



SHOPTALK

[Trends Report 2023]



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MANDALAY BAY, LAS VEGAS

Shoptalk 2023 - The Future of Retail is Here

Shoptalk is where thousands of retail changemakers come together every year to create the future of retail. The Shoptalk agenda covers the latest technologies, trends and business models, as well as the rapid transformation of what consumers discover, shop for and buy—everything ranging from apparel and electronics to beauty and grocery. This year Publicis Commerce showed up bigger than ever – with showroom floor booths from [Epsilon](#), [CitrusAd](#) and [CJ](#), a [Jason Goldberg](#) workshop, attendees across [Profitero](#), [Publicis Sapien](#)t, [Digitas](#), [Spark Foundry](#), [Starcom](#), [Zenith](#) and more! Below is a roundup of key trends from this landmark Commerce event.

Table of Contents

- 01 Delivering on the NEW Definition of Value**
by Allysun Lundy, VP Retail Media Strategy, **Publicis Commerce**

- 02 Social Commerce Continues to Evolve**
by Christa Klausner, SVP Commerce Media, **Digitas**

- 03 Unification’s Role in a Fragmented Retail Media Landscape**
by Patrick Vesperman, Sr. Director Product Management, Retail Media Networks, **Epsilon**

- 04 Move Over Metaverse, It’s Open AI’s Time to Shine**
by Mike Black, CMO, **Profitero**

- 05 Personalization: Love Feeling Special? So Do Your Customers!**
by Sirena Rolfe, VP Commerce – Kraft Heinz, **Starcom**

- 06 Revolutionizing the Commerce Landscape: The Power of AI Technology**
by David MacDonald, EVP Commerce Experience Lead, **Publicis Commerce**

- 07 New Retail That Humans Love**
by Dan Bruinsma, EVP Client Lead McDonald’s, **Starcom, Po1**

- 08 Shopper Engagement – Upgrading the Joys of Shopping**
by Michael Malone, SVP, Content & Commerce, **PubW, Zenith**

- 09 Retail Media – An Opportunity for Retailers of All Sizes**
by Mark Williamson, SVP Client Strategy & Development, **CitrusAd**

- 10 The Era of Authenticity for Brands**
by Jon Thollander, Business Development Manager, **CJ**

- 11 The Consumer Continues to Change, and Retail Media Networks Are Here to Help**
by Mark Sluzinski, Vice President, Client Services, **CitrusAd**

- 12 The Balance of AI and H(uman)**
by Michelle Niblock, Vice President, Group Account Director, **Digitas / Publicis Po1**

Delivering on the NEW Definition of Value



Allysun Lundy
VP, Retail Media Strategy
Publicis Commerce

Over the last few years, the term "uncertain times" has been used to describe a range of societal triggers. Currently, the fear of a looming recession, high inflation, and constant news of mass layoffs are driving uncertainty. As a result, brands are facing more competition than ever for a share of consumers' wallets. A new layer of competition includes factories in China selling direct to consumers through marketplaces at extremely low prices and new brands entering the market at breakneck speed. To stand out, brands need to stop teaching shoppers to buy only on discount and provide value that can't be discounted. The new definition of value can come to life in a myriad of ways:

KEY TAKEAWAYS

Implement tools that help shoppers quickly find the perfect item or match: Brands can redefine the meaning of value by implementing tools that help shoppers quickly find the perfect item or match. This could involve using data to match a shopper with the right stylist, as [Stitch Fix](#) does, or presenting a shopper with makeup hues complementary to their skin tone. Brands can also integrate with tools or platforms like [Shuffles by Pinterest](#), which gives shoppers the creative freedom to design their dream outfit or living room, while also feeding off the creativity of others.

Redefine Convenience: Another way to provide value is to redefine convenience. Brands must meet potential customers where they are, such as [The Bouqs company](#) did – previously DTC only – which now operates three brick-and-mortar stores and partners with Door Dash to support same-day flower needs. Brands can also add new services to make their products more valuable, like [Door Dash](#) did by offering not only delivery, but also the service of picking up items that need to be returned to FedEx or UPS. Brands can even make a donation to a cause that a shopper cares about, as [ShoppingGives](#) does by seamlessly integrating into a brand's site and making a donation to a charity on behalf of the shopper with a click of a button.

Best-In-Class Experiences: Providing best-in-class experiences is now even more important as loyalty wanes. Seamless shopping is now table stakes, so brands must solve for inspiration, joy, and discovery. Partnering with the right creators and technology can help enhance websites, livestreaming, and other experiences for shoppers. Data and technology also allow brands to hyper-personalize experiences for shoppers, curating experiences that make their browsing and shopping more efficient. Brands should give shoppers a reason to stay loyal, as [Starbucks](#) does by offering double star days and free products, which keep shoppers coming back without discounts.

While discounts will always have a place in the shopping ecosystem, they should be used strategically, sparingly, and with purpose. By providing value in new ways, brands can ensure that shoppers keep coming back, no matter the economic climate.

Social Commerce Continues to Evolve



Christa Klausner
SVP Commerce Media
Digitas

Social commerce has come a long way since its inception and will continue to evolve as platforms and technology advance. The initial integration of commerce into social platforms aimed to provide a seamless shopping experience including an effortless checkout process. The next evolution of social commerce is around discovery, interest and inspiration. In contrast to the previous year's event, there has been a considerable decrease in discussions related to live shopping. Instead, attention has shifted to optimizing catalog integration, harnessing the influence of content creators, and driving sales through retailers and marketplaces.

KEY TAKEAWAYS

Pinterest: During the keynote session with Pinterest's CEO, Bill Ready, it was emphasized that Pinterest serves as the best virtual window shop despite the absence of physical stores. However, the organization is currently prioritizing the opening of storefronts and facilitating direct purchases within the platform. Unlike other social platforms, consumers visit Pinterest with the intention to search and shop but haven't decided on what to buy yet. To enhance their shopping solutions, Pinterest is implementing the following key features:

- Evolving features using AI, such as visual search, personalized recommendations, and ad targeting based on user behaviors and interests.
- Expanding the shoppable collages functionality from their Shuffles App (which caters to Gen Z) into the Pinterest platform.
- Integrating retailer catalogs and deep linking to retailer landing pages.
- Encouraging brands to focus on short-form videos.

Meta: Meta is continuously developing their paid and organic offerings to assist brands in selling directly through their platforms. Brands can engage and influence consumers through several cost-free options. One of the most recent and underutilized options is Guides, which allow brands to curate and share organized collections of content, including posts, videos, and other media, on specific topics. Instagram Guides provide a new avenue for brands to share relevant content and for consumers to discover curated content based on their interests, streamlining the process of engagement.

In addition to the numerous opportunities available for DTC brands to sell directly through Meta's platforms, the company is also providing various paid media options to support brands that sell through retailers and marketplaces. These options include:

- Utilizing machine learning to optimize campaigns based on sales performance, rather than audience targeting, through Advantage+ Shopping Campaigns.
- Measuring in-store sales and optimizing campaigns in real-time with the Ansa Measurement solution.
- Allowing brands to enable multiple checkout solutions in the ad unit, enabling consumers to choose their preferred retailer with One Click Multi-Retailer ad units.

Unification's Role in a Fragmented Retail Media Landscape




Patrick Vesperman

Sr. Director Product Management, Retail Media Networks

Epsilon

As I walked the floor at Shoptalk, I was struck by the sheer number of players vying for a piece of the explosive growth of retail media. It's not just established businesses looking to pivot; startups are also emerging rapidly. These new entrants include data and ad platforms, thought-leadership content analysts, and in-store tracking cameras, among others. While this influx of competition and innovation is positive, it also compounds an already confusing and fragmented retail landscape for consumers and retailers alike.

According to a soon-to-be-released survey by Epsilon, which polled nearly 700 retailers and brands, the majority believe that fragmentation is hurting consumers. Therefore, there is an opportunity to unify the industry, but the question is how.

KEY TAKEAWAYS

Embrace a Strategy-First Approach in Your Retail Media Business: To succeed in the retail media industry, it's crucial to be strategy-led. Many organizations make the mistake of focusing solely on capabilities they can sell in the short-term, without considering the long-term implications for themselves, their partners, and the industry as a whole. Instead, it's essential to develop a solid strategy and execute a roadmap that aligns with your goals. By doing so, you'll be better positioned to capture a piece of the \$55 billion+ industry within the next year or two, with a more compelling offering and more satisfied clients.

Choose Your Partners Wisely: Partner selection is critical to success in the retail media industry, as partnerships are the lifeblood of the sector. No single player can offer everything, which is why it's essential to carefully evaluate potential partners based on your strategic imperatives. While a dominant player in the market may have an impressive user interface, they may not be able to align with your measurement methodology, which your organization has committed to delivering. This misalignment can lead to confusing outputs for your clients or stakeholders. To avoid this, it's important to understand your strategic imperatives and use them as selection criteria when evaluating potential partners.

Prioritize Strategic Unification: Unification is essential in retail media, but it's important to focus on the areas that matter most. Unifying for the sake of unification is not effective. Instead, identify the areas where unification will have the most impact, such as streamlining your clients' media activation process, committing to a unified identification and measurement approach, or providing a seamless, consistent, and high level of service. While building a tech stack and solution set that offers the best individual capabilities - such as a user-friendly interface, publisher network, reporting dashboard, or innovative ad format - may seem appealing, it can lead to a disjointed ad stack lacking consistency. To avoid this, look for common threads that align with your strategy and meet client or organizational needs, and select partners or build a solution set that prioritizes unification in those areas.

Be Honest: Honesty is crucial when taking your retail media solutions to market and unifying around key strategic imperatives. It's important not to misrepresent your offering. If your identity is not primarily people-based, don't claim that it is. If a client requests something that is not on your roadmap, it's okay to explain why you have prioritized other initiatives. Listen to your customers, focus on your strengths, and be transparent. Let's work together to create and maintain an industry where trust and honesty are as important as market share and revenue. Go Team Retail Media!

Move Over Metaverse, It's Open AI's Time to Shine



Mike Black
CMO
Profitero

At last year's Shoptalk, the focus was on the "metaverse," but this year's buzz centered around ChatGPT, an Open AI language model. While some may dismiss the hype around AI technology, its rapid advancement makes it impossible to ignore. It's likely that as you read this, a brand (perhaps even a competitor) has already harnessed AI to create SEO-optimized titles or generate product images. Therefore, my advice to brands is to embrace and leverage AI to stay ahead in the game.

KEY TAKEAWAYS

Don't Overthink It: Many brands are still hesitant about Open AI, but my advice is to not overthink it and just jump in! One easy and cost-effective way to get started is by using Open AI to identify themes in positive and negative online consumer reviews related to your category. This information can be invaluable in optimizing your content on retailer websites or uncovering opportunities for product innovation. Don't underestimate the power of AI - even small steps can make a big impact on your business.

Create AI Moats with Data: The great thing about Open AI is that it's an accessible technology that anyone can use. The downside is that anyone can use it. If you want to gain a competitive advantage, it's important to infuse AI with unique insights. One way to do this is by creating "AI moats" with data. Specifically, you can train AI on the content attributes and keywords that are most likely to improve your ranking on retailer search algorithms. By doing so, you can differentiate yourself from competitors and achieve better outcomes.

Challenge your partners: Your technology and agency partners are paid to innovate on your behalf. Challenge them to push the boundaries with AI technology. Inquire about their research into AI applications and express interest in participating in any pilot programs or products they may be developing. Collaboration is key to driving progress in this space, so don't be afraid to raise your hand and get involved. Together, you can unlock the full potential of AI for your business.

In conclusion, the buzz around AI technology, particularly ChatGPT, continues to grow as its advancements are impossible to ignore. With collaboration and an open mindset, brands can unlock the full potential of AI and achieve better outcomes.

(This was written by a human – but edited with help from ChatGPT)

Personalization: Love Feeling Special? So Do Your Customers!



Sirena Rolfe

VP Commerce – Kraft Heinz

Starcom

Personalization entails more than simply using the consumer's name in an email. It involves creating a connection with your consumer by gaining a deeper understanding of their shopping habits, preferred locations, and preferred shopping times. To accomplish this, it's necessary to engage with consumers across all touchpoints, both digital and in-store, and to utilize the appropriate datasets and relevant solutions that correspond with their preferences and behaviors. Ideally, this should all occur in real-time.

KEY TAKEAWAYS

- Personalization is key to customer loyalty, as stated by Amanda Bopp, VP of North America Marketing at Kate Spade. She pointed out that 60% of consumers are more likely to become repeat buyers after a personalized shopping experience with a retailer.
- Veronika Sonsev, Co-Founder of CommerceNext, noted that about 75% of consumers expect personalized experiences from the brands and retailers they shop with.
- A significant hurdle with personalization is the ability to engage the consumer in real-time. One solution is to test by starting small. Once a consumer has opted into communication, initiate with a brief survey that inquires about the product or service. Afterward, follow-up with personalized recommendations through an app or online platform. This could include suggestions such as a recipe that correlates with the food product purchased or a new product that complements their previous purchase.
- One notable figure in this space is Joanne Crevoiserat, CEO of Tapestry. She links personalization with the concept of moving at the pace of the consumer. To achieve this, Tapestry implemented a dashboard to gain a better understanding of which products appeal to which types of consumers. This allows them to offer tailored recommendations based on factors such as style, price, and availability. Crevoiserat refers to it as "A balance of magic and logic."

Revolutionizing the Commerce Landscape: The Power of AI Technology



David MacDonald
EVP Commerce Experience Lead
Publicis Commerce

The retail industry has long relied on Retail Media and data monetization to drive growth, but it is the capabilities of AI technology that are poised to revolutionize the commerce landscape. Despite being a topic of discussion for several years, the execution of predictive AI in retail has been inconsistent. However, recent advancements in technology, combined with stronger data governance and organization, have led to a surge in the importance of predictive AI and resulted in tangible applications for the industry. As a result, retailers are now better equipped to leverage the power of AI to enhance the customer experience, optimize operations, and drive growth.

KEY TAKEAWAYS

- According to Jeffrey Katzenberg, we are on the cusp of the next industrial revolution, driven by the emergence of AI technology. In fact, he predicts that the speed of growth in the next 10 years will be ten times faster than the enhancements we saw in the previous decade. This acceleration is poised to reshape industries and drive significant advancements in the capabilities and applications of AI.
- The impact of AI is not limited to the supply chain or personalized recommendations. It is now being incorporated into our approach to product images and content, enabling us to automate a more personalized shopping experience for consumers. As a result, retailers are able to deliver tailored content to each customer and enhance the overall shopping journey.
- Rihanna's Savage X brand is utilizing Fit Xperience, a technology that provides fast and easy body scanning to help customers determine the best undergarment sizes and product recommendations based on their body type. This innovative solution enables customers to enjoy a more seamless and personalized shopping experience, ultimately driving customer satisfaction and loyalty.

New Retail That Humans Love



Dan Bruinsma
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Starcom, Po1

As many new retail brands begin to understand that DTC (direct-to-consumer) is merely a channel and not a complete business model, some of the world's top brick-and-mortar retailers are enjoying a moment in the spotlight. They are achieving growth by offering shopping experiences that integrate the digital and physical worlds.

KEY TAKEAWAYS

Providing Flexibility and Convenience for Shoppers: According to Target CFO Michael Fiddelke, the company's focus on physical stores has given them considerable flexibility in their business model. While they are expanding their merchandising lines, including private label brands, and working to deliver products faster from sorting facilities, customers have shown them that ordering online and picking up at the store is still the most convenient way to shop. Traffic is their most crucial metric for success, and it has been growing significantly post-pandemic. Although digitally native brands disrupted the retail industry for a while, many are now struggling to achieve further growth without a diversified channel mix.

Target has also observed new customer demand by closely studying their physical experiences. Customers indicated that they loved the convenience of drive-up service but wished they could add a Starbucks coffee to their order. This insight led to a new integration opportunity where shoppers can now order a Starbucks drink through the Target app to be prepared fresh and ready for pick-up upon their arrival.

Creating Experiences Customers Love: Stitchfix's SVP of Engineering & Data Science, Manju Thomas, highlighted that although the company is data-driven, their ultimate goal is to create experiences that customers love. For Stitchfix, the focus is on acquiring data that can help customers get dressed in the morning. They use an impressive 10 billion data points to develop their 'Style Shuffle' product, which receives one million monthly interactions from users.

While data is a significant enabler for Stitchfix, Manju emphasized the importance of human interpretation by expert stylists to create truly unique products. It was the combination of stylists' expertise and data that led to the discovery of an opportunity for 26" inseam men's pants and inspired designers to launch their first-ever plus-sized lines on Stitchfix.

Making Shopping Joyful: Meanwhile, according to Pinterest CEO Bill Ready, the first two decades of e-commerce focused primarily on making buying seamless, but the next two decades will be more about enhancing the overall shopping experience. This next phase of e-commerce will focus on solving the joyful aspects of shopping, such as inspiration, discovery, and personalization.

Shopper Engagement – Upgrading the Joys of Shopping



Michael Malone
SVP, Content & Commerce
PubW, Zenith

As customers become busier and more inspired, they make purchases in a wider variety of places than ever before. Brands and retailers must keep up with this trend by connecting with consumers where they are and how they shop, while also finding ways to add value to their experiences, engage them, and make shopping more enjoyable. With the rapid merging of social commerce and emerging technology, the gap between discovery and purchase is closing, providing more tools and tactics than ever before. However, purposeful and strategic execution is crucial in order to avoid pitfalls and generate optimal results.

KEY TAKEAWAYS

Live Streaming: Although live streaming hasn't achieved the scale that some expected in comparison to China, research suggests that the US livestreaming e-commerce market is poised to grow to nearly \$32 billion, up from just over \$20 billion in 2022. Additionally, US consumers are projected to spend more time watching digital video than their televisions, making live streaming a premier channel for brands. Brands shouldn't wait until the marketplace is perfect to dive into live streaming. While social platforms are ideal for discovery, they haven't proven to be effective for livestreaming. As a result, more retailers are bringing creators and their communities to their sites where they can own the transaction and the data. This requires robust web infrastructure to support video, identifying creators who are engaging hosts, identifying topics and themes most relevant to your customer, and e-commerce delivery infrastructure to cater to the "want it now" consumer.

Generative AI/ChatGPT: ChatGPT is a hot topic in the media due to its potential to provide information quickly. With a data-driven approach, it offers a more engaging customer experience, delivering personalized content that helps retailers cut through the noise. ChatGPT chatbots can understand customer requests, learn behavior patterns to customize responses, and eventually anticipate their needs. Companies such as Instacart and Opentable are already using it to curate shopping lists and make restaurant recommendations. While ChatGPT has the potential to become more engaging when it fully understands human linguistics, it is still in the early stages, and effective use at scale will require a deep understanding of the technologies involved.

AR: AR has evolved from a fun way to use Snapchat to a powerful tool for personalizing engagement and testing products and services. Customers who use AR spend more time in-app and are more likely to make a purchase, while retailers who use AR experience fewer product returns. (Statistics back this up with customers who used AR spending 20.7% more time in app, 20% more likely to make a purchase and approximately 66 percent less likely to return their purchases.) Despite these benefits, fewer than 10% of retailers are currently using AR in their shopping experiences. As the technology continues to advance, its use cases and functionality will only increase, making it an even more important tool for creating engaging shopping experiences.

Creator Economy: Influencer marketing is no longer new and has become a crucial part of brand and retailer marketing. However, the Creator Economy is expanding the role of creators beyond just promoting brands, giving rise to new opportunities for engagement and revenue streams. Livestreams, for example, are transforming shopping into a more experiential activity. Creator network Jellysmack has partnered with Roku to develop original series on its platform, providing viewers with exciting new ways to discover and shop through its shoppable capabilities and extensive reach. Retailers like Walmart are collaborating with creators to incubate and develop private label brands and products. Additionally, AR/AI technology can bring creators to life, allowing consumers to get social trends from their favorite creators in-app, passing by a store, or even via digital kiosks with creator trend feeds to inspire shoppers.

Retail Media – An Opportunity for Retailers of All Sizes



Mark Williamson
SVP Client Strategy & Development
CitrusAd

It seemed impossible to walk the floor or attend the sessions at Shoptalk without being inundated with thoughts about and solutions for Retail Media. The topic has grown from being discussed by practitioners on niche shopper marketing blogs, to being discussed by CEOs on earnings calls. And there's an easy explanation for why retail media is everywhere these days. It's disrupting both retail and media and is changing the way retailers and brands collaborate.

But don't be mistaken. Retail media is not the exclusive domain of large, national retailers or pure-play eCommerce websites. Any retailer with marketable owned assets can stake their claim in retail media.

KEY TAKEAWAYS

Retailers shouldn't discount the value of their owned assets: Retailers should not overlook the value of their owned assets in the modern era of digital retail media. The concept of digital retail media came about when eCommerce pure-play and mass retailers began to monetize website traffic. However, this does not mean that success in retail media is limited to large eCommerce businesses. The key to a winning model lies in the combination of customer traffic and ad serving. Pure-plays have ample digital traffic, while grocery stores possess physical traffic and loyalty data. C-stores have repeat traffic and impulse shopping, and dollar stores cater to rural shoppers. Hence, any retailer, regardless of size, can transform their owned assets into valuable and productive retail media solutions.

Retailers and brands should anxiously adopt technology enablers: Retailers and brands should eagerly embrace technology enablers. With advancements in advertising technology, it is now possible to serve brand advertising to a retailer's customers in various spaces, including the open web (i.e. "offsite") and physical stores. Online identity-based advertising has continuously evolved to keep pace with new technology and privacy regulations. Furthermore, digital in-store technology can make any screen function like an online banner ad. These capabilities enable retailers to achieve greater scale and fully leverage the customer touchpoints that are unique to their business.

Brands should diversify their retail media activation: Brands should broaden their retail media activation to encompass retailers with distinctive and/or hard-to-reach customer bases, including small ones. As retail media programs evolve, retailers are employing increasingly sophisticated tools to streamline and enhance purchasing. Many retailers now have dedicated teams to facilitate media buying and collaboration. To ensure that retail media investments align with and bolster trade and other expenditures, it is important to present ideas during joint business and category planning meetings.

The Era of Authenticity for Brands



Jon Thollander
Business Development Manager

CJ

In today's consumer landscape, establishing trust is crucial for brands. Consumers demand genuine interactions across all channels, particularly with the growing #deinfluencing movement and focus on authenticity. To build trust, brands must communicate through authentic messaging, maintain a consistent presence, and leverage diverse messengers. With Gen Z gaining market share and purchasing power, they are open to trying new products and services recommended to them. By utilizing technology and partnerships, brands can engage with consumers at every step of their journey and foster genuine connections. This approach leads to long-lasting relationships based on mutual trust and respect.

By following these actionable takeaways, brands can successfully navigate the evolving consumer landscape and build meaningful connections with their customers:

KEY TAKEAWAYS

Authentic Messaging: Effective communication is critical to move customers quickly through the sales funnel. To achieve this, businesses need to communicate with customers in an authentic and genuine manner, tailored to where they are in the purchase path. While being present on popular platforms like TikTok is crucial, it's equally important to build trust with consumers to avoid seeming disingenuous. A successful approach is to prioritize omnichannel engagement, focusing on the consumer's needs instead of individual channels. This way, businesses can establish trust and build meaningful connections with their customers.

Consistent Presence: Maintaining a consistent presence across multiple platforms is crucial for brands to remain top-of-mind with consumers. With the rise of gaming platforms and shoppable TV, converting customers has become easier than ever. By expanding brand presence on new platforms and adopting an "always on" approach, brands can establish a familiar and recognizable image in the minds of consumers. As the consumer landscape continues to evolve, the role of the CMO is shifting towards becoming a "chief omnichannel officer" who oversees innovative strategies that meet consumers where they are. This approach ensures that brands can keep up with changing consumer behaviors and preferences while maintaining a consistent presence across various channels.

Diverse Messengers: Incorporating a diverse group of influencers into your marketing program can bring numerous benefits to your brand. Working with a variety of influencers helps to reach a broader and more diverse audience, including people of different age groups, ethnicities, genders, and interests. This approach can also help you tap into new markets and build a more inclusive brand image. Brands should also avoid being heavy-handed in content moderation when working with social and influencer partners, instead being diligent in sharing information about all the different ways consumers can interact with the brand. This approach ensures that the influencer's voice and authenticity remain intact, while still communicating important information about the brand to their followers.

The Consumer Continues to Change, & Retail Media Networks Are Here to Help



Mark Sluzinski
Vice President, Client Services
CitrusAd

At Shoptalk this year, a common theme among the speakers - and one that we're all very familiar with - was the ever-increasing speed at which consumers are changing. Retailers are constantly striving to strike a balance between being "product-led" and "consumer-led." In this pursuit to gain market share, leveraging data and consumer insights has never been more critical.

KEY TAKEAWAYS

Utilizing a data-driven approach with RMNs: Whether it's through on-site search behavior, off-site data, or clean rooms, data remains the key to unlocking actionable sales-driving opportunities and capitalizing on consumer behavior. Although each RMN is in a different stage of their journey, having key data points from your sales and account management teams at RMNs can help you quickly optimize your spend.

Capturing Consumers On-Site: There's no more qualified consumer than one who's already shopping. Meet them with on-site sponsored product ads and banners that can drive purchase intent. With over 80% of sponsored product ad revenue coming from search and brands consistently telling us they never want to miss an opportunity when a consumer is searching for their products, our teams at CitrusAd and Epsilon are equipped to provide you with shopping behavior trends to boost your top-line sales.

Creating a Best-in-Class Digital Experience: Understanding your consumers and how they engage with your brands is crucial to building a top-notch digital experience. Retail media solutions can complement your efforts to achieve this goal. By leveraging data, core on-site products can enhance the shopping experience, seamlessly integrating with the customer's journey and driving purchase intent. These solutions should be seen as a value-add that drive purchase intent.

The rapidly changing consumer landscape means that it's more critical than ever to be consumer-focused and data-driven. Brands and retailers need to have a deep understanding of their target audience, how they shop, and what they want to make informed decisions that drive sales. Overall, brands and retailers that are agile, data-driven, and able to adapt to changing consumer needs will be the most successful in the current market.

The Balance of AI and H(uman)I



Michelle Niblock

Vice President, Group Account Director

Digitas / Publicis Po1

There has been no shortage of discussions about how AI will revolutionize our daily lives – some even likening it to the introduction of the iPhone. But amidst this excitement for AI and machine learning, there is a growing recognition that human expertise will still be essential to effectively define, prioritize, and implement these technologies.

KEY TAKEAWAYS

Do the Research: To fully embrace the potential of AI, it's crucial to do your research. While the concept of AI may seem abstract, there are already numerous tangible examples of its value. Brands and leaders can start by exploring the possibilities of the technology and learning from existing implementations. If you're unsure where to begin, consider:

- Examining your daily actions to identify areas where you're already utilizing AI, such as through your Google search bar or smart maps experiences. One notable figure in this space is Joanne Crevoiserat, CEO of Tapestry. She links personalization with the concept of moving at the pace of the consumer. To achieve this, Tapestry implemented a dashboard to gain a better understanding of which products appeal to which types of consumers. This allows them to offer tailored recommendations based on factors such as style, price, and availability. Crevoiserat refers to it as "A balance of magic and logic."
- Signing up for Chat GPT and testing it with some personal use cases, such as asking it to "plan a day trip" for your next vacation or "curate a list" of recipes using a favorite ingredient. This can be a fun way to explore the capabilities of AI and gain insights into its potential applications.

Explore Use Cases Across Your Organization: To effectively integrate AI within your organization, it's important to explore its use cases. Knowing the multitude of possibilities can be overwhelming, start with a familiar marketing exercise, such as conducting a SWOT analysis to identify where AI integration could offer the most potential within your existing capabilities and workstreams.

Examples of companies that have successfully integrated AI include Stitch Fix, which has automated scaled tasks such as writing product descriptions for its inventory. They are exploring how AI could make product recommendations even smarter and extend into daily recommendations for users based on variables like weather, activities for the day, and past purchase history.

Other companies, such as Colgate-Palmolive, have crafted a customer experience approach that prioritizes key areas of exploration, and an agile framework for prioritizing, testing, and scaling on an ongoing basis. By adopting a structured approach to AI integration, organizations can better leverage its potential benefits.

Engage Your (Human) Talent: To effectively implement AI, it's important to engage your talent. While AI has the potential to rapidly evolve any organization, many leaders recognize that the best implementations will depend on human talent to define and activate them.

Integrating AI does not necessarily mean replacing jobs, but rather creating a more effective balance of technology and talent to execute tasks. Nordstrom's Alexis Depree has noted that employees are not only open to tech-powered roles, but also expect them.

Caleb Pearson of McDonald's emphasized the importance of people and humanity in driving the best brands forward on his customer data and AI focused panel. By involving and empowering their employees, organizations can ensure that AI is leveraged effectively, and that the human element remains at the core of their operations.

(This was written by a human – but edited with help from ChatGPT)



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COMMERCE**

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