

AI Will Save Retail

Here's How

The challenge...



Physical retail stores are in a state of terminal decline.

In the UK, one of the largest retail markets in the world...

85,000↓

retail jobs disappeared in first the 9 months of 2018

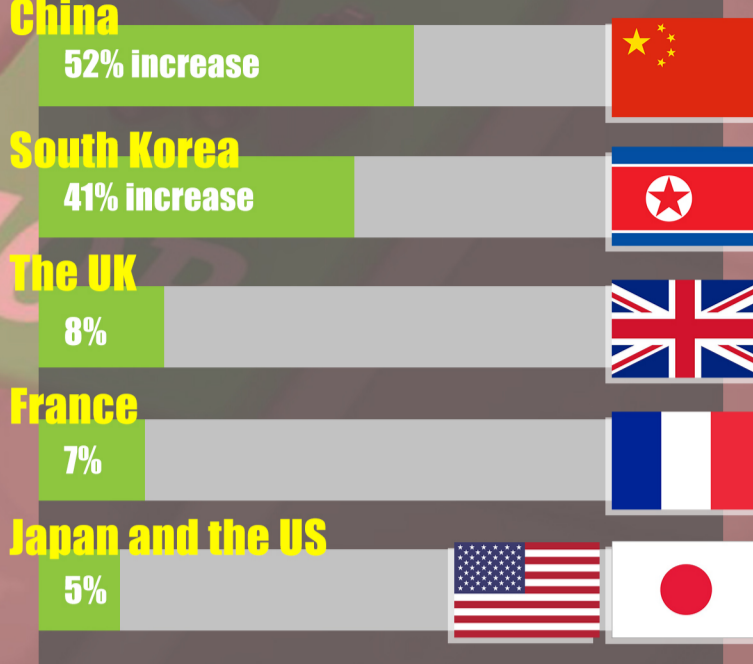


retail businesses went into administration in the same period



More than 30,000 UK retailers are in 'significant' financial distress

Meanwhile... retail spend is moving online. Global grocery sales through e-commerce channels jumped **30 percent** in the past year. Countries leading the charge were...



However...



90%

 of worldwide retail sales are still done in a physical store

Retail revenue growth year-on-year = **4.1%**

The opportunity...

1

Supercharge customer reach by leveraging the explosive growth in consumer AI adoption

Machine learning drives our algorithms for demand forecasting, product search ranking, product and deals recommendations, merchandising replacements, fraud detection, translations and much more.

- Jeff Bezos, CEO and Founder, Amazon



amazon alexa

42% of online consumers in 27 countries have either purchased or plan to purchase a consumer AI device



45% of store operators plan to increase their use of AI in the next three years



63% of consumers are interested in personalized recommendations

Combined, these trends will enable the unprecedented personalization of product recommendations, experiences, and brand communication.

2

Reimagine the retail experience using AI

With the growth of buy online/pick up in-store, you're going to need physical stores. Physical stores are not going away. Customers are still going to want that convenience...they can try on jeans so they don't have to buy three pairs in three different sizes. This convenience makes that transaction stick when they enter the store. They're going to buy more than just those jeans.

-Teddy Lundgren, former CEO, Macy's



Digital is already a core element of the brick-and-mortar retail experience, thanks to the rise of omnichannel or 'ubiquitous' retail. Shopping has become a seamless activity occurring between physical and digital contact channels, with AI consistently powering natural gestures and conversations between consumers and brands. This will enable retailers to:

Better understand and collate product attributes



Fine-tune sales projections



Accurately connect consumer behaviour with demand analysis



Over 80% of executives in both retail and consumer products industries expect their companies to be using intelligent automation by 2021, while 66% of CIOs say they're focusing most of their digital transformation efforts on customer-facing experiences.

3

Optimise retail back-end processes using AI

In retail specifically, it's not just the technology, but the way that it is used that makes the real difference. Wow-factor is important, but real success is about applying technology across an entire business to engage with not only customers, but every part of the organisation—from employees to the supply chain, to the factory floor where goods are manufactured.

- Perry Krug, Architect, Office of the CTO at Couchbase



The highest growth anticipated in retail AI is in supply chain planning - 85% of retail companies plan on implementing automated supply chain planning.



Ocado, Britain's largest online grocery store, uses AI to manage an inventory of 50,000 items through predicting customer demand, as well as to manage thousands of robots across their network of fully-automated warehouses.



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