

**RetailWire
DISCUSSIONS**

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Virtual Shopping Shows AdvancesBy [Tom Ryan](#)

Vision reality shopping research is increasingly being adopted by CPG companies and retailers as an efficient way to test new products and store layouts. According to an article in *Brandweek*, the acceptance is being driven by better technology; lower prices; expanded use of brainwave and EKG measurements on consumers to improve results; more emphasis on shopper marketing; and the growth of broadband.

For instance, a simulation program from Information Resources Inc. (IRI), which uses software from Vision Critical, creates an approximation of the interior of a Wal-Mart, a prepared foods aisle of a supermarket, and other store environments.

"We instruct respondents to shop as they normally would and ask them which displays capture the most attention," said Staci Covkin, IRI's vice president of consumer and shopper insights, recently at ARF's Re:think conference in New York. "Because it's virtual, you can change things on the fly." She said the technology is particularly beneficial in testing new products.

"In the perfect world, we'd be testing everything in a real store environment. However, due to the time it takes to implement an effective test and get compliance with retailers, the cost is enormous," Ms. Staci said.

Raymond Burke, a marketing professor at Indiana University, predicted that vision reality shopping technology will one day redefine shopper marketing and purchasing drivers at the store level.

"We could better learn how to turn demand into purchase, which is the whole point," he said. Virtual shopping has some limitations, according to Prof. Burke. For instance, measuring demand would be difficult for any product that "relies on a tactile experience," such as its weight. But the quality of shopping simulations has improved significantly over the last few years.

"The quality is getting so close that you couldn't tell [the difference] between it and a photograph, except when they put people in - they can't do them that well yet," Prof. Burke said.

Discussion Question: What are the merits as well as the limitations of virtual shopping research methods versus in-store research? When will virtual shopping drive product testing and store layout decisions in the future? For what purposes will in-store testing still be required?

Commentary (7/20/09) -- Christi Walters, Principal - Consumer Products Team, Gongs Research

With respect to the limitations of in-store research and virtual shopping, mock-shops and in-store research give us greater latitude to probe qualitatively to truly understand what consumers are thinking. Virtual shopping, on the other hand, provides the confidence of having a much larger nationally representative sample size and is deliberately supported by an analytic engine. Extracting the data is a significant component of the VS research process.

Quantitatively speaking, virtual platforms capture every interaction shoppers have with the environment and products. Interactions can then be compared across merchandising elements and products to better understand how each will perform in-market. Calculating a conversion rate can determine if, and how likely, a product will convert into purchase.

With virtual shopping, heat mapping also allows companies to gain a quantitative understanding of where consumers are shopping on the shelf. Besides a visual understanding of "hot spots," properly analyzing heat maps is valuable in helping companies optimize product placement. Heat maps uncover shopping patterns, which are used to directly impact merchandising solutions. Understanding shopping patterns can also lead to improving signage to aid in navigation and re-tooling navigational and organizational principles to make shopping easier and a more productive.

Perhaps the most powerful analytical tool is modeling the virtual shopping results to accurately predict in-market sales for new products. Using a combination of virtual shopping results and client-supplied sales information, researchers can create a model that can be used in subsequent testing. In a recent test we conducted with a major retailer-manufacturer, a regression analysis used to predict in-market sales presented correlations of up to .85.

In order to be used in multi-product testing, a virtual shopping platform must be highly flexible and customizable. Current advances in technology enable the ability to marry maneuverability with the archival of data.