Industry Report

Consumer Choice: Standalone or Bundled Smart Home Devices

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Consumer Choice: Standalone or Bundled Smart Home Devices

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By Brad Russell, Research Analyst

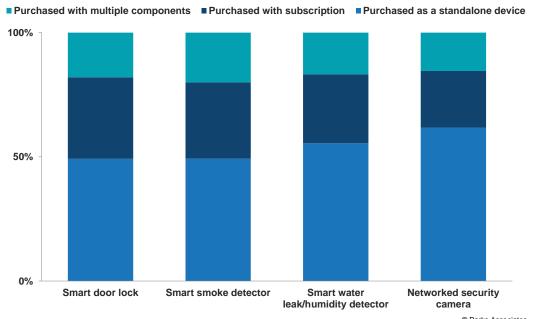
Synopsis

There are thousands of consumer use cases for smart home systems and devices — as many use cases as there are consumers. This can be challenging for smart home marketers as they seek to merchandise standalone devices and bundles of smart home products and services. This report examines the business strengths and weaknesses of merchandising options, emerging merchandising trends in existing and new channels, and consumer preferences for bundles versus build-as-you-go adoption and the purchasing methods they prefer.

Consumer Choice: Standalone or Bundled Smart Home Devices

Safety & Security Devices: Acquiring Method

Non-Gift Buyers of Smart Home Devices in U.S. Broadband Households



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"Smart home products are typically sold as standalone devices, as devices bundled with services, and as devices bundled with multiple components. Between 2014 and 2016, the share of sales as standalone devices has increased for over a dozen smart home product categories. Networked cameras demonstrate the greatest increase in share, increasing from 37% in 2014 to 62% in 2016. So, while sales are growing for those who bundle devices with services, they are being outpaced by growth in the standalone segment. This is not surprising as smart home reaches a deeper level of penetration than those who subscribe to professional services." said Brad Russell, Research Analyst.

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Companies Researched for Report

Pure Standalone Devices

Hybrid Standalone Devices

Starter Kit Bundle

Discount Bundle

Belkin WeMo

Use Case Subsystem Bundle

"Free" Hardware + Service Subscription Bundle

Purchased/Financed Hardware + Service Subscription Bundle

Hardware + Content Subscription Bundle

Safety & Security Devices – Acquisition by Merchandising Method (2014 – 2016)

Smart Energy & Water Devices – Acquisition by Merchandising Method (2014 – 2016)

Smart Home Devices - Comparison of Purchase Method by Merchandising Method

Smart Thermostat - Purchase Channel by Acquisition Method

Networked Camera - Purchase Channel by Acquisition Method

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LISLO	COM	panies

ADT Pulse

Amazon Alexa

Amazon Echo

Amazon.com

Apple HomeKit

AT&T Digital Life

August

KB Home

Kidde

leakSMART

Lennar Corporation

Lowe's

Lutron

Nest

Philips Hue



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Best Buy

Brookfield Residential

Canary Centrica

Coldwell Banker Comcast Xfinity Home

EVRYTHNG Honeywell ilumi IOTAS Ring

ROC-Connect

Samsung SmartThings Southern California Edison

Target Stores TigerDirect TP-Link Vivint Wink

Attributes

Parks Associates 15950 N. Dallas Pkwy Suite 575 Dallas TX 75248

800.727.5711 toll free 972.490.1113 phone 972.490.1133 fax

parksassociates.com sales@ parksassociates.com Authored by Brad Russell Executive Editor: Tricia Parks Published by Parks Associates

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