ARTILLRY DATA BRIEFS
MICROSOFT HOLOLENS: 50K STRONG
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Those of us that are hungry for rare glimpses into XR hardware penetration got a gift last week. It's evident that there are about 50,000 Microsoft Hololenses that have been sold to date (thanks Tom Emrich for the tip). The figure was revealed in a video (embedded below) and reported by MS Power User last week. .

The figure makes sense and aligns with our market-sizing data. Specifically, we pegged 2017 enterprise AR headset sales at around 110,000 units. That makes the overall installed base a bit more, likely around 150,000 units. If that figure is accurate, it stands to reason that the Hololens has roughly 33 percent market share.

This comes right after Hololens' newest additions such as remote assist and space planning. These functions were already available from third parties like Scope AR, but Microsoft is clearly trying to boost Hololens demand. It's the most capable AR headset given SLAM and positional tracking, but it's also the most expensive at $3K.

Overall, 150,000 units isn't a huge number but its a positive sign that adoption in the enterprise -- Hololens' forte -- is happening. As examined in our enterprise XR report, there are clear ROI advantages for enterprise XR. But it will take a while for mass adoption, given organizational inertia. A tipping point could come sometime next year.

(Click URL to Open)

https://youtu.be/YvOnZW4nAuQ?t=4m48s

Alex Kipman - HoloLens: mixed reality smart glasses

Panning back to the rest of the XR landscape, the Hololens news is joined by a few other tidbits that are similarly indicative of enterprise XR growth. Scope AR announced a few notable milestones including 3x year-over-year revenue growth in 2017. As mentioned above, Scope AR's flagship Remote AR software operates on Hololens.

Meanwhile, Vuzix announced $1.5 million in Q1 revenue, a 28 percent year over year increase. Combined with Scope AR's growth it's not a holistic market figure, but certainly a directional indicator that the needle is moving on enterprise adoption. It will build slow then happen fast, just like we saw with enterprise smartphone adoption.

Support for this claim can be seen in Toshiba's future IT landscape survey, which found that 82 percent of enterprises predict they'll adopt AR glasses in the next three years. Of course actual execution is a different story, as enterprises themselves seem to be the biggest adoption barrier. But the aspirational sentiments are promising.

And while we're talking about directional indicators, it should be noted that DigiLens raised $25 million last week. The company makes waveguide lenses for AR headsets. Thought it's not a direct sign of enterprise adoption, it signals investor confidence in the sector -- especially for "building block," technologies which are a key piece.

Video Companion: The Enterprise XR Opportunity
(Click URL to Open)

https://youtu.be/4_gY7CsRRYo

About ARtillry Intelligence

ARtillry 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.

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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 *ARtillry 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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