# Smart Technology Marketing Revenues Surged 393% to $340 Million in 2018, Driven Primarily By Triple-Digit Growth in AI, AR and VR Marketing

*U.S. smart technology marketing (STM) revenues surged 393.4% to $340.4 million in 2018, making STM by far the fastest-growing marketing segment in 2018, according to the first-ever benchmark on this small but burgeoning category from media industry economists PQ Media.*

STAMFORD, Conn. ([PRWEB](#)) February 25, 2019 -- U.S. smart technology marketing (STM) revenues surged 393.4% to $340.4 million in 2018, making STM by far the fastest-growing marketing segment in 2018, according to the first-ever benchmark on this small but burgeoning category from media industry economists [PQ Media](#).

Overall STM revenues, which are broken down into five major categories – artificial intelligence, augmented reality, virtual reality, internet of things, and voice assistant marketing – are projected to grow at more than 100% for each of the next two years, topping $2 billion in 2020, according to PQ Media's just-released [U.S. Smart Technology Marketing Forecast 2019](#). While smart technology accounted for less than 1% of total US marketing expenditures in 2018, brand marketer investments are expected to reach $7.08 billion in 2023.

Artificial intelligence (AI) was the largest segment of smart technology marketing in 2018, representing two-thirds of the category's overall investment by marketers, and it was the fastest-growing of all STM channels, rising 418% to $226.8 million last year. AI is the largest of the five STM channels due to the strength of major operators like IBM Watson working with major brands. AIM allows marketers to develop personalized messages over multiple media platforms, such as TV, digital and out-of-home media.

Augmented reality (AR) was the second largest and second-fastest growing STM channel, growing 400% to $75 million in 2018, according to the PQ Media. AR is generating strong growth rates because it is among the least expensive of the STM channels to produce marketing messages. Brand awareness of AR grew when marketers began partnering with Pokémon Go! and placing mobile beacons at retail stores.

"STM use has been growing substantially over the past three years as more brands become aware of its potential, with cost, ease of use, and turnaround time being key factors when they choose to employ one of the five STM channels," said PQ Media President Patrick Quinn. "While some industry observers have called STM the 'holy grail' because of its ability to engage customers at the point of decision, key issues like standard measurement remain, as no standard ROI-type measurement has yet been developed."

Virtual Reality (VR) ranked third in size among the five STM segments in 2018, and while it posted triple-digital gains it was the slowest growing of the major channel categories. VR head gear sales have been somewhat weak, making the projected reach of VR much lower than originally anticipated, as high costs to produce VR messages have weighed on this segment.

Voice Assistants was the fourth-fastest growing channel in 2018, as smart speakers only became available in late 2015 and growth decelerated sharply after Amazon and Google instituted standards that limited ads during daily briefings. Brands are using VA by developing so-called skills, like beauty hints, and incorporating sponsored content marketing podcasts.

Internet of Things (IoT) was the smallest of the STM channels due to very few appliances having the capability

to provide effective marketing messages, though connected refrigerators with screens are being used to deploy messages, such as recipes using specific brands.

About the Report:

[PQ Media's U.S. Smart Technology Marketing Forecast 2019](#) is the first and only source of comprehensive, in-depth and consistent data and analysis of the five major STM channels, including artificial intelligence, augmented reality, internet of things, virtual reality and voice assistants. The new report delivers over 100 slides of original data and analysis covering the entire 2013-23 period, with five-year projections, growth trends, technology applications for each STM channel, identification of leading brands employing STM in media plans, examples of campaigns, and leading STM operators helping brands develop engaging and effective marketing messages through these platforms. To examine the full breadth and depth of the new report, you can download a Free Executive Summary and Table of Contents by clicking on the following link: https://www.pqmedia.com/product/pq-media-u-s-smart-technology-marketing-forecast-2019/

About PQ Media:

[PQ Media](#) delivers intelligent data and analysis to executives at the world's leading media, entertainment and technology organizations through syndicated market research, custom market intelligence and strategic advisory services. PQ Media uses a proprietary econometric methodology to define, segment, size and project growth across more than 100 digital, traditional and alternative media platforms and channels by global region, country, media platform, channel, gender and generation group.

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