



## CHATBOTS AND CUSTOMER SERVICE SATISFACTION

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### ABSTRACT

Most of the businesses are using chatbots on their website to improve customer service performance. Today's customer wants to spend less time overall, thus they want to be able to contact businesses anytime, anywhere, and through any channel. This study sheds light on how chatbots affect a company's ability to improve customer service performance and retain customers. To provide a positive customer experience, a chatbot must adhere to critical criteria in the areas of system quality, service quality, and information quality. Companies can change the language style of a chatbot to make it more personable. Customers are more satisfied and trusting of chatbots when they resemble humans, which increases chatbot adoption.

**KEYWORD:** Chatbots, Customer Service, customer satisfaction, service industry trend, Artificial Intelligence.

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### INTRODUCTION:

As technology has advanced, individuals now look for a mobile app to complete any task. Everything is done using smartphone apps, including paying bills on line and purchasing groceries.

Apps have simplified the work. Online delivery services have become increasingly popular in recent years. Every industry is changing as a result of the rising use of technology to better meet the demands of consumers, who rule the market. Long-term

Success is only possible for businesses that continually upgrade in order to satisfy the changing demands of clients. It is the experience offered to the customer using real food technology, not the technology underlying the services offered. In light of this, it is important to note that even clients who previously preferred to order meals using offline channels are increasingly using online food delivery apps to place their orders.

The eating-in culture is currently replacing the culture of dining out. And this trend is shown to be particularly pronounced among young people (15 to 34), especially in major cities where frequent traffic jams and large population densities make even short distance travel a time-consuming task. More and more Indian homes are turning to internet food delivery services as a quicker and more practical substitute. An increasing tendency is being observed in smaller cities as the use of food delivery Apps increases in India's major cities. Therefore, it has become crucial for companies offering online food delivery services to understand what the public prefers and thinks to make it possible for them to achieve their goals. The historical context, current situation, and potential future developments are examined in this study to assist online meal delivery firms in creating more effective marketing plans that will boost sales and broaden

their clientele.

### **CHATBOTS:**

Artificial intelligence (AI), machine learning, and natural language understanding (NLU) are all used by customer care chatbots to simulate human communication. Businesses have been gradually using chatbots into their service model stores pond to consumer inquiries and automate repetitive work. Chatbots can be effective when used to serve customers.

Chatbots take care of routine client issues so that operators can focus on more complex matters. No matter the channel they choose, clients who contact a business for service expect quick responses and results. However, agents are only able to manage so many cases at once.

### **ONLINE DELIVERY APPS:**

Online delivery apps are software applications that allow users to order various products and services for delivery to their doorstep. These apps have become increasingly popular in recent years, providing convenience and efficiency for consumers. Here are some common types of online delivery apps:

**Food Delivery Apps:** These apps allow users to order food from local restaurants and have it delivered to their homes. Popular examples are Uber Eats, swiggy, zomato

**Grocery Delivery Apps:** Grocery delivery apps enable users to buy groceries and household essentials online and have them delivered to their homes. Examples include Instamart, Amazon Fresh, jiomart, blinkit Grocery.

**Package Delivery Apps:** These apps are often used by courier and logistics companies to allow users to track and manage package deliveries. Examples include wefast, zepto, Dunzo etc

**Pharmacy Delivery Apps:** Pharmacy delivery apps enable users to order prescription medications and over-the-counter products for home delivery. Apps like appollo, wellness forever, pharmaeasy

**Flower delivery Apps:** These apps allow users to order flowers and floral arrangements for delivery on special occasions or as gifts. Examples include 1-800-Flowers and Pro Flowers.

**Laundry and Dry Cleaning Apps:** Users can schedule laundry and drycleaning services through these apps, with pick-up and delivery options. Rinse and Cleanly are examples.

**Ala Carte Delivery Apps:** Some apps offer wide range of products and services, from electronics to clothing to home goods. Amazon and eBay are prominent examples, although They cover more than just delivery services.

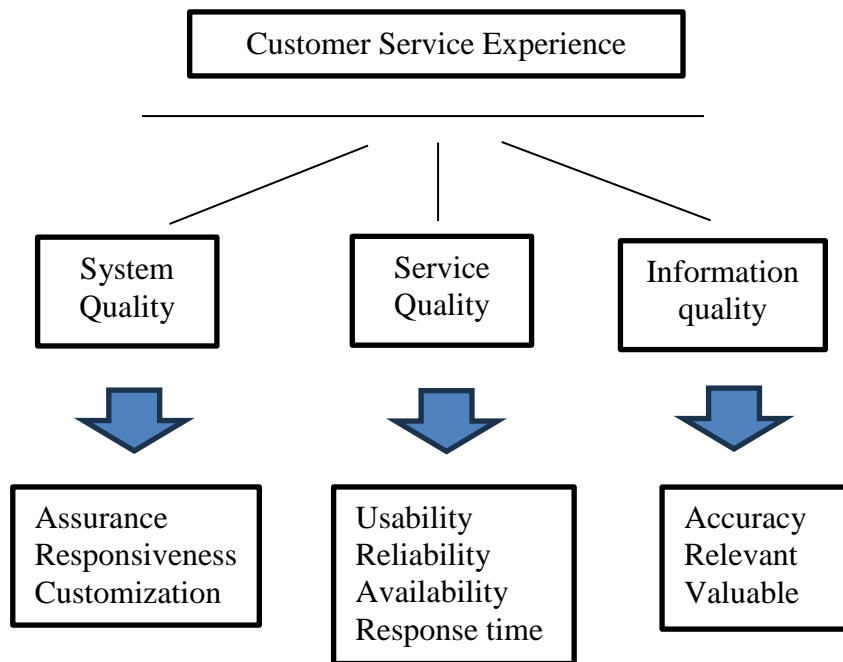
**Ride-Sharing Apps:** While primarily focused on transportation, some ride-sharing apps like Uber and Lyft have expanded into food and package delivery services.

**Specialty Delivery Apps:** There are also niche delivery apps that cater to specific markets, such as pet food delivery, alcohol delivery, or meal prepkit delivery services like Blue Apron and Hello Fresh.

These on-line delivery apps typically function through a user-friendly interface where customers can browse products or services, place orders, specify delivery addresses, and make payments. Many of these apps also offer features such as order tracking, reviews, and ratings to enhance the user experience.

### **CUSTOMER EXPERIENCE:**

Businesses are collaborating to create new shopping precedents as internet buying continues to expand. The most significant source of retailers 'long-term competitive advantage through differentiation is now the customer experience. Retailers must continuously enhance the customer experience to maintain long-term and sustained client loyalty.

**OBJECTIVES:**

To understand role of chatbots in customer service

To study various online delivery apps that use chatbots for providing customer service

To analyse customer satisfaction towards chatbot for customer service

**HYPOTHESIS:**

Online service delivery providers needs to improve AI based chatbots to satisfy customer

**REVIEW OF LITERATURE:**

Chatbots are being used by more and more businesses to assist human customer service representatives or potentially take their place (Roy and Naidoo, 2021). One-third of online interactions are thought to involve chatbots, and this number is anticipated to rise, especially in a (post-) COVID environment

(Hollebeek et al., 2021; Shumanov and

Johnson, 2021). These agents can deliver services similarly to human agents, in addition to providing a number of advantages like convenience, 24/7 availability, prompt responses, and cost reduction for brands (Thomaz et al., 2020; Gelbrich et al., 2021). This is made possible by recent advancements in artificial intelligence (AI) and natural language processing. Consumers are still skeptical and hesitant to interact with chatbots despite their wide spread use in corporate activities (Van Pinxteren et al., 2020).

According to studies, people prefer face-to-face interactions over chatbot-based talks (Adam et al., 2021). However, because of the aforementioned advantages, chatbot technology continues to be highly sought after by businesses (Thomaz et al., 2020). As a result, brand managers must think carefully about how chatbots should be developed to create great customer service experiences (Sandset et al., 2020; Roy and Naidoo, 2021). It is therefore crucial.

Due to chatbot technology's infancy, there isn't much study available in this area (Roy and Naidoo, 2021). Araujo (2018), Goand Sundar (2019), Schuetzler et al. (2020), Sheehan et al. (2020), Borau et al. (2021), Hildebrand and Bergner (2021), Shumanov and Johnson (2021) suggest

that brand managers should improve the humanness of chatbots. These studies have also looked at how gender and conversational cues (such as conversation skill) shape consumer attitudes and behaviors. However, despite demands for more research to clarify how to adjust the chatbots' communication style in order to improve the customer experience (Bleieretal.,2019), a more basic aspect of customer-chatbot service interactions has gone largely unexplored: The dialogue with the chatbot

There research gap is here in this research there searcher talks about online delivery app and satisfaction of consumer with chatbots with respect to three major aspect viz system quality, service quality and information quality

### **METHODOLOGY:**

Researcher collected primary data from customer. Data from 624 customers was collected and analyzed. chisquare test was used for hypothesis testing. Five apps were studied for understanding the usage of chatbot by customer and their satisfaction interm of service quality, information quality and system quality.

### **DATA ANALYSIS:**

Table 1: customer satisfaction towards information quality

<b>Particular</b>	<b>No of customer</b>	<b>Percentage of satisfaction</b>
<b>Information Quality</b>		
Accuracy	290	46.47
Valuable	262	41.98
Relevant	181	29.00

### **INTERPRETATION:**

From the above table it can be seen that companies needs it cater the needs of customer in terms of providing valuable information and relevant. After conducting interviews with customer, it was observed that information related to tracking of the delivery is accurate many a times.

Table 2: customer satisfaction towards service quality

<b>Particular</b>	<b>No of customer</b>	<b>Percentage of satisfaction</b>
<b>Service Quality</b>		
Usability	221	35.41
Reliability	158	25.32
Availability	501	82.88
Response time	492	78.84

### **INTERPRETATION:**

Customers are satisfied with availability of the chatbot immediately as and when required at the same time its response time is minimal but service provided is not reliable and usable.

Table 3: customer satisfaction towards system quality

Particular	No of customer	Percentage of satisfaction
<b>System Quality</b>		
Assurance	189	30.28
Responsiveness	288	46.15
Customization	174	27.88

**INTERPRETATION:**

Customization is not provided simultaneously customers feel that the assurance and responsiveness is at budding stage.

Table 4: Cronbach's Alpha ( $\alpha$ ) of the scales

Items	No. of items	Cronbach's alfa
Information quality	3	0.845
Service quality	4	0.809
System quality	3	0.866

Calculation was done for chi square test

$$\sum (O_i - E_i)^2 / E_i = 18.506$$

Considering 95% confidence level

Table value = 9.448

Value obtained is more than table, hence hypothesis  $H_0$  is accepted .

Hence Online service delivery providers needs to improve AI based chatbots to satisfy customer.

**CONCLUSION:**

1. Customer get frustrated when asked repetitive questions.
2. Customer service chatbots do not have emotions.
3. Customer demands social-oriented and task-oriented communication style to be more effective for enhancing customer satisfaction
4. Many a times the required options are not there and consumer ends up without communicating their actual query or concern.
5. Customers are likely to expect responsiveness to be a given when encountering a service technology during their shopping experience.
6. Backdrop needs to be designed more effectively to cater the needs of the customer

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