

Enter the next era of retail with generative AI

Turn transactions into conversational connections with an intelligent virtual assistant for retail



Eighty percent of shopping in the US still happens in stores, and overall volume has returned to pre-pandemic levels, <u>according to</u> <u>research from the National Retail Federation</u>. But as product and service choice continues to grow, shoppers can get lost in this dense retail landscape.

Generative artificial intelligence (GenAI) tools are becoming the new go-to for 70 percent of consumers when it comes to seeking product or service recommendations, replacing traditional search methods, according to a <u>recent Capgemini Research Institute (CRI)</u> study. GenAI is popular across all age groups.

Retailers must meet customers where they are with a personalized, convenient, and cohesive experience that answers every search with helpful suggestions. That's why 42 percent of consumer products organizations are piloting generative AI to make the consumer journey more personalized, and 63 percent of retail organizations say they are using generative AI to improve customer-service chatbots, according to another CRI study.

A new intelligent virtual assistant, created by Capgemini and powered by Amazon Web Services (AWS) generative AI, brings this functionality to life at the next level – giving it a dynamic identity that will turn heads in stores, and is just as effective on mobile devices or web sites. The virtual assistant introduces customers to a remarkably lifelike digital human avatar with deep product knowledge that transforms a store catalog into a lively conversation, helping customers find what they need and driving sales growth.

All customers have to do to get started is say "Hi."

Raise the bar for retail

Memorable and effective customer service is traditionally about human connection: the cashier who shared a joke while you waited or the sales associate who offered help to your car without having to be asked. But even the best employees can't be everywhere.

<u>Numbers from the U.S. Bureau of Labor Statistics</u> show retail faces greater than industry average worker attrition. High turnover makes it difficult to ensure every customer who enters a store will be greeted by a knowledgeable and attentive employee. Increased access to the store's knowledge base – online and in-person – can help bridge gaps in customer service.

As companies increasingly adopt generative AI solutions to facilitate this knowledge access, linking these powerful services with a human-like presence is the logical next step. Digital human avatars using the latest technology give a face and voice to generative AI functions, making complex functionality feel familiar. So even people who aren't tech enthusiasts can feel welcomed into these immersive new experiences.

64%

of customers are open to purchasing new products or services recommended by generative Al

Capgemini, Why consumers love generative AI, 2023

70%

of consumers are using generative AI tools as the new go-to

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Where search becomes discovery

Capgemini's virtual assistant solution can be implemented via smartphone application, website, or in-store kiosk.

Interacting is simple. Customers simply say or type "Hi." The virtual assistant transcribes every query in real time, so customers can confirm the question is properly understood.

The virtual assistant responds within seconds with a return greeting, specific inventory suggestions, or a follow-up question to gather more information. It can also surface special promotions or additional recommendations to support increased buyer intent.

Powered by generative AI on AWS, the responses are truly dynamic – going well beyond a simple chatbot script. The solution is trained on vast large language models so it can understand complex spoken requests and even obscure cultural references. For instance, a customer could ask to see shoes like those a favorite actor or TV character might wear.



Real benefits of virtual assistance

Elevate self-service. Customers who are in a hurry get the help they need. The virtual assistant answers customer queries, enables virtual try-on, and serves as a point of sale, so a satisfied customer ready to check out can do so immediately. If an item is not available, the virtual assistant can suggest another store nearby with inventory in stock or offer to ship the item to the customer.

Augment customer service. The intelligent virtual assistant can provide support in English and Spanish, with French and other languages coming soon. The solution also supports deaf and hard of hearing customers by providing answers in text, and adjusting volume level. And with one tap, customers can signal if they need human assistance. No searching aisles for help.

Improve employee effectiveness. The virtual assistant can handle complex questions that new employees may not have the experience to answer. Or it can offer help when all associates on the floor are busy.

Boost customer retention. This shows great potential for supporting improved customer loyalty. In one website implementation for a global food and beverage brand, 84 percent of customers said they would use the digital human-based solution again. And the average customer engagement time increased from less than one minute to 10 minutes.

It's not about telling me what I want but helping me efficiently find what is just right for me."

Focus group participant

Ask the intelligent virtual assistant

Here are sample prompts customers can pose:



Behind the screen

Built with Amazon Q Developer and three foundational models through Amazon Bedrock, the virtual assistant is configurable with any commerce system, making a company's full catalog searchable.

The solution leverages serverless technology and managed services on AWS to remain responsive, scalable, and cost-effective. After stores close, for example, your business does not incur computing costs. This helps clients seize this exciting opportunity without outsized, upfront investment.

The customer experience design is completely customizable, with many available avatar options. There's even the opportunity for leveraging under-contract celebrity likenesses.

Business outcomes

Capgemini research has demonstrated that virtual assistants contributed to a boost in topline sales, based on increases in:

- Customer conversion and engagement
- Average cart size and revenue generated
- Customer conversations
- Number of transactions
- Customer feedback scores.

Enter the generative AI space with a trusted guide

Generative AI is an undeniably powerful tool, especially when pre-trained foundation models are combined with a company's knowledge. Companies which want to use generative AI with their own data need to engage an expert who can help build the necessary infrastructure, give guidance, and help scale up.

Capgemini has in-depth experience working with businesses to fine-tune foundation models and help navigate the complexities of generative AI. We provide guidance through the entire process, including assessments, framework implementation, and business templates, to ensure a smooth and efficient experience. This includes providing a generative AI experience layer to ensure that high-performing AI solutions can be deployed at scale in a trusted manner.

We have already guided some of the world's leading enterprises on their generative AI journey, sharing our expertise from road maps to deployment. This technology will shape all our futures, and working with Capgemini means you can shape generative AI to arrive at the future you want.

> Say hello to growth with generative AI.

About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.

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