

SOFTWARE AND TECHNOLOGY

Does a lack of options mean AR is here to stay?

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AR is being touted as a remedy for brands and retailers during the COVID-19 outbreak, but what will it do for Chinese shoppers in a post-pandemic era? Image courtesy of Gucci

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For the past several years, the fashion industry has been moving toward **augmented reality** (AR) as its next big thing, complete with virtual closets, virtual fittings and virtual fashion shows.

But all the while, AR faced a seemingly insurmountable barrier: People still wanted real experiences, whether it was touching fabric textures or immersing themselves in the latest runway shows.

Now, thanks to the pandemic, people cannot get the real thing, and the lane is wide open for AR. Necessity, after all, is the mother of invention, and although the need for AR used to be minimal, it has recently become our best option.

According to a **report** published by the International Data Corporation (IDC) in March, retail is the industry seeing the second-largest implementation of AR and virtual reality (VR) in the Asia-Pacific region.

In this region, the most spending on these technologies by far went into the China market, with an 81 percent share in 2019. This spending is also projected to keep growing at a five-year compound annual growth rate (CAGR) of 63.8 percent.

The potential of AR can be studied via **Shanghai's Fashion Week** over the past few years.

While homegrown brands such as Sirloin and Percy Lau incorporated AR into their presentations (in 2018 and 2019, respectively), it was not until this March's Shanghai Cloud Fashion Show that the necessity of the technology grew exponentially.

Elsewhere, the China-based, biannual experimental platform Xcommons kicked off its immersive "virtual" fashion presentation alongside the designer's brand online platform ICY.

The idea of virtual experiences, however, is nothing novel to digital-savvy shoppers.

Fueled by global technology providers such as Modiface, Perfect Corp. and Wannaby and local retail competitors including Meitu, AR has been widely used for virtual try-ons in the China market.

Leading players now using AR include retailers such as Sephora, [Farfetch](#) and Goat, as well as legacy luxury houses including Burberry and [Gucci](#).

While AR looks to be a positive addition to the consumer shopping experience during the COVID-19 outbreak, what will this technology mean to Chinese consumers after the pandemic? And how else can brands leverage this technology in the future?

The beauty industry is leading the way with AR

In 2006, when professor Parham Aarabi founded Modiface, which is now the leading AR technology provider for the global beauty industry, the iPhone and its litany of mobile applications still had yet to arrive on the scene. But today, most beauty shoppers own a mobile camera app for using AR technology.

Among the industries that have tapped into this high-tech playground, beauty brands have led the way, becoming one of the success stories that helped bring AR to mainstream consumers.

By experimenting with virtual cosmetics try-ons on mobile phones or in-store AR mirrors, brands such as L'Oreal have won greater user engagement and conversion rates 31-percent higher, on average, according to Modiface.

As proof of AR's growing value, [L'Oral](#) acquired Modiface in 2018, indicating it has serious plans to lead in the AR arena.

But China's ecommerce giants, [Alibaba](#) Group and JD.com, also identified the opportunities brought by virtual experiences.

The "Taobao Buy" feature, which was launched in 2018, allows users to browse 3D holograms of selected products from Taobao's marketplace and put them into physical space to see how they look.

JD and Tmall both also tapped into AR makeup try-ons in 2017 and 2019, respectively.

Amid the [COVID-19](#) pandemic, millions of Chinese beauty shoppers were stuck at home and were unable to visit physical stores.

Therefore, a typical scenario soon involved switching to the front-facing camera, mapping their faces, and trying on different makeups.

In the end, this was how millions of beauty shoppers killed time during their quarantines.

But according to relevant posts shared on Weibo and [Little Red Book](#), users still see AR's value more as entertainment than function.

"I feel so confused about the effect of the virtual try-on, as the same lipstick color looks totally different from makeup KOLs' swatches," stated one Weibo user named Hang. "The AR function is merely a retouching filter to me."

In addition to inaccurate matches to real-world counterparts, consumer discontent with virtual makeovers is often aimed at the "laggy" or slow feeling when applying lipstick, eyeliner or eyebrows, which all rely on accurate live facial motion captures.

AR has been picking up steam in the makeup world, but mastering the technology is not so simple.

Implementing AR tools is a huge investment, especially for smaller brands. And while the touch-less try-on feature holds a certain amount of appeal to users that have sanitary concerns, it is unclear how long this demand will last in a post-pandemic China.

Yet the current gap between virtual makeovers and real products awaits many technological improvements.

The current tools can recognize different lighting and skin tones and can differentiate finish and coverage, but users are still unable to have realistic shopping experiences where they can feel the texture of the product, among other actions.

Brands that have not already started to dip their toes into this arena will have trouble catching up to the AR hype, but they might not have to. After all, AR tools are far from understanding Chinese beauty shoppers compared to top livestreamers like Li Jiaqi.

The fashion world is breaking boundaries and facilitating omnichannel experiences

Beauty players have experimented with AR tools for years, but virtual try-on technology has also been implemented by the fashion industry in scenarios involving everything from eyewear to sneakers.

On Tmall, digital storefronts for eyewear brands such as Rayban and Gentle Monster feature floating AR try-on windows throughout their product entry pages. Elsewhere, Fartech and China's sneaker online marketplace [Poizon](#) both provide similar tools for limited sneaker styles.

To better engage with audiences and customers, the fashion industry has reimagined ways AR can go beyond trying on products, extending to experiential fashion events.

After fashion weeks and runway shows were canceled due to the global pandemic, Chinese fashion talents responded with innovative approaches powered by AR technology.

In addition to buzzy livestreams, brands "virtually" attended Shanghai Fashion Week this March by putting models into green-screened scenes with AR to help fuel a "see now, buy now" model.

Soon after, the virtual fashion presentation "Parallel Reality," directed by Xcommon and ICY, garnered more than 4.8 million visits on its launch day.

Featuring three Chinese designers, namely Xu Zhi, Andrea Jiapei Li and Roderic Wong, the show presented three virtual spaces where viewers could interact via their mobile screens.

Instead of resorting to typical livestreams, "Parallel Reality" is fueled by AR and CGI computer-generated imagery technologies.

"The application of virtual scenarios in the fashion industry has been a trend, yet there wasn't a turning point for us to give up the traditional paradigms and seek breakthroughs," said one of the featured designers, Roderic Wong, to *Jing Daily*.

Mr. Wong said that leveraging AR technologies is not just an emergency alternative to physical shows, but it can offer new possibilities to designers that want to better resonate with viewers when they encounter the brand's offline presence.

AR IS AN attractive quality that will please consumers if designed properly. But it is a risky initiative for fashion companies to bet their earnings on, and it has yet to take off despite tech giants such as Apple tripling down on their efforts to fine-tune the technology.

So until some revolutionary improvements hit the market, the pain point will be how to educate consumers on what this technology can do for them.

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