



Augmented reality transforms the retail experience

Move over eCommerce, vCommerce is here!

By Donald Brady, Allan Cook, and Jiten Dajee

Augmented reality (AR) and virtual reality (VR) bring interactive representations of products to consumers wherever they are, delivering immersive experiences that match—even surpass—traditional retail store and digital shopping experiences. With the introduction of new Web-enabled AR technologies, mixed reality is ready to revolutionize the retail industry and reinvent

product interaction. While eCommerce first relied on consumers looking at photos or videos on a website, vCommerce allows consumers to visualize products in the real world.

Digital touchpoints are being woven inextricably into the modern customer journey as consumers increase their

use of online digital buying channels. While 2D photos and videos convey only a fraction of the total product experience, new AR capabilities now involve consumers on a personal level. 🔗

Will WebAR close the gap?

Web-enabled augmented reality (WebAR) experiences connect retailers directly with their customers, disrupting the classic eCommerce vs. brick-and-mortar tradeoff between traffic and conversion rate.¹ As retailers deliver digital 3D interactions through configurators, AR visualizers, and other technologies, consumers enjoy real-world experiences through their mobile devices.

Until now, AR and VR technologies have faced a significant hurdle limiting their growth: the difficulty of generating efficient 3D models and creating content for widespread use. Developers have been required to maintain platform-specific experiences and wrangle with complex coding requirements. Users had to be enticed to seek out and download specific applications for every new experience.

Today, WebAR is being nativized into mobile operating systems so that native browsers and applications can deliver AR experiences, without users needing to download a third-party application. With consumers having these WebAR capabilities on their mobile and connected devices, within commonly used browser applications, they can experience, experiment, and share immersive product interactions—without having to leave that day-to-day app. Popular applications like Snapchat and Instagram have helped familiarize users with how AR works within these everyday environments. And there's little friction to hold users back: By the end of 2018, more than 1 billion smartphones and tablet devices will be enabled by this technology.²

Leading retailers are rushing to put immersive experiences into the customer's hands, from clothing to home decor. Several leading home goods retailers are taking it a step further by enabling the use of AR within the Safari® browser, giving iOS users the ability to try out 3D models of their furniture, rugs, and lamps in users' living rooms by simply tapping a picture from their website. The tool allows prospective buyers to experiment with different styles, sizes, and colors—even share the 3D image with a friend for a second opinion.

Create an omnichannel experience

As consumers have grown more comfortable shopping across channels, the most forward-thinking companies are creating business solutions that strengthen their brands and complement their current retail channels. By creating an omnichannel journey, retailers deliver a consistent experience and multiple touchpoints for consumers as they move seamlessly between eCommerce and brick-and-mortar shopping.

Now that WebAR is in the mix, retailers are using digital technologies to differentiate themselves from the competition and reduce friction in the shopping and purchasing journey. Delivering product information, enhancing product experiences, offering in-store AR/VR tools—even reinventing how and where product research is done—are just a few of the possible applications. Audi, in partnership with ZeroLight, is now offering a real-time 3D configurator via the Web

that allows customers to develop their dream car, then experience it in familiar surroundings.³ Once in the dealership, the same models can be experienced through virtual reality and 4K screens. Analytics inform every aspect of the journey, helping customers and dealers at every stage of the omnichannel experience.⁴

Build the right foundation

One promising aspect of AR/VR as a business solution is the opportunity to design digital assets for total end-to-end integration. By creating 3D models early in the product or project life cycle, the assets can be leveraged from product design to employee training and merchandising to the customer experience and beyond.

The data generated through AR/VR offers retailers a bird's-eye view of their customers across multiple channels, as analytics illuminates insights on how products are selected, used, experienced, and maintained. Lowe's is using AR/VR to help customers visualize completed projects, improve DIY skills, and navigate a path through its stores using a shopping list. One application developed using Apple's ARKit capabilities turns any iPhone into a visualization tool to measure an object or distance within the phone's camera view.⁵ Collectively, this data could offer insight to shape product development, merchandising, marketing strategy, or the layout of stores/planograms of product location on shelves.

What's next?

There's little doubt that AR/VR will transform retail shopping: A few years ago, 66 percent of consumers said they were interested in buying items through AR/VR and 63 percent said they expect AR/VR to change the way they shop.⁶ Now that most consumers have devices capable of delivering AR/VR experiences in their pockets, the possibilities for connecting via Web-enabled AR are unlimited.

How can retailers make the most of WebAR? The journey begins by understanding how AR can help bridge the gaps in your customer's journey, then developing a strategy to expand your content development capabilities. It continues as you integrate AR content across the omnichannel spectrum to transform the retail experience. If you're ready to take the first step, contact us.

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Endnotes

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<https://www2.deloitte.com/us/en/pages/consulting/topics/digital-reality.html>

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