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Overview: Virtual reality (VR) is an interactive, virtual, three-dimensional, computer-generated environment.



Retail Perspective

In retail, VR is being used in both operations and customer engagement. The technology allows retailers to experiment with store layouts and training methods, while continuing to become more cost-efficient. It offers practical adaptations for traditional business tasks, as well as a unique and fun experience for customers.

Key Takeaways

- VR is becoming widely adopted in the consumer market, largely driven by the development of smartphones with enough computing power and suitable displays.
- Operationally, VR can be a more cost-effective way to test new store layouts and to train employees in realistic environments.
- VR offers a unique experience for consumers to see product uses, and to learn how to complete activities like home renovations.

Retail Use Cases

Store Planning: Retailers can use VR to [create and test physical store layouts](#), which can be a faster, more cost-effective solution for updating store designs. It [helps plan](#) where advertisements will be placed, while also aiding in product positioning, sightlines, and the customer journey.

Data Collection: VR has widened the breath of analytics available to retailers. While in their VR experience, customers eye movements and interactions are tracked, allowing retailers to learn behaviors and preferences ([VR News](#)).

Product Personalization: Select Lowe's showrooms have combined product design with personalization for a unique customer experience. "Holeroom How To" was introduced in early 2017 as the newest iteration of their Holeroom program, allowing customers to partake in on-demand VR skills clinics to improve their DIY know-how ([PwC](#), [Lowe's Holeroom](#)).



Marketing: VR is rapidly becoming an important part of the marketing toolbox. Already being thoughtfully used in campaigns by Marriott, McDonald's, and Volvo, VR allows marketers to delight customers with a taste of the experience before they buy. For example, Toms Shoes created a film that allowed customers to virtually experience a trip to Peru; connecting customers in a unique way to their company's one-for-one giving campaign ([Forbes](#), [LA Times](#)).

Bringing the Shopping Experience Home: eBay partnered with Myer to create a virtual superstore for Australian customers that allows them to browse products through VR. Similarly, Alibaba offers Chinese shoppers the opportunity to experience retail in stores like Macy's via their VR retail experience ([VR News](#), [CNN](#)).

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