Role of Artificial intelligence in Running of business for MSME Companies.

Preliminary literature review :

AI is the most powerful technology available to mankind today and the biggest mistake anyone can make is to ignore it. Leaders of nations and business alike are seeing both the magnitude of opportunities AI brings . AI is nothing new and nothing magical . The first developments in AI date back to the 1950s. AI refers to the ability of the computer systems or machines to display intelligent behavior that allows them to act and learn autonomously. In its most basic form , AI takes the data , applies some calculation rules or algorithms to the data and then makes decisions or predicts the outcomes. All the big MNCs have incorporated the use of artificial intelligence in their business to increase efficiency and reduce the costs. For example, Alibab uses AI to predict what the consumer might want to buy from its website. Amazon on the other hand has Alexa in the form of voice assistant which helps the users to have remote experience. Amazon has also opened its retail stores in the USA which is completely runned by the help of Artificial intelligence. Previously the research has been made regarding the implications of the implementation of artificial intelligence in the small and medium enterprise whether it is sales, production or marketing. Previous scholarly articles have also been written on how many MNCs have changed their business model to the artificial intelligence model and that helped them to scale their business. Artificial intelligence has already taken many strides in fintech companies and it has also helped the finance industry to mainstream and faster digital payments.
More and more companies are recognizing the potential of AI; however, they lack the knowledge of how to integrate it into their existing business. Previous scholarly articles have also been written on how AI technologies for example autonomous robots , cyber physical systems have been an easier and effective adoption for big MNC's but it is not feasible for SMEs due to high relative cost.

Research Gap and Research question/objective :

The proper adoption and management of AI to create a sustainable business is one of the biggest problems in the upcoming artificial intelligence era. Unparalleled technology (industry) expertise

gives many SMEs certain competitive advantages (Falk et al., 2020). To introduce and run data- and AI-based (service) business models successfully and efficiently, they rarely access additional relevant knowledge domains due to their limited financial, staffing, and human resource resources (Abu-Rumman et al., 2021). (Andrade et al., 2022; Coreynen et al., 2017). Transactional sales with a relatively low number of client touch points and a strong emphasis on cost effectiveness typified industrial manufacturing for a very long period. Despite the potential benefits and challenges of AI for SMEs, there is limited research on its specific impact on the running of SMEs. Most existing research focuses on the adoption and implementation of AI in larger companies and does not take into account the unique challenges faced by SMEs

According to Qvist-Srensen (2020), the market is becoming more and more adaptable to customer-specific product-service solutions. The traditional industry's once-essential product-centric success factors, such as "new materials and technologies, faster and more reliable automation, more precise machining, waste reduction programs, smoother flow of parts, employee engagement, and closer coupling within the supply chain" (Baines & Lightfoot, 2013, S. 2), are no longer sufficient to stay competitive. Instead, it's crucial to satisfy clients' wants rather than just offer them a product (Gaiardelli et al., 2021). In this context, digitization offers a variety of opportunities for the evolution of business models toward (service) business models. We still think there is a scope of more development of AI technology at reasonable price for the adoption for the small and medium enterprise. MSME companies are still scared to adopt the AI technology because firstly they are not aware about the technology and how it can help them to scale their business and reduce the cost. Secondly they think that their process of production might leak by getting it done through artificial technology. There is still a research gap of measuring the actual impact of AI on performance . We also need to examine the ethical and social implications of AI in the context of MSMEs, such as job displacement and privacy concerns. Another study conducted by PwC (2019) found that AI has the potential to transform business operations by improving operational efficiency, customer experience, and decision-making. AI can help businesses automate routine tasks, improve the accuracy of predictions, and provide real-time insights into business performance (PwC, 2019).

The research question can be framed like " **What is the impact of AI on MSMEs and what benefits can they derive from its adoption?**

Methodology and data analysis :

This research will use qualitative research techniques. Through in-depth interviews with owners and managers of MSMEs that have implemented AI, qualitative data will be gathered. The interviews will concentrate on the particular difficulties and advantages that these companies have encountered when adopting and using AI.

Expected contribution :

This study is expected to contribute to the understanding of the role of AI in running MSMEs and the specific benefits that they can derive from its adoption. The findings of this study will provide insights into the current state of AI adoption in MSMEs and the challenges and benefits that these businesses can face. This research is also expected to make a significant contribution to the understanding of the role of AI in the running of MSME companies.