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Smart Home Market on Track for Rebound Thanks to Emerging Regions, According to IDC

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NEEDHAM, Mass., September 30, 2024 – Global shipments of smart home devices are set to stall once again in 2024 as volume remains flat with 0.6% growth to 892.3 million devices, according to the International Data Corporation (IDC) Worldwide Quarterly Smart Home Device Tracker. High penetration and long refresh cycles in mature markets such as the US have curbed growth though worldwide shipments are set to return to growth in 2025 on the backs of emerging markets, driving unit shipments to grow 4.4% to 931.1 million units.

Home monitoring and security products such as connected cameras, door locks, and doorbells are quickly rising to the top, representing over a quarter of the volume throughout the forecast. “The upside of additional security camera purchases is often much larger than the upside of follow up smart TV or smart speaker purchases as consumers go through their smart home journey,” said Jitesh Ubrani, research manager for IDC's Mobility and Consumer Device Trackers. "Not only does consumer’ need for additional security coverage grow but many also subscribe to cloud storage or artificial intelligence features (AI), making security cameras a key category for many smart home companies.”

Rather unfortunately, smart speakers which helped jumpstart the smart home market, are now expected to decline 8.8% in 2024 before rerunning to a very mild 0.7% growth in 2025. The smart speaker category is in some ways reverting to simplicity as its greatest selling point – fewer frivolous displays, fewer cameras, and simplified voice input as Google, Amazon, and others eventually bring their latest conversational AI to these speakers.

That said, AI is also expected to be a selling point for other categories such as Smart Vacuums which have seen an immense rise in recent years thanks to a flood of new brands and an increased number of price points. “Brands have mostly nailed the basics such as vacuuming and mapping and are now focused on improving object recognition through the use of AI as well as additional features such as mopping,” continued Ubrani. “This is where many of the Chinese brands such as roborock, Eufy, Dreame, and Narwal have pulled ahead of the competition and in the case of roborock, supplanted themselves as the market leader.”

Looking ahead, IDC estimates the smart home market to growth with a compound annual growth rate (CAGR) of 5.6% between 2024 and 2028, amounting to 1.1 billion units shipped in the final year. Emerging markets, the continued proliferation of AI, and a refresh cycle amongst mature categories such as TVs are expected to add to the growth.

Worldwide Smart Home Device Forecast by Shipment Volume, Market Share, and 2024-2028 Growth Rate (shipments in millions)

Device Category	2024 Shipments*	2024 Market Share*	2028 Shipments*	2028 Market Share*	2024 - 2028 CAGR
Home Monitoring/Security	244.4	27.4%	308.6	27.8%	6.0%
Video Entertainment	269.7	30.2%	287.9	26.0%	1.6%
Smart Speaker	87.4	9.8%	95.3	8.6%	2.2%
Smart Vacuum	19.9	2.2%	24.8	2.2%	5.7%
Others	270.9	30.4%	391.7	35.3%	9.7%
Total	892.3	**100.00%**	1,108.2	**100.00%**	5.6%

Source: IDC Worldwide Quarterly Smart Home Device Tracker, September 30, 2023

*** Table Note:** All values are forecast estimates.

IDC's Worldwide Quarterly Smart Home Device Tracker provides insightful analysis, quarterly market share data, and a five-year forecast for the smart home device market.

About IDC Trackers

IDC Tracker products provide accurate and timely market size, vendor share, and forecasts for hundreds of technology markets from more than 100 countries around the globe. Using proprietary tools and research processes, IDC's Trackers are updated on a semiannual, quarterly, and monthly basis. Tracker results are delivered to clients in user-friendly Excel deliverables and on-line query tools.

For more information about IDC's Worldwide Smart Home Device Tracker, please contact Jackie Kliem at 508-988-7984 and jkliem@idc.com.

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About IDC

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