which is currently on the Movistar Home device and which in the future will also be on the Movistar + intelligent remote control.



Remote control

Using the navigation pad on the Movistar + remote control.

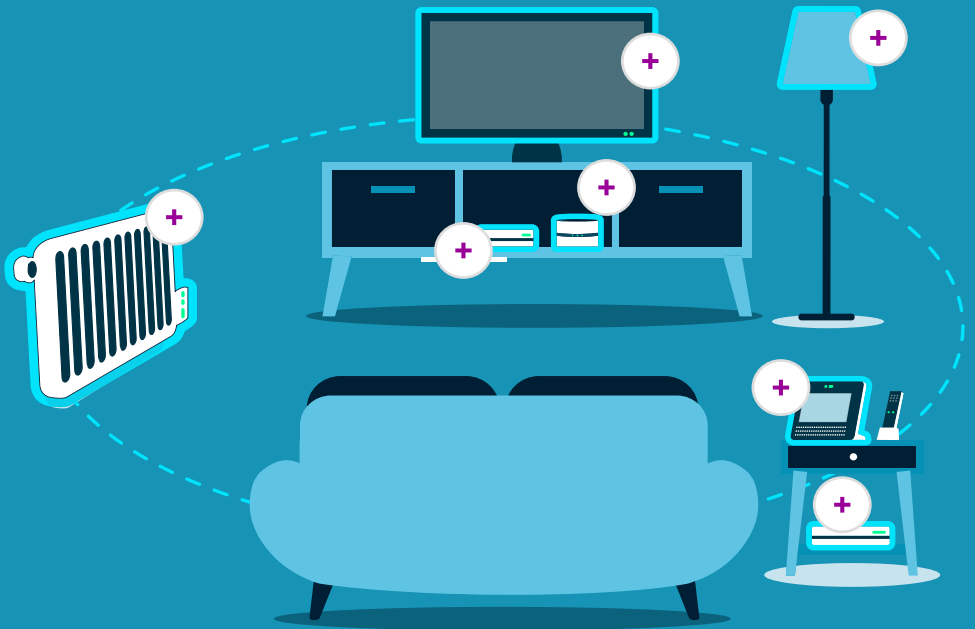


Touch screen

Movistar Home has a large 8-inch LED touch screen.

Movistar Living Apps,
a new concept of
applications to enrich the
experience in the living
room. Discover more!

[ENTER HERE](#)



Movistar Home

3.1. Telefónica reinvents the home

Movistar Home, the intelligent device that reinvents the home, lets customers manage their Movistar services easily and straightforwardly: enjoy a new way of watching television, experience another form of communication through calls and video calls, manage connectivity by voice and change how they interact with the Company.

Movistar Home also has some **new features** developed within the business and provided by third parties such as controlling the lights in the living room – a new form of entertainment for the whole family – keeping up with what is being said on social media about the TV programme they are watching and seeing the most important news via Twitter Moments. Customers can also play a Question and Answer game with Aura, check the weather forecast, listen to live radio stations and podcasts thanks to partner iVoox, or catch up on the day's trivia.

Similarly, Movistar Living Apps lets customers enhance their Movistar Home experience by accessing new services related to travel, sport and online shopping and adding new Movistar services to their account.

3.2. Features

Movistar Home **opens the door to a new concept of the home** and makes itself indispensable in customers' living rooms.



Television

From February, as well as handling everything to do with Movistar+, **Aura can automatically show users the most important Tweets related to the content** they are viewing on screen. If the programme they are watching has an official Twitter account or is using a hashtag, the most important Tweets will appear in the "comments" section.

Customers do not have to have a Twitter account or access via Movistar Home. If they don't, they won't be able to respond to or forward any Tweets, but they will be able to view them at any time. In addition, users can now also save products they are interested in from Movistar+ content.



Communication

One of the features most requested by Movistar's customers became a reality in September this year. **Aura can now be used to call the emergency services**, like the Police or 112, on a customer's landline, with the voice command "*OK Aura, call the emergency services.*" Customers can also contact Movistar for any queries or to ask anything about their accounts.



Entertainment

Movistar Home also has new entertainment features. One is **Question and Answer games on different subjects**: adventures, superheroes or children's content. Just by saying "*OK Aura, I want to play*" customers and their families can have fun together. At the moment, the device has games related to original Movistar+ content such as the series "Instinto" and "Hierro" and other more generic content. The questions are for all ages and demographics. Players use the device like the button on a quiz show, tapping Movistar Home's screen to answer questions.

And of course, we didn't want our customers not to be able to listen to their favourite song or show. Another new feature allows customers to **listen to live radio stations** just by saying "*OK Aura, I want to listen to the radio*" or saying the name of a favourite station as "*OK Aura, I want to listen to Radio Clásica*". Customers can play back broadcast programmes and listen to on-demand audio content thanks to iVoox's **large podcast library**.



Routine

Movistar Home now makes everyday life easier for Telefónica customers by letting them see **the news through Twitter Moments**. Just saying "*OK Aura, what's happening?*" customers will see the most important news put together by the Twitter editorial team for readers in Spain, bringing together information about current affairs, sports, culture and entertainment. This makes Movistar Home the first home assistant with a screen on the market to give access to this Twitter service. You can also check the time or the weather by saying "*OK Aura, what's the weather like?*". Aura can display the current local temperature, show the forecast for the next few hours and **give a medium-term forecast for the next three days**.



Smart Home

Movistar Home gained a new home automation feature in March that lets customers **control the lights in their living rooms** just using their voices. This feature works with the Phillips Hue intelligent lighting system. "*OK Aura, turn the lights on/off*" lets customers turn the lights in their sitting room on and off and they can set the colour or brightness of the lights on the touch screen.



New Experiences

Customers will be able to enjoy the **best football experiences** with La Liga and Atletico Madrid and **discover new destinations** with Air Europa and Iberia, among many other possibilities. And as we have already mentioned, these experiences have also been included in **Movistar services**.



Now the customer
can see the most
important **news**

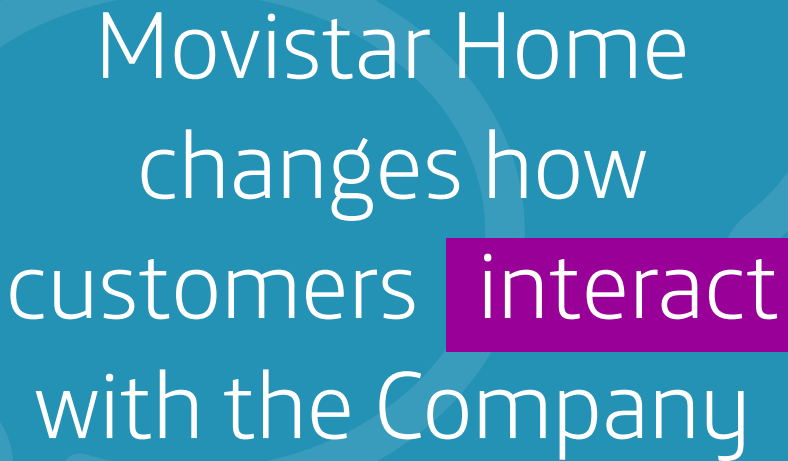
3.3 Movistar Home 2019 milestones

The telco device ecosystem has of course been with us for many years. The significant development is that Telefónica has decided to take things further with native integration of Artificial Intelligence and a value proposition focused at first on Movistar's principal services: communications, television and connectivity. That's how Movistar Home was born.

Just six months out from its launch, figures for the device are positive: 64% of customers use it at least once a week, 74% say they use the device once a month. The same proportion are still using it after three months. Conversely, 79% of people who have bought a Smart Speaker in the USA say they use it at least once a month.

These numbers just confirm how hard Telefónica is working to become more and more important in the daily lives of its customers. And all thanks to Artificial Intelligence and open interfaces.

This year Telefónica has focused on ensuring that the most important partner brands in the marketplace can access its new Home Ecosystem by offering a new way for customers to use services through the television and the Movistar Home device.



Movistar Home
changes how
customers **interact**
with the Company

Discover the two other volumes
available: (Volume I): **Aura's world**, and
(Volume II): **Dear e-Diary**.

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