WELCOME TO THE FUTURE OF COMMERCE: WHY HYPER-IMMERSIVE AND AUTOMATED EXPERIENCES WILL RULE

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In recent years, e-commerce has experienced unprecedented growth. The pandemic propelled the industry forward by five years. However, with inflation and other economic challenges, a decline in e-commerce is looming. The online share of spending dropped from 14.9% in 2019 to 12.2% in 2021. Therefore, companies must embrace new strategies to maintain competitiveness and avoid dips in their growth. Not only that but to continue to thrive, companies must continuously tap into emerging technologies and shape their businesses around them. This is a crucial finding of an extensive survey conducted by the Infosys Knowledge Institute in 2023.

Businesses across industries can potentially gain significantly by exploring how smart architecture, analytics, personalization, hyper-immersive and automated experiences can make a difference. The Infosys Digital Commerce Radar 2023 report says that superior digital experiences can help them retain and expand their customer base in a challenging market. Research validates that more digital capabilities help a company enhance its strategic, operational, customer and financial performance. The Infosys report spotlights personalization as a critical capability that improves performance. And hyper-immersive and automated experiences are vital to delivering personalization.

Hyper-immersive experiences can enhance the user's experience by creating a sense of total immersion in a virtual environment, often using advanced technologies. For example, immersive technologies like 3D virtual environments, avatars, digital twins, and headset devices can create more realistic experiences in virtual (VR) and augmented reality (AR). These experiences can be highly engaging and transport users to other worlds or provide a more intense and experiential experience than they could get in the real world.

Automated experiences, on the other hand, refer to the use of automated technology to streamline and optimize various aspects of the customer journey, from initial discovery to purchase and post-purchase follow-up. These experiences can be powered by artificial intelligence (AI), machine learning (ML), and other advanced technologies that enable businesses to personalize and optimize the customer experience at scale. Programmatic ad buying, for example, can help organizations stay ahead of the competition by ensuring their products are always displayed to the right audience.

Together these experiences help boost customer satisfaction and loyalty by focusing on improving the customer journey.

This paper presents some of the experiences that these technologies can provide during the customer journey.

The Future is Now: Real-World Applications of Hyper immersive and Automated Experiences

Tour some of the typical applications possible with hyper-immersive and automated experiences.

1. Virtually present - Imagine virtually placing furniture in your living room or trying on clothes without leaving your house. With hyper-immersive experiences, this is now possible. For example, a 3D model of a product can be placed in the actual place where the customer intends to use it, allowing them to see how it will look. Furniture provider IKEA's app, IKEA Place, allows shoppers to place the company's products in their space and decide suitability easily.

Virtual try-on technology, a game changer, allows customers to take a photograph of themselves and virtually try on clothes, shoes, or accessories. It helps customers determine what size is appropriate for them and how the product would look on them before making a purchase. Many brands, from Walmart to fashion giants Prada, are investing in virtual fitting rooms.

2. Generative AI stirs things up - Traditionally, product descriptions have been shown as basic text-based or detailed information. However, this can be unfriendly from an accessibility perspective. Generative AI is an exciting technology that can create product descriptions in multiple formats. Plus, it can auto-generate audio-based outputs and even descriptions for products without information.

Here's another use of Generative AI. Companies can automate the process of creating marketing campaigns, ranging from content creation to targeting specific audiences. Generative AI can analyze vast amounts of data to identify patterns and insights that can be used to create more effective marketing campaigns. For instance, Generative AI can create personalized and dynamic ad campaigns tailored to each customer's preferences.

3. Versatile technology - Imagine being able to customize your car before even making a purchase - with the latest developments in technology, this is becoming a reality. Users can now browse the car's interior, choose different colors and accessories, and view the details in 3D. This immersive experience not only enhances the buying experience but also adds a personalized touch to it. In fact, many major vehicle manufacturers like Toyota, General Motors and Honda offer virtual car modifiers on their websites to enable a "build your own" experience for consumers.

But that's not all. AI is now used in various aspects of the automotive industry, from sales forecasting to inventory management and supply chain optimization. AI can analyze data and provide valuable insights into future sales trends, allowing businesses to plan accordingly. Additionally, it can detect fraud and abnormal activities in financial institutions, alerting users and taking action to prevent potential issues.

4. Ultimate convenience - BOPIS or Buy Online and Pick Up In Store is quickly becoming the go-to shopping method for many people. With BOPIS, you can browse, purchase items online and then pick them up at the store at your convenience. No more waiting for shipping or dealing with delivery hassles with this streamlined shopping method.

Taking this much further is facial recognition technology in the retail industry. Imagine walking into a store and being greeted by an avatar that engages with you in a conversation, asking what you're looking for and where you'd like to try it out. This avatar can guide you through the store and suggest products based on your preferences. Incorporating facial recognition in this process can make the experience even more personalized and relevant for the user. For example, Caliburger, an American restaurant chain, has implemented facial technology that brings up loyalty program details of customers and speeds up the ordering process[1].

5. Advertising that makes sense for you - Picture this - you're scrolling through your phone and suddenly receive a notification for a fantastic deal on one of your favorite products. Advertisers will consume your buying history through an API and use that information to suggest products and show ads on your website or app. Google has been a pioneer in this space. So, for example, when you visit a website, you might see a Google ad space that suggests products based on your buying history. This is what's known as programmatic buying, or programmatic display of ads, which is an automated way of suggesting products based on your search history and buying behavior on sites like Amazon. So, instead of selecting which ads to display manually, programmatic ad buying uses your data to suggest the most relevant products to you, making your shopping experience more personalized and efficient.

In addition, automated lists and notifications allow businesses to gather customer preferences and behavior information. For example, they can track which items a customer has added to their favorites or cart and use that information to generate offers and promotions tailored to their interests. In addition, these offers can be sent as notifications, tempting customers to make a purchase they might have missed.

Live packaging is also becoming a requirement in the Telecom trend aspect. Here, items are bundled dynamically based on offers and discounts to create personalized and engaging packaging experiences for their products. This can be done by using data analytics tools and algorithms to analyze customer behavior and preferences, such as purchase history, website browsing patterns, and social media activity. The data is then used to generate personalized offers in real-time that are relevant and compelling to each customer, increasing the chances of conversion. For example, suppose you're shopping for a new gadget and see a bundled offer for it plus an accessory. The shopper is more likely to act on the deal as both items offer savings. By showing customers related products that complement their original intent, businesses can make shopping more convenient and enjoyable. Customers feel like they are getting an experience tailored to their needs.

Wrap up

In conclusion, e-commerce companies must embrace hyper-immersive and automated technologies to stay ahead of the competition by creating experiences tailored to each customer's needs and preferences. With technologies like virtual try-on, programmatic ad buying, immersive technologies, live packaging, and generative AI, the future of digital commerce looks bright. It will help companies retain and expand their customer base and improve strategic, operational, customer, and financial performance.

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[1] Facial Recognition in Retail- Enhance In-store Customer experience and Improve Retailer Operations (einfochips.com)

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