7 Experts Weigh in on the Future of Retail and E-Commerce in an AI World

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There are two main forms of commerce right now: e-commerce and retail. Both of these are about to go through some serious change as new technologies start to shape the landscape of commerce. The transformation of commerce by technologies like artificial intelligence (AI) and machine learning will take big data and small data to create personalized customer experiences that will drive a third future hybrid category fueled by AR/VR: on-demand retail experiences.

The future of commerce

Business environments are always evolving. Technology is changing the landscape of commerce. As many technologies converge, there is a gap between what is possible and how businesses adopt new technology. We see this in commerce with the current battle between e-commerce and retail. Many people are counting out retail too soon as retail has the advantage of being able to create richer shopping experiences. In a recent post I wrote about how retail can survive digital disruption, I talk about how the on-demand benefits of e-commerce can be combined with the ability to create physical experiences. When you add technology like augmented reality (AR) and virtual reality (VR), you open a whole new world of immersive onsite and offsite personalized on-demand shopping experiences. Anh Nguyen gives us a glimpse into the power this future could hold as these technologies converge:

"Consumer information gleaned from AI interactions will only continue to enhance personalized marketing messages. This is impactful for mobile e-commerce—recommended purchases based on past or similar purchases; special offers and ads served at the right time or location. What's even more exciting to think about is the possibility of using AR shopping experiences to drive the ads a consumer receives. A shopper uses an AR app to virtually try on clothing, then receives a special offer for that clothing when she is at the store. It'd be a mobile marketing ecosystem with AI, AR, and mobile tech used for a very personalized and great customer experience!" – Anh Nguyen, Top 25 Social Media Influencer and host of #Mobilechat

Consumer info gleaned from #AI interactions will only enhance personalized #marketing messages @AnhTNguyen

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How far off are we from this alternate commerce reality? VentureBeat writer Stewart Rogers gives us his perspective on where we are at and where we are going:

"AR will be more impactful on retail than VR, but we are still a ways out on the technology. Some companies like Daqri are crossing thresholds needed to deliver immersive AR experiences capable of working in different environments, but for now we will look to AR on mobile. Retailers not embracing mobile AR in the next 6 months are going to lose ground as this technology mixed with mobile cross-channel experiences will be a first step towards retail reinvention." – Stewart Rogers, Writer and Analyst for VentureBeat

AR will be more impactful on retail than VR. Retailers not embracing mobile AR soon will lose ground @TheRealSJR

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Consumer messaging in a modern world

How will we create consumer messaging in this future environment? The answer is holistically, personally, at the

right time, and on the right device. The collection of devices will create the complete customer experience. As consumers move, their brand experiences will move with them. Al and company data along with social data will produce a trove of insights to deliver the right messages to enhance the overall experience. Dennis Yu shows how social data goes beyond obvious recommendations to predictive recommendations that align with the complete personalized campaign and looks beyond owned data to social environments to create recommendations similar to what people might get from trusted friends.

"The strongest buy signal is a recommendation from a friend. Imagine what's possible when Facebook's social data gets integrated with POS and online store data. The newsfeed algorithm can do triple duty by powering recommendations for awesome things you didn't even know to search for, bolstered by ads." – **Dennis Yu, CTO of BlitzMetrics and Contributor to Adweek and Social Media Examiner**

The strongest buy signal is a rec f/friends. Imagine what happens when Facebook's data integrates w/POS –Dennis Yu

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Companies that are early adopters of data-driven marketing are reaping the benefits and leading their categories. You can can't afford to sit back and watch, waiting for mass adoption and the green light of safety because everything is proven to work. Social media has paved the way of granular data to drive personal recommendations and that is just the start, as Brian Carter explains:

"Personalization is already changing marketing and business—both Amazon and Facebook use it heavily and they are dominating their categories. Personalization on Amazon makes the experience more relevant and that makes you more likely to buy. Personalization on Facebook makes it an addictive social experience and empowers advertisers to target and do market research like never before." – **Brian Carter, Author, Speaker, and Founder of The Brian Carter Group**

Personalization is changing marketing to make CX more relevant—just look at Amazon & Facebook – Brian Carter

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Technology-assisted humans

Will all this technology reduce the need for human contact and input? Quite the opposite. Companies will be able to use this ability to message at a one-to-one level at scale to create deeper, richer brands that matter more to their consumers. Marketing automation is not about less human interaction; it's about having the insights to create a more human brand. This is where true customer-centricity will thrive. **Ted Rubin, CMO of Brand Innovators and Co-Founder of Prevailing Path**, states it well:

Marketing will truly win when humans control the machines instead of the machines controlling the humans @TedRubin

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Customer-driven experiences

Historic customer data can lead the way to also create an ongoing unique relationship with the customer and integrate that into the marketing messaging they receive. It will open the gates to generating customer loyalty, which up until now has been an afterthought to new customer acquisition. Future sales belong to loyalty and a shift from looking for new customers to keeping past customers will enable organizations to grow more revenue and stability in a volatile future. As Denise Lee Yohn puts it, this will lead to more engaging experiences with the customers you already have:

"Companies have access to so much information about their customers, not only about the products they use but also how they use them, how they engage with brands, which kinds of relationships they want with them, etc. You can use this information to do personal selling at scale. You can identify those customers who are going to be your most profitable & loyal ones and then make each of them—even if there are millions of them—feel like they are your most important customer by tailoring how you engage them, what you offer them, etc. Shopping will become more personalized and more engaging."

She further goes on to say how this new consumer messaging environment will lead to exponential possibilities with collaboration across virtual and physical experiences.

"You no longer have to imagine what something will look like when you wear it or put it in your home. AR and VR lets you see it and enjoy it before you buy. And just as you are able to co-create products with brands now, AR and VR will enable you to co-create experiences in the future. Shopping will become less about buying something to use in the future and more about experiencing, enjoying, and entertaining in the moment." – **Denise Lee Yohn, author of** *What Great Brands Do*

Shopping is less about buying smtg to use in the future & more about experiencing it in the moment @deniseleeyohn

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Real time, right time

This shows the real-time nature of the future of business. There will come a time when the experiences you create in real time matter more than your whole brand history. When "new" is the battlecry of relevance and value, what your brand can execute in the moments that matter will be all that matter. Jessika Phillips nails it with this:

"Personalized shopping experiences are the future of business. Customer experiences will beat price as the #1 reason someone will choose your brand over a competitor. It's crucial that brands truly understand their buyers and are progressively profiling them in order to customize the right experience. Customers don't have to wait anymore. There are more options than ever before. Convenience, accessibility, and ease of doing business with a brand is the ultimate win." – Jessika Phillips, Founder of Now Marketing Group

CX will beat price as the #1 reason someone will choose your brand over a competitor @jessikaphillips

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Final thoughts

Building the future and positioning your business for success always starts with understanding—understanding how you can leverage modern technologies to stand out in a crowded market and become the brand of choice for your consumer base.

If you want to learn how to do just that, check out this report from digital analyst Brian Solis, where he offers marketers a blueprint for conquering the current era of digital disruption. Simply click the button below!