

# BUILDING THE RETAIL SUPERSTAR:

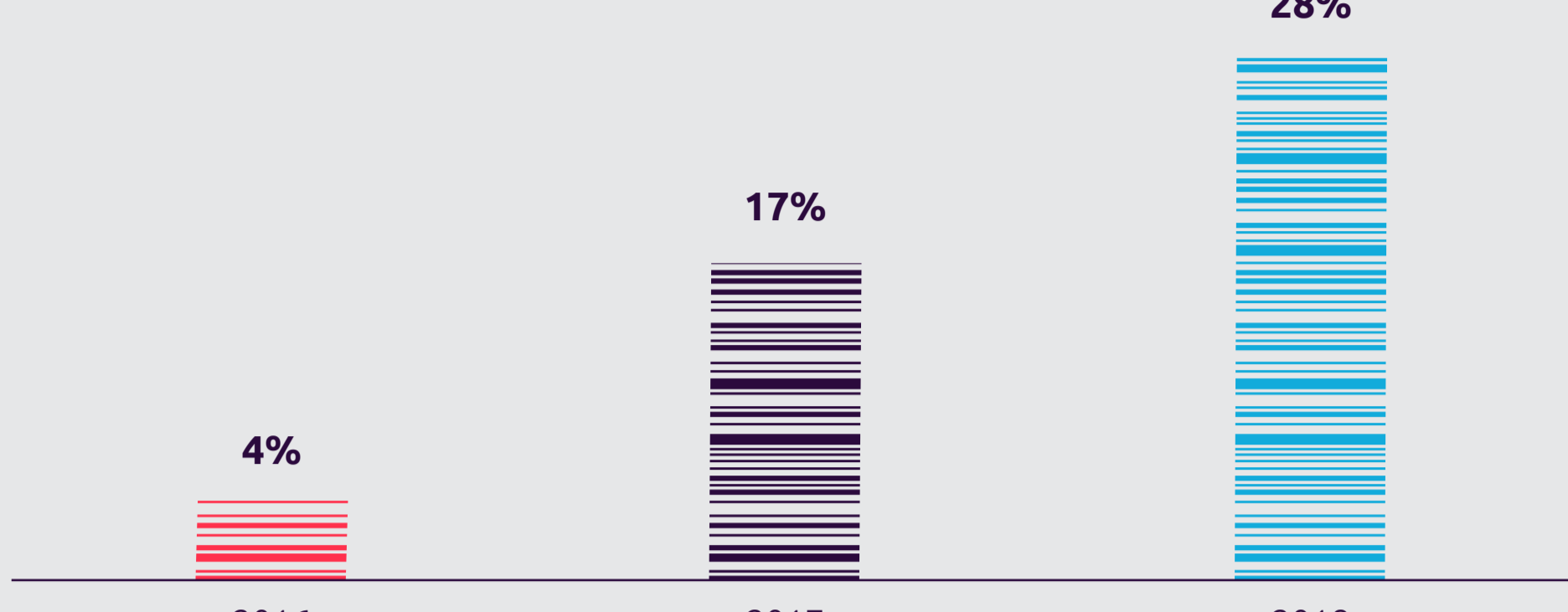
How unleashing AI across functions offers a multi-billion dollar opportunity



## Retailers are accelerating their AI deployments

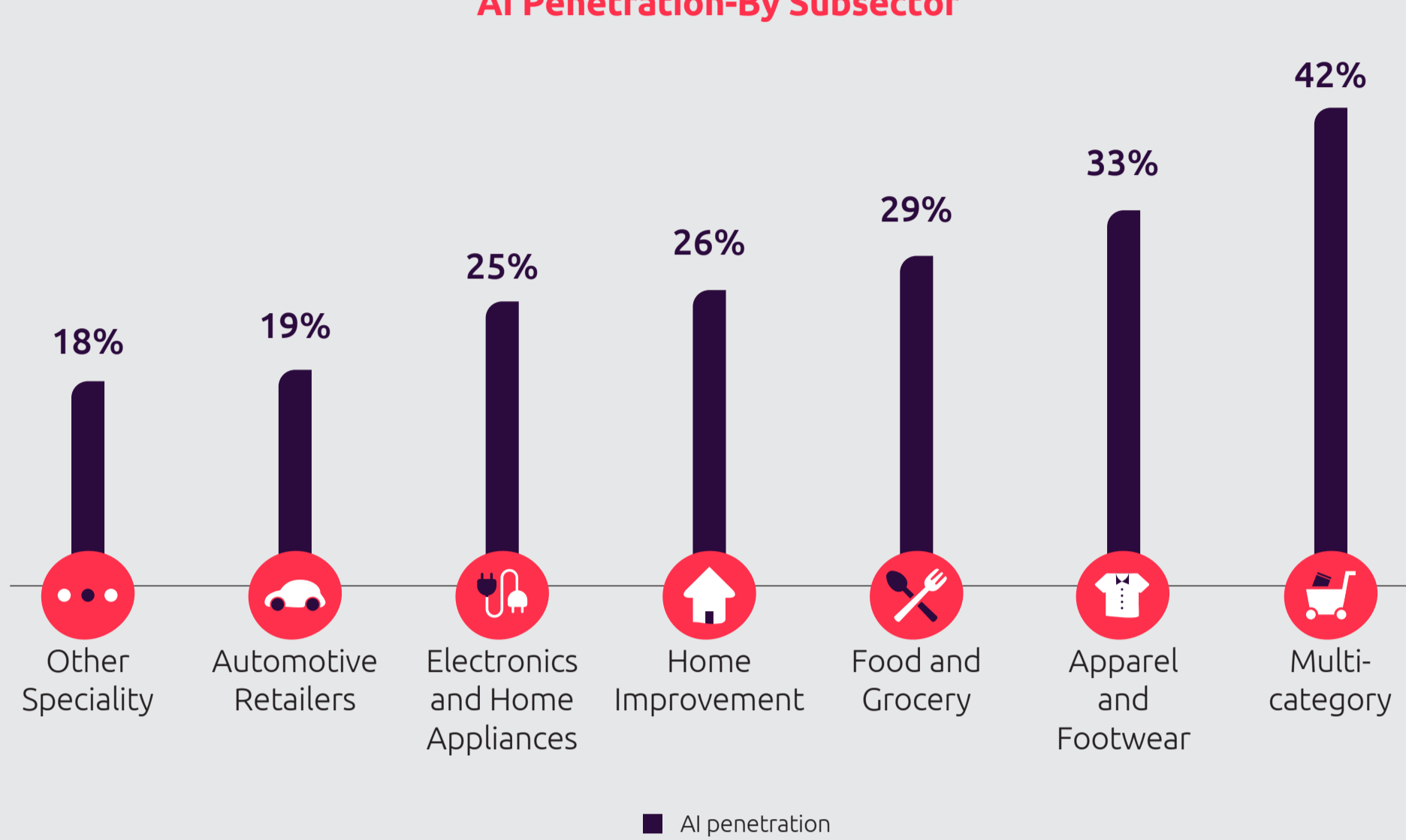
More than one out of four retailers are deploying AI in their organization

Share of retailers deploying AI



## Apparel and footwear followed by Food & Grocery lead the pack among single-category retailers

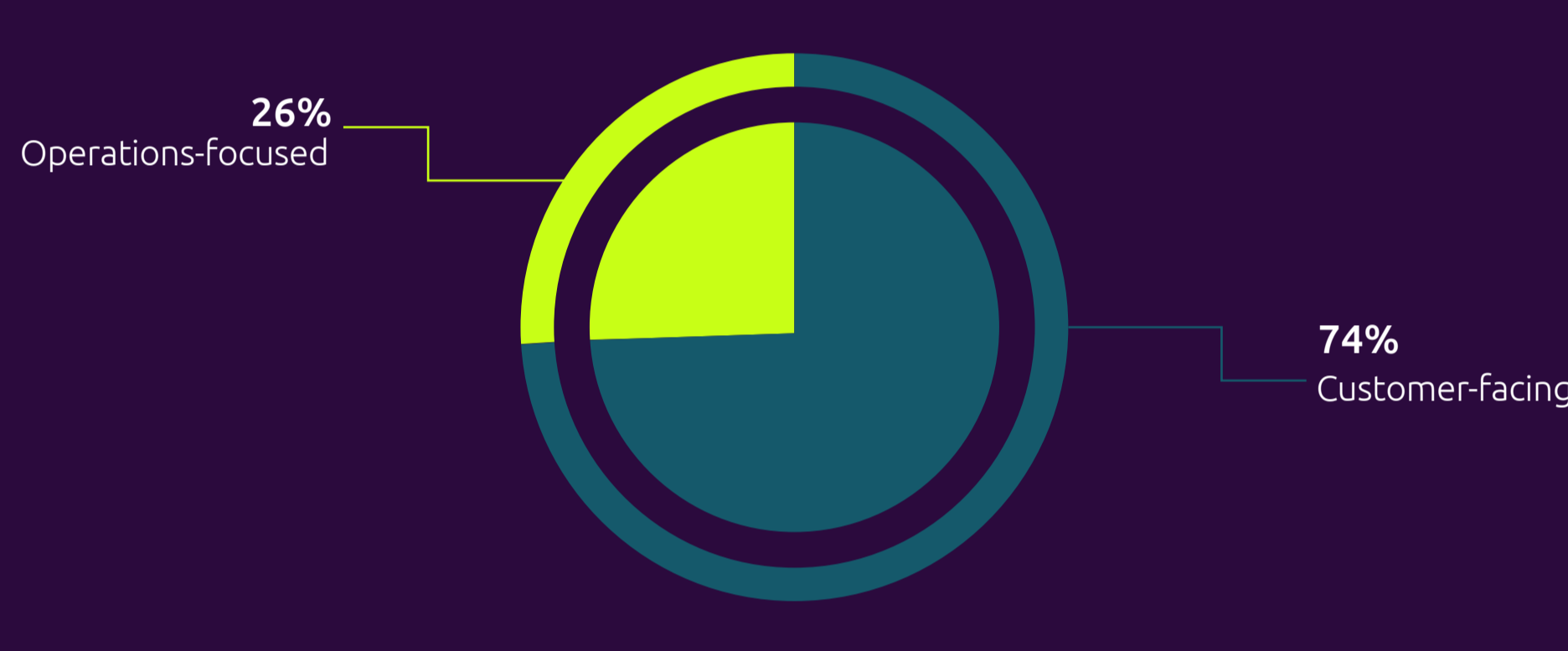
AI Penetration-By Subsector



## Most retailers focus on customer-facing AI initiatives

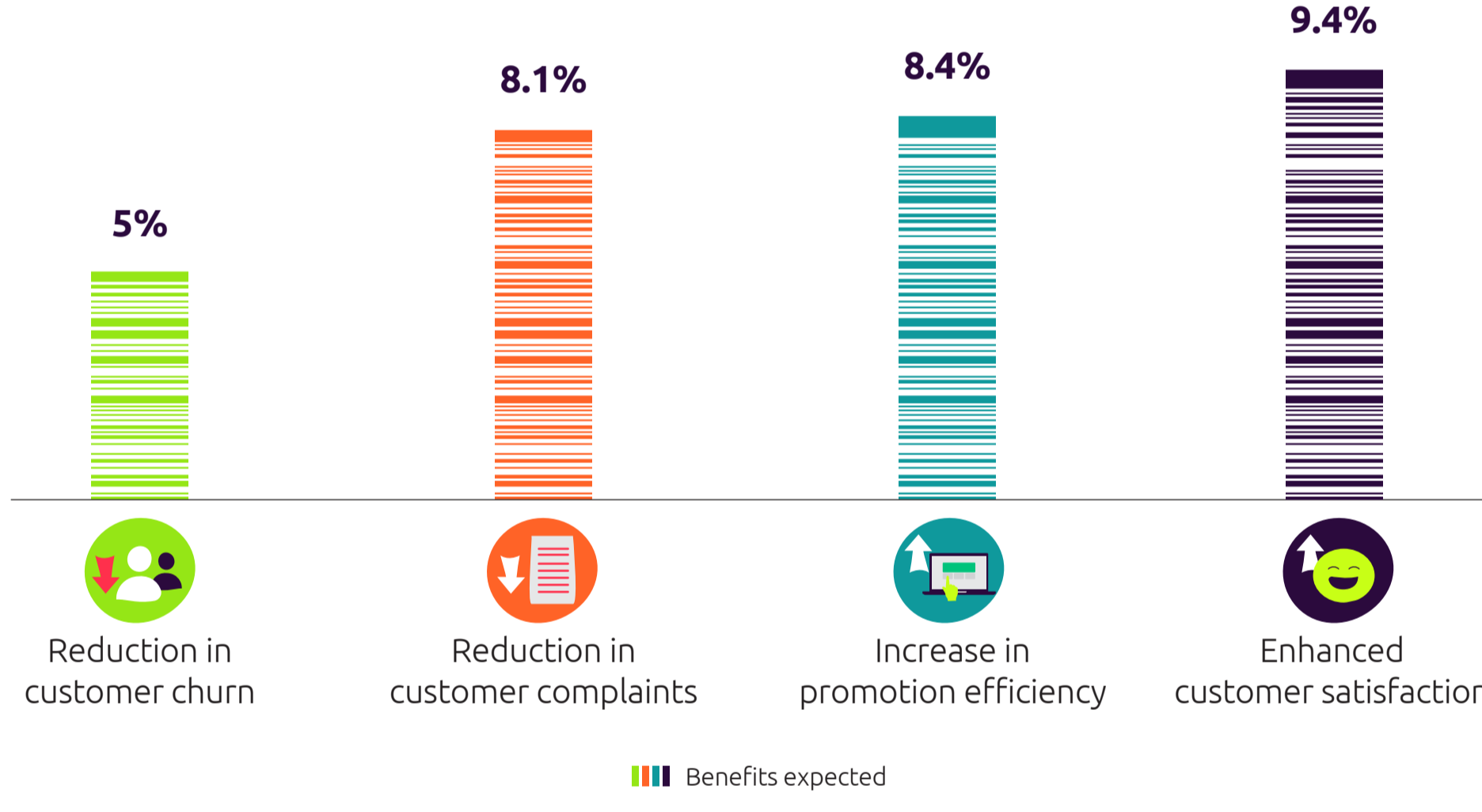
Almost three out of four AI use cases are deployed in customer-facing areas

Use cases share (%) by broad function



## Retailers expect significant benefits in customer-facing areas

Proportion of benefits expected by retailers



## But, retailers' focus on customer-facing AI initiatives is masking a big opportunity in operations

AI in operations is a **\$340 billion** prize that cannot be ignored



## AI in operations is already reaping benefits

Walmart has used **AI-driven image optimization** to realize savings of **\$86 million** with estimated savings of over **\$2 billion** over the next **5 years**<sup>1</sup>



Morrisons used **AI for stock replenishment** to reduce shelf gap by **30%** during trial sessions<sup>2</sup>

## How should retailers leverage AI to yield most benefit?



<sup>1</sup>Business Insider, "Walmart is saving \$2 billion with a machine called 'Eden' that inspects Food and knows when it will spoil", March 2018

<sup>2</sup>CityAM, "Roboshop: How Morrisons is using artificial intelligence to stock its shops", March 2017

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