

Enterprise Augmented Reality App Revenues to Approach \$6bn By 2021, as Business Embraces AR

Submitted by: Juniper Research

Tuesday, 27 September 2016

Hampshire, UK – 27th September 2016: A new Juniper Research

(http://www.juniperresearch.com?utm_source=sourcewirepr&utm_medium=email&utm_campaign=augmented_reali) study has found that consumer app revenues from AR will remain below that of the enterprise sector through to 2021, despite the high visibility of games such as Pokémon GO. Juniper forecasts that revenues from enterprise AR apps will reach \$5.7 billion by 2021, rising tenfold from an estimated \$515 million in 2016.

The research found that enterprise interest in AR technologies has continued to grow, fuelled by improvements in field of vision and latency on HMDs (Head Mounted Displays). Future releases of these units, such as Microsoft HoloLens, are set to drive AR content revenues in the enterprise sector as businesses opt for HMDs over smartphones and tablets.

HMDs to Dominate Future Growth

According to the new study, *Augmented Reality: Developer & Vendor Strategies 2016-2021*

(<https://www.juniperresearch.com/researchstore/enabling-technologies/augmented-reality/augmented-reality-developer-vendo>) the bespoke nature of content in the enterprise AR sector, such as DAQRI's partnerships with Hyperloop and Siemens, will lead to higher app prices. The combination of higher content pricing and hardware will initially hamper adoption and only the earliest tech-adopters in the enterprise space will implement the technology over the next 2 years.

The report finds that enterprise AR revenues are set to remain on smartphone and tablet devices for the foreseeable future. However, enterprise focus from manufacturers such Microsoft and Vuzix will see the largest revenue opportunity for content developers on HMDs from 2020.

Consumer AR's Biggest Obstacle

Whilst the ubiquity of the smartphone will give an immediate audience and distribution channel, the report advises developers to focus on continued innovation in order to keep users engaged. Research author Sam Barker added: "The nostalgia of Pokémon has worn off for most users and there are reports about a drop in app usage.

This means that the majority of consumer applications will only have limited revenue opportunity and are likely to have a short shelf-life akin to the current wider app ecosystem".

Additionally, the high cost of HMDs and consumer hesitancy around public usage will deter consumers from purchasing AR glasses in the short-term.

The whitepaper, *Augmented Reality ~ Not Just Fun and Games*

(https://www.juniperresearch.com/document-library/white-papers/augmented-reality-not-just-fun-and-games?utm_source=sou) is now available to download from the Juniper website together with further details of the full

research.

Juniper Research provides research and analytical services to the global hi-tech communications sector, providing consultancy, analyst reports and industry commentary.

For further details please contact Sam Smith, Press Relations

T: +44(0)1256 830002

E: sam.smith@juniperresearch.com