

One in Three Americans Believe the Fully Connected Home Will be Possible within the Next Year

Home Energy Efficiency Named Number One Reason for IoT Adoption with Data Security and Cost Named Top Concerns

[ThroughTek](#), provider of market-leading Machine-to-Machine (M2M) solutions, today announced findings from its “Internet of Challenges Report” around consumer adoption and identified challenges regarding the Internet of Things (IoT). The survey found that one in three (31%) Americans believe a fully connected home will be achievable in the next year, and 60 percent within the next five years, with 59 percent of consumers being drawn to the benefits of IoT-driven energy efficiency. However, for widespread IoT adoption, two major obstacles remain: cost and security. The majority of American consumers—88 percent—are unwilling to pay more than \$250 for a connected device, while 27 percent are primarily anxious about lack of security for their personal data.

In order to decipher American’s thoughts and concerns around adoption of the Internet of Things, ThroughTek commissioned research firm [YouGov](#) to poll the attitudes of American consumers.

“Full Internet of Things adoption is no longer a loose possibility within American homes. It’s a reality that will come to fruition in the near future,” said Daniel Collins, Chief Data Officer, ThroughTek. “Concerns regarding cost and cyber security are to be expected. However, benefits such as improving home energy efficiency will begin to outrank skepticism—especially as IoT adoption continues to become more widely implemented.”

Additional key findings from the report include:

- **Energy efficiency is top benefit for IoT adopters, particularly among Millennials**— According to the U.S. Department of Energy, the average American spends more than [\\$3,000](#) per year on their home energy bill; therefore, in order to save, it’s not surprising that one in four (27%) Americans are keenly interested in the green benefits of connected homes. Millennials (18-34 year olds) are the demographic most interested in IoT-driven energy efficiency (32%), compared to those 55 years or older (21%). Additional principal benefits of IoT adoption include

bolstered home security (23%) and management of home entertainment and media (16%).

- **Cyber security concerns are the number one obstacle for home IoT adoption**— For one in four consumers, security remains the highest concern when purchasing a connected device—sensitivity around the use of personal data is a chief concern for one in five consumers (20%). Moreover, security concerns are almost 50 percent greater for Americans over 55 years of age (32%), verses those aged 18-34 (22%).
- **The golden price point for an IoT-connected device is \$125**— Price is a vital consideration in implementing a connected home, as American consumers are comfortable spending approximately \$125 on a connected device. However, men are willing to spend more on the technology (\$140 average), compared to women (\$108 average). Additionally, consumers on the west coast are comfortable spending more on a connected device (\$160 average), versus the east coast consumer who would prefer to spend no more than \$136, on average.
- **Confidence in device longevity is essential to consumer adoption**— One in four American consumers are concerned about their connected devices becoming obsolete or out of date. However, the complexity of IoT devices is not a concern for 84 percent of consumers, and ultimately will not deter them from making a purchase. Only 14 percent of Americans perceive that connected technology installation is too complex.

“We’re greatly anticipating how consumers will respond to the benefits that a fully connected home will provide—especially as their anxieties are addressed through IoT advancements,” said Collins. “As devices continue to emerge within the market, IoT adoption within the home will become the norm.”

Research Methodology

[ThroughTek](#) commissioned [YouGov PLC—a third party, professional research and consulting organization—to poll the views of a representative sample of 1,181 adults](#). Fieldwork was undertaken between May 8 - 11, 2015. The figures have been weighted and are representative of all US adults (aged 18+). The survey was carried out online.

About ThroughTek

ThroughTek, a leading IoT & M2M total solution provider, is committed to the development of its Kalay platform. Kalay, consisting of Kalay Cloud, Kalay Connect, and Kalay Application, sources one of the largest IoT ecosystems anywhere, integrating more than 150 different SOCs supporting a variety of devices, from more than 40 chipset vendors. As well, via partnerships with OEM/ODM and major branded companies, ThroughTek is uniquely positioned to offer both enterprise and consumer solutions for countless application environments, including smart retail, smart building, health care, surveillance, wearable device, home automation, and security systems.

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