



# Simple tips for marketing smart home technologies to your utility customers

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The majority of US and Canadian consumers use smart technology every day in the form of a smartphone. According to the Pew Research Center, 85% of Americans own a smartphone. In Canada, that percentage is slightly higher, says Statista, an online statistics database. In fact, most aspects of our lives are changing due to smart technology—from communications, cities, healthcare, transportation, manufacturing, and even our homes. Smart home technology is on the rise and the US smart home market is expected to reach \$41.7 billion in revenue by 2023, according to Statista's [Smart Home](#) market analysis.

**Individuals 18 to 34 who live in single-family homes and make between \$25,000 to \$75,000 annually are most likely to purchase smart tech in the next year.**

According to E Source data, 28% of Americans and 40% of Canadians are ready to join the smart home revolution. But are utilities ready? If utility marketers are going to capitalize on the growing popularity of the smart home market, they need to know:

- Their target audience
- What drives smart home technology purchases
- The most effective messages for promoting smart devices

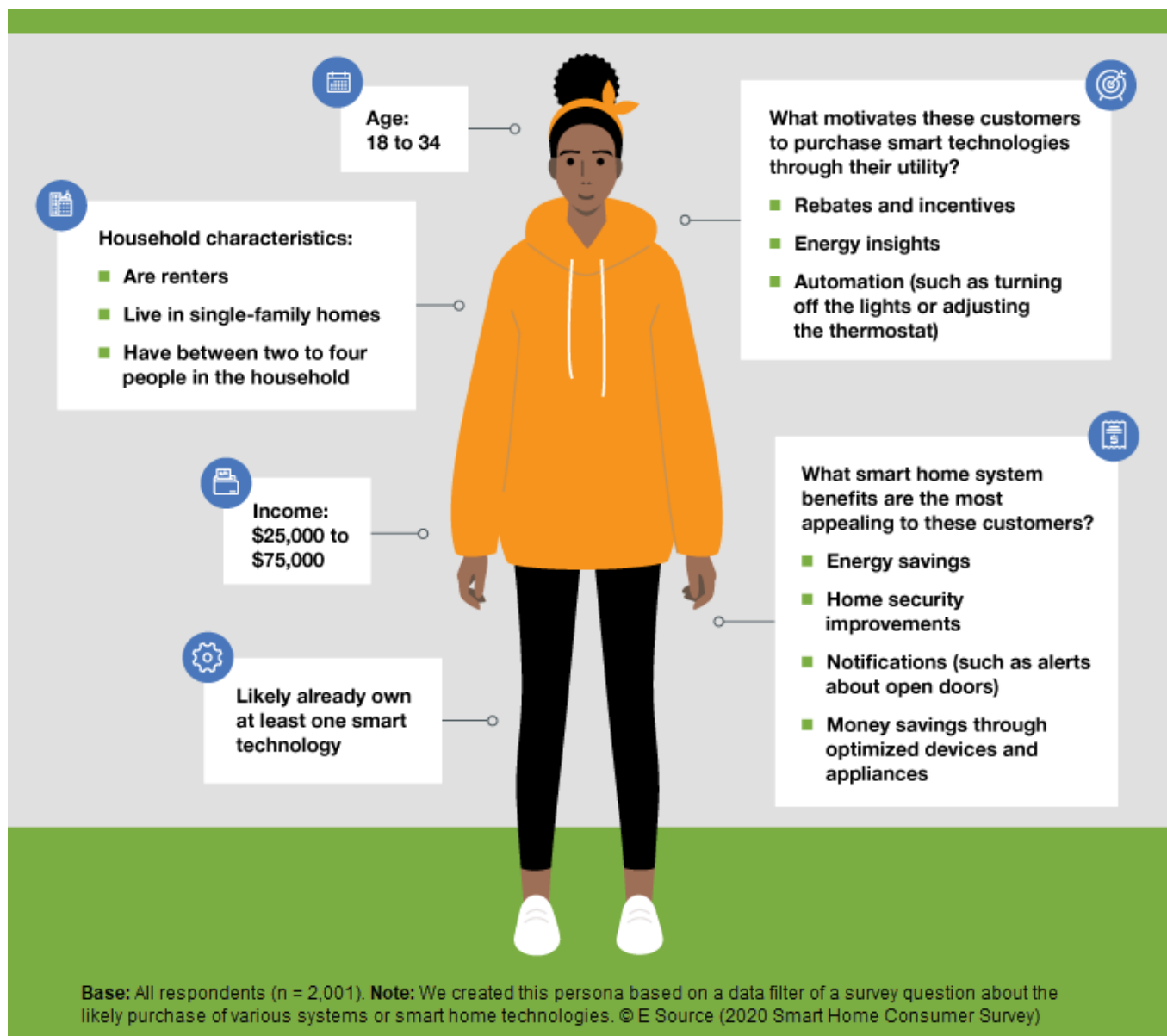
## Who's ready to buy smart home technology?

The first step in developing your smart home technology marketing strategy is knowing which audience to

target your marketing at. According to the 2020 E Source [Smart Home Consumer Survey](#), individuals 18 to 34 who live in single-family homes and make between \$25,000 to \$75,000 annually are most likely to purchase smart tech in the next year (**figure 1**).

### Figure 1: Characteristics of customers who would purchase smart technologies

Customers most likely to purchase smart tech are motivated by rebates and incentives, energy insights, and notifications. It's important to not only understand your customer's demographics but to also know what messages will motivate them to purchase smart technologies through your utility rather than another vendor.



**What drives smart home technology purchases?**

The second step of your plan is understanding what drives your target audience to buy smart home technology. Through ethnographic research performed for E Source [E Design 2020: A three-year collaborative project](#), we found three primary reasons why customers buy smart home devices:

- Save time
- Have peace of mind
- Save money

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### **Want more information on customer preferences for smart home technology?**

For more data, tips, and utility examples, check out our reports [The essentials for marketing the smart home](#) and [US utility customers' preferences for smart home technologies](#).

We also asked customers what the most appealing benefits were of smart home systems. Based on data from our 2020 Smart Home Consumer Survey, energy savings was the most appealing benefit, followed by saving money through connected-device optimization and improved home security.

### **What are the most effective messages for promoting smart devices?**

Knowing the driving forces behind smart home technology purchases can help you craft marketing messages that resonate with customers. Utility and nonutility companies have applied this knowledge and highlight the following messages in their smart home technology marketing campaigns (**figure 2**):

- Convenience
- Security
- Savings
- Ease of use
- Control

Use these value propositions as the backbone for your marketing campaigns.

#### **Figure 2: The most-appealing benefits of smart home systems**

When promoting smart home devices, organizations emphasize benefits such as energy savings, convenience, ease of use, and control.

**Madison Gas and Electric shares how smart thermostats can help customers save energy and money**

## UGI Utilities emphasizes the convenience of smart thermostats

Install an [@ENERGYSTAR](#) certified smart thermostat to provide convenience, insight, and control of your home's climate and comfort. [#EnergyTip](#)  
[pic.twitter.com/hMz4EhfV4I](https://pic.twitter.com/hMz4EhfV4I)

— UGI Utilities (@UGI\_Uilities) [July 16, 2020](#)

## Efficiency Vermont highlights the ease, convenience, and control smart thermostats provide

View this post on Instagram

[A post shared by Efficiency Vermont \(@efficiencyvt\)](#)

## Google illustrates how smart devices could have helped Kevin McCallister in Home Alone

By targeting technology-ready customers and highlighting the aspects of smart technology that improve customers' lives, your marketing messages will convince more customers to make the easy switch to smart home technology. Thirsty for more? (See what we did there? Home Alone quote!) You can learn more about smart home technology in our previous blog post [The promise and challenges of smart home energy management](#).