



CUSTOMER SATISFACTION ON AI IN MARKETING

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ABSTRACT:

The integration of Artificial Intelligence (AI) in marketing has converted how businesses engage with guests and make opinions. This study investigates client satisfaction with AI-driven marketing, specifically fastening on three crucial areas: personalization, prophetic analytics, and automated relations. By assaying data from colorful demographic groups, the exploration identifies critical factors that impact satisfaction, including trust, convenience, and the applicability of AI-generated recommendations.

The findings indicate a positive relationship between AI effectiveness and client satisfaction, although enterprises about data sequestration remain prominent. The study highlights the eventuality of AI to ameliorate marketing strategies while emphasizing the significance of translucency and ethical practices to maintain client trust. perceptivity from this exploration can help businesses in optimizing their use of AI to meet consumer prospects and preferences, icing a balance between technological advancements and responsible practices.

Keywords: Artificial Intelligence, Marketing, client Satisfaction, Personalization, Data sequestration

INTRODUCTION:

Artificial Intelligence (AI) is transubstantiating marketing by allowing businesses to dissect consumer prognosticate preferences, and deliver largely individualized gestic. AI-driven tools similar as chatbots, recommendation machines, and targeted advertising have come essential factors of ultramodern marketing strategies. While consumers appreciate AI for its convenience, effectiveness, and acclimatized results, challenges still live, including enterprises about trust, data sequestration, and the reduction of mortal commerce.

This exploration explores the impact of AI on client satisfaction within the marketing sector, fastening on its advantages, challenges, and client comprehensions. By probing the factors that impact satisfaction, the study aims to give practicable perceptivity for businesses to enhance their AI-grounded marketing sweats. The findings emphasize the critical part of AI in shaping unborn client-centric marketing practices and punctuate the significance of addressing ethical and security enterprises to make trust and insure sustained client satisfaction.

LITERATURE REVIEW:

- **Smith et al.(2020)** explored the impact of AI-driven personalization on client satisfaction by customizing marketing dispatches, recommendations, and gestic to individual preferences. Their findings indicated that brands exercising AI are perceived as innovative and client-concentrated, which enhances client fidelity. still, they advised that over-personalization could lead to a "creepiness" effect, making guests feel that their sequestration is at threat.
- **Nguyen and Wang(2019)** examined the part of AI chatbots in client service, noting that chatbots significantly ameliorate response times and satisfaction for routine inquiries. Despite these benefits, they linked limitations, similar as challenges with addressing complex issues and a lack of empathy, suggesting a need for a mongrel approach that combines AI with mortal commerce.
- **Raji and Buolamwini (2021)** stressed the impulses present in AI algorithms, demonstrating that prejudiced data could affect in illegal practices that erode client trust and satisfaction. They supported for ethical AI practices and regular checkups to insure fairness.
- **Chen et al.(2018)** analysed the use of AI in prophetic analytics to anticipate client requirements. While accurate prognostications increased satisfaction by meeting client prospects proactively, inaccuracies caused by poor data quality could undermine client trust.
- **Jones and Davis(2022)** surveyed client stations toward AI in marketing, chancing that while guests appreciate the convenience and personalization offered by AI, enterprises about data security and translucency persist. They emphasized the significance of educating guests about AI to foster trust.
- **Chaffey(2020)** reported that AI enables marketers to dissect large datasets for further targeted and substantiated strategies. also, Lemon and Verhoef(2016) noted that acclimatized gestic significantly enhance client satisfaction and fidelity.
- **Kumar et al.(2019)** stressed the significance of client experience in the digital period, pressing how AI tools, similar as chatbots and recommendation systems, enhance engagement through timely and applicable relations.

- **Gnewuch et al.(2017)** set up that guests reported advanced satisfaction situations when AI chatbots effectively resolved inquiries, emphasizing the necessity for effective AI deployment in client service

OBJECTIVES:

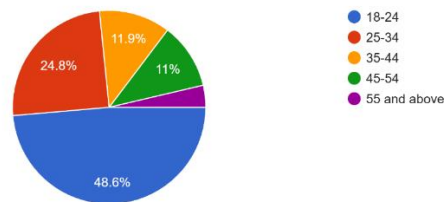
- Assess the Impact of AI on Customer Perceptions of Brand Value and Trust
- Evaluate the Role of AI in Enhancing Customer Experience through Personalization
- Identify Key Factors in AI-Driven Marketing that Contribute to or Detract from Customer Satisfaction
- Compare Customer Satisfaction Levels between AI-Powered and Traditional Marketing Techniques

DATA ANALYSIS AND INTERPRETATION:

Age frequency of the respondents

S.no	Variables	Respondents	% of Respondents
1	18-24	53	49
2	25-34	27	25
3	35-44	13	11
4	45-54	12	11
5	55 & above	4	4
6	Total	109	100

Age group of the respondent
109 responses



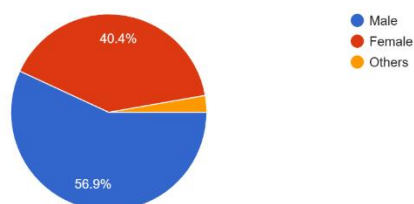
Interpretation:

The frequency distribution table shows the age groups of respondents. Most respondents (49%) are between 18-24 years, suggesting that younger individuals are the primary participants interested in or affected by AI in marketing. The 25-34 age group follows with 25%, while the 35-44 and 45-54 groups each represent 11%. The smallest segment, aged 55 and above, constitutes only 4%. This trend implies that younger respondents are more engaged with AI in marketing, potentially due to higher technology adoption and digital exposure among younger age groups.

Gender of the respondents

S.no	Variables	Respondents	% of Respondents
1	Male	62	57
2	Female	44	40
3	Other	3	3
4	Total	109	100

Gender of the respondent
109 responses



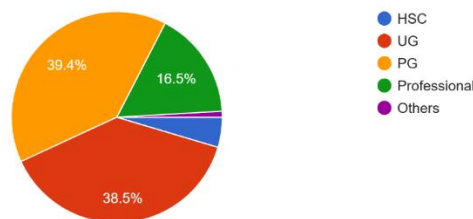
Interpretation

The gender distribution indicates highest percentage of respondents are male, comprising 57% of the total sample, while the lowest percentage (3%) identify as "Other." Female respondents make up 40% of the sample. This distribution suggests a broad interest in AI in marketing across gender groups, with male participants showing the highest level of engagement.

Education level of the respondents

S.no	Variables	Respondents	% of Respondents
1	HSC	5	5
2	UG	42	38
3	PG	43	39
4	Professional	18	17
5	Others	1	1
6	Total	109	100

Highest level of education you have completed
109 responses



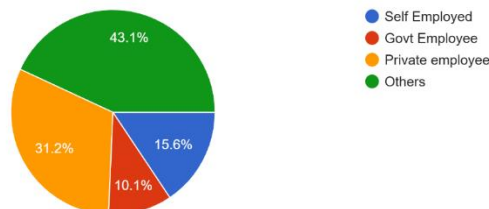
Interpretation

Education levels vary, with the largest group (39%) holding a postgraduate (PG) qualification, followed closely by undergraduates (UG) at 38%. Professional qualifications account for 17%, while those with higher secondary education (HSC) make up 5%. The smallest category, at 1%, includes respondents with "Other" educational backgrounds. This distribution highlights that most respondents are well-educated, primarily at the graduate and postgraduate levels, showing strong interest in AI applications in marketing.

Employment Status of the respondents

S.no	Variables	Respondents	% of Respondents
1	Self Employed	17	16
2	Govt Employee	11	10
3	Private Employee	34	31
4	Others	47	43
5	Total	109	100

Your current employment status
109 responses



Interpretation

The largest group of respondents (43%) falls under the "Others" category, indicating a diverse range of employment types not specified in traditional categories. Private employees represent 31% of the respondents, while self-employed individuals and government employees make up 16% and 10%,

respectively. The lowest percentage is for government employees at 10%. This distribution suggests a wide range of employment backgrounds among respondents, with a significant number outside the main employment categories.

CHI-SQUARE TEST:

1. AGE AND PERCEPTION OF BRAND VALUE:

H0: There is no significant association between the age of customers and their perception of brand value in the context of AI-driven marketing.

H1: There is a significant association between the age of customers and their perception of brand value in the context of AI-driven marketing.

		Strongly Disagree	Disagree	Agree	Strongly Agree	Total
18-24	Observed	4	2	26	6	38
	Expected	3.20	3.20	18.82	12.79	38.00
	% of chisq	0.8%	1.8%	10.8%	14.2%	27.5%
25-34	Observed	1	2	15	6	24
	Expected	2.02	2.02	11.89	8.07	24.00
	% of chisq	2.0%	0.0%	3.2%	2.1%	7.3%
35-44	Observed	2	1	9	15	27
	Expected	2.27	2.27	13.37	9.08	27.00
	% of chisq	0.1%	2.8%	5.6%	15.2%	23.7%
45-54	Observed	1	3	2	7	13
	Expected	1.09	1.09	6.44	4.37	13.00
	% of chisq	0.0%	13.1%	12.1%	6.2%	31.4%
55 & above	Observed	1	1	1	2	5
	Expected	0.42	0.42	2.48	1.68	5.00
	% of chisq	3.1%	3.1%	3.5%	0.2%	10.0%
Total	Observed	9	9	53	36	107
	Expected	9.00	9.00	53.00	36.00	107.00
	% of chisq	6.1%	20.8%	35.2%	37.9%	100.0%
		25.38	chi-square			
		12	df			
		.0131	p-value			

INTERPRETATION:

- Chi-Square Value: 25.38
- Degrees of Freedom (df): 12
- p-Value: 0.0131
- The p-value is below the commonly accepted significance threshold of 0.05, suggesting a statistically significant relationship between age groups and their perceptions of brand value within the realm of AI in marketing.
- There is a strong agreement observed (26 actual vs. 18.82 expected), with a notable contribution to the chi-square (10.8% for "Agree" and 14.2% for "Strongly Agree").
- Moderate agreement was noted (15 actual vs. 11.89 expected), though the contributions to the chi-square are relatively modest (7.3% overall).
- A significant positive trend was observed towards "Strongly Agree" (15 actual vs. 9.08 expected), which made the largest contribution to the chi-square for this category (15.2%).
- There was a mixed response characterized by high disagreement (3 actual vs. 1.09 expected, contributing 13.1%) and low agreement (2 actual vs. 6.44 expected).
- This analysis indicates that age plays a significant role in shaping perceptions of brand value when AI is incorporated into marketing strategies.

2. AGE AND TRUST IN BRAND:

H0: There is no significant association between the age of customers and their trust in the brand in the context of AI-driven marketing.

H1: There is a significant association between the age of customers and their trust in the brand in the context of AI-driven marketing.

		Strongly Disagree	Disagree	Agree	Strongly Agree	Total

18-24	Observed	3	7	17	10	37
	Expected	2.47	5.99	12.33	16.21	37.00
	% of chisq	1.0%	1.5%	15.3%	20.7%	38.5%
25-34	Observed	1	4	4	15	24
	Expected	1.60	3.89	8.00	10.51	24.00
	% of chisq	2.0%	0.0%	17.4%	16.6%	36.0%
35-44	Observed	1	3	6	7	17
	Expected	1.13	2.75	5.67	7.45	17.00
	% of chisq	0.1%	0.2%	0.2%	0.2%	0.7%
45-54	Observed	1	2	5	5	13
	Expected	0.87	2.10	4.33	5.70	13.00
	% of chisq	0.2%	0.0%	0.9%	0.7%	1.9%
55 & above	Observed	1	1	3	9	14
	Expected	0.93	2.27	4.67	6.13	14.00
	% of chisq	0.0%	6.1%	5.2%	11.6%	23.0%
Total	Observed	7	17	35	46	105
	Expected	7.00	17.00	35.00	46.00	105.00
	% of chisq	3.3%	7.9%	38.9%	49.9%	100.0%
		11.52	chi-square			
		12	df			
		.4852	p-value			

INTERPRETATION:

- Chi-Square Value: 11.52
- Degrees of Freedom (df): 12
- p-Value: 0.4852
- The p-value is considerably higher than the typical significance threshold of 0.05, suggesting that there is no statistically significant relationship between age groups and trust in brands. In other words, age does not significantly impact brand trust.

3. GENDER VS CUSTOMER SATISFACTION:

H0: There is no significant association between gender and customer satisfaction in the context of AI-driven marketing.

H1: There is a significant association between gender and customer satisfaction in the context of AI-driven marketing.

		Strongly Disagree	Disagree	Agree	Strongly Agree	Total
male	Observed	4	7	18	12	41
	Expected	3.77	7.54	20.26	9.43	41.00
	% of chisq	0.3%	0.7%	4.8%	13.2%	19.0%

female	Observed	3	7	24	7	41
	Expected	3.77	7.54	20.26	9.43	41.00
	% of chisq	3.0%	0.7%	13.0%	11.7%	28.4%
others	Observed	1	2	1	1	5
	Expected	0.46	0.92	2.47	1.15	5.00
	% of chisq	11.9%	23.9%	16.5%	0.4%	52.7%
Total	Observed	8	16	43	20	87
	Expected	8.00	16.00	43.00	20.00	87.00
	% of chisq	15.2%	25.3%	34.2%	25.3%	100.0%
		5.32	chi-square			
		6	df			
		.5038	p-value			

INTERPRETATION:

- Chi-Square Value: 5.32
- Degrees of Freedom (df): 6
- p-Value: 0.5038
- The p-value is significantly greater than the common threshold of 0.05, indicating that there is **no statistically significant association** between gender and customer satisfaction regarding AI in marketing.
- Since gender does not significantly affect satisfaction, marketers can maintain consistent messaging across genders.

FINDINGS:

- Age significantly influences how customers perceive the value of AI in marketing, with younger age groups (18-24) viewing AI-driven marketing more favorably, while older groups (45-54 and 55+) show skepticism or mixed reactions.
- Trust in AI-powered brands remains consistent across age groups, suggesting that age is not a key factor in shaping customer trust in AI-driven marketing strategies.
- Gender does not significantly affect satisfaction with AI marketing efforts, indicating that AI-driven marketing strategies can be designed with a universal approach for all genders.
- Younger individuals, particularly those aged 18-34, tend to show greater satisfaction with AI-driven marketing, while older respondents (especially 45-54) express more skepticism and mixed satisfaction.
- The 45-54 age group exhibited more disagreement with AI-driven marketing, and their perception of its value and trustworthiness was lower compared to younger age groups.
- While the sample of respondents identifying as "Other" was small, there was a notable increase in disagreement within this group regarding the effectiveness of AI in marketing.
- Younger consumers (18-24) are more likely to perceive AI as adding value to the brand, which could be attributed to their higher comfort levels with digital technologies.
- Satisfaction with AI in marketing is relatively consistent across all genders, suggesting that marketers do not need to tailor AI-driven campaigns based on gender differences.
- Middle-aged groups (35-44) show a significant positive response toward AI-driven marketing in terms of perceived brand value, indicating that this demographic may be more likely to engage with AI-based marketing strategies.
- Given the mixed reactions from older age groups (45+), further research should explore the reasons behind skepticism and identify ways to improve the perception of AI among older customers.
- The data suggests that younger consumers, particularly those under 34, are more open to AI marketing technologies, making this group a key target for AI-driven campaigns.
- Marketers may need to adjust their AI-driven marketing strategies based on age demographics, tailoring messaging to younger consumers who are more likely to perceive value in AI marketing.

- While age does not seem to affect brand trust, it is important to monitor changing attitudes towards AI as younger consumers mature and older consumers become more familiar with these technologies.
- With no significant differences in satisfaction across genders, brands can focus on creating inclusive and accessible AI-driven marketing campaigns without worrying about gender-based differentiation.
- Given the small sample size of respondents identifying as "Other," more research is needed to better understand the unique needs and perceptions of this group towards AI in marketing.

SUGGESTIONS:

Tailor AI Marketing Strategies to Younger Demographics: Marketers should prioritize this demographic when implementing AI-driven campaigns. Younger consumers are more open to digital technologies and are more likely to perceive AI as adding value to the brand.

Address Skepticism Among Older Demographics: Marketers should focus on educating and addressing concerns about AI in these age groups to build trust.

Improve AI-Driven Brand Trust Across All Age Groups: Building consumer trust in AI-driven marketing should be a priority for all demographics.

Universal Marketing Strategies for Gender Inclusivity: Marketers should take a gender-neutral approach to AI-driven campaigns. This avoids unnecessary segmentation and ensures inclusivity.

Utilize Age-Specific Customization in AI-Driven Marketing: Marketers should target these middle-aged customers with personalized AI-driven experiences that emphasize practicality and value.

Ensure Consistency and Continuity in AI Customer Satisfaction: While satisfaction across genders was consistent, marketers should still monitor any shifts in satisfaction trends over time to ensure customer satisfaction remains high, particularly as AI technologies evolve.

Strengthen AI Trust and Transparency: While AI may be trusted more by younger generations, trust can be a barrier for older groups. Building trust and transparency around how AI works can be key to broader adoption.

Leverage Personalization in AI Marketing to Enhance Customer Satisfaction: AI's ability to provide personalized experiences should be emphasized to increase customer satisfaction, particularly among younger and middle-aged demographics who appreciate tailored content.

Build Emotional Connections with AI in Marketing: Even though customers across different age groups and genders are receptive to AI marketing, emotional connections should still be prioritized. AI marketing should not just be about functionality but also about creating positive emotional experiences.

Continue Research on Smaller Demographics: further research should be conducted to better understand the unique needs and perceptions of this group regarding AI in marketing.

Educate Customers on AI's Role in Marketing: Educational campaigns explaining the benefits of AI could help build customer satisfaction and reduce skepticism, especially among older age groups.

Evaluate and Adjust AI Use Based on Customer Feedback: AI systems should be adaptable based on customer feedback. This ensures that AI-driven marketing remains aligned with consumer expectations and increases overall satisfaction.

CONCLUSION:

This study highlights the transformative impact of artificial intelligence (AI) on client engagement and satisfaction within the marketing field. Innovations similar as chatbots, individualized recommendations, and targeted advertising are reshaping how brands connect with their customers. While younger, tech-savvy consumers tend to embrace these technologies more readily, concerns about data privacy and the impersonal nature of AI relationships remain current, particularly among older age groups.

Customer attitudes toward AI-driven marketing vary significantly based on demographics, similar as age and gender. Younger consumers frequently report advanced satisfaction levels, while older individuals may view these technologies with skepticism.

Key challenges include over-reliance on automation, data security concerns, and varying levels of technological knowledge among consumers.

To address these challenges, brands must prioritize transparency, apply robust data protection measures, and adopt ethical AI practices to foster trust. Balancing automation with human interaction is essential to alleviate concerns about impersonal communication. Also, inclusive strategies are necessary to ensure that all demographics can benefit from AI innovations.

AI has tremendous potential to enhance customer satisfaction in marketing, but its success depends on ethical deployment and a focus on personalized experiences. Companies that effectively manage these aspects can make stronger customer connections and thrive in the digital period.

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