



TECHNOLOGY

Top 10 Retail Tech Predictions

BY **CSA STAFF**

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IDC Retail Insights has released its “Worldwide Retail 2018 Predictions” report, which focuses on the mandate for adaptive retail platforms, composable microservices-based applications, and integrated AI-enabled, augmented and connected experiences. IDC Retail Insights has released its “Worldwide Retail 2018 Predictions” report, which focuses on the mandate for adaptive retail platforms, composable microservices-based applications, and integrated AI-enabled, augmented and connected experiences.

“Platforms with a digital core play a central role, but well-thought-out DX (digital transformation) cases will enable organizations to focus on executing against their customer experience objectives in stepwise fashion, staying agile, and adjusting on the fly to continue to serve the customer in their stream of life, above all,” said Leslie Hand, VP, IDC Retail Insights. Attention to consumer need, customer journey patterns, and the ability to maintain customer loyalty by engaging the consumer continually in their context is the key to success.”

Here are the top 10 predictions for 2018 from the analyst team at IDC Retail Insights:

1. By 2019, 50% of retailers will have adopted a retail omnichannel commerce platform, which will enable up to a 30% increase in omnichannel profitability
2. By 2019, the top 30% of retailers will be actively engaged in digital transformation, driving organizational shifts and investment strategies in foundational platform technologies that are cloud based, AI enabled and composable.
3. By 2019, 40% of retailers will have developed a CX architecture supported by an AI layer. Such a platform will enable CX hyper-micro personalization, providing up to a 30% conversion increase and thus up to 25% higher revenue.
4. By 2021, retailers will have embraced geospatial data to drive greater efficiency in omnichannel orchestration, reducing inventory carrying costs by up to 25% across distribution centers and stores.
5. By 2020, more than half of consumers will expect perfect fulfillment execution as a top reason for loyalty to retailers. As a result, retailers will increase their budgets for these technologies by up to 20% to create a fully transparent and user-friendly fulfillment experience.
6. By 2021, 10% of chain retail sales will be created and managed via voice-enabled digital assistants, which will accelerate the predominance of marketplaces for buying everyday goods.

7. In the midst of rapidly evolving cyber-threats and threat actors of increasing sophistication, 75% of retailers will have adopted artificial intelligence-based cyber-defense technologies by 2020.

8. By 2019, 40% of retailers will have begun significant workforce transformation to meet growing pressure to deliver a resonating omnichannel customer experience by breaking down digital-physical engagement silos.

9. By 2020, 20% of retailers will have redesigned PIM/MDM as AI-networks for competitive insights that connect product attributes through social semantics to meaning and purpose in customer contexts, creating actionable insights to unify merchandising and marketing.

10. Through 2021, responding to stakeholders' experience expectations, retailers that leverage AI, AR, and IoT for employee and customer engagement will see customer satisfaction scores rise by up to 20%, employee productivity rise by up to 15%, and inventory turns rise by up to 25%.

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