



Google Overtakes Amazon to Lead the European Smart Home Market in 1Q19, says IDC

LONDON, July 2, 2019 — In the first quarter of this year, the smart home market in Europe grew 23.9%, reaching 21.3 million units shipped to the region, according to data from International Data Corporation's (IDC) Worldwide Quarterly Smart Home Device Tracker. Western Europe is responsible for 88.3% of the region share, but Central and Eastern Europe had the biggest increase (31.2% year over year).

Smart speakers grew 58.1% to 3.35 million units shipped, accounting for 15.8% of the market, making it the second largest product category. In this space, Google Home devices were responsible for 45.1% of smart speakers shipped, opposed to 41.8% from Amazon Echo devices.

"Google had a stellar quarter and was the clear winner in the first quarter, reaching an important milestone in Europe," said Antonio Arantes, senior research analyst for Smart Home devices in Western Europe. "Google continues to expand to new countries and support new native languages at a faster pace than Amazon. This is also contributing to strengthening its position in voice assistant platforms. Google Assistant was present in 49.2% of all smart speakers sold in Europe in the first quarter of 2019. Meanwhile, Amazon faced supply issues, with the Amazon Echo Dot being out of stock in some countries for several weeks, leaving space for Google Home products to grow."

The smart home market is forecast to reach 107.8 million units in 2019, growing 21% from the previous year, and to reach 183.9 million in 2023, with video entertainment and smart speakers being the two main categories in this space.

Category Highlights

Video entertainment devices, which include smart TVs and digital media adapters, shipped 12.7 million units in 1Q19, increasing 11.2% annually. Smart TVs are still the biggest product in this category.

The **smart speaker** category had its best first quarter of the year since launching in Europe. Even though Google Assistant reached the leadership in this category in 1Q19, it is expected that Alexa will remain the number one voice assistant in 2019, only being surpassed by Google AI Platform in 2022.

Lighting, home security/monitoring and thermostats accounted for 20.8% of the smart home market in 1Q19. The three categories combined are expected to grow 9.5 p.p. in market share with a compound annual growth rate (CAGR) of 27.11% between 2019 and 2023. These categories will grow as a result of the adoption of smart speakers by more consumers and the desire and curiosity of controlling devices through voice.

Europe Top 5 Smart Home Vendor Shipments, Market Share and YoY Growth, 1Q19 (Shipments in Thousands)

Figure 1

Vendor	1Q19 Shipment Volume	1Q19 Market Share	1Q18 Shipment Volume	1Q18 Market Share	Year-Over-Year Change
1. Google	3,575	16.8%	2,612	15.2%	36.9%
2. Samsung	2,853	13.4%	2,391	13.9%	19.3%
3. Amazon.com	2,810	13.2%	2,357	13.7%	19.2%
4. LG Electronics	2,129	10.0%	2,030	11.8%	4.9%
5. Sony	1,231	5.8%	1,250	7.3%	-1.5%
Others	8,670	40.8%	6,530	38.1%	32.8%
Total	21,268	100.0%	17,170	100.0%	23.9%

Source: IDC Worldwide Quarterly Smart Home Device Tracker, June 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	59,693	55.4%	76,110	41.4%	6.3%
Smart speaker	23,069	21.4%	43,314	23.6%	17.1%
Lighting	6,739	6.3%	28,385	15.4%	43.3%
Home monitoring/security	11,667	10.8%	21,418	11.6%	16.4%
Thermostat	2,903	2.7%	5,825	3.2%	19%
Others	3,698	3.4%	8,813	4.8%	24.3%
Total	107,769	100.0%	183,865	100.0%	14.29%

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

*Historical data from 1Q19 + forecast data from 2Q19 to 4Q19

**Forecast data

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