

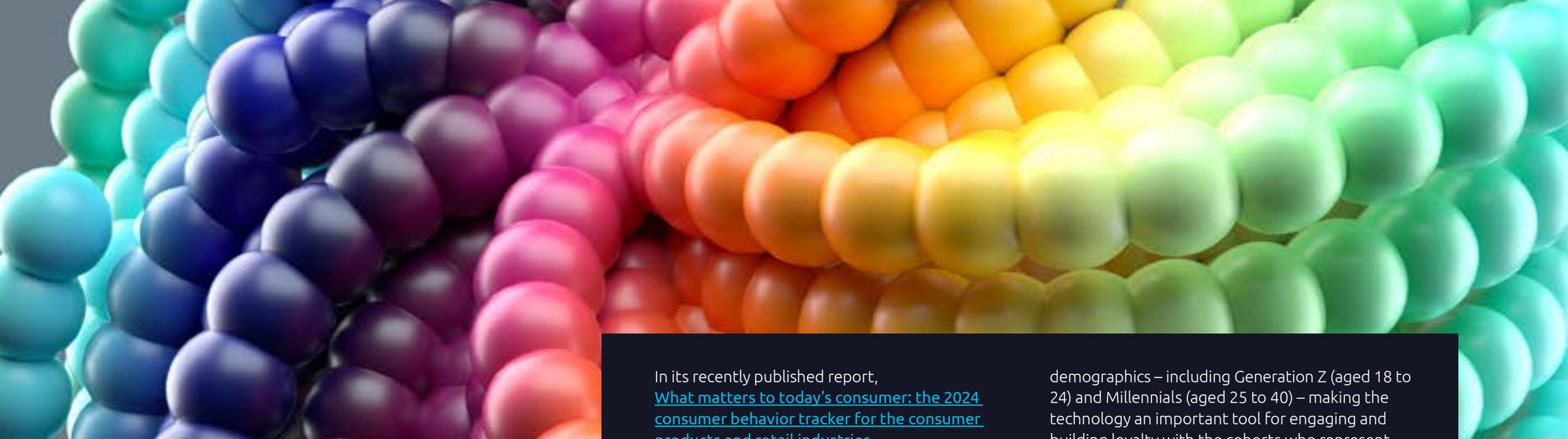
Great *GenAI* customer experiences in action

Capgemini 

GenAI enjoyed a breakthrough year in 2023. Consumer awareness translated into increased use and acceptance of the technology and this transformation is expected to continue throughout 2024. For companies in the consumer products and retail sector (CPRS), the need to embrace GenAI has become obvious: consumers now expect more sophisticated, natural, and personalized customer experiences that only GenAI can enable.

The form those experiences assume will depend upon the brand and the specific subsector in which the business operates. However, there are strategies every enterprise should explore. These include using GenAI tools to become more consumer-centric, deploying the technology to engage with consumers and partners in a more meaningful manner, and leveraging GenAI to become more resilient and sustainable.





The popularity of GenAI: *Strong and growing*

In its recently published report, [What matters to today's consumer: the 2024 consumer behavior tracker for the consumer products and retail industries](#), the Capgemini Research Institute noted that in 2023, 20% of consumers globally have been exposed to GenAI when shopping for products or services online. In the United States, that number jumps to 27%. Researchers also discovered that consumers are open to seeking advice from GenAI tools about future shopping experiences based on their purchase history and loyalty to products.

Awareness of and demand for GenAI-powered services is particularly strong amongst younger

demographics – including Generation Z (aged 18 to 24) and Millennials (aged 25 to 40) – making the technology an important tool for engaging and building loyalty with the cohorts who represent the longest-term value for brands. This also means the seamless, customized shopping experiences that GenAI enables will become the new baseline for consumer expectations going forward.

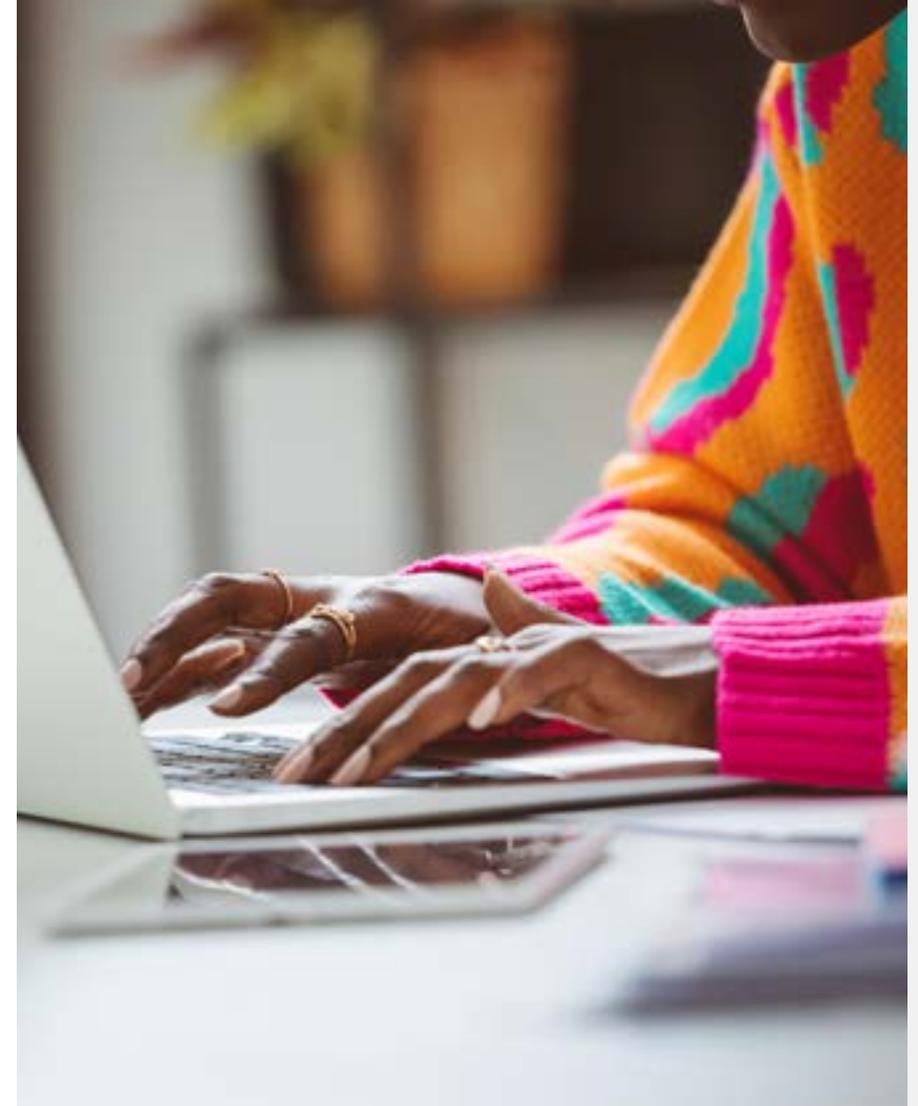
The report briefly touches on two GenAI-powered use cases deployed by companies in this sector last year. Both demonstrate how the technology can be used to deliver superior shopping opportunities.

To illustrate this, here are some *top use cases* we've seen in the market:

Better chatbots personalize recommendations for enhanced customer engagement

Capgemini researchers learned that 63% of organizations surveyed are using GenAI to develop efficient, self-optimizing, real-time customer service chatbots – and that 11% have already implemented this use case. A good example of this can be found at France-based multinational retailer and wholesaler Carrefour. In June 2023, the company launched Hopla, a GenAI-powered chatbot integrated into its online platforms. Carrefour customers can ask this natural-language

chatbot to help with their daily shopping. For example, Hopla can make menu suggestions based on items in the customer's cart. It can also recommend items to add to the cart – based on menu, budget, and any food constraints the customer may have. Hopla can also help customers reduce food waste by suggesting complementary recipes based on ingredients already in the basket.





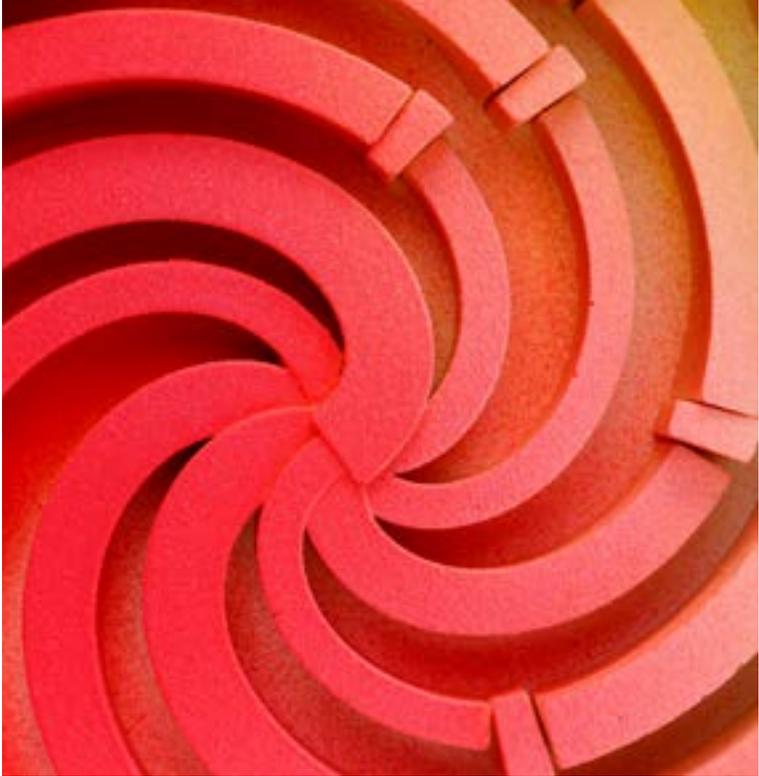
Better order-taking to reduce errors and drive down costs

Retailers operate on increasingly tight margins and are exploring how GenAI can help drive out costs through optimization and efficiency. Of those retail organizations surveyed, 79% expect GenAI-enabled use cases to improve internal operations and enhance facility maintenance to reduce spending requirements for both.

The majority of those – 62% of companies surveyed – reported they anticipate benefits of more than 10% within three years. Logistics-enhancing use cases are amongst the most popular, with 55% of those surveyed citing GenAI solutions for route optimization and 45% citing operations management and supply chain optimization as priorities.

In May 2023, The Wendy’s Company launched the pilot of Wendy’s FreshAI, a GenAI-powered solution designed to improve the customer experience for those using drive-through ordering at its quick-service restaurants. In announcing this project, Wendy’s noted 75 to 80% of its customers use a drive-through as their preferred ordering channel. This presents special challenges to traditional automation. First, with a broad range of menu choices and the option for people to customize their orders – for example, by requesting certain condiments not be added – there are an enormous number of potential order combinations.

Wendy’s estimates this to be in the billions. Second, by their nature, drive-throughs are in locations with high ambient noise, which introduces greater potential for miscommunication and errors in order-taking. Compared to a traditional automation solution, the GenAI technology at the heart of Wendy’s FreshAI is designed to engage the customer in a conversation, better understand made-to-order requests, and respond to frequently asked questions. Wendy’s expects this GenAI use case to boost operational efficiency by letting employees focus on preparing orders, and to reduce costs incurred because of errors in order-taking.



Elevating the possible with GenAI

GenAI is still a new and rapidly evolving technology – but already it’s proving its value and companies are keen to leverage it to elevate their customers’ experiences. Of the retail organizations surveyed, 93% told Capgemini GenAI is on their boardroom agenda, and 62% of those asked have established a dedicated team and budget to integrate GenAI into future product and service development plans.

Those responses reflect the awareness by corporate decision-makers that GenAI represents a profound opportunity to transform their enterprise for the better. It also suggests many companies in this sector understand they must develop a considered and comprehensive strategy for implementing the technology – including well-defined use cases appropriate to the specific subsector in which their business operates. To that end, it’s essential that companies engage the right strategic partner – one that understands both the business goals and the technology requirements of the enterprise.

To help CPRS organizations create and execute a successful GenAI vision, Capgemini has established partnerships with all major GenAI platform providers and other technology companies. Capgemini leverages this technology expertise – plus its own experience as a strategic technology partner to companies in the sector – to design, deliver, and support GenAI strategies and solutions that are secure, reliable, scalable, and tailored to the unique needs of its clients.

This work includes the data platforms GenAI runs on, the large foundation models and enterprise-specific knowledge models that GenAI relies on, the guardrails that protect data and govern its use, and the design and deployment of business use cases that are feasible and will deliver tangible outcomes.

To learn more about our CPRS use cases or to understand how we’ve helped your peers in the industry, Please contact:

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About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2023 global revenues of €22.5 billion.

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