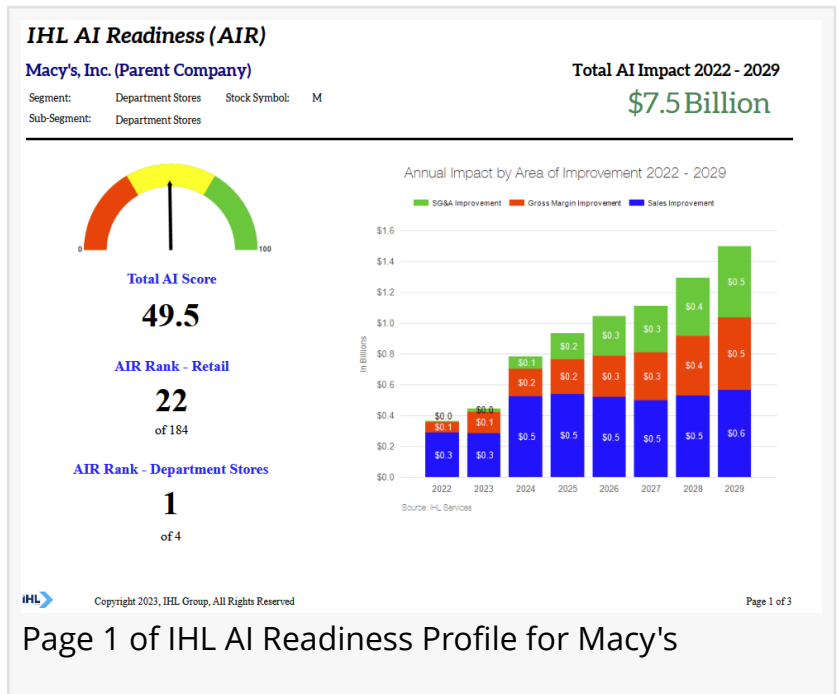


# Macy's Could See Over \$7.5 Billion in Additional Business Gains from AI Through 2029

*New research projects increased sales opportunities, improvements in gross margins, and lower expenses due to AI Readiness*

NASHVILLE, TN, UNITED STATES, December 1, 2023 /EINPresswire.com/ -- Department store chain Macy's, Inc. could see over \$7.5 billion in business improvements by the end of the decade due to Artificial Intelligence (AI) according to new research from IHL Group, a leading technology research and advisory firm. The [Retail AI Readiness Profiles](#) research nearly 200 North American public retailers and restaurant chains, evaluates the companies based on AI Readiness, providing invaluable insights into the potential impact AI can bring to their organizations.



According to the research, Macy's could see as much as \$3.8 billion in increased sales, \$2.1 billion in improved gross margins through lower product costs, more optimized pricing, and supply chain improvements, and then reduce by \$1.7 billion sales and generative administrative costs through 2029.

“Our research approach was to start by looking at opportunities from an industry-level, then to the segment and specific retailer level leveraging our public and private data,” said [Greg Buzek, President of IHL Group](#). “We then applied a 9-point algorithm to each company that measured items like data maturity, analytics maturity, alignment with key vendors, as well as free cash flow.”

The research includes gains that can be made through traditional AI/ML technologies, Generative AI, and the potential for Artificial General Intelligence. These figures do not include any savings

from reducing headcount, rather they focus on creating more efficiency and supporting growth/lower expenses through greater efficiencies only.

These figures do not consider any cost savings resulting from workforce reduction. Instead, it solely emphasizes the creation of greater efficiency to support growth and reduce expenses.

In total, each of the retailer profiles includes the following data:

- Total AI Impact from 2022-2029: Combined impact from traditional AI/ML, Generative AI, and Artificial General Intelligence.
- Annual Impact by Income Statement Category: Gains in sales, gross margins, or lower operating costs.



Our research leveraged public and private data. We then applied a 9-point algorithm to each company that measured data maturity, analytics maturity, alignment with key vendors, and free cash flow."

*Greg Buzek, President IHL Group*

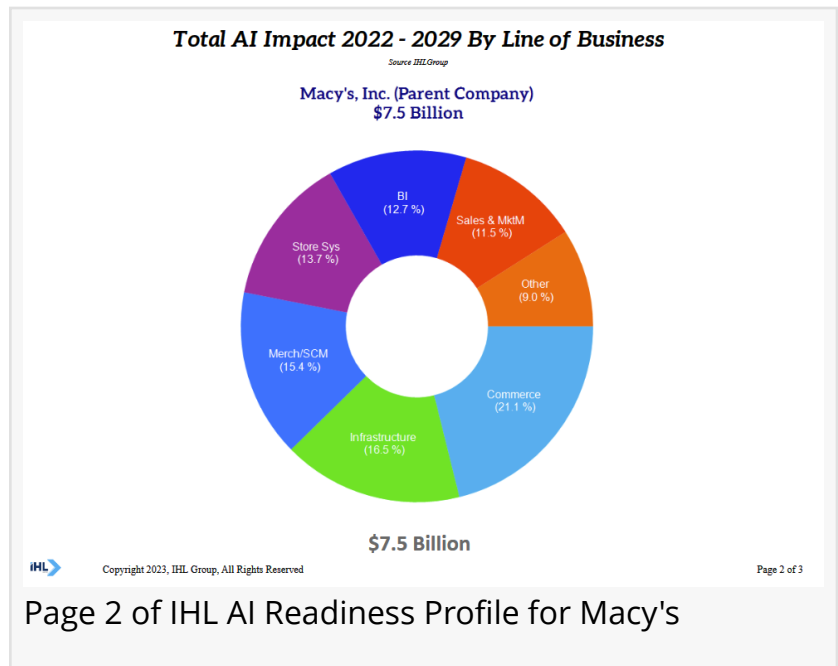
- Total AI Readiness Score and Rankings vs Competitors: Shows competitiveness in segment and overall retail market
- AI Impact by Line of Business: Explore the AI potential in Merchandising/Supply Chain, Sales & Marketing, Commerce, Infrastructure, BI/Analytics, Store Systems, and other areas such as Collaboration, ERP, and Legal.
- Benefits by Specific Solutions: For instance, under Merchandising/Supply Chain gain insights on benefits gained via Order Management, Assortment and Allocation Planning, Distribution Systems, Warehouse Management, etc.

For a glimpse into the rich data and insights provided by these profiles, you can access the [Macy's profile here](#).

The Retail AI Readiness Profiles are available for individual companies or enterprises can access the entire directory of profiles with ongoing access to updated data as systems evolve.

About IHL Group:

IHL Group is a global research and advisory firm headquartered in Franklin, Tennessee, that provides market analysis and business consulting services for retailers and information



technology companies that focus on the retail, hospitality, and consumer goods industries. For more information, see [www.ihlservices.com](http://www.ihlservices.com), call 615-591-2955 or e-mail [ai@ihlservices.com](mailto:ai@ihlservices.com). Press inquiries, please use [press@ihlservices.com](mailto:press@ihlservices.com) or the phone number above.

Note: This report is intended for informational purposes and does not constitute financial or investment advice. Please refer to the complete report and methodology for a detailed understanding of the data and analysis.

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**Top Categories by Line of Business for Potential AI Impact 2022-2029**  
 Macy's, Inc. (Parent Company)

Category	Value	Category	Value
<b>Merchandise/SCM</b>	<b>\$705.6m</b>	<b>Sales and Marketing</b>	<b>\$498.2m</b>
Enterprise Order Management	\$201.1m	Promotions Management	\$132.3m
Assortment and Allocation Planning	\$137.3m	CRM For Retail	\$128.6m
Multi-Channel Merchandise Management	\$131.9m	Price Mgt. and Optimization	\$107.0m
Replenishment	\$127.6m	Call Center	\$67.3m
Distribution	\$107.7m	Digital Content Creation	\$63.1m
<b>Store Systems</b>	<b>\$586.3m</b>	<b>Infrastructure</b>	<b>\$891.0m</b>
Other Store Systems	\$245.1m	Other Infrastructure	\$502.0m
Loss Prevention	\$138.3m	Desktop/Laptop	\$155.6m
Fraud Prevention	\$73.8m	Anti-Virus/Firewall	\$84.3m
Receiving And Ordering For Retail	\$66.4m	Store Monitoring	\$76.2m
Payment Systems and EMV	\$62.8m	Platform-Application Server SW Platform	\$72.9m
<b>Commerce Solutions</b>	<b>\$1,082.4m</b>	<b>Business Intelligence</b>	<b>\$487.9m</b>
Cross Channel Integration	\$311.0m	Inventory Optimization	\$129.6m
B2C-Web (Desktop)	\$239.9m	Predictive Analytics	\$101.0m
B2B-Web (Desktop)	\$200.9m	Multi-Channel Analytics	\$93.4m
B2B-Mobile/Tablet	\$181.0m	Big Data Tools/Integration	\$82.3m
B2C-Mobile/Tablet	\$149.6m	Web Analytics	\$81.6m



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