

ARTILLERY DATA BRIEFS

100 MILLION AR SHOPPERS BY 2020

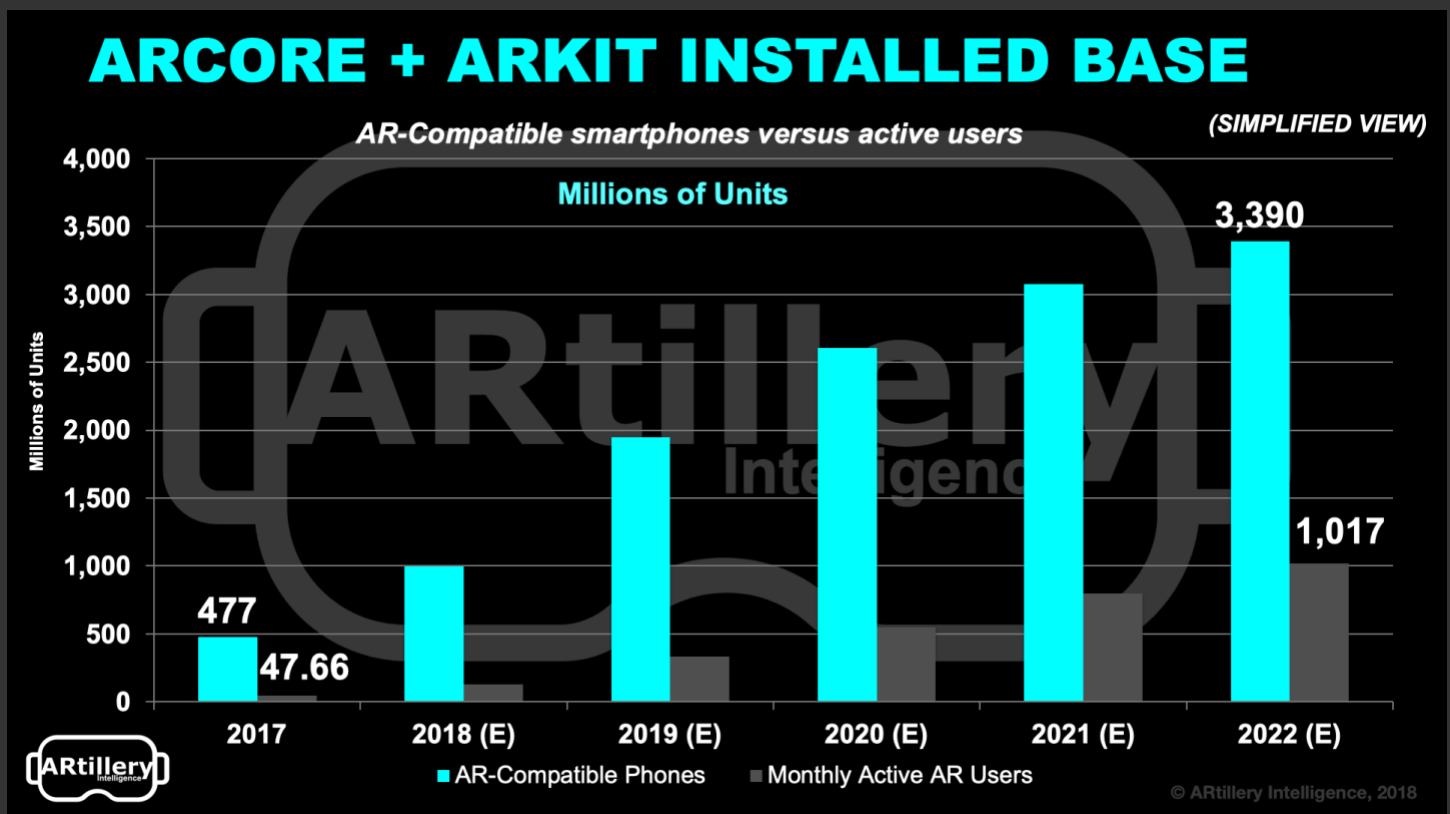
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Among AR use cases, consumer shopping is showing early traction. AR’s ability to demonstrate products in immersive ways brings both consumer utility, and brand marketing efficacy. The alignment in interests of those stakeholders is also a big confidence signal for AR commerce.

Adding to these early signals, Gartner recently announced that it projects 100 million AR shoppers by 2020. That includes both product visualization in consumers’ homes, such as Ikea Place, as well as in-store AR shopping experiences, such as Walmart’s visual search.

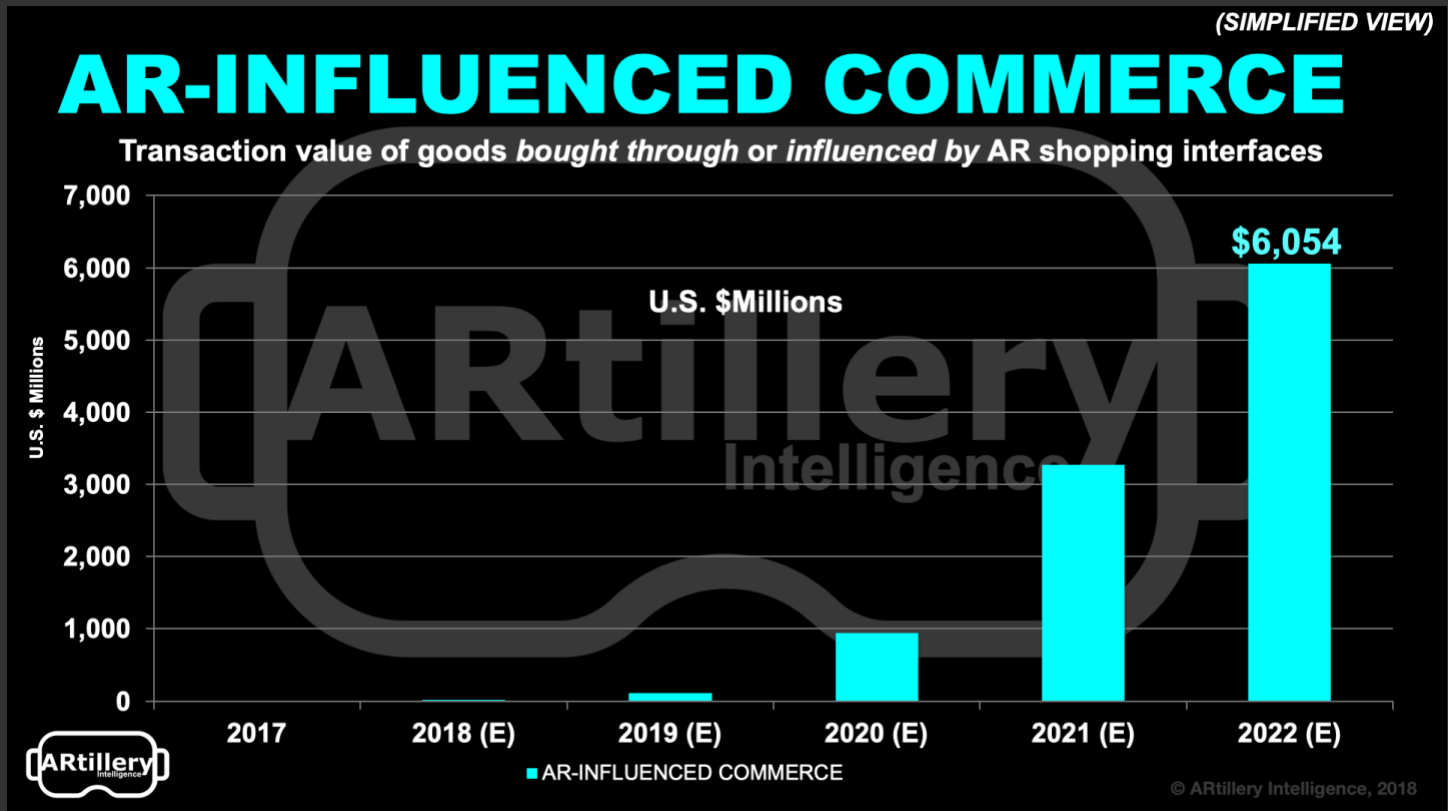
This figure aligns with data from our research arm, ARtillery Intelligence. Specifically, total AR users are projected to reach about 500 million by 2020. That would make AR commerce users a subset of that — roughly 20 percent if both firms’ figures are accurate.



Cross-referencing that with ARtillery’s consumer AR survey with Thrive Analytics, the figures roughly align. 25 percent of respondents reported using AR for product visualization. That’s a bit higher than the 20 percent calculated above, but within a comfortable range.

ARtillery Intelligence also projects just under \$1 billion in consumer purchases through AR shopping experiences by 2020. That, combined with Gartner’s figure, suggests \$10 per user in average annual transaction volume. There will likely be fewer users with greater spending per user.

Panning back, Both research firms are bullish on AR commerce because of the alignment in stakeholder interests, as mentioned above. But it's also due to other factors such as potential frequency of use, and the fact that AR shopping addresses real consumer pain points.



That includes saving customers time and money. Product visualization instills confidence in online orders, thus informed purchases that reduce cumbersome returns (Amazon loves that part). In-aisle AR can also empower consumers in terms of price transparency.

The latter already exists as part of the “showrooming” phenomenon. But AR and visual search will bring a better and more intuitive version of showrooming (no typing). And along with 5G, which has indoor benefits, AR could finally realize the unfulfilled promise of retail beacons.

So the pieces fit in terms of logical integrations and aligned interests for all stakeholders — retailers, brands, shoppers, etc. So it's more a question of when. It could admittedly take a while due to natural inertia and resistance to new technology. But we're well on the way.



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About ARtillery Intelligence

ARtillery Intelligence chronicles the evolution of augmented reality (AR) and virtual reality (VR). Through writings and multimedia, it provides deep and analytical views into the industry's biggest players, opportunities and strategies. It's about insights, not cheerleading.

Run by analysts and former journalists, coverage is grounded in a disciplined and journalistic approach. It also maintains a business angle: Though there are lots of fun and games in AR & VR, long-term cultural, technological and financial implications are primary.

Products include the *AR Insider* publication and the *ARtillery PRO* research subscription., which together engender a circular flow of knowledge. Research includes monthly Intelligence Briefings, market-sizing forecasts and consumer survey data, all housed in a robust intelligence vault.

Learn more at <https://artilry.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* and Editor-in-Chief of *AR Insider*.

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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