

# **CASE STUDY**

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LG TRANSPARENT OLED MESMERIZES CUSTOMERS WITH AUGMENTED REALITY AT NEW CITIZEN WATCH STORE IN NYC

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Pac Team Group and Luminary Design Co. deliver their first consumer-facing AR display case to combine benefits of digital shopping with physical retail tec experience In the wake of the pandemic, consumer shopping behaviors have shifted. Now the great debate between shopping online and shopping at physical stores is heating up again, thanks to new technologies delivering novel in-person experiences that combine the info-gathering power of the internet with the excitement of being able to touch and try a product.

The latest example is the new Citizen® Watch shop in a major Herald Square department store in New York City, which recently installed one of the world's first consumer-facing augmented reality product display cases. Leveraging LG Transparent OLED technology, the new retail display overlays mesmerizing high-impact digital visuals onto a watch display case to pull the viewer in as it showcases the real watches behind the graphics.

The innovative retail project is the brainchild of Citizen Watch with Pac Team Group, Luminary Design Co. and LG Business Solutions, each of which brought unique interests, requirements and expertise to the project. Situated in one of the most recognizable and heavily trafficked retail locations in Manhattan, Citizen Watch wanted to stand out among competitors while demonstrating its commitment to technological leadership.

"Our goal for this location was to present a highly engaging sales video that doesn't require a salesperson and effectively mirrors the digital 360-degree product examination that online shopping has made standard," said Peter Barry, director of merchandising operations & logistics at Citizen Watch Company of America. "Luminary Design and Pac Team Group created this one-of-a-kind display case experience using cutting-edge LG display technology that very few consumers have seen before, and we immediately saw visible reactions of excitement and surprise among visitors."

### The Challenge

Located right next to direct competitors, the new Citizen Watch area in the store had to do something unique to stand out and draw attention. Recognizing the engaging effects of vivid digital content, it was clear that a technological approach would be the most appropriate for today's shoppers who expect clarity and modernity when researching purchases or forming brand loyalties. For this, the store designers at Pac Team Group contacted LG, which offered assistance in choosing the best products and also introduced the team to the digital experiential experts at Luminary Design Co.

"When LG and Pac Team approached Luminary with the challenge of creating an entirely new kind of retail experience, we knew immediately that LG Transparent OLED was the best technology for the job" said Brian Beyt, founder and president of Luminary Design.

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"We imagined an experience that pairs the depth of online shopping with the tactile benefits of physical retail. The result is a captivating product showcase that elevates and transforms real watches through a coordinated dance of visual effects, practical product information, and synchronized showcase lighting. All of these elements combine to turn shopping for a watch into an informative and exciting new experience for customers," said Beyt.

#### **The Process**

At first, the display was envisioned as a decorative element that would draw people into the store, where more information would be presented on traditional 75-inch digital displays. As the teams brainstormed and came to understand the full capabilities of the LG Transparent OLED, it found a more central role in the store's design and digital journey.

According to Antonio Schiano, Pac Team Group's vice president of project development, it was crucial that the technology and digital content in the store be seamless, easy to understand and not get in the way of sales, while also remaining passive so customers can shop and learn at their leisure.

"As a high traffic location with significant sales potential and hugely valuable branding opportunity, the customer experience has to be fluid and allow fast transitions from learning to trying to buying," Schiano explained.

"Being located directly next to competitors inside a major department store," he added, "the Citizen Watch store also needed a clearly differentiated aesthetic and vibe, including the color palette, lighting, spatial design and ultimately the feeling visitors have when they enter and leave. One sure fire way to hit all those marks was to use a technology that almost nobody has seen before, and Luminary was able to provide that with their unique use of LG's commercial displays."

Luminary leveraged its experience with the LG Transparent OLED technology to make it virtually "disappear." Beyt said, "We sought to create something that fit seamlessly into Pac Team's retail environment – something that didn't look like technology at all. When what appears to be an ordinary display case suddenly transforms into an immersive product demonstration unlike anything people have ever experienced, it creates a rare moment of genuine surprise and delight."

Incredibly, this brand new display and sales experience didn't even require all-new content creation, instead relying on a combination of re-tooled commercial assets and custom VFX produced by The CSI Group. Dynamic animations move and shift from individual product features to full-screen content takeovers, even including moments where one half of the display case is transparent, while the other half plays a thrilling product video.

The visuals are tied directly to physical watches through carefully timed reveals using "Transparent Squares" within the video content. Once a watch is revealed, floating 3D animations emerge from the physical timepieces and fill the screen to provide larger than life 360° views of each model.

## The Result

Considered by all companies involved to be among the world's first consumer-facing uses of an augmented reality display case, it's common for discussions about the installation to include phrases such as "the next generation of physical retail." It's easy to see why: Citizen Watch noted almost immediate upticks in traffic volume and sell-through rates. For the company and its customers, the concept store is a hit.

"I think the success of this admittedly experimental store concept is going to push competitors to try to recreate our experience, or perhaps consider other cutting-edge technologies to enhance the physical retail journey," said Barry. "Internally, we've already recognized other ways LG Transparent OLED displays could be used, even in our smaller stores. As customer expectations ebb and flow, we are always looking for what's next, and this semi-automated demo and sales system is perfect for promoting our products without a sales associate."

The final video is a nearly 10-minute loop that examines the inner workings of Citizen's famous timepieces, with the existing video repurposed and altered to leverage the specific strengths of transparent display technology, including graphics that appear holographic. The Luminary Design Co. team described the content production for the display as its own sort of art form, because small details can make on-screen imagery appear magical in ways that no other display technology can.

According to Dan Smith, vice president, business development at LG Business Solutions USA, "This unique installation is a textbook example of creative designers and artists finding innovative ways to leverage new technologies and capabilities.

"Retailers and designers looking to reinvent in-person shopping in the digital age must be willing to adopt new technologies," Smith said. "LG's innovative commercial display technologies, including LG Transparent OLED, enable new kinds of sales interactions that captivate customers' attention and provide concrete benefits for in-person shoppers. It's exciting to witness the success of this project at Citizen Watch; kudos to everyone involved for breaking new ground in experiential retail."

Smith said that, in the future, and possibly for other Citizen Watch stores, additional features and engagement tools may be added, including touchscreen capabilities and controls, proximity-based automation that changes content as a customer approaches the display, and even QR-code based interaction and screen control that doesn't require physical contact.

## The Final Say

As Schiano from Pac Team Group noted, "The store has a gravitational pull that others simply don't have," which generates valuable brand recognition and respect while increasing traffic and subsequent sales.

While the technology is impressive and the experience is exciting, it's crucial to remember this is a retail store, and there is one core purpose for all of this to exist. When asked what they hope visitors take away from the one-of-a-kind retail experience, Citizen Watch was quick to say, "We hope they take away [and buy] watches." Thanks to LG, Pac Team Group, Luminary Design Co. and The CSI Group, that hope has been realized.



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