

# The impact of AI-powered ChatGPT on digital media agencies and e-commerce

Issued by [TDMC](#)

29 Mar 2023

Since its launch in November last year, ChatGPT has been dominating conversations amongst marketers, educators, journalists and technologists, thanks to its remarkable human-like ability to produce well written topic-specific content in seconds. Many question whether AI-powered ChatGPT is coming for their jobs and the far-reaching impact it will have on society.



While chatbots themselves have been around for ages, ChatGPT – developed by San Francisco company OpenAI – takes them to the next level by using artificial intelligence to answer questions posed to it in an eerily human way.

Here Cheryl Ingram, managing director and co-founder of one of South Africa's most successful e-commerce agencies, [The Digital Media Collective \(TDMC\)](#), discusses how they are utilising ChatGPT within their business and the impact it will have in the future.

TDMC is one of only four accredited Shopify Expert Partners in Southern Africa, as well as a Google Expert Partner and Meta Business Partner, and has launched more than 200 e-commerce stores in the last five years.

**TDMC is known for embracing new innovations in the industry. What impact is ChatGPT having on the way you do business?**

**CI:** There is no doubt that ChatGPT is one of the most exciting AI-powered tools to be launched into the market. The numbers speak for themselves – ChatGPT hit one million users in just five days after its launch in November last year. Even now, if you log onto their website you have to wait in line to use it.

Within our agency, AI-powered chatbots are very useful for concept ideation – they help to spark ideas and kickstart conversations. While it is an excellent thought starter, we would never use it in a cut and paste environment, and I don't think anyone should.

The biggest impact for us as an agency today – and into the future as we work towards implementing the four-day work week – is how we can use ChatGPT as a tool to help increase productivity, enabling us to do more, quicker.

### **And what about its potential for e-commerce?**

**CI:** AI is already being integrated into Shopify for product description generation and we have also seen early-stage AI tools for image generation that are proving to be incredibly useful for e-commerce and social media marketing. And really, this is just the beginning in terms of its potential.

In terms of ChatGPT, many people are already saying that it will be no different from the calculator and it will bring many far-reaching advantages. For us in the short term, it will certainly be a useful tool in terms of copywriting – again not in a cut and paste capacity, but rather to help generate content ideas or angles for e-commerce campaigns.



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We see it being very useful for helping to formulate website copy, product descriptions and newsletter content, all of which are essential for businesses in the e-commerce space. It will also be very useful for community management especially as you can connect it to order management systems and logistics platforms, allowing for the instant ability to search for customer order numbers, courier tracking and other e-commerce related queries.

This will enable faster automated responses that are personalised and written in a way that read like a real human to be more engaging with a customer. As with any of these tools however, what you get back, is only as good as the level of the questions being asked.

### **Tell us more about the links between e-commerce, ChatGPT and CX.**

**CI:** A good or bad customer experience can make or break a business – especially in the e-commerce space where the relationship between customer and brand is often devoid of human contact. Chatbots are nothing new – they have been around for ages. However, the old-style chatbots simply analyse the words the customer types and then responds with a pre-prepared answer.

It can be hit or miss whether it provides the correct information.

With AI-powered chatbots these answers are more likely to be relevant, personalised and conversational, which will definitely improve the customer experience, and with it, customer satisfaction. However, while ChatGPT will certainly be a useful tool for businesses in the e-commerce space to utilise, at the end of the day the company's success will still depend on having a good product and being competitive in the category.

### **What is the biggest misconception around AI-powered chatbots and their impact on the industry?**

**CI:** While ChatGPT definitely has an important role to play in our space, this is simply as an additional tool to improve productivity – we don't see it replacing any team members any time soon. AI-powered chatbots might seem like they are 'understanding and 'conversing' with you, but it's important to remember it is actually a computer that is only acting like a human.

It scans large amounts of pre-existing text – that could be Wikipedia or tweets – and looks at how those sentences are constructed and the information within them and then links them together to create an answer.

Importantly, AI-powered chatbots are only as reliable as the information they are scanning – and that information might not always be correct. We saw this play out with Google's launch of their rival AI chatbot, Bard. In the promotional advert for Bard, it gave the incorrect answer to one of the questions and sent Google's stock plummeting.



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Essentially, these bots are indeed useful for formatting and creating content outlines, but they still require human intelligence rather than artificial intelligence to make that content appropriate. Simply put, AI-powered chatbots are not nuanced, can't read a room and definitely need to be fact checked!

So, while it is clear that AI-powered chatbots don't (yet) have the capability to replace humans, they are only going to get smarter every day and are an essential tool for forward-looking businesses wanting to stay ahead of the curve on their digital transformation journey.

AI powered chatbots might not replace jobs, but they will certainly transform them.

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