Augmented Reality: The Future Of Marketing

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Abstract:

In today's cut throat competition it is imperative that the organizations strive hard for sustainable competitive advantage. To achieve it, one can't deny the importance of technology. Today where every one is trying to beat the other to position and better satisfy the needs of customers, it has been observed and strongly believed that organizations who tune themselves according to time and regularly upgrade their technologies do have a better edge.

Charles Darwin in his book named 'Origin of Species' which is based on the 'Theory of Evolution' mentioned,

"It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change".

Augmented Reality is one of the latest technological advancement used by marketers to lure the consumers by creating an exceptional and exciting virtual world into the reality to better differentiate it from competitors and enhance customer experience.

This article focuses on highlighting the meaning and history of augmented reality; various National and International examples and strategies of augmented reality being used by marketers along with its future opportunities.

Keywords: competitive advantage, Augmented Reality, virtual world, customer experience

Introduction

In one evening I was watching a television program and what I saw was surprisingly interesting. It was a program on Auto Expo in New Delhi where Mahindra was launching its XUV500. During expo, people could virtually experience a cheetah by their side. A virtual cheetah in a real world! Wow! This unique product promotion strategy arouse interest and curiosity in me to know more about this technology, which was termed as AR (Augmented Reality) and how are marketers using this to create and enhance brand experiences.

What is Augmented Reality?

Augmented Reality is a technology that helps display virtual elements in real situations. In other words, it is a term for a camera enhanced view of a physical real-world environment, where virtual elements are merged with the real-life scene creating a 'mixed reality' of virtual elements and the real world. It integrates 3D objects into live video. The video is digitally processed, tuned and augmented with the 3D components. In other words, this digital processing mixes real and virtual worlds together in real time.

It is a concept of blending virtual data with the real world and is the enrichment of physical experience with virtual information and interaction.

How Augmented Reality (AR) came into existence?

From 1957, Morton Helig began building a machine called the Sensorama for enhancing the cinematic experience. It would blow wind at you, vibrated the seat you sat on, and even played sounds to your eyes and projected a form of a stereoscopic 3D environment. But it was commercially not so successful and was very expensive to make films for largely because it involved the camera man having three cameras strapped to him. In 1966 Professor Ivan Sutherland of Electrical Engineering at Harvard University invented the first model used in both Augmented Reality and Virtual Reality known as the head-mounted display or HMD. It was the first step in making AR a usable possibility.

The phrase Augmented Reality is supposed to have been coined by Professor Tom Caudell in 1990 while working in Boeing's Computer Services' Adaptive Neural Systems Research and Development project in Seattle. In a search to find an easier way to help the aviation company's manufacturing and engineering process he began to apply virtual reality technology and eventually came up with some complex software that could overlay the positions of where certain cables in the building process were supposed to go.

Further, in 1992 two other teams made big steps into this new world. LB Rosenberg created what's the first functioniong AR system for the US Air Force known as VIRTUAL FIXTURES where fixtures were what he described as cues to help guide the user in their task and did so in very big letters.A

second group, which included Steven Feiner, Doree Seligmann and Blair MacIntyre submitted a paper on a prototpye system known as KARMA (Knowledge-based Augmented Reality for Maintenance Assistance).

In 1994 Julie Martin became the first person to bring the concept into public performance. She created a government-funded show in Australia, sounding rather like a ITV celeb show, called Dancing in Cyberspace where dancers and acrobats interacted with virtual objects projected into the same physical space as themselves.

Until 1999, Augmented Reality remained very much confined to the scientist and had less customer awareness. But the situation started changing and Hirokazu Kato of the Nara Institute of Science and Technology for the first time allowed video capture tracking of the real world to combine with the interaction of virtual objects. It also provided a 3D graphics that could be overlaid on any OS platform. Although the smartphone was yet to catch up, it allowed a simple, handheld device with a camera and an internet connection to reach AR to the masses.

In 2000, AR was being used in Video Games to lure the consumers at large and to tap and enhance the business opportunities. Bruce Thomas and his team in the Wearable Computer Lab at the University of South Australia demonstrated the first outdoor mobile augmented reality video game called as ARQuake. It was done with an aim to remove all the monsters and guns and place them on top of a real environment that the user could actually walk around rather than using any kind of joystick. Years later in 2008, one of the first AR apps came to smartphones. Mobilizy was among the pioneers as it brought its Wikitude app to the T-Mobile G1 allowing Android users to take in the world through their mobile phone cameras and see augmentations on the screen of points of interest nearby. Wikitude soon hit iPhone and Symbian platforms and launched an AR navigation app called Wikitude Drive.

The Relevance of Augmented Reality in Marketing

Technology has become an integral part of our lives without which we can't even imagine to lead a comfortable life. Caroline Schoeder had once said, 'some people change when they see the light, others when they feel the heat'. So, in this fierce competition, organizations with the capacity to identify and tap potential market opportunities can have a sustainable growth.

There are few questions which many marketers are striving hard to analyze like;

- Can a new disruptive technology like Augmented Reality enhance customer experience
- Can it create and enhance business opportunities?
- Can Augmented Reality offer the ability to bring brands to life which can improve conversion rates?

Yes it does to a certain extent. Here are few marketing opportunities of Augmented Reality.

As augmented reality allows users to interact with the world around them, the technology provides a greater level of interactivity than any other digital marketing technology. This means the users can interact with products and the world around them, personalizing their own experiences based on how they literally see the world. This interactivity has an added marketing benefit of allowing marketers and sales professionals to gather huge amounts of user data. Imagine knowing where in store your customers look and understanding their attention spans, while engineers can test models of complex components or structures for engineering faults or aesthetical issues

Regardless of the operating system, platform or devices, experienced AR providers will be able to develop rich augmented reality experiences for PCs, smart phones and tablets. In doing so marketers could reach a wide range of audience.

One of the most important things to consider is customer intelligence. Augmented reality experiences can be used to collect consumer data and other CRM insights, giving companies intelligence to further develop augmented products and services.

Various brands are using augmented reality at the point of sale. AR can be used as a part to elaborate sales promotions and loyalty schemes which helps in driving footfalls and increase sales.

Kiosks or screens are another way of attracting audience towards their product or service.

The ability of being physically able to demonstrate your product or service conveniently over the internet might positively impact sales.

With the advent of mobitizements and user base increasing, smart phones and tablet devices are quickly becoming the new PC. The expanded view and functionality that tablet devices provide make them an ideal platform for robust and immersive augmented reality experiences.

The construction sector is using AR to review architectural drawings in the real world.

Industrial augmented reality is improving manufacturing processes as it can provide the platform to instantly visualize and inspect components with defects or other imperfections without much human intervention.

Augmented Reality: Connecting with Consumers

Project Glass

It is an augmented reality eyeglass that projects and displays and allows you to take phone calls, navigate via GPS, take photos , check-in to locations and more

Lego

Here, a toy-company, Lego, used augmented reality on their product boxes to simulate the final built product.

Shoppers Stop India

In order to create more excitement and increase footfalls, Shoppers Stop India used digital media to its best that would not only achieve their goals but also integrate the real and digital world. An ad was published in newspapers that asked people to download an app from the Android & i Tunes market. With the help of this app, a reader could trigger an AR (augmented reality) set-up in which he could view certain 'secret offers'. These offers were not printed specifically in the newspaper ad, hence in order to see them one had to download the app. On viewing the augmented reality graphic, a person could click on the deal he found desirable and could directly go to a website where a purchase could be made. Parle Agro India used Augmented Reality to Promote Hippo- The food cooked by a mother is rich in flavour, nutrition, and love. Nobody understands this better than Hippo, a brand that feels that all the world's wars are caused by the scarcity of food. Hippo Round brings to a consumer the rich essence of a mother's cooking in a ready-to-eat snack. So in order to promote the brand on the digital space, they wanted a campaign that would include all the above elements and use innovations of augmented reality.

Ford Figo

It used an interactive print media to break the clutter. The print campaign released in Times of India, Dainik Jagran throughout the country with an exclusive 2D barcode printed in it with instructions to download an application. In turn, users could download the Ford Figo AR application by sending an SMS to a SHORT CODE mentioned in the ada. On opening the downloaded application and focusing the camera of their mobile phone on the barcode, latest TVC were delivered to the users mobile along with information for test drives This was the first time that an AR campaign was integrated with print media in the Indian Out Of Home (OOH) market creating brand engagement with the target audience.

Virtual Store

E-Marts, (virtual stores) are stocked by supermarkets like European grocery store giant Tesco and Home Plus – however they sell their goods through glowing pictures on subway platforms etc. People while travelling or waiting for a bus or a train can simply look at the walls to view potential groceries, scan the respective QR codes with their smart phone, and then have their groceries delivered by the time they reach their homes. The result of using this technology was an increase in online sales by up to 130%.

HSBC Bank Branch Offices In Mumbai

Few selected branches of HSBC in Mumbai were enabled with BluFi and a HSBC AR application which was delivered to users via their mobile Bluetooth at zero cost. Unique AR codes have been printed in different collaterals like leaflets, posters, banners etc along with a call to action communication to download the application and experience augmented reality on their mobile. Users were excited to see animated and interactive content on the different promotional offers on HSBC premier and platinum cards popped up suddenly when they point their mobile camera to the respective codes. An innovative technology with exciting and relevant content created a great buzz for the activation.

Zapak Develops Augmented Reality Based Advergame For Pepsi

Gaming portal Zapak.com has launched an augmented reality based advergame for Pepsi to extend its latest campaign, 'Change the Game' to the digital platform. Pepsi's campaign features the rivalry and link between cricket and soccer to connect to the audience at large. The Pepsi Sokket (derived from soccer and cricket) game is available on the iOS platform and Android devices and tabs. The game is a unique combination of football and cricket. The interface shows a football goal post with Indian skipper M S Dhoni standing with a cricket bat to defend it. Dhoni, with his cricket bat, will hit boundaries and sixers. The game needs users to score a goal using the virtual ball created through augmented reality. The phone's camera tracks the user's leg movement. Once the user loads the game onto his device, he/she is prompted to select the speed of the kick and the trajectory of the ball. After the trajectory and speed are selected, the user is prompted to kick the ball and score goals.

McDonald's Augmented Reality

AR helps give the user a combined experience of the virtual world and real world. In this case within a McDonald's store, a McDonald's employee can shoot any customer in the store and load the recording onto a TV screen within the store. Next, besides this real-life customer will appear a McFlurry alongwith bursting oreo's and dancing golden arches that gives the viewer an impression that the consumer is part of the McFlurry animated ad been played on the TV screen in the store. But in reality this is just a mix of an already created animated film of McFlurry that's been combined with the live footage shot within a McDonald's store and the two just been merged together with the use of augmented reality to give the feel of a TVC. Besides creating videos, customers could get the McFlurry experience by scanning the QR code printed either on McDonald's try mats, menu cards, shop front or standees and that will will help customers get access to Junaio App — the special app developed for McFlurry. They can then take their pictures, post it on Facebook and get a personal McFlurry

experience. Junaio App has been developed in partnership by an agency in New Zealand and USA. In India, OMD is helping McDonald's roll out the App through various regional initiatives.

Iron Man 2

To promote Iron Man 2 Paramount and Marvel invited Iron Man fans to take a look inside the Iron Man's head. Through the website of the movie and with use of ther webcam, the fans could try on Iron Man's helmet and take photos to download or share over various social networking sites

General Motors India Beat Augmented Reality:

For the 2010 Autocar Performance Show in Mumbai, Chevrolet came up with a technology driven concept that would associate the Beat brand with innovation and fun. An augmented reality game was developed in which customers were given a standard printed brochure in the form of a steering wheel. The brochure contained a tag that, once pointed at a camera, would activate a driving game onscreen. Users then used their printed steering wheels to steer a Chevrolet Beat around an action-packed course. Track leaders' names and times were posted onscreen, creating a nationwide competition.

IBM's Virtual Mirror Counters

By scanning the barcodes of the cosmetics you wish to try, the mirror will display your face with the chosen cosmetic. The mirror helps consumers try make up without application and removal and helps the stores track what products are being reviewed and purchased. This technology was used by L'Oreal, Revlon etc to create a better customer experience.

Ray Ban's Virtual Mirror

It works using webcam and internet connection, where a customer can face the webcam and try the glasses.

Godrej Interio

It used AR solution as part of the company's marketing plan to strengthen its brand presence. This campaign provided an innovative edge to brand communications. It converted the static print ad into an interactive piece of communication. Users could browse and capture the print ad to watch an interactive brochure of the Godrej Interio furniture on their mobiles.

 Even, the education sector can benefit a lot with the advent of AR and its applications can be used in teaching and learning process as a piece of paper provided by the teacher or downloaded and printed

from the web can be shown to the webcam and what you see in front of you is an interactive, 3-dimensional representation of a rollercoaster explaining the concept on that very material shown.

Is Augmented Reality The Future of Marketing?

As by now we all know that technology was and will continue to play a crucial role in creating blue ocean strategies. Augmented Reality is now being preferred (though at a nascent stage) by various organizations to allure consumers and to create a competitive differentiation. But a million dollar question that tinkers the grey cell. *Is AR the future of marketing?* Yes it is. With recent advances in 3-D technology and an integration of web-based information, new horizons of marketing possibilities opened up. We are now entering into a phase which would revolution the way marketing is done. Imagine based on smart phone or tablet computer technology, AR applications would offer real-time 3-D video and images which respond to print ads, logos, billboards or other visuals!. With these applications a consumer will be able to scan an ad in a magazine with their iPad and could watch a 3-D commercial, or download a list of retailer locations, or view the technical specs of the product being sold. As AR applications would become more common in the near future, people would view a full catalog of online retailers who carry the brands while clicking a shot of someone's shoes, bags, mobile phones etc. This can change the way companies market their products to consumer. People will soon come to expect instant video augmentation about every item they see on the shelves. And with plethora of information available, customers would certainly have a wider reach and choice.

Conclusion

Technology no doubt has played a major role in the society and will continue in the similar manner by changing the way we lead our lives and influence our lifestyle. And with more and more ratio of millennials coming up it has become very imperative for organizations in keeping pace with competition to survive and grow. Our lives is revolving round laptops, video games, online shopping through smart phones etc which was a distant dream before. As the competition is getting fierce and customers are having a plethora of choice, unique positioning strategies with better value propositions can certainly create a positive impact in the mind of the consumers for a better competitive advantage. Wilfried Aulbur, Former MD and CEO, Mercedes Benz India, had once quoted *"change is inevitable if the company aspires to survive"*. With the competition heating up, Augmented Reality is a step forward from virtual reality as it greatly enhances and enriches the customer experience to build a better brand equity and hence many organizations are seeking the help of this technology to create a differentiation in the mind of the consumers and it is the future of marketing.

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