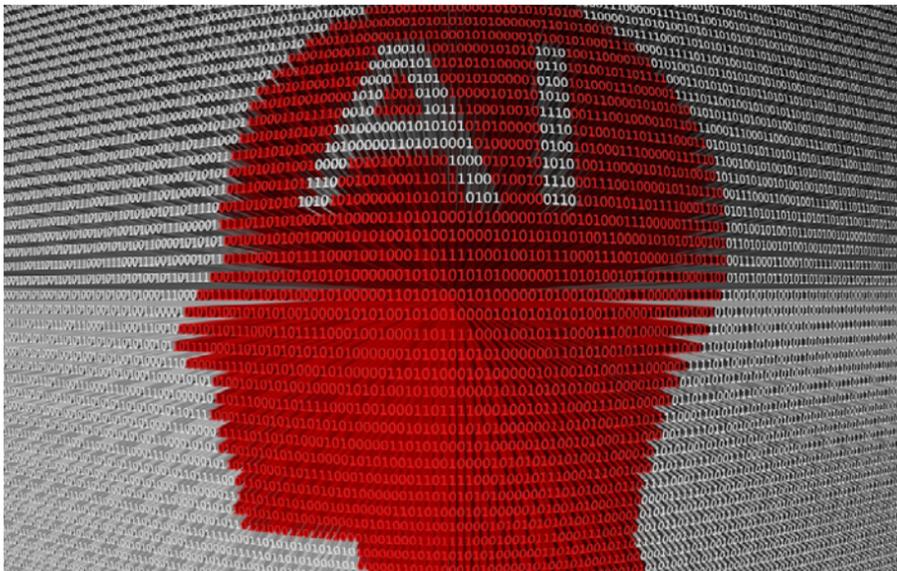


In Focus: Business Insights



TECHNOLOGY

One-Third of Shoppers Spend More When AI Is Used

- A recent survey from PointSource also showed a larger number of shoppers preferred chat bots over humans when researching products online.

BY ARTHUR ZACZKIEWICZ

When it comes to resolving problems, consumers prefer to speak with a real, live person. But when it comes to other interactions, chat bots are preferred, according to a recent study from PointSource, a Globant company. The survey also revealed that

when artificial intelligence is deployed tactically, one-third of shoppers will dole out more money on a online site.

Findings of the survey showed that when looking for product information online 34 percent of respondents preferred a chat bot over a human. With checking to see if products are in stock, 38 percent preferred AI/chat bots while 36 percent said the same for when they were looking for pricing information or discounts. Searching for delivery information and tracking deliveries garnered 36 percent and 39 percent of preferences, respectively.

“However, consumer comfortability with AI assistance significantly drops off

TECHNOLOGY

SMCP Taps PredictSpring To Elevate Store Experience

- The conglomerate, owner of Sandro, Maje and Claudie Pierlot, will deploy endless aisles and clienteling features under the partnership.

BY ELIZABETH DOUPNIK

SMCP – the parent company of Sandro, Maje and Claudie Pierlot – has tapped PredictSpring, a unified platform for mobile apps across channels, to deploy a mobile store associate app to enhance digital store experiences. The app will align online and off-line segments and will aim to improve shopping journeys for Maje by partnering with both PredictSpring and

Salesforce Commerce Cloud.

“Stores play a critical role in SMCP’s direct-to-consumer strategy and through the partnership with PredictSpring, we have created a premium digital in-store experience for both the associate and the customer. Our store associates have been impressed with the app’s ease of use and functionality and have quickly adopted this new technology,” said Flavien d’Auffret, SMCP digital and CRM director.

With the new technology, in-store associates will be empowered to deliver white-glove service. The software will deliver endless aisle features, which will allow store associates to review availability of online inventory and within stores close by. It will aim to minimize out-of-stock roadblocks, while maximizing inventory at secondary or smaller boutique locations.

In line with that, store associates will have access to a shopper’s information, previous e-commerce purchases, and what items have been added to an online shopping cart. Furthermore, mobile point-of-sale checkouts will be available to provide access to customers’ preferred payment methods.

Branded content will also play a role in connecting with shoppers, while upping brand messaging. Shoppers will have the

for more complicated, high-stake retail interactions,” said a spokesperson for the company. “The study found 80 percent of consumers prefer to speak with a human when resolving problems post-purchase, and another 71 percent want the human element during the in-store experience.”

But when AI/chat bots are deployed tactically, 49 percent of respondents said they are “willing to shop more frequently” while 34 percent said they “will spend more money and 38 percent will share their experiences with friends and family.”

In the report from PointSource, “Finding Common Ground Between Consumers and Artificial Intelligence,” researchers said most consumers have had interactions with AI-powered chat bots, but might not have known it.

“However, according to our findings, just over half (54 percent) of U.S. consumers report having used an AI application in the past year,” authors of the report said. “Consumers still lack a firm understanding of what AI experiences can look and feel like today, which means that many AI-powered touch points go unrecognized as such.”

The authors of the report said that AI experiences occur daily for most consumers and include Facebook advertisements as well as Amazon recommendations, insurance underwriting and Google image searches. The AI experiences are well integrated into everyday experiences that it feels normal to consumers.

“This low barrier of entry helps brands get a foot in the door and boosts consumers’ comfort level with the changing technology,” researchers said in the report. “However, the ability of early AI solutions to reside beneath the surface has promoted a disconnect between consumers and the technology.”

What’s needed is a clear understanding of what consumers desire in a chat bot experience, which include addressing issues such as security, friction points, personalization and accuracy and overall enjoyment of the experience.

RETAIL

Dollar Stores Drive Weekly Retail Sales Up 3.4%



Family Dollar has over 8,000 units.

- The gains follow explosive sales growth of chains such as Dollar General, which opened 1,000 stores in 2017.

BY ARTHUR ZACZKIEWICZ

Year-over-year retail sales remain robust as The Retail Economist-Goldman Sachs Weekly Chain Store Index showed a 3.4 percent gain. Week to week, sales showed a slight gain of 0.1 percent for the period ended Saturday, Jan. 20.

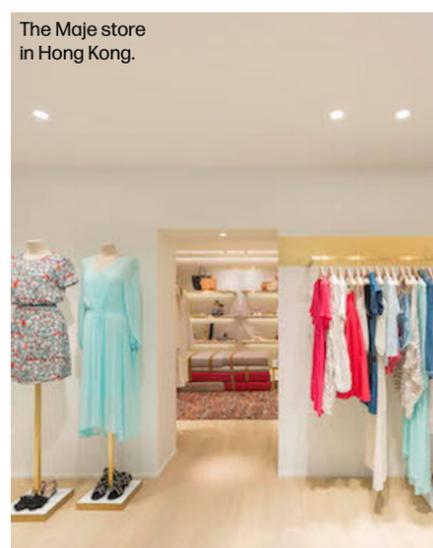
The year-over-year gains were driven by strong sales at dollar stores and grocery chains, noted Michael P. Niemira, chief economist of The Retail Economist LLC. One of the largest dollar store chains, Dollar General, recently announced a new distribution center in Texas to support its rapid growth.

Amid store closings across the retail sector, Dollar General Corp. opened 1,000 units in 2017, which brought its total store base to over 14,000 stores in 44 states. The Gregg County, Tex. distribution center will be the chain’s 17 DC. Construction is set for early this year, and the facility will generate over 400 jobs. The company has more than 1,400 stores in Texas alone.

During its most recent quarterly sales call, the company noted that despite the negative impact of “hurricane-related charges” net income rose 7.7 percent to \$253 million on a sales gain of 11 percent to \$5 billion. Dollar General is on track to post annual sales next month of \$23.5 billion, according to S&P Capital IQ. The retailer’s market capitalization is \$27.7 billion.

And more store openings are planned. Todd Vasos, Dollar General’s chief executive officer, said during the call last month that for this year, the company has “plans to execute approximately 2,000 real estate projects comprised of 900 new stores, 1,000 store remodels and 100 store relocations.”

The company’s closest competitor in the dollar store space is Dollar Tree Inc., which operates about 14,330 stores in 48 states. It’s on track to post annual sales of \$22 billion, according to S&P Capital IQ. Dollar Tree also owns Family Dollar, which it acquired four years ago in a deal valued at \$8.5 billion.



The Maje store in Hong Kong.

ability to peruse look books, social posts and brand news.

“The modern store experience goes beyond the transaction, it’s about building a relationship with the customer and providing a concierge-driven experience. Equipping store associates with innovative tablet-based technology enables them to better serve and engage with the customer,” said Nitin Mangtani, founder and chief executive officer of PredictSpring.