AI Use Cases for Retail

Deliver personalized retail services and experiences with AI

With the rise of online stores and limitless options at their fingertips, consumers today have more buying power than ever before—and they expect a connected and seamless experience from start to finish. Now, retailers have a massive opportunity to deliver more personalized shopping experiences, build supply chain resiliency, and drive revenue.

IDC reports that generative AI usage jumped from [55% in 2023 to 75% in 2024](link), producing a higher ROI across industries than traditional AI. The retail industry in particular

has experienced [3.6x ROI for every $1*](link) spent on generative AI projects. Now is the time to capture the business opportunity that generative AI has to offer in the retail industry.

From empowering store associates to delighting customers with tailored recommendations, retailers can tap into the potential of generative AI solutions to reimagine the shopping experiences in storefronts and digital shopping carts alike.

* $ refers to the US dollar (USD).
Source: IDC, sponsored by Microsoft, "[2024 Business Opportunity of AI](link)," IDC #US52699124, November 2024.

PERSONALIZE THE SHOPPING JOURNEY
with generative AI

Even with online shopping on the rise, retailers can still provide customers with a thoughtful experience through conversational commerce, personalized recommendations, and instant support. By (virtually) meeting customers where they are, they'll ultimately strengthen customer relationships, improve retention, and boost conversion rates.

Business outcomes
- Increased conversion rates
- Higher website engagement
- Reduced return rates

Solutions
- [Azure OpenAI Service](link)
- [Personalized Shopping Agent](link) (preview)

Success stories
- [Walmart](link)
- [Carrefour](link)

For a deeper dive into how other industries are using AI, explore the [AI Use Cases for Business Leaders e-book](link). Ready to kick-start your own AI transformation and revitalize the shopping experience for your customers?

Get started with **Microsoft Cloud for Retail.**

⚡ BOOST CONVERSION RATES
with tailored content

With generative AI, marketers and merchandising teams can instantly create text or images for content that's more relevant to their customers. From generating taglines and product descriptions to graphics and visuals, AI makes it easier for retailers to ideate, create, and execute marketing campaigns that truly resonate with customers.

Business outcomes
- Increased conversion rates
- Faster time to market for products and campaigns
- Reduced production and labor costs

Solutions
- Azure OpenAI Service
- Microsoft 365 Copilot
- Dynamics 365 Customer Insights

Success stories
- CarMax
- Leatherman

DRIVE EFFICIENCY
with AI-assisted associates

For in-store retail associates, AI-powered chat assistants can help them solve problems and get answers in real time without having to find a manager, cull through documentation, or call the help desk. With instant answers from the AI assistants, the associates can focus on what's most important: their customers.

Business outcomes
- Increased customer satisfaction
- Boosted employee productivity
- Streamlined employee onboarding

Solutions
- Azure OpenAI Service
- Microsoft Copilot Studio
- Store Operations Agent in Copilot Studio

Success stories
- Canadian Tire Company
- Lindex

Drive retail growth with Microsoft

Consumer trends and the retail industry will continue to evolve, but retailers have the power to create a sustainable and profitable path forward. And that path starts with personalized experiences for both shoppers and store associates, built on connected data and powered by Microsoft AI.

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