

Exploring the Power of Generative AI

February 2024

NACDS Regional



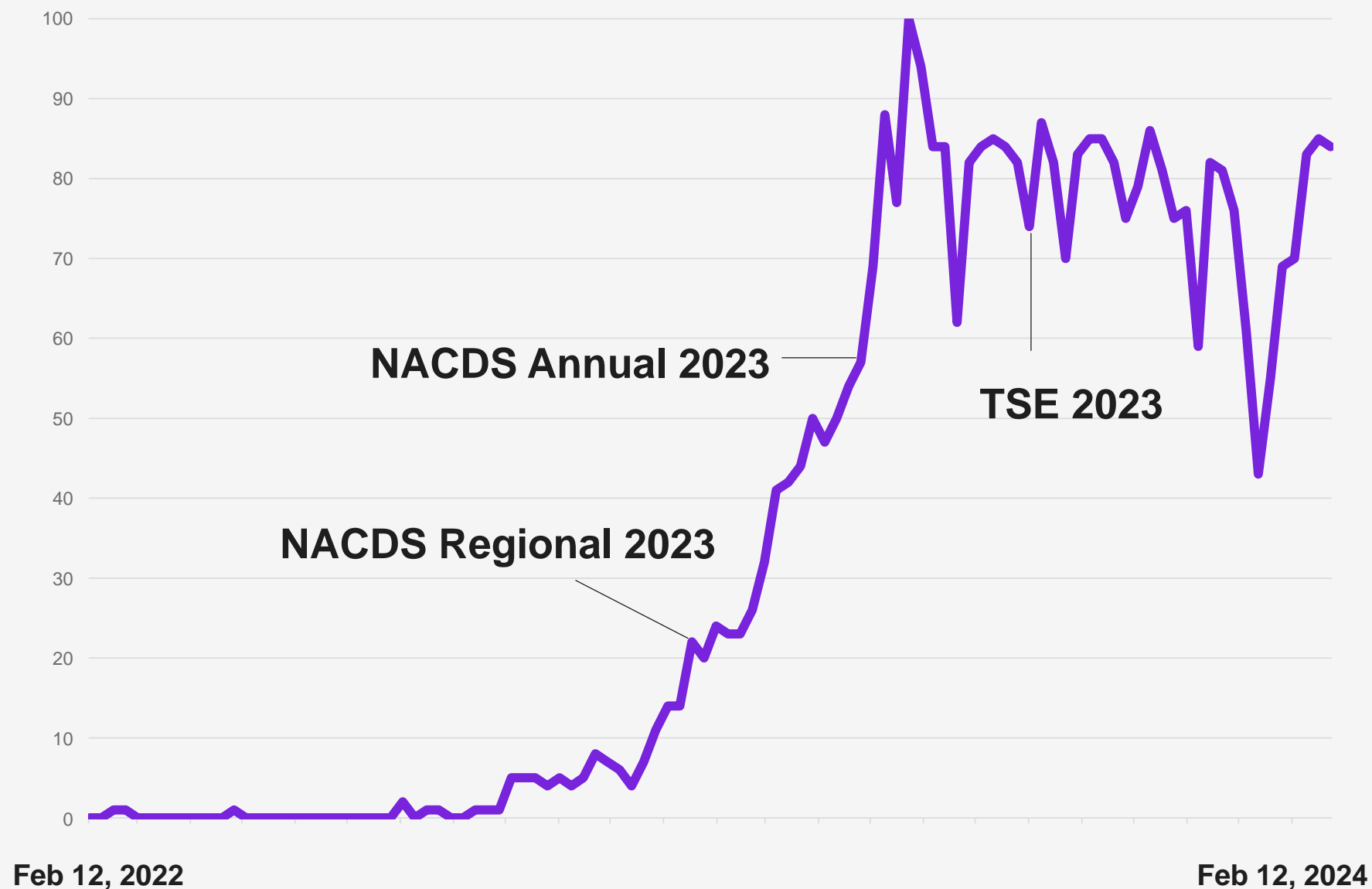
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KEARNEY



“Generative AI” over time

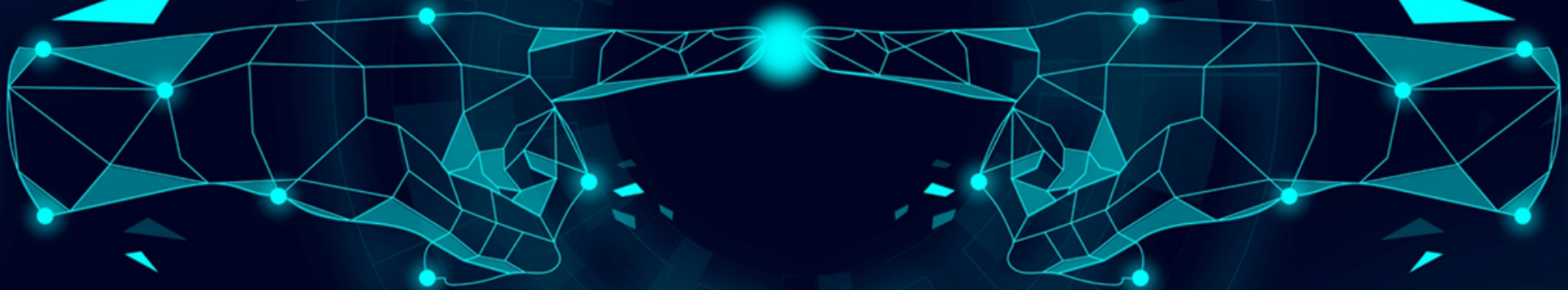
Google Trends: Term
“Generative AI”
Feb 12, 2022 – Feb 12, 2024



Source: Google Trends; Keyword: “Generative AI”

Artificial Intelligence

**Generative
Artificial Intelligence**



More than just AI: What was once an intelligent model is now a virtual assistant plugging in across operations and engaging with consumers



What AI was before....

Intelligent Learning models that used internal historical data and external public information such as market dynamics and consumer trends to inform future data driven decisions

What Generative AI is now...

Intelligent Learning models paired with **generative new content capabilities** and interactive user interfaces to create a personalized engagement experience

Voice
Generation



Text
Generation



Media
Generation



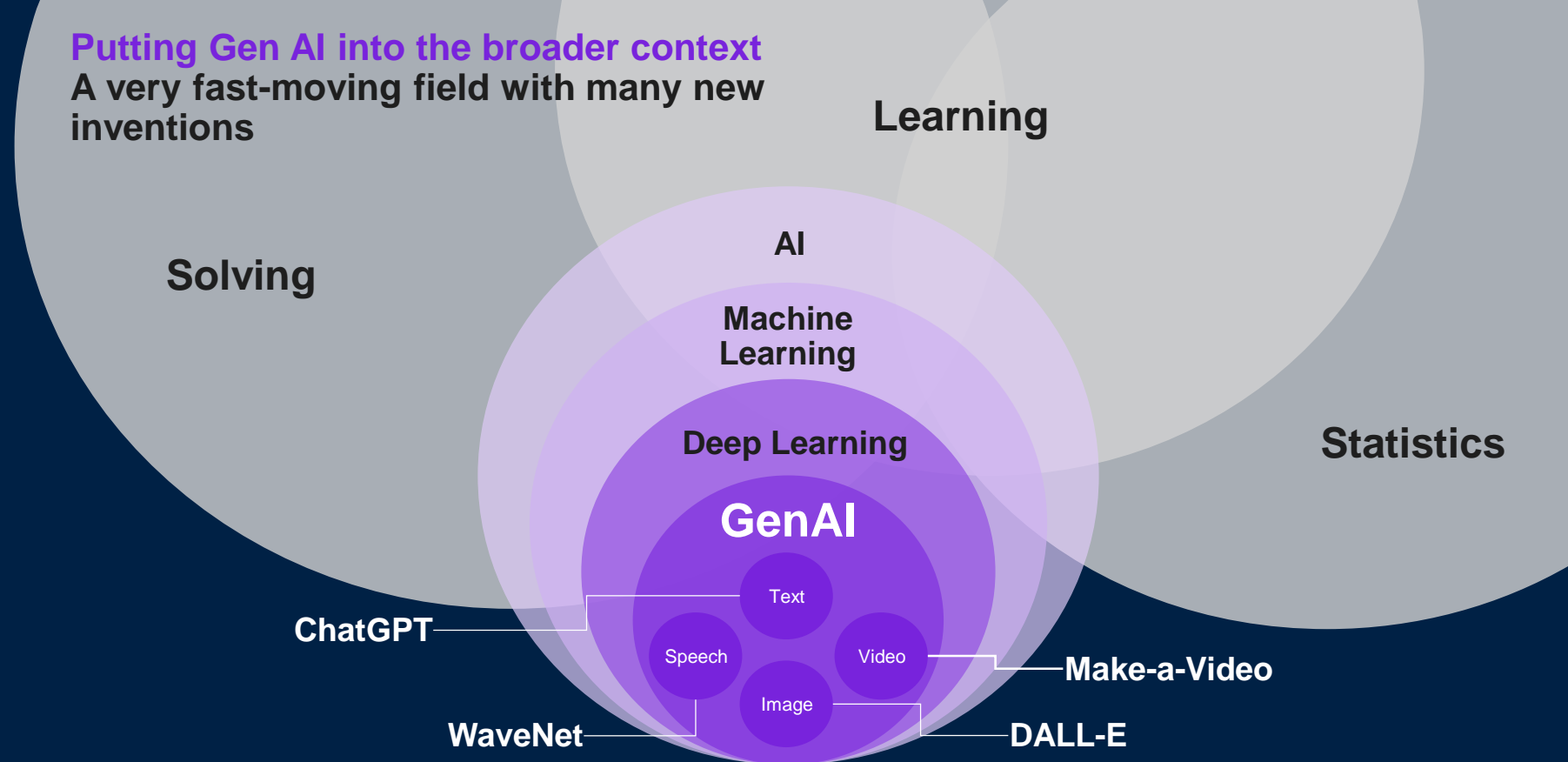
“Read all my email
and draft
responses.”

“What are current
risks to our supply
of toilet paper in the
US?”

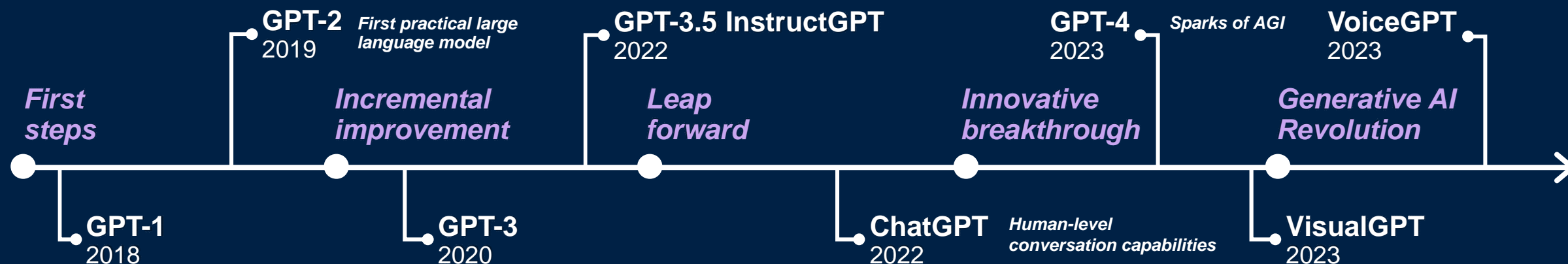
“Which procurement
contracts have less
than 60 days
payment terms?”

“Please generate a
campaign strategy
and media content
for the new launch
of our make up
brand.”

The technology and application landscape of Gen AI is rapidly evolving – companies who can evolve with Gen AI will see significant benefits



Rapid Advances in GenAI



Pharmacy concepts drive personalization, efficiency, and therapeutic enhancements

Non-Exhaustive

Value Chain Activities	Data Entry / Review	Third Party	Patient Care	Customer Care	Quality / Compliance
<div data-bbox="341 658 384 836">Pharmacy</div> <div data-bbox="96 1076 216 1190"> </div>	<ul style="list-style-type: none"> • Transcription Automation / Stdzn. / NLP • Enhanced Data Verification • Visual PV2 Enhancement • EHR consultation 	<ul style="list-style-type: none"> • Best Path Resolution • Generative Third Party Engagement • Automated Verification • Therapy Recomm. • Bad Debt Mgmt 	<ul style="list-style-type: none"> • Counseling Asst. Exper • Tailored Alerts/ Adherence • Custom labels • Personalized monitoring and engagement 	<ul style="list-style-type: none"> • Personalized omni-ch engagement • Sentiment-based scripting 	<ul style="list-style-type: none"> • Quality Monitoring and Suggestions • Clinical Decision Support

Pharma has potential in R&D innovation and supply chain efficiencies

Non-Exhaustive

Value Chain Activities		R&D	Source	Make	Deliver
Pharma		<ul style="list-style-type: none">• (Accelerated) Drug Discovery• Molecular Modeling• Research DB Asst.	<ul style="list-style-type: none">• RFP Generation, Evaluation• Negotiation Support• Contract Suggestions	<ul style="list-style-type: none">• Anomaly And Root Cause Detection• Shop Floor Assistant• Predictive Maintenance	<ul style="list-style-type: none">• Delivery Plan Workbench• Inventory And Assortment Management

For Retailers and CPG Partners... marketing funnel outputs can be far more personalized

Non-Exhaustive

Consumer Facing	Awareness	Consideration	Purchase	Loyalty
	<ul style="list-style-type: none">• Personal Ads• Customized Landing Page	<ul style="list-style-type: none">• Predictive Shopping Lists• Tailored product descriptions• Generated Offers	<ul style="list-style-type: none">• Personalized Pricing• Cross-selling Suggestions• Visual search product catalogs	<ul style="list-style-type: none">• Personalized Rewards• Gen AI Powered Customer Service• Post-purchase appreciation



Retailers can plan and operate with greater creativity and dynamism

Non-Exhaustive

Company Facing		Supplier Partner Engagement	Warehouse & Distribution	Store Operations	Sales & Product Portfolio
Retailers		<ul style="list-style-type: none">• Merch planning• Contract intelligence• Supplier management	<ul style="list-style-type: none">• Warehouse layout, slotting, routing• Inventory and assortment mgmt.	<ul style="list-style-type: none">• Display Plans• Planograms• Store layout optimization• “Smart” store experience	<ul style="list-style-type: none">• Voice of consumer• GenAI Market trend analysis• GenAI Retail Media

CPG Manufacturers can innovate faster and drive supply chain efficiency

Non-Exhaustive

Company Facing		Product Development	Supplier Engagement	Manufacturing	Supply Chain
CPGs		<ul style="list-style-type: none">• R&D• Product & pack. design ideas	<ul style="list-style-type: none">• RFP generation, negotiation, & evaluation• Scenario Planning	<ul style="list-style-type: none">• Anomaly and root cause detection• Shop floor assistant• Predictive maintenance	<ul style="list-style-type: none">• Delivery plan workbench• Route optimization• Inventory and assortment mgmt.

And back office capabilities are becoming more productive

Non-Exhaustive

Shared Services

Enablers

- Knowledge Management Asst.
- Meetings And Email Assistance
- Intelligent Coding Assistant
- Synthetic Data to Train AI/ML Models
- Gen AI Market Analysis And Reporting
- Smart Recruiting
- Training And Onboarding Programs

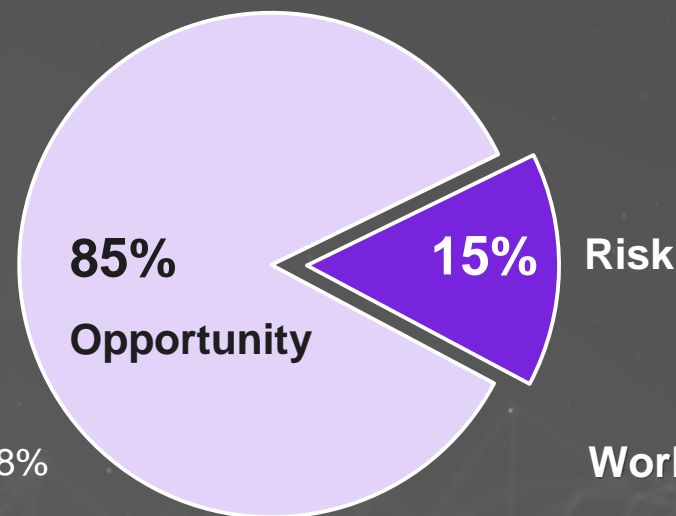


How do your AI views compare to other corporate executives?

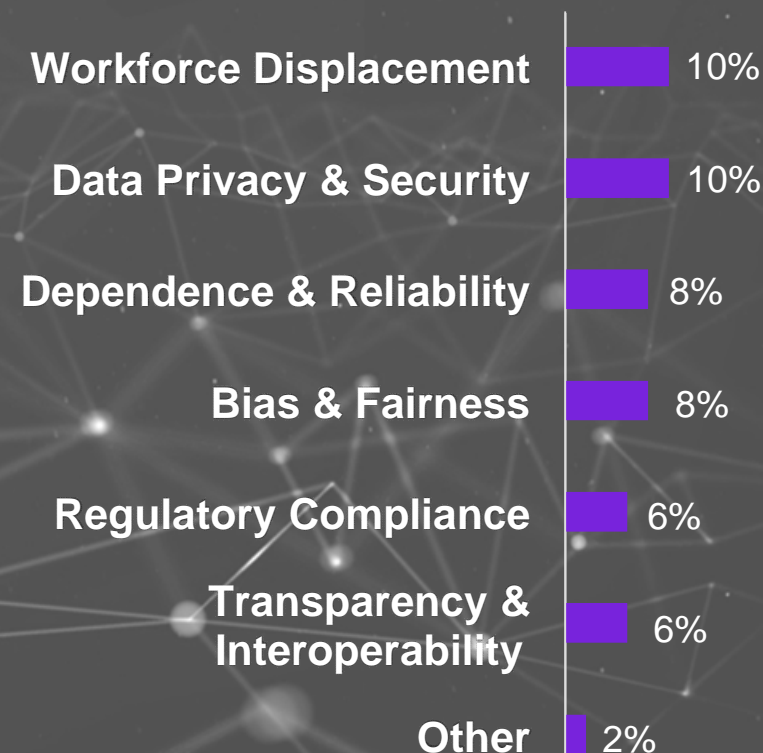
Boomer? Or Doomer?

85% of executives see AI as an opportunity

Opportunity (% of participants)



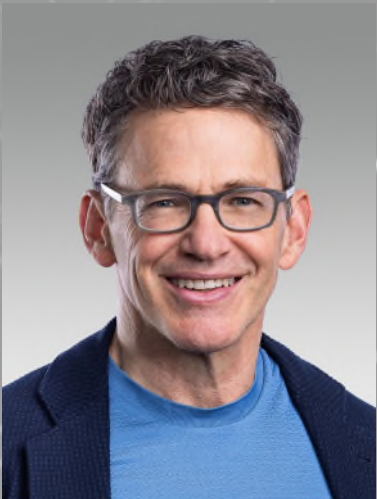
Risk (% of participants)



CEOs offer practical advice on using Gen AI



“Go slow and pick something that works. Find technical interventions that are repeatable, scalable, easy to understand, and accurate.”
-- Richard Ashworth, CEO, Amedisys

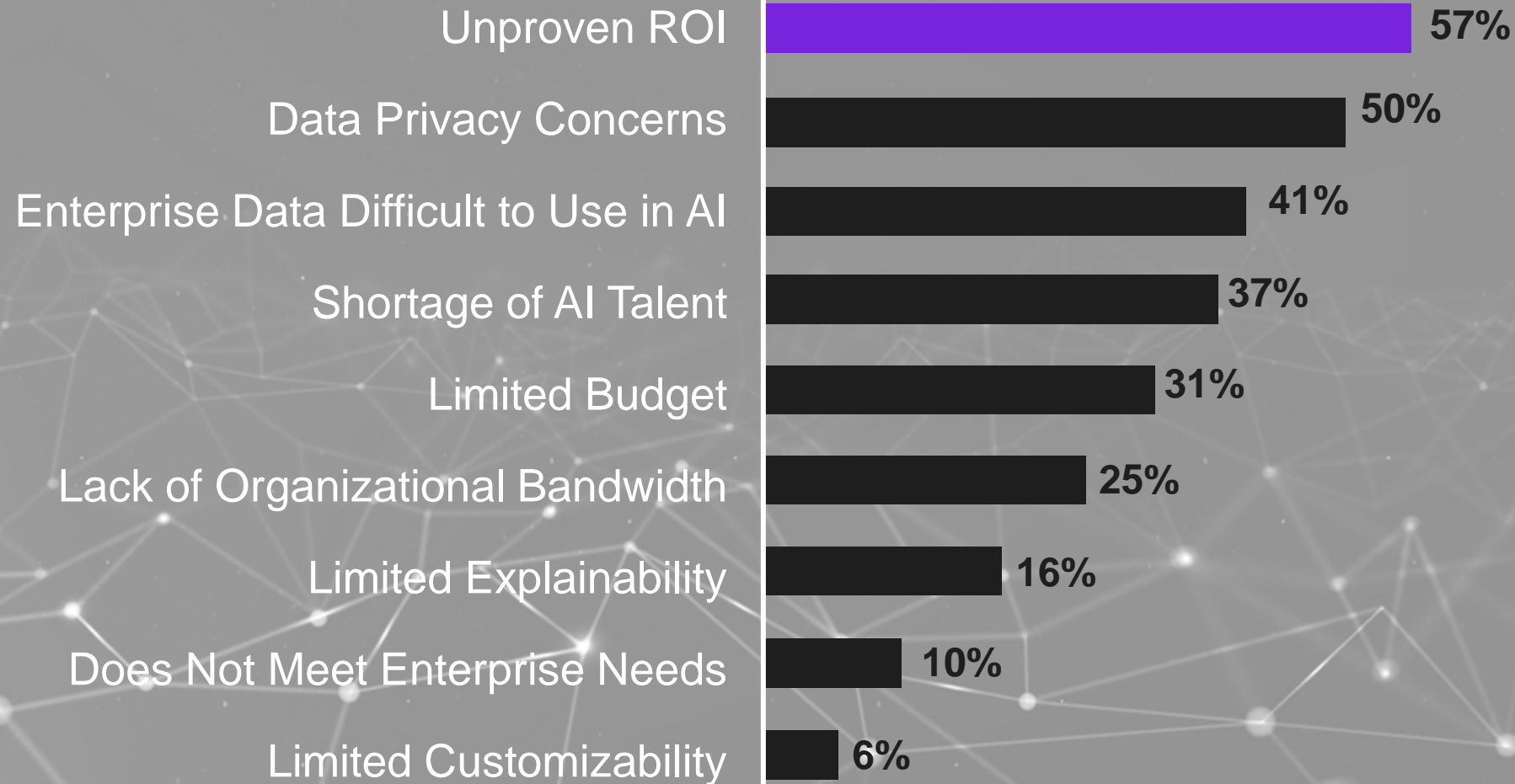


“Leaders will use Artificial Intelligence, laggards not. And of course: You will always need smart people.”
-- Bill Anderson, CEO, Bayer



“AI is like a new colleague. They need to be trained, you have to give them clear work assignments and take your time with them.”
-- Marianne Janik, CEO, Microsoft Germany

There are realistic barriers to enterprise investment in GenAI



How will you lead in the age of AI?

Am I...

- ... tending toward excitement or fear of AI?
- ... dreaming big enough?
- ... creating a truly experimental environment?
- ... seeing the possibilities and challenges from all angles?
- ... embracing AI in a real and practical sense?

Getting started on your AI journey...

1

Identify areas of Gen AI value capture

2

Challenge teams to get creative with AI

3

Invest in data, analytics, and AI R&D

4

Asses internal capabilities and make vs. buy options

5

Use Gen AI responsibly



Change Management

Vision

Communication

Training / Support

Pilots

Scale and Celebrate

1

2

3

4

5

Responsible AI usage is vital... uphold ethical standards and societal welfare

AI is a powerful tool that can do tasks which humans cannot (both good and bad).
However, AI models are trained and used by humans.
Establishing strong governance around development and consumption of AI is essential to...

1

Avoid bias

2

Gain trust

3

Adhere to ethics

4

Protect privacy



Ensures ethical and responsible AI usage



Improves overall value to business



Compliance with local and regional Data and AI laws and policies



Enhances trust & transparency for stakeholders



Minimizes risks and do no harm

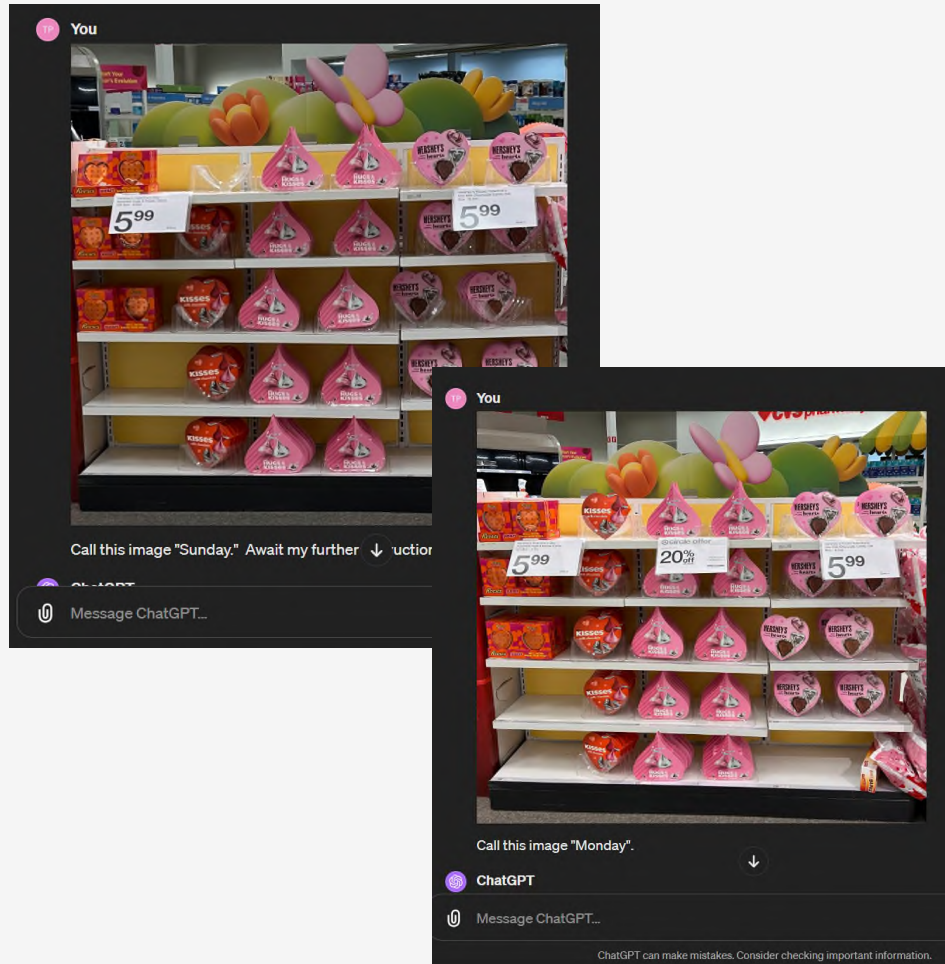
Now... let's experiment with practical GenAI examples

Inventory Review

Persona Patterns

Q&A

Live Examples with ChatGPT-4 Vision: Seasonal Display



Exercise:

We input two photos of a seasonal display, one labeled “Sunday,” the other “Monday.”

Prompts:

- Act as a retail store manager. Describe the image.
- Act as a 40-year old mother who is shopping. Describe the image.
- Act as a retail store manager with a new employee. Provide instructions to optimize this display
- Act as a Store Manager. Compare Sunday and Monday. What changed?

Live Examples with ChatGPT-4 Vision: Nutrition



Exercise:

We input two photos of snacks, one labeled “Pro Bar,” the other “That’s It.”

Prompts:

- Act as a dietician. Is Pro Bar healthy? Limit response to 50 words.
- Dietician, compare Pro Bar to That's It. Which is healthier? limit to 10 words.
- How about for a quick snack. I just finished breakfast.

Live Examples with ChatGPT-4 Vision: Web Site Usability Analysis

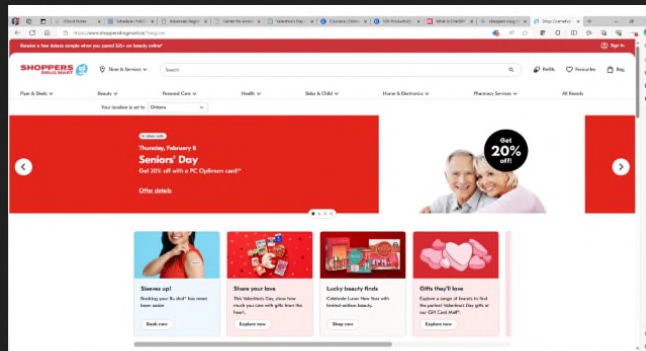
Exercise:

We input two photos of snacks, one labeled “SDM,” the other “Rexall.”

Prompts:

- Act as a UX Designer. Critique SDM's web site in 10 bullets.
- Compare SDM to Rexall. Highlight 5 points and tell me which one wins on each point.

You

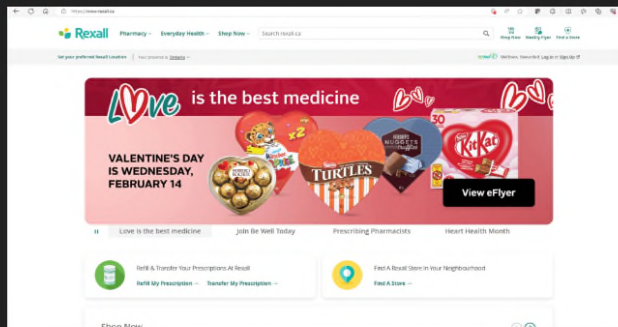


This is a web landing page for Shoppers Drug Mart. Label this image "SDM". Await further instructions.

Chat

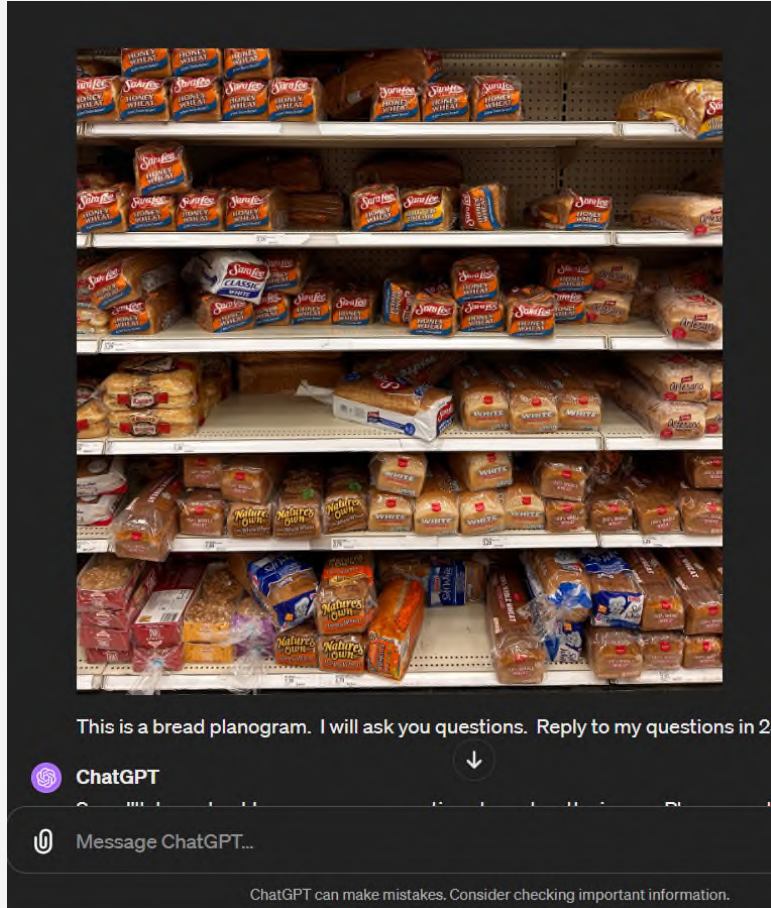
The i

You



This is a web landing page for Rexall. Label this image "Rexall". Await further instructions.

Live Examples with ChatGPT-4 Vision: Bread Aisle



Exercise:

We input two photos of snacks, one labeled “SDM,” the other “Rexall.”

Prompts:

- This is a bread planogram. I will ask you questions. Reply to my questions in 25 words or less.
- Is there any Bimbo White Bread in this image. It has a blue label with white text.
- Look on the bottom shelves. See if you find any.
- Split the image into 3 columns and 7 shelves (rows). Shelf 1 is on the bottom. Where is the Bimbo White Bread?

Thank you



For questions or requests, please contact:

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