Augmentality Shift

U.S. Report

👻 × Ipsos

To understand AR, you need to experience AR

For the full experience, follow these instructions and bring the report to life

1. **Download** and **Open** the Snapchat app

2. **Point** your camera at the Snapcode

3. **Press** and **hold** on the Snapcode on your screen to scan it

4. **Experience** an Augmentality Shift

Never used Snapchat before? Why not give it a try now and address the elephant in the room?

scan me

AR technology has evolved rapidly. It's estimated that by 2025, around 60% of people in the US* and almost all people who use social / communication apps will be frequent AR users[1]

But rising adoption is far from the the whole story. Playfulness will always be part of the AR experience but there is a growing demand for Augmented Reality in our day-to-day lives. Technology delivering immersive experiences that brings real utility to people.

It's time to change the way brands think about AR.

It's time for an Augmentality Shift.

[1]2021 Snap Consumer AR Global Report, commissioned by Snap Inc.*Global population includes people ages 13-69 (5.61B based on UN World Population Prospects 2019

Chapter 1:
The Big Disconnect

Many brands have started to recognize **AR's endless potential.**

Others haven't, yet.

The challenge?

To connect **AR's endless possibilities** with the accelerating expectations of consumers.
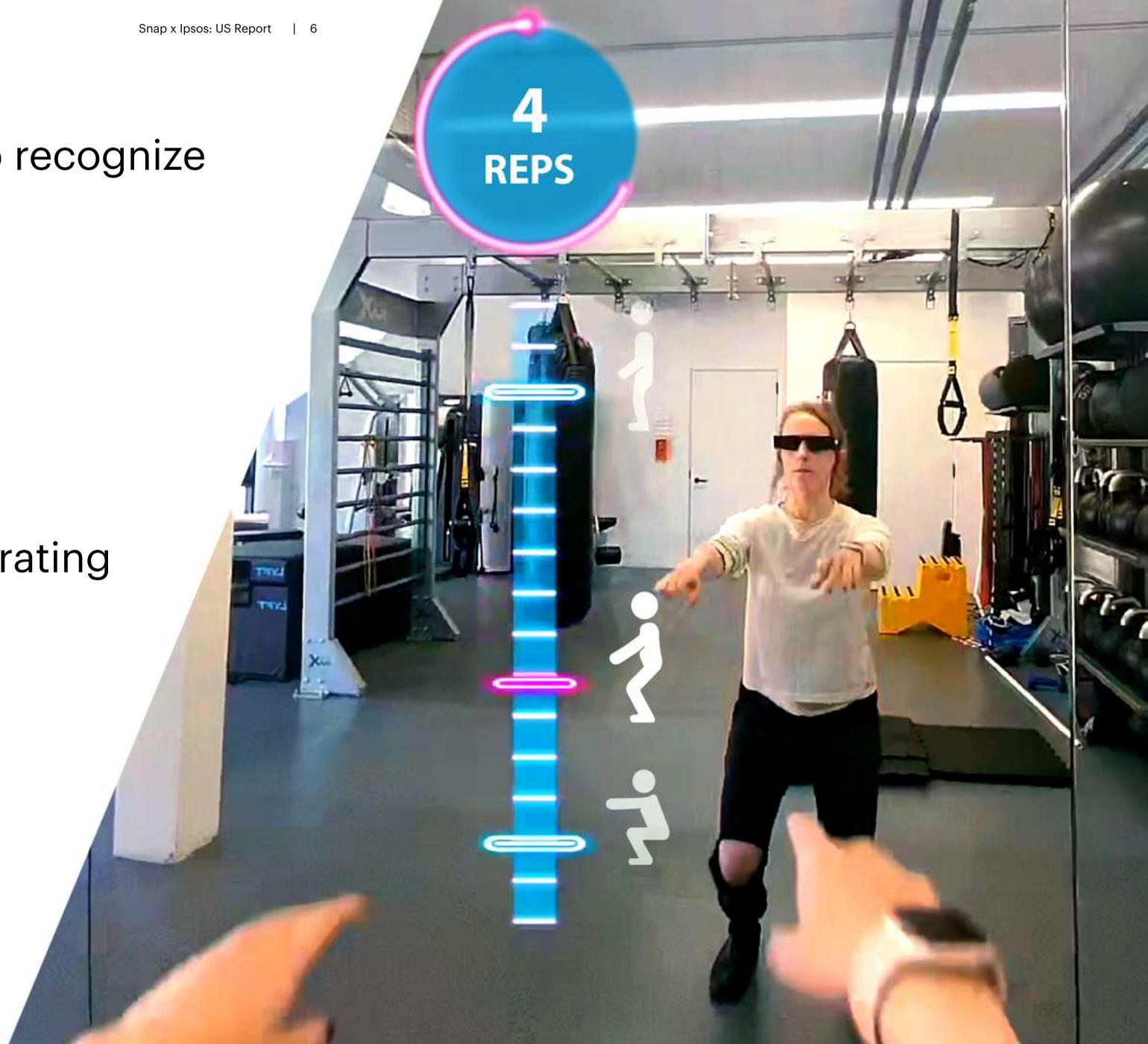
It's time to close the gap

90% of brands think AR is primarily for fun...[2]

57% of consumers think of it this way.[3]

AR is more than just fun and games

6/10

now identify shopping as their main reason for using AR.[4]

[4]2022 Ipsos Augmentality Shift Study commissioned by Snap Inc. | Base Consumers: US AR users or future users n=1,251 | Q: Please choose the main reason(s) you use / would use AR. (NET: 'To find out additional information about specific products or services', 'To make shopping experiences easier', 'To make shopping experiences faster' 'To ask friends / family for their opinions on what to buy' - 64%).

84% of consumers are interested in using AR to interact with a product before buying.[5]

Beyond shopping, from automotive to accessibility, virtual product trials transcend industries...

Consumers are looking for more creative and immersive experiences that add real value to their daily lives, so they can...

Find better ways to explore:

AR that empowers consumers to explore, understand and navigate.

Connect with Others:

AR that offers consumers new shared experiences to strengthen their connections.

Seek Growth and Development:

AR that enables consumers' personal development and learning.

AR for exploration

Brands can give consumers the ability to explore, by helping them navigate through stores or bringing maps to life. Imagine a consumer surfacing information about how to build or fix an item they purchased...

It takes you places

83% of consumers show interest in accessing AR maps that help navigate.[6]

It guides you

80% of consumers are interested in exploring the world with AR.[7]

It shows you how

75% of consumers say they'd be interested in using AR instructions.[8]

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AR for connections

More than ever, consumers are seeking new ways to connect. Brands can tap into AR's potential to offer new ways to help people make memorable connections.

Present with impact

73% of consumers are interested in experiencing AR at events and conferences.[9]

Amplify live experiences

79% of consumers are interested in AR for entertainment such as concerts and sport events.[10]

2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Consumers: US AR users or future users n=1,251 | Q26: AR can provide many experiences. Thinking about what you can do with using AR both now and in the future, how interested, if at all, are you in each of the following? [9] 'Visiting AR at events or conferences to engage with brands offering an AR experience [10] 'Using AR for entertainment, e.g. being able to see an AR concert or sporting event in the location of your choice using your phone' (T2B: Very interested / Somewhat interested).

AR for growth

AR can provide powerful opportunities to enhance learning, from educational guides to recipes and beyond. This is the greatest untapped opportunity for brands to become early adopters.

There's a thirst for knowledge...

84% of consumers say they're interested in AR for learning.[11]

...but the tap is running dry.

27% of brands are interested in providing consumers with AR learning experiences.[12]

[11] 2022 Ipsos Augmentality Shift Study commissioned by Snap Inc. | Base Consumers: US AR users or future users n=1,251 | Q Thinking about what you can do with using AR both now and in the future, how interested, if at all, are you in each of the following? 'Learning in an immersive way' (T2B: Very interested / Somewhat interested)

[12] 2022 Ipsos Augmentality Shift Study commissioned by Snap Inc. | Base Brands US: All AR Users or open to do doing so in the future n=214 | Q Which, if any, of the following would your Organisation be interested in providing to consumers or customers? Please select all that apply ('Enabling people to learn a new skill or hobby in an immersive way')

Learn sign language with the ASL Lens

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In fact, consumers' interest is high for a broad range of AR experiences, compared to brands' interest in delivering them.[13]

Level of interest in AR experiences

	Consumers	Brands
Learning in an immersive way	84%	27%
Map for navigation	83%	27%
Scanning product info	82%	60%
Travelling & Exploring the world	80%	29%
Entertainment & Concerts	79%	39%
Instructions	75%	27%
Events	73%	43%

Consumers   Brands

Chapter 2:

AR Across the Consumer Life cycle

Our digital world is designed for discovery. Consumers are accustomed to sifting through messages, notifications and ads from multiple channels to engage with brands at speed. It's no longer enough just to have great content.

The challenge for brands? To break through the noise and establish their presence in this loud environment.

AR can fuel extraordinary end-to-end consumer journeys that give your brand an advantage at every stage.
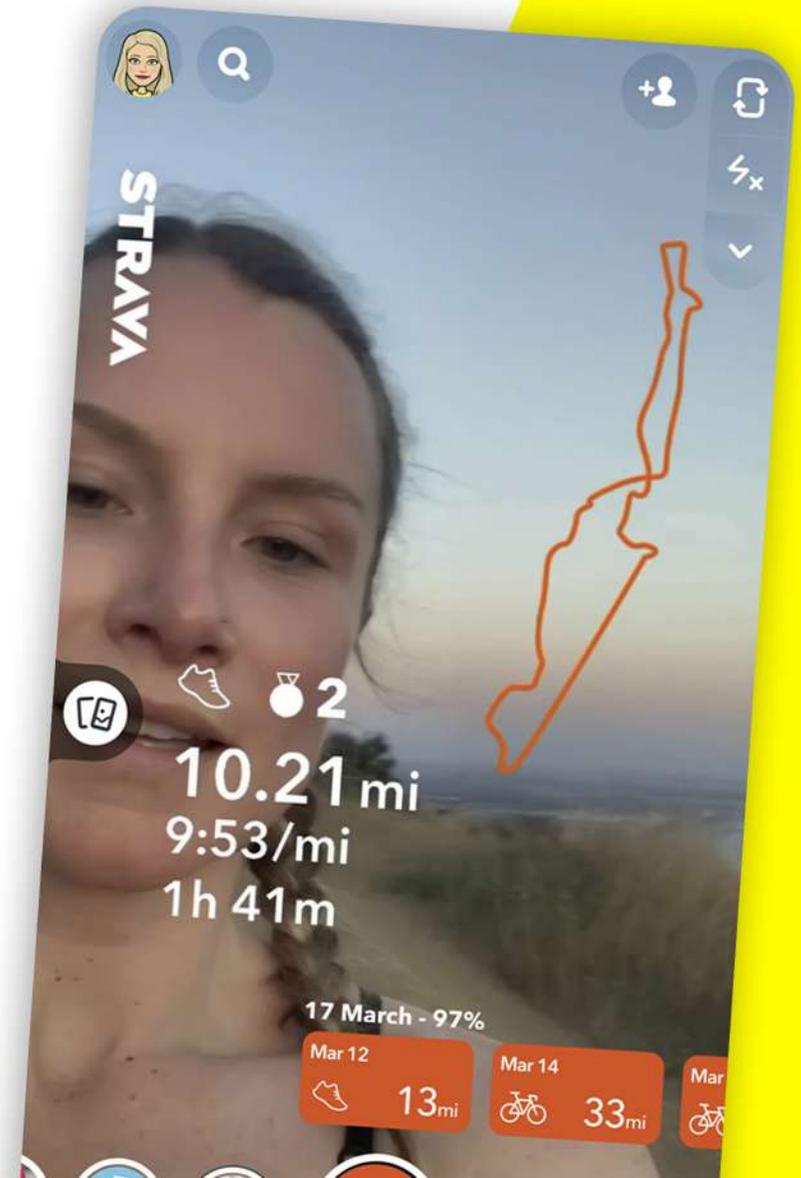
AR has the power to create extraordinary experiences across the consumer lifecycle: **awareness, consideration, conversion, and loyalty.**

4/5 of brands who use AR state it helps to drive sales, acquire new customers and drive performance metrics[14]

[14]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Brands US: All Brands AR users n=141 | Q16. In which, if any, of the following do you think AR could bring value to your organisation / key client] at an overall level? (NET Brand Driving Sales / Improve Metrics: 'Drive in-store sales', 'Create new digital purchase channels (DTC)', 'Acquire new customers', 'Drive performance metrics (Sales, lead generation, app installations etc)', 'Drive return on investment (ROI)') 86%.

Stand out from the crowd

AR gives brands the opportunity to deliver a unique message with impact, while keeping it playful.

Inject more emotion into your advertising.

8 in 10

brands that used AR lenses/filters improved their brand awareness.[16]

7 in 10

consumers agree AR experiences make them feel happy.[17]

[16]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Brands US = Organisations that 'Enhanced brand presence with AR filters, lenses or effects for customers' n=54 (Low base, use results with caution) | Q: What value did AR bring to your organisation / key client? Please select all that apply. (Brand awareness NET: 'Increasing brand awareness', 'Making us stand out from competitors' - 83%, Global Results = 80%, Base Global Brands n=220).

[17]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Consumers: US AR users or future users n=1,251; | Q38. And how much do you agree or disagree with each of the following statements? ('AR experiences make me feel happy' - 69%).

Help people make the right choices

AR helps consumers feel confident about their purchases. It allows them to visualise, share and gather feedback before making decisions.

90% of brands agree that AR expands the range of clothing and footwear that customers can 'try on' easily.[18]

73% of consumers agree that AR makes the shopping experience easier.[19]

[18]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Brands US: All n=214 | Q25: Here are some statements about AR and fashion / trends. Please tell us how much you agree or disagree, if at all, with each of the following statements. 'AR expands the range of clothing and footwear that customers can 'try on' easily'.

[19]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Consumers: US AR users or future users n= 1,251 | Q36: One way AR could help you is by improving your shopping experience. Please tell us how much you agree or disagree that AR could assist you in the following ways. 'AR makes the shopping experience easier'.
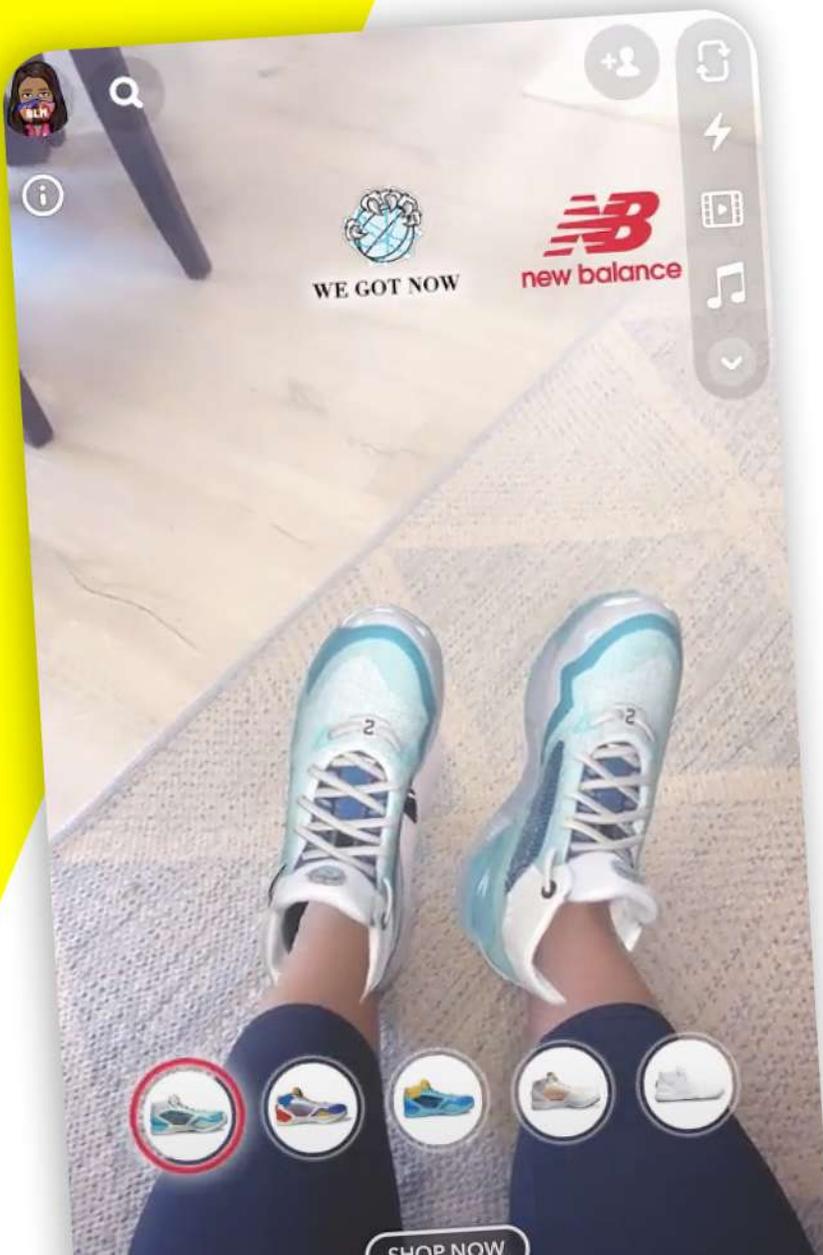
Give people a better way to buy

AR is transforming the way we shop. Delivering a more enjoyable and innovative buying experience.

93% of brands agree that AR offers engaging shopping opportunities[20]

7 in 10 consumers agree that AR helps them shop in new and exciting ways[21]

[20]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Brands US: All AR Users or open to doing so in the future n=214 | Q23, How much, if at all, do you agree or disagree with the following statements about Augmented Reality (AR). 'AR offers engaging shopping opportunities' (NET: Strongly agree / Somewhat agree).

[21]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Consumers: US AR users or future users n= 1,251 | Q36: One way AR could help you is by improving your shopping experience. Please tell us how much you agree or disagree that AR could assist you in the following ways. 'AR helps me shop in new and exciting ways' (NET: Strongly agree / Somewhat agree) – 72%.

scan me

Seamless shopping converts

Brands can use AR to deliver a more seamless shopping experience to consumers, driving conversions.

Interacting with products that have AR experiences leads to a 94% higher purchase conversion rate.[22]

81% of shoppers feel more confident in their purchase as a result of using AR[23]

[22]Harvard Business Review, How AR is redefining Retail in the Pandemic, 2020

[23]2022 Alter Agents study commissioned by Snap Inc and Publicis Media. Base: US Shoppers (n=1000). QA6: How much do you agree with the following statements about AR technology and shopping?
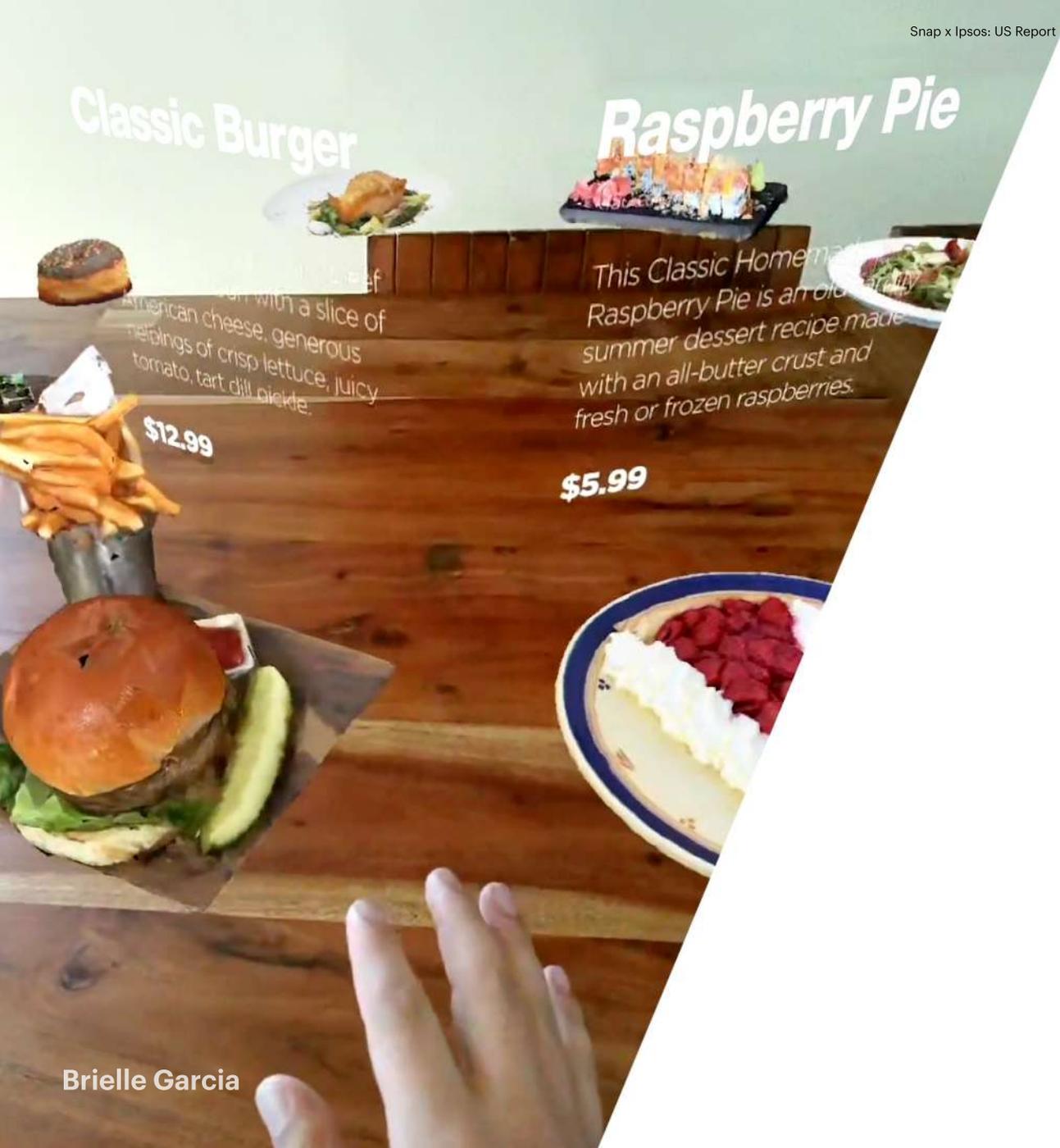
Brielle Garcia

Extraordinary experiences that go beyond expectations

Exciting and immersive applications of AR can turn transactional experiences into long-term loyalty.

74% of brands who use AR state it improves loyalty/customer experience.[24]

95% of Shoppers would be interested in using any post-purchase AR experiences[25]

[24]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Brands US: All Brands AR users n=141 | Q. In which, if any, of the following do you think AR could bring value to your organisation / key client] at an overall level? (NET Brand Loyalty: 'Improve customer experience', 'Improve customer loyalty')

[25]2022 Alter Agents study commissioned by Snap Inc and Publicis Media. Base: US Shoppers (n=1000). QA6: QA9: Which of the following types of post-purchase AR experiences would you be most interested in using?

Chapter 3:
Building Authentic Brands with AR

AR empowers brands to build meaningful relationships with consumers by showing that they share their values and by helping them make positive contributions.

AR for the Good of the World sets its sights on sustainability, and how brands and consumers can reduce their environmental impact. **AR for the Good of Others** focuses on creating a more inclusive world. And **AR for Growth and Development** explores the untapped potential AR has for supporting health initiatives.
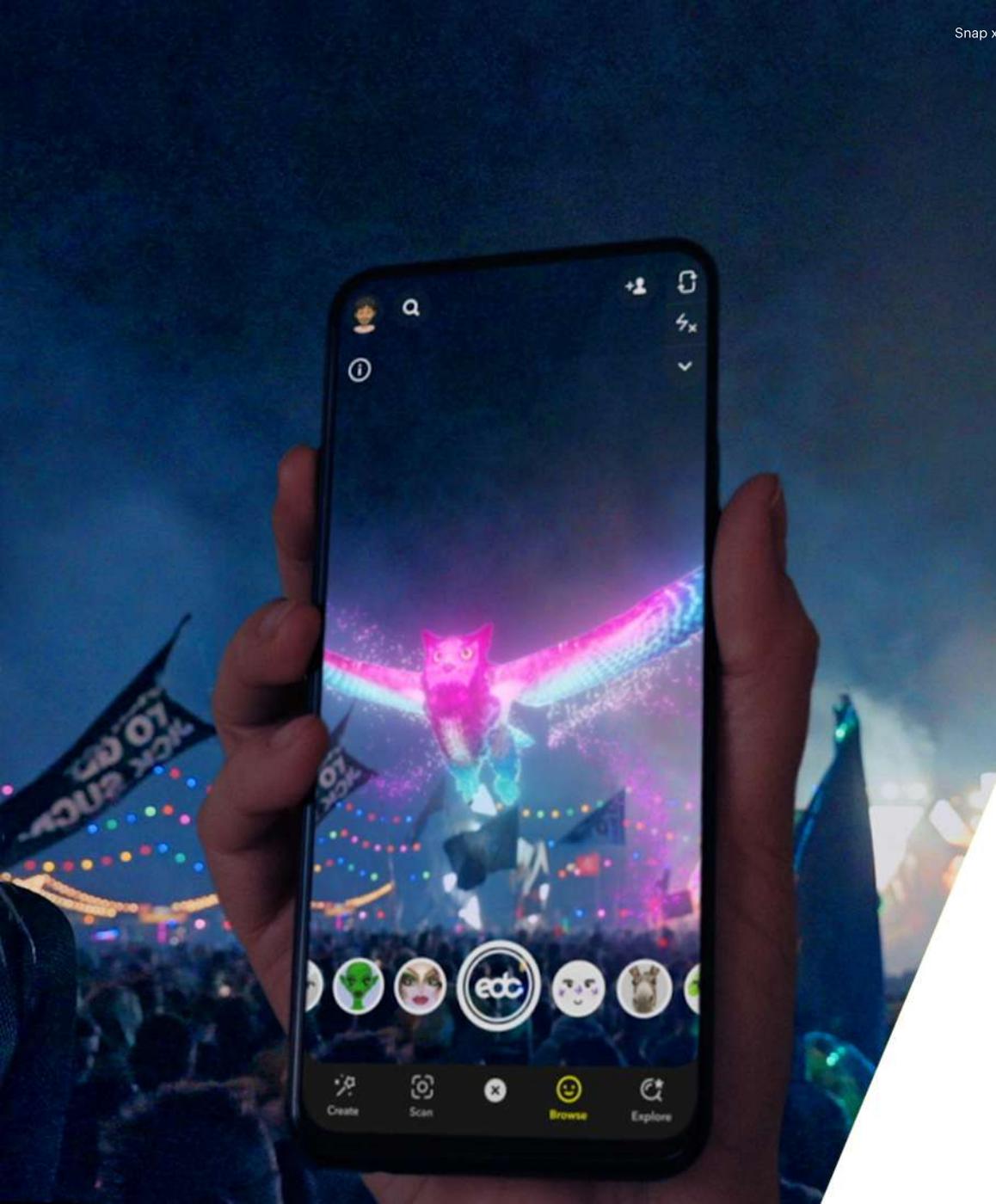
Inspire memorable brand moments

4/5

brands who already use AR ads say it provides opportunities for deep and meaningful engagement.[26]

[26]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Brands US: All AR Users or open to doing so in the futuren=214 | Q: Please tell us how much you agree or disagree, if at all, with each of the following statements (NET Strongly agree, Somewhat agree): 'AR ads provide opportunities for deep and meaningful engagement with customers' - 80%; Global Results = 84% - Base Global Brands: All n=1,021.

The environmental potential

Using immersive 'try-on' technology gives consumers confidence about how a product will look and fit. This means more accurate choices and less returns - helping brands to save money and reduce their environmental impact.

83% of consumers believe AR has the potential to help the environment by reducing returns.[27]

78% of brands also claim the number of returns a customer makes will be reduced by AR.[28]

[27]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Consumers: US AR users or future users n=1,251 | Q: Which, if any, of the following do you think AR can help reduce? Please select all that apply. (NET Returns: 'The number of returns', 'The amount of packaging needed', 'The cost of processing returns - 83%)

[28]2022 Ipsos Global Augmentality Shift Study commissioned by Snap Inc. | Base Brands US: All AR Users or open to doing so in the future: n=214 | Q: Thinking about the impact AR can have, which of the following do you think AR can help your organisation / key client to reduce? (NET Returns:'The number of returns a customer makes', ' Amount of packaging needed for sending goods and receiving returns', 'Cost of processing returns' - 78%).

AR powers inclusivity

Brands can use AR to empower consumers to connect with their environments in more accessible ways.

## 72% of brands agree AR makes sure products or events are accessible to all.[29]

Feel the difference

Brands can use AR to enhance consumers' wellbeing, from adjusting pace for runners to improving golf swings.

78% of consumers are interested in using AR to participate in wellness or fitness activities.[30]

5 Easy steps to get your AR advantage

1.

Establish
expectations

There is a disconnect between brand perceptions and consumer expectations. Brands need to close this gap, by thinking of how they can meet and exceed growing consumer usage and demand. Start with the basics.

2.

Expand
to make lives easier

Build immersive AR experiences that enhance people's lives by allowing consumers to explore the world (e.g. maps to navigate), connect with others (e.g. to find friends), and fuel personal growth (e.g. AR to learn).

3.

Engage
across the life cycle

Use AR to create a more seamless shopping experience that makes consumers more likely to purchase. Think about how you can inspire your audience at every touch point; from awareness and consideration, to conversion and loyalty.

4.

Elevate
your brand values

AR makes a brand's purpose and values tangible for consumers. Build deeper connections by showcasing your sustainability (world), diversity (others), and wellness (growth) initiatives.

5.

Embrace
the opportunity

Thousands of brands are already using AR to inspire and make a positive impact. It's easy to get started, so catch up with those already making ground.

The Methodology
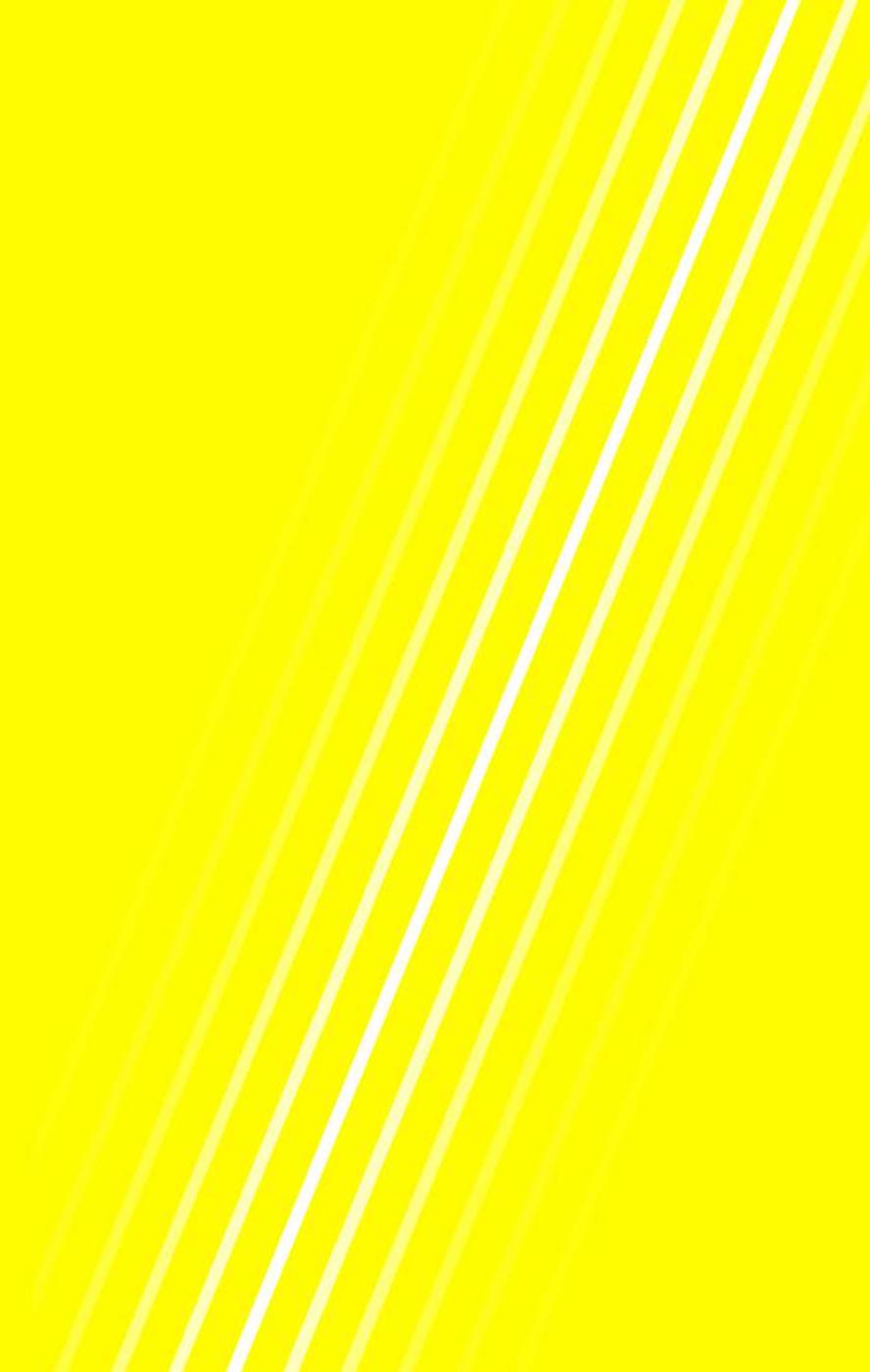
Definitions

Based on the finding from this report, brands, creators and innovators can immerse themselves in the AR revolution. For this, we have defined two essential sample groups that have been referred to in this report as...

1. Consumers: Smartphone users aged 13 to 44 years old who use any social / communication app. Current AR users or open to AR.

2. AR decision makers (known as 'Brands' in this report): Senior AR decision makers from brands or agencies that have implemented AR (used) or are open to doing so (aware and open to use AR).

Methodology

Quantitative Surveys
Quantitative surveys to understand the value of AR and the problems AR solves for consumers and AR Decision Makers.

Qualitative, Semiotics & Trends analysis
Interviews with pioneers, Snap buyers and thought leaders in AR to uncover future use cases and the trends that are driving this space. Additional Secondary qualitative analysis from Snap advertiser and Snap Consumer research.

Semiotics analysis of cultural artifacts representing AR to understand what messages and images are influencing and shaping opinions.

This report is grounded in the following major components carried out by **IPSOS UK** on behalf of **Snap, Inc:**

	QUANTITATIVE CONSUMER ONLINE SURVEY	QUANTITATIVE AR DECISION MAKER ONLINE SURVEY	QUALITATIVE, SEMIOTICS & TRENDS ANALYSIS
Survey length	15 minutes online self completion survey.	15 minutes online self completion survey.	**Trends analysis & Qualitative**
Sample definition and size	24,849 participants aged 13 to 44 who own and use a smartphone, and use any social / communication app and chose to take part in our survey, from which 1,580 were German smartphone consumers - 1,251 AR users or future users.	1,021 senior decision makers (managers +) drawn from brands or agencies that have used AR or are open to doing so in the future who chose to take part, from which 214 brands were from the US.	Secondary research and an expert forum with 8 pioneers, engineers and thought leaders in AR to uncover future opportunities and use cases for AR and the trends that are driving this space.

Two in-depth interviews with Snap Advertisers to discuss successful use cases of AR. Secondary qualitative analysis from 12 x Snap advertisers quotes from Snap, Inc qualitative Snapchat user research. |
Territories	16 countries across the Globe: US, Canada, Mexico, GB, France, Germany, Netherlands, Sweden, Norway, Australia, Japan, Malaysia, Indonesia, India, United Arab Emirates and Saudi Arabia.	16 countries across the Globe: US, Canada, Mexico, GB, France, Germany, Netherlands, Sweden, Norway, Australia, Japan, Malaysia, Indonesia, India, United Arab Emirates and Saudi Arabia.	**Semiotics analysis**
Quotas & Boosts	Age within gender to ensure a robust, analysable sample size per group per country (equally distributed across the following age groups: 13-17, 18-24, 25-34 and 35-44. Boosts for Snapchat users or non-Snapchat users depending on individual country incidence to ensure strong sample size across both groups.	Imposed to attain a split of both organisations and agencies and region (Asia-Pacific, North America, EMEA, MENA and Nordics).	Analysis of cultural artifacts representing AR to understand what messages and images are influencing and shaping opinions, attitudes and expectations of audiences.
Fieldwork dates	22 March - 27 April 2022.	18 March - 21 April 2022.	**IPSOS UK CLIENT TEAM**
Weighting	Final data weighted on age, gender and country specific incidences for the boost samples (alongside nationality / expat for Saudi Arabia and United Arab Emirates) to align with the profile of smartphone users in each of the surveyed territories. Total sample by country weighted to the same number of participants (n=1,500) with Global results based on aggregate data across countries.	No weighting was applied. Unweighted data was aggregated and analysed at a Global and Regional level.	Billie Ing - Head of UK Trends and Futures
Billie.Ing@ipsos.com

Madeline Steinberg - Engagement Lead Strategy3
Madeline.Steinberg@ipsos.com

Eduardo Mena - Research Director Media
Eduardo.Mena@ipsos.com |

Methodology

Sample detail from **Consumer & Brands** surveys, by country:

	Consumer		Brands		
	All smartphone user	Of which (n=) are current AR or future users	Completes by country	Completes by region	Region
US	1,580	1,251	214	316	North America
Canada	1,527	1,134	50*		
Mexico	1,575	1,424	52*		
GB	1,652	1,298	107	267	Western EU
France	1,644	1,212	80*		
Germany	1,716	1,292	80*		
The Netherlands	1,532	1,110	46*	96*	Netherlands and The Nordics
Sweden	1,529	1,159	32*		
Norway	1,413	1,126	18*		
UAE	1,506	1,417	28*	38*	MENA
KSA	1,501	1,366	10*		
Australia	1,532	1,152	87*	87*	Australia
Japan	1,488	951	45*		
Malaysia	1,533	1,411	20*	100	Asia
Indonesia	1,519	1,448	35*		
India	1,602	1,528	117	117	India
Global	**24,849**	**20,279**	**1,021**		

* Low sample at country / regional level