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THE ROLE OF AI AND CHATBOTS IN ENHANCING ONLINE CUSTOMER **EXPERIENCE**

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ABSTRACT

Over the past decade, Artificial Intelligence (AI) and chatbots have steadily changed how companies handle customer service online. Rather than being a gimmick, these tools now let firms respond to customers faster, with more consistency and a degree of personalisation that used to be impossible. This paper looks at how AI-driven chatbots shape online customer experience. It draws on published studies, case examples, and industry reports to examine their effects on satisfaction, operational efficiency, and business performance. The discussion shows that chatbots usually increase engagement, cut response times, and deliver cheaper service. Yet some difficulties remain – complex queries, limited emotional awareness, and privacy risks in particular. With progress in natural language processing (NLP), machine learning, and links to other technologies such as augmented reality (AR) and the Internet of Things (IoT), the potential for richer customer experiences is likely to grow.

KEYWORDS: Artificial Intelligence (AI), Chatbots, Online Customer Experience, Customer Satisfaction, Personalisation, Natural Language Processing (NLP), Data Privacy, E-commerce

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