USE CASES // RETAIL AND E-COMMERCE

AI in Retail and E-commerce: what's already working, and what's next

Five practical uses of AI and automation for small retailers and online stores, sorted by how proven they are.

> **The short version:** retail is one of the more active adopters, mostly for writing product and marketing content and answering customers. Stock forecasting and returns are the next wave, and the evidence there is thinner.

Where the sector sits

Government tracking (DISR, 2025 Q1) puts retail AI adoption at **46%**, above many other industries. A Shopify survey of 513 Australian retail decision-makers (Nov 2025) found **78%** had used ChatGPT or another generative AI tool in the past year. Vendor-run surveys also show a gap: monday.com found **40.9%** of small retailers had AI agents live, against 71.4% of mid-sized chains.

What's typically painful

Small retailers handle a lot of low-value repeat work: writing listings, answering "where is my order" and returns questions, keeping stock right across store and online, and pulling reports from several systems. Cost and trust are the main hurdles: 73% of micro retailers cite cost, and 67% of ANZ retailers worry about inaccurate AI outputs (monday.com).

Established: businesses like yours are already doing this

Use case	The everyday problem	What the AI does	What the evidence says
Product descriptions and marketing content	Writing and updating listings, emails and social posts by hand.	Drafts from product details or photos. A person checks accuracy and brand voice before publishing.	Survey (Shopify): 37% name marketing content and 34% product content as a top AI use. Vendor-run. No time-saving figure.
Customer service chatbot and order-status replies	Staff answer the same delivery, sizing and returns-policy questions.	Answers from your policies and order data, and hands tricky cases to a person. Can also draft replies for staff.	Survey (monday.com, ANZ): 63.6% of fashion and e-commerce retailers use AI for customer support. Vendor-run. No saving figure.
Sales reports and trends	Owners export from several systems and build reports by hand.	Summarises sales, top and slow sellers and trends in plain English, or sends a weekly digest.	Survey (Shopify): 33% name data analysis and reporting as a top AI use. One vendor survey. No saving figure.

Emerging: early adopters are starting, worth planning for

Use case	The everyday problem	What the AI does	What the evidence says
Stock forecasting and reorder suggestions	Overstocking ties up cash and stockouts lose sales. Reorders are by gut feel.	Uses sales history and seasonality to suggest what to reorder and when. The owner approves.	Vendor claim (Cin7): over 99% availability and up to 20% less inventory capital. No independent evidence for small retailers.
Returns and order-issue handling	Returns and “my order is wrong” cases take staff time and need consistent policy.	Checks the order, applies your policy and prepares a label or refund for a person to approve.	Shopper willingness only (Salesforce, ANZ): 55% would use an AI agent for returns. No evidence of SME use yet.

Before you start

Protect personal information. The Privacy Commissioner’s guidance (OAIC) advises against entering personal information into public AI tools, and asks you to check whether a vendor can see or train on what you enter. Check whether the Privacy Act applies to your business, and tell customers when they are dealing with an AI. **Keep a person on money.** Refunds and refusals should be approved by staff. Only 9% of ANZ retailers trust AI to run the whole customer journey unsupervised (monday.com). **Check what the AI says.** Listings must be accurate; confirm your obligations under Australian Consumer Law.

Sources: DISR AI adoption in Australian businesses, 2025 Q1; Shopify survey via eCommerceNews, Nov 2025; monday.com and CensusWide survey via ITWire, Sep 2025; Salesforce Connected Shoppers Report (ANZ); Cin7 release via AAP, May 2024; OAIC guidance on commercially available AI products. Outcome figures marked vendor claim or company claim are the supplier’s own and have not been independently verified. Survey figures reflect the businesses surveyed and may not match every firm.

Want to talk this through for your business?

Book a free 15-minute call. We’ll look at your situation and give you a straight answer, with no jargon and no sales pitch.

Let’s Chat

Opens the request form on our website. Free, no obligation.