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Time for luxury stores to go virtual

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Product testing and customer interaction are at the core of the luxury retail experience.

At the price point, consumers expect a certain level of experience it is all part of the luxury lifestyle ritual that they are buying into with these brands. It is why flagship stores and in-shop activations have always been a highlight of the sector they make good on the indulgence, "Go luxe or go home" mindset.

Since the COVID-19 coronavirus hit, the luxury sector's operating models have been thrown into question, at least for the short-term.

Model turn

A touch-less retail experience is likely to become the new norm for luxury as concerns around safety linger. These ideas have clearly been on the table for some time, and the coronavirus has only accelerated them - Mac Cosmetics recently unveiled a flagship store replete with virtual try-ons, which was actually slated to open before the pandemic.

When you think about it, virtual stores can help bring that immersive, in-store experience online.

Naturally, it is not about replacing the in-store experience, because that just fundamentally falls short it is like trying to get the same feeling you get at a concert from a YouTube video.

No matter how high the quality is and how good the effects are, the high-end physical store experience can't be replicated in the online space.

So do not try to.

That is not to say there is not an important role for the online experience, though. Virtual stores can be used to turbocharge the bricks-and-mortar store rather than attempt to supplant it.

You do not have to look too far for an example here.

Italian denim brand Diesel recently unveiled a digital showroom, created due to the fact that buyers from department stores could not physically visit during the pandemic.

Kitted out with a suitably glamorous waiting area, the showroom was a hyper-realistic reinterpretation of the in-store experience, allowing users to zoom in and out, explore different rooms and so on. It was only available to a small number of vendors, but this kind of thinking is essential for what comes next.

Because while bridging the gap between physical and digital is an ongoing discussion, it is easy to forget that it has never been about replacing the former with the latter. It is taking parts of the physical experience the dwell time, the fortuitous discovery, the elevated experience and offering it in a slightly different way.

If brands did this on a broader, business-to-consumer level, it could be a key component that keeps customers engaged while ensuring they still remember and miss physical stores as familiar, on-brand venues.

This technology does not necessarily have to be owned, either

Virtual stores could do well to team up with third-party AR and VR providers to facilitate try-on services: essentially, tailored in-app features that enhance the pre-store experience, as opposed to a mundane, page-flicking browse on Google or Amazon.

The data that a luxury retailer gains from this will provide even more opportunities to personalize the digital and physical experiences, too.

The wheel does not need reinventing if it is already rolling. If it is good enough for Gucci, it is good enough for the rest of us.

The Kering-owned Italian luxury powerhouse brought its AR try-on service to Snapchat in June, allowing users to remotely sample its extensive footwear collection and follow through to purchase, if desired. That personal, specialist service of a luxury store is still there, and it is still powerful it is just being used differently. Smartly.

Luxury brands and retailers should not view this period as the death of the physical Naturally, it is easy to be pessimistic.

Even in the United Kingdom, where high street spend is starting to pick up, big-ticket purchases are struggling and that includes luxury as people pinch their bucks, reassess their key purchases and movements, and continue to keep their distance.

But the loss of the physical aspect in the customer journey means luxury brands are missing an important aspect of the customer journey that drives the bottom line: the experience of luxurious serendipity that only a physical space can truly offer.

As you can clearly see from just the few examples raised through this piece, digital and physical can work together. They can be partners, not enemies or frenemies.

The sooner brands realize that one does not cancel out or compete with the other, the sooner they can start to create mutually reinforced, omnichannel experiences that support the entire sales funnel.

WHENEVER THIS pandemic period eases and it will do there will still be some customers who are nervous about returning in-store in the same way as before. Likewise, others will fling themselves wholeheartedly into the exercise.

Going virtual and offering the best of both worlds, so to speak, gives consumers on either side of that spectrum and everywhere in between a reason to continue browsing, buying and believing in brands.

In the long run, the luxury omnichannel retail experience will finally live up to the expectations that high-end purchases deserve.

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