

SMART SUMMIT LONDON 2016: DAY TWO



- **Retailers must understand smart-home products in order to convince shoppers to buy them: educating the retailer is as important as educating the consumer.**
- **When it comes to smart home products, customers want to know “what does it work with” more than “what does it do.”**
- **Manufacturers provide too much technical information rather than necessary information, on the packaging of their products.**

Fung Global Retail & Technology attended the second and final day of Smart Summit London 2016. Here are some of our key takeaways from the Smart Homes conference stream.

Educating the Retailer Is as Important as Educating the Consumer

Several speakers emphasized that the onus of understanding does not lie on the consumer alone: retailers must understand smart-home products in order to convince shoppers to buy them. Joey Tang, of electrical-goods retail group Euronics, discussed the strategy devised by some retailers in Germany: these stores feature signage of the top questions asked by customers about how smart products work, how much money they will save by using them, and other important information. He said that this has helped retailers convince consumers to buy smart products, simply by aiding understanding.

Mike Lange, VP of Sales at smart-home technology firm Z-Wave, noted that retailers’ knowledge of smart home products is critical to their provision of suitable after-sales support services. In many cases, these services can be monetized and if retailers understand smart home products well, they will be able to create strategically bundled products and services, Lange said.



Source: Fung Global Retail & Technology

Customers Want to Know “What Does it Work With” More Than “What Does it Do”

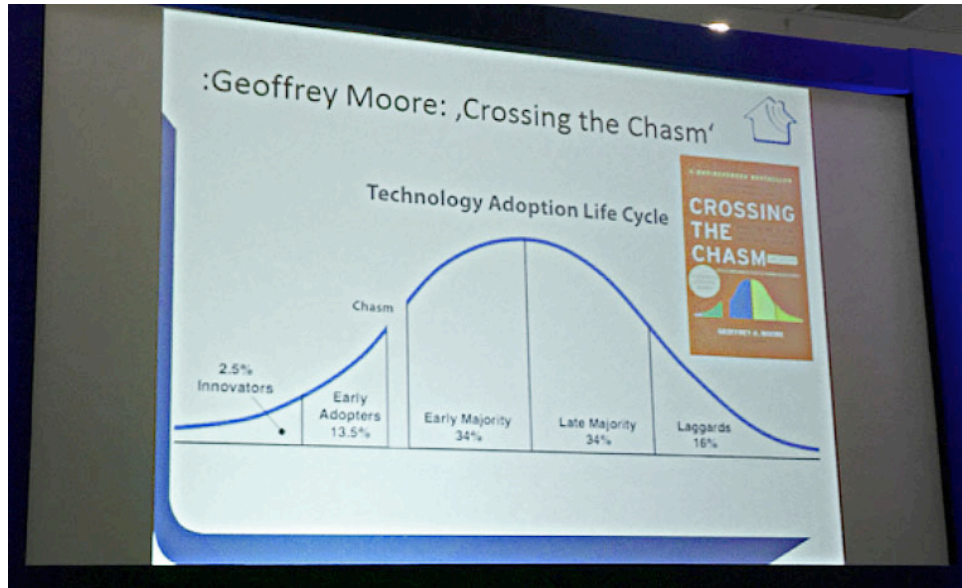
Katrina Mills, Audio and Connected Home Buyer at John Lewis, and Alexander Allen, Director of Strategy at electronics chain Maplin, emphasized that creating an immersive experience in-store and demonstrating real use-cases of smart home products working together helps a customer understand the technology better.

Allen said that allowing customers to experiment with products in-store is a better form of familiarizing them with how a smart home works, than simply telling them about it. Mills noted that, along with demonstrating a prototypical smart home, training staff to speak the language of the customer goes a long way: at John Lewis, staff explain the practical uses of products in terms of the needs of customers’ families.

Manufacturers Provide Too Much Technical Information Rather Than Necessary Information

A product’s packaging, such as a box containing a set of smart bulbs, is the first thing a customer looks at in-store, noted Z-Wave’s Lange. Printing too much technical information on this packaging, which the customer does not understand, may deter shoppers from buying smart-home products.

FLASH REPORT



Source: Fung Global Retail & Technology

Will Butler, Group Marketing and Innovation Director at ERA Home Security, noted that manufacturers are often unable to translate technical quality standards into simple, understandable terms. Using jargon or a complicated quality standard code on a product holds little value to most consumers, and changing this may make them more inclined to purchase a smart home product.



FLASH REPORT

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