

New Report from Gemserv Finds Smart Thermostats 10x More Cost-Effective at Lowering Heating Bills than Other Encouraged Methods

Smart Thermostats are shown to lower heating bills by 22% leading to £164 savings in a typical semi-detached home¹. This provides the highest return on investment compared to Heat Pumps, Solar PV and Insulation.

Munich, 19 October 2021: In a world of rapidly rising wholesale energy prices, a new report from Gemserv, reveals how Smart Thermostats provide the highest carbon-saving and cost-saving potential per Euro spent. The report considers Smart Thermostats against other methods of decarbonising homes such as fitting solar panels, installing heat pumps, or adding insulation, reducing bills by £164 per year.

The report, peer-reviewed by Dr. Tim Forman, Senior Research Associate at the University of Cambridge, looks at different archetypes of housing stock across Europe and the most common measures of reducing carbon emissions; paying particular attention to the cost of product and installation, the carbon saved, and the returned cost to consumers saved annually on energy bills.

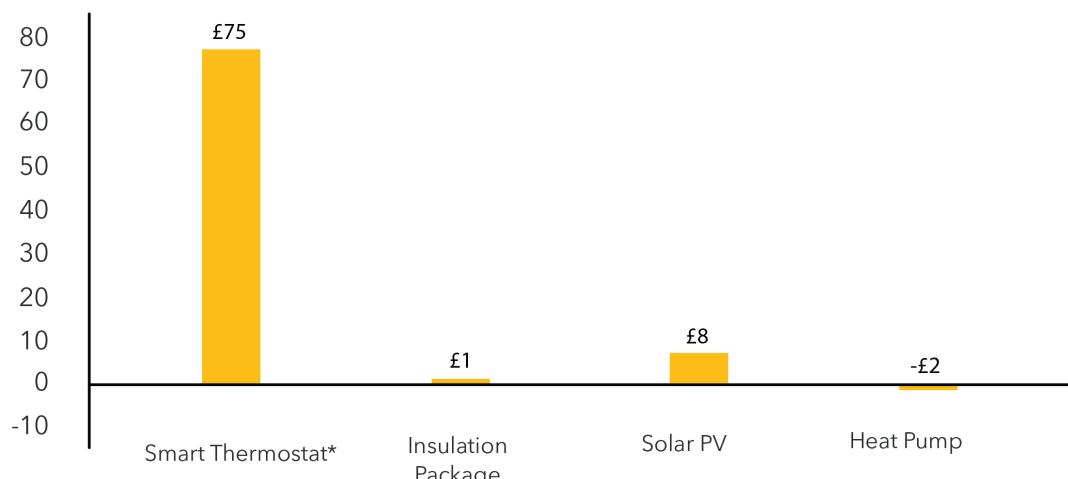
Across all housing archetypes and methods of reducing carbon emissions, smart thermostats were the most cost effective at saving both money and energy. Based on a typical 3 bedroom semi-detached home's heating bill of £744² per year, households save on average £163.68 per year with a smart thermostat. Savings can be even higher if consumer energy prices continue to increase as we see in the current market.

Measures such as installing heat pumps, solar panels or fitting insulation can cost 10x more than a smart thermostat. The most cost-effective step towards protection from these price increases is to invest in a smart thermostat and reduce energy consumption. When considering how to invest in reducing a home's energy bill, the below graph demonstrates the effective savings on fuel bills per £100 invested:

¹ Based on 22% reduction of average fuel bill for a typical 3 bedroom semi-detached house in UK, pre-1980. Sourced here: <https://www.oftec.org/consumers/off-gas-grid-heating-guides/heating-cost-comparison>

² Based on average fuel bill sourced here: <https://www.oftec.org/consumers/off-gas-grid-heating-guides/heating-cost-comparison>

Annual Fuel Bill saving Per £100 Of Up-Front Cost (£)



When considering the financial returns from fuel bill savings of each (again regarding up-front cost), the smart thermostat again pulls ahead of all other measures.

*Based on operational data of over 100,000 smart thermostat installations across Europe by tado°

Even if smart thermostats are the most cost-effective, the report indicates that insulation, solar panels and heat pumps are all important methods of saving energy and making homes greener. In order to achieve higher savings and net-zero targets by 2050, all these measures will need to be used in tandem.

Smart Thermostat	Insulation Package	Solar PV	Heat Pump
 £170	 £12,300	 £3,100	 £8,500

“Low carbon heating, renewable electricity generation, and insulation upgrades will all play a key role in household decarbonisation. However, this report demonstrates that smart thermostats offer consistent financial returns, whilst saving carbon – unique amongst the four technologies we have analysed” says Christopher Lewis, Economic Analyst at Gemserv

Christian Deilmann, Co-Founder and CPO of tado° says “Not only do smart thermostats offer the most compelling way to save money and energy usage, their entry cost and installation effort is the lowest. This marks a significant way for homes to lower their carbon consumption and energy bills.”

“In a time of rising energy costs across Europe, lowering your energy consumption is the best option for consumers to lower their bills, something which smart thermostats excel at. Installing a smart thermostat is something that people can do at home, without an engineer within less than an hour, at a low cost”, Deilmann continued.

To read the report please visit www.tado.com/Energy-Efficiency. For more information on Smart Thermostats and their benefits visit www.tado.com.

About Gemserv

Gemserv is an expert provider of professional services in a world driven by data and technology. It is a purpose-driven company, working across multiple sectors, including energy, the public sector and health to tackle today's social and environmental challenges. The business provides consultancy and outsourcing capabilities to make markets work better, to help organisations harness the power of digital transformation and to ensure people's data is better protected and used ethically. www.gemserv.com

About Dr. Tim Forman

[Dr. Tim Forman \(BA MSc PhD\)](#) is a Senior Research Associate at the Cambridge Institute for Sustainability Leadership, University of Cambridge. Dr Forman's research, teaching and professional background relates to the design, construction and renovation of buildings and to improving sustainability and resilience in the built environment under current and future climate conditions.

About tado°

tado° is the European leader in intelligent home climate management. As the only cross-manufacturer platform, tado° Smart Thermostats and services connect with any kind of heating or cooling system. Customers benefit from energy-saving technology such as Geofencing and Open Window Detection, as well as from remote heating diagnostics. Founded in Munich, 2011, and with 180 employees, tado° reshapes the way energy is consumed for more comfort, savings, and wellbeing at home.
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