Marketing novelties in promoting traditional meals

Peter Šimončič
Slovak University of Agriculture in Nitra
Faculty of Economics and Management, Department of Marketing and Trade
Trieda Andreja Hlinku 2
949 01 Nitra
e-mail1: xsimoncic@uniag.sk

Abstract
Traditional food is exactly what the label says – traditional. As expected we don’t see many changes, innovations when it comes to this type of market. Therefore, in this paper and on our practical research and application, we tried to combine traditional food made by traditional methods with brand new marketing trend – Augmented reality. Few of the most popular typical food products and meals will be supported in a way of using augmented reality as absolutely new way of delivering additional information and experience to customers. Augmented reality project will be tested during the pilot event Visegrad dinner and presented during Visegrad summer school.

Keywords: augmented reality, food marketing, mobile applications, traditional food, Visegrad

JEL Classification: M31

1 Introduction
With the growing acceptance of multimedia and the Internet, the marketing field is moving from traditional material way of approaching consumers (e.g. magazines, newspapers, etc.) into new digital era. According to eMarketer (www.eMarketer.com, 2012), the digital market grew by 23% last year, although that’s expected to be slow. Few years later nobody knew about social media, which are now inseparable part of many people’s lives and only one of them, Facebook has a value of around 279.40B in something over three years1. They are using the growth of mobile devices and social media (Lenhart, Purcell, Smith, & Zickuhr, 2010) to create new forms of advertising campaigns and promotions and are moving into mobile communication lately, as their profits from this branch of communication are increasing2. Therefore, in this paper we would like to focus on one of the most promising mobile technology – Augmented reality. We believe augmented reality to be the next big thing not only in mobile marketing, but especially in marketing of traditional food, where it can connect traditions with modern approach.

1.1 Definition of Augmented reality
First of all we have to separate two very similar concepts, which are augmented reality and Virtual reality. According to Karimi, et al., (2004) Augmented Reality (AR) is related to the concept of virtual reality (VR). VR attempts to create an artificial world that a person can experience and explore interactively, predominantly through his or her sense of vision, but also via audio, tactile, and other forms of feedback. AR also brings an interactive experience, but aims to supplement the real world, rather than creating an entirely artificial environment.

For the purpose of this paper, we follow the definitions of Azuma (Azuma, et al., 2001). We will define an AR system as a system, which supplements the real world with virtual (computer-generated) objects that appear to coexist in the same space as the real world. While many

1http://ycharts.com/companies/FB/enterprise_value
researchers broaden the definition of AR beyond this vision, we define an AR system to have the following properties:

- combines real and virtual objects in a real environment;
- runs interactively, and in real time;
- and registers (aligns) real and virtual objects with each other.

1.2 What is Augmented Reality & how it can be used in marketing

Economists theorize, that the world currently finds itself in the “experience economy” (Yuan & Wu, 2008). Experiential consumption is based more on a holistic experience, recognizing both the emotional and rational motives of consumption (Schmitt, 1999) and customers does not always focus on products, because their “functional utility is either taken for granted or seen as irrelevant”, (Denegri-Knott & Molesworth, 2010).

This has special mean in marketing of traditional food, where customer using AR can experience more from it even before ordering. Traditional approach is at best to show pictures of prepared food, but imagine to see it on a plate before you while waiting, to find out what ingredients were used or even see how it is prepared all thanks to your smartphone.

Augmented reality is strongly supporting the creation of a unique experience; therefore it is increasingly being used in creative ways for apps, games, and shopping experiences. It works by projecting computer-generated data and three-dimensional graphics into the real world. A computer or cell phone essentially becomes consumers’ eyes and their entree into a multi-layered, three-dimensional experience. (Azuma, et al., 2001)

The visual combination of what's captured real-time in the physical environment with that which is "augmented" creates very interesting results with many applications and possibilities. Some are more useful while others are simply fun.

However marketing experts and observers say augmented reality is much more than fun and games (Bulearca & Tamarjan, 2010). It offers an entirely new avenue for direct mail, an eye-catching and meaningful way to ensure that mail continues as a mainstay in multichannel communications, as shown on Figure 1: The use of AR in marketing.

**Figure 1: The use of AR in marketing**

Let’s talk about numbers for a while. On the pictures above (Figure 1: The use of AR in marketing) and below (Figure 2: Awareness of emerging mobile technologies) we can see how
much people in UK know about these technologies. These numbers are the result of a research done by Kinetic Worldwide (Kinetic Worldwide, 2012) and shows that awareness of emerging mobile technologies is rising rapidly; 61% of consumers say they are aware of location-based mobile services up from 51% in October. Awareness of Google’s Goggles service almost doubled to 40% between October and December. Knowledge of technologies such as augmented reality also increased (see picture below). They slowly become part of our everyday life through our smartphones, tablets etc. (SJB Research Ltd, 2014)

**Figure 2: Awareness of emerging mobile technologies**

![Graph showing awareness of emerging mobile technologies](image)

To not only show how many people are aware of these technologies, Kinetic Worldwide also made another in depth research (Figure 3: Usage of mobile technologies of those being aware of). They show how many people who are aware of these technologies are/would actually use them. As we can see almost half of questioned people (43%) would use Google Glass, which are basically Head mounted display (HMD) used to bring augmented reality even closer to our lives.

**Figure 3: Usage of mobile technologies of those being aware of**

![Graph showing usage of mobile technologies](image)

---

3 (Kinetic Worldwide, 2012)

4 (Kinetic Worldwide, 2012)
These numbers are not only showing how important role these technologies play in our lives, but especially how fast are they evolving. Therefore we would like to present you with our proposal to an augmented reality app created to demonstrate the benefits of mobile technologies to traditional food marketing.

2 Advantages of augmented reality marketing in traditional food marketing

Augmented reality is still not widely used in promotion and especially not in promotion of traditional food, so for that reason it is still very early to talk about clear benefits of using this technology as a marketing tool but here are a few potential contenders:

- **Personalisation**: the customer can upload their own content to create a personalised form of media which is marketed at them only.
- **Novelty**: augmented reality is considered to be the ‘latest thing’ on the technology front so there is still that drive to be an early adopter.
- **Socialisation**: there is the opportunity for customers to share their experience with others, i.e. viral augmented reality marketing.
- **Accessibility**: it enables customers to get much more information about product or company just with their smartphone.

There is also ‘customer experience’ to consider: augmented reality can inject a playful, fun element into an everyday product. It adds a sense of excitement to the process which appeals to a greater number of customers. This is the aim of marketing. (Virtual reality, 2009)

To show you, that AR is not only a fancy trend right now, which will soon fall into oblivion, but it is a valuable marketing tool with future potential we present you an excerpt of a research article published by Hidden Creative (Hidden Creative Limited, 2011). Hidden Creative is an immersive marketing and training company, they act as a brand butler for clients - bridging the gap between the business and the ‘virtual’ or ‘digital’ world.

2.1 Demand generation

A good website should be part of a digital strategy to acquire new customers or generate leads. When AR is used on websites, it increases dwell time and there is a proven correlation between the dwell time on site and conversions (e.g. sales, visits to the contact us page).

Advertising is changing and savvy advertising agencies are incorporating interactive elements into their artwork. Brands can incorporate an AR experience into an advert which then drives the user through to a website or provides them with a coupon or offer to drive footfall into store.

The events’ industry is in decline and old fashioned; an exhibition is no longer as central to marketing budgets as it once was. Successful events and exhibitors are increasing interactivity at events which can increase dwell time on stand and directly help with lead generation.

2.2 Qualifying

Too many sales and marketing professionals under invest in sales and marketing collateral. Some innovative companies are choosing to invest in the sales process and make a good first impression by using AR to bring a presentation to life.
Sales collateral can be static too but at the end of an AR experience it is possible to add data capture forms or refer people onto a website or contact page, thus supporting the sales process. The credentials’ meeting is the chance to impress and make an impression. Clearly an interactive web experience will not only captivate attention but as research shows, AR gives businesses a chance to put products into the hands of customers helping increase the likelihood to buy.

Product demonstrations might not be as high pressure as a pitch situation but it is still a selling opportunity. If it is impossible to demonstrate the real product then an AR experience can make an engaging alternative.

2.3 Proposing

Don’t under invest in the pitch stage. Most sales professionals know it is better to do five great pitches than 100 average ones, so why not enhance a presentation with augmented reality?

There are some businesses that need to strip back costs from the sales process. For example, engineering firms spend hundreds of thousands of pounds on 3D product models. There are a number of leading engineering and construction firms who are investing in AR modelling instead which can be much more cost effective and take much less time to complete.

Again for some organisations modelling products for clients can be a major part of the job. Make the process quick impactful with AR.

2.4 Delivering

Selling doesn’t stop when a client has been acquired. Most businesses are constantly trying to convince clients that their strategy is right or that their product design is the best solution. An augmentation of a proposed solution can be a sophisticated and persuasive way to communicate its benefits.

Truly global businesses come with their own challenges. Sometimes it is not feasible to fly out clients to visit a project site in China or Australia, or perhaps a project is being coordinated with teams which are located in different time zones. AR demonstrations can prove to be the death of distance and reduce the need for expensive international travel.

3 Disadvantages of augmented reality marketing

Augmented Reality, just like any other technology will have some incredibly beneficial uses and some absolutely useless ones. However, all forms of AR will likely be accompanied by some risks. Here are just five potential problems we can expect in the years ahead:

3.1 Privacy

The biggest issue with AR is definitely the privacy. With the use of facial recognition technology, combined with geo-location and augmented data will lead to a seamless integration of our online and offline lives. As a result of these developments, a person walking around in the physical world will no longer be just a physical body, but will be enhanced with a digital profile and other information that either the person itself or others make available online. We seem to not have anything holding us back to uploading everything about ourselves; where we live, who we hang around with, and even what we’re doing at the weekend (Larkin, 2011).

Imagine getting refused a loan in a bank or other institution; because they would be able directly find out from your personal social media page, that you were just fired from your job. Or imagine being picked out and harassed for additional security screening at the airport because of your blog, found on internet showing, your religion preference.
3.2 Unauthorized Augmented Advertising

Advertisers and tech companies are very excited over the possibilities of monetizing objects & spaces in the physical world by augmenting digital ads onto them in real-time. “We think virtual advertising is a fascinating topic and potentially poised for high growth,” says Anna Bager, vice president of the IAB Mobile Marketing Center of Excellence “and just as the IAB helped define the taxonomy of web advertising via banners, we will be ready to work with industry leaders to provide a value-added vision for the virtual future. While this is an exciting new advertising medium for brands, consumers will only want messages on an opt-in basis.”

Once the general public gets used to navigating their physical environment with tools like Glasses, all of what we see and share will become searchable data. And when we combine consumer preference with predictive technology, Google will be able to serve visual experiences that benefit consumers and advertisers because of their unique specificity. (Havens, 2011)

Think of the physical and intellectual property rights implications if the technologies that drive augmented advertising do not come with inbuilt controls — controls that would prevent advertisers from augmenting their marketing messages on building surfaces and other physical objects (including private or public property or other trademarked or copyrighted material) without adequate permission.

3.3 Augmented Behavioural Targeting

The intention of behavioural targeting is to track users over time and build profiles of their interests, characteristics, such as age and gender, and shopping activities. (European Network and Information Security Agency, 2012)

With the emergence of smartphones, many applications record users’ locations and movement. Location information enables many useful services such as driving directions, knowing where their friends are or recommendations for nearby restaurants. However, this information is also collected by marketers to improve profiling. While the benefits provided by these systems are indisputable, they unfortunately pose a considerable threat to location privacy, as illustrated by the recent iPhone and Android controversies (Raphael, 2011)

With targeting based on real world behaviour using a combination of geo-location data & publicly self-disclosed information via social media services the following example is not a very distant future. Let’s assume you live in Nitra, travel a lot and have been checking into the local airport via services like Skyscanner, Pelikan or some other search servers every time you leave town. Let’s also assume you have been checking out websites selling home security systems lately. Thanks to your online activities and your eagerness to share, you get served an ad that states “Given your busy travel schedule & the rising crime rate in Nitra, don’t you think it’s high time you installed a home security system?” (Actually this example may not be that distant future considering sites like Please Rob Me have emerged). It does raise questions though. Who would have to provide privacy notice and choice in this scenario and how would you control what information is collected and how it is used for advertising that blurs the boundaries between your physical and virtual worlds?

3.4 Physical danger

Like mobile phones or any other mobile media technology, AR devices also pose some real physical threat. There are threats not only in form of an electromagnetic field generated around the devices but also the problem of distractive effects. If you think mobile phones are currently a distraction while driving a car, think of an augmented windshield feeding you driving directions, along with more data about your surroundings than you may need. Or imagine
crossing a busy street in an unfamiliar neighbourhood, while simultaneously using an Augmented Reality interface to look for that hot new restaurant, checking out what people are tweeting about it and being bombarded with ads through it all.

3.5 Spam

Yes — where there is a marketing opportunity, there will be spam, deceptive advertising techniques and social engineering tricks to dupe gullible consumers into paying for things they don’t really need. If you think too many legitimate Internet companies (that are sensitive to your privacy concerns) are harvesting all the data you publicly share on the Internet, there are even more scammers out there doing the very same thing. Be ready to be tricked and duped by too good to be true augmented offers in the real world — offers that will lure you in ways that unsolicited email from online pharmacies or belly-fat banner ads only wish they could. (Zacharias, 2010)

The AR technology, as we mentioned, has a great potential in the future not only in marketing field but in all aspects of our lives. As such it can’t be let to coincidence to decide into what it will evolve. Responsible people should decide whether it will be a useful tool, which will help us in our lives, or it will become source of harassment and abuse from companies, hackers and even our fellow surrounding.

4 Methodology and aim

This research is a short overview of theoretical possibilities as well as supporting paper for further practical research. At the time of submitting the paper we are still working on the creation of augmented reality traditional food presentation app. Creating an app like this a software development kit is needed (SDK) to program, build and publish the app. To accomplish this, given our resources and technical skills, we have chosen two of these SDK’s namely Aurasma studio (https://studio.aurasma.com/home) and/or Zapcode (https://zapcode.it/). Both of the SDK’s offer relatively easy app creation studios, while do support 3D objects inclusion. Next we needed to fill the app with appropriate media and content to bring alive traditional dinner. Our ultimate goal with this app is to bring unique experience to users and show possibilities and find out shortcomings of augmented reality. While that is our main goal we will also use the app to gather usage data for further research.

5 Conclusion

The aim of this paper is to further elaborate on this novelty topic, bring some clear definitions and present possibilities as well as disadvantages of use of augmented reality. Our other aim is to create a practical example of an augmented reality app and present it on International Scientific Days 2016 in Nitra. Gained data from this event will be then further analyzed and used for following research.

Acknowledgements

The paper is the result of the primary and secondary research in the national research project VEGA 1/0874/14 Using Neuromarketing in Visual Merchandising and International Food Educational Project Erasmus+ Strategic partnership Food Quality and Consumer Studies Nr. 2014-1-SK01-KA203-000464 and FOOD QUALITY AND CONSUMER STUDIES Nr. 2014-1-SK01-KA203-000464 2014 – 2017

I would also like to thank my supervisor prof. Dr. Ing. Elena Horská for her patience guiding and counselling me with my research and study.
My other thanks goes to Mgr. Zuzana Rebičová, PhD. for her time and help with video part of my augmented reality app.

References


* Online full-text paper availability: doi:http://dx.doi.org/10.15414/isd2016.s13.11