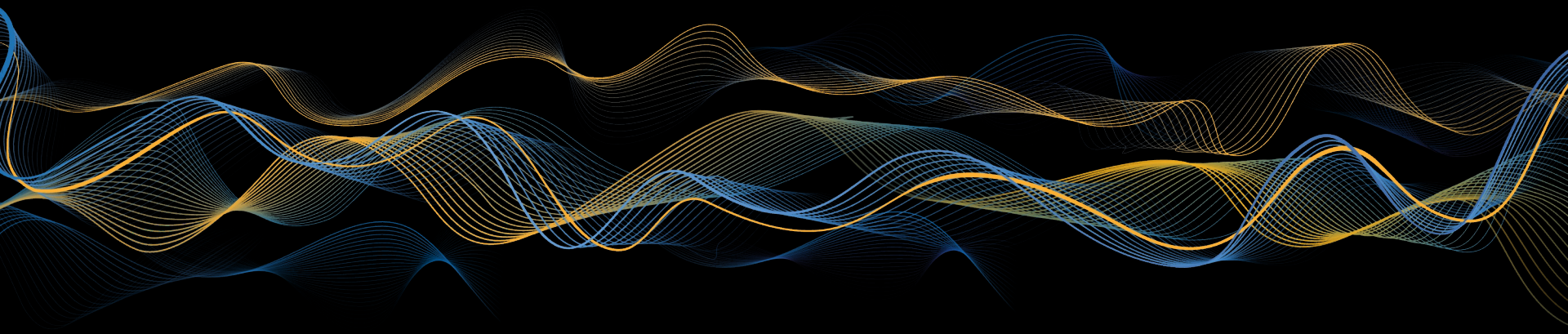
TATA CONSULTANCY SERVICES

TATA

TCS Global Retail Outlook

Benelux key findings



Belgium, Netherlands and Luxembourg report
Fresh insights into the forces shaping the future of retail

Respondent personas (evenly distributed)

- Chief marketing/customer/digital officers + direct reports
- Chief merchandising officers + direct reports
- Chief supply chain officers + direct reports
- Chief technology/information officers + direct reports

The respondents

(n=800+)

US **(n=256)**

CAN **(n=65)**

ANZ **(n=78)**

EUR [France, Germany/Austria, Spain, Switzerland] **(n= 206)**

- **Benelux (n=65)**
- **Nordics [Denmark, Finland, Norway, Sweden] (n=72)**

UK & IE **(n=75)**

Topics

- Intelligent retail
- Mission-critical objectives
- Optimization strategies
- Customer loyalty
- Agility and resiliency
- Future challenges

Subsectors

- Home improvement, hardware: 32%
- Electronics: 23%
- Groceries, convenience stores, pharmacies: 18%
- Quick-service restaurants: 18%
- Fashion, apparel, home goods: 8%

Executive summary

Benelux retailers are prioritizing profitable growth, improving customer experience and loyalty, and modernizing planning and forecasting capabilities as their top strategic objectives.

The sector faces significant challenges from margin pressure, rising operational costs, and employee development, requiring strategic innovation and efficiency to sustain growth.

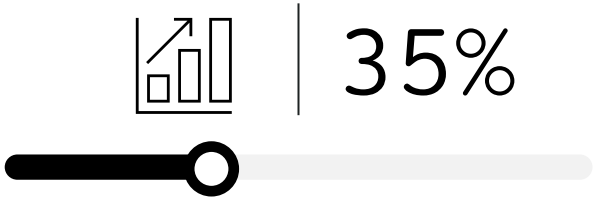
Key success factors include cost reduction through process optimization, faster time-to-market for new products and services, and the use of AI agents to orchestrate complex business processes.

AI-powered chatbots, inventory and demand forecasting, and dynamic pricing are among the highest priority initiatives, but most Benelux retailers have yet to fully implement advanced AI capabilities such as multi-agent systems and enterprise-wide human-AI collaboration.

Loyalty programs are increasingly valued for enabling long-term customer retention and personalization, yet many organizations struggle with optimizing program costs, complex program structures, and balancing reward expectations.

Payments innovation—especially contactless payments, mobile wallets, Buy Now, Pay Later solutions, and digital wallets—is seen as essential for frictionless customer experiences and as a strategic lever for loyalty and growth.

Top strategic priorities for Benelux retailers in 2026



35%

Over a third of Benelux retail executives said “driving profitable growth” is among their most mission-critical objectives over the next 18 months

Other top priorities:

32% Improving customer experience and loyalty

28% Modernizing planning and forecasting capabilities

Biggest obstacles in 2026 for Benelux retailers

The Benelux retail sector faces mounting challenges from employee development, operational costs and margin pressures, demanding strategic innovation and efficiency to sustain growth.

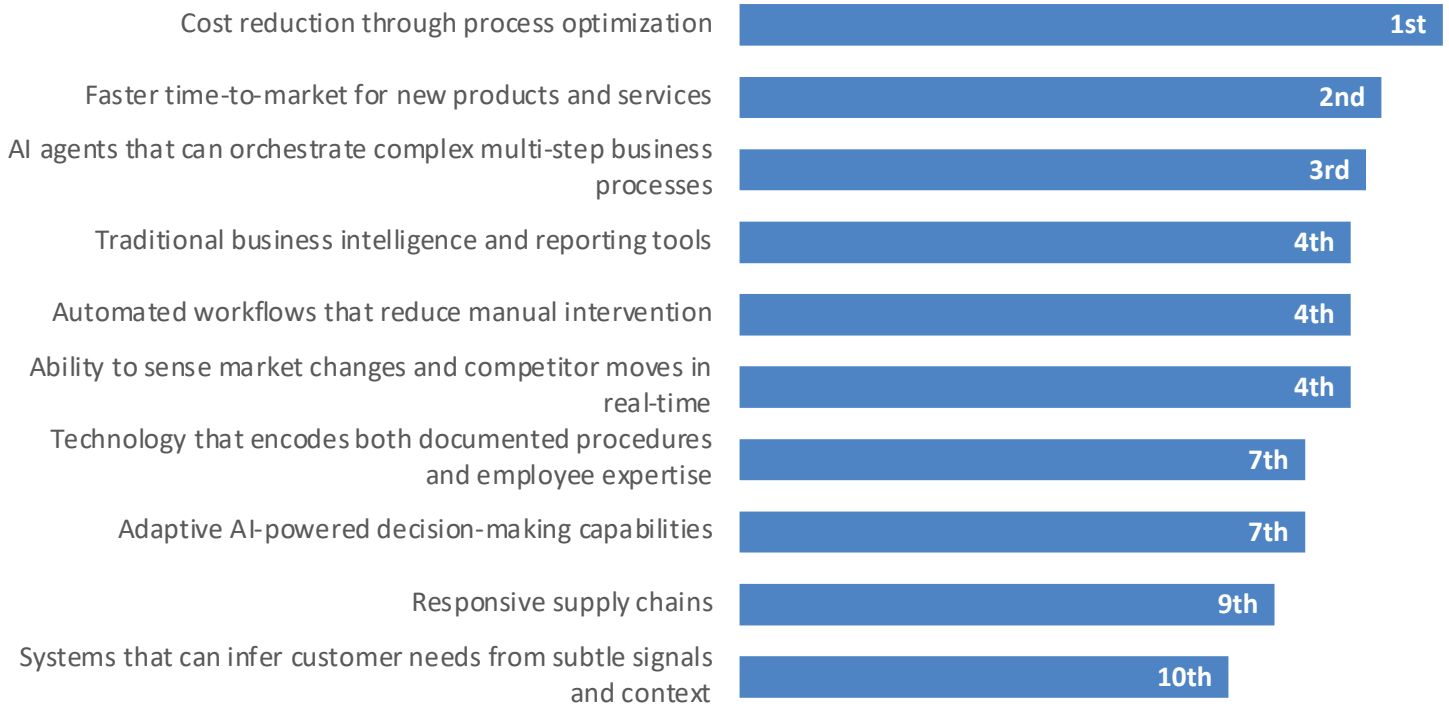
Expected challenges to success for Benelux retailers:

Employee development
Challenges in training and upskilling existing workforce to handle new technologies and processes

Operational costs
Managing rising expenses in labor, technology, and facilities

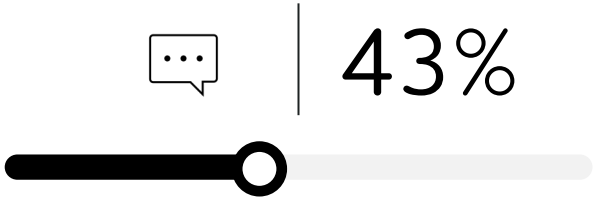
Margin pressure
Balancing profitability with pricing pressures from competition and inflation

Benelux success factors: reducing costs, faster time-to-market, and complex AI orchestration



Q. As market conditions become increasingly volatile which one of these capabilities are most critical for your organization's success? (n=65)

AI slowly evolving from customer conversations to operational intelligence



43%

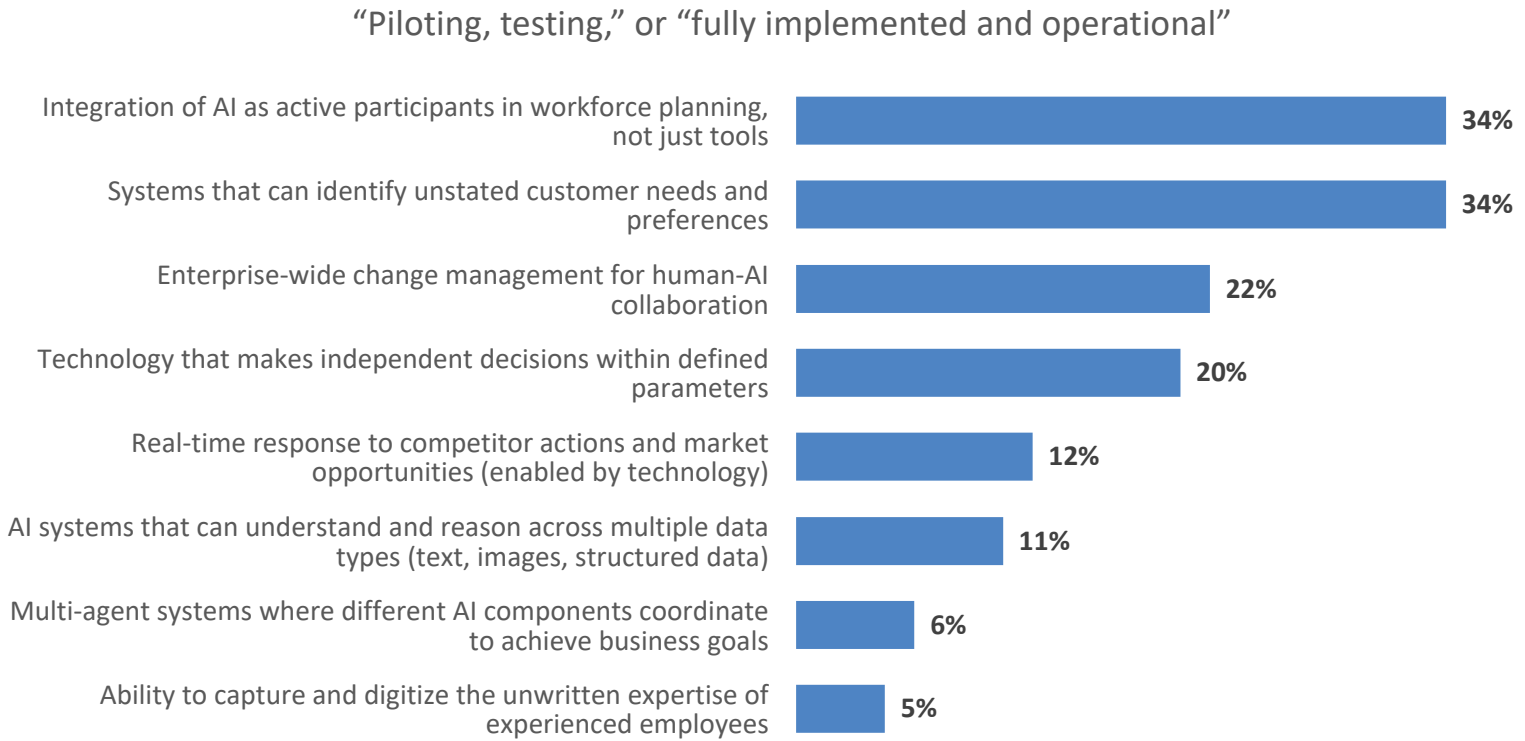
More than two out of five executives said **AI-powered chatbots and virtual assistants** were among their highest priority AI-led initiatives

Other most popular AI-led initiatives:

38% Inventory and demand forecasting

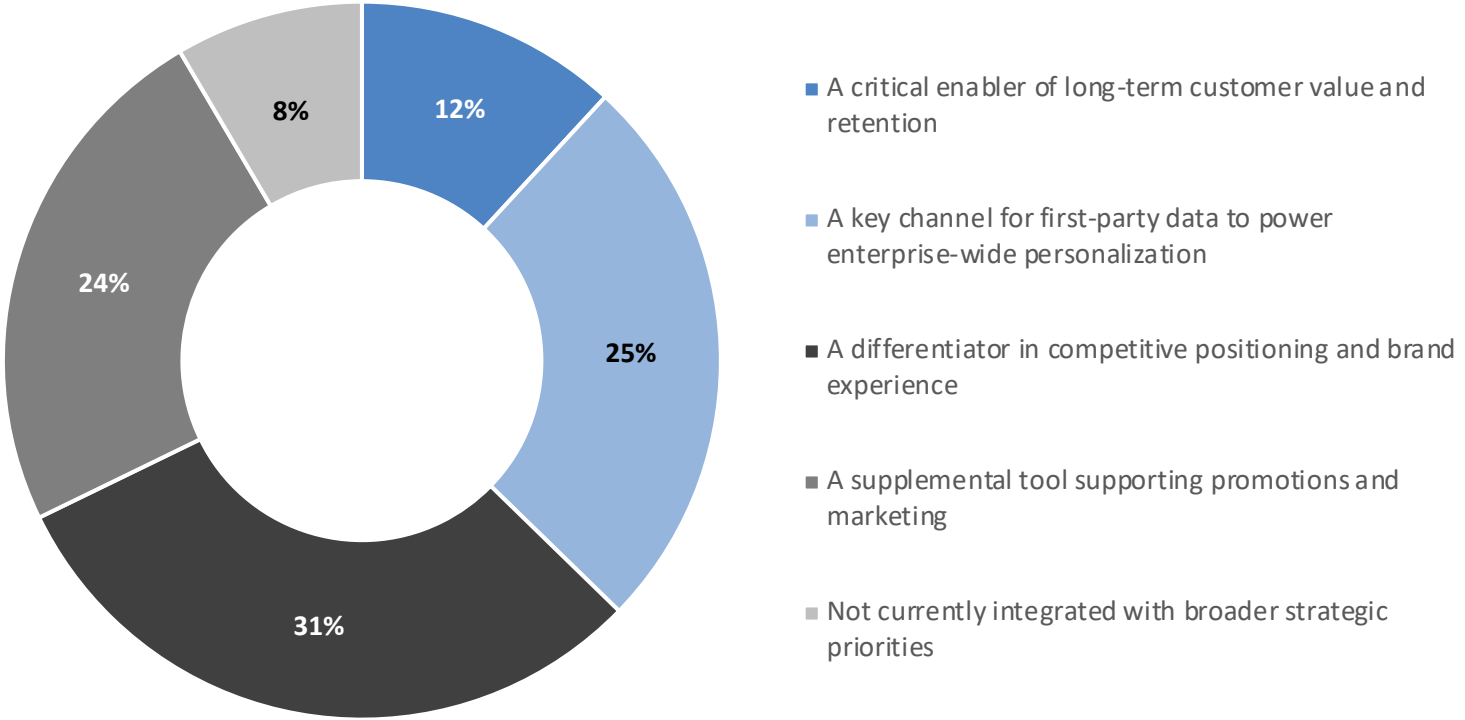
28% Dynamic pricing and promotions

Advanced AI capabilities still untapped for most Benelux retailers



Q. Rate your organization's current readiness in the following areas. (n=65)

The strategic aspirations of loyalty programs in Benelux

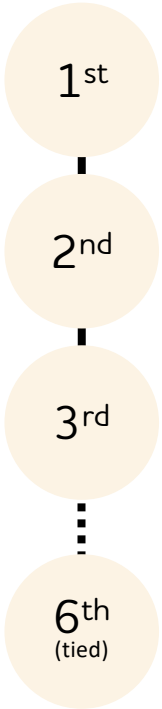


Q. How are your loyalty initiatives positioned in your overall growth and customer strategy? (n=59)

Benelux: Loyalty programs not yet factoring into most enterprise decisions

Q. Which enterprise-level decisions are most influenced by insights from your loyalty program? (n=65)

Top challenges for loyalty programs: optimizing costs, complex program structures, and reward expectations



1st — Optimizing program costs and improving ROI

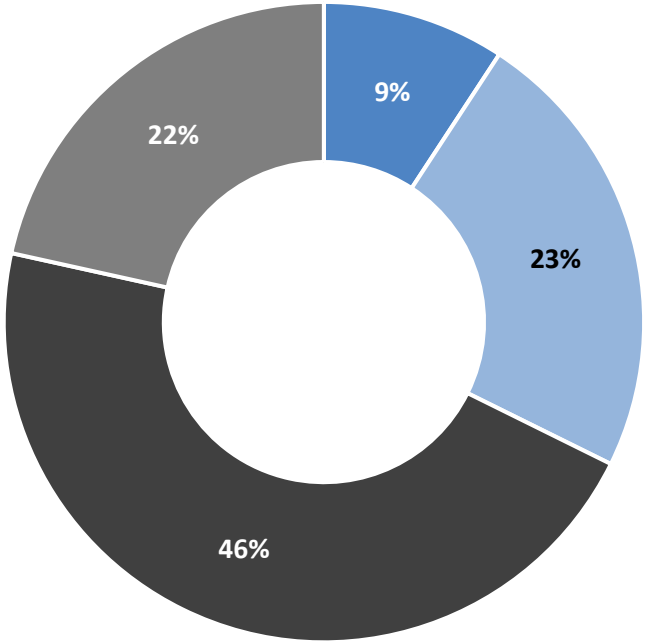
2nd — Complex program structure and benefits

3rd — Balancing growing customer reward expectations with margin requirements

6th (tied) — Insufficient member participation in program activities; differentiating program benefits from competition

Q. Rank the top three challenges your company faces with its customer loyalty programs. (n=59)

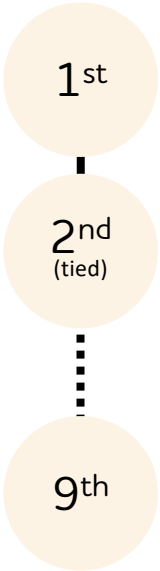
Assessing agility and adaptability in a disruptive market: 32% of Benelux retailers are advanced or established in agile practices



- Advanced: Agility and resiliency are embedded into operations, powered by data, tech, and empowered teams
- Established: Key areas (e.g., planning, supply chain) have adopted agile practices and adaptive capabilities
- Developing: Some progress made, but inconsistent across functions or geographies
- Early-stage: Acknowledged as a priority, but limited progress beyond strategy or pilot efforts

Q. How would you rate your organization's overall agility and resiliency maturity? (n=65)

Creating flexible inventories and distribution networks identified as top agility & resiliency priority in Benelux



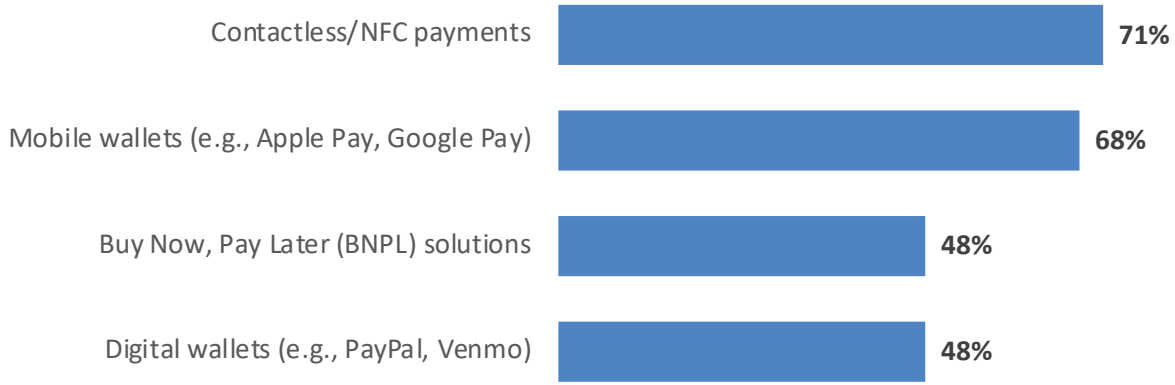
1st — Creating flexible inventory and distribution networks

2nd (tied) — Developing a more agile workforce through upskilling and adaptive leadership; strengthening risk management and contingency planning for potential disruptions

9th — Diversifying product offerings or services to respond to shifting consumer behaviors

Q. Rank the top three priorities most critical for increasing agility and resiliency to meet rapidly changing market conditions and potential disruptions. (n=65)

Payment systems prioritized by Benelux retail executives



Q. Which new or emerging payment systems are your organizations currently using, exploring or planning to adopt? (n=65)

Other answers in order of frequency:

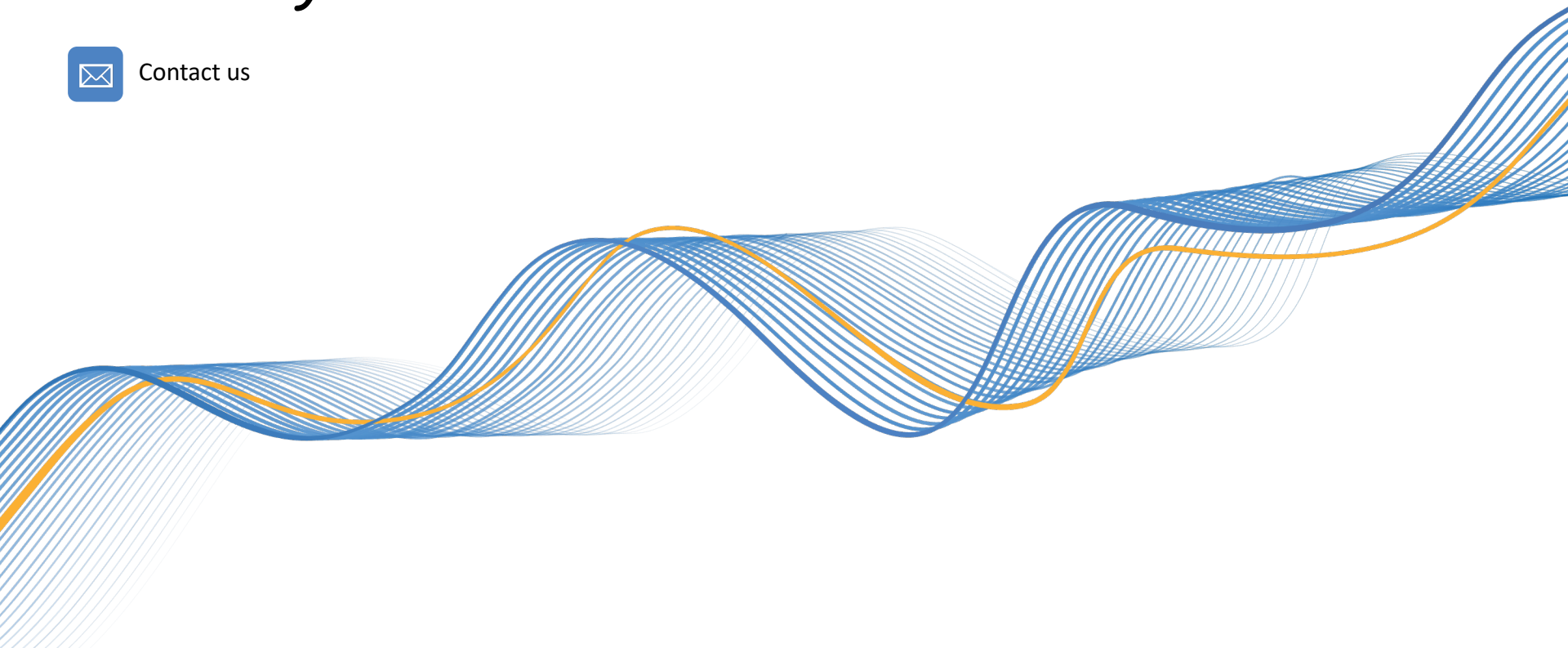
- Biometric payments (e.g., facial recognition, fingerprint)
- Blockchain-based payment solutions
- Central Bank Digital Currencies (CBDCs)
- Cryptocurrency payments (e.g., Bitcoin, Ethereum)

Recommendations for Benelux retailers

What to do	How to do it
Align the AI roadmap with mission-critical objectives and volatility-critical capabilities	Ensure AI investments directly support core business priorities and capabilities that mitigate volatility, creating a roadmap that balances innovation with resilience for sustained competitive advantage.
Make loyalty and first-party data the "brain" of perceptive retail, not just discounts	Shift loyalty programs from transactional discounts to data-driven personalization, using first-party insights to anticipate needs, deepen engagement, and build emotional connections that drive long-term customer value.
Invest deliberately in agility and quality as resilience levers	Prioritize operational flexibility and product excellence to withstand disruptions, enabling rapid adaptation to market shifts while maintaining standards that reinforce trust and brand reputation.
Treat the workforce and data strategy as foundational	Develop integrated plans for talent development and data governance, ensuring skilled teams and robust data frameworks form the backbone of innovation, efficiency, and informed decision-making.
Use payments innovation as a customer-experience differentiator and loyalty enabler	Leverage advanced payment options — such as BNPL, digital wallets, and frictionless checkout — to enhance convenience, strengthen loyalty, and position payments as a strategic driver of customer satisfaction.

TATA CONSULTANCY SERVICES

TATA

Thank you

Contact us