



***ISG** Provider Lens™

2022

Retail - Digital
Innovators 2022

imagine your future®

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 800 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data. For more information, visit www.isg-one.com.



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Overview

The consumers are back and are spending, however, there has been a marked change in their purchasing behavior. The availability of increased product options has reduced the importance once given to brand loyalty. Also, the purchasing experience needs to be unique, available round-the-clock, seamless and omnipresent. In addition, there should be minimal touch points, and there should be self-service options, with products sourced with an eye on sustainability. At the same time, consumers today are shopping across multiple channels. Although shopping from home is an important element and will continue to grow because of the comfort element, in-store experiences have found favor again and continue to draw consumers. Also, the role of bricks-and-mortar stores is seeing a marked shift; customers are now viewing them as an experience and as micro fulfillment centers.

Many of the changes mentioned above have in progress for some time and were due in part on pressures to stay competitive with other verticals that were well ahead on their digital journeys and were already leveraging newer technologies to improve customer centricity.

The COVID-19 pandemic has compelled many retailers to evaluate their business fundamentals and act rapidly to stay apace with changing market conditions and growing competition. As the dust continues to settle on the aftermath of the pandemic, retailers are beginning to reassess their business models, relationships with consumers and the role of bricks-and-mortar stores. The change in market composition has had ramifications at multiple levels, including the rise in omnichannel transactions, a focus on digital storefronts, importance given to store locations and layouts and a push to make interrupted supply chain function.

In an environment of change, we believe retailers will continue to find innovative ways to engage with their customers and improve their experience. They will continue to invest in and expand their supply chain and logistics — areas of investments here include autonomous delivery, last-mile delivery services, micro fulfillment centers, sensors and asset tagging, among other areas.

Similarly, reimagining the customer experience has been a key area of investment and will continue to be one of the top priorities for retailers. ISG's interactions with retailers indicate a positive trend of investments in areas such as omnichannel marketing, unified commerce, location analytics and proximity marketing, and returns management. In the same vein, retailers are looking at collaborative commerce that branches further into social commerce, video commerce and conversational commerce as the growth engines of today and tomorrow.

Some of the other areas of focus will be automation and digital enablement of store employees. As discussions on the Metaverse gain traction, retailers will focus on programming engines, mixed realities, unified experiences, non-fungible tokens (NFTs) and digital currencies. As mentioned above, sustainability will also be an area of focus, due to demand for sustainably sourced products from end consumers. A big push toward a circular economy is expected, as consumers will look at reuse and resale, sustainable packing and intensive hygiene procedures as the parameters for evaluating retailers.

Agility and speed are of essence, and the use of emerging technologies to drive differentiation and competitive advantage is a visible trend. The acceptance cycles of new technologies are becoming shorter and complimenting a wide range of business operations in relatively short periods. Technology start-ups are riding this wave and are delivering most of the innovations seen in this space. Investments in retail technologies among vendors have spiralled upward in the recent years, and this trend is only likely to gain strength in the years to come. The use of emerging technologies will complement a wide range of business operations such as predicting consumer behavior, unified commerce, driving brand awareness, providing customers with an omnichannel experience, collecting consumer insights to drive in-store conversion ratio, and online/in-store analytics to improve ROI of marketing spends.

Why this report

The Retail - Digital Innovators 2022 study will showcase vendors of innovative technologies across some of the leading business and technology priorities within the retail industry. The purpose of the report is not to cover the retail tech landscape, but to showcase mid- to late-stage start-ups that are high on the innovation agenda and have demonstrated a high impact in client environments.

A “digital innovator” is a vendor offering solutions that are:

- Technologically advanced
- Built on emerging technologies
- Designed to solve business challenges
- Market-ready
- Associated with real-world client implementations.

The **Retail - Digital Innovators 2022** study would cover the following aspects for a selective set of vendors:

- Vendor overview: Area of expertise, presence and solution(s)
- Solution overview: Feature, characteristics and business impact
- Value proposition: Targeting customers and effectiveness
- Financial performance and funding status
- Assessment of market differentiators
- Solution roadmaps
- ISG Analysis: Assessment of offering, future potential and key challenges

These vendors would be selected based on a careful evaluation of their responses to the **Retail - Digital Innovators survey 2022**.

The purpose of the report is to educate the enterprise retail ecosystem about the potential of existing technologies and the way they can be leveraged to shape the future of the retail industry.

The report is aimed at:

- 1) Retailers and brands looking to solve long-standing industry challenges or trying to obtain a competitive advantage through technology
- 2) Service providers and large software firms, seeking partnerships or potential M&A targets.

How to participate?

A participating technology vendor should conform to the following:

- 1) Series B and above funding
- 2) Annual revenue should not exceed \$125 Million
- 3) Less than 200 employees
- 4) Founded in the past 15 years

Evaluation criteria

Vendors would be evaluated based on the following criteria:

- Company vision, growth and strategy
- Solution characteristics – underlying technology, relevancy and deployment options
- Product maturity – sophistication, ease of implementation and ROI
- Product effectiveness
- Market positioning and value proposition
- Client base
- Partnerships

How to participate?

ISG has through its own research identified leading edge start-ups to participate in this study, and an invite to the **Retail – Digital Innovators survey 2022** would be extended to them. Moreover, a retail tech vendor can nominate itself by reaching out to the following email IDs:

- isg.providerlens@isg-one.com
- aakash.adlakha@isg-one.com
- aman.munglani@isg-one.com

Schedule

The research phase for this study will occur between **May 2022 and July 2022**, during which survey, evaluation, analysis, and validation will take place. The results will be presented to the media in **August 2022**.

| Milestones | Beginning | End |
|-------------------|------------------|---------------|
| Launch | May 27, 2022 | |
| Survey Phase | May 27, 2022 | June 15, 2022 |
| Sneak Preview | July 2022 | |
| Press Release | August 2022 | |

Why ISG?

- 25 billion in sourcing deals
- 70 out of Fortune 100 are ISG clients.
- ISG helps over 1,000 enterprise clients further along their transformation journeys. This includes elements such as sourcing, implementation, solution design etc.
- Close to 30,000 client engagements
- ISG has enabled over 200 enterprises across the last three years to launch and scale up large transformation programs and innovation hubs.
- 50 plus percent of ISG's revenue comes from digital transformation engagements/solutions.
- ISG has 1,300-plus advisors globally, providing technology consulting and research services.
- Largest independent sourcing advisory firm panning across both IT and business process outsourcing
- ISG is a leader in smart industry solutions leveraging a proprietary transformation framework called SICE (secure, intelligent, connected economy)
- Industry leaders like Verizon, Caterpillar and Hitachi are leveraging ISG's thought leadership and smart industry frameworks to guide their product innovation strategies
- ISG interacts and evaluates more than 1,500 service providers and technology vendors. High visibility among supply side vendors, enabling joint partnerships or M&A for joint go-to-market strategies
- ISG provides a platform for extremely high visibility among investors – ISG's flagship event ISG Index has more than 800 companies participating each quarter with a footfall of more than 100 investors
- ISG releases 400-plus quadrants annually – opening opportunities to feature in quadrants that have high visibility in the market

ISG Star of Excellence™ – Call for nominations

The Star of Excellence is an independent recognition of excellent service delivery based on the concept of “Voice of the Customer.” The program is designed by ISG to collect client feedback about service providers’ success in demonstrating the highest standards of client service excellence and customer centricity.

The global survey is all about services that are associated with IPL studies. All ISG analysts will be continuously provided with information on the customer experience of all relevant service providers. This information comes on top of existing first-hand advisor feedback that IPL leverages in context of its practitioner-led consulting approach.



Providers are invited to [nominate](#) their clients to participate. Once the nomination has been submitted, ISG sends out a mail confirmation to both sides. It is self-evident that ISG anonymizes all customer data and does not share it with third parties.

It is our vision that the Star of Excellence will be recognized as the leading industry recognition for client service excellence and serve as the benchmark for measuring client sentiments.

To ensure your selected clients complete the feedback for your nominated engagement, please use the client nomination section on the Star of Excellence [website](#).

We have set up an email where you can direct any questions or provide comments. This email will be checked daily, please allow up to 24 hours for a reply. Here is the email address: Star@isg-one.com

Research Production Disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing work identified by the clients. This data is collected as part of the ISG FutureSource process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not to produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.

Contacts for this study



Aman Munglani
Lead Analyst



Aakash Adlakha
Project Manager.

Do you need any further information?

If you have any questions, please do not hesitate to contact us at isglens@isg-one.com.

ISG Provider Lens™ QCRT Program Description

ISG Provider Lens™ offers market assessments by incorporating practitioner insights, reflecting regional focus and conducting independent research. ISG ensures advisor involvement in each study to cover the appropriate market details aligned to the respective service lines/technology trends, service provider presence and enterprise context. In each region, ISG has expert thought leaders and respected advisors who know the provider portfolios and offerings as well as enterprise requirements and market trends. On average, three advisors participate as part of each study's Quality and Consistency Review Team (QCRT) that ensures each study reflects ISG advisors' experience in the field, which complements the primary and secondary research the analysts conduct. Advisors participate in each study as part of the QCRT group and contribute at different levels depending on their availability and expertise.

The QCRT advisors:

- Help define and validate quadrants and questionnaires
- Advise on service providers inclusion, participate in briefing calls
- Give their perspectives on service provider ratings and review report drafts

The ISG Provider Lens™ QCRT program helps round out the research process, supporting comprehensive research-focused studies.

Quality & Consistency Review Team for this study



Yadu Singh
Director



Sunder Pillai
Director

Do you need any further information?

If you have any questions, please do not hesitate to contact us at isglens@isg-one.com.