

# From stay at home to smart home

## The impact of the pandemic on smart living

GfK Smart Home Study in the UK  
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For the last **six years**,  
**GfK** has conducted  
a survey to gauge  
**consumer interest**  
in **smart home**.

Now the fifth year  
of collaboration  
with techUK.

# Where does the data come from?



## Consumer survey

Asking consumers about their awareness, interest and ownership of a selection of smart home products – **relies on consumer understanding of technology**

- Nationally representative sample of 1,000 UK adults
- Questionnaire administered online
- Fieldwork conducted between 11 March and 08 April 2021



## GfK Market Intelligence

**Driven by technical definitions** – devices which can be controlled or monitored externally by a mobile device or via voice control

- Based on point-of-sale data provided by retailers showing sales through consumer channels
- Aligned to the 'connected' part of traditional device categories ...
- ... and the channels through which they are conventionally sold



2020 was not  
like other years!

# It's been a bumper year for smart home take-up



## Sales up ~22% – triple the rate for wider tech and durables market

- Robust growth across categories from TVs to door-security
- Pandemic brought forward purchasing on a net basis

## Three-quarters of UK consumers own smart home devices; a quarter have at least 4

- TVs, smart speakers and fitness trackers remain the mass devices
- Growing minority investing in multiple connected devices to work together

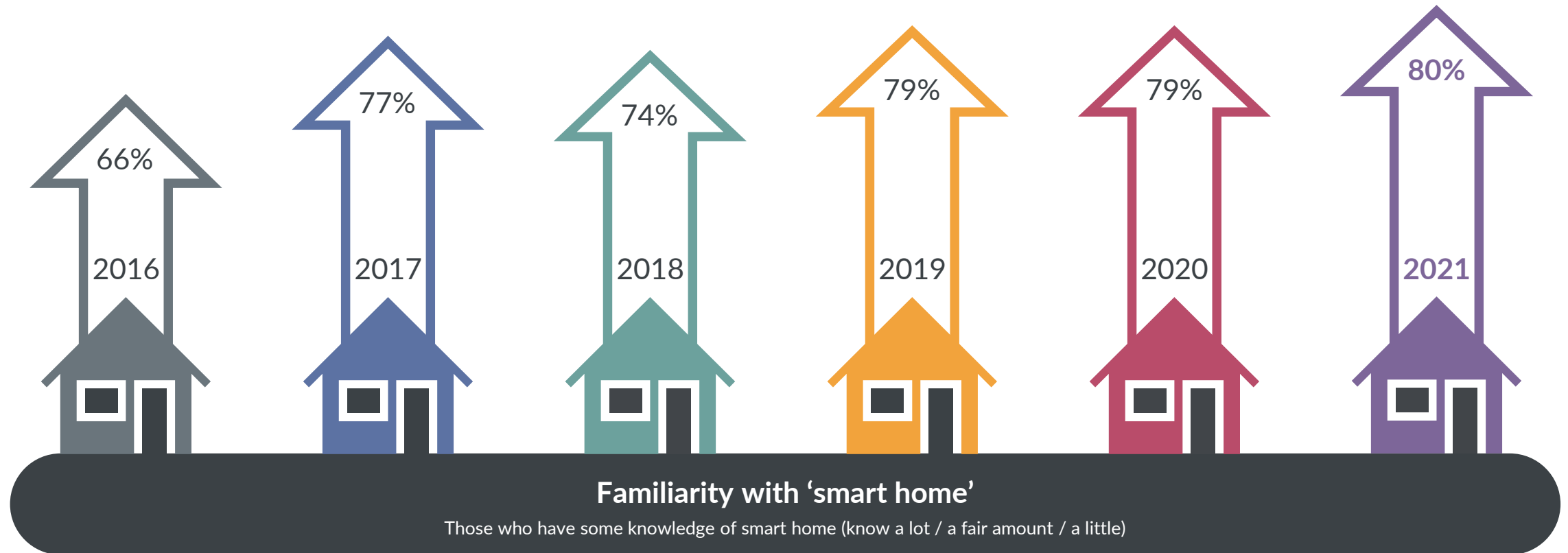
## Evidence of increased consumer understanding

- Increased use of streaming services driving awareness of the smart functions of TVs
- Increasing recognition of need for interoperability



# Familiarity has been stable over the last few years

...as 4 in 5 people have some knowledge on smart homes

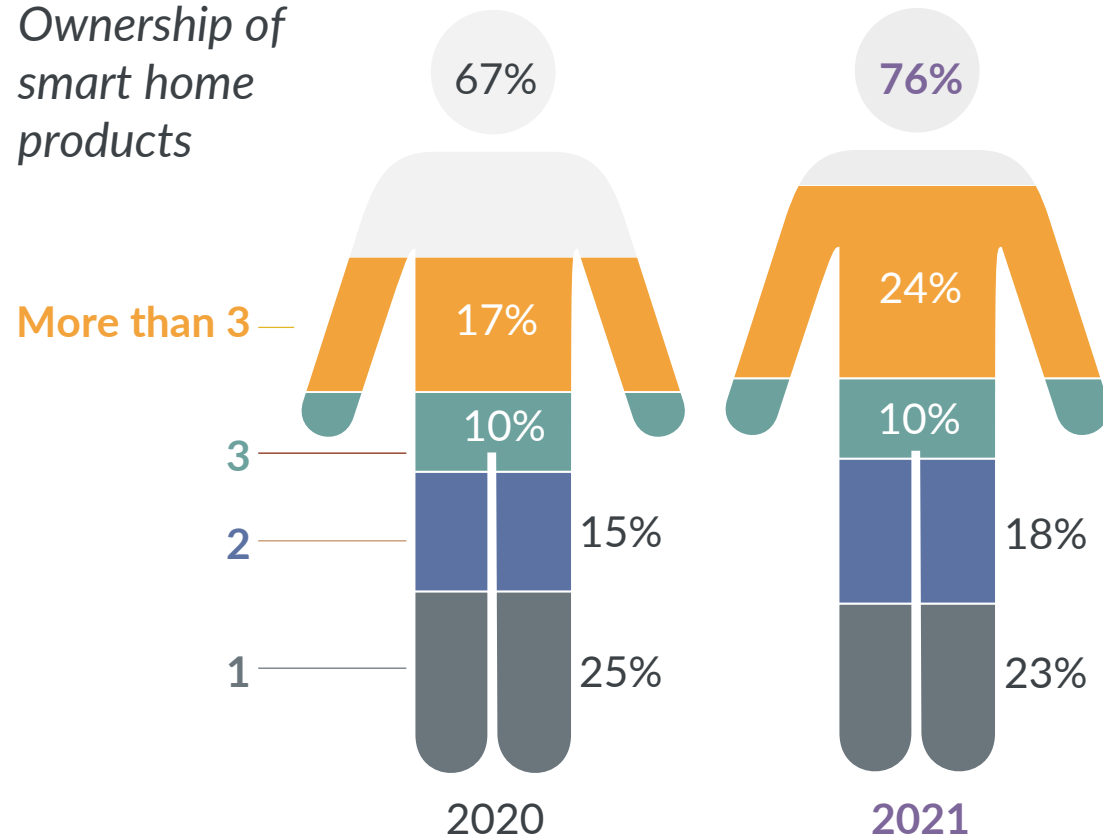


Base: C01. Please indicate how familiar you are with the technology and trends that are known by the following terms. Base: All respondents: 1000 in 2021, 1002 in 2020, 1000 in 2019, 1000 in 2018, 1002 in 2017, 1031 in 2016, 'Have some knowledge'=Code 'I know a lot' or 'I know a fair amount' or 'I know a little'

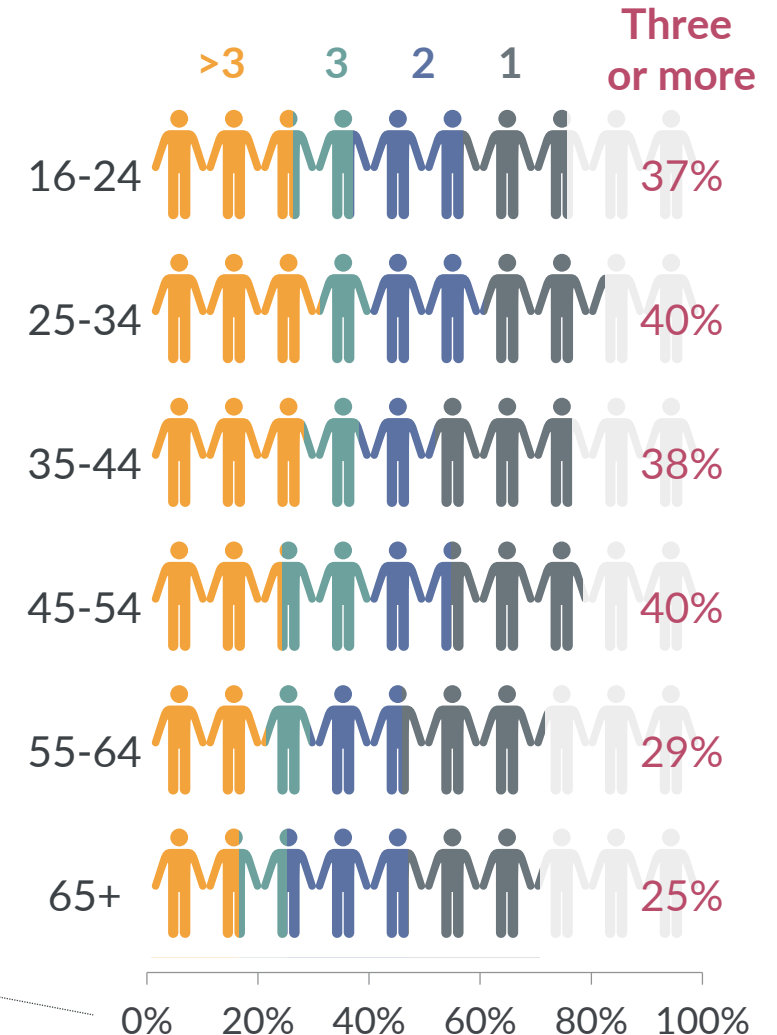
# 3 in 4 consumers own at least one smart home product

...with a strong rise in multiple ownership

Ownership of smart home products

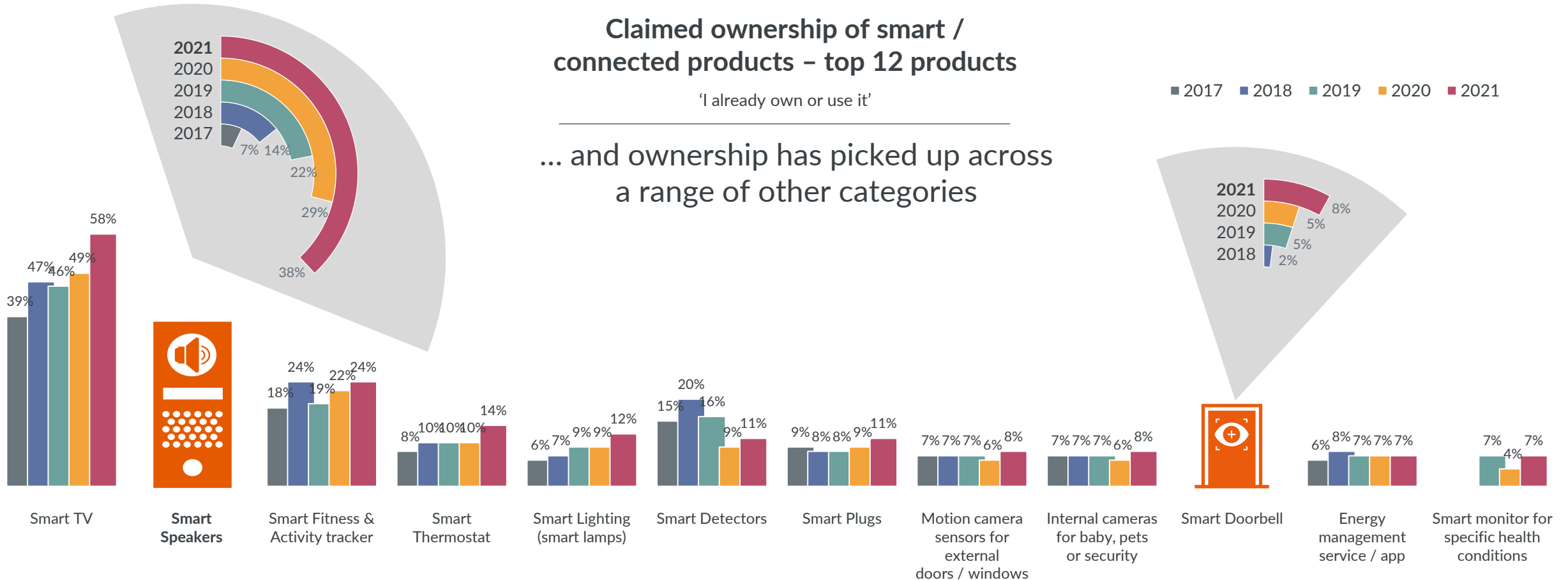


Devices owned by age



D02. Do you currently use or are you interested in using any of the following smart home products or services within your household?  
Base: All respondents: 1000 in 2021, 1002 in 2020

# Ownership of smart speakers has increased fivefold in the last four years

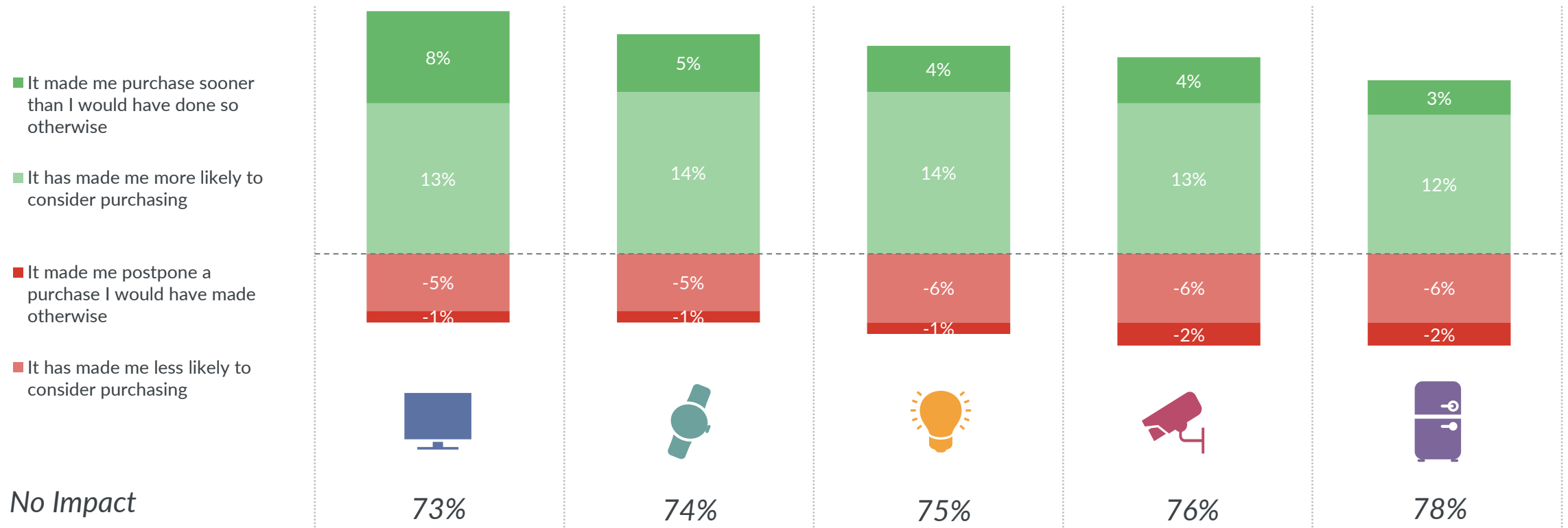


Base: D02. Do you currently use or are you interested in using any of the following Smart Home products or services within your household? Base: All respondents: 1000 in 2021, 1002 in 2020, 1000 in 2019, 1000 in 2018 'I already own or use it'



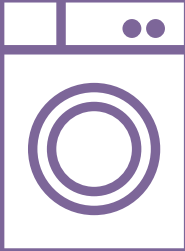
# On balance, the pandemic made people more likely to buy

## ...especially in the Entertainment and Health categories



Base: D15. Has the coronavirus pandemic had an impact on your attitude towards purchasing Smart Home products or services within your household? Base 1000

# The priority that consumers place on smart features varies hugely by category



- ❑ 25% of **washing machine** buyers say it is smart – can be controlled via voice or app
- ❑ But only around 4% of washing machine buyers say they chose it because of **smart features**
- ❑ And only around 0.5% of all consumer reviews talk about smart features



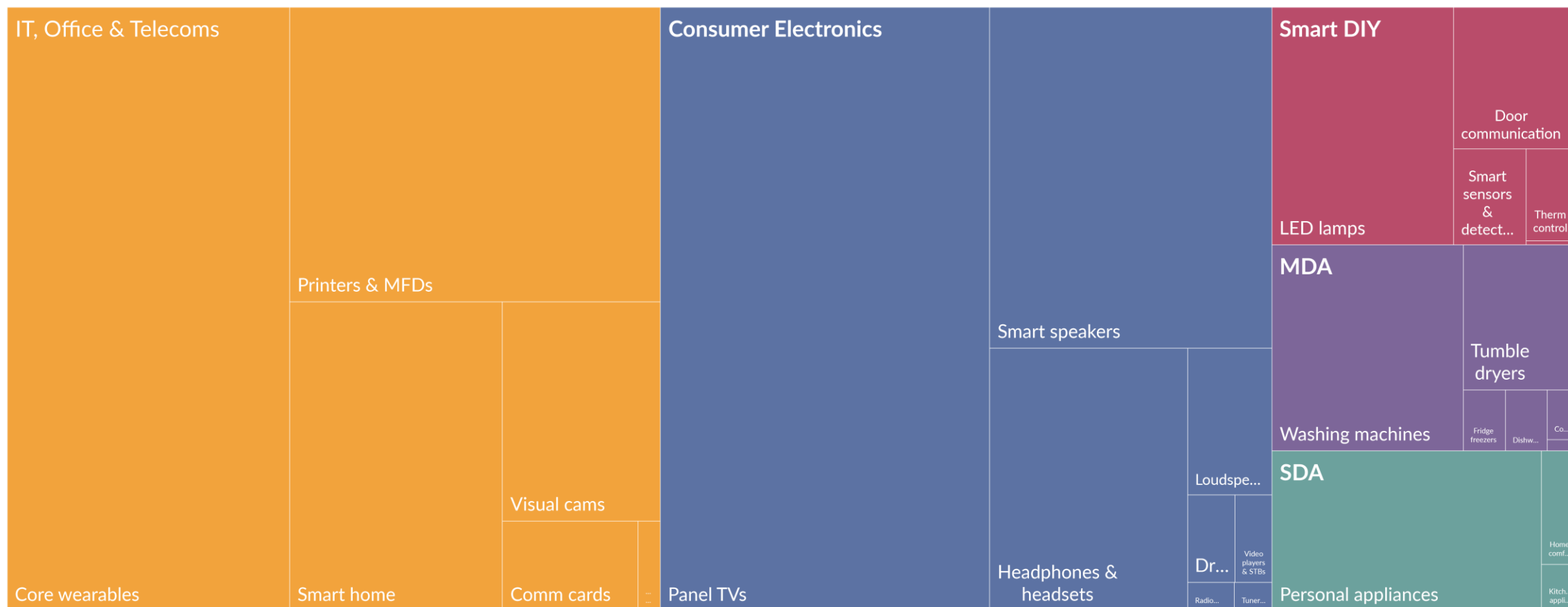
- ❑ Around 6% of consumer reviews for TVs are about smart capabilities
- ❑ 43% of TV buyers say they chose it because of **access to apps**. And 16% chose for smart **voice/app controls**
- ❑ In reality, 65% of TVs sold in the UK can be controlled through voice or apps

Is 'Smartness' that enables new functionality inherently more attractive than simply creating new ways to do the same things?

## A more detailed look at sales

# Sales data shows smart home products growing at three times the rate of the wider market

Smart home Unit sales in year to Mar-21

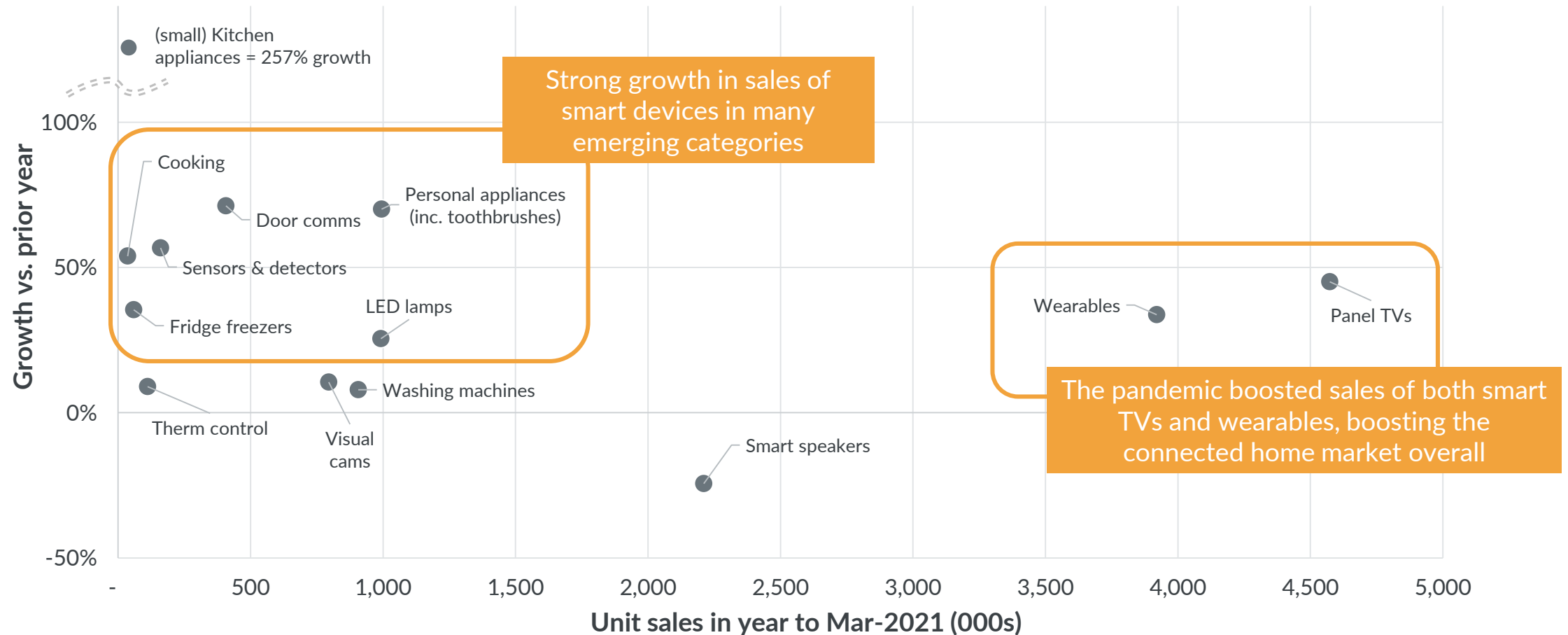


21.8m ~22% YoY

Source: GfK point of sales tracking (B2C channels)



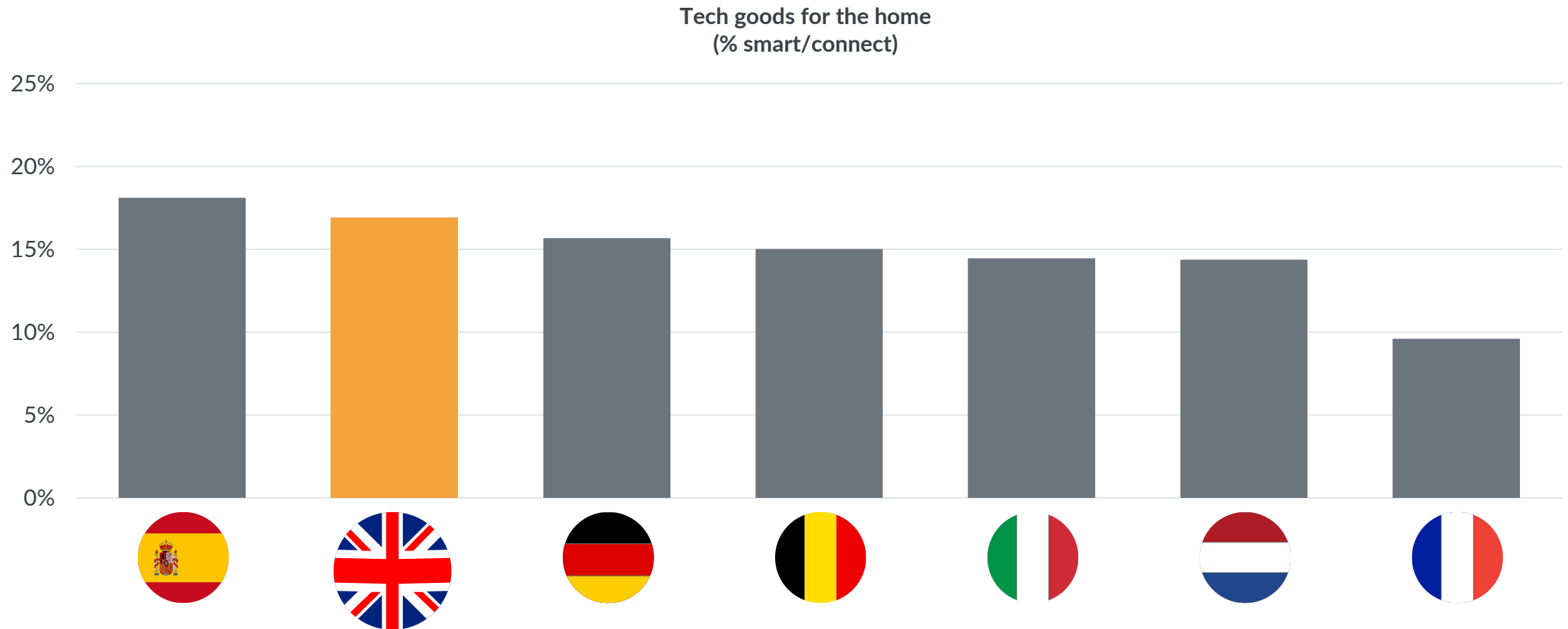
# There has been strong growth across smart categories – smart speakers aside



Source: GfK point of sales tracking (B2C channels)

# The UK has slightly higher penetration of smart devices within tech sales

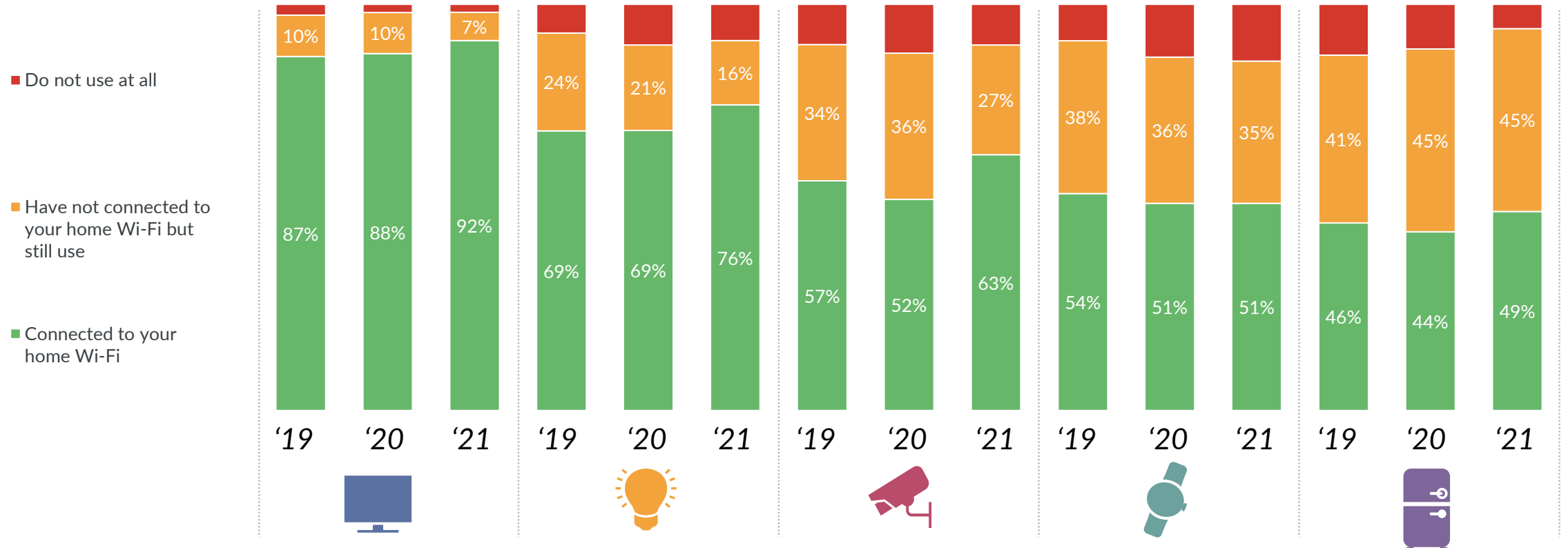
## ...but is in line with other European markets



NB. For purpose of comparison, international tracking uses a slightly different basket of categories in monitoring the smart home market.

## A glimpse at usage behaviour

# The last year has seen an increase in smart products being connected



Base: D08. Which of the devices have you... Connected to your home Wi-Fi, Have not connected to your home Wi-Fi but still use, Do not use at all.

2019 Smart Domestic Appliances = 184, Smart Entertainment = 681, Smart Energy = 341, Smart Health = 369, Smart Security = 404

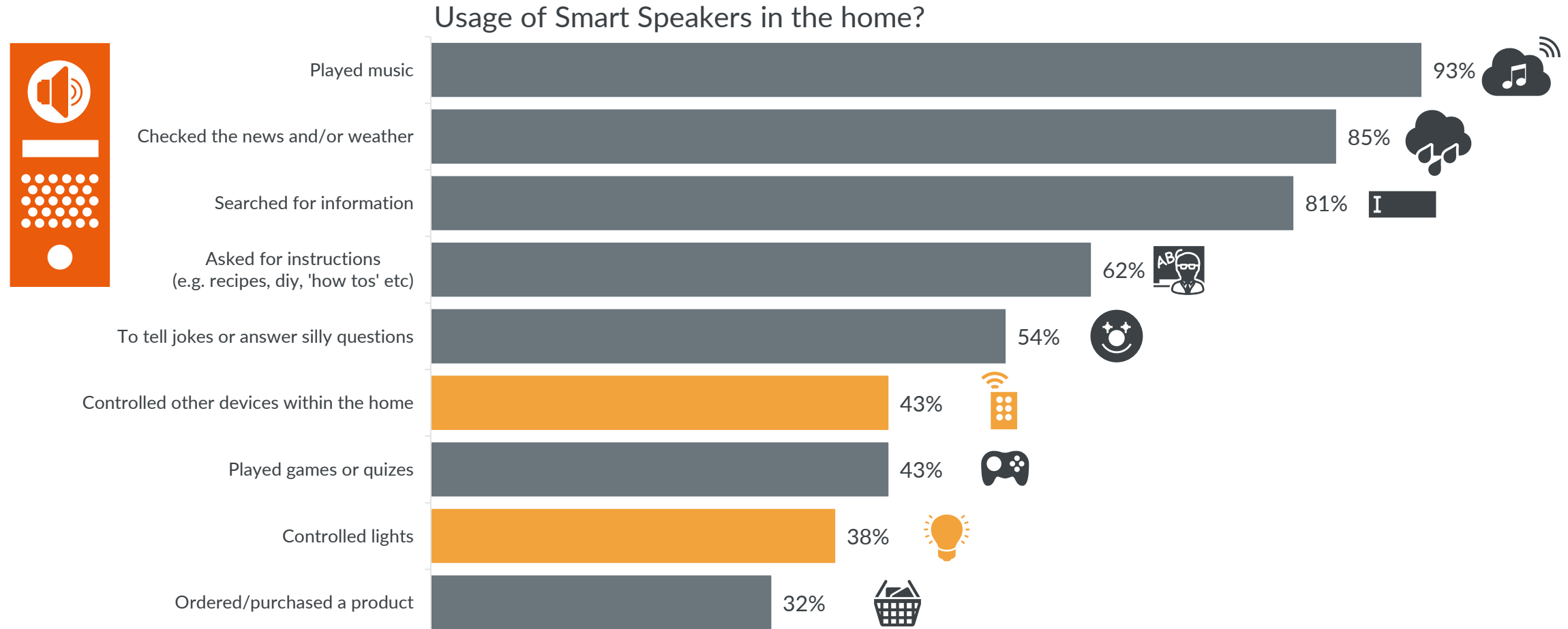
2020 Smart Domestic Appliances = 127, Smart Entertainment = 784, Smart Energy = 347, Smart Health = 341, Smart Security = 330

2021 Smart Domestic Appliances = 112, Smart Entertainment = 669, Smart Energy = 277, Smart Health = 293, Smart Security = 226



# Smart Speakers are more commonly being used for entertainment and information

...than to connect to other smart home products

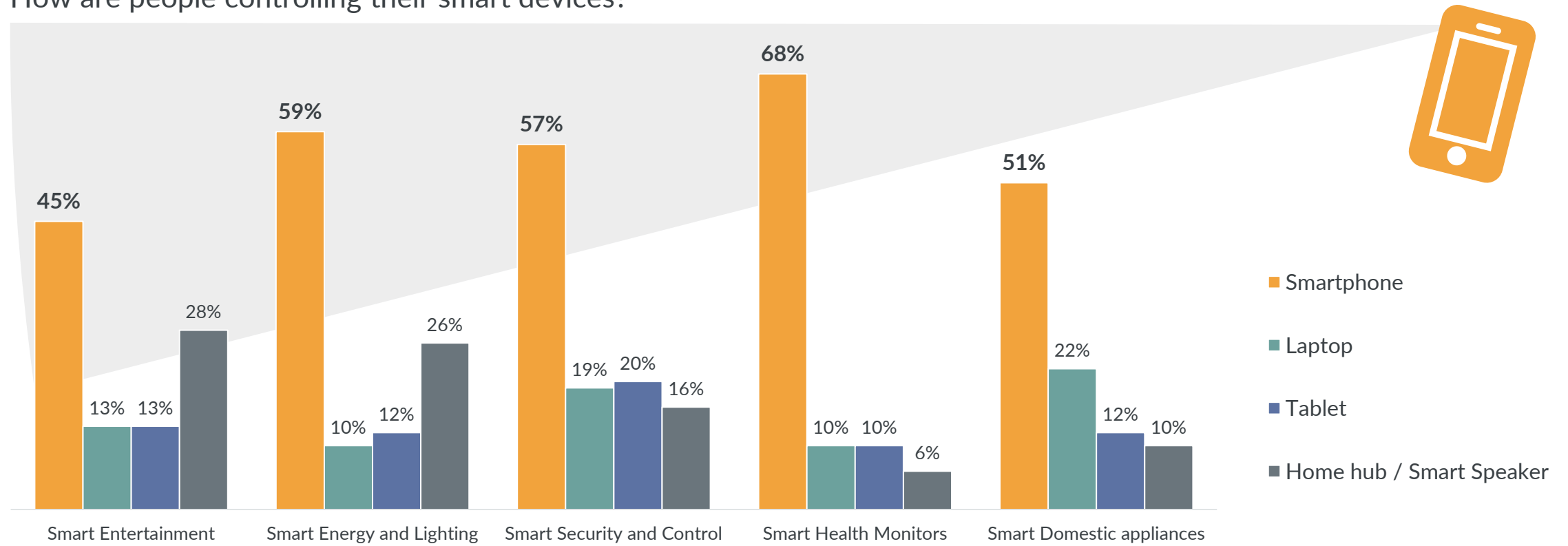


Base: D12 Which of the following best describes how you use your smart speaker? 383 in 2021,

# Smartphones are very much the number one means for controlling other smart devices

... with smart speakers and home hubs secondary

How are people controlling their smart devices?



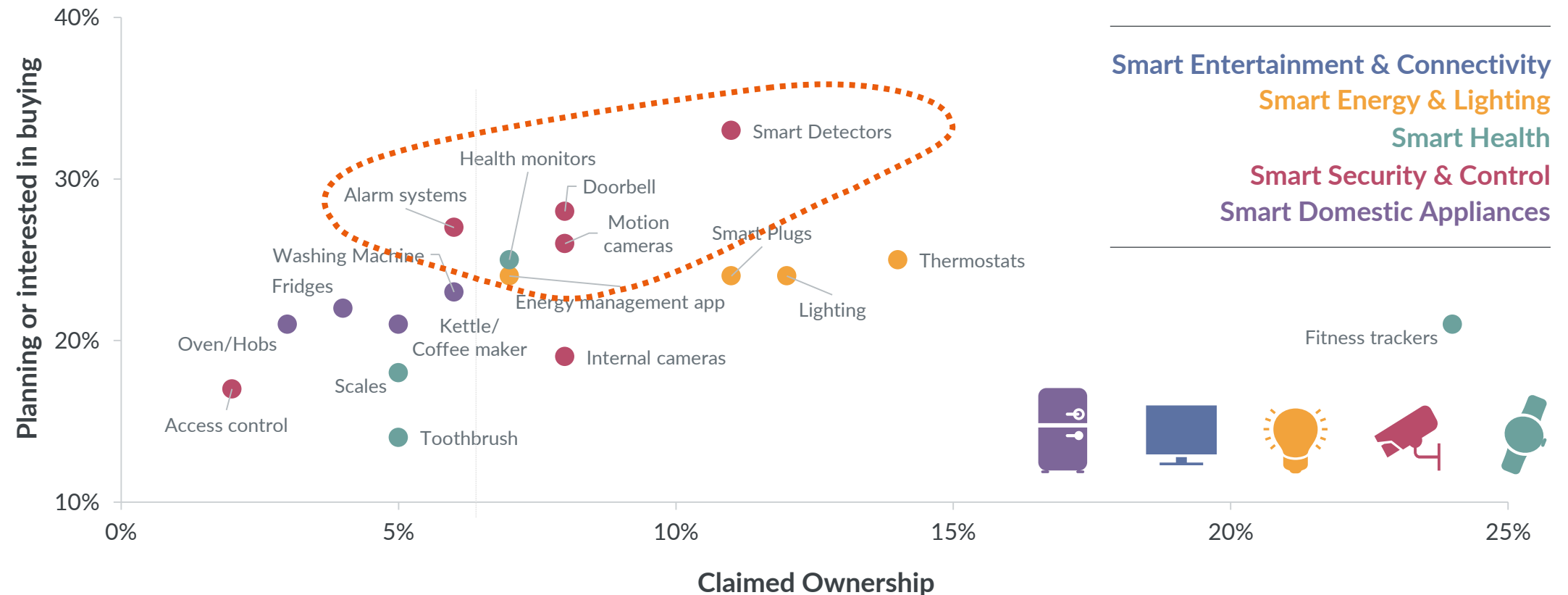
D09. Which devices do you use to control these smart products? 2021 Smart Domestic Appliances = 112, Smart Entertainment = 669, Smart Energy = 277, Smart Health = 293, Smart Security = 226

# A look to the future

# Smart security and control categories seem set for further growth

**B2B2C relationships may be key to activating this openness among consumers.**

Current ownership vs. categories which people say they are interested in buying:



D02. Do you currently use or are you interested in using any of the following smart home products or services within your household? Base: All respondents: 1000 in 2021



# The need for interoperability is increasingly recognized by consumers

## ... this is essentially, a specific aspect of ease of use

How well does each statement apply to the category?

Top 2 box agreement

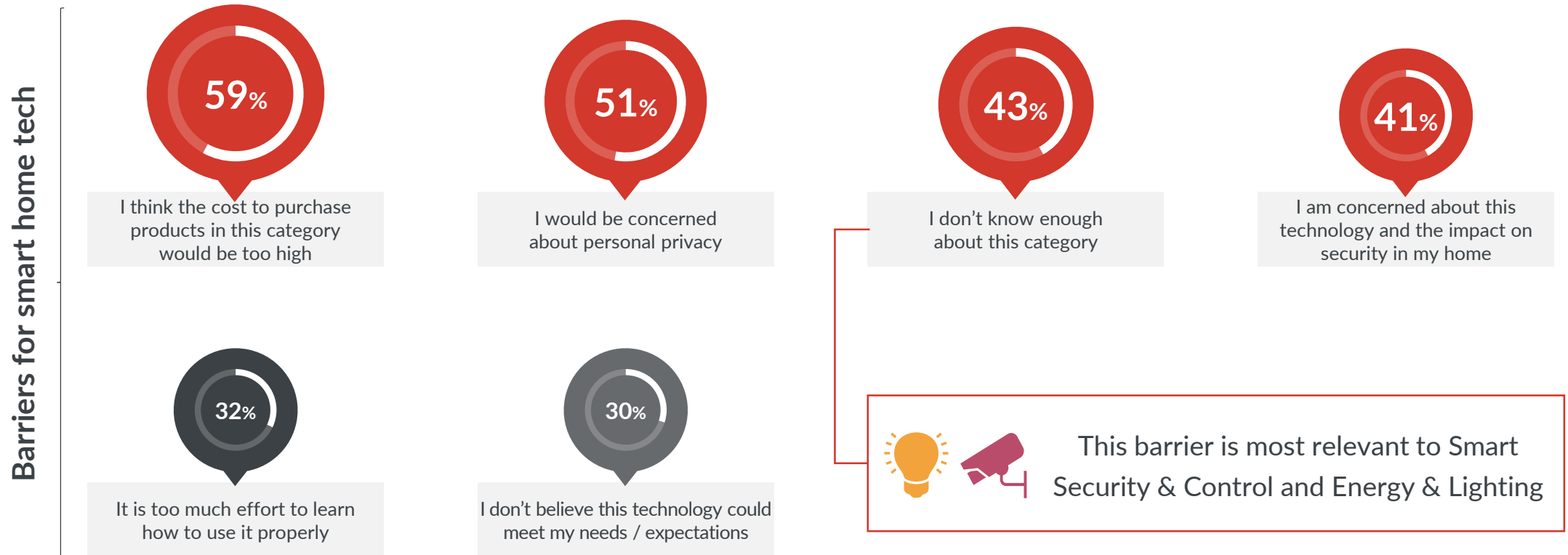


Base: D07. Please use the scale provided to show how much you think each statement applies to smart home technology. Base: All respondents: 1000, 2021

# A range of barriers also exist ...lead by price, privacy and security concerns, but lack of understanding also prominent

How well does each statement apply to the category?

Top 2 box agreement



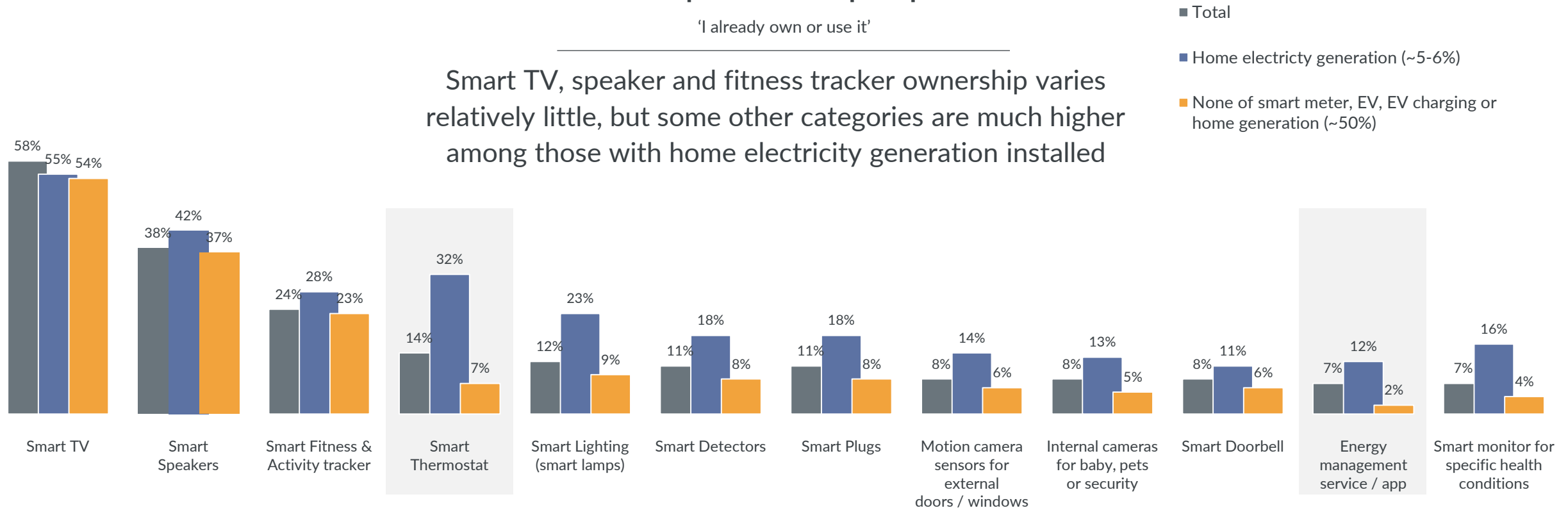
Base: D07. Please use the scale provided to show how much you think each statement applies to smart home technology. Base: All respondents: 1002 in 2020

# There is a core group heavily invested in connecting devices for their homes

## Claimed ownership of smart / connected products – top 12 products

'I already own or use it'

Smart TV, speaker and fitness tracker ownership varies relatively little, but some other categories are much higher among those with home electricity generation installed



Base: D02. Do you currently use or are you interested in using any of the following Smart Home products or services within your household? Base: All respondents: 1000 in 2021, have home electricity generation = 56, have none of smart meter, EV, EV charging or home generation = 529. 'I already own or use it'

# Increasingly environmentally-aware behaviour...

...is a trend that smart home can tap in to – particularly for Home automation and efficiency

Consumers' attitudes and behaviours are responding to the reality of environmental crisis

Government should be addressing our environmental problems, & not individual people like me	+6	+11	Do research on companies' environmental practices
I'm too busy to make my lifestyle as environmentally friendly as I would like	-7	+10	Choose a less polluting/more efficient source of energy for my car or home
First comes economic security and well-being, then we can worry about environmental problems	-8	+8	Take environmental protection into consideration when making purchase decisions
The environmentally friendly alternatives for many of the products I use are too expensive	-12	+6	Do volunteer work related to the environment
How much do you agree or disagree with each of these statements regarding your lifestyle and attitudes toward the environment? Net agree/somewhat agree (%) – <b>change from 2011 to 2020</b>		Here are some things that people can do about the environment. Please indicate how often you or someone in your household does it. Net all/most of the time (%) – <b>change from 2011 to 2020</b>	



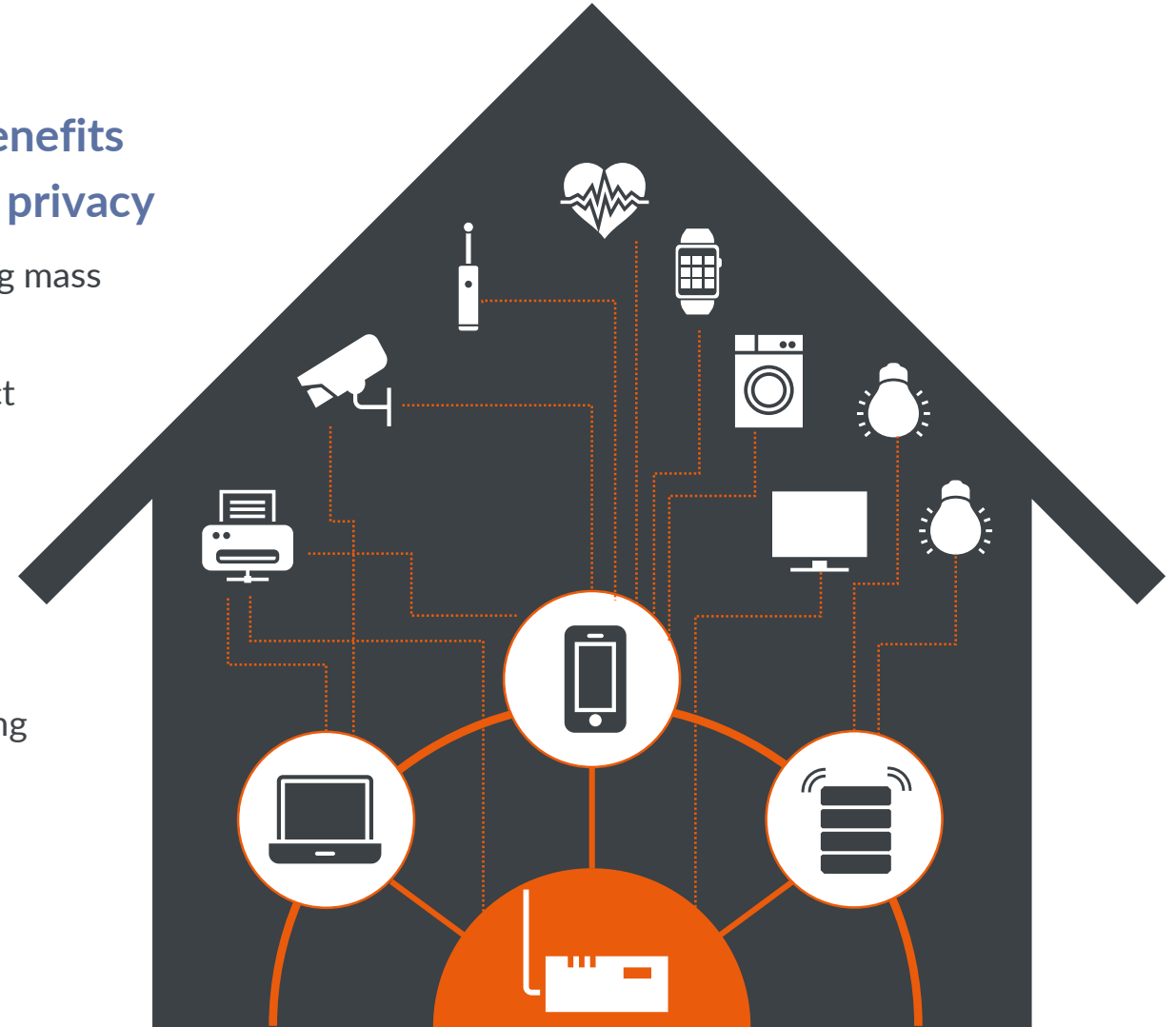
# Recommendations: Bringing it all together

## Tech firms and retailers should make clear the benefits of connected home devices and reassure around privacy

- While early adopters may find “smartness” appealing, driving mass uptake requires a broader approach.
- Consider what “smart” means for consumers in each product – what benefits it brings to consumers.

## Joined up thinking is critical to bring the smart home vision to life

- For manufacturers, this is about devices and services working together seamlessly.
- Government and regulators need to develop policies and frameworks that support multiple policy objectives: environmental goals, product safety and data security.



Thank you!

Any questions ...?

