



VOICE SHOPPING CONSUMER ADOPTION REPORT

JUNE 2018

IN COLLABORATION WITH: **Voysis™**

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About Voicebot

Voicebot produces the leading online publication, newsletter and podcast focused on the voice and AI industries. Thousands of entrepreneurs, developers, investors, analysts and other industry leaders look to Voicebot each week for the latest news, data, analysis and insights defining the trajectory of the next great computing platform. At Voicebot, we give voice to a revolution.



About Voysis

Voysis is the Complete Voice AI Platform. We believe that Voice AI should be accessible and easy for any business to adopt so that all interactions with their technology can be as natural and efficient as human ones. Our mission is to democratize voice capabilities to enable any retailer and brand to have their own brand-specific voice commerce experience right within their apps and websites.

Voysis™



Voice Shopping is Moving Quickly

Voice commerce is poised to become the third key online channel for shopping, joining web and mobile. We have already seen forecasts suggesting voice shopping will account for \$40 billion in U.S. consumer spending by 2022.

Voice commerce is poised to become the third key online channel for shopping, joining web and mobile. We have already seen forecasts suggesting voice shopping will account for \$40 billion in U.S. consumer spending by 2022. Consumers are migrating to voice interfaces for product discovery, comparison shopping and purchases. Most media and analyst coverage attributes the rapid adoption of smart speakers to the rise of voice shopping but the full story is more nuanced.

VOICE IS BOTH A CHANNEL AND AN ENABLER

It is true that voice on its own already represents a consumer shopping channel. You need look no further than instantaneous voice ordering facilitated through Amazon Alexa or Google Assistant to recognize voice shopping as something new. However, voice is also an enabler for online shopping on the web and through mobile. Websites and mobile apps are beginning to add voice interaction as complementary to their traditional click and touch interfaces. This adds convenience and introduces entirely new features.

MORE THAN 50% OF VOICE SHOPPING TODAY IS ON SMARTPHONES

Smart speakers are clearly driving a lot of interest in voice interactivity, but today more than half of voice shopping activities are conducted through smartphones. Our survey found 79% of U.S. adults own smartphones and Pew Research Center reports another 18% have feature phones compared to about 21% that own smart speakers.



METHODOLOGY

The survey was conducted online during the last week of May 2018 and was completed by 1,203 U.S. adults age 18 or older that were representative of U.S. Census demographic averages. Because we reached only online adults which represent 89% of the population according to Pew Research Center, some totals are adjusted downward to provide device and usage numbers relevant to the entire adult population. Other findings are relative to online shopping, smartphone and smart speaker user segments and do not require adjustment.

This near ubiquitous ownership of smartphones and feature phones means that there are many more people that will be exposed to voice shopping first through mobile devices. That is already playing out in today's data. We even found that more people have shopped using voice through their computer than smart speakers. That number will soon change as smart speaker ownership rises. However, mobile's headlock on voice shopping won't soon be relinquished. It's a simple matter of numbers combined with established consumer behavior. Any discussion of voice shopping must begin with smartphones given their wider reach and usage

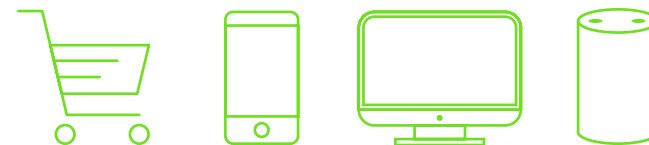
AN ALL-OF-THE ABOVE VOICE FUTURE

As retailers and brands start looking closely at their voice commerce plans, it is clear that they need an all-of-the-above strategy. They must account for the rise of shopping on smart speakers and also add voice to their mobile apps and even websites. Small mobile screens and error-prone keyboard entry have already made voice search commonplace while on-the-go and it is even rising on computers. Gartner predicts that 30% of webpage visits will be by voice in 2020 and ComScore estimates voice will account for 50% of all search the same year.

Voice search is the gateway into voice shopping. Once you start navigating by voice, it is convenient to continue with that process all of the way to checkout and purchase confirmation. The challenge is that many retailers and brands cannot yet accommodate the full voice shopping journey. Those that enable voice shopping features will have a significant advantage in the coming years.

HOW TO USE THIS REPORT

Voicebot.ai and Voysis collaborated on the Voice Shopping Consumer Adoption Report because we realized that much of the data and analysis around this topic painted an incomplete picture of the voice commerce landscape and where it is headed. In the following pages we provide a detailed summary of consumer activity today and some early examples of how voice is being incorporated in shopping on smartphones, smart speakers and the web. We look forward to feedback and debate around the findings and hope it becomes viewed as a valued resource for retailers, brands and everyone else interested in the present and future of voice shopping.



A wide-angle photograph of the main concourse of Grand Central Terminal in New York City. The image is overlaid with a semi-transparent purple grid of dots. In the center, a circular information kiosk is surrounded by people. The background features the iconic arched windows and the balcony with the 'TO VANDERBILT AVENUE' sign. The word 'Consumers' is written in large white letters across the middle of the image.

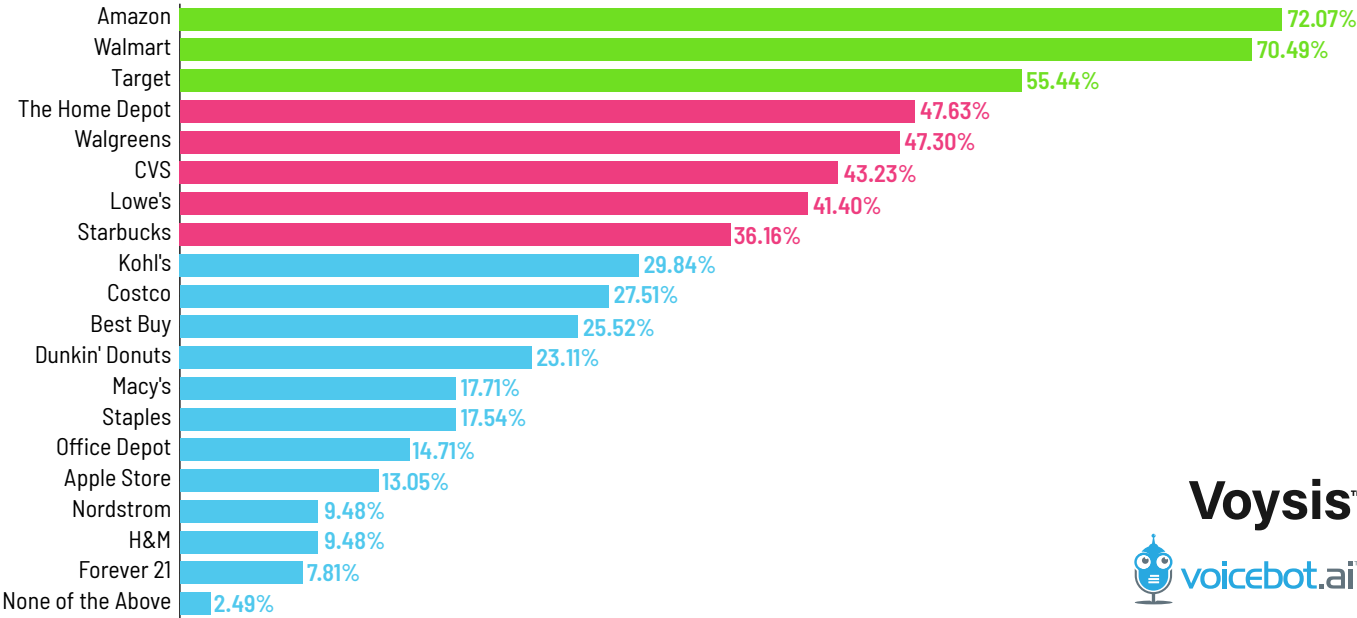
Consumers

Amazon Tops List of Retailers Shopped in Past Six Months

There are two top dogs in U.S. retailing, a relatively close third place player followed by category leaders and everyone else far behind. No one will be surprised that when we asked U.S. consumers what retailers they had shopped at in the past six months, Amazon and Walmart topped the list.

What we thought was even more interesting was that people who had tried voice commerce shopped at the listed retailers at nearly the same rate as those that had not. All but two were well within the survey margin of error. The outliers were Best Buy and The Home Depot. Voice shoppers were more likely to be Best Buy shoppers than the average consumers and people that frequent The Home Depot are slightly less likely to have tried voice commerce. This finding suggests that voice commerce has broad appeal across retail categories and it is a shopping channel every retailer will need to support.

Retailers U.S. Consumers Visited in the First Half of 2018



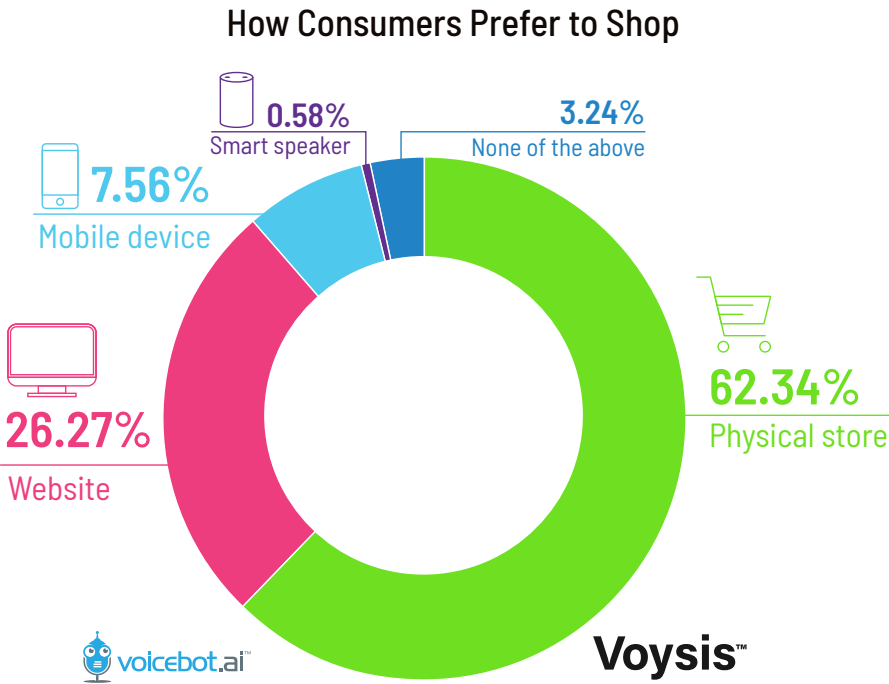


Consumers Still Prefer Shopping at a Physical Store

But one third now prefer online, mobile or voice

Most people still prefer the physical shopping experience, but online methods are growing fast in popularity. When forced to choose a favored shopping method, 62.3% choose physical store shopping followed by 26.3% for web, 7.6% on mobile and just 0.58% on a smart speaker.

Note that this is a device based preference for digital shopping and we didn't break out voice separately since it can be used on mobile and web as well. Also, consumer preference for web, mobile and voice shopping not only exceeds the rate of overall spending online, they are preferred methods for one third of consumers.



Mobile and Voice Shopping Show Age Divide

Website-based online shopping is equally preferred across age groups by about 26% of online consumers. However, there is a difference when it comes to preferences for physical store shopping versus mobile and voice shopping. 18-44 year olds are 2.4 times more likely than 45+ adults to rate mobile shopping as their preferred method (11.13% : 4.71%) and 8.5 times more likely to rate voice shopping as their preference (1.32% to 0.16%).

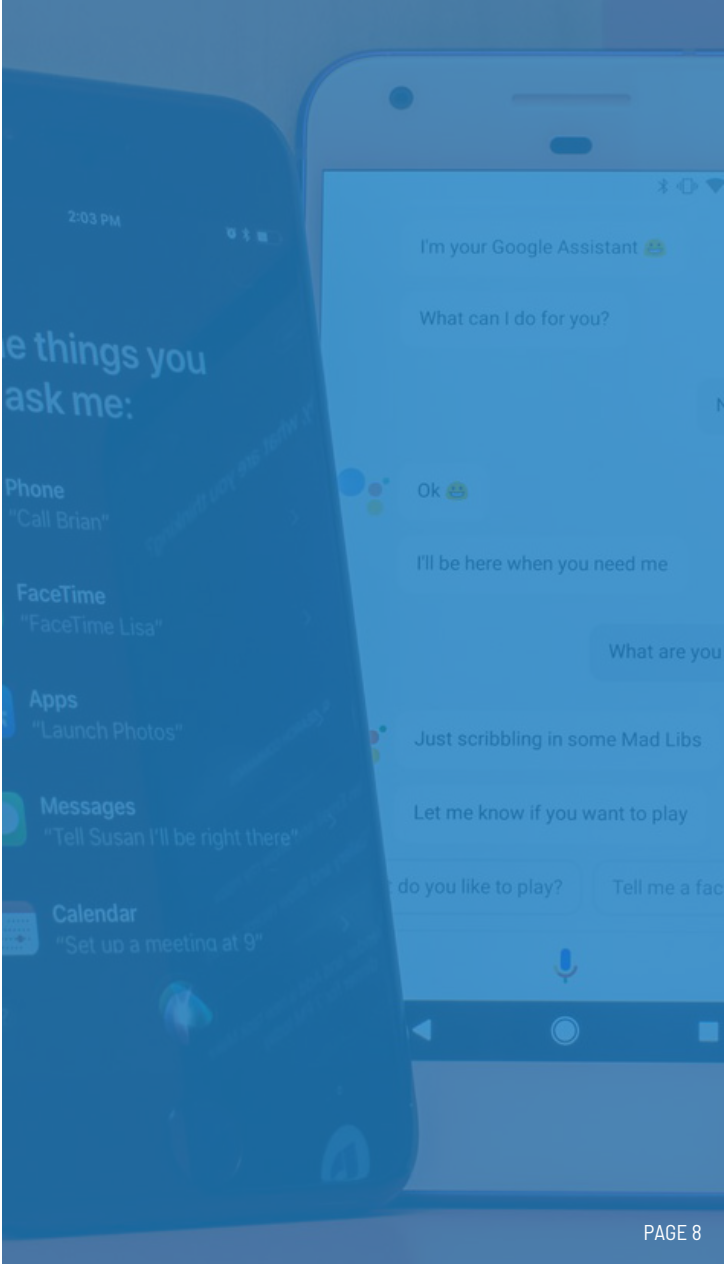
The data show that website shopping has become pervasive and mainstream whereas mobile and voice shopping are still largely driven by younger consumers in terms of preferences. However, preferences aren't everything. There is often a difference between what consumers say they prefer and what they actually do in practice. We also saw that trial rates for mobile and voice shopping far outpaced stated preferences.

Under 45 Shoppers 2.5x More Likely to Prefer Mobile and Voice Shopping

Ages 18 - 44



Ages 45+

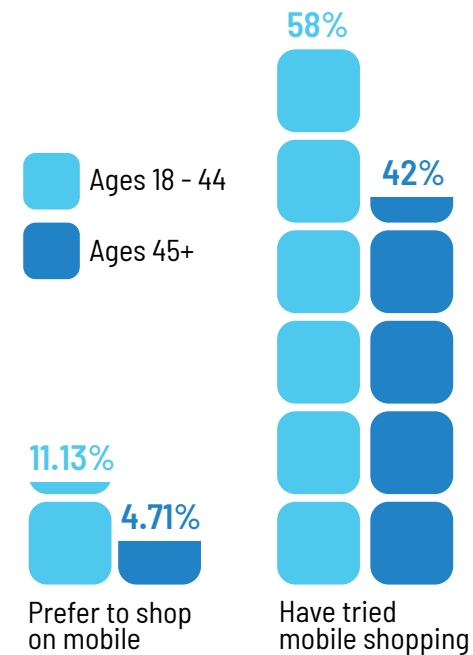


Mobile and Voice Shopping Trial Rates Exceed Preferences

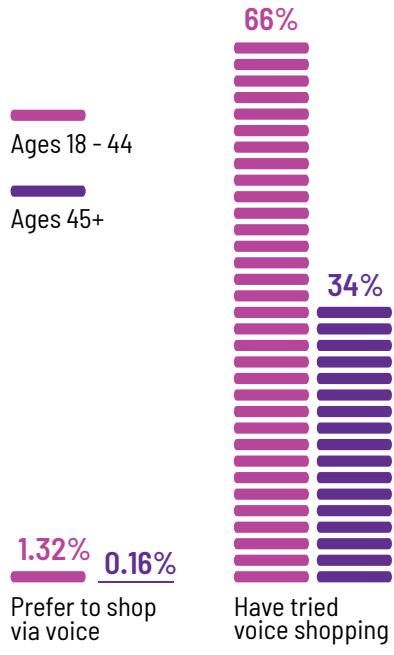
Although the 45+ age group shows lower preference for shopping by mobile, that hasn't stopped them from trying it. While only 4.71% prefer it to other shopping channels, 2 out of 5 have tried it. Don't confuse preference with usage. Old habits die hard and new habits start with trial and familiarity.

The under 45 age group shows a similar pattern with voice shopping. A small number expressed a preference for voice today, but two-thirds have tried it. Even in the over 45 age group more than one-third have tried voice shopping. Given how few options there are to participate in voice shopping today, the numbers are higher than expected.

Over 40% of 45+ Adults Have Tried Mobile Shopping



Two-Thirds of Voice Shoppers Are Under 45





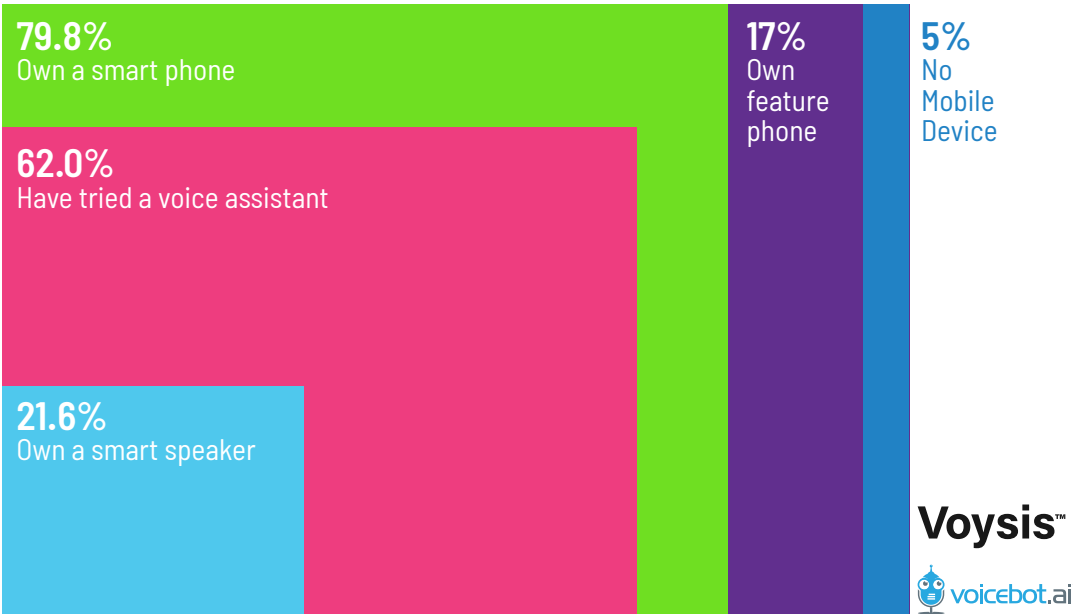
Smartphones & Voice Assistants

Voice Assistant Use on Smartphones is Three Times Higher Than Smart Speakers

Nearly 80% of all consumers own smartphones when you adjust for those that are not online and 62% have tried a voice assistant. That compares to 21.6% that own smart speakers of which nearly all report using the embedded voice assistant which isn't surprising since the devices are non-functional without them. Voice is widely used on smartphones and significantly higher than smart speakers today due to much higher levels of access.

Smart speakers dominate the media discussion about voice today, but it is important to recognize that voice on smartphones has more overall reach and usage. Google Assistant provides essentially the same breadth of functionality on both sets of devices. It is as capable on smart speakers as Amazon Alexa and more capable than Siri on smartphones. Siri has fallen behind in voice features on smartphones and its functionality on the HomePod smart speaker is even more limited than what is offered on iPhone. Alexa is available on both iOS and Android smartphones and includes most of the capabilities resident on Echo. However, it has far less integration into smartphone functions compared to Google Assistant and Siri.

Voice Assistants Are More Prevalent on Smartphones Than Smart Speakers



Source: Voicebot.ai / Voysis / Pew Research Center 2018

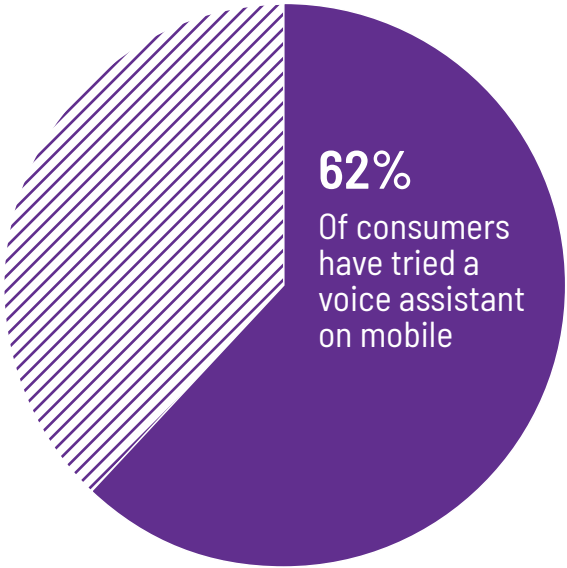
Many Have Tried Voice Assistants on Mobile

But habits are still forming

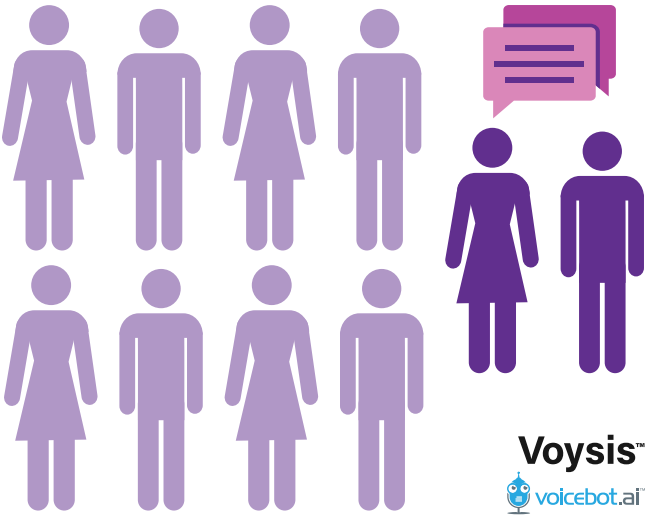
Almost 75% (74.4%) of smartphone owners have used a voice assistant on the device, but only 20.5% report doing so monthly. This means there is a significant gap between trial and regular use. Historically, voice assistants on mobile have been used for messaging, setting alarms, search and other utilitarian tasks. That is about the extent of how you can use Siri, but Google

Assistant has far broader capabilities that users still need to discover. In addition, many of the gaps in Siri's limitations can be filled by using Alexa through the Amazon shopping app, soon within the Alexa iOS app itself and today using the Google Assistant iOS app. A key objective for voice assistant providers will be to reframe for users what they can do.

Nearly Two-Thirds Have Tried Voice



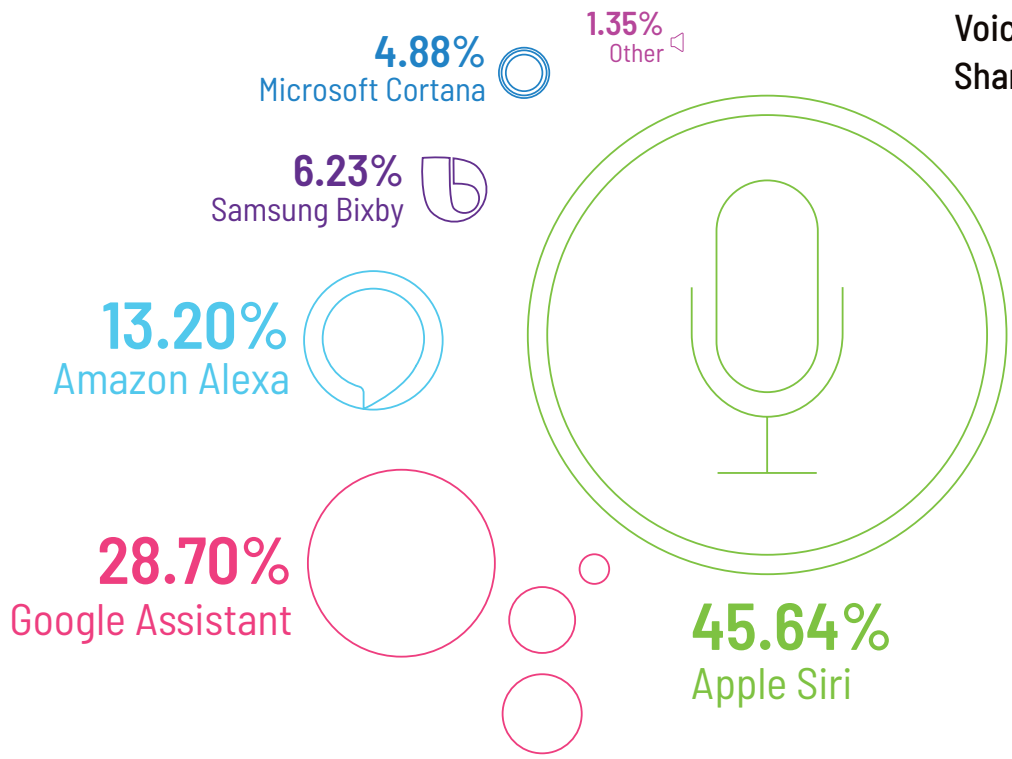
20% of Smartphone Owners Use Voice Assistants Monthly



Siri Still Leads for Voice Assistant Usage on Mobile

Apple Siri is the most widely used voice assistant by a wide margin followed by Google Assistant. Third place falls to Amazon Alexa which doesn't have its own mobile device but is accessible through both iOS and Android based smartphones. Google Assistant is much newer than Siri so that likely accounts for some of the disparity.

However, Google also has Samsung Bixby on Android OS phones as a direct competitor. At 6.2% of voice assistant usage on smartphones, that alone accounts for one-third of Google Assistant's gap with Siri. Now that Google Assistant is available on over 500 million devices worldwide and well over 100 million in the U.S., you should expect it to catch up and pass Siri in the coming year. The bigger question is whether Siri will significantly expand its capabilities and how much traction Alexa and Cortana can get on mobile devices that are captive to operating systems owned by key rivals.



Voice Assistant Market Share on Smartphones May 2018

Smart Speakers





Smart Speaker Reach Passes 50 Million U.S. Adults

21.6% of Population

Smart speaker users surpassed 50 million U.S. adults for the first time in May 2018. Consumers with access to a smart speaker rose to 21.6% of U.S. adults or 54.4 million people That reflects a 9.7% rise in smart speaker reach in just four months. That doesn't mean there are 54 million smart speakers in circulation. It means that many adults have access to a smart speaker which are multi-user devices. So, multiple members of a household may all use a single device. And, this analysis was limited to adults. The reach is even greater when accounting for children.

US Smart Speaker Total Audience Reach May 2018

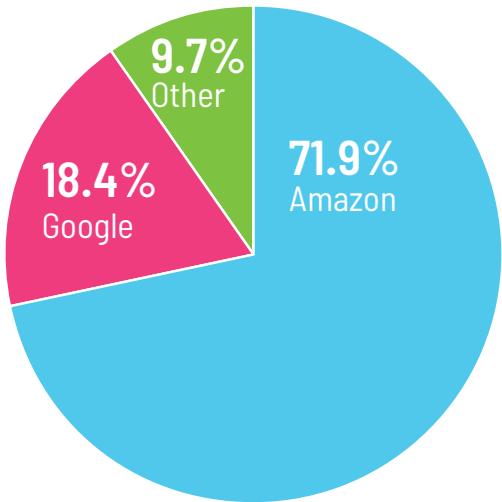


Amazon Echo Still Leads But Google Assistant is Gaining

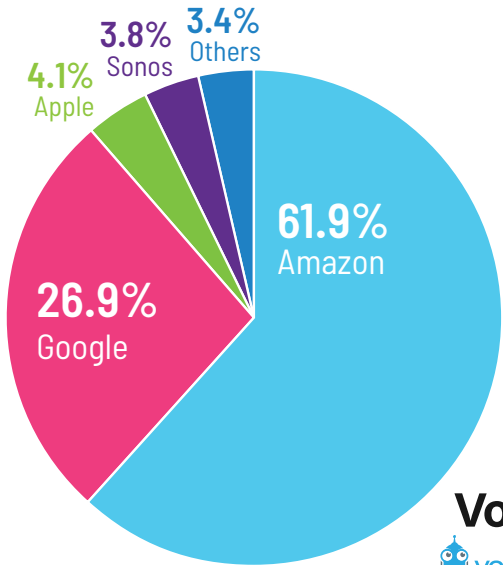
Amazon still leads the pack in smart speaker user reach but Google is rapidly closing the gap. Data from a previous Voicebot analysis suggested that Google Home had about 7% market share in December 2016. By January 2018 that number had risen to 18.4% and four months later it rose again to 26.9%. It is not that Amazon is giving up users per se. More likely it is new users giving Google Home a try.

Apple, Sonos and the “Other” category all break up 12% share evenly with Apple debuting at 4.1%. Amazon and Google have clear leadership but it appears that new smart speaker buyers are consistently eroding Amazon’s market share. It may be that Amazon Prime loyalists already have an Echo device and new buyers are favoring Google and Apple solutions. A caveat is that much of the “Other” category and all of Sonos One devices are actually driven by Alexa. So, you can add nearly eight points of market share to Amazon to get a more accurate Alexa consumer reach for Alexa.

Smart Speaker Market Share - Jan 2018



Smart Speaker Market Share - May 2018

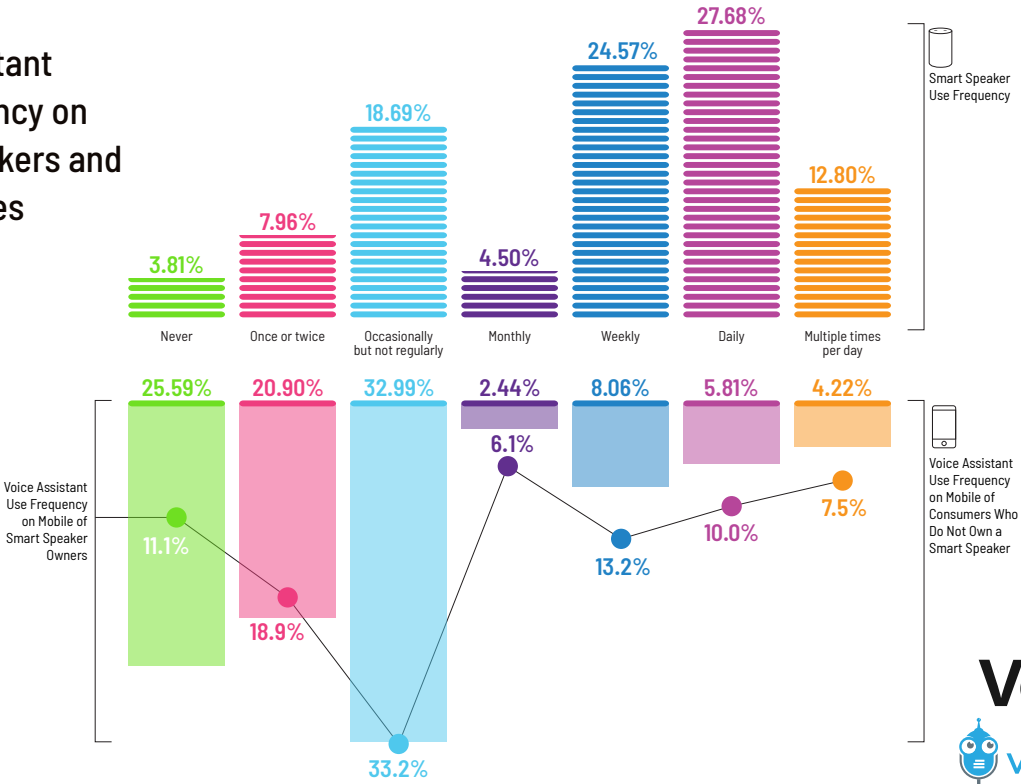


Voice Used More Frequently on Smart Speakers Than Smartphones

Sixty-five percent of smart speakers owners use them at least weekly and 40% at least daily. When these devices enter the home, they are getting regular use. This frequency of use is in contrast with smartphone voice assistant usage at a weekly rate of 8% and daily rate of 6%.

However, we do see an interesting correlation between smart speaker ownership and a higher likelihood to use voice on smartphones. Monthly, weekly and daily users of voice assistants on smartphones are 79%, 68% and 74% higher respectively for smart speaker owners. It appears that when you use voice through one device, you are more likely to use it through other devices as well. The logical conclusion is that increased smart speaker ownership is likely to drive higher use of voice through smartphones.

Voice Assistant Use Frequency on Smart Speakers and Smartphones



A person's hands are visible at the top, holding the handles of several colorful shopping bags. The bags are in shades of orange, red, and blue. The entire image is overlaid with a semi-transparent pink filter. A horizontal band of small, pink, dotted patterns runs across the middle of the image, behind the text.

Voice Shopping

Smartphones Lead in Voice Shopping

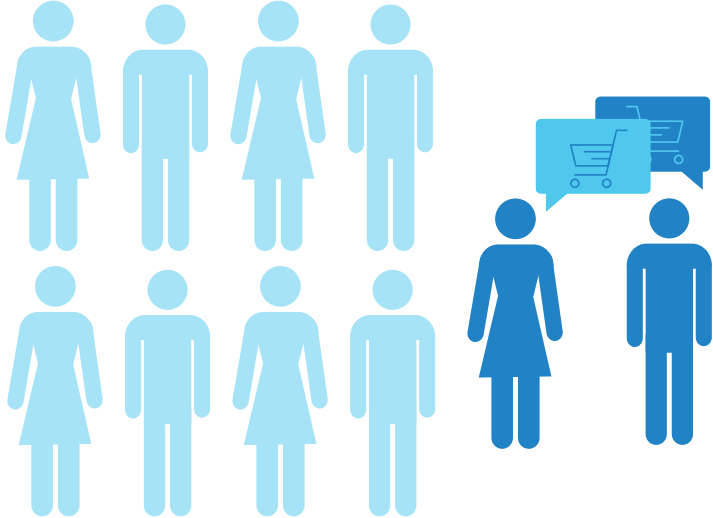
Voice shopping is very new. Siri has been with us since 2011, but the use of voice for the consumer shopping journey has only really emerged in the past two years. Given its short life-span to date, it is remarkable that \$1.8 billion was transacted by voice in 2017 in the U.S. according to OC&C Strategy. And, our data reveal that one-in-five shoppers (21.2%) have used voice in their shopping activities at least once. Over half of those have used a smartphone to access their voice shopping experience.

Coming in second is the PC at 22% of all voice shoppers, followed by smart speakers at just 13%. PCs outpacing smart speakers for shopping? What? When you think about the much larger PC user base this make complete sense. Smart speakers may be better equipped to handle voice shopping, but they are only accessible to 21.6% of U.S. adults today. As that user base grows, it will easily surpass PCs on several metrics.

In fact, you can see the consumer behavior differences already. Survey data show that 26.1% of smart speaker owners have used voice for shopping compared to 21.2% of the general population. That means smart speaker owners are 23% more likely to have used voice shopping than people that don't have the device.

However, among voice shoppers smart speaker owners trail smartphone users by a wide margin today. Over one-half of voice shoppers report using a smartphone while just over one quarter said they used a smart speaker. Given the low penetration of voice shopping today compared to online and mobile shopping, both look to have a lot of potential for growth.

**1 in 5 Consumers
Have Shopped
Using Voice**



1 in 4 Smart Speaker Owners Have Tried Voice Shopping

Whereas only 21.2% of U.S. adults have tried voice shopping, when it comes to smart speaker owners the number rises to 26.1%. That number didn't rise between January and May 2018, but the frequency of voice shopping by smart speaker owners did.

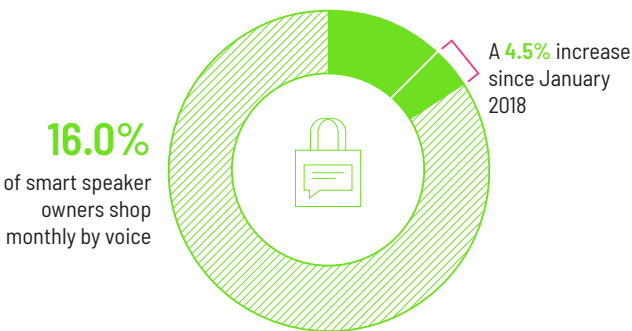
In a January survey Voicebot found that 11.5% of smart speaker owners reported using voice shopping monthly. Four months later that number has risen to 16.0%. This suggests consumers are quickly turning voice shopping into a habit.

A key factor may be promotion. Amazon frequently promotes voice shopping and reordering past purchases in its commercials for Echo smart speakers. It also has a daily deals offering just for Alexa users ordering by voice. Google took this a step further by offering incentives such as a \$25 Google Express credit for voice shopping on its Home line of smart speakers. Once consumers start voice shopping, they appear to do more of it.

Smart Speaker Owners Voice Shopping Experience



Smart Speaker Owners Monthly Voice Shoppers

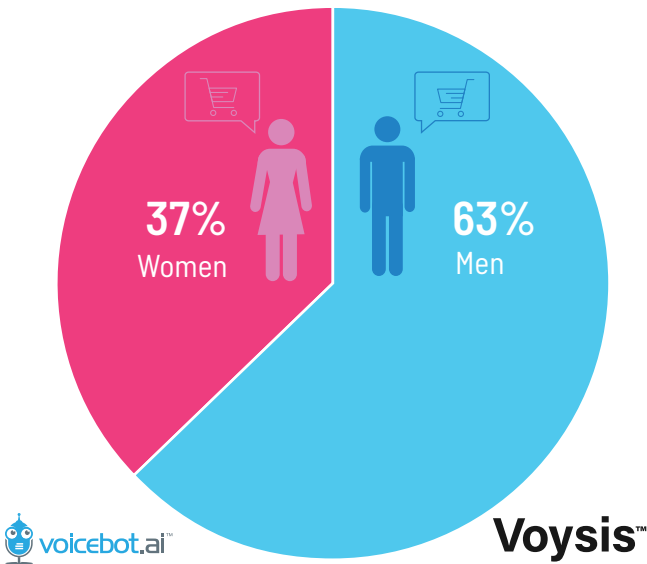


Men Are More Likely to be Voice Shoppers and the Youth Want to be Heard

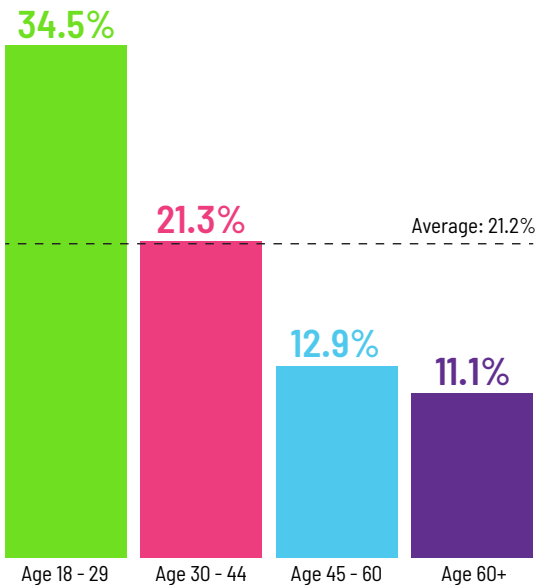
Voice may be breaking down stereotypes about gender and shopping. When it comes to voice shopping, men lead women by 63% to 37%. This was true in every category with voice shopping through smart speakers being even more skewed at 68% to 32%. The closest ratio was voice shopping using an Android smartphone where the separation was only four points at 52% to 48%.

More than one-third of 18-29 year old consumers report having tried voice shopping at least once. That makes them more than twice as likely as the 30+ age groups to have engaged in voice commerce. The 30-44 age group matches the overall average of 21% while only 11-13% of the over 45 age groups report voice shopping experience.

Voice Shopping Experience by Gender



Voice Shopping Experience by Age



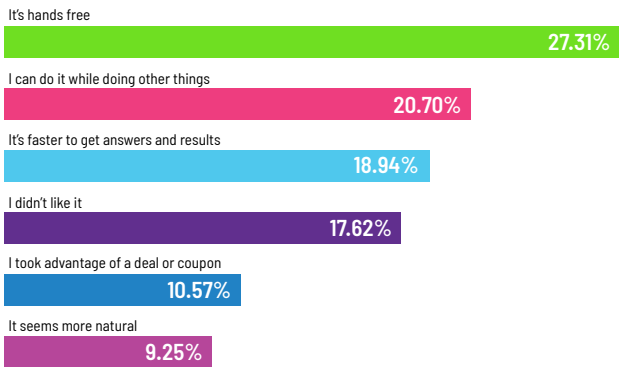


What Consumers Like and Don't Like About Voice Shopping Today

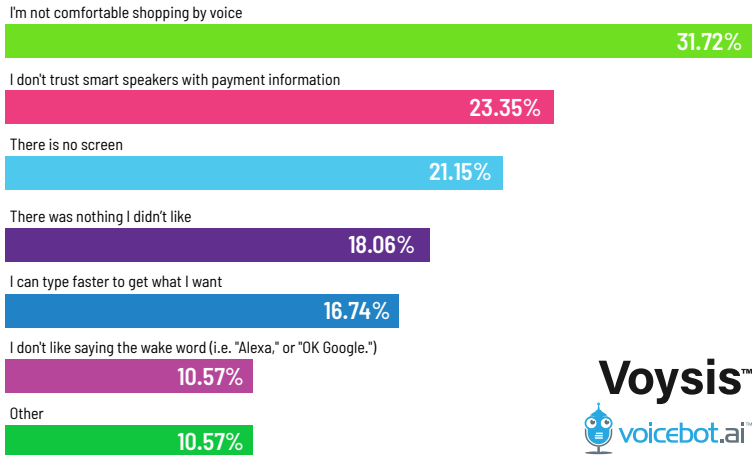
It is noteworthy that 18% of survey participants said they had no dislikes of the process. Key dislikes of the voice shopping experience relate to intangible concerns about feeling uncomfortable with the process or not trusting voice for payment transactions. Over 20% said they didn't like that there was no screen which is a tangible objection about a feature. However, when voice shopping on mobile there is a screen so there is still consumer education to be done about the full breadth of voice shopping options. There will be voice-only shopping as through a smart speaker, but there will also be multimodal experiences where voice will be a convenience for facilitating the process.

Consumers said they liked voice shopping because it is hands free (27.3%), it enables them to multitask (20.7%) and it's faster to get answers and results (18.9%). Using voice to take advantage of deals was less well recognized at 10.6%. That may be because consumers are unfamiliar with this. However, Amazon runs daily deals for voice shoppers through Alexa and Google Express has had similar programs using Google Home. We expect this practice to increase. Interestingly, 17.6% said they didn't like voice shopping which is nearly identical to those that had nothing bad to say about the topic. That places about 40% of voice shoppers in the favorable or unfavorable camp with 60% somewhere in between.

What Consumers Like About Voice Shopping



What Consumers Do Not Like About Voice Shopping

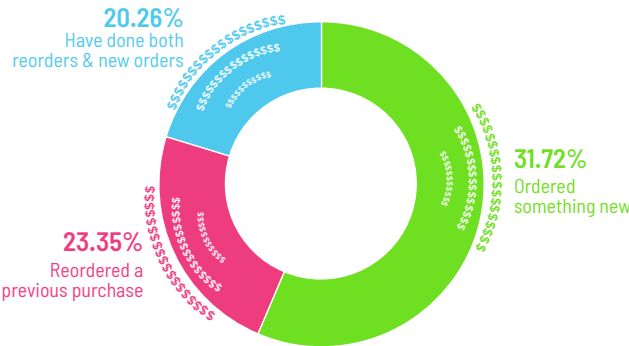


Voice Shoppers Say They Buy New Things That Cost Less Than \$100

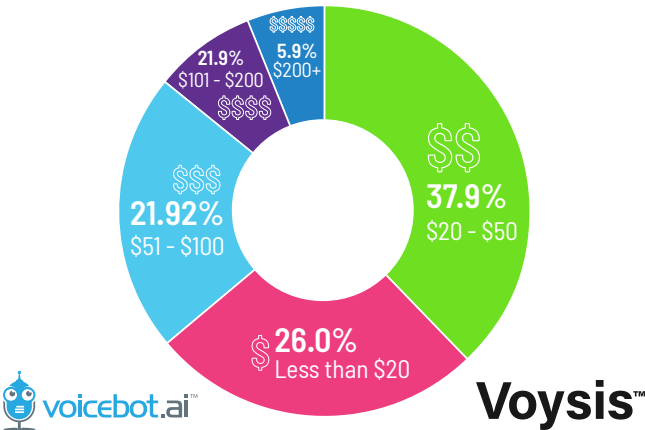
More than half of voice shoppers have ordered something new using voice. Many people think about voice commerce as most suitable for reordering items you have purchased previously and yet we see more consumers saying they are ordering products they have not previously ordered online. One-fifth have used voice shopping for both reordering and new purchases. And, in response to another question, 35.2% of consumers said they think voice is good for reordering products. This means there is a significant opportunity for retailers to introduce recording by voice to consumers.

Over 85% of voice purchases were for \$100 or less. Voice is being used for everyday transactions and is not yet viewed as a channel for higher priced items. This situation could be the result of several factors. First, smaller purchases carry less risk and as a result are good candidates for trying out a new shopping channel. If things do go wrong or are unpleasant, the downside is minimal. Second, it may be that consumers are more discerning about higher priced purchases and are more comfortable with screen-first as opposed to voice-first shopping. It appears that the \$20-\$50 price point today is ideal for voice shopping consum-

Types of Shopper Order Using Voice



Average Voice Shopping Order Amount

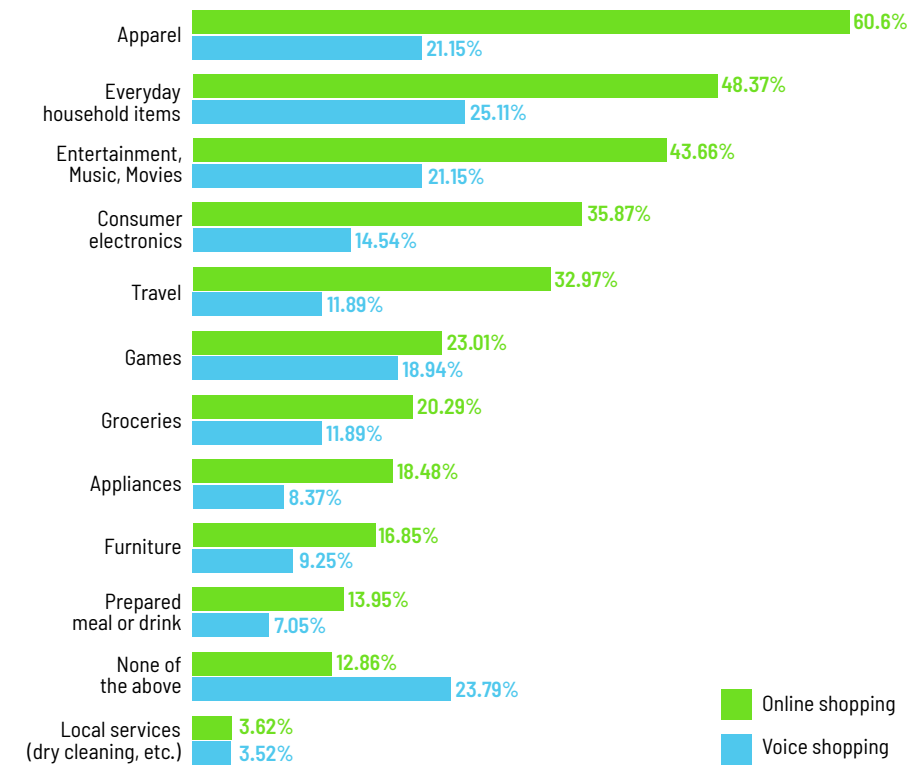


Voice Shopping Categories Nearly Identical to Online Shopping

The data show the most frequently shopping categories using voice are nearly identical to overall online shopping habits. The top three product categories consumers said they had purchased by voice were everyday household items in first followed by apparel and entertainment/music/movies tied for second. For online shoppers overall the top three in descending order were apparel, everyday household items and entertainment/music/movies.

This tells us that voice shopping behaviors are likely to mirror those that were already established for online shopping via web or mobile. This is similar to what we saw related to voice shopping by retailer compared to overall shopping by retailer. Behaviors using voice to shop closely follow common shopping preferences.

What Consumers Buy Using Voice





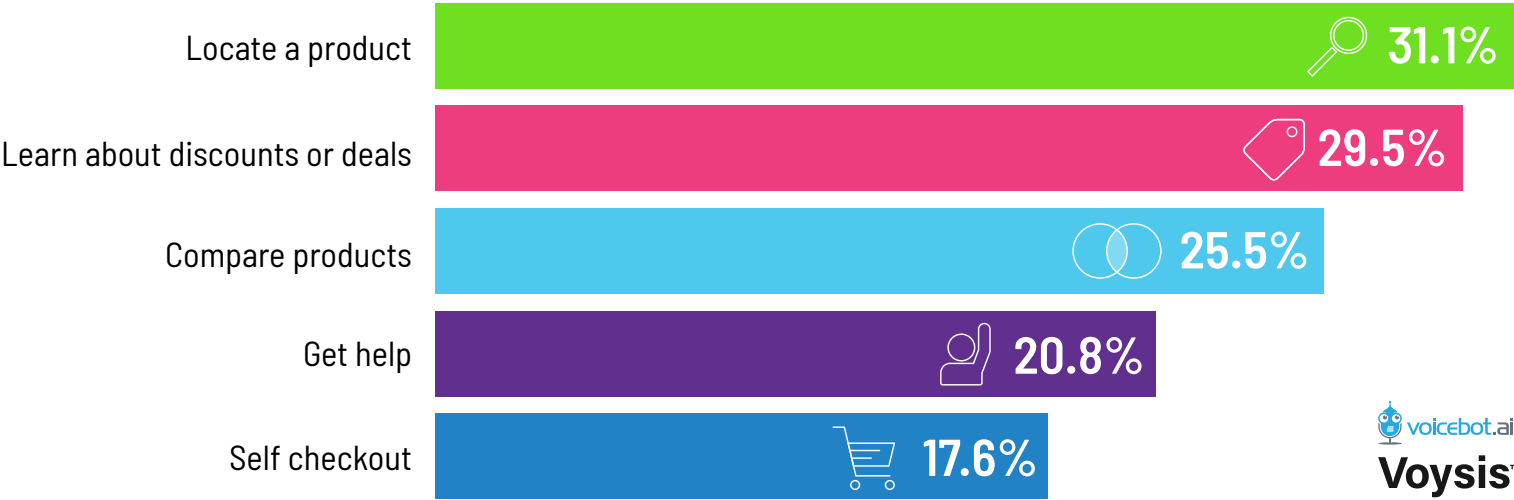
In-Store Shoppers Would Like to Use Voice to Locate & Compare Products

They would also like to use voice to learn about discounts

Nearly half of consumers would use a voice assistant while shopping in-store to find products, learn about discounts or compare products. This is more evidence that the shopping utility of voice extends beyond smart speakers in the home. All of these use cases would likely be accessed through a mobile device. These findings should also factor into omnichannel strategies for both retailers and product companies.

In-store engagement is a key factor for retailers looking to enhance shopping experiences, avoid showrooming and make it easier for shoppers to buy. Product companies could use voice to promote retailer-specific deals to shoppers to incentivize in-store purchase. Additionally they could enable consumers to order online and ensure the purchase is made in the moment either directly or at the store check-out.

Consumers Show Interest In Several In-Store Applications of Voice





Shopping Process & Examples

Voice Shopping Follows a Similar Process But the Methods and Influences are Different

Voice shopping is very similar to other types of shopping with notable exceptions. When you search for product information the response set can be much more limited in a voice-only environment. Voice search will yield a single result or two at most. That means voice shoppers will frequently have a more limited consideration set than through mobile or web. This places a premium on voice SEO.

Also, information presented will be less detailed due to the linear nature of audio. This is where multimodal voice + visual on mobile will become viewed as a powerful combination. In addition, fewer items are available today by voice. This means early movers in providing voice access to shopping could gain a considerable advantage due to scarcity.

CHANNEL		NEED / WANT	INFORMATION SEARCH	CONSIDERATION	PURCHASE DECISION	PAYMENT & RECEIPT OF GOODS
PHYSICAL	Method	SAME	In-store browsing	Look & see	Pick up	Credit / cash
	Influence		Shelf placement	Store availability	Price / packaging	Take with you
ONLINE	Method		Google or Amazon	Type / click & view	Click	Credit with password
	Influence		SEO, SEM, Ads	Results list	Price / presentation	Ship or store pick-up
MOBILE	Method		App or Web	Touch / swipe & view	Touch	Credit with password / biometric
	Influence		App installs, SEO, Ads	Results list	Price / ease of purchase	Ship or store pick-up
VOICE	Method		Device or app assistant	Ask & listen	Ask	Credit with PIN
	Influence		Voice SEO, App installs	Consideration set	Availability	Ship or store pick-up

Voice Shopping Example - Voice Assistant Platforms



AMAZON.COM THROUGH ALEXA

Amazon pioneered voice shopping through smart speakers using its Alexa voice assistant. Initially, users could only reorder past Amazon Prime purchases, but an option for new purchases was soon added. In **November 2016**, Amazon started offering daily deals for voice shoppers. This typically provides a choice to smart speaker users of two different items on discount for that day only. If you have an Echo Show smart display, 10 items will load and you can browse through them on screen.

A 2016 study by NPD Group found that Prime members spent 10% more with Amazon after purchasing an Echo. The process for ordering through Alexa is simple. You just say the product you would like to purchase, Alexa then confirms the product name, quantity and price. After you say, "yes," Alexa asks for your PIN to be spoken and will then complete the order. That simplicity is one reason why one-third of Amazon Echo owners have tried voice shopping. That is more than 50% higher than the general population.



GOOGLE EXPRESS THRU GOOGLE ASSISTANT

In **September 2017**, Google started offering voice ordering through Google Express. This is available to both smart speaker owners through Google Home and smartphone users utilizing the Google Assistant app on iOS or the native voice assistant on Android-based devices. If you say, "order paper towels from Walmart," Google Assistant walks users through the ordering process which can be completed entirely using voice. Orders of more than \$35 qualify for free shipment. Costco, Target, and The Home Depot are included in the more than 70 Google Express retail partners.

Over half of Google Home smart speaker owners report having tried voice shopping. It is surprising that Google has a higher voice commerce trial rate than Amazon, but the data is consistent across three surveys in 2018. One reason is that \$25 **Google Express credits** were offered to Google Home buyers in Q4 2017. Many users may have tried voice shopping primarily to redeem their credits. Another reason is that voice shopping is also available on mobile devices through Google Assistant making it more accessible to users when not at home.



Voice Shopping Example - Games & Media



JURASSIC WORLD REVEALED ON ALEXA

Jurassic World Revealed is a choose-your-own-adventure Alexa skill based loosely on the events and setting surrounding the latest movie release. Users can play the first chapter of the game for free, but then must purchase access to the other five chapters. The pricing at launch was a one-time purchase of \$3.99 rising to \$4.99 after the first week. Amazon Prime Members receive a \$1.00 discount.

This is not the first example of a freemium game on Alexa. Amazon first introduced **freemium game monetization** in October 2017 with added gameplay for the popular Jeopardy Alexa skill. That program expanded in **November 2017** to include Match Game, Head's Up and the Ultimate History Quiz. Each of these games charge a monthly subscription as opposed to a one-time purchase like Jurassic World Revealed. More recently, Sensible Object has launched an Alexa skill based on its new board game called **When in Rome**. The monetization approach is to persuade users to purchase the board game.



TUNEIN LIVE ON ALEXA

TuneIn broadcasts live streams from over 120,000 radio stations free of charge to mobile device and smart speaker users. It also has a premium service for select live sports and other content for mobile subscribers for \$9.99 per month. In **March 2018**, TuneIn offered a seven-day free trial to Alexa users. Subscriptions for Alexa-enabled devices are \$3.99 per month or \$2.99 for Amazon Prime members.

The pricing is lower on smart speakers alone than for mobile. This is similar to Amazon's premium music streaming service Amazon Music Unlimited. That service is offered for \$9.99 per month on mobile but there is a smart speaker-only package for \$4.99 per month. SiriusXM has a similar offering structure on Alexa as TuneIn. Even if you have the package that includes your car or mobile device, there is still a \$5 additional charge to connect your account to an Alexa-enabled device unless you select the premium offering. This is another example of how digital media is taking the lead in testing monetization models for voice commerce.

Voice Shopping Example - Coffee



DUNKIN DONUTS ON GOOGLE ASSISTANT

Dunkin Donuts launched a Google Assistant action in **April 2018** that allows users to reorder past purchases. It requires account linking to a Dunkin Donuts online account. Once the account is linked, any orders you have made through the mobile app can then be ordered by voice through Google Assistant on smartphones. Google Home is not supported for purchasing by voice because there is a mandatory step where a user must visually confirm which store location they are ordering from.

This is not a voice-only shopping experience, but a voice-assisted process. Dunkin Donuts would have to enable voice selection of the store location or allow for a favorite to be set to make this an end-to-end voice shopping experience. However, it is also instructive that some voice shopping will only include a portion of the ordering process. Users can place their order and pay by voice, but must select the store by touch. Other implementations may require touch to verify purchase but the rest of the process will be by voice. It is important to think of about voice-assisted shopping that may require or offer other modes of interaction as helpful to shoppers.



STARBUCKS ON ALEXA AND ON-THE-GO

Starbucks launched a re-ordering Alexa skill in **February 2017**. This is a fully voice enabled shopping process. Users do need to register on the Starbucks mobile app and have placed an order before being able to reorder through Alexa similar to Dunkin Donuts.

However, the Starbucks Alexa skill allows users to choose from the last 10 stores you have ordered from so the entire ordering process can be executed by voice. This was critical for Alexa because it doesn't have a mobile app with screen access like Google Assistant and needed to enable a voice-only experience after the initial setup.

A month later Ford also demonstrated Alexa-enabled Starbucks **ordering while driving**. This was facilitated by an integration between the Ford SYNCH3 and Alexa Voice Service. That process is initiated through a button press on the steering wheel, but then is a voice interaction similar to the smart speaker experience. Starbucks expanded the capability to Samsung's Bixby voice assistant for Korean users in **April 2018**.

What We Learned and Additional Resources

HIGHLIGHTS OF THE VOICE SHOPPING REPORT

- More than half of all consumers that have tried voice shopping used their smartphones while just 13% have tried it on smart speakers.
- Over one out of four smart speaker owners have tried voice shopping. However, 16% of smart speaker owners also reported using voice shopping monthly compared to just 11.5% in January.
- Consumers like the idea of reordering by voice, but have thus far used it more for first-time orders.
- Smart speaker access by U.S. adults rose 15% in the first-half of 2018 to 54.4 million consumers.
- Siri remains the most widely used voice assistant on smartphones, but Google Assistant is rapidly closing the gap.

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