The coming AI revolution in retail and consumer products

Intelligent automation is transforming both industries in unexpected ways

By 2021, retail and consumer products companies are planning to use intelligent automation across the value chain

<table>
<thead>
<tr>
<th>Retail</th>
<th>Consumer products</th>
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<tbody>
<tr>
<td>Supply chain planning</td>
<td>85%</td>
</tr>
<tr>
<td>Demand forecasting</td>
<td>85%</td>
</tr>
<tr>
<td>Customer intelligence</td>
<td>79%</td>
</tr>
<tr>
<td>Marketing, advertising and campaign management</td>
<td>75%</td>
</tr>
<tr>
<td>Store operations</td>
<td>73%</td>
</tr>
<tr>
<td>Pricing and promotion</td>
<td>73%</td>
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Success factors and top challenges when adopting this capability

**Success factors**
- Obtain the right skills and resources: 43%
- Create a culture open to change and adaptation: 41%
- Align strategy with execution plans: 39%
- Secure the necessary platforms and devices: 38%
- Communicate a clear vision and benefits across the enterprise: 30%
- Ensure employees understand this capability: 30%
- Ensure decision makers trust the automated decisions: 26%

**Top challenges**
- New categories of risk tied to machine responsibility: 46%
- Integrating capabilities with existing processes and systems: 44%
- Resistance in adapting to new capabilities: 34%
- Lack of skills and resources to execute effectively: 34%
- Alignment of vision to execution plans: 26%
- Lack of trust in automated decisions: 26%
- Lack of clear business benefits: 15%

Companies that aren’t experimenting with this capability risk falling behind. They need to move quickly if they hope to remain competitive.

To learn more, visit: ibm.co/aibrands