**IJCRT.ORG** 

ISSN: 2320-2882



# INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

# Investigating The Influence Of Artificial Intelligence On Customer Satisfaction In The E-Commerce Sector

Vivek Pashine<sup>1</sup>, Dr. Shaifali Tripathi<sup>2</sup>

Abstract: The study delves into the impact of AI on customer satisfaction in the e-commerce industry. This approach will examine how the improvement of user experience and acceleration are enhanced by AI technologies. Business-to-consumer interaction is a revolution through computer-based intelligence technologies such as chatbots, personalized recommendations, and automated customer assistance. It discusses how AI-powered marketing with the usage of predictive analytics and smooth transaction processing impacts consumer engagement, loyalty, and satisfaction. The Internet has made shopping easier for consumers and marketers alike through artificial intelligence that can automate the buying process and offer personalized recommendations to customers. Artificial intelligence has been a boon to the retail sector. This article will represent a summary of many benefits that the customers experienced during purchasing online from business firms which have adopted computer-based intelligence. We have used a random sample of 200 online consumers to discover how AI impacts the transformation of online businesses and the degree of happiness that their customers report. Data were analyzed using Exploratory Factor Analysis and Multiple Regression. The satisfaction of online shoppers increases when they have an option to communicate with the help of chatbots, customized shopping experiences, quick interactions, and product suggestions through artificial intelligence.

**Keywords:** Investigating, Influence, Artificial Intelligence, Customer Satisfaction, E-Commerce Sector, Exploratory Factor Analysis (EFA), Online Retailers

#### I. INTRODUCTION

Technological development, especially in AI, has revolutionized the tremendous growth of the e-commerce industry. Companies are using simulated intelligence technology to facilitate increased customer satisfaction, optimize operations, and to meet the mounting expectations of customers (Appel, 2020). Applications for simulated intelligence in the e-commerce arena include self-service customers, personalized suggestions, and many more, with each step towards client satisfaction. Through such an aim at the focus of computer-based, intelligence-driven tools impacting consumer behavior and experience, this research study would try to explore the complex impact of simulated intelligence on customer satisfaction within the context of the e-commerce industry.

Artificial intelligence has revolutionized the way traditional e-commerce methods are carried out because companies can customize client interactions at scale. For instance, to offer personalized product recommendations, machine learning algorithms analyze all consumer data- browsing habits, past purchases, and even preferences. This personalization helps foster a sense of distinctiveness and relevance, thus improving client satisfaction. Besides that, artificial intelligence, the brain behind chatbots and virtual assistants, has popularized customer service in creating almost 24/7 service and quick response to consumer inquiries. These solutions have improved the whole buying experience by increasing the engagement of customers and diminishing the response time.

Artificial intelligence increases the operational effectiveness of e-commerce sites even though it provides personalized experiences and efficient customer service. For example, the use of predictive analytics can enable businesses to forecast consumer demand, control inventory, and deliver faster. Man-made intelligence facilitates a seamless shopping experience through ensuring goods accessibility and reducing delayed delivery (Brill, 2022). Convenience, speed, and reliability are key values that customers hold dear, and improvements in these areas directly affect customer satisfaction.

Along with productivity and customization in e-commerce, artificial intelligence assumes a big role through its influence on client loyalty and trust. Artificial intelligence fraud detection systems ensure safe transactions for all customers due to the spotters warning of questionable activities and safeguarding sensitive customer data. Artificial intelligence-powered security measures create trust and confidence, which is absolutely necessary to please customers in the online marketplace in this climate where information privacy is likely to prove a problem.

Even though artificial intelligence brought about apparent benefits, with its use in e-commerce, there would be a negative side. If all these concerns of data privacy, the biasing algorithms, and the rise in customer service with less human interaction are left unaddressed; then, consumer happiness would be adversely affected (Chan, 2020). This paper shall, therefore, discuss both the strengths and weaknesses of computer-based intelligence to bring an all-around understanding regarding the overall effect they have caused on consumer happiness.

Such integration of artificial intelligence technology in the e-commerce sector has altered the way customers have began to relate with businesses through personalized recommendations, good customer support, improving security, and enhancing operational performance. Companies have constantly used artificial intelligence in their operations, hence making knowing how artificial intelligence impacts consumer satisfaction more relevant than ever. This study determines the level at which simulated intelligence affects important satisfaction measures, based on how the business would strike a balance between computer-based intelligence benefits and the need to handle new difficulties.

## 1.1.Overview of Artificial Intelligence in E-Commerce

AI and SI are something that have turned game-changers in the sector of e-commerce by uprooting the traditional business practices and the contact with the clients. Artificial intelligence, in plain simple words, refers to that broad field of technical inventions wherein computers get knowledge by analyzing data, patterns, and then decision-making (Davenport, 2020). Some of the such technologies include natural language processing, computer vision, and machine learning. These features, online shopping, make things easier for customers and better for marketers and are great for the business as a whole.

Creating customized shopping experiences is one of the most essential applications of simulated intelligence in e-commerce. Ecommerce websites use artificial intelligence algorithms to analyze user data, including demographics, past browsing and purchase patterns, and much more. This analysis is useful for businesses because they offer customized recommendations for products along with offers and content based on individual customer interest. For example, recommendation engines that are constructed using content-based and collaborative filtering approaches make suggestions according to a user's behavior as well as that of other customers who behave in a similar way. This level of personalization makes shopping more thrilling as it enhances conversion rates and creates consumer loyalty.

Another highly important area in which simulated intelligence came off as an area with immense impact is customer service. Increasingly practical applications use natural language processing-enabled chatbots and virtual assistants to ensure that their offerings may be addressed in the most direct manner possible, including providing some product information and eliminating some of the issues some consumers may encounter (Hong, 2019). The artificial intelligence-driven solution is not limited to HR constraints and can work 24/7 to ensure clients are attended to as quickly as possible. Because of machine learning, chatbots never stop improving in terms of their comprehending and answering consumer queries more accurately with time. Organizations can service their activities in customer service more efficiently and gain increased customer satisfaction through reduced wait times.

Artificial intelligence is also very crucial for supply chain optimization and inventory management within the e-commerce domain. As AI systems utilize data assembled by sales, industry trends, and outside factors such as seasonal changes or client buying patterns, they make even better predictions about future sales and demand. The same predictive analytics capacity allows businesses to minimize excess stock and stockouts, optimizing

their level of inventory. Computer-based intelligence is also able to optimize delivery routes and improve warehousing operations to make logistics operations faster and reduce operating costs.

Most importantly, computer-based intelligence-driven analytics is a very effective area for the use of e-commerce marketing techniques. By leveraging information-driven insights, businesses can better segment their consumers and target specific groups with customized marketing efforts (Ingaldi, 2019). In fact, large volumes of data can be analyzed by artificial intelligence algorithms to spot trends, analyze the effectiveness of campaigns, and instantly improve marketing tactics. This has helped the firms realign their marketing budgets better such that funds are directed towards the most performing campaigns and channels.

The integration of artificial intelligence into the act of online shopping is changing the face of the phenomenon. Simulated intelligence technologies are giving e-commerce businesses the avenues to meet the evolving need of customers from improved customer services and individualized experiences during shopping to stocks management as well as focused marketing. With the further development of artificial intelligence, this is bound to significantly raise the level of innovation in the e-commerce sector and increase consumer satisfaction- thus it will also be one of the biggest drivers for the further expansion and competition within this special market.

#### 1.2. Customer Satisfaction in E-Commerce

This would mean that customer satisfaction is the most crucial factor that determines profitability and sustainability of any kind of business venture in the e-commerce industry. It refers to the extent to which a consumer's expectations regarding a good or service are met or exceeded upon shopping online (Jakkula, 2020). Therefore, knowing and enhancing customer satisfaction has come to be important for successful e-commerce ventures yearning to win the customer's trust and ensure repeated purchases in a fast-growing ever competitive electronic marketplace where consumers have plenty of choice.

In e-commerce, customer satisfaction is multifold, but quality and availability of products are the prime aspects. Consumers have a right to expect that what they are buying matches the description, possesses good quality, and reaches them on time. The expectations of customers may not be fulfilled if such goods do not stand up against expectations, due to faults, improper specifications, or being late in deliveries. To really succeed in meeting client needs, online trading businesses should ensure that their product listings are accurate and have strong procedures for the management of inventory. Moreover, providing great products is something that keeps clients satisfied and enhances branding trust because it increases positive reviews and references.

The usability of an online shopping platform is one of the significant components that meet client needs in the e-commerce industry. Customer satisfaction can be hugely improved with a seamless, simple mobile application or website. Factors such as website speed, route convenience, and the checkout process all significantly influence how a customer perceives the buying experience (Klein, 2022). Customers tend to desert their carts and look elsewhere for channels if they encounter such nuisance problems that include stacking too long, complex routes, and lengthy checks. To ensure that online buying is fluent and enjoyable, online merchants must invest in designs that are friendly to users as well as strong technical infrastructures.

Customer satisfaction in e-commerce also greatly relies on customer service. In a world where technology is advancing, fewer people get opportunities to interact physically; good customer service has the capability of having an enormous effect on the perception that consumers have about the brand. This, along with using more and more varieties of chatbots and live chats and customer care hotlines for answering the questions immediately and solving the problems faster, is what most e-commerce businesses are doing. Providing numerous customer service channels enhances the overall experience and reassures customers that they would be able to get help whenever required. Customer satisfaction and eventually long-term loyalty can be hugely increased through quick response times and an efficient response mechanism for complaints.

Individualized experiences play a long way in raising consumer happiness in e-commerce. AI and analytics have allowed an e-commerce site to collect data regarding its consumers and evaluate it to deliver content, promotions, or product recommendations based on the customer's preferences (Lee, 2020). The customers love this because personalization creates relevance and connection between the customer and the brand. The examples include increased interaction and purchase due to their use in making specific product recommendations after browsing or purchasing, hence increasing overall satisfaction.

The post-purchase experience concerning the happiness of the clients about e-commerce is particularly a requirement. Some examples of follow-up communications are order confirmations, delivery alerts, and requests for feedback. Of course, this can help sustain the engagement and awareness of the consumer at every possible moment following a purchase. Furthermore, through asking for their feedback, clients will allow companies to understand and pinpoint areas where adjustments can be made by using surveys or reviews. E-commerce businesses can create happy customers and continuously evolve their offers by listening to their concerns and giving importance to feedback.

Of course, in this area of e-commerce, customer satisfaction is a very abstract concept mainly based on post-purchase interactions, customer service, usability, personalization, as well as result quality (Maia, 2020). Thus, focusing on these factors will enable an e-commerce firm to create a very satisfactory buying experience that exceeds and meets the expectations of the customer. This builds client loyalty, supports repeat business, and positions an e-commerce firm well for long-term success in increasingly volatile online economies.

# 1.3. The Role of AI in Enhancing Customer Experience

Computer-based intelligence, otherwise known as artificial intelligence, changes the way clients are served in many firms but particularly online businesses. Computer-based intelligence allows companies to understand and predict clients' needs with good algorithms and analytics of information (Nazim Sha, 2019). This streamlines customized interactions that find to deliver overwhelming benefits, mainly resulting in high client satisfaction and reliability. Chatbots, recommendation engines, and predictive analytics are just a few examples of man-made intelligence technologies that have made all the difference in how businesses engage customers and stay ahead of competition in an increasingly crowded market.

Probably some of the best-known applications of computer-based intelligence to enhance customer experience are tailored shopping experiences. Algorithm computer-based intelligence analyzes large volumes of data, including previous purchases, preferences, and customer behavior to make personalized product recommendations. More than just the ideation of ideas, this personalization grants every consumer a purchasing experience that feels unique and special for them. For instance, artificial intelligence can detect a customer's interests from their browsing history when they visit an e-commerce website and display pertinent products in real time. Apart from higher conversion rates, this is a level of personalization that strengthens the business-customer relationship, since customers feel appreciated when one is understood and recognized. Personalized marketing powered by artificial intelligence has thus become an important factor in developing client dependency and gratification.

Customer service is also one of the most important ways in which computer-based intelligence improves the experience of customers. Probably, the latest critical resources artificial intelligence-driven chatbots and virtual assistants have become for companies to offer real-time support to clients (Ping, 2019). They can respond to a wide array of requests throughout the day, from answering frequently asked questions to those concerning orders, thus assuring clients of getting assistance at exactly the right time. With natural language processing, chatbots can also better understand and interpret consumer inquiries and, hence provide precise answers improving the overall exchange. Customers will appreciate timely and reliable assistance with no significant delays and solving their problems expeditiously and efficiently reduces frustration and enhances satisfaction.

Feedback management and sentiment analysis also improve customer experience with computer-based intelligence. Man-made intelligence would be used for analyzing how consumers respond to surveys, social media interactions and consumer reviews, thus making judgments of the customer's likely attitudes about products. Because this information comes real time, firms will be able to prevent problems before they become a problem and alter strategy in order to further please the client. For instance, computer-based intelligence systems will alert a firm of possible problems, including customer dissatisfaction with service or delayed shipping, or even bad quality of the product, if a particular product is constantly receiving bad reviews. Businesses can earn audience trust and build a good reputation by quickly responding to consumer complaints as well as showing commitment to change.

However, computer-based intelligence is crucial in making the whole shopping experience more productive. Predictive analytics can now enable ecommerce sites to predict demand for particular specific products that can help it maintain the right inventory levels. The improved and accessible shopping experience this ability provides consumers can contribute to higher consumer satisfaction as well as decreased stockouts (Qin, 2022). At the same time, computer-based intelligence can make smoother delivery and logistics processes possible by informing them of the most suitable shipping routes through weather, traffic patterns, and so on. Businesses can

surpass their consumers' expectations of speed service and better the customer experience through faster delivery with higher accuracy.

How good it is that artificial intelligence can assess data and develop insights that help businesses craft more attractive marketing campaigns that really stick to the target market. Businesses can better align customers by personalizing their marketing campaigns, discounts, and messaging according to the tastes and segments of their client base. For example, by consumer behavior, simulated intelligence may actually send its marketing emails or notifications with high possibilities of engagement. Therefore, such a relevant strategy improves the customer experience and at the same time increases the possibilities of conversion and marketing effectiveness.

Artificial intelligence in e-commerce is one of the very vital tools that can increase the quality of customer experience. With these, it is feasible to design personalized interactions, responsive customer support, real-time sentiment analysis, rapid shopping processes, and targeted marketing campaigns (Roggeveen, 2021). This place better businesses in a position to deliver more stimulating and rewarding experiences that may meet the evolving needs of customers. This in effect translates to deploying simulated intelligence into plans of customer experience and hence consumer loyalty and happiness, which also puts e-commerce businesses in a good position for long-term success within a competitive market.

## 1.4. Objectives of the Study

- To identify the elements influencing artificial intelligence's role in revolutionizing the e-commerce industry.
- To assess how AI-enabled retailer services affect online retailers' customer satisfaction.

#### II. LITERATURE REVIEW

Srivastava (2021) explains how artificial intelligence technology can help to transform e-commerce (Srivastava, 2021). The author says that artificial intelligence has been applied in various areas such as chatbots, recommendation engines, and predictive analytics, showing how these cuts across the improvement of efficiency in supply chains and customization of consumer interactions. According to Srivastava, artificial intelligence aids firms to make information-driven decisions while also ensuring an optimized user experience through tailored recommendations as well as effective customer support. However, proper analytics of consumer behavior patterns can help e-commerce companies customize their services and thus increase the happiness of their clients, who will in turn increase loyalty toward such services. The report emphasizes that the adoption of artificial intelligence technologies becomes critical for e-commerce companies so as to remain competitive in a market that is increasingly becoming computerized.

Trawnih et al. (2022) analyze how consumers perceive and interact with the artificial intelligence technology applied in e-commerce to simulated intelligent applications (Trawnih, 2022). The authors recognize key factors such as perceived utility, ease of use, and trust in technology pertinent to the achievement of client acceptance of artificial intelligence products through either qualitative and/or quantitative research. According to their findings, customers may feel anxious about the issue of information privacy and the absence of humanity in interactions with simulated intelligence although artificial intelligence might contribute greatly towards an improved shopping experience by providing timely support and offering personalizing recommendations. Building trust and transparency with computer-based intelligence systems of essential importance, according to the study, should offer pleasurable customer experiences and dispel misgivings concerning simulations of intelligence.

Wamba (2022) discusses the effects of the receipt of simulated intelligence on organizational performance and its broader implications (Wamba, 2022). The paper proposes a conceptual model emphasizing how organizational agility, along with customer-readiness, mediate the nexus between performance outcomes and assimilation of computer-based intelligence. The research study done by Wamba shows that companies that induct computer-based intelligence systems at work increase performance indicators by becoming responsive to client's needs and the fluctuations of markets. Such a study gives an idea about how strategic simulated intelligence use would improve the effectiveness of operations and help create a distinct corporate culture that provides priority for fast response speed to decisions and interaction with customers.

**Xiong (2022)** it's a survey of the impact of the computerized economy and simulated intelligence on online consumer purchases and the consequent changes in the market (Xiong, 2022). The report shows that the array of simulated intelligence technologies, from chatbots to dynamic pricing algorithms and personalized recommendations, has changed the nature of consumer shopping behavior, making it much easier and more tailored than ever. According to Xiong, the customer purchasing activities are becoming so flexible and sensitive

concerning the market conditions since it has further relied more and more on simulated intelligence-driven products. According to research, this change affects the preferences of a customer and forces companies to revise their inventory management and marketing plans according to the changing demand of customers. The study is underscored by how e-commerce platforms would always need the advantage of insights drawn from AI to be at par with and satisfying enough for the market.

Yablonsky (2019) this paper draws upon the issue of multi-faceted information-driven simulated intelligence developments and business implications associated with it, specifically those issues related to e-commerce (Yablonsky, 2019). The author makes the argument that companies might use large amounts of data to stimulate creative thinking and improve decision-making processes by integrating simulated intelligence into everyday activities. According to Yablonsky, artificial intelligence grounds itself on an ability to evaluate different varieties of data sources. An able organization can use those patterns to improve efficiency and help recognize opportunities for the development of new goods and services suited to the needs of customers. This paper really underlined how a growth and adaptability environment in the businesses are essences to draw out the true exploitation of AI and remain in competition in the fast-changing market of e-commerce.

**Zhang, Pee, and Cui (2021)** the case study on the Alibaba's Smart Warehouse provides an in-depth view, for example, of how orchestrating resources through artificial intelligence can help improve the business's operational effectiveness in terms of filling e-commerce orders (Zhang, 2021). The authors go ahead to analyze this association, where they highlight the way AI-optimized solutions advance order processing, inventory control, and delivery logistics. Apparently, simulated intelligence highly cuts down the operating costs by efficient resource utilization and enhances the service levels. The outcome will be agile and sensitive business operations that are responsive to customer needs, which are vital in the highly competitive world of online shopping cutthroat competition.

#### III. METHODOLOGY

# 3.1. Research Design

Customers who use retail services directly and ultimately are the focus of this study's primary data collection. The information was gathered using the survey approach. Research is quantitative in nature. Because it approximates scientific research, the deduction approach is seen as more acceptable in this study than the inductive one.

#### 3.2. Sample Size and Source of Data

The methods "Exploratory Factor Analysis" and "Multiple Regression Analysis" are employed in this composition. It is commonly believed that a minimum of ten respondents per statement or item is required for factor analysis. The recommended base sample size for multiple regression is  $N \ge 104 + m$ , where m is the number of predictors. The base sample size needed for this study is 104+4=108 because it has four predictors (after being clarified using component analysis). According to assertions (20) in this case, 143 or 57 responses are needed. The data was gathered from 200 clients, meeting the fundamental needs of both CFA and EFA. Only respondents who had previously engaged in artificial intelligence-based online retail shopping were taken into consideration for the final and comprehensive questionnaire. These five items were incorporated into the questionnaire as qualifying statements.

#### 3.3. Hypothesis of the study

Ha<sub>1</sub> Customer satisfaction is positively impacted by AI-based product recommendations.

Ha<sub>2</sub> Customer satisfaction is positively impacted by personalized purchasing experiences.

Ha<sub>3</sub> Customer satisfaction is positively impacted by convenience.

Ha4 Chatbots and instant interaction have a favorably impact on customer satisfaction.

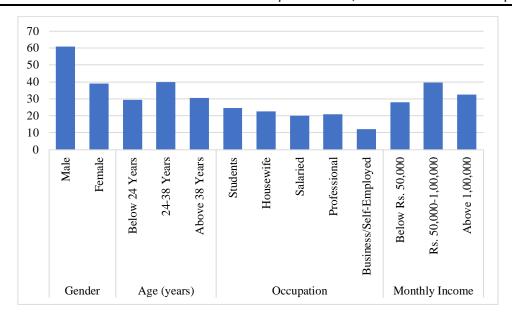
#### IV. DATA ANALYSIS AND RESULTS

EFA was used to reduce the amount of information in this study. To ascertain how different advantages of computer-based intelligence in online shopping affected customer satisfaction, multiple regression analysis was used. The independent variables were represented as factors by the "Factor Scores" that were obtained using the EFA process.

A detailed profile of the respondents based on important demographic factors is shown in Table 1, which provides information on the sample's gender, age, occupation, and monthly income. The sample was dominated by men, with 61.0% of the 200 participants identifying as male and 39.0% as female. The age distribution shows that 40.0% of respondents were between the ages of 24 and 38, which was the largest age group. Those under 24 (29.5%) and those over 38 (30.5%) were next in line, indicating a relatively young population with a sizable percentage in their early professional years. Regarding occupation, the respondents were mostly professionals (21.0%) and students (24.5%), indicating a combination of professional and academic involvement, whilst housewives and salaried people made up 22.5% and 20.0% of the sample, respectively. With a 12.0% share, business and self-employed respondents made up the lowest sector and were less likely to be in entrepreneurial roles. The largest group, 39.5%, earned between Rs. 50,000 and Rs. 1,00,000, while 28.0% earned less than Rs. 50,000 and 32.5% earned more than Rs. 1,00,000. This suggests a balanced distribution of income levels, with a notable concentration in the middle-income bracket, according to the month-to-month income analysis. All things considered, the respondent profile shows a varied demographic landscape, which is essential for comprehending the study's background and analyzing the results that follow.

**Table 1:** Profile of the Respondent

Variables	Respondents	Percentage (%)	
Gender			
Male	122	61.0	
Female	78	39.0	
Total	200	100	
Age (years)		Many .	
Below 24 Years	59	29.5	
24-38 Years	80	40.0	
Above 38 Years	61	30.5	
Total	200	100	
Occupation	100		
Students	49	24.5	
Housewife	45	22.5	
Salaried	40	20.0	
Professional	42	21.0	
Business/Self-Employed	24	12.0	
Total	200	100	
<b>Monthly Income</b>	O. C. C.	1 1 1 1	
Below Rs. 50,000	56	28.0	
Rs. 50,000-1,00,000	79	39.5	
Above 1,00,000	65	32.5	
Total	200	100	



**Figure 1:** Graphically Representation of Profile of the Respondent

Table 2 displays the results of two important metrics for assessing data suitability for factor analysis: the Bartlett's Test of Sphericity and the Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy. Based on the KMO value of 0.892, which indicates strong correlations between the dataset variables, factor analysis seems to be a good fit for the data. In general, values greater than 0.8 are considered outstanding. This suggests that the components being studied are likely to have common underlying components, which boosts confidence in the results of future research. The Bartlett's Test of Sphericity improves upon this by checking the false hypothesis that the correlation matrix is an identity matrix, which would mean that the variables are unrelated. The findings show an approximate Chi-Square value of 6158.443, which is much lower than the standard cutoff of 0.05, with 274 degrees of freedom and a significance level (Sig.) of 0.000. This demonstrates that the variables are significantly correlated with one another, which lends credence to factor analysis. Taken together, these results show that the informational index is a useful tool for discerning important features, and they also make the analysis results more reliable and easier to understand.

Table 2: Bartlett's Test and KMO

Kaiser-Meyer-Olkin Measure of Sampling Adequacy 0.892				
	Approx. Chi-Square	6158.443		
Bartlett's Test of Sphericity	df	274		
100	Sig.	0.000		

Insights into the underlying structure of the data are provided by Table 3, which offers a comprehensive record of the total variance explained by the components identified during the factor analysis. A considerable portion of the shared variance across the variables under analysis is captured by the first component, which accounts for a sizeable 35.165% of the all-out variance. After the first component, the cumulative percentage rises to 35.165%, indicating that one factor accounts for more than one-third of the total variance, highlighting its significance. Together, the first two components account for over half of the variance in the dataset, with the second component adding an additional 11.529% to the cumulative variance, which now stands at 47.696%. Interestingly, the third component accounts for 8.264% of the variance, and the cumulative variance rises to 56.961% when the preceding components are included. With 7.133% and 5.898%, respectively, the fourth and fifth components also add to the explained variance as the analysis progresses, resulting in an overall cumulative variance of 71.996% for the first five components. With each component adding less to the total variance, the remaining components exhibit diminishing returns, culminating in a total of 99.998% explained variation by the twenty-four components. When examining only the factors that were kept after extraction, the extraction values show that the first five components account for 71.996% of the variation, highlighting their importance in identifying the key patterns in the data. This implies that the majority of the information in the dataset is encapsulated by a very small number of components (the first five in particular), which can significantly aid in streamlining analyses and interpretations in later research. All things considered, the table shows how well factor analysis may uncover the information structure and guide further research.

**Table 3:** Explained by Total Variance

Component	Total	% of	Cumulative	Total	% of	Cumulative
_		Variance	%	(Extraction)	Variance	%
					(Extraction)	(Extraction)
1	7.678	35.165	35.165	3.198	16.498	16.498
2	2.005	11.529	47.696	3.093	16.062	33.562
3	1.222	8.264	56.961	2.401	13.178	47.741
4	.950	7.133	65.097	2.373	13.060	61.803
5	.654	5.898	71.996	1.444	9.191	71.996
6	.843	2.517	75.515			
7	.746	2.117	78.634			
8	.622	1.596	81.232			
9	.518	1.164	83.398			
10	.473	.977	85.377			
11	.426	.782	87.161			
12	.409	.710	88.874			
13	.361	.509	90.385			
14	.322	.347	91.734			
15	.289	.208	92.944			
16	.224	.939	93.885	1000 mm.		
17	.213	.894	94.781	AN 3000	h.c.	
18	.199	.834	95.617	Ø .	STATE OF THE PARTY	
19	.181	.761	96.381		No.,	
20	.155	.654	97.037		933	Man.
21	.139	.585	97.623		-	Sh.
22	.125	.529	98.155	1000		N St
23	.112	.472	98.628	70,		9 /
24	.087	.368	99.998	Ø.		

A thorough understanding of the impact of computer-based intelligence on online shopping experiences is provided by Table 4, which includes a detailed analysis of the variables found in the study, along with the statements that go with them, factor loadings, and reliability coefficients. The table is organized according to five main criteria: Convenience, Instant Interaction and Chatbots, Personalized Shopping Experiences, Artificial Intelligence Based Product Recommendations, and Customer Satisfaction. The statements about relevant product recommendations, reminders for forgotten items, and optimized product baskets all heap strongly, with values ranging from 0.773 to 0.856. The man-made intelligence Based Product Recommendations factor has the highest reliability, with a stacking of 0.951, indicating that it has a significant impact on consumer behavior. Following this, statements regarding remembering client preferences and providing tailored discounts show a similarly high effect for the Personalized Shopping Experiences factor (reliability of 0.934), with loadings ranging from 0.767 to 0.902. With strong loadings ranging from 0.652 to 0.850, the Convenience factor, which prioritizes time savings and simplicity of product searches, has a reliability of 0.875. With loadings ranging from 0.697 to 0.817, the Instant Interaction with Chatbots factor, which has a dependability of 0.876, emphasizes the benefits of chatbots in terms of offering prompt assistance and navigating online shopping. Last but not least, the dependent variable, customer satisfaction, has a reliability value of 0.750 and shows a good association with both positive shopping experiences and recommendations. The loadings for related statements range from 0.698 to 0.791. Overall, the high reliability scores and factor loadings across these dimensions demonstrate how important artificial intelligence is to improving online shopping experiences, improving customer satisfaction, and highlighting the benefits of incorporating simulated intelligence technologies in the retail industry.

Table 4: Reliability, Factors, and Factor Loading

S. No.	Statements	Factor Loading	Factor Reliability	
	AI Based Product Recommendations		.951	
1	When I shop online, I receive recommendations for products that are relevant to me.	.856		
2	AI-powered product suggestions remind me of the things I should have purchased.	.853		
3	AI assists in suggesting items that ought to be purchased in tandem.	.835		
4	My product cart is optimized by AI-based suggestions.	.826		
5	With an AI-powered online store, I don't need a shopping list.	.773		
	Personalized Shopping Experiences		.934	
6	Online retailers with AI remember my preferences	.902		
7	I receive personalized discounts and offers from AI-powered retailers.	.890		
8	AI-powered online retailers give me a sense of exclusivity.	.875		
9	Online retailers with AI capabilities make me think about my own demands.	.870		
10	AI-powered online businesses handle my purchasing inquiries.  Convenience	.767	.875	
11	Online retailers with AI capabilities save me time when I shop.	.850		
12	AI-powered retailers simplify my product search.	.825		
13	AI-powered online retailers keep track of my preferences.	.775		
14	Online retailers with AI capabilities assist me in locating relevant products.	.737	The state of the s	
15	AI reduces my shopping time.	.652	) 7	
	Instant Interaction and Chatbots	1	.876	
16	Chatbots are accessible right now.	.817		
17	Chatbots assist with the desired navigation of websites.	.816	4	
18	Most questions are answered by chatbots.	.797	1	
19	Chatbots are simpler to use than customer support.	.743	h -	
20	Virtual assistants are accessible at all times.	.697		
	Customer Satisfaction (Dependent Variable)	3	.750	
21	I've had a positive experience working with online merchants that use AI.	.791		
22	I have no qualms about recommending an AI-powered internet retailer.	.738		
23	My expectations were fulfilled when I shopped on an AI-enabled online retail platform.	.727		
24	I am happy with my experience buying from an AI-enabled retailer overall.	.698		

The reliability statistics for the study's items are shown in Table 5, with particular attention paid to the Cronbach's Alpha coefficient—a critical metric for evaluating a set of items' internal consistency. Since values above 0.9 are typically viewed as exhibiting great reliability and internal consistency among the items being tested, the reported Cronbach's Alpha score of 0.912 implies a good level of reliability. This implies that the 20 elements in the study are tightly related to one another and successfully capture the underlying structures under investigation, in this case the aspects impacting online shopping experiences made possible by artificial intelligence. The trustworthiness of the results obtained from these measures is increased when respondents believe the items measure the same underlying concept, as indicated by a high Cronbach's Alpha. All things considered, this strong reliability statistic bolsters trust in the validity of the study's findings and indicates that the information gathering tool is efficient in offering a consistent and trustworthy evaluation of the variables linked to customer satisfaction in the context of retail settings enabled by computer-based intelligence.

**Table 5:** Statistics on Reliability

Cronbach's Alpha		N of Items	
.912		20	

Five structures including all twenty components have a dependability of .912.

Table 6 provides a detailed overview of the study's regression model and also shows key statistical indicators that show the relationship between the study's independent factors and the dependent variable, which is customer satisfaction in this case. Customer satisfaction is expected to increase as the predictors do, according to the correlation coefficient R of 0.776, which strongly suggests a positive link between the independent and dependent variables. An R Squared score of 0.603 indicates that there is a substantial amount of explained variance in customer satisfaction, with the independent variables in the model accounting for around 60.3% of the variance. By significantly adjusting the R Square value for the number of predictors in the model, the Adjusted R Square value of 0.598 gives a more accurate assessment of goodness-of-fit, demonstrating the model's resilience. Lastly, the average distance between the observed values and the regression line is measured by the Standard Error of the Estimate, which is 0.56839. This shows how off the model's predictions are. These numbers show that the regression model captured the relationships between the factors under study and customer satisfaction, which means that the model provides a good foundation for understanding how various parts of AI-enabled retail impact customers' experiences.

**Table 6:** Model Summary

Model R R Square		R Square	Adjusted R Square	Std. Error of the Estimate	
1	.776	.603	.598	.56839	

With a R Square score of 0.603, the model was able to explain 60% of the variance.

Table 7 displays the results of the Analysis of Variance (ANOVA) conducted on the regression model. This test determines how significantly the independent factors explain the variance in the dependent variable, which in this case is likely customer happiness. The Sum of Squares from the regression analysis, which comes out to 160.912, shows that the independent variables can be attributed a percentage of the variation in our overall customer satisfaction. The Mean Square for the five-degrees-of-freedom (df) regression is 39.727. The overall statistical significance of the regression model is determined by the F statistic, which is at 125.055. With a high F value indicating a substantial relationship between the predictors and the dependent variable, the model provides a better fit than one without predictors. Regression models are considered statistically significant when their Sig. values are smaller than the conventional alpha level of 0.05, which is 0.000. This proves that the independent variables significantly affect consumer happiness. With 195 degrees of freedom, the sum of squares for residual is 104.296 and the sum of squares for all out is 265.208. These numbers show the overall variability in the dependent variable. The results of the combined analysis of variance (ANOVA) lend credence to the study's regression analysis by providing strong evidence that the independent variables do, in fact, explain a substantial portion of the variation in customer satisfaction. Table 8 shows that a significance value less than 0.05 (0.000) indicates that the DV is significantly affected by one or more of the IDVs.

Table 7: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	160.912	5	39.727	125.055	.000
Residual	104.296	195	.321		
Total	265.208	200			

Table 8 displays the results of the hypothesis testing and delineates the relationship between the dependent variable (which appears to be customer contentment in a situation where artificial intelligence is utilized to aid shopping) and the various predictors. The projected value of customer satisfaction when all predictors are at zero is shown by the constant value of 2.845, which is the intercept of the regression equation. Supporting the hypothesis that these recommendations enhance the shopping experience by significantly improving customer satisfaction, the predictor man-made intelligence-based product recommendations has a standardized coefficient (Std. B) of 101 and a significance level (Sig.) of .002. A strong standardized coefficient of .759 and a significance

e357

value of .000 show that Personalized Shopping Experiences has a substantial and significant influence on consumer happiness, further supporting the hypothesis. The assumption that consumer satisfaction is positively impacted by convenience during the buying experience is supported by the predictor Convenient, which has a standardized coefficient of .101 and a significance level of .002. With a significance value of .045 and a normalized coefficient of .067, the Instant Interaction and Chatbots predictor indicates a considerable, albeit lesser, positive impact on customer satisfaction. The significance of these variables in raising consumer happiness in artificial intelligence-driven retail settings is highlighted by the support for each of the four hypotheses. All things considered, these findings highlight how important artificial intelligence technologies are to enhancing several facets of the shopping experience and, eventually, raising customer satisfaction.

**B**\* **Predictors** Std. B\* Sig. **Results of Hypotheses Testing** 2.845 (Constant) .000 AI Based Product Recommendations .090 .101 .002 Supported Personalized Shopping Experiences .682 .759 .000 Supported .091 .101 Supported Convenient .002 **Instant Interaction and Chatbots** .060 .067 .045 Supported

**Table 8:** Coefficients of Testing Hypotheses

# V. DISCUSSION

Online businesses have benefited from computer-based intelligence. Encouraging customers to have a flawless online shopping experience has become core to business operations. It helps businesses better understand their clients, modify business plans or proposals, advance their operational activities, and streamline and provide meaning to the process. The study has presented several statistics that demonstrate how artificial intelligence has significantly increased the value of businesses. The development of simulated intelligence is a significant trend that aims to become more flexible and adaptive to human concept designs. Retailers now have additional opportunities to encourage wider engagement in the e-commerce industry because to artificial intelligence. Retail businesses can use artificial intelligence to help their segmented clients see their products more visually when they become aware of additional search options on their commercial platforms. Perhaps the most common explanation for why eCommerce companies use simulated intelligence is to provide clients with a customized experience. It helps businesses to deeply separate consumer data, uncover valuable insights, and determine how customers interact with the brand, resulting in more personalized brand-to-customer communications.

As a result, by employing various strategies, advertising can enhance their collaboration with consumers. An email with amazing coupons, birthday greetings, and exciting details about sales and discounts on various things that the customers choose to buy should make this possible. Recent advancements in AI have made it an integral part of the online retail sector. In response to this trend, a growing number of online retailers are utilizing AI software to track consumer behavior, recommend timely, relevant products, and set themselves apart from the competition through AI-powered evaluations. Chatbots, eCommerce List Management, Automated Pricing Management, and Superior User Experience are some of the key applications of AI in the e-commerce business that are explored in this article. Furthermore, in today's technological environment, the global eCommerce market is valued at an unrivalled level due to modern technologies such as artificial intelligence.

Computer-based intelligence produces the finest results for business tasks, even as eCommerce companies face these market challenges. Competing companies should implement computer-based intelligence in eCommerce business operations as soon as possible in order to compete with leading eCommerce companies like Amazon and Flipkart. Simulated intelligence can strengthen business-client relationships in a variety of ways. It only needs to look at the information that is currently coming in and provide businesses with feasible improvement designs. The use of artificial intelligence in eCommerce is widespread. It helps businesses adjust their product line based on client feedback, improve internal workflows, and create innovative, ground-breaking methods that are the most effective way to surprise and meet their goals. As a result, e-commerce businesses can maintain a competitive edge, attract new clients as they expand, and benefit from increased revenue.

#### VI. CONCLUSION

This study examines how artificial intelligence, or man-made intelligence, affects customer happiness in the e-commerce industry and finds that simulated intelligence is a game-changer that improves client experiences and boosts operational effectiveness. Personalized suggestions, chatbots, and advanced analytics are examples of man-made intelligence technologies that have been shown to have a major impact on customer pleasure and engagement. Increased reliability and repeat business are the results of artificial intelligence's capacity to provide personalized solutions and fast support, which not only meets but often exceeds client expectations. Online shoppers are generally more satisfied as a result of simulated intelligence-enabled retailers' offerings, which include AI-based product recommendations, personalized shopping experiences, chatbots, easy instant interaction, and customer satisfaction. Finding out how simulated intelligence-enabled stores affect overall satisfaction with online purchasing and what factors influence the role of artificial intelligence in revolutionizing the e-retailing industry were the primary goals of the study.

#### REFERENCES

- [1] Appel, G., Grewal, L., Hadi, R. & Stephen, A. T. (2020). The Future of social media In Marketing. Journal of the Academy of Marketing Science, 48(1),79-95. https://doi.org/10.1007/s11747-019-00695-1
- [2] Brill, T. M., Munoz, L., & Miller, R. J. (2022). Siri, Alexa, and other digital assistants: a study of customer satisfaction with artificial intelligence applications. In The role of smart technologies in decision making (pp. 35-70). Routledge.
- [3] Chan, J. O. P. (2020). Digital Transformation in The Era of Big Data and Cloud Computing. International Journal of Intelligent Information Systems, 9(3),16-23, doi: 10.11648/j.ijiis.20200903.11.
- [4] Davenport, T., Guha, A., Grewal, D. & Bressgott, T. (2020). How Artificial Intelligence Will Change the Future of Marketing. Journal of the Academy of Marketing Science, 48(1), 24-42. https://doi.org/10.1007/s11747-019-00696-0
- [5] Hong, W., Zheng, C., Wu, L., & Pu, X. (2019). Analyzing the relationship between consumer satisfaction and fresh e-commerce logistics service using text mining techniques. Sustainability, 11(13), 3570.
- [6] Ingaldi, M., & Ulewicz, R. (2019). How to make e-commerce more successful by use of Kano's model to assess customer satisfaction in terms of sustainable development. Sustainability, 11(18), 4830.
- [7] Jakkula, A. R. (2020). AI and Ethical Considerations in E-commerce. Journal of Scientific and Engineering Research, 7(9), 213-216.
- [8] Klein, K., & Martinez, L. F. (2022). The impact of anthropomorphism on customer satisfaction in Chatbot Commerce: An experimental study in the food sector. Electronic Commerce Research. doi:10.1007/s10660-022-09562-8
- [9] Lee, S. B. (2020). Chatbots And Communication: The Growing Role of Artificial Intelligence in Addressing and Shaping Customer Needs. Business Communication Research and Practice, 3(2), 103-111. DOI:10.22682/bcrp.2020.3.2.103
- [10] Maia, E. H. B., Assis, L. C., De Oliveira, T. A., Da Silva, A. M. & Taranto, A. G. (2020). Structure-Based Virtual Screening: From Classical to Artificial Intelligence. Frontiers in Chemistry, 8, 343. https://doi.org/10.3389/fchem.2020.00343
- [11] Nazim Sha, S., & Rajeswari, M. (2019). Creating a brand value and consumer satisfaction in E-commerce business using artificial intelligence with the help of vosag technology. International Journal of Innovative Technology and Exploring Engineering, 8(8), 1510-1515.
- [12] Ping, N. L. (2019, December). Constructs for artificial intelligence customer service in E-commerce. In 2019 6th International Conference on Research and Innovation in Information Systems (ICRIIS) (pp. 1-6). IEEE.
- [13] Qin, M., Zhu, W., Zhao, S., & Zhao, Y. (2022). Is artificial intelligence better than manpower? The effects of different types of online customer services on customer purchase intentions. Sustainability, 14(7), 3974.
- [14] Roggeveen, A. L., Grewal, D., Karsberg, J., Noble, S. M., Nordfält, J., Patrick, V. M., ... & Olson, R. (2021). Forging Meaningful Consumer-Brand Relationships Through Creative Merchandise Offerings and Innovative Merchandising Strategies. Journal Of Retailing, 97(1), 81-98. DOI: 10.1016/j.jretai.2020.11.006
- [15] Srivastava, A. (2021). The Application & Impact of Artificial Intelligence (AI) on E-Commerce. Contemporary Issues in Commerce & Management, 1(1), 165-175.
- [16] Trawnih, A., Al-Masaeed, S., Alsoud, M., & Alkufahy, A. (2022). Understanding artificial intelligence experience: A customer perspective. International Journal of Data and Network Science, 6(4), 1471-1484.

e359

- [17] Wamba, S. F. (2022). Impact of artificial intelligence assimilation on firm performance: The mediating effects of organizational agility and customer agility. International Journal of Information Management, 67, 102544.
- [18] Xiong, Y. (2022). The impact of artificial intelligence and digital economy consumer online shopping behavior on market changes. Discrete Dynamics in Nature and Society, 2022(1), 9772416.
- [19] Yablonsky, S. (2019). Multidimensional Data-Driven Artificial Intelligence Innovation. Technology Innovation Management Review, 9(12), 16-28. DOI:10.22215/timreview/1288
- [20] Zhang, D., Pee, L. G., & Cui, L. (2021). Artificial intelligence in E-commerce fulfillment: A case study of resource orchestration at Alibaba's Smart Warehouse. International Journal of Information Management, 57, 102304.

