

How Augmented Reality in Ecommerce Can Deliver a More Enticing Shopping Experience



One of the biggest challenges of online shopping is that it doesn't lend itself well to a full sensory product experience. In a brick-and-mortar environment, you can try on clothes, touch fabrics, or see for yourself just how big a couch looks in a room.

While those things aren't technically possible in ecommerce, augmented reality (AR) applications offer a way to give customers deeper and more complete information about your products — right from their own home.

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What is Augmented Reality?

Retail presents a number of opportunities for AR, particularly when it comes to ecommerce. As much as people have gotten used to the idea of [ecommerce](#), there are still some purchases for which we need a little bit more contextual information. That can be a barrier to selling certain product categories online.

That's why DTC furniture merchant Burrow [created an AR app](#) allowing shoppers to customize and place true-to-scale 3D models of Burrow sofas in their own living rooms.

How is Augmented Reality Different From Virtual Reality?

The terms “augmented reality” and “virtual reality” are often used interchangeably, but they are actually very different.

1. VR is fully immersive, while AR simply augments the real world.

Augmented reality simply augments a world that already exists and that you will still perceive, to some extent. Virtual reality, on the other hand — like Meta's Oculus Quest — is an immersive experience that lands you in a world completely of artificial creation. You typically cannot see and are not meant to experience the real world.

Think back to Pokemon Go, one of the most well known applications of augmented reality. Users would be playing the game while walking down the street, looking at the real environment through their phone, which overlaid digital characters in specific places.

2. Augmented reality is more portable, while virtual reality requires equipment.

With virtual reality, you'll need to wear a headset and, potentially, hold controllers in your hands. You also have to make sure that your physical environment is safe from — well, you. (Don't be the person who punches their television while boxing in VR!)

AR, on the other hand, typically just needs a smartphone or, in some cases, AR glasses. Since you'll be fully aware of your environment, you won't need to clear the room to enjoy the experience.

3. More people have the capability to experience AR than VR.

Finally, because AR requires less equipment and fewer safety precautions, it's also more accessible. If you create a VR application, the number of people who have the equipment available to experience it are far fewer than the [3 billion smartphone users](#) in the world today!

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Types of AR Applications

There are a few different types of AR technology, as they provide slightly different types of capabilities. Here's a general overview of the common types of augmented reality applications to consider:

1. Marker-based AR.

Marker-based AR, also known as Image Recognition or Recognition-based AR, detects an object (the "marker") in front of the camera and provides information about the object on the screen. When a device using the AR application detects that marker, the app replaces the marker on the screen with a 3D version of the corresponding object. Then the user can view the object in more detail and from many angles.

2. Markerless AR.

Markerless AR doesn't need to be triggered by a specific object in the real world. Instead, the user can place a virtual object anywhere they wish. You can then rotate and move the object.

3. Location-based AR.

Location-based AR is a type of markerless AR that uses geographic location to display digital content at certain locations. Pokemon Go is an example of location-based AR.

4. Projection-based AR.

Projection-based AR involves projecting synthetic light onto physical surfaces and, in some cases, allowing users to interact with it. Common examples include the holograms we've all seen in sci-fi movies like Star Wars.

Augmented Reality in Ecommerce Statistics

Augmented reality technology is really starting to take off, and advertisers — in retail or otherwise — are taking notice. Let's look at some of the numbers to prove it:

- [Global AR advertising revenue](#), which topped out at half a billion dollars in 2019, grew to \$1.41 billion in 2020.
- One [AR research firm projects](#) that advertising revenue could top \$8 billion by the end of 2024.

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- [eMarketer estimated](#) that more than 43 million people in the U.S. would use social network AR at least once a month in 2020. That's almost 21% of social network users.
- Overall, more than 83 million people in the U.S. will [use AR on some kind of device](#) at least once per month, and eMarketer expects this number to rise to 95.1 million by 2022.
- As of June 2020, [35% of U.S. respondents](#) said they'd used AR to visualize furniture or vehicle customizations.
- A [June 2020 survey of U.S. retailers](#) showed that 20% expected to invest in AR or VR for their company's online store, up from just 8% six months prior.

5G availability is expected to [increase retailer interest in AR and VR](#) experimentation because of the improvement in bandwidth.

How Ecommerce Businesses Are Using Augmented Reality

AR allows ecommerce customers to preview products or experience services in their own environment and on their own time, before electing to make a purchase. Using AR, your customers can preview products and be more likely to pick the right product the first time.

1. Virtual try-on solutions.

"It looked great on the mannequin." -Everybody, at least once, after trying a new clothing item on for the first time and realizing it doesn't suit you at all.

The fear of that very outcome can reduce [conversion rates](#). Shoppers want to really know what they're getting and take every precaution for it to be what they want. And if they do take the chance to buy and it doesn't work out, your return rates will go up.

AR helps online shoppers understand what they're buying and how the items will work for them. There are applications like this for clothing, makeup, accessories and even eyeglasses.

2. Preview placement.

What will that couch really look like in your living room? How big will that television screen appear on your wall? It can be difficult to tell even when you're at the store looking at the physical item — never mind looking at it on a small computer or mobile screen.

Preview placement gives customers a real-time glimpse of what a product will look like when placed in their own environment.

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DTC furniture brand [Burrow](#) uses AR to help customers visualize how their couches will fit in their living rooms. Their Burrow at Home app uses [ARKit](#) to place true-to-scale 3D models of Burrow's couches in photos taken on customers' iPhones and iPads.

3. Interactive user manuals.

If you're selling a product that has a learning curve before it becomes easy for new customers to use, an interactive user manual might be a great AR application for you to help users better understand how your product works.

An interactive user manual responds to user actions, providing on-page contextual support when using a piece of software, website, or application. Many AR user manual apps scan the product and indicate the buttons in the real-life environment using graphical arrows and animations with text.

4. Social media filters.

If you've used Instagram Stories or Snapchat lately, you may have used an AR filter. These filters were once used just for fun, but over the years there's been a rise in the number of brands jumping on the AR bandwagon through social media filters.

Here are some of the benefits:

- It's a great way to showcase a new product by enabling people to test out how it'll look on them.
- The novelty factor of AR filters can help boost audience engagement and encourage people to tag you in their content.
- The "wow" factor can help you stand out from the crowd of brands on social media and showcase what makes you special.

Augmented Reality Can Help Grow Your Store

One of the greatest limitations in ecommerce is the difficulty of representing a physical, three-dimensional product in a virtual, two-dimensional environment. AR can help bridge the gap between shopping at a physical location and shopping online by making it easier to represent merchandise and giving the consumer a better understanding of the product they're purchasing.

Here are some of the things AR can help you do:

1. Increase customer engagement.

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AR is inherently interactive, making it easy for customers to get hooked on your site. And, the longer they stay on your ecommerce website, the more chance they have to make a purchase! Even if they don't buy during their visit, the improved engagement means they've developed a relationship with your brand and your product, and likely made a memory — making them more likely to remember you in the future.

2. Reach new customers.

To get people's attention in a noisy world, you'll have to create a buzz. Creating an engaging AR campaign can be one way to do it.

3. Reduce returns.

With AR, you can give customers a lot more information about a product than with a static image or even a video. Along with offering 3D views, you can show what a product would look like in a consumer's space, making it less likely that they receive the product only to find it doesn't look as anticipated.

How to Bring Augmented Reality to Your Ecommerce Store

If you've decided to make use of AR in your business, here are a few steps you can take.

1. Clarify your business objectives.

What do you want to achieve? And how does it help your customers? Make sure you don't stop after answering the first question, because the second question can take your AR application from good to great. You need to understand exactly what you want the customer experience to achieve.

Figure out your vision and goals before jumping into the technical aspects of your AR application. Once you know where you're going, it'll be easier to choose the techniques and technologies you need to get there.

2. Identify augmented reality tools you would like to use.

Once you know what you want to create, you can start identifying the tools you need to use. Here are the aspects you need to think about:

- ****License type:**** If you have a limited budget, you may want to choose an AR platform that offers a free license. Many AR solutions provide both free and commercial licenses. However, remember that the free version won't be as robust as the full software.

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- ****Supported devices:**** Whether you're planning to run your augmented reality app on mobile devices, laptops or AR glasses, make sure the tool you use can support the hardware for your app.
- **Supported operating systems:** If you're going to develop apps for several operating systems, make sure the platform you choose supports every operating system you want to run your app on.
- ****Capabilities:**** Carefully evaluate each platform to determine whether they have the exact features you need. For example, not all platforms support geo-location, so if you're planning to create a location-based AR app, those won't help you.

3. Market your new tool.

Now that you've put all the hard work into creating your tool, you'll want to make sure the world knows about it. Here are a few ways you can get the word out:

- **Create a demo video:** Make promotional and instructional videos for your app that demonstrate how to use it.
- ****Display in-app instructions:**** Provide clear direction so people understand what they're supposed to do to get the most out of your app.
- **Make your content shareable:** Enable users to share their AR experience with friends and social media contacts.

Wrapping Up

Some product categories can be a tough sell on [ecommerce sites](#) because it's so difficult to interpret how the products will look in real life versus a computer or mobile screen. That's why augmented reality applications — particularly since the onset of social distancing — are on the rise.

Now that you know the different types of augmented reality, associated use cases, and the benefits of using it, you can evaluate whether or not it's the right choice for your business. If so, follow the steps provided above to bring your AR application to life.

Augmented Reality in Ecommerce FAQs

What is augmented reality?

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Augmented reality (AR) augments, or adds to/expands on, our physical world by combining it with a layer of digital information. Using an AR application gives you a view of the physical world superimposed with computer-generated images.

What's the difference between AR and VR?

Augmented reality simply augments a world that already exists and that you will still perceive, to some extent. Virtual reality, on the other hand, immerses you in a world of artificial creation.

Are shoppers really adopting AR tools?

Yes! eMarketer estimated that more than 43 million people in the U.S. would use social network AR at least once a month in 2020. That's almost 21% of social network users. As of June 2020, 35% of U.S. respondents said they'd used AR to visualize furniture or vehicle customizations.

What are the different types of augmented reality applications?

AR types include marker-based, markerless, location-based, and projection-based.

How do virtual try-on solutions work?

AR helps online shoppers understand what they're buying and how the items will work for them. There are applications like this for clothing, makeup, accessories, and even eyeglasses.

What are the benefits for retailers using AR on social media platforms?

The novelty factor of AR filters can help boost audience engagement and encourage people to tag you in their content. The “wow” factor can help you stand out from the crowd of brands on social media and showcase what makes you special.

What is an interactive user manual?

An interactive user manual responds to user actions, providing on-page contextual support when using a piece of software, website, or application. Many AR user manual apps scan the product and indicate the buttons in the real-life environment using graphical arrows and animations with text.

How can AR help increase customer engagement?

AR is inherently interactive, keeping users on your website or social property for a longer period of time — giving them more chances to make a purchase. Even if they don't buy during their visit,

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the improved engagement means they've developed a relationship with your brand and your product.

How can AR help retailers increase conversions and decrease return rates?

With AR, you can give customers a lot more information about a product than with a static image or even a video. AR gives ecommerce customers greater confidence about the product and its quality since they are able to get a better idea of what it will be like in real life. You can show what a product would look like in a consumer's space, making it less likely that they receive the product only to find it doesn't look as anticipated.

What's the first thing I should do if I want to explore using AR in my ecommerce business?

Figure out what you want to achieve and what's in it for your customers before you start planning and developing. You need to understand exactly what you want your customers to get out of their experience.

How should I promote my AR tool after it's been developed?

You have lots of promotional options, including demo videos, in-app instructions teaching people how to use the tool, and shareable content.

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