

Shop Direct tests augmented reality to boost furniture sales

BY GEMMA GOLDFINGLE

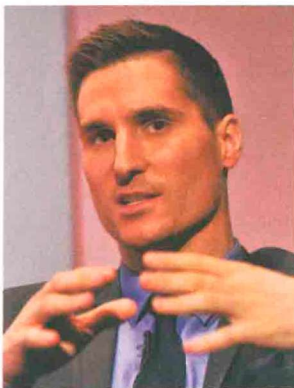
Etail group Shop Direct is testing augmented reality in its furniture category to help boost conversion rates.

The technology, which is in beta testing, will enable customers to see how items such as sofas fit into a room.

Shop Direct group retail and strategy director Gareth Jones said: "Furniture is the lowest converting part of our site, which will come as no surprise. Customers can't measure it, they can't feel it, they can't touch it. This technology will show how it fits into a room."

The service will also allow customers to view sofas full-screen on an iPad to give them a better idea about fabric and quality.

Shop Direct, which operates Very and Littlewoods, is the latest retailer to adopt augmented reality to help improve sales of furniture products. Swedish giant Ikea added an



Shop Direct's Gareth Jones

augmented reality function to its 2013 and 2014 catalogues and upmarket retailer Barker & Stonehouse told *Retail Week* last year it planned to use the technology on its website by summer this year.

Jones told the BRC Omnichannel conference this week that the function is just one of the developments Shop Direct is working on to improve user experience.

It is also testing product sizing to show how items such as handbags measure up against the body and is building a shopping app integrating its financial services into the retail offer, enabling customers to manage their credit account as well as shop.

Jones said testing new ideas is critical to staying ahead of the curve and that businesses should not be afraid to get things wrong. "At least a third [of tests] fail. You fail fast and you move forward. Having a flexible organisation structure is very important," he said.

In its year to June 30, 2013 Shop Direct posted its first pre-tax profit in a decade, making £6.6m against a £57.7m pre-tax loss the previous year. It is on course to significantly increase profits this year.

Jones said Very was twice as large as Asos in the UK, with an annual turnover of £500m, and it is still growing at 20% to 30%.