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This is the age of SaaS products. An interesting angle that is on the rise is Automotive-As-A-Service. Subscription-based services in the automotive sector are starting to hit the market with BMW making news over the last few days. It all started in the year 2017, when Porsche rolled out a subscription-based service for consumers to experience a range of vehicles for a subscription fees as low as \$2000 per month.

Cut to 3 years later, Volvo rolled out a bundle deal subscription model featuring in-vehicle WiFi, rental and maintenance fees and service charges.

Very, very recently, the automobile giant BMW launched a subscription model as well. But this time, the reactions and responses from the digital crowd were different.

## BMW's Latest Automotive-As-A-Service Plans

Launched in diverse countries, the plans from BMW offer features such as heated seats, heated steering wheels, cruise control and automated high beams as a-la-carte downloadable options from the automobile's ConnectedDrive store for a monthly price. Alternatively, users can buy these features as well.

While this is convenient, this also brings to light the concept of feature gating, where the hardware required to deliver a specific experience or feature is already present but locked through software until a microtransaction happens.

## Feature-gating In Other Sectors

Netflix locks certain video qualities (UHD) or access to a number of screens for a payment. Feature-gating is extremely popular in video games, where users are required to spend either in-game currencies or real-world money to access specific features like maps, avatars, weapons and more.

## Visible Challenges With BMW's Subscription Service

Experts reveal that offering access to heated seats or steering on a subscription basis could result in increased hacking attempts. When the attempts are successful, customers need not pay for a lifetime to utilize these services.

An instance like this has already occurred with Apple CarPlay subscriptions, where hackers exploited FSC codes to connect the CarPlay feature to BMW charging.

## The Takeaway From AaaS If This Is The Future

The automotive industry is undergoing a paradigm shift currently and with the increased implementation of software over automotive hardware, we are witnessing the rise of connected and smart cars. As this becomes a norm tomorrow, automobile manufacturing companies will require next-generation workforce who can architect automotive infrastructure, make cybersecurity more airtight, develop dedicated car apps and seamlessly optimize driving experiences.

At a time when automotive transformation is inevitable, it is important to ensure that your workforce is equipped with the right set of new skills and technology to drive innovation and transformation. Check out our exclusive asset on how an automotive giant collaborated with UNext to transform their leadership workforce to take up futuristic visions and implement them with ease.



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