

## ARTILLRY DATA BRIEFS

XR IN RETAIL: \$1.6 BILLION BY 2025?

4/30/18

XR in retail will drive \$1.6 billion in revenue globally by 2025. This is projected in a new infographic from Lumus .

There's little detail on what the \$1.6B includes but it's presumably revenue from apps and advertising. A separate figure is the transaction value of commerce that AR and VR drives. That will be larger, given the addressable market of "O2O" commerce we examined last week.

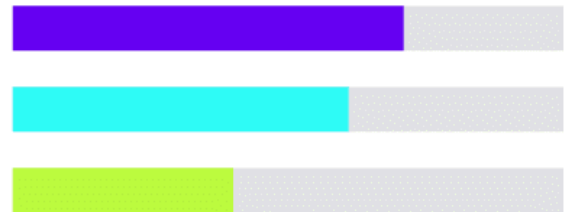
# RETAIL

Retail revenue from AR/VR by 2025

## \$1.6 BILLION



### CONSUMERS ARE EXCITED ABOUT AR IN RETAIL



- **71%** would shop at a retailer more often if AR were offered
- **61%** prefer to shop in stores that offer AR experiences over those that don't
- **40%** would be willing to pay more for a product if AR were part of the shopping experiences

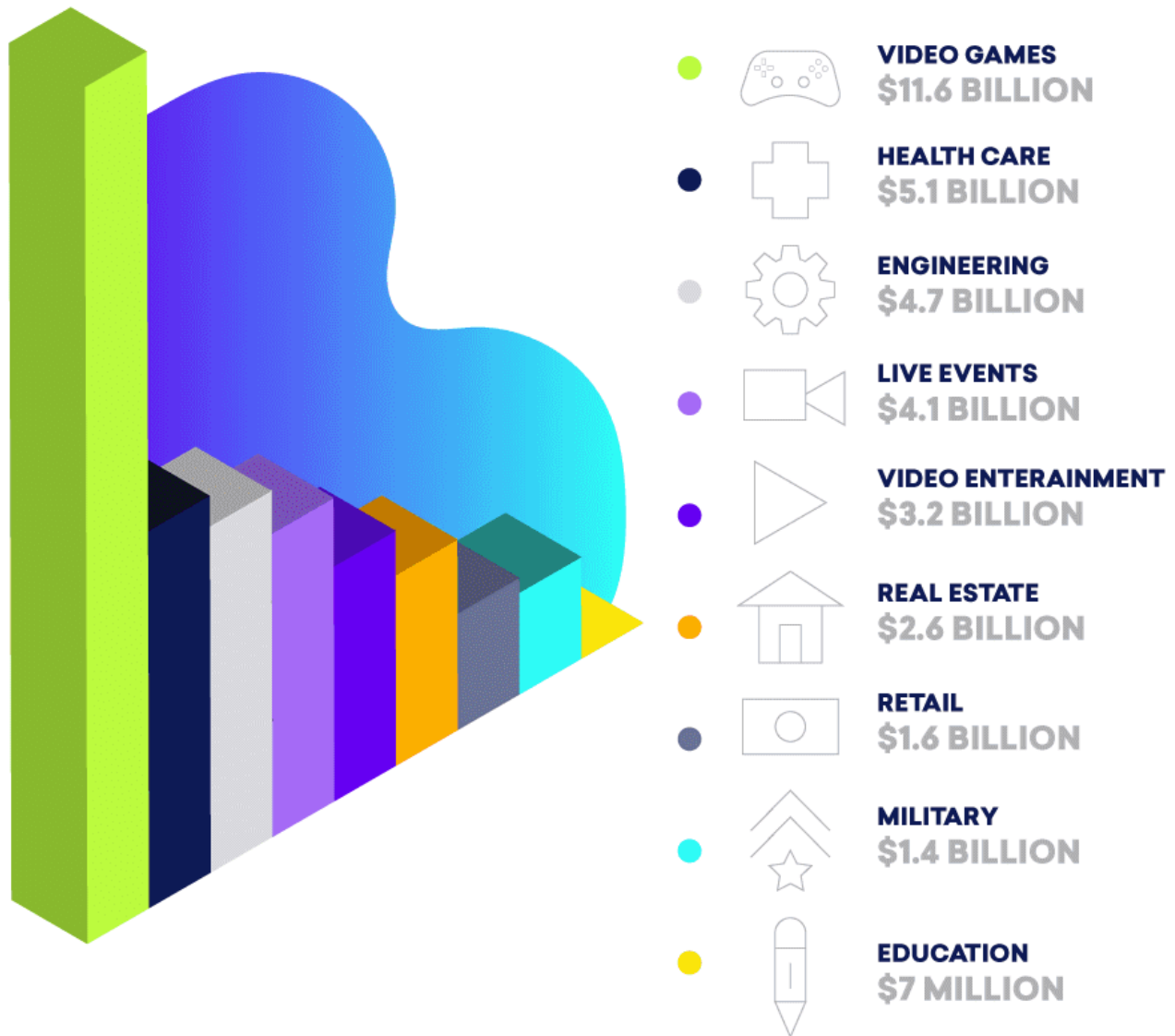
What we're talking about specifically is XR-assisted retail shopping. It could be VR headsets in car dealerships to get immersive tours and dynamically visualize optionality (colors, features, etc.). Or with AR, it could be wayfinding like Google VPS, or installed hardware, such as "magic mirrors."

Also notable is that 71 percent of consumers would shop at a retailer more often if AR were offered. 61 percent prefer to shop in stores that offer AR. And 40 percent would be willing to pay more for a product if AR were part of the experience. These are strong demand signals.

Yet, surprisingly, retail ranks lower among verticals where XR will have an economic impact. According to the Lumus data, it's seventh on the list, following areas like real estate, healthcare and video games. The last two aren't surprising but we believe retail will be higher.

## BIGGEST INDUSTRIES

for augmented and virtual reality, by potential 2025 revenue



Source: Lumus



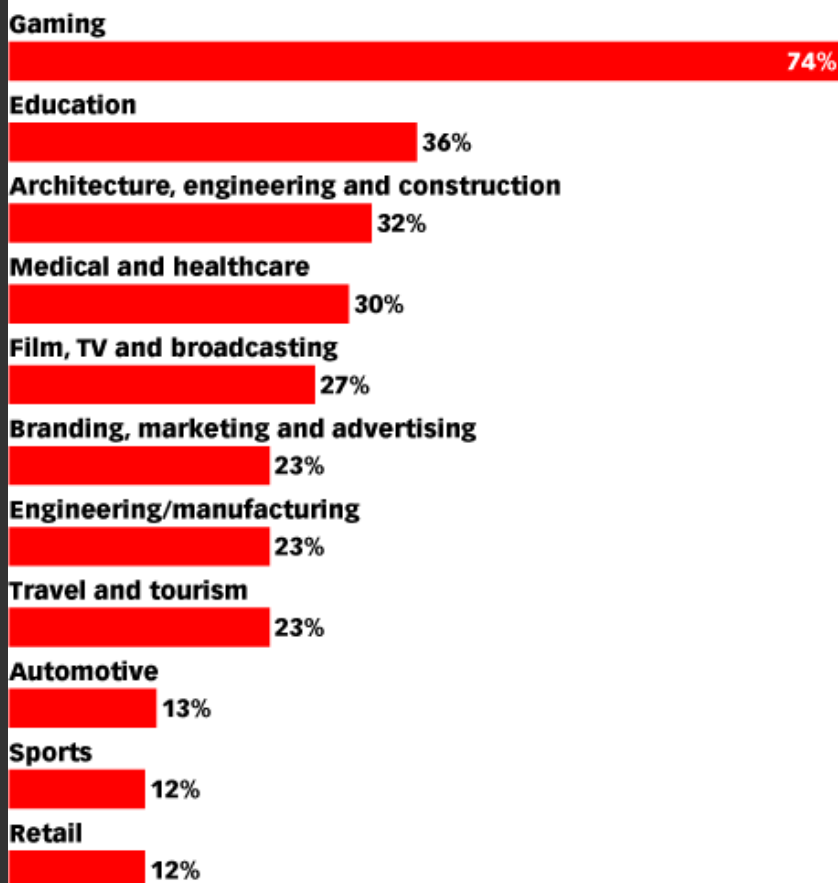
eMarketer also pegs retail XR as opportune but further down the list of verticals that will be impacted most. Based on survey data it pulled from a VR Intelligence report, retail actually shows up last among projected areas where enterprise executives think XR will drive revenue.

These are decent signals, but like all projections they should be taken with a grain of salt, and as a directional indicator of possible outcomes. We'll continue to examine all the data out there (including our own) to present the most well-rounded position for XR strategy development.

Meanwhile, More data points from the Lumus infographic can be seen below.

### Industries in Which Virtual Reality (VR) Will Have the Most Impact According VR Technology Professionals Worldwide, March 2017

% of respondents



Note: in the next 3 years; VR technology professionals work in hardware, software or middleware

Source: VR Intelligence and VRX Europe, "Virtual Reality Industry Survey," April 4, 2017

236933

www.eMarketer.com

Source: eMarketer



## AIRWALK INVISIBLE POP-UP STORES

In 2011, invisible stores set up in **WASHINGTON SQUARE PARK (NY) AND VENICE BEACH (LA) TO PROMOTE NEW SNEAKERS**

Use GPS and an app to view shoes for sale

Earned **\$5 MILLION WORTH OF MEDIA**



## ARGOS "SHOPPABLE" HOLIDAY CATALOG

Readers can instantly buy items **BY AIMING THEIR PHONE AT DIFFERENT ITEMS INSIDE**

Effective technique

**21,000 CUSTOMERS SHARED**

the campaign on social media

**929,000 INTERACTIONS**

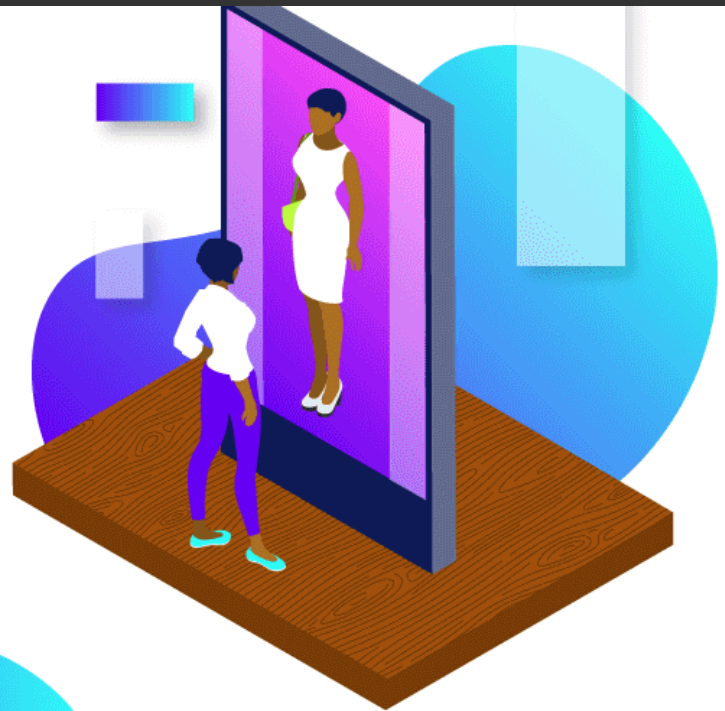
recorded over 10 weeks



Source: Lumus

## FX MIRROR AND MEMORY MIRROR

High-tech mirrors help you **IMAGINE YOURSELF IN AN OUTFIT** without trying it on  
**1/3 OF US AND UK SHOPPERS WOULD BE INTERESTED IN USING VIRTUAL ASSISTANCE** to see how clothes would look on them



## MAYBELLINE VIRTUAL NAIL POLISH

A customer can take a picture of her hand, lining the fingers up with an outline on the screen and **SEE HOW HER NAILS LOOK WITH 40 DIFFERENT COLORS**

Can save and share the image to help decide on the perfect shade

Source: Lumus



## Video Companion: AR in Local Commerce

(Click URL to Open)

<https://youtu.be/GSidwTWiiUM>





# 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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Questions and requests for deeper analysis can be submitted at:

<https://artillery.co/contact/>



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