

The Review of the Effectivity of the Augmented Reality Experiential Marketing Tool in Customer Engagement

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Abstract

This research paper intends to discuss on how Augmented Reality Experiential Marketing is used to stay connected with customers more effectively with hi-technological equipment in associating the customer with a brand. Moreover, this paper pinpoints the advantages of using AREM to generate effective connection in gaining customers' attention. It will also highlight how AREM will attract possible prospects that will be beneficial for companies that need to grow in the market share. Aside from that, it also reflects the evolution of Virtual Reality to Augmented Reality, which has been further altered by marketers to Augmented Reality Experiential Marketing as an essential tool to sustain business in this current era.

Index terms— augmented reality (AR), virtual reality (VR), engaging with customer, augmented reality experiential marketing, marketing tool.

1 Introduction

he marketing industry has been always changing and adapting to consumers' needs in order to capture the selected audiences' attention. Therefore, marketing tools are the most essential in relation to successful business. Augmented Reality (AR) plays a certain vigorous role in contemporary marketing. Imagine pointing your smart phone at a specific area that triggers a 3-D video or looking through a webcam that allows you to add accessories to yourself (Russell, 2012). The Augmented Reality term has surfaced in the 1990's, but this doesn't mean that it has not shown itself before (Sung, 2011). Dated back to 1957, Morton Helig started to make AR a reality by building a machine called Sensorama. Imagine looking into a machine that would give you a cinematic experience by merging all your senses together in that machine (Sung, 2011). In 1962, the machine was completed but it never made it out to the public, as the film was too expensive to make. While relating this to AR what we could see that it was able to provide the illusion of reality using different human sense. The machine offers a multi-sensory environment, which allows participants to experience the sensation of sight, hearing, smell and even touch. ??Mattes, 2013). It was able to provide stereoscopic 3-D images in wide angle view, supply stereo sound, provide a moving seat that tilts whenever necessary and wind and aroma will also be triggered during the film by looking through a binoculars with films inside (Mattes, 2013). There are clear elements of AR being involved in this device, but it was known as Virtual Reality in the past. Aside from that, Heliig was not able to convince investors to invest in this machine as it would be too costly to do so and also it was not in the right use at that moment.

Moving on, the real AR term was invented by Tom Caudell, a Boeing researcher. He was the first to describe it using a digital display commonly used in aircrafts; it then blends the virtual graphics into physical reality (Cassella, 2009). On the other hand, in the digital world, augmented reality was defined in a more detailed manner where "augmented reality is the interaction of superimposed graphics, audio and other sense enhancements over a real-world environment that's displayed in real-time" (Peddie, 2013).

2 II.

3 Virtual Reality vs Augmented Reality

Virtual Reality was actually an upgraded or extensive version of Augmented reality, back in 1990 when Tom Caudell merged the technology from virtual graphic to physical reality for aircraft usage, it has been a talk for all. Companies like Nintendo tried hard to achieve Virtual Reality but failed to do so, followed by few of them (McKalin, 2015). To be specific, augmented reality is categorized as a blend of virtual reality and real life; it also can create an image within the applications that allows the content to blend in with the real world. With these features, users are able to connect the virtual world with the real world but still able to distinguish between both the technology (McKalin, 2015). On the other hand, the definition of virtual reality according to (Hoyt, 2015) would be an artificial environment, which is experienced through sensory stimuli, provided by computer when one's action partially determines as to what would happen inside the environment. Based on recent events, numerous companies has used these both technology to engage with customer, will be further discuss on the next two sub-topics Most importantly we could see how VR has been evolving from being inside the environment and into the real life environment with added effects. This would be a turning point for marketers as engaging with a customer will never be the same way again.

4 III. Augmented Reality as a Marketing Tool

Up to date, Augmented Reality has been introduced in several industries such as the entertainment, engineering, robotics and military industries (Hoyt, 2015). Augmented Reality is relatively new to the industry, but it was created to allow the customers to experience the brand and making them remember by associating to your brand (Crews, 2015). Therefore, there is a lot of room for improvement on this particular technology where by marketers will continuously invent new ways to reach out to consumers. In this specific era, technology is leading its way through; hence, AR has become a marketing tool to engage with customers. Thus, the term Augmented Reality Experiential Marketing was introduced in the marketing tool context. It will be further discussed in the subsequent subtopics.

5 a) Augmented Reality Experiential Marketing

Augmented Reality Experiential Marketing (AREM) is usually very beneficial for a company. Be it a large company or a small company that is tight on budget, it is suitable for all and would be highly recommended for a small company (Crew, 2015). This is mainly because, according to Dohutia (2012), she claimed that AREM is beneficial to create customer satisfaction by using technology. It also gives the company a plus point in customer satisfaction. Dohutia (2012) also claimed that the main purpose of AREM is to generate repetitive purchasing and the positive word of mouth, which at large, will create a greater market share. Moreover, it does not only function as a promotional tool, but also a tool to create a brand-customer relationship. Thus, many companies use it to promote their new product as well as engaging with their current customer with their current product. ?uan & Wu (2008) also claimed that AR that has been used in marketing campaign is seen as an experiential marketing strategy as it essentially focuses not only on product or services, but also memorable experiences for customers.

6 IV. Companies that use Arem

There are many companies ranging from small to big that use AR for a few purposes, to engage, connect and amaze. These following companies have used the best out of AR to give their customers a different perspective. The lists are as of following: -

7 a) Jaguar Land Rover

The new Land Rover Discovery was on sale, but it was not available until a certain period of time. Hence, Jaguar Land Rover decided to make a 3-D model within its apps by using Google Cardboard. Giving buyers a chance to tour the car interior as well as the exterior virtually in showrooms by using an iPhone connected to special glasses although without the existence of the car (Ghosh, 2014).

8 b) Ray-Ban

Ray-Ban a famous sunglasses company also started using Augmented Reality to promote their product. This time round, Ray-Ban has created a mirror application that has to be downloaded for usage. The application name was FIT3D and it allowed customers to try on the Ray-Ban sunglasses without any hassle of going to the actual shop. Customer can just try it online via webcam that will attach the sunglasses to your face through AR (O'Brien, 2015).

9 c) Pepsi & Co

Pepsi Max created a screen right next to a bus stop that has the elements of AR. It is a screen that captures the image of the view behind acting as a glass. Videos of cyborgs, cheetah and aliens that emerge through the

screen then shock unsuspecting commuters at the London Bridge, not knowing it was all created from AR. From this advertisement itself, it caught numerous shares and views in YouTube that lead them to generate WOM. (Lepitak, 2014).

10 d) Nivea

Nivea has also created AR by using a webcam to scan the particular product in front of your computers' webcam collaborating with Rihanna in the AR advertisement that creates a visual image of Rihanna singing in front of your computer when it scans the right position located on the product (Wasserman, 2011)

11 e) National Geographic

National Geographic has also recently created a campaign that uses AR to project images of animals, dinosaurs and astronauts. To engage with the AR experience, participants stood at the center of an empty area. After that, image of dinosaurs and animals will appear to allow participant to interact in front of the LED display screen (Michael, 2011)

V.

12 Advantages of Arem

Augmented Reality Experiential Marketing may not be a good idea in marketing some particular products, but it gives companies a head start on marketing. The advantages are as of below (Smith, 2010):a) Go Viral -An obvious example would be the Pepsi Max AR that managed to set up a trend on YouTube, causing it to go viral. These are obviously the results that a company would want to get ideally, to plant their name in consumers' heads, giving it a positive WOM. This concept also allow customers to share their content to other potential customers, causing it to go viral as a good cause.

Year 2015 b) Unique/Different -As compared with normal advertisements, its main objective was to capture targeted audience but looking at how AREM advertise, it was a complete makeover from the usual advertisement. Fun, interactive and fascinating features are added not to only capture targeted audiences and prospects but also to those who had not interact with the product before.

c) Personalization -The idea of allowing a customer to upload his own media onto social media actually helps to create a content or personalized media for the user himself. This could mean those customers are more engage and feel more connected compared to a standard video or image.

d) Accessible -It will be accessible by all, meaning that anyone can use AR to actually generate a sense of interaction into the video which is what makes AR a wonderful concept.

e) Interactive -As mentioned above, companies that use AR mainly make it very interactive and of course, highly entertaining because the main purpose is to create an element of surprise for the consumer. When there is element of surprise, it will stimulate other users to do it too. Hence again, creating a viral loop.

13 VI. How Arem Leads to an Appropriate Brand Attitude

Brand attitude is an important aspect for all companies when marketing comes into the picture. Obviously when a brand doesn't present a good impression, purchasing it would be a big "NO" for the consumers. This is mainly perceived as the positive and negative experience of a customer in regards to a particular brand (DeVault, n,d). In other words, it's more of the extent to which the customer likes the brand and how to convince customer that this perception about the brand is right (Buleacara & Tamarjan, 2010). According to Dr Percy (n,d), he claimed that brand attitude are driven by marketing communication which gives an obvious effect on how Augmented Reality Experiential Marketing would affect how consumer perceives on a particular brand. Dr. Percy (n,d) also state that consumer must be convinced before purchasing a product which AR has claimed the effect of convincing customer via communication.

14 VII.

15 Discussion

The number one aspect of marketing is understandably spreading your brand and giving awareness to the consumer on your existence in the product, also not to mention creating a crowd effect where marketer hopes to achieve the most. Another standpoint would be being different; being different compared to others actually gives you a stepping stone for the consumer to easily identify you (Beesly, 2010). That clearly comes into consideration where AREM plays an important aspect in being different where you as a company position yourself differently from others. Even so, some might say that Augmented Reality is yet to earn its respect due to the fact that it's still a little gimmick rather than truly engaging with customer but it could be wrong as Semico Research predicts that the revenue generate from AR will hit \$600 billion by 2016 which somehow proved them wrong (Mangiaforte, 2014). It shows that revenue are growing due to the interest of the marketing community toward AR are increasingly well. At its core of AR, it does not only allow the company to interact with you but also using your mobile phone to interact through the apps itself (Minsker, 2014). In Addition, this gives AR a huge

profit in terms of investment on an application that could really cause a real Return On Investment (ROI) for companies aside from gaining image from AR itself. According to Oliver Diaz, founder and CEO of FuelFX, she stated, "Augmented Reality is going to lead and change how people market their product, as AR is turning the real world into a presentation platform. 2-D image may be really informative, but in terms of AR, it delivers the interactive, dynamics and animated images information that will be on a completely different level" (Ryan, 2013). The potential of AR is merely borderless as many could be achieved from the creativities from marketers to define technology (Hoyt, 2015).

Based on the literature review, we could justify that this is just the start of Augmented Reality, although many out of few have started responding to this idea of advertising, we could justify the amount positive reinforcements to a particular company that AREM could give. The sustainability of AR would not be a problem as technologies are ahead of its time according to (Love, 2013). We could see the potential of AR as we are running through the literature review as mainly because it is able to do its job well by communicating with customer and not to mention also engaging with customer through various forms of technology. Many sees it as a potential aspect to grow in that industry for their company as the president of Seven Media, a mobile marketing agency based in Toronto Chris Candy stated that "We see the potential of AR as an innovative technology, and we wanted to be able to offer it to our customers," (Minsker, 2014). Moving on, as we look at the complementary aspect of having AR as one of the marketing tools, companies will definitely achieve success in a certain way by using AR. AR doesn't not only provide great feedback but also generate revenue in return but attracting or convince consumer that was not your customer previously to purchase your product due to the WOW factor (Borison, 2013). Needless to say, it is also user-friendly and does no harm to the environment with the excess of AR. Hence, I do believe the coming future. Looking into the brand attitude perspective, it manages to give the customer a secure feeling and also confidence towards the product; therefore allowing companies to gain attention from the crowd that is unaware of the product. AR is very good for small "building" companies that wants to get their name up on the billboard FAST with just a little expenditure on advertisement which could be even more than normal advertisement when its consume more engagement. It could also merely alter the fundamentals of customer interaction with brands (Howoritz, 2013).

VIII.

17 Conclusion

In completing this research paper, a new era has begun in the marketing context of advertising. Augmented Reality is being understood now as a stepping-stone for all companies that chose to take up this technology. Companies who took up this technology have seen an obvious increase in their brand awareness due to the crowd that they created. According to the literature review, many are not familiar with the brand itself; it was AR that captured their attention that soon lead to WOM. AR should also be a fundamental process that has to be adapted by many as a tool in order to further position their brand. Time would be the main factor for AR to prove it's worthy hightech trick for the consumer. Next thing consumer know was just pointing a phone on a barcode, a brochure of that particular company will be on your doorstep of your house. Over the perspective of this research, some believe that Augmented Reality was just something to create crowd and engage with customer in a different way compared to personal sales, but as what Thomas Edison (n,d) quoted, Just because something doesn't do what you planned it to do doesn't mean it's useless (Szczebra, 2015). This could be linked to how VR was first created for the purpose of entertainment and has since then become a contemporary tool for marketing in the marketing context.^{1 2}

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Figure 1: from

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