

Top five tech giants record \$986.5bn revenue in pandemic

During the Covid-19 pandemic the top five tech giants cumulatively recorded \$986.5bn in revenue,* While the pandemic left many businesses in recovery mode, the tech giants have continued to thrive, emerging as the biggest beneficiaries of the health crisis, recording significant profits.



Source: ©dolgachov [123rf](#)

According to data acquired by Finbold, the top five tech giants recorded average revenue growth of 35.4% between the first three quarters of 2020 and a similar period in 2021.

In 2021, Amazon revenue stands at \$332.4bn, a growth of 27% from \$260.5bn registered in the first nine months of last year.

Alphabet recorded the highest revenue growth at 45%, from \$125.6bn to \$182.3bn. Similarly, Meta, formerly Facebook, recorded a spike of 45% from \$57.9bn to \$84.2bn.

Apple recorded a revenue growth rate of 39% while Microsoft had the least rate at 21%.

Unique role in the pandemic

The revenue growth for the companies is derived from their unique role amid the pandemic.

The companies' products offered consumers the means to navigate the health crisis that was characterised by widescale lockdowns.

Generally, most of the companies have been on the rise over the last decade, but the pandemic's uniqueness has given them a boost.

New products offered

Interestingly, it was assumed that the reopening of the economy might potentially eat into the companies' revenues as more people spend time away from home and their devices.

However, the revenues potentially indicate that the firms have successfully laid out innovative plans to build on the gains made amid the health crisis making themselves indispensable parts of work and personal life.

The companies also leveraged their reach to offer new products lines delivered over their platforms.

For instance, Amazon recently announced the release of new devices to build on its home ecosystem, with Apple increasingly venturing into the service sector.

Furthermore, the ability of the companies to hop onto emerging technologies like 5G and cloud computing has inspired a surge in their revenue.

For instance, cloud computing platforms run by Amazon, Microsoft, and Google were highly utilised for remote working, learning, and entertainment during the lockdowns.

Elsewhere, with Apple releasing its 5G phone models, it is in line to reap from \$60bn projected to spent by Americans on phones supporting the technology.

Continued growth

Interestingly, the revenue has continued to grow despite the companies facing obstacles in marketing their core products.

Over the past year, the global tech industry was hit by supply chain constraints for semiconductors.

The shortage delayed the production of computers and phones. For instance, Microsoft had initially indicated that its Surface and Windows products were affected by the constraints.

Market monopoly

Worth noting is that the highlighted companies earn revenues in different ways.

However, the significant amount recorded has led to criticism of their market influence in the past few years.

Consequently, government regulators are expressing concerns about whether they have become too powerful.

The debate regarding market monopoly resulted in US president Joe Biden signing an executive order to promote more competition.

The order focuses more extensively on reviewing mergers and acquisitions in the tech sector.

Data collection concerns

One of the major concerns is based on data collection.

The tech giants are accused of collecting too much personal information, which is used to cripple smaller competitors.

Questions about the sector's data violation are highlighted by Finbold's previous report that indicated that EU GDPR fines for 2021 Q3 hit €984.47m, which is almost 20 times higher than cumulative fines of €50.26m imposed during Q1 and Q2.

Notably, Amazon EuropeCore S.à.r.l had incurred the highest fine at €746m, followed by WhatsApp Ireland Ltd at €225m.

*first three quarters of 2020 and a similar period in 2021. Data on the tech companies' revenues if derived from their quarterly filings.

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