

IDC: Coronavirus to Impact European Smart Home

Written by Marco Attard
06. 04. 2020

European smart home shipments total nearly 39.9 million units in Q4 2019, a 20.4% Y-o-Y increase, IDC reports-- but the analyst warns the market will be hit by declines due to, as one might expect, the coronavirus pandemic.

Europe Smart Home Devices Forecast by Category, 2020-2024 (Shipments in Thousands)

Product Category	2020 Shipments*	2020 Share*	2024 Shipments*	2024 Share*	CAGR 2020-2024
Video entertainment	61,797	52.3%	81,369	40.5%	7.1%
Smart speaker	26,067	22.0%	46,574	23.2%	15.6%
Lighting	8,665	7.3%	32,235	16.0%	38.9%
Home monitoring/security	13,377	11.3%	24,194	12.0%	16.0%
Thermostat	3,461	2.9%	6,557	3.3%	17.3%
Others	4,887	4.2%	10,172	5.0%	20.1%
Total	118,254	100.0%	201,101	100.0%	14.2%

Source: IDC Worldwide Quarterly Smart Home Device Tracker, December 2019

*Forecast data

The market also sees positive results for overall 2019, as shipments are up by 20% over 2018 to 107m units. Smart speakers continue to be the "stellar product" during Q4 2019, with Amazon gaining market share through "good" smart speaker and digital media adapter performance. The quarter also hosted the European Amazon Smart TV launch, with JVC launching the first FireOS products in the UK. The year was also particularly positive in CEE, with the gradual transition to the DVB-T standard leading to shipment growth of 53.5% Y-o-Y.

Looking to the future, IDC predicts European shipments will reach 201.1m units with a CAGR of 14.2% for the 2020-2024 period. However H1 2020 should see a decline in demand due to the coronavirus, and further development depends on the length of constraints on individual countries brought about by the pandemic.

IDC: Coronavirus to Impact European Smart Home

Written by Marco Attard
06. 04. 2020

"In H1 2020, the interest in smart home products will slow, and we expect that, for the first time, the market will decline year over year in the Q2 2020," the analyst says. "Video entertainment will be the product category that will suffer the most, particularly Smart TVs. Factory shutdowns have led to component shortages and consumers are shifting their spending into devices that improve their office capabilities at home, such as monitors, laptops, and cameras. The cancellation of major sports competitions in 2020, such as the European Football Championship and the Olympic Games, will also have a negative impact on the category, as sales typically grow during these competitions."

Moving to category highlights, video entertainment device shipments reach almost 21.1m units in Q4 2019, a 10.9% Y-o-Y increase. Two smart TV operating systems-- FireOS and Roku OS-- launched for the first time in 2019, and smart TV shipments are expected to reach 81.4m units in 2024. Smart speakers make 25.8% of the Q4 2019 European smart home market, an increase of three percentage points compared to Q4 2018. Amazon Alexa remains the lead voice assistant with 58.3% market share, and IDC says the category will grow at a CAGR of 15.6% for the 2020-2024 period.

Lighting, home security and thermostat product shipments total 7.2m units in Q4 2019, a 27.1% Y-o-Y increase. Combined the three categories are forecast to represent 31.3% of the total smart home market in 2024.

Go [IDC WW Quarterly Smart Home Device Tracker March 2020](#)