

RETAIL

## CES 2020: Key takeaways for retailers

January 17, 2020



Jennifer Wise is principal analyst at Forrester Research

By **Jennifer Wise**

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

At last week's CES event, I saw the latest and greatest advancements that will make TVs better and digital humans a reality. But my real focus: What changes will impact the retail industry?

The headline: *AI + computer vision + robotics = easier and more personalized customer experiences and the chance for companies to keep up with customer expectations.*

There is a lot coming that will change retailers' products, operations, customer expectations and experiences.

If you missed walking miles at CES, here are some of the key standout trends I saw.

For your customers

Shopper expectations are soaring with demands for personalized, instantly available products and services.

In 2020, a select few retailers will test new AI, sensors and in-store robotics to deliver. At CES, we saw companies gunning to deliver on:

*Sensor-based recommendations.* AI-driven, software-based products help companies deliver personalized experiences at scale.

While many just surface information today, some repeat exhibitors deliver new insights and personalized recommendations.

For example, Lululab's sensor-laden mirrors track seven skin features and offer product recommendations, and Aetrex's Albert scanner creates a 3D foot rendering to find the perfect insole.

*Augmented reality (AR) decisioning support.* While companies such as Wayfair and Sephora successfully integrate AR into their app experience, AR is still trying to break in to retail.

But companies want you to know they are ready: HiMirror's smart mirror analyzes skin health and also lets shoppers virtually try on makeup products.

*Unassisted shopping.* A shift to the shopper self-service model is underway, motivated by customer desire for

efficiency and the Amazon effect. This requires digital payments, computer vision, AI applications and a clear, interactive digital user interface to be effective.

In addition to in-store robots, new digital self-serve digital displays enable new interactions such as Vtouch, which uses gestures for product selection.

For the company

Let us be honest: Many shoppers' demands are an analytical and logistical nightmare for retailers. But to succeed, retailers have to deliver. A few technologies on display to help retailers were:

*Position and emotion tracking.* In-store tracking analytics at CES ran the gamut from the use of facial recognition to infrared laser sensors to track consumers.

For example, Moptar tracked pathways in and around its booth, while FaceMe used facial recognition to track visitors' unique visits, gender, age and emotional state.

*Staff and operations support.* Optimism abounded at CES about the potential to drive operational efficiencies and substitute or improve the performance of human employees.

Robots at CES could continuously track and manage inventory and automate shelf restocking. And the Picnic automated custom pizza maker can create 250 pizzas in a day with a single operator.

*Last-mile automation.* Retailers must overcome the costly last-mile logistics that same-day and small-batch manufacturing requires. This includes streamlined packaging, as Amazon's acquisition of Kiva accomplished, or new innovations such as what FedEx presented, including sensors to manage premium shipments and use of robots that can deliver within a set mile radius or delivery drones.

THIS JUST BEGINS to scratch the surface of what was at CES and the impact it will have in retail.

The good news: Technology potential is nearing reality. But be warned: This does not mean these experiences will take off and be adopted by customers or retailers in 2020. Why?

In many instances, a poor user interface and interaction design will hurt not help the customer experience in the near term. I will be covering more of these trends in upcoming research and would love to hear your thoughts

*Jennifer Wise is principal analyst at Forrester Research, Cambridge, MA.*

*Reproduced with permission from Forrester Research. Edited for clarity and style.*

---

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your **feedback** is welcome.