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COLUMNS

Using AI to enhance retail experiences

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By **Dave Charest**

We are living in a post-ChatGPT world, and ready or not, artificial intelligence (AI) technology is here to stay.

While many of us know AI for its copywriting prowess, it also has the power to transform the customer experience and boost loyalty and satisfaction.

In my role, I talk with small business leaders on a regular basis, and I have seen firsthand how customer engagement can make or break their revenue and longevity.

In the retail industry, there is so much competition that the overall shopping experience is especially important.

Today's customer expects personalized communications, interesting content and an easy way to buy from their favorite small businesses. These businesses need to use every tool in their arsenal to deliver a positive experience and keep their customers coming back for more.

That is where AI comes in.

Here is how retail businesses can use AI to attract new customers, engage them, and grow.

Power of personalization

Personalization became a buzzy word years ago when it first became possible to add a recipient's name to an email automatically.

We are well beyond that now, as businesses can personalize text messages, use dynamic content blocks in an email, or even tailor entire campaigns. AI takes those capabilities and adds another important layer data.

AI technology can analyze patterns to help retail businesses understand exactly what their customers like, where they prefer to shop, and even when they are most likely to buy.

Those insights make it much easier for retailers to curate customer experiences, whether online or in a bricks-and-mortar store.

For example, if I own a footwear store and I want to sell more hiking shoes, I can use AI to determine which brand

of shoe my target customer is most likely to buy and how I should communicate its availability to them. It could be a coupon via text message, an email reminder campaign, or even a social media ad.

Then, I can tailor my marketing strategy specifically to that group of customers. Without AI's help, I would be left with only my best guess.

Crafting unforgettable experiences

The retail experience used to be confined to physical storefronts where creative displays and clever layouts could help capture a customer's attention and encourage them to buy.

In-store shopping has not gone away. In fact, it may be **seeing a resurgence** but in today's digital age, retailers need to offer excellent online experiences as well. And AI can help them do just that.

Creating a memorable experience is all about making the customer feel special.

Understanding where each customer is in their purchasing journey and where they are getting stuck or abandoning the experience is a huge benefit to retailers.

Indeed, it allows them to make targeted improvements with the confidence that their efforts will result in more sales. That will likely boost engagement, improve customer satisfaction and make them love the business a little more with each interaction.

Leaning into AI

AI has seemed like futuristic technology for so long, but over the last six to eight months, we have seen it really start to gain a foothold.

The technology is here to stay, and businesses of every size should be thinking about ways they can leverage it to acquire new customers and build stronger relationships with the ones they already have.

I firmly believe that retailers can use this technology to create better customer experiences, improve their marketing and drive more revenue.

By leveraging AI to personalize content and create memorable experiences, retail businesses can attract new customers and keep them engaged.

In a rapidly evolving market where consumer preferences are always changing, it is important to use every tool available to keep up and deliver what they are looking for. It is time to embrace AI and level up the shopping experience.

*Dave Charest is director of small business success at **Constant Contact**, Waltham, MA.*

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