

# Effect Of Chatbots In Digital Marketing To Perceive The Consumer Behaviour

Bakhytzhan Omarov<sup>1</sup>, Abay Tursynbayev<sup>2</sup>, Gulnar Zhakypbekova<sup>3</sup>,  
Gulbakhram Beissenova<sup>4</sup>

<sup>1</sup>*International University of Tourism and Hospitality, Turkistan, Kazakhstan*  
Email: [bakhytzhan.omarov@gmail.com](mailto:bakhytzhan.omarov@gmail.com), Orcid ID: 0000-0002-8341-7113

<sup>2</sup>*National Academy of Education named after Y.Altynsarin, Nur-Sultan, Kazakhstan, Email:*  
[abaytursynbaev@gmail.com](mailto:abaytursynbaev@gmail.com)

<sup>3</sup>*M. Auezov South Kazakhstan university, Shymkent, Kazakhstan , Email:*  
[gulnarzhakypbekova01@gmail.com](mailto:gulnarzhakypbekova01@gmail.com)

<sup>4</sup>*M. Auezov South Kazakhstan university, Shymkent, Kazakhstan , Email:*  
[gulbakhrambeissenova@gmail.com](mailto:gulbakhrambeissenova@gmail.com)

## Abstract

This study will provide a summary of the Artificial Intelligence strategies used for marketing service sector. Focusing on the use of chatbots in digital marketing communications, this study will investigate the influence of these techniques on consumer behaviour. In addition, this study investigates the effectiveness of the adaption of chatbots in creating a desire to purchase. Supported by relevant literature a timely approach to digital marketing communication and diversity over the years will be presented. This study will also examine consumer acceptance of [AI (Artificial Intelligence)] chatbots in digital marketing communications. The importance of this research is to incorporate research into new Artificial Intelligence methods used by marketers and provide an overview of new marketing ideas and methods. The outcomes of this research will help companies understand how their target groups perceive the adoption of chatbots in marketing communications and how they influence the consumer buying behaviour. In addition, this research will help advertisers reach out to their participants and attract new ones using state-of-the-art technology

**Keywords:** Marketing, Chatbots, Consumer behaviour.

## I. INTRODUCTION

Consumer behaviour is a study of how people buy what they buy when they buy and why they buy, Technological advancements have altered how organizations design and execute their marketing procedures.

Innovation in marketing communications has had the option to assist organizations with learning their intended interest group a long way past what they thought conceivable. Delivering the advantages and enormous changes, innovation, for example,

artificial intelligence has become a distinct advantage for advertisers and various marketing strategies. this study will give a view about the effect of AI on marketing.

Defining consumer behaviour.

The term customer refers to the individuals or organizations who purchase a product, it also refers to a person who hires goods and services. The consumer is an individual or organization who intends to order goods or service and uses purchased products for personal social family household industrial and similar needs. The study of individuals, groups or organization's needs differences in emotions, attitudes and wants towards a product is known as consumer behaviour some of the popular definitions of consumer behaviour and as follows.

Faison [1977] defined consumer behaviour as "the assumptions that people have series of needs which lead to try state."

According to Engel et.al 1986 consumer behaviour is "those acts of individuals directly involved in obtaining using and disposing of economic boots and service including the position process." Kotler has defined consumer behavior as "consumer behavior is a study of how people by what they buy when they buy and why they buy." American marketing Association had defined the consumer behaviour as "The dynamic interaction of affect and cognition behaviour and involvement in events by which human beings conduct the exchange aspect of their life" Impact Of Consumer Behaviour on Business And Marketing Strategies

In order to thrive in today's world, businesses need to know what consumers need, what they think, how they spend their

time, and how they spend their money. Knowing the influences that affect customer decisions is very important for marketers. The various social sciences of consumer behaviour analysis collect features from anthropology (particularly social anthropology), ethnography, economics (particularly behavioural economics), marketing, sociology, and psychology.

The following are the few aspects that a consumer behaviour could make a impact on key marketing strategies.

1. Market sensing
2. Sales forecasts
3. Elaboration of livelihood models
4. Research, innovation and development
5. Psychographics of the customers

### **Defining Digital Marketing:**

Digital marketing is the use of the Internet, mobile devices, social media, search engines and other channels to reach consumers. Some marketing professionals view digital marketing as a completely new activity that requires a new way to approach customers and new ways to understand how customers behave compared to traditional marketing. Digital marketing targets a certain segment of customers and is interactive. Digital marketing is on the rise and includes search results ads, email ads, and promotional tweets - anything that includes marketing and customer feedback or two-way communication between company and customers. Online marketing is different from digital marketing. Internet marketing is for online advertising only, and digital marketing can take place on mobile devices, on the subway platform, in a video game, or

on an app on smartphone. There are various marketing channels few of them include website marketing, pay per click advertising, content marketing, email marketing, social media marketing, affiliate marketing, SMS messaging, video marketing, etc. Defining Artificial Intelligence.

One of the main objectives of AI is to develop computer systems that are able to conduct tasks that require human intelligence (Fan et al., 2020, p. 248). For some AI might appear to be a new concept, its roots however go back to two thousand years of work accumulated in philosophy, logic, psychology, linguistics, mathematics, and theories of reasoning. There is no single definition of AI. The field of AI is being constantly redefined; some topics are classified as not a part of AI while new topics become part of it.

Google describes Artificial Intelligence as “the theory and development of computer systems able to perform tasks that normally require human intelligence.” With such extraordinary potential, advertisers have grasped AI and are continually gaining from it and fusing it into their work wherever it is possible. The effect of artificial intelligence on online advertising is colossal. An examination by Smart Insights shows that out of 100 senior advertisers from various ventures, 55 percent of organizations are executing or previously considering utilizing AI in their promoting rehearses. Why would that be?

Artificial Intelligence Marketing (AIM) permits advertisers to crunch gigantic measures of showcasing information examination from online media, messages, and the Web in a moderately quicker time. Also, the experiences they get in a more

limited time span will help advertisers support crusade execution, and the return on investment (ROI) is much quicker. This gives advertisers and organizations more opportunities to focus on other similarly significant errands. Another motivation behind why AI in showcasing efforts in 2021 is significant is that 76 percent of clients anticipate that organizations should comprehend their necessities and assumptions. Artificial Intelligence will assist content advertisers with understanding who precisely their intended interest group is, consequently making an individual encounter for clients.

Artificial intelligence is used in marketing in many ways. A few of them are chatbots, sales forecasting, understand customers, find the trend, targeted ad marketing, speech recognition, content generation, dynamic pricing, and many other ways. Another motivation behind why Artificial Intelligence Marketing in showcasing efforts in 2021 is significant is that 76 percent of clients anticipate that organizations should comprehend their necessities and assumptions. Artificial Intelligence will assist content advertisers with understanding who precisely their intended interest group is, consequently making an individual encounter for clients. In this study, we will be concentrating on the role and importance of chatbots in marketing. Chatbots are AI-fuelled programming your program to encourage discussions with your clients. Chatbots can be programmed with explicit responses to oftentimes posed inquiries (like "what's your merchandise exchange?" or "what amount do your administrations cost?")— thus, rather than investing the time and energy to

respond to each inquiry from your clients, your chatbots can step in and accomplish the work for you. Furthermore, the best part? Chatbots influence AI— so the more inquiries your clients pose, and the more elaborate those inquiries are, the better the program gets at responding to them. You can have chatbots on your site, customer care portals, and on your social media. Any place you communicate with your clients you'll discover an occasion to use chatbot innovation.

The incentive in chatbots comes from their capacity to mechanize discussions or conversations all throughout your association. The following are a few key advantages organizations acknowledge when utilizing chatbots:-

1. **Produce Leads and Revenue-** Chatbots utilize direct messages to assemble data important to offer viable help to the organization in decision making. For instance, asking clients for what valid reason they're visiting your page is one inquiry that is likely posed in each commitment. Robotizing this underlying communication permits clients to share the data required for the specialist to more readily serve them without requiring a human to request it.
2. **Guide Users to Better Outcomes-** Customers don't generally have the foggiest idea where to go to discover the data they're keen on. Indeed, your clients may not understand what it is they're keen on. Possibly they just heard your image name in passing and chose to investigate. By asking a progression of qualifying inquiries, you guide your clients to the best spot for them to discover the data they need. Thoroughly consider a portion of the suggestions to ask that will course your guest to the most ideal arrangement. These inquiries differ by business type.
3. **Retain Time and Cash-** By mechanizing discussions that would some way or another require a representative to reply, associations set aside time and cash that would then be able to be designated to different endeavours. Rather than having your reps investing the entirety of their energy responding to inbound inquiries, those people redistribute time to proactively finding important discussions to get together with social listening instruments. The measure of time you save increments as your inbound message amount increments.

### **Chatbot: Definition**

In simple words, a chatbots system can be defined as the program, that deals with the simulation of conversations with the human user by using the platform of the Internet. It is a kind of machine-based human-like an agent that is available at all time to process the enquiries. The operation of this chatbots system works based on the fact that it can understand the human enquires (mostly in the form of text) and produce the corresponding output. The history of a chatbots is as old as the history of computer science itself. It is understandable by the simple test performed by Alan Turing, one of the experts in late 1950s where it was to find out if the person is communicating with

is human or computer without knowing. This test has the great feature of making the system perfect in the sense that it becomes impossible to differentiate between the human and machines. In the real World, chatbot system is still at an early stage of achieving that efficiency where it could be possible to chat about any topic has been predicted in 1950s. This trend of chatbot having capability to understand any topic can lead to conversation flow until the ultimate target is achieved. Experts and researchers have given efforts and concerned to achieve efficiency by adopting numerous behaviour trends. For this project, the consideration of chatbot system is the communication via text between the human and the computer program to process the enquiries and gives the logical output



## RESEARCH QUESTIONS

RQ-1: What is the impact of the chatbots on the pre- and post-consumer behaviour?

RQ-2: How do chatbots facilitate purchase

RQ-3: How do chatbots provide better customer service?

## 2. Literature Review

In this study it was chosen to do a thematic literature review where main topics and issues have been picked out from scanning over past literature covering the topic of chatbots in digital marketing. The purpose of using a thematic approach to the literature review is that it allows for a clear and simple overview of what the previous research have covered in relation to the issue which this study aims to explore. The themes were identified by seeing the main ideas written about in previous journals and from there categorizing it into areas of interested which would best capture and describe what had been previously researched.

Bagozzi 1974 in his study concluded that the e-shopping behavior of online buyer is complicated process. The consumer makes buying decision as per family needs and their budget limits. Accordingly, they are likely to minimize transaction costs and maximize compatibility with needs. Further, it was found that e-shopping is influenced by social norms and competitive offers.

Donthu et.al 1999 conducted the study on, "Internet based online-Shoppers", which reveals that the online consumer as more as are older; are variety seeker, prefer convenience innovative products, behaves impulsive, less conscious about brand and price of goods and their behavior is

influenced by direct marketing and advertising for domestic needs.

Jahng et.al 2000 e-commerce has changed the perceptions of online buyers, because of its flexibility and variety of offers at the click. Altogether 57 dimensions of online goods and services have been examined in e-commerce environment, which found different one to other on different e-commerce websites.

Girish Punj 2012 studied "Consumer Decision Making on the Web: A Theoretical Analysis and Research Guidelines". Author studied that customers can possibly settle on better quality choices while shopping on the web. Regardless, whether or not such potential is being recognized by most clients is a questionable issue. Consequently, the inspiration driving this investigation is to perceive how certain features of electronic circumstances well influence the limits of purchasers to make better decisions, and perceive information getting ready methods that would engage clients to make better quality decisions while shopping on the web. A cross disciplinary theoretical assessment reliant on forms drawn from monetary angles (e.g., time costs), figuring (e.g., proposition administrators), and cerebrum science (e.g., decision philosophies) is directed to perceive factors that conceivably sway decision quality in electronic conditions. The investigation is critical from a theoretical perspective since it breaks down a huge piece of online purchaser dynamic, to be explicit, the impact of the electronic condition on the limits of purchasers

Kalpana Mathur, Arti Sharma 2014 has made study on habits of online consumers in India the key objective of the study was to

analyse habits of online shopping consumers with respect to India and identify the key factors that influence their shopping patterns this study was conducted on a sample of 100 different backgrounds such as businesspeople, working professionals, students etc. the study had used you choose such as percentage analysis, chi square testing and ranking method to analyse the data that is obtained from the survey. By analysing the data that is obtained from the survey researcher concluded that access to market, availability of Internet, low prices, 24/7 services, free delivery, cash on delivery. Were few of key aspects that had influenced customers purchase habits.

Manisha & Shukla 2016 made research on "An Analysis of Consumer Behaviors in respect of Online Electronic Purchase of Electronic Devices with respect to Bhopal and Jabalpur city". the key objective of the researcher was to clarify and gain insight from the consumer Behavior in relation to the online purchase of electronic goods, in order know consumer expectations in online stores, find out influential features for users who go online purchasing and analyzing customer needs and requirements especially in Bhopal and Jabalpur in the city of Madhya Pradesh. The sample size of the study was 40 be respondents from Bhopal and Jabalpur city. Proposed findings the research work stands as follows as customer-oriented, Time Saving, Product Quality, Product Price, Easy Accessibility, Buy Anywhere Anytime. these are some of the most important factors that affect customers attitude towards online product purchasing. The small factors that influence customer attitudes towards Online electronics purchases are a matter of technology

features, guaranteed quality, delivery fee and variety promotions and discounts. The concept regarding the internet shopping is different in Bhopal and Jabalpur city. From the data analysis, the researcher concluded that the online product market captures a high percentage of people buy from it. Meenakshi 2017 Discussed about “Artificial Intelligence – Consumers and Industry Impact”. Author talks about the view of buyers with respect to Artificial Intelligence reasoning and outlines its impact in retail, healthcare, crime investigation, and employment.

Zafeer Shahid 2019 conducted qualitative research in consultation with marketing experts from various firms and analyzed the factors that contribute to the integration of AI and marketing. His study revealed the benefits of integrating AI into marketing and whereas technology compatibility has been a major challenge.

Gijs Overgoor 2019 explained how the Cross - Industry Standard Process for Data Mining (CRISP - DM (Data Mining)) structure can be used to develop AI Solutions in Marketing Problems. He demonstrated this idea with an interesting Automatic scoring images for Digital Marketing.

Ramya et.al 2019 in her research reviewed a range of factors that influence consumer behaviour. Products and brands with an opportunity to create a strategy using AI and personalized marketing message by recognizing and comprehending the factors that. Have impact on their customers.

Thomas davenport et.al 2020 has developed a framework for understanding the impact of Artificial Intelligence especially focusing on

the influence of AI on marketing strategies and customer behaviour and concluded that the impact of Artificial Intelligence will be very limited until unless the Artificial Intelligence replace the human managers.

### **3. Research Methodology**

#### **3.1 Objectives**

- To study and understand the role of digital marketing on consumer behavior in online food service sector.
- To study and understand the factors influencing consumer behavior in digital marketing.
- To study if personal factors of respondents has impact on their preference towards chatbots.

#### **3.2 Research Philosophy**

The first and foremost step in research is choosing the appropriate research philosophy, the philosophy that is chosen for this study is interpretivism. Interpretivism highlights the difference among the people from physical phenomena for which they create meanings. Interpretivists explore these meanings. Humans from diverse cultural backgrounds, under dissimilar circumstances and at different time horizons create different social realities and make different meanings. Interpretivists believe that rich insights into people are lost when trying to create universal ‘laws’ generalized to everybody. Interpretation yes mostly suitable for the research in business and management in some particular fields such as marketing. In

order to create deeper understanding, create meaning for interpretations interpretivism is chosen.

### **3.3 Approach to Theory Development**

There are namely 3 approaches for the theory development inductive, deductive and abductive approaches for the topics like chat bots an artificial intelligence in marketing which has limited existing literature the inductive approach will be more appropriate and effective. Since the research during this study has been articulated around customers, it is critical to develop an understanding of the way in which customers interpreted their social world. The inductive approach enables us to develop an understanding of people.

### **3.4 Time Horizon**

There are two distinguished categories of time horizons which are cross-sectional studies that can be taken at a particular time and longitudinal studies that are used for the representation of events over a given period in order to study change and development, Due to the reason that this research has to be taken in a short time period, the method that is applicable to the study is the cross-sectional. This study focuses on the impact of chatbots on consumer behavior in a particular time and the aim of the research is to discover what is going on this research area at a particular moment.

## **4. TECHNIQUES AND PROCEDURES**

### **4.1 Data Collection**

#### **4.1.1 Primary Data**

The primary data are those, which was collected afresh for the first time, and thus happens to be original character. With reference to this study, data was collected through questionnaire It is a fresh data, which was collected from the customers having discussion and interaction and filling up of questionnaire.

#### **4.1.2 Secondary Data**

The secondary data is collected from various articles, published research and review papers, magazines, published statistics, documents from government agencies, case studies. etc

### **Sample Design**

The sample design that is used to articulate this research is Judgmental sampling, all the respondents have used the chatbots at least once.

### **Sample Size**

The sample size on which the survey conducted on 100 people, the respondents are customers of online service industry and had used chatbots at least once, All the respondents are residents of India.

### **Data Collection Instruments**

Questionnaire refers to a device for securing answer to a formally arranged list of question by using a term, which the respondents fill in himself / herself. For the purpose of this study structured question is used which contains 6 sections the first section contains introductory questions demographical questions followed by need



recognition, information search, evaluation of alternatives, purchase decision and post purchase behavior.

### Data Analysis Techniques

Percentage method, Chi-square analysis

### Hypothesis Formulated

Null Hypothesis: The personal factors of the respondents have no significant effect on the preference towards chatbots.

Alternate Hypothesis: The personal factors of the respondents have significant effect on the preference towards chatbots.

## 5. Results And Analysis

### Demographics

The survey has been conducted using Online Google forms from 100 respondents. The respondents have been classified mainly in to three age groups GP1, GP2 and GP3. GP1 has age group of 16-35 years consisting of mostly students and earning people in their

early part of career. GP 2 has age group respondents 36-50 years mostly well settled earners. There will be variation in shopping behaviour and preferences for online shopping for the two age groups. GP 3 having age group of 50 consisting of well settled people and near to their retirement and above.

The data obtained will be very much useful in studying the consumer perception toward chatbots. The data has been presented in the form of pie charts where in respondents answers are in the form of definitive manner, where for the data having multiple choices, the results are presented in the form of bar graphs. The results are presented as overall respondents answers along with specific age group choices.

The general data concerning the survey has been shown in table 1. Out of 100 respondents 53% are male and 47% are female respondents. The respondents are mixture if various categories in terms of age, occupation and earnings per month, place of residence and educational level.

TABLE 1.

SNO	parameter	Characteristics	percentage	
1	gender	Male	53	
		Female	47	
2	age	16-35	61	GP1
		36-50	21	GP2
		>50	18	GP3
3	Occupation	Salaried / Iob	32	
		Self-employed / business	9	

		Students	36	
		Unemployed	13	
		Pensioners and homemakers	10	
4.	Level of education	High school / Diploma	11	
		Bachelor's degree	19	
		Master's degree	42	
		Doctorate	28	
5.	Income Level	< 10,000	10	
		< 50,000	09	
		< 1,00,000	32	
		<1,50,000	37	
		>1,50,000	12	

### Place of Residence

The figure 4.1 shows the place of residence, we have mainly classified the place of residence into 3 main categories such as metropolitan, urban and rural places

irrespective of their nationality. the following figure shows the total number of respondents with regard to their place of residence and age as GP1, GP 2, GP3.

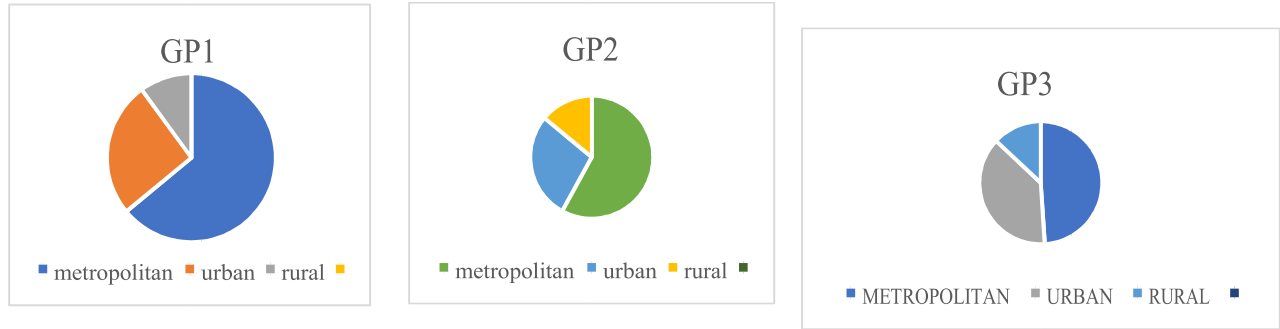


FIGURE 4.1:

GP-1 age group of 16 to 35, GP-2 age group of 36-50, GP-3 age group of above 50

**Frequency of Online Purchase**

The frequency of online purchasing during the last one year is shown in figure 4.2. 47%

of respondents are shopping online on regular basis. Surprisingly GP2 are shopping online more regularly than younger age group GP1. Still there are almost 15% of people shopping rarely shop online. Even the GP3 are shopping online regularly, this indicates Online shopping has been successfully reaching all the people irrespective of their age group

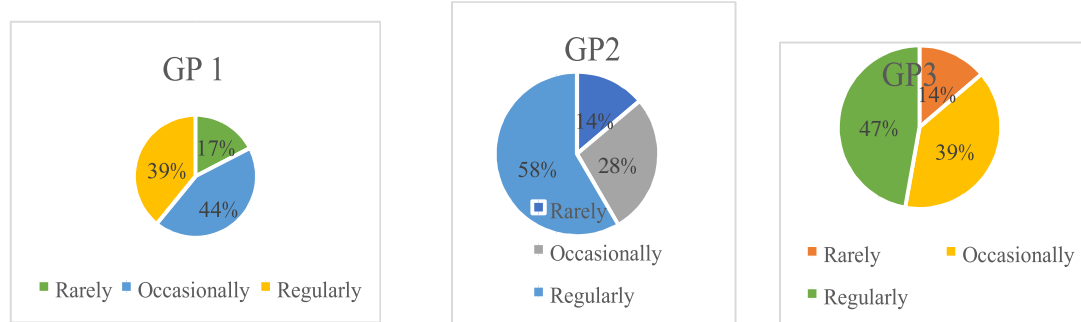


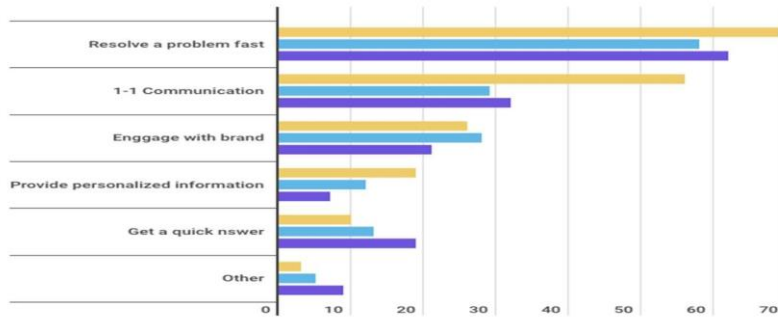
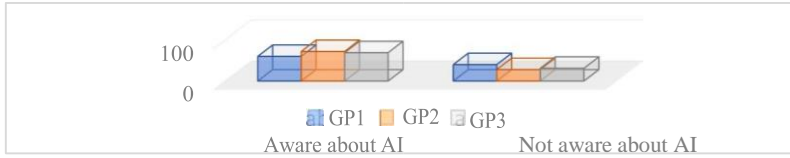
Figure 4.2:

age group of 16 to 35, GP-2 age group of 36-50, GP-3 age group of above 50

**Familiarity of AI**

As shown in the figure 4.3 most of the respondents are aware of AI irrespective of age group.

Graph 4.1

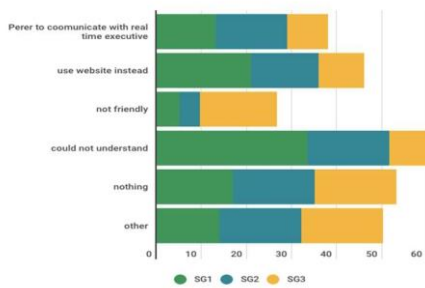


GRAPH 4.2

The graph 4.2 shows the factors that motivates customers to use chatbots, the most influential factor is the “resolving problem fastly” followed by 1-1 communication and engagement with brand. Whereas providing personalized information and getting instant answers does not motivate customers to a great extent. irrespective of age group.

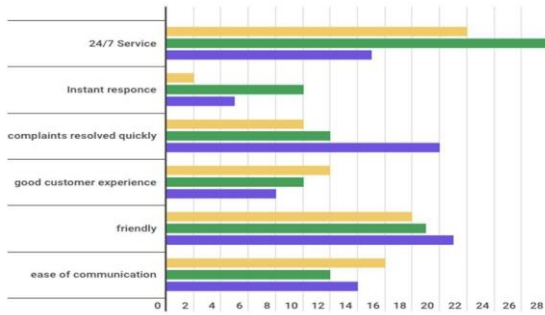
**Benefits of chatbots**

As shown in the figure 4.3, There are numerous advantages and benefits customer experience while using chatbots, the major advantage that is experience the customers is that their complaints are resolved quickly by using chatbots rather than traditional customer care, followed by 24/7 service, Instant response, ease of use and good experience.



Graph 4.3

**Factors resisting customers from usage of chatbots**



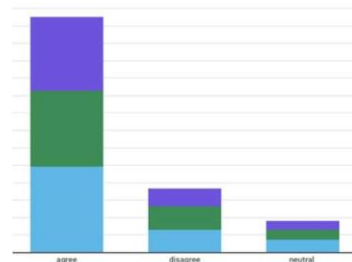
Graph 4.4

When respondents were asked what are the factors that resist them from usage of chatbots the major concern that was express is “chatbots could not understand them” followed by communication is not friendly, would prefer to use a website description to know more details, and finally few would like to communicate with the real time agent.

**Respondents Willingness to Share Personal Data for Personalized Experience**

Data is oil of 21<sup>st</sup> century, when respondents were asked about would they like to give their personal data for more personalized experience majority of the respondents from GP1 group 63% are not willing to give their data , GP 2 respondents are in. neutral phrase 49% respondents are willing to provide their personal data and 51% are unwilling whereas surprisingly significant percent 72% of the respondents from GP 3 group are willing to provide the data for more personalized shopping experience

**Need – Recognition**



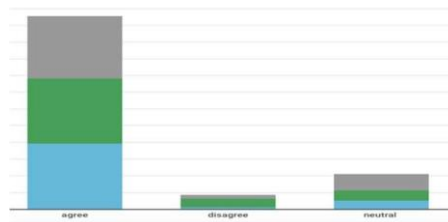
Graph 4.5

As shown in the graph above irrespective of the age group majority of the respondents are showing interest to purchase a product when a chatbot sends a personalized messages and advertisements

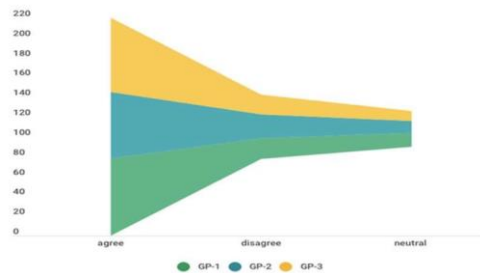
**Problem solving**

As shown in the graph below majority of the respondents feel excited if they could take help of the chatbots addressing their problem

Graph 4.5



### Purchase desire



Graph 4.6

As shown graph above, Majority of the respondents get triggered if they receive a personalized message from chatbot with regard to their interests, but still a significant number of respondents do not get triggered with a chatbot notification.

## 6. Information Search

### Faster Implications

When respondents were asked that does chatbots help them in faster implications of purchases majority of the respondents 57% agree that chatbots help them in faster implications of purchases, followed by 29 % of the respondents are neutral and 14% of the respondents disagree with the statement

### Finding a Product

When respondents were asked about does chatbots help them in finding the products tailored for them, 64 % of the respondents agreed with the statement where as 14% of the respondents disagreed followed by 22% of the respondents have neutral opinion on the statement, majority of the respondents from GP-1 group agreed with the statement and GP2 group stayed neutral whereas GP-3

group respondents equally agreed and disagreed

### Frequent Purchase

The graph depicts 64% of the respondents are showing interest to purchase the products more frequently if they could find the product that satisfies their needs and wants easily. whereas 9% of the respondents do not get influenced by this, and 22% of the respondents. The respondents from GP-3 & GP-2 group are more influenced by the ease of finding product compared to GP-1 group

### Evaluation of Alternatives

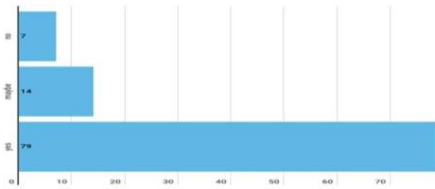
When respondents were asked about their willingness to compare and purchase the product when a chatbot equip them with the range of products similar to the product that is desired to purchase and provide with the potential differences between them , for this statement we can see a difference between the opinions of all the three age group classification , Majority of the respondents from GP-1 group agreed with the statement 51%, where as 46% of the respondents from GP-2 group Disagreed with the statement and 64% of the respondents from GP-3 group agreed with the statement .

### Purchase Decision of Respondents Towards Food Sector

#### Attraction to firm with new age technologies and features

About 64% of people are attracted towards firms that has adopted to new age technologies such as chatbots where as 21% of respondents stayed on a neutral stand and 15% of the respondents are not at all attracted with these new age technologies. The respondents of GP1 and GP-2 group are

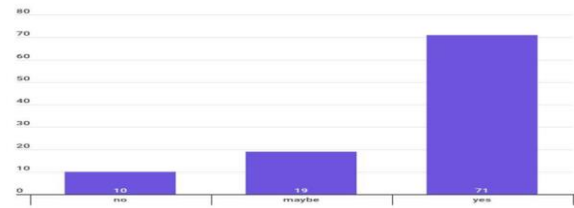
mostly attracted with these new technologies compared to GP-3 group



Graph 4.7

### **New Technologies Changing the Dynamics of Online Shopping**

As shown in the graph below Majority 95% of the respondents from GP-1 group strongly believe that inclusion of these new age technologies like chatbots could change the shape of online shopping where as 87% of the respondents from GP-2 group are in favor of the statement and 75% of the respondents from GP-3 believe that technology could change the dynamics of online shopping



Graph 4.8

### **Hypothesis Testing**

Chi-square analysis –personal factors and preference of chatbots

Null Hypothesis: The personal factors of the respondents have no significant effect on the preference towards chatbots

Alternate Hypothesis: The personal factors of the respondents have significant effect on the preference towards chatbots

Personal factor	Chi square	p-value	Significant value
Gender	7.04	0.042	0.05
Marital status	1.0	0.041	0.05
Income level	7.67	0.049	0.05
Educational status	1.59	0.004	0.05
Place of residence	1.46	0.003	0.05
Occupational status	8.22	0.049	0.05

Note: S-Significant (P-Value 0.05) From the above table it is found that the null hypothesis is rejected and Alternate hypothesis is accepted in all cases. Thus, we can conclude that the personal factors of the

respondents i.e., Age, Marital status, Income level, educational level, Place of residence and occupational status have significant impact on the preference towards chatbots.

## 6. Findings and Conclusion

- The results revealed that chatbots are an effective marketing tool which can affect consumer behavior in all the stages of the decision-making process
- Chatbots influence specifically, in pre-purchase consumer behavior
- Chatbots influence discussions
- Chatbots can engage consumers by sending them personalized ads and notifications, helping them to navigate their purchases more quickly and easily using more relevant recommendations
- Chatbots provide online food industry customers with information about different products and their potential differences.
- In addition, in the procurement phase, this study revealed that customization, engagement, and customer experience are key factors that can influence consumer decision.
- In the after-sales phase, negotiations that provide order updates have a positive impact on consumers.

In view of the above findings a framework that can be used by advertisers is proposed

### Theoretical Implications

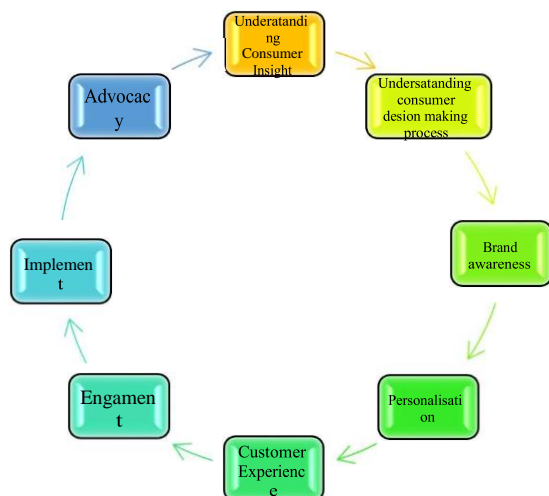
The theoretical contribution of this study to the literature on the adoption of chatbots in marketing communications is important.

This research contributes to the understanding of AI strategies in communication marketing, scientific knowledge about the impact of chatbots at all stages in the buyer decision-making process and the importance of personalization, customer knowledge and engagement in chatbot communication. This study provides evidence of the use of chatbots in at all stages of decision-making process. Till date, the literature does not contain any studies that assess the impact of chatbots on consumer behavior at all stages of the consumer decision process. The analysis presented in this study contributes to the ending of this gap.

### Suggestions

Currently, the chatbot implementation with a persona which recognizes user's personality is not widely adopted in the new era of marketing communications even if there are some proposed models in the literature, the current study reveals that majority of the customers are aware of artificial intelligence and perceives that chatbots are noteworthy tool in enhancing their shopping experience. The following figure shows the proposed 8 step model for successful implementation of chatbots in food service industry.





Usage of this 8-step model will ensure the successful implementation of chatbots in digital marketing communication

### Conclusion

Over the years, the emergence of new types of digital technologies and tools allows for a wider range of possibilities for the communication between companies and consumers. The adoption of AI strategies in the marketing sector is improving and bringing new opportunities to businesses. Literature review have revealed that the marketing sector is affected by this technology and retailers are using digital platforms to promote and distribute their products to their customers. Significant growth in online-based purchases has revolutionized consumer decision-making processes. Changes in consumer behavior have important implications for firms. How companies communicate with their customers has changed as they have developed their own digital advertising channels. In addition, companies have begun

to engage with their stakeholders through two-way communication rather than one-way communication that previously used by practitioners Chatbots can be found among the latest modern customer communication tools

This study therefore aimed to examine how chatbots influence the decision-making process at the various stages. In order to achieve more credible results, a quantitative analysis has been used. The quantitative analysis was conducted via questionnaires which have been administered to 100 respondents. Regarding the main findings, the survey revealed that chatbots have impact on the consumer's purchasing decision-making process in every stage. More precisely, in the pre-purchase phase, personalized advertisements and relevant recommendations help the faster implication of purchase and create a desire to purchase. In the purchase stage, customers are more willing to buy a product if the company offers a personalized experience, real engagement and customer experience. With Regards to the post purchase behaviour, consumers are more willing to repeat their purchases from a firm which sends them order updates. Considering the impact of chatbots in each stage, an 8-step success framework regarding the adoption of chatbots in digital marketing communications is suggested.

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