

AI Adoption for Small Tech Businesses: Benefits of AI for Small Businesses

There are a number of ways that adopting artificial intelligence technology into business processes can benefit small businesses. Among these are cost savings, increased efficiency, customer service enhancement, marketing and content creation, and decision support.¹ This document will provide details on how each of these benefits can be achieved with the power of AI.

While artificial intelligence doesn't replace the need for human employees entirely, it does allow for certain repetitive tasks such as data entry, scheduling, and responding to customer FAQs to be automated, allowing human employees to focus their attention on more difficult tasks that require problem-solving and creativity.² Additionally, these tasks being offloaded onto AI means that small businesses do not need to pay employees for time spent completing these tasks, which can lead to significant cost savings,³ depending on how much time employees were spending on these tasks before AI automation was implemented. This can also lead to increased employee satisfaction and productivity as their time is now freed up to focus on projects requiring more problem-solving and critical thinking compared to other mundane tasks. Automation of these tasks also leads to increased efficiency - because of their sheer

¹ E. Bell, "How Small Businesses Can Use AI Tools," *Investopedia*, Mar. 20, 2024. <https://www.investopedia.com/how-small-businesses-can-use-ai-tools-8609366> (accessed Jul. 25, 2025).

² IBM, "Introduction to Artificial Intelligence (AI) - Transforming Businesses Through AI," *Coursera*. 2020. Accessed: Jul. 25, 2025. [Online]. Available: <https://www.coursera.org/learn/introduction-to-ai/lecture/fk6bO/transforming-businesses-through-ai>

³ A. Bansal, "Council Post: Smart Automation: AI's Impact On Operational Efficiency," *Forbes*, Aug. 12, 2024. <https://www.forbes.com/councils/forbestechcouncil/2024/08/06/smart-automation-ais-impact-on-operational-efficiency/> (accessed Aug. 01, 2025).

computational power, artificial intelligence models can handle these repetitive tasks much more quickly than any human could.³ Additionally, artificial intelligence models are not prone to fatigue or making mistakes on repetitive tasks like human employees.³

AI can be helpful in regards to customer service as well. As mentioned in the previous section, artificial intelligence can be used to generate and send automated responses to common customer queries. While there might not always be a human customer service representative available to respond to a customer's questions, an automated AI chatbot can operate 24/7 and provide almost instantaneous responses to FAQs and simple requests that customers may have. This allows human customer service representatives to focus their time on more complex queries and with customers who are turned away by floods of other simple requests from customers. These human employees can provide faster responses to the more complicated questions and requests that customers may have. Additionally, AI can be helpful in the realm of personalization. Artificial intelligence models can identify trends and similarities quickly that human employees may not see, because AI models can codify much larger volumes of data quickly and extract meaningful insights from this data that may take a human employee much longer to find. Increased personalization not only increases customer satisfaction but can also lead to more sales through targeted advertising and product suggestions.

Artificial intelligence, and in particular generative AI, can be used to quickly and inexpensively create content for various purposes such as ad copywriting, social media, and customer correspondence.⁴ Generative AI tools such as ChatGPT, GPT-4o, Copilot (GPT), Midjourney AI, and

³IBM, "Introduction to Artificial Intelligence (AI)," *IBM Daily Life*, (Coursea, 2020). Accessed Jan. 26, 2024. [Online]. Available: <https://www.coursera.org/learn/introduction-to-ai/lectures/K30E3ar-in-daily-life>

⁴IBM, "Introduction to Artificial Intelligence (AI)," *OpenAI GPT-4o*, (Coursea, 2024). <https://www.coursera.org/learn/introduction-to-ai/lecture/2ba0b0different-types-of-ai> (Accessed Jan. 26, 2024).

Google's brand AI model can create personalized content ranging from text to images for free. As long as the model is provided with a sufficiently detailed prompt, generative AI tools can create almost anything you can imagine in the blink of an eye. It's no wonder you or your business. Again, this application does not remove the need for human employees. Employees who have a strong understanding of the business, its marketing strategies, and its customers are needed in order to provide detailed prompts to generative AI models so that the model produces relevant results. Additionally, human oversight is needed to evaluate the end product that an AI model produces and tweak it to improve its quality. Instead of replacing marketing employees, AI becomes a tool at their disposal to help increase efficiency.

Big data analytics are becoming ubiquitous and great new data patterns and trends in data they become very helpful in the realm of decision-making, as mentioned in a previous section. AI models can go through massive volumes of data quickly to pick out trends and conclusions that human employees might not be able to find. This powerful and efficient data processing can help businesses in areas such as predicting product demand and optimizing business processes. Tools such as IBM Watson, Google Analytics, and Tableau can analyze business data and provide insights that help leadership make more informed and strategic choices, allowing businesses to gain a competitive edge.

This is not an exhaustive list of the ways AI can benefit small businesses. Surely, there are now countless use cases that have yet to be discovered. Overall, the effectiveness of any artificial intelligence application depends on the business and how the tools are used. Only you

¹ S. Gardner, "Empowering Small Businesses: The Impact of AI on Leveling the Playing Field," Open Policy Institute, Open Policy Institute, Mar. 27, 2024, <https://www.openpolicy.org/empowering-small-businesses-the-impact-of-ai-on-leveling-the-playing-field/> (revised Mar. 27, 2024).

as an expert in your business, can determine when and how artificial intelligence will be beneficial. These examples are merely a starting point to help meditate the need of potential AI applications that will benefit your business in profound ways.