

ARTIFICIAL INTELLIGENCE IN RETAIL INDUSTRY

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ABSTRACT

Artificial Intelligence (AI) brings a lot of changes in the way how things work, and how much we work. The power of AI is seen in changes in several areas like healthcare, transportation, education and even marketing and retail industry. All these industries are going to see drastic changes and innovation in the forthcoming years.

There was a thought that online stores will totally take over the market and wipe out existence of physical stores but according to the studies by Euromonitor International, 83% of goods purchased globally in 2022 will be still bought in store.

The trend of brick-and-mortar stores gaining popularity with the millennials that makes the stores to go for a store make over. Store make over requires the use of in-store technology which would give the consumers a real-world experience. Man-machine interaction is essential to derive better and efficient business outcomes. Retailers are now constantly working on providing personalised services to their customers and in future customers will be asking for hyper-personalised experience.

Many brick and mortar stores are getting closed. Coresight research predicts that about 12,000 stores were closed in US by the end of 2019. Growth of Internet technologies and automation is responsible for this but the same technology can be used to gain a visibility of the store and a competitive edge. AI is going to disrupt some existing business models and in the next five years the world is going to be functioned in a different manner. We need to be prepared for this change by adopting new skills. AI technologies like machine learning, computer vision, augmented reality, virtual reality are applied in new retail applications.

The paper aims to study the transformations in which AI will bring in the retail sector.

KEYWORDS: Artificial Intelligence, Disruption, Intelligence, Retail Industry & Machine learning