

# [REDACTED] Augmented Reality [REDACTED]

Augmented reality (AR) and virtual reality (VR) have been synonymous with the worlds of gaming and entertainment over the past decade. And, while using AR has become much more mainstream, it started out as far back as 1968 as this obscure concept that people couldn't quite get their heads around. However, the term AR was only invented in 1990.

It is defined as “an enhanced version of reality created by the use of technology to overlay digital information on an image of something being viewed through a device (like a smartphone camera)”. VR, while the more popular cousin of AR, is a more immersive technology, as it completely blocks out the physical world.

Even though we've seen the potential of AR to make our lives easier (in tech-focused sci-fi shows like Netflix's *Black Mirror*), in the real world, a lot of the big global brands have been rapidly adopting VR in their business models. For the tech-savvy entrepreneur, this is a very exciting opportunity that's worth investing in and following through with.

## **AR in the real world**

The two most common kinds of AR involve location-based realities and recognition features. You can easily access these from smartphones that have GPS, cameras and several other built-in sensors.

An example of both location and recognition-based AR is the popular gaming app Pokémon GO. Since its hyped release in mid-2016, to masses of eager fans, it has continued to grow in users, from 84 million active users in the US (its main market) at launch to over 311 million in 2020, with billions of dollars spent by users on the app.

One of the contributing factors is the rapid worldwide adoption of smartphones over the past decade with [over 3.8 billion users estimated in 2021](#)—an all-time high. This number's expected to keep growing over the next few years.

For entrepreneurs, this is the best time to harness the power of smartphones, by exploring ways to incorporate AR into their brand strategies. Think about how you'd like to see your brand from a user's perspective, through their phone camera.

### **Global impact**

AR can be applied to almost every sector, be it healthcare, automotive, industrial and entertainment. It has had a positive impact in multiple sectors, with usage continuing to grow each year in several major economies. The gaming sector continues to have the largest AR adoption share.

The economic impact of AR is undeniable, with its usage estimated to contribute over [\\$450 billion to global GDP by 2030](#). When you combine this with VR, in what is known as mixed reality, the expected impact is even higher at over \$1.5 trillion by 2030.

The US holds the lion's share of AR adoption and spending, with AR and VR expected to boost its GDP to the tune of \$537 billion by 2030. Jobs will also be impacted, with an expected boost to over 2.3 million jobs by 2030.

Regions, such as the UAE, have seen rapid adoption of AR and VR, where its GDP is expected to be boosted by \$4.1 billion by 2030 while enhancing almost 43,000 jobs. There's no denying that shifting realities will play a major role in the future of our industry.

### **The world is changing, so take note**

Technology keeps getting better each year, with devices becoming smaller, cheaper, faster and more powerful. At the same time, content is more engaging, with ultra-fast internet speeds making sharing easier.

In addition, consumer behaviour is changing, with [one global study](#) suggesting that 76% of consumers would rather spend their money on experiences than on material things. There are two major trends happening right now:

- **Experiences are better.** Consumers want to say they did something rather than bought something. They should be able to remember your brand and the connections they made with other people through the experiences you helped create.
- **Mental health awareness is growing.** Around the globe, brands and entrepreneurs have the opportunity to create AR experiences that lift the moods of their consumers, to help them deal with everyday stresses, depression and anxiety.

Consumers are also becoming more socially and environmentally aware.

### **Benefits of AR**

Technology should always be expected to solve challenges rather than be a distraction from reality. Generally, using AR should transform the organisation by cutting costs and increasing efficiency, making life easier. Let's take a look at some examples of where AR can be applied in the real world to solve real problems.

- **Retail convenience:** For salespeople, instead of moving around with printed brochures and catalogues, they can show potential customers a 3D version of their products using AR. This is especially good for products that are hard to move around.

With AR being a mainly informative technology, customers may also benefit through seeing prices and other details of products displayed on their screen, when they walk into a store with their smart device.

- **Customised user experience:** With the growing emphasis on memories over things, providing personalised experiences becomes more important. People are using AR to watch ads in real-time, or watch shows of their favourite musician, right from their kitchen.
- **Training:** This can be expensive, particularly where there's a lot of equipment involved. AR helps by cutting down the need to travel or move around medical equipment, for example. Difficult medical procedures can be practiced by trainee physicians simultaneously, with limited restrictions.

## Future of AR

While AR has been incorporated in the vehicle sector (through heads-up displays in some premium cars), this trend is expected to continue in the near future with adoption becoming more mainstream. New and improved smart glasses, such as the rumoured Apple AR Glasses, are expected to enter the market at more affordable prices and stand a good chance of capturing the commercial market if this comes to pass.

Smartphones are expected to continue to lead the adoption of AR as they are found in almost every pocket. Holographic AR is expected to increase, particularly in areas like education. This is useful during a global pandemic, for example, with students viewing their instructor through a compatible device.

As we can see, the opportunities for entrepreneurs are endless through AR. If you can find a mode of application that fits your business model—the sky's the limit.

## Get in touch

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