

GenAI is at the top of retailers' to-do lists in 2024

Article

The insight: Retailers are bullish on generative AI (genAI).

- Nearly three-quarters (72%) of retail decision-makers are ready to implement genAI technologies in 2024, [according to](#) a Google Cloud survey.

- And genAI was the order of the day at NRF 2024, where retailers including **Walmart**, **Canadian Tire**, and **Target** spoke about the ways they're using (or looking to use) the technology to enhance the customer experience and boost employee productivity and satisfaction.

Personalizing the customer journey: One of the use cases retailers are most excited about is the potential for genAI to offer consumers a more relevant, highly personalized shopping experience. Or, as **Nvidia** vice president of AI for retail, CPG, and QSR **Azita Martin** put it, the opportunity of “having your smartest, best sales associate talking [to and] helping every single one of your customers every minute find the right products that they're looking for.”

- That's the thinking behind Walmart's newly unveiled [genAI search tool](#), which is meant to deliver more relevant results and guide shoppers to products they didn't even know they needed.
- Likewise, Canadian Tire is building a genAI-powered shopping assistant to help customers find what they're looking for faster and boost engagement with the retailer.
- AI chatbot capabilities are also a central component of the genAI offerings for retailers recently announced by [Microsoft](#) and [Google Cloud](#).

Efficiency gains: Employee-facing applications are also gaining traction, especially among retailers that want to experiment with the technology without rolling it out to consumers.

- Walmart is expanding access to its “My Assistant” genAI tool to 25,000 campus associates in 11 countries to help reduce time spent on tedious tasks.
- Thousands of Canadian Tire employees are using the retailer's version of ChatGPT (dubbed ChatCTC) to gain insights into business performance and improve productivity, **Cari Covent**, the company's head of AI and emerging technology, said at NRF.
- Beyond the productivity gains, such tools are helping to improve the quality of customer service by giving employees the time and information they need to properly address shoppers' needs.

The big takeaway: Some retailers are understandably wary of implementing genAI within their organizations, given concerns over data privacy, hallucinations, and the question of whether consumers are actually interested in shopping via chatbot.

- At the same time, there are plenty of use cases that don't require giving up access to sensitive data. **Target**, for instance, is using genAI to generate product descriptions and tags to optimize search engine performance.
- **Getty Images** announced a [genAI platform](#) that allows customers to generate fully licensed AI imagery that can be used to create marketing campaigns in a matter of seconds.
- That said, there's no one-size-fits-all approach to genAI: Retailers have to decide which use cases, either internal or external, can best address their pain points, improve the customer and employee experience, and align with their larger goals as an organization.

Attitudes/Actions Around Generative AI According to US* Ecommerce Professionals, July 2023

% of respondents

91%	have used genAI tools to assist with work
65%	expect their genAI budget to increase in the next 6 months
55%	agree that genAI tools have become more accessible within the past year
36%	believe they have expert/advanced understanding of genAI

*Note: *88% of respondents based in the US
Source: Future Commerce, "The State of GenAI x Commerce" in partnership with Bloomreach, Stripe, and Shopware, Sep 19, 2023*

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