Virtual Reality (VR) is set to "thrive off a swath of new and compelling content choices" after a content-starved market launch, ABI Research reports-- total VR device shipments are forecast to reach 110 million by 2021.



Currently mobile-reliant VR devices (such as the Samsung Gear VR and Google Daydream) lead the market, but the analyst predicts standalone headsets will see a 405% CAGR through 2021, compared to the 42% CAGR of mobile VR. The global market already has new players such as Royole and Pico, and many other Chinese vendors are expected to expand into VR.

“Mobile VR built a solid foundation for the overall market over the past few years, but standalone VR devices will eventually drive it,” ABI adds. “Low cost and high accessibility has, and will continue to, drive VR adoption with mobile devices and associated VR accessories. However, a trend toward standalone devices is surfacing, and will continue over the next five years until mobile and standalone VR devices see parity in terms of shipments.”

The growth of standalone VR devices should lead to a greater range of use cases beyond gaming-- the 2021 market will be worth $64 billion, with non-gaming software and content, VR advertising and VR-related video revenue holding "significant" portion of the total. As a result VR applications in retail and market will see 124% CAGR through the forecast period, while video, education and tourism will see notable results.

“The three primary VR device types—mobile, standalone, and tethered—are entering the market with unique value propositions, target audiences, and use case support,” the analyst concludes. “However, there is the less understood market of mixed reality on the horizon. MR incorporates elements of augmented reality to VR devices, as evident in Intel’s Alloy reference

design. Associated machine vision technology like RealSense or Google's Tango opens a compelling AR/VR hybrid opportunity on the mobile platform. Taking the best of both AR and VR will open up the enterprise market further, and will enable entirely new use cases and applications not yet conceived."

Go VR Standalone Devices to Drive Market Development Through Compelling Content