

Chapter 16

AI–Driven Customer Experience: Factors to Consider

Svetlana Bialkova

Liverpool Business School, UK

ABSTRACT

Despite the increasing implementation of artificial intelligence (AI), it is puzzling why consumers are still resistant towards it. Part of the problem is how to create systems that appropriately meet consumer demand for good quality and functional AI. The chapter addresses this issue by providing the much-needed understanding of how AI technologies can shape a satisfactory customer experience. Results are clear in showing that easy-to-use and high-quality AI systems form positive attitudes, and consumers are willing to use such technology again. Functional and enjoyable interaction enhanced the experience and thus attitude formation. These results have been substantiated statistically only for the high satisfaction group. By contrast, for low satisfaction group, consumers have not enjoyed the experience they had with the AI system. They found the interaction to be unpleasant, and the system to be useless. The outcomes are summarised in a framework for designing appropriate AI systems shaping consumer journey beyond the traditional marketing context.

1. INTRODUCTION

The boost of Artificial intelligence (AI) opened new avenues for designing marketing vehicles with the aim to enhance consumer experience. Enhanced experience by AI driven journey has been embraced by various brands in an attempt to create sustainable competitive advantage. AI (i.e. intelligence of machine and/or software as opposite to the human intelligence) was recognised to help in behavioural (Bigne, 2020) and marketing (Stone et al., 2021) analysis, as well as to provide advanced content. Furthermore, AI enabled personalisation (Bialkova, 2023b), automation (Fernandes & Oliveira, 2021), launching multiple offerings (Bialkova, 2021), that could be realised in a timely and cost-efficient manner. Despite the foreseen benefits, it is still puzzling way consumers are resistant towards these new AI systems like conversation agents and chatbots.

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The current paper addresses this question providing a holistic understanding of customer needs and demands when it comes to AI systems use. Nesting consumer in the middle of the experience, i.e., embracing a customer-centric view, we believe is the key to achieve a truly experiential journey. Therefore, we have investigated potential factors driving consumer experience when it comes to actual use of chatbots currently available at the market.

In order to track the real-time customer feedback throughout the journey, we explored parameters emerging from the profound literature audit as key drivers of satisfaction, experience evaluation, and thus, attitudes and behaviour when it comes to chatbots. As a solid fundament for our empirical research, we implement theory from usability, marketing and consumer behaviour literature. In particular, we look at the cognitive (often associated with utilitarian) and emotional (associated with hedonic) aspects of chatbot use.

In the following, we first present the literature audit as a base to build around our theory. Factors emerging as potential key parameters have been tested in a survey exploring opinion of consumers who have used a chatbot at least once in their daily life. Results are presented then and discussed in a framework of chatbot efficiency that might enhance consumer experience.

2. THEORETICAL BACKGROUND

Chatbots could be defined as software applications used to conduct an on-line chat conversation via text or text-to-speech (for details see Bialkova, 2023a). Despite their increasing implementation as promising AI aids to enhance user experience and thus lifting marketing revenues, consumer satisfaction turns to be a key determinant of chatbot (future) use.

We therefore, first look at satisfaction and experience evaluation. Both, utilitarian (e.g., functionality, quality, ease of use) and hedonic (e.g., enjoyment) aspects will be explored in detail as these emerged from a profound literature audit to shape experience evaluation, and thus, satisfaction and attitudes formation.

2.1. Satisfaction

Satisfaction, associated with appropriately meeting consumer expectations, is a crucial determinant driving attitudes towards chatbots (Bialkova, 2021; 2022), and thus intention to use these AI systems in the future (Bialkova, 2023a). Consumers satisfied with the service provided by chatbots reported positive experience (Bialkova, 2023b). Satisfied consumers, might develop loyalty towards the brand delivering such services, as well known from classical service marketing papers (Zeithaml et al., 1996). In the context of chatbots, it was also acknowledged that satisfied consumers develop trust in e-agency, and thus are willing to purchase a product (Tsai et al., 2021), as well as to become loyal to the brand (Cheng & Jiang, 2020). Yet the question is whether consumers are satisfied with chatbots currently available at the market, and what are the parameters determining satisfaction?

Satisfaction with e-service agency was addressed by several papers. The core aspects emerging from the literature audit, we could organise around two pillars: utilitarian and hedonic. Utilitarian factors are associated with consumer thoughtful elaboration and product evaluation, as recognised a long time ago (Babin et al., 1994). By contrast, hedonic components are closely related to pure enjoyment and fun while shopping, as reported in marketing classics (Babin et al., 1994; Hirschman & Holbrook, 1982).

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