

## ARTILLY DATA BRIEFS

MILLENNIALS WARM UP TO VISUAL SEARCH

10/29/18



Amidst some mainstream love for visual search in the latest Verizon ad for Google's Pixel 3, it's evident that consumers are interested in the technology for shopping. ViSenze reports that 62 percent of millennials are comfortable with visual search as part of digital shopping experiences.

We've asserted that a strength of mobile AR (and visual search by extension), is its use of the smartphone camera, where millennials live. Combined with digital native status, these findings aren't surprising. But it's a boon for visual search proponents, given Millennials' buying power.

## What New Technologies Would UK and US Younger vs. Older Millennial Internet Users Be Comfortable with as Part of Their Digital Shopping Experience? July 2018

*% of respondents in each group*

### Ability to search by image (visual search)



### Shoppable content/click to purchase (images, videos, articles, blogs, user-generated content on social)



### Augmented reality (try before you buy)



### Live chat/messaging (digital assistants)



■ Younger millennials (18-20)    ■ Older millennials (21-34)

Source: ViSenze, Aug 29, 2018

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www.eMarketer.com

Beyond Millennials, we've pegged visual search as a potential AR killer app, given makings for utility and frequency — key ingredients for AR success. And Google Lens will be a likely winner, due to its search index, knowledge graph, and visual database for object recognition.

Amazon could shine for the same reason, plus competency at the intersection of shopping and AI. In fact, Amazon was first to visual search with its mostly-abandoned FLOW app. But it's re-surfacing visual search, first through a Snapchat partnership with native integration likely to follow.

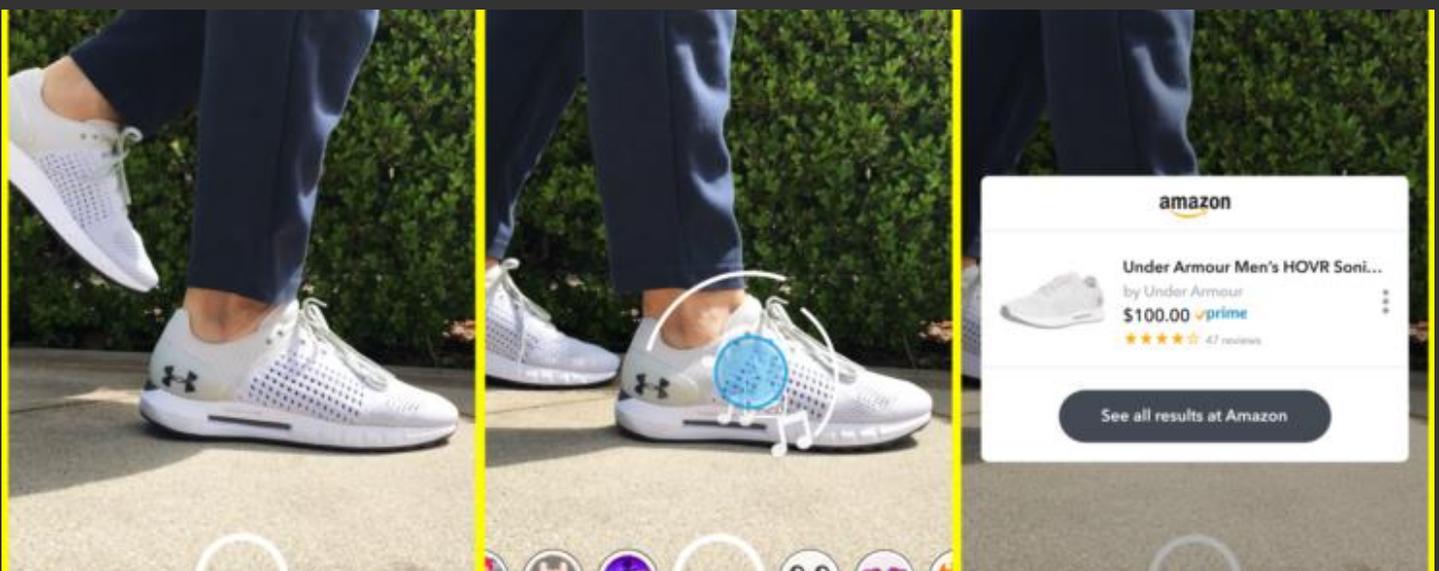
Elsewhere in the world of survey data that informs visual search interest, Rich Relevance reports that visual search is the third most desired technology with potential retail/shopping applications. The framing is a bit different, in terms of things that are creepy or not, but the interest is there.

This “creepy factor” is certainly present for visual search, but that's likely because the survey phrasing plays up the tech's ability to know what's in your home. Most visual search won't go there, but with technology that utilizes lots of sensors and computer vision, privacy is an issue (see next page).

Though we don't often write about privacy in XR, consumer concerns will impact their product choices. For example, anything Facebook does could be compromised by the perceived conflict that stems from its core advertising business, which inherently motivates data collection.

The same can be said for Google, whereas Apple is more concerned with selling hardware and thus doesn't carry a perceived conflict for data handling. This is also the case for Magic Leap (and it's been vocal about that advantage). For AR cloud building, 6D.AI likewise carries this message.

Perhaps we should write more about privacy issues after all. Stay tuned for ongoing data analysis for AR's assimilation into work, life, culture and commerce.





## US Internet Users' Attitudes Toward Select Retail Technologies, May 2018

% of respondents

**Robots guide you to specific products within store aisles upon request**



**Use fingerprint scanning to pay for items and get automatic home delivery, all from the store floor**



**AR app allows you to view products in a store and then displays associated info and recommendations, including whether you need to replenish what you have at home**



**Voice assistants within your home (e.g., Amazon Alexa, Google Home) provides personalized product info and suggested products for you and your family**



**Computer programs (e.g., chatbots) use AI to help you with customer service questions, rather than a real person**



**Facial recognition technology identifies you as a loyal customer and relays your preferences to the salesperson in-store**



**Companies understand your shopping habits so well that they are able to use AI/data to choose and order products on your behalf**



**Clothing includes sensors/tracking devices that allow retailers to track you in exchange for a discount (wearables)**



■ Cool ■ Creepy ■ Indifferent

Note: numbers may not add up to 100% due to rounding

Source: RichRelevance, "Creepy or Cool 2018: 4th Annual RichRelevance Study," June 20, 2018



# Video Companion

(click link to play)

<https://youtu.be/naJ9MEeb0Ws>





# About ARtillery Intelligence

ARtillery is a publication and intelligence firm that examines augmented reality and virtual reality, collectively known as XR. Through writings, data and multimedia, it provides deep and analytical views into the industry's biggest players and opportunities. It's about insights, not cheerleading.

Run by career analyst and journalist Mike Boland, coverage is grounded in a disciplined and journalistic approach. It also maintains a business angle: Though fun and games permeate VR and AR (especially the former) long-term cultural, technological and financial implications are primary.

Learn more at <https://artillery.co/about>





# About the Author

Mike Boland was one of Silicon Valley's first tech reporters of the Internet age, as a staff reporter for *Forbes* (print) starting in 2000. He has been an industry analyst covering mobile and social media since 2005, and is now Chief Analyst of *ARtillery Intelligence*, covering emerging tech.

Mike is a frequent speaker at industry conferences such as VRLA, ad:tech and LeadsCon. He has authored in-depth reports and market-sizing forecasts on the changing tech & media landscape. He contributes regularly to highly read online news sources such as *TechCrunch*, *Business Insider* and the *Huffington Post*.

A trusted source for tech journalists, his comments have appeared in A-list publications, including *The New Yorker*, *The Wall Street Journal* and *The New York Times*.

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Questions and requests for deeper analysis can be submitted at:

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