

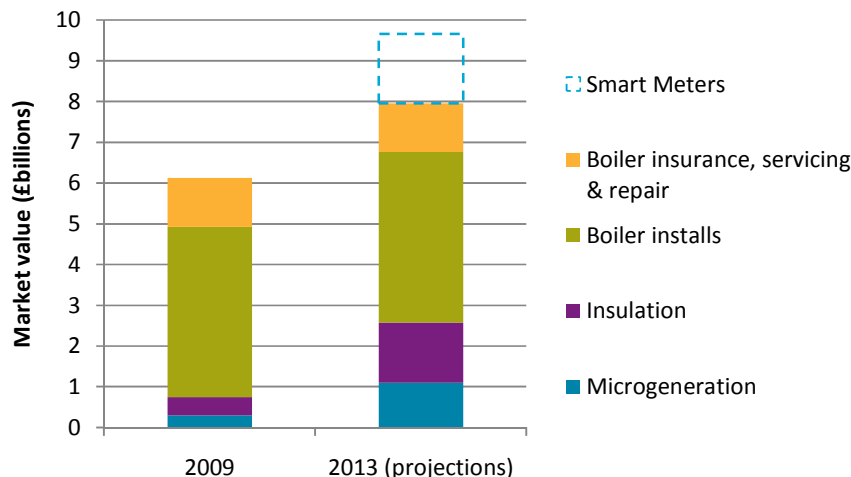
## Huge growth potential in the UK home services market

Delta research with Nomura has assessed the value of the UK home services market in 2009 and 2013.

- ▶ **KEY MESSAGE 1:** The value of the UK home services market could rise to nearly £10 bn by 2013.
- ▶ **KEY MESSAGE 2:** Centrica leads other utilities in positioning itself to take a large share of the market – though it faces increasing competition from new entrants.

### Key Message 1: The value of the UK home services market could rise to nearly £10 bn by 2013

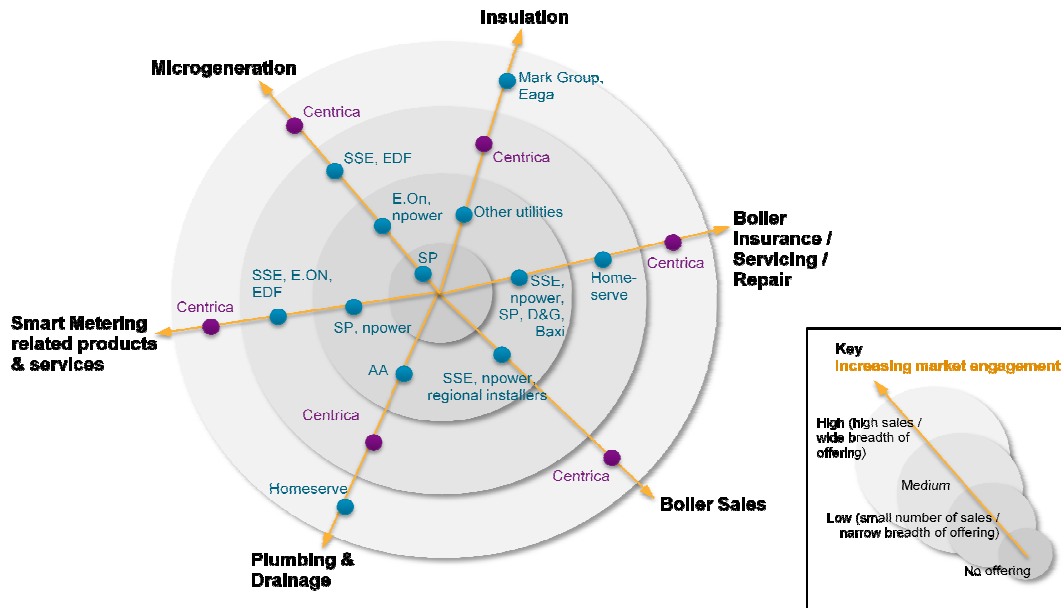
Market value analysis for 2009 (based on numbers of annual installations / contracts multiplied by their average costs), and 2013 (based on Delta's growth projections) are presented below. The key growth areas to 2013 are insulation and microgeneration – the large-scale growth in insulation market value reflects the uptake of solid wall insulation. Boiler installations are likely to remain similar to today, while there may be some room for growth in insurance contracts. Smart metering related services represent potentially significant added value – though to date there is almost no market penetration. Smart meters may help drive growth in other sectors as companies take advantage of being in customer homes, and cross-sell other products.



Source: Delta Energy and Environment, 2010

## Key Message 2: Centrica leads other utilities in positioning itself to take a large share of the market – though will face increasing competition from new entrants

Centrica is positioned well for success in the home services market. It has dived into the market to a greater extent than any other utility, developing offerings more quickly than others – giving it capabilities in the widest portfolio of services.



Source: Delta Energy and Environment, 2010

Delta’s insight on home energy services provides market intelligence for a variety of industry players, supporting them in a number of ways:

Investors / finance sector	Utilities
<ul style="list-style-type: none"> <li>Provides a forward view on the market value of the home services sector</li> <li>Informs investment decisions about companies in the home services space</li> </ul>	<ul style="list-style-type: none"> <li>Develops understanding of competitive environment – today and in the future</li> <li>Informs market entry strategy</li> <li>Aids development of customer propositions</li> </ul>

Delta Energy & Environment is an independent research and consulting company specialising in decentralised energy & low carbon strategies.

Delta supports a range of clients with energy services & microgeneration market intelligence including: E.ON, EDF Energy and the Japan Gas Association

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