How Augmented Reality Can Increase Sales and Customer Shopping Experience

Augmented Reality is a rapidly growing technology that is starting to have an impact on the eCommerce landscape. As the retail industry continues to overflow with buyers and customers who need a mix of mobile and online shopping, there is a high demand for technology that is creative, innovative and works.

AR is the ideal solution to help shoppers with these concerns.

Some brands, such as IKEA, Alibaba, Houzz, and Starbucks, are already using AR to boost online conversions and increase sales. For example, Houzz has reported 11X its sales conversion using mobile AR versus their standard app. Similarly, L'Oreal recorded a 38.3 percent sales growth after implementing AR try-on features. These kinds of statistics only prove one thing -AR will continue to disrupt mobile marketing especially in the eCommerce industry and completely change the way online retail stores and physical retail outlets are conducting business. The main reason for using this technology on e-commerce stores is to provide a more personalized experience to customers, including the ability to test and explore products in ways that resemble in-person shopping experience.

AR In Boosting Online Conversions

People shopping online are not completely satisfied with e-commerce apps they use. Ideally, they can view the product, but cannot test them then and there to avoid returning it later, which can be a stressful process. They are also not sure about the size and color that matches what they need. Augmented Reality can deal with these issues and help boost dwell times and sales for eCommerce products which translates into more conversions as customers get to try the products from the comfort of their home.

According to a report by Statistica, eCommerce products sales in 2017 hit $2.3 trillion, and this figure is expected to grow to $4.88 trillion by the year 2021. This shows that eCommerce has transformed tremendously into an advanced retailing platform. And it is expanding rapidly with the help of AR technology.

Here are a few studies to show how AR has changed how eCommerce companies do their business

Case Study:

VACUUM
CleanerMarket

Huge brands aren't the only ones reaping the benefits of AR solutions. Small businesses such as Vacuum Cleaner Market are taking action too. The world of Household Vacuum Cleaners Industry is expected to reach $16, 657 million by 2022 due to the growing population and rising consumer expenditure across the globe. Therefore, vacuum-cleaning companies are finding innovative ways to increase customer experience and at the same time increase sales. One way to achieve this is to include technologically advanced products using AR platforms.

The leading online retailer for Vacuums and Vacuum supplies generates over 2.4 M in revenue annually. With such a level of growth, it's clear that they understand the concept of increasing conversions to make more sales on their site. Hence the need to have an AR system in place to help convert shoppers to buyers.

Scenario:

Integrated 'Try-it-on' features to allow users to view a product in their own space and see it as they would if the product was actually there. They get to zoom in, flip, turn, and rotate to view all its components.

Create a more personalized experience as customers can see products in 3D image setting and project the product into your home, to have a view of how it will look sitting on the floor of your house. Create a personal connection with the customer to ensure they are satisfied with the product. This reduces the number of returns in a given period.
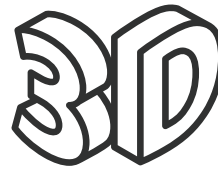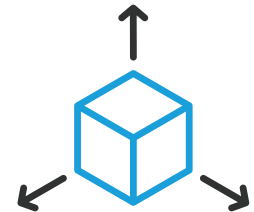
3d Scale Model

Place It Anywhere
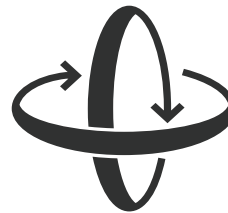
360 Rotation

Pinch Zoom Detail

Challenge:

One of the biggest problems VCM faced before the implementation of AR technology was that static images and video became common and less engaging in each session. The result was a steady to the stagnant growth in dwell time and time spent on-page. VCM wanted to solve this by including relevant information that would engage customers and needed AR technology to achieve this.

Solution:

- One of the most obvious pain points that is present in online retail for any consumer is the inability to try and test something before they buy it. The "View in AR' feature that appears on the product page of the C3 Vacuum Cleaner makes it easier for consumers to view the product size, colors and order the right item.

- The AR experience can be launched via a smartphone or desktop. On the mobile device, the customers can zoom in and out, flip and turn the vacuum in AR and preview how it may look like in the home.

- All functionality features of the platform are displayed in an easy to read design. The 360-degree rotation allows customers to get a clear view of the product before they decide to buy it.

Results:

● Following the integration of a web-enabled AR on VCM platform, the company has made $5000 in sales with the ARitized product in just a week.

● Hundred of thousands of visitors are flocking the site and the overall dwell time is 30% higher than the previous period before the integration with the AR system.

● Before the implementation of AR, the average visitor to a product page was worth approximately $20. With the ARitized product, the average visitor is worth $43, a 115%increase.

Insights:

VacuumCleanerMarket.com now offers a virtual view in AR without the need to download a separate app download. The web-based solution allows the company to bypass the hassle of developing, maintain and promoting adoption of a standalone app. The company has the flexibility to add new products without the need for frequent app updates which creates a more meaningful shopping experience to drive more informed buying decisions for consumers. The more you build a strong connection with the customer using technology, the more they are likely to buy your product.

The claim that dwells times, average spends, and sales have doubled since the integration of AR could show that the technology has become the gold standard in product insight and education, bridging the gap between physical and digital products in a global market.

Can Augmented Reality Improve Customer Shopping Experience?

Augmented reality can have a significant impact on bridging the gap between online and offline marketplaces in the retail industry. The bottom line is that it seems to benefit both the retailer and the customer. The most common challenge in eCommerce is that it fails to provide shoppers with real interactions, personal approach, and product delivery experience compared to brick-and-mortar stores. Ideally, they cannot touch, feel, or interact with an item in real-time to see how it works and decide if it will fit in their home. This leads to uncertainty due to fear of the item not fitting in their ideal space.

Augmented reality can help brands provide their customers with a deeper and more realistic shopping experience both in-store and online. By combining the two worlds, AR can improve customer experience and increase the overall sales of a company.

By Implementing immersive technology, brands can help users navigate through the store using their smartphone camera to find the right item. Additionally, AR helps shoppers transform their homes into virtual 3D showrooms. In this case, the customer can visualize a particular item and determine whether it would fit well in their personal space before the purchase using their smartphone. These interactive mobile apps remove the uncertainty from decision making, which shortens sales cycle.

Augmented reality can ensure retailers utilize their physical space effectively by displaying product variations for visitors without having to put the real item in the shopping room. In the end, the users develop a feeling of deeper ownership with the product, and they are more likely to buy any item they're used to.

With all these capabilities, including visualization, deep customer engagement, entertainment, improved decision making, and gamification, AR proves to be an effective tool that can generate more sales and improve the customer shopping experience.