



SMART HOME: VISUAL CAMS

The world as we know it is changing at an unprecedented rate, and along with it are the ways in which consumers are thinking, living and communicating across the globe. The rapid commercialization of high speed internet, smart devices and cloud computing has meant that we are living increasingly interconnected lives

with the devices around us. 'Smart Home', 'Connected Living' and 'Internet of Things' are just some of the buzz words being used to describe this growing global phenomenon.

We are living increasingly interconnected lives with the devices around us.

Although the application of this technological revolution can range from a simple wireless sound system in the living room to an entire smart city, for most consumers the benefits are limited to devices within the home for the time being. In our recent global study, we asked people in seven countries to say which technologies they felt would have an impact on their lives in the next few years. Eleven leading edge technologies were on the list – including wearables, connected cars, 3D printing, the Internet of Things – but it was smart home technology that stood out, with half of people internationally believing that these will impact their lives in the coming year or so.

When asked to highlight which particular area would be most appealing – amongst appliances, health, entertainment, lighting and security – 2 out of 5 consumers in the UK chose security as the segment that was most appealing to them. The response didn't come as a major surprise as we are already seeing sales for these devices skyrocket in the UK. In January – December 2015 netcams witnessed sales growth in excess of 150% in comparison to the year before. Although the growth is coming from a relatively small base, it clearly highlights the growing importance of this product category in the eyes of the consumers, vendors and retailers alike. In fact, in 2015 approximately 30% of the sales came from brands that were not even selling any devices in 2014. The number of retailers stocking and selling these devices also grew significantly over the same time period.

2 out of 5 consumers in the UK chose security as the segment that was most appealing to them.

Despite the positivity in the market and the high levels of awareness, a majority of the consumers highlighted high costs as the main barrier to adopting smart home technology in the UK. Therefore it is crucial for both manufacturers and retailers to promote the added value that these devices can deliver. Perhaps as a way to reduce premiums on home insurance? Perhaps as a means to expedite damage claims? As long as the messaging and value proposition resonates with the consumers, the category most certainly has the potential to be a key stepping stone on our journey to a smart(er), more interconnected life.

It is crucial for both manufacturers and retailers to promote the added value that these devices can deliver.

Questions? Contact us!

Mehryar Hamid | T +44 20 7890 9465
mehryar.hamid@gfk.com



About GfK

GfK is the trusted source of relevant market and consumer information that enables its clients to make smarter decisions. More than 13,000 market research experts combine their passion with GfK's long-standing data science experience. This allows GfK to deliver vital global insights matched with local market intelligence from more than 100 countries. By using innovative technologies and data sciences, GfK turns big data into smart data, enabling its clients to improve their competitive edge and enrich consumers' experiences and choices.