

A young woman with light brown hair, smiling, stands in a modern clothing store. She is wearing a white, short-sleeved, ribbed top and light-colored trousers with a brown belt. She is holding a white tablet. The background shows racks of clothes, including pink and red items, and modern lighting fixtures. The image is overlaid with a blue and white geometric pattern in the top left and bottom right corners.

Retail Trends

2025

cegid



Key statistics for the year ahead

- ◆ **64 %** of retailers are investing in GenAI (IDC)
- ◆ **54 %** of economists say current challenging global economic conditions to remain (World Economic Forum)
- ◆ **32 %** of consumers crave the personal service only in-store shopping provides (EY)
- ◆ **68 %** want expert advice on high value purchases (EY)
- ◆ **66 %** of retailers said they did not have the necessary tech to support a great in-store CX (Sony)
- ◆ **77 %** of shoppers favour stores equipped with robots and digital tools (Kearney)



Introduction

As the retail sector looks into its crystal ball for 2025, it will see clear challenges arising and exciting opportunities unfolding: and that's the case wherever in the world a retailer is operating.

Recent fiscal policies in the UK, for example, look set to add £70bn to the industry's cost base in the year ahead. But there is also renewed vigour from some of the retail's biggest players, including Marks & Spencer (M&S) and John Lewis, which are proving a combination of technology investment and people power is the way to growth in these tough economic times.



In Europe, retail sales are returning to levels seen before the pandemic as economic headwinds ease, although a prolonged period of economic instability in the region has influenced consumers to prioritise savings over splashing the cash. In the US, there is a buoyant retail market — but a new leader in the White House as 2025 gets under way should see people remain cautious with their spending until that administration's policies become clearer.

And it's not just threats from tightening purse strings retailers face: cybersecurity is growing in importance to the industry as the threat of hacks and attacks continues to grow, in what will be another clear trend in the coming months.

From a positive standpoint, though, there is a concerted focus in retail on the evolution of the store as the move **to well-connected unified commerce capability** ramps up.

Far from being overshadowed by e-commerce, brick-and-mortar stores are increasingly hubs for experiential shopping. Innovations such as immersive technology, interactive displays, mobile point of sale (MPOS), and hybrid click-and-collect services are enhancing the in-store journey, offering customers a seamless blend of digital convenience and tactile engagement — and that will continue to be a feature in 2025.

And all of this is playing out alongside the growing sophistication of what could be one of the most transformative forces the industry has ever seen in artificial intelligence (AI). This powerful technology is revolutionising retail operations, from hyper-personalised customer interactions and the speeding up of in-store services to predictive analytics that fine-tune inventory management and supply chains. And it will continue to weave its magic on retail throughout 2025.



Trend 1

Retail trends 2025

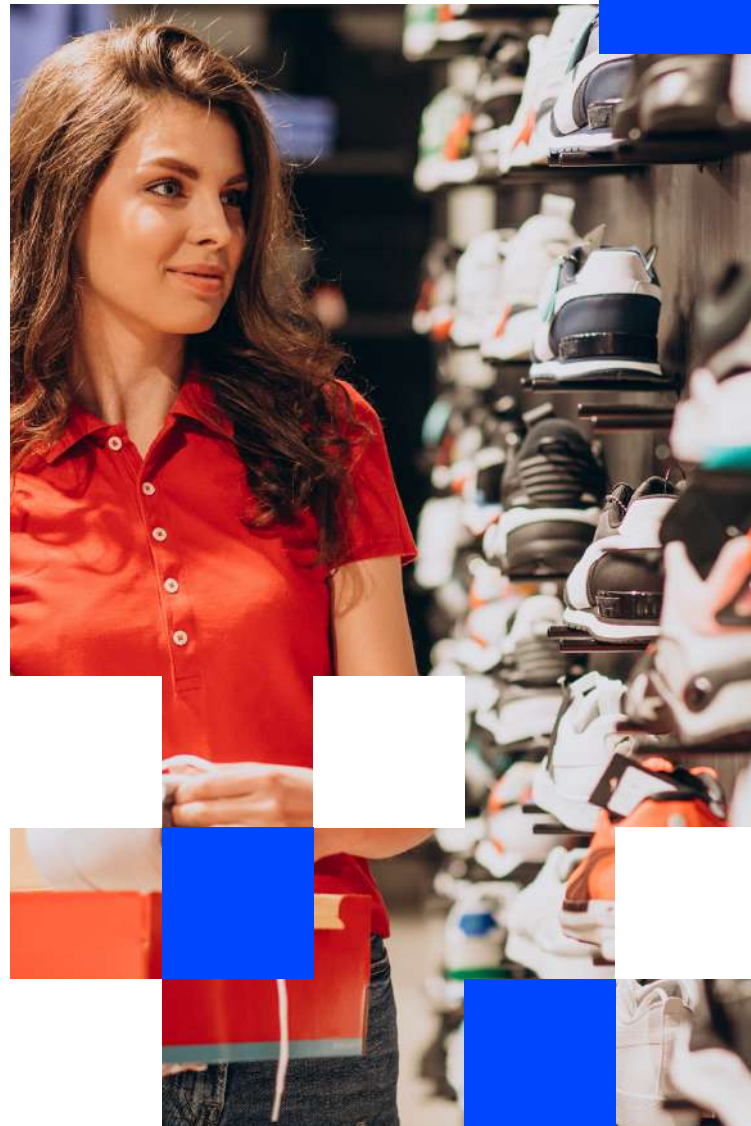
Squeezed margins to continue

There is no getting away from it, the challenging economic environment retailers have gotten used to over the last decade — and particularly in the last three years since the end of the pandemic — is set to continue in 2025.

The World Economic Forum's Chief Economists Outlook, a survey published three times a year of leading chief economists from across industries and international organisations, suggests the short-term outlook for the global economy is stabilising but showing sluggish growth. Some 54% of economists expect the condition of the global economy to remain unchanged over the next year, although four times as many expect conditions to weaken (37%) rather than to strengthen (9%).

Arguably, the challenging environment is no more clearer than in the UK. Reaction to the government's budget in October neatly sums up the mood of the industry and the extent to which retailers are going to feel the financial pressure in the year ahead.

More than 70 retailers, including Tesco, Sainsbury's, Next, Amazon, and Boots, wrote to chancellor Rachel Reeves in November, warning the "sheer scale" of the new costs on companies such as the hikes in National Insurance, increased minimum wage, and new levies on packaging meant job cuts were "inevitable" in order to balance the books.



It is estimated all these rising costs, which also includes a planned business rates increase in the spring, could raise the sector's costs by up to **£70bn per year.**

In the US, the National Retail Federation continues to talk of a two-speed consumer spending, where the general sentiment is to seek value first and keep spending on the essentials, while semi-regularly treating themselves as a reward for their overriding financial prudence.

And to further underline the tight fiscal environment, consumer spending and confidence remains sluggish.

Consumer confidence across the European Union territories reached its long-term average in October 2024 for the first time since February 2022, although it remains just below the long-term average for the euro area.

In the UK, Frasers Group CFO Chris Wootton and Currys CEO Alex Baldock have referenced the Budget as a factor impacting trading potential and consumer willingness to spend. The latter even said the “new and unwelcome headwinds from UK government policy” could “depress investment and hiring, boost automation and offshoring, and make some price rises inevitable”.

GfK’s major purchase index, an indicator of confidence in buying big ticket items, was at -16 in December and would suggest huge spending splurges in the UK will continue to be curtailed in the year ahead.

More than ever, retailers need to get a handle on their data strategy. With profitability a challenge and margins being squeezed, retailers set to succeed in 2025 will have a close eye on in-real-time performance so they can make necessary tweaks to optimise sales.

Retailer data strategy today is heavily aligned with use of AI and a focus on generative AI (GenAI). Investment in AI is expected to pick up in 2025 as a result of the current environment, with **51%** of UK industry leaders saying it is the key driver of unlocking and accelerating growth in the year ahead, according to a survey of 2,000 retailers by the Retail Technology Show.

Analyst and research group Forrester predicts one in five US and EMEA retailers will launch customer-facing generative AI (GenAI) applications in 2025. Its Priorities Survey already suggests 15% of retail and wholesale companies have multiple GenAI deployments within their enterprise.

Understanding the performance of sales, promotions, or product returns in real time is crucial in today’s competitive retail environment defined by tight margins and there is little room for error. With globally compliant and secure AI-powered Cegid technology, employees can type simple questions into the system and gain comprehensive graphs and documents to answer queries, allowing them to adjust

◆ **Find out more about Cegid Retail Intelligence and its AI-powered transformational capabilities for stores and HQs**



Trend 2

Retail trends 2025

Experiential stores to bring the buzz

From multi-brand and category department store chains such as John Lewis and M&S in the UK to international specialists such as Charlotte Tilbury and Hugo Boss, retailers from all sectors are elevating their store space to keep consumers satisfied. It's particularly important for luxury and premium brands, for whom an experiential in-real-life experience is often fundamental to their overall image and market proposition.

In a digital age when items can be purchased and delivered to home with the click of a button or swipe of a screen, physical shops must keep undergoing makeovers to stay relevant. And in many cases, that's exactly what is happening.



◆ Hugo Boss aiming to inspire

Following the opening of a new flagship store in Düsseldorf, Germany in July, Hugo Boss chief sales officer and deputy CEO Oliver Timm called the fashion brand's stores "points of experience where we can offer a unique experience and individualised services to our customers". He added:

“The aim is to inspire customers for our brands in the long term and create new opportunities to connect beyond the collections available in our stores.”

The new Hugo Boss store in Düsseldorf joins shops in London, Dubai, and Tokyo that have been transformed to showcase the “premium positioning” of the brand, featuring a smart fitting room where customers gain digital access to extensive product information, interactive experiences, and an ability to contact staff members for further assistance.

There is also an exclusive VIP and made-to-measure area that can be separated from the sales area by a sliding glass door. The hospitality concept on the upper floor includes a Champagne bar, adding to a bar on the first floor.

Hugo Boss is a Cegid Retail Store Excellence customer, and by using the platform the brand can maintain consistent global standards in each store thanks to optimal and automated task management between head office and stores in all locations.



Trend 2

Retail trends 2025

◆ PVH Corp

PVH Group, which operates luxury brands including Calvin Klein and Tommy Hilfiger, knows that spending time with its customers in stores is extremely important. Until working with Cegid to implement Cegid Retail Store Excellence, store associates were being overtasked and were required to use multiple technologies in store — but the switch of technology transformed the store associate experience and helped PVH's stores to save four hours a week, or the equivalent of £300,000 in labour costs.

◆ Charlotte Tilbury Beauty Wonderland

Beauty brand Charlotte Tilbury will unveil a “significantly upsized” flagship store early in 2025 — in London Covent Garden — featuring new services, and what the company describes as a “fully immersive Charlotte Tilbury experience like never before”.

It is the brand's biggest Beauty Wonderland venue globally and it hosts a world-first Skin Spa, which debuts a premium service menu of facial treatments. In-store beauty experts aim to help visitors identify their perfect skincare routine, and the space will also feature the brand's first Pillow Talk bar, an immersive play table dedicated to the popular range.

◆ Elevated concepts

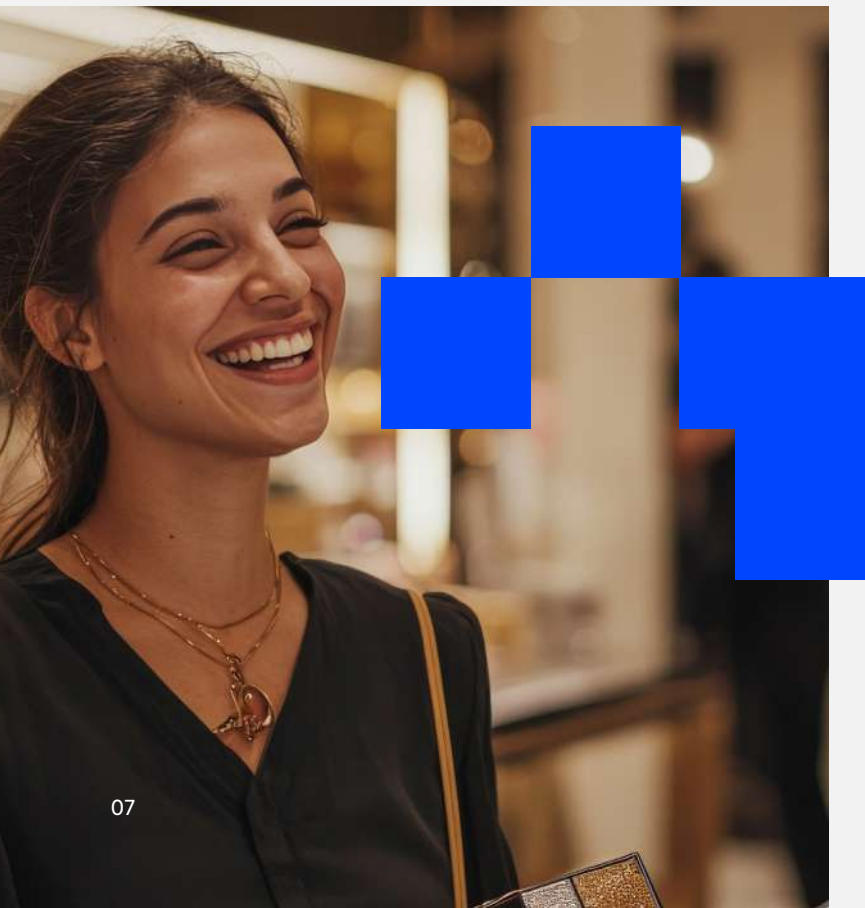
Holland & Barrett — which operates shops in 16 countries — unveiled 315 store refurbishments in 2024, including 35 brand new sites and several different formats. A further 50 new stores opening and continued enhancements are planned for 2025.

The store transformation extends beyond layout and merchandising, with the wellness products retailer saying technology is a significant part of the store upgrade programme, with its in-house solution supporting staff to have deeper connections and conversations with customers about their wellness. There are also new in-house-built self-checkouts.

As store functions and layout evolve, more retailers are looking to use GenAI to enhance their operations. A 2024 IDC report estimates 63.8% of retailers are investing in GenAI, focusing on use cases like natural language understanding and content generation for customer support chatbots and in-store staff knowledge bases and search discovery.

Talking in June as the report was released, IDC Retail Insights' Ananda Chakravarty said: “GenAI is taking the retail industry by storm — what we think is an innovative use case now will be routine in less than 18 months.”

There are so many user cases emerging where AI can make a huge positive difference in how stores are run. Retailers using Cegid Retail Live Store can empower their sales advisors to quickly gain information about a customer's previous purchases and sizing preferences to help improve in-store interactions, making the difference between an uneventful store experience and a truly compelling one.



Trend 2

Retail trends 2025

Salomon: Reinventing the in-store experience with Cegid Retail

Salomon, a leader in outdoor gear, has diversified its offerings beyond ski equipment, boosting foot traffic and expanding retail locations across Europe. To meet growing demands, especially in key markets like Paris, Salomon partnered with Cegid to implement the Cegid Retail solution.

Cegid Retail allows Salomon to deliver a seamless, premium shopping experience.

It simplifies loyalty program recognition and enables efficient customer management, providing personalised service. Global Retail Operations Manager Michaël Amsellem notes, "We manage multiple customers at once, offering innovative and personalised experiences."

The solution enhances operational efficiency, freeing employees to focus on customer interactions. During a trial in Lyon, 44% of transactions were through the app, showcasing its impact. Store Manager Florian Louis-Marie highlights, "Cegid Retail brings fluidity and speed, allowing us to manage tasks intuitively."

Cegid enables Salomon to access customer purchase history, facilitating targeted recommendations. This data-driven approach enhances shopping experiences and fosters loyalty. Salomon's decade-long partnership with Cegid is pivotal for innovations in retail. Amsellem emphasises "Our strong relationship with Cegid helps us continually implement new developments."

◆ Find out more about [Cegid Retail Live Store](#)



Trend 3

Retail trends 2025

Cyberthreats, security and international growth

The push for greater security and the need to meet newly emerging regulations in the cyber and infosec space will be a strong part of 2025 for retailers, which are increasingly using new technology and interacting with consumers digitally.

According to tech company and consultancy **NCC Group**, in 2024, there was an **18% year-on-year increase in retail data breaches — with the average breach now costing \$2.96m. NCC ranks retail as the second most targeted sector group to experience a ransomware attack** in 2023 and the first half of 2024, with those operating in consumer markets reportedly particularly susceptible to ransomware attacks.

In defence of the attacks, a raft of cyber legislation is being rolled out that businesses must adhere to. For retailers, much of 2025 will be taken up with getting their heads around which regulations they must now meet — especially as their use of technology and focus on data-driven strategy ramps up.



Trend 3

Retail trends 2025

In the EU, new regulations include the updated Network and Information Systems directive (also known as NIS2), the Digital Operational Resilience Act (or DORA for short), the Cyber Resilience Act (CRA), and the EU AI Act. In the UK, the government introduced the Cyber Security and Resilience Bill in the Summer of 2024, while a growing number of US states are rolling out their own data protection legislation

International expansion is a big trend in 2025 — exemplified by Mango upping its presence in the US, Harvey Norman entering the UK, and Carrefour growing into India. Against such a backdrop, the need for regulatory compliance and ensuring cybersecurity in each territory will persist.

Cybersecurity and compliance requirements differ country by country, and retailers will need to find partners that support them as they start operations in new regions.

Retailers working with Cegid should know the company is up to date and compliant with all regulations in all the regions in which the business operates, and the infrastructure on which it designs its software as a service applications are ISO 27001 certified.

Cegid Retail SaaS solutions leverage a global platform with data centres across Europe, the US, South Asia, China, and the Middle East, delivering robust scalability and resilience. With more than 70 country packages, Cegid ensures retailers achieve fiscal compliance, data security, and adherence to local legislations as they expand internationally.

◆ Find out more about [Cegid security tools and the cloud](#)



Trend 4

Retail trends 2025

Human-enabled innovation in focus

32% of consumers still crave the personal service only in-store shopping can provide, despite the rise of digital channels.

That was a key finding from the EY Future Consumer Index, which surveyed more than 23,000 consumers across 30 countries and released the results in July 2024. Some 57% of shoppers surveyed said they want to see, touch, and feel items before they buy them, while 68% are seeking expert advice on high value purchases to ensure they are making the most informed choices.

This desire among consumers means retailers should ensure in-store staff are engaged, assume the role of brand ambassadors, and have the appropriate tools, skillset, and technology to serve shoppers how they want to be served.

Kristina Rogers, EY Global consumer leader, says:

“Technology is not the enemy of human interaction; rather it can be a powerful ally, and consumer companies that use it to support a human centred experience are more likely to succeed. Companies must not only leverage data and analytics to gain consumer insights and anticipate future needs, but also to uncover points of friction and customer dissatisfaction that need to be addressed. Striking the right balance between using technology to spot and resolve these challenges early, along with customer service training that is responsive, empathetic and creates value for the consumer, is key.”

She added that AI on its own is not a panacea, but new technology combined with well-trained staff is likely to be a winning combination for retailers looking to drive forward in 2025.



Trend 4

Retail trends 2025

Holland & Barrett and Starbucks UK are two examples of retail businesses that have focused on upskilling and motivating frontline staff by giving them new techniques to learn which can enhance the customer experience.

The former said it invested in more than 63,000 hours of colleague training, including introducing 600 women's health coaches to the high street who, with their extended training can offer free, personalised support on women's hormone health.

Meanwhile, Starbucks unveiled a new training programme for employees in May, allowing them to learn British Sign Language. Using a gamified training app, staff can now learn everyday phrases such as greetings, useful questions, and beverage orders, so they can communicate more clearly and empathetically with deaf and hard of hearing customers.

PVH has transformed its employee experience, using Cegid Retail Store Excellence. The technology centralises tasks and messages, giving store staff a greater independence and access to streamlined compliance information that frees them up to offer a greater customer experience. And Aesop has deployed Cegid's cloud-based software to empower its beauty advisers with a combination of fixed and mobile point of sale (POS).

Retailers need to think about the art of the possible with human-enabled innovation.



Imagine having a salesperson who can instantly converse with customers from all over the world, in their own language, supported by real-time data and head office connectivity. Automatic and real-time translation, in Cegid Retail Live Store and Cegid Retail Store Excellence, can ensure the seller and the customer communicate simply, each in their native language thanks to its AI-powered capabilities.

◆ **[Find out more about Cegid and its latest in-store retail technology](#)**

The evolution towards unified commerce

According to Gartner, unified retail commerce is

“

The dominant modern business strategy reshaping the retail industry for both retailers and consumers. ”

It defines unified commerce as a business strategy that integrates all sales channels, data, and back-end systems into one platform, allowing organisations to have a holistic view of customers and internal processes. It's an extension of the omnichannel strategy retailers embarked on last decade and is a direction of travel for them in 2025.

Retailers are looking to find technology so they can achieve customer service and operational excellence. Mounting consumer demand for personalised interactions and more complex path to purchase journeys is fuelling the need for safe and secure cloud-native tools, software built natively for mobile devices, composable technology, and POS-centred tech stacks.

Research undertaken by Censuswide on behalf of Sony Professional Displays and Solutions, in October, shows where retail stores have opportunities to capture customers in the year ahead if they want to stay relevant in the face of growing digital commerce.



Some **24%** of consumers said being able to buy online and return in store would make them more likely to shop in person, while **37%** stated that they would choose in-store shopping over online for general browsing. **31%** stated they'd be more likely to visit in-store over online if they had high-quality customer service, underlining the business case for retailers to invest in the relevant systems to enhance this function.

Sony also interviewed retailers for the research — and **66%** acknowledged they did not have the necessary technology in place to achieve a great customer journey in-store. Retailers are effectively going into 2025 knowing what they want to achieve, knowing there is tech out there that can help them do it, but with work to do to fill the gap.

Forward-thinking retailers are doing something about it. Zadig & Voltaire's stores in the US are now fully equipped with Cegid Retail Live Store mobile apps, which support omnichannel services offered by the French brand as well as helping the store create an 'endless aisle' of products and staff informed of stock inventory.

Trend 5

Retail trends 2025

Another retailer focused on unified commerce is Primark, which will continue rolling out its click & collect services across all stores in the UK by the end of 2025. Having initially introduced the service for womenswear and kidswear in 2022, it has been expanded to now include menswear and homeware — elevating the service for all customers.

Consumers can browse the full range of Primark products on the retailer's website and check the availability of items using the stock checker before heading to the store.

Primark's play in click & collect and movement towards unified commerce is noteworthy because it had steadfastly stayed away from digital channels even as e-commerce soared in the last decade. But now it sees the benefits of a multichannel approach.

And, finally, fashion retailer Gant refreshed its European store estate and implemented Cegid Retail's Unified Commerce Platform after the pandemic to drive customer service and stock management capability. It has also deployed Cegid's globally secure and compliant mobility tools, including a mobile inventory module that allows staff to carry out stock checks directly on the shop floor and mobile POS to serve customers and process payments while on the move.

The key for any retailer looking to stand out with a seamless in-store customer service in 2025 is to be flexible and support a multitude of ever-changing consumer demands. This can be achieved with queue busting mobile tech, systems to facilitate a smooth click & collect and online reservation services, and platforms that can help secure a sale online if the requested item is not actually available in store.

According to a report from consultancy group Kearney, published in November 2024,

77%

of shoppers favour stores equipped with robots and digital tools that provide easier access to information on product availability, optimised merchandising, and greater price transparency between competing brands.

Shop staff mobility in the store environment is essential for building strong relationships with customers and running efficient operations on the shopfloor.

Talking in the report, Thibault Hollinger, partner at Kearney, says:

“Despite a tough economic outlook, retailers must now take action and invest tangibly in transforming sales points through technology. Those that do this will have a strategic head start in the particularly tense competitive landscape which awaits tomorrow's retailers.”

Cegid Retail is designed to make customer journeys smoother and has been shaped to deliver the most efficient and compliant unified commerce experience.

◆ **Find out more about [Cegid Retail and its role in supporting unified commerce](#)**





About Cegid

Cegid is a European leader in cloud business management solutions for finance (cash-flow, tax, ERP), human resources (payroll, talent management), CPAs, retail and entrepreneurial sectors. With a solid full cloud business model, Cegid provides long-term commitment to its customers, superior and distinctive experiences and helps companies of all sizes accelerate their digital business transformation, locally and worldwide. Cegid combines a forward-thinking and pragmatic approach of the business with strong capacity to innovate, an in-depth expertise in new technologies such as artificial intelligence and an understanding of regulations and compliance. In today's rapidly changing world, Cegid makes more possible by helping customers unleash their potential thanks to innovative and purposeful business solutions.

Bolstered by its strong international ambition and reach, and its 750,000 customers, Cegid has 5,000 employees and sells its solutions in 130 countries. Cegid reported revenues of €852 million (as of December 31 2023). For more information: www.cegid.com/en/





cegid