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Beginner's guide to altered reality

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While the term may sound like something you would hear in a futuristic sci-fi film, the idea of altered reality is no longer limited to just fiction. Increasingly, it is becoming an integrated part of our world and an avenue for brands to explore.

To get started, here is what you should know.

What is altered reality and what are the different types of altered experiences?

Altered reality can be defined as an artificial experience that consists of images, sounds and even sensations, created by an operating system that is driven by the individual experiencing the reality.

These altered experiences are broken out into two types: virtual reality (VR) and augmented reality (AR). The primary difference, as described by TechCrunch, is that while both tinker with our reality, "AR enhances it, while VR diverts us from it."

Virtual reality includes manufactured pre-made content that takes users inside of a moment, experience or simulated world.

Users are taken out of the tangible world and completely immersed in the experience, whether it be a video game, fashion show, vacation or movie.

Consumers can experience VR with smart glasses such as Epiphany Eyewear or Vuzix Wrap1200DX, which provide access to data, apps, messaging and email, or use VR headsets such as Oculus Rift or the LG 360 VR.

At present, VR headsets are mostly used for gaming and video entertainment purposes.

Augmented reality, on the other hand, marries VR with real life.

While a topic of fiction for years, AR is finally coming to the forefront with the unveiling of Microsoft HoloLens in 2015 and the highly anticipated Magic Leap, which received \$500 million in funding from Google.

The content is not immersive, but rather designed to enhance the world around us with overlays of 3D videos.

With the ability to enrich lives and the eventual launch of Magic Leap, many believe that AR will become as ubiquitous as mobile phones in a matter of years.

What are the opportunities and considerations for brands?

While there have not been many augmented reality activations for advertisers, virtual reality has been a hot first-to-market execution for brands across numerous verticals.

For example, McDonald's Sweden launched a promotion that allowed kids to turn their Happy Meal boxes into Google Cardboard headsets, while North Face leveraged the medium to put users in their own life-like outdoors adventure.

There are a number of opportunities here for brands to provide value for consumers.

Imagine touring the inside of a hotel room before clicking "reserve," or previewing a dish before going to a restaurant. Or perhaps previewing an outfit that you would like to buy online through VR, or a movie clip ahead of a film release.

What is particularly crucial is that the best VR experiences are not overly branded, but rather associate the brand that is sponsoring the experience in a positive light for consumers to tie back their moments.

There are endless opportunities to get creative. Just look at what The Wall Street Journal did with the NASDAQ, using data visualizations to design a VR rollercoaster that explored the ups and downs of the stock market.

In fact, publishers are investing heavily in VR activations.

Hulu deployed a VR app in the first quarter and announced heavy investments in VR content at its Upfront in April.

Crackle, in a race to catch up with Hulu, announced at its Upfront that it is also making significant investments for brands to create VR experiences in their marketing plans.

That said, despite this significant investment and the hype in the industry, VR scale is still relatively limited.

The best technology is expensive, although Samsung's Gear has brought a semblance of democratization to the market. Still, mainstream adoption has not yet occurred.

EMarketer claims that there are currently about 6.5 million VR users worldwide, although this number is expected to quadruple by 2020. It also notes that the generation most interested in VR is, not surprisingly, younger generations under the age of 34.

Knowing this, activations in VR are best aligned for products or services marketed towards millennials and Generation Z. But brands should consider the approach to be aligned against public relations efforts rather than a sustainable media approach all on its own.

As for AR, currently opportunities in this space are limited.

Magic Leap, arguably the most advanced technology that will hit the market, has not yet been released. That said, there are opportunities that bring a less-advanced version of AR and are relatively quick-to-market think Snapchat lenses and 360-degree video.

OVERALL, GIVEN THE current limited scale of altered reality activations, for brands the audience that you are marketing to should be highly targeted.

If there is a live activation around VR/AR, consider tailoring a guest list of influencers and VIP clients.

Measurement is also a limitation to be considered, with benchmarks still being developed for the industry.

Nonetheless, with ample opportunities across publishers rolling out, altered reality experiences are within arm's reach.

For new product launches, in particular, altered reality implementations can create press-worthy moments for brands a wow effect to be combined with public relations and other media efforts focused on mass scale.

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