HVAC MARKET UPDATE

Market trends facing the Pacific Northwest

April 2018
HVAC MARKET TRENDS

TWO RESEARCH ACTIVITIES

AHR EXPO

Market Actor Interviews
GOALS OF OUR STUDY

- Identify New Market Trends
- Understand Purchasing Decisions
- Confirm Market Structure
- Observe Growth/Decline of Technologies
RESEARCH ACTIVITIES

AHR EXPO 2018

- Largest HVAC Trade Show
- Interviewed 11 Manufacturers
- Attended 3 Learning Sessions
MARKET ACTOR INTERVIEWS

RESEARCH ACTIVITIES

30 TOTAL

- 11 Distributors & Manufacturer Reps
- 10 Contractors
- 5 Single-family Home Builders
- 4 Manufactured Home Builders

Conducted Interviews
FINDING #1

GETTING SMART

Total System Approach and Controls Innovations
MARKET ACTORS TAKING A TOTAL SYSTEM VIEW
SMART CONTROLS ARE STILL GROWING...
...BUT IT’S STILL A FRAGMENTED MARKET
DISTRIBUTORS ARE NOW KEY PLAYERS IN REGION’S SMART THERMOSTAT GROWTH
CONTRACTORS ACTIVELY PUSH SMART THERMOSTATS
STRONG SMART THERMOSTAT GROWTH IN SINGLE FAMILY NEW CONSTRUCTION
FINDING #2

INNOVATIONS IN EFFICIENCY
MANUFACTURERS CONTINUE TO INNOVATE ON EFFICIENCY AND SUSTAINABILITY
DUCTLESS TECHNOLOGY STILL GROWING ACROSS THE BOARD
DUCTLESS HEAT PUMPS CONTINUE TO RISE IN POPULARITY IN THE NW
ALMOST EVERYONE IS OFFERING DHPS — NO LONGER A NICHE PRODUCT

Manufacturers Advance the Technology
Distributors Well-Stocked
Installers Actively Selling
Common in New Single Family Homes
Rarely Installed at Manufactured Home Factory
MORE TECHNOLOGY OPTIONS REINFORCE NEED FOR A SYSTEMS APPROACH
FINDING #3

NORTHWEST MARKET EVOLUTION
WILL AIR CONDITIONING BECOME THE NORM?

RBSA I* 42%

RBSA II* 57%

* RBSA figures reflect single family homes only.
AC BECOMING CONSTRUCTION STANDARD FOR SINGLE FAMILY, BUT NOT AT MANUFACTURED HOMES FACTORIES
HOME OWNERS ADDING COOLING TO PREVIOUSLY UN-COOLED HOMES
RECAP

Whole system approach

Innovations in efficiency

Northwest market evolution

Read more:  www.bpa.gov/goto/HVAC
NEXT STEPS
KEY TAKEAWAYS FOR OUR TEAM

Verify model inputs and results

Gather more information on key areas identified through interviews:

1. Growth in AC Penetration
2. Thermostat Savings
3. Manufactured Home Equipment
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