

How AI comes to life in Retail

5 keys to kickstarting your AI initiatives



What to expect from this eBook

A word from Kate MacLean, Sr. Director, Strategy Messaging

What does AI look like in your company?

Artificial intelligence (AI), especially generative AI (GenAI), is reshaping retail, creating innovative experiences for customers, and accelerating growth at rapid pace, the tune of \$660 billion per year.

To fully take advantage of AI's benefits, retailers need:

- **Strong infrastructure** to support AI applications that require significant computing power.
- **Reliable security** tools that protect systems and data from cyber threats, as well as loss prevention to fight theft.
- **Fast solutions** to enable quick decision making and deliver real-time customer offers based on data.

In this eBook, we hope you will see how retailers can prepare for AI, and how this cutting edge technology can unlock new opportunities and create more value for you and your customers.

Here's to the AI journey.

– *Kate MacLean*



Where do we even start?

The hype around AI is real. But it's hard to know what to accomplish first.





By 2030, AI will potentially contribute \$15.7 trillion to the global economy and boost GDPs of local economies by 26%.

(PwC)

5 keys to kickstarting your AI initiative

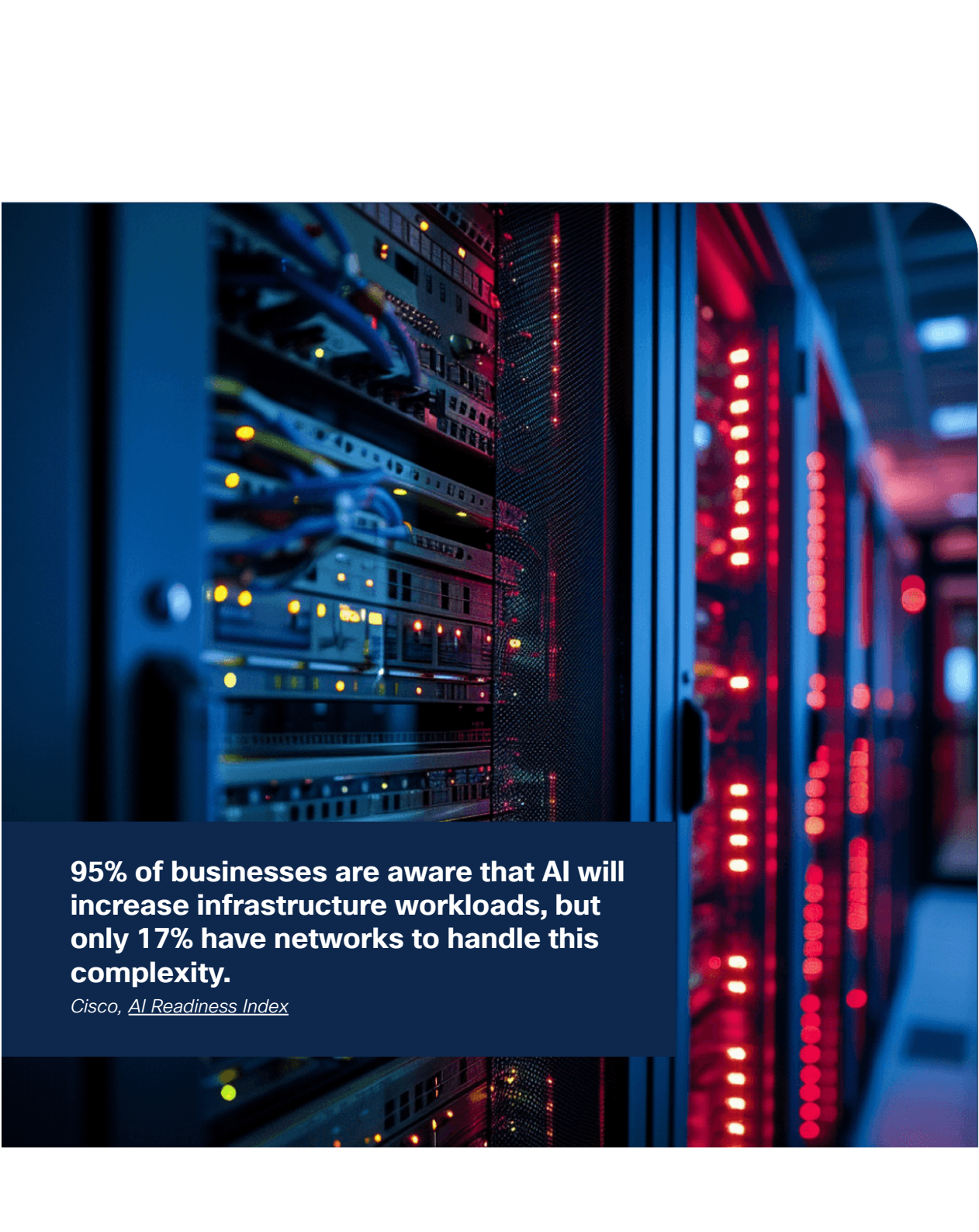
The race to tap into AI's power is real. Yet understanding how and where to deploy this technology isn't easy. IT ecosystems are complex, and it's easy to misalign technology capabilities and business needs. Gaps in workforce skills combined with pressure to execute fast can lead to mistakes, especially during use case planning – which can doom an AI implementation from the start.

While you're mapping out an AI plan at your organization, keep these 5 key considerations in mind. [Click any of these to explore further.](#)

1. [Modernize your infrastructure](#)
2. [Make AI-driven cybersecurity a top priority](#)
3. [Gain as much data visibility as possible](#)
4. [Seek out novel ways to level-up productivity](#)
5. [Partner with an expert](#)

Modernize your infrastructure

AI demands more. Is your network ready?



95% of businesses are aware that AI will increase infrastructure workloads, but only 17% have networks to handle this complexity.

Cisco, [AI Readiness Index](#)

AI is resource intensive and will place pressure on your existing infrastructure.

Systems designed in decades past were not built to support the demands of high-bandwidth connectivity and heavy workload processing.

The digital landscape has changed, bringing both new opportunities and new infrastructure challenges for organizations.

Is your infrastructure ready?

**To be successful in the AI era,
organizations must:**

- Modernize infrastructure to power AI workloads
- Upgrade security and reliability for digital resilience
- Support evolving software ecosystems
- Optimize processes to increase efficiency and reduce costs
- Create consistency; avoid islands of operations
- Support a cloud-like consumption model

By 2025, AI will be the top driver for infrastructure decisions due to the maturing AI market, resulting in tenfold growth in computing requirements.

Gartner, *Essential Guide to Prioritizing Data and Analytics Around Value*



Prioritize AI in cybersecurity

Fight against AI-based threats with AI-driven defenses.

Fighting fire with fire

With Gen AI, cyber criminals can increase the sophistication, speed, and size of their attacks. AI generated voice and video makes identity impersonation easier and speeds the spread of misinformation because the fake content looks so real.

However, defenders can also use AI to fight *against* these bad actors. And if you're not currently employing AI in your cybersecurity efforts, this should be a top priority while rolling out AI at your organization.

Defenders can use AI to identify patterns, detect threats, and respond to risk in real-time, outpacing traditional efforts. AI-driven analytics platforms can process massive amounts of data at speeds unattainable by humans, simplifying decision-making and increasing accuracy.

The Global 2000 face \$400 billion annually in downtime costs. These companies lose \$200 million each year when digital environments fail.

(Splunk) The Hidden Costs of Downtime



Gather and use your data

Gain visibility into your data. Then put it to work.



Data is the new fuel

Perfect the use of AI by putting your data to work

Retailers need visibility into the data generated across their network, security stack, applications, and stores. AI-powered capabilities allow teams to find insights at scale, and correlate data across multiple systems to improve operational efficiency.

With AI, you retailers can monitor sales, forecast orders, and track the movement of products in warehouses to spot bottlenecks and optimize inventory levels. The ability to identify supply chain issues quickly enables retailers to cut inventory costs, improve customer satisfaction, and increase sales.

How to find insights in your data

1. Connect disparate systems
2. Bring together owned, external, and synthetic data sources
3. Keep privacy and security top of mind.



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Find new ways to level-up productivity

AI can positively impact every retailer. But each company will experience its benefits in different ways.



AI can put the mundane on autopilot

The possibilities of AI are only limited by your imagination.

AI-powered innovation can help IT and security teams, as well as line of business users, be more effective in their roles.

Using everyday language to query systems and automation to streamline routine and repetitive tasks, workers can boost productivity and focus on tasks better suited for human expertise. At the end of the day, AI helps teams work smarter, not harder, for faster results with less effort.

What does practical AI look like?

- **Digital merchandising:** Create personalized experiences with content based on behavior and buying trends
- **Loss and fraud detection:** Reduce inventory shrinkage and financial losses
- **Drive-thru optimization:** Optimize customer experience with faster processing and increased efficiency
- **Safety:** Protect customers and associated by monitoring all location environments for faster security response



Partner with an expert

Get from point A to point AI alongside a trusted guide.



Over the last five years the increase in the number of AI-related regulations has skyrocketed. In 2023, there were 23 AI-related regulations, up from just one in 2021. Last year alone, the number inflated by 56%.

Stanford University, [*AI Index Report 2024*](#)

Everyone wants AI, but who has the time?

The time to slow down and determine which use cases to pursue? The time to sift through regulations and determine if data is being used correctly? The time to determine how to bring a vision to life.

AI advisory services can help identify the right solutions for an organization's desired use cases, and ensure organizations remain abreast of evolving AI regulations. From deployment to implementation, services help organizations avoid pitfalls and maximize business value through personalized, proactive, and predictive experiences.

With great power comes great responsibility

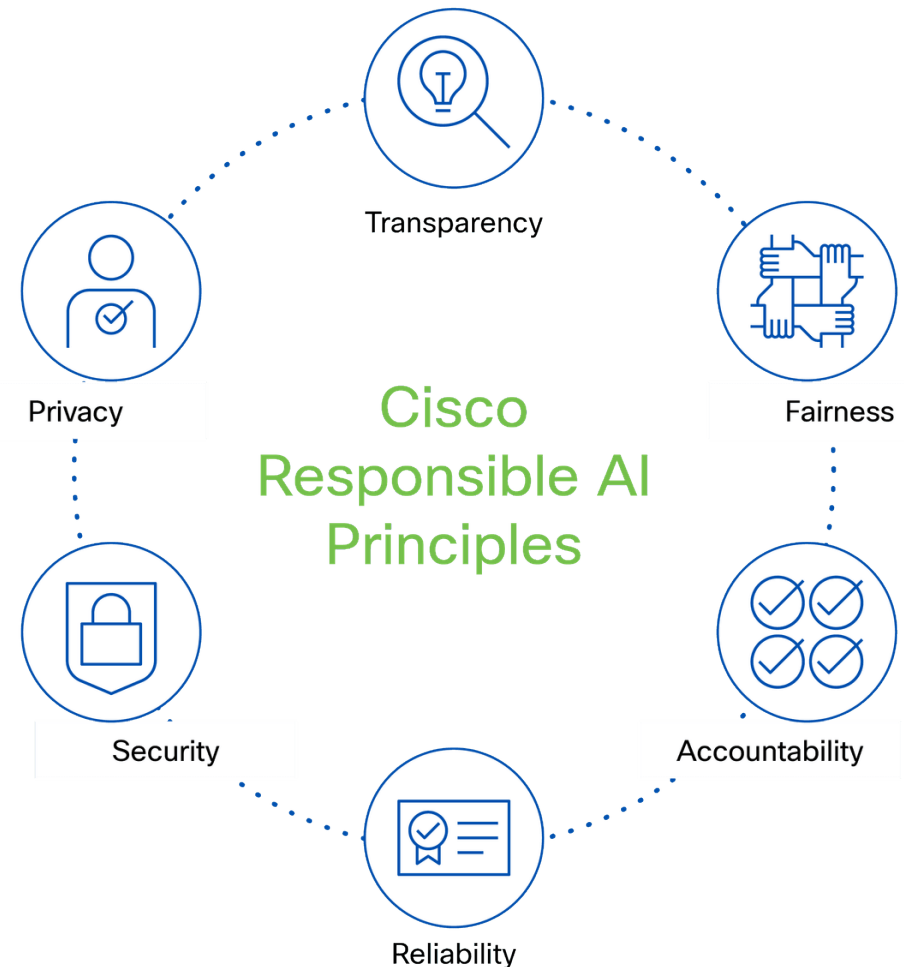
Looking for an AI partner with a proven history of innovation?

Consider Cisco.

Roughly 40 years ago, Cisco helped build the Internet. Now, 90% of the Fortune 500 trust Cisco to connect and protect their organization. And we don't take that trust lightly.

When it comes to AI, Cisco is committed to proactively respecting human rights in the design, development, and use of AI.

Our [Responsible AI Principles](#) and [Responsible AI Framework](#), highlights our commitment to transparency, fairness, accountability, reliability, security, and privacy.



Cisco, your AI partner

With decades of experience in networking, cybersecurity, observability and services, Cisco provides the infrastructure to power AI workloads, the security to protect the use of AI, and vast amounts of third-party data to deliver new and innovative outcomes for your business. And with AI already incorporated across the Cisco product portfolio, we can quickly unlock new levels of productivity for all users.

Interested in hearing how Cisco can get your AI efforts off the ground?

Learn how to make [AI work for your organization](#).

Cisco's unmatched experience

- Deployed mass scale infrastructure into 5 of the top 6 hyperscalers
- 300K+ security customers
- 800B security events observed per day
- \$1B investment in AI-powered initiatives



Join with Cisco, your
premier AI partner

