



Michael R. Levin (mike@cirpllc.com)
Joshua N. Lowitz (josh@cirpllc.com)
111. West Washington Street, Suite 900
Chicago, IL 60602
312.344.3664
www.cirpllc.com

FOR IMMEDIATE RELEASE

Amazon Dominates Smart Speakers, Google Slows

New Report Analyzes Smart Speakers in June 2021 Quarter

CHICAGO, IL – Wednesday, August 4, 2021: Consumer Intelligence Research Partners, LLC (CIRP), released results from research on smart speakers, including Echo from Amazon.com, Inc. (NASDAQ:AMZN), Home from Google (NASDAQ:GOOG), and HomePod from Apple (NASDAQ:AAPL).

CIRP analyzed the US market for smart speakers, including Amazon Echo, Google Nest/Home, and Apple HomePod devices of all models. Since 2017 Amazon has maintained a dominant share of the installed base of devices, with over two-thirds of smart speakers in US homes. Google has about one-quarter, and Apple and Facebook have the remaining small share.

“The installed base of smart speakers grew considerably during the COVID-19 pandemic, adding over 25 million units in the past year,” said Josh Lowitz, CIRP Partner and Co-Founder. “Amazon created the marketplace when it released the first Echo almost seven years ago. Two years later Google took meaningful share, but quickly plateaued at around 40% of Amazon’s presence. A few months after Google, Apple introduced its version, and failed to make meaningful inroads, with a single premium-priced model competing against products that included low-priced entry-level devices.”

“One critical goal for everyone in the industry is to get as many units into as many homes as possible,” said Mike Levin, CIRP Partner and Co-Founder. “With multiple devices in a single home, a smart speaker platform can claim that literal real estate as theirs, as barriers to switching get very high. Amazon leads the way with customers with multiple devices. We estimate over 20 million US households have more than one Echo, while about 8 million US households have multiple Google Home units.”

CIRP bases its findings on its survey of 500 US owners of Amazon Echo, Google Home, and Apple HomePod, surveyed from July 1-8, 2021, who owned one of these devices as of June 30, 2021. For additional information, please contact Mike Levin (mike@cirpllc.com) or Josh Lowitz (josh@cirpllc.com) at 312.344.3664. Further information, which provides research to the investment community using advanced consumer market research strategies, methods, and techniques, is at www.cirpllc.com.

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Smart Speakers

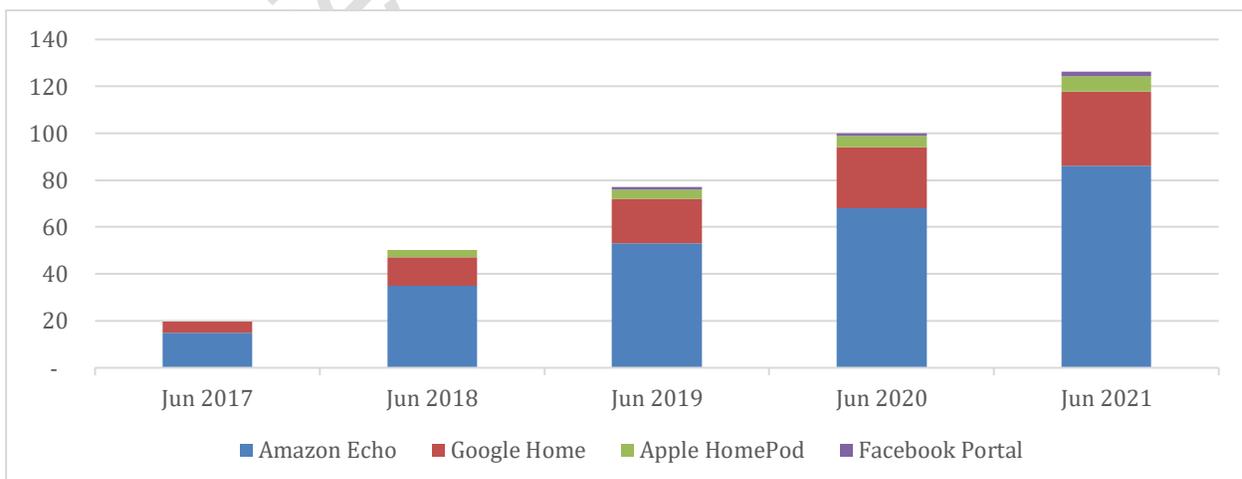
Amazon continues to dominate, with Google slowing, and Apple largely absent

CIRP analyzed the US market for smart speakers, including Amazon Echo, Google Nest/Home, and Apple HomePod devices of all models. Based on this analysis, since 2017 Amazon has maintained a dominant share of the installed base of devices, accounting for over two-thirds of smart speakers in US homes. Google has about one-quarter, and Apple and Facebook have the remaining small share.

By June 2021, the installed base of smart speakers reached 126 million units (Chart 1). It grew fast and steadily since Jun 2017, when it was only 20 million units. Further, Amazon and Google have succeeded in building a base of homes with multiple smart speakers. 43% of Amazon Echo owners and 38% of Google Nest/Home owners have more than one device.

Among manufacturers, Amazon has the dominant share of the installed base, with 69% as of June 2021. Google grew its share initially after launching Home in late 2016 and saw its share of the then-smaller installed base reach 31% at the end of 2017. Amazon continued to promote its Echo device and broaden its product line aggressively, as Google, and Apple and Facebook, introduced and promoted their devices. Consequently, Amazon maintained a two-thirds share of the installed base through June 2021.

Chart 1: Smart speaker installed base (millions of units)

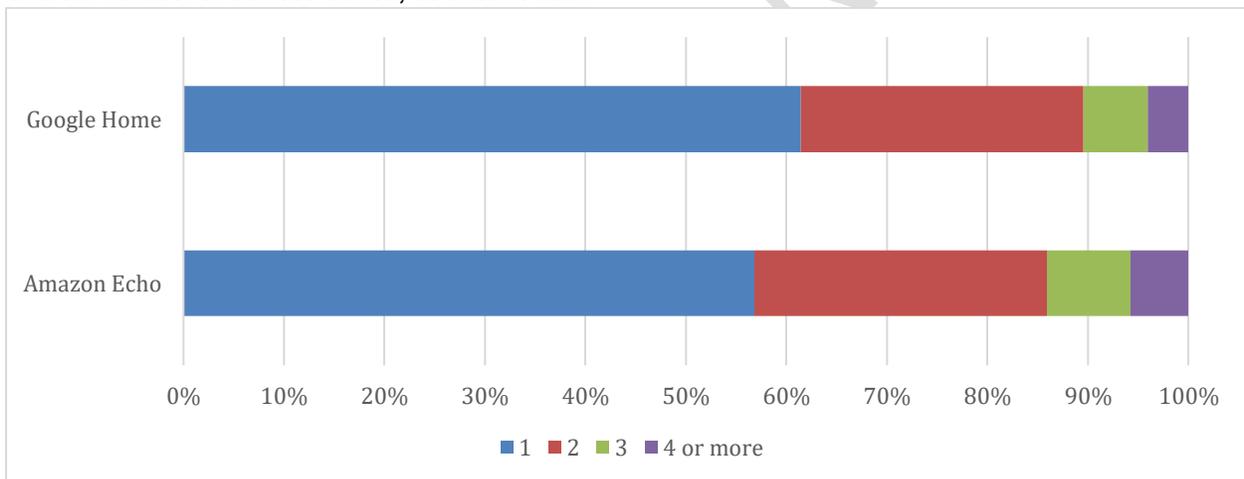


Apple and Facebook introduced smart speakers somewhat later, and at higher price points compared to the aggressively priced and promoted entry-level Amazon Echo Dot and Google Home mini models. Apple and Facebook both failed to gain a significant share of sales and thus account for a very small portion of the installed base.

Amazon also has a larger share of smart speaker households. Based on CIRP analyses and accounting for houses with multiple devices (below), we estimate over 50 million US homes have at least one Amazon Echo device and about 23 million homes having at least one Google Nest/Home device. Manufacturers seek to sell multiple devices to consumers, to create a greater barrier to switching to competing systems. By this measure, Amazon has succeeded, with multiple devices in over 20 million US households. For comparison, Google has about 8 million multiple Nest/Home device households and Apple has only two million with more than one HomePod.

Overall, the leading manufacturers succeeded in selling multiple devices to their customers. Over 40% of customers own more than one device (Chart 2, excluding Apple and Facebook due to sample size).

Chart 2: Number of devices owned, as of June 2021



Amazon leads among the most dedicated smart speakers as well. 14% of Amazon Echo owners own 3 or more devices, compared to 10% for Google.

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Consumer Intelligence Research Partners, LLC
111 West Washington Street, Suite 900
Chicago, IL 60602
(312) 344-3664
info@cirpllc.com
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