

Retail Futures

Tomorrow's Vision

Foreword

The future of retail is not a fixed destination, but a landscape we are shaping together. It unfolds through the decisions businesses make every day. As behaviours evolve, technologies progress and expectations rise, retailers are being challenged to adapt, reimagine and move forward with intent.


At Oracle NetSuite, we are fortunate to work alongside a diverse community of retailers, each navigating change in their own way. This gives us a close-up view not only of operational transformation, but of the cultural forces reshaping how people buy, live and connect. It is a world we are immersed in every day, where technology is not just about efficiency, but a foundation for better decisions, more intelligent growth and more meaningful experiences.

This report, developed in partnership with The Future Collective, brings together some of the most compelling signals we are seeing and asks the questions that help provoke what comes next. It explores the possibilities emerging at the intersection of retail, technology and culture, and considers what becomes achievable when those elements align.

In a time defined by complexity and acceleration, foresight has become fundamental to success. We are proud to contribute to that exploration. As the world's number one AI cloud ERP, with our AI-powered business management suite spanning ERP, Financials, CRM and ecommerce, we are committed to supporting the retailers who are defining the future of commerce.

The possibilities ahead are among the most exciting we have seen. Let's explore them together.

Kath Brameld
Retail Industry Director, Oracle NetSuite

 See why NetSuite is the number one AI Cloud ERP

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Introduction



In 2012, retail futurist Paco Underhill predicted that stores would change more in twelve years than they had in the previous fifty. From our vantage point in 2025, that change feels like just the beginning.

Retail now moves at the speed of expectation. Consumer demands are evolving, technology is accelerating and the operational bar keeps rising.

This moment marks a tipping point. The next 3–7 years will see commerce reshaped by AI, automation, and the desire for more intuitive, personalised, and purpose-led experiences.

This report is a call to reimagine what retail could become in a world defined by connection, complexity and constant reinvention.

The Forces Reshaping Retail

The retail landscape is being reshaped by a convergence of economic, technological and social forces that are altering how businesses operate and how consumers engage with brands.



The Acceleration Economy

From linear growth to exponential adaptation.

Retailers are operating in a faster, more fragmented landscape than ever before, with VML referencing ‘a world grappling with polarisation, distortion, and uncertainty’.

Volatility has become the backdrop of the 2020s, with unpredictable market conditions, evolving consumer expectations and rising competitive pressure creating an environment that requires near-constant adjustment. The pace of change has shifted into overdrive and with it, the volume of decisions, and the speed at which they’re expected, has increased dramatically.

For businesses built on fixed processes and older infrastructure, keeping up is proving increasingly challenging. Oracle NetSuite’s Kath Brameld notes that many retailers are struggling to adapt to change with systems that no longer match the demands of the market. This is echoed at a leadership level, with the vast majority of UK CEOs expecting to make material changes to their business model this year.

Change has always existed, but what’s different now is the sustained pressure it brings. Technology provides the adaptive advantage. AI, automation, and next-gen connectivity enable businesses to sense, respond, and anticipate in ways that were impossible just years ago. For the first time, businesses can move at the speed of change rather than constantly chase it.

“98% of UK CEOs expect to make material changes to their business or operating model this year.”

PwC (2025) 28th UK CEO Survey.

The Trust Deficit

Authenticity becomes infrastructure.

Trust has become one of retail's most valuable and most fragile assets. In a world shaped by misinformation, performative ethics and data concerns, people are looking for evidence over empty promises. The traditional signals of credibility like slick advertising, corporate credentials, and size and scale, matter less than honest answers.

The acceleration of generative AI content is amplifying this scrutiny. According to Accenture, nearly 60% of consumers are questioning the authenticity of online content more than before. Brand loyalty has become almost unheard of as consumers shift allegiance based on immediate evidence rather than historical relationships.

After years of sustainability theatre and purposewashing, people want transparency they can verify. They want to know where materials come from, how their data is used, and what a business stands for. Empty CSR reports and marketing speak no longer suffice.

What emerges is a different kind of value exchange. Trust is no longer built through polish, but through proof. Being open and accountable - evidencing intentions transparently and consistently - has become the foundation for long-term loyalty.

“62% of respondents say trust is an important factor to them when choosing to engage with a brand, (up from 56% last year).”

Accenture (2025) Life Trends 2025.



The Generational Reset

Generations rewrite the rules.

Traditional life stages and demographic labels are losing relevance. Behaviours once associated with age are now shaped more by mindset, values and context than by where someone sits on a demographic chart. Across generations, people are rejecting legacy norms and creating new versions of what identity, success and self-expression look like.

Gen Z, navigating financial pressures and uncertain futures, are turning away from linear paths and traditional milestones like homeownership, and investing in what feels meaningful now. Many are overspending in the present as a form of emotional survival, prioritising products and experiences that offer joy over long-term security.

Others are stepping back from material consumption entirely, placing greater value on alignment, experience and self-expression. As Vogue Business puts it, “People are tired of being marketed to. What they want is personal alignment and authenticity.”

At the same time, older consumers are defying expectations too - embracing technology, shopping across categories once seen as youth-driven, and seeking out new experiences rather than scaling back.

Retail behaviour is becoming harder to predict not because people are more divided, but because they're more fluid. Brands that respond to intent, attitude and evolving priorities will be better placed to navigate this cultural recalibration.

“Consumer needs and habits are becoming increasingly diverse, making customer orientation more complex.”

PwC (2025) Future of retail: five areas of action for retail 2030.

The Experience Era

“74% say stores should offer more than products and strive to entertain and engage shoppers.”

VML (2025) The Future 100.

Beyond transactions to connections.

Consumers no longer just buy products, they invest in ideas, identities and experiences. Commerce has become more social, continuous and circular, with the transaction now just one moment in a much longer, more layered relationship. Value operates through new exchanges: data for service, values for loyalty, convenience for meaningful connection.

The boundaries between retail, entertainment, community and service are dissolving, creating new expectations for what commerce can and should deliver. Experience has become the defining factor - most notably in physical retail, where the role of the store is being reimagined. People want spaces that offer discovery, interaction and a reason to stay, not just shop. More than ever,

stores are becoming cultural touchpoints, places to engage with creativity, identity and brand purpose.

This shift is also playing out across digital and social platforms, where content, community and commerce increasingly overlap through new forms of discovery and engagement.

Whether through a physical flagship or a curated digital experience people are looking for brands that understand the importance of ongoing connection and shared meaning. Success increasingly means thinking beyond the sale to the story that unfolds around it.



Retail Futures Equation

Three interconnected pillars are powering the future of retail.

01. Connected Experience

Reimagining every customer touchpoint.

From frictionless journeys to immersive environments, retail is moving beyond transactions toward meaningful, unified interactions.

02. Intelligent Operations

Rewiring the retail engine for speed, scale and adaptability.

AI, data and modular infrastructure are powering smarter decisions, predictive systems and a shift from fixed to flexible.

03. Purpose-Led Scale

Embedding values into growth models.

Retailers are expected to scale ethically, with sustainability, equity and resilience built into every layer of their business.

01 Connected Experience

Invisible Commerce
Reality Layering
Living Stores
Flexible Footprints
The Social Sell

Invisible Commerce

What happens when the boundaries between online, offline and virtual shopping dissolve completely?

As shopping blends into daily life and friction disappears from every interaction, the real innovation lies behind the scenes, with unified commerce making ambient retail experiences possible.

“We’re moving beyond omnichannel toward unified commerce, where technology disappears, and retail becomes one fluid, ambient experience across every touchpoint.”

The Future Collective (2025).

“92% of UK retailers have unified commerce initiatives underway.”

Salesforce (2025) The Sixth Edition Connected Shoppers Report, March.

The Future Forecast

By the 2030s, shopping won’t be something we go out to do. It will happen around us, effortlessly. Retail becomes a simultaneously omnipresent and invisible layer, dissolving into the fabric of everyday life.

Smart environments anticipate needs before customers even realise them, with IoT sensors triggering automatic replenishment. Voice assistants and gesture interfaces enable purchases through natural conversation and movement, while AR glasses surface contextual commerce options in real time. Biometric systems handle payments passively, eliminating the need for checkouts altogether.

This seamless experience emerges from the move beyond omnichannel to unified commerce, where physical, digital and social touchpoints function as one integrated ecosystem. The value is proven, with McKinsey finding that customers who shop online and in-store are at least 1.25% more valuable. Unified systems power predictive transactions, personalise interactions and dissolve the friction across the entire journey between discovery and delivery.

The result is channel-less commerce where boundaries disappear entirely. There is no distinction between online, offline or virtual. Consumers no longer think in terms of “going shopping.” Retail flows between social feeds, physical spaces, and virtual worlds as one continuous experience, embedded in existing behaviours rather than interrupting them.

As global ecommerce approaches \$8 trillion by 2027 (Research and Markets, 2025), the technologies driving this shift become increasingly transparent to users. Retail transforms into ambient infrastructure which is always available when needed, never intrusive when not, and seamlessly integrated into how we live.

Pioneers in Action

- In January 2025, Sensei and MC Sonae opened the world’s largest autonomous supermarket in Portugal, setting “a new benchmark for large-scale AI-powered retail environments.” The 1,200+ square metre Continente Bom Dia store offers “democratic entry” requiring no app or registration. Customers shop normally through fresh produce, fish counters and bakery sections, but checkout is transformed through “real-time basket” technology where purchases automatically appear on screen for confirmation, eliminating scanning and queuing entirely.
- AiDEN Automotive has partnered with Mavi to bring the OnMyWay Commerce platform to connected vehicles, enabling drivers to shop for food, drinks and essentials directly from their vehicle’s interface. With the automotive ecommerce market projected to grow from \$100.14 billion in 2024 to \$343.13 billion by 2032 (Fortune Business Insights, 2024), the platform redefines convenience by making shopping seamless during travel.



Strategic So What?

Retailers must reimagine the entire customer journey, not as a series of destinations, but as ambient infrastructure embedded into daily life, powered by unified systems.

To stay ahead, brands must build:

- Unified back-end systems that integrate every touchpoint into real-time, seamless customer profiles
- Predictive intelligence that anticipates needs and automates action before customers act
- Ambient interface technologies - voice, gesture, biometric - that remove friction and fade into the background

Brands at the forefront will make everyday commerce feel magical by making it disappear.

Image Source: mavi.io

Reality Layering

How will AR, VR and digital twins transform every shopping moment?

Digital and physical realities blend into hybrid experiences where virtual overlays enrich real-world interaction, transforming how we see, try and buy.

“Consumers are increasingly keen to move seamlessly through realities; 43% of Generation Z already say they don’t see a difference between the virtual or physical—it’s all real to them.”

VML (2025) The Future 100.

The Future Forecast

The next evolution of hybrid retail environments is already taking shape. Shoppers no longer simply see what’s in front of them; they engage with layers of information, content and customisation integrated seamlessly into the physical world. Instead of visiting a store just to browse, customers enter dynamic spaces enriched with real-time digital overlays that enhance decision-making and personalise the journey.

Physical retail spaces become responsive environments shaped by next-gen tech. AR mirrors let shoppers explore endless outfit variations, while product scans reveal sustainability credentials and peer reviews. Signage and promotions adjust based on shopper profiles and current campaigns, balancing individual preferences with a sense of shared experience across the space. Store associates are augmented with instant inventory updates and customer preferences, becoming knowledgeable guides who enhance rather than replace human connection. As Lowe describes it: “We’re giving superpowers to associates.”

These enhanced experiences extend naturally into home environments, where virtual showrooms and AR try-on capabilities maintain the same information-rich, personalised approach customers experience in physical stores.

Digital twins of products, stores, and customers provide dynamic testing grounds for new layouts, collections, and experiences, helping retailers refine offerings and optimise operations without interrupting physical environments.

Immersive technology moves beyond novelty to become a natural part of shopping, enriching the process without overshadowing the human element. “The technology is finally catching up to both the creative ideas and the business opportunities,” observes Kath Brameld.

Pioneers in Action

- Trang To, Tapestry’s Vice President, Omni has stated that the company is exploring a mix of computer vision and machine learning to gain insight on the demographics of customers coming into its stores, including how they are navigating the space and engaging with products and sales associates. Similarly, H&M is looking into ambient intelligence that makes use of sensors, according to Ellen Svanström, its Chief Digital Information Officer.
- At NRF 2025, MediaMarktSaturn and Nordic retailer Kappahl showcased AI assistants that empower frontline staff in real time - MyBuddy, a voice-navigated in-ear agent that lets associates browse the store catalogue mid-conversation, and Store Operations Agent, which provides instant access to product details and store information.

Strategic So What?

As digital and physical realities fuse, the competitive edge lies in designing for presence, as well as convenience. Forward-thinking retailers will strive for seamless, sensory ecosystems that respond to behaviour in real time.

This means investing in:

- Responsive environments that adjust layouts, content and promotions dynamically
- Augmented associates supported by intelligent tools and real-time customer data
- Virtual twins of stores and customers to simulate, test and optimise experiences before they go live

Use technology to create smarter, subtler systems that deepen engagement and make every shopping moment more informed and meaningful.

“Virtual experiences will become a core part of the shopping journey, not just a novelty. Immersive tech will create a seamless interactive journey for the buyer.”

Kath Brameld, Oracle NetSuite (2025).



Living Stores

What if stores could feel and respond like living organisms?

As consumers seek deeper meaning from physical experiences, stores must evolve into places that feel alive, emotionally responsive and socially attuned, designed to resonate far beyond the transaction.

“Physical retail is reclaiming its power through depth, creating spaces that feel culturally alive and emotionally resonant in ways digital touchpoints cannot match.”

The Future Collective (2025).

The Future Forecast

Competing for attention in an era of fast-scrolling feeds and challenging footfall trends, tomorrow’s physical retail destinations must offer something radically human: connection, surprise and presence. With luxury spending in 2024 shifting towards experience, which grew 5% as consumers prioritised travel, social events and wellness over traditional consumption (Bain & Co, 2025), stores must evolve to capture this experiential demand. Emotion is key to loyalty, and when customers make the effort to visit stores, they expect next-level experiences that justify the journey.

For the next era of retail, physical stores are reimagined as responsive, relational spaces. Far from being static showrooms, these emotionally intelligent environments begin to sense and adapt, pulsing with human presence. Mood is read through biometric signals and behavioural cues, triggering shifts in lighting, scent and sound. When energy is high, environments elevate and energise; when contemplation is needed, they soften and slow.

Merchandising evolves from fixed presentation to dynamic storytelling. The store becomes a living editorial platform, with collections curated around shared mindsets, seasonal narratives or emerging moments. Service is redefined as responsive hospitality, attuned to individual and group needs through social awareness and emotional intelligence.

These living environments compete not only with other retailers, but with how people choose to spend their time. They become culture-coded places where discovery happens through immersion in art, culture and conversation rather than traditional product browsing alone. The offering is layered: sensory storytelling, fluid interaction and communal events that root commerce in meaning.

In an age of digital saturation, Living Stores bring back the power of in-person experience. They recast retail as a space for connection rather than transaction, where purchases are folded into wider stories of identity, intention, and shared belonging.

Pioneers in Action

- London’s Future Stores demonstrates this approach with a 4,680 square foot Oxford Street space featuring rotating brand activations that change every two to six weeks. The concept addresses the challenge that “traditional retail simply can’t keep up” with TikTok-length attention spans. It enables retail to move “at the speed of culture”, creating an experience that is as fluid as a social media feed through floor-to-ceiling micro-LED displays and dynamic activations that can transform throughout the day or tie into nearby cultural events.
- H&M’s store in Myeongdong, Seoul introduces an immersive fitting room offering a 360 visual and auditory sensory experience, allowing customers to immerse and express themselves by creating and sharing stories with various moods.

Strategic So What?

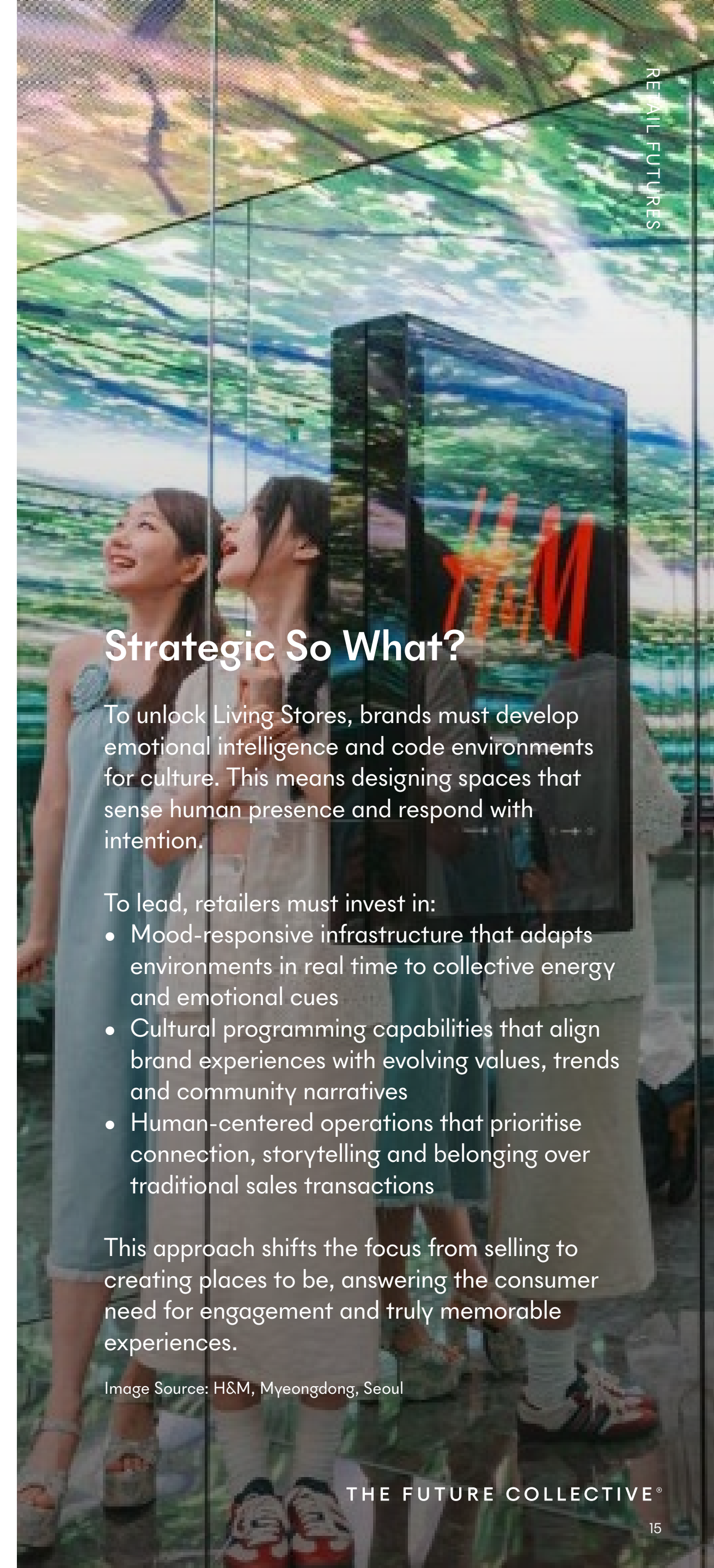
To unlock Living Stores, brands must develop emotional intelligence and code environments for culture. This means designing spaces that sense human presence and respond with intention.

To lead, retailers must invest in:

- Mood-responsive infrastructure that adapts environments in real time to collective energy and emotional cues
- Cultural programming capabilities that align brand experiences with evolving values, trends and community narratives
- Human-centered operations that prioritise connection, storytelling and belonging over traditional sales transactions

This approach shifts the focus from selling to creating places to be, answering the consumer need for engagement and truly memorable experiences.

Image Source: H&M, Myeongdong, Seoul



“85% of global shoppers say the great thing about physical stores is that stores can engage all their senses.

84% say browsing in store is the best way to get inspired while shopping.

74% say stores should offer more than products and strive to entertain and engage shoppers.

79% agree shopping should be a multisensory experience.”

VML (2025) The Future 100.

Flexible Footprints

What if space wasn't static, but strategic?

The next era of retail space is shaped by fluidity, not fixed formats. Responsive to cultural relevance and local momentum, physical footprints flex across contexts: short-term, shared and strategic by design.

“Weakening sales, rising rents, and evolving consumer sentiment are driving luxury houses away from flagship stores toward more flexible retail models.”

Jing Daily (2025) 7 June.

The Future Forecast

Retail is entering a new phase of spatial intelligence, where footprints become increasingly fluid, responsive and highly contextual. Fixed-format stores are giving way to networks of adaptable spaces designed to meet people where they already are.

As urban centres continue their evolution into mixed-use landscapes, brands will need to rethink their presence across transport hubs, residential developments, fitness clubs, cafés and co-working spaces. Rather than prioritising long leases and legacy locations, store planners should move their focus to agile models informed by local content and human insight, designed for presence over permanence.

This change is part of a wider retail realignment as physical footfall continues to decline. UK shopping destinations saw a 2.2% drop in December 2024, while nearly 13,479 retail stores closed across the year, a 28% rise from 2023 (The Centre for Retail Research, 2025).

Future retail strategy involves redistributing physical space with intent rather than simply pulling back. Brands are reallocating resources, closing some doors, while opening others in more strategic, high-impact ways. Cultural landmarks still matter, with iconic flagships and experience-first concept stores key to driving visibility and connection. But these will sit within broader ecosystems that flex with demand, from short-term and shared tenancies to pop-up collaborations and modular formats that can scale up or down.

Luxury brands, in particular, are leading the way. While reducing traditional store counts, they are investing in immersive, place-specific experiences, from restaurants and exhibition spaces to private, appointment-only lounges. Brand impact is maintained by showing up in the right locations, with the right experience, at the right time. As Zino Helmlinger of CBRE explains, in luxury, “rarity comes with scarcity” (Reuters, June 2025).

Pioneers in Action

- Louis Vuitton’s “The Louis” flagship in Shanghai demonstrates strategic format innovation by reshaping urban landscapes. The ship-shaped store on West Nanjing Road has instantly become a cultural landmark, blending free public exhibitions, retail, and dining across three floors. It creates shared urban space that draws crowds rivalling major city landmarks, proving how experiential formats generate cultural relevance beyond sales.
- In contrast, platforms like Lone Design Club and Spacenow offer agile, short-term, and shared tenancy spaces, while The Pop-Up Club curates dynamic marketplaces for independent brands, enabling rapid market testing and community building without the commitment of long-term leases.

Strategic So What?

Retail format strategy must become more fluid, contextual and modular. Physical presence should be anchored in adaptability and cultural relevance.

Success requires:

- Cultural mapping powered by local insight and human data to identify socially dynamic spaces and moments of relevance
- Modular store formats that can scale, shift or share space with ease
- Strategic partnerships that embed retail into existing environments, across leisure, lifestyle and local communities

The future belongs to retailers who treat space as a strategic asset, rather than a static commitment.

Image Source: The Second Skin by Aesop at Salone del Mobile 2025

The Social Sell

How will community become retail's new currency?

Social commerce is rapidly coming into its own. Shopping is becoming a shared experience shaped by creators, fan communities and digital tribes. Influence, interaction and purchase now unfold across live streams and social platforms, blurring the line between entertainment and transaction.

“70% of global consumers expect to shop primarily through social media by 2030, bypassing traditional websites entirely.”

DHL (2025) E-Commerce Trends Report, 3 June.

“The largest trend in the West is the rise of live social shopping.”

Gary Vaynerchuk, Brand Innovators Marketing Leadership Summit @ SXSW London, June 2025.

The Future Forecast

The hard sell in retail is losing ground to an approach that is softer and more social, shaped by trust and shared experience. What began as an add-on to social strategy is becoming a destination in its own right. It could even overtake traditional ecommerce in the years to come. Platforms like TikTok, Instagram and emerging discovery apps are no longer a route to market; they are the market.

Shopping increasingly unfolds inside these digital spaces where consumers gather and connection converges with commerce. Traditional linear paths to purchase are reshaped into loops, with discovery, decision and advocacy happening at the same time. Rather than following funnels, consumers follow creators, causes, and conversations leading to organic actions that closely align with their individual wants and needs. Retailers active in these spaces aren't broadcasting to users, but embedding themselves in networks as active participants and designing for members rather than customers.

This shift is powered by a new generation of shoppers who expect participation over passive consumption. Around 7 in 10 Gen Z consumers learn about new products through social media influencers, up from 45% in 2023 (Capgemini, 2025). Meanwhile, 66% of consumers consider a social media presence crucial for buying decisions, and 76% of UK consumers plan to purchase products directly via social media in 2025 (The Times, 2025). By 2030, a significant 70% of global consumers expect to shop primarily through social media (DHL, 2025).

The infrastructure around this is evolving fast. Live shopping is set to further grow globally, merging entertainment with real-time purchasing. AI influencers work alongside human creators, and while trust is still being negotiated, 1 in 4 consumers already say they trust AI avatars enough to make purchases based on their recommendations (Capgemini, 2025). The metaverse is being reconfigured as immersive new world spaces creating next-generation opportunities for experiential marketing and 3D shopping.

What's emerging is both practical and emotional, with purchasing decisions shaped by social context, cultural alignment and peer credibility. As consumers prioritise meaningful interaction over passive, algorithm-led content, social commerce gains the momentum to surpass traditional ecommerce.

Pioneers In Action

• With over 11 million app downloads and rapid European expansion, Whatnot is revolutionising commerce by blending engaging video with real-time auctions. In 2024, European sellers on Whatnot grew over 360% year-over-year, hosting more than 20,000 hours of shows weekly (Whatnot, 2025). The platform transforms shopping into interactive entertainment where buyers bid during live broadcasts.

• TikTok Shop, having gained traction in the UK live-commerce space, has rolled out full-featured versions in France, Germany and Italy. The platform quickly integrated local sellers and strategic retail partners, such as Carrefour in France, AboutYou and Cosnova in Germany, creating dedicated livestream hubs tailored for regional tastes.

Strategic So What?

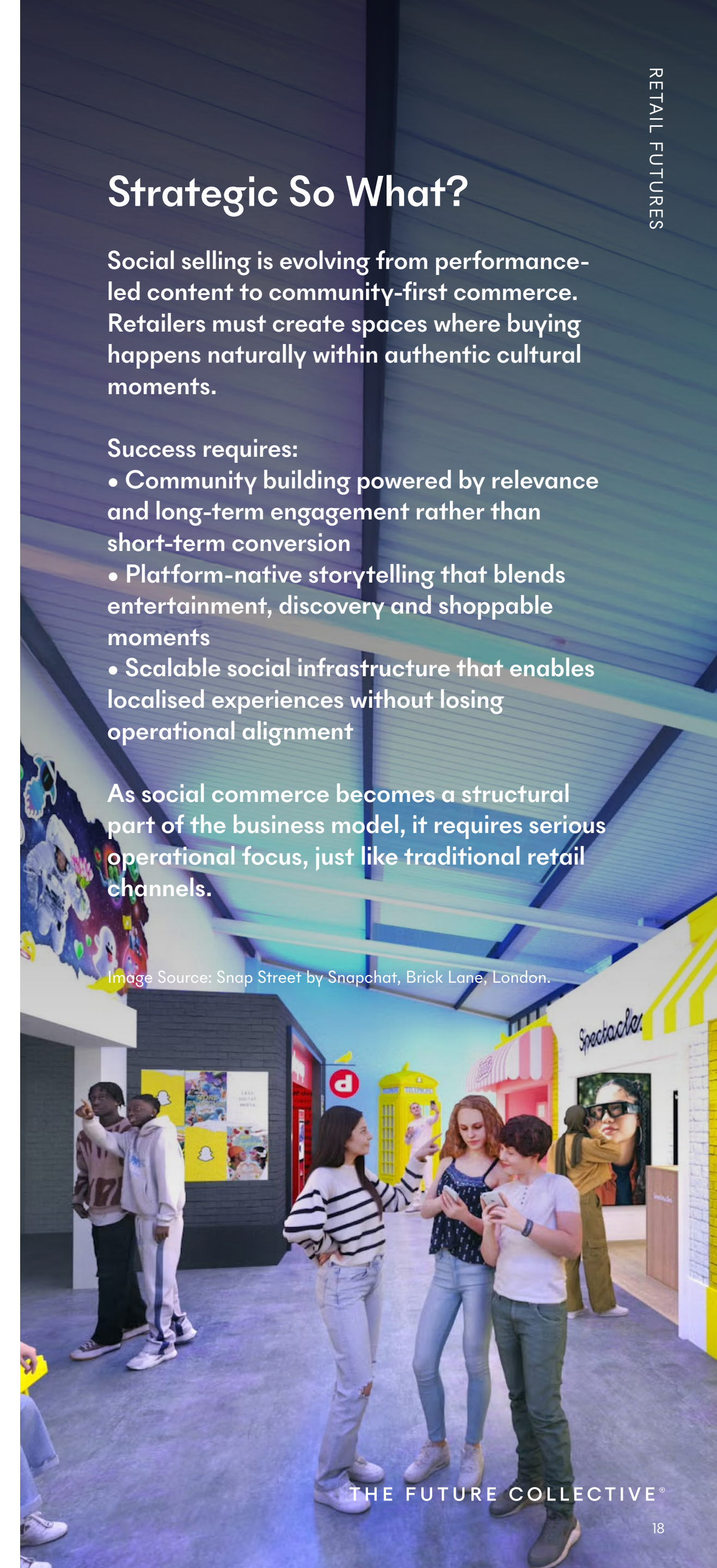
Social selling is evolving from performance-led content to community-first commerce. Retailers must create spaces where buying happens naturally within authentic cultural moments.

Success requires:

- Community building powered by relevance and long-term engagement rather than short-term conversion
- Platform-native storytelling that blends entertainment, discovery and shoppable moments
- Scalable social infrastructure that enables localised experiences without losing operational alignment

As social commerce becomes a structural part of the business model, it requires serious operational focus, just like traditional retail channels.

Image Source: Snap Street by Snapchat, Brick Lane, London.



02 Intelligent Operations

Shadow Agents
Future Sense Systems
Fluid Fulfilment
Dynamic Creation
Stack Smarter

Shadow Agents

What happens when your customer is no longer human?

AI agents are stepping in as autonomous decision-makers - learning preferences, scanning for deals, negotiating prices, and completing purchases with minimal human oversight. This marks the next major evolution in retail: a shift from human-to-human commerce to algorithm-to-algorithm trade.

“The AI agents market is projected to grow some five billion to almost fifty billion by 2030.”

Forbes (2025) A-Commerce is Coming: Agentic AI And The “Do It For Me” Economy, 6 February.

The Future Forecast

The next wave of customers won't be people, but autonomous AI agents acting on their behalf. Even the most enthusiastic customer has limits, with attention, time, and mental load all constraining the traditional browsing experience. In contrast, agents operate without fatigue, scanning entire markets in seconds and optimising for budget, convenience, sustainability, or ethics depending on programmed intent. Starting with routine replenishment like groceries, beauty essentials, and wardrobe basics, they will expand into more complex purchasing decisions that surface both familiar brands and unexpected alternatives beyond a shopper's usual radar. Adobe reports nearly half of consumers under 45 welcome virtual assistants that proactively add items to carts based on preferences and purchase history.

This changes how commerce works. Product discovery moves from casual browsing to systematic analysis. Brand loyalty transforms from emotional connection into data-driven preferences that shift instantly based on value, ethics or availability. Search behaviour gives way to system-level negotiation, where visibility depends less on SEO and more on how well retailers are indexed for agents. Already, 58% of consumers have replaced traditional search engines with Gen AI tools for product and service recommendations, up from 25% in 2023 (Capgemini, 2025).

Retailers must now design experiences for minds that process information differently to humans. This means prioritising machine-readable data feeds over persuasive storytelling, enabling real-time price negotiation over fixed pricing, and building relationships with algorithms that represent millions of human preferences. The challenge is to serve both the machine and the human behind it.

Pioneers in Action

- PayPal, Visa, and Mastercard are each developing frameworks for AI agent transactions, building in dynamic authentication layers, agent credentials, and autonomous payment flows. PayPal Ads' SVP Mark Grether explains, “We optimised for search in the past. Now we're optimising for agents.”
- Daydream is an AI-powered fashion discovery platform that interprets customer queries to recommend products from over 8,000 brands. Currently in beta, it aims to simplify shopping by acting as a virtual stylist, and with future updates, it could even purchase items on the customer's behalf.
- Alta, an AI-powered personal styling startup, recently secured \$11 million in seed funding to “build the future of agentic shopping”. The app lets users upload their real wardrobes, create avatars, and try on clothes virtually, offering personalised outfit suggestions and shopping suggestions based on occasion, weather and style.

“79% of UK retailers say AI agents will be essential to compete.”

Salesforce (2025) The Sixth Edition Connected Shoppers Report, March.

Strategic So What?

Though early on the adoption curve, the rise of shadow agents requires retailers to rethink how they attract, serve and retain customers.

Success in the agent economy requires:

- API-first commerce platforms that enable direct agent access without traditional user interfaces
- Algorithmic relationship management focused on agent preferences rather than human browsing behaviour
- Dynamic pricing and negotiation systems that can respond to automated purchasing patterns in real time
- Trust frameworks that give agents permission to act autonomously within defined parameters

Retailers who design for algorithm-to-algorithm commerce will capture the growing market of automated purchasing while those focused solely on human browsing patterns risk losing relevance in the agent economy.

Future Sense Systems

What if retail operations could predict and adapt to anything?

Operations are evolving from reacting to change to anticipating it. Smart systems read the signals before demand forms, transforming how businesses prepare, position and perform.

“The fashion industry produced between an estimated 2.5 billion and 5 billion items of excess stock in 2023, worth between \$70 billion and \$140 billion in sales.”

BoF x McKinsey (2024) The State of Fashion 2005.

“In 2030, entire value chains will be aligned to accurate predictive models of consumer needs.”

Riyadh Bhyat, Head of Quantum in Europe, Middle East and Africa.

The Future Forecast

Retail operations have traditionally been reactive. But with rising costs, faster trend cycles, excess inventory challenges and shifting global supply chains, retailers are being forced to think further ahead rather than simply respond.

The signals of future demand and disruption have always existed, from weather affecting what people buy and cultural moments creating sudden demand spikes, to regulatory changes and economic shifts creating their own ripple effects. The problem was that these insights often lived in silos, disconnected from the teams that could act upon them.

Now, intelligent systems are connecting the dots. These “future sense systems” decode complex signals behind customer intent and operational disruption. They weave together cross-category behavioural shifts, cultural trends, geopolitical and environmental changes to anticipate needs before they surface. Think GLP-1 medications reshaping sizing requirements, return-to-office policies driving office wear demand, EU regulations banning product destruction by 2026, and tariff turbulence disrupting supply routes.

These systems work on behalf of the business, auto-adjusting stock levels, repositioning supply chains and refining pricing models in real-time. As Forbes notes, retailers are now using AI and machine learning “not just to track inventory but to predict and adapt to disruptions before they become crises.” Kath Brameld recognises this: “The biggest impact of AI in retail operations will be in demand forecasting and merchandising, inventory management efficiency, and automating repetitive customer service tasks.”

With 30% of UK retail and CPG organisations already implementing AI technologies across their business, more than double the global average of 12% (BearingPoint, 2024), the infrastructure for Future Sense Systems is taking shape. Tomorrow’s retailers will compete on foresight rather than speed, with operations that shape trends instead of chasing them.

Pioneers In Action

- Arteli is an AI-driven platform dedicated to transforming the physical store experience for both consumers and retailers. It analyses local data ranging from consumer confidence and income levels to weather and style preferences to help retailers adapt their merchandising to the surrounding clientele.
- Kering reported a 20% improvement in the accuracy of its inventory forecasting with AI demand planning (BoF x McKinsey, 2024), demonstrating how predictive systems can dramatically enhance operational precision. The luxury group is using advanced analytics to move from reactive to anticipatory inventory management across its portfolio of brands.
- Hugo Boss is investing over €150 million in digital intelligence by 2025, using advanced analytics and digital twins to model scenarios across channels. The company reported inventory-to-sales ratios down 3.4 percentage points in the second quarter of 2024, showing how future sense systems can deliver measurable operational improvements (BoF x McKinsey, 2024).

Strategic So What?

The future belongs to businesses that can see what’s coming, not just what’s happening now.

Success requires:

- Predictive analytics platforms that can interpret complex signals across consumer behaviour, market conditions and external disruptions
- Cross-functional data integration that connects customer insights, supply chain intelligence and external market signals in real time
- Adaptive operational systems that can automatically adjust inventory, pricing and supply chains based on predictive intelligence
- Scenario planning capabilities that prepare businesses for multiple futures rather than betting on single outcomes

By weaving insight into the core of operations, tomorrow’s retailers build systems that are as responsive as they are robust.

Fluid Fulfilment

What happens when fulfilment stops following the rules?

Fulfilment evolves from linear warehouse-to-door delivery into distributed networks where every location becomes an active touchpoint, powered by AI that routes inventory based on real-time demand patterns.

“Returns are a major challenge for retail businesses, particularly online. Managing them involves restocking, inspecting items and navigating high costs. It remains a persistent operational headache.”

Kath Brameld, Oracle NetSuite (2025).

The Future Forecast

Rising customer expectations for speed, availability and sustainability are overwhelming traditional fulfilment systems, while returns culture adds operational complexity. According to research published by Uber Direct, in the UK, 40% of consumers used on-demand delivery in the past year, rising to 66% among Gen Z, yet only 22% of retailers currently offer this service. With 52% of consumers willing to pay up to £10 for 2-hour delivery on orders over £100, demand is clear.

This shift toward flexible fulfilment is already reshaping how retailers operate, with warehouse-centric models giving way to micro-fulfilment centres and retailers turning back rooms into shipping hubs. The next evolution is enabled by AI, machine learning, and predictive analytics, creating a living fulfilment network that learns, adapts and responds dynamically.

Advanced computer vision, IoT sensors and predictive analytics will power real-time tracking and forecasting across entire supply networks. AI-driven systems will orchestrate continuous inventory rebalancing and autonomous delivery, making thousands of routing and fulfilment decisions that human teams could never manage manually.

In this intelligent system, every location in the network, from stores and warehouses to return points and customer homes, becomes active and aware. Decisions about where to ship from, where to return to, or how to work around disruptions happen instantly, based on real-time demand and availability.

Returns no longer default to central processing but are rerouted to locations with shortages. Inventory flows continuously to the places of highest demand, keeping stock active and minimising waste.

For retailers, this means treating their entire network as a dynamic, interconnected system. Disruptions are managed automatically, local stockists become fulfilment partners, and regional brands integrate into global networks, building a more resilient, responsive supply chain.

Pioneers in Action

- Czech online grocer Rohlík Group is spinning out its AI-driven grocery fulfilment platform, Veloq, as a standalone company with worldwide ambitions. Veloq has powered Rohlík's 37% year-on-year growth across the Czech Republic, Germany, Austria, Hungary, and Romania (Bloomberg, 2025). Built on proprietary software and advanced robotics, the platform unifies the entire grocery fulfilment process into a single modular system, covering automated picking, intelligent routing, advanced inventory forecasting, and personalised customer engagement. Its AI engine manages every operational layer, from dynamic queue and labour management within fulfilment centres to supply chain forecasting and real-time last-mile logistics optimisation.

Strategic So What?

Fluid fulfilment requires retailers to reimagine their entire distribution infrastructure as an intelligent, responsive network.

Success requires:

- Real-time inventory orchestration that continuously repositions/reallocates stock based on live demand and disruption signals
- Decentralised fulfilment networks where every store, warehouse and return point can send, receive and process inventory dynamically
- AI-powered automation that makes thousands of routing and fulfilment decisions to optimise for speed, cost and sustainability

Retailers who connect their dots will outperform those still thinking in straight lines.

Dynamic Creation

What if mass production became mass personalisation?

AI enables made-for-me retail at scale, from personalised content and experiences to generative designs and on-demand production.

“Our focus is to drive unparalleled consumer engagement...as transformative technologies such as gen AI & agentic AI redefine our consumer expectations...to help turn consumers’ beauty dreams into reality.”

Asmita Dubey, Chief Digital and Marketing Officer, L’Oréal Group (2025).

The Future Forecast

Mass production is evolving into mass personalisation as AI systems enable unique content, experiences and products to be generated on demand. Each customer becomes their own market of one.

Traditional demographic segments are dissolving in an age of radical individualism. The endless scroll through generic options feels outdated when technology can create exactly what you want, when you want it. Two-thirds of Gen Z and millennials want hyper-personalised content and product recommendations powered by GenAI (Capgemini, 2025), and the value of hyper-personalisation is expected to reach nearly \$50 billion by 2029 at a CAGR of 17.8% (The Business Research Company, 2025). Generative AI removes the timing and cost barriers that once made hyper-personalisation unattainable beyond the luxury market.

Tomorrow’s retail landscape creates genuinely personal experiences. Marketing messages adjust to match real-life context, store layouts adapt to shopping patterns, and AI-powered recommendations curate products tailored to each customer’s unique profile. Products are visualised instantly, modified collaboratively and manufactured on-demand to fit individual needs and preferences.

The benefits extend beyond customer satisfaction to operational performance. When products are tailored to the buyer, the gap between expectation and reality shrinks, helping to reduce returns, waste and the environmental cost of overproduction.

The future replaces ‘close enough’ with perfect relevance. Retail evolves to listen, adapt and create in partnership with the individual.

Pioneers In Action

- Beauty giant L’Oréal is demonstrating Dynamic Creation through its collaboration with NVIDIA to scale AI-powered personalisation. The partnership focuses on two key innovations: CreAltech, L’Oréal’s generative AI content platform that uses 3D digital rendering for hyper-scalable marketing campaigns, and Noli, an AI-powered marketplace that acts as a ‘Beauty Matchmaker’. Using AI diagnostics built from over 1 million skin data points and analysis of thousands of product formulations, Noli decodes each user’s beauty profile to deliver personalised product recommendations (L’Oréal, 2025).
- US-based lingerie brand Adore Me is demonstrating how AI enables mass personalisation at scale through its ‘AM by You’ platform. The service uses custom-trained image generation models to let customers create unique lingerie sets from detailed prompts, which are then printed on-demand using Prompt.ly printing technology at Adore Me’s facility. During testing, up to 70% of users generated more than one prompt, averaging 5.4 prompts per session. The average user session for the tool was more than four minutes, compared to the industry’s benchmark of 12 seconds (Retail TouchPoints, 2025).

“Generative AI is creating shopping experiences that feel almost telepathic.”

Forbes (2024) The Future Of Retail: 10 Game-Changing Trends That Will Define 2025, October.

Strategic So What?

Dynamic Creation transforms retail from mass market to market of one, requiring fundamental changes in how brands market, design and deliver.

Success in an era of mass personalisation requires:

- Customer data strategies that power individual relevance across every touchpoint, while respecting privacy and building trust
- Generative AI tools embedded into design, content and marketing workflows to create personalised experiences at scale
- Integrated data loops between discovery, design and delivery to align customer insight with operational agility
- On-demand production systems that manufacture custom products locally and economically, free from batch constraints

Retailers who master mass personalisation will own the premium of relevance in an increasingly commoditised market.

“This is the true promise of generative AI coming to life, because it’s one thing to automate a product description, but it’s another thing to make people feel like, without any previous talent as a fashion designer, they can actually imagine and get exactly what they want.”

Ranjan Roy, SVP of Strategy at Adore Me - Vogue Business (2024) Brands are unleashing generative AI design tools for customers, 9 May.

Stack Smarter

What happens when flexibility and control finally work together?

Retailers are moving towards a new infrastructure logic, where speed, security and adaptability converge in unified, intelligent systems.

“We’re entering an era where technology stacks shouldn’t just support the business. They should shape it. The smartest organisations, regardless of size, are no longer asking if they need to integrate. They’re asking how fast they can align systems to unlock insights, agility, and control.”

Matt Parry, The Future Collective (2025)

The Future Forecast

Retailers are under pressure from all sides. With global spend on retail technology forecast to grow 10% annually between 2024 and 2028 (PwC, 2025), there’s a growing need to move at startup speed while maintaining enterprise-grade security. As businesses strive to experiment with new technologies and respond to changing markets, legacy systems and siloed data management often hold them back. At the same time, layering on new tools without a clear strategy can create fragmented, insecure ecosystems that undermine trust.

What’s emerging is the next generation of infrastructure logic that combines flexibility and control. The leading retailers of tomorrow will embrace controlled composability: technology stacks built on a powerful, secure core that can intelligently coordinate best-of-breed components. This approach allows systems to flex with the market while ensuring that data flows consistently, privacy requirements are met, and compliance standards are maintained.

Already, forward-thinking brands are connecting specialist AI tools for personalisation, plugging in analytics engines for deeper insight, and experimenting with new commerce channels within a cohesive, governed architecture. Core orchestration ensures that innovation doesn’t compromise control.

This redefines how technology decisions are made. It enables experimentation without fragmentation and agility without vulnerability. The most resilient retailers will be those who can scale like enterprises, adapt like startups, and trust the stack beneath them to do both.

Pioneers in Action

- UK home décor brand Lick is demonstrating Stack Smarter through its transition from fragmented systems to unified infrastructure. Launched in 2019, the company benefitted from COVID-19 lockdown demand for home makeovers, but this rapid growth exposed the limitations of disconnected ordering, inventory, and financial systems as Lick evolved into a multichannel business. Lick implemented NetSuite as a secure core that coordinates all business operations. The platform unifies inventory management across multiple channels, automates third-party wholesaler connections, and provides real-time financial visibility through NetSuite OneWorld’s international capabilities. This controlled composability approach has delivered better data visibility, tighter cost control, and operational efficiencies that free in-store teams to focus on customers. With this foundation in place, Lick is now expanding into demand planning, forecasting, and ESG reporting capabilities.

Strategic So What?

Retail technology used to involve a trade-off: move fast or stay secure. But tomorrow’s leaders will do both, through intelligent, controlled composability.

Stack Smarter strategies require:

- Composable architecture with a secure, intelligent core that supports best-of-breed tools without breaking cohesion
- Unified data orchestration that safeguards customer trust while enabling end-to-end visibility and action
- Middleware integration layers that absorb complexity and unlock speed across legacy and next-gen systems
- Governance frameworks that allow for rapid experimentation within secure, compliant boundaries

When flexibility and control are no longer in tension, retailers unlock scalable innovation, building resilient, adaptable infrastructures that thrive in a complex technology landscape.

03 Purpose-Led Scale

Ethics Engine

Access Economies

Circular-as-a-Service

Localised at Scale

Antifragile Retail

Ethics Engine

Can you hard-code transparency into your business infrastructure?

After years of greenwashing and under rising scrutiny, ethics is shifting from promise to proof. Retailers will no longer be judged by what they say, but by what their systems can show. Infrastructure will be expected to track, provide evidence, and respond to demands for traceability, fairness and accountability.

“As early as 2027, you may not be able to sell your products in certain countries unless you provide transparent reporting on the sustainability of your operations.”

VML (2025) Own Your Impact.

“60% of consumers show a preference for companies that have supply chain transparency.”

VML (2025) Own Your Impact.

The Future Forecast

A new layer of accountability is being written into retail's core systems, with ethical infrastructure set to carry increasing commercial weight. Businesses are rethinking how they design platforms, processes and policies to make their values and impact visible, both internally and externally. Investment is growing in tools like blockchain-backed traceability, AI-driven ESG auditing and transparent governance structures.

Consumers increasingly expect integrity to be embedded into every interaction and transaction. In response, retailers will move from burying their quarterly sustainability reports deep on their websites, to offering real-time transparency. Live data will give customers instant access to impact information, covering materials, carbon footprints, and supplier standards. Shopping interfaces will evolve to allow customers to filter by ethics as easily as by price and colour, enabling AI agents to be instructed to “only buy 100% organic cotton” or “avoid suppliers with high carbon intensity.”

This move towards real-time ethical data is being accelerated by regulation. Only 42% of companies required to report under the EU's new Corporate Sustainability Reporting Directive (CSRD) in 2024 were “fully confident” in their ability to meet their sustainability reporting obligations (PwC Luxembourg, 2024). With EU Digital Product Passports mandatory for textiles by 2026 and all apparel by 2030, brands will soon be required to surface the full story behind every item they sell. These data-rich profiles will elevate ethics into a visible, searchable feature, putting sustainability claims under scrutiny at every stage of the customer journey.

Investing in traceability and smart reporting builds compliance readiness today, while strengthening the long-term foundations of trust, access and resilience.

Pioneers in Action

- Nobody's Child has been an early mover in implementing Digital Product Passports since 2023, conducting four pilots and planning full rollout across Autumn/Winter 2025 products. The brand tracks 110 data points per product, achieving Tier 5 traceability back to fibre sources, allowing customers to scan QR codes for detailed supply chain information including carbon footprint and care options. CEO Jody Plows explains: “We see this as the future of responsible fashion. By moving early, we're not only staying ahead of compliance but also setting a foundation for long-term growth” (Vogue Business, 2025).
- The Cheeky Panda is a sustainable toilet paper and bamboo products brand that has grown from a spare bedroom startup to a £12 million business. The company centralises all operations and data across international subsidiaries in NetSuite. This unified system streamlines their environmental commitments - to offset production and shipping emissions through rainforest conservation donations, the team pulls product reports directly from NetSuite and feeds them into carbon calculators to determine exact output. The result is transparent, verifiable impact data showing over 33,000 tonnes of carbon balanced and counting.

Strategic So What?

Ethical infrastructure is becoming a core retail capability, for compliance, but more importantly, for competitiveness.

Success demands:

- End-to-end data capture systems that make impact visible at every step
- Front-end tools that surface ethical choices at the point of decision
- ESG-aware architecture that scales transparency across supply networks

Retailers who treat traceability as a system-wide function will build operational resilience and long-term customer trust in a tightening regulatory and reputational landscape.

Access Economies

What if access unlocked more value than ownership?

Ownership loses its status symbol as subscriptions, rentals and pay-per-use models redefine convenience, value and brand loyalty.

“We are no longer subscribing only to entertaining streaming services, but also to cars, transport and increasingly to clothes and furniture. These changed behavioural patterns transform the world of retail into the world of experiences and services.”

Nexer (2023) Radical Retail 2030.

The Future Forecast

As we move towards 2030, the question changes from “what do I own?” to “what can I access when I need it?” Retail is evolving from a product-first mindset to an outcome-first economy, where convenience unlocks ongoing value, and ownership becomes optional. Whether it’s a good night’s sleep, an organised space or a flexible wardrobe, consumers are paying for what things do, not what they are.

Within this landscape, subscriptions, rentals and pay-per-use platforms will gain traction as digital infrastructure and AI make access simple, personalised and scalable. The ecommerce subscriptions market is set to expand rapidly, reaching \$3.5 trillion by 2029 (The Business Research Company, 2025). For brands, this opens the door to deeper loyalty, recurring revenue and longer customer lifecycles, powered by ongoing utility rather than one-off transactions.

This development is driven by both cultural change and economic reality. Young consumers increasingly see ownership as inefficient, while urban economics force pragmatic decisions about what deserves permanent space versus temporary reach. This is expanding the world of access beyond digital to physical products.

Looking ahead, models will become more flexible, bending to fit how people actually live, not locking them into rigid commitments. With product cycles accelerating and trends shifting monthly, the access economy enables variety, adaptability and the option to always have something new without the commitment or environmental guilt of endless possession. It’s not that ownership will completely disappear, but it will no longer be assumed.

Pioneers in Action

- AllSaints has launched an unlimited rental subscription for £79 monthly, allowing customers access to collections with multiple box exchanges and free shipping. Members can purchase items for 60% off retail or return garments individually, with complimentary dry cleaning. Customers can “try new shapes, silhouettes and the latest trends” without commitment, blending ownership optionality with premium brand access.
- Samsung is expanding its AI Subscription Club from home appliances to personal tech, letting customers rent everything from Galaxy phones to AI companion robots like Ballie for a monthly fee. Starting in South Korea, the programme includes optional maintenance services and allows upgrades without the inconvenience of selling old devices, positioning Samsung as a service provider rather than just a hardware manufacturer.
- HURR Flex is a new credit system enabling customers to purchase rental pass bundles: spend £99 to unlock £170 credit or £125 for £225 credit. Moving away from occasion-based rental models, HURR reported a 230% surge in demand for long-term rentals after launching its 30-day rental period (The Industry Fashion, 2024), catering to a generation of regular, multi-item renters who want to breathe new life into everyday wardrobes. CEO Victoria Prew notes: “in a cost-of-living crisis – customers want total wardrobe flexibility”, transforming everyday dressing from ownership to flexible access.

Strategic So What?

To stay competitive, retailers must rethink their core value proposition, from selling products to delivering services that align with customers’ evolving needs and lifestyles.

Success in the access economy requires:

- Smart inventory coordination to ensure rapid, flexible fulfilment
- Lifecycle-aware pricing models that adapt to usage and customer context
- Unified commerce platforms that integrate rentals, returns and resales seamlessly

Access models offer more than affordability: they deliver ease, trust and long-term engagement. Retailers who treat ownership as optional and service as essential will thrive in this new consumer reality.

Image Source: AllSaints Rental

Circular-as-a-Service

What if your products never left your ecosystem?

Retailers are evolving into long-term stewards, owning responsibility from creation to reclamation and extracting maximum value across multiple lifecycles. Better products are just the start, it's the surrounding infrastructure that makes circularity scalable.

“Infrastructure and partners are essential to circularity, but without evolving the business model itself, the system can't scale or sustain.”

The Future Collective (2025).

“Between 2018-2023, we consumed over 500 gigatonnes of materials - equivalent to 28% of all the materials humanity has consumed since 1900.”

The Circularity Gap Report (2024).

The Future Forecast

Circularity isn't new. Early pioneers like Patagonia and IKEA have proven that take-back schemes, repairs and resale can work, but until recently, efforts have been fragmented. Now, technology, intelligence and infrastructure are changing the landscape. With smart tagging, item-level IDs, and intelligent logistics, circularity is becoming a scalable system.

Pressure is mounting from resource scarcity, regulation and rising customer expectations. According to the World Economic Forum, global use of materials has more than tripled in the past 50 years and is set to double again by 2050 unless new approaches are adopted. In 2023, recycled material made up just 11.8% of total material use (EU European Environment Agency, 2025), highlighting the significant gap between intent and impact. Execution is what sets leaders apart.

The next evolution lies in orchestration. AI-powered platforms are coordinating trade-in schemes, resale markets, and repair services in real time, ensuring products loop back into circulation with minimal friction and maximum value.

Two paths are emerging: shared infrastructure or closed-loop ecosystems. Collaborations help distribute cost and complexity, but for luxury and high-value brands, owned platforms offer control over quality, experience, and margins. Either way, operational intelligence and item-level data are becoming the key to making circularity commercially viable.

Circularity is a system-level shift, and the infrastructure choices made now will define how sustainable, efficient and profitable that system becomes. With Accenture projecting the circular economy could generate \$4.5 trillion of additional economic output by 2030, these are competitive advantages waiting to be captured.

Pioneers in Action

- Faircado is an AI-powered browser extension that helps consumers find the best pre-loved alternatives when they shop online by searching from a database of 10+ million products from 70 different trustworthy partners.
- Fashion for Good's "Closing the Footwear Loop" unites 17 brands to tackle footwear's waste crisis, where 90% of the 23.8 billion shoes made annually go to landfill. The initiative maps waste streams, develops circular design for shoes' 60+ components and tests recovery innovations in practice.
- Lucy & Yak launched its PreLoved scheme online in February 2025, extending its in-store Re:Yak Workshops programme where customers exchange old items for vouchers. Items are either resold or repaired by in-house seamstresses before returning to Lucy & Yak's store network. Co-founder Lucy Greenwood notes the brand takes "responsibility for the lifecycle of anything we created, even after the customer has ownership".

Strategic So What?

Circular-as-a-Service reframes retail, from product transactions to lifecycle orchestration. It unlocks new value while deepening customer connection.

Success requires:

- Digital product passports that track items through multiple ownership cycles and enable seamless re-entry into brand ecosystems
- Reverse logistics infrastructure designed for efficiency at scale, not as an afterthought to forward supply chains
- Lifecycle-aware business models that optimise for total asset value rather than single transaction margins

Regulation is accelerating the transition, but the real value is in control of materials, relationships and competitive edge, that linear brands simply cannot match.

Image Source: TOAST Renewal

Localised at Scale

Can you act global but feel hyperlocal - in every postcode?

Progressive retailers will build decentralised, community-rooted networks that span the globe. Localised production, logistics and partnerships will create experiences that feel native everywhere they land.

“The most important technological development in retail in the coming decade will be innovation in material design that will feed a greater local production, which will change supply chains.”

Ludvig Liljeqvist, Global Strategy, Development & Innovation Insight and Foresight leader, IKEA.

The Future Forecast

The geography of retail is being reshaped. Global in reach but grounded in place, the most resilient models will operate as distributed ecosystems that balance the scale of international commerce with the nuance of hyper-local connection.

This development is being driven by a mix of global instability and local opportunity. Trade tensions, rising tariffs and geopolitical disruption are exposing the fragility of long supply chains. 80% of logistics professionals see geopolitical instability or state-on-state conflicts as the biggest potential disruptors to their supply chain in 2024 (Maersk, 2024). At the same time, consumers are demanding faster fulfilment, lower carbon footprints and experiences that reflect local culture and values.

To compete, retailers will reconfigure supply chains around proximity and flexibility. Nearshoring is accelerating, with countries like Turkey, Bulgaria and Romania positioning themselves as agile production bases. Material innovation will further enable smaller batch, local manufacturing, feeding demand-led supply models.

The result is a new kind of retail infrastructure. Micro-manufacturing hubs produce closer to the point of need. AI-optimised fulfilment centres route goods for same-day delivery. Store teams become more embedded in their communities, creating authentic and meaningful connections. Global brands will feel like local businesses with infinite inventory.

Pioneers in Action

- A new wave of British fashion brands is committing to hyper-local production, placing craft and traceability at the heart of their propositions. For example, Hades knits jumpers and scarves in Hawick, Scotland using locally sourced wool, while &Daughter revives heritage textile techniques with transparency as their badge of honour. These brands champion “Made in the UK” to meet growing demand for sustainability, quality and provenance.
- UK home improvement retailer B&Q is transforming physical retail into a strategic fulfilment network. Over 80% of online orders are fulfilled by stores through one-hour and next-day click and collect services, and home delivery through digital hubs at 50 larger stores (B&Q, 2025). This approach speeds up delivery, reduces logistics emissions, and gives underused retail space a second life.

“53% of businesses are considering new sourcing locations in the wake of disruption, and 33% of them would choose a location close to or within European shores.”

Maersk (2024) Discover New Paths to Supply Chain Resilience, October.

Strategic So What?

Localised at Scale transforms retail networks into dynamic ecosystems that are decentralised, data-led and rooted in community relevance.

Success requires:

- Hyper-local logistics and fulfilment systems that turn stores and warehouses into agile points of delivery and service
- Inventory and order management tools that can flex across regions while staying responsive to local demand
- Operational models that support nearshoring, micro-manufacturing and regional partnerships without fragmenting brand coherence

Retailers that achieve this balance of global scale and local nuance will future-proof against supply chain volatility, enhance speed-to-serve and earn deeper trust in every postcode.

Image Source: JRE Local Hub Tsubame-Sanjo



“Ongoing shifts in global trade must be monitored and anticipated for their impact on sourcing. Retailers will accelerate their reconfiguration of supply chains to prioritise nearshoring and manufacturing in geopolitically aligned countries.”

BoF x McKinsey (2024) The State of Fashion 2025.



Antifragile Retail

What if disruption made your business stronger?

Volatility becomes a catalyst for innovation. Modular systems, distributed operations and adaptive thinking turn uncertainty into strength, and strength into long-term growth.

“Antifragility is beyond momentum, resilience or robustness. The resilient resists shocks and stays the same; the antifragile gets better.”

Nassim Nicholas Taleb (2012) *Antifragile: Things That Gain from Disorder*, November.

The Future Forecast

The 2020s have been defined by disruption, from pandemics and geopolitical conflict to inflation, cyberattacks and extreme weather. These once felt like temporary shocks, but have now become a persistent operating backdrop. Volatility is now the norm.

In this context, being resilient isn't enough. Instead, antifragile retailers are designing systems that improve under disruption. Climate events, economic shocks and supply chain failures are viewed as stress tests that strengthen business models over time. Gartner found that 63% of supply chains are currently in a fragile state, making them vulnerable to uncertainty. Only 8% are fully resilient, allowing them to maintain value when exposed to uncertainty or disruption. As few as 6% are fully in the antifragile state.

The most future-fit retailers are replacing centralised, linear operations with modular, distributed systems that flex under pressure. Cloud-based infrastructure isolates faults without full-system collapse. AI models reroute logistics or reforecast demand in real time. Digital twins simulate crisis scenarios to uncover weaknesses before they're exposed in reality.

Far from bracing for the next crisis, antifragile retailers are building businesses that thrive through it by learning, evolving and outperforming in a dynamic world shaped by ongoing flux and uncertainty.

Pioneers in Action

- M&S demonstrated a strategic mindset change following its 2025 cyber attack, with CEO Stuart Machin stating: “We are seeking to make the most of the opportunity to accelerate the pace of improvement of our technology transformation and have found new and innovative ways of working. We are focused on recovery, restoring our systems, operations, and customer proposition over the rest of the first half, with the aim of exiting this period a much stronger business” (CIO, 2025).
- Facing escalating shipping disruption and what it calls a “permanent shift” away from seamless global trade, IKEA is re-engineering its supply chain for greater resilience. Most products sold in Europe and China are already produced locally, but the brand is now strengthening regional production further to reduce dependencies on specific countries or trade lanes. Plans to boost manufacturing across the Americas reflect a broader pivot toward modular logistics and local responsiveness.

“Following a wave of coordinated ransomware attacks on UK retail systems, the CMC estimates the total financial impact of the event across affected parties at £270-440 million.”

The Cyber Monitoring Centre (2025) *Statement on Ransomware Incidents in the Retail Sector, 2025*.

Strategic So What?

Retail resilience used to mean having a backup plan. Now it means designing operations that adapt and strengthen under stress.

Antifragile strategies require:

- Modular, cloud-native architecture that isolates and contains disruption
- AI-driven scenario modelling and operational re-routing in real time
- Distributed supply networks and fulfilment systems that flex by region
- Governance models that empower autonomous decision-making at the edge

By prioritising future-readiness and embedding adaptability into infrastructure and mindset, antifragile retailers turn volatility into a source of momentum.

Conclusion

Shaping a smarter, more human future

Retail is no longer a fixed journey. It is becoming a living, learning system that evolves with every interaction and is more responsive to changing demands, emerging technologies and cultural momentum.

The forces defining this next chapter are converging across three key pillars: connected experiences, intelligent operations and purpose-led scale. But the true opportunity lies in integration. When infrastructure, insight and impact are aligned, retailers are able to serve with greater speed, relevance and care, becoming agents of better living, not just better selling.

Technology will play a central role, automating processes, accelerating decision-making, enabling personalisation, and unlocking systems that anticipate rather than react. Yet its success depends on how well it aligns with human needs. As AI becomes more embedded in how we connect and consume, the value of authenticity, trust and transparency will only grow stronger.

As consumers navigate an increasingly complex world, retailers have the opportunity to cut through the noise, streamline choices, and create experiences that feel effortless, intuitive and deeply meaningful.

The rate of change is accelerating, but so is the potential for reinvention. As Accenture notes, “If a business only thinks in terms of products instead of customers, it’s missing a valuable opportunity.” The retailers who recognise this are best placed to lead in the years ahead.

A new environment is taking shape, where new efficiencies, models and relationships can thrive. What comes next depends on how businesses respond and execute against the possibilities ahead.

The future is underway; the question is who will lead it.

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