

COLUMNS

Luxury brands cannot ignore voice commerce

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By A LUXURY DAILY COLUMNIST

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The retail sector is on the verge of a voice-shopping explosion.

Set for exponential growth in the years ahead usage in the United States and the United Kingdom combined is expected to surge in value from \$2 billion in 2017 to \$40 billion in 2022, according to OC&C Strategy Consultants.

Voice-driven commerce will open up a new realm for shopping: anytime, anyhow access that will reshape luxury retail.

This wave, which includes ever more sophisticated chatbots and intuitive voice systems, is now moving beyond mobile phones and smart home speakers into cars, shops and offices.

East/West race?

Chinese companies are forging ahead with voice tech at an astonishing pace and Chinese consumers are arguably ahead of Westerners in the take-up of voice technology.

Alibaba's voice assistant, Tmall Genie, is a front-runner in China. It enables consumers to voice order items from the Tmall retail platform, amassing 500 million active users per month.

Recently updated to include vision capability, AliGenie 2.0, it is arguably the most sophisticated smart speaker currently available in the world.

While the U.S. and China are certainly at loggerheads in some areas of trade, it is not all about direct competition on the development side of things.

In some cases, collaboration is the way forward.

In May, Chinese tech giant Tencent invested \$100 million in Californian voice-system specialist SoundHound, while China's iFlytek and Baidu exhibited for the first time at the Consumer Electronics Show (CES) in Las Vegas this past

January.

Challenges

Voice shopping is not without its challenges.

For one, it is likely to steer consumers towards shopping by product type, rather than specific brand.

For luxury brands however, there is a much bigger challenge: luxury is one of the most emotive sectors in retail.

Simply having access to information via voice assistants will not be enough for consumers luxury brands must work out how to link voice services back to exclusivity and self-expression, which define the sector today. As part of this, brands will also need to think about how they "sound" via voice commerce.

A brand's voice personality will vary significantly if, say, you are a streetwear brand or a luxury car brand. Even the fundamental choice of a male or female voice is a big call.

A March 2018 survey by [Voices.com](#), the largest voiceover marketplace in the world, suggests female voices are the future. Offering a human-like tone will be vital not least because it is essential to building trust.

[Google Duplex](#), for instance, adds natural touches such as "ums" and "ahs" to replicate real human interaction.

Both Amazon Alexa and Google Home have also reinforced trust by enabling their devices to recognize individual voices.

For example, Alexa encourages consumers to set up personal voice recognition by reading aloud 10 phrases using the data to create a voice profile.

Trust is where luxury brands can really stand out.

Consumers are looking to brands to provide intelligent suggestions and advice based on past interactions. Voice assistants can become reliable sources for recommendations here, offering what peer advice or personal experience previously has.

LVMH has provided one answer to this with its U.S.-facing Facebook Messenger "virtual adviser." The chatbot answers queries relating to Louis Vuitton products, such as searching the brand's online catalog, detailing the brand's history, and providing advice on product maintenance.

By recognizing and responding to individual voices through machine learning, AI-driven voice systems will gain the trust of consumers. This forms part of a wider trend and discussion around emotion-led, conversational AI abilities.

Opportunities

While mobile commerce gave rise to anywhere, anytime shopping, functionality has been restricted to communicating with your smartphone through physical action the need to open an application, or Web site, choose products manually and checkout.

While at a very nascent stage, voice commerce represents an opportunity for luxury brands to offer "anyhow" shopping moving into new environments.

This ability to shop anyhow could be game-changing, particularly with younger generations millennials and Gen Z, prime targets for luxury brands who seek a more personalized shopping experience as well as one that easily integrates both online and offline.

Voice shopping is particularly effective within the environment of the car, for instance, with a number of car brands introducing Amazon Alexa to new models.

Hands-free interactivity is a natural bonus for car drivers, explaining why the tech giants are focusing so much energy on this sector.

At CES in January, Amazon, Google, Nuance and SoundHound all showed in-car voice assistants.

TO DIFFERENTIATE their offering, luxury brands can learn from automotive brands in finding ways to verbally interpret the added extras affluent consumers expect, such as access, personalization, seamlessness and authenticity.

Top tips

1. Luxury brands should partner with tech innovators that can marry the power of voice technology with the

nuances of luxury. Voice shopping may not replace other forms of retail, but it is a disruptive force that will shake up retail across the board arguably much quicker than many retailers have realized.

2. What kind of person is your brand? Luxury retailers and brands should start thinking fast about their audio and human personalities to be ready for an anticipated surge in voice shopping.
3. Think beyond purchase. Luxury brands can win over consumers by going above and beyond and offering new value added services in the 24/7 service era. Voice assistants can anticipate, explain and entertain skillsets that brands and retailers can put to use to win the trust and loyalty of their customers. The path to purchase naturally follows from this.

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