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LMC Mid-Year Survey: Retailers Accelerate AI and Technology Investments as Performance Remains Stable

Long-running retailer survey highlights rising omnichannel adoption, evolving marketing strategies and continued retailer optimism for the months ahead

NORTH PLAINFIELD, N.J. (July 14, 2026) — Retailers continue to invest in technology, embrace artificial intelligence (AI) and expand omnichannel services as they adapt to evolving consumer expectations, according to Levin Management Corporation's (LMC) 2026 Mid-Year Retail Sentiment Survey. The survey gathered responses from more than 150 store managers and business operators across LMC's retail portfolio, providing insight into retail performance, technology adoption and business expectations for the second half of 2026.

Nearly half (47.8%) of respondents reported making new technology investments this year, continuing a three-year upward trend from 38% in 2024 and 44% in 2025. At the same time, AI has become increasingly mainstream, with two-thirds (66.4%) of retailers actively using, testing or exploring AI within their operations. More than one-quarter (25.6%) are already actively using AI, underscoring its transition from an emerging technology to a practical business tool.

"Retailers continue to evolve alongside changing consumer expectations," said Matthew K. Harding, chief executive officer of Levin Management Corporation. "Our survey shows retailers making strategic investments in technology, AI and omnichannel capabilities that strengthen operations, enhance the customer experience and position them for long-term growth. Even as retailers continue managing operating cost pressures, they're investing in tools that improve efficiency while reinforcing the importance of the in-store experience."

Among retailers using or testing AI, marketing and content creation ranked as the leading application (53.2%), followed by data analysis and reporting (49.4%). Customer service and chatbots (41.8%) and inventory forecasting (27.8%) also ranked among the most common uses, illustrating how AI is increasingly being integrated into everyday retail operations to improve marketing, customer engagement and business decision-making.

The survey also points to continued growth in omnichannel retailing. Buy Online, Pick Up In-Store (BOPIS) remains the most widely offered fulfillment option at 50.3%, while curbside pickup saw the year's largest gain, rising from 22.2% in 2025 to 37.8% in 2026. Local delivery also ticked up, from 32.5% to 39.9%, as retailers continue rounding out fulfillment options to meet evolving customer expectations.

Overall retail performance remained stable, with 61.6% of respondents reporting year-to-date sales that were the same or higher than last year. In addition, 63.9% reported customer traffic was stable or higher. Retailers identified customer traffic (29.9%) and customer spending (23.4%) as the leading factors influencing sales performance, highlighting the importance of both attracting shoppers and encouraging spending once they are in-store.

Cost pressures remain a top concern, with retailers citing cost of goods and supply chain costs (46.9%) and labor and staffing costs (45.5%) as their most significant operational challenges. Even so, retailers are prioritizing investments that improve efficiency and long-term resilience rather than pulling back.

The survey also illustrates how retailers' marketing strategies continue to evolve. Instagram has become the most widely used social platform among survey respondents, growing from 35.4% in 2014 to 70.4% today. During the same period, Facebook usage declined from 93.9% to 62.4%, while TikTok — first measured in 2022 at 20.6% — has already doubled to 42.4%, reflecting retailers' growing emphasis on visually driven and emerging digital platforms. Nearly 60% of respondents also reported using Google Business Profile, underscoring the growing importance of local search visibility and online reputation management.

"One of the greatest strengths of conducting this survey for more than a decade is the ability to see how retailer priorities evolve alongside changing consumer behavior," said Melissa Sievwright, vice president of marketing and corporate communications for Levin Management Corporation. "The shift in social media is one of the clearest examples. Over the years, we've seen retailers diversify from relying primarily on Facebook to embracing platforms like Instagram and TikTok as they adapt their marketing strategies to better engage today's consumers."

Looking ahead, retailers remain optimistic about the second half of 2026, with more than 71% expecting sales to remain stable or improve. Respondents identified consumer confidence and overall economic conditions as the primary factors influencing their outlook. Taken together, the findings point to a retail industry that continues to evolve through strategic investments in technology, AI and customer convenience while maintaining a strong focus on the in-store experience.

Since 2011, Levin Management Corporation has conducted its Mid-Year Retail Sentiment Survey, gathering feedback from store managers throughout its retail portfolio to identify emerging trends affecting shopping center operations and retailer performance. The survey is complemented by an annual year-end retailer survey that examines holiday sales performance and retailer expectations for the coming year.

North Plainfield, N.J.-based Levin Management Corporation (LMC) is a full-service commercial real estate services firm with more than 70 years of experience and a portfolio of approximately 125 properties totaling 16 million square feet across the Northeast and Mid-Atlantic. Specializing in grocery-anchored open-air retail centers, LMC provides leasing, property management, construction management, accounting and financial reporting, marketing, and acquisition/disposition consulting, delivering tailored strategies that maximize asset value for institutional and private owners.

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