Five Reasons to Hold Off on Virtual Reality Marketing

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Much is being said about all the fresh, creative ways marketers can use virtual reality (VR) in their campaigns. After all, VR gives marketers data and advantages that no other platform is able to do yet.

But is VR going to benefit you and your company? After all, not all new technology lasts. Remember 3-D TVs? They were a huge fad—until people realized they didn't like wearing bulky glasses on their faces (which is a problem for VR).

VR is tricky at this early stage, and for some brands and businesses, it might not be the best idea.

Here are five reasons to hold off on VR marketing for a while.

1. The current cost of entry is still high

VR isn't exactly the most accessible platform. Right now, cost is the No. 1 reason people (whether marketers or consumers) aren't adopting virtual reality.

It can cost anywhere from \$10,000 to hundreds of thousands of dollars to produce VR content.

Moreover, there are currently two types of VR headsets: cases that use a smartphone (such as **Google Cardboard** and **Samsung** Gear), and headsets with their own displays (like the **Oculus Rift** or **HTC Vive).** There are perks and problems with both types.

A smartphone VR set is more accessible to everyone, but its capabilities are limited to what the phone processor can do. VR headsets with their own display can do a lot more than smartphone VR headsets but only with the help of a high-end computer system, which can ultimately cost you thousands.

However, there is some hope in **Sony's PlayStation** VR that is set to launch in October 2016. Though the PlayStation VR does require the PlayStation 4, it has a more affordable price point of \$399, which may encourage tech companies to produce more reasonably priced headsets.

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Before VR becomes a truly viable marketing option, however, it needs to be more affordable for the general public.

2. VR technology is still in its infancy

Early technology means that there isn't much data, and the demand for the product is still limited.

Right now, VR really only reaches a limited group, and most of them are gamers. That audience is <u>expected to grow</u>, but awareness of VR is still low. Some 80% of consumers have either only heard a little about VR or have never heard of it at all.

On the bright side, VR has shown to appeal to younger consumers, between age 12 and 34, who are generally harder to market to.

3. VR is about more than creating 360-degree videos

VR isn't as easy as it looks. It isn't just about making a pre-roll video or a short 15-30 second spot. Anyone can do that with video. Companies that will succeed with VR are the ones that create an entertaining environment around their brand or product that consumers can interact with.

A 360-degree video ad is a good place for marketers to start. But marketers must use VR to create content that adds value to a consumer's experience. It's not just about creating a video ad to play in between levels of a game.

If you don't already have a solid content strategy in place, or if you don't have the manpower to create VR-optimized content, you probably shouldn't jump into VR right now.

4. Your consumers are completely immersed

Yes, this is one of the biggest perks, but it's also a downside. If done wrong, VR can completely backfire. When jumping into VR, you must keep in mind that your customers are completely immersed in your content and can't avoid it by looking elsewhere.

Also, VR offers more opportunities for users to interact with their content, so users will most likely demand higher levels of interactivity in the content they consume. If your content can't live up to these demands, you run the risk of ruining your audiences' entire VR experience.

5. The future may very well be "mixed reality," not VR

We've all seen the recent success of the augmented reality game Pokémon Go. No VR game has managed to break into the scene like that yet.

So, some tech companies are betting on mixed reality instead of VR. Mixed reality isn't quite as well known, and there's some <u>confusion</u> as to how it differs from augmented reality.

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Augmented reality (AR) is a live view of the real, physical world supplemented with computergenerated elements, such as sound, video, or graphics (like Pokémon Go).

Mixed reality (MR) is the merging of virtual worlds with the real world to produce a new environment where the physical and digital objects co-exist and interact in real time. MR makes the virtual world feel more real than AR does.

One super-secretive company, Magic Leap, has worked on MR technology for years but refuses to release any tech until it's perfect. But **Microsoft** and **Google** have been hard at work implementing MR.

Google Tango has recently been releasing different MR apps. Right now, Tango has apps that allow you to measure objects, view the solar system, or preview how purchases from Wayfair will look in your home. There are also plans for virtual domino courses, dinosaurs that can walk through your kitchen, and an app for interior design from Lowe's.

Microsoft's HoloLens will be one of the first pieces of MR tech to hit the mainstream market, and people so far have responded to it much more positively than VR. (That response may be because consumers aren't used to VR yet.)

VR lacks what AR and MR have to offer. With VR, users completely lose a sense of their surroundings, and most people aren't used to that. They're completely immersed, which has made many users feel overwhelmed. As a result, most can't stay in a virtual world for more than an hour.

What does VR marketing really mean for marketers?

Marketers now have a platform that allows them (if they have the means) to be more creative than they've ever been. More than likely, VR is going to provide marketers with the unique opportunity to excite and engage with consumers consumers like they never have before.

Right now, there are a lot of different predictions for VR over the next few years. Yet despite these differences, they all have one prediction in common: VR is going to be a multibillion dollar industry.

The future of digital marketing may be in virtual reality—in due time.

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