

VR gaming and head mounted displays (HMDs) see rapid innovation in a "stuttering" market, Futuresource reports, with VR games expected to grow by 220% in 2018 amid a range of challenges and a turbulent hype cycle.



“Mass market uptake is going to be gradual, but it is going to happen,” the analyst says, “and as the VR sector moves forward from a relatively low base, content will continue to evolve, the user experience will improve and the investment threshold for consumers will continue to fall. By the end of 2018, VR games content will have achieved a global sales value of \$1.3 billion, setting it on a steady course for success.”

Dominating the VR games market are full games sales and downloaded content. Steam and Oculus lead the market, consolidating PC VR space and building a presence in mobile VR. PlayStation VR is the only option when it comes to gems consoles, since Microsoft has walked back on a previous decision to bring VR capability to Xbox One while Nintendo has no plans for the field as yet (despite some patents suggesting the Switch has some provision for VR).

According to Futuresource, mobile VR remains the best option for companies wanting to step into mass market VR. The market segment is branching into two routes. The first is entry-level VR through devices such as Google Cardboard, while 2nd generation HMDs from Lenovo and HTC, as well as the Oculus Quest, will bring more immersive VR capability to the sector in 2019. Mobile VR has been suffering lately, with retailers putting less emphasis on VR product placement and SKU depth in store, but future hardware innovations should provide customers with more immersive experiences.

Also making a comeback is augmented reality (AR)-- the analyst forecasts AR gaming sales will reach over \$0.6bn in 2018, thanks to a resurgent Pokémon Go and AR gaming experiences

based on feature film franchises such as Harry Potter, Jurassic World and Ghostbusters.

“The future of VR and AR gaming is burning bright,” Futuresource concludes. “By 2022, we forecast global sales of HMDs to reach 250 million units, by which time the combined market value for VR and AR games software will be knocking on the door of \$13 billion.”

Go [VR Games on Track 220% Growth in 2018](#)