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INDIA CONNECTED CONSUMER

2024

"After smartisation of cell phones, it's the turn of Televisions.

Smart Devices

Insights into smart device preferences of connected consumers in India.

Connected Consumer Device Categories

Smart Home Appliances
Smart Oven
Smart Washing Machine
Smart Vacuum Cleaner
Smart Air Fryer

Smart Security
Video Enabled Doorbell
Smart Door Lock
Smart Camera

Smart Comfort & Convenience
Smart Lights
Smart AC
Smart Heater
Smart Switch
Smart Air Purifier
Smart Water Purifier

Smart Personal
Chromebook
Tablet
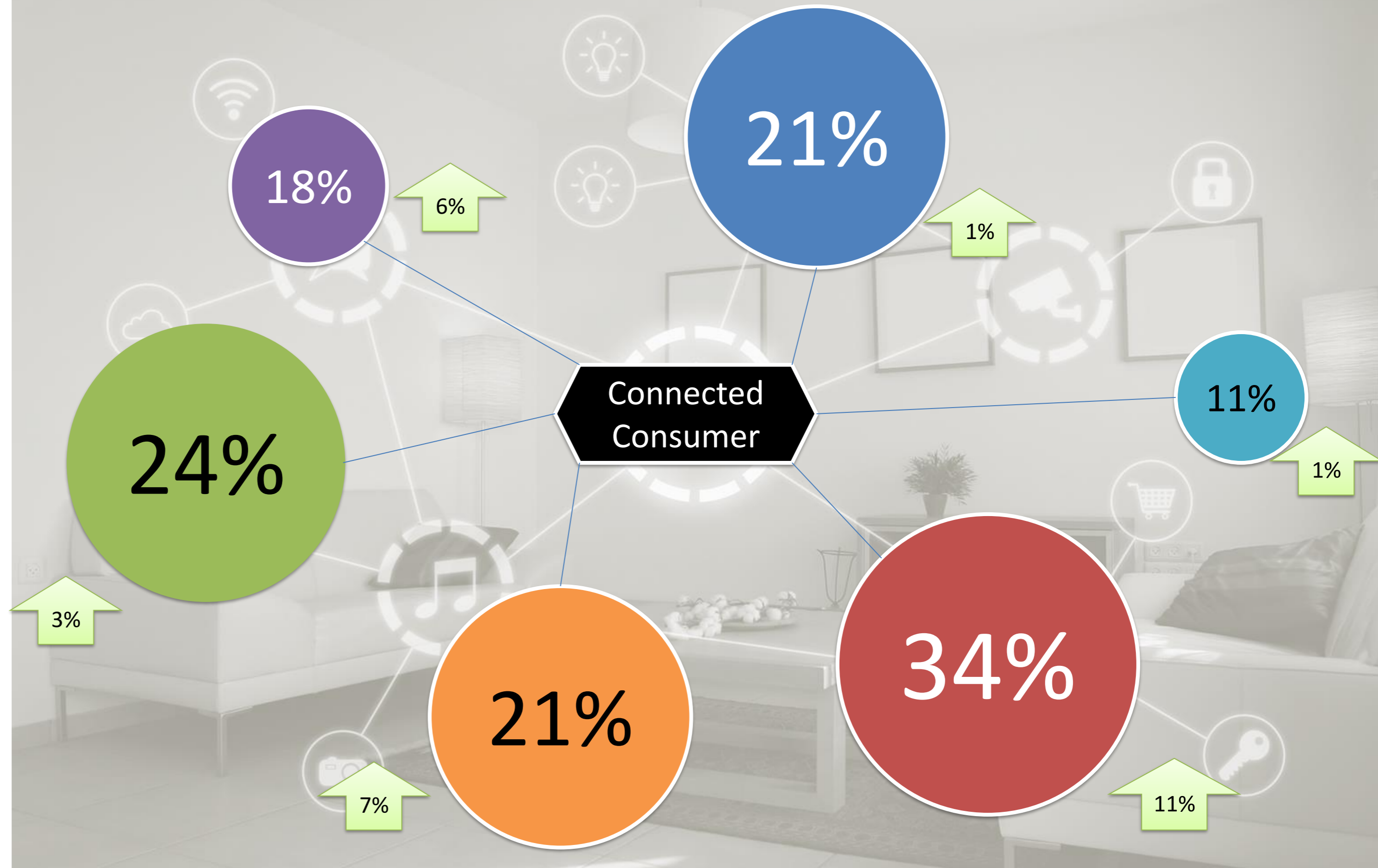TWS
Smart Watch/Fitness Band

Smart Entertainment
Smart Speaker
Streaming Devices
Smart TV

Smart Home Infra
Router
IR Blaster
Thermostat

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Indian Connected Consumer and the Smart Home Categories

- 18% ↑ 6%
- 21% ↑ 1%
- 24% ↑ 3%
- 11% ↑ 1%
- 21% ↑ 7%
- 34% ↑ 11%

Connected Consumer

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Smart Personal
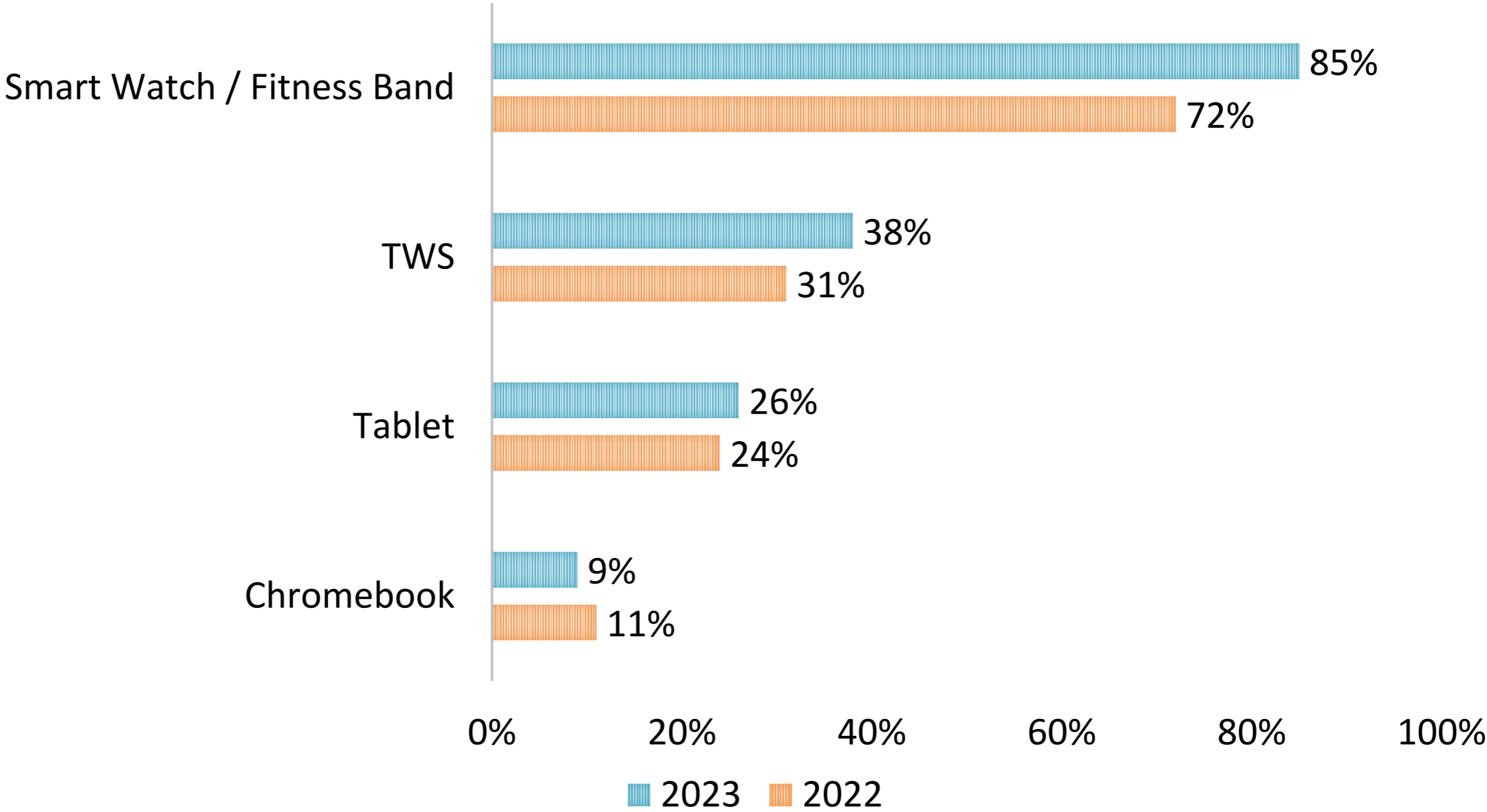Smart Comfort & Convenience
Smart Home Infra
Smart Entertainment
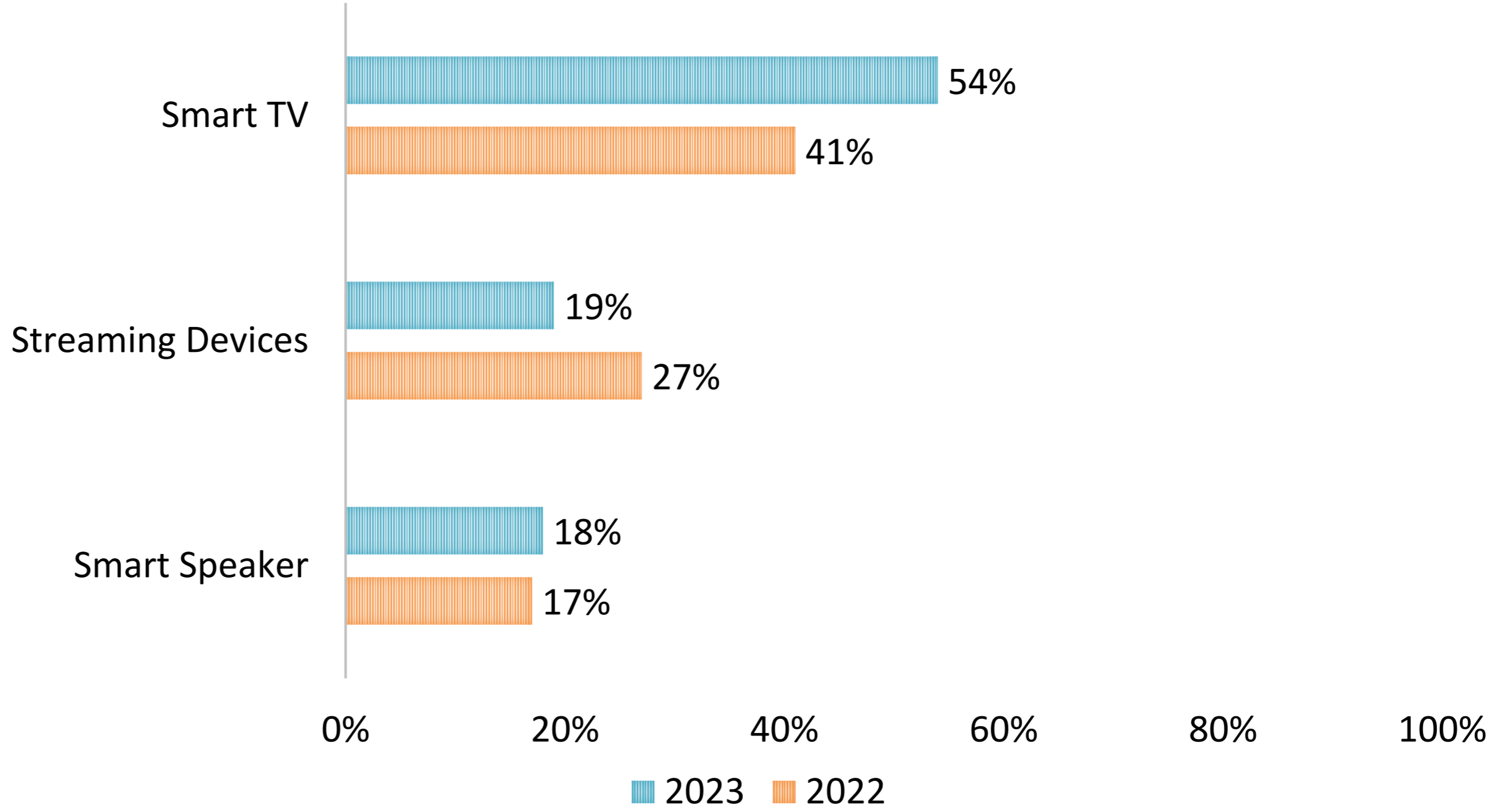Smart Security
Smart Home Appliances

Wearables continue to drive growth in smart personal this year also. Tablets see a resurgence on the back of some more OEMs launching Android Tablets. Chromebooks see a dip in uptake.

Smart Personal

Smart Watch / Fitness Band: 85% (2023), 72% (2022)
TWS: 38% (2023), 31% (2022)
Tablet: 26% (2023), 24% (2022)
Chromebook: 9% (2023), 11% (2022)
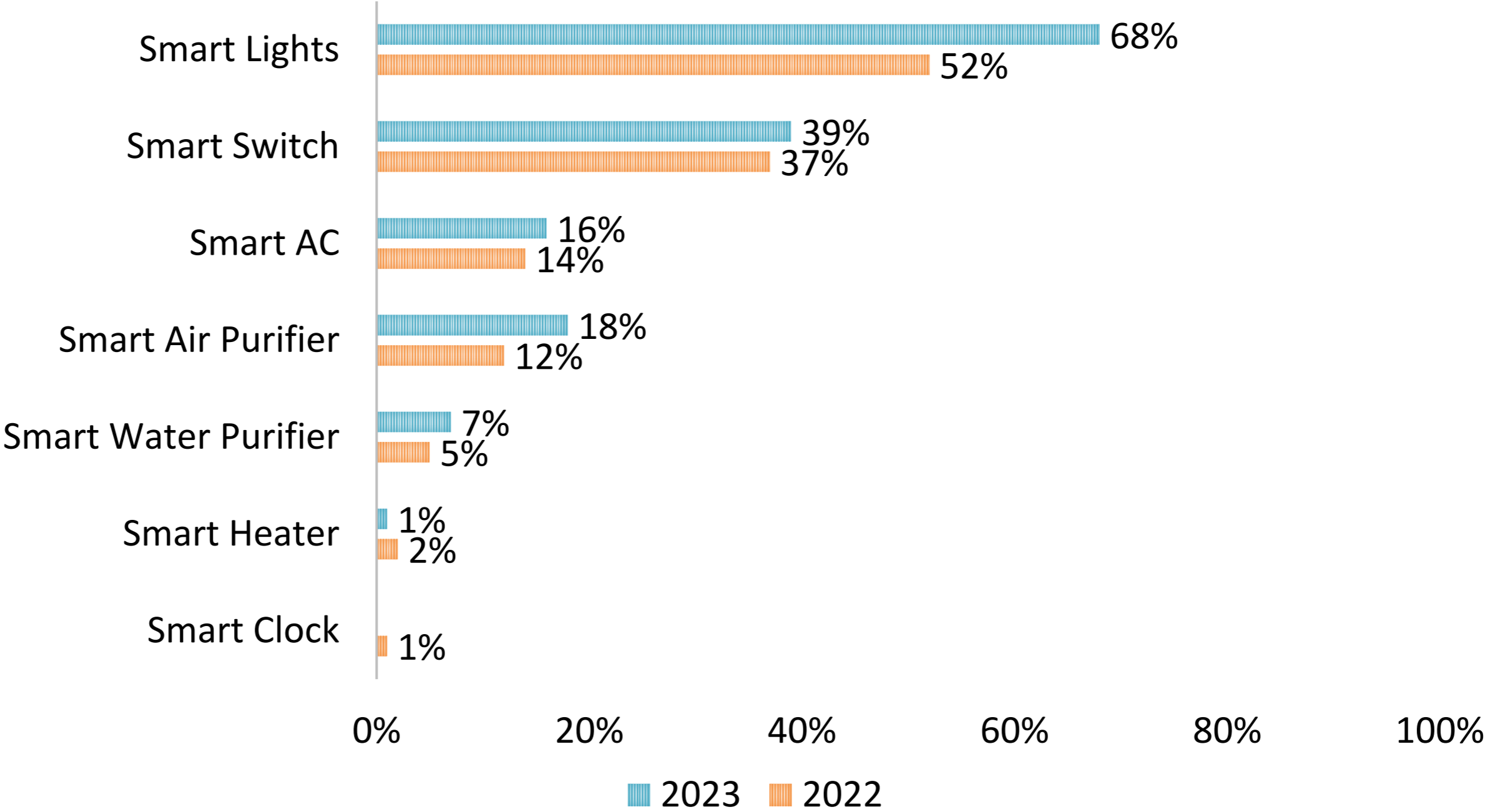
■ 2023 ■ 2022

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Smart TVs are increasingly becoming a popular gadget for connected consumers. After mobile phones, Television is the next big thing up for smartisation.

Smart Entertainment

Bar chart:

Category	2023	2022
Smart TV	54%	41%
Streaming Devices	19%	27%
Smart Speaker	18%	17%

■ 2023   ■ 2022

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A lot of these devices are losing interest from the consumers. The OEMs will have to develop convincing use cases leveraging powerful processors and implement AI to add value.
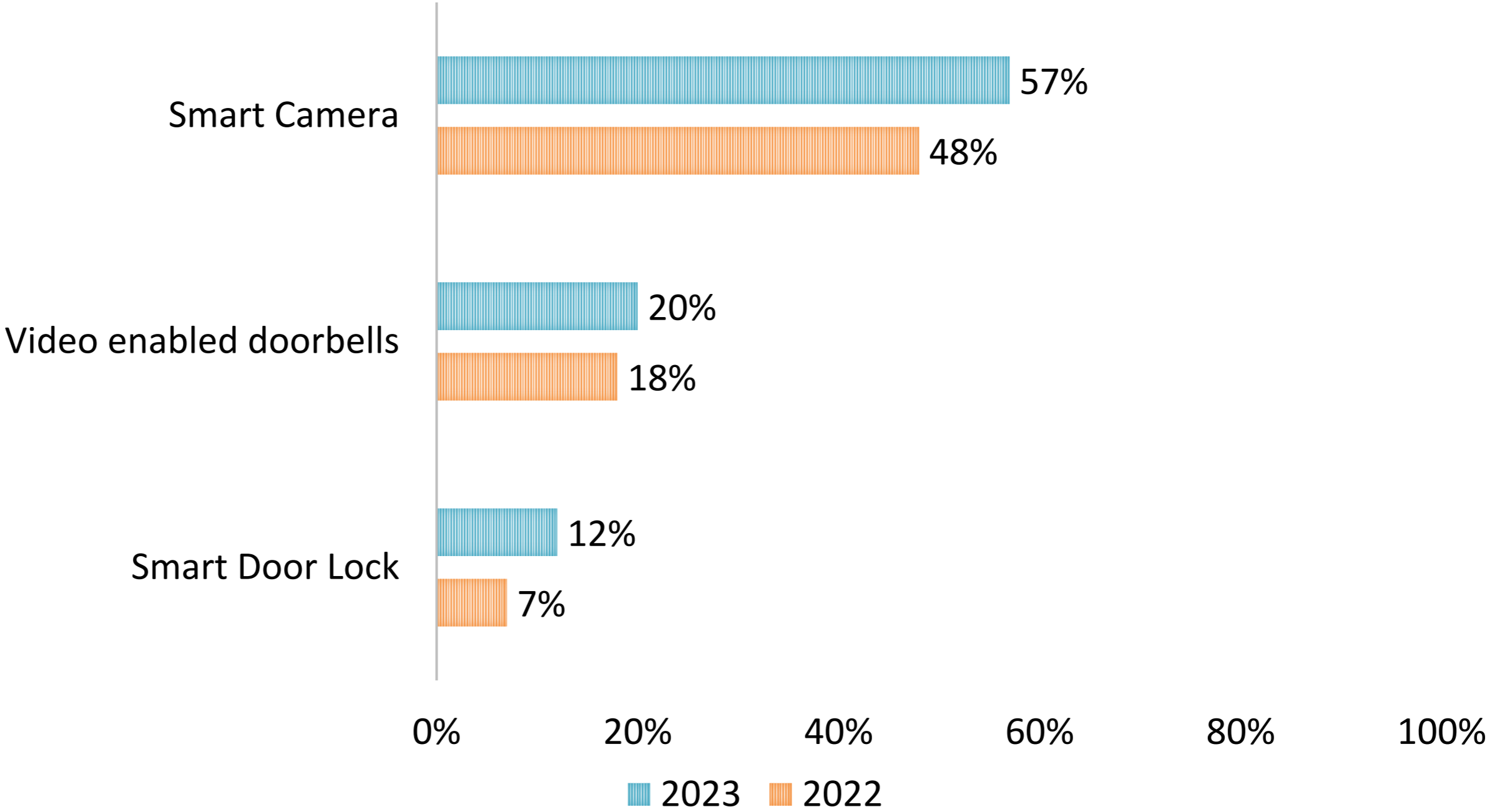
Smart Comfort & Convenience

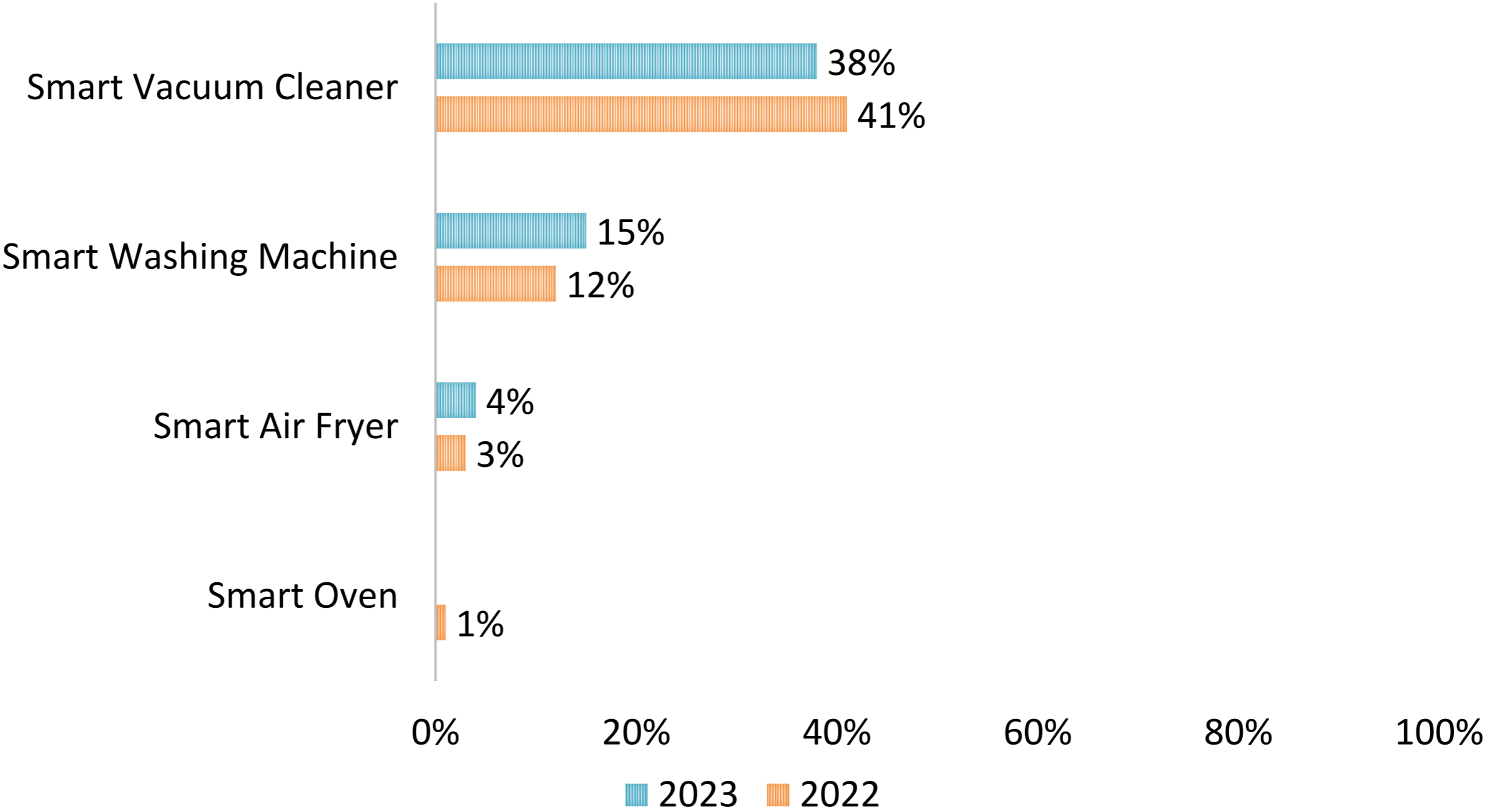| Device	2023	2022
Smart Lights	68%	52%
Smart Switch	39%	37%
Smart AC	16%	14%
Smart Air Purifier	18%	12%
Smart Water Purifier	7%	5%
Smart Heater	1%	2%
Smart Clock		1%

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With reliable options available in the market in affordable segment, smart security solutions continue to see growth. The home broadband adoption likely to grow with 5G FWA should further accelerate growth in these solutions.

Smart Security

Smart Camera	57% (2023), 48% (2022)
Video enabled doorbells	20% (2023), 18% (2022)
Smart Door Lock	12% (2023), 7% (2022)

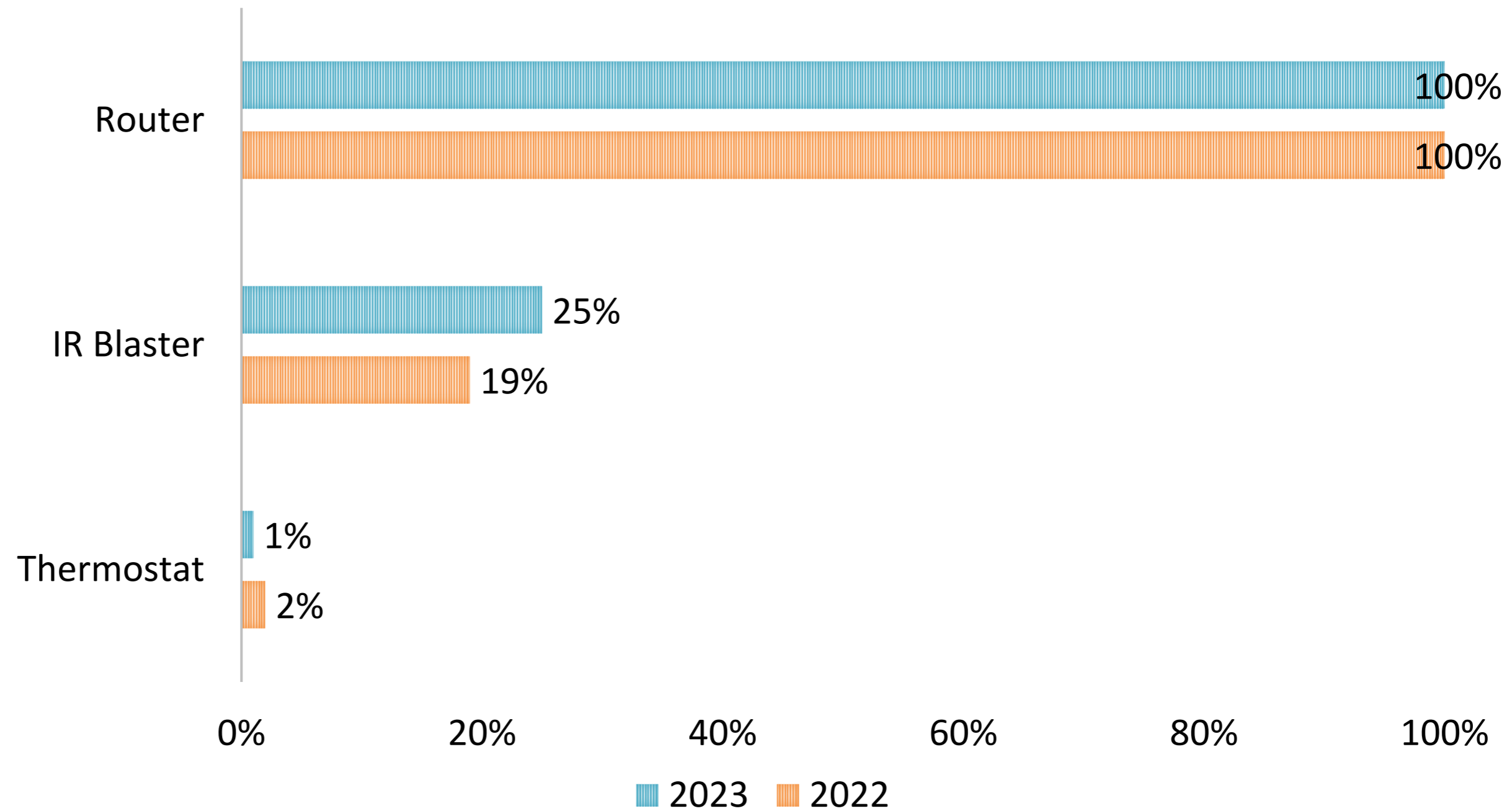0%   20%   40%   60%   80%   100%

■ 2023   ■ 2022

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The smart home appliances is another category of smart devices that isn't adding significant value to consumers. People are buying smart versions of these with a 'nice to have' feeling.

Smart Home Appliances

Smart Vacuum Cleaner — 2023: 38%, 2022: 41%
Smart Washing Machine — 2023: 15%, 2022: 12%
Smart Air Fryer — 2023: 4%, 2022: 3%
Smart Oven — 2022: 1%

■ 2023   ■ 2022

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Router continues to be the only smart product that is essential to smart home infrastructure. Other products are not seeing much of interest from consumers.

Smart Home Infra

Router — 2023: 100%, 2022: 100%
IR Blaster — 2023: 25%, 2022: 19%
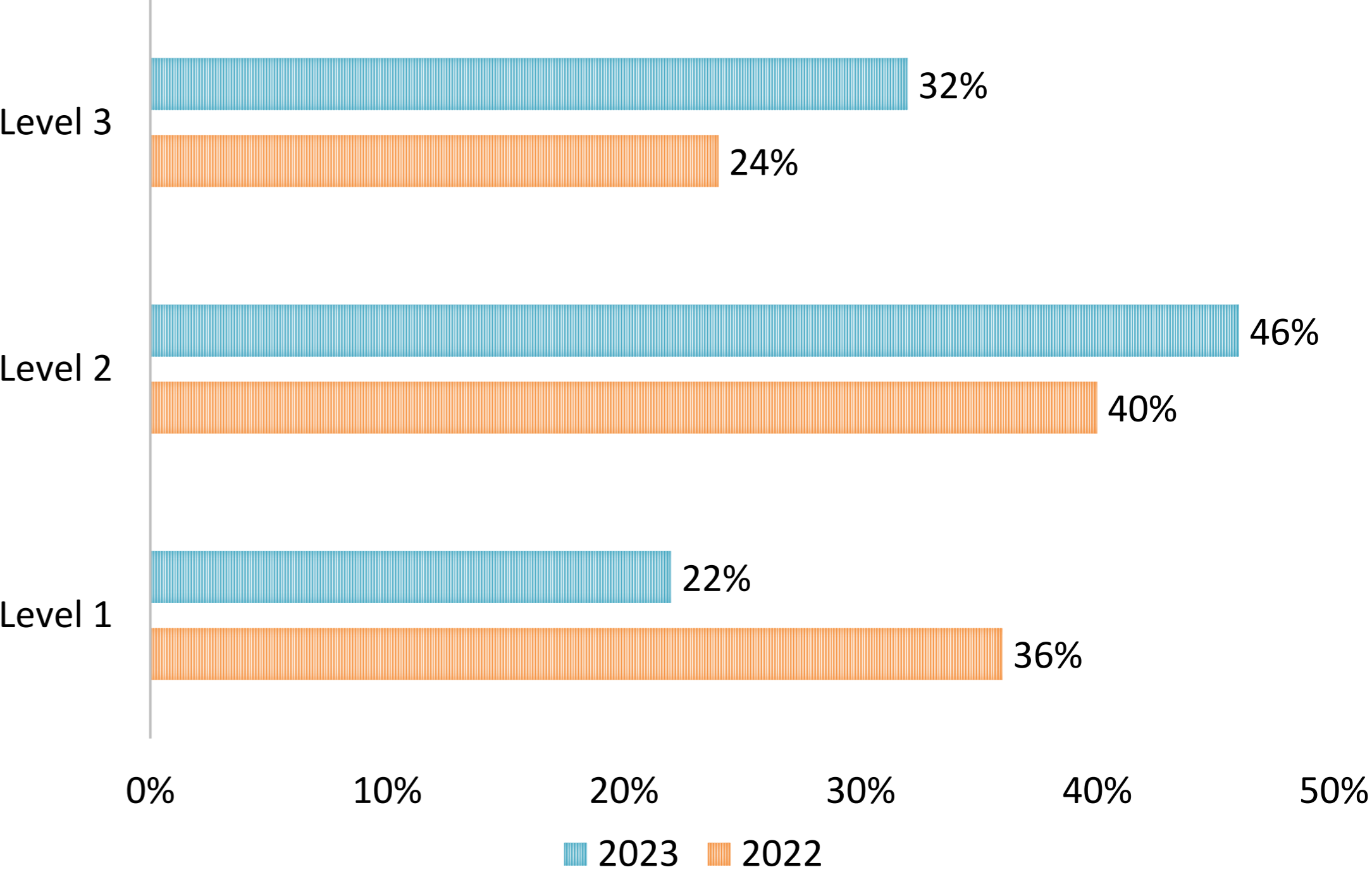Thermostat — 2023: 1%, 2022: 2%

Legend: 2023, 2022

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Consumers are becoming more intriguing to know about the technologies that make their smart devices. This is because they want to understand the value these devices can bring to their lifestyle and how the technologies behind can power them.

How Connected Consumers Decide?

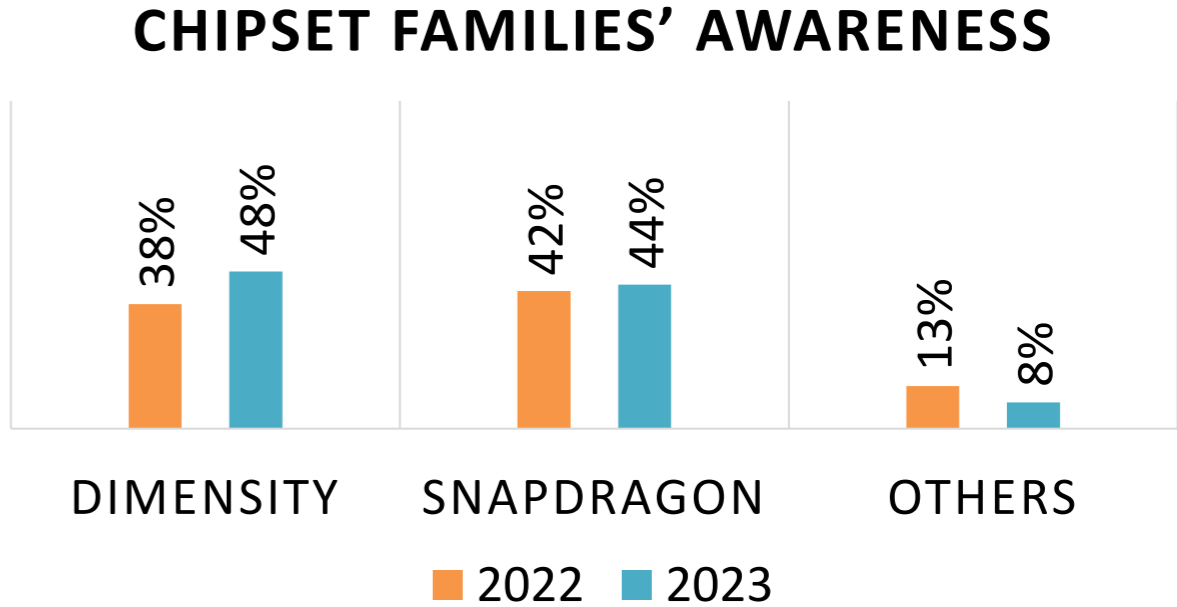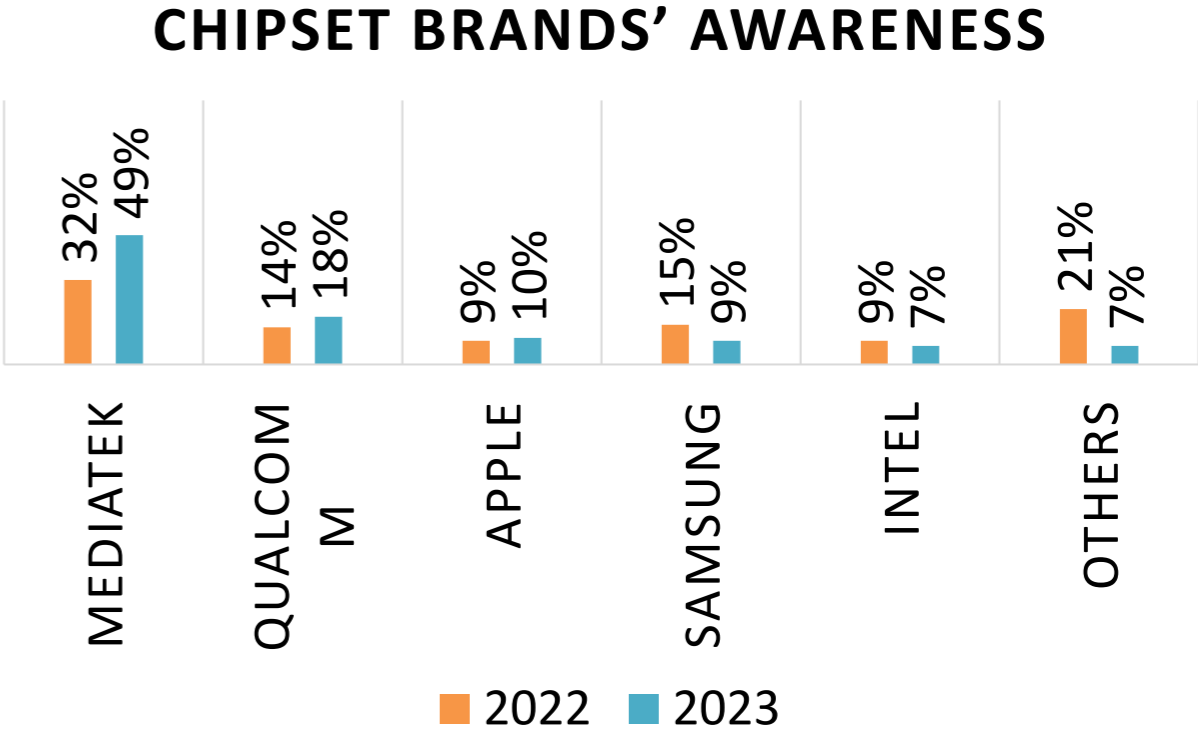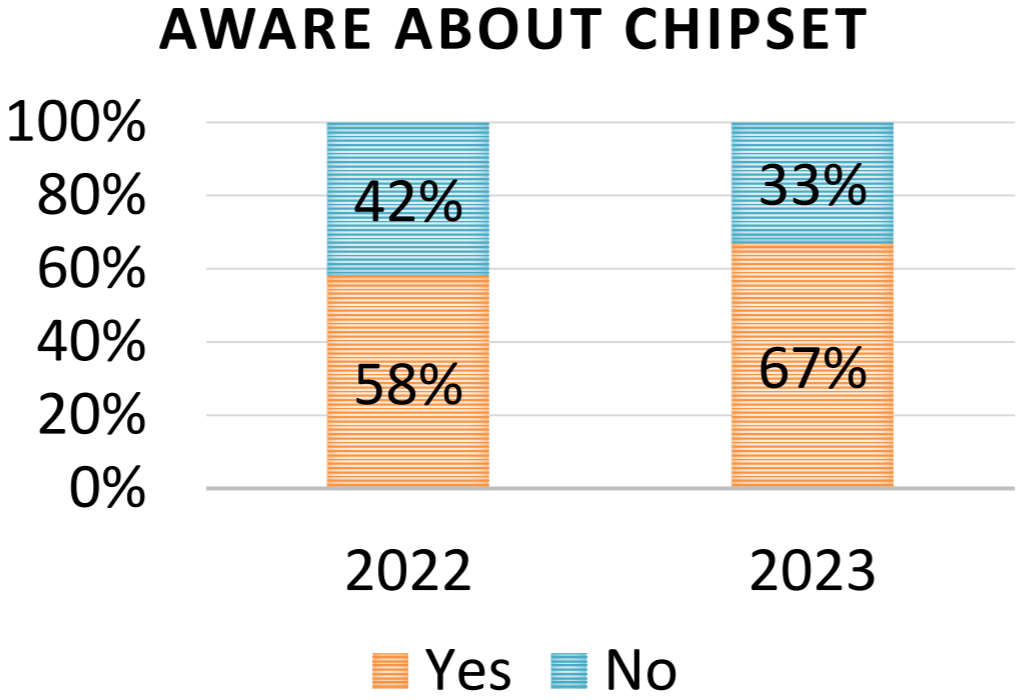| Key specifications like Processor, Display, Audio, etc. | Level 3 |
| Features and Functions of devices. | Level 2 |
| Brand, Price, Model, Discounts, etc. | Level 1 |

Level 3: 2023 – 32%, 2022 – 24%
Level 2: 2023 – 46%, 2022 – 40%
Level 1: 2023 – 22%, 2022 – 36%

0% 10% 20% 30% 40% 50%

2023 2022

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The connected consumers are increasingly becoming aware about the chipset used in their smart devices. MediaTek gains in familiarity as the chipset provider for connected devices*. Its Dimensity portfolio emerges as the most known family of chipsets.

Chipset Awareness

AWARE ABOUT CHIPSET

100% | | |
80% | 42% | 33%
60% | |
40% | 58% | 67%
20% | |
0% | 2022 | 2023

Yes ▮ No ▮

CHIPSET BRANDS' AWARENESS

	2022	2023
MEDIATEK	32%	49%
QUALCOMM	14%	18%
APPLE	9%	10%
SAMSUNG	15%	9%
INTEL	9%	7%
OTHERS	21%	7%

CHIPSET FAMILIES' AWARENESS

	2022	2023
DIMENSITY	38%	48%
SNAPDRAGON	42%	44%
OTHERS	13%	8%

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SMART TV

Deep dive into Smart TVs

Experts from the Smart TV industry are of the view that the value enhancement will be critical for the industry to grow in coming times. The value will not only come from incremental innovations in picture and audio quality, but also through intelligent and intuitive features. Smart TVs of future will be governed by **3i's** of **Immersive** experience, **Intelligent** features and **Intuitive** applications.

Smart TV Expert Views

"Beyond the best picture and sound quality consumers are expecting more from their TVs, we're seeing growing appetite for built-in services, connectivity and intuitive features that enhance their overall TV experience. More OEMs are moving into free ad-supporting streaming TV (FAST) and launching their own services giving viewers instant access to the best free movies and TV. Samsung's own FAST service – Samsung TV Plus – is rapidly growing in India. So far this year there has been almost 76 million hours streamed on Samsung TV Plus. The surge in ad-supported streaming is a trend we see worldwide. I think we can expect to see more FAST services launch, especially those that are integrated seamlessly into the TV and provide added value to consumers beyond what they've grown to expect from electronics brands."

Vivek Kumar Mishra
Head of Product, Samsung TV Plus

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Immersive experiences are driving Smart TV preferences of consumers in India. The users are preferring larger screens and audio enhancements to elate the experience.

Smart TV Adoption & Preferences - Display

SMART TV LAUNCHES BY SCREEN SIZE - JAN-SEP 2023
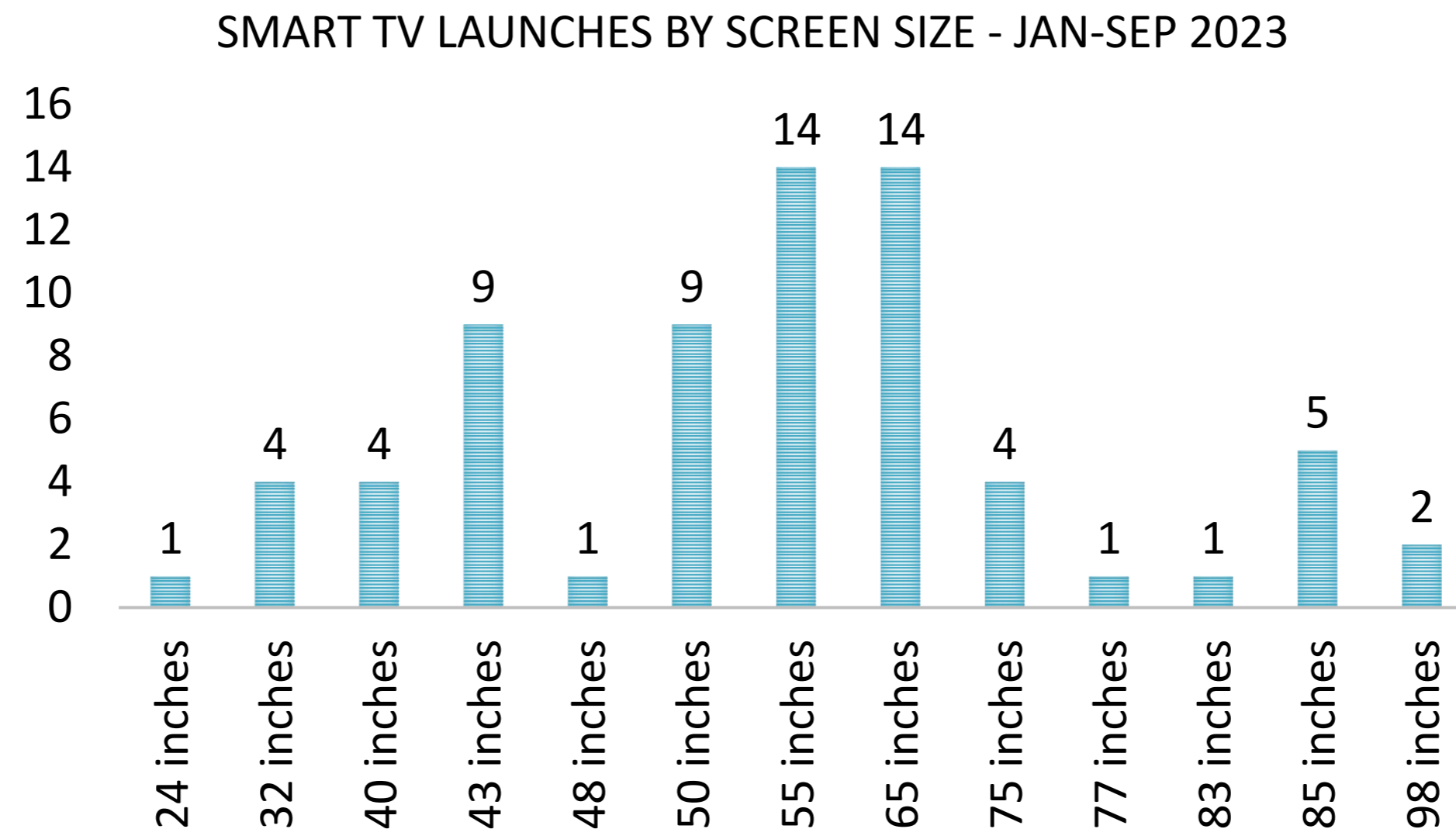
The preference for large screen smart TVs is increasing. This demand is being generously met by the OEMs.

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There is a wide array of choice available to consumers buying a smart TV. They can choose as per their budget. However, we are seeing maximum launches in ₹30,000-100,000 range as consumers expect better experience.
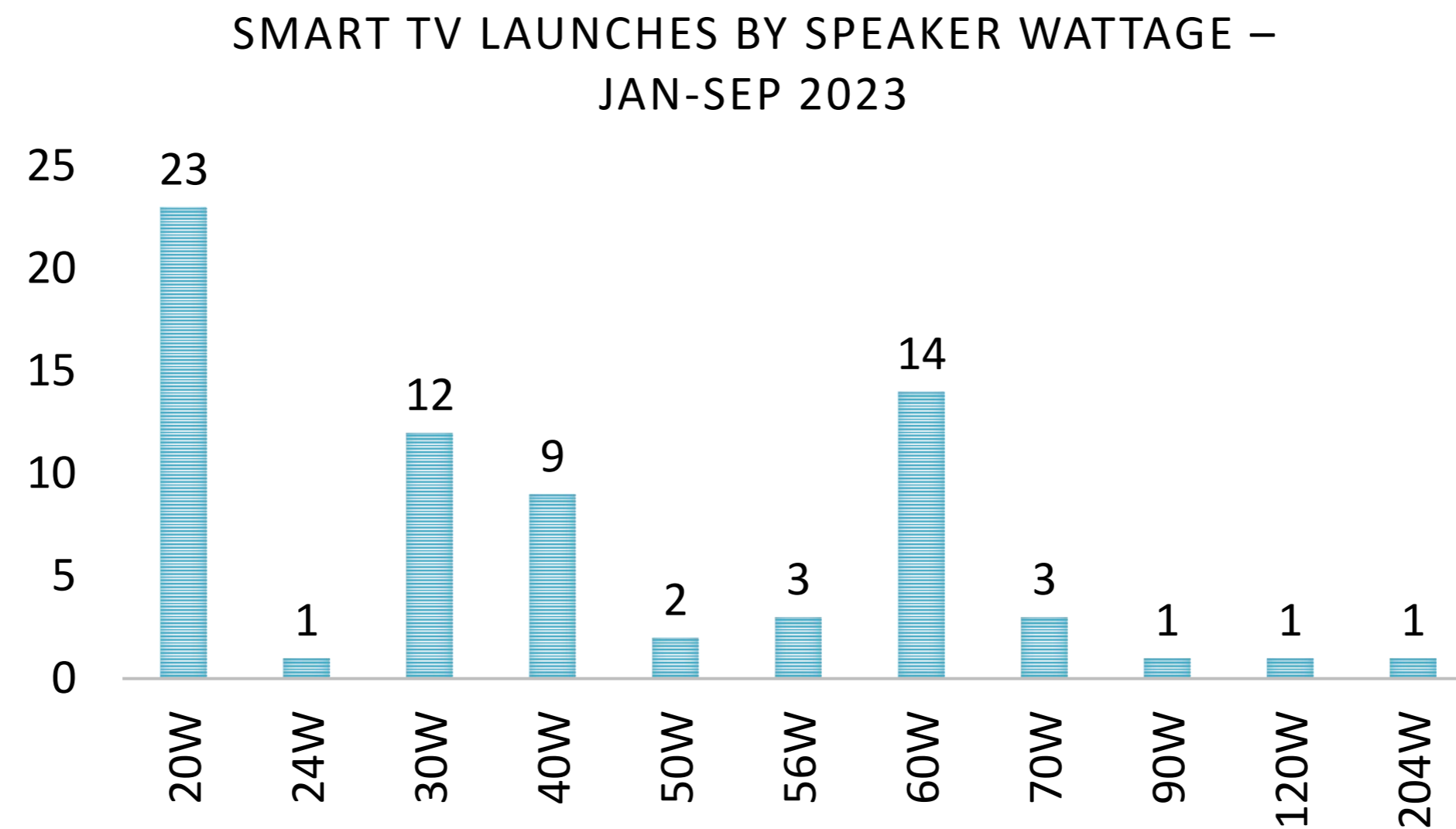
Smart TV Adoption & Preferences - Price
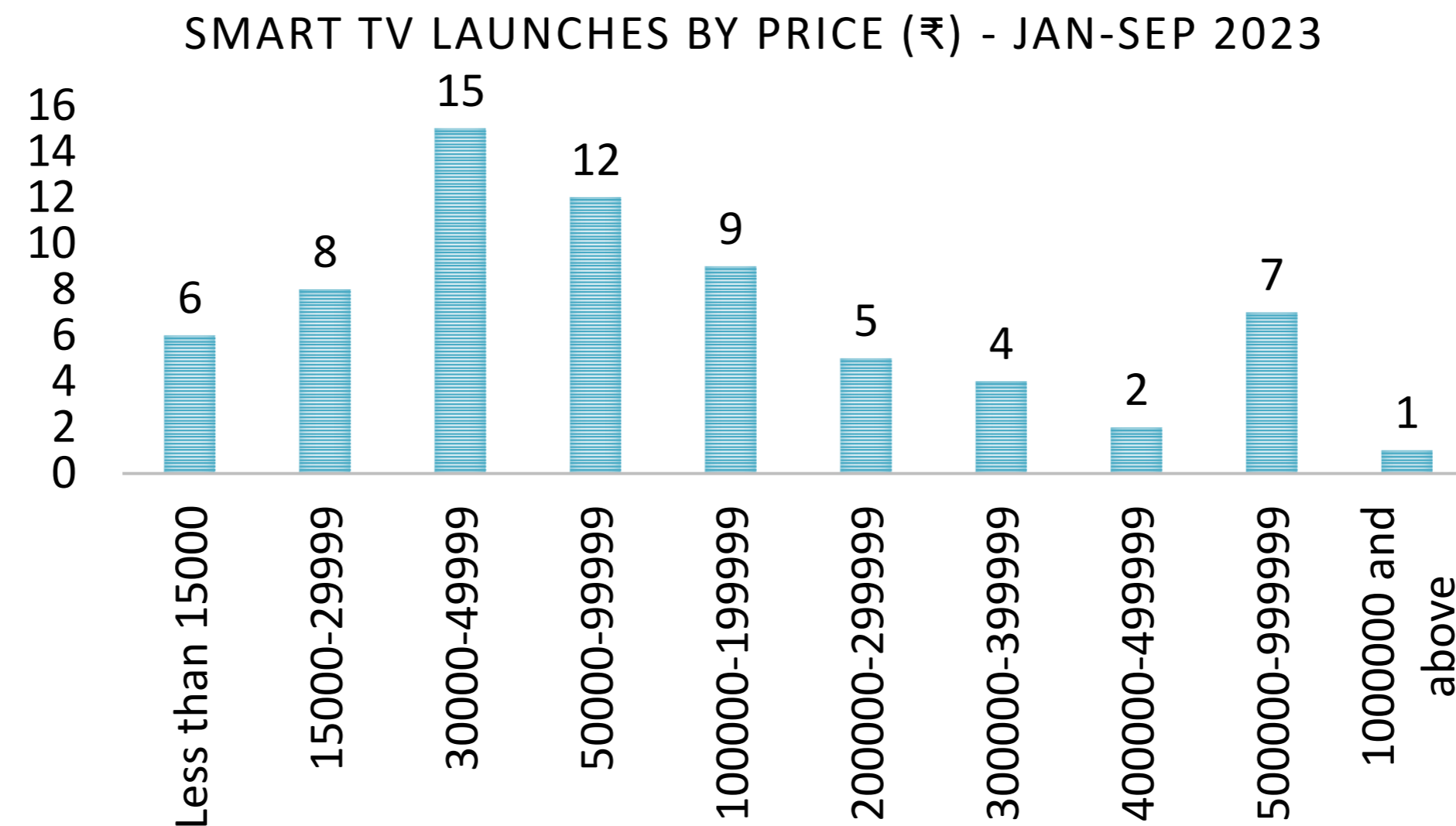
SMART TV LAUNCHES BY PRICE (₹) - JAN-SEP 2023

Consumers are wanting better feature with enhancements in smart TVs which is shifting the sweet spot for their launch.

There is a wide array of choice available to consumers buying a smart TV. They can choose as per their budget. However, we are seeing maximum launches in ₹30,000-100,000 range as consumers expect better experience.

Smart TV Adoption & Preferences - Speakers

SMART TV LAUNCHES BY SPEAKER WATTAGE – JAN-SEP 2023

Consumers are wanting better feature with enhancements in smart TVs which is shifting the sweet spot for their launch.

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Along with the large screen size they are also enjoying audio and video enhancements with Dolby technologies emerging as the default choice

# Smart TV Adoption & Preferences - Enhancements

DOLBY ATMOS

No
3%

Yes
97%

DOLBY VISION

No
41%

Yes
59%
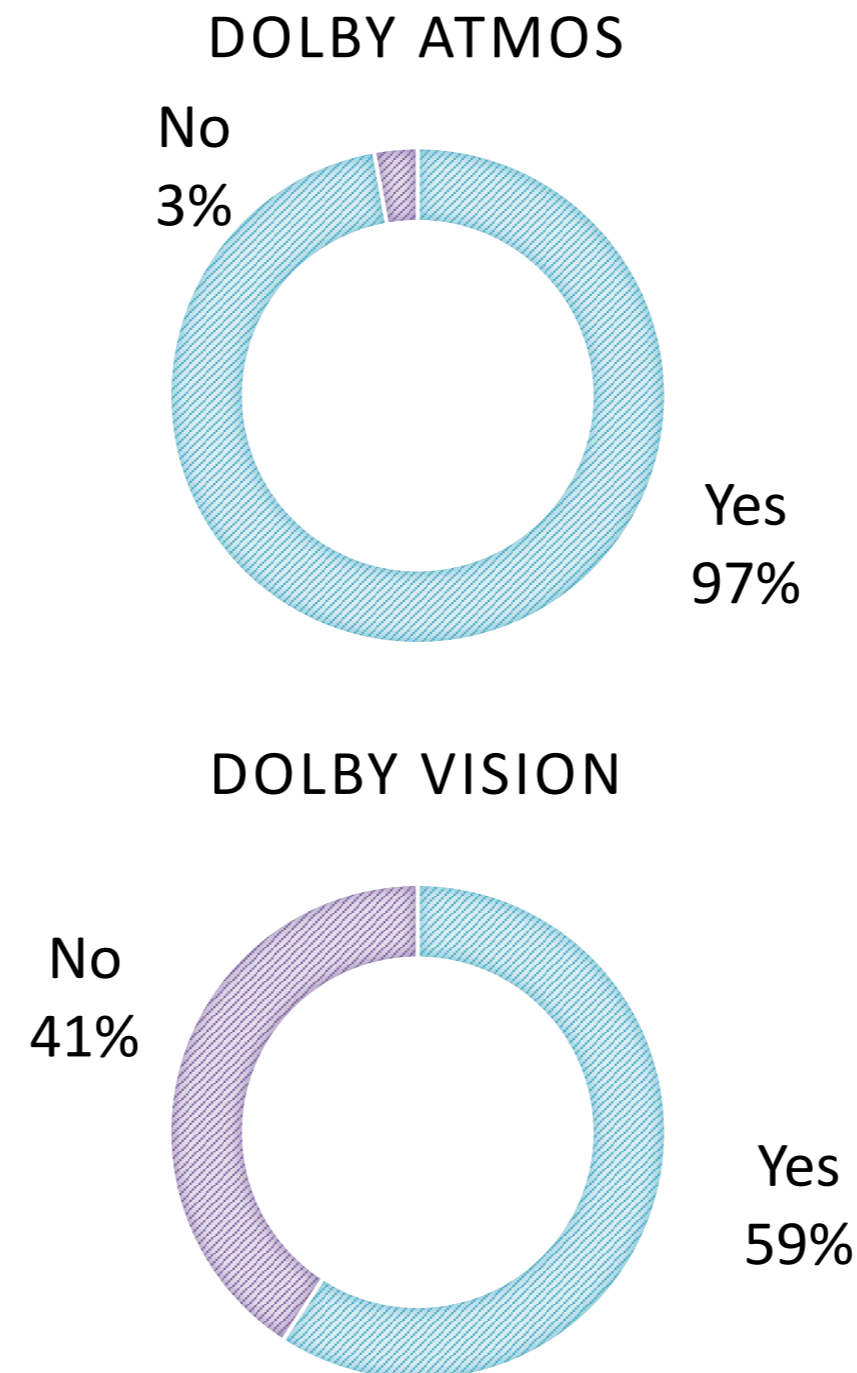
As consumers use larger displays, OEMs need to enhance audio and visual experiences through specialised technologies like Dolby.

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Google's Android is becoming the default operating system for smart TVs. This brings in a seamless and standardised experience across different smart TV models and brands.

Smart TV Adoption & Preferences - OS

SMART TV LAUNCHES BY OS - JAN-SEP 2023

WebOS 4%

FireOS 2%

Tizen 18%

Linux 3%

Android TV OS 73%
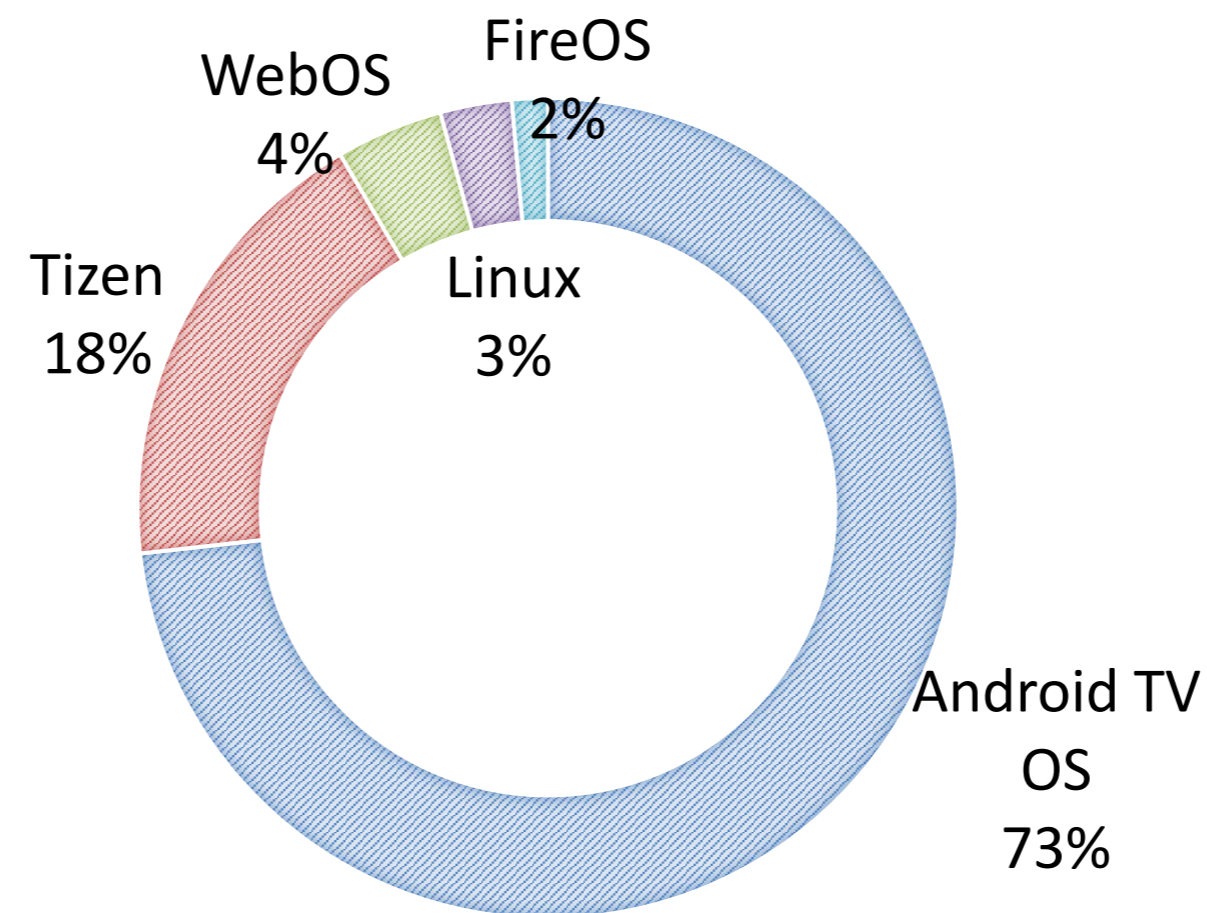
With a standardised OS the customers can receive periodic experience upgrades where Google can bring in its smartphone OS expertise and knowledge. Among the proprietary, Samsung's Tizen is the clear winner.

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The users are appreciating rich and ultra rich display quality for which OEMs are introducing more smart TVs with QLED technology across different price points.

Smart TV Adoption & Preferences - Display Technology

SMART TV LAUNCHES BY DISPLAY TECHNOLOGIES - JAN-SEP 2023

QLED
45%

LED
55%
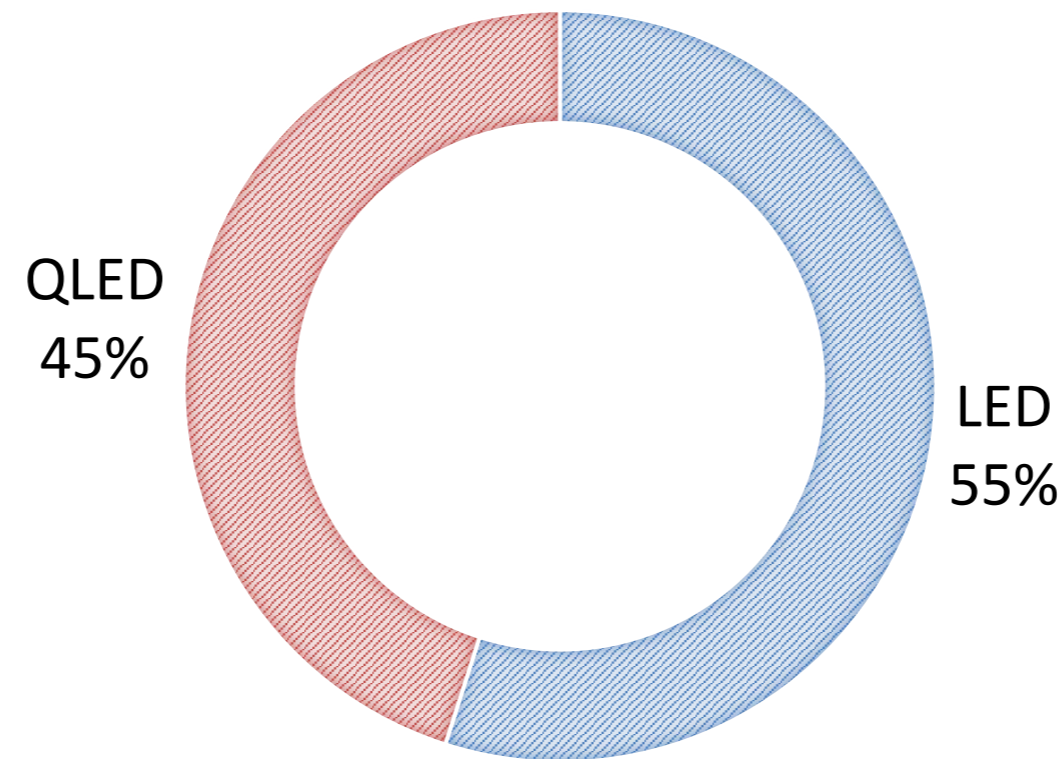
QLED is emerging as a key differentiator in the premium range of smart TVs

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OTTs have revolutionised content both in terms of genres and the quality. Consumers are enjoying consumption of content in very high resolution giving them naked eye experience.

Smart TV Adoption & Preferences - Display Resolution

## SMART TV LAUNCHES BY DISPLAY RESOLUTION – JAN-SEP 2023

8k
7%

1080p
7%

720p
8%

4k
78%
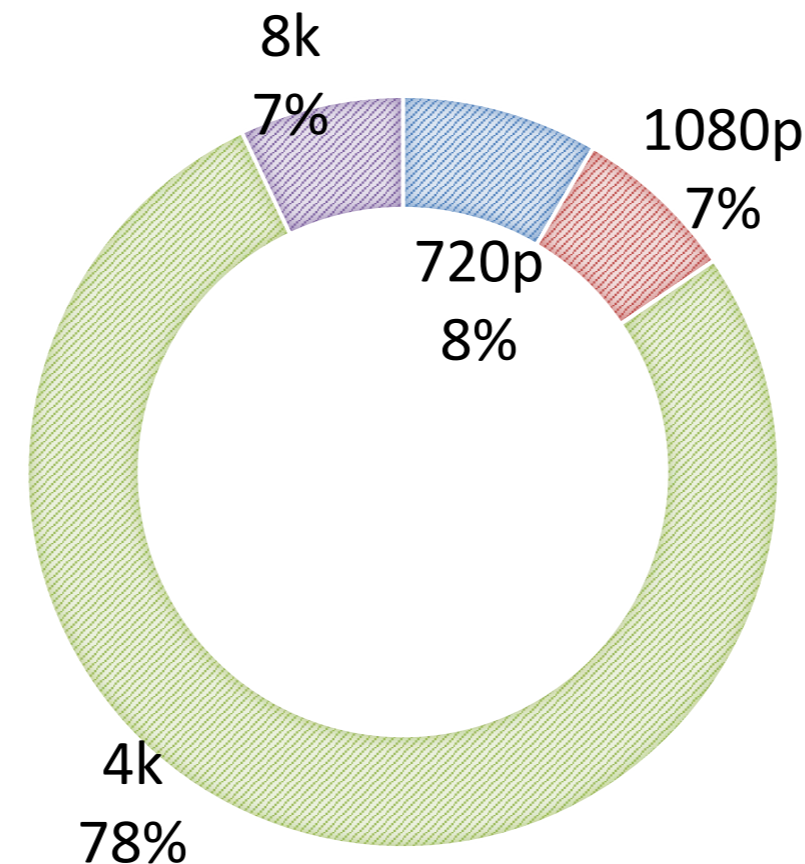
4K smart TVs have become very popular for the content quality they deliver making the consumption highly immersive with granular detailing.

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MediaTek emerges as the undisputed chipset leader in terms of powering the maximum smart TV launches in 2023.

Smart TV Adoption & Preferences - Chipsets

SMART TV LAUNCHES ON DIFFERENT CHIPSETS - JAN-SEP 2023

MediaTek
32%

Realtek
13%

Others
55%
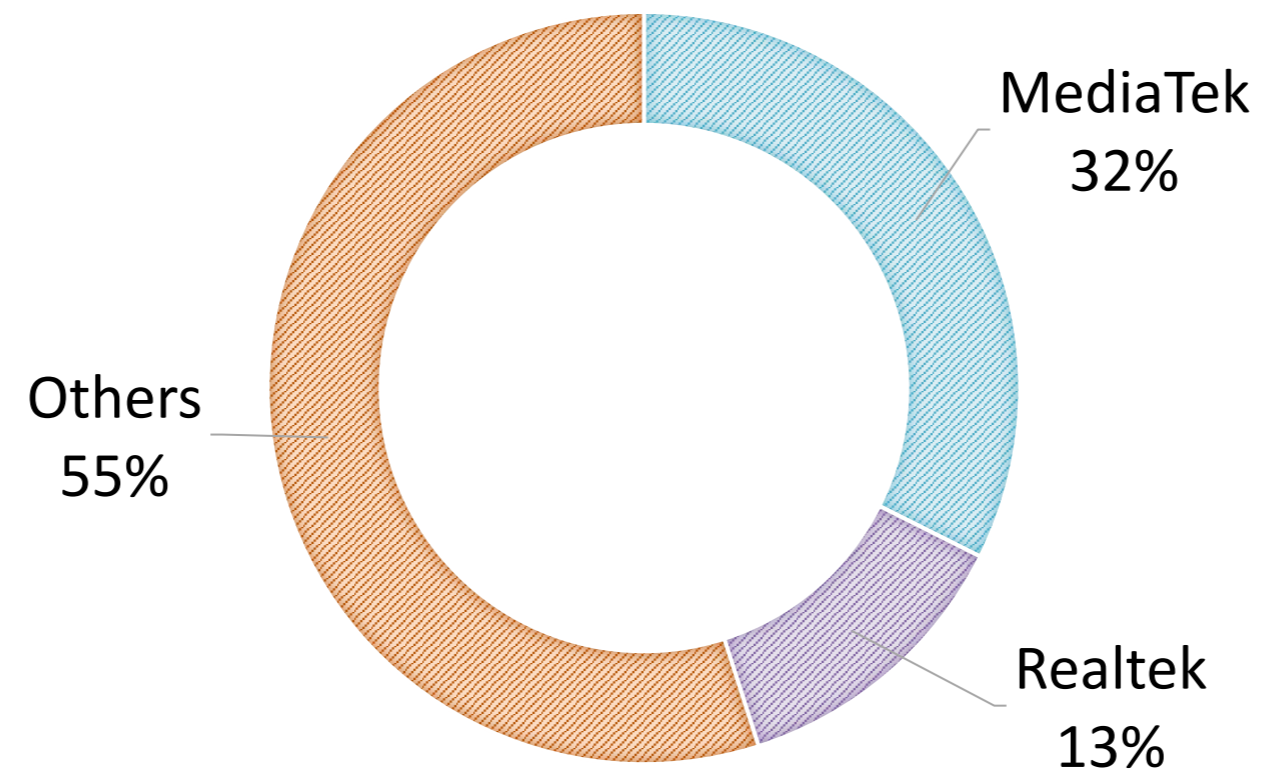
OEMs will need to reveal the chipset powering their smart TVs to raise the confidence of buyers. Smart TV is one such category where several OEMs don't reveal the name of the chipset being used.

techarc Others include where the names of the chipsets are not publicly revealed or shared by the OEMs.

INSIGHTS

INSIGHTS, RECOMMENDATIONS & WAY FORWARD

Smart Devices

The enthusiasm in consumers for smart devices is waning due to absence of any substantial value they bring, especially when many of these devices are in user for over 2 years. OEMs will have to revisit the strategy and bring meaningful innovations for consumers to derive value.

The innovations will be dependent on the key technology elements making these smart devices. The selection of the processor or chipset will be a critical enabling factor in defining the potential of such devices. OEMs will have to make a cautious call while selecting the chipset for these devices.

Consumers are buying the smart version of various devices because it's a 'nice to have' feeling. They either don't see them useful or never feel the need to use such features. The smart devices OEMs will have to find a clear demarcation between the devices and their smart versions to widen their acceptance.

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Smart TV

Consumers are preferring buying bigger screen smart TVs. They can only deliver the desired experience with the right selection of technology blocks including processor, audio and video enhancement, among others. OEMs will need to change their strategy for selecting the technology providers to deliver the experiences that consumers would appreciate.

With Android TV OS becoming the default OS, the smartphone experiences and features will become more relevant for smart TVs as well. In this scenario, the OEMs will have to give preference to technology providers who have proved their mettle in the smartphone industry as they can seamlessly bring in the expertise and capabilities.

AI is set to foray in smart TVs in 2024 and beyond. The processor will be a core element in defining the AI capabilities and the applications that smart TVs can deliver for creating delightful experiences.
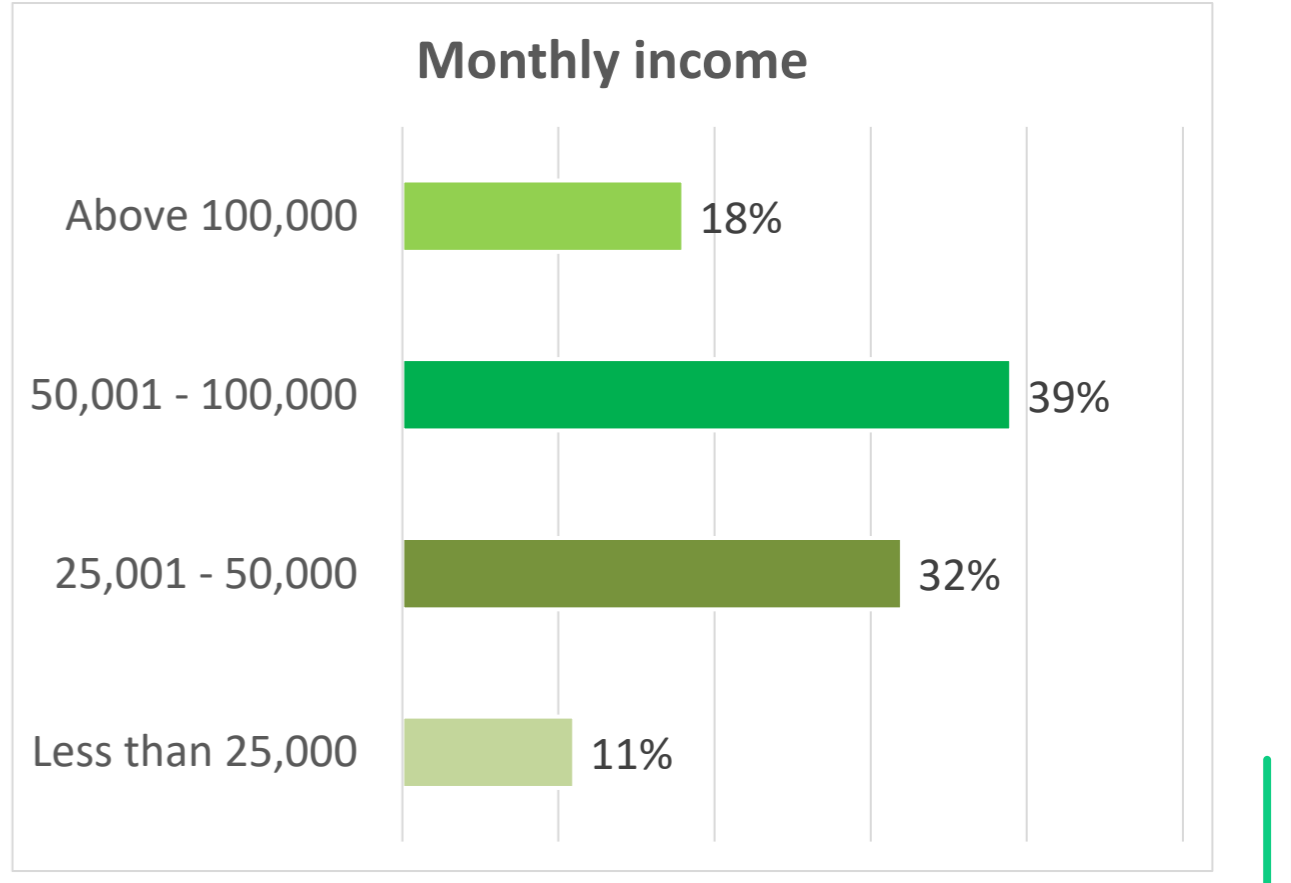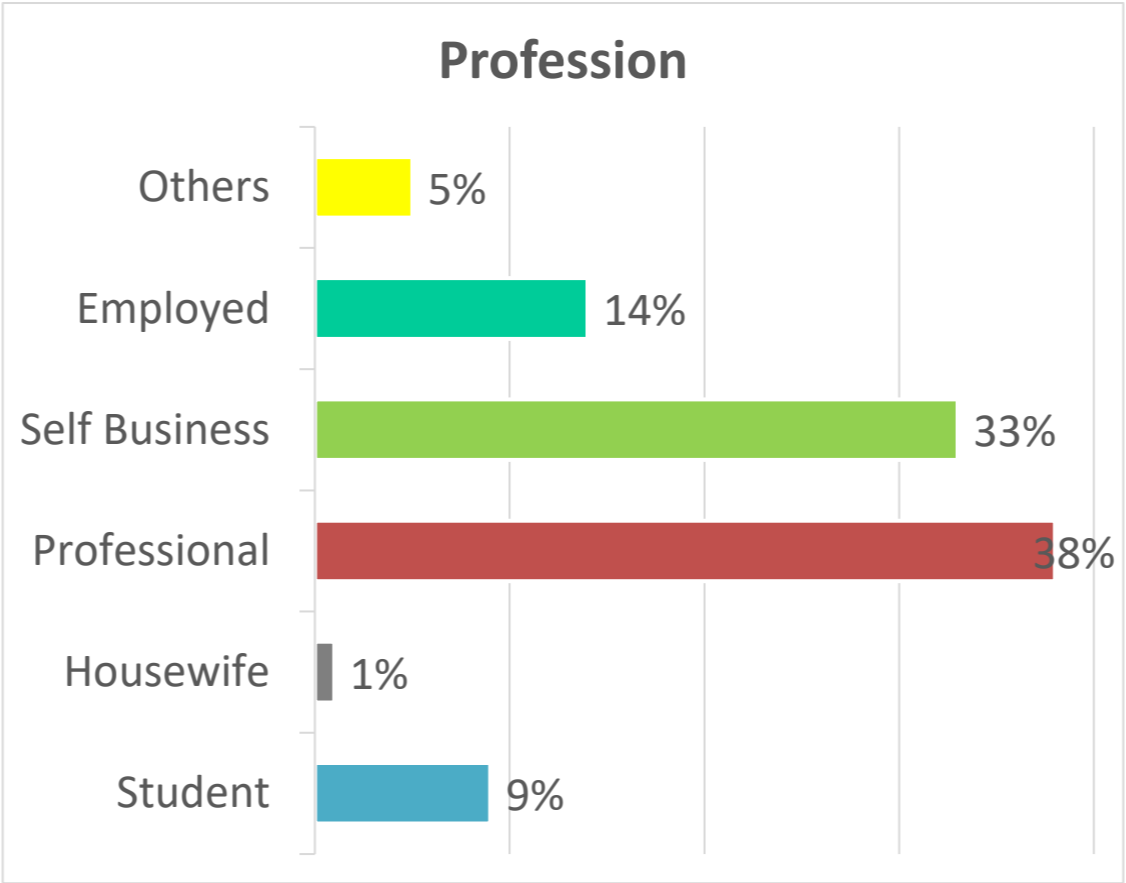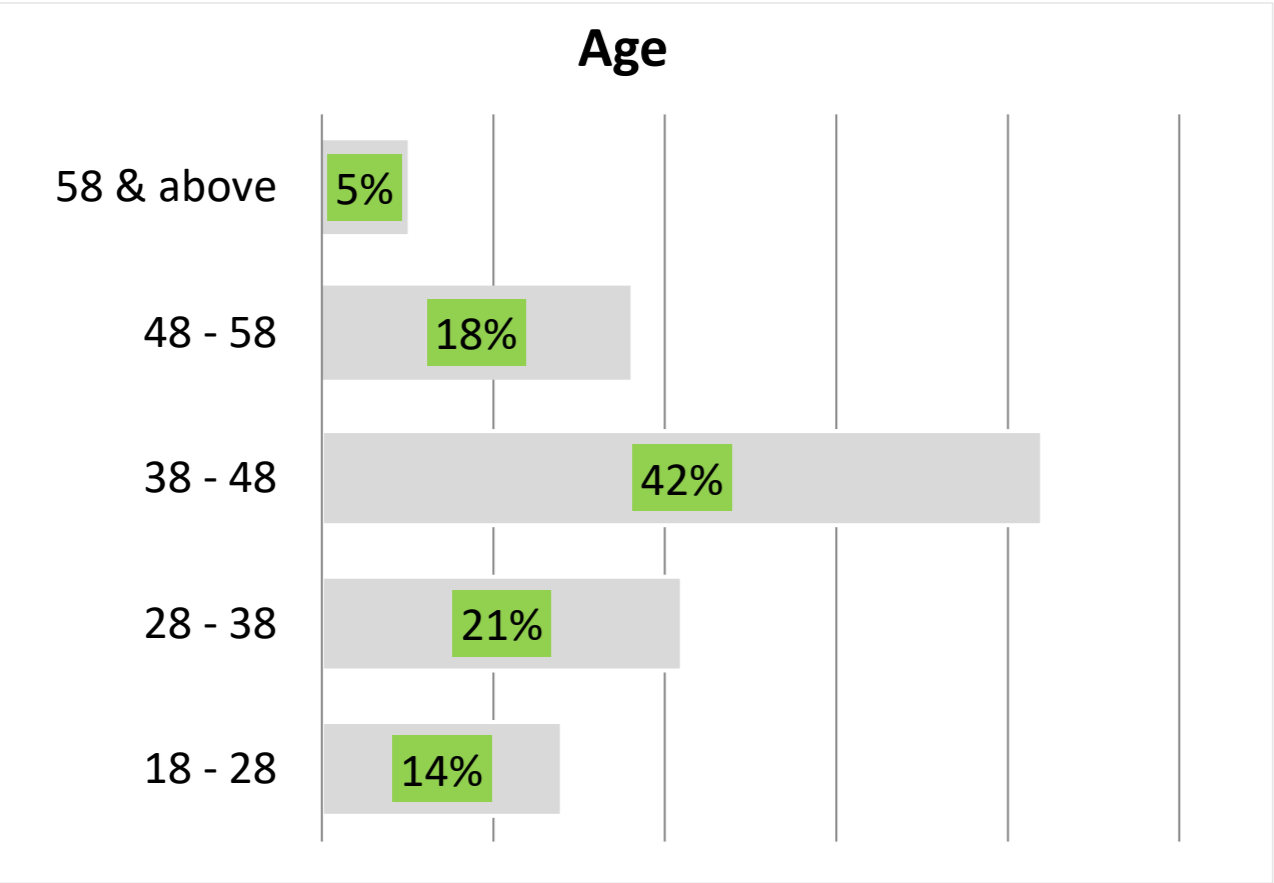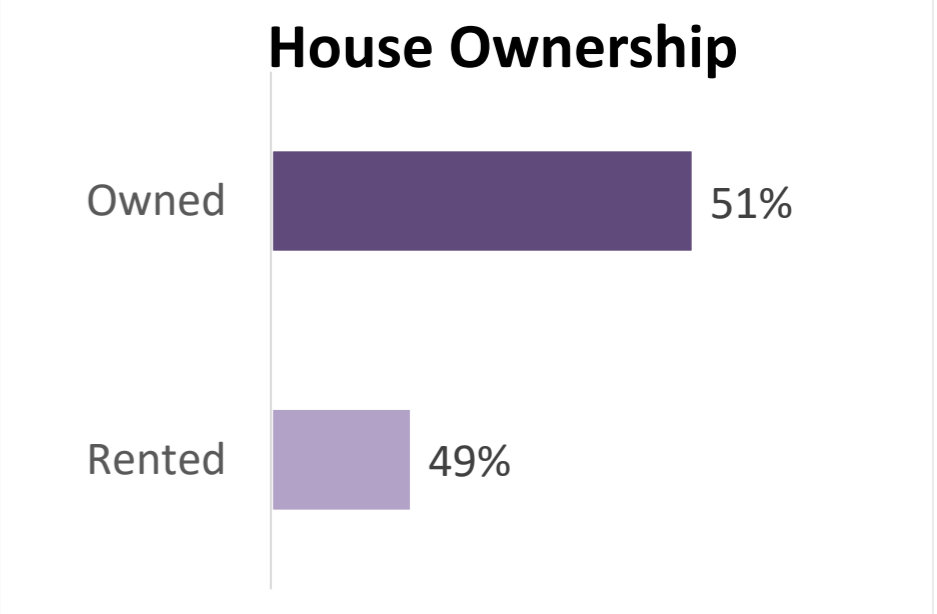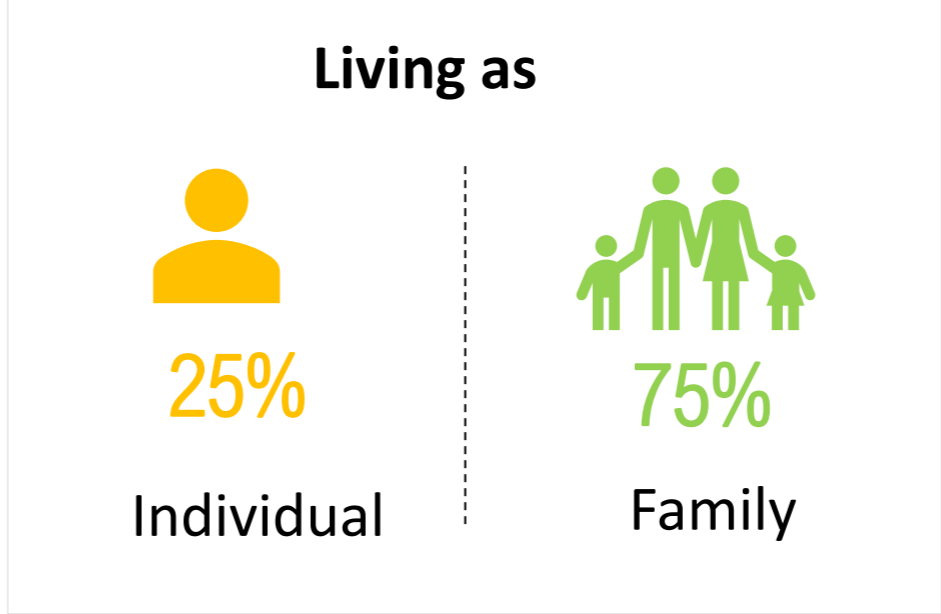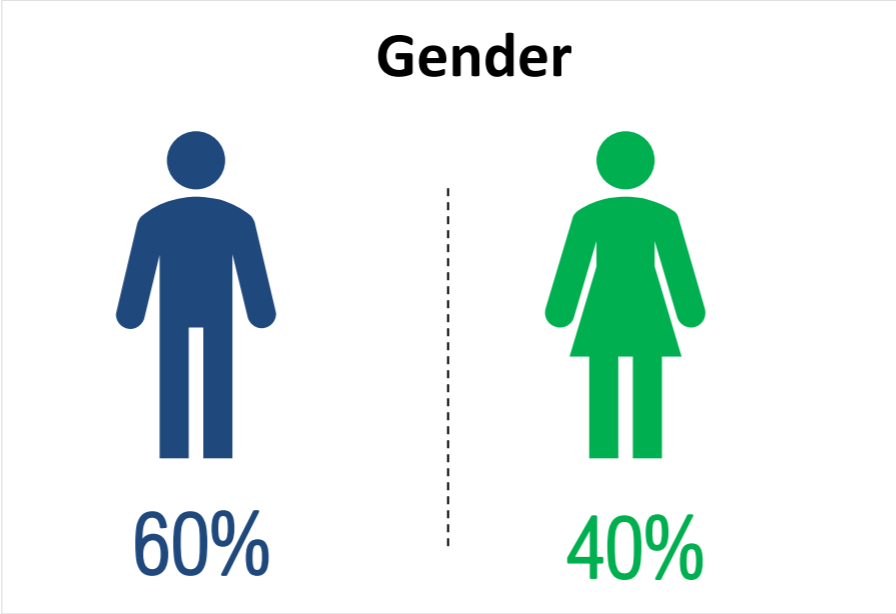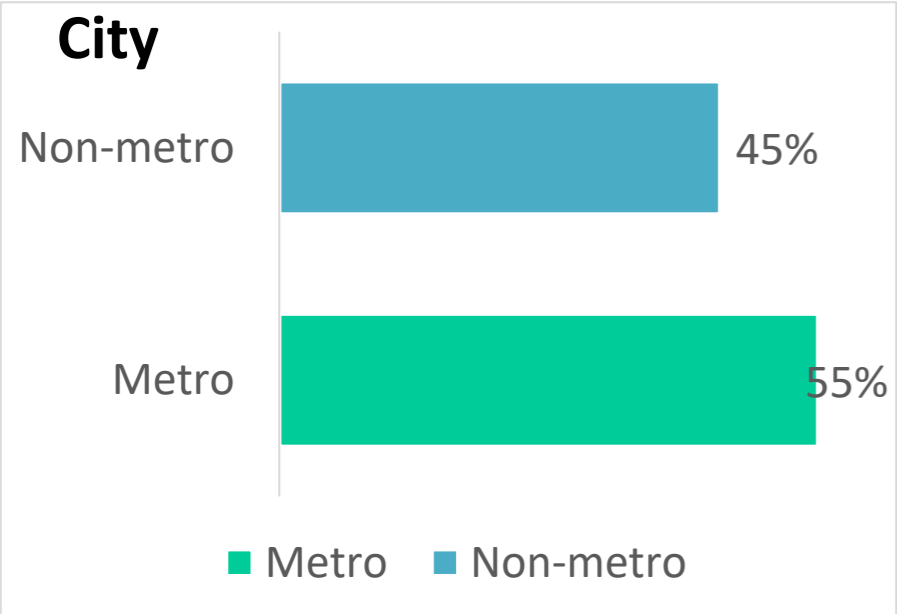
Smart TV OEMs need to add transparency by giving details of the key technology components as that reassures the consumers about the expected quality of the product they are planning to purchase. It also helps them to make learned decisions basis their own research after going through reviews, blogs and expert views.
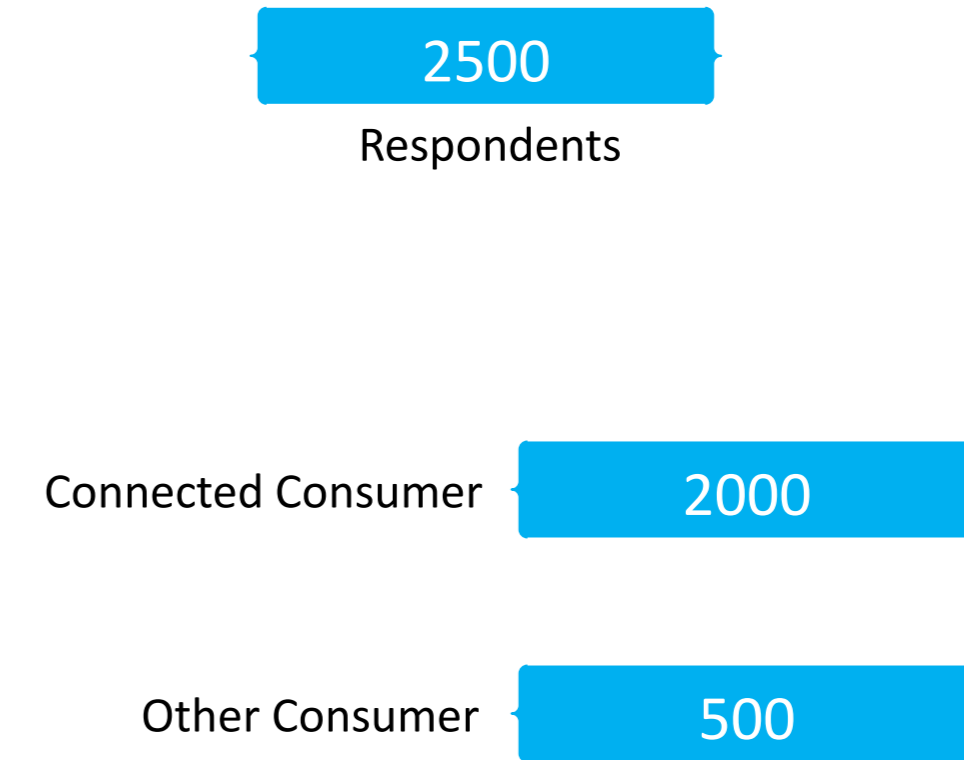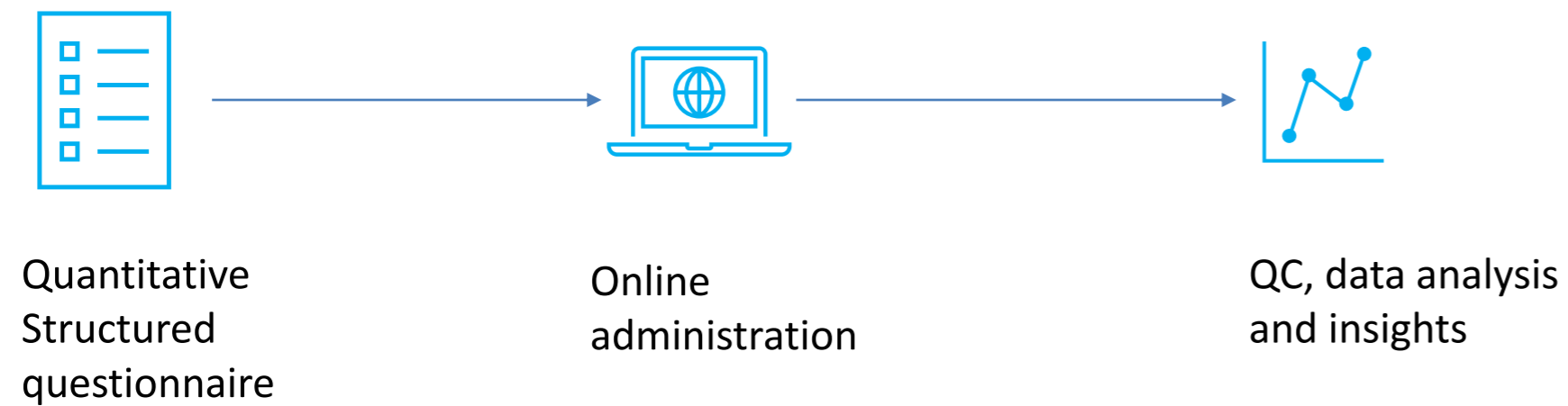
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Respondents' Profile

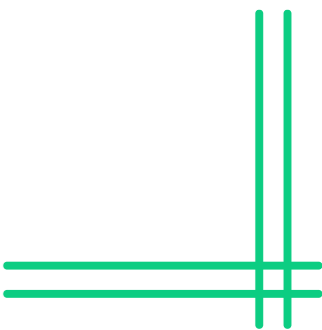## City

- Non-metro: 45%
- Metro: 55%

Legend: Metro, Non-metro

Gender

- 60%
- 40%

Living as

- 25% Individual
- 75% Family

House Ownership

- Owned: 51%
- Rented: 49%

Age

- 58 & above: 5%
- 48 - 58: 18%
- 38 - 48: 42%
- 28 - 38: 21%
- 18 - 28: 14%

Profession

- Others: 5%
- Employed: 14%
- Self Business: 33%
- Professional: 38%
- Housewife: 1%
- Student: 9%

Monthly income

- Above 100,000: 18%
- 50,001 - 100,000: 39%
- 25,001 - 50,000: 32%
- Less than 25,000: 11%

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Methodology & Sample

Quantitative Structured questionnaire → **Online administration** → **QC, data analysis and insights**

2500
Respondents

Connected Consumer | 2000

Other Consumer | 500
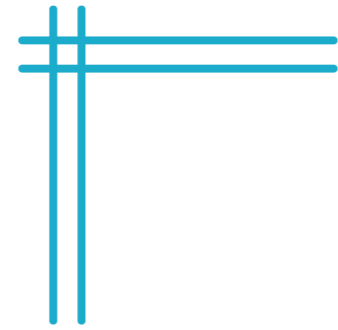
- Connected Consumer was defined as a consumer owning a smartphone and 3 other smart devices.
- Other consumers owned a smartphone but less than 3 other smart devices, or none of them.
- The findings may have a margin of error of +/-5% at 95% of confidence levels.

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