



VUTURES INTELLIGENCE REPORT

4 FEBRUARY 2026

Executive Summary:

- This week saw significant developments in the XR/VR/AR space, particularly in marketing applications, hardware advancements, and strategic shifts by major companies. Key highlights include a new report on the role of AR and VR in digital marketing, Snap's establishment of a new subsidiary for smart glasses, and Meta's ongoing challenges with its AR initiatives

Business Activities:

- Snap Inc. launched an independent subsidiary, Specs, on January 28, 2026, aimed at attracting outside investment for its smart glasses. This move indicates a strategic push for faster consumer rollout.
- Meta Platforms has delayed the global rollout of its Ray-Ban Display due to supply and demand issues and plans to cut about 10% of its Reality Labs staff, which may slow down AR headset and software timelines.
- Google is accelerating its Android XR initiatives in collaboration with partners like Xreal, with a focus on making smart glasses more user-friendly and familiar.

Market Trends:

- A report by Digital.Marketing titled "AR & VR in Digital Marketing" emphasizes the shift of AR and VR from experimental to practical tools in marketing. Key findings include:
 - AR enhances product discovery and conversion rates.





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Market Trends Cont...

- VR is effective in experiential marketing and training.
- Immersive content leads to stronger engagement compared to traditional formats.
- The report highlights barriers to adoption, such as cost and technical complexity.

Technology Updates

- Investment in AR/VR: Meta's projected capital expenditure for 2026 is between \$115-\$135 billion, with a significant portion allocated to AI and AR investments.
- Market Dynamics: Companies like Snap and Xreal are positioning themselves to capitalize on the demand for lightweight, consumer-priced AR glasses, especially as Meta pauses its rollout.

Community Pulse

- Discussions on Hacker News reflect skepticism about the long-term success of AR/VR products, particularly Apple's Vision Pro, with debates on market readiness and consumer interest.

This report highlights the dynamic landscape of XR developments in the APAC region, focusing on business activities, market trends, and technological advancements.

