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Overview: Artificial Intelligence (AI) is a computer system's capacity to learn how to perform tasks by incorporating cognition, perception, and voice and image recognition independent of human interaction.

Retail Perspective

Virtually every business function can be enhanced with AI processes. AI's computing techniques are being woven into the fabric of store operations, the supply chain, marketing, the customer experience, and more. The technology can be used to help inform business decisions, and can perform powerful tasks such as visual perception and voice recognition, providing new ways for customers to engage with retailers.

Key Takeaways

- AI can be run non-stop, enabling the human workforce to focus on specialized and creative tasks (PwC).
- AI helps retailers collect and make useful consumer data to improve experiences, services, and personalized interactions – both online and in stores.
- AI investments will rapidly expand as it becomes assimilated into analytics practices, giving businesses unprecedented access to profound insights that drive action.

Retail Use Cases

Consumer Products: Amazon and Google have recently made strides in their continuous march to bring their respective AI platforms, Alexa and Google Assistant, closer to consumers by partnering with brick and mortar retailers. Kohl's will now sell some Amazon products, including the Echo and Echo Dot, in ten of its stores, while Google announced that Home Depot customers will be able to shop with Google Assistant and delivery service Google Express (Reuters, The Home Depot).

Inventory Management: Brands such as Coke and Gilt are currently using solutions like Salesforce Einstein and IBM's Watson to improve the accuracy and efficiency of their inventory management processes by automating the collection of inventory data and follow-up order preparation (Forbes). AI can also be useful to associates in store operations, giving them a more complete picture of the customers that walk through their doors based on previous interactions and online purchases, thus enriching the personal interaction (WWD).

Marketing/Consumer Experience: Pinterest Lens allows visual shopping, enabling the consumer to point their smartphone's camera at an object they like to search for a product of interest (Pinterest). Similarly, 1800Flowers.com created "GWYN," an AI interface which allows customers to communicate with the system through natural language search terms to easily find an appropriate gift recommendation.

Source: brandchannel

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