Is VR(virtual reality) Real in Marketing?

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Abstract

The increasingly unpredictable and competitive market has forced marketers to implement innovative ways to create and offer values to customers. In this regard, the use of new technology such as mobile internet, social network service, and Youtube has been a must for successful marketing. One of the vital transformations will entail harnessing the new opportunities presented by VR(Boyd and Koles 2019).

Thus, it is not surprising that retailers are integrating VR into their new marketing strategies. VR has the potential to change the consumer experience by individualizing retailers' offers and enabling consumers to visualize products in innovative settings. By 2020, more than 100 million consumers will shop in a virtual environment(Gartner 2019). Marketers now often use VR applications to allow potential consumers to virtually experience, explore, and assess the marketing stimuli before their physical behavior(Marasco et al. 2018). VR has emerged for business and marketing activities such as information dissemination, destination selection, store layout, advertising, and sales transactions(Feng et al. 2019, Pizzi et al. 2019).

VR(virtual reality) is one of the most exciting topics in contemporary marketing and consumer research given its rapid diffusion and increasing application in various industries(Hamari 2015, Li and Mao 2015, Huang et al. 2016, Farshid et al. 2018, Kim and Hall 2019, Pizzi et al. 2019). However, empirical studies have not yet explored how VR enabled by new technologies can affect consumers' attitudes and behavioral intentions toward marketing efforts. Given the gap exist in the area, this study aims to investigate the role of VR experiences in the selection of sales channels.

To address these issues, we propose an empirical model where the characteristics of VR serves as the key variables. More specifically, this research proposes that smartness and vividness lead to information access and triggers satisfaction. Also, interactivity, playfulness, and escape give the influence to flow and triggers satisfaction. Satisfaction is then proposed to give influence to two kinds of intentions: intention to revisit VR and intention to visit the real site.

Keywords: VR, viirtual world, distribution, experience