EFFECT OF ARTIFICIAL INTELLIGENCE ON CUSTOMER RELATIONSHIP MANAGEMENT OF AMAZON IN BANGALORE

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ABSTRACT

Electronic commerce or ecommerce is a term for any type of business, or profitable transaction, that includes the transmission of information transversely the Internet. It covers a range of unlike types of businesses, from consumer-based retail sites, through sale or music sites, to business connections trading goods and services among companies. It is currently one of the most significant aspects of the Internet to develop. Ecommerce allows customers to electronically exchange goods and services with no barricades of time or distance. Electronic commerce has prolonged rapidly over the past five years and is forecast to continue at this rate, or even hasten. In the near future the limitations between "conventional" and "electronic" commerce will become gradually blurred as more and more businesses move

The analysis and advice presented in this is based on the data collected from the study conducted in Bangalore with a sample size of 100 which includes 63 male respondents and 37 female respondents within the age group of 18 to 40 years and above. All the data was represented in the form of tables and charts (pie charts). Correlation analysis has been used to examine the hypothesis and the findings of the survey by using MS-Excel.

During the study it was found that Artificial Intelligence has a major role to play in managing the customer relationship of e-commerce giant like Amazon and people are now getting familiar about the benefits that Artificial Intelligence brings and how it totally enhances their user experience.

Key word: Artificial Intelligence, Internet, Low Cost Carriers

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1. INTRODUCTION

Over the epochs, communication technologies have been transforming the management of commercial activities. In the 19th century, the cheap steam-powered print technology and the introduction of public schools gave rise to the print-literate workforce with the communication

skills to manage the increased flow of commercial activity made possible by coal and steam power technology. In the 20th century, centralized electricity communication—the telephone, and later radio and television—became the primary communication mediums to manage more complex industrial enterprises and mass consumer culture. Today, Internet communication technology has not only made the entire system interactive, integrated and seamless but has also created whole new opportunities for cross-industry relationships. Information networks across countries have been democratized and enabled nearly one-third of the human population to share music, knowledge, news, and social life on an open playing field. Such an all-pervasive reach of communication technology has enabled entrepreneurs to conduct business transactions without even meeting in person. This mode of transacting business through communication technology, commonly known as the internet, is what has come to be known as “electronic commerce” or e-commerce (EC). EC is not just about buying and selling; it is about electronically communicating, collaborating and discovering information. It has come to impact a significant portion of the world—affecting businesses, professions, and of course, people

2. REVIEW OF PREVIOUS LITERATURE

Ben Dickson (2017) has explored that main providers of Customer Relationship Management (CRM) solutions have started to invest in the added value of AI. Last year, Sales Force, the leader in the CRM industry, announced Einstein, an AI assistant that, when launched, will be omnipresent across its platform. Einstein puts its AI chops to work to continuously study the flood of data Sales Forces collects from sales, e-commerce activity, emails, IoT generated data and social media streams among others. The AI engine will then make suggestions across different use cases. For instance, it helps sales reps focus on the most promising leads based on engagement data analysis, or gives advice on when to trigger email campaigns according to customer response history. AI-powered tools enable sales teams to focus on their efforts on better serving the more complicated and human-demanding needs of customers. Over time, as these solutions continue to process company and customer data, they become more efficient in their functionality.

Susan J. Owens (2017) has reviewed that AI-assisted CRM software, with its ability to shuffle through thousands of potential next steps, can reclaim this lost productivity and guide teams to the next-best call to make. This technology is built on AI algorithms that continuously learn from activity in your sales pipeline, actions taken, and historical patterns on how long it takes to close a typical lead. These data are quickly assimilated to tell salespeople precisely whom to contact and when—and even what to say next. Letting AI listen in on sales calls can have a profound impact on the success rate of closed deals. By listening for changes in tone of voice and analyzing specific phrases and words used, AI bots can find clues about which issues are holding up the sale and which can be addressed to propel the deal forward. AI incorporates seemingly disparate data sources, including economic trends, weather patterns, social media conversations, past sales records, and time to close, with CRM data. AI brings actionable insights that teams can use to anticipate, plan, and take advantage of upcoming opportunities.

Limesh Parekh (2018) has explained that **CRM is already witnessing an evolution in form of Artificial Intelligence (AI)** and Analytics becoming central to CRM of the future. People already engage with AI somehow or the other today. From Amazon Prime suggesting videos to watch based on previous browsing history and patterns, to Facebook recognizing locations and people’s faces in photos, AI has become a regular part of our lives. CRM tools are now collecting customer data from various onboarding touch points like WhatsApp, social media, exhibitions, wearables and product usage with minimum or no human intervention. Machine learning will adapt to changing customer landscapes and get smarter. When applied optimally in CRM tools, it will make a business provide predictable service to

its customers. In turn, this will help the business generate predictable revenue. AI will be essential to deliver high-quality personalized experiences for customers. And it is the next step in the evolution of CRM.

CIO Review (2018) study reveals that people feared Artificial Intelligence (AI) but now after recognizing AI's capability people are warming up to AI. Currently AI, with its immense potential, is making its presence felt in almost every industry, including CRM. By employing AI in CRM, it can provide timely response, promoting effective interaction between the customer care agent and the customer. Whenever a customer care agent gets a call regarding queries, the agent has to analyze the entire customer profile before answering the customer. This process is time-consuming and reduces the interaction rate between the customer care agent and the customer. There are even cases where customers disconnect the call, tired of waiting for a long time. By integrating AI into the customer care systems, a major transformation is taking place in the CRM arena. With AI's quick data analysis capability, all the individual customer profiles can be analyzed in a fraction of second with greater accuracy reducing time and enabling better interaction. Moreover, AI can also predict customer interests based on their online history and send timely notifications enabling productive experience. Additionally, with AI, customers can also enable automated service.

Genesis Rivas (2018) have studied that through automated data entry and intelligent data analysis; organizations can create more accurate profiles of the customers most likely to purchase your organization's products. By predicting customer behavior, companies can take personalized actions to avoid the use of invasive advertising and to provide material of real interest to each prospect. As a result, they can promote a positive perception of the company's brand and encourages an increase in the number of leads. In addition, the AI can also be used to analyze customers' emotions to establish strategies that increase their level of engagement. The use of biometric technologies based on Artificial Intelligence, such as facial recognition; allows organizations to reinforce a climate of trust with your customers, thanks to the delivery of a service or product that guarantees the total protection of sensitive consumer data. The evolution towards a more efficient CRM that allows cost and time saving and valuable products offering is possible thanks to Artificial Intelligence.

2. OBJECTIVE OF THIS RESEARCH

- To ascertain the influence of artificial intelligence in improving Customer relationship management
- To analyze how artificial intelligence plays a vital role in improving client experience

3. SCOPE OF THE STUDY

The scope of this study is useful for studying the effect of artificial intelligence on e-Commerce.

HYPOTHESIS

- (H0): There is no significant relationship between Artificial intelligence and Customer Relationship Management
- (H1): There is a significant relationship between artificial intelligence and Customer Relationship Management

4. DATA AND METHODOLOGY

Sources of Data:

- Primary Data: Primary data will be collected through questionnaire

- Secondary Data: Secondary data will be collected through various articles, websites, journals published and also with the help of internet.
- Sample Size: 100 Respondents

Plan of analysis

Data Collected from primary sources will be analyzed through statistical tool such as Correlation analysis to establish the hypothesis under consideration.

Limitations of the study

Only residents of Bangalore will be considered while doing this research project. Hence, it is limited to Bangalore only.

5. ANALYSIS, RESULTS AND DISCUSSIONS

Hypothesis

- (H0): There is no significant relationship between Artificial intelligence and Customer Relationship Management
- (H1): There is a significant relationship between artificial intelligence and Customer Relationship Management

Correlations

		Reliability on payment gateways	Reliability of service
Reliability on payment gateways	Pearson Correlation	1	.933**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	156.840	169.040
	Covariance	1.584	1.707
	N	100	100
Reliability of service	Pearson Correlation	.933**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	169.040	209.240
	Covariance	1.707	2.114
	N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

6. INTERPRETATION AND HYPOTHESIS TESTING

From the above analysis we can infer that that Pearson correlation value (.933) value is less than the significance value 1, therefore we accept the alternate hypothesis, i.e. Artificial Intelligences shares a significant relationship with customer relationship management.

Artificial Intelligence have a significant effect on customer relationship management like the payment gateways and other services provided by Amazon, reducing the security threats associated with making online payments making it very safe and secured for its customers and also providing them with utmost reliability of services.

7. CONCLUSION

From the above it can be concluded that Amazon's Artificial Intelligence does play a major role in maintaining relationship with the customers by providing its customers with reliable services and making them a customer for a longer period of time, customers are getting associated with Amazon also because of many factors such as its Easy-to-interface, convenience of payment, one click ordering, wide range of goods offered and also automated recommendations based on the search made by their customers on their application or their website. Amazon is also maintaining relationship with its customers through Amazon Prime which charges a minimum subscription fee from its customers and offering its customers various gift cards and offers. It was also concluded that Amazon does promotional activities in a great way to attract new customers and retain the old ones. The artificial intelligence-based user interface was found to be user friendly, organized, efficient, attractive as well as informative to the customers and also the online payments made online are considered to be reliable. Amazon also keeps aware its customers about the latest offers or sale through mediums like e-mails, pop-up-notifications, text messages. At last it can be concluded that Amazon's cost-effective pricing helps them in customers recommending their services to their friend/colleague.

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