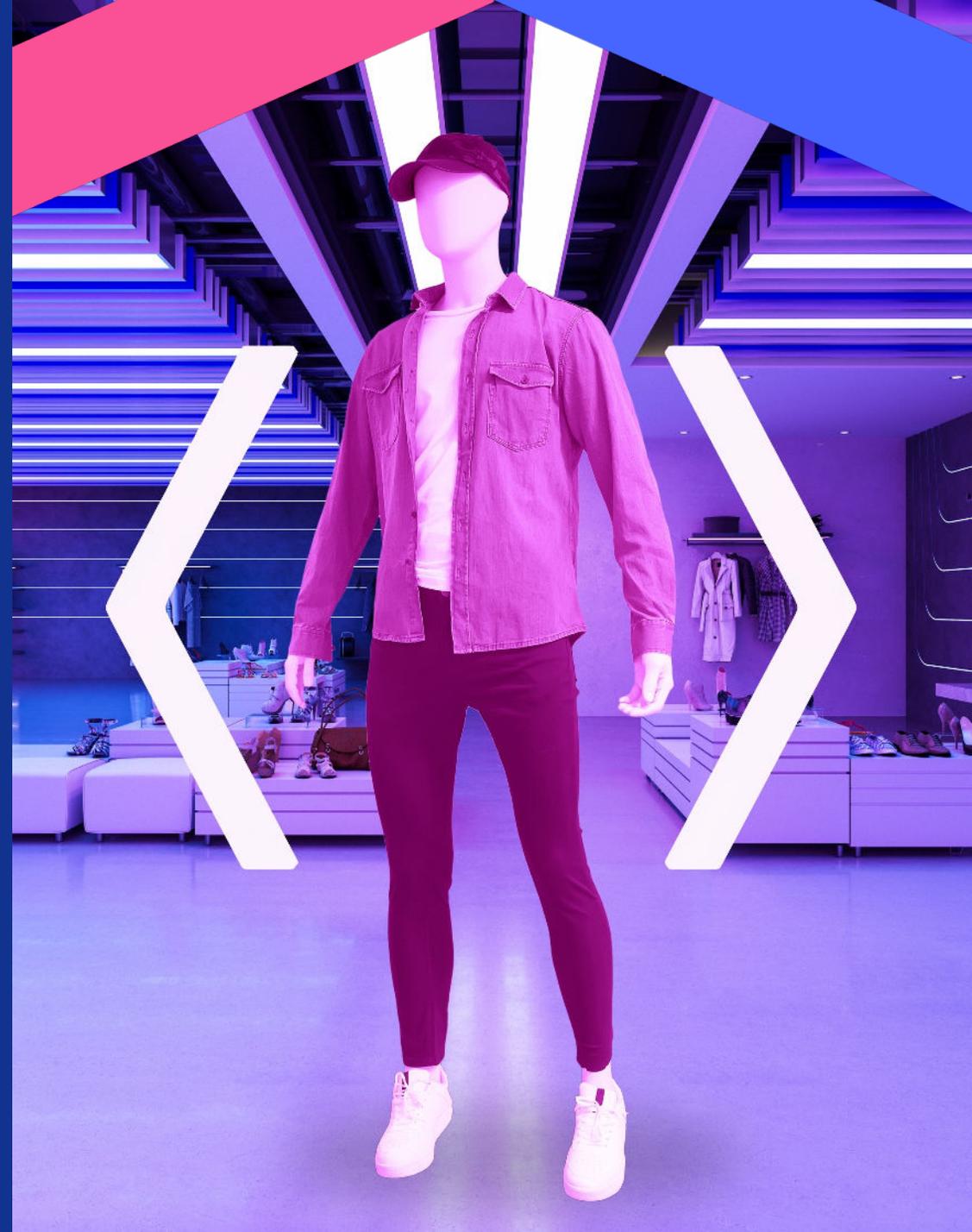


# AI in Retail Report: Power to the Marketer

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



# Sara Richter

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 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.”



# Research Methodology

The research was conducted by Opinion Matters, among a sample of 8,055 consumers and 1,027 marketers in the UK, US, Germany, and Australia. The data was collected between 21.03.24 – 27.03.24.

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.

Additional research with 2,000 consumers and 150 marketers in UAE was conducted by 3Gem between 01.05.24 – 03.05.24. Percentages represent an average of data across all regions.

# Current State of Retail: What are retailers getting wrong?

**44%**

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

**25%**

of shoppers find it too difficult to return items

**23%**

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

**25%**

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



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

**56%**

believe AI-powered recommendations have improved their online shopping experience

**48%**

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

**51%**

are satisfied with the AI-powered product recommendations they receive

**45%**

are satisfied with AI chatbots on retail sites



# What is the demand for AI adoption?

- **53%**  
are optimistic about AI-powered retail
- **58%**  
of shoppers support further integration of AI into retail
- **55%**  
would support the adoption of AI-enhanced 'virtual try-ons' in fashion retail



# Convergence

## Consumers

## Marketers

**63%** believe AI is having a positive impact on their retail experiences

**39%** want AI to support them in finding new products

**29%** want AI to support retail experiences by making marketing more personal

AI

- 89%** agree that using AI saves them an hour or more on a typical campaign launch
- 68%** report a boost in customer engagement after introducing artificial intelligence into their campaigns
- 71%** have increased their investment in AI in 2024 to boost customer engagement
- 69%** reporting a boost in customer loyalty thanks to AI
- 70%** 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

**69%**

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

**68%**

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

**74%**

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

**67%**

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

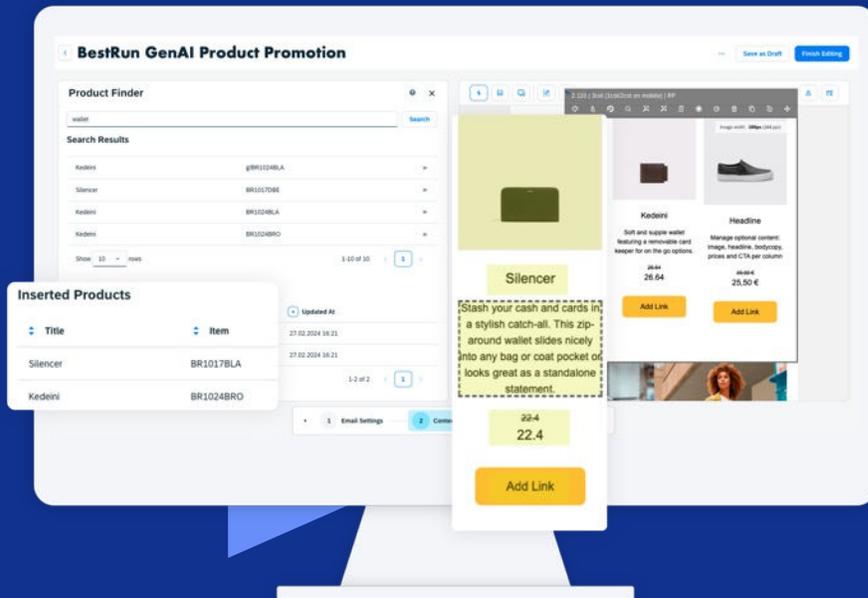
UNIFIED CUSTOMER DATA

PREDICTIVE & GEN AI

AUTOMATION

# SAP Emarsys is empowering marketers with Gen AI

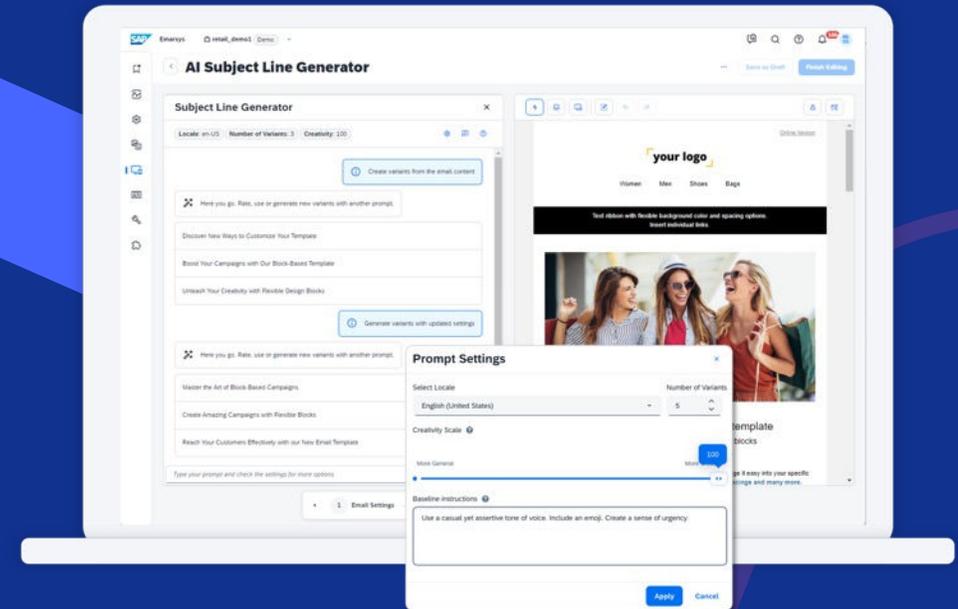
**39%** of consumers say AI is helping them find products



## AI Product Finder

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

**67%** 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

**69%** of consumers are concerned about AI using their personal data during retail purchases

**Only 20%** report a high level of trust in AI-powered retail services

**20%** report a high level of trust in retailers to protect their personal information

**88%** believe it's important for retailers to be transparent about their use of personal data

**78%** believe it's important for retailers to prioritise ethical AI use

- **37%** believe it is 'very important'

**56%** are confident in the data privacy of AI

- **15%** are not at all confident in the data privacy of AI



# Advocates vs. Skeptics – Regional Differences in Opinions Around AI

Marketers who agree that AI is essential to increasing customer engagement in 2024

85% UAE

vs

58% Germany

Marketers who use AI in decisions about sustainability

81% US

vs

37% UK

Marketers who believe that the consequences of not complying with the EU AI Act is too harsh

61% Australia

vs

32% UAE

Consumers who support further integration of AI into retail

85% UAE

vs

43% Australia

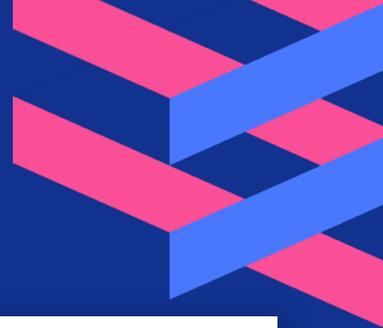
Consumers who are optimistic about AI-powered retail

84% UAE

vs

41% UK

# Data Privacy and the EU AI Act



- ✓ 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.

**56%**

of consumers are confident in the data privacy laws surrounding AI

**75%**

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

**74%**

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



Learn more on

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



[qrc.de/eu-ai](https://qrc.de/eu-ai)



Register for

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

June 12-13



[qrc.de/pttm24](https://qrc.de/pttm24)

**THANK YOU**

MARKETERS | CUSTOMERS | PARTNERS | THOUGHT LEADERS