

## Media alert: Standalone VR headset shipments to top 1.5 million in 2018 as Oculus, HTC and Lenovo prepare to enter the market

Palo Alto, Shanghai, Singapore and Reading (UK) – Tuesday, 19 December 2017

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**Canalys forecasts standalone smart VR headset shipments will pass 1.5 million in 2018, and grow with a CAGR of 140% to reach 9.7 million units in 2021. Oculus, HTC and Lenovo are launching new standalone headsets aimed at different market segments, which will drive rapid market growth. Standalone VR headsets are expected to help push the VR headset market to 7.6 million units in 2018, twice the shipments forecast for this year.**



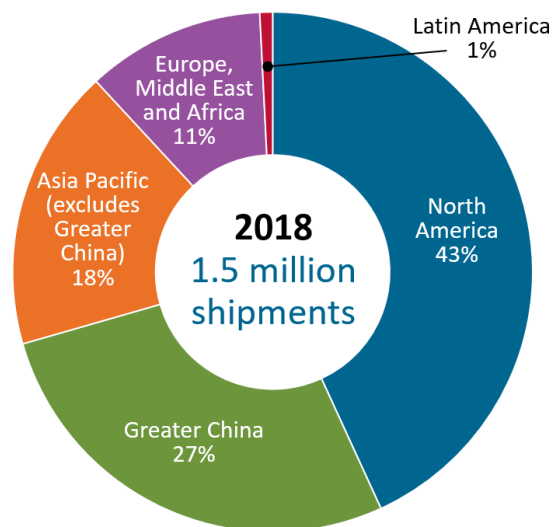
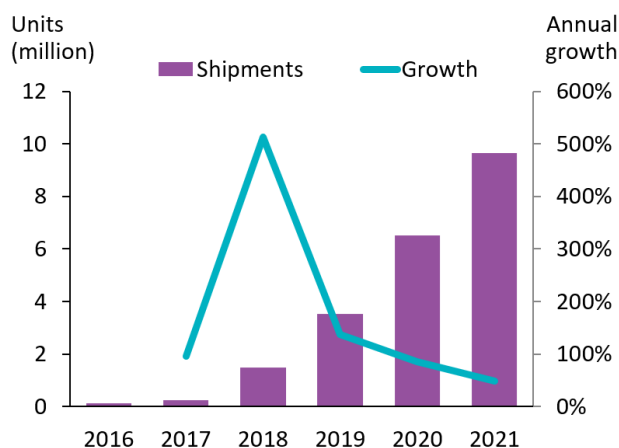
Canalys forecasts standalone VR headset shipments will top 1.5 million in 2018 as Lenovo, Oculus and HTC prepare to enter the market

Oculus made a big move by unveiling the Oculus Go, its first consumer-ready standalone smart VR headset during Oculus Connect 4 on 11

October 2017. “Oculus Go, while a great move by Facebook to mobilize VR, will fail to get consumer attention when launched,” said Canalys Research Analyst Vincent Thielke. “The extra cost of the headset and the fact that a smartphone-based solution, such as the Gear VR, can offer a similar experience will inhibit initial consumer uptake. Also, missing the holiday season is a lost opportunity for Oculus to gain a strong base of early adopters. But there will be excitement for this new category of VR headsets, and Oculus must ensure that its next mobile VR prototype, Project Santa Cruz, succeeds in attaining a high quality level to remain relevant in VR.”

## Standalone VR headsets need practical use cases

Smart VR headset shipment forecasts



Source: Canalys forecasts, Virtual Reality and Augmented Reality Analysis, December 2017



The recently announced HTC Vive Focus headset with six degrees-of-freedom (6DoF) tracking retails from CNY3,999 (US\$600) in China, a similar price to a premium smartphone there. “With its new Vive Focus, HTC is well placed to attract high-value consumers and, more importantly, businesses to its VR platform,” said Canalys Analyst Jason Low. “HTC is clearly not chasing volume, but moving toward the more important value segment, which is the future of VR. Consumer adoption of VR beyond gaming is still shaky but business use-cases are emerging quickly.”

## Smart “standalone” VR headsets getting versatile



### Trending specs for smart VR headsets

1. Built-in six DoF positional tracking
2. Three DoF controller
3. 3K OLED or low-persistence LCD display
4. Quick charge

### Key verticals driving adoption

1. Marketing and retail
2. Education and training
3. Tourism and travel
4. Entertainment services



China had a head start in the standalone segment in early 2016, when vendors quickly became aware that low price and high volume was not the right strategy. Pico, which had success in the market with its Goblin headset, will release its next product with 6DoF tracking in December. “Positional tracking has been on every VR headset vendor’s radar but especially challenging for inclusion in standalone VR headsets. Pico’s next headset is expected to retail at a higher price point than the Goblin, underlining the premium strategy of Chinese vendors,” said Low.

**VR headset forecast data** is taken from Canalys’ Virtual Reality and Augmented Reality Analysis service, which provides quarterly market tracking. Canalys defines a virtual reality headset as a device with a display designed to be worn on the face that immerses the viewer in a virtual world, and it excludes simple viewers, such as Samsung’s Gear VR and Google’s Daydream View. A smart VR headset is a standalone, multi-purpose device that is designed to be worn on the face and not carried, runs an operating system, and can run third-party computing applications. A basic VR headset is a device serving a specific set of purposes that is designed to be worn on the face and not carried, cannot run third-party computing applications independently and is generally tethered by cable to a desktop PC.

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## About Canalys

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