

Network data showed staff were already using AI tools nobody had approved. **Instead of blocking it, MSI helped the business run AI on purpose.**

The Challenge

In spring 2026, MSI pulled network data for this independent jewelry retailer and found steady AI tool traffic, most of it ChatGPT. Nobody had approved a tool, and no policy told staff what they could put into one.

For a jeweler, that matters. Appraisal records, customer purchase history, and pricing are exactly the data that gets pasted into a chatbot to save time. Policy work kept slipping while the finance director juggled a facility remodel.

IBM found that high levels of shadow AI added **\$670K** to the average cost of a breach.¹

The Solution

MSI's position: blocking AI wasn't realistic when staff already used it, and waiting on a perfect policy only let unmanaged use continue. An AI activity report built from the network data opened the conversation with leadership in May.

A co-owner took on the policy draft. MSI reviewed it with them in August, tightening confidential-data handling, adding risk tiers, merging overlapping sections, and requiring human review of AI output before it leaves the business.

Claude Teams went live with admin-controlled seats, single sign-on through Microsoft 365, and external chat sharing turned off. On September 29, MSI trained staff on the platform and the data rules together.

Engagement Snapshot

CLIENT	Independent Jewelry Retailer
INDUSTRY	Fine Jewelry Retail
RELATIONSHIP	Monthly AI Strategy Program
DELIVERED IN	May to September 2026

By the Numbers

\$670K higher average breach cost for organizations with high levels of shadow AI.¹

1 in 5 organizations studied reported a breach involving shadow AI.¹

The Results

The retailer went from untracked ChatGPT use to one company-owned platform with single sign-on and sharing locked down. Staff learned the tool and the rules together, and the policy now carries risk tiers and human review.

"If your network already shows AI traffic nobody approved, that data is the right place to start. MSI builds the policy and platform around what your team actually uses."

¹ IBM, Cost of a Data Breach Report 2025, research conducted by Ponemon Institute; IBM press release, July 30, 2025.