# Connected car platforms, engineered for monetization

The connected car market is shifting from basic telematics to comprehensive cloud platforms that power new monetization models. **Valued at USD 80.9B in 2023 and projected to reach USD 386.8B by 2032 (CAGR 19.2%),**[1] the market reflects rising consumer demand for digital-first experiences, AI-driven personalization, EV adoption, and 5G rollouts. From infotainment subscriptions to usage-based insurance and EV energy services, OEMs and Tier 1s have the opportunity to position connectivity as a catalyst for long-term growth and profitability. To achieve this, they need a unified way to deliver and monetize digital services beyond hardware upgrades, making scalable, branded platforms essential.
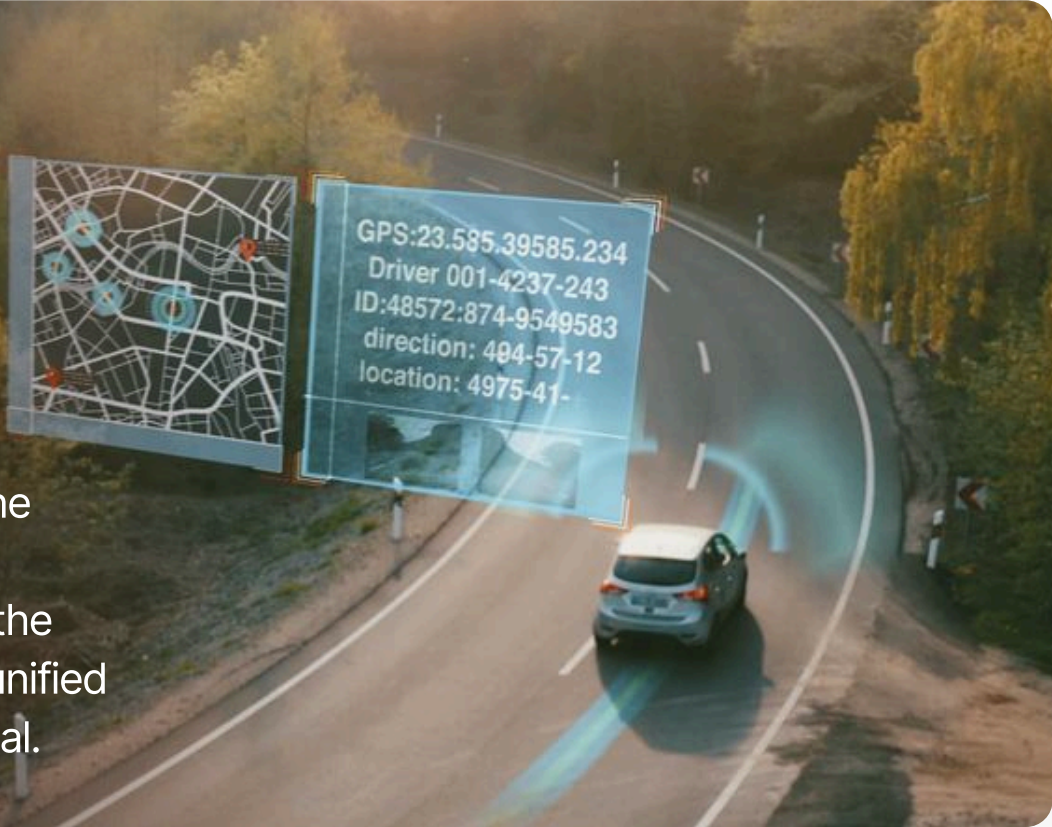
Industry challenges

Fragmented platforms, immature subscription models, and clunky onboarding stall growth, leaving automakers vulnerable as digital-native rivals set higher expectations for seamless engagement. These challenges show up in four critical ways.

1 Platform fragmentation
One-off builds without unified SDKs increase cost, delay, and limit scale

2 Weak subscription models
Lack of telecom-grade systems leaves recurring revenue untapped

3 Onboarding friction
Up to 65% of drivers drop services within 30 days due to poor activation

4 Disconnected journeys
Treating the car and mobile app separately erodes loyalty and upsell potential

Top strategic priorities for 2026-2030

OEMs and Tier 1s are prioritizing adoption strategies to meet customer expectations and turn connected platforms into engines of growth.

Unify platforms – Standardize SDKs and APIs to accelerate rollout and scale services across models.

Grow subscription revenue – Build telecom-grade billing, bundling, and entitlement systems for recurring income.

Simplify digital journeys – Deliver frictionless onboarding and app-to-vehicle continuity to drive adoption.

Safeguard revenue streams – Prevent breaches, recalls, and compliance failures that erode monetization potential.

Connected car platform solutions

To move past the infancy stage, OEMs and Tier 1s need scalable platforms built on core technologies that unify services, enable seamless digital journeys, and drive recurring revenue.

Modular SDKs: Pre-built service orchestration, diagnostics, and analytics cut rollout time across vehicle lines.

Telco-grade subscriptions: Dynamic pricing, bundling, and billing frameworks enable scalable recurring revenue.

Cross-platform interfaces: Unified car, mobile, and cloud experiences reduce friction and boost adoption.

Personalization engines: AI-driven segmentation and recommendations improve engagement and retention.

Core foundation layers

Connected car platforms depend on four foundational layers. HTEC brings proven expertise across automotive and telecom domains to design, integrate, and scale these layers into enterprise-grade solutions

Hardware
In-vehicle units, sensors, and edge devices engineered for high reliability and seamless data capture.

Software
API-first orchestration platforms, SDKs, and modular service layers tailored for rapid deployment.

Connectivity
Telecom-integrated infrastructure ensuring global scale, 5G readiness, and real-time service continuity.

AI
Personalization engines, predictive analytics, and intelligent automation enhance engagement and revenue potential.

HTEC powers connected cars with telecom-grade expertise and automotive engineering depth. We go beyond frameworks to deliver outcomes that accelerate rollout, strengthen adoption, and create sustainable digital revenue.

Accelerated rollout
We standardize platform deployment across vehicle lines, cutting launch cycles from 6–9 months to under 12 weeks.

Revenue at scale
Our telco-derived systems manage subscriptions, bundling, and entitlement at millions of endpoints, turning services into recurring income streams.

Adoption & retention
By integrating app-to-vehicle journeys and simplifying onboarding, we reduce trial drop-offs and sustain long-term customer engagement.

New business models
With embedded telco frameworks, we enable streaming bundles, in-car commerce, and pay-as-you-go charging.

The cost of doing nothing

Standing still means weaker adoption, rising costs, and ceding platform control to faster, digital-native competitors.

Lost recurring revenue
By 2030, 40% of automotive software revenue will come from subscriptions; OEMs without platforms forfeit this growth. [2]

Rising acquisition costs
When consumers don't perceive value, reliance on incentives inflates acquisition costs and squeezes profitability. [4]

Weak digital adoption
Poor onboarding and disjointed service journeys drive low feature usage and churn, undermining long-term customer value. [3]

Losing platform control
Third-party ecosystems fill the gap when OEM platforms remain fragmented, taking user engagement and monetization with them. [5]

Discover how HTEC helps OEMs and Tier 1s scale connected car platforms into sustainable revenue.

Connect with our strategy team today.

Footnote/Reference:
1. Connected Car Market (Fortune Business Insights, 2025)
2. Automotive Software & Electronics Report, (McKinsey, 2024)
3. Deloitte 2024 Global Automotive Consumer Study, (Deloitte, 2025)
4. Kelly Blue Book Report, (Kelly Blue Book, 2025)
5. Corporate business building to unlock value in automotive connectivity, (McKinsey, 2023)

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