FutureBridge

FEATURED REPORT

The New Rules of Appliance Competition

Evidence, implications and outlook across five transformative forces

futurebridge.com

Global Socio Economic factors impacting the industry

Competitive Reset

Advantage is shifting across cost, trust, lifecycle value, ecosystem control and customer access

Chinese appliance champions are resetting the global price–innovation frontier

Chinese OEMs are combining manufacturing scale, faster innovation and attractive pricing while expanding from value segments into premium categories and overseas markets

Cybersecurity and data rights are extending OEM responsibility beyond the sale

Connected appliances require continuing software support, vulnerability management, secure-by-design development and mechanisms for consumers and third parties to access product-generated data.

The longevity economy is expanding repair, refurbishment and second-life channels

Regulation and consumer economics are increasing repair, spare-parts, refurbishment, resale and product-life-extension activity—creating aftermarket revenue while potentially delaying replacement.

Interoperability is shifting control of the customer interface beyond the OEM

Appliances are increasingly controlled through home platforms, assistants and energy-management systems, giving OEMs wider ecosystem access but potentially transferring interface ownership and data control to third parties

The appliance journey is digital, but conversion remains retailer-led

Product discovery is moving online faster than transactions. D2C may remain a small sales channel for major appliances, but it gives OEMs first-party consumer data, stronger post-purchase relationships and opportunities to attach services, accessories and consumables.

Chinese appliance champions are resetting the global price–innovation frontier

40.1% increase in global market share of Chinese brands in small domestic appliances in H1 2025.

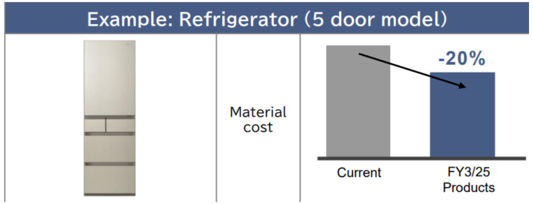
US$111.4 billion worth of Chinese home appliances were exported in 2025 >>

129 million home appliances sold domestically through national trade in scheme >>

262% increase of Chinese retail sales of self-emptying vacuum cleaners in 2025 >>

Re-engineering products for Chinese-level costs

- **Panasonic** plans common China–Asia appliance models, standardized chassis and components, greater use of ODM products and globally sourced components. >>



Forming deeper strategic alliances with Chinese challengers

- Electrolux and Midea established three North American JVs covering refrigerator sales and development, refrigerator manufacturing and laundry manufacturing.
- Electrolux expects approximately **SEK600 million of cost-efficiency benefits in year three** and a wider, more highly featured product range. >>

FUTURE OUTLOOK

Expansion will concentrate outside the US
Europe, Latin America, Southeast Asia, the Middle East and Africa should receive greater attention

More production will move closer to demand
Chinese companies will increasingly compete as localized multinational companies, not merely as exporters.

Multi-brand strategies will expand
Acquisitions and separate brand architectures will help companies enter through luxury segments without diluting one brand

The premium challenge will intensify
Premium floorcare is already affected; laundry, HVAC, refrigeration and selected kitchen categories are likely to follow.

Competition shift toward the full ownership experience
Reliability, service, software support, data security, energy optimization and integration will become the next battlegrounds.

Cybersecurity and data rights are extending OEM responsibility beyond the sale

Because connected appliances remain dependent on OEM-controlled software, cloud services and data infrastructure, the manufacturer's responsibility increasingly continues throughout the product's operating life

88.6% connected-product webpages examined by FTC did not disclose software-support duration >>

5 years of support period is mandated by the EU Cyber Resilience Act >>

59.47% of consumer-IoT manufacturers still provide no public channel for reporting product vulnerabilities >>

Up to 135,000 text-message equivalents of data can be transmitted by a connected appliance to its manufacturer every week >>

Defining and operationalizing a security lifecycle

- Samsung committed eligible Wi-Fi-enabled home appliances to software updates including security improvements, for up to seven years after launch, beginning with models launched in 2024. >>
- In 2025, Samsung introduced Knox Vault hardware protection to selected appliances, separating passwords and authentication information from the main operating system. >>

Building a permanent post-sale incident-response capability

- Miele has established a dedicated PSIRT covering its entire connected-product portfolio, with a seven-day response target and a 90-day vulnerability-remediation target.
- Its disclosure policy sets measurable targets: contact the researcher within up to seven days and aim to eliminate the vulnerability within 90 days, subject to exceptional circumstances.

FUTURE OUTLOOK

Support duration will become a product specification
Buyers, retailers and regulators will increasingly compare appliances by years of security and software support

OEMs will operate permanent product-security functions
Vulnerability monitoring, OTA patching, incident reporting and coordinated disclosure will become core operating capabilities

Decisions will be shaped by support commitments
Chip memory, firmware architecture, cloud compatibility and supplier contracts must support updates over long appliance lifetimes

The OEM data moat will weaken
User-authorized diagnostic data will support independent repairers, energy-management services and appliance-optimization platforms

Post-sale inaction will become a liability risk
Failure to patch, insecure cloud dependencies or poorly managed end-of-support may increasingly be treated as product

The longevity economy is expanding repair, refurbishment and second-life channels

5–10 years of manufacturer repair responsibility now applies to covered appliances under EU rules >>

1.9 million electrical and electronic product repairs received France's Repair Bonus between December 2022 and 2025 >>

7 years of parts, tools and repair documentation are required for covered appliance products above California's $100 wholesale threshold >>

€4.8 billion in EU growth and investment is expected from the new right-to-repair rules.>>

Industrializing the complete repair-to-refurbishment chain

- More than 90% of Groupe SEB electrical appliances meet its "repairable for 15 years" commitment.
- It supports this through 6,200 repair centres, approximately 50,000 spare-part references and more than 7 million parts held in inventory. >>

Building factory capacity for certified second-life appliances

- Panasonic launched Factory Refresh in April 2024, covering 13 categories including washing machines, refrigerators and televisions.
- Its Utsunomiya facility has capacity to refurbish 10,000 units annually across seven product categories >>

FUTURE OUTLOOK

Aftermarket revenue will become a strategic growth pool
Parts, repairs and refurbishment will help offset slower new-appliance replacement

Refurbished appliances will become a distinct product tier
OEM certification and warranties will make second-life products more trusted and scalable

Appliances will be engineered for multiple lives
Modular components, diagnostics and long-term parts support will increasingly be designed in.

Ownership models will give OEMs greater lifecycle control
Rental, subscription and take-back programs will provide recurring revenue and refurbishment supply.

Repairability will become a mainstream purchase criterion
Consumers and retailers will increasingly compare repair costs and durability alongside price and efficiency

Interoperability is shifting control of the customer interface beyond the OEM

79% of smart-home users consider interoperability important, while only 31% have committed to a particular ecosystem >>

425 million SmartThings users can access devices from multiple manufacturers through a single platform >>

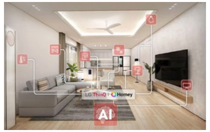
17 global brands participate in HCA's cross-brand appliance and energy-management ecosystem >>

4 major ecosystems – Apple, Google, Amazon and SmartThings—now accept CSA interoperability-test results within their "Works With" programs >>

Acquiring open platforms to expand cross-brand control

LG

- LG acquired an 80% stake in Athom's Homey platform that connects more than 50,000 devices and offers around 1,000 integration applications.
- LG is integrating this ecosystem with ThinQ and its Matter-certified ThinQ ON hub to bring third-party devices and services into the LG experience. >> >>



Embedding the orchestration platform across the product portfolio

SAMSUNG

- SmartThings supports 50 Matter device types, serves more than 425 million users and connects over 1 billion Galaxy devices and Samsung appliances >>

Bridging legacy appliances into third-party ecosystems

B/S/H/

- BSH has introduced native Matter support initially in cooling appliances across brands including Bosch, Siemens, Neff, Gaggenau and Thermador.
- Its Smart Kitchen Dock can also act as a Matter bridge for existing Home Connect washing machines, dryers, dishwashers, ovens, cooktops, hoods and refrigeration products. >> >>

F U T U R E   O U T L O O K

Basic appliance control will become commoditized
Start, stop, status, notifications and energy reporting will increasingly work through any major ecosystem

Energy managers will become a new customer interface
HEMS platforms, utilities and aggregators will increasingly determine when flexible appliances operate

OEM applications will move up the value stack
Brands will use diagnostics, personalization, recipes, maintenance and premium services to give consumers a reason to return

Installed-base interoperability will accelerate adoption
Cloud integrations and Matter bridges will open older connected appliances before native Matter penetration becomes widespread.

Interface competition becomes a data-and-consent contest
Platforms that consumers trust to combine appliance, energy and household data will capture more of the ongoing relationship.

Major-appliance discovery is going digital, but conversion remains retailer-led

Digital discovery extends much further than brand-owned checkout. OEM websites influence product selection, while multibrand retailers still control most transactions

30% of surveyed white-goods consumers research products on OEM websites before purchase >>

20% of surveyed white-goods purchases are completed online >>

10× more sales close on multibrand-retailer websites than on OEM websites >>

47% of purchases are completed in large multibrand electronics-chain stores >>

Building dedicated D2C organizations around data and recurring models

- LG established a dedicated D2C Sales Business Group responsible for expanding its Online Brand Shops and customer-data-based digital marketing.
- LG's subscription-business revenue increased 29% in 2025, approaching KRW2.5 trillion. >> >>

Connecting checkout, delivery and activation in one owned journey

- Samsung's Calm Onboarding connects appliances purchased through Samsung.com or official Samsung stores from order and delivery through to SmartThings activation >>

Shifting monetization from checkout to lifetime value

- Electrolux is expanding D2C across webstores, marketplaces, social commerce and physical brand locations to interact directly with consumers throughout the product lifetime.
- It is combining customer data, connected diagnostics, spare parts, accessories, warranties and repair services to generate recurring revenue. >> >>

FUTURE OUTLOOK

Retailers will remain high-ticket conversion infrastructure
Showrooms, financing, delivery, installation and returns will remain difficult for major-appliance OEMs to replicate economically

OEM websites will become decision engines
Comparison tools, AI advisers, configurators and personalized content will influence selection even when checkout occurs elsewhere

Product activation will become the relationship handoff
Registration and app onboarding will allow OEMs to reconnect with consumers after retailer-led transactions

D2C performance will be judged by lifetime value
Services, warranties, consumables, accessories, repairs and subscriptions will matter more than web-store sales alone

Channel differentiation will replace channel duplication
OEMs will use exclusive bundles, personalization and services to grow owned channels without directly duplicating retailer propositions

FutureBridge is a techno-commercial consulting and advisory company. We track and advise on the future of industries from a 1-to-25-year perspective.

www.futurebridge.com