

## Installed Home Technology Takes Center Stage at the 2003 International Builders Show

Arlington, Va., - The Consumer Electronics Association (CEA) and the National Association of Home Builders Research Center (NAHBRC) announced the results of a joint survey aimed at uncovering the state of the home technology market. CEA President and CEO Gary Shapiro and NAHBRC President Michael Luzier debuted the results during a keynote address at the 2003 International Builders Show (IBS) in Las Vegas, Nev.

The State of the Builder Technology Market survey corroborated what many in the home building industry already knew, that consumer technologies for the home, such as high definition television, broadband, home networking and automated lighting, are a growing trend. In fact, builders responded that home technologies were an impressive 71 percent more important now than they were just two years ago. There is little wonder why, as almost half of builders that offer home technologies reported increased revenues.

"Consumers have a love affair with technology. They want the latest products and demand homes that can accommodate them," said Shapiro. "This survey proves that builders understand this demand and the bottom line benefits associated with providing connected homes."

The study pointed out that structured wiring is by far the most pervasive technology in new homes. More than 42 percent of new homes, roughly 670,000 in number, now include structured wiring, and 78 percent of builders offer it as either a standard or optional feature. The technology has become so popular that three-fourths of builders offer it just to compete in the marketplace.

Other home technologies such as home theater, multi-room audio and video and monitored security represented potential cash cows for builders. More than half of the builders surveyed indicated that home theater increases their profit potential, while another 47 percent said the same about multi-room audio. Builders also realized that buyers' concerns over home safety could be translated into dollars. More than 30 percent saw the profit possibilities of monitored home security systems and 62 percent already offer it in their new homes.

The survey also revealed that builders understand the types of buyers most interested in home technologies. Builders echoed the sentiment from previous CEA research that younger consumers with children and a comfortable income were those most interested in technology for the home. Specifically, three-fourths of builders cited a perceived interest among buyers ages 35-44, compared to the one-tenth that felt the same for those over the age of 65. Another 89 percent perceived that buyers making more than \$200,000 were interested, while 32 percent felt that homes with children have a greater interest than those without.

Installed home technologies are a new concept to many homebuilders, and many need assistance before incorporating them into their homes. When interested builders have questions on installed home technologies, the research indicated that trade publications, trade shows and the NAHB are the best sources for information.

CEA also is a reputable source for homebuilders looking to add home

technologies. To make the level of technology in a home easy to understand and compare, the association developed the TechHome rating system, a simple form designed to rank a home's technological capabilities. The system has garnered significant interest from homebuilders, buyers and real estate agents alike. In fact, 66 percent of builders surveyed indicated a likeliness to use it when marketing their new homes. In addition, CEA created the Integrator Referral Database to help builders search for quality technology contractors in their area. A third CEA initiative, TechHome Insights, was created to give builders attending the 2003 IBS an overview of key home technologies as well as basic installation guidelines.

The State of the Builder Technology Market survey was administered last fall through a joint effort between the CEA and NAHBRC as a supplement to the NAHBRC's annual Builder Practices Survey.

#### About CEA:

The Consumer Electronics Association (CEA) represents more than 1,000 corporate members involved in the design, development, manufacturing, distribution and integration of audio, video, mobile electronics, wireless and landline communications, information technology, home networking, multimedia and accessory products, as well as related services that are sold through consumer channels. Combined, CEA's members account for more than \$80 billion in annual sales. CEA's resources are available online at [www.CE.org](http://www.CE.org), the definitive source for information about the consumer electronics industry.

CEA also sponsors and manages the International CES - Defining Technology's Future. All profits from CES are reinvested into industry services, including technical training and education, industry promotion, engineering standards development, market research and legislative advocacy.