

"The Role of Artificial Intelligence in Reshaping Visual Merchandising Strategies: An Exploratory Study"

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Abstract:

This research explores the transformative role of Artificial Intelligence (AI) in visual merchandising. AI technologies are revolutionizing merchandising strategies by enabling personalized recommendations and optimizing displays in physical and online stores. The global artificial intelligence in retail market size was estimated at USD 11.61 billion in 2024 and is projected to reach USD 40.74 billion by 2030, growing at a CAGR of 23.0% from 2025 to 2030 (Grand View research, 2025) According to the author's analysis, AI enhances purchasing decisions, store exploration and brand differentiation. This research highlights AI-driven techniques, including personalized recommendations, product display techniques in showrooms and windows, and demand prediction, which create efficient shopping environments. This research also examines innovative display techniques, such as virtual try-on technologies, to create interactive shopping experiences. This research suggests that the AI analysis data-driven approach enables informed decisions on product placement and store layout, enhancing visual merchandising strategies. The integration of AI with visual merchandising significantly impacts consumer behavior, encouraging merchandise exploration and purchase intention. This research hypothesizes that AI-powered visual merchandising helps retailers differentiate themselves in competitive markets. As AI advances, its role in visual merchandising will grow, offering opportunities to engage consumers in immersive, data-driven experiences. This research highlights the influence of artificial intelligence on visual merchandising and its potential to transform the future of retail by creating personalized shopping environments. The research also contributes to understanding how AI reshapes retail through visual merchandising, offering insights into the benefits and challenges of AI-driven strategies and highlighting the importance of embracing these technologies in the evolving retail landscape.

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