



Amazon Regains Leadership in European Smart Speaker Market, but Google Still Number 1 in Smart Home Space, Says IDC

LONDON, September 30, 2019 — In the second quarter of the year, the smart home market reached 22 million units in Europe, growing 17.8% from the second quarter last year, according to data from International Data Corporation's (IDC) Worldwide Smart Home Device Tracker. Even though Central and Eastern Europe (CEE) registered the biggest growth (43.5% year over year), Western Europe remains the biggest market, accounting for 86.7% of the total volume.

Between April and June, 4.1 million smart speakers were shipped to Europe — an increase of 33.2% year over year.

"Google took the first place in the European smart speaker market in 1Q for the first time but that didn't last long," said Antonio Arantes, senior research analyst for smart home devices in Western Europe. "Amazon released the Echo Show 5 and regained the leadership after the supply issues that affected the brand in the first quarter of the year."

"The biggest annual growth was recorded by smart speakers, with Google and Amazon leading the segment in CEE," said Jan Prenosil, senior research analyst for smart home devices in Central and Eastern Europe. "Consumers consider local language support as essential when deciding which device to purchase."

The European smart home market is expected to grow from 107.8 million units in 2019 to 185.5 million units in 2023, growing at a compound annual growth rate (CAGR) of 14.5%. Video entertainment and smart speakers will be responsible for 65% of shipments in 2023.

"Smart TVs suffered from a really good second quarter in 2018 driven by sports events and related promotions," said Arantes. "This category is expected to recover and continue growing both in volume and value. New operating systems will enter the Western Europe market and embedded smart assistants will become a standard feature in smart TVs." According to Prenosil, the ongoing transition to the DVB-T2 standard, improving content, and better picture quality will have a positive impact on video entertainment in CEE.

Category Highlights

Video entertainment devices, which include smart TVs and digital media adapters, accounted for 56.8% of the European smart home market in 2Q19. Although this product category is

forecast to experience the smallest growth over the next five years, it is still expected to be the largest category by 2023, with 41.7% market share.

Smart speakers continued their growth in 2Q19 and reached a market share of 18.7%. Samsung is expected to release a smart speaker with Bixby in 2019, which will bring another voice assistant to this competitive market.

Lighting, home security monitoring, and thermostats accounted for 20.5% of the smart home market and they are expected to represent 30.1% of total shipments by 2023.

Europe Top 5 Smart Home Vendor Shipments, Market Share, and YoY Growth, 2Q19 (Shipments in Thousands)

Figure 1

Vendor	2Q19 Shipment Volume	2Q19 Market Share	2Q18 Shipment Volume	2Q18 Market Share	Year-Over-Year Change
1. Google	3,480	15.8%	2,985	16.0%	16.6%
2. Amazon.com	3,363	15.3%	2,616	14.0%	28.5%
3. Samsung	2,872	13.0%	2,470	13.2%	16.2%
4. LG Electronics	2,127	9.7%	2,020	10.8%	5.3%
5. Sony	1,191	5.4%	1,187	6.4%	0.3%
Others	8,976	40.8%	7,397	39.6%	21.3%
Total	22,009	100.0%	18,677	100.0%	17.8%

Source: IDC Worldwide Quarterly Smart Home Device Tracker, September 2019

Europe Smart Home Devices Forecast by Category, 2019–2023 (Shipments in Thousands)

Figure 2

Product Category	2019 Shipments*	2019 Share*	2023 Shipments**	2023 Share**	CAGR 2019–2023
Video entertainment	60,389	56.0%	77,257	41.7%	6.4%
Smart speaker	22,490	20.9%	43,291	23.3%	17.8%
Lighting	6,560	6.1%	28,495	15.4%	44.4%
Home monitoring/security	11,625	10.8%	21,536	11.6%	16.7%
Thermostat	2,909	2.7%	5,856	3.2%	19.1%
Others	3,821	3.5%	9,022	4.8%	24.0%
Total	107,794	100.0%	185,457	100.0%	14.5%

Source: IDC Worldwide Quarterly Smart Home Device Tracker, September 2019

* Historical data from 2Q19 + forecast data from 3Q19 and 4Q19

** Forecast data

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