Evidence: Inspirational augmented reality apps can improve brand attitude

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More and more companies are using Augmented Reality Marketing to interact with customers. Augmented Reality Marketing is a strategic concept that uses Augmented Reality (i.e. the Integration of digital information or objects into the subject's perception of the physical world), often in combination with other media, to expose, articulate, or demonstrate consumer benefits to achieve organizational goals. A recent BCG study indicates that many companies are still exploring the possibilities that AR offers. One of the main barriers to the use of AR as a Marketing tool is a solid understanding of how AR works and how it impacts business goals.

A team of the three researchers Philipp Rauschnabel (Universität der Bundeswehr München, Germany), Chris Hinsch (Grand Valley State University) and Reto Felix (University of Texas) conducted an empirical study to assess the effectiveness of AR. The core results: First, even strong brands can benefit from inspirational AR content. Second, in order to be effective, marketers should focus on creating inspirational content, i.e. content that triggers consumers' imagination and motivates them to generate new ideas. To do so, they need to invest in professionally developed Apps that provide a realistic augmentation of the real world and to create hedonic content that consumers really want to consume; purely functional content might not contribute to branding goals. Third, when assessing the effectiveness of AR apps in enhancing brand evaluations, looking at the more traditional "star ratings" might not be the best idea.

The researchers measured consumers evaluations before and after using an app and tried to explain the improvements in brand attitude. In sum, AR led to improvements among 40% of the respondents. The key to success is, according to the results, that AR provides inspirational content. When comparing the improvements in brands between those consumers who had a high (vs. low) inspirational AR experience, the results are even stronger. More specifically, they were 4X stronger among those consumers who rated their AR experience as highly inspirational. The more general evaluation of the app (i.e. ranging from bad to good, as typically reflected in star ratings) was less effective. Reto Felix recommends that firms should "go beyond simple star ratings as the preferred way to measure the success of AR".

"Although more research is needed to generalize these findings, our study provides the first evidence that AR can be an effective tool in brand management", Rauschnabel said. Indeed, the team of researchers is working on follow up projects to further validate these findings. In addition, the team is exploring further areas of AR Marketing. The researchers will be presenting additional research findings in June in Munich as part of the 5th international AR VR conference.

The study has been published in the *Journal of Retailing and Consumer Services*, a peer-reviewed academic journal.

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