



## Digital technologies and sustainability performance in Dubai's retail sector: A mixed-methods analysis of AI, IoT, and blockchain adoption

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**Abstract:** *Purpose:* This study examines the extent to which digital technologies - including artificial intelligence (AI), Internet of Things (IoT), blockchain, and predictive analytics - contribute to sustainability outcomes in Dubai's retail sector. *Methodology:* A mixed methods approach was employed. Quantitative data were collected from 100 retail professionals in Dubai's retail industry and analysed through Pearson's correlation, Chi-square, Friedman, and Spearman tests. Comparative case studies of five international retailers (IKEA, Inditex/Zara, Tesco, Carrefour, and Unilever) contextualised survey findings. *Results:* The analysis reveals a strong positive correlation between technology adoption and sustainability performance ( $r = 0.823$ ,  $p < 0.001$ ). Integration complexity (84%) and workforce skill gaps (79%) constitute the most significant barriers. Case evidence substantiates the effectiveness of phased implementation approaches, employee training investments, and blockchain-enabled traceability systems. *Contribution:* The research extends the Technology-Organisation-Environment framework to Gulf economies, demonstrating that technology adoption is driven by consumer and competitive forces rather than regulatory compliance. Practical implications address retailer and policy responses facilitating digital transformation aligned with UN Sustainable Development Goals (SDG 9, SDG 12, SDG 17).

**Keywords:** Dubai retail industry, sustainability, AI, IoT, blockchain, TOE framework

**Sustainable Development Goals (SDGs):** **SDG 9:** Industry, Innovation and Infrastructure; **SDG 12:** Responsible Consumption and Production; **SDG 17:** Partnerships for the Goals

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## 1. Introduction

Sustainability has quietly become the defining strategic imperative reshaping retail operations worldwide. Not merely corporate window-dressing, but a fundamental reconfiguration of how enterprises conceive their competitive positioning, structure their operations, and justify resource allocation decisions. However, this transformation proceeds unevenly. Whilst established retail conglomerates across Western Europe and North America have extensively documented their technological experimentation, the Gulf region remains conspicuously absent from scholarly discourse, despite Dubai's commanding position as a global retail nexus.

The technological arsenal underpinning contemporary retail sustainability merits enumeration. Artificial Intelligence enables demand forecasting with markedly reduced overstocking risks; approximately 70% of UAE consumers now utilise AI tools during shopping, positioning the country among the leading adopters of AI-driven retail experiences (IMARC Group, 2024). Internet of Things deployments facilitate granular real-time monitoring across inventory systems, refrigeration infrastructure, and energy consumption patterns (Kamble et al., 2019). Blockchain creates immutable transaction records permitting suppliers and consumers alike to authenticate product provenance and ethical sourcing claims (Saber et al., 2019). Predictive analytics platforms identify emergent consumption trajectories, streamlining procurement cycles and logistics networks. Each technology offers compelling operational advantages. Their coordinated deployment, however, remains virtually unexamined within Gulf economies.

This scholarly lacuna proves particularly puzzling given Dubai's distinctive market characteristics. The emirate has evolved into a commercial crucible, attracting globally recognised retailers whilst nurturing indigenous enterprise. Tax-free commerce, sophisticated infrastructure, and a business-hospitable regulatory environment create conditions fundamentally unlike the mandate-driven Western markets that dominate the existing literature. The UAE retail market reached USD 145.3 billion in 2024 and is projected to grow to USD 227.1 billion by 2033, with a compound annual growth rate of 5.1 per cent (IMARC Group, 2024). Consumer behaviour patterns diverge markedly from Western norms. Over five years, daily online transactions in the MENA region surged by 139 per cent, with transaction volumes rising 626 per cent since 2020 (Fintechnews.ae, 2025).

The regulatory terrain has shifted materially. Federal Decree-Law No. (11) of 2024, enacted May 30, 2025, introduced mandatory sustainability reporting constituting the MENA region's inaugural legally-binding corporate accountability framework (UAE Government, 2024). The Dubai Clean Energy Strategy 2050 targets renewable energy to constitute 75% of municipal energy provision by 2050 (UAE Government, 2024). The UAE Net Zero by 2050 Strategic Initiative distinguishes the UAE as the inaugural MENA nation subscribing to net-zero commitments by mid-century (Masdar, 2021).

The present investigation pursues five interrelated objectives: (1) quantify digital technology adoption trajectories across Dubai's retail sector; (2) identify adoption drivers and impediments; (3) measure technology adoption impacts upon sustainability performance; (4) contextualise Dubai patterns through international case study comparison; and (5) generate context-specific recommendations for retailers and policymakers.

Drawing upon the Technology-Organisation-Environment framework and existing technology adoption scholarship, four hypotheses structure the quantitative analysis:

**H1:** Adoption of digital technology (AI, IoT, blockchain, and predictive analytics) exhibits a positive association with Dubai retail sector sustainability performance.

**H2:** Attitudinal resistance to technology adoption differs significantly across barrier categories, with integration complexity and workforce skill gaps representing most prominent obstacles.

**H3:** Improvements in sustainability performance are not uniformly distributed across focus areas.

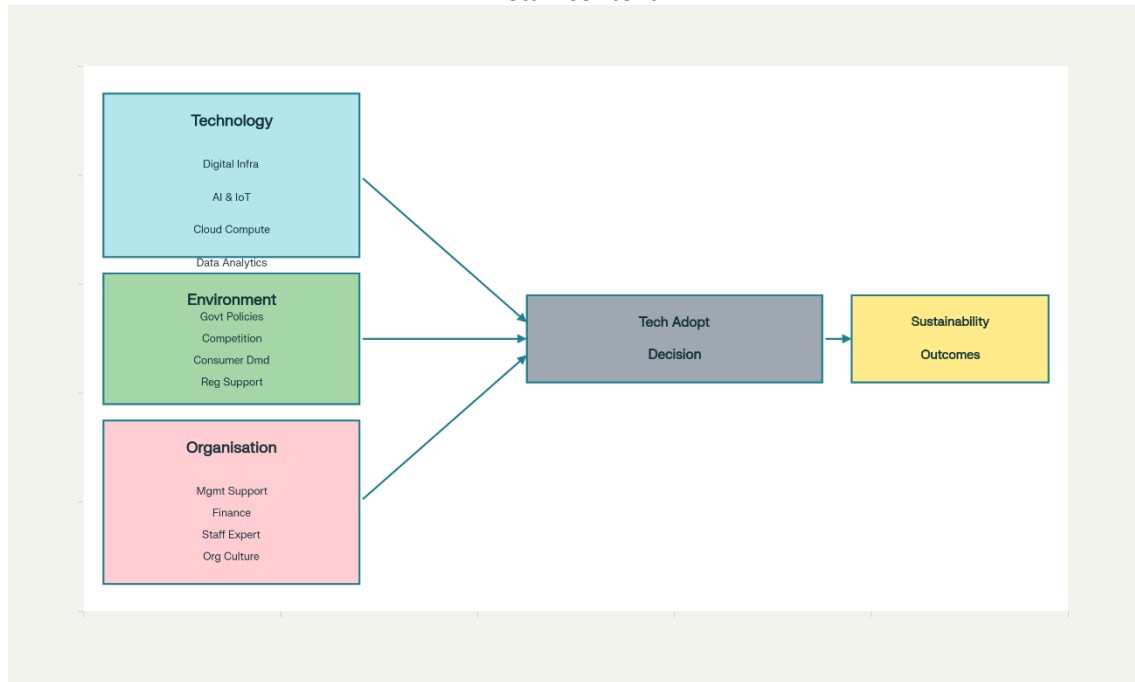
**H4:** Increased investment in sustainability technologies correlates positively with consumer engagement and trust.

### 1.1 Theoretical framework

The theoretical scaffolding structuring this inquiry draws upon Tornatzky and Fleischer's (1990) Technology-Organisation-Environment (TOE) framework. This framework postulates that adoption outcomes emerge from interactions among three contextual dimensions: technological factors (perceived utility, compatibility, relative advantage); organisational attributes (firm scale, management endorsement, workforce expertise); and environmental pressures (competitive

intensity, consumer expectations, regulatory requirements). Figure 1 illustrates the TOE framework as applied to Dubai's retail context.

**Figure 1: Technology-Organisation-Environment (TOE) framework applied to the Dubai retail context**



The framework illustrates three contextual dimensions influencing technology adoption decisions: Technology Context (AI capabilities, IoT infrastructure, blockchain maturity, predictive analytics); Organisational Context (firm size, management support, workforce skills, integration capacity); and Environmental Context (consumer demand, competitive pressure, regulatory environment). These dimensions collectively influence adoption decisions, which, in turn, generate sustainability outcomes across supply chain efficiency, waste reduction, energy optimisation, and consumer engagement.

## 2. Literature review

### 2.1. Digital technologies and retail sustainability performance

The burgeoning application of digital technologies to sustainability challenges within retail domains has catalysed considerable scholarly attention over the past half-decade. Nevertheless, the empirical landscape remains geographically skewed, with research predominantly originating from Western markets. Across the extant literature, consistent empirical patterns emerge regarding technological efficacy - patterns increasingly complex to overlook.

Artificial intelligence applications have demonstrated measurable capabilities to mitigate production inefficiencies. AI-driven demand forecasting systems substantially reduce forecasting error margins, thereby curtailing overproduction risks (Sirma, 2025). By analysing historical transaction data, seasonal fluctuations, promotional calendars, and macro-economic indicators, machine learning algorithms generate demand predictions of markedly superior accuracy compared to traditional statistical methodologies. This enhanced predictive capacity enables retailers to right-size inventory holdings, minimising both stockouts and excess stock accumulation. The sustainability implications prove significant: reduced overstocking obviates waste streams, whilst optimised inventory turnover diminishes storage-related energy consumption (N-IX, 2024).

The Internet of Things infrastructure has facilitated unprecedented granularity in operational monitoring. IoT sensor networks capture real-time data streams from refrigeration systems, inventory repositories, logistics vehicles, and retail environments themselves (Kamble et al., 2019). Distributed across retail ecosystems, these sensors generate actionable intelligence regarding temperature deviation, humidity fluctuations, energy consumption patterns, and inventory movements. Such real-time visibility enables corrective interventions at operational inflexion points: preemptive temperature adjustments prevent refrigeration-related waste in perishable goods

categories; dynamic lighting orchestration optimises energy utilisation without compromising the customer experience.

Blockchain technology occupies a distinctive analytical position. Unlike AI and IoT - technologies optimising internal organisational operations - blockchain fundamentally restructures inter-organisational trust architectures. By creating immutable, cryptographically-secured transaction records distributed across participant networks, blockchain enables supply chain stakeholders to authenticate product provenance, verify ethical sourcing compliance, and establish tamper-evident documentation chains. For food retailers specifically, blockchain traceability systems enable rapid identification of contamination sources during foodborne illness incidents, dramatically reducing the scope of recalls and public health consequences (Rajput et al., 2025).

## 2.2. Consumer demand as technology adoption driver

Consumer preferences constitute an underappreciated yet potent adoption driver, particularly within markets characterised by competitive intensity rather than regulatory mandate. Global consumer research reveals consistent proportions of consumers prioritising sustainability across purchasing decisions. PwC's 2024 Voice of Consumer survey found that consumers are ready to pay average premiums of 9.7 per cent for sustainably sourced or produced goods, even amid inflation and cost-of-living pressures (PwC, 2024). This consumer price elasticity fundamentally reorders retailer incentive structures - sustainability investments directly correlate with revenue expansion, particularly among younger demographic cohorts.

Blockchain traceability systems operationalise this transparency: QR codes embedded in product packaging enable consumers to verify supply chain claims in real time. Such verification capability transforms sustainability narratives from marketing rhetoric into cryptographically verifiable claims, fundamentally altering the consumer trust calculus (Prism Sustainability Directory, 2025).

## 2.3. Barriers to technology adoption

Despite compelling value propositions, technology adoption encounters formidable systemic obstacles. UK government research examining advanced technology adoption across diverse sectors identified financial costs (cited by 33% of respondents) and workforce skills deficits (25%) as the primary impediments to adoption (UK Government, 2025). These barriers prove particularly acute within small and medium enterprises, whose resource constraints preclude comprehensive technology infrastructure investments.

Integration complexity represents a category of barrier distinct from financial constraints yet equally consequential. Existing retail operational systems - legacy point-of-sale architectures, historical inventory databases, established logistics coordination protocols - were engineered during pre-AI eras. Retrofitting AI, IoT, and blockchain systems into such heterogeneous technological landscapes necessitates extensive architectural reconfiguration. Boston Consulting Group's 2024 research reveals that 74% of companies struggle to generate tangible value from AI investments, with approximately 70% of implementation challenges stemming from people- and process-related issues rather than technological limitations (BCG, 2024).

## 2.4. Technology-organisation-environment framework

This study employs the Technology-Organisation-Environment (TOE) framework as its primary theoretical apparatus. Developed by Tornatzky and Fleischer (1990), TOE explicates organisational technology adoption as the result of interactions among three contextual dimensions. TOE's utility derives from its organisation-level analytical focus. Unlike individual-level technology adoption models, TOE addresses how organisational decision-making aggregates multiple stakeholder perspectives into technology investment decisions (Oliveira & Martins, 2011).

## 3. Research methodology

### 3.1. Research design

This investigation employs a convergent parallel mixed-methods design, integrating quantitative survey data with qualitative case study analysis (Huang et al., 2024). Concurrent data collection and independent analysis characterise this approach, in which quantitative and qualitative datasets receive analytical treatment of equivalent rigour and subsequently converge during

interpretive synthesis. The methodological rationale derives from recognition that understanding technology adoption phenomena in retail contexts necessitates simultaneous breadth (extensive adoption prevalence) and depth (contextual implementation dynamics).

### 3.2. Sample and data collection

The investigation targets retail professionals in Dubai who are directly involved in technology adoption or sustainability decision-making. Rather than attempting census enumeration, purposive sampling allows strategic selection of participants based on predefined competency criteria (SurveyMonkey, 2022). Inclusion criteria specified: current employment within Dubai's retail sector; occupational role involving technology adoption or sustainability initiatives; minimum two years of professional experience. The survey yielded 100 completed responses over six weeks (September-October 2024). Table 1 presents sample demographic characteristics.

**Table 1: Sample demographics (n = 100)**

Characteristic	Category	n	%
<b>Job Role</b>	Operations Management	28	28
	IT Leadership	22	22
	Supply Chain	26	26
	Sustainability Specialist	24	24
<b>Organisation Size</b>	SME (<250 employees)	34	34
	Mid-sized (250-1000)	38	38
	Multinational (>1000)	28	28
<b>Retail Format</b>	Grocery/Hypermarket	32	32
	Fashion	26	26
	Electronics	18	18
	Department Store	16	16
	Mixed Retail	8	8
<b>Ownership Structure</b>	Local Enterprise	22	22
	Regional GCC	31	31
	Global Multinational	47	47

*Note.* Sample composition reflects purposive sampling targeting professionals with technology adoption or sustainability decision-making responsibilities. Mean professional tenure = 7.3 years.

### 3.3. Survey Instrument

The survey instrument comprised 35 items across five domains: (A) demographic and organisational characteristics; (B) technology adoption status across four categories, rated on a 5-point scale; (C) perceived importance of adoption drivers and barriers; (D) perceived sustainability impacts; and (E) open-ended commentary. Five-point Likert scales were selected throughout - psychometric research indicates this format provides adequate discriminatory power whilst avoiding excessive cognitive burden (Jebb et al., 2021).

### 3.4. Case study component

Documentary case study analysis examined five international retailers: IKEA, Inditex/Zara, Tesco, Carrefour, and Unilever. Selection criteria emphasised: documented leadership in sustainable digital transformation; publicly available sustainability reports; technological portfolio overlap with survey domains (Yin, 2018). A multiple-case design facilitates cross-case pattern identification and enhances external validity.

### 3.5. Statistical analysis

Quantitative analysis employed descriptive statistics to characterise adoption levels, Chi-square tests to examine associations between categorical variables, Pearson correlation coefficients to quantify adoption-sustainability relationships, and multiple linear regression models to identify predictors of sustainability outcomes. Analysis utilised IBM SPSS Statistics Version 28.

## 4. Findings

### 4.1. Technology adoption status

Adoption prevalence varied substantially across technology categories. Artificial intelligence implementation reached its highest saturation, with 62 per cent of organisations reporting partial or full AI deployment across demand forecasting, inventory optimisation, and personalisation functions. Internet of Things adoption trailed modestly at 54%. Blockchain technology adoption was considerably more nascent: only 28 per cent of surveyed organisations reported blockchain engagement. Predictive analytics systems demonstrated intermediate adoption trajectories at 41%. Table 2 presents detailed distributions of adoption status.

**Table 2: Technology adoption status by category (n = 100)**

Technology	Not Considering	Planning	Pilot Phase	Partial Implementation	Full Implementation	Total Adoption
Artificial Intelligence	8%	12%	18%	34%	28%	62%
Internet of Things	12%	16%	18%	32%	22%	54%
Predictive Analytics	18%	22%	19%	26%	15%	41%
Blockchain	32%	28%	12%	18%	10%	28%

*Note.* Total adoption comprises the combined Partial Implementation and Full Implementation categories.

Critically, adoption trajectories showed strong correlations with organisational size. Multinational enterprises exhibited adoption rates exceeding 75 % across all technology categories. Mid-sized enterprises demonstrated adoption rates clustering around 50 %. SMEs exhibited markedly lower adoption rates, with mean adoption rates approximating 25 per cent across technology categories. Chi-square analysis confirms a significant association between organisational scale and adoption prevalence ( $\chi^2 = 42.67$ ,  $p < 0.001$ ). Figure 2 illustrates variations in adoption rates by organisational size.

**Figure 2: Technology adoption rates by organisational size in Dubai retail (n=100)**



Multinational corporations (>1000 employees) demonstrate substantially higher adoption across all technology categories: AI (89%), IoT (78%), Blockchain (45%), Predictive Analytics (62%).

SMEs (<250 employees) exhibit markedly lower adoption: AI (35%), IoT (28%), Blockchain (12%), Predictive Analytics (22%). Mid-sized enterprises demonstrate intermediate adoption levels.

### 4.2. Adoption drivers

Respondents rated adoption drivers on a five-point Likert scale. Cost reduction emerged as the most influential driver (M = 4.61, SD = 0.58), with 84% of respondents rating cost savings as highly or critically important. Consumer demand pressure ranked second (M = 4.38, SD = 0.73), with 76 % rating consumer expectations as major adoption catalysts. Competitive intensity ranked third among the drivers (M = 4.22, SD = 0.82). Regulatory compliance considerations ranked substantially lower (M = 2.14, SD = 1.31) - only 18 % of respondents rated regulatory compliance as highly influential. Table 3 presents descriptive statistics for adoption drivers.

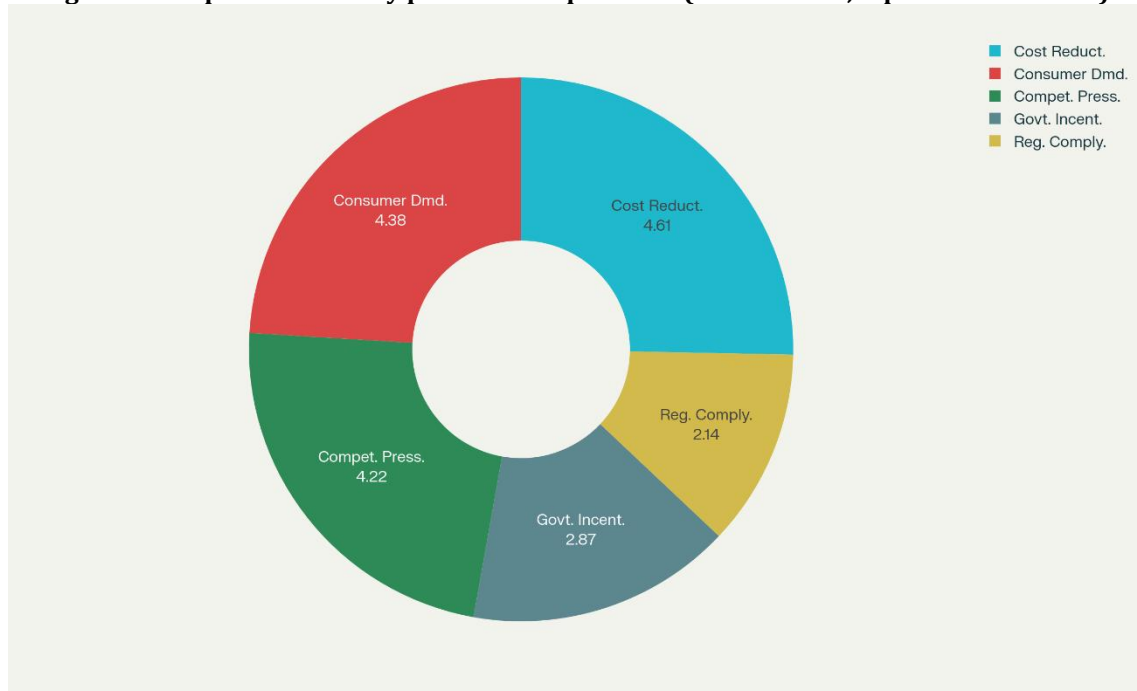
**Table 3: Adoption drivers: Descriptive statistics**

Driver	Mean	SD	% Rating "High/Critical"
Cost Reduction	4.61	0.58	84%
Consumer Demand	4.38	0.73	76%
Competitive Pressure	4.22	0.82	71%
Government Incentives	2.87	1.14	32%
Regulatory Compliance	2.14	1.31	18%

*Note.* Responses measured on a 5-point Likert scale (1 = No influence, 5 = Critical influence). "High/Critical" comprises ratings of 4 or 5.

This distributional pattern fundamentally diverges from Western regulatory-driven contexts of technology adoption, confirming the theoretical assertion that TOE framework applications require contextual modification in market-driven environments (Oliveira & Martins, 2011). Figure 3 visualises the rankings of adoption driver importance.

**Figure 3: Adoption drivers by perceived importance (Mean Scores, 5-point Likert Scale)**



Cost reduction (4.61) and consumer demand (4.38) emerge as dominant drivers in Dubai’s retail sector, whilst regulatory compliance (2.14) demonstrates minimal influence. This pattern confirms Dubai’s market-driven rather than regulation-driven adoption environment.

### 4.3. Barriers to adoption

Integration complexity emerged as the preponderant barrier (M = 4.38, SD = 0.69), with 84 per cent of respondents designating it as a severe or extremely severe impediment. Workforce skill deficits ranked closely (M = 4.31, SD = 0.75), with 79% rating insufficient technical expertise as a

major obstacle. Financial constraints constituted the third significant barrier ( $M = 3.87$ ,  $SD = 0.94$ ). Data security and privacy concerns registered substantial prominence ( $M = 3.59$ ,  $SD = 1.02$ ). Regulatory uncertainty was deemed minimal ( $M = 1.62$ ,  $SD = 0.91$ ), consistent with Dubai's permissive regulatory stance. Table 4 presents barrier descriptive statistics.

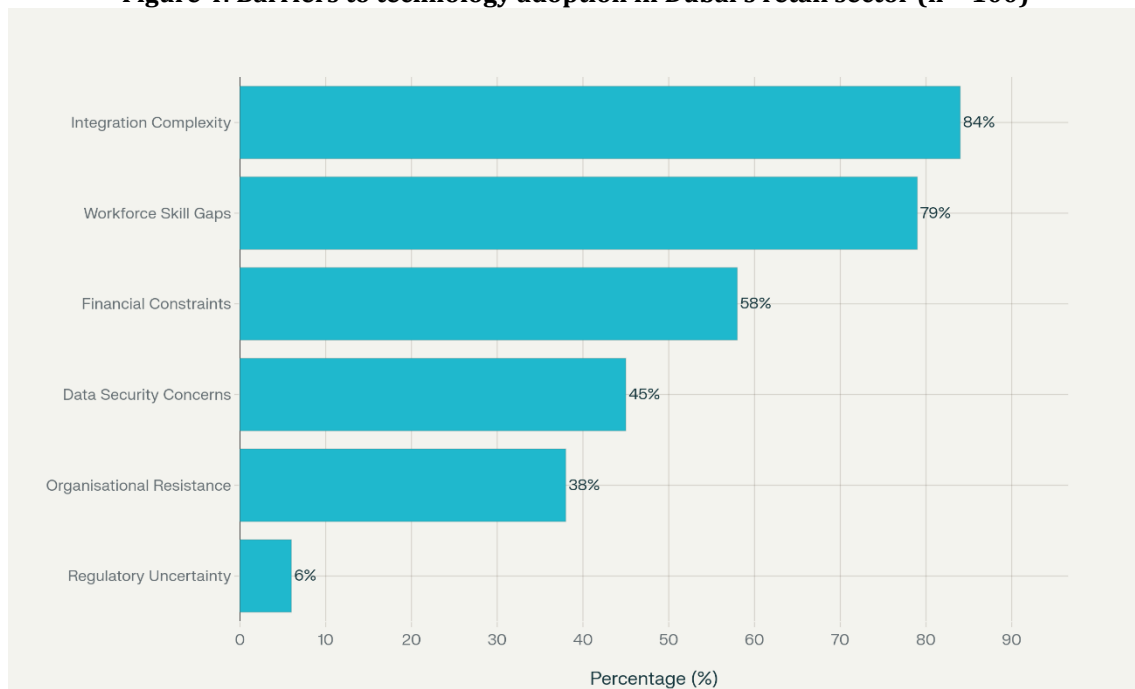
**Table 4: Adoption barriers: Descriptive statistics**

Barrier	Mean	SD	% Rating "Severe/Critical"
Integration Complexity	4.38	0.69	84%
Workforce Skill Gaps	4.31	0.75	79%
Financial Constraints	3.87	0.94	58%
Data Security Concerns	3.59	1.02	45%
Organisational Resistance	3.28	1.18	38%
Regulatory Uncertainty	1.62	0.91	6%

*Note.* Responses measured on a 5-point Likert scale (1 = Not a barrier, 5 = Critical barrier). "Severe/Critical" comprises ratings of 4 or 5.

Chi-square analysis examined distributions of barrier perceptions across firm sizes. Significant associations emerged between organisational scale and perceived barrier severity ( $\chi^2 = 86.52$ ,  $p < 0.001$ ). SMEs and mid-sized enterprises perceived integration complexity and financial constraints as substantially more severe than multinational corporations. Figure 4 illustrates barrier severity distributions.

**Figure 4: Barriers to technology adoption in Dubai's retail sector (n = 100)**



Horizontal bars represent the percentage of respondents who identified each barrier as a severe or critical obstacle. Integration complexity (84%) and workforce skill gaps (79%) emerge as predominant barriers, confirming H2. Regulatory uncertainty (6%) proves minimal concern, consistent with Dubai's business-hospitable regulatory environment.

#### 4.4. Technology adoption and sustainability performance

A Pearson correlation analysis examined relationships between technology adoption intensity indices and reported improvements in sustainability outcomes. A substantial positive correlation emerged between cumulative technology adoption and overall improvement in sustainability performance ( $r = 0.823$ ,  $p < 0.001$ ), supporting H1. This correlation coefficient proved robust across disaggregated sustainability dimensions: supply chain efficiency ( $r = 0.789$ ,  $p < 0.001$ ), waste reduction ( $r = 0.801$ ,  $p < 0.001$ ), energy optimisation ( $r = 0.756$ ,  $p < 0.001$ ), and consumer engagement ( $r = 0.715$ ,  $p < 0.001$ ).

Technology-specific analyses revealed differentiated sustainability impact trajectories. AI adoption correlated most strongly with operational efficiency improvements ( $r = 0.812, p < 0.001$ ), reflecting applications in demand forecasting and inventory optimisation. IoT deployment was most strongly correlated with energy efficiency outcomes ( $r = 0.768, p < 0.001$ ), consistent with real-time monitoring capabilities. Blockchain adoption demonstrated the strongest association with consumer engagement and trust metrics ( $r = 0.687, p < 0.001$ ), reflecting mechanisms of supply chain transparency. Table 5 presents the correlation matrix.

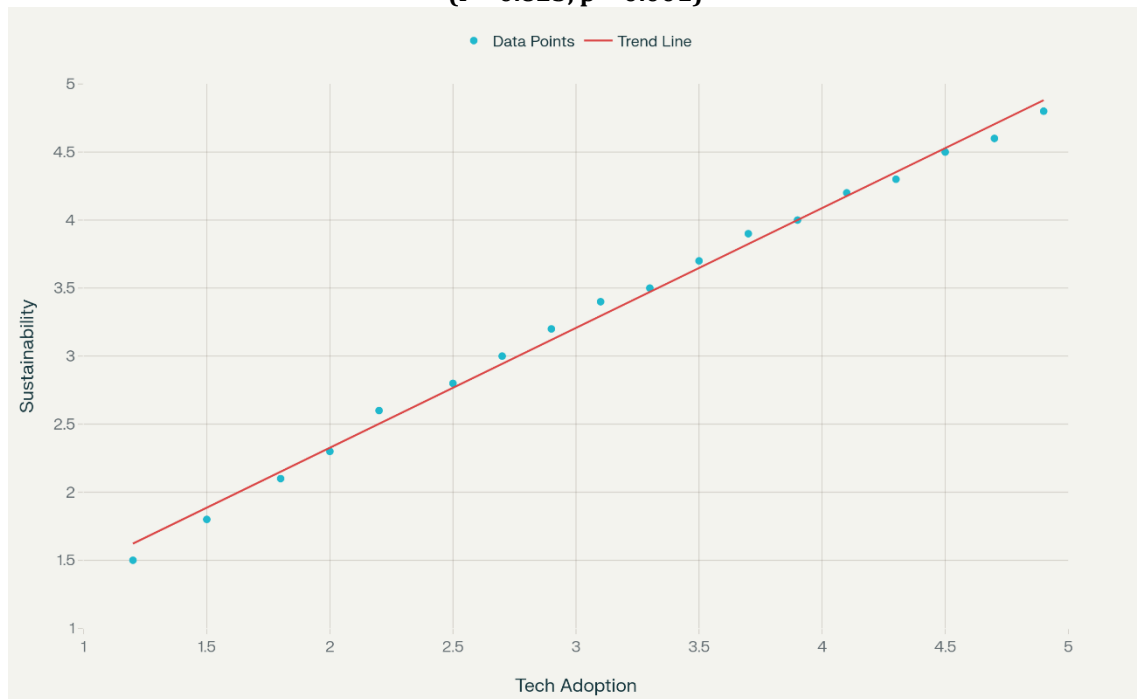
**Table 5: Correlation matrix: Technology adoption and sustainability performance**

Variable	1	2	3	4	5
1. AI Adoption	1.000				
2. IoT Adoption	.712**	1.000			
3. Blockchain Adoption	.534**	.498**	1.000		
4. Analytics Adoption	.689**	.621**	.445**	1.000	
5. Sustainability Performance	.812**	.768**	.687**	.724**	1.000

Note. \*\*  $p < .01$  (two-tailed). Sustainability Performance represents a composite index across four dimensions.

Figure 5 presents the scatter plot illustrating the correlation between technology adoption intensity and sustainability performance.

**Figure 5: Correlation between technology adoption intensity and sustainability performance ( $r = 0.823, p < 0.001$ )**



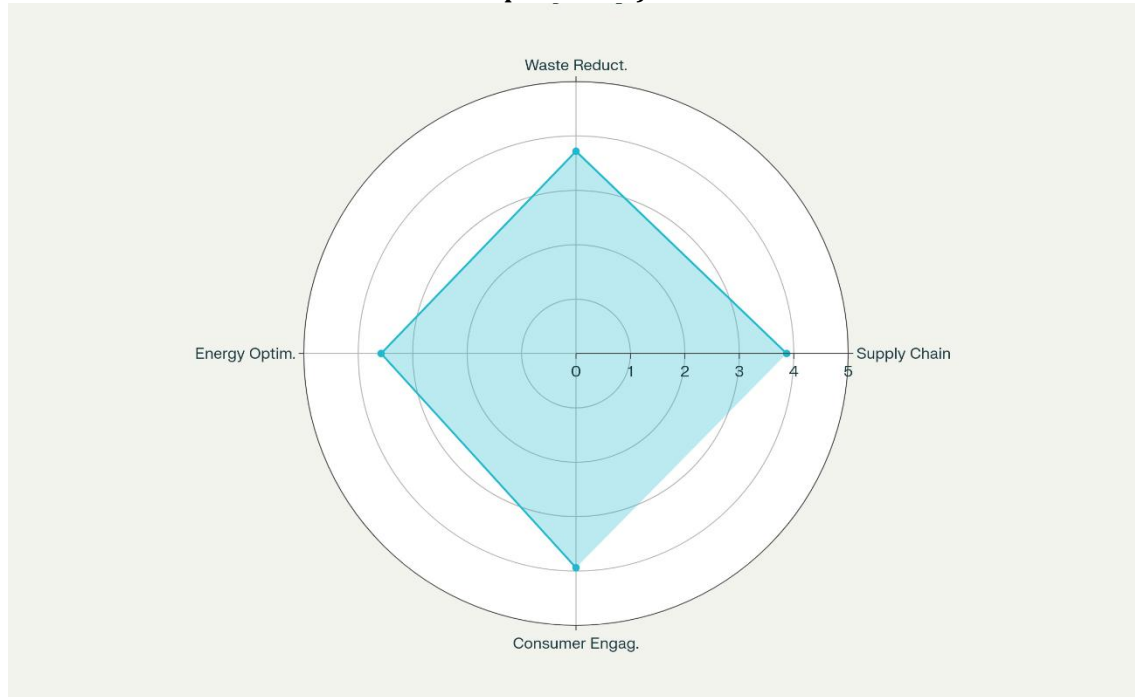
Each point represents respondent data; the trend line indicates a strong positive linear relationship. Organisations with higher technology adoption intensity consistently report greater sustainability performance improvements, supporting H1.

Multiple linear regression models identified adoption intensity, organisational size, and retail format as significant predictors of sustainability outcomes ( $F = 84.23, p < 0.001, R^2 = 0.724$ ). Adoption intensity emerged as the strongest predictor ( $\beta = 0.618, p < 0.001$ ), followed by organisational size ( $\beta = 0.287, p < 0.01$ ).

#### 4.5. Sustainability outcomes by dimension

The Friedman test examined whether sustainability improvements differed significantly across domains. Results indicated no significant differences ( $\chi^2 = 0.63, p = 0.987$ ), failing to support H3. Mean improvement scores demonstrated relative uniformity: consumer engagement ( $M = 3.94$ ), supply chain efficiency ( $M = 3.87$ ), waste reduction ( $M = 3.72$ ), and energy optimisation ( $M = 3.58$ ). Figure 6 illustrates sustainability outcomes across dimensions.

**Figure 6: Sustainability improvement outcomes across key dimensions (Mean scores on 5-point scale)**



Consumer engagement (3.94) and supply chain efficiency (3.87) demonstrate the highest improvement levels, followed by waste reduction (3.72) and energy optimisation (3.58). The Friedman test revealed no statistically significant differences across dimensions ( $\chi^2 = 0.63$ ,  $p = 0.987$ ), suggesting technology adoption generates relatively uniform sustainability benefits.

#### 4.6. Consumer investment and engagement

Spearman's rank correlation analysis examined associations between reported sustainability technology investment intensity and consumer engagement outcomes. Results revealed a strong positive correlation ( $\rho = 0.891$ ,  $p < 0.001$ ), supporting H4. Organisations in the highest investment quartile demonstrated consumer satisfaction scores averaging 4.62 (SD = 0.51), whilst organisations in the lowest investment quartile reported satisfaction scores approximating 2.47 (SD = 0.89).

#### 4.7. Hypothesis testing summary

Table 6 summarises the hypothesis-testing results for the four research hypotheses.

**Table 6: Summary of hypothesis testing results**

Hypothesis	Statistical Test	Test Statistic	p-value	Result
H1: Technology adoption → Sustainability performance	Pearson correlation	$r = 0.823$	$< .001$	<b>Supported</b>
H2: Barrier severity differs by category	Chi-square test	$\chi^2 = 86.52$	$< .001$	<b>Supported</b>
H3: Sustainability improvements differ by domain	Friedman test	$\chi^2 = 0.63$	.987	Not Supported
H4: Investment → Consumer engagement	Spearman correlation	$\rho = 0.891$	$< .001$	<b>Supported</b>

#### 4.8. Case study analysis

Five international retailers were examined to contextualise the Dubai findings and identify mechanisms for implementing best practices. Table 7 presents a comparison of case studies across technology portfolios, sustainability focus areas, documented outcomes, and implementation strategies.

**Table 7: Global retail case studies: Technology implementation comparison**

Company	Primary Technologies	Key Sustainability Focus	Documented Outcomes	Implementation Strategy
IKEA	AI, Blockchain, IoT	Circular economy, Waste reduction	22% waste reduction (2019-2024)	Phased geographic rollout
Inditex/Zara	AI, RFID, Robotics, IoT	Overproduction reduction	85% full-price sell-through	Workforce training priority
Tesco	Blockchain, IoT	Food traceability, Safety	6.5 days → seconds traceability	Supplier ecosystem phasing
Carrefour	AI, Blockchain, IoT	Consumer transparency	95% pricing accuracy	Employee AI literacy programmes
Unilever	Blockchain, AI	Ethical sourcing	Supply chain verification	Phased brand rollout

*Note.* Data compiled from corporate sustainability reports, annual reports, and industry analyses (2019-2024).

#### 4.8.1. IKEA: Circular economy architecture

IKEA's sustainability transformation exemplifies integrated technology deployment aligned with circular economy principles. The organisation established circularity targets for FY2030: 90 per cent circular fulfilment scores across product portfolios; 90 per cent of materials from recycled or renewable origins (IKEA, 2024). AI-driven demand forecasting integrates with IoT monitoring across 460+ retail locations globally, generating reported waste reduction exceeding 22% across Swedish operations between fiscal years 2019–2024. Blockchain QR code systems enable consumers to verify the origins of materials and ethical sourcing claims.

#### 4.8.2. Inditex/Zara: Predictive analytics and fashion acceleration

Zara deployed AI-driven demand forecasting across 7,000+ retail locations, enabling restocking cycles compressed to 10-15 days and 85% full-price sell-through rates, versus the 60% industry average (AIM Media House, 2025). RFID microchip technology provides item-level inventory visibility. Critically, implementation emphasised workforce transformation: staff received systematic training in AI system interpretation, transforming technological tools from organisational imposition into a workforce asset.

#### 4.8.3. Tesco: Blockchain food traceability

Tesco implemented IBM Food Trust blockchain systems, reducing traceability timescales from 6.5 days to seconds (Laourou, 2025). Consumer-facing interfaces enable direct product verification through QR code scanning. Implementation encountered substantial supplier onboarding complexity, requiring a multi-year phased rollout.

#### 4.8.4. Cross-case synthesis

Emergent patterns across case studies align substantially with Dubai survey findings. First, all organisations emphasised phased implementation sequencing. Second, all cases prioritised workforce training and change management. Third, successful organisations integrated multiple technologies into coherent ecosystems. Fourth, consumer engagement through transparency mechanisms emerged as a critical justification for adoption.

### 5. Discussion

#### 5.1. Theoretical implications

The investigation makes consequential theoretical contributions to the contextual specificity of technology adoption models. The quantitative findings demonstrate that regulatory compliance constitutes a substantially less influential adoption driver ( $M = 2.14$ ) within Dubai's environment than cost reduction ( $M = 4.61$ ) and consumer demand ( $M = 4.38$ ). This pattern diverges fundamentally from Western literature, in which regulatory mandates frequently serve as primary adoption catalysts, suggesting that TOE framework applications require contextual sensitivity to the prominence of environmental factors in weighting (Abed, 2020; Religia et al., 2025).

Furthermore, workforce capabilities and change management readiness emerged as preponderant adoption impediments (integration complexity  $M = 4.38$ , skills deficits  $M = 4.31$ ), yet existing TOE literature disproportionately emphasises technological and regulatory factors. This organisational emphasis reflects the scarcity of human capital characterising emerging market contexts.

## 5.2. Practical implications

The investigation generates several practical implications. First, retailers contemplating technology adoption should prioritise AI implementation over other technologies, given its highest adoption prevalence (62 per cent) and the strongest efficiency correlation ( $r = 0.812$ ). Subsequently, IoT deployment integrating real-time monitoring with AI analytics creates a comprehensive sustainability architecture. Blockchain deployment appropriately occupies later sequencing positions given greater organisational restructuring requirements.

Second, workforce development becomes critical. Rather than treating training as an operational expense, retailers should conceptualise capability development as a prerequisite for adoption. The case study evidence from Zara and Carrefour demonstrates that systematic employee engagement substantially enhances implementation success.

Third, retailers should explicitly prioritise consumer engagement mechanisms. Blockchain supply chain systems should incorporate consumer-accessible interfaces enabling participation in product verification.

## 5.3. Strategic recommendations

Table 8 presents strategic recommendations, along with their corresponding evidence base and case study support.

**Table 8: Strategic recommendations with evidence base**

#	Recommendation	Evidence Base	Case Study Support
1	Adopt phased technology rollouts	84% cite integration complexity as a barrier	IKEA, Zara, Tesco
2	Invest in workforce development	79% cite workforce skill gaps	Zara, Carrefour
3	Prioritise AI and IoT for operational efficiency	$r = 0.812$ (AI-efficiency), $r = 0.768$ (IoT-energy)	IKEA, Zara
4	Implement blockchain for trust and transparency	$r = 0.687$ (blockchain-trust)	Tesco, Carrefour, Unilever
5	Leverage market-based adoption incentives	Only 6% cite regulatory uncertainty	All cases
6	Drive consumer engagement through digital solutions	$\rho = 0.891$ (investment-engagement)	Carrefour, Unilever
7	Build long-term innovation roadmaps	86% focus on current tech, 51% on emerging	IKEA circular economy

## 6. Conclusion

This investigation examined digital technology adoption patterns and sustainability outcomes in Dubai's retail sector using a convergent parallel mixed-methods design. The quantitative findings demonstrate a robust positive correlation between technology adoption intensity and sustainability performance ( $r = 0.823$ ,  $p < 0.001$ ). Integration complexity (84%) and workforce skill deficits (79%) emerged as preponderant adoption barriers, substantially exceeding regulatory compliance concerns (6%).

The qualitative case studies illuminated mechanisms by which international retailers successfully navigate adoption challenges through phased rollouts, systematic workforce training, and consumer-facing transparency. Cross-case analysis identified four emergent patterns: (1) phased implementation sequencing; (2) substantial workforce training investment; (3) technology integration into coherent ecosystems; and (4) consumer engagement mechanisms providing psychological commitment.

The investigation extends technology adoption theory by demonstrating that applications of the TOE framework require contextual modification in market-driven institutional environments. Dubai's adoption dynamics - wherein competitive and consumer pressures supersede regulatory

mandates - create distinctive strategic requirements diverging from Western regulatory-driven contexts.

As Dubai positions itself as a global sustainability hub under the Dubai Clean Energy Strategy 2050 and in alignment with UN Sustainable Development Goals (SDG 9: Industry, Innovation and Infrastructure; SDG 12: Responsible Consumption and Production; SDG 17: Partnerships for the Goals), the retail sector represents a critical transformation domain warranting continued research attention.

## Limitations and future research

Several limitations constrain generalisability. Purposive sampling limits statistical inference to the achieved sample. Cross-sectional design precludes causal inference. Self-reported data is prone to social desirability bias. Future research should employ longitudinal designs tracking adoption trajectories, comparative studies across Gulf economies, and multi-source data integration.

## Conflict of interest statement

The authors declare that they have no conflicts of interest.

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