

Artificial Intelligence and Its Impact on Retail Market

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Abstract-

• ARTIFICIAL INTELLIGENCE: -

It refers to “The science and engineering of making intelligent machines, especially intelligent computer programs. It is related to the similar task of using computers to understand human intelligence. “BY Mc Cathy.

That means Artificial intelligence (AI) is the ability of a digital computer to perform tasks commonly associated with intelligent beings.”

• RETAIL MARKET: -

It refers to the range of activities undertaken by retailer to promote awareness and sales of the company’s products.

I. INTRODUCTION

Artificial Intelligence describes the theory and development of computer systems able to perform tasks normally requiring human intelligence

It mainly focuses on three cognitive skills:

- learning, -reasoning,
- Self-correction.

AI is filling the gap between virtual and physical sales channel.

Artificial intelligence (AI) is transforming several sectors of the economy such as automotive, marketing and healthcare. Retail could be next.

Retail marketing describes: - “This is different from other marketing because of the component of retail trade, such as selling finished goods in small quantities to the consumer or end user, usually from fixed location”.

II. LITERATURE REVIEW

“One of our big goals in search is to make search that really understands exactly what you want, understands everything in the world. As computer scientists, we call that artificial intelligence.” –Larry Page, Google Co-founder.

“By far, the greatest danger of Artificial Intelligence is that people conclude too early that they understand it.” –Eliezer Yudkowsky, AI Researcher

III. ELABORATIVE APPROACH



Source: - www.google.com

Dia 1.1



Source: - www.google.com

Dia 1.2

• Why AI in the retail sector?

Artificial Intelligence is becoming the go-to for retailers because of the efficiency it brings to the operations by replacing humans. Humans are prone to errors, but this technology helps in eliminating the inefficiencies that humans bring into operations.

Repetitive tasks can be easily performed by automation with better performance.

The increased efficiency in the operations means increased profits for the company. From reducing production and shipping costs to providing a more personalized customer experience, retailers can benefit a lot from AI.

With the help of AI, workers can focus on doing high-priority tasks that require human attention. No more wasting time on doing unproductive tasks.

- AI in today's retail
AI-equipped technology will soon be popping up everywhere in the retail environment, and many in-store experiences will be shaped by data crunching and AI.

Luxury fashion e-tailer Farfetch has come up with a solution to change the in-store experience for fashion retailers with its Store of the Future platform, which will "link online and offline channels, using data to enhance the retail experience," says founder Jose Neves to Business of Fashion.

- How AI benefits retailers?
 - 1 Utilizing artificial intelligence can free up time for business owners by completing daily tasks, which allows them to dedicate more time to advancing their overall business strategy.
 - 2 AI can even gather detailed customer patterns and preferences, which make for more informed business decisions in the long run.
 - 3 BETTER CUSTOMER SERVICE: -by memorizing past searches and maintaining history of all searches and offering them according to customer needs and wants.
 - 4 MAP (minimum advertised price) is the lowest price that the retailer can advertise the product for the sale.
 - 5 Better data accumulation: -it helps retailer to maintain, accumulate, by organization their massive customer data.

IV. HOW AI WILL CHANGE THE RETAIL INDUSTRY IN 2020?

- According to Global Market Insights, investments in AI by retail segment will exceed USD 8 billion by 2024. As more applications for machine learning, predictive analytics and deep learning technologies are experimented with success, digital disruption in retail segment is bound to happen at a much rapid pace.
- Digital Racks for Apparel & Fashion Products
With the help of AI technology, apparel retail brands can create virtual racks and trial rooms with gesture walls and touch-free monitors to find the right style, without having to shuffle through a pile. Customers can instantly see how a dress would look on them and can browse through recommendations based on their preferences and style quotient.
- Virtual Trial Rooms for Swift Decision Making
While shopping for a new dress or an apparel, trying out different options can get quite frustrating and time consuming. With the help of virtual trial rooms equipped with digital mirrors, customers can actually try dresses without having to change again and again.
- Robotic/digital assistance will be a reality
Using AI, smart analytics and natural language processing technology, retail stores can give customers the power to get instant support, inside the stores. By placing robots and touch panels, stores can help customers locate an item, get answers to their queries and find out how a product can make their life easier.

V. FINDINGS REVIEWED

- It helps us to learn how AI will regulate futures retailers demand.
- AI becomes a helpful hand for organizations.
- AI is becoming more advanced day by day that reduces the manpower in supply chain.

VI. CONCLUSION REVIEWED

Overall, we can say that just like every other industry, AI has shown the potential to revolutionize the retail industry. There is billions of dollars of profit up for grabs, and leading companies of the world will continue to invest in AI to maximize their revenue. By showcasing their successful AI use cases, the big guns can pave the way for small and medium scale companies to adopt AI. By advancing processes in store, providing insights from huge volumes of data and increasing revenue, AI will surely be a core part of the retail industry.

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APPENDIX

Diagram 1.1

Diagram 1.2

Table 1.1

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