



GenAI impact in the Apparel & Footwear industry



Trends in the apparel and footwear industry



Context

- KPMG polled senior apparel and footwear accounting executives regarding GenAI and the impact it has on their workforce.
- Survey responses were scrubbed and aggregated to understand the adoption and perceived sentiment of GenAI going into 2025.

Key trends

Current state of AI implementation

- Sixty-nine percent of respondents state that their finance and accounting organizations do not have access to a large language model (LLM). Without access to secured LLMs, companies may find it challenging to integrate GenAI into their workflows and processes.
- The trend of using GenAI for customer interactions and inventory management highlights a focus on enhancing customer experience, optimizing operations, and leveraging data-driven insights. This trend reflects a broader movement toward adopting advanced technologies to drive efficiency, personalization, and competitive advantage in the apparel industry.

Perceived sentiments of AI

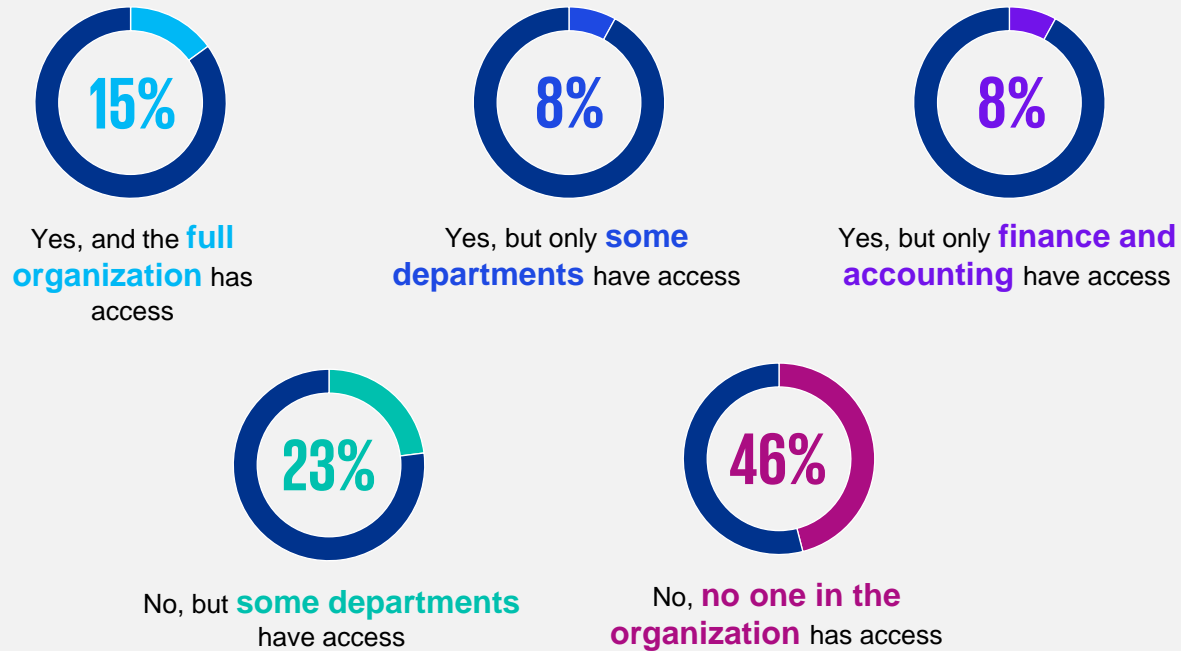
- Companies are increasingly recognizing the value of GenAI in knowledge assistance, with 75 percent of respondents finding it the most compelling use case. The trend indicates a growing reliance on AI to enhance knowledge management and improve access to information.
- Fifty-five percent of respondents have concerns regarding bias, transparency, or GenAI inaccuracies. This concern points to a trend towards ethical AI development and the need to establish stronger AI governance and oversight frameworks.
- To mitigate the risks associated with AI inaccuracies, companies might invest in training and educating their employees on how to effectively use AI tools. This includes understanding the limitations of AI, recognizing potential biases, and validating AI-generated information.

Workforce adoption and training

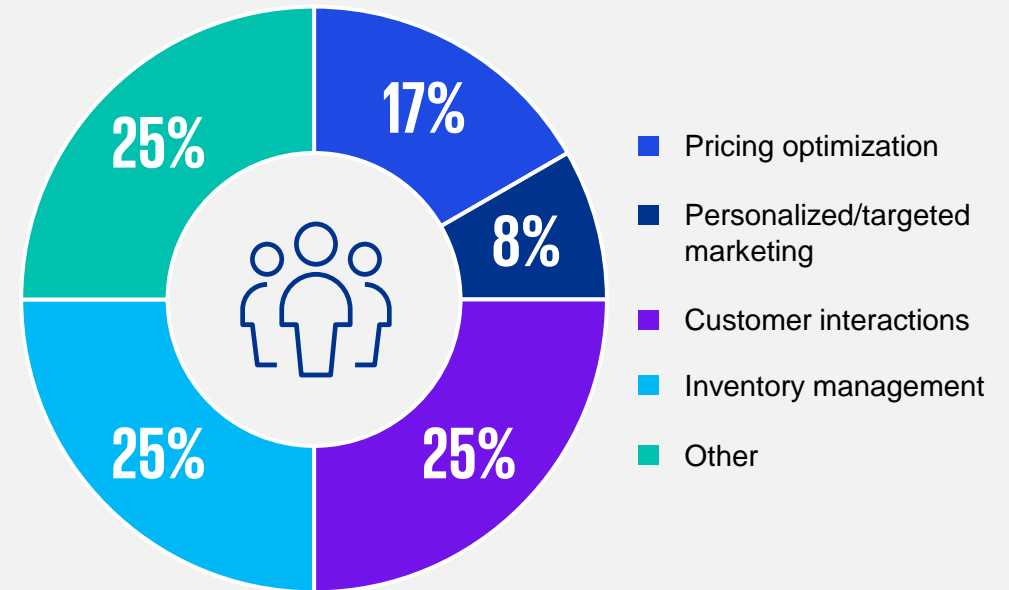
- One-hundred percent of respondents have completed less than five hours of GenAI training in the past 12 months. This suggests that there is a limited focus on internal training and upskilling around generative AI. Companies may not yet fully recognize the importance of extensive training or may lack the resources to provide it.
- Companies that prioritize AI training and development are likely to be more attractive to top talent who are seeking opportunities to grow their skills in cutting-edge technologies. Additionally, providing robust AI training can help retain current employees by offering them valuable career development opportunities.
- Seventy-five percent of respondents have not invested in a third party to assist in increasing the use of AI across the company.

Limited access to a LLMs in most accounting and finance organizations

Does your finance and accounting department have access to an enterprise-secured instance of a LLM (i.e., a company-specific GenAI chatbot)?

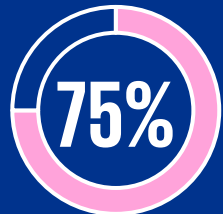


Where else is your company using GenAI (which may support further use cases for finance)?



Companies are becoming more aware of the ethical implications of AI as reliance on AI to enhance knowledge management and improve access to information grows

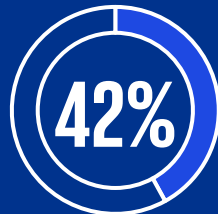
What finance and accounting applications of GenAI do you find most compelling? *(Respondents picked their top three choices)*



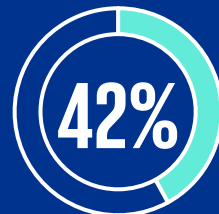
Knowledge Assistance (e.g., assist with researching and understanding technical accounting issues)



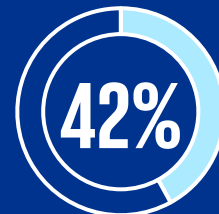
Documentation Assistance (e.g., assist with drafting accounting positions)



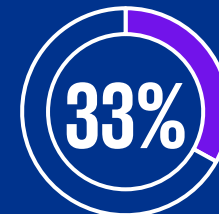
Administrative Assistance (e.g., assist with drafting emails and taking meeting notes)



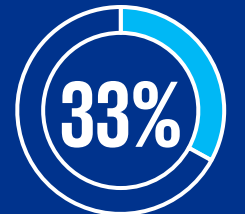
Data Extraction (e.g., assist with extracting relevant lease terms)



Data Analysis (e.g., anomaly detection, predictive analysis)



Compliance Analysis (e.g., assist with analyzing regulatory compliance)



Sentiment Analysis (e.g., assist with earnings call preparation)

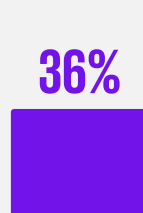
What perceived challenges or concerns, if any, are preventing your finance and accounting department from adopting GenAI? *(Respondents picked their top three choices)*



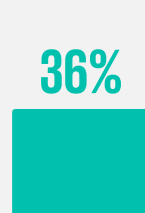
Concerns about bias, transparency, or GenAI inaccuracies (e.g., hallucinations)



Lack of internal GenAI expertise or talent



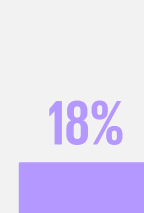
Security vulnerabilities and data privacy concerns



Insufficient awareness or understanding of GenAI capabilities



Limited integration with existing systems or workflows



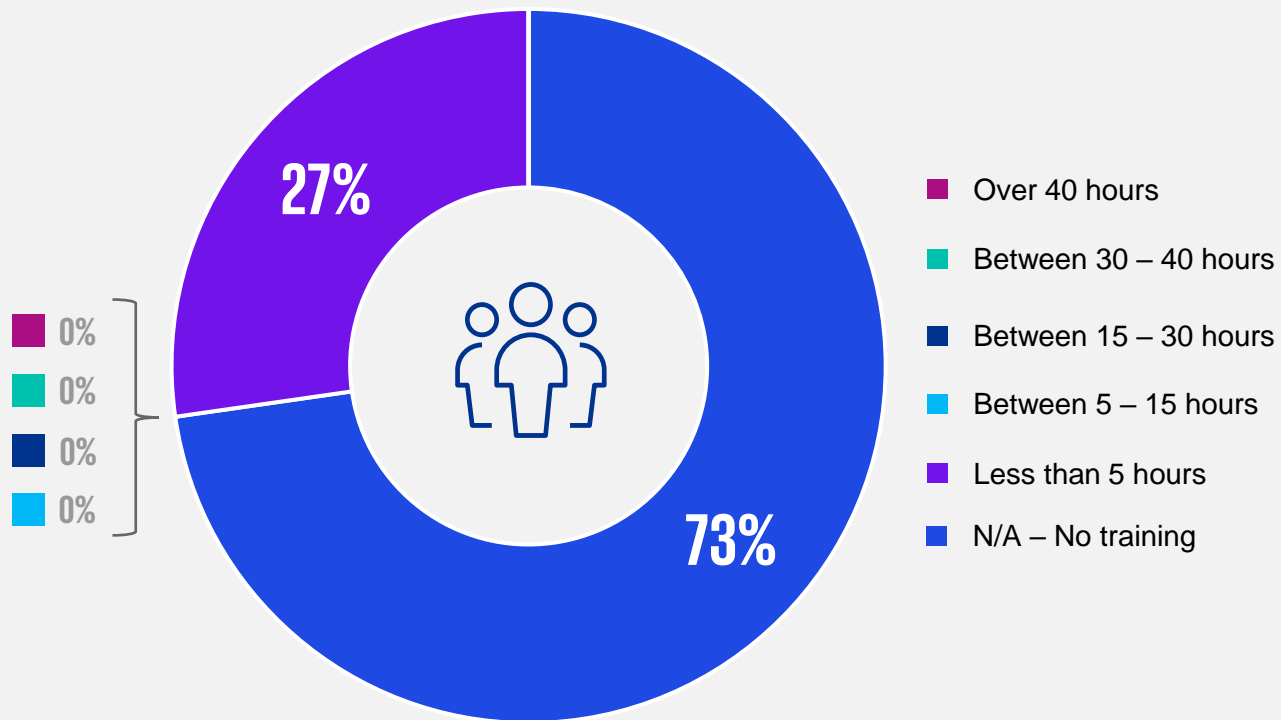
Difficulty in justifying costs or measuring ROI



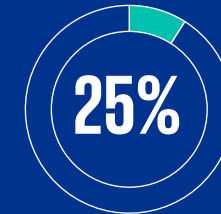
Lack of clear leadership or strategic direction on GenAI adoption

Low levels of training and external engagement show there is significant potential for growth in the adoption and implementation of AI

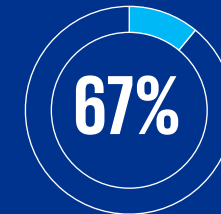
How much GenAI training has the average finance and accounting employee at your organization received in the past 12 months?



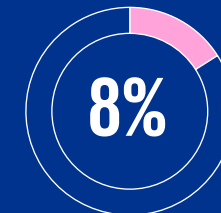
Have you engaged a third party for the specific purpose of helping increase the use of AI across the company?



Yes



Not yet, but we are considering



No, and no imminent plans to do so



Contacts



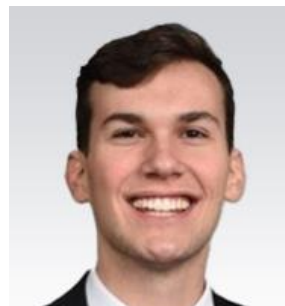
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