Nonstop disruption across every industry today brings nonstop questions. Evolving technologies and rising consumer expectations mean many leaders in the retail and consumer products (RCP) space, especially, feel the pressure to understand trends—to get ahead of them.

As they look to create new experiences for a new generation of consumers—and as they look to reshape their organizations into flexible businesses that can adapt and thrive amid constant change—having fresh, focused, industry-relevant insights becomes critical. This guide can help, providing an industry-specific perspective on Deloitte’s Tech Trends 2019: Beyond the digital frontier.

With this publication, we project several important trends through the lens of retail and consumer products—also touching on the technology macro forces at play and how modern businesses can navigate digital transformation. These forces are actively shaping strategic and operational transformations today, redefining IT’s role within the enterprise and forcing business leaders to reimagine what it means to operate in a global, digitally driven economy.

We acknowledge that RCP organizations come in many forms. It’s a complex space with complex challenges, a diverse mix of offerings, and an inherent degree of cyclical unpredictability. At its core, however, it remains an industry focused on building consumer relationships, understanding trends, and thinking about what comes next. Through real-world examples and key considerations for leveraging new technology capabilities, this publication should help you get a clearer view of what lies ahead.
Macro technology forces at work

Nine technology forces (cloud, analytics, digital experience, blockchain, cognitive, digital, RCP, modernization, AI, and the business of technology) have been the backbone of innovation and change. These forces are critical for organizations—their controlled collision can compound the effects of powerful, transformational change. What is the “state of the state” of these forces today and how are organizations harnessing them?

Getting started
• Learn from the changes of the past decade. We are no longer linear, and digital and experience are the new normal.
• Embrace technology at the core. The support organization will become more important as new tools affect everything you do.
• Keep your eye on the horizon. Trends like blockchain, cognitive, and digital reality are next in line to find their place in how we work.

Trends in action
With industry lines continuing to blur, leaders continue to tap multiple industry 4.0 technologies to unlock value and differentiate themselves. A major grocer is using IoT and cloud for real-time, on-the-shelf pricing. A shoe manufacturer is improving product tracking with blockchain. And a retail leader uses VR to enhance training.

AI-fueled organizations
Leading organizations are harnessing AI’s full potential for data-driven decision making and generating valuable insights. To become a true “AI-fueled” organization, a company needs to find AI’s place in the mission, rethink its talent, focus on human and machine interaction in its environment, and deploy machine learning across core business processes and enterprise operations.

Getting started
• Decide what AI means to you. Relevant applications include improving productivity, information intake, and situational awareness.
• Strive to become an “AI-fueled” organization. Change the question from “why AI?” to “why not?”—and get started.
• Train the people you have. Both in the mission and in it, the nature of your plan and your maturity to date will help determine which skills you need to add.

Trends in action
Buy and try” shopping inflates product returns—now accounting for roughly 10 percent of retail sales overall. AI has been essential in the RCP space. In online apparel retail, it is being used to increase customer satisfaction and reduce costly returns by tailoring subscription boxes to customers’ style/fit preferences.

NoOps in a serverless world
Cloud providers have doggedly automated traditional infrastructure and security management tasks and are increasing the complexity and value of “as a service” capabilities. As a result, technical resources are interacting less and less with the underlying system infrastructure. Operations talent can shift to increasingly agile teams focusing on higher-order (and higher-value) activities that more directly support mission outcomes.

Getting started
• Shift administration to an engineering footing. Determine standardize, modularize, and synthesize so you can apply engineering principles and automation to operations.
• Go cloud native. Pilot and pursue technologies that don’t involve managing physical servers from containers to storage “as a service.”
• Transform your processes. Make your processes automatable and repeatable without human intervention.

Trends in action
Toenable real-time, transparent views into global inventory management information—and offer omni-channel capabilities to customers—some companies are leveraging open-source frameworks to go serverless on-premises, while others lean on cloud/software support companies to help develop these capabilities to address peak demand during periods such as Black Friday or Cyber Monday.

Connectivity of tomorrow
Advanced networking offers a continuum of connectivity that can drive development of next-generation and services and transform inefficient operating models. From edge computing and mesh networks to 5G, low earth orbit satellites, and ultra-broadband, organizations across sectors are planning and deploying at advanced connectivity options to design tomorrow’s enterprise networks.

Getting started
• Plan for the upcoming explosion of bandwidth. A seemingly connected world will bring changes that bring new demands and new opportunities.
• Learn from history. This isn’t the first time bandwidth has exploded. Smartphones changed the ways we keep and use data. What parallel changes are ahead?
• Button down the throttle. If millions of new devices are soon to arrive, every existing mobile asset must be under control. Begin getting everything under control today.

Trends in action
Digital transformation has become a rallying cry for business and technology strategists. Yet all too often, companies anchor their approach on a specific technology advance. Developing a systematic approach for identifying and harnessing opportunities born of the intersections of technology, science, and business is an essential first step in demystifying digital transformation, and making it concrete, achievable, and measurable.

Intelligent interfaces
Intelligent interfaces combine the latest in human-centered design with leading-edge technologies such as computer vision, conversational voice, auditory analytics and advanced augmented reality (AR), and virtual reality (VR). Working in concert, these techniques and capabilities can transform the ways we engage with machines, data, and each other.

Getting started
• See beyond the long-established standards. Imagine new engagement patterns and capabilities that go beyond “ick and type” and “touch and see.”
• Refine training, collaboration, and more. Take advantage of new ways to connect and learn.
• Unleash limits. Have intelligent interfaces observe, track, measure, and monitor without deliberate user actions like typing and clicking.

Beyond marketing: Experience reimagined
Today’s astute customers expect highly personalized, contextualized experiences. To deliver them, leading chief marketing officers are looking toward to closer partnerships with their own IT teams to harness a full suite of marketing tools and techniques powered by data-enabled emerging technologies.

Getting started
• Look beyond marketing. Leading organizations are rethinking all of the ways customers interact with them.
• Create connections. It’s not just putting information—new tools and techniques enabled customer experiences and better relationships.
• Ask what the data can tell you. Collect and manage information from your customers to better understand the interactions they desire.

DevSecOps and the cyber imperative
To enhance their approaches to cybersecurity and cyber risk, forward-thinking organizations are embedding security, privacy, policy, and controls into their evolved IT delivery models. DevSecOps fundamentally transforms cyber and risk management from compliance-based activities (typically undertaken late in the development lifecycle) into essential framing mindsets that help shape system design from the ground up.

Getting started
• Integrate security. Don’t test it at the end—but build it in throughout the system and operational lifecycles, starting with requirements and design.
• Expand your security culture. Compliance is still important, but the focus now is on proactive risk management.
• Pick bold goals. Project the culture forward—don’t be incremental on this one.

Trends in action
Impartial marketing today aligns with consumers’ lifestyles, values, and aspirations—with how they view and express themselves. To promote products, brands are creating engaging experiences with AR filters on social media, connecting on a new level and providing product-driven experiences in context.

Beyond the digital frontier: Mapping your future
Hands-free shopping has arrived, boosted by RCP companies participating in programs that support voice-enabled purchases through a unified digital shopping cart. The vision of “voiceless” experiences to promote a shop-anywhere customer experience.

Getting started
• Build a voice-first culture. Incorporate voice within a broader retail and marketing strategy to enhance the customer experience and provide new opportunities.
• “Get in the kitchen” to prepare you to invent what’s next. Understand the requirements and design.

Trends in action
How do you map to the unknown? To enhance consumer experience and drive value, many organizations are looking at their businesses in a holistic, flexible, iterative manner—to understand their “digital DNA,” embrace change, and transform across functions, adopt innovations to improve products and services, and seamlessly blend back-office and front-office processes.

Getting started
• Leverage a talent pool. Analyze how your team is aligned with the new talent model, and reframe the way you acquire and retain talent.

Trends in action
High-profile, high-volume data breaches show vulnerabilities can heavily damage brands and lead to hundreds of millions in losses. For many companies, consumers expect the brand promise to include securing private data/PII. Promoting a “top-down” security culture and adopting DevSecOps solutions helps align application security processes with cloud-native application development.