

ARTILLY DATA BRIEFS

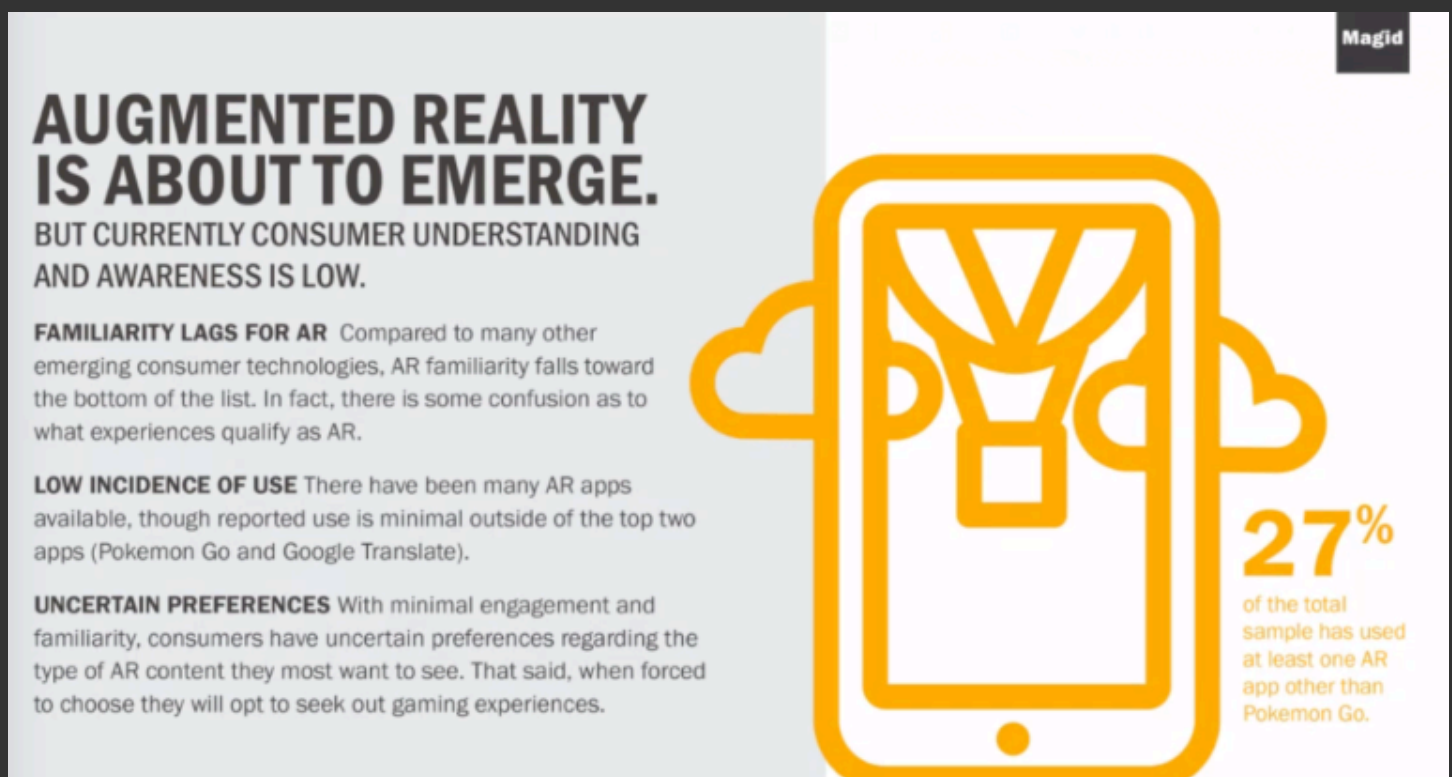
AR APP CONSUMER PENETRATION AND MARKET SIZE

2/05/18

Consumer AR is off to a relatively slow start, but it's showing some traction. According to Magid, 27 percent of consumers have used at least one AR app, other than Pokemon Go.

If we apply that to the population of the U.S. (roughly 300 million), it comes out to about 81 million consumers. That seems more than expected and is a promising start for AR. We also know from Apple's earnings call last week that about 2000 ARkit apps have been built.

One takeaway from these data is that more education and acclimation are needed. If AR is to reach more meaningful and ubiquitous levels, it has to become more of a user habit. It's currently stuck in early adopter phases, and hasn't captured the interest of the mainstream.



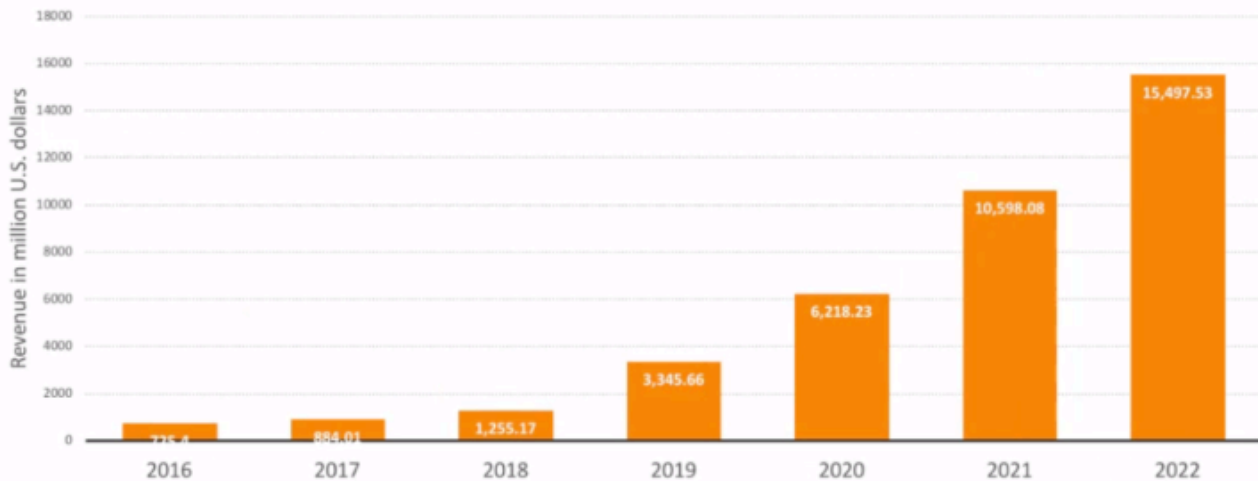
One missing variable here is active use. The 27 percent figure is rather binary -- either survey respondents have tried it or they haven't. There's no indication of frequency. And that's going to be a big question mark for AR's sustainability, and the business models that are built around it.

For example, advertising in AR will be a function of reach and impressions -- those are the metrics that rule ad buying today. And those figures will be a result of not only AR downloads but frequency. And AR will be challenged in that it's a snack, not a meal (short sessions).

Magid also reports consumer app revenue, which it projects to reach \$15 billion by 2022. This aligns with ARtillery Intelligence's forecast where mobile AR software (app revenue), tracks similarly. Both charts are below for comparison, and stay tuned for lots more data and analysis.

CONSUMER AR APP MARKET REVENUE WORLDWIDE 2016-2022

GLOBAL REVENUE OF THE CONSUMER MOBILE AUGMENTED REALITY APP MARKET (STANDALONE/EMBEDDED) FROM 2016 TO 2022 (IN MILLION U.S. DOLLARS)



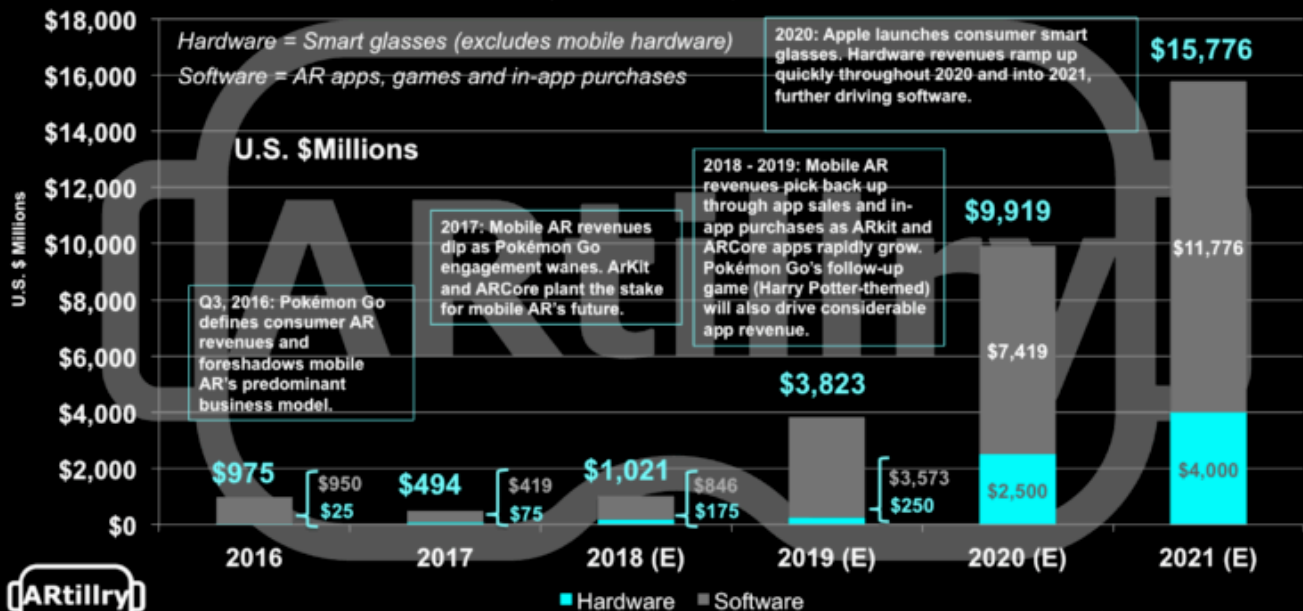
Note: Worldwide; 2016 to 2017
Further information regarding this statistic can be found on [page 37](#).
Source: TracticaID 608990

Verticals & segments

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CONSUMER AR: HARDWARE VS. SOFTWARE

(DETAILED VIEW)



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Video Companion: Mobile AR Strategies

(Click URL to Open)

https://youtu.be/2fsyMHqR_Vw



About ARtillery Intelligence

ARtillery is a publication and intelligence firm that examines augmented reality and virtual reality, collectively known as XR. Through writings, data and multimedia, it provides deep and analytical views into the industry's biggest players and opportunities. It's about insights, not cheerleading.

Run by career analyst and journalist Mike Boland, coverage is grounded in a disciplined and journalistic approach. It also maintains a business angle: Though fun and games permeate VR and AR (especially the former) long-term cultural, technological and financial implications are primary.

Learn more at <https://artillery.co/about>



About the Author

Mike Boland was one of Silicon Valley's first tech reporters of the Internet age, as a staff reporter for *Forbes* (print) starting in 2000. He has been an industry analyst covering mobile and social media since 2005, and is now Chief Analyst of *ARtillery Intelligence*, covering emerging tech.

Mike is a frequent speaker at industry conferences such as VRLA, ad:tech and LeadsCon. He has authored in-depth reports and market-sizing forecasts on the changing tech & media landscape. He contributes regularly to highly read online news sources such as *TechCrunch*, *Business Insider* and the *Huffington Post*.

A trusted source for tech journalists, his comments have appeared in A-list publications, including *The New Yorker*, *The Wall Street Journal* and *The New York Times*.

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References