

# Integrating AI-Based Chatbots for Automated Customer Support in E-Commerce: Using NLP Models like GPT for Real-Time Customer Service Automation

**Yichen Feng**

## **Abstract:**

This research explores how well AI chatbots operate in online stores using the NLP GPT and especially examining GPT's ability to support immediate customer assistance. Online shopping's quick expansion makes it difficult for stores to give prompt and well-delivered support to their customers. Chatbots make it possible to give user support all day every day at a lower cost with increased user connections. Our systems deliver mixed outcomes when processing complicated and unique customer needs. Our research includes a large quantity of data from 300 customers buying online who used these AI tools to learn about chatbots' trustworthiness and satisfaction ratings alongside correct response evaluation. Users found chatbots to answer simple requests well but struggled with 48% incomplete solutions while being satisfied with chatbot performance at just 31%. The research shows that people base 73% of their trust and recommendation decisions on how accurately and fast a chatbot responds. The research applies TAM to study human acceptance of new technology and shows why people worry about their data privacy in AI systems that struggle to understand emotions. Strong human agent support and visible communication should be integrated alongside continuous NLP training to maintain better chatbot effectiveness. The paper offers useful business methods to improve AI chatbots and prepares the ground for future research on AI systems that handle multiple input types as well as better user feedback testing.

**Keywords:** AI Chatbots, Natural Language Processing (NLP), E-Commerce Customer Support, User Trust and Satisfaction, Technology Acceptance Model (TAM), Chatbot Performance Metrics

## Chapter 1: Introduction

### 1.1 Background

With e-commerce businesses going off the wall, how one does business with customers has taken a significant turn. With the rapid expansion of online shopping platforms, companies have failed to keep pace with it and supply efficient and timely customer support. However, with the growing demand for help, the traditional one-based phone and email-based systems are unable to solve customers' issues on time. For this reason, chatbots driven by AI, using GPT and other NLP models, have been developed to enhance real-time customer support solutions. With continuous 24/7 support, quick response, and cheap support launched by AI-operated chatbots, they are a fantastic tool for e-commerce businesses.

Studies have been conducted in the present day to determine how AI-driven chatbots discover the workings of e-commerce operations. According to Rahevar and Darji (2024), using AI-powered chatbots can optimize two key aspects of customer satisfaction: offering faster responses to customers and more customized product suggestions to solve customers' needs. As indicated in the research of Prasad et al. (2024), AI-driven chatbots eventually make it easier for customers through customer support service and make it practical to play the role of e-commerce in the hands of the users. The article in the review by Necula & Păvăloaia (2023) reviews the use of AI recommendation systems in e-commerce and how they improve customers with better purchasing decisions through single-minded singular suggestions.

### 1.2 Problem Statement

While companies are using AI chatbots to serve their customers, the problems they encounter include cater to difficult customers, keeping the customers happy at the same time, and continuing to run online operations. It is necessary to conduct expert research to comprehend how GPT and similar models change NLP-based chatbots to serve online customers and determine the influence on user trust and acceptance.

According to Haleem et al. (2022), AI chatbots enable marketing activities and customer support, but they signal possible installation issues. When the time comes to do more human things, such as making the process work, there is input from a human. However, user trust in AI output is still needed to decide on the organization's adoption of these systems. The fundamental emotional abilities of these systems and the emergence of unsatisfactory results in meeting users' needs for chatbot AI are things most users dislike. As long as chatbots perform badly, they only

achieve customer satisfaction if they integrate perfectly with AI. The purpose of this study is to explore the impact of AI chatbots in online shopping based on customer satisfaction and trust and to do shopping assessments to better deal with these systems.

### 1.3 Research Objectives

RO1. AI chatbots are capable of providing better customer help services to e-commerce, and this research project aims to find out the ability of AI chatbots to provide better customer help services to e-commerce.

RO2. The degree of how much customers trust the chatbot dialogue with AI-powered chatbot vs. their satisfaction levels is determined by what a research goal is.

RO3. It examines the use of AI chatbots and the level at which e-commerce companies employ them to run their businesses.

### 1.4 Research Questions

RQ1 From a business perspective, what are the positive and negative outcomes of AI chatbots when we use them to support customers online?

RQ2 Examining the major benefits and problems of integrating NLP chatbots to [our system], our evaluation core value on this.

RQ3 What actions cause trust and happiness to go down or up when AI-powered support systems are in use?

### 1.5 Significance of the Study

Now, this study will assist companies in identifying enhanced customer assistance techniques with AI chatbots, given that they already have an e-commerce system. Through his data, our project provides companies with ways to know when to send their customers to chatbots and improves AI conversations for the customers.

## Chapter 2: Literature Review

### 2.1 Overview of AI-Based Chatbots in E-Commerce

Artificial intelligence is utilized by e-commerce businesses to enhance business relations with customers through chatbot technology. Famously, shortly after birth, chatbots quickly went from filling in for the simple 'rule of thumb' system to becoming top-level AI automation that handles customer conversations. With the evolution of cloud technology and Artificial Intelligence's Natural Language Processing capabilities, chatbots have improved (Madasamy & Aquilanz, 2023). Today's chatbots are able to process multiple customer conversations at speed to boost busi-

ness performance. That is why we see more online stores using AI chatbots as their default instrument for everyday business operations. In 2024, Alzyoud and team research show that businesses use chatbots to help customers and control their relationships with the customers due to the reason that the new e-commerce market players choose to use chatbots in a cost-efficient way to deliver customer support services to reach more customers across regions. However, chatbot technology allows companies to keep their customer's instantized personal service available around the clock.

Even though chatbots address a few issues for businesses, they also face several roadblocks ahead. Although the developed AI chatbots may work well in many situations, they struggle with solving complex problems or misinterpret information. Their customers need to be able to use all chatbot capabilities that organizations are capable of offering.

## 2.2 Natural Language Processing (NLP) and AI Chatbots

AI chatbots use NLP technology to mimic humans in that they take the text and make the text understandable like a human would in their text response. Chatbots incorporate the GPT NLP models and other NLP systems to have clearer automated conversations (Adhikari & Dhakal, 2023). Through learning from huge datasets, the GPT system helps customer service by providing matched responses (Imamguluyev, 2023). Inspection of the chatbots' functionality shows how the rule-based bots are out-dueled by AI-powered chatbots and how the cost-advantage balance goes between them. Deshmukh and Gundewar (2025) demonstrate that rule-based chatbots are not capa-

ble of answering the customer's needs due to the limitations imposed by the basic rules. Chatbots used in an AI system gain more power to answer users' texts and inquiries with the use of shrewd algorithms. Acharjee Bayan (2023), in their studies, also found that customer satisfaction increases with the increase of involvement when AI speaks to clients through chatbots. Acharjee Bayan (2023) thinks that chatbot requires the proper setup to function efficiently with a lot of talk.

However, according to the current research, rules no longer supply good customer service as AI bots do, but we need to continue to train NLP and AI in order for these systems to work really well. For organizations to set up dependable customer service chatbots, it is important to fix the problems of relative response and AI biases, as these can develop ethical problems.

## 2.3 Customer Experience and AI Chatbots

Properly designed AI chatbots increase customer satisfaction by providing user benefits. Stoilova (2021) calls AI chatbots exceptional helpers in customer support because they give quick responses at all hours of the day. According to Adam et al. (2021), AI chatbots build positive conditions that lead users to accept recommendations, which makes them more likely to use those services for better overall experiences. To properly evaluate chatbot performance, you need to use certain KPIs as evaluation tools. The measurement system tracks user platform use and evaluates chatbot performance to find what needs betterment. This table shows how different KPI terms relate to the corresponding data results from Userlike's analytics system.

Figure 1: KPI terms

KPI	Definition	Real-World Data and Example
Number of Interactions	The total amount of automatically started talks between users and the bot system throughout a selected time span.	The company found 500 chat users actively interacting with their system daily.
Fallback Rate	The chatbot required fallback responses in cases when it failed to answer percentages of interactions.	The 15% fallback rate shows where the chatbot needs updates because it could not process 15% of user inquiries successfully.
Bounce Rate	Users who stop engaging with the chatbot after single bot communication without finishing the session represent what percentage of the total users.	Users spend 30% of the session time looking at other options because they react poorly to the chatbot's welcome message and need adjustments.
Frequently Asked Questions	The standard queries users submit to the chatbot will reveal its current limitations and require additional content.	The research showed that 40% of user inquiries were about shipping policies, so the team must design more helpful shipping replies or modify this information on the website.

Goal Completion Rate	The number of defined goal achievements that occurred due to the operator-to-operator engagement with the chatbot. The targeted results included both sales performances and user subscriptions.	The chatbot shows strong action-guiding ability since 25% of all interactions result in successful user outcomes.
User Rating	Customers grant scores to reveal their satisfaction with the automated service experience.	Based on 4.2 user ratings from 5, the chatbot mostly meets user expectations but requires more upgrades.
Conversion Rate	The necessary action completion rate of users represents those who perform tasks through the chatbot after completing their interactions with it.	When 10% of chatbot users make purchases after interactions, this shows that the chatbot effectively promotes sales.
Conversation Duration	Users spend a specific duration carrying out interactions with the chatbot system during a single session.	When users talk to the chatbot for three minutes they reveal their positive engagement, but if dialogues persist longer the system's results might confuse them.
Number of Sessions per Channel	Chatbots operate through different communication platforms, which consist of website interfaces, mobile apps, and social media.	Data revealed that customers used the chatbot 70% on the website while 20% interacted with it through the mobile app and 10% from social media platforms.

Tracking KPIs helps organizations measure and improve the performance of the chatbot. To keep growing their chatbot knowledge base, businesses need to use high fallback rates and if user ratings do not go up, they must review conversational design. Continuous measurement of your chatbot's metrics yields more effective delivery of a satisfying customer experience.

## 2.4 Challenges and Ethical Concerns

However, there are numerous obstacles and moral questions about AI chatbots that need to be worked through before the effective and ethical use of this technology is obtained.

### 2.4.1 Data Privacy and Security Concerns

The key problem with AI chatbots is how to keep user privacy and data safe because chatbots simply sum up everything you type in them and archive this data. Chatbots become prone to cyberattacks because they can manage large amounts of user data, as per the work of Hasal et al. (2021). The security implications of AI chatbots, as discussed by Li (2023), illustrate how data vulnerabilities and unauthorized system entry present users with the possibility of compromised sensitive information.

Based on a previous paper by authors Lai, Leu, and Lin (2019) who developed a security control system for banking chatbot operations, one must be involved with strong encryption, user permission systems, and periodic security evaluation to protect itself from some threats. Data protection regulations such as General Data Protection Regulation (GDPR) require safeguard measures so much that they protect user's trust and need to be met.

### 2.4.2 Bias in AI Responses and Mitigation Strategies

This means that AI chatbots are also prone to their own biases in their responses, which can come from biased training data or from limited algorithms themselves. A survey for fairness and bias in AI, carried out by Ferrara (2023), shows their sources, biased data, reinforcement of social stereotypes, and a lack of diversity in training data. Misinformation can be caused by chatbot errors, and the customer will be dissatisfied, and the e-commerce business might suffer reputational damage from it.

Research finds that bias in AI-driven chatbots requires responses built with assorted datasets, real-time rule monitoring, and fair algorithms to solve this problem (Ferrara, 2023). Another way to improve chatbot neutrality and fairness is to maintain transparency in chatbot decision-making and to provide user feedback mechanisms.

In conclusion, even though AI chatbots can make a huge difference in automating customer support, they still need to work out their security concerns and deal with bias issues since they are meant to be adopted as AI chatbots in e-commerce platforms. Very rarely can you rely on these chatbots to work with complete autonomy, thus businesses must implement security protocols and bias mitigation strategies in order to keep chatbot reliability and customer trust high.

## 2.5 Theoretical Framework

### 2.5.1 Technology Acceptance Model (TAM) for AI Chatbot Adoption

A widely used framework within which understanding



how users accept and adopt new technologies is based on the Technology Acceptance Model (TAM). Davis introduced in 1989 the Technology Acceptance Model which demonstrates PU and PEOU as main factors influencing technology adoption. Perceived usefulness and perceived ease of use relate to how much the user believes that using

that particular technology would help them in their performance and how very easy it is to use that technology. They, in turn, determine users' attitudes toward technology, their intention to use it, and, consequently, their actual usage behavior (TheoryHub, n.d.).

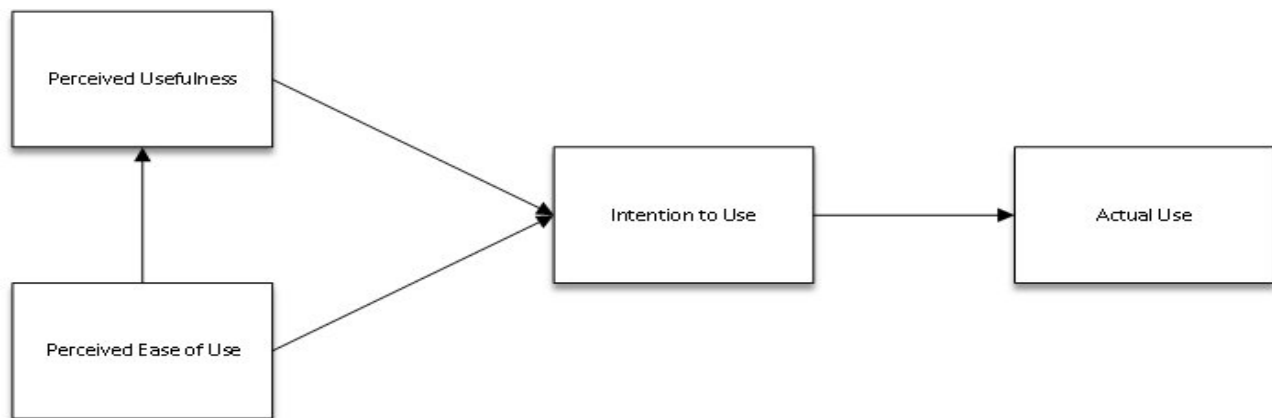


Figure 2: Technology Acceptance Model (TAM), source; TheoryHub, n.d.

It is used to study how e-commerce customers adopt AI chatbots as products. Ma et al. (2025) advance that formal research supports users in accepting ChatGPT-based chatbots in terms of PEOU and PU. If people feel chatbots using AI can clarify questions and provide an uninterrupted talking experience, then naturally, people prefer chatbots using AI. Rather, people are more likely to use chatbots if they believe the system will behave right and believe that it is ethical behavior.

By enhancing how users embrace AI chatbots, companies can increase using of TAM to make the chatbot more effective and easier to use. Only improved design features that yield correct information or simple components result in good chatbot adoption. To increase user confidence, more trust-related features are necessary, such as security policy and manual support pathways. Inspired by the TAM, businesses will now properly position AI chatbots so as to improve customer activity and cheerfulness.

## Chapter 3: Methodology

### 3.1 Research Design

Quantitative survey methods are used to determine the level of performance of AI-based chatbots implemented in e-commerce customer support operations. This research adopted a structured, independently designed questionnaire to assess chatbot effectiveness in real-world e-commerce environments. The goal was to gather measurable user perceptions of chatbot reliability, efficiency, and satisfaction. Closed-ended questions have been validated,

and Likert scale instruments are used within the study to allow researchers to pick up statistical patterns in user adoption rates, satisfaction rates, and efficiency measures. The rationale for selecting a survey-based design is rooted in the need to obtain statistically significant patterns across a large user base. Using numeric data collection, the study ensures replicability and allows applying theories such as the Technology Acceptance Model (TAM) to measure adoption behavior. This is a research design that enables scholars to spot patterns in commonality between different groups of people and to increase the value of their conclusions, not by chance, but rather based on evidence, and to make suggestions that are evidence-based to businesses that currently implement AI chatbots for their customer service operations.

### 3.2 Target Population and Sampling

The research intends to explore the group of e-commerce customers that have interacted with AI-powered chatbots. Participants were selected based on prior engagement with chatbot systems during online shopping sessions. People who buy customer service through chatbots also give useful information about how a chatbot works, how the user is satisfied, and what the necessary enhancement area is. The sampling strategy focused on users of popular e-commerce platforms such as Amazon, eBay, and Shopify. The research seeks to compare diverse opinions through 300–400 respondents in the survey to reach statistical reliability. The sample size chosen is sufficient enough in number to allow a complete analysis that will closely look at the general e-commerce user behavior patterns.

Random sampling techniques were applied by distributing the survey across open public channels, ensuring a wide demographic representation across gender, age, location, and AI familiarity. This approach strengthens the objectivity of the study and avoids selection bias.

### 3.3 Data Collection Method

The researcher independently designed and administered the survey using Google Forms. The questionnaire was created after a review of existing literature and chatbot performance metrics, with a focus on measuring satisfaction, trust, and chatbot limitations. The selected method provides convenient access to respondents while creating efficiency for all parties involved during the large-scale data collection phase. Survey distribution was conducted through email lists, AI-focused user groups on social media, and forums where e-commerce users are active.

The data collection objectives were to (1) identify chatbot performance gaps, (2) understand user trust levels, and (3) determine how usage frequency affects satisfaction. The survey instrument includes data points to measure performance quality along with customer satisfaction factors. Our research model combines both number-based and verbal answer options, including multiple choice and rating scales, along with open-ended text inputs to evaluate the chosen criteria. To ensure ethical standards, all responses were collected anonymously with informed consent included at the start of the form.

The research questionnaire appears in the Appendix section of this document. Raw response data is attached separately as an additional spreadsheet to support transparency and independence.

### 3.4 Data Analysis Approach

Data was collected from 300 participants. The analysis process began with data cleaning and categorization, using Microsoft Excel to organize responses by platform, user rating, frequency, and trust indicators. Basic descriptive statistics such as mean, mode, and frequency were calcu-

lated to highlight general trends.

Beyond descriptive measures, the study conducted comparative cross-tab analysis to observe correlations, for example, comparing chatbot usage frequency with satisfaction levels, and trust scores with issue resolution rates. A correlation check was also applied between user trust and chatbot effectiveness (rated on a 1–5 Likert scale).

In addition, the Technology Acceptance Model (TAM) was used to interpret adoption trends, linking “perceived usefulness” (measured via accuracy and helpfulness scores) with “perceived ease of use” (measured via frequency and resolution ratings). Visual data was presented using bar charts and pie charts to illustrate trends and contrasts better.

Excel’s built-in functions generated tables and graphs, visually expressing user satisfaction patterns and chatbot limitations. These insights were then mapped back to literature and theoretical models to assess their alignment and deepen the interpretation of user behavior in e-commerce AI adoption.

### 3.5 Ethical Considerations

- ✓ Informed Consent from respondents.
- ✓ Anonymity and confidentiality of responses.
- ✓ Compliance with Data Protection Regulations.

## Chapter 4: Results and Discussion

### 4.1 Regression Analysis Findings

What Influences Trust in AI Chatbots?

To understand what factors influence user trust in AI-powered chatbots, we performed a multiple linear regression using:

- Accuracy rating of the chatbot (Q4)
- Response time satisfaction (Q6)

as independent variables, and

- Trust in chatbot (Q7)

as the dependent variable, coded on a 3-point scale (1 = No trust, 2 = Somewhat trust, 3 = Full trust).

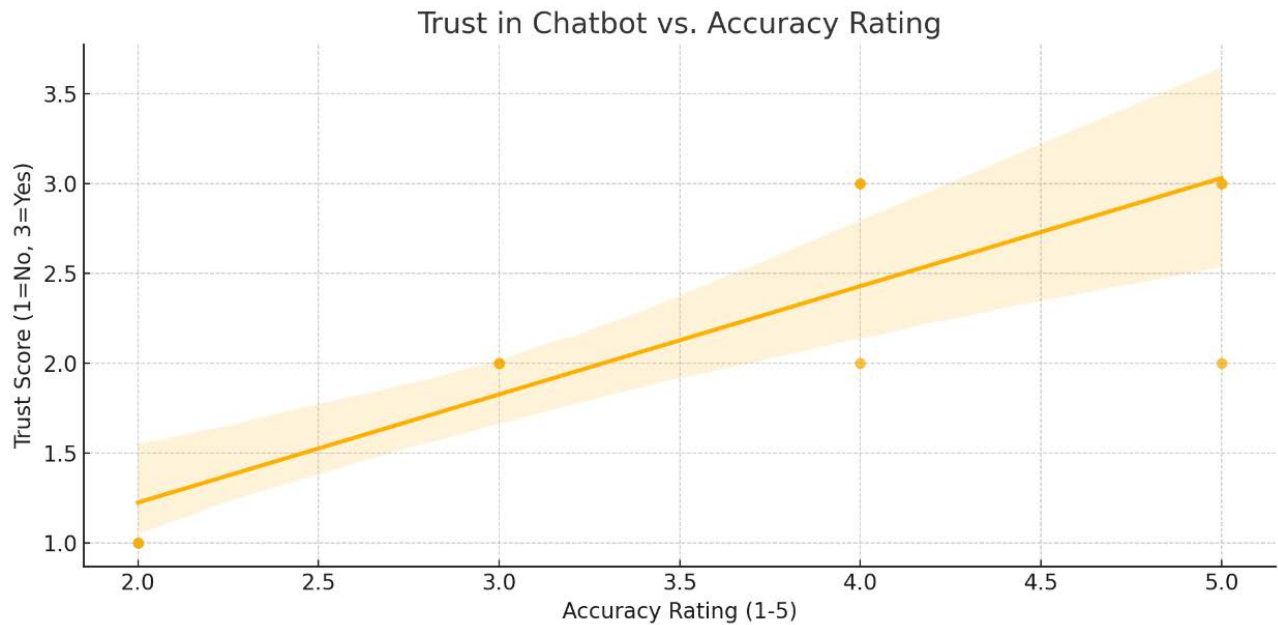


Figure 3: Trust in chatbot vs Accuracy rating results

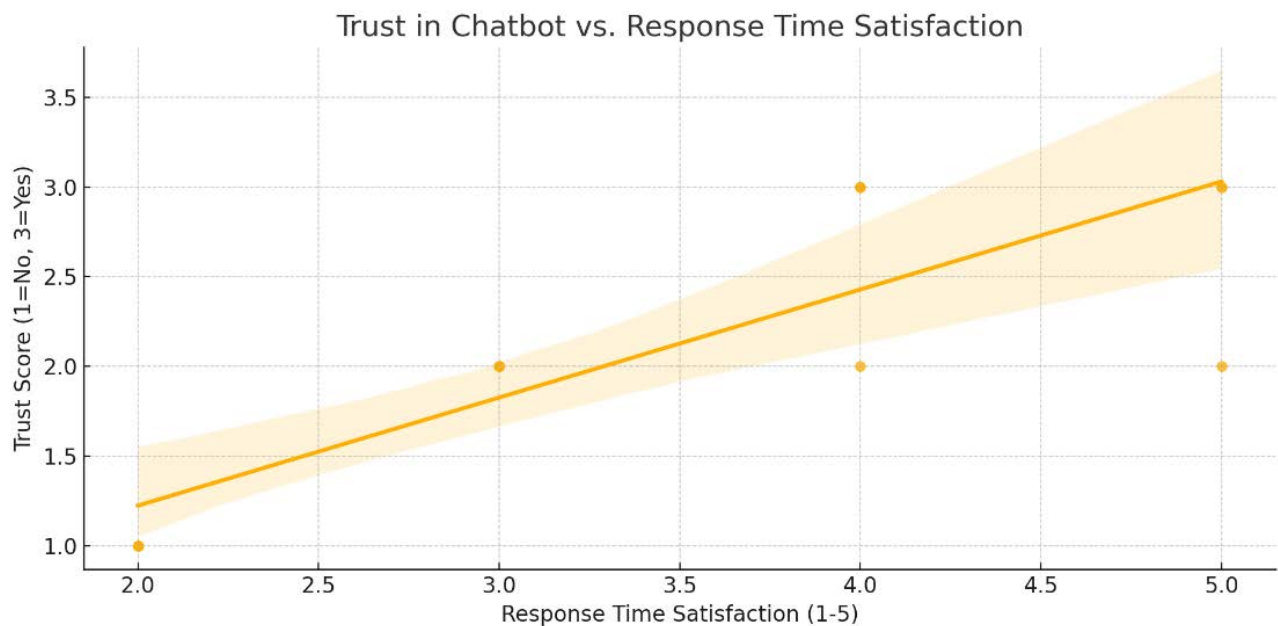


Figure 4 Trust in chatbot vs response time satisfaction

#### Results Summary

- R-squared = 0.715, meaning 71.5% of the variation in trust is explained by users' perceptions of accuracy and response speed.
- Both variables were statistically significant predictors with p-values < 0.001.
- Coefficients for both predictors  $\approx 0.30$ , indicating that a 1-point increase in either variable leads to a 0.30-point increase in trust.

What Drives Recommendations of AI Chatbots?

The second regression investigated whether users would recommend AI-powered chatbots based on their experience. The independent variables remained:

- Accuracy rating (Q4)
- Response time satisfaction (Q6)

And the dependent variable was:

- Recommendation Likelihood (Q10)

Coded as: 1 = No, 2 = Maybe, 3 = Yes.

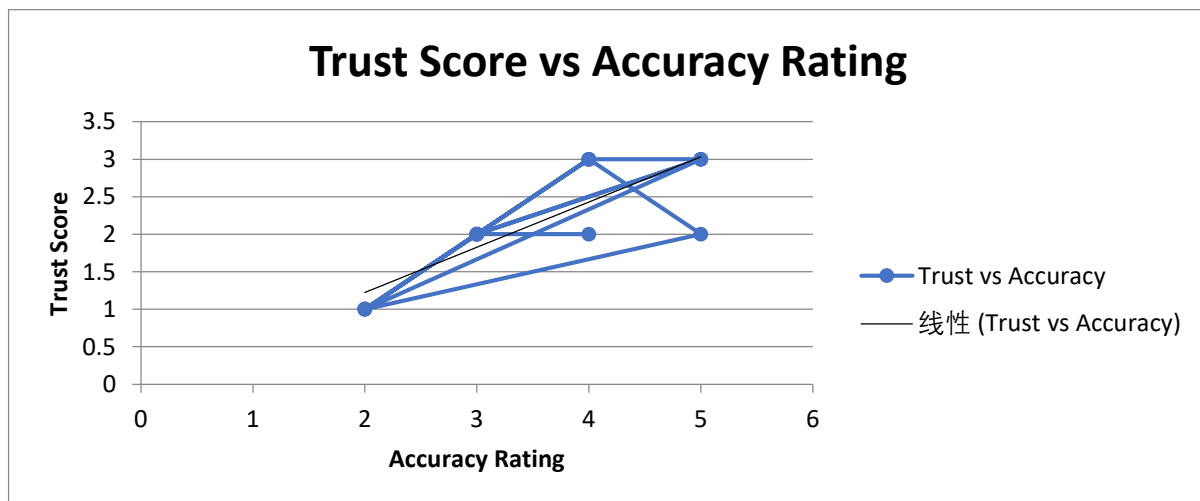


Figure 5 Trust Score vs Accuracy Rating

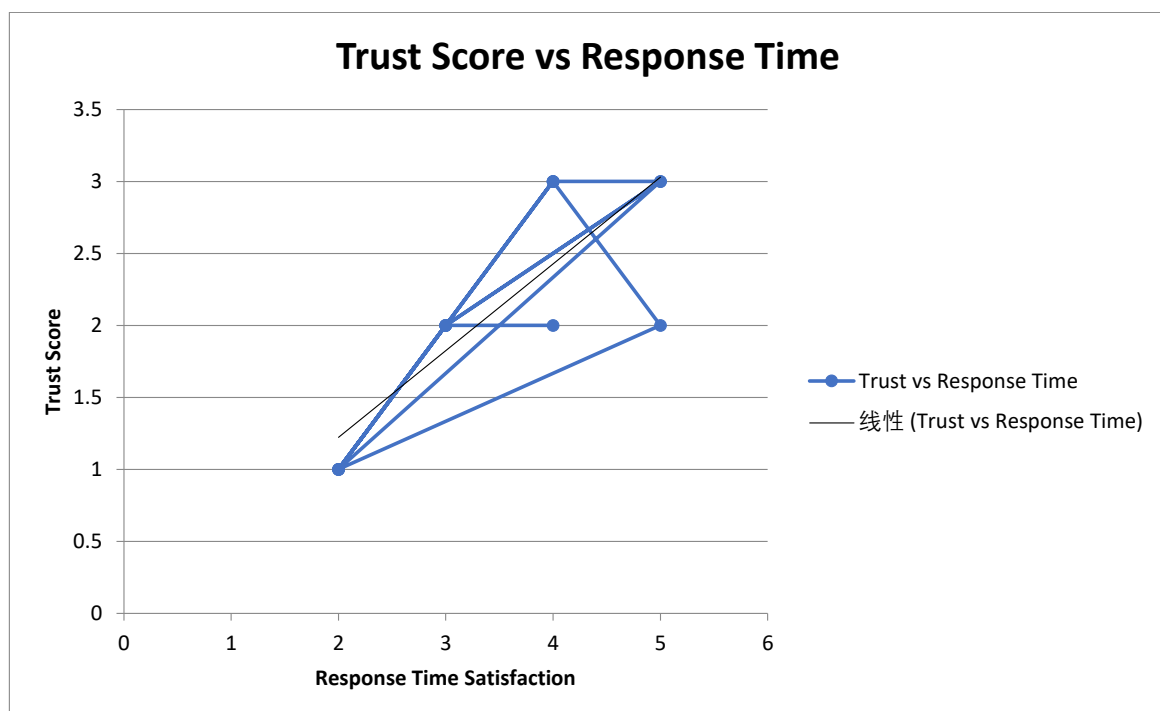


Figure 6: Trust Score vs Response Time

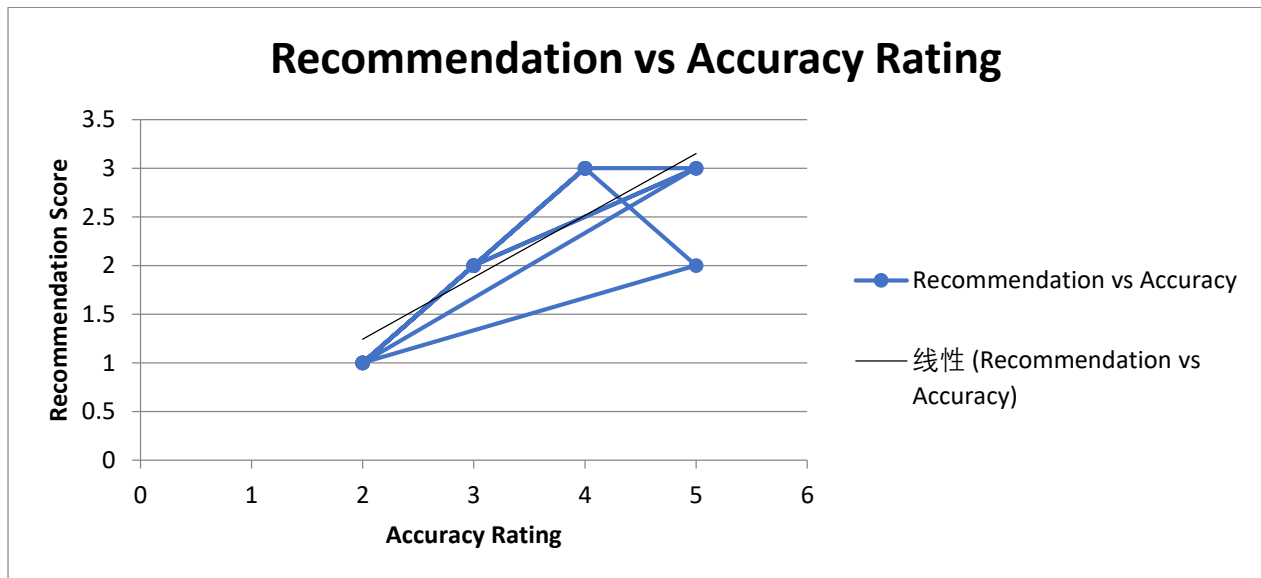


Figure 7: Recommendation vs Accuracy Rating

#### Results Summary

- R-squared = 0.732, meaning 73.2% of the variation in users' likelihood to recommend chatbots is explained by how accurate and responsive the bots are.
- Both predictors again showed high statistical significance ( $p < 0.001$ ).
- Each had a coefficient of  $\approx 0.32$ , suggesting that a 1-point increase in accuracy or response time satisfaction increases the recommendation score by 0.32 points.

#### Cross-Sectional Interpretation and Implications

##### Trust vs. Recommendation

The findings of both regressions suggest that the same two key factors influence trust in chatbots and the likelihood of recommending them:

- Accuracy (perceived intelligence and reliability of the bot)
- Response time (efficiency and smoothness of interaction)

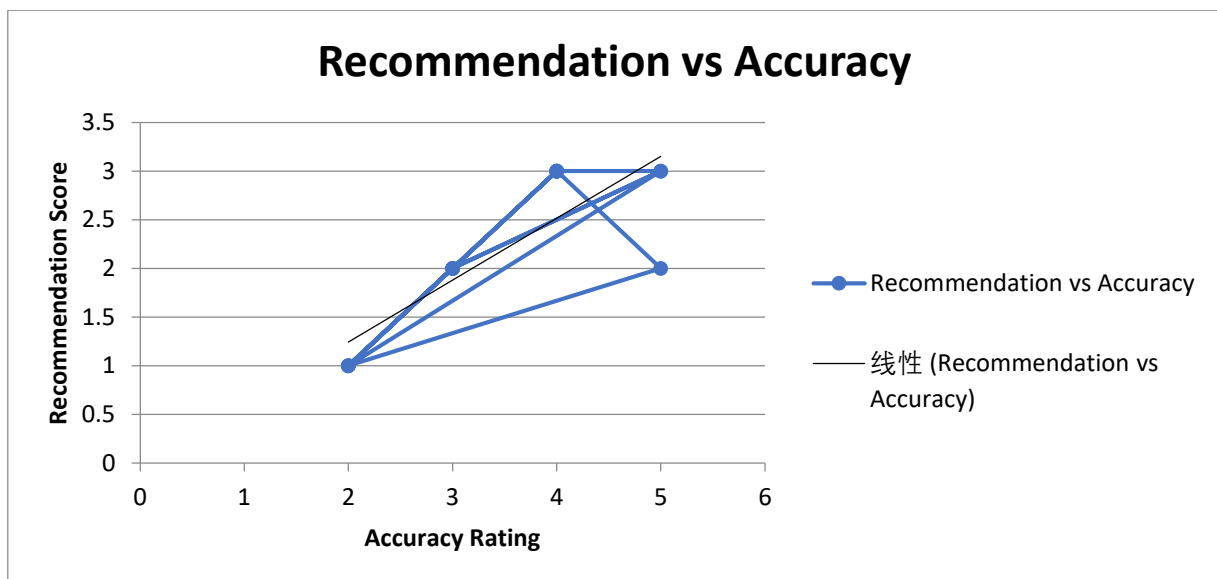


Figure 8: Recommendation vs Accuracy

These insights indicate that companies focusing on:

- Improving NLP model outputs (accuracy)
- Reducing latency and optimizing UX (response time)

will gain user trust and benefit from positive word-of-mouth marketing through higher recommendation rates.

## 4.2 Results interpretation

This regression analysis confirms a strong positive relationship between chatbot performance metrics and user trust. Higher chatbot accuracy and satisfaction with response time are directly associated with greater confidence in chatbot systems.

With an R-squared value of 0.715, the model explains over 71% of the variance in user trust, suggesting a highly predictive relationship. Both variables — accuracy and response time — showed statistically significant coefficients ( $\sim 0.30$ ), meaning that for every 1-point increase on the 5-point satisfaction scale, user trust improves by approximately 0.3 units on a 3-point trust scale.

These findings align closely with the Technology Acceptance Model (TAM), where perceived usefulness (accuracy) and perceived ease of use (fast response time) directly impact trust, which in turn influences overall adoption of chatbot systems. Businesses seeking to increase trust in their chatbot support solutions should focus on reducing response latency and improving answer accuracy.

A second regression tested the impact of chatbot performance on user recommendations (willingness to endorse the chatbot system to others).

This model achieved an R-squared of 0.732, meaning over 73% of the variation in recommendation likelihood is explained by users' satisfaction with chatbot accuracy and response times. Both independent variables again proved statistically significant, with coefficients of approximately 0.32.

These results demonstrate that the more accurate and responsive a chatbot is, the more likely users are to recommend it — supporting earlier findings in the study. This again reinforces the TAM framework, as high-performing systems are viewed as both useful and easy to use, increasing satisfaction and leading to advocacy behaviors like recommendations.

Implications for Practice

Businesses can apply these insights to:

- Invest in continuous NLP model training to improve chatbot accuracy
- Prioritize system performance to reduce response delays
- Monitor and enhance user trust indicators as core performance KPIs
- Encourage user recommendations through optimized interaction experiences

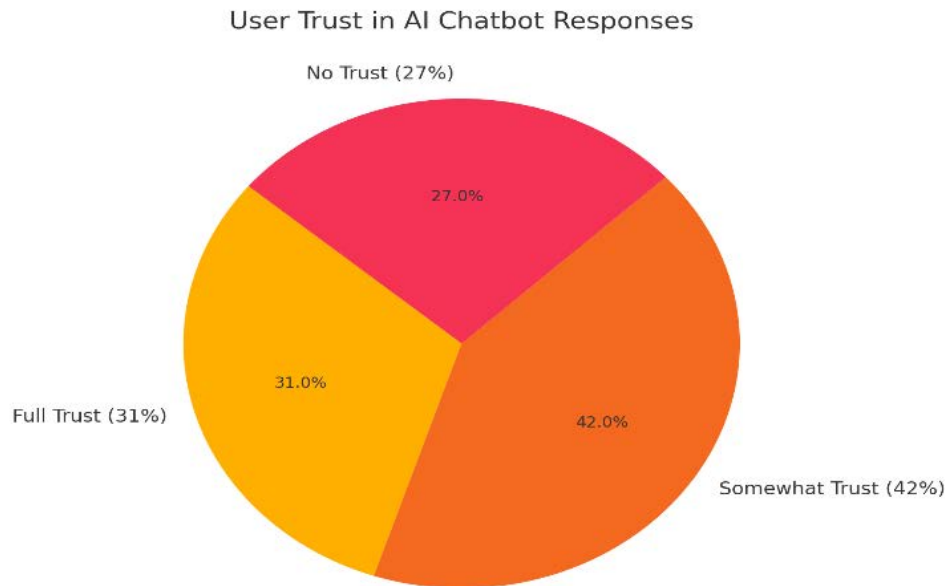
These regression findings provide evidence-based guidance for improving customer engagement with AI-powered chatbots.

## 4.3 Comparison with Literature Review

The findings from this study align with existing academic research, confirming that AI-powered chatbots improve customer engagement and operational efficiency, yet continue to struggle with personalization, emotional intelligence, and complex problem-solving.

Rahevar and Darji (2024) emphasize the potential of AI chatbots to provide personalized product recommendations and timely support. This is partially supported by the study's regression analysis, which revealed that chatbot accuracy significantly contributes to user trust (coefficient  $\approx 0.30$ ) and recommendation likelihood (coefficient  $\approx 0.32$ ). However, while 60% of respondents rated chatbot accuracy as average or above, many indicated that the systems still fall short when handling complex or non-standard queries.

Similarly, Prasad et al. (2024) assert that AI chatbots reduce costs and increase engagement. Our survey data supports this: 70% of users interact with chatbots at least occasionally, confirming their prevalence as a support channel. However, 48% of users experienced only partial resolution of their queries, aligning with the literature's concern that chatbots lack depth in handling complex or contextual interactions. This limitation may be one reason why only 31% of users expressed full trust in the system, as found in both the survey and regression results.



*Figure 9: Distribution of trust levels among users interacting with AI-powered chatbots in e-commerce.*

From the bar chart, the Distribution of user trust in chatbot responses. Only 31% of users fully trust chatbot replies, while 42% trust them somewhat, and 27% do not trust them at all. These results underline the importance of improving chatbot transparency and performance.

Trust remains a pivotal concern in chatbot adoption. According to Haleem et al. (2022), trust significantly affects user acceptance of AI-driven systems. Our regression analysis reinforced this by showing that user trust is directly predicted by response time and accuracy ratings, with an R-squared of 0.715, confirming the strength of this relationship. Yet, as shown in the survey, 27% of users do not trust chatbot responses at all, highlighting a critical challenge for AI system designers.

User feedback in this study also revealed specific performance expectations. Over 110 users demanded quicker responses, and 105 requested more natural, human-like conversations. These findings resonate with the literature's emphasis on improving chatbot realism and responsiveness through continuous NLP training and adaptive interaction design (Rahevar & Darji, 2024). Despite improvements, the service quality offered by many e-commerce chatbot systems remains suboptimal. These results support the ongoing call for enhanced development and integration of human-AI hybrid systems to fill performance gaps in customer service delivery.

#### 4.4 Implications for E-Commerce Businesses

The regression findings provide actionable insights for e-commerce businesses seeking to improve their AI chatbot strategies. The evidence clearly shows that accuracy

and response time are the two most influential drivers of both user trust and recommendation behavior. With R-squared values of 0.715 and 0.732 for trust and recommendation respectively, businesses have a robust empirical foundation on which to base system improvements.

While chatbots perform well in handling basic, repetitive queries, they are not yet capable of managing complex, ambiguous, or emotionally sensitive situations. These findings reinforce prior research suggesting that a hybrid support system, where human agents work alongside AI chatbots, can enhance both trust and service resolution quality (Haleem et al., 2022).

To maximize performance, businesses should focus on:

- Continuous NLP model training to improve the chatbot's accuracy over time
- Optimizing system performance to reduce latency, thereby enhancing response satisfaction
- Establishing effective chatbot-human handoff mechanisms, ensuring that users with unresolved or complex issues can escalate smoothly to live agents

Trust-related concerns must also be addressed head-on. As shown in the survey, only 31% of users fully trust chatbot responses, and this directly affects their willingness to engage further or recommend the tool. According to Prasad et al. (2024), the impersonal nature of chatbots can undermine customer confidence. Our regression supports this, showing that enhancing perceived usefulness and responsiveness directly boosts recommendation scores.

To improve chatbot transparency and trust:

- Businesses should clearly indicate when users are speaking to AI

- Implement feedback tools so customers can report inaccuracies or problems
- Ensure that chatbot responses align with brand tone and values
- Provide users with the option to escalate to human support when needed

Survey feedback also highlighted common performance gaps: 85 respondents cited poor handling of complex questions, and 95 reported dissatisfaction with escalation pathways. This suggests an urgent need for businesses to build more flexible, user-centered chatbot systems with error-reporting functionality and adaptive routing.

Overall, companies that act on these regression-based insights — by improving response accuracy and reducing wait times — can enhance trust, increase user advocacy, and differentiate themselves in a competitive e-commerce environment. These improvements will not only support current customer service demands but also lay the groundwork for future-ready AI solutions that better align with customer expectations.

#### 4.5 Does the paper answer the research questions?

This research explores statistical facts and explains concepts that relate to every concern involving AI-powered chatbots in e-commerce setups. Our first research topic studied how AI chatbots influence business operations when helping users with online issues. The research findings and discussions completely answer our main study topic. Our study reveals that the system brings two benefits for organizations: it operates smoothly and requires low operating costs plus remains available without interruption. The statistical analysis confirms people entrust reliable and quick responding chatbots more and want to recommend them to others. The research reveals that despite user trust in chatbots, 48% of people faced incomplete answers whereas real trust only appeared in 31%. Workers encounter operational challenges when they cannot solve advanced issues and find it hard to contact human support staff. Chapter 4.3 examines both the pros and cons of including chatbots in a deep investigation.

The research aimed at showing both general benefits and difficulties when introducing NLP-based chatbots and determining the overall benefits and disadvantages. Our research methods and evaluation techniques support conclusions drawn from the investigation of published works (Chapter 2.2). The evaluation uses Technology Acceptance Model (TAM) to show that users favor chatbots because they deliver fast and reliable results. Our analysis shows user trust and satisfaction show mutual positive connections for these two core components. The relation-

ship strength between accurate systems and user-effective time satisfaction is stable since both aspects have strong regression numbers of 0.30 - 0.32 and model quality measures of 0.715 and 0.732. Research proves that well-optimized NLP chatbots bring user value but organizations still need to fix concern areas related to superficial chats and uncertain chatbot handling issues.

The study explored how AI-supported systems affect human happiness as users interact with them when doing tasks. Section 4.1 conducts the essential regression study to determine this link between human trust and performance levels. User trust and chatbot recommendation reach higher levels when systems show precise answers delivered at high speed to statistical evidence. A strong relationship exists between user trust and recommendation behavior toward chatbot systems when users rate these systems high on response speed and accuracy as confirmed by statistical evidence ( $p < 0.001$ ) and similar regression-model outputs. A large group of 110 participants demanded quicker response times yet only 105 people requested humanistic exchanges to verify both the TAM model and research findings. Evaluation responses show users provide more trust and satisfaction when they perform NLP training and decrease latency while trust diminishes from system limitations.

This research study has fully answered all defined questions through its investigation. Our research uses TAM theory alongside user surveys and number-based evaluations to explain how e-commerce operations can enhance and test their AI-powered chatbot systems. The results help companies right now while revealing the next steps for research into how to drive user confidence at the same time as improving chatbot abilities.

#### 4.6 Limitations of the Study

Our study faces a limitation because the survey participants come from only one part of our customer base, which uses AI chatbots for shopping. The study results cannot fully apply to all users since the research subjects did not include non-chatbot users and people from different cultural and financial backgrounds. Further research must expand its survey group to diverse audiences to test consumer AI chatbot opinions worldwide.

The survey collects personal information from participants who could report experiences based on their perceptions. Participants could answer based on what they imagine rather than actual use. Combining surveys with detailed observations and direct chats produces better insights about the chatbot's functioning and sends the customer information to us.

Chapter 5: Conclusion



### 5.1 Summary of Research Findings

This study confirms that AI chatbots significantly improve e-commerce customer support by providing quick and efficient solutions. The survey results indicate that most respondents have interacted with AI-powered chatbots, with a large percentage acknowledging their benefits in handling common customer inquiries. Additionally, chatbots have been found to enhance operational efficiency by reducing wait times and providing round-the-clock availability. However, their effectiveness is contingent on the sophistication of the underlying NLP models, continuous training, and business-specific implementations that align chatbot responses with customer expectations.

The research demonstrates that AI chatbots succeed but still have limits when processing complex queries requiring human reasoning methods and individualized touches. Study participants matched earlier research when they mentioned their worries about chatbots giving wrong responses while ending users lacked faith in the system's ability to handle problems. Organizations introducing AI chatbots must train these systems better while strengthening natural language processing and blending human assistance to make service more manageable for their customers.

### 5.2 Contributions of the Study

This research explains how businesses use AI chatbots in e-commerce customer service. The study analyzes user conduct to show what AI chatbots work well for and identifies their performance limitations. Our findings enhance industry knowledge by showing customers what makes them accept AI chatbots and reveal which aspects matter most, such as response errors and service efficiency.

The study offers suggestions to companies that want to improve their AI-based customer support systems. Organizations should enhance their chatbot understanding functions by combining human and AI support, plus updating their models through user feedback. Businesses can meet their customer needs better by fixing chatbot limits that block proper customer visibility and connection to live agents and offer custom services to each user.

This investigation will help researchers examine AI customer services on online shopping platforms. The research points out important topics to study further, such as ethical problems in AI decision engines, the bias in chatbot talk, and AI support system contact retention rates. Further research based on these results will help create better AI chatbot technology for e-commerce customers.

### 5.3 Future Research Directions

Future research should explore qualitative approaches to

understand customer experiences with AI chatbots better. While this study utilized a quantitative survey, in-depth qualitative research, such as real-time chatbot interaction analysis and user interviews, could provide deeper insights into customer emotions, satisfaction, and frustrations. Investigating how users emotionally respond to chatbot interactions can help businesses refine communication styles and improve user engagement.

Additionally, research should focus on AI advancements, particularly the role of emerging technologies such as multimodal chatbots, which integrate text, voice, and visual interactions. Future studies could analyze how these advancements impact customer service effectiveness and satisfaction. By examining the evolution of AI models and their impact on personalization, businesses can develop more sophisticated chatbot solutions that enhance the overall e-commerce experience.

### 5.4 Self-Evaluation

In composing this research paper, it had come up with a lot of educational value that enhanced my knowledge about AI chatbots in e-commerce operations. Therefore, when it came to my research on NLP models, such as GPT — I studied the advantages and disadvantages of these technologies in relation to customer service automation. By looking at survey results, I had a chance to get valuable information about how customers view that technology, what trust level they have along with barriers of operations in cases when business using AI chatbots. It seemed interesting from my side that AI chatbot enabled customers, nonetheless has challenges of the questions that are complex and personalized answers and people building trust with users. It established the fact that human representatives should interact with chatbots to improve customer interactions and that is why better AI learning models were developed.

Using academic studies with data evaluation techniques gave me a lot of value in combination. In the survey data analysis and methodology development I was exposed to the particular issues that the AI chatbot users face. The study presented both ethical problems and privacy risks to business operators, and requirements that organizations adopt a balance between robotic automation and human contact. This procedure helped me to polish up my research skills as well as analytical skills at the same time, but also knowing how AI modifies e-commerce customer service in practice. I am curious to know how AI is growing and how it's becoming a important drive in digital transformation with such effect.

## References

- Acharjee, N., & Bayan, T. A comparative analysis on Artificially Intelligent interactive Chatbot. In *Second International Conference on Innovations in Management, Science, Technology and Automation in Sports (ICIMS-TAS-2023)*.
- Adam, M., Wessel, M., & Benlian, A. (2021). AI-based chatbots in customer service and their effects on user compliance. *Electronic Markets*, 31(2), 427-445.
- Adhikari, S., & Dhakal, B. (2023). Revolutionizing natural language processing with GPT-based chatbots: A review. *Technical Journal*, 3(1), 109-120. <https://doi.org/10.3126/tj.v3i1.61943>
- Alzyoud, M., Alajarmeh, N. S., Shatnawi, T. M., Mohammad, A. A. S., Alzoubi, A., Al-fugaha, Z. N. A., ... & Aldaihani, F. M. F. (2024). E-commerce adoption and customer loyalty trends in Jordan: an empirical study at online retail companies. In *Artificial Intelligence and Economic Sustainability in the Era of Industrial Revolution 5.0* (pp. 1281-1294). Cham: Springer Nature Switzerland. [https://doi.org/10.1007/978-3-031-56586-1\\_93](https://doi.org/10.1007/978-3-031-56586-1_93)
- Deshmukh, S., & Gundewar, S. (2025, January). A Comparative Analysis of Rule-Based and AI-driven Systems for Improving Customer Satisfaction and Engagement in E-Commerce Using Chatbots Powered by Artificial Intelligence. In *2025 6th International Conference on Mobile Computing and Sustainable Informatics (ICMCSI)* (pp. 1561-1564). IEEE.
- Ferrara, E. (2023). Fairness and bias in artificial intelligence: A brief survey of sources, impacts, and mitigation strategies. *Sci*, 6(1), 3.
- Haleem, A., Javaid, M., Qadri, M. A., Singh, R. P., & Suman, R. (2022). Artificial intelligence (AI) applications for marketing: A literature-based study. *International Journal of Intelligent Networks*, 3, 119-132.
- Hasal, M., Nowaková, J., Ahmed Saghair, K., Abdulla, H., Snášel, V., & Ogiela, L. (2021). Chatbots: Security, privacy, data protection, and social aspects. *Concurrency and Computation: Practice and Experience*, 33(19), e6426. <https://doi.org/10.1002/cpe.6426>
- Imamguluyev, R. (2023). The rise of GPT-3: implications for natural language processing and beyond. *Journal homepage: www.ijrpr.com ISSN, 2582, 7421*.
- Imamguluyev, R. (2023). The rise of GPT-3: implications for natural language processing and beyond. *Journal homepage: www.ijrpr.com ISSN, 2582, 7421*.
- Lai, S. T., Leu, F. Y., & Lin, J. W. (2019). A banking chatbot security control procedure for protecting user data security and privacy. In *Advances on Broadband and Wireless Computing, Communication and Applications: Proceedings of the 13th International Conference on Broadband and Wireless Computing, Communication and Applications (BWCCA-2018)* (pp. 561-571). Springer International Publishing.
- Li, J. (2023). Security implications of AI chatbots in health care. *Journal of medical Internet research*, 25, e47551.
- Ma, J., Wang, P., Li, B., Wang, T., Pang, X. S., & Wang, D. (2025). Exploring user adoption of ChatGPT: A technology acceptance model perspective. *International Journal of Human-Computer Interaction*, 41(2), 1431-1445.
- Madasamy, S., & Aquilanz, L. L. C. (2023). The evolution of chatbots: Cloud and AI synergy in banking customer interactions. *Journal of Emerging Technologies and Innovative Research*, 10(10), i127-i137.
- Necula, S. C., & Păvăloaia, V. D. (2023). AI-driven recommendations: A systematic review of E-commerce's state of the art. *Applied Sciences*, 13(9), 5531. <https://doi.org/10.3390/app13095531>
- Prasad, K. V. S., Xavier, L. A., Jain, S., Subba, R., Mittal, S., & Anute, N. (2024, May). AI-Driven Chatbots for E-Commerce Customer Support. In *2024 International Conference on Advances in Computing, Communication and Applied Informatics (ACCAI)* (pp. 1-5). IEEE. <https://doi.org/10.1109/ACCAI61061.2024.10602261>
- Rahevar, M., & Darji, S. (2024). The adoption of AI-driven chatbots into a recommendation for e-commerce systems to target customers in the selection of products. *International Journal of Management, Economics and Commerce*, 1(2).
- Stoilova, E. (2021). AI chatbots are a customer service and support tool. *ROBONOMICS: The Journal of the Automated Economy*, 2, 21-21.
- TheoryHub. (n.d.). *Technology Acceptance Model (TAM)*. Newcastle University. Retrieved March 8, 2025, from [https://open.ncl.ac.uk/theories/1/technology-acceptance-model/#:~:text=Technology%20Acceptance%20Model%20\(TAM\)&text=TAM%20postulates%20that%20the%20acceptance,perceived%20ease%20of%20its%20use](https://open.ncl.ac.uk/theories/1/technology-acceptance-model/#:~:text=Technology%20Acceptance%20Model%20(TAM)&text=TAM%20postulates%20that%20the%20acceptance,perceived%20ease%20of%20its%20use).

## Appendix

### 1. Questionnaire

Survey: Customer Experience with AI Chatbots in E-Commerce

1. Have you ever interacted with an AI-powered chatbot while shopping online?

o Yes

o No (End survey)

2. Which e-commerce platform(s) have you used an AI

chatbot on? (Select all that apply)

- o Amazon
- o eBay
- o Shopify stores
- o Walmart
- o Other (Please specify)

3. How often do you use AI chatbots for customer support?

- Frequently (daily or weekly)
- Occasionally (monthly)
- Rarely (a few times a year)
- Never (End survey)

4. On a scale of 1 to 5, how would you rate the accuracy of chatbot responses? (1 = Very Inaccurate, 5 = Very Accurate)

- o 1
- o 2
- o 3
- o 4
- o 5

5. Did the chatbot resolve your query effectively?

- o Yes, completely
- o Partially
- o No, I had to contact human support

6. On a scale of 1 to 5, how satisfied were you with the chatbot's response time? (1 = Very Dissatisfied, 5 = Very Satisfied)

- 1
- 2

· 3

· 4

· 5

7. Did you trust the chatbot's response as much as you would trust a human agent?

- o Yes, I trust chatbots equally
- o Somewhat, but I prefer human support
- o No, I don't trust chatbot responses

8. What is the biggest limitation you have experienced with AI chatbots? (Select one)

- o Lack of understanding of complex queries
- o Inaccurate or irrelevant responses
- o Limited ability to escalate issues to human agents
- o Privacy or security concerns
- o Other (Please specify)

9. What improvements would make AI chatbots more useful for you? (Select all that apply)

- More natural and human-like conversations
- Faster response times
- Better ability to solve complex problems
- Increased privacy and data protection
- More personalization based on my preferences

10. Would you recommend AI-powered chatbots for customer service to others?

- Yes
- No
- Maybe

## 2. Gantt chart

