

Walmart experiments with various AR use cases that transform the customer experience

Article

The news: Walmart is betting on new uses of augmented reality and other technologies that offer interactive and social capabilities to drive consumers to discover and share new items,

per VentureBeat.

- The retailer already offers virtual try-on technology across categories such as beauty, hair, furniture, and optical.
- It also offers Be Your Own Model, which enables a shopper to use their own photo to better visualize how clothing will look on them.
- This summer it plans to build on those tools with the launch of Shop With Friends, which enables shoppers to mix and match apparel items to create virtual outfits on a model with similar sizing and shape, then ask their friends for feedback on their looks.

Why it matters: The technology boosts engagement and gives consumers more confidence in their purchase decisions.

- Consumers who interact with AR features have higher conversion rates, higher add-to-cart rates, and lower return rates, **Desirée Gosby**, vice president of emerging technology at Walmart Global Tech, told VentureBeat.
- Walmart plans to continue experimenting with new AR experiences to make shopping easier and more immersive.

Amazon's approach: Amazon is also experimenting with new ways to shop online, including virtual stores, per Modern Retail.

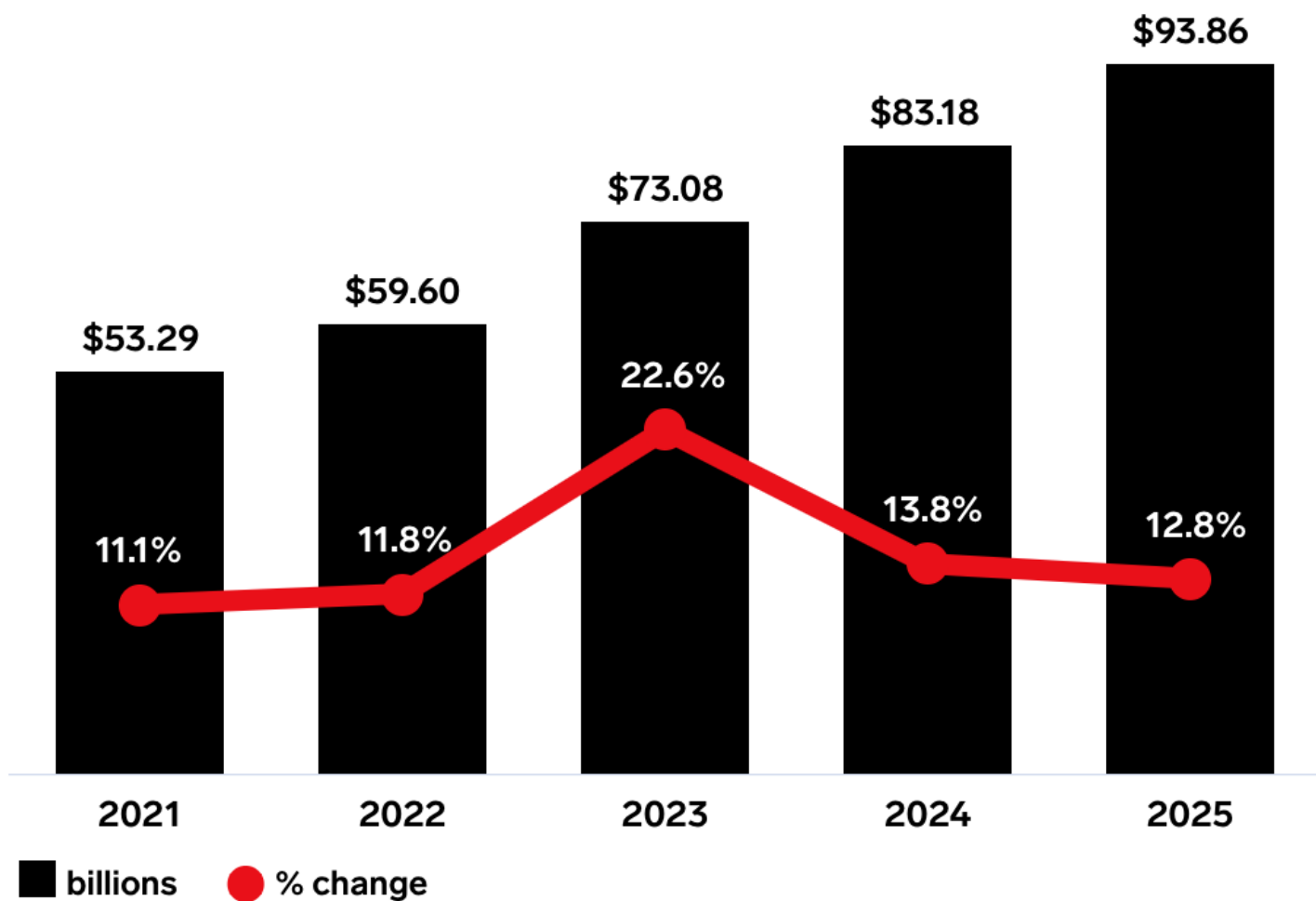
- One of the virtual stores enables shoppers to browse consumer electronics arranged in a similar fashion to a high-end store.
- Another digital world appears more like a home where consumers can browse home goods curated by influencer duo Everything Envy.

The big takeaway: Ecommerce is still just a small fraction of the retail industry; we expect ecommerce will account for 16.3% of overall US retail sales this year.

- Walmart and Amazon see technology as key to growing that share by reassuring shoppers that they won't encounter any surprises when their online orders arrive at their door.

Walmart.com Retail Ecommerce Sales

US, 2021-2025



Note: represents the gross value of products or services sold on walmart.com (browser or app), regardless of the method of payment or fulfillment; includes third-party sales from its marketplace; excludes travel and event tickets; excludes sales on samsclub.com

Source: EMARKETER Forecast, February 2024