

# Press release

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## UK consumers are embracing connected home devices to save energy and keep homes secure, finds techUK report

- *High levels of growth in smart appliances and security devices as consumer awareness familiarity improves*
- *Consumers recognise the potential for smart home devices amid rising cost of living and climate change concerns*

**London, 8 November 2022:** A new report surveying 1,000 adults in the UK has found consumers are increasingly recognising the potential benefits of smart home devices amid concerns about the cost of living crisis and climate change.

### Size of the market

The Connected Home report, published by techUK alongside data and analytics partner GfK, finds the connected home market in the UK has now reached the point where most people (81%) have some level of familiarity with connected home devices and own at least one connected home product (77%). In the past year, 20 million connected home devices were sold in the UK at a value of almost £5 billion. While sales volumes declined by 8% compared to 2020/2021, at the height of the COVID-19 pandemic and subsequent lockdowns, the total value of the market nonetheless increased.

### Trevor Godman, Divisional Director at GfK who led the research, said:

“The Connected Home report shows increasing consumer familiarity with the benefits of connected home devices – including energy efficiency. We see consumers willing to pay for higher-end devices across a wider range of functionalities - approximately 45% of consumers report that they would be willing to pay at least a little bit more for a smart product over an equivalent non-smart product, which in part is driving the overall higher unit values.”

### Greater diversity of connected home devices

The report's findings suggest that, while the UK connected home market was historically driven by star performer products (e.g. TVs and smart speakers), consumers are gaining familiarity with a wider range of connected home products and deploying them to address current economic and environmental challenges.

Compared to before the COVID-19 pandemic, we now see considerably higher rates of ownership across:

- **Smart devices that support more efficient energy usage** (thermostats, plugs, lighting) – at 27% ownership, rising from 20% in 2020
- **Smart security devices** (cameras, alarm systems, smart doorbells) – at 29% ownership, rising from 19% in 2020
- **Smart appliances** (washing machines, refrigerators) – reaching 11% ownership in 2022, up from 8% in 2020

### Increasing focus on energy savings and security

Figures show that energy-saving and smart security devices had the biggest increases in sales since pre-pandemic levels, which corresponds to growing consumer concerns around the cost of living crisis and climate change.

Matthew Evans, Director for Markets, techUK said:

"The high levels of consumer interest in using connected home devices to improve their energy efficiency is not a surprise. It comes in part as a consequence of increasing public focus on sustainability and the need to transition to Net Zero, and of course, it's also a response to increasing concerns around energy prices and the cost of living.

"This data was collected between April 2021 and March 2022, mostly prior to the invasion of Ukraine and the related spike in energy costs, so we expect that devices that are more energy efficient or that can nudge consumers towards more efficient practices will become ever more important over the coming year."

### Recommendations to government

techUK and its members call for government to support the connected home market and enable consumers to realise economic and utility benefits via four key policy recommendations:

- Collaborate with industry on industry-led accreditation and certification schemes
- Adopt interoperability and connectivity standards, preventing bad actors from coming onto the UK market and hindering the use cases of connected tech products in the UK
- Harmonise regulation to meet environmental aims
- Mandate connected home tech in new-builds and social housing, saving energy and money for consumers amid the cost of living crisis.

**-ENDS-**

## Notes to Editors

This is the sixth edition of our annual State of the Connected Home report, which surveys a nationally representative sample of 1,000 adults across the UK to ask about their awareness, interest, and ownership of a range of connected or 'smart' home products.

The full list of recommendations is:

- **Collaborate with industry on industry-led accreditation and certification schemes.** A great example is the DCMS 'Grant Programme for Consumer IoT Assurance Schemes' which supported the development of [SafeShark](#), a collaboration between DTG and Connect Devices to create a BSI-backed assurance scheme that provides independent certification against the criteria set out within the upcoming Product Security and Telecommunications Infrastructure Bill.
- **Adopt interoperability and connectivity standards.** Adoption of international standards and best practices as a precondition of market access not only supports policy priorities within the identified areas, but also supports the development of the industry by preventing bad actors from coming onto the market and establishing baseline levels of standards that connected tech products adhere to. Government should work alongside industry, via standards development committees, to identify and adopt relevant standards relating to device interoperability - several techUK members have been involved in developing the [Matter](#) connectivity protocol to ensure that smart home devices made by different manufacturers can work across different ecosystems and interact seamlessly with one another. There is also a need for common standards across connectivity networks so that devices can connect to one another or to the cloud via standardised wireless networks and can seamlessly transition between private networks in the home and public networks outside.
- **Harmonise regulation to meet environmental aims.** The UK should seek to harmonise regulation on eco-design and the repair/reuse of connected home tech to lower the cost to consumers. If the UK diverges from international rules, manufacturers will need to design and store different products for the UK market. This represents an unnecessary cost which makes devices cost more, therefore blunting the energy savings opportunity. Increasing consumer awareness of how to use connected home technology for energy efficiency benefits is also key here - consumers should be encouraged to actively use the smart features of connected devices and benefit from future interlinkages with their energy provider.
- **Mandate connected home tech in new-builds and social housing.** Given the proven energy and cost savings presented by adopting smart appliances, smart



10 St Bride Street  
London EC4A 4AD

techUK.org | @techUK

**Media Contacts**

Margherita Certo

T: (+44) 07462107214

E: [margherita.certo@techUK.org](mailto:margherita.certo@techUK.org)

thermostats and connected home tech should be in every social home, government building, and new-build property. Property developers have resisted this, but given that digital tech saves money and energy for end users (particularly relevant for public sector estates and social-rent tenants), this should be mandatory within buildings.

The full report can be downloaded [here](#).

[Consumer tech techUK programme](#)

### About techUK

techUK is the technology trade association that brings together people, companies and organisations to realise the positive outcomes of what digital technology can achieve.

With over 850 members (the majority of which are SMEs) across the UK, techUK creates a network for innovation and collaboration across business, government and stakeholders to provide a better future for people, society, the economy and the planet.

By providing expertise and insight, we support members, partners and stakeholders as they prepare the UK for what comes next in a constantly changing world.