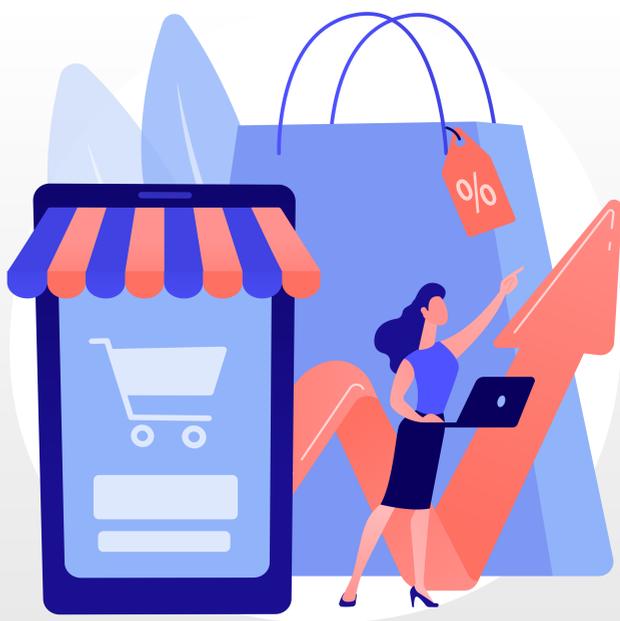


## 2021 Digital Transformation Trends in the Global Retail Industry

Retail is among the most competitive of industries and technology is only revolutionizing the way we do it.

**70.7% of retailers agree that DX is an essential part of Retail technology.**

The most mature areas of Retail technology are:



## Digital Transformation Trends

### Retailers are increasingly moving online

**34.3%** of retailers now sell the majority of their products and services online

**64.2%** believe that online and physical retailing are moving closer together

### Retailers are adopting a hybrid cloud/in-house strategy

**32.3%** of retailers prefer SaaS as the application source

**24.9%** of retailers are sticking with in-house processing

**18.4%** are using off-the-shelf enterprise applications

### Artificial Intelligence is increasingly important in Retail

**69.7%** of retailers see Artificial Intelligence (AI) as an opportunity

**64.2%** believe that online and physical retailing are moving closer together

### The Internet of Things will be important for Retail

**69.2%** of retailers believe that the application of IoT will improve the customer experience, the tracking of delivery fleets, through industry optimization

## Other Budding Technologies

### RPA

Best suited for a very transactional oriented industry with repetitive processes

### AR/VR

This will bring more sales online with applications as in-store navigation, visualization tools (magic mirrors), and the virtual placement of products

### 5G

It will provide a level of connectivity but is not available with current technology

**The Retail market is extremely fluid and many important technology trends are yet to be felt**

## Impacts of Digital Transformation in Retail

### Reduce Cost, Increase Revenue

- 21.8%** retailers report improvement in logistics/warehouse/transportation.
- Other important areas are finance (**20.4%**), maintenance (**20.1%**), sales (**20.1%**) and operations (**19.2%**).

### Strengthens Competition and Improve Business Processes

- 26.1%** of retailers agree DX has strengthened competitiveness in operations

### Customer Experience and Employee Satisfaction

- 29.4%** of retailers agree that DX has improved customer service.
- 25.8%** believe that DX has improved staff health and welfare.

### Impact of Coronavirus

- Global retail sales were projected to amount to around **26.7 trillion** U.S. dollars by 2022, up from approximately **23.6 trillion** U.S. dollars in 2018.
- 21.6%** of retailers believe coronavirus will have a significant impact while **44.8%** believe it will minor negative impact.
- In October 2020, online traffic in the supermarket segment increased by **34.8 %** compared to the reference period in January 2020.

**We understand retailers are not technology leaders but don't want to be left behind either**

Only **9.5%** of retailers are very early adopters with another **26.9 %** are somewhat early. But where do you stand? iLink can support you in your digital transformation journey.