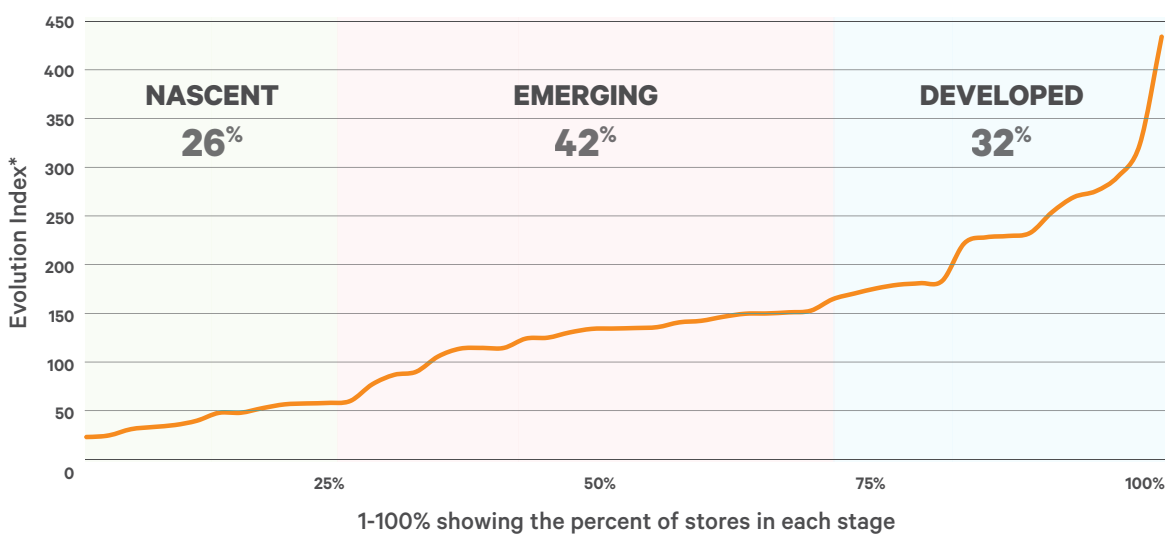


THE RACE TO CUSTOMER LEADERSHIP IN RETAIL DIGITAL TRANSFORMATION

Retailers are racing to adopt edge computing and customer-facing technologies to enhance the customer experience wherever their brands are touched. Vertiv and global media company DataCenterDynamics interviewed 50 managers and executives from the world's largest retail companies to profile the progress of retail digital transformation.

STATE OF THE INDUSTRY



*Index based on current state of technology adoption and business practices; 0 = Lowest development.

26% of Retailers are NASCENT



Lagging in Digital Transformation

- Beginning to adopt customer-centric technology
- Relying almost exclusively on the store channel
- Improving distribution center productivity and supply chain control

42% of Retailers are EMERGING



Progressing in Digital Transformation

- Using multi-channel customer strategies
- Integrating distribution with customer channels
- Adding IoT sensors and tracking to improve productivity

32% of Retailers are DEVELOPED



Leaders in Digital Transformation

- Building omni-channel strategies and providing experiential customer interactions
- Integrating distribution with customer channels
- Using big data analytics, IoT devices, cloud computing, rigorous security

KEY FINDINGS

Edge Growing Over Next 2 Years:

Turning to cloud hosting for capacity

- 33% greater adoption for data center capacity supporting stores
- 87% greater adoption for data center capacity supporting distribution centers

Distribution is King:

26% Increase in distribution centers by 2020

- Faster customer delivery
- Lower transport costs
- Supporting online expansion

Data Center Footprints Changing in Next 2 Years:

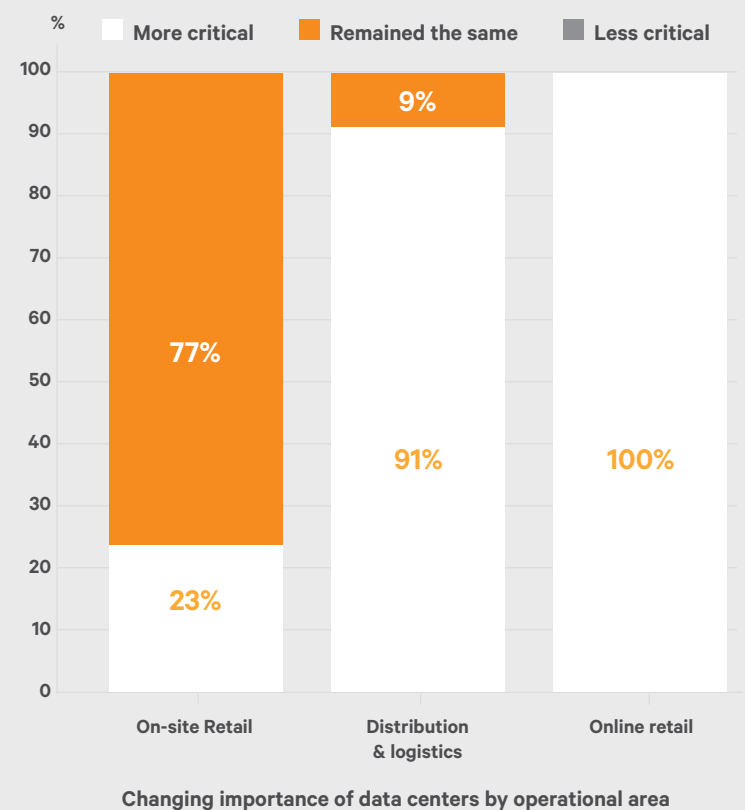
Aligning for customer experience

- 20% increase for online retail
- 10% increase for distribution
- 27% decline for corporate activities
- 0.9% decline for in-store activities

Criticality Increasing:

New channels more critical in last two years

- 100% say online is more critical
- 91% say distribution is more critical
- 23% say in-store is more critical



Nearly 90% of Fortune 500 Retailers Turn to Vertiv to Protect the Technologies that Drives their Customer Experience. See how we can help you.

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