

FOR IMMEDIATE RELEASE

Amazon Echo Dot Drives Fast Growth

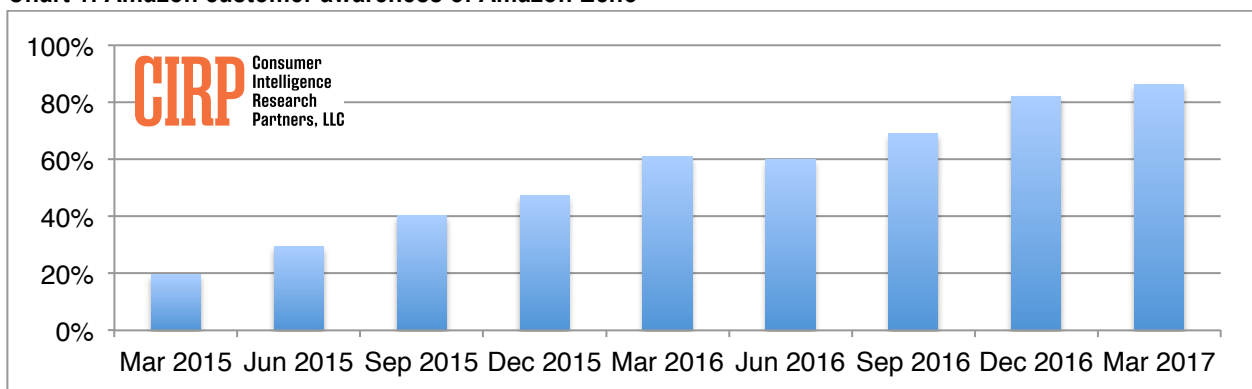
Estimate Over 10 Million Echo Homes in US

CHICAGO, IL – Monday, May 8, 2017 - Consumer Intelligence Research Partners, LLC (CIRP) released analysis of Amazon Echo from Amazon, Inc. (NASDAQ:AMZN).

This analysis indicates that 10.7 million US Amazon customers have an Amazon Echo device, purchased since its late-2014 introduction. Awareness of Amazon Echo among US Amazon customers increased dramatically in the past twelve months, and Echo owners use it as a voice-responsive Internet query device and household controller, in addition to a streaming music speaker.

CIRP estimates that among US Amazon customers, awareness of Amazon Echo increased to 86% as of March 31, 2017. It increased from 61% at the same time one year ago (at March 31, 2016) and from 20% as of March 31, 2015, the first full quarter following its introduction (Chart 1).

Chart 1: Amazon customer awareness of Amazon Echo



“Growth in consumer awareness may be reaching a plateau,” said Josh Lowitz, Partner and Co-Founder of CIRP. “But we would expect that, as awareness is nearing saturation within the US Amazon customer base.”

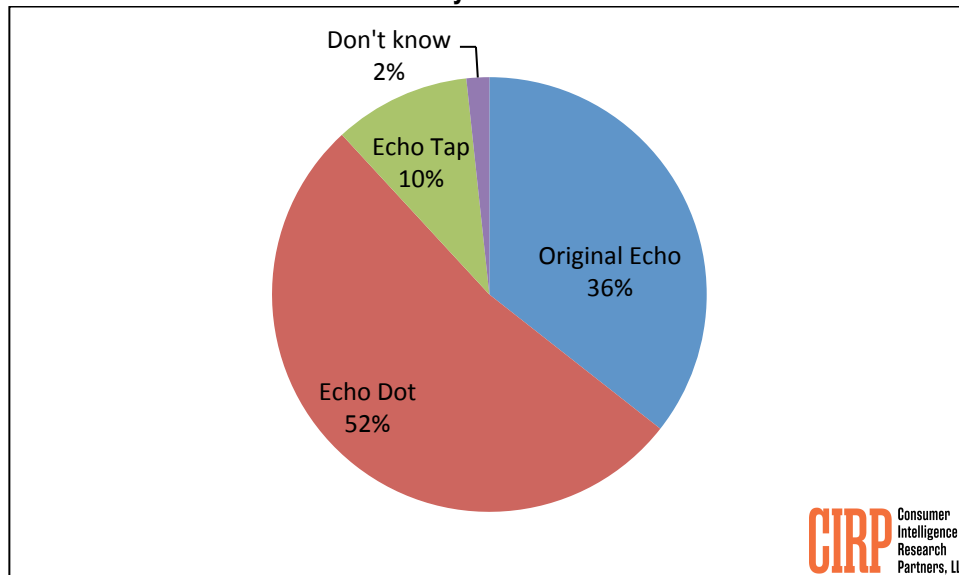
Based on our research, CIRP estimates that approximately 10.7 million US Amazon customers own an Amazon Echo device, including the original Echo, Echo Dot, and

Echo Tap. Based on this Echo ownership estimate, we calculate that Amazon sold approximately 2.5 million Echo devices in the US in the January-March 2017 period.

“The installed base of Amazon Echo devices in US homes continues to grow,” said Mike Levin, Partner and Co-Founder of CIRP. “In a slower retail quarter, Amazon grew the US Echo count by almost 25%. Even more impressive, the installed base more than tripled in the past year, from about 3 million units as of March 31, 2016.”

Amazon now offers three Echo models: the portable Echo Tap and low-priced Echo Dot, in addition to the original Echo. As of March 31, 2017 the Echo Dot accounts for greater than half of all Echo units in use (Chart 2).

Chart 2: Amazon Echo installed base by model



“The Echo Dot definitely helped drive Echo sales since the release of the second-generation model in October 2016,” added Lowitz. “Amazon priced it aggressively, offered big discounts during the holiday season, and offered promotions for purchasing multiple units to encourage gifting and multi-room home use.”

CIRP bases its findings on surveys of 500 US subjects who made a purchase at Amazon.com in the period from January-March 2017. For additional information, please contact Mike Levin (mike@cirpllc.com) or Josh Lowitz (josh@cirpllc.com) at 312.344.3664. Further information on CIRP, which provides securities research to the investment community using advanced consumer market research strategies, methods, and techniques, is at www.cirpllc.com.

- END -