

# New Growth Segments: Digital Assistants Are Ready for Their Close-Up

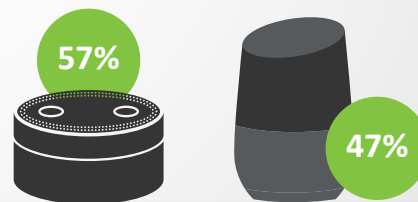
The U.S. consumer electronics market faces significant shifts and challenges. To stay ahead of the game, you'll need a clear understanding of what lies ahead through the eyes of the people who will be buying your products, including digital assistants. **Consumers' awareness of digital assistants is already high.**

**In the coming 12 months we expect strong sales based on purchase intentions v. ownership rates, and the expected growth in proxy categories like home automation.**

Men, in particular, find them appealing — they're more likely to own and purchase a digital assistant in the near future. Millennials (**ages 25-34**) have leapt aboard, too.



**Awareness is high for this category:** 57% of U.S. adults are aware of Amazon's Alexa-powered Echo and Dot devices; and 47% are aware of Google Home.



All of this bodes well for sales. They're strong and getting stronger. Products in related categories, such as home automation, are seeing sales spikes, as well. In fact, we expect digital assistants to drive growth in certain traditional tech categories as manufacturers race to take to market compatible devices.

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“As Google Home and Alexa integrate with the growing smart home market, they'll act as joint catalysts to move the entire segment forward. We'll see some growth this year, but it's starting from a very low baseline so keep expectations in check. In 2018, we're likely to see them claim a major piece of the consumer market, and in so doing, drive adoption of compatible devices and solutions.”

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**Stephen Baker**

Vice President, Industry Analyst, Technology, The NPD Group

*Source: The NPD Group / Future of Tech report*

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