Retail: Grow Revenue and Relationships with Data and AI

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Notes:

- Saks CTO Mike hite will join us on stage in a little bit to talk about how they're partnering with Salesforce to redefine the luxury retail. We have some really incredible game changing announcements for you all, and we can't wait to spend the next 50 minutes with you.

- With retail cloud and modern pos, we are finally giving retailers the tools that they need to seamlessly connect your stores, your loyalty, your digital commerce, your service. And to talk about what that means in the retail context, please welcome to the stage my colleague, Celeste Richardson.

- Connected data powers agent force. Without the foundation of connected data, our customer journeys will still look like this. With data cloud and agent force, we can streamline this journey. We can help to unlock growth.

- Colin Kimble is a distinguished solution engineer here at Salesforce for retail. Today he will show you how Saks together with Salesforce is transforming the customer luxury experience. But then we're going to switch tracks and show how every retailer can achieve this level of one to one personalization at every single moment.

- Rachel is a current Saks customer. Her story with Saks starts today with her receiving a targeted campaign. It's augmented with AI agents. It creates an entirely personal shopping, commerce experience for her. All done on the Salesforce platform.

- If you're interested in learning more about retail cloud, here is your QR code to take you to learn more. Thank you all so much for being here. Enjoy the rest of Dreamforce.

Speaker A   00:00:00

Welcome, um, to the retail keynote. Everybody put on your fabulous looking headphones. Looking good, looking good. Awesome. I am so, so, so excited for this session. This is going to be really amazing. We have the wonderful Mike hite here, CTO of Saks. He's going to join us on stage in a little bit to talk about his vision and his team's vision for how they're partnering with Salesforce to redefine the luxury retail. It's gonna be great. We have some really incredible game changing announcements for you all, and we can't wait to spend the next 50 minutes with you. But first, I wanna say thank you. I know that there are so many different sessions that you guys have access here at, uh, Dreamforce. So thank you for spending the next 15 minutes with us, and thank you for being here. We're so, so appreciative of your time. Okay, it's Dreamforce day two. It's 02:00. Maybe you've just had lunch. Maybe this is like your 89th session that you've been to over the past day and a half. So we're gonna start out our session a little bit differently. I want everybody to hold up their phone. Hold it up, hold it up, hold it up. Good, good. You probably already have it in your hand.

Speaker B   00:01:18

Good, good, good.

Speaker A   00:01:18

Thank you. All right, humor me for about 20 seconds. All right, I want you guys, as you're holding this up, to think about the power of this one single device in your hand. This one

single device connects you to your whole world, connects you to your friends and your family, connects you to your memories and your photos. It connects you to your calendar and your contacts. It knows where you've been, where you're going, probably knows your coffee order. It can do super, super complicated stuff, right? It can connect you to your bank account information. It can connect you to your security systems, connect you to your doctors. More likely than not, you use it maybe 100 times a day to do seemingly simple stuff like text a friend or a colleague about how much fun you're having at Dreamforce, how excited you are for the retail keynote. Maybe you send a, uh, selfie with Einstein or a gif with one of those funny little agents running around that takes you, what, maybe 10 seconds to do. You do it 100 times a day. Okay, you can put your phones down. Thank you for humoring me. Now, imagine for a second that you had 44 of these 44 different cell phones that each have a different set of applications. One has your contacts, one has your photos. Giphy is over here somewhere. Your emojis are over here. Of, uh, those 44, only twelve are connected to each other. Only 30 are connected to the Internet. I want you to think about that one seemingly simple action that you could take with your single device. Texting your friend or your colleague about how much fun you're having at Dreamforce. Think about the lost productivity and time it would take to find your contacts over here, your images over here, your fun little giphy app over here. We would never settle for that as consumers, ever. It's even mind boggling to even think of that as a concept. What am I talking about? On average, retailers use over 44 different systems and applications to manage their shopper data. 44. And what's worse, 70% of those are disconnected from each other. It's not great. We would never settle for that as consumers. We shouldn't be settling for it in our retail business. So why is that a problem? Disconnected data leads to disconnected shopper journeys. Disconnected shopper journeys leads to frustrated shoppers. And one in three shoppers will switch brands they love after one bad experience. Not great. Okay, so that's what we're going to talk about a little bit today. And that's just some of the internal things that are going on in our retail businesses. Let's talk about some of the external factors. Shopper behavior. Here at Salesforce, we have access to over 1.5 billion global shoppers based on the size and scale of our platform. It's incredible. And every year we take that data and we release insights and predictions about what we're seeing for the holiday season and in the ecosystem of our shoppers. And here's just a few. The first chinese shopping apps are truly taking market share. Retailer, uh, shoppers are starting to trade down for discounted price, lower priced items. And so now it's more important than ever to be really thoughtful about the data and insights that we have access to, to be able to come up with really thoughtful discount and promotional strategies so that we can compete with TMU and TikTok and Chien. Super important. Number two, surprise to no one. Unfortunately, we're still having some supply chain issues. We're still seeing an increase in middle mile shipping. And so we need to make sure that we are offering our shoppers really flexible fulfillment and return options. So things like bopus or bofus or Boris, all the horuses, um, it's more important than ever to be able to do that so we're not passing those costs on to them. Number three, you guys heard about this thing called AI? It's kind of a big deal. Um, shoppers, it's here,

and shoppers are using it more than ever. In fact, one of the things that we're seeing is that when AI is embedded into site search, they're three times more likely to convert. So as retailers, we need to ensure that AI is at the forefront of our strategy and how we're thinking about truly engaging with our shoppers. Number four, we're predicting that on Black Friday, we're going to see an increase in our shoppers behavior moving to online. So unified commerce is more important than ever. Having this connectivity between the store and our online experience and ensuring that that's seamless connected so that we can continue to offer super hyper personalized experience, no matter where they choose to shop, especially during the holiday season. And last but not least, this continues to be sort of a phenomenon that we're seeing. Shoppers expect us to be where they are, and where they are more and more are on messaging apps like WeChat. And, uh, so we need to ensure that we have commerce embedded in everywhere that they choose to go shopping, which more and more is tip of their fingertips on social and messaging apps. Shoppers are truly defining the new rules of engagement. And as retailers, we need to ensure that we're continuing to innovate to meet them where they are. It's an unprecedented time. You guys have heard so much about AI over the past day and a half. I don't think that this is anything new, but it's truly an unprecedented time where we need to think about our transformation journey and how technology plays a role in that. We need to really find where our data is trapped in our enterprises and break down those silos so that we truly have a unified view of our shoppers, so that we can give them the experiences that they crave and that they need. We need to look at our operations and break down all of the silos in our enterprises so that we can ensure that we're having a, uh, really connected experience between store and digital. And we know that margins, there's more pressure on margins than ever before. This is something that we hear constantly. So looking at AI and how that can play a role, especially, uh, as it pertains to arming our associates and our employees with tools that make them more productive and more efficient, is super, super hypercritical in all of our strategies. And last but not least, we need to ensure that where we see any kind of disconnection between our shopper experiences, we're really finding ways to deliver hyper personalization at scale. No matter where they are. Over the past 25 years here at Salesforce, we have had one single steadfast mission, and that is to help our customers connect with their customers in a whole new way. And for retailers, that means helping them create a true shopper 360 so that you can show up and deliver really powerful experiences wherever they are in the shopper journey, from awareness to engagement to transaction to loyalty and all the way back again. That's what we've been hoping to do over the past 25 years. And today we are so excited to talk about three new innovations that will just power your shopper 360 even more. Ever since I joined Salesforce a few years ago, I've wanted to be able to say this. We have retail cloud that we are officially announcing today here at Dreamforce Modern PoS system, um, through the acquisition of Predict Spring. So I'll have Gordon and Nitin come on stage in a bit to talk more about that. So, so excited. Uh, ever since, um, the acquisition of exact target and demandware, we have been listening to our customers to ensure that there is proper integration out of the box, integration between commerce and marketing

and service. And so we can finally say that commerce and marketing is now on the platform and will be fully integrated out of the box. So another super exciting advancement in our platform. And of course, you guys have heard all about Agent force. Agent Force is the topic of the day. And so we'll have Celeste coming on stage a bit later to talk about all of the very specific applications for Agent force as it pertains to retailers and how you can get the most out of agent and AI. So with all that, I'm super, super excited to invite my friend Gordon Evans, VP of um Industries marketing, up on stage.

Speaker C   00:10:19

Thanks, Sydney. Hello, Dreamforce. How's everybody doing day two? Doing all right? Okay. Very good. So there's no question that over the last few years, we've invested very heavily in e commerce. We were all at home doing shopping there, but we have seen that store continues to be critical with 80% of global sales still going through the physical store. And that's because maybe shoppers want to be able to get their merchandise immediately. Maybe they want that in store browsing experience. Maybe there's some sort of in store event or discount uh, or promotion that they want to take advantage of. But at the same time, we're asking more of our store associates as well. So it's not enough for them to be at the cash wrap doing point of sale and checkout. They have to do fulfillment, they have to manage returns, they're virtual stylists. They're doing clientelling. Um, and what we realized is that of those 44 systems that Sydney talked about earlier, we're asking our store associates to log into as many as twelve different systems every single day just to get their jobs done. In fact, uh, according to our connected Shoppers report, they're spending as much as 74% of their time on activities unrelated to checkout. So we think that this, you know, logging into twelve systems, that's reducing their productivity. You're missing out on revenue opportunities. We think there is going to be a better way. And so we are thrilled to announce.

Speaker B   00:12:01

To you, what if you could recreate the personalization of online shopping right in store, connecting your data, uh, commerce, service, marketing and loyalty programs on one intelligent platform that's easy to configure, mobile first, and even works offline so associates and shoppers get the experience they create. Introducing the first ever unified AI powered cloud native POS system built on the number one AI CRM. Say hello to retail cloud with modern Pos. Finally, truly modern retail has arrived.

Speaker C   00:12:44

I know, right? I know, it's been a while. It's been a while. And you have been giving us the feedback that we needed to have this as part of our family, and it's here. So I'm thrilled to announce the newest member of our cloud family, Retail Cloud. Here at Dreamforce 2024. It's retail cloud with modern point of sale. The only cloud native point of sale that

combines online and offline shopping experiences together on the world's number one AI CRM. It's going to be able to unite those transactions from anywhere, so it's going to free your store associates with a mobile point of sale. It even works offline, so they'll be able to capture transactions from anywhere in the store. It'll arm your associates with shopper data and inventory data, so they'll be able to unlock different kinds of experiences like clientelling, be able to do fulfillment from anywhere, endless aisle from anywhere in your stores. Uh, and we know how important it is that you need to move fast. So one of the things we're super excited to announce as part of this as well is that it has pre built integrations to our order management, to commerce cloud, and to service cloud. In fact, we were at a session earlier today where Janie and Jack was relating a story of how they were able to roll retail cloud out to, uh, over 100 stores in just 16 weeks. So we're very excited about that. It also comes with a no code CMS, so that you can tune it to your exact brand specifications as well. Okay. So very excited to have retail cloud now as part of our family and to show this to you. Please welcome to the stage our GM and SVP of retail, the former CEO predictspring Nitin Mangtani. Nitin.

Speaker D   **00:14:39**

Thank you. Thank you Gauran, for a very warm welcome. Thank you. You're welcome. Thank you to the broader Salesforce team for a very warm welcome. We are excited to continue to work with the broader retail community. I see many of you here from our customers such as under armour, um, uh, Jenny and Jack, Crate and barrel, and we are just thankful. And the journey just continues. You know, as part of being part of Salesforce, we are able to provide you both the flexibility and the extensibility that Salesforce provides. So you can integrate with any systems, but you also get the benefit of pre integrations with service cloud. As Gordon was mentioning, commerce cloud and oms, I'm going to show a brief demo, um, so that you can just get a little bit more taste of the actual product and how it looks. So give me 1 second as I toggle to. There we are. So everyone can see, if you can see this iPad here, that's our pos. Um, and one of the things you would notice when you look at our user interface, it looks much different. Most PoS systems look like a spreadsheet with a calculator. That's all. You know, the POS has been around for 120 years and that made sense. You know, even 20 years ago, if you're pos, all they did is calculated the totals and calculated the tax. The modern consumer wants a lot more. They are coming to your stores for an experience. Otherwise they could just go to a vending machine and get the product. And what you want is technology to really be an enabler to your associates. And we wanted to build a delightful UI and an experience so that your associates can really engage with the consumers. And a lot of time that engagement might be next to each other. They're making an eye contact. Your consumers are looking at the same iPad and browsing the endless aisle category and doing the shopping with the associate. And that's really the power of having a modern UI. And as you can see from this interface, there's a lot of functionality. We talked about twelve different apps that an average associate has to toggle, to be able to do a checkout, to be able to do store

operations, to be able to do inventory management, to be able to do cash management, to be able to do store fulfillment on orders. What we did is we bought all these modules into a singular interface right here. So whether you're doing returns and exchanges, whether you're doing endless aisle, whether you're doing cash management, you can do into a single interface. And you don't need to toggle between twelve different applications. And all that extra time that you save now, you can be more effective with your consumers and spend that extra time with the consumer instead of having to really struggled with the technology. And we also wanted this experience to look like Instagram. Learning the POS shouldn't take days or weeks, it should take minutes. It's a simple application and we wanted it to be that easy to use. Now, obviously, you're here at Salesforce, uh, which is by far the leader in CRM. So we cannot not talk about clientele and AI. Um, so one of the things we did is we have pre integrated with service cloud and data cloud and we are able to bring all this data. So if I wanted to do a quick customer lookup, I can do a customer 360. I'm going to look up Amanda's profile. I'm going to search for Amanda here. It's going to make a real time call. And this is actually a real search that's going on. And it's bringing the full 360 about Amanda. And we can see the entire profile information. We can also bring her information from the loyalty cloud. But more importantly, we can also see her engagement on your e commerce website. So if she has created a cart or a wish list on commerce cloud and she walks into your store, your associates already know her history and what she's interested in so that they can deliver a better experience to Amanda, uh, while she's in the store. And again, you can see this is very visual. A lot of systems, if you click it takes 45 seconds for the screen to load. Well, nobody wants to wait 45 seconds. That's too much. We wanted to bring it down to several hundred milliseconds, a sub second latency and response time, so that your associates can not only have a visual experience, but also can have an experience which is fast and easy to use. We also bring in what's in her closet, all the products she has bought. You can easily scroll and look at it. You can even capture notes. So if you don't have a product and you want to take a note so you can follow up with her through client telling and a text or an email, you can also do so through this application. I'm going to go back now and show you a couple other things um, one of the things we did about client telling is we are like, we really wanted to go one step further. So we are getting a lot of data, um, from online, in stores, and now with online and in store, it's all unified commerce. We are able to apply all the algorithms and do AI, but we also wanted to go one step further. Your associates deeply know your consumers, and the whole theme of Salesforce is how do you bring AI and your associates together? It's not a binary thing, it's really bringing them together. So all the knowledge AI has with data cloud is amazing. We wanted to also complement with what your associates already know about your consumer. And here we created this amazing personalization quiz where you can capture additional information about your consumers and see what her tastes are, what kind of products she likes, what kind of colors she prefers, what kind of things she likes to invest in. And every shopper is different. For example, I like to buy a lot of coats and shoes. Well, it's good to know. So I can sell you that extra pair even if you bought the last one just two weeks ago. And that's an important information which we can

capture through this UI. And again, all this is fully customizable using our no coat CMS. So this quiz is going to look very different. If you are in a wine vertical, or if you are in home furnishing like crate and barrel, or if you are doing footwear like under armour, each of your categories that your brand is, you can have a completely different experience that's fully customized to you without writing a single line of code, using our no code cms. And that's really the additional power we bring to this Pos. Now I'm going to do a simple kind of endless aisles in store checkout, a, uh, pretty common use case. You walk into a store, you're going to a store for an instant gratification. I want to buy a trench coat and I want to walk out with a trench coat, ideally wearing it right there. Um, but sometimes you walk into the store and some products may not be available. And we call it endless aisle. The aisle never ends because we can look at the inventory that's in stores nearby, or we can look at the inventory that's in your warehouse. What we did is instead of running those as two different transactions, we can run them as a single transaction. So in this particular case, I'm going to start with looking at some products. So, um, I'm going to see, uh, and you can see the speed here. It's really fast to scroll this um, experience is visually delightful. And I'm going to pick one of the products here, and I'm going to pick a size here for Amanda. Uh, this product is available in store. I can also look at the inventory if I wanted to, what's going on in nearby stores. In this particular case, I'm going to simply go ahead and add to the cart. So this product is now kind of, you know, available and, um, assigned. I'm hoping the Internet connection still is working here, so bear with me. Um, try to get out of wi Fi here. Um, I did pray to the demo gods in the morning, but you know, sometimes, sometimes it was a little rushed fear, you know, there's a lot going on, so maybe I didn't spend enough time. So we'll just try, uh, to do it without Wi fi, which is also fine because we do have, um, cellular network. And, uh, we're just gonna, and this is what you're seeing behind the scenes, just like a real associate. If you have a till, it prompts you to reconcile it and those of you in the retail industry will understand what I just did. But if I go back here and now I'm gonna pick a different product. And this particular product, the trench coat here, I'm going to pick size, medium. Now, unfortunately, this particular product, as you can see, it says in store unavailable. Now, network inventory. What do we mean by network inventory? So just like everything went to cloud, we think about inventory is also in the cloud. It's a physical inventory, but in the cloud, it's available in store nearby. It's available in your warehouse in Columbus, Ohio. It might be available in your another warehouse in Arizona. We want to think about that as all one inventory. We call it cloud inventory or network inventory. So even if I don't have this product in the store, I want to deliver to the consumer. It might take a day or two to ship it. So in this particular case, I'm going to change the option. Instead of in store, I'm going to do ship to address. And you would see here there's a dropdown which says auto route. So the AI is going to figure it out. So if I'm living in Menlo park and the closest store is in the Stanford shopping mall, and that one doesn't have it, but the store in Westfield shopping mall in San Jose has it, well, maybe it's cheaper and faster to deliver it from there than the warehouse in Columbus, Ohio. But we're going to let AI decide what's the fastest way to do the routing because I don't have it in my store in Palo Alto. At this point I'm just going

to say auto route it to the consumer. At this point, this product is going to be auto routed. It's going to be added to the, um, it's added to the card just like any other product. And I can go ahead and simply look up Amanda's profile so that it'll pull up all her address and other information. So I'm going to go ahead and attach her here. So I'm going to go and link Amanda's record to this particular transaction. And once I have LinkedIn, it pulls her all our information, including if she has multiple addresses and things like that. And you can see the shipping address is pre populated because we already have her information in the CRM database and everything is ready to go and she can pay and you can check out and the last thing I'll show and I'll then hand the baton back to this particular product. We are big believers that one size doesn't fit all. What it means is that we have many customers. Uh, for example, if you go to any of our stores, you would see some stores have fixed counters, so they have a cash drawer, uh, barcode scanner, printer and everything. So we support that form factor. Also, we support a more kind of in between form factor which is lightweight. And then we also support truly mobile. With tap to pay, you don't even need a credit card reader. You could literally use your iPhone more like an Apple store experience. Simply have your consumer tap their credit card right on the iPhone to complete the transaction. And that's really magical because a lot of times you go into a store, it took you 20 minutes to find the right product. Well, that was fun because you wanted to try out all the products. But the next 15 minutes to stand in the line, it's definitely not fun. And that's where this is magical. Once you have completed your shopping, less than 30 seconds, we can check out and we can get the consumer out of the door. So thank you again and I'm going to have gotten back to the stage. Thank you, guys.

Speaker C   00:26:08

Thank you, Austin. And welcome. Welcome to you and the predict spring family to the Salesforce Ohana. Okay, so just as you had m, isn't that great? First of all, retail cloud modern point of sale is here. Very, very exciting. We are also, we've also been listening to you. You also have given us some feedback about bringing commerce and marketing together with service and every rest of the Salesforce portfolio on the Salesforce platform. So as Mark mentioned yesterday, we have done this. You can see it in the campground. This will help you drive revenue. It will help you increase conversion. You will be able to bring browsing and buying data into your marketing messaging. It'll improve your post purchase journeys with a uh, consistent and connected experience coming from your customer service departments. All of this will help you go faster, drive better marketing ROI. Now, if you somehow missed yesterday, we talked a lot about Agent force and AI agents. And to talk about what that means in the retail context, please welcome to the stage my colleague, Celeste Richardson.

Speaker E   00:27:23

Celeste uh, thank you Gordon. We are thrilled to welcome predict spring to the Salesforce family. With retail cloud and modern pos, we are finally giving retailers the tools that they

need to seamlessly connect your stores, your loyalty, your digital commerce, your service and everywhere in between to create the connected experience that our customers have been craving. And speaking of innovation, we've learned a lot about Agent force this week and I'm super excited to see what these agents will be doing in retail. We'll talk about what some of the specific skills and tasks that they'll be taking on to enhance our workers productivity, to enhance the customer experience and ultimately to drive better business results. But before we can talk about the power of Agent force, we have to talk about what powers it. And if you were in the keynote yesterday, you learned all about how data cloud Powers agent force. But I want to simplify it a bit more. Connected data powers agent force because without starting with the foundation of connected data, our customer journeys will still look like this. They'll be disconnected, they'll be disjointed, they're frustrating. Our customers want better, and especially our younger consumers who expect instant engagement from a brand. They have 1.3 seconds where they will decide if they will engage with an ad. Marketers don't have time to wait for a week for a list segment or an insight to be pulled by data or it. Customer service can't deliver white glove experiences if we don't know who our high value shoppers are. And this is the reality, this is where a lot of retailers still are. But with data cloud and agent force, we can streamline this journey. We can help to unlock growth by bringing together your shopper experience, unifying teams with common data, bringing it all together and allowing them to have the right insights at the right time so that they can create a centralized customer experience journey. So, uh, how does this actually all work? Well, first we start by connecting all of your enterprise data, the data that you want to activate on, and we harmonize and unify all of that data and metadata and from there we create a what's called a operational profile. You might be wondering what that is. So an operational profile helps to push the insights that your marketers need versus the insights what your service agents need. It's pushing it to them so that they can activate personalized, real time experiences for our customers in their flow of work. All, ah, within a, uh, trusted and secure environment. And because this is on a single platform, it's a closed loop. We continue to enhance the model, we continue to enhance the results. And now with agent force, I'm excited to see how these humans and agents will be working together to take on some of these skills. So customer service agents can process returns and make recommended replacement items. They can do faq and general, uh, order tracking, freeing up your human agents to take on more complexity tasks or build out a strategy to do more proactive customer service outreach. Our marketing agents will write campaign briefs and trigger, uh, automated cross channel campaigns. We have our personal shopping agent that will act as a digital concierge for our customers. And merchant agents will recommend merchandising strategies on the website based off of your inventory and margin and turn goals. And then of course, a custom built agent can be built for whatever use case you need to drive productivity and empower your teams to do, uh, their best work. So now I want to show you, I don't want to show you, I want Colin to show you, um, how this comes to life in our visionary demo about sex. So please welcome our distinguished solution engineer, Colin Kimble.

Thank you very much. Hi everyone, my name's Colin Kimble. I'm a distinguished solution engineer here at Salesforce for retail. And today I am beyond excited to show you how Saks together with Salesforce is transforming the customer luxury experience. And I'm going to show you this vision through really two things. One, that customer experience. But then we're going to switch tracks and I'm going to show you how every retailer can achieve this level of one to one personalization at every single moment. Now, Saks, just like Salesforce, huts the customer at the center of everything they do. So with that, I'd like to introduce Rachel. She's a current Saks customer and her story with Saks starts today with her receiving a targeted campaign, uh, on her preferred channel, WhatsApp, about the new 2024 fall collection. Now this isn't just a standard marketing campaign. It's augmented with AI agents. It's not just picking out the right price products, but creating an entirely personal shopping, commerce experience for her. Now. Intrigued, she clicks on that and is taken to her personal shopping site where she's seeing products from this fall season that she really, really loves. Um, for instance, this Prada bag, she spends a lot of time looking at it. Um, and she also is thinking about a dress, maybe even some sunglasses. And she decides now would be the perfect time to meet with, with a Saks style advisor in store. She decides to go ahead and schedule that at her local store. Now this is all done on the Salesforce platform. And before we get to her experience in the store, I kind of want to switch tracks a little bit and talk about how AI can help every employee at Saks. So every Saks employee has proactive data given to them through tableau pulse that's tailored to exactly what they need to do their jobs faster and smarter. Um, in this instance, I'm, uh, looking at store sales, I'm seeing trends, and AI is telling me about the top contributors to this particular trend. And I can even interrogate the data using natural language to ask the data questions to really dive in to this information, like what brand is increasing the most. This tells me what's really resonating with our customers this season. Now let's move on to that stylist experience. Now the stylist starts their day with a custom clienteling app built on the Salesforce platform. And they're notified that Rachel, uh, has an appointment. They're given all the appointment details like she's interested in this bag. Um, and we're also using an AI agent to let the stylist know who this customer is at my fingertips. I know what her intents are, I know what her affinity with the brand is. And I'm starting to pull different items in the dressing room that we know that she's going to love based on AI recommendations and pulling additional sizes. So when she arrives, the whole experience seems like magic. Now, I'm also, with a click, I'm able to order her a glass of her favorite champagne. And we're going to complete that look to go with that bag. She loves this dress. We're going to go ahead and add these things and of course we're going to be able to seamlessly able to check out, uh, on her behalf with her saved payment information from commerce. Now this isn't about appointment and stock documentation. This is about having an actual operational profile of the customer profile, everything that she's looked at on the commerce in store. She bummed because recently her favorite pair of Gucci sneakers that she bought was Saks last month. So this is something I need to know. I may need to follow up on this so I can capture a note about that. And after she leaves, uh, the appointment I can follow up with her directly in the clientele app using AI

suggestions to be able to better connect with her. Now when we think about that note and that issue, this is a customer service issue, but Agent force is listening to all that data and this is another way agents can really enhance that customer experience. In fact, Agent Force has gone ahead and started a case on behalf of Rachel and reached out to her in the channel of her choice. Now you hear us talk a lot at uh, Dreamforce about humans better with AI and this is the perfect example. As a service agent I can use Agent force to understand her issue. I don't have to look up her products that she's purchased. Agent Force knows what, uh, product in question we're talking about and it will automatically craft the right response to give to Rachel to better connect with her, letting her know she's an important sax customer and we'll get this taken care of for her. Now she's thrilled with this white glove service and this is the perfect opportunity to upsell and cross sell to her, especially based on what she purchased at her in store experience. And we've got the perfect pair of pumps that's going to go with that dress. So we're able to do that directly in channel and she's able to check out as well because it's all based on one single platform. Now as a customer service agent, there's a lot of stuff that goes into a return, uh, like this. I've got to create a return order. We need to send uh, out the shipping label. We need to even follow up with that customer to make sure everything went perfectly. And you guessed it, Agent Force is taking care of that automatically. And this is the type of interactions with customers like Rachel that drive LTV and lifetime loyalty. Now in this vision, I want to quickly show how every retailer can achieve this type of level of one to one personalization. It's all based on that operational profile, that layer of data in data cloud. But when we as retailers think about operational, uh, profile, a lot of us are stuck here. Just top level CRM data. Yeah sure it's somewhat useful but not to the level that we're talking about. But Salesforce makes it easy with just a few clicks to be able to bring data in from any source, whether it's a salesforce system, public cloud or zero copy with databricks and snowflake. And also thanks to our mulesoft anypoint capabilities, we have hundreds upon hundreds of connectors to bring in all of your trapped data. And when we bring that in, we're also using AI to automatically map that to our flexible data model. But as a human I have full control with a drag and drop interface as well. And what that gets you as a retailer is a true operational profile. We took this and actually turned it into something actually useful with every engagement that customers had with our brand in store and uh, online purchases, affinities and more. And this is the basis for AI recommendations. This is the basis for AI agents to connect with those customers in those meaningful moments. And as retailers we know this isn't just about one channel. It's not about commerce, it's not about marketing, it's not about service. It's the entire customer experience. And it can also help all of us do our jobs a lot easier for that marketing campaign that you saw earlier. If uh, as a marketer this could take me a lot of time to create that campaign, but I can use agent force to ask it as I would a peer or a colleague to just go ahead and create this campaign for me and it's going to tell me exactly what it's going to build for me. So that WhatsApp campaign, just a couple of sentences for me and it's going to automatically create that and I can review it, I can edit it and more. Now you might be thinking, okay, all of this AI, all of these agents, it sounds like a pretty big lift. Well, I'm here to tell you it's not

with Agent Force. So I'm in our agent builder right now and we've got um, our damaged product agent uh, right here. And these are all the capabilities that it has. And to add a capability to this agent, I can simply pick one, like generate a return order. This is just a flow that we've built out in Salesforce with clicks not code. I can add it to the agent with just a click. And we always want to test and be able to iterate on our AI agent. So I can test it right here and it's going to show me exactly the steps that uh, it's going to take even across systems to create this return order. And this should look pretty familiar to you because uh, these are the actions that you saw at the end of that case closure that that agent took on behalf. So I know that was a whirlwind. It was really, really quick. We've got a lot of amazing content, um, around agent force that I urge you all to check out. But now I'm going to go ahead and hand it back over to my colleague Celeste.

Speaker E   00:40:22

Wonderful. Thank you. Uh, that demo was incredibly inspiring. Thank you, Colin. All right, now I want to invite Mike Haidt, the chief technology officer for Saks Global, to the stage to share how Saks is taking on this amazing digital transformation. Mike, welcome.

Speaker G   00:40:44

Thank you for having me. Not going to squat on this.

Speaker E   00:40:52

Uh, so, Mike, welcome. Uh, this has been quite a journey for you. Sex has been in business for 100 years, right?

Speaker G   00:40:59

Yes.

Speaker E   00:40:59

Happy birthday.

Speaker G   00:41:00

Thank you.

Speaker E   00:41:01

So talk to us about your digital transformation journey. Some of the things that you've been thinking about as a luxury brand and how to deliver these experiences.

Speaker G   00:41:10

Yeah. First, Nitin, I want to call him out. Great. Ah, job. Live demo of Internet crash. Got it back on track. Not easy. So a round of applause. That was awesome. Yeah. So I think we're on the same journey that a lot of other folks are on in terms of kind of modernizing our platforms. When, uh, we really started, I'd say our journey of modernization about four or five years ago, we, um, knew that this was going to be something that we needed to perpetually invest in. Um, we fundamentally thought that we needed to create some step changes in our platforms, uh, in order to drive kind of long term value. So, you know, this is a world where you can't really have long three year projects without any ROI. And so what we tried to do was blend short wins across some of our core platforms. Salesforce being a lot of that, um, uh, driving value, uh, to get, obviously, CFO and the board on board, while also kind of allowing for space for the longer overarching vision, the three to five year pie in the sky journey to play out. And so, you know, a lot of that has been a balance for us of, again, short wins, but while maintaining kind of the overarching focus on our north star.

Speaker E   00:42:27

Yeah. And how have you gotten people to buy in to the vision, your board, your team, teams? Like, how has that process gone?

Speaker G   00:42:34

Yeah, uh, it's an iterative process. I'd say every time you think you have it figured out, you roughly don't. And things like the market changes, valuations change, uh, investment thesis changes. You have to be kind of nimble, uh, when you think about things like this. Um, but again, I think what it is is I preach this to the team a lot. I think in our space and a lot of other spaces, it's really easy to go with the winds of change and kind of change your overarching focus. What we try to do is, again, maintain that vision as much as possible, and then, you know, where we can, in kind of air pockets of space, really deliver value to employees, brands, uh, and customers where we can. So that, again, you're kind of reinvesting, uh, the benefits and the ROI. You're seeing a. On a shorter term basis to continue to allow yourself to evolve as a technology organization.

Speaker E   00:43:30

Yeah. And this has been a journey, and no journey comes without obstacles and hurdles and things like that. What have been some of the things that you've had to overcome in order to, uh, commit to this journey and get people on board, but also maybe what are some hurdles that you see out ahead?

Speaker G   00:43:46

Yeah, um, I think we view this in a lot of ways, or I view the world and constraints. My team forced them to read about the theory of constraint all the time. It drives them crazy. Um,

but each one of these changes has a constraint in one shape or form. So there could be time constraints. So there's something that needs to get done, because something is going to be, uh, out of support by holiday, which nobody ever wants. And so your constraint there is time. And so you're really focused on the. How do you deliver value in that shorter period of time constraint? Uh, could be budget constraints. Right. So there's a lot of obvious reasons for that. Uh, there can be constraints from, uh, which I see a lot in our space, frankly. Preciousness of process. Right. We're a hundred year old company. Some of our processes haven't changed for 100 years.

Speaker F   00:44:36

Right.

Speaker G   00:44:37

Um, and so I think it's an under thought about constraint as a technology organization is meeting the business where they want to be, and there's a lot of preciousness of process that I see that you need to overcome. And there's just. There's no tech that can do it. It's a partnership that gets there.

Speaker E   00:44:54

Yeah. Um, it seems like we need, like a Mike's book list, like an Oprah's book club, how we can all educate ourselves on constraints.

Speaker G   00:45:02

The goal and the Phoenix project. They're my mantra books. My whole team has read them. Like I said, it drives them crazy.

Speaker E   00:45:10

Um, so being in luxury, obviously, there's this personalized touch that you have with a client advisor when you're in the store. Talk about this aspect of AI, but also having a human in the loop and really keeping it as much of a human touch as possible while automating and building these amazing luxury experiences.

Speaker G   00:45:32

Yeah, I don't know if you guys, ah, knew this humans with agents, uh, drive customer success together.

Speaker E   00:45:38

I've heard that before.

Where did I hear that? I get paid every time I say that. Uh, and the team takes a shot. Um, no. So, yeah, we have, uh, what you're trying to replicate in the stores. And if I put the hat on like a saks Fifth Avenue shopper, you're envisioning yourself walking down Fifth Avenue, uh, in Manhattan, going into our amazing flagship store, interacting with an advisor in our Fifth Avenue club, and really getting a full on experience of clientelling, you know, picking the thing you want, the size you want, the fit you want, making sure it gets tailored to that full journey, right, that doesn't scale. And we have an extremely diverse set of products and customers. As a, you know, as a retailer, it's not just you. One thing we service. Uh, we have hundreds of brands, uh, tens of thousands, if not hundreds of thousands of products, and so very diverse set of interactions. And so where we think that there are opportunities for kind of low cost of failure, serving up a recommendation. Maybe you wanted a blue blouse or you're getting a pink blouse. That's not the, uh, optimized experience want. However, these are pretty low cost of failure. Uh, when you're calling, uh, into our service, uh, agents, uh, with an issue, you kind of want that, uh, interaction to be right and you can't get it wrong. And so we talk about meeting the customer where they want to be. Sometimes it's with an extremely low friction experience with a product recommendation, with an answer to a really simple query about where my order is. And sometimes it just needs to be. Be a deeper, more meaningful connection. And that's where the humans really can spend more time focused on those meaningful connections versus, you know, focused on areas where the customer is really expecting pretty low friction.

Speaker E   00:47:29

Yeah. Do you want to say it one more time just to, you know, earn another dime?

Speaker G   00:47:33

Humans with agents drive customer success. Together. Together.

Speaker E   00:47:40

Um, Mike, this has been wonderful. Thank you for joining us at Dreamforce. Your team has done amazing work. Um, anything else that you want to share with the group? Uh, words of advice or anything like that?

Speaker G   00:47:52

No. First off, thanks for hearing me out, and hopefully everybody enjoyed the keynote video. Um, I like the way that Juan kind of talks about this. We, uh, try and approach this problem with a lot of humility. Everybody, uh, asks, where is the space going to be in three to five years? Uh, I don't know. And if somebody says they do, they're kind of full of shit. So I think you just need to be nimble, flexible, continue to focus on the platform aspect of what we're doing, uh, and really being able to take advantage of changes in the market. So

I just think the way Juan puts it, I agree with you just need to approach this problem with a lot of humility, uh, and you can take it from there.

Speaker E   **00:48:32**

Awesome. Well, thank you so much for joining, ah, us. Uh, everyone, please give it up for Mike Haidt and the Saks team.

Speaker G   **00:48:37**

Thanks, everybody.

Speaker E   **00:48:41**

And I'm going to welcome Sydney back up. I'm sorry I skipped this slide.

Speaker A   **00:48:48**

Mike, your, um, bonus check is in the mail. Thank you. Thank you. All right, guys, get your phones out one more time. If you're interested in learning more about retail cloud, here is your QR code to take you to learn more. Thank you all so much for being here. Mike and the Saks team, thank you so much for all of your partnership. Thank you so much. Enjoy the rest of Dreamforce. Thank you.