“The VR market, despite its potential and initial excitement, has regressed over the last 12 months. There’s interest from many consumers but a clear gap between this and actual intention to buy a headset. Cost is still a significant barrier for them but standalone headsets are becoming important in addressing this issue.”

– Zach Emmanuel, Consumer Technology Analyst

This report looks at the following areas:

- The challenge of creating engagement when access to headsets is limited
- Consumers held back by price and lack of awareness
- Films appeal to most consumers but sport divides opinion

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This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Virtual Reality - UK - December 2018

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**VR market at crossroads as sales decrease**

Ready Player One movie showcases VR

PlayStation sells 3 million VR headsets

Increasing importance of standalone headsets

Price discounts continue for holiday seasons

**Mid-market focus could be key to growth**

**Market Drivers**

Ready Player One movie showcases VR

Consumers could look for better VR experiences after Google Cardboard success

PlayStation sells 3 million VR headsets

Increasing importance of standalone headsets

Price discounts continue for holiday seasons

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Quest headset to launch in 2019

HTC announces Vive Pro, Vive Focus for UK and wireless adapter

Lenovo unveils Mirage Solo headset with Google Daydream

HaptX releases developer kit for haptic VR

Zero Latency opens first VR studio in UK

Vive Studios and DVgroup demonstrate role of VR in film

**Launch Activity and Innovation**

Quest headset to launch in 2019

Oculus agrees a range of new partnerships

HTC announces Vive Pro and Vive Focus for UK market

Adapter brings wireless functionality to Vive headsets

Lenovo unveils Mirage Solo headset with Google Daydream

HaptX releases developer kit for haptic VR

Zero Latency opens first VR studio in UK
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- VR ownership still well behind more established technology items
- Just 21% of non-owners have tried VR
- Prices hold back new buyers
- Lack of awareness from consumers about VR
- PlayStation VR leads competition for new potential customers
- Millennials more engaged in all aspects of VR content – especially gaming
- World Cup VR figures suggest work to be done to persuade fans

VR Headset Ownership and Usage

- VR ownership still well behind more established technology items
- Just 21% of non-owners have used VR
- Over a third use VR more than once a week

Intent to Buy

- Almost three quarters of consumers don’t intend to buy
- Millennials well ahead in intent to buy a headset
- PlayStation VR leads competition for new potential customers

Incentives and Barriers to VR Purchasing

- Price holds back new buyers
- Lack of consumer awareness about VR

Interest in VR Content

- VR activities receive mixed response from consumers
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- VR educational use as appealing as gaming for Millennials
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