AI IN THE FRONT END

Machine learning can enhance numerous areas in front of the counter to improve the customer experience and increase retail sales. Here are some of the most important retail applications of artificial intelligence.

IN-STORE INSIGHTS

Cameras powered by AI can analyze traffic patterns in your store to learn how shoppers navigate. What path do people take? Where do they spend the most time? When is the store busiest? The data can be segmented by different criteria, like demographics and seasons. Some of this technology is sophisticated enough to track facial gestures and physical interactions with products, such as picking up an item and putting it back. These insights enable you to optimize your store layout, product placement, and in-store marketing.

SHELF CHECKS

With cameras homed in on the shelving units, AI can prevent many problems that human employees can't keep a constant eye on—stockouts, label mishaps, and inconsistencies in inventory arrangement.

INVENTORY

With machine learning, AI can mine sales data, market data, seasonal trends, local events, individual customer data, and more to determine what to stock and when to stock it to meet the precise needs of your customers and fluctuating supply and demand. That translates to having the right items in the right quantity at the right time.

LOYALTY

The depth of AI analytics makes loyalty programs more effective by enabling an intricate understanding of individual customers—so you have a better idea of what exactly will keep them engaged with and committed to your pharmacy.

PRICING

With access to the right data, AI can determine the best price for any given item. It can base its recommendation on your priorities, too. Do you want a certain profit margin? Do you want to turn them quickly to prevent spoilage? Do you want volume? Do you want to match the competitor?

CHECKOUT

Self-checkout machines are prevalent at the national chain and big box stores, but AI provides an even more convenient way to check out. In 2016, Amazon introduced its first brick-and-mortar grocery store. The truly groundbreaking feature was that there were no cashiers. Shoppers simply put the items in their bag and walked out. Cameras and sensors automatically recorded the purchases and charged them to a credit card. Though this technology may be out of reach for community pharmacies now, it may become more accessible in the future.

SENTIMENT ANALYSIS

AI can search the web for references of your pharmacy and evaluate the comments to determine how people feel about you, whether positive, negative, or neutral. The data can be segmented into various categories—like wait time, item availability, or pricing—so you can focus on improving specific areas that customers may feel negative toward.

THEFT

AI can quickly spot deviances from the norm that could indicate theft. While you might assume that DayQuil is disappearing because it's winter, AI notices that the demand is irregular even for the season. Its understanding is based on vast amounts of historical and real-time data, so it can be more precise in its awareness.

PROMOTIONS

Predictive analytics can be disturbingly precise. Even 10 years ago, Target's machine learning was able to identify women who were pregnant based on their shopping data. The technology can help you segment customers to create more effective promotions—like sending a diaper coupon to an expectant mother.

CUSTOMER SUPPORT

Chatbots serve as the first line of response to questions customers might have about logistical or technical issues that don't need an actual human to resolve, such as how to return a product or even the side effects of medications. In addition to reducing staff workload, chatbots improve the customer experience because they are available 24 hours a day and respond to questions immediately.