The Role of Augmented Reality in influencing Consumer Purchase Intention: A Conceptual Analysis

Prof Harsh Shah[1*], Prof Abhinav Niwalikar[2], Prof Tharageswari Soundarapandian[3]

[1*]Assistant Professor, Institute for Future Education, Entrepreneurship and Leadership iFEEL, Lonavala, harsh.shah@ifeel.edu.in
[2]Assistant Professor, Institute for Future Education, Entrepreneurship and Leadership iFEEL, Lonavala, abhinav.n@ifeel.edu.in
[3]Assistant Professor, Institute for Future Education, Entrepreneurship and Leadership iFEEL, Lonavala, tharageswari@ifeel.edu.in

*Corresponding Author: Prof Harsh Shah
*Assistant Professor, Institute for Future Education, Entrepreneurship and Leadership iFEEL, Lonavala, harsh.shah@ifeel.edu.in
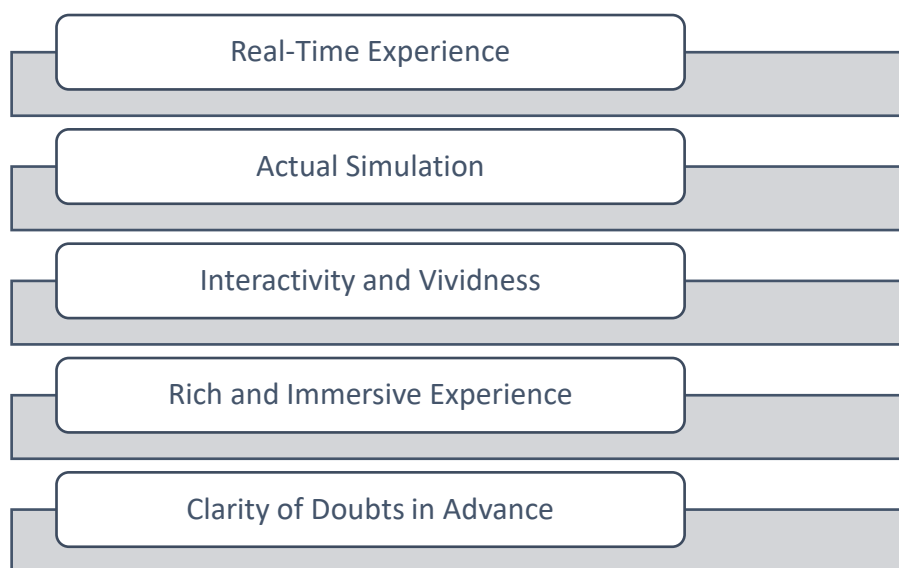
Abstract

Augmented reality (AR) is a revolutionary tool that improves consumer's online shopping experience as it allows them to observe computer-generated products as part of their physical and actual world. It is a popular technology which is perceived as communicative, instinctive, attractive and adopted by the companies to achieve growth. AR is becoming popular among marketing sector as it facilitates and improves shopping experience of consumers of all age. Adopting AR allows consumers to virtually try products and observe them in comfort zone where it boosts their decision-making ability, sureness and also lessens their apparent risks of online shopping. Since, the longstanding aims for stores to grasp success is to retain online consumers' purchase confidence and this makes them to adopt AR that mixes computer-generated elements with the real world in real-time to improve interactivity and richness. This approach of AR adoption and integration effect consumers' insights and payment intentions of the consumers.

Keywords: Augmented Reality, consumer, purchase intention, perception, experience

Introduction

In last few years, the creation of enriched environments is enabled through technology advancements. This improves the physical world as it integrates elements of real-world with virtual world. It culminates in the development of AR. There are number of ways in which the AR is explained, the common element among all is that it functions dynamically, instantaneously, intensely, and exclusively in organized and positioned setting. Azuma in 1997 described AR as real-time perspective on nature that includes extra AI-generated content like text, pictures, videos, or interactive features. In today's environment where the businesses are highly competitive, companies are determined to discover new and innovative ideas that support and promote their products and services. It is so true that the process and impact of traditional marketing to promote a product is undeniable, but still, it fails when it comes to meet the basics and fundamentals of the present markets. Conventional marketing practices are now almost failed in pulling the audience as they usually depend on customer's loyalty. The professionals are taking this as a challenge. The marketers in the digital era are experiencing huge rise in online users which has increased the literateness level among users as well. The customers are now moving away from traditional media and following digital media for their shopping. According to Kenyon & Sen, (2012), Traditional media has faced major losses because people have lost interest, leading to a drop in brand value and a lower desire to buy products. As a result, augmented reality can influence how consumers behave, including how they search for products and data (Javornik, 2016). As AR is now becoming popular among marketers and its uses is increasing every year, it is important to know its uses in buyer mindset. Technology is seen as a key driver of progress and has significantly changed how consumers shop online and how brands operate. (Kim & Peterson, 2017). AR is defined as intersection of virtual elements like "computer-generated images, text, and sound—onto the user's actual environment" (Faust et al., 2012). In comparison to different conventional media, it offers a high level of "interactivity and vividness", providing users with "rich and immersive experience". The most effective atmosphere is identified by the brands by actively exploring and evaluating various AR applications across varied contexts. Smart devices and large interactive screens are commonly used in retail sector. AR mirrors launched by cosmetic companies let customers virtually try on makeup products in real time (Yim et al., 2017). These smart mirrors use facial recognition and AR technology to simulate how different shades and styles will look on the user's face. This enhances the shopping experience, reduces product trial limitations, and increases customer confidence in purchase decisions. Figure 1 shows the Role of AR in consumer purchase decision at glance:

Real-Time Experience

Actual Simulation

Interactivity and Vividness

Rich and Immersive Experience

Clarity of Doubts in Advance

Figure 1 Role of AR in consumer purchase decision

Literature Review

Abrar (2018) indicates an important relation between "augmented reality, customer brand engagement, purchase intention, partial mediation and significant moderating effects". AR applications and devices works as creative tools to attract clienteles and spread awareness among them. AR enhances the shopping experience by allowing consumers to visualize products in real-world settings before purchase. This immersive interaction builds confidence, reduces uncertainty, and increases engagement, leading to higher purchase intention. AR also creates a sense of personalization and novelty, which positively influences consumer decision-making.

Ehab et al. (2020) says that there is significant impact of AR on "hedonic and the cognitive dimension" of the consumer experience while they are making their decisions. This is the reason why the companies applying AR technology to attract their customers must focus on the type of customers they are dealing with and identify the level of hedonic and cognitive value that should be included. It is also found that in comparison to perceived value, perceived interactivity has higher influence on the user's experience. This shows that customers prefer AR apps to interact with the product and modify its content.

Mittal et al. (2021) revealed that there is significant impact of AR on "System quality and consumer's online purchase intention". "Information Quality and Service Quality" shows no effect of augmented reality. AR helps to create an engaging online shopping experience for the users and provide practical implications for online commerce firms. This approach leads to focus on "system quality" and create an impact on consumer's mind. First look of the website is improved through the integration of AR which in turn increase the purchase intention of the consumers.

Poushneh and Vasquez-Parraga (2017) confirms that user experience is boosted by AR when they are exposed to more product information in comparison to products with no augmentation. This improves the user experience at the time of their buying process, decrease their anxiety level, and makes their decision-making process much easy. The purchase intention of the buyers is their willingness to buy the offered good where AR allows users to try products virtually, visualize features in real time, and engage with brands in innovative ways, which enhances satisfaction and encourages purchase decisions.

Khan and Sriram (2019) found that "consumer purchase intention" depends on "perceived usefulness, personalization, and credibility" of the app. It is also found that there is positive and significant relation between "purchase intention, perceived usefulness and perceived ease of users". The study shows that "purchase intention" is significantly affected by "advertisement content credibility, and credibility of the augmented reality marketing". When users find the app helpful in making informed decisions, custom-made to their preferences, and dependable in its information and functionality, they are more likely to engage with the app and proceed with a purchase. These factors build user confidence and satisfaction, directly impacting buying behaviour.

Kazmi et al., (2021) found that "augmented reality experiential marketing" improves user experience which itself depends on different aspects of human behaviour and nature of AR platforms. AR enhances user experience by "absorbing colours,

styles, and enchanting 3D innovative models". It also enlarges the product's detail display by elevating the information present there on online or physical store. AR helps to introduce the product's information on online stores, place the digital bar code on the item and link it to digital advertisement or product information link. AR augments and advances liveliness and understanding as the users display their preferences over their social networks.

Conclusion

The study explored the augmented reality which has shown noteworthy impression on "customer brand engagement and purchase intention". When the shopper is sufficiently smart to understand and interact with "smart devices and applications", they are able to evaluate both benefits and drawbacks of any product or service before making a purchase. They review the details and specification before their purchase which in turn improves the brand engagement and purchase intention as well. AR plays an important role in influencing "consumer purchase intention" by improving both the practical and emotional aspects of the shopping experience. AR allows users to visualize products in real time, dipping doubt and refining decision-making, thereby increasing perceived usefulness. The technology's ability to bring tailored and immersive experiences adds hedonic value, making shopping more pleasant and appealing. Additionally, when AR applications are perceived as reliable, they substitute trust and self-assurance in consumers. The use of AR mirrors in the cosmetics industry is a strong example of how interactive tools can influence buying behaviour. AR bridges the gap between physical and digital shopping. As consumer prospects evolve, AR stands out as a powerful tool for brands to drive changes and shape long-lasting customer relations.

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