ARTILLRY DATA BRIEFS
## ARKIT REACHES 63 MILLION USERS
06/25/18

A common talking point for the consumer AR opportunity is its massive installed base of hardware (smartphones). We've pegged it at 477 million last year, growing to 3.4 billion by 2022. But that's more of an addressable market. What about the actual market of mobile AR users today?

The good folks at Superdata have quantified one section of that universe: ARkit users. They peg the user base today at 62.5 million users, which is about 11 percent of the addressable market of 585 million (our figure) ARkit compatible devices. This is up from 59.5 million users in Q1 2018.
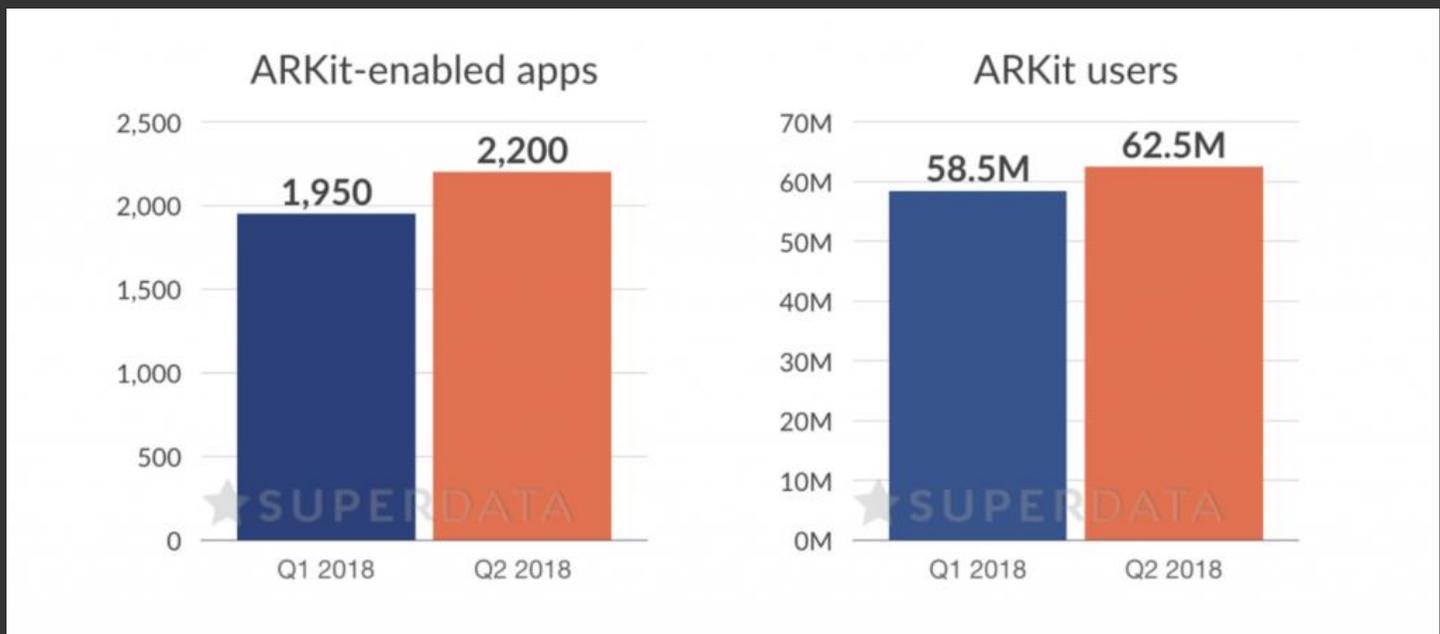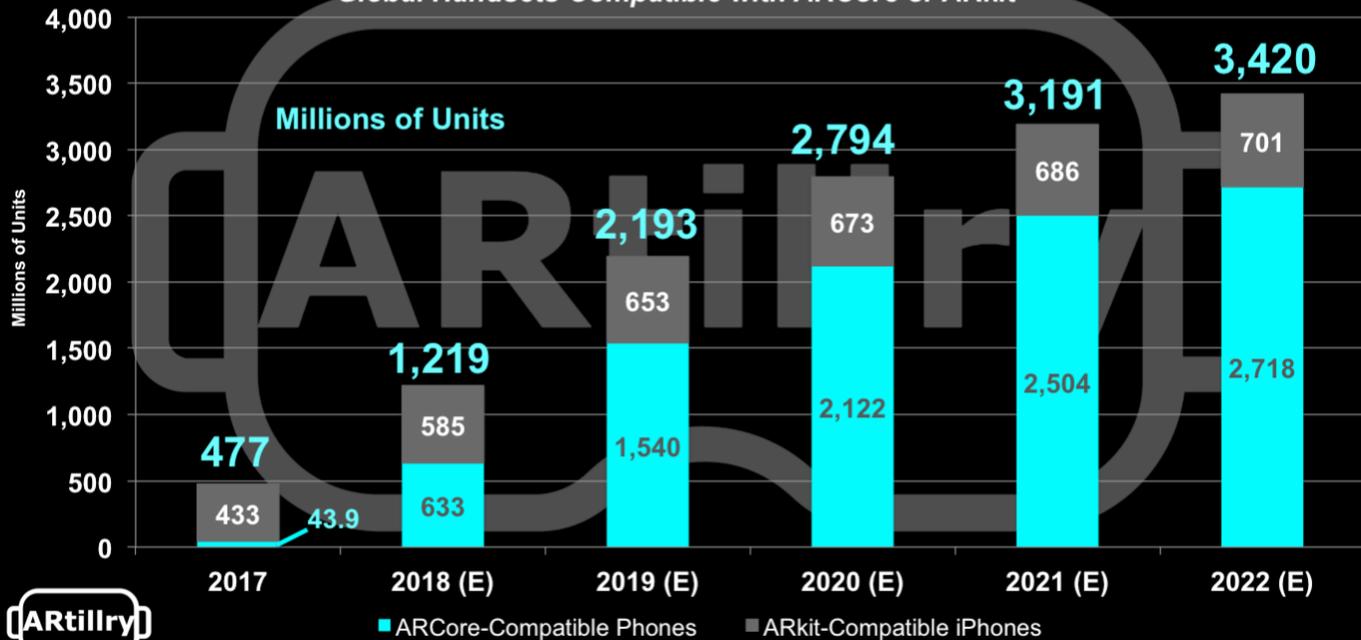

It's important to note that this doesn't include ARCore users, which are currently small but will eventually eclipse ARkit users due to a larger universe of Android devices globally. As we've examined, ARkit will have the near-term advantage but ARCore will scale greater in the long run.

Meanwhile, these are useful figures to extrapolate a market opportunity for ARkit app developers. One thing missing however is an indication of usage frequency. That's a key variable in modeling out potential revenue for things like in app purchases and advertising (ad inventory).

These models will all develop as AR products and user behavior themselves evolve and indicate optimal revenue streams. We're bullish on in-app purchases in particular, due to its validation from Pokémon Go, as well as mobile AR user sentiment uncovered in our surveys.

ARCORE + ARKIT INSTALLED BASE

Global Handsets Compatible with ARCore or ARkit

Millions of Units

Year	ARkit-Compatible iPhones	ARCore-Compatible Phones	Total
2017	433	43.9	477
2018 (E)	585	633	1,219
2019 (E)	653	1,540	2,193
2020 (E)	673	2,122	2,794
2021 (E)	686	2,504	3,191
2022 (E)	701	2,718	3,420

■ ARCore-Compatible Phones   ■ ARkit-Compatible iPhones

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Meanwhile, Superdata released some other useful data nuggets along with the above ARkit user count. Here's the highlight reel:

— AR apps will account for just less than 4% of mobile's $57B games market.
— Early excitement for the new technology brought a lot of curiosity, but with a modest addition of 250 apps since the last quarter, there aren't many new ways to experience AR.
— The number of apps users are accessing has gone down since last quarter, with an average of 2 apps per user as opposed to 3 per user last year.
— There will be a resurgence of interest later in the year, causing revenue to double since last year.

Superdata also reports that there are now 2,200 ARkit apps, up from 1,950 in Q1. This total aligns with figures we've seen elsewhere, and we'll continue to see the ARkit library grow (slowly at first). But more important than quantity is quality. What the sector needs is just one good killer app.

Video Companion

(click link to open)

https://youtu.be/On6GStY430s

ARtillry Briefs, Episode 17: XR Revenue Forecast & Growth Drivers

ARTILLRY BRIEFS, EPISODE 17
XR REVENUE OUTLOOK & GROWTH DRIVERS

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.

Learn more at **https://artillry.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 *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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