

## Consumer Netherlands

The following report is a deep dive into how Snapchatters are using AR in the Netherlands based on the Snap Consumer AR Global Report. For a more comprehensive market view, please read the <u>Snap Consumer AR Global Report</u>.

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AR is the next form of mobile engagement, elevating the consumer experience and setting new expectations for digital engagement.

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AR is a critical tool for brands to stand out and deliver customer value and confidence.

### 03 AR is Evolving Fast

AR cannot be ignored as the new, rapidly-growing consumer experience that will soon be everywhere, all the time.

### O4 AR is Here Today and Here to Stay

AR is already here, widely recognized as both fun and useful and driving fast adoption and growth.

#### 05 Conclusion

There is an imperative to meet consumer's AR demand, and now is the time to act for brands, platforms, and developers.



### Introduction

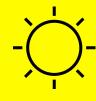
### Key Takeaways



AR adoption is tracking with the mobile usage boom - by 2025, over 60% of the Netherland's population and almost all people who use social / communication apps will be frequent AR users.<sup>1</sup>



72% of people successfully identify AR when they see it<sup>2</sup>, but when talking about it, they have a hard time defining or describing what it is.



68% of Snapchatters in the Netherlands and across generations use AR to have fun; the majority are discovering AR through social / communications apps.<sup>3</sup>



AR is generally seen as a "toy", but **76% of people expect and** desire to use it as a practical "tool" in their everyday lives.<sup>4</sup>



Interacting with products that have AR experiences leads to a **94% higher conversion rate.**<sup>5</sup>

1: See additional methodology details in appendix 2: 2021 Global Deloitte Digital Study commissioned by Snap Inc.

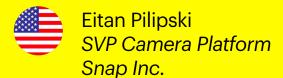
Base = Aggregate average (n=741) Q: AR Recognition for 9 examples 3: Base = Snapchatters (n=349)

Q: Why do you use AR? 4: Base = Aggregate (n=701)

4: Base = Aggregate (n=701)
Q: Augmented Reality is useful / Augmented Reality is not useful | A: Agree much

more with A, Agree somewhat more with A
5: Harvard Business Review <u>Article</u>, "How AR is Redefining Retail in the Pandemic"

There is something really unique happening right now – an incredible number of hobbyists and professionals are using AR. Downloading tools across the Snap AR platform. They're taking time to learn, they're curious."

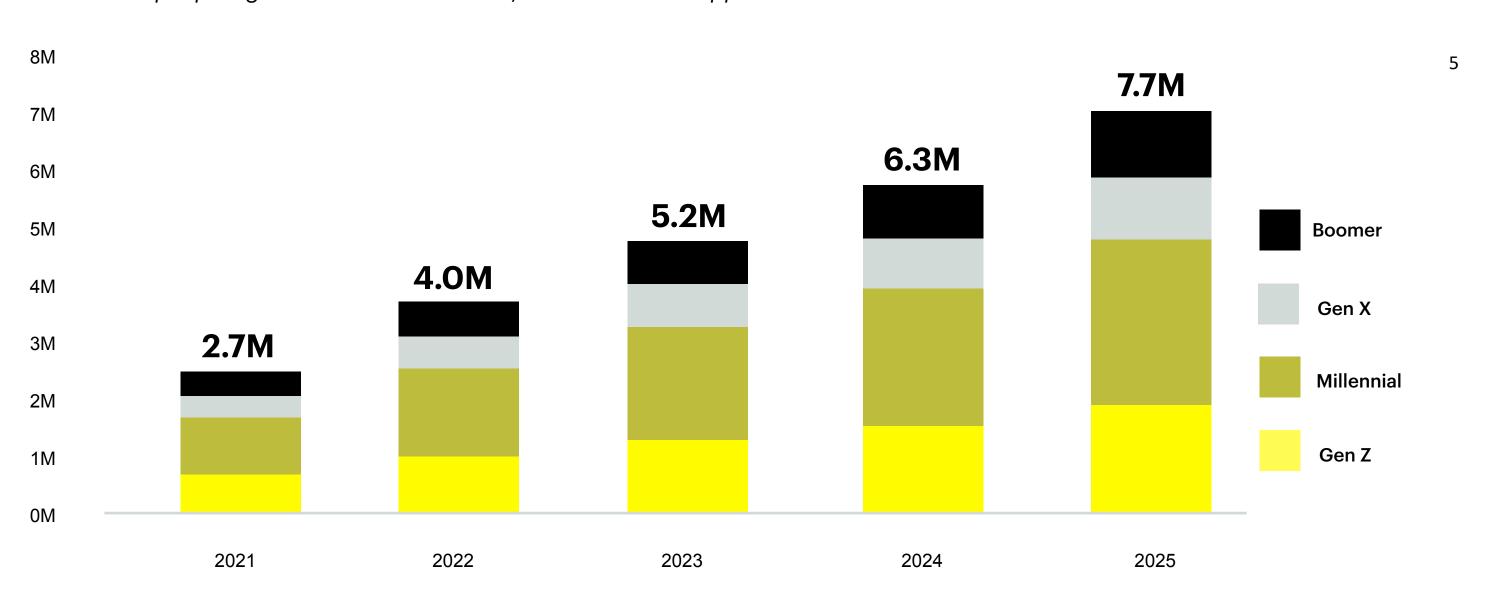


### AR is growing

By 2025, **nearly 60%** of the Netherland's population\* and almost all people who use social / communication apps will be frequent AR users.<sup>1</sup>

### Frequent AR Consumers

Based on people ages 13-69 who use social / communication apps



### Younger generations and Snapchatters are driving AR growth

### **Age Differences**



Younger people are **66%** more likely to use AR,<sup>1</sup>

and they are **35% more** likely to believe AR is important in their lives.<sup>2</sup>

But, AR is not just for Gen Z; Millennials and Gen X show the highest affinity for AR.<sup>3</sup>

### Snapchatters



Snapchatters are **2.5**x as likely to use AR frequently compared to Non-Snapchatters.<sup>4</sup>

**Almost 60%** of Snapchatters believe AR is important to their lives.<sup>5</sup>

1: 2021 Global Deloitte Digital Study commissioned by Snap Inc.

Base = Age 13-17 (n=59), Age 18+ (n=176)

Q: How familiar are you with AR? | A: I use AR all the time

2: Base = Age 13-17 (n=99), Age 35-44 (n=82)

Q: I see AR everywhere / I don't see AR anywhere | A: Agree much more with A, Agree somewhat more with A 3: Publicis Groupe & Snap Inc. Study

Base: Gen Z (n=1,261), Millennials (n=1,632), Gen X (n=1,107)

QP7A: Thinking about your expected use of AR technology post-COVID, do you expect to start using AR? Please select one response

4: 2021 Global Deloitte Digital Study commissioned by Snap Inc. Base = Snapchatters (n=169), Non-Snapchatters (n=66)

Q: How familiar are you with AR? | A: I use AR all the time

5: Base = Snapchatters (n=294)

Q: AR is important to me / AR is not important to me | A: Agree much more with A, Agree somewhat more with A

As AR evolves, it will revolutionize our lives and will become as significant of a technology shift as the web or mobile was to society, changing how we view and interact with the world around us."





## AR's Impact on Brands

Q

## A lot of people are using AR to make purchase decisions... and plan to keep doing so

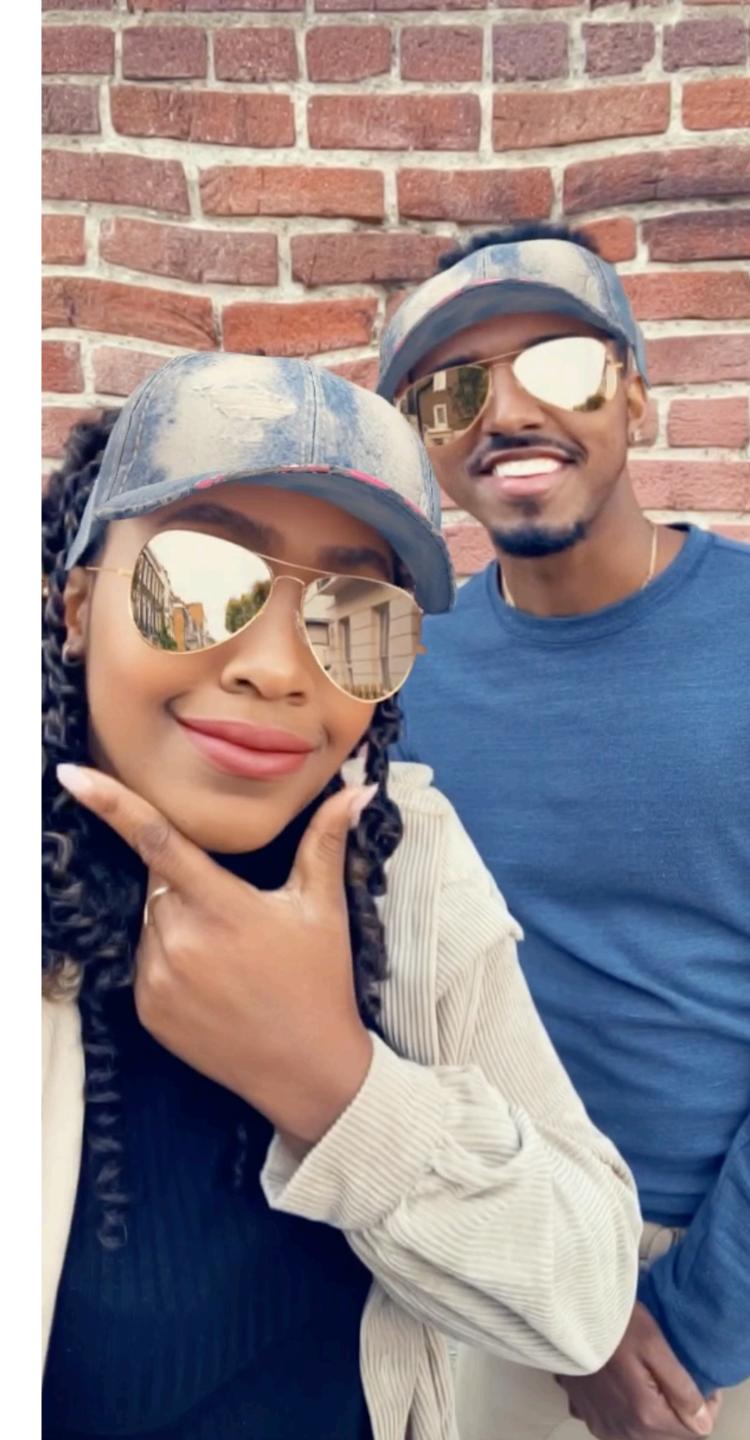
There are

100 million consumers

shopping with AR online and in-stores.<sup>1</sup>

3%

of Snapchatters agree they'll use AR the same or more when shopping next year.<sup>2</sup>



## AR captures consumer attention

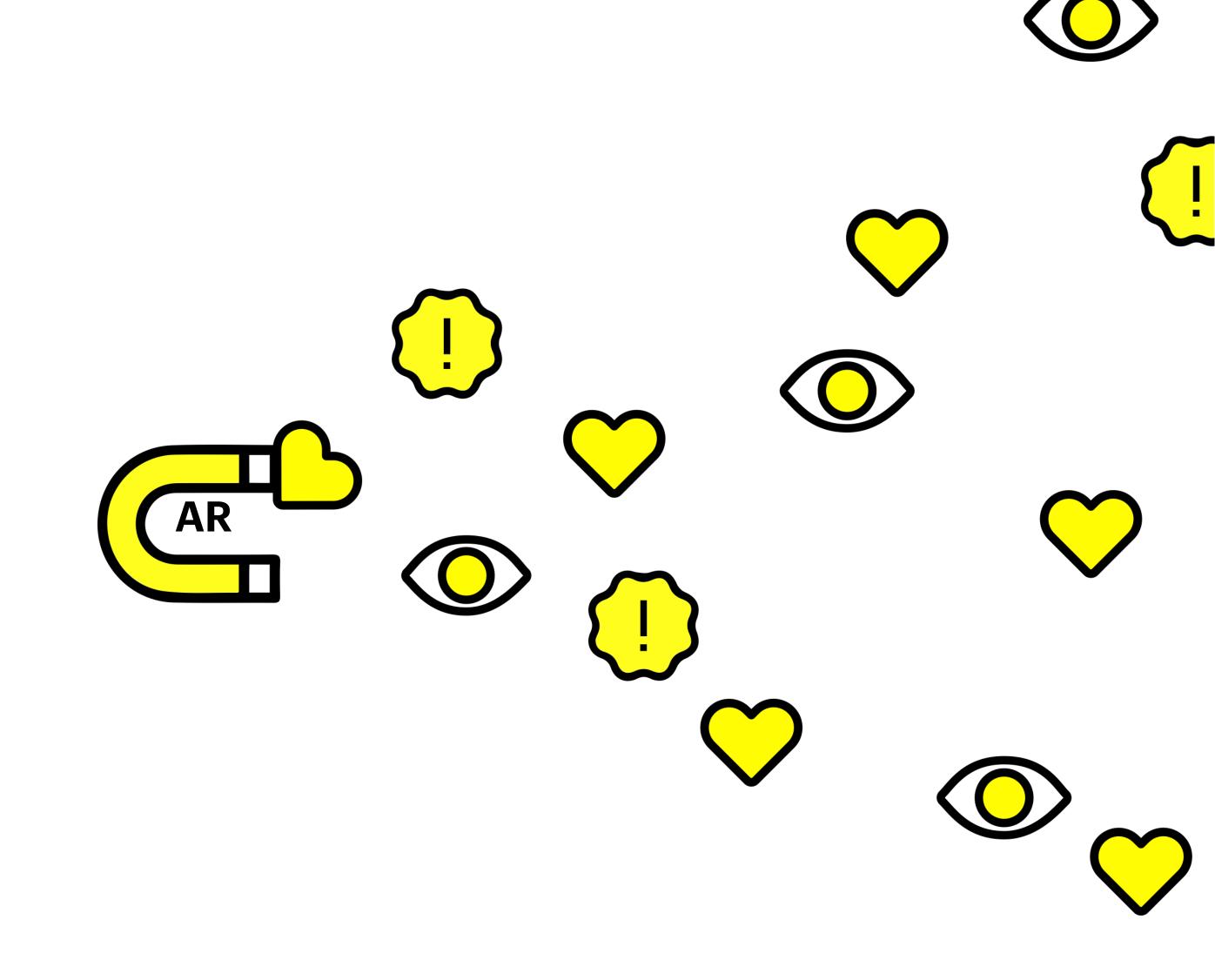
AR delivers almost

2x the levels of visual attention compared to their non-AR equivalent,

leading to improved memories and more powerful responses from consumers.<sup>1</sup>



Snapchatters who frequently use AR with their family and friends are 87% more likely to pay attention to a brand.<sup>2</sup>



### **Brands and** people connect better with AR experiences

**Brands are** 

more likely to be considered if they have a branded AR experience.<sup>1</sup>



Snapchatters are 57% more likely than Non-Snapchatters to share a brand's AR experience with friends and family.<sup>2</sup>

<sup>1: 2021</sup> Global Deloitte Digital Study commissioned by Snap Inc.

Base = People who use AR all the time (n=72)

Q: How familiar are you with AR? | A: I use AR all the time | Q: Sometimes brands will create AR experiences through an app camera (e.g., a big movie company makes an AR experience where the heroes of a movie are fighting next to you, or a restaurant provides you a lens/filter/effect that turns you into a hamburger). What impact, if any, does interacting with that AR experience have on your perception of that brand? | A: I am more likely to pay more attention to the brand, I am more likely to share a brand's AR experience with friends and family, I am more likely to consider their products

<sup>2:</sup> Base = Snapchatters (n=166), Non-Snapchatters (n=105)

Q: Sometimes brands will create AR experiences through an app camera (e.g., a big movie company makes an AR experience where the heroes of a movie are fighting next to you, or a restaurant provides you a lens/filter/effect that turns you into a hamburger). What impact, if any, does interacting with that AR experience have on your perception of that brand? | A: I am more likely to share a brand's AR experience with friends and family

### AR builds consumer confidence

46%

of Snapchatter shoppers agree that AR gives them more confidence about product quality.<sup>1</sup>



### Over half

of people want to use AR technology to assess products, allowing for a risk free, "try-before you buy", experience.2



Nearly 3 in 4 consumers

say they're willing to pay more for a product that promises the total transparency that AR can provide.3

Returns are a \$550 billion problem, which AR can help fix. AR-guided purchases led to a 25% decrease in returns.4



1: 2021 Global Deloitte Digital Study commissioned by Snap Inc.

Base = Snapchatters (n=238)

Q: How does AR impact your browsing and/or shopping experience? 2: NielsenIQ <u>Analysis</u>, Augmented retail: The new consumer reality

3: 2016 Label Insight Transparency ROI Study via Inc.

4: ARInsider Article, "Does AR Really Reduce eCommerce Returns?"

# The results are in

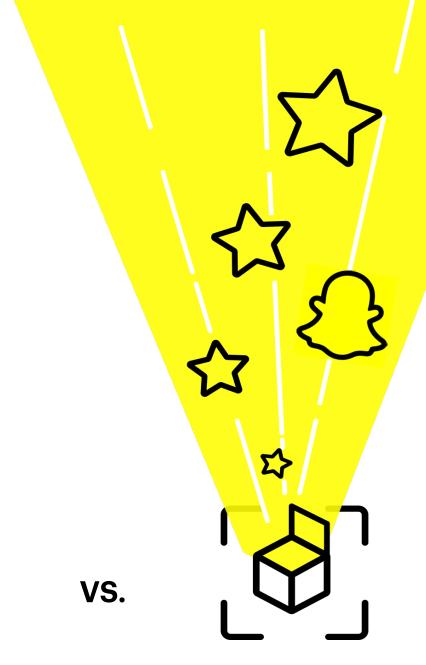
### **AR interactions** drive conversion

The conversion rates that we've seen have surprised us, as a result we're doubling-down on AR experiences to drive eCommerce."

Robert Triefus EVP of Brand & Customer Engagement

Interacting with products that have AR experiences leads to a

higher conversion rate, as individuals can better assess them and feel connected with brands.1



Snapchatters are 37% more likely to purchase products through a brand's website than Non-Snapchatters.<sup>2</sup>

1: Harvard Business Review Article, "How AR is Redefining Retail in the Pandemic"

2: 2021 Global Deloitte Digital Study commissioned by Snap Inc. Base = Snapchatters (n=109), Non-Snapchatters (n=79)

Q: Sometimes brands will create AR experiences through an app camera (e.g., a big movie company makes an AR experience where the heroes of a movie are fighting next to you, or a restaurant provides you a lens/filter/effect that turns you into a hamburger). What impact, if any, does interacting with that AR experience have on your perception of that brand? | A: I am more likely to purchase their products through the brand's website

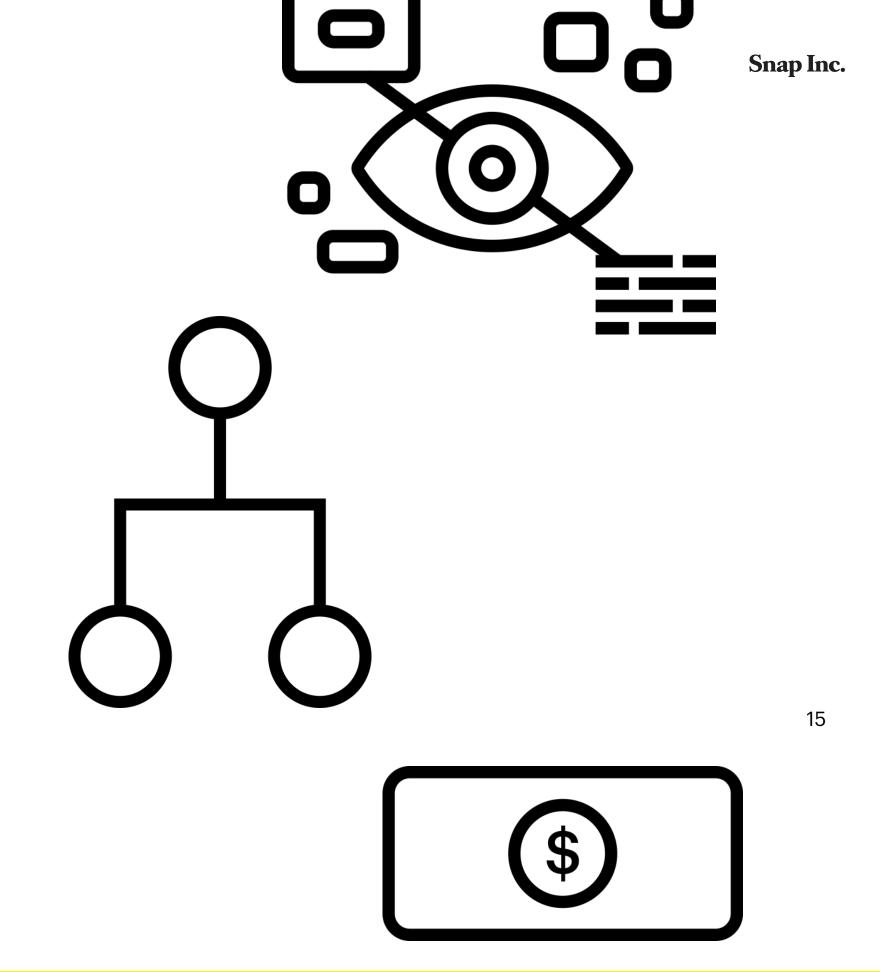
### AR connections drive revenue

Consumers who interact with a brand's AR experience are...

26% 20%

more likely to share the experience with family and friends<sup>1</sup>

more likely to purchase products from the brand<sup>2</sup>



Q: Sometimes brands will create AR experiences through an app camera (e.g., a big movie company makes an AR experience where the heroes of a movie are fighting next to you, or a restaurant provides you a lens/filter/effect that turns you into a hamburger). What impact, if any, does interacting with that AR experience have on your perception of that brand? | A: I am more likely to share a brand's AR experience with friends and family

2: Base = Aggregate (n=203)

Q: Same as above | A: I am more likely to purchase their products through the brand's app where I saw the brand's AR experience

3: Base = Snapchatters (n=128), Non-Snapchatters (n=67)

Q: Why do you use AR?

Several times each day

4: Base = Snapchatters (n=174), Non-Snapchatters (n=89) Q: How often do you capture or share photos and videos with your friends and/or family? | A:

- Snapchatters are 90% more likely than Non-Snapchatters to use AR to connect with others.<sup>2</sup>
- Snapchatters share AR photos and videos with friends and/or family 94% more than Non-Snapchatters.3



# AR is Evolving Fast

**Boomer** 

Millennial

Gen Z

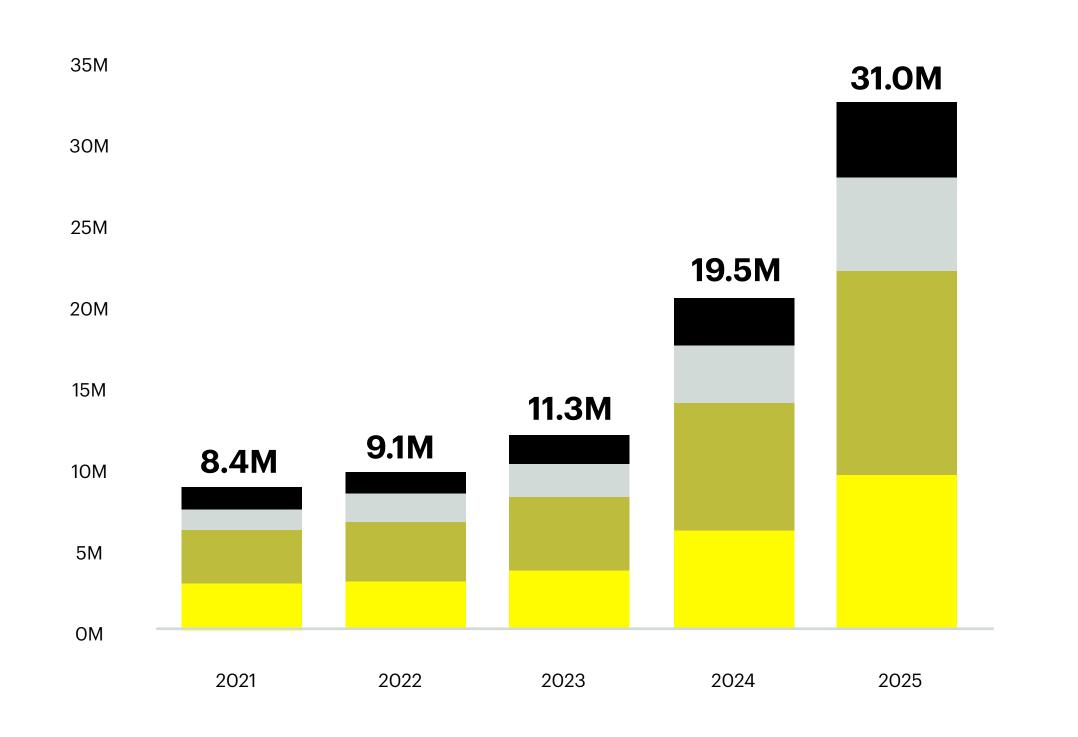
# Over 8 Million AR photos and / or videos are taken daily by consumers

AR use will grow with an increase in awareness and access to AR experiences and content.



### AR Photos / Videos Per Day<sup>1</sup>

Generational Breakout of Daily AR Photos / Videos Created







# AR is Here Today and Here to Stay

68%
of Snapchatters use AR
primarily in their homes.1

Snapchatters predominantly use AR at home and do so for a wide range of uses.

What are Snapchatters using AR for at home?<sup>2</sup>

**E** 

57%

**Media & Entertainment** 

Communication

48% Shopping

53%
Gaming

Today's use cases most align with activities you would do at home, and 95% of Snapchatters say they will use AR at home more than last year.<sup>3</sup>

<sup>1: 2021</sup> Global Deloitte Digital Study commissioned by Snap Inc.

Base = Snapchatters (n=340)

Q: Where do you typically use AR? Please rank the locations from where you use AR the most to the least. | A: At Home Rank 1st

<sup>2:</sup> Base = Snapchatters at home - Communication (n=290), M&E (n=195), Gaming (n=181), Shopping (n=162)
Q: Where do you typically use AR? Please rank the locations from where you use AR the most to the least. | A: At Home Rank 1st |
Q: How often do you use AR for any of the following reasons? | A: Several times each day, Once a day, Several times a week, Once

a week, A few times a month, Once a month
3: Base = Snapchatters (n=493)

Q: How will your total AR usage compare to last year? – At home | A: I will use AR more than last year, I will use AR about the same amount as last year

# How are Snapchatters learning about AR?



learn about AR from social / communication channels and networking.<sup>1</sup>

Snapchatters who use AR frequently are more likely to have **over 40%** of their friends and family using AR.<sup>2</sup>



Base = Snapchatters (n=438)



Snapchatters are almost 33% more likely to discover AR through social media, communication, and camera apps than Non-Snapchatters.<sup>3</sup>

Q: Where did you first discover AR content? | A: I saw people I know using it on social media, communication, and camera apps, I saw it in an advertisement on a social media, communication, or camera app, I stumbled across it while exploring viral content on social media, communication, or camera app, I saw celebrities / influencers use it on social media, communication, and camera apps, I read about it on a blog / forum, I heard about it from friends / family, in-person 2: Base = Snapchatters who use AR all the time (n=104), Snapchatters who have used AR before (n=109)

Q: How familiar are you with AR? | A: I use AR all the time, I have used AR before | Q: How many of your friends and family do you think use AR today? | A: 40-60%, 60-80%. Over 80%

<sup>3:</sup> Base = Snapchatters (n=85), Non-Snapchatters (n=67)

Q: Where did you first discover AR content?

Why do they use AR?

TECH: OSMOSIS

"I didn't even realize I was using it"

TOY:

JOY

"I want to have fun and connect with friends"

TOOL:

UTILITY

"I need to and it's useful"

TOTALITY: UBIQUITY

"It's everywhere and commonplace"

### What are Snapchatters using AR for, today?

Snapchatters frequently use AR for communication (+90%) and gaming (+72%) more than Non-Snapchatters.9

#### Communication

86% use<sup>1</sup>



49% to be more creative<sup>5</sup>

#### Media

66% use<sup>2</sup>



43% to make what they are watching more enjoyable<sup>6</sup>

### Gaming

58% use<sup>3</sup>



43% to make gameplay more interactive<sup>7</sup>

#### **Shopping** 57% use<sup>4</sup>



**37% to try** products out<sup>8</sup>

1: 2021 Global Deloitte Digital Study commissioned by Snap Inc.

Q: Frequency of Use by Reason: Communication | A: Several times each day, Once a day, Several times a week, Once a week, A few times a month, Once a month

Q: Frequency of Use by Reason: Media | A: Several times each day, Once a day, Several times a week, Once a week,

A few times a month, Once a month 3: Base = Snapchatters (n=315)

Q: Frequency of Use by Reason: Gaming | A: Several times each day, Once a day, Several times a week, Once a week. A few times a month. Once a month 4: Base = Snapchatters (n=295)

Q: Frequency of Use by Reason: Shopping | A: Several times each day, Once a day, Several times a week, Once a week. A few times a month, Once a month

5: Base = Snapchatters (n=130)

Q: How does AR impact your communication experience?

6: Base = Snapchatters (n=103)

Q: How does AR impact your entertainment experience?

7: Base = Snapchatters (n=106) Q: How does AR impact your gaming experience?

8: Base = Snapchatters (n=87)

Q: How does AR Impact your browsing and/or shopping experience?

9: Base = Snapchatters - Communication (n=115), Non-Snapchatters - Communication (n=58), Snapchatters - Gaming (n=123), Non-Snapchatters - Gaming Q: How often do you use AR when connecting with friends and/or family? A: Somewhat/Very Frequently | Q: How often do you use each type of AR when

gaming? - Social media, communication, and camera apps that have AR games | A: Somewhat/Very Frequently

What are Snapchatter shoppers using AR for, today?<sup>1</sup>





72% Entertainmen

67%
Telecommunications

64%
Restaurant & Food Delivery



**62%**Beauty and Wellness



61%
Household goods



58%
Automotive

64/6
Restaurant & Food Delivery

AR is a natural extension of the shopping experience, aiding in decision making

**40%** help shoppers decide what to buy<sup>3</sup>

74% of shoppers are likely to use AR when they come across it<sup>2</sup>

1: 2021 Global Deloitte Digital Study commissioned by Snap Inc.

Base = Snapchatters (n=86)

3: Base = Snapchatters (n=94) Q: How does AR Impact your browsing and/or shopping experience? that way<sup>1</sup>

Shopping and

browsing is the

main way shoppers

discover AR, with

**37%** discovering

Q: How have you found AR while browsing and/or shopping? 2: Base = Snapchatters (n=172)

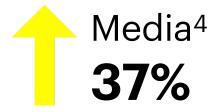
Q: If you come across AR while browsing and/or shopping, how likely are you to try it? | A: Somewhat/Very Likely

### Almost 3 in 4 Snapchatters believe that AR will be even more important in their lives in the next 5 years.<sup>1</sup>

Next year, Snapchatters plan on using AR more in 4 key growth areas.









**46%** want to readily view information about an item or product as soon as it's scanned with the phone camera.<sup>6</sup>

**40%** want to project their AR avatar into their favorite games, media & entertainment.<sup>6</sup>

**30%** want to create their own interactive media plots by guiding characters through a script.<sup>6</sup>

**34%** want to customize environments to their own imagination and share with others.<sup>6</sup>

<sup>1: 2021</sup> Global Deloitte Digital Study commissioned by Snap Inc.

Base = Snapchatters (n=360)

Q: How useful and/or important do you think AR will be in 5 years? | A: Very useful / important, Somewhat useful / important

<sup>2:</sup> Base = Snapchatters (n=104)

Q: Will you use AR while browsing and/or shopping more or less than last year?

<sup>3:</sup> Base = Snapchatters (n=99)
Q: Will you use AR in gaming more or less than last year?

<sup>4:</sup> Base = Snapchatters (n=91)

Q: How would you like to use AR in the next year to enhance the way you view sports, concerts, movies, and TV?

Base = Snapchatters (n=76)

Q: How do you feel about AR on social media, communication, and camera apps? | A: I want more ways to interact with friends and family using AR

<sup>6:</sup> Base = Readily view information about item or product (n=164), Project through AR avatar (n=143), Customize environments (n=124), Create TV/Movie/Video plot narratives (n=108) Q: Below is a list of ways you could use AR in the future. Please select all the ways that you would be interested in using AR.

### Utility is a primary driver for Snapchatters' future AR usage<sup>1</sup>

# Wellness + 241%

Instructions

52%

TV & Sports

71%

Navigation

43%

Communicate

**16%** 

Learn
Something New pping 32%

Improve Shopping 121%

1: 2021 Global Deloitte Digital Study commissioned by Snap Inc.
Base = Snapchatters, Why use AR - Wellness (n=39), Improve Productivity (n=56), Instructions (n=81), Learn something new (n=123), TV & Sports (n=60), Navigation (n=108), Communicate (n=153), Improve Shopping (n=133) | Snapchatters, Desire for more AR use - Wellness (n=133), Improve Productivity (n=123), Instructions (n=123), Learn something new (n=163), TV & Sports (n=102), Navigation (n=155), Communicate (n=162), Improve Shopping (n=162)
Q: Why use AR | Q: Desire for more AR use

### Consumers are becoming creators

Everyday consumers have more access to technology tools that enable them to be creators of digital content.

AR is a creative vehicle

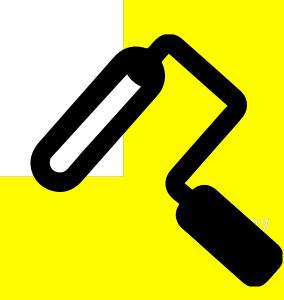
believe AR allows them to be more creative.<sup>1</sup>

believe they are AR creators in their

everyday lives.<sup>2</sup>

Snapchatters are 1.6x as likely to be AR creators.3

**Snapchatters** 



VS.

**Non-Snapchatters** 

have used tools to create AR.

<sup>1: 2021</sup> Global Deloitte Digital Study commissioned by Snap Inc.

Base = Aggregate (n=642)

Q: How much do you agree or disagree with each of the statements below? AR allows me to be more creative |

A: Agree/strongly agree

<sup>2</sup> and 3: Base = Aggregate (n=548), Snapchatters (n=339), Non-Snapchatters (n=209)

Q: Have you ever used tools (e.g. Snapchat Lens Studio, Facebook for Developers/Spark AR, Instagram for

Developers, TikTok for Developers) to create your own AR filters/lenses/effects? | A: Yes

### Conclusion

Consumers continuously expect more personalized and engaging experiences that enable them to interact with the world. AR is delivering that to consumers, today, but there remains untapped potential for so much more.

Brands know the consumer appetite for AR is already here – consumers are far more likely to pay attention to brands using AR. There is a content imperative for brands to meet consumers AR demand, and now is the time to meet this demand. Brands that meet the demand for AR experiences may be more likely to gain market share in the future.

The convergence of use cases and the networking effects is expediting AR adoption. But to unlock AR's potential, brands, developers, and platforms need to work together to accelerate content development and grow the AR ecosystem.



### **3 Thank you**



Appendix

# Consumers are redefining the digital experience by using AR.

Augmented Reality (AR) is the next form of mobile engagement that is exciting consumers, driving an enhanced engagement with brands, elevating consumer experiences and increasing brand revenues.



Augmented Reality refers to experiences in which the real-world environment seen through your phone, computer, app camera, or an AR headset is altered or enhanced with the addition of images, objects, text, or other digitally-added information. Augmented Reality could be applied to both visuals of the front facing (selfie) and outward facing (world) cameras.<sup>1</sup>



### Report Methodology

### Research Overview Netherlands Report, Quantitative Online Survey

- 20-minute online survey among 15,000 international respondents
- Survey in field from February 23, 2021 April 5, 2021

### Alignment with Interdisciplinary Experts

 Experts within the AR industry participated in in-depth interviews to provide context for survey findings and contribute guidance on the future of AR in society.

### Respondent Qualification

- n=1000 per market
  - Ages 13-50
  - 500 Snapchatters who use Snapchat at least once daily, split evenly amongst age groups 13-17, 18-24, and 25-50
  - To ensure a representative read on Snapchatters, cell weighting based on nested gender and age were applied to each country to correct for demographic imbalances due to set sampling size.
  - 500 Non-Snapchatters, who do not have Snapchat downloaded/have never heard of Snapchat, minimum of N=100 in all three age groups
- Markets: Australia, Canada, France, Germany, India, Japan, Malaysia, Mexico, The Netherlands, Norway, Saudi Arabia, Sweden, United Arab Emirates, United States, United Kingdom

### **Local Market Additions and Exceptions**

- US: Ethnicity quota (maximum 65% white respondents, maintained only for Snapchatters; Non-Snapchatters sample should be roughly nationally representative)
- KSA and UAE: Representative expat / citizen quotas (88% expat in UAE; 30% expat in KSA for both Snapchatters and Non-Snapchatters).
- Norway: Sample recruited for n=1000 to be representative of social media and communication app users in that market, with a skew on ages reflective of other markets (evenly distributed across 13-17, 18-24, and 25-50)
- Japan: Sample recruited for n=1000 to be representative of smartphone users in that market, with a skew on ages reflective of other markets (evenly distributed across 13-17, 18-24, and 25-50)

### Frequent AR Users Methodology

#### 2021 Baseline

#### **Frequent AR Users**

People who use AR weekly or daily based on responses to 2021 Global Deloitte Digital Study commissioned by Snap Inc.<sup>1</sup> and extrapolated to population



#### **Population Base**

2021 Global Population Base: People ages 13-69 = 5.61B worldwide in 2020<sup>2</sup> 2021 Social and Communications App Population Base: Global Population x Social Media Penetration Rate (48% in 2021)<sup>3</sup> = 2.71B

Note: Assumes no increase or decrease in population. Base from 2021 stays same across five years



#### **AR Adoption Rate**

AR Adoption Rate of Total Population
AR Adoption Rate of Social and Comms App Population

Note: Adoption Rate capped at 100% in out years

**2022-2025 Forecast** 



2021 Baseline



See above

#### **2000 Growth Rate of Smartphone Users**

Note: 2021 AR Users is at 1999 smartphone user's adoption level since AR is in the Toy-phase of adoption; if we look at where this transition took place with mobile phones, one can argue that this was when games like 'snake' started being available (e.g., 1997: Nokia 6110 device released, 1999: emojis were invented, 2000: Nokia 3310 launched, and the first commercially available camera phone launched in Japan)

1: 2021 Global Deloitte Digital Study commissioned by Snap Inc.

Base = Aggregate (n=1,029)

Q: How often do you use AR for any of the following reasons? Communication

Note: Boomers assumed similar behavior to Gen X since Boomers were not part of survey group
2: United Nations Population Division Department of Economic and Social Affairs, World Population Prospects 2019, World Population 2020

3: Statista Global Social Network Penetration 2017-2025

### AR Photos / Videos per Day Methodology

Overall: Calculations were done by age groups in the 2021 Global Deloitte Digital Study commissioned by Snap Inc. and netted up into a generational view. The following methodology was used for each age group (Ages: 13-17, Ages 18-24, Ages: 25-34, Ages: 35-44, Ages: 45-50)

#### **2021 and 2022 Baselines**

#### **Number of People**

Step 1: Determine Global Population for ages 10-69 (5.99B)<sup>1</sup>

Note: Survey only included Ages 13-50. Ages 10-12 were assumed to have similar behavior to Ages 13-17. Ages 51-69 were assumed to have similar behavior to Ages 45-50.

Step 2: Determine percent of people within crosstab of survey questions for Frequency of photos/and or videos taken daily AND % of photos/ and or videos that are AR2. 2021 based on responses to behaviors today. 2022 based on responses to behaviors next year.

Step 3: Apply percent of population from Step 2 to population to get number of people within each crosstab



#### **Number of Photos/Videos Taken Daily**

Step 1: Identify scenarios for number of photos and or videos taken daily

Note: Since the survey had ranges (few than 5, 5-10, 10 or more), to determine the number of photos, we developed a low, mid, high case.

Low: assumes lowest quantity in each range (1,5,10) Mid: assumes average of low and high case (2.5, 7, 12) High: assumes highest quantity in each range (5, 10, 14) 14 was used as a cap for high case to keep daily photos at a reasonable amount for an average user

Step 2: Select case to apply to analysis

Note: High case was chosen based on input from Snap Inc.



#### % of Photos/Videos that are AR

Step 1: Identify scenarios for percent of photos and or videos taken that are AR

Note: Since the survey had ranges (less than 20%, 20-40%, 40-60%, 60-80%, Over 80%), to determine number of photos taken daily that were AR, we developed a low, mid, high case. Low: assumes lowest quantity in each range (0%, 20%, 20%, 60%,

Mid: assumes average of low and high case (10%, 30%, 50%, 70%,

High: assumes highest quantity in each range (20%, 40%, 60%, 80%, 100%)

Step 2: Select case to apply to analysis

Note: High case was chosen based on input from Snap Inc.

Step 3: Apply adjustment factor to correct for people who are using AR but may not realize it

Note: Based on 2021 Global Deloitte Digital Study commissioned by Snap Inc., it was discovered that ~13% of respondents who use AR could not successfully identify AR >50% of the time.<sup>2</sup>

#### Daily AR Photos and/or Videos

Step 1: Take annual AR photos and or videos and divide by 365 to get daily AR photos and or videos by age group

Step 2: Add all age groups to get total daily AR photos and or videos

34

#### 2023-2025 Forecast

2: 2021 Global Deloitte Digital Study commissioned by Snap Inc.

2023-2025

Base = Aggregate (n=1,029)

2022 Baseline 2007 Growth Rate of Smartphone Device Sales

Note: Device growth is used as a proxy for photos/videos growth. Growth rate assumes 2007 smartphone device growth. As of 2021, there are ~1.05B AR Compatible Devices: ARCore (Android)3 + ARKit (iOS)4. If this grows at global smartphone growth equivalent, there could be ~4.1B by 2025

## Expert Interviews

| First Name    | Last Name      | Country               | Company                   | Date      |
|---------------|----------------|-----------------------|---------------------------|-----------|
| Glen          | Gainor         | United States         | Amazon Studios            | 2/13/2021 |
| Raimon        | Homs           | Spain                 | Deloitte                  | 2/16/2021 |
| Bryan         | Rokoszak       | <b>United States</b>  | Deloitte Digital          | 2/16/2021 |
| Alan          | Smithson       | Canada                | MetaVRse                  | 2/16/2021 |
| Ed            | Grieg          | <b>United Kingdom</b> | Deloitte                  | 2/17/2021 |
| Adrian        | Mills          | Australia             | Deloitte Digital          | 2/17/2021 |
| Bill          | Briggs         | <b>United States</b>  | Deloitte                  | 2/18/2021 |
| Yagna         | Akuluri        | India                 | Deloitte                  | 2/22/2021 |
| Joanna        | Popper         | <b>United States</b>  | HP                        | 2/22/2021 |
| Jason         | Williamson     | <b>United States</b>  | Deloitte                  | 2/22/2021 |
| Donald        | Brady          | <b>United States</b>  | Deloitte Digital          | 2/23/2021 |
| Shashi        | Deethi         | India                 | Deloitte                  | 2/23/2021 |
| Ram           | Chandel        | <b>United States</b>  | Deloitte                  | 2/23/2021 |
| Lokesh        | Ohri           | <b>United States</b>  | Deloitte                  | 2/23/2021 |
| Steven        | Bailey         | <b>United States</b>  | Deloitte                  | 2/23/2021 |
| Jean-Emmanuel | Biondi         | <b>United States</b>  | Deloitte                  | 2/23/2021 |
| Dea           | Lawrence       | <b>United States</b>  | Variety                   | 2/23/2021 |
| Shrenik       | Sadalgi        | <b>United States</b>  | Wayfair                   | 2/24/2021 |
| Mike          | Boland         | <b>United States</b>  | ARtillery                 | 2/24/2021 |
| Jason         | Yim            | <b>United States</b>  | Trigger Global            | 2/25/2021 |
| Paul          | McDonagh-Smith | <b>United Kingdom</b> | MIT                       | 2/26/2021 |
| Kaitlyn       | Kuczer         | <b>United States</b>  | Deloitte Digital          | 2/26/2021 |
| Max           | Dawes          | <b>United Kingdom</b> | Zappar                    | 2/26/2021 |
| Alex          | Sanger         | <b>United States</b>  | <b>Universal Pictures</b> | 2/26/2021 |
| Walter        | Delph          | <b>United States</b>  | Magic Leap                | 3/1/2021  |
| Snehaal       | Dhruv          | India                 | SuperFan                  | 3/1/2021  |
|               |                |                       |                           |           |

#### Snap Inc.

#### **First Name** Expert Interviews **Last Name** Country Company **Date** Parisi **United States** 3/3/2021 Tony Unity CEO / Cofounder 3/4/2021 Noriega Mexico Anwar at Wabisabi Design Alpha Ines France 3D Makeup Artist 3/5/2021 **United Arab** Wella Company Alice Bezirard-Fischer Write-in **Emirates** Kirsten 3/8/2021 Soumas Verizon **United States** Performance Shane Horneij 3/9/2021 **United Kingdom** Marketing King Qi Pan Snap 3/9/2021 **United Kingdom** Kimberlee Archer 3/9/2021 Snap **United States** Carolina Arguelles 3/9/2021 **United States** Snap Robert Triefus Gucci 3/12/2021 Switzerland Clara 3/11/2021 Bacou Lens Creator **United Kingdom** 3/16/2021 Timoni West Unity **United States** adidas 3/16/2021 Lara Bean **United Kingdom** Johnson 3/19/2021 Peggy Magic Leap **United States** 3/17/2021 Jon Cheney **United States** Seek XR Clarke Write-in James **United States** Frito-Lay

Andrew

Eitan

Allan

McPhee

Pilipski

Cook

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3/17/2021

3/17/2021

3/18/2021

North America

**Deloitte Digital** 

Snap

Snap

**United States** 

**United States** 

**United States** 

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