**Amazon Has a Potent Weapon in the Tablet Wars: Low Prices**

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SEATTLE — When Amazon introduced its first tablet, it seemed like just another me-too entrant in a hot category pioneered by Apple. The company did nothing to diminish this view when it later came out with a smartphone that bombed so badly it stopped selling the phone a year later.

Now, five years after unveiling that first tablet, Amazon is coming out with a new model of the device that takes the company’s single-minded obsession with offering the lowest practical price to new extremes.

It is doing so at a time when the overall tablet market is no longer the growth juggernaut it once was, with weak sales from the likes of Apple and Samsung. One notable exception to the downward trend is Amazon, which is seeing sales rise because its devices are so inexpensive.

“They’re obviously doing something right because they continue to grow in a market that is overall declining,” said Jitesh Ubrani, an analyst at IDC, the technology research company.

The latest Amazon tablet is the Fire HD 8, a new model of the company’s 8-inch touch-screen device.

The entry-level Fire HD 8 has 50 percent more RAM for loading apps more quickly, longer battery life and 16 gigabytes of storage, double that of the previous model and equal to Apple’s 8-inch iPads. Amazon also plans to announce that it is making its Alexa digital assistant available on all of its tablets.

The most remarkable thing about the device is the price, which, at $89.99, represents a 40 percent drop from the previous 8-inch Fire’s price of $149.99. More striking is the contrast to Apple’s 8-inch iPads, which start at $399 for the latest generation and $269 for an earlier model.

There is nothing new about Amazon’s fixation on undercutting its competitors on price. In tablets, it has seemed more aggressive about lowering prices. Last year, it introduced a 7-inch tablet that sells for $49.99, a few dollars more than Apple charges for a leather iPhone case.

The success of that low-price Fire device provided a big lift to Amazon’s tablet sales, which have more than doubled on a unit basis this year compared with the same period last year, said Kevin Keith, general manager of Amazon’s Fire tablet business.

The global tablet market is no longer a growth business, falling 11.1 percent in the second quarter from a year earlier, according to IDC. Amazon ranked fifth during that period, accounting for 4.1 percent of sales, IDC estimates.

Apple — the top tablet maker — has reported that the number of iPads it sold during that period fell 9 percent, though its iPad revenue rose 7 percent because of sales of high-end versions.

If Amazon’s approach to tablet pricing sounds unprofitable, that is because it is, at least directly. The company views them as a way to entice people to become more enthusiastic Amazon customers by, for example, encouraging the purchase of $99-a-year Prime memberships, which include a Netflix-like video service, music and other forms of entertainment that can be consumed on the devices.

“We aim to break even on our hardware and make money when customers use our devices, not when we sell devices,” said Mr. Keith. “We feel like that’s a great model for our business.”

Amazon squeezes additional revenue out of its tablets in other ways, too. It sends advertisements to the lock screens of Fire tablets. If customers do not want to see the ads, they can pay Amazon $15 to remove them. This is not something Apple is likely to do, and die-hard fans of the iPad, which many say has a polish that other tablets lack, will not be swayed merely by price.

Despite the overall decline in the market, Amazon’s Mr. Keith says he thinks there are still opportunities for Amazon tablet sales to grow. Its prices are low enough that Amazon customers are buying multiple tablets for their homes and giving them as gifts.

“We don’t think the market is saturated yet,” he said. “We have plenty of runway.”