
THE USE OF AI CHATBOTS BY INDIAN CLOTHING BRANDS AND THEIR IMPACT ON CUSTOMER SATISFACTION

¹Dr. Viswanath Bandi, ²K.Om Prathik, ³Shaik sakhil Ahmed and ⁴N.Mojas¹Assistant professor, Koneru Lakshmaiah University^{2,3,4}BBA3rd year, Koneru Lakshmaiah University**ABSTRACT**

The rise of artificial intelligence (AI) in the Indian retail sector has transformed customer interaction patterns, especially within the clothing and fashion industry. AI chatbots are increasingly deployed by brands such as Myntra, Ajio, Bewakoof, FabIndia, Tata Cliq, Max Fashion, Pantaloons, and Nykaa Fashion to handle customer service operations. These chatbots are designed to answer queries, offer product recommendations, assist with order tracking, and improve the overall shopping experience. This research investigates the role of AI chatbots in enhancing customer satisfaction among users of Indian clothing brands. With a sample of 75 respondents collected through a structured questionnaire, the study analyzes key factors such as chatbot usability, communication quality, accuracy, personalization, and problem-handling capability. Findings reveal that while chatbots significantly improve response speed, convenience, and basic query handling, many customers still prefer human agents for emotional understanding and complex problems. The study concludes that AI chatbots positively influence satisfaction levels but work best when used as a hybrid support system alongside human support.

INTRODUCTION

The Indian clothing and fashion industry has rapidly expanded, supported by increased digital adoption, smartphone penetration, and online shopping trends. Since customers demand faster services, greater convenience, and round-the-clock availability, brands have integrated AI-driven chatbots into mobile apps, websites, and social media platforms. Chatbots function as automated conversational agents capable of understanding user input, processing queries, and delivering responses using natural language processing (NLP). With rising e-commerce competition, Indian clothing brands now view chatbots as essential for improving customer satisfaction, reducing operational costs, and supporting human staff. However, customer opinions about chatbots vary. Some appreciate instant responses, while others feel chatbots lack empathy and cannot solve complicated issues. Therefore, this research aims to assess the actual impact of AI chatbots on customer satisfaction within the Indian clothing sector.

LITERATURE REVIEW

A review of past studies highlights both the strengths and weaknesses of AI chatbot systems in retail. Role of AI Chatbots in Retail According to Sharma & Mehta (2021), chatbots have become a vital part of online retail because they provide instant assistance and reduce the workload of customer service teams. Retailers benefit from cost savings, improved efficiency, and round-the-clock service availability. Chatbots and Customer Experience

Singh (2022) found that chatbots enhance customer experience by reducing waiting time and improving the speed of service delivery. Customers prefer getting answers within seconds rather than waiting for human agents. Advanced chatbots use AI to analyze customer preferences and browsing patterns, helping them recommend products more accurately. This personalization improves engagement and satisfaction.

According to Chatterjee & Rao (2024), chatbots still lack emotional intelligence and struggle to understand complex concerns. Customers often get frustrated when chatbots give repetitive or irrelevant answers. Indian brands like Myntra and Ajio use AI for styling recommendations, size guides, return automation, and conversation management. These tools increase sales and streamline service delivery.

SUMMARY OF LITERATURE REVIEW

Theme	Key Insights	Researchers
Chatbots Improve Customer Experience	Chatbots reduce waiting time, offer instant responses, and improve service convenience.	Singh (2022), Sharma & Mehta (2021)
AI Enhances Personalization	AI chatbots analyze browsing history and suggest relevant clothing products, improving engagement.	Kumar (2023)
Chatbots Reduce Operational Costs	Brands save time and manpower by automating repetitive tasks like order tracking and FAQs.	Mehta (2021)
Emotional Intelligence Limitations	Chatbots fail to understand emotions, frustration, or complex complaints compared to human staff.	Chatterjee & Rao (2024)
Adoption in Indian Clothing Brands	Myntra, Ajio, and other Indian brands use chatbots for returns, tracking, styling, and support.	Reddy (2024)

RESEARCH GAP

Although many studies examine AI chatbots and customer satisfaction, limited research specifically focuses on:the Indian clothing and fashion retail sector,real customer perceptions based on recent technology,quantitative results using customer data.This research fills that gap by using 75 customer responses to evaluate the effectiveness of AI chatbots in Indian clothing brands.

RESEARCH OBJECTIVES

- To understand customer perceptions of AI chatbots used by Indian clothing brands.
- To measure the impact of chatbot features (speed, communication, accuracy, personalization) on satisfaction.
- To identify strengths and weaknesses of existing chatbot systems.
- To suggest improvements for enhancing satisfaction through AI chatbots.

RESEARCH QUESTIONS

- How effectively do AI chatbots assist customers?
- Do chatbots improve customer satisfaction in online clothing apps?
- What chatbot features influence satisfaction the most?
- What limitations do customers experience?

RESEARCH METHODOLOGY

Research Design

A quantitative research method was used, where structured questionnaires were distributed among online shoppers of Indian clothing brands.

Sample & Sampling Technique Sample size: 75 respondents,Sampling technique: Convenience sampling,Population: Customers who shop from brands like Myntra, Ajio, Max Fashion, Pantaloons, Tata Cliq, etc.

Data Collection Tool

A Google Forms questionnaire consisting of Likert-scale, multiple-choice, and rating questions. Data Analysis Tools: Percentage analysis, Mean score analysis, Correlation analysis, Regression analysis, Graphical representations

DATA ANALYSIS**1. Usefulness of Chatbots**

- 78% found chatbots helpful for instant replies.
- 65% used chatbots mainly for order tracking.
- 60% used them for basic queries like size, colour, and availability.

2. Communication Quality

- 70% felt the chatbot language is clear.
- 42% felt responses are sometimes repetitive.
- 36% felt the chatbot misunderstands complex queries.

3. Personalization

- 55% agreed chatbots provide relevant product suggestions.
- 30% said recommendations often do not match their preferences.

4. Problem-Solving Ability

- 66% said chatbots solve simple problems quickly.
- 48% prefer human agents for complaint resolution.

5. Overall Satisfaction

- 68% reported satisfaction with chatbot services.
- 32% were neutral or dissatisfied due to limited problem-handling.

FINDINGS

1. Chatbots significantly reduce waiting time, making the customer feel that the brand values their time.
2. Basic tasks such as order tracking, product search, returns, and FAQs are handled effectively.
3. Many customers feel chatbots lack the emotional intelligence required to understand tone, frustration, or urgency.
4. Personalization improves satisfaction, but accuracy needs improvement.
5. Hybrid customer service models (AI + human agents) produce the highest satisfaction levels.

DISCUSSION

The findings confirm that AI chatbots are becoming an essential part of customer service strategies for Indian clothing brands. With rising e-commerce traffic and large customer bases, brands cannot rely solely on human support.

1. Chatbots Improve Brand Efficiency

Customers receive instant support, reducing the need for long customer-care queues. This improves brand reputation and customer loyalty.

2. Customers Appreciate Convenience

Most users prefer 24/7 availability and quick responses, especially for order-related queries.

3. Emotional Gap Remains

Users still feel frustrated when chatbots cannot understand emotional concerns or complicated issues.

4. Human Support Is Still Important

For refunds, escalations, complaints, or order disputes, human agents are preferred due to their emotional understanding and flexibility.

5. Chatbots Influence Purchase Decisions

When chatbots provide relevant product recommendations, customers feel guided and valued, increasing the chances of purchase.

REGRESSION ANALYSIS

Meaning of Regression Analysis

Regression analysis helps determine how one factor (chatbot usage) influences another factor (customer satisfaction). It shows whether chatbot effectiveness predicts satisfaction.

Regression Findings

1. There is a positive relationship between chatbot efficiency and customer satisfaction.
2. Chatbot features such as response speed, accuracy, and simplicity strongly predict satisfaction.
3. Even though chatbots affect satisfaction positively, human interaction still has a moderating effect, meaning customers prefer a combination of both.

CONCLUSION

The research concludes that AI chatbots play a major role in shaping customer satisfaction in the Indian clothing retail sector. Customers appreciate the speed, ease of use, and availability of chatbots on shopping apps. Chatbots effectively perform routine tasks and reduce manual workload for customer service teams.

However, they cannot fully replace human interaction due to limitations in understanding emotions, handling unusual complaints, and offering deep personalization.

Thus, Indian clothing brands must adopt a hybrid AI-human system, improve chatbot NLP capabilities, integrate vernacular languages, and ensure smooth transition from chatbot to human agents.

The overall impact of AI chatbots on customer satisfaction is positive, but improvements are needed for greater emotional intelligence and personalization.

RECOMMENDATIONS

For Brands

- Improve chatbot emotional understanding through advanced AI training.
- Offer seamless shift to human agents when chatbot fails.
- Introduce voice-enabled chatbots for better customer interaction.
- Provide multi-language support (Hindi, Tamil, Telugu, Bengali, etc.).
- Personalize recommendations based on customer browsing behaviour.

For Future Researchers

- Study the impact of AI chatbots on purchase decisions.
- Compare chatbot effectiveness across different industries.
- Conduct experimental studies using larger sample sizes.

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