"Wearable tech has gone from tech-savvy early adopters to the mainstream. Bluetooth headsets were once lambasted and stereotyped for high-powered businessmen, but today, about one quarter of all consumers own a set of wireless earbuds."

- Buddy Lo, Senior Tech Analyst

This report looks at the following areas:

- Wearable tech is viewed as a luxury
- Perceived lack of utility and high cost are top barriers to smartwatch adoption

Wearable technology has been a growing consumer electronics category since Fitbit launched its first device in September 2009. 2019 was a great year for wearable tech, as products like wireless earbuds and smartwatches moved from the early adopters to a more mainstream audience. Wearable tech is still a relatively expensive segment for what is essentially accessories/add-ons for smartphones, so pricing will act as a barrier for many consumers. Those in the market for wearable tech will opt for brands and products that are both functional and also fashionable.

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market
What you need to know about wearable technology

The issues

Wearable tech is viewed as a luxury

Figure 1: Attitudes toward wearable technology – Luxury purchase, by age and household income, November 2019

Perceived lack of utility and high cost are top barriers to smartwatch adoption

Figure 2: Reasons for not owning a smartwatch, November 2019

The opportunities

Consumers are running, jumping and swimming into wearable tech

Figure 3: Smartwatch behaviors – Health and exercise, November 2019

More than a quarter of consumers plan to buy an activity tracker or smartwatch soon

Figure 4: Wearable technology purchase intent, November 2019

Key trends

Smartwatches aren't just for the gym, they're also formal wear

Figure 5: Smartwatch behaviors – Casual and formal wear, by gender, November 2019

Wearable technology gaining mainstream approval

Figure 6: Attitudes toward wearable technology – Fashion, November 2019

AR and VR headsets continue to languish

Figure 7: AR and VR headset ownership, by gender and age, November 2019

What it means and what's next

Smartwatch segment rapidly growing

Fitness continues to be a driving motivator behind wearable tech purchases

5G could spur increased connectivity and wearable adoption

Market Size – Wrist-worn Wearables

Smartwatch sales drive bulk of growth in the wrist tech wearable space

Market Perspective

Fitness trends will continue to drive wearable tech adoption

Figure 8: Ways to support health and wellness goals, by smartwatch shoppers, November 2019

Luxury perception of wearables won’t last
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Market Factors

5G connectivity could increase wearable functionality
Voice assistant usage could grow and enhance wearable user experience
Figure 9: Voice assistant usage, September 2019
AR development could spur adoption

Key Players – What You Need to Know

Apple has a dominant position
Garmin revenues remain consistent despite increasing competition
Fitbit struggles amid shift to smartwatches
Sports retailers have a big opportunity to get into wearable tech

Key Players and Top Products

Apple
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Google
Pixel Buds
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Amazon
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Echo Frames
Echo Loop
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Samsung
Galaxy Watch
Galaxy Fit
Galaxy Buds
Fitbit
Fitbit Ionic
Fitbit Versa Lite and Versa 2
Fitbit Charge
Fitbit Ace 2

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Figure 23: Oculus Quest commercial "Defy Reality," November 2019

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UWB technology for pinpoint location accuracy
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Google buys Fitbit for $2.1 billion
Huami Amazfit product line
Sports retailers getting into wearable tech
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Figure 25: Under Armour HOVR promotional email, December 2019

Niche purpose-built products could gain adoption

The Consumer – What You Need to Know

Wires are out of fashion – wireless is in
Smartwatches and wireless earbuds are the most in-demand wearable products
Apple Watch dominates smartwatch category
Smartwatches are often used for health monitoring and exercise
Long battery life and waterproofing top the list of desired smartwatch features
Popular wearable tech is currently a luxury category
Ideal consumer segment identified for wearable tech market

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Smarterwatch Behaviors

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Abbreviations
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