

Amazon Echo Losing Share as Speaker Rivalry Heats Up

Smart speakers surpass wearables in gadget race

ARTICLE | **MAY 01, 2018**

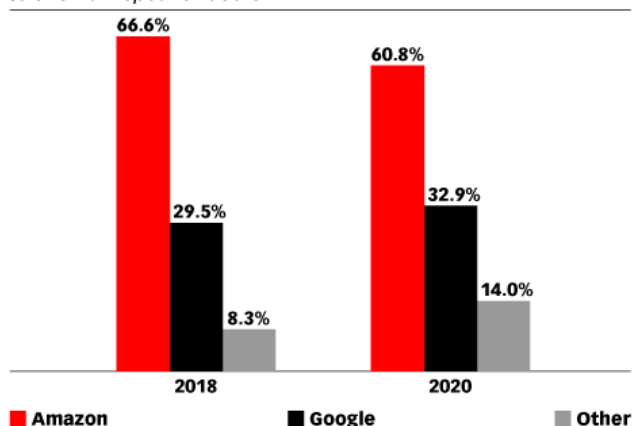
eMarketer Editors

While Amazon Echo dominates the voice-enabled speaker market, its user share is slowly shrinking, as those of Google Home and smaller rivals begin to grow. Overall, smart speaker usage is accelerating as device capabilities expand, according to eMarketer's latest forecast on the topic.

This year, 40.7 million people of any age in the US will use an Amazon Echo at least once a month, equating to two-thirds of smart speaker users. However, that share is expected to fall to 60.8% by 2020. (By eMarketer's definition, a voice-enabled speaker user does not necessarily have to be an owner. Therefore, there is overlap in brand usage, as people often own and/or use multiple brands of speakers.)

US Smart Speaker Users, by Brand, 2018 & 2020

% of smart speaker users



Note: individuals of any age who use a smart speaker at least once per month; smart speaker users are not mutually exclusive; there is overlap between groups

Source: eMarketer, April 2018

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Meanwhile, No. 2 player Google Home will have 18.0 million users this year. While it will remain a distant second in terms of users during the forecast period, its share is growing. In 2018, it will capture 29.5% of the smart speaker audience, and that figure will grow to nearly 33% by 2020.

“Google Home’s competitively priced Mini drove growth for the brand in the 2017 holiday season,” said eMarketer forecasting analyst Jaimie Chung. “With Amazon and Google vying for spots in both the smart-home and ecommerce spaces, Google’s pricing has revitalized the artificial intelligence race to dominate the home.”

Check out the latest episode of eMarketer's "Behind the Numbers" podcast, as analyst Jaimie Chung breaks down the data for personal assistants.

This year, for the first time, more Americans will use a voice-enabled speaker than will use a wearable device. Overall, 61.1 million individuals of any age will use a smart speaker at least once per month. That’s up nearly 40% over 2017, and higher than the 45.4 million users eMarketer predicted in April 2017. Meanwhile, there will be 50.1 million wearable users in the US this year, up almost 12% over last year.

What are users doing with their smart speakers? The most popular activity is listening to audio, such as music, podcasts and digital radio.

A close second is inquiries—users asking their speaker a question. Additionally, smaller groups of users are using their devices for shopping (browsing, price comparing and adding to carts), controlling their smart-home devices and buying items. Not surprisingly, those buying are mostly Amazon Echo users utilizing their Amazon Prime accounts.