RELATIONSHIP BETWEEN ARTIFICAL INTELLIGENCE IN E-COMMERCE AND PRACTICE OF PROMOTING A PRODUCT OR SERVICE THROUGH CSR ADOPTION IN CHIDAMBARAM

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ABSTRACT:

Main aim of the study is to know the relationship between AI in e-commerce and CSR. In this context, an attempt has been made in this research article to explore the influence of the AI in e-commerce over the practice of promoting a product or service through CSR. The study has been done among the Customers in Chidambaram. Respondents for the study have been selected through Convenience method of sampling and the size of the sample has been fixed as 100. Data required for the study has been collected through a questionnaire and analysis has been performed through Regression. Outcomes of the study reveal the fact that there is a significant relationship between AI in E-Commerce and practice of promoting a product or service through CSR.

Keyword : Artificial Intelligence, Corporate Social Responsibility.

INTRODUCTION:

From the previous certain decades, the applications of AI (artificial intelligence) have been seen to evolve in a fast pace. Initially, AI was utilized only in expert & knowledge systems for providing recommendations. Now, in the technological development age, AI has turned out to be highly human and also capable to solve problems, manipulate objects, learn and navigate physical space. Hence, effective usage of technology and innovation has paved the way to establishment of intelligent systems which have the potential to monitor and manage business models that have lesser human participation.

AI development has led to several economic advantages to the human society, enhanced all the aspects in life and had also promoted all-round development of the society. It has created a new digital era. AI (artificial intelligence) is a novel inter-disciplinary technological science which develops applications, technologies and theoretical models for the expansion and simulation of the human intelligence. Studies had been done regarding the AI application in the fields of financial management, marketing, manufacturing, education, business and health-care.

The organization's practices of CSR have to be well-integrated within the business operations and culture of the company. In the present environment which is very much socially conscious, the customers and even the employees tend to place good name, work for it and even spend money for business organizations which give preference to CSR.

OBJECTIVES:

The purpose of the study is to explore the effectiveness of AI in improving the initiatives of the companies regarding their CSR adoption.

REVIEW OF LITERATURE:

Zavyalova, et. al., (2023) framed humanistic model in the context of CSR (corporate social responsibility) in the field of e-commerce, with reference to the economy filled with AI (artificial intelligence). The authors had framed the model on the basis of the experience as reported by leading Russian and global e-commerce business firms, sixteen retail companies of USA and top thirty e-commerce firms which were publicly traded.

On the basis of the econometric modeling, the study had substantiated that qualitative criterion (humanization) of the jobs offered an enhancement in the income of the e-commerce business firms to a great level when compared with the quantitative criterion (number of jobs). The economy with AI (artificial intelligence) was explored by the authors, through the study, that to increase the revenue generation of the business structures.

Theoretical significance of the study depends over the need for humanizing the jobs within e-commerce structures. Practical importance of the study was that the humanistic model as developed in the study would enhance the company's profitability and thereby the resilience of the business to confront the future crisis in economic conditions.

Sritharan and Kasambu (2023) in their study indicated that the corporations are being forced by digital technology to update their current business strategies and create fresh ones that combine cutting-edge concepts in order to meet modern demands. In a network world, innovative and nimble businesses are well-prepared and constantly adapting their plans to fit the needs of the moment, but established businesses encounter a significant disconnect between their governance strategy and their operational requirement. The degree of regulatory framework digitalization and listing regulations on corporate governance aspect is determined to be well linked and well-balanced.

Shkalenko and Nazarenko (2024) studied about the integration of IoT and AI within the strategies of CSR for the purpose of sustainable development and financial risk management. The study was carried out by executing new co-evolutionary approach with several paradigms to the technological development.

The authors had studied the way in which such technologies could be integrated into the practices of CSR for improving the risks management and sustainability, in an effective way. Results showed that the successful integration of such technologies relied over the compliance of the institutional structures in supporting the technological innovations. The authors had done comprehensive analysis of the integration of IoT and AI into CSR practices by focusing the need of vigorous policies and mechanisms which assure sustainable use, standardization and security of the emerging technologies.

M. k. Ganeshan, et. al., (2024) investigated about, important to note that the adoption of artificial intelligence in human resource management in Indi's human-centered agendas at the workplace level may be challenged by the use of AI in various areas of corporate HRM. Entrepreneurs can leverage AI platforms to automate repetitive tasks, allowing them to focus on creative aspects and strategic decision-making. By augmenting human efforts, AI can enhance productivity, and efficiency, ultimately inspiring more creativity.

Kasambu and Sritharan (2017) expressed that the corporations' ongoing contribution to the economic and social development of the societies they work. CSR's aim is to take responsibility for the actions of the organisation and to promote a positive effect through its efforts on the environment, clients, staff, societies, stakeholders and all other members of the public sphere.

RESEARCH METHODOLOGY:

The study has been done among the Customers in Chidambaram. Respondents for the study have been selected through Convenience method of sampling and the size of the sample has been fixed as 100. Data required for the study has been collected through a questionnaire and analysis has been performed through Regression.

ANALYSIS AND INTERPRETATION:

Multiple Regression Analysis between AI in E-Commerce and CSR

R	R Square	Adjusted R Square	F-value	P-value
0.827(a)	0.685	0.681	186.345	0.000(a)

a. Predictors: (Constant), AI in E-Commerce

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients	t - value	P- value
	B	Std. Error	Beta		
(Constant)	.589	.106		5.568	.000
Because of AI, social responsibility and moral values increased	.096	.021	.139	4.457	.000
Because of AI, virtual socialization with regards to the connection to social networks	.045	.018	.071	2.448	.015
Because of AI, economic component and social component developed	.165	.017	.284	9.971	.000
Because of AI, Business-to-consumer e-commerce was increased	.169	.020	.279	8.272	.000
Because of AI, Market forecasts confirm that electronic commerce	.163	.023	.203	7.008	.000
AI practices, improving the risks management	.175	.021	.301	8.221	.000

a.   Dependent Variable: CSR

Interpretation

Above table presents the Multiple Correlation (R = 0.827), the Multiple Correlation squared (R^2 = 0.685), the adjusted Multiple Correlation squared (adj.R^2 = 0.681), and the Standard Error of the Estimate. The multiple correlations squared represent the amount of variance in the outcome which is accounted for by the predictors; here, 68.5 % of the variance in practice of promoting a product or service through CSR. is accounted by AI in E-Commerce. However, the multiple correlations squared is positive, and therefore, the adjusted R^2 is appropriate. The summary table indicates that our model's R^2 is significantly different from zero, F =186.345, p< 0 .000.

It is deduced from the coefficients table. This table provides the regression analysis that AI in E-Commerce taken for the study, significantly influence practice of promoting a product or service through CSR.. The coefficient is positive which would indicate that all the 6 factors are related to increase practice of promoting a product or service through CSR. This result also makes sense. This would seem to indicate that the 6 AI in E-Commerce factors are predicting practice of promoting a product or service through CSR.

As per the study, various study variables have been applied. The result of the study shows that there is a significant relationship between AI in E-Commerce and practice of promoting a product or service through CSR adoption.

FINDINGS:

I.   AI enables e-commerce platforms to analyze consumer data, leading to personalized recommendations and improved customer experiences. This personalization fosters customer loyalty and satisfaction.

II.   AI-driven analytics assist businesses in making informed decisions regarding inventory management, demand forecasting, and pricing strategies, optimizing operations and profitability.

III. Implementing CSR initiatives, such as ethical sourcing and community engagement, enhances brand reputation and builds customer trust. Consumers are increasingly favoring businesses that demonstrate social responsibility.

IV.   AI can improve CSR practices by providing better decision-making tools, increasing transparency, and ensuring sustainable benefits. However, challenges related to data privacy, bias, and accountability must be addressed.

SUGGESTIONS:

i)   Businesses in Chidambaram should leverage AI technologies to enhance their CSR efforts, ensuring that ethical considerations are prioritized to maintain customer trust.

ii)   Adopt AI solutions that are transparent and respect user privacy, aligning with CSR values and fostering a positive brand image.

iii) Utilize AI to identify local community needs and tailor CSR initiatives accordingly, promoting social welfare and strengthening community relations.

iv)   Regularly assess the impact of AI and CSR initiatives on customer satisfaction and make necessary adjustments to strategies, ensuring alignment with evolving consumer expectations.

CONCLUSION:

The study presented here proved that artificial intelligence has got the ability of automating the collection of data and analyzing the data which are related with the activities of CSR, thereby making the process of reporting to be highly accurate and efficient. The algorithms of AI have the capability of analyzing the trend of the time and provide insights regarding the CSR practice's effectiveness.

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