

Amazon Maintains Convincing Lead in US Smart Speaker Market

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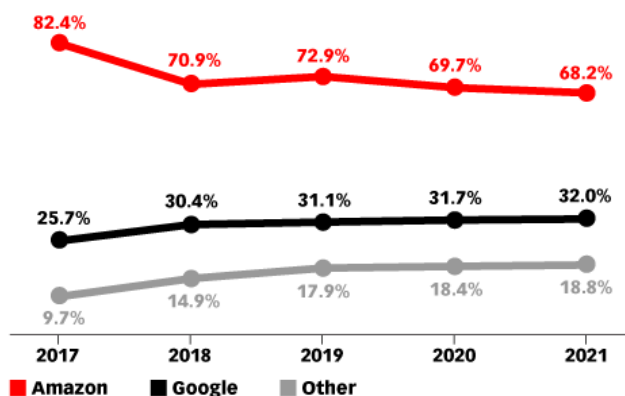
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Amazon, which already holds a dominant position in the US smart speaker market, will continue to maintain this leadership through 2021, with approximately 70% of total US smart speaker users expected to use an Amazon Echo device, according to our latest estimates.

This year, 69.7% of US smart speaker users will use an Echo, down slightly from 72.9% last year. By comparison, 31.7% of smart speaker users will turn to Google-branded devices, and 18.4% will use other smart speaker brands, including the Apple HomePod, Harmon Kardon Invoke and Sonos One. These percentages add up to more than 100% because some smart speaker users use more than one brand of speaker.

US Smart Speaker Users, by Brand, 2017-2021

% of smart speaker users



Note: individuals of any age who use a smart speaker at least once per month; users of each device are not mutually exclusive with speaker users of different brands

Source: eMarketer, Nov 2019

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Though Amazon wasn't first-to-market with a voice assistant, it had first-mover advantage in smart speakers with its US introduction of the Echo and built-in voice assistant Alexa in late 2014. Since then, it has consistently released new features that make the speaker easier and more intuitive to use. It has also opened Alexa to outside development and fostered its compatibility with thousands of Amazon-branded and third-party smart-home devices. The Echo is, however, slightly less competitive in some countries because it supports fewer non-English languages than its major competitors.

"Since Amazon first introduced the Echo, it has built a convincing lead in the US and continues to beat back challenges from top competitors," said Victoria Petrock, a principal analyst at eMarketer. "We had previously expected Google and Apple to make more inroads in this market, but Amazon has remained aggressive. By offering affordable devices and building out the number of Alexa skills, the company has maintained Echo's appeal."

While US smart speaker users will continue to rise in absolute numbers, we expect overall growth to slow over the next several years, particularly as Alexa and other voice assistants migrate into other devices, including vehicles, appliances and other smart-home components. We estimate that there will be 83.1 million smart speaker users this year, representing year-over-year growth of 13.7%. In 2021,

growth will slip into the single digits. Some 28.9% of internet users currently use smart speakers, a figure we expect to rise to 30.5% next year.

“Smart speakers were designed as entry-level devices to get more people used to voice-controlled technology,” Petrock said. “Over time, we’ll see slowing growth in the number of smart speakers as people turn to voice assistants built into other things within homes, vehicles and on-the-go. Amazon’s next challenge will be to maintain its dominance in these other environments as well.”