

AI Could Give Small Business Owners Their Most Precious Commodity Back: Time

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Alibaba.com



70%

of small businesses
are confident using AI

48%

of small businesses
are using it regularly

Small businesses are embracing AI. The next opportunity is to help them move from using it as a tool to using it as a genuine business partner.

For Britain's small business owners, there is one resource that is almost impossible to create more of: **time**.

Running a small business frequently means being the marketing department, finance team, customer service function, operations manager and strategist simultaneously. For side hustlers and micro businesses, this challenge is even more acute. Every hour spent comparing suppliers, updating stock, analysing information or carrying out administration is an hour that cannot be spent finding customers, developing products, growing the business, or simply stepping away from work.

New research from Small Business Britain and Alibaba.com suggests that artificial intelligence could begin to change this equation.

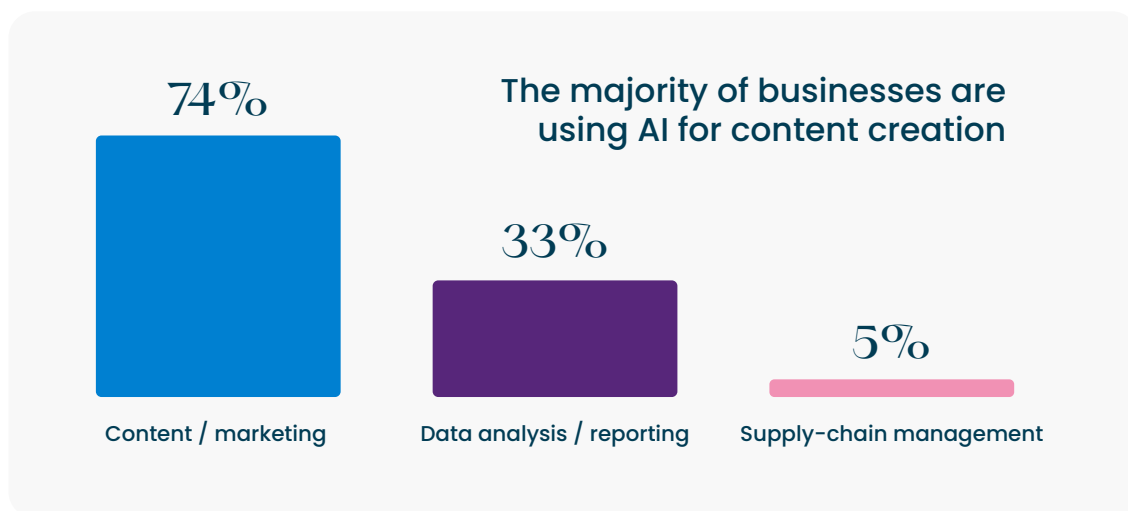
The findings reveal a small business community that is increasingly confident about AI and already using it to make everyday business tasks easier. **Seven in ten (70%) small businesses say they are somewhat or very confident using AI**, demonstrating that the technology is rapidly becoming part of the mainstream business landscape.

Yet there is also a significant gap between confidence and deeper adoption. **Less than half (48%) are using AI regularly**, and where businesses are using it, applications remain concentrated around a relatively narrow range of tasks.

This creates a major opportunity. The next stage of small business AI adoption is not simply about persuading more entrepreneurs to experiment with the technology. It is about helping them understand how AI can take on more complex, time-consuming work and, in doing so, give business owners back some of their most valuable resource.



Small Businesses Have Started Their AI Journey. But Are Only Scratching the Surface



The research paints an encouraging picture of AI adoption. Small businesses are interested, increasingly confident and already finding practical uses for the technology.

However, much of today's activity remains focused on content creation. Among businesses using AI, **74% are using it for content or marketing**, making this by far its most common application.

This is understandable. Generative AI has provided an accessible entry point for small businesses, allowing entrepreneurs to create social posts, marketing copy, emails and other content more quickly. These are immediate, visible applications with relatively little technical knowledge required.

But the figures suggest that the much bigger productivity opportunity is yet to be realised.

Only around **one third of businesses are using AI for data analysis or reporting**, while approximately **5% are using it for supply-chain management**. Only around a third are using AI to support smarter decision-making.

In other words, small businesses have begun to use AI to help them *create*, but there is enormous scope to help them use AI to **analyse, decide, organise and act**.

This is an important distinction. For a small business owner, the greatest benefit of AI may ultimately be less about writing a social media post faster and more about removing hours of repetitive work from the working week.

The research strongly supports this. **Four in five small businesses (80%) identify saving time as a key benefit of AI**, substantially ahead of creativity and innovation at 43%.

Time is therefore not a secondary benefit of AI adoption for small businesses. It is at the heart of the opportunity.



From Generative AI to Agentic AI

The emergence of agentic AI could represent the next significant step in this journey.

Where generative AI predominantly responds to a request by producing an output, agentic AI has the potential to help undertake more complex, multi-stage tasks. Rather than simply providing information, it can support an entrepreneur through a process: researching options, comparing information, identifying potential solutions and helping move a task towards completion.

For time-poor entrepreneurs, the potential is significant. Yet awareness remains at an early stage. **Only 44% of small businesses have heard of agentic AI, and just 5% are currently regular users.**

Crucially, this lack of familiarity should not be mistaken for lack of appetite. **More than two thirds (68%) want to learn more about agentic AI.**

This creates a clear opportunity for technology providers, business support organisations and other parts of the small business ecosystem. The challenge is not to convince entrepreneurs that technology matters, but to demonstrate in straightforward, practical terms what the next generation of AI could actually do for their businesses.

The starting point should be the problems entrepreneurs already want to solve.



Taking the Work Out of Finding and Managing Suppliers

Sourcing provides a particularly powerful example.

Small business owners spend considerable amounts of time identifying potential suppliers and working out whether they are getting the right product, quality and price. The research finds that **50% identify comparing price options as a significant use of their time when working with suppliers, while 45% point to finding suppliers itself.**

These are precisely the types of multi-stage activities where more advanced AI has the potential to create substantial productivity gains. Instead of manually searching, comparing and evaluating options across multiple sources, AI can increasingly support businesses in bringing information together and making it easier to understand.

This has particular relevance internationally. Around **one third of businesses surveyed are already sourcing internationally**, demonstrating that global supply chains are not solely the preserve of larger organisations. At the same time, around a third currently source only within the UK, representing a substantial group for whom technology could potentially make exploring international sourcing more accessible.

Tools such as **Accio from Alibaba.com**, for example, demonstrate how agentic AI can begin to support businesses with complex sourcing requirements, helping entrepreneurs explore products and suppliers and navigate information that would traditionally have required significant time and manual research.

The same principle applies elsewhere in the business. Businesses operating across multiple online stores report that they are largely updating those stores individually rather than simultaneously, with updating stock content emerging as a particular challenge.

These are not glamorous business tasks. But that is precisely why they matter. The real AI revolution for small businesses may ultimately happen not in the headline-grabbing applications, but in the hundreds of repetitive tasks that collectively consume an entrepreneur's working week.



AI and the Holy Grail of Small Business: Work-Life Balance

Perhaps the most striking finding in the research is what entrepreneurs would like to do with the time AI could release. When asked about the potential advantages of agentic AI, **60% identify improving their work-life balance**. This is the number that perhaps best captures the human opportunity presented by AI.

Productivity is usually discussed in terms of output: producing more, selling more or reducing costs. For a small business owner, however, productivity can mean something much more personal.

It might mean finishing work at six rather than nine.

It might mean taking a weekend off.

It might mean spending more time with family.

It might simply mean having enough space away from everyday administration to think properly about where the business is going.

There is an equally important growth dividend. **Half (50%) say a major potential benefit of agentic AI would be having more time to spend on marketing and finding customers**. These two findings should not be seen as competing outcomes.

For entrepreneurs, better productivity can create both **better businesses and better lives**.

AI can potentially absorb more of the repetitive work surrounding the entrepreneur, allowing the entrepreneur to concentrate on the things where human skills matter most: relationships, creativity, leadership, customer understanding and ambition.



From Tool to Trusted Adviser

15%

of small business are turning to AI for help



⚠️ Concerns

69% say privacy and security

61% say reliability and accuracy

There are early indications that the relationship between entrepreneurs and AI is already beginning to deepen. When faced with difficult business decisions, **15% of small businesses say they are already turning to AI for help**. A partner remains more likely to be consulted, at 23%, but AI is already ahead of friends, family members, business advisers and mentors among the response options measured.

This should not be interpreted as AI replacing human advice. Instead, it points towards an emerging role for AI as another source of information and perspective available immediately to entrepreneurs who may otherwise have nobody within their business with whom to discuss a decision.

For a one-person business, that could be particularly powerful. Large companies have finance directors, marketing teams, analysts, procurement specialists and senior management teams. A micro business owner frequently has none of them. Used responsibly, AI has the potential to put considerably greater capability around that individual.

There are understandable reservations. **Data privacy and security are concerns for 69%**, while **61% identify reliability and accuracy as concerns**, and 46% express some discomfort about AI making decisions on their behalf.

These findings underline the importance of education rather than undermining the opportunity. Small businesses need to understand both what AI can do and where human oversight remains essential. Building confidence will require transparent tools, practical demonstrations, trusted training and clear guidance around responsible use.



The Next Phase: Helping Small Businesses Get More From AI

The research ultimately presents a highly positive picture. Small businesses are not standing on the sidelines of the AI revolution. **Seventy per cent already have some confidence in the technology. Almost half are using it regularly. More than two thirds want to understand agentic AI better**. The foundations are therefore firmly in place.

The next challenge is depth. Small businesses need support to move beyond the most obvious applications of generative AI and understand how the technology can tackle the operational challenges that consume their time.

That means practical training based around real business problems rather than technical explanations of AI. Entrepreneurs need to see how technology can help them compare suppliers, understand data, manage multiple sales channels, research markets, streamline administration and make better-informed decisions.

They also need opportunities to experiment safely. Business support organisations and technology providers can play an important role in creating accessible training, demonstrations and case studies showing how businesses like theirs are already benefiting.

The goal should not be to turn small business owners into AI experts. It should be to give them sufficient understanding and confidence to make AI work for them.



Giving Small Businesses Back Their Time

For decades, one of the defining disadvantages of being a very small business has been capacity. A large company can add another person, create another department or employ another specialist. The smallest businesses cannot. AI begins to change that calculation.

The first wave has helped entrepreneurs create content more quickly. The next could help them research, analyse, source, organise and make decisions more effectively. Agentic AI potentially takes that evolution another step further, moving from technology that answers questions towards technology that can help entrepreneurs get things done.

There is still a considerable journey ahead. Awareness needs to grow, trust needs to be earned and small businesses need practical support to understand the opportunities available to them. But the appetite is clearly there.

And the prize is about much more than technology. If AI can remove some of the hours small business owners currently spend searching for suppliers, comparing prices, updating information, analysing data and carrying out repetitive administration, those hours can be reinvested.

They can be spent finding customers.

They can be spent developing new ideas.

They can be spent growing internationally.

Or they can simply be spent away from the business.

For Britain's entrepreneurs, **time is one commodity that has always been in desperately short supply. AI may finally offer an opportunity to give some of it back.**

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