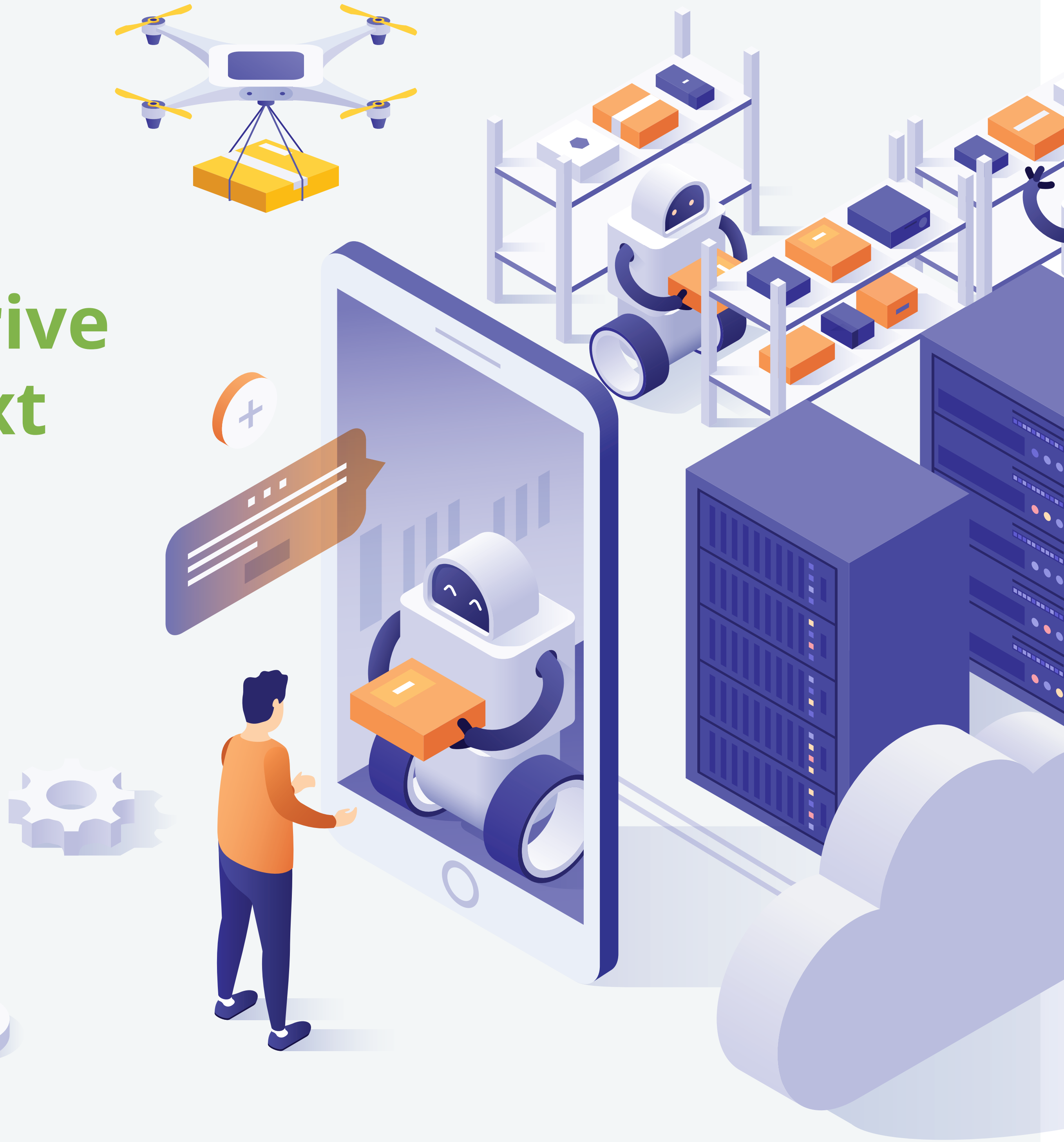
Leveraging Autonomous Networks to Thrive in the Retail Next Normal



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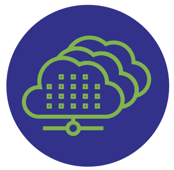
CONTEXTUAL CUSTOMER JOURNEYS ARE THE RETAIL NEXT NORMAL

In 2021 **80% of European retailers will be implementing a hybrid-multicloud retail commerce platform** (RCP). They are investing in capabilities for customer experience, commerce, order fulfilment, content optimisation and embedded AI/ML analytics.



To execute real-time contextual customer journeys, **data silos are a challenge for 31% of retailers**. 54% of retailers plan to consolidate customer data with **cloud-based unified datacentres**.

25% of retailers are leveraging a **real-time contextual customer journey model** — paving the way for broad adoption among their peers. RCPs are fundamental to execute unified customer journeys at scale.

43% of retailers consider **customer satisfaction** a key driver of implementing embedded **AI/ML capabilities** in their systems.

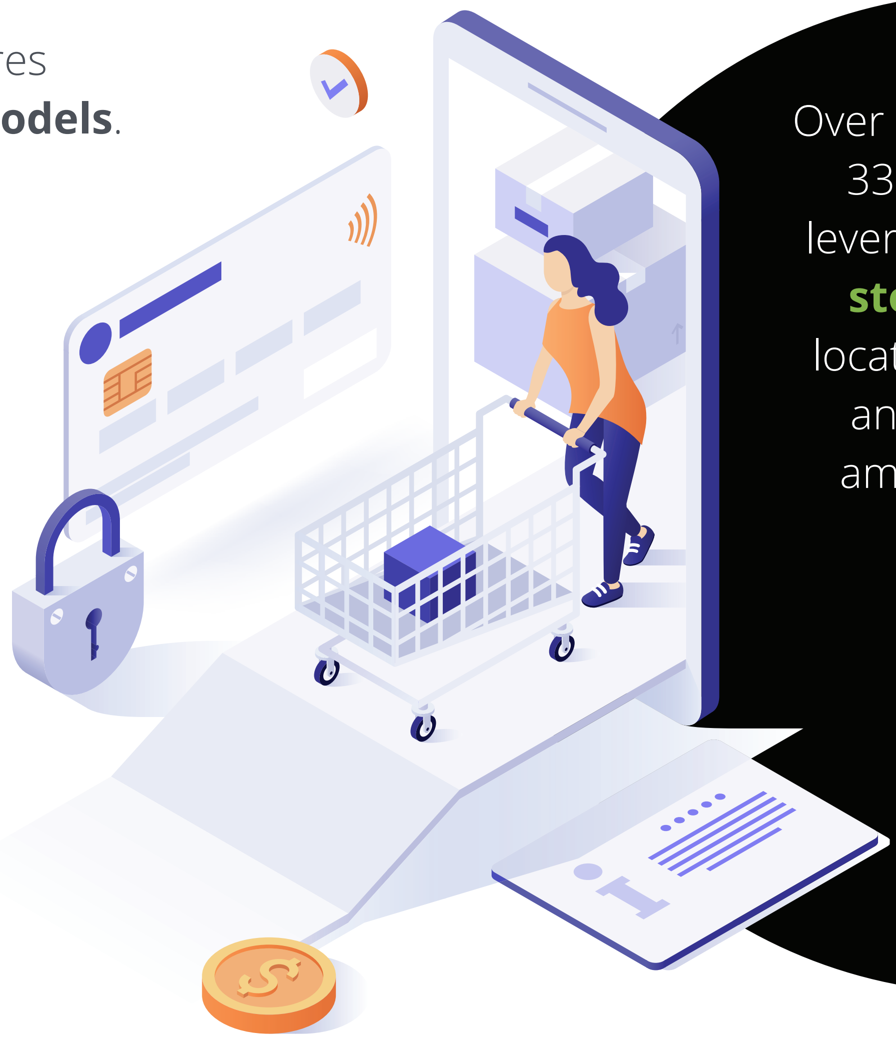
ENABLING A CONTACTLESS IN-STORE CUSTOMER EXPERIENCE IS THE WAY TO THE NEXT NORMAL

Retailers' innovation priorities for stores point at **contactless operational models**. Within the next 12 months:

84% will be implementing **automated checkout**.

81% will be implementing **cloud-based omni-channel store systems**.

78% will be implementing automated **drive-through pickup**.



Over the next three years, 33% of retailers plan to leverage a **new breed of stores** (by format, size, location, experience type and fulfilment services) among the top revenue sources.

In the short term, **82%** of retailers will implement systems that enable **location-based contextual in-store interactions**.

ENABLING EFFICIENT AND EFFECTIVE RETAIL EMPLOYEE EXPERIENCES CLOSES THE NEXT NORMAL LOOP

Over the next 12 months, **78%** of retailers will be adding **new roles in-store** to manage processes enabled by AI/ML analytics, mobility, IoT, video and AR/VR.

Cloud-based autonomous networks offer the opportunity to **enhance cloud-based employee-facing store systems**.

31% of retailers consider the digital transformation programme "**connected workforce**" an innovation priority for the next 24 months.

In the short term, retailers will implement solutions for employee experience and productivity, such as:

AR/VR for back-office operations **85%**

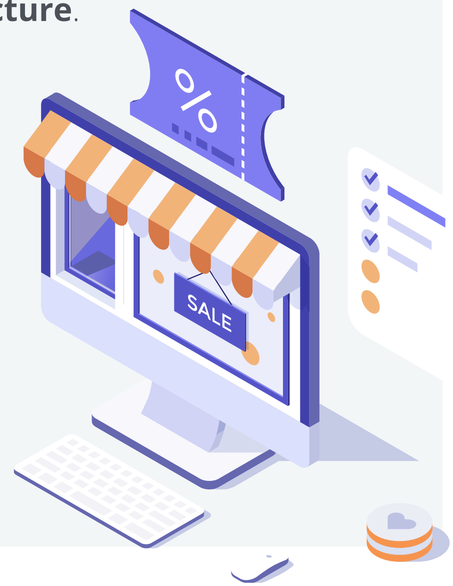
Mobility for flexible front- and back-office operations **82%**

Computer vision and AI-enabled store for fraud prevention, traffic intelligence or queue management **46%**

IDC'S RECOMMENDATIONS FOR RETAIL LINES OF BUSINESS THAT WANT TO THRIVE IN THE NEXT NORMAL

01

Retail commerce platforms are complex assets that enable short-term **profitability** and long-term **innovation** and **growth**. Consider with your IT colleagues the opportunity to implement an underpinning **AI/ML-driven autonomous network infrastructure**.



02

Work with IT colleagues to find out how autonomous networks can help you to:

- Enhance the execution of **unified customer journeys**
- Enable contextual experiences in new **contactless flagship stores**
- Improve the **connected workforce experience** within contactless retail operational models

03

Get your IT colleagues to prioritise the selection of a cloud- and microservices-based network platform. This is fundamental to ensure a retailer's scalability and overall agility in innovating to address market disruptions.

ABOUT THIS IDC INFOBITE **(METHODOLOGY)**

This IDC Infobite is based on the results of IDC's 2020 Global Retail Innovation Survey.

The survey was conducted on a total sample of 602 retailers across Western Europe, the US and Asia/Pacific. In Western Europe, the total sample was 201 retailers.

The survey focuses on retail LOB C-level respondents and covers the key retail subsegments of food and grocery, ecommerce pure players, specialty retailers, fashion and luxury, eating and drinking establishments, and consumer electronics retailers.

The key objective of the survey is to assess the status, plans and challenges of retail business model innovation and customer experience, according to the main dimensions of people, processes and technology.