ISG Provider Lens™

Retail Analytics Services – Specialist Providers

A research report comparing provider strengths, challenges and competitive differentiators to assist decision-makers in analytics services

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Introduction

The traditional brick-and-mortar retail industry is undergoing an analytics-led transformation to revolutionize the CX, emphasizing customization and personalization. The rapid rise in adoption of big data, AI and ML, NLP, deep learning and advanced analytics technologies play a predominant role across the retail industry value chain. These roles include but are not limited to predicting customer behavior, forecasting footfalls and demand and supply, predicting customer churn and retention, and improvising pricing and supply chain metrics. The advent of recommendation engines, predictive pricing and smart merchandising has converted business activity into quantifiable data to help drive analytics-led business decisions faster. The ability of AI and advanced analytics to process large volumes of complex data and categorize comprehensive customer personas is being used to drive product recommendations and cross-sell opportunities.

The industry is navigating personal data–related challenges by recognizing the importance of addressing compliance and regulatory issues, specifically in aspects of data management, security and governance. Retailers still contend with complications in collecting accurate data from siloed environments, handling data privacy, data quality and data lineage issues and the need to comply with data protection standards and laws. Despite the challenges, industry leaders are investing in applied AI and analytics to develop automated dynamic pricing models and create hyperpersonalized CX.

Leading retail enterprises increasingly view outsourcing as a supplemental resource and strategic support mechanism. They seek expertise, bandwidth and technological guidance from external providers.

Retail Analytics Services - Foundational Blocks

| Customer Analytics | Consumer Behavior Intelligence | Customer Conversions & Retentions | Membership, Rewards & Loyalty Program |
| | Customer Segmentation | Customer Insights & Reporting | Commerce Intelligence |

| Pricing & Campaigning Analytics | Promotions & Rewards | Pricing Optimization Systems | Markdown Optimization |
| | Pricing & Competitive Intelligence | Personalization – Content & Recommendations | Campaigns |

Product & Merchandising Analytics
- Assortment Planning
- Product Placement
- Space Allocation
- Product Adjacency
- Content Intelligence
- Trend Forecasting
- Sales Demand Forecasting

Store Operations Analytics
- Shelf Management & Inventory
- Order Management
- Fulfillment and last-mile delivery
- Instore Analytics
- Foot Fall Analytics
- Network Optimization
- Store Identification, Planning & Performance

Enablers (right column bars):
- Innovation (IP – Accelerators)
- Partnerships (Tiers – Types)
- Competency and Talent (Resources – Certifications)
- Industry Expertise
- Experience and Engagement

Legend:
- ■ Retail Analytics Clusters
- ■ Workloads & Usecases
- ■ Enablers Clusters

The study offers insights into the **evolving market trends** and **competitive dynamics** of **retail analytics** service providers in 2024.

Simplified Illustration Source: ISG 2024

Retail Analytics Services — Specialist Providers

Definition

The ISG Provider Lens™ Retail Analytics Services – Specialist Providers 2024 **study offers the following to business and IT decision-makers**:

- Transparency on the strengths and weaknesses of relevant providers.
- A differentiated positioning of providers on their competitive strengths and portfolio attractiveness.
- Focus on the global market.

Our study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential engagements.

Retail Analytics Services — Specialist Providers

Definition

In this quadrant, ISG evaluates the portfolios of providers offering AI and analytics services to integrate scientific methods with business context for their retail enterprise clients. These providers resolve critical business challenges by combining domain knowledge and retail industry expertise, enabling clients to achieve substantial, data-driven business growth with improved CX through actionable insights. The objective is to develop, deploy and maintain AI and analytics solutions for retail enterprises, drive business decision-making, increase operational agility and reduce costs by ingesting large volumes of customer and in-store data across sources such as point-of-sale devices, store visits and email marketing and applying advanced AI and ML and deep learning models.

Providers should showcase capabilities and expertise in building hyperpersonalized self-services utilizing AI and analytics, including, but not limited to, customer intelligence, commerce insights, campaigning, product placement,

personalization, pricing, merchandising, fulfillment, last-mile delivery and store operations. They should highlight expertise in modeling and customizing ML models, algorithms and workflows using best analytics technologies to deploy their services efficiently. Providers should exhibit end-to-end capabilities in architecting, implementing, deploying and scaling AI and analytics projects across the retail enterprise value chain to ensure business leaders extract actionable insights, value and data-driven decisions from their data.

Large service providers, analytics platform vendors with retail modules and verticalized platform vendors with analytics solutions featured as a part of projects are not considered under this category.

Eligibility Criteria

1. Providers with analytics capabilities in extracting, integrating and modeling from **wide data sources, including IoT devices and video feeds,** and those that develop **advanced automation and analytics solutions** to predict customer behavior, sales and marketing trends to assist in decision-making

2. Providers with **hyperpersonalization and predictive analytics capabilities** to implement **recommendation systems** for improved customer engagement and enhanced cross-selling and upselling opportunities

3. Providers with capabilities to develop analytics solutions in **pricing, store operations and campaigns** that include but are not limited to **in-store analytics, footfall analysis, pricing and markdown optimization**

4. Providers with expertise in **customer, product and merchandising analytics** covering **behavior intelligence, trend forecasting and demand forecasting**

Quadrants by Region

As part of this ISG Provider Lens™ quadrant study, we are introducing the following quadrant on Retail Analytics Services – Specialist Providers 2024:

Quadrant	Global
Retail Analytics Services – Specialist Providers	✔

Schedule

The research phase falls in the period between February and March 2024, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in July 2024.

Milestones	Beginning	End
Survey Launch	Feb 28, 2024	
Survey Phase	Feb 28, 2024	Mar 29, 2024
Sneak Previews	May 2024	June 2024
Press Release & Publication	July 2024	

Please refer to the link to view/download the ISG Provider Lens™ 2024 research agenda

Access to Online Portal

You can view/download the questionnaire from here using the credentials you have already created or refer to instructions provided in the invitation email to generate a new password. We look forward to your participation!

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 the work identified by 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 produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of the 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.

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 Star of Excellence™ is a program, 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. In consequence, 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:
ISG.star@isg-one.com

ISG Star of Excellence

Contacts For This Study

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Project Manager

ISG Provider Lens Advisors Involvement Program

ISG Provider Lens offers market assessments incorporating practitioner insights, reflecting regional focus and 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). The QCRT ensures each study reflects ISG advisors' experience in the field, which complements the primary and secondary research the analysts conduct. ISG 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 provider inclusion, participate in briefing calls,

- Give their perspectives on service provider ratings and review report drafts.

ISG Advisors to this study

Gowtham Sampath

Assistant Director and Principal Analyst

Olga Kupriyanova

Principal Consultant, Cognitive and Analytics

Ryan Hamze

Principal Consultant, Manufacturing

**If your company is listed on this page or you feel your company should be listed, please contact ISG
to ensure we have the correct contact person(s) to actively participate in this research.**

84.51˚	MathCo	ThirdEye Data
Affine	Mosaic Data Science	Tiger Analytics
Algonomy	Mu Sigma	Treasure Data
Analytics8	O9 Solutions	Tredence
Course 5i	Onebridge	ZS Associates
Data Forest	phData	
dunnhumby	Polestar	
Factspan	Predik Data	
Fractal	Prowesstics	
Ganit Inc	Quantiphi	
Impact Analytics	Quantium	
InData Labs	QuantZig	
Innover Digital	Retail Solutions, Inc.	
LatentView Analytics	Sigmoid	
Lingaro Group	Solvoyo	

About Our Company & Research

ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this webpage.

ISG Research™

ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

ISG offers research specifically about providers to state and local governments (including counties, cities) as well as higher education institutions. Visit: Public Sector.

For more information about ISG Research™ subscriptions, please email contact@isg-one.com, call +1.203.454.3900, or visit research.isg-one.com.

ISG

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 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 1,600 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 isg-one.com.

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