# Asda signs landmark cloud and AI deal with Microsoft to accelerate retail transformation



Asda has entered one of the UK retail sector’s largest cloud and AI partnerships, selecting Microsoft Azure as its primary cloud platform to drive a “cloud-first” strategy. Confirmed on 22 September, the deal will underpin Asda’s digital transformation, enhancing operational efficiency and delivering more personalised customer experiences.

The supermarket will adopt Microsoft tools including Fabric, Databricks and Copilot Studio to improve data-driven decision-making and productivity. Employees will also benefit from Microsoft’s Digital Skills Initiative, gaining training to adapt to a more AI-enabled workplace.

Matt Kelleher, Asda’s Chief Digital Officer, said the partnership will simplify operations while adding customer value. Microsoft UK & Ireland CEO Darren Hardman described it as “modernising Asda’s operations at scale, empowering colleagues and enriching customer interactions.”

The agreement builds on a 2022 collaboration and includes a joint investment fund to roll out new technologies across Asda’s operations. Earlier this year, the retailer introduced Microsoft Surface Copilot+ devices to boost efficiency and collaboration.

Asda’s move reflects a broader retail trend towards AI adoption. Sainsbury’s signed a five-year deal with Microsoft in 2024 to improve shopping personalisation, while Currys has partnered with Microsoft and Accenture to modernise its tech estate using generative AI.

Microsoft’s Digital & AI Skills Hub, which has already trained 1.5 million people across the UK, will support Asda’s workforce in building AI competencies.

By embedding cloud and AI technologies, Asda aims to become a more agile, efficient and customer-focused business—reinforcing both its competitiveness and the UK’s position as a leader in responsible, AI-driven retail innovation.

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## Bibliography

1. <https://www.grocerygazette.co.uk/2025/09/22/asda-microsoft-ai-deals/> - Please view link - unable to able to access data
2. <https://www.microsoft.com/en/customers/story/23818-asda-surface> - In July 2025, Asda partnered with Microsoft to modernise its operations by deploying Microsoft Surface Copilot+ PCs. This initiative aimed to enhance employee efficiency and customer service, marking a significant step in Asda's digital transformation journey. The collaboration focused on providing advanced digital tools to employees, streamlining operations, and improving collaboration across teams, thereby reinforcing Asda's commitment to innovation and everyday low costs.
3. <https://ukstories.microsoft.com/features/when-the-magic-starts-to-happen-asdas-cloud-first-mission-to-sharpen-value-and-competitiveness/> - On 22 September 2025, Asda expanded its collaboration with Microsoft, establishing Microsoft Azure as its primary cloud platform. This strategic move aimed to accelerate Asda's shift towards a 'cloud-first' operating model, enhancing productivity and delivering more personalised shopping experiences. The partnership also included a joint investment fund to integrate new technologies across Asda's operations, exemplifying how cloud and AI technologies can transform retail at scale.
4. <https://www.reuters.com/business/retail-consumer/british-grocer-sainsburys-partners-with-microsoft-use-ai-data-insights-2024-05-17/> - In May 2024, Sainsbury's, the UK's second-largest grocery chain, entered a five-year strategic partnership with Microsoft to leverage AI capabilities for enhancing data insights. This collaboration aimed to provide more personalised online shopping experiences, improve search functions, and equip in-store staff with real-time data for efficient shelf replenishment, thereby reducing the time needed for launching new services and product innovations.
5. <https://www.salesforce.com/news/press-releases/2022/06/09/salesforce-asda-grocery-news/> - In June 2022, Asda embarked on a world-class retail technology transformation project by deploying Salesforce technology. This initiative aimed to provide a 360-degree view of its customers, offering personalised and tailored experiences. By leveraging Salesforce’s full retail suite, including Commerce Cloud, Service Cloud, and Marketing Cloud, Asda sought to create a cloud-first environment that delivers a connected and consistent experience across every channel and device.
6. <https://ukstories.microsoft.com/features/currys-selects-microsoft-and-accenture-to-accelerate-adoption-of-generative-ai/> - In May 2024, Currys, a leading international omnichannel retailer, selected Microsoft and Accenture to deliver its core cloud technology infrastructure. This partnership aimed to enable Currys to leverage the latest AI technologies, modernise its technology estate, and accelerate the adoption of Microsoft AI technologies such as Azure OpenAI Service, thereby enhancing operations and elevating the shopping experience for its 25,000 employees.
7. <https://www.microsoft.com/en-gb/home/digital-skills/> - Microsoft's Digital & AI Skills Hub is an initiative aimed at building digital skills across the UK. Since 2020, Microsoft has trained over 1.5 million people in digital skills and is committed to helping a further 1 million people gain access to AI skills. The hub offers resources for individuals, apprenticeships, organisations, and leaders, providing learning pathways, certifications, and community hubs to enhance AI skills and career opportunities.