# INFLUENCE OF ARTIFICIAL INTELLIGENCE ON YOUTH: A PERSPECTIVE OF E-COMMERCE

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## 1. INTRODUCTION

The term Artificial Intelligence is a very old concept. It can been introduced before 5 decades from now. It is used widely in different areas such as economy, society, trade and commerce, communication, etc. It was in 1997 that IBM's dark blue computer could defeat human world chess champion, where the beginning and usage of AI started in full swing. In China, the AI technology was used in making development plan for the new generation. Strategic goals were laid down and the work was initiated in the way to bring out the final impact.

In today's world, competition is growing immensely in all the fields. Technology is taking upper hand in different sectors, whereas the role of human is gradually decreasing. The phenomena of Artificial Intelligence are grabbing the activities around the globe. This machine based learning system is able to study the perception of the users based on their activity. The demand of the consumers is met indirectly by providing them with their needs through the smart technology of AI. Recently it has been witnessed that, had AI be introduced in the field of E-Commerce, the marketers can attract more consumers. Depending upon the frequent checks laid by the consumers, their history, pages viewed, products brought repeatedly, etc., they are eligible to get attractive offers, which enables them to go in for future purchases. Thus, the present paper investigates the role of Artificial Intelligence in E-Commerce. For the purpose of the study, 100-degree college students are taken as sample from the city of Mumbai. The data was analyzed in descriptive manner. After analysis of the data, it was concluded that consumers are more attracted to the customized offers, those are provided to them by the e-commerce marketers. These customized models are prepared, not by the humans but with the help of machine intelligence based on their searches, history, previous purchases, etc. As the consumers are getting all their requirements satisfied under one roof, with special offers and discounts, they are more going in for online shopping, rather than retail purchases.

E-Commerce has replaced many retail outlets recently. The progress of e-commerce has not only helped the marketers to grow, but even the consumers are getting wide range of options available under one umbrella. As the demands of the consumers have started to be satisfied, the requirements and expectancy have grown immensely since last two decades. People are making online purchases, not only of the luxurius items, but also the items of daily needs. The present paper examines the role of Artificial Intelligence (AI) in E-commerce. Though AI is serving the consumers immensely, but then there are few disadvantages which are assiocated with AI. There are various online firms such as Amazon, Flipkart, Snapdeal, Myntra, etc. who are using Artificial Intelligence technology to have comment mining, chatbots, recommendations of the products and handling of the data bases. The Artificial Intelligence Firm, DeepMind, have earned a huge amount of income from Google, to provide their programming services. Every year there are a few trends that shape India's e-commerce industry. This ever-expanding space is being pegged by experts at $ 4.88 trillion by 2020. Many retailers are increasingly going 'Phygital' (a combination of digital and classic retail). This is now being driven predominantly by brands operating in the fashion and lifestyle category. Many Indian companies are now going 'Phygital'. For example, Firstcry started offline stores in 2012 and currently operates more than 300 franchise stores. Similarly, fashion retailer Myntra started a physical outlet in Bengaluru for its private label 'Roadster'.E-Commerce is growing rapidly in India. This has been convenient to many consumers to make their purchases, without going to the retail outlets. The marketers are trying to capture the trading world. However, they need to optimize operational efficiency and improve the quality of service, thus, the e-commerce platform is exploring new ideas to develop their business. The idea behind implementation of AI in e-commerce is simple growth of the business by capturing more consumer base.

Artificial intelligence was first introduced by McCarthy and his teammates, where they developed thought over the idea whether machines can also possess intelligence like human beings. In AI, smart machines with the intelligent capacity of human in terms of thinking and reasoning can be developed. This technology uses robots, voice world, image recognitiion, etc. All these can be put into action, immediately after inserting the commands. The development of artificial intelligence technology and computer technology are closely related to each other and mutual influence and common progress. At present, the mainstream technology of artificial intelligence mainly involved in machine learning and interactive learning.

## 2. TYPES OF AI TECHNIQUES IN E-COMMERCE

Following types of AI techniques are used in E-Commerce in modern days -

**5.1 Chat bots:** This is the main tool of AI, which is used by E-commerce websites to improve the customer support service. This service is enabling the consumers to drop in with their queries for 24*7. The query is replied by an auto-generated message due to the factor of AI. After each question asked by the consumers, the chat bots are reverting with the appropriate answers. They also help in providing with the suitable personalized user experience.

**5.2 Image Search:** This is one of the most suitable tool used in AI. Here the technology facilities the knowledge of the picture, which is unknown to the users, where the users can simply point their cameras towards the picture and they get the description of the same. This is reducing their efforts of inserting the key word to find the exact source of information. This concept of image search is implemented wisely in E-commerce.

**5.3 Handling Customer Data:** E-Commerce is graced with two things in abundance. - Wide range of products and large consumer data. Varied aspects of data needs to be dealt with every day, which ranges from type of consumers, type of products demanded, items sold, orders, dispatch, etc. Handling this type of data from a large geographical area is not possible for human beings. There are chances of some kind of error. Prior to Ai technology, large number of employees was hired to maintain the databases. This would end up by the companies paying huge amount of salaries. With the involvement of AI in data handling, the marketers are enjoying hassle free data handling in small cost.

**5.4 Recommendations System:** When we frequently buy some types of products through different platform, the AI and machine learning algorithms can predict the behavior of the buyer from its past searches and help recommend the products to the customers. This helps user to minimize his time on searching the products desired.

**5.5 Inventory Management:** Inventory means a complete list of items with the marketers. The inventory management means any marketer needs to know how much inventory he holds and what is the demand for further inventory required by the consumers. There is a wide range of product category in e-commerce, which needs to be tackled effectively. Human beings would find it difficult to enlist all the products (with exact demand and availability). Thus, AI would help in this case to manage the inventories successfully.

Apart from these major ones, the other aspects of uses of AI in E-commerce are cyber-security, better decision making, after sales service, Customer Relationship Management (CRM) and Sales Improvement. Thus, one can say that AI has definitely helped boosting the E-Commerce in the present day.

## 3. ADVANTAGES AND DISADVANTAGES OF ARTIFICIAL INTELLIGENCE IN E-COMMERCE

**6.1 Advantages**

6.1.1 Efficiency: The most important benefit of AI in E-Commerce is that it provides efficiency. As the tasks are completely by the computers, the chances of errors are altogether reduced. Thus, time and efforts are not wasted at any stages of the process.

6.1.2 Fast processing: As AI is based on the experience, the protocols are technically shifted according to the need of the customers on a war footing basis. Thus, the entire process is made faster.

6.1.3 Indefinite work: As technology is involved in AI, the problems are queries of the business heads are solved on an instant basis. They need to wait for a technician to join and answer their queries in particular working hours. With the help of AI, now the accessibility to the intelligent business is available 24*7. This has even improved customer support system.

6.1.4 Customized services: Most of the customers are willing to make their purchases with customized offers, when it comes to online shopping. Here, AI helps them in meeting their requirements to suit their interest. Appropriate campaigning and recommendations are made wisely through this machine intelligence process.
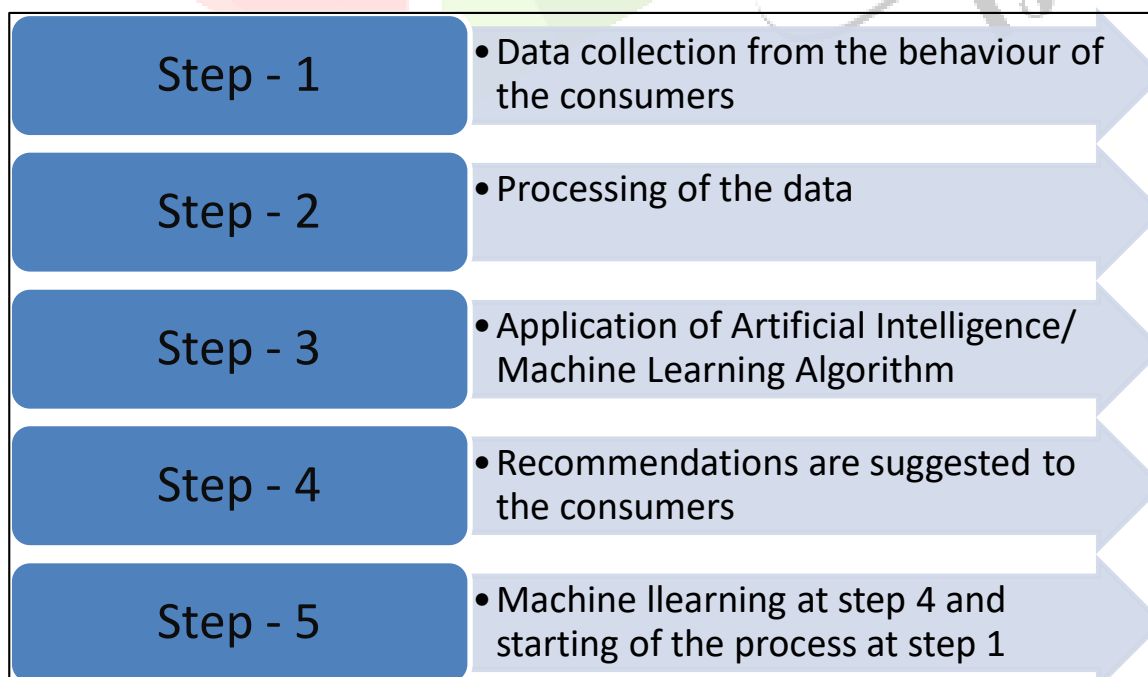
## 6.2 Disadvantages

6.2.1 Costly: The most important reason that AI is still not adopted by many of the e-marketing firms is because of its cost. It is as simple as to solve more complex problems, more sophisticated technology is to be adopted, which charges higher amount. Price of the technology will definitely depend on the manufacturers of the same. Complicated technology will be more costly as compared with the off-the-shelf solution.

6.2.2. Lack of Scope: AI is dealing with the factors where the logical aspects are taken into consideration and if the problems go beyond the understanding of the machine, the technology fails into solving the same. Even it can be seen that AI is not ready to create an e-campaign on its own. For that only the role of humans need to be considered.

## Application of AI in e-Commerce

E-commerce has been seeing different advancements in terms of application of artificial intelligence. The step by step of application of AI in e-commerce can be described as follows -

| Step - 1 | • Data collection from the behaviour of the consumers |
|----------|----------------------------------------|
| Step - 2 | • Processing of the data |
| Step - 3 | • Application of Artificial Intelligence/ Machine Learning Algorithm |
| Step - 4 | • Recommendations are suggested to the consumers |
| Step - 5 | • Machine llearning at step 4 and starting of the process at step 1 |

After interviewing the respondents, it was found that though AI technology is advancing and seeming very important in e-Commerce field, nearly 39 percent of the respondents believed that sometime, with unnecessary recommendations and suggestions, they get confused to buy the products, which meant to satisfy their actual need. Continuous pop-ups are disturbing for them. In terms of pricing also, it was found that initially the prices of the combo offers are comparatively low, however after multiple purchase of the same products, the discounts are withdrawn. Thus, it is found that machine learning, though enhances the combo schemes, but the users get switched on to other companies, if they are not getting the same privilege over again. They expect to get the discounts and offers on a continuous basis. This contradicts with the actual programming of the AI strategies, which is designed to just attract maximum customers and not to give them continuous profits. Thus, the respondents feel that the role of AI is significant only for a specific time line, further; it depends on the consumers to either switch over to other company or buy products at higher cost.

## 4. CONCLUSION

In the present day world, several online marketers are making the best use of the advanced technology to drag more and more number of buyers towards them. In the digital era, the e-commerce platforms are struggling through immense competition. However, there are rise and swings in this trade, but the most stable ones are earning the benefits in multiple times as compared to their investments. The most preferred channel of purchase by the youth of Mumbai city is Amazon, where the trading is done every second.

With the rapid development and continuous progress of research technology, deep learning platform, voice analysis technology, biometrics technology, image recognition technology, video analysis technology, robot automatic processing system, text analysis and natural language processing (NLP) and other mainstream artificial intelligence technologies will develop steadily, and AI will continue to promote the development and reform of e-commerce in the future. Artificial intelligence techniques have stepped into the fast lane, with mature technology, is becoming more and more widely applied; it is having a growing impact on aspects such as customer retention and customer satisfaction in e-commerce transactions. As time goes on, Artificial intelligence will become an important driving force for the transformation of e-commerce.

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