

# 25 years of retail trends: Amazon, customer data, and personalizing AI

Article



Customer data collection, the dawn of [retail media](#), and [AI](#)-assisted shopping has upended a retail industry already in the midst of a big-box transformation at the tail end of the 20th century. And then there is one of the biggest elephants in the room: [Amazon](#).

Here are some of the most impactful changes that marketing leaders have seen over the last 25 years.

## Amazon's ascent

It's challenging to find one factor that's had a bigger impact on retail over the last quarter-century than Amazon. What began as a book-selling website has morphed into an ecommerce behemoth.

- In 2000, Amazon reported \$2.76 billion in sales. In 2025, we forecast Amazon's US retail ecommerce sales to be \$530.88 billion, making up a whopping 41.1% of the total US retail ecommerce sales.
- Its sales will be more than the next largest 15 US ecommerce companies combined, per EMARKETER forecasts.

"[Amazon has] completely changed how we shop, "how we consume content and how we experience the seamless journey from seeing an ad to purchasing a product," said Lucy Markowitz, senior vice president and general manager of US marketplace at Vistar Media.

Amazon's retail influence has moved to brick-and-mortar over the last 25 years. Its 2017 acquisition of Whole Foods highlighted its ambitions, as well as the strength of its logistics infrastructure.

- In 2017, Amazon's total US grocery ecommerce sales were \$10.93 billion. This year, Amazon's grocery ecommerce sales will reach \$49.77 billion, 22.6% of total grocery ecommerce sales, according to our October forecast.
- Whole Foods CEO Jason Buechel said in 2023 that the retailer plans to open 30 new stores a year for the near future.
- However, Amazon's other brick-and-mortar experiments have struggled to find lasting success. In 2022, it [closed 68 locations](#) of its Amazon Books, Amazon 4-Star, and Amazon Pop Up stores. In 2023, it [closed its Amazon Style stores](#). And in October, it closed [three Amazon Go convenience stores](#).

## Measurement data and programmatic

Through the last 25 years, retailers began to gather and synthesize an unprecedented level of data. This data allowed for a clearer picture of customers, product placement, logistics tracking, and many other retail elements.

"Foot traffic data has been around for some time, but its reliability and consistency have improved significantly in recent years," said R.J. Hottovy, head of analytical research at Placer.ai. "With more accurate data, retailers and real estate companies can now analyze their businesses in more meaningful ways. Over the next 25 years, I anticipate foot traffic data will be increasingly paired with other data sets, enhancing these companies' ability to stay ahead of competitors."

The wealth of data also allowed retailers to tap into [programmatic](#) marketing, form partnerships, and establish expanding [retail media networks \(RMNs\)](#) to incorporate [targeted](#), personalized ads at the bottom of the [funnel](#).

"The biggest change in the past 25 years has been the rise of programmatic advertising and the shift to data-driven, personalized marketing," said Melanie Zimmermann, general manager, global retail media at Criteo. "This evolution has allowed brands to reach specific audiences with precision, optimizing ad spend and improving campaign effectiveness through automated technology and real-time data. Retail media has become a key part of this shift, offering highly targeted opportunities for brands at the point of purchase."

## All about AI

The rise of AI over the last few years has already grown to be a top retail trend of the last 25 years. From personalized chatbots, the promise of [agentic AI](#), and streamlining time-consuming processes, the technology has a wealth of benefits for retailers.

- Over two-thirds (67%) of US business leaders believe that AI-powered assistants will provide faster information to consumers and 62% believe that they will reduce long wait times, according to a January 2024 survey from LivePerson.
- Almost three-fourths (72%) of US digital retailers said that AI-driven personalization and generative AI would affect their business in 2024, per a January report from Bolt.

"The way consumers pay for goods and services has evolved, and for a data company like we have at Attain, this digital access becomes invaluable," Attain's CEO Brian Mandelbaum said. "When you layer AI/ML onto this data, it opens up a whole new way to conduct business that drives sales outcomes. In 2025, AI will further enable hyper-personalized [customer experiences](#) at scale. Marketers will leverage advanced predictive analytics to anticipate consumer behavior and optimize campaigns in real time, driving higher engagement and ROI."

As retailers implement AI in chatbots, shopping assistants, and a variety of optimization initiatives, they're also looking into the future about how [retail technology](#) could be used to connect with consumers.

"Looking ahead, I predict the convergence of AI, augmented reality, and advanced interfaces will blur the lines between digital and physical experiences," said Kaare Wesnaes, head of innovation at Ogilvy North America. "Brands will engage with people in real-time, contextual ways, seamlessly integrating into their lives. The next frontier will be immersive, adaptive, and emotionally intelligent advertising that anticipates needs and responds intuitively."

*This was originally featured in the Retail Daily newsletter. For more retail insights, statistics, and trends, [subscribe here](#).*