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Exploring the Retargeting Strategy of Telepresence

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Exploring the Retargeting Strategy of Telepresence

TREO Talk Paper

Abstract

Retargeting is based on the “Rule of Seven”, which is an old theory coined by Dr. Jeffrey Lant and states that a customer must be touched 7 times before becoming aware of a product or service and take action. Thus, it is critical to increase consumer touch points through Retargeting to drive potential sales. Therefore, this study strives to explore the remarketing strategies of virtual reality (VR) retargeting campaigns in accordance with telepresence theory for the tourism industry. VR telepresence is proposed as a formative second-order construct driven by reality judgement, internal/external correspondence, and attention/abortion. We further found that consumers’ experiences with VR retargeting campaigns were classified as either positive or negative effects on their sense of immersion to enhance consumer purchase intention. Finally, it hopes to provide more insights on VR design strategies of experiential marketing for the tourism industry.

Based on a survey by Statista (2017), 96% of internet users in the U.S. would leave an online shopping website without making a purchase, suggesting that very few people would actually buy something during their first visit to a site, even if they have the intention to do so. Another study by OmniVirt (2018), based on over 700 million ads served, found that in a promotional campaign that was displayed 700 million times, 85% of internet users are willing to finish watching a 360-degree video, compared to 58% for its 2D video counterpart. In order to produce advertisements that attract a wider audience and boost sales, more and more brands are turning to immersive experiences. Compared to traditional ad campaigns featuring similar elements and positioning, immersive advertising can lead to higher click through rates, which in turn increases brand awareness (Parikh, 2019).

With a view to enhancing consumers’ experience with retargeting marketing campaigns, the present study addresses how precision and immersive experiential marketing targeted at potential customers can increase their motivation to purchase. Based on Marvin Minsky’s (1980) theory of telepresence, three virtual reality (VR) scenarios featuring life-like images and audios are designed and stimulated by a computing device in a high-fidelity stereoscopic virtual 3D space, creating an immersive user experience. Through this immersive virtual experience (Lanier, 1988), the author examines consumers’ emotional states evoked by the virtual environment, which serves as the basis for further discussion on the effectiveness of VR retargeting travel ads.

Research methods employed in this study to measure participants’ positive and negative emotions include administering a written questionnaire and monitoring their brainwave activities. In sum, the main objective of the present study is to explore the impacts of telepresence as well as the quality of retargeting on consumer purchase behavior. The expected contributions of this study are threefold: (1) addressing the quality of retargeting advertising (which has yet to be thoroughly explored in the past) in order to formulate a better understanding of the interaction between advertising quality and consumer behavior; (2) incorporating telepresence as part of consumer experience has a positive impact on retargeting advertising, encouraging potential buyers to take action; and (3) brain wave analysis can offer insights into participant’ positive and negative emotions, which improves the validity of this study.

In conclusion, this study strives to explore the remarketing strategies of virtual reality (VR) retargeting campaigns in accordance with telepresence theory for the tourism industry. The practical findings of the present study can serve as a reference for digital marketers in setting the optimal advertising strategies to elicit the desire to purchase from prospective customers.