Augmented Reality: Enabling Creativity in Advertising
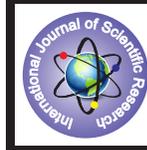
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ABSTRACT Though creativity and innovation have been associated with advertising since its inception, the need to continuously innovate is now being felt like never before. The media is getting cluttered by the day, and it is needed that the target audience are kept engaged and interact with the brand. Augmented Reality provides the marketers with an excellent means of providing information in the most exciting way. This paper aims to study the usage of Augmented Reality in contemporary marketing practices and the expectations of the marketers for its future use by reviewing past literature and interviewing practicing professionals and service providers of the technology. Based on the available data, it has been suggested that Augmented Reality advertising can be excellent tools for establishing a two way connect with the customers.

Introduction

The spread of technology has transformed the market space. Today customers are exposed to more and varied information and they look for real experiences to make an opinion. Marketers need to reach out to their audience amid the advertising clutter and engage them with the brand, at the same time ensuring a positive experience at every touch point.

Past few years have seen a sudden increase in advertising budgets allocated for internet media. This trend can be attributed to the fact that web usage has increased tremendously and customers are using it for recommendations and preparing themselves to make purchases. The TRAI pegged the number of Internet subscribers in India at 164.81 million as of March 2013 with seven out of eight accessing the Internet from their mobile phones which makes mobile phone based Internet usage a key component of Indian Internet usage. Three fourths of Indians online population is under 35 as against just over half worldwide according to the ComScore report, India Digital future in Focus 2013. Men under 35 and women between 35 and 44 are heavier users

Mobile phones give a golden chance to the advertisers to create user engagement otherwise not possible with the traditional media. Also increase in the number of people possessing mobile phone has helped the trend. It makes a perfect medium to send brand related apps to the consumer giving necessary information or simply entertainment.

Augmented Reality is one technology that has transformed advertising in ways not thought of till few years back. Augmented Reality applications are rather compact and yet powerful and do not require more than a current generation smart-phone. The ability to send out targeted, customised information directly to the pockets of the consumers is a very appealing concept even to the advertisers.

Literature Review

Past researches have emphasized on the importance of novelty in advertising. As suggested by Smith et al. (2008), both divergence and relevance should be considered when planning promotional campaigns.

A brand is received well by the customer only when he is truly engaged giving a fillip to the brand building efforts (Tripathi, 2009). Interactivity enables marketers to create experiences that are too cognitively engaging as it needs the user to be in control of the medium and have a two-way interaction with the content (Ylinen, 2012).

It has also been argued that the information age empowers consumers and creates immediate 24-hour access, which changes consumers' behaviour (Seybold, 2001). New media in the digital economy of today has made direct and interactive marketing possible for the marketers (Tripathi & Siddiqui, 2008). The key is to use interactive wireless media to provide customers with time- and location-sensitive, personalized information that promotes goods, services, and ideas, thereby generating value for all stakeholders (Dickinger, et al., 2004).

Wise et al (2008) suggest that interactive ads which have a better immersive effect are highly correlated with brand attitude. In addition, Li et al (2002) showed 3D advertising can enhance consumers' feelings and affect their brand attitude as well as purchase intention.

Augmented reality advertising would fulfil the criteria with the vast scope of creativity that it offers. Kroeker (2010) has spoken about various approaches to mainstreaming augmented reality.

Research Methodology

This paper aims to study the usage of Augmented Reality in contemporary marketing practices and the expectations of the marketers for its future. Available literature was reviewed for the purpose, also practicing professionals and technology service providers were interviewed using an open ended questionnaire to understand their expectations by the use of technology. The sample selection was based on the criteria that selected samples have already used Augmented Reality in their advertising campaigns. A total of ten respondents comprising of technology service providers and advertisers willingly answered the questions put to them. Advertisers were from different industries ranging from FMCG to Automobile. Their responses were compiled to arrive at the results.

What is Augmented Reality?

A technology that combines live images of the environment with computer generated images, is known as Augmented Reality (AR). Simply put Augmented Reality apps are like a link which connects the physical world to the virtual world. For the last few years, augmented reality applications have become popular on mobile phones, as these devices have gotten the hardware to facilitate augmented reality applications (Kleef et al, 2010. Using Augmented Reality content from the virtual world in the form of photos, text, links, videos etc. can be imposed on an image from the physical world, printed paper or computer screen generating useful information or to simply engage and augment users' experience.

Some of the devices that are commonly used for Augmented Reality are mobile phones and other handheld devices with inbuilt camera such as tablets, a personal computer or Mac with webcam, or games console with camera.

Augmented Reality in Advertising

In advertising, Augmented Reality typically involves users

downloading a software application and holding a graphic symbol print in front of their webcam or smart phone camera. The camera picks up the printed graphic device and the augmented reality content which is usually a 3D model or an animation, appears on the screen. If the user tilts or rotates the paper, the image on the screen tilts or rotates too, giving the user a chance to examine the virtual object more closely.

Augmented Reality has made possible for relations to get more interactive and personal thereby enabling brands to create positive brand attitude and therefore customer satisfaction (Eyuboglu, 2011). It has effectively contributed to a positive customer-brand relationship and to customer satisfaction through the creation of perceived experiential value during the past two years (Bulearca and Tamarjan, 2010).

Many brands in India have used Augmented Reality Advertising including Ford Figo, 7Up, HSBC, Nike, Fiat Punto, Cadbury, Philips, Toyota, Shoppers Stop and Nestle. Content in these applications ranged from information about the product, an audio-visual, a 3D model etc. These applications engage the customer with the brand for a longer period that other passive mediums and compels them to think about it.

Globally, developers of Augmented Reality are expected to invest about Rs 4,110 crore this year and more than Rs 17,516 crore in 2018 according to ABI research.

Findings and Discussions

The authors upon interviewing the respondents found out that each of the service providers have their own applications developed in-house, such as TeliBrahma uses the application PointARt and Adstuck uses Alive. These applications are compatible with almost all the handsets available in the market and all operating systems. They are also compatible with most tablets using these operating systems though it is not always advertised. These applications are most viewed on smartphones hence. According to them these applications are user friendly and that even a beginner could easily navigate through them

The advantages that the service providers show to the client while pitching for an Augmented Reality campaign are higher return-on-investment and the scope for displaying more information than any other static media such as newspapers and that too in a more lively and interesting manner. It has been received well by the marketers.

A video or 3D is the most popular formats for Augmented Reality applications but the content varies from brand to brand. The advertisers sometimes prefer their TV commercials also to be put as one of the creative.

The service providers provide the clients with complete analytics such as number of scans for the application, time of scan, the handset used for scanning, and the most popular creative if multiple creative were used apart from demographic details of the user thus making it easier for the clients to measure the response. It was very interesting to find that it is not an expensive medium and an advertiser can get an AR application developed in as low as Rs 30,000 – Rs 40,000 though the cost might increase with added features and complex content. The advertisers also find it cost effective as they are able to reach the desired

TG without much spillover and they can measure the result in real time.

Majority of these applications are advertised in the print medium or forums on digital websites. Both service providers and advertisers feel that Augmented Reality advertising has generated encouraging response from across demographics for varied products and most of the campaigns have been successful adding that campaigns targeted to youth have received very good response. This indicates that perhaps the youth is more open to the idea of experimenting and experiencing new technological advances.

Respondents suggest that Augmented Reality advertising cannot be used as a standalone medium and needs to be backed by the traditional media. Respondents were satisfied with the response of their campaigns and indicated that they would use Augmented Reality again in future.

The biggest challenge as per the respondents is the awareness. Despite the technology being supporting, very few people know about it or use it. Although the numbers are increasing constantly with the advent of smartphones becoming a common site.

According to the respondents Augmented Reality applications are pretty scalable and its full potential is yet to be tapped.

Conclusion

Consumer companies are increasingly using Augmented Reality to reach their product through to customers, a phenomenon that induced a growth of the technology providers at a rapid pace. Advertisers believe that these applications help them increase interaction between the user and the brand thus speeding up the purchase process. In India Augmented Reality is still in a very nascent stage but picking up very fast.

One of the biggest advantages of Augmented Reality comes from the interest it arouses in its target group and allows the product to be presented in an interactive manner. The low development cost only adds to the attractiveness of the technology. However the narrow user base of people owning smartphones and low awareness levels are seen as major disadvantages. Moreover the phenomenon has received patronage largely from young people who are most likely to enjoy new technological innovations.

Despite the shortcomings the marketers and technology providers feel that the use of Augmented Reality in the Indian Marketing arena is here to stay and will soon become an integral part of communication mix.

Innovative and interactive advertising campaigns leave a deeper impact on the consumer and hence Augmented Reality does stand a good chance. It would however be a tough task to sustain the interest levels of the users as they would keep demanding more and newer applications.

Overall Augmented Reality is currently providing brands a new exotic way of interacting with their users and gives them great mobile marketing experience through smartphones.

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