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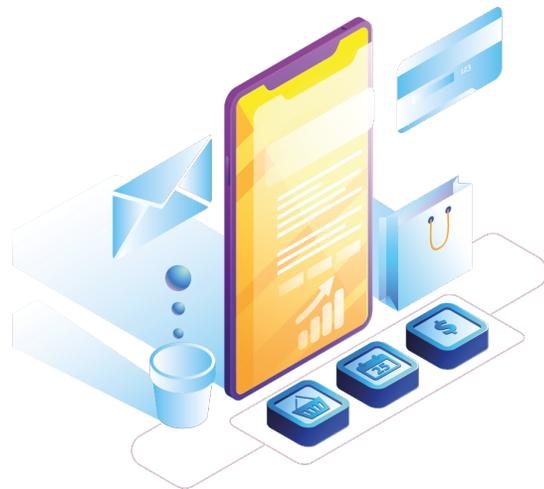
Riding the Wave of Change in Retail

The big wave of change in Retail is here. Disruptors are reshaping the industry. Retailers know they need to innovate quickly or get left behind.

3D Digital Transformation, Artificial Intelligence and Robotics are reinventing the industry in a quest to save time, save money, and increase profitability but what's working and what's not working?

3D Digital Transformation is a priority today for businesses looking to streamline operations by virtualizing the way they bring product to market.

Today, developing product based entirely on traditional physical methods is no longer viable because of time, cost, and decision-making constraints. In order to be truly competitive, you need to be thinking about how digital will change your creation process, concept to consumer, as well as commerce, and this must include 3D.



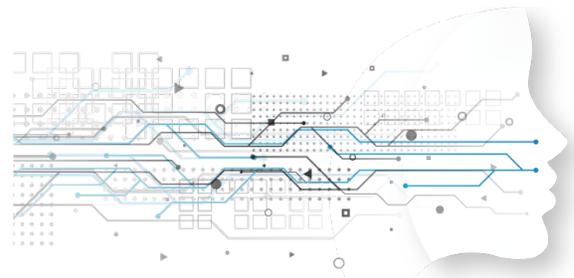
Virtualizing the product process through 3D Digital Transformation provides the fashion industry with a flexible, fast, sustainable platform that actually arrives at a better physical product in less time, for less money, and to a higher level of quality. This enhances competitive positioning by innovating on how the consumer relationship is approached as well as

providing a better value proposition from concept to consumer.

Retailers and brands are laying down the foundations to build platforms that support 3D Digital or they are trying to scale their current 3D efforts. There are many drivers focused on costs, revenue, sustainability, and getting closer to the consumer.

The one driver that can't be overlooked is employee buy in. 3D Digital Transformation affects every department from design, product development, merchandising, retail, and sales. It won't be successful unless it's at the center of the entire organization. It takes planning, teamwork and communication in order to build a strong technical foundation for success.

Artificial Intelligence allows retailers to transform massive volumes of data into actionable insights. AI can give organizations the competitive edge by using analytics and statistical algorithms to create demand forecasts.



By integrating sophisticated programs into their existing systems, retailers can drive improvements in the revenue lines or cost lines of their business. Data science, a field of AI, adds value by using a logic based, scientific approach to aid in pricing, markdown, space and range optimization.

By utilizing data science in product space allocation, calculating optimal space, fixture, and item on-shelf allocation based on forecasted demand and profit potential is possible.

With automating the decision making, pricing and markdown strategies that take days to plan can now be done in less than an hour with a better quality outcome. Algorithmic retailing enables hundreds of different pricing and markdown strategies to be modeled automatically and in near real time with any variable, such as varying dates, durations, depths of markdown and locations.

“Retailers can compare their range architecture against those of their competitors in real time and respond to it using AI solutions. Most of the solutions that exist are custom built using AI technologies by experts in those technologies to create something that is tailored specifically to your business”

-- Subir Gupta TPC Co-Founder and Managing Principal.

However, AI's purpose of crafting insights and relying on data, is only one side of the equation. It can't calculate the human factor, and understand the psychology involved in the purchase. The algorithmic success stories have an understanding of the data as well as how human psychology plays a role in the customer decision making.

Retailers need to consider their customer in every price and promotion decision to win their hearts, minds and wallets. Computers are also not very good at automatically formatting and cleaning data, but humans are. Therefore, data governance must be an essential part of utilizing AI.

The best outcome will require a mosaic of different solutions. AI's role in informed design, the future of merchandising and how this dovetails with the visual/3D effort, along with an entire area of consumer-data based decision-making has retailers hopeful for the future.



Retail Robotics are essentially software bots doing manual tasks. Often referred to as RPA or robotic process automation, this technology works with existing software to automatically complete a process. RPA strengthens effectiveness and efficiency of operational and technical activities.

The benefits go far beyond cost savings and increased productivity. These robots are doing more than routine administrative tasks faster and more accurately. They are priming supply chains, aiding in logistics management and high volume IT support as well. They are even aiding in a variety of critical industry specific challenges.

A fear is that retail robotics will displace jobs, but instead organizations can now strategically optimize how work gets done, enabling employees to streamline processes and be more strategic with complex tasks.

The world of technology has moved in a direction which makes the experimentation of AI and Robotics and the subsequent adoption of it a lot easier.

The building blocks, such as cloud hosting and technology software, are now at a reasonable

price point. What adds to the cost, is the cost of the people to manipulate these technologies, to create the solutions that are right for you.



The fact is machine learning gets better with humans. However, this new automated landscape requires a reorganization of business processes from top to bottom. Along with these new technologies, come entirely new employee skill sets such as coders and mathematicians to decipher data.

Leadership needs to have a clear understanding of the impact on the organizational structure and the change in employees' roles and responsibilities.

The key to success is to partner with an expert in automated decision making and digital transformation that can help design a roadmap to demystify and make practical and tangible the innovative business process change that affects every stakeholder involved in the today's evolving technologies.

At Thought Provoking Consulting we bring the best minds in retail technology and consulting together to help you put Retail Science and 3D Digital at the center of your entire organization to build a strong technical foundation for success. We can design a plan that suits your individual business and help you seamlessly integrate it into the way you work.

Retail is changing- How are you evolving?
Simplify the Complex with Thought Provoking Consulting.



thoughtprovokingconsulting.com



info@tpc-group.com



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@tpconsultants