



Euromonitor  
International

# Technology or Sustainability Leadership in Appliances: A Strategic Discussion

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## INTRODUCTION

### Scope

The case for sustainability and technology leadership in appliances

Companies are looking for a differentiating factor as they seek market leadership

What is technology and sustainability leadership?

Key takeaway: A blend of technology and sustainability leadership will be needed

## THE CASE FOR TECHNOLOGY LEADERSHIP

The case for technology leadership

What is driving technology leadership?

## WHY FOCUS ON TECHNOLOGY LEADERSHIP?

Smart devices and appliances will be everywhere

Our smart home dream is closer than we think

The launch of Matter will kickstart the next phase of smart home adoption

For consumers, digital living has become the norm

Smart homes will bring a whole new level of experiences at home

## BENEFITS OF TECHNOLOGY-LED INNOVATION

Benefits of technology-led development

### BENEFITS OF TECHNOLOGY-LED INNOVATION: CONVENIENCE, PERSONALISATION AND NEW EXPERIENCES

Consumers believe technology can elevate their day-to-day personalised experiences

Automated kitchens of the future are being designed to cater to personalised diets

Case study: Haier's three-winged bird continues to take personalisation to new heights

Case study: The robotic vacuum, a whole new cleaning experience

### BENEFITS OF TECHNOLOGY-LED INNOVATION: NEW BUSINESS MODELS AND SERVICISATION

New business models around servitisation can lift profit margins

Case study: LG wants to lead the era of the "Home as a Service" ( HaaS ) through ThinQ UP 2.0

Case study: Bosch's move towards a new way of owning appliances, sustainably

### BENEFITS OF TECHNOLOGY-LED INNOVATION: DATA IS THE NEW GOLD

Owning the data generated in the smart home will be key to providing new services

Case study: The home energy management system (EMS), a new source of home data

Case study: Samsung and LG pushing the frontier for AI in appliances

### BENEFITS OF TECHNOLOGY-LED INNOVATION: INCREASED CONSUMER VALUE THROUGH SERVICES

The perception of appliance services needs to change

Case study: Samsung Food, a food integration platform using AI

Case study: Haier's Internet of Food ( IoF ) ecosystem, from farm to table

### BENEFITS OF TECHNOLOGY-LED INNOVATION: PREMIUMISATION OPPORTUNITIES

Technology leadership can be part of a company's premiumisation strategy

Case study: Samsung's premiumisation push through technology-led personalisation

Case study: LG's InstaView Door-in-Door Refrigerator

## THE CASE FOR SUSTAINABILITY LEADERSHIP

The case for sustainability leadership

What is driving sustainability leadership?

## WHY FOCUS ON SUSTAINABILITY LEADERSHIP?

Consumer demand for sustainability continues, although reduced due to inflation fears

Government regulations provide a framework for manufacturers to follow

For companies, sustainability means reducing their impact on the environment  
Investor pressure has led to CEOs leading the sustainability agenda  
Lastly, there is a strong link between sustainability and business resilience

## BENEFITS OF SUSTAINABILITY-LED DEVELOPMENT

Benefits of sustainability-led development

## BENEFITS OF SUSTAINABILITY-LED INNOVATION: SAVING THE ENVIRONMENT THROUGH DECARBONISATION

A big part of sustainability comes through decarbonisation  
Net zero emissions is an important component of manufacturers' sustainability targets  
Case study: Heat pumps, the low-carbon heating and cooling system of the future  
Case study: Home EMS, reducing energy usage and carbon emissions through AI

## BENEFITS OF SUSTAINABILITY-LED INNOVATION: SUSTAINABILITY IS MORE THAN RESOURCE EFFICIENCY

Sustainability is more than resource efficiency, it now includes conservation  
Case study: Electrolux puts the spotlight on resource efficiency with AEG Ecoline  
Case study: Beko's SaveWater technology goes beyond water efficiency

## BENEFITS OF SUSTAINABILITY-LED INNOVATION: SUSTAINABILITY IS A GREAT STORY TO TELL

Appliance companies do not do enough to publicize their accomplishments in the ESG space.  
Case study: BSH, being a sustainable leader, has the added bonus of embracing great PR  
Case study: Beko's sustainability lineup is dominated by eco messaging

## BENEFITS OF SUSTAINABILITY-LED INNOVATION: MORE IMMEDIATE RETURNS

Businesses expect sustainability regulations to have a more immediate impact  
Case study: Bosch Green Collection, 33% less carbon produced during production  
Case study: Panasonic's air conditioner in AI ECO mode provides quantifiable savings

## BENEFITS OF SUSTAINABILITY-LED INNOVATION: PREMIUMISATION OPPORTUNITIES

Sustainability can be part of a company's premiumisation strategy  
Case study: Miele's appliances can be priced at a premium due to extreme reliability  
Case study: BSH is extending availability of spare parts to increase appliance operational life

## CONCLUSION

Technology leadership is clearly an enabler for sustainability outcomes and leadership  
Key takeaway: A blend of technology and sustainability leadership will be needed  
Technology or sustainability leadership in appliances - how to win?  
Questions we are asking

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