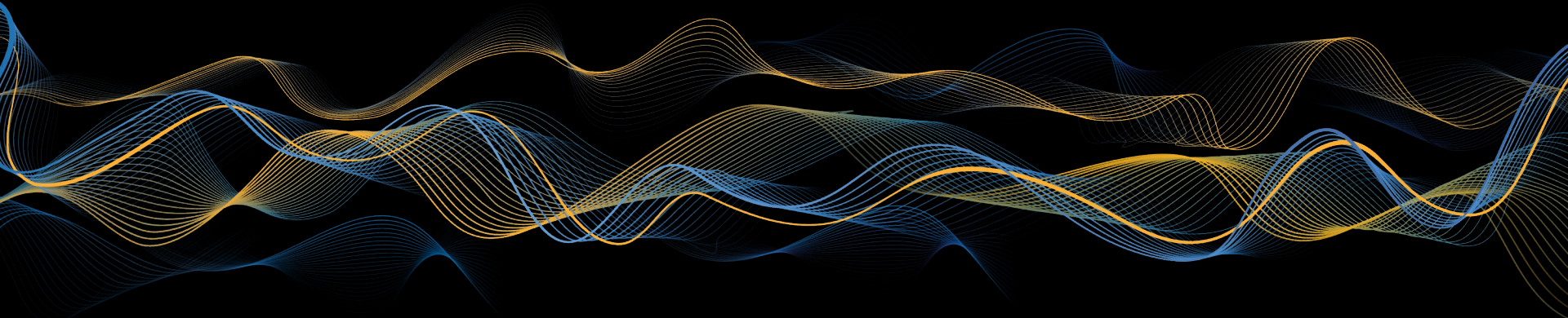


TCS Global Retail Outlook

France key findings



France 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

- Quick-service restaurants: 29%
- Fashion, apparel, home goods: 24%
- Home improvement, hardware: 21%
- Groceries, convenience stores, pharmacies: 16%
- Electronics: 10%

Executive summary

French retailers are prioritizing improving customer experience and loyalty, driving profitable growth, and strengthening data privacy and cybersecurity as their top strategic objectives.

The sector faces significant challenges from margin pressure, security requirements, and the need to implement sustainable operations, all of which demand strategic innovation and efficiency to sustain growth.

Key success factors include systems that can infer customer needs from subtle signals and context, AI agents that can orchestrate complex business processes, and faster time-to-market for new products and services.

AI-powered chatbots, hyper-personalized customer experiences, and demand forecasting are among the highest priority initiatives, but most French 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 balancing reward expectations, optimizing program costs, and differentiating program benefits from competitors.

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

Top strategic priorities for French retailers in 2026



35%



Over a third of France retail executives said “improving customer experience and loyalty” is among their most mission-critical objectives over the next 18 months.

Other top priorities:

32%

Driving profitable growth

29%

Strengthening data privacy and cybersecurity measures

Biggest obstacles in 2026 for French retailers

The France retail sector faces mounting challenges from sustainable operations, security requirements and margin pressure, demanding strategic innovation and efficiency to sustain growth.

Expected challenges to success for retailers in France:



Sustainable operations

Implementing eco-friendly practices in operations and supply chain



Security requirements

Protecting sensitive customer and business data from increasing cybersecurity threats



Margin pressure

Balancing profitability with pricing pressures from competition and inflation

In France, AI systems that can infer customer needs is considered the primary success factor



As market conditions become increasingly volatile which one of these capabilities are most critical for your organization's success? (n=68)

AI evolving from customer conversations to operational intelligence



59%



Almost three out of five executives said **AI-powered chatbots or virtual assistants** were among their highest priority AI-led initiatives

Other most popular AI-led initiatives:

44%

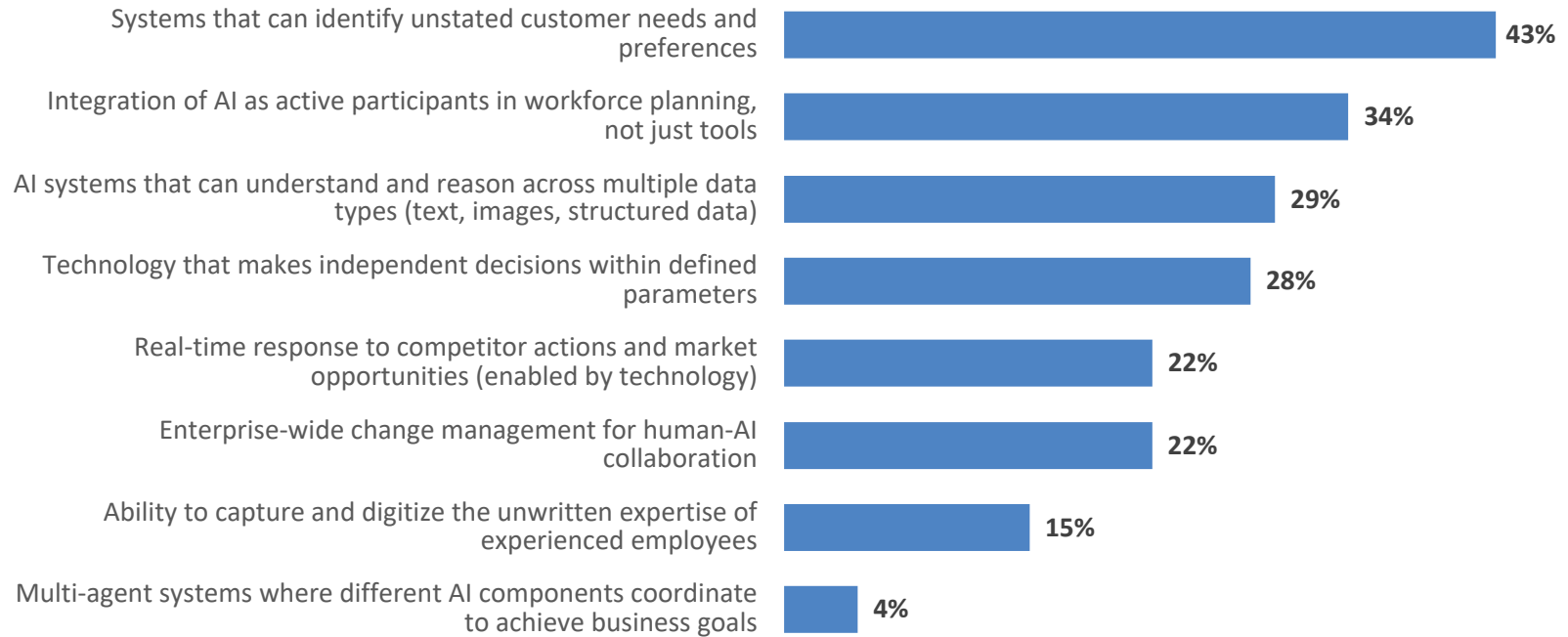
Hyper-personalized customer experience and recommendations

38%

Inventory and demand forecasting

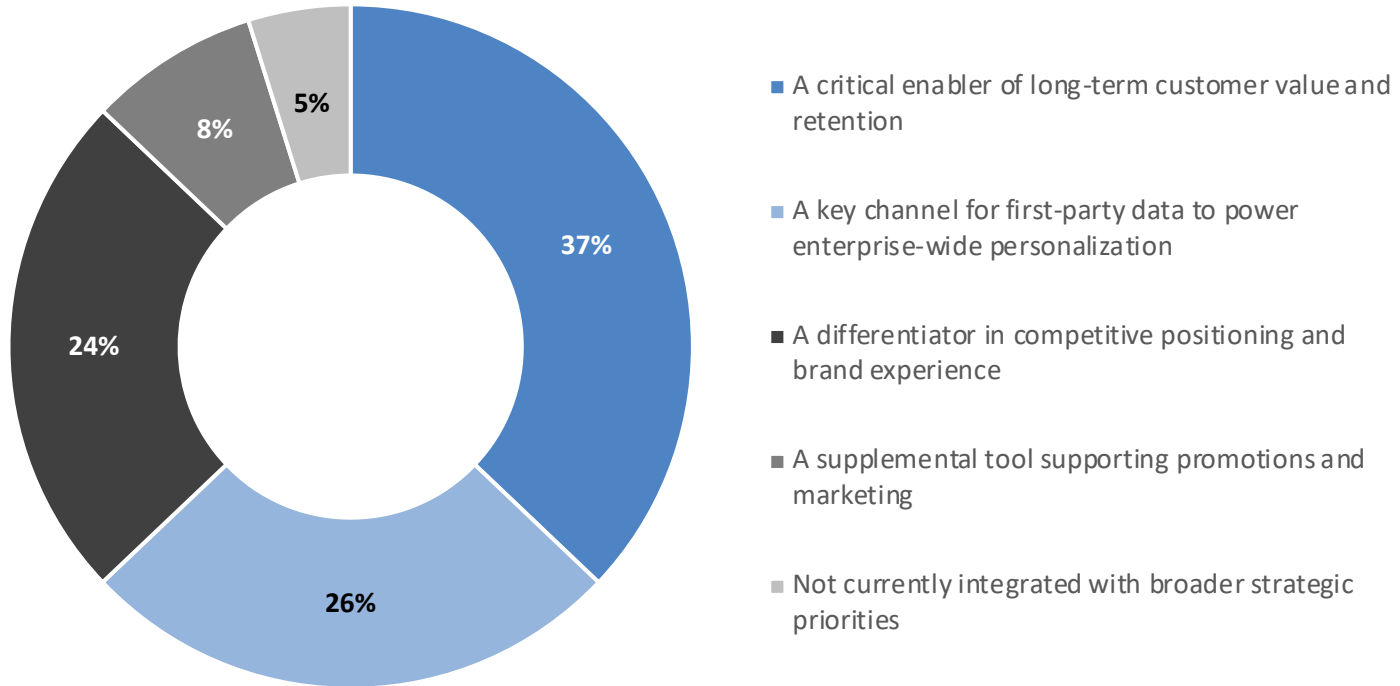
Advanced AI capabilities still untapped for most French retailers

“Piloting, testing,” or “fully implemented and operational”



Q. Rate your organization’s current readiness in the following areas. (n=68)

The strategic aspirations of loyalty programs in France



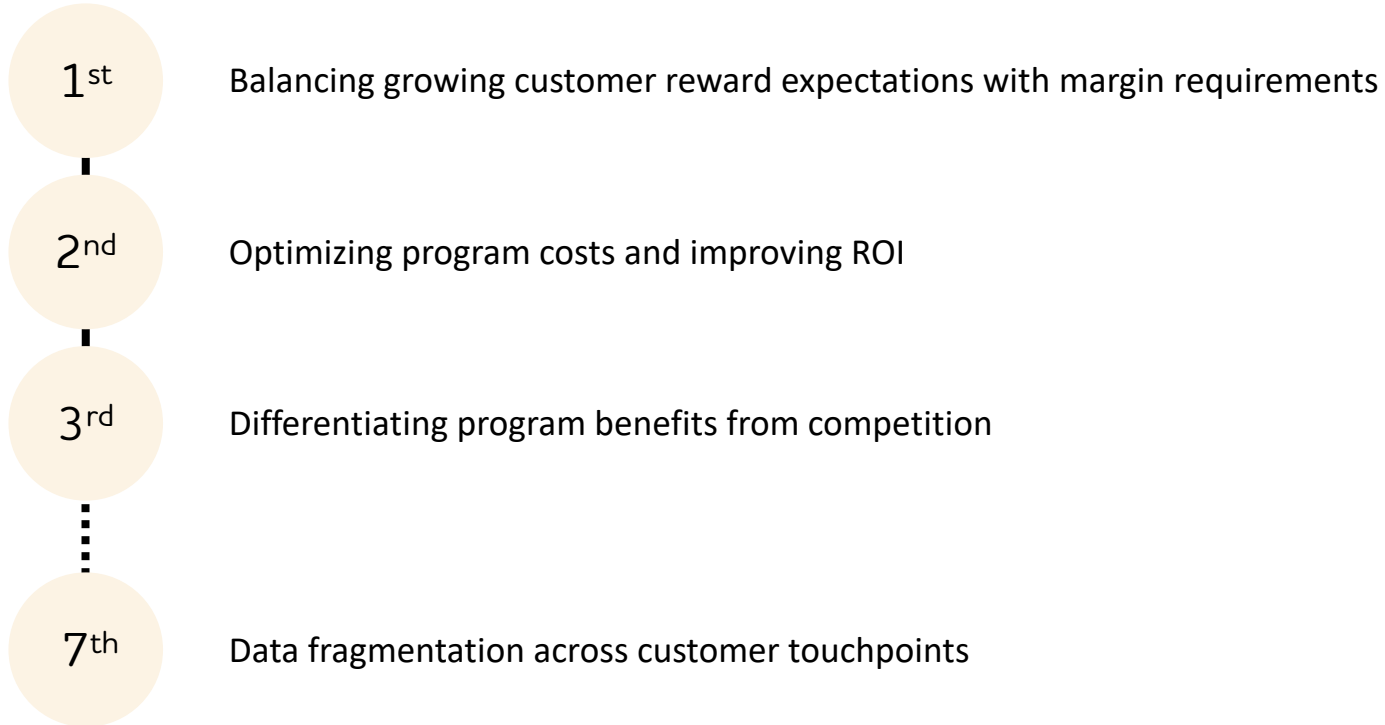
Q. How are your loyalty initiatives positioned in your overall growth and customer strategy? (n=62)

France: Loyalty programs not yet factoring into most enterprise decisions



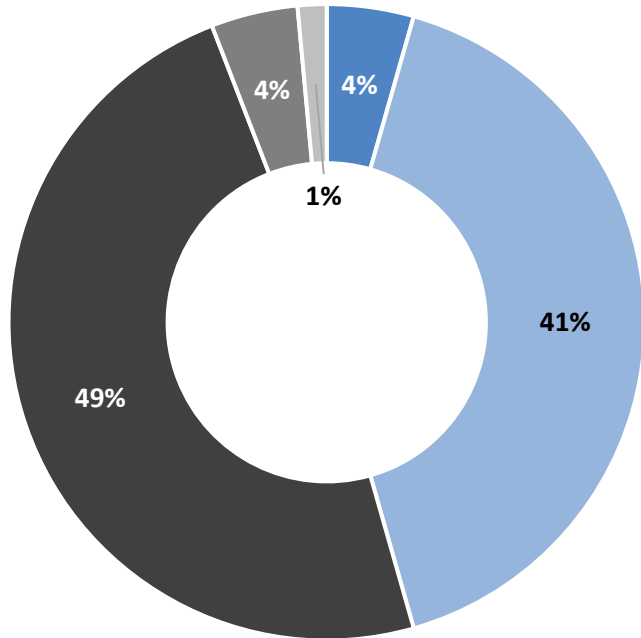
Q. Which enterprise-level decisions are most influenced by insights from your loyalty program? (n=68)

Top challenges for loyalty programs: reward expectations, optimizing costs, and differentiating from competitors



Q. Rank the top three challenges your company faces with its customer loyalty programs. (n=62)

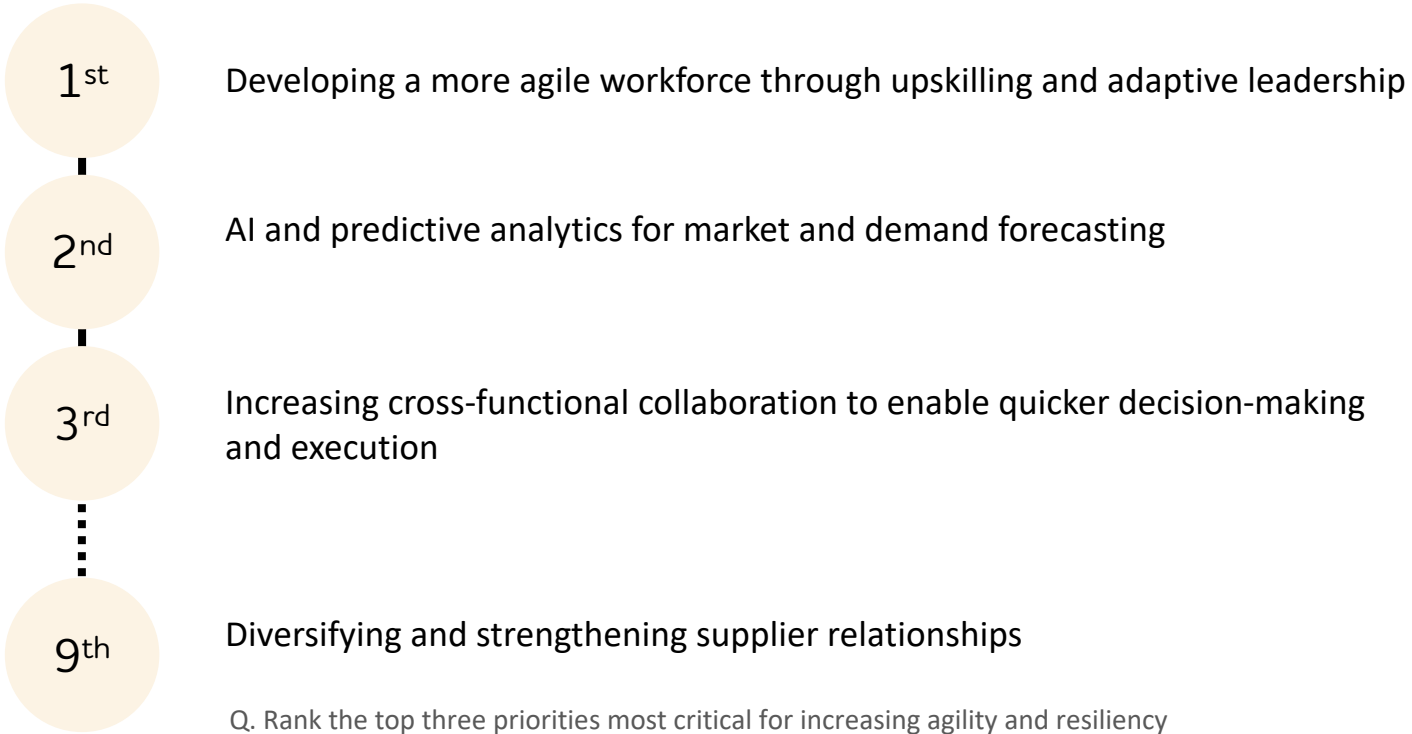
Assessing agility and adaptability in a disruptive market: 46% of French retailers are advanced or established in agile practices



- 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
- Not yet prioritized: No structured approach in place currently

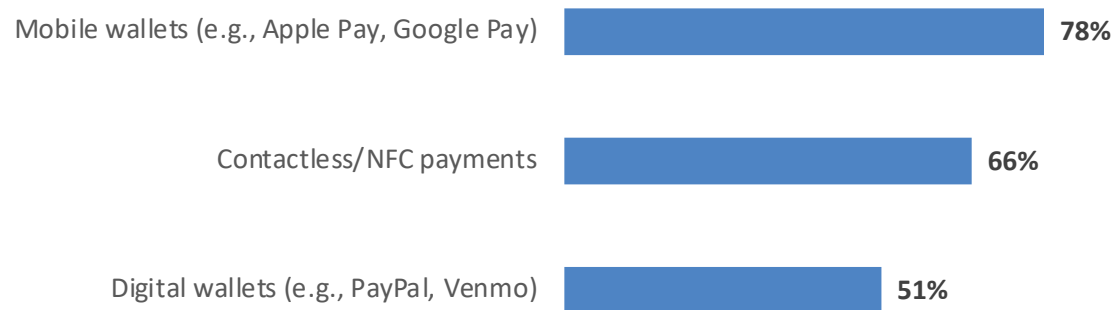
Q. How would you rate your organization's overall agility and resiliency maturity? (n=68)

A more agile workforce and AI-driven market forecasting identified as top agility & resiliency priorities in France



Q. Rank the top three priorities most critical for increasing agility and resiliency to meet rapidly changing market conditions and potential disruptions. (n=68)

Payment systems prioritized by retail executives in France



Other answers in order of frequency:

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

Which new or emerging payment systems are your organizations currently using, exploring or planning to adopt? (n=68)

Our recommendations for France 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.

Thank you



Contact us

