

# The impact of AI on eCommerce



## 6 Decision-behavior insights for brand success

How is AI influencing consumer shopping behavior online? The SKIM Trends Lab's research uncovered the friction points, opportunities and implications for innovation, communication and pricing strategies. Read on to learn how to successfully influence adoption of AI-driven shopping solutions.

### 1 Across generations, shoppers are ready for AI

There is significant demand across all age groups, with Gen Z and Millennials leading the curve, for AI-based online shopping services.



**78%**  
Prospective users across all ages



**29%**  
Current adoption among younger generation

#### RECOMMENDATION

Appeal to and engage all generations by diversifying AI-based shopping services and placing an emphasis on user-friendliness.

### 2 The AI-personalized path to purchase

AI's current usage mainly enhances the early stages of the online shopper journey, offering personalized deals, recommendations and optimized price comparisons.



**23%**  
Gather latest promotions, personalized to shopping habits and preferences



**24%**  
Obtain personalized product recommendations



**23%**  
Extensive comparison of offers across websites to find the best deal

#### RECOMMENDATION

Drive deeper engagement and conversion by leveraging significant opportunities to expand AI integration across the entire customer journey.

### 3 Trust in AI: Bedrock to consumer confidence

A lack of trust regarding ethical AI application and privacy protection is a significant barrier to expand its integration. More than half of consumers doubt that AI is improving their online shopping experience.



**36%**  
See a risk of brands misusing AI for their own advantage.



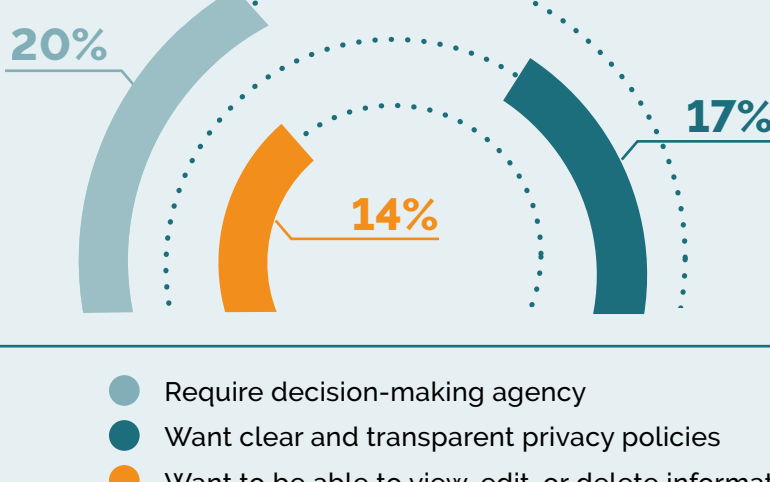
**41%**  
Fear the loss of privacy, use of sensitive personal information without knowledge or consent.

#### RECOMMENDATION

Build consumer trust and integrity by developing communications around transparency, ethical AI practices and robust privacy protections.

### 4 Empowerment: The key to AI adoption

Preserving human agency and control in AI interactions encourages adoption.



#### RECOMMENDATION

Prioritize user control, transparency and privacy when designing AI systems.

### 5 Maximize convenience: Drive value and profit

AI-powered shopping services that cater to the desire for personalization and convenience can help drive loyalty and profitable growth.

**30% +**  
Consumers are willing to pay for AI-based services like:



**Collect extensive product information**

Specs, ratings, reviews to make my purchase decision



**More intuitive product search**

To refine my search to find exactly what I want



**More realistic product demonstrations**

To help me "try out" the product

#### RECOMMENDATION

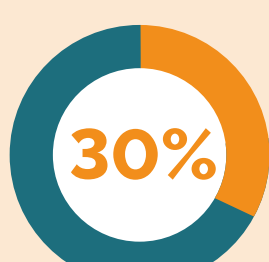
Focus on value-driven AI services. Prioritize innovations that offer the value consumers are willing to pay more for such as convenience.

### 6 Navigate AI's tipping point: Find the balance

Offering convenience, without overstepping, is crucial; Shoppers want to retain control over their shopping experience and final decisions.



Over 30% of consumers reject overly automated experiences, such as:



- Voice-activated shopping via virtual assistants

#### RECOMMENDATION

Demonstrate how AI can enhance, rather than replace, the shopping experience, with a balance of automation and consumer control and choice.

Want to learn how to increase brand value by seizing the potential of AI?

Schedule a consultation today



#### ABOUT THIS SKIM RESEARCH

With 45 years of experience in understanding and predicting decision behavior, we wanted to go beyond the hype of AI to uncover real implications for our clients. Using a hybrid quantitative, qualitative approach, the SKIM Trends Lab conducted research in the United Kingdom and Germany between September and December 2023. "Beyond the hype: The impact of AI on consumers and brands" reveals AI's broad impact on five key industry sectors (online shopping, health, travel, finance, and education). We share the friction points in the customer experience and potential AI solutions you should consider to elevate your brand.