ROLE OF AI AND VR IN IMPROVING BUYER DECISIONS

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Abstract
Today's world is ruled by the technology and digitalization in every field. Change is being inevitable to sustain in the competitive markets. It is not an exception for the customers also in today's changing world, to adopt the technology in their buying decisions. The online shopping experience also is playing a vital role in customer buying decisions. Due to the pandemic conditions, this has been increase more today. Most of the times people are being poor at time, in the changing life styles. These are all some   reasons for the growth of AI, VR, AR in marketing. The present paper deals with the customer buying decisions influenced by the advanced technology like Artificial Intelligence and Virtual Reality. The driving experience of customers in automobile industry, customers in Retail industry, consumer electronics were considered for the present research.

Key words: *Artificial Intelligence, Virtual Reality, buyer decision making process, online shopping, customer experience.*

Introduction:

Technology is a weapon to win the war of competition for the businesses today. All the businesses are to serve the customers. Customer requirements and satisfaction is considered as most important in any sector. Researches are being done on innovative technologies and their applications in different fields to serve the customers better and face competition. New trends in technology like AI and VR entered various markets to influence customers, give them a real time experience and improve their buying decisions.

Artificial Intelligence:

Artificial intelligence (AI) refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with a human mind such as learning and problem-solving.

The ideal characteristic of artificial intelligence is its ability to rationalize and take actions that have the best chance of achieving a specific goal. A subset of artificial intelligence is machine learning, which refers to the concept that computer programs can automatically learn from and adapt to new data without being assisted by humans. Deep learning techniques enable this automatic learning through the absorption of huge amounts of unstructured data such as text, images, or video.

Virtual Reality:

Virtual Reality (VR) is a computer-generated environment with scenes and objects that appear to be real, making the user feel they are immersed in their surroundings. This environment is perceived through a device known as a Virtual Reality headset or helmet.

Need For The Study:

The present study is needed to understand the significance of AI and VR in customer decision making. Artificial Intelligence and Virtual Reality are the two innovative technologies being used in almost all the fields to give a better buyer experience and also to deal with many problems using artificial intelligence. Now a days AI is being used for the better decision making in marketing, HR, engineering etc. This paper is an attempt to show the significance especially in buying decisions. This can also serve as the source for further researches.

Objectives:

1. To study the importance of AI and VR in buyer decisions.
2. To understand role of AI and VR in customer experiences.
3. To verify the practices of AI and VR by IKEA, VOLVO companies providing better customer experience and improved decision making.
4. To give suggestions to the retail marketing sector regarding use of AI and VR.

Research Questions:

1. What is the need of AI and VR to the customers?
2. What are the AI and VR practices of IKEA and VOLVO?
3. What are the suggestions to use AI and VR in retail marketing to improve buyer decisions?

Review Of Literature:

According to Liangchao Xue, Christopher J. Parker, and Helen McCormick in their research, in their paper,

A Virtual Reality and Retailing Literature Review Current focus, underlying themes and future directions" they mentioned that

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"The format of VR shopping experiences that consumers and retailers best respond to because this will allow designers to create virtual retail environments which efficiently encourage buying behaviour"

According to Nannan Xi, Juho Hamari in their research *"VR shopping: A Review of Literature" in 17/8/2019 concluded* that there is no coherent understanding of the state-of-the-art of the literature on VR shopping, how VR shopping has been investigated and what empirically indicated benefits VR has for a variety of marketing outcomes.

The field of AI has grown enormously to the extent that tracking proliferation of studies becomes a difficult task (Ambite and Knoblock (2001), Balazinski et al. (2002), Cristani (1999) and Goyache (2003)

According to Mr. Patil Sudhir Rajdhar, in his research, *"Artificial Intelligence (AI) Impact on Consumer Buying Behavior regarding Internet Shopping "he mentioned,*

AI is the path forward, both for businesses and consumers. Businesses are executing the innovation, buyers are responding to it, and businesses are then responding to the buyers response. The final product is more prominent buyer fulfillment and more deals for the business.

According to Sanjeev Verma, Rohit Sharma, Subhamay Debm Debojit Maitra, in their research,

Artificial intelligence in marketing: Systematic review and future research direction

, March 2021, they concluded that

"AI and ML have played a crucial role in big data analytics to anticipate and provide guided experiences to meet customer expectations"

Research Methodology:

Exploratory Research is done using the secondary data like journals, magazines, newspapers, internet.

Practices of AI and VR by IKEA:

IKEA is launching a new AI – driven IKEA Kreativ, this enables the U.S customers to design and visualise their own living spaces with digitalization. This gives a magical experience to customers to visualise their dream houses.

IKEA'S VIRTUAL REALITY SHOWROOM is a most wonderful feature by IKEA to provide shopping experience to its customers. This makes the customers take a decision based on their experience with VR.

Customers can decide whether to buy or not a particular furniture and ready-made kitchen or bedroom. This is most significant feature and helpful to customers. Its also makes online shopping and buying easy for the customers.

Practices of AI and VR by VOLVO:

VOLVO cars uses VR to give the virtual driving experience to customers.

AI is also used by the company to check the safety issues, tires, brakes etc.

They have introduced autonomous truck for the internal logistics. This has been followed by many other companies, which use AI technology for self-driving cars.

This is a revolution in the automobile sector. The companies used their technological base to transform the markets.

Findings And Suggestions:

1. AI and VR are changing the pace of the marketing and online shopping.
2. AI is used not only for marketing, it is also being used by the giant companies for many other purposes like training, simulation, recruitment etc.

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3. VR is another innovative technology providing great opportunities to companies to grab the market and also to provide great shopping experience to the customers.
4. In the present scenario, when most of the things are going online, it is important to have the virtual experience before buying things online.
5. Usage of technology for improving business decisions and buying experiences is a wonderful thing to be encouraged in the fields.
6. These technologies should be made approachable to the customers in all the locations.
7. AI and VR are going beyond training, purchase decisions, marketing experiences etc.
8. These are education more than business.
9. Even in education sector like engineering and medicine, usage of VR in virtual learning will be helping students a lot.
10. AI has several components to it. Machine learning, one of the components of AI uses algorithms, statistical models to learn and improve on the data fed to it. This is the secret behind software such as auto-correct, Google Search predictions, etc.

Conclusion:
1. The screen time becomes reality using innovative technologies like AI and VR.
2. Autonomous vehicles will be the future of automobiles due to the growth of AI of VR.
3. AI ready these technologies are influencing markets with intelligent apps like is present in the Snapchat Filter, in the geo-targeting of Facebook and even in Alexa. The future is filled with endless possibilities and it is going to be revolutionary.

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