

AI in Retail Report: Power to the Marketer in the United States

The convergence between how consumers feel about AI and how marketers want to use AI.



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CMO, SAP Emarsys



“Many people worry AI will lead to more formulaic marketing and less human content. I believe the opposite. AI will revolutionize the marketing landscape, empowering marketers to focus on strategic and creative endeavors.

We commissioned research to show how marketers and consumers in the US are demanding these improvements, driving our ongoing commitment to AI. Our new solutions will make marketing more efficient and fulfilling, while giving consumers better overall experiences.”



Current State of Retail: What are retailers getting wrong?

40%

of shoppers believe the majority of marketing emails they receive aren't relevant

29%

of shoppers find customer service too impersonal

23%

of shoppers think retailers don't personalize content to meet their needs

29%

of shoppers say retailers don't understand them as a person



Attitudes to AI in Retail: How is AI improving customer engagement?

57%

believe AI-powered recommendations have improved their online shopping experience

49%

are satisfied with the AI-enabled personalized services they receive in retail

52%

are satisfied with the AI-powered product recommendations they receive

50%

are satisfied with new AI experiences in retail



What is the demand for AI adoption?

- **56%**
are optimistic about AI-powered retail
- **61%**
of shoppers support further integration of AI into retail
- **56%**
would support the adoption of AI-enhanced 'virtual try-ons' in fashion retail



Convergence

Consumers

64% believe AI is having a positive impact on their retail experiences

35% want AI to support them in finding new products

39% think AI should be used to improve their shopping experience

31% want AI to support retail experiences by making marketing more personal

AI

Marketers

- **94%** agree that using AI saves them an hour or more on a typical campaign launch
- **78%** report a boost in customer engagement after introducing artificial intelligence into their campaigns
- **72%** have increased their investment in AI in 2024 to boost customer engagement
- **75%** reporting a boost in customer loyalty thanks to AI
- **77%** are also using AI to unlock previously unseen insights from their customer data

State of 2024 for Marketers



**Empowered
Consumers**

**Privacy-first
Omnichannel
Personalization**

**Business
Disruption**

Benefits of AI in Marketing

75%

of marketers report an increase in customer loyalty since adopting AI into their campaigns

78%

of marketers report an increase in customer engagement since adopting AI-powered personalization into their campaigns

88%

of marketers believe AI is 'essential' to increasing customer engagement in 2024

84%

of marketers report higher open rates when their email subject lines are written by AI



Tradition Meets Transformation

Tradition

is creating a brand experience people love and remember.

Transformation

means taking the marketing skills, capabilities, and processes that you already have and maximizing them.

EXCEPTIONAL
BRAND MOMENTS

EXCEPTIONAL
BRAND MOMENTS

CREATIVITY

CONNECTION

MEMORIES

PERSONALIZATION

TRADITION

TRANSFORMATION

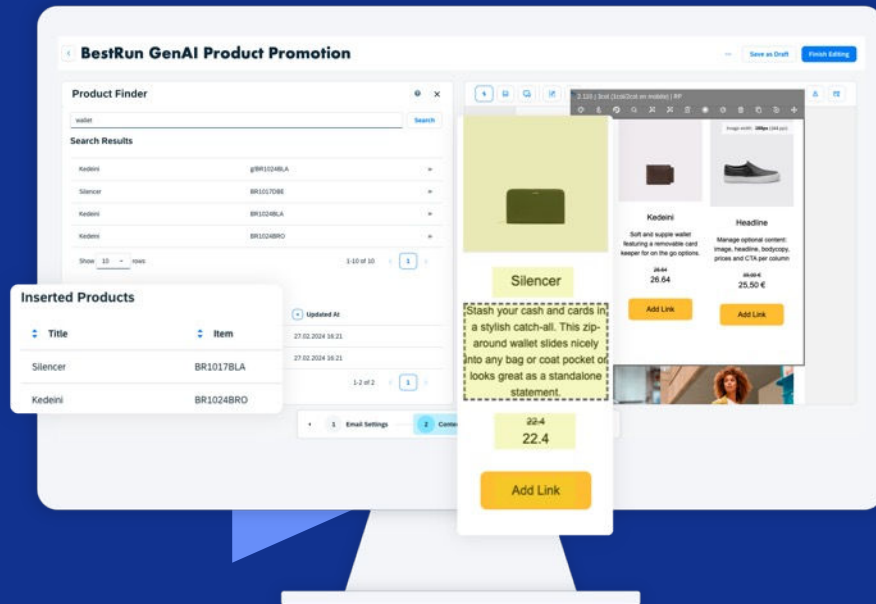
PREDICTIVE & GEN AI

AUTOMATION

UNIFIED CUSTOMER DATA

SAP Emarsys is empowering marketers with Gen AI

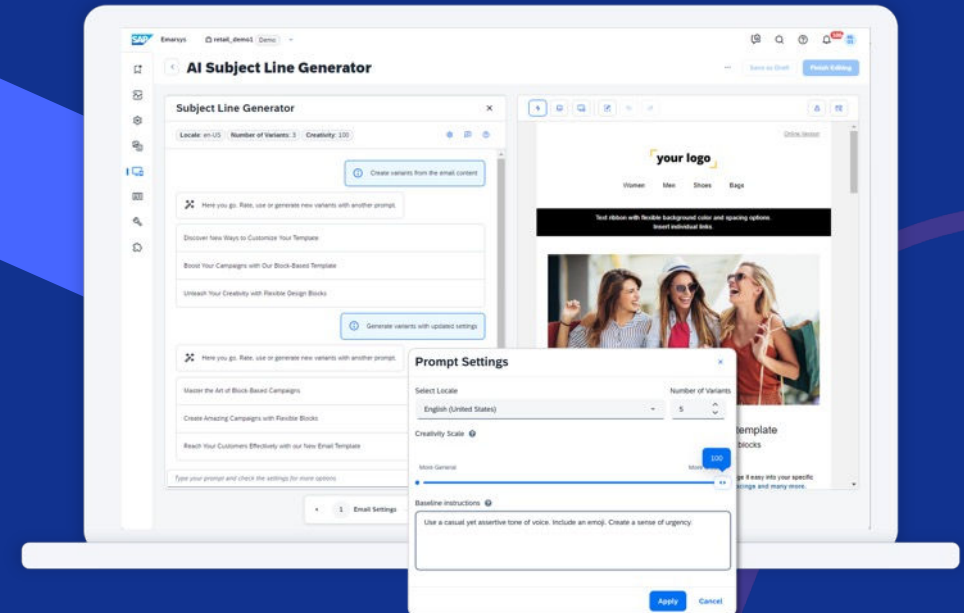
35% of consumers say AI is helping them find products



AI Product Finder

Easily retrieve product catalog information using natural language commands to quickly create compelling, personalized product-based campaigns

84% of marketers also say that email subject lines generated by AI receive higher open rates



AI Subject Line Generator

Build campaigns more efficiently and effectively with optimal subject lines, powered by generative AI

Data and Privacy Concerns

73% of consumers are concerned about AI using their personal data during retail purchases

Only 24% report a high level of trust in AI-powered retail services

22% report a high level of trust in retailers to protect their personal information

87% believe it's important for retailers to be transparent about their use of personal data

77% believe it's important for retailers to prioritise ethical AI use

- **40%** believe it is 'very important'

59% are confident in the data privacy of AI

- **Only 16%** are not confident in the data privacy of AI



Data Privacy and AI Regulations



- ✓ Four major US agencies, including the Federal Trade Commission (FTC) and the Department of Justice (DOJ), issued a joint statement outlining their commitment to ethical use of AI.
- ✓ The new EU AI Act's framework focuses on fostering trustworthy AI through compliance while allowing flexibility to innovate
- ✓ SAP Emarsys believes these new regulations are positive for businesses and consumers.

59%

of US consumers are confident in the data privacy laws surrounding AI

91%

of marketers agree this legislation is a significant step towards responsible AI

91%

of marketers think it will increase consumer trust in brands using AI



Learn more on

**SAP Emarsys' Response to
EU AI Regulations**



qrco.de/eu-ai



Register for

**Power to the Marketer
Omnichannel Masterclass
Product Launch**

June 12-13



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THANK YOU

MARKETERS | CUSTOMERS | PARTNERS | THOUGHT LEADERS

Research Methodology

The research was conducted by Opinion Matters, among a sample of 2,024 consumers and 255 marketers in US. The data was collected between 03.21.2024 - 03.28.2024. Opinion Matters abides by and employs members of the Market Research Society and follows the MRS code of conduct which is based on the ESOMAR principles. Opinion Matters is also a member of the British Polling Council.