

Retailers That Use AI Enjoy Over 2x Sales Growth and Nearly 3x Profit Growth Compared to Competitors

New research looks at AI/ML use across 11 different retail application areas and compares retail performance

NASHVILLE, TENNESSEE, UNITED STATES, December 14, 2023 /EINPresswire.com/ -- A new study conducted by [IHL Group](#) reveals that retailers who have already embraced Artificial Intelligence (AI) and Machine Learning (ML) are experiencing remarkable success, with sales growth rates for 2023 over 2x with

expectations of nearly 3x the profit growth in 2024 compared to their competitors. The study, titled "[Winning the Race of Innovation](#): How Top Performing Retailers are Investing in Technology," highlights the transformative power of AI in driving operational efficiency and elevating customer engagement to unprecedented levels.

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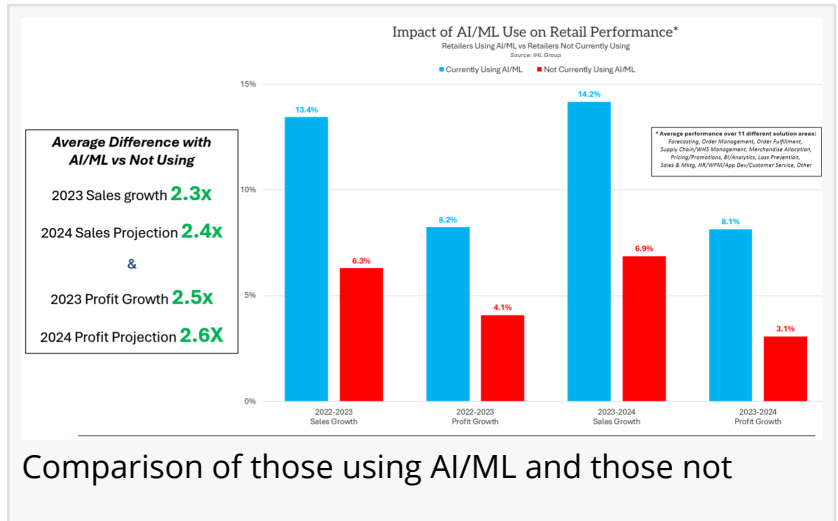
It is no longer a question of if AI/ML is making a difference. The data shows it is clearly a differentiator that will continue to deliver results and help leading retailers lap their competition.”

Greg Buzek - President of IHL Group

The research indicates that data maturity and the use of Artificial Intelligence with Machine Learning across a variety of software functions is becoming a true differentiator. The research looked at existing AI/ML use in 11 categories of software (Forecasting, Order Management, Order Fulfillment, Supply Chain/WHS Management, Merchandise Allocation, Pricing/Promotions, BI/Analytics, Loss Prevention, Sales & Mktg, HR/WFM/App Dev/Customer Service, Other).

Compared to those who have not adopted AI/ML, these

retailers are witnessing sales growth 2.3x and profit growth 2.5x that of their competitors for the year 2023. Projections for 2024 also indicate a similar trend, with estimated sales growth of 2.4x and profit growth of 2.6x.



"It is no longer a question of if AI/ML is making a difference," said Greg Buzek, President of IHL Group. "The data shows it is clearly a differentiator that will continue to deliver results and help leading retailers lap their competition."

In today's fast-paced market, innovation is not just an option; it is a necessity for staying relevant. The study underscores the strategic priority that retail leaders are placing on AI, with its integration across various domains such as pricing, forecasting, marketing, and customer relationship management. By harnessing the potential of AI, these industry trailblazers are not only streamlining operations, but also redefining the shopping experience for their customers.

The [research study](#) also sheds light on the pivotal role of other emerging technologies that are set to shape the retail landscape in 2024. From data lakes and 5G at the store level to radio-frequency identification (RFID) and computer vision, leaders are leveraging these technologies to gain valuable insights, optimize operations, and stay ahead of the competition.

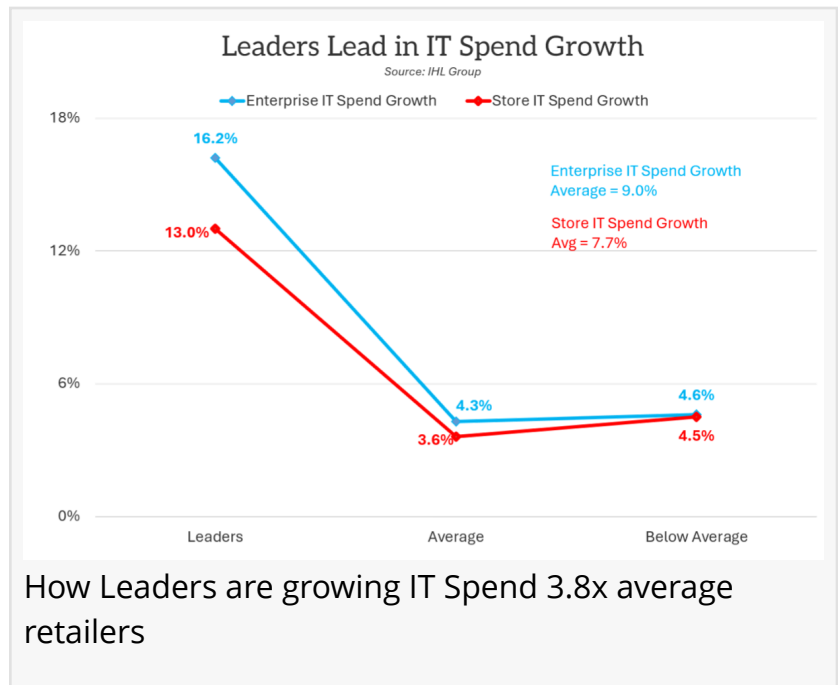
Moreover, the study outlines the pivotal role of other key technologies that are set to define the retail space in 2024. It details the adoption curves of foundational systems like Point of Sale (POS), Self-Checkout, Mobile POS, and Mobile Checkout, as well as innovative solutions like Electronic Shelf Labels.

The widening gap between leaders and laggards in the retail industry is apparent. To secure victory in the race for innovation, retailers must not only invest but also innovate with intent and insight. The study provides valuable insights into the critical purchasing timeframes for these transformative technologies, enabling vendors to forecast opportunities and align their strategies accordingly.

The "Winning the Race of Innovation" study is now available, offering a blueprint for success in the evolving retail landscape. Retailers who embrace AI and other emerging technologies will not only thrive but also reshape the way we shop.

About IHL Group:

IHL Group is a leading global research and advisory firm specializing in retail technology and innovation. With a team of seasoned experts, IHL Group provides strategic guidance to retailers,



technology vendors, and investors, enabling them to navigate the ever-changing retail landscape and achieve success in the digital era. For more information, visit www.ihlservices.com.

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