

# RETAIL TRENDS, THREATS AND THE FUTURE OF SHOPPING

Providing seamless customer experiences and ensuring data security in the ever-evolving retail marketplace



Today's consumers expect more from retailers. That includes personalized shopping experiences, frictionless purchasing and confidence that their personal data will remain private.

The retail landscape is being transformed by shifting consumer preferences and innovations driven by technological advances that can help retailers improve customer experiences and increase operational efficiency.

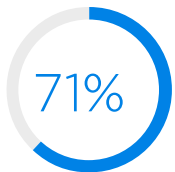
To succeed, retailers need to harness the power of artificial intelligence (AI) and cloud scalability, and ensure network connectivity across touchpoints to nurture customers whenever, wherever and however they shop. Ensuring data security has become table stakes given the costs of recovering from a data breach or ransomware attack and the potential for loss of reputation and customer trust.

These technological advances offer tremendous opportunities for retailers, yet they also bring big challenges.

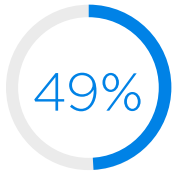
Globally, IT spending is forecast to reach \$4.6 trillion in 2023.<sup>1</sup> For many retailers, this spending is funneled toward adopting new solutions to help seize opportunities, such as personalization, data analytics, privacy safeguards and cloud infrastructure that can improve the customer experience and optimize business operations.

### Data-based personalization leads retail priorities

Personalization is a powerful tool for engaging customers and driving sales, and relies on considerable amounts of customer data. The data retailers collect ranges from purchase history to browsing habits, demographics and — enabled by Internet of Things (IoT) sensors and cameras — in-store behaviors. Capturing and analyzing the mountains of data generated by your customers and operations to create personalized experiences and meet expectations requires a modernized digital infrastructure.



of consumers expect companies to deliver personalized interactions — and **76%** get frustrated when that doesn't happen.<sup>2</sup>



of consumers are likely to buy again if offered a personalized retail experience.<sup>6</sup>

Customers now expect personalized interactions — 66% of consumers expect companies to understand their unique needs and expectations.<sup>3</sup> This expectation has made investing in infrastructure that supports personalization imperative for retailers. The return on such investments has proven significant, with faster-growing companies driving 40% more of their revenue from personalization than their slower-growing competitors.<sup>4</sup>

Shoppers today engage with brands across multiple physical and digital sales channels. Reaching these channel-changing consumers requires an omnichannel strategy that understands and anticipates customer needs to deliver personalized experiences. According to a Salesforce report, 88% of shoppers feel the experience a brand delivers is as important as its products, which presents an opportunity for retailers.<sup>5</sup>

### AI and analytics support personalization at scale

AI and machine learning (ML) can play a big part in personalization by analyzing customer data to produce actionable information. AI and ML algorithms can process the collected data at scale and offer insights into customer preferences, needs and habits.

These insights enable you to deliver tailored product and service recommendations, special offers and incentives that can drive engagement and grow sales. As these technologies learn and improve over time, you're likely to see ongoing improvements in the effectiveness of your efforts.

AI and ML also enable you to deliver dynamic content to your customers across touchpoints. From your website to mobile apps, email marketing and advertising, AI and ML can help you present each of your customers with offers, content and even page layouts that reflect their preferences and behavior.

To deliver a true omnichannel experience, retailers must integrate personalization into every channel where they engage with customers, which requires a cloud-based approach. By integrating personalization everywhere, you can ensure a seamless shopping experience whether your customers are online, in-store or using a mobile app, and drive customer loyalty and recurring business.<sup>7</sup> Just as deploying AI and ML can be complex, moving infrastructure to the cloud can also pose challenges for IT teams to keep applications and services available during migration while ensuring data is secure.



of retail victims of cyberattacks experienced extortion.<sup>9</sup>

### Cloud computing: Innovative tools, scalability and security

With significant data to move, manage and protect, cloud computing is becoming the norm for retailers, with 40% planning to adopt a cloud-first approach in 2023.<sup>8</sup> With the migration of many e-commerce applications to the cloud, delivering on the promise of personalization requires IT teams to manage network and cloud connectivity efficiently so businesses can meet growing user and bandwidth demands.

At the same time, IT teams must balance bandwidth needs between physical locations, data centers and the cloud. They also need to reduce network and administrative complexity — without impacting performance or uptime. Meeting these requirements requires scalable, high-performance network connections while intelligently automating traffic delivery. That means moving away from traditional backhaul and toward a modern network infrastructure that is reliable and secure.

## OUR SERVICES

Spectrum Enterprise® tailors solutions to meet your needs, offering both fully managed and co-managed services.



### Cloud Connect

Improve interactions between your business and public or hybrid clouds with Cloud Connect's high-performing, secure, direct fiber connection that allows you to confidently access cloud-based compute, storage and applications from any location on your wide area network.



### Enterprise Network Edge

Improve the network experience for your teams when scalability, performance and flexibility are paramount to your business. Powered by Fortinet, the solution simplifies IT operations by providing SD-WAN, security and optional WiFi and switching in a multi-cloud-ready platform that brings together connectivity, equipment and network management to support both hybrid networks and workforces.



### Managed Network Edge

Bring your entire network into a single solution that's modular, scalable and ready for growth. Delivered over the Cisco Meraki platform, our fully managed service offers switching, routing, SD-WAN, WiFi, smart cameras, environmental sensors and network security while staying up to date. Lighten the workload of your IT staff and make your network easier to scale with connectivity, equipment and network management from a single partner.



### Managed Cloud Security

Achieve safer, more effective and efficient interactions between users, systems and content with a simplified cloud-based security solution. Secure Access with Cisco Duo and Cloud Security with Cisco+ Secure Connect are built with trusted, leading-edge technology and expert support that enables your teams to be more informed, more responsive and better protected.



### Voice and Unified Communications

Empower your employees to connect and provide excellent customer service with scalable and reliable voice and collaboration solutions that maximize employee productivity and improve communication with customers.

## Securing data in the face of ever-evolving threats

Customers see the same headlines you do about ransomware and data breaches. The prevalence of cyberattacks can influence how they feel about companies and raise concerns about data privacy. Those concerns can also make consumers more aware of how their personal information is saved and used.

Delivering personalization requires data. Although many consumers appreciate the convenience that personalization can offer, they are also skeptical about how their data is used. Only half (51%) of consumers trust brands to keep their personal data secure and use it responsibly.<sup>10</sup> For retailers, it's important to strike the right balance between personalization and privacy.

A strong defense against cyberthreats can help ease customer concerns. Thwarting hackers demands constant diligence, as bad actors continually develop new ways to steal data and exploit vulnerabilities in your network's POS systems, IoT devices and other endpoints. To ensure a consistent, positive user experience, you must protect your internet connectivity and safeguard your systems.

## How Spectrum Enterprise is fostering the future of retail

As retailers embrace omnichannel personalization and adopt the technology to collect and secure customer data at scale, they face challenges and competitive pressures. That makes it critical to select an experienced partner for your investment in network infrastructure.

Spectrum Enterprise works with retailers nationwide to help secure their networks and make them faster, more reliable and easier to manage. We can help you realize your retail future with the connectivity and service-level agreement that's right for your specific needs.

Our nationwide reach, advanced technology and deep expertise enable us to tailor solutions for your connectivity, cloud adoption and security needs so you can focus on providing great experiences for your customers. Our services include Cloud Connect, Enterprise Network Edge, Managed Network Edge, Managed Cloud Security and Voice and Unified Communication. They can be fully or co-managed to meet your operational needs. We deliver the equipment, maintenance and 24/7/365 U.S.-based support — shifting capex to opex while freeing your IT team to focus on growing all your integrated sales channels.

Learn more about personalization and the future of retail by visiting [enterprise.spectrum.com/retail](https://enterprise.spectrum.com/retail).



1. "[Information technology \(IT\) worldwide spending from 2005 to 2024](#)," Statista, July 7, 2023.
2. Holly Stanley, "[The Future of Personalization and How to Get Ready For It](#)," Shopify, October 20, 2022.
3. Ted Levine, "[What Does Today's Consumer Want? Personalized, Seamless, Omnichannel Experiences](#)," Forbes, March 11, 2022.
4. "[State of the Connected Customer](#)," Salesforce, 2022.
5. Holly Stanley, "[The Future of Personalization and How to Get Ready For It](#)," Shopify, October 20, 2022.
6. Ibid.
7. Ibid.
8. "[The Retailer's Road Map to Resilience, Innovation, and Agility](#)," IDC (Doc. #US49792822), December 2022.
9. "[10 Major Retail Industry Cyber Attacks](#)," Arctic Wolf, June 8, 2023.
10. "[The State of Personalization Report 2023](#)," Twilio Segment, 2023.

#### About Spectrum Enterprise

Spectrum Enterprise, a part of Charter Communications, Inc., is a national provider of scalable, fiber technology solutions serving many of America's largest businesses and communications service providers. The broad Spectrum Enterprise portfolio includes [networking and managed services solutions](#): [Internet access](#), [Ethernet access and networks](#), [Voice](#) and [TV solutions](#). The Spectrum Enterprise team of experts works closely with clients to achieve greater business success by providing solutions designed to meet their evolving needs. For more information, visit [enterprise.spectrum.com](https://enterprise.spectrum.com).

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