

Where will generative AI have the biggest impact in retail?

Article

Generative AI is set to have far-reaching implications for the \$5.920 trillion global ecommerce sector. Here's our take on the top three areas where the technology could have the greatest impact.

- **Mobile commerce.** Generative AI has the potential to speed up innovation in the \$4 trillion global mobile commerce sector, which accounts for over two-thirds of total ecommerce sales. The technology could help retailers and brands design better mobile apps with less time and resources. It could also power features that enhance the smartphone shopping experience, such as integrated chatbots offering instant support, or tools enabling customers to instantly personalize and visualize custom products via their smartphone.
- **Social commerce.** High-quality content is central to any social commerce strategy, but many retailers and brands lack the in-house expertise to produce such content. Generative AI could reduce that friction because it offers a cost-effective way to create blogs, captions, images, and videos to help convert social shoppers. Beyond its impressive storytelling capabilities, the technology could also be used to create diverse and representative “virtual” influencers, which are particularly appealing to Gen Z—the generation most likely to shop via social media.
- **Voice commerce.** One of the barriers to wider adoption of voice commerce has been the relatively restricted responses that voice assistants such as Alexa can currently deliver. Generative AI could help change that by making automated responses more personable and human-like, potentially elevating the customer experience. However, it won't help solve other frictions in the voice shopping experience, such as the lack of screens on most smart speakers or concerns over privacy.
- **Other top channels.** Generative AI can create high-quality content, improve personalization, accelerate product design, and reduce manual inputs to improve efficiency. That means a wide range of consumer channels will be impacted, from websites to in-car commerce.

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