

Apple released their new iPhone 8 and iPhone X to the market with a number of new features. This paper is focused on the Augmented Reality (A.R.) features of the new Apple iPhone and how this could be utilised by companies to elevate the customer experience, increase sales, and reduce support costs.

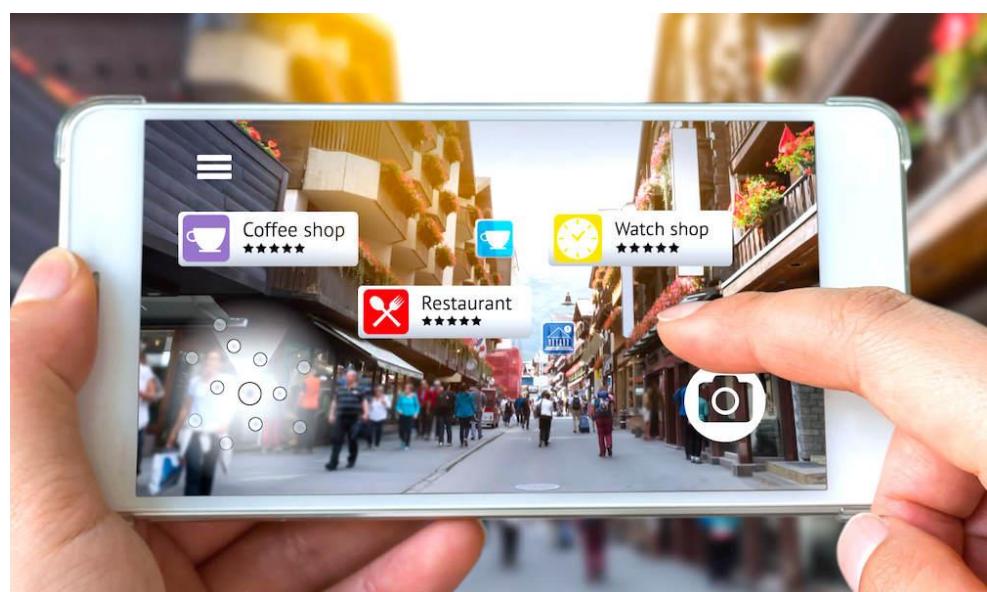
We have previously written about Augmented Reality as one of the technologies that will impact customer experience in the future in our book [Experience My Brand](#). Apple's embedding of A.R. technology into their new iPhone is the first serious boost for making A.R. a mainstream technology to be utilised by companies for a wide variety of customer differentiating experiences.

## What is A.R.?

A.R. is the incorporation of digital information and images into a real world place or person. It is the meshing of real and virtual worlds to create a unique and enhanced experience for the user. Its popularity was best depicted when the Pokémon GO game was released in 2016. Users would use their phones to track down fictional Pokémon creatures in the real world and would be rewarded for the number of creatures caught. The game went viral and remains popular in 2017.

## Beyond A.R. Gaming

Apple is clearly not betting on gaming as the only appeal for its new A.R. functionality. The potential for A.R. in the commercial world to transform the customer experience is significant. Apple has facilitated the adoption of A.R. into the commercial world through two key initiatives.



Firstly, the new Apple iPhones have embedded features that enable A.R. to be easily accessed by users. The introduction of an updated camera uses technology specifically

suited for adding virtual objects into the frame of the real world image showing by the camera. The new iPhones have an A11Bionic chip as well as a processor dedicated to neural network computing. This technology can identify objects that are referenced through GPS and object identification more accurately. For example, if we point the camera at any downtown street it could superimpose the shops and restaurants on the street with their customer review ratings and opening hours.

The second main initiative by Apple to accelerate A.R. applications is the marketplace is the release of [ARKit](#), its new mobile platform for iOS 11 specifically designed to enable the development community to create augmented reality applications at a much faster and easier rate than previously. Developers are claiming the software by Apple enables them to produce A.R. applications in 70% less time.

With the door open for easier and lower cost development of A.R. applications we would anticipate a plethora of new mixed reality solutions to be introduced in the marketplace. We can expect a number of these applications to be novel and focused around gaming. However, it's important to understand the commercial opportunities available for other industry sectors to enable business leaders to make informed decisions about A.R. and whether it is suited for them.

## **Using A.R. to Transform the Customer Experience (CX)**

A.R. can be used in creative and innovative ways to elevate the CX to increase sales and reduce the number of after-sales support enquiries. To better understand the commercial applications of A.R. we have divided the key categories we believe A.R. can have the greatest impact:

- 1. Increasing online sales of goods by reducing the barrier for visualisation of the product in a real life environment.** Just think of how many times you would have liked to try on the dress/shirt before you bought it from an online retailer or how you would have bought a piece of furniture if only you knew



how it looked in your living room. Companies like Ikea who don't have an online store also suffer lost sales because of the barrier of visualisation. Today Ikea is one of the few companies taking advantage of A.R. by enabling their customers to insert their furniture pieces into their homes before they buy it to enable them to make informed decisions on how suitable the item is in their home. Similarly, A.R. applications will enable online couture retailers to provide their customers a visual display of how the garment will look on them before they make a purchase.

2. **Reducing risk with interior design and property development and elevating customer satisfaction.** The property and interior design sector will greatly benefit from A.R. applications. Currently the process of providing visualisations of property renovations, office fitouts and interior decorating can be costly and slow. A.R. can significantly reduce the risk of poor decision-making that can often be costly for consumers doing a property makeover or decorating a new property. Currently most consumers will take a sample of carpet, tile, or paint home to enable them to visualise how it will look in their property. Even with the physical samples the decision-making can often lead to costly mistakes. A.R. applications for the property sector can help elevate customer satisfaction by providing rich visualisations of the entire room with furniture included before the project commences.
3. **Enhancing instructional learning and guided support for consumers to elevate the customer experience and reduce the cost of support for business.** This is a fairly broad category and covers a multitude of industry sectors and possible applications. On one end of the spectrum it can apply in the education sector by providing students a more immersive means of learning. A.R. can be used to show history students a battle that took place at a



physical location or biology students the movements of a T-Rex. On the commercial end of the spectrum it can be used to provide meaningful information on the right types of foods to eat based on dietary conditions or how to install a new broadband router, or assemble flat-packed furniture, or provide a list of repairs with their physical location without having to be physically present. All of these solutions can elevate the user experience and help companies reduce the cost of support.

## **Adding Artificial Intelligence in Augmented Reality Applications**

It's inevitable that this evolution will occur. The addition of artificial intelligence in A.R. solutions is initially likely to take the form of virtual assistants such as Apple's Siri. The technology released by Apple can be said to give Siri "eyes" into our world. Once Siri can "see" and recognise objects then it's not a major leap to develop applications that utilise Siri into the A.R. applications. Having a virtual assistant providing meaningful verbal and written information can, if properly developed, elevate the customer experience even further. It will interesting to see if Apple opens up Siri for developers to incorporate into their A.R. applications.

### **But Wait....**

We caution organisations from leaping into the A.R. technology offered by Apple without a strategy. A.R., like any new technology, should only be adopted if it helps an organisation better serve its customers and achieve a component of their overarching business strategy. A.R. can elevate the customer experience but it can also alienate customers if it is not appropriate for the target customer segments. It will not be suitable for all organisations and business sectors. Careful strategic planning and thought needs to be applied before A.R. is identified as a suitable technology solution. Apple is definitely taking a major gamble on the usage of A.R. and with Google's Android equivalent called [ARCore](#) we are likely to see a wave of new applications that will lead to consumer acceptance of augmented reality in everyday activities.

Image credits: Gabor Balogh – Business Insider, and Apple

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