

Prominence of artificial intelligence-upholding customer loyalty via customer relationship management

A. Lilly [†]

R. Rajkumar ^{*}

PG and Research Department of Commerce

St. Joseph's College of Arts and Science (Autonomous)

(Affiliated to Annamalai University)

Cuddalore

Tamil Nadu

India

J. Vinoth Kumar [§]

PG and Research Department of Commerce

St. Joseph's College (Autonomous)

(Affiliated to Bharathidasan University)

Tiruchirappalli

Tamil Nadu

India

J. Lydia [‡]

PG and Research Department of Commerce

Bishop Heber College (Autonomous)

(Affiliated to Bharathidasan University)

Tiruchirappalli

Tamil Nadu

India

Abstract

In the last few decades, Artificial Intelligence (AI) has radically altered the way around the world people conceive, perform, and consume. To survive, any business must gain the loyalty and confidence of its customers. As cloud-based CRM structures have evolved

[†] E-mail: lillyvictorious1@gmail.com

^{*} E-mail: 09rajkumarr@gmail.com (Corresponding Author)

[§] E-mail: vinothkumarj36@gmail.com

[‡] E-mail: lydia_ajohn@yahoo.co.in

into digital assistants, rudimentary data input tools are being replaced by cloud-based CRMs. Customer loyalty is eroding due to increased competition. A consistent satisfactory experience head towards customer loyalty, which means customers aspire one brand over another. In order to quench the customers' prerequisites, the business should tailor their tactic to them by personalizing it. The opulence of data in this age needs to be optimized using AI-based CRMs with machine-based learning, to escalate customer relationships, loyalty and contentment. Loyal customers will ultimately be rewarded through the application of AI techniques designed to identify repeat customers' journey and nurture relationships. This research paper illustrates the theoretical Background by pointing out how CRM can be integrated with AI to predict customer needs based on their buying habits and inspects CRM integration with AI to ensure customer loyalty.

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1. Introduction

Humanity's future is being wrought by Artificial Intelligence across humongous zones. Robotics, Big data, Machine Learning and the IoT are the technologies it drives, and it will perpetuate to be at the forefront of technological innovation for the time ahead. As a result of science and technology, mankind has gained access to Artificial Intelligence [12]. As an unprecedented tool for assimilating information, scrutinizing data, and revamping decision-making, Artificial Intelligence (AI) has radically transformed the way populaces are discerning and performing around the world.

Throughout the world of business, AI technologies have taken on to be progressively vital. With the advent of predictive and tailored customer experiences throughout sales, service, marketing, and commerce, businesses can now deliver more efficient sales cycles, more effective lead generation and qualification, more personalized marketing campaigns, and lower support call costs. Moreover, as data integration, machine learning, and data sets grow, the technologies are enduring to ameliorate. The trend has been moving away from rudimentary data input tools to cloud-based CRM structures that serve as digital assistants. It is imperative that organizations incorporate "big data" into its cloud-based CRM in a mode that furnishes more prognostic results in an ecosphere of multitasking devices and platforms.

Procuring the loyalty and confidence of the customer is crucial for any business to survive. It is not only the value the firm delivers that

attracts customers to them, but also the effort the customer makes during the process of shopping that determines loyalty [10]. Customers who have a positive experience are more likely to return and this is underscored by the strong correlation between customer satisfaction and loyalty [16]. A heightened reputation can be multiplied through artificial intelligence. Hence, the present research paper pursues to discourse the theoretical background by emphasizing the prominence of incorporating AI into CRM to predict customer needs with their purchasing patterns and analyze how AI can be included in CRM to ensure a loyal customer base.

2. Literature Review

Li, F., & Xu, G., [4] reveals that the major sectors benefiting from AI is Customer Relationship Management (CRM). It evaluates the performance, quality, and commitment of AI-enabled apparatus. Based on this analysis, it is concluded that consumers are conscious of AI-enabled expertise, that the technique under exploration is operational, and that it helps in maintaining the customer's loyalty. [4]

Chatterjee, Chaudhuri, and Vrontis [1] determines the waves of embracing a business-to-business relationship management (B2B) system that is embedded with artificial intelligence. The study discovers that CRM systems with AI-enhanced functionality improve B2B relationship satisfaction as well as the performance of businesses. [1]

Monod et al. [7] evaluates how AI systems, which support CRM, have led to discrepancies and power shifts in theory and practice. Consequently, they transformed the equilibrium of authority and moved from employee control to management control; leading to a depreciation of employees' labour performance. [7]

Natrajan et al. [9] enlightens that human intelligence cannot be replaced by AI, but it can be greatly augmented as a process automation tool. This leads to a streamlined policymaking progression as well. It recommends that efficient annexation of AI pointers to fruitful execution of CRM in the organisations. [9]

3. Problem Statement

In this era of technological innovation, customers are competent to access almost unlimited data about businesses, which makes switching to a competitor, a distinct possibility. In just a few clicks, customers can compare prices from all online merchants by typing in a portal of what

they want to purchase. Three in 10 consumers, exclusively younger consumers, are tending to attempt a novel brand, according to PwC's 2022 Customer Loyalty survey [3]. Due to increasing competition, customer loyalty is eroding. Building loyalty among customers is crucial for inviting and holding customers. A consistent satisfactory experience head towards customer loyalty, which means customers aspire one brand over another. In order to converge the customers' prerequisites, the business should tailor their tactic to them by personalizing it. The annexation of the AI, results in interactions with consumers by engendering an enormous amount of information every hour. The study illustrates the theoretical Background by pointing out how CRM can be integrated with AI to predict customer needs based on their buying habits and inspects CRM integration with AI to ensure customer loyalty.

4. Objectives

The research paper will move forward by satisfying the succeeding objectives:

1. To ascertain the prominence of annexation of AI into CRM to anticipate the customer prerequisites via their purchase pattern.
2. To analyze how AI can be incorporated into CRM to ensure a loyal customer base towards the organization.

5. Research Methodology

The study depicts the Conceptual background by accentuating the prominence of integrating AI into CRM so as to predict customer prerequisites based on their purchasing patterns, and inspects the AI integration into CRM to assure loyalty among customers. The study relied on numerous databases to light up the above objectives. It also draws upon a variety of secondary materials, including research papers, articles, journals, sites, and conference proceedings. The nature of this research is qualitative.

6. AI -An Ineludible Future Reality

Tech companies and start-ups are fascinated by the idea of artificial intelligence (AI). Throughout pop culture, the concept of artificial intelligence has become progressively more familiar, resulting in images of robotic beings that are able to deliberate for themselves. As online

financial transaction fraud evolves into a more sophisticated and global threat, customers and businesses alike are suffering massive financial losses [11]. As AI becomes more advanced, it will be harder to conclude if it is good in the sense that much fear implies. The rise of AI does not necessarily mean a decline in human life; some believe it will improve our quality of life. IoT technology is utilized to capture vital health statistics and machine learning is employed to design an intelligent system to monitor and report health status in the area of health care as well [8]. We will have to ascertain that AI understands human intentions and goals in order for it to achieve the ideal AI utopia.

As businesses adapt to artificial intelligence, they are able to connect all those dots to fulfil customer demands faster than they might be able to in the traditional way. All current business trends and demands must be kept up-to-date by individuals [5]. In addition to businesses, society may need to adapt, too, as the imperative for adaption has large-scale implications. The integration of AI and CRM is the perfect amalgamation in this regard. Marketers and salespeople will be able to do more with AI-powered CRM in the future, which means they will have a different routine to follow.

7. Customer Relationship Management – A Key To Customer Loyalty Via AI

The notion of CRM is a mode of engendering customer interaction that licenses businesses to foster interfaces with customers. In order for organizations to succeed, they must create an engaged workforce [14]. Withholding the existing customer and acquisition of the new base are the principal tenacities of these techniques. Pin downing the target customers and garner information about them is the chief step in CRM. As leads progress down the sales pipeline, CRM software tracks their communications between businesses and potential customers. Customer behaviour is then taken into account with the desire to treat them in a personalized modus. It is anticipated that the global CRM market will proliferate 13.3% every year, accomplishing USD 157.6 billion by 2030. [2]

Since the dawn of Artificial Intelligence, automation in the business and smart machines in homes are symbols of what the future will bring. Technology not only aggrandizes human efficacy, but it also trailblazer's business practices. By mechanizing and amplifying monotonous portions of the business process, sales teams can better serve their customers' more impenetrable and arduous needs via AI.

Buyers who are steadfast to the concern are those who hang onto resume, make redo purchases, and exhort the products or services to a multitude. Approximately, 90% of customer certitude friend good word [15]. Thus upholding the loyal customer is notable obligation of any business.

8. Annexation of AI in Antedating Customer Prerequisites via their Purchase Pattern

The espousal of Artificial Intelligence aids businesses envisions customer behaviour meticulously besides revamping their business progressions by eradicating redundant tasks. Maintaining a competitive edge, it is imperative to know what customers desiderate and suppose. The time has come for businesses to sort data-driven verdicts or lag in the corporate world, whereas for marketers, it is paramount to comprehend their marketing campaigns' stratagem will be profoundly count on precisely predicting customer deeds. So it's time to sketch out how AI is antedating customer prerequisites via their purchase pattern.

8.1 Top-notch data amassment

By leveraging technologies such as document capture, image and voice recognition, AI simplifies the process of capturing customer data from multiple contact points. Information from countless different sources is collected and measured during data collection. For analytical modeling, DataRobot executes with an ample of organizations to amass, stockpile, and transform data. Machine learning prototypes can be exerted directly in fabrication with DataRobot, as it constructs and appraises new features automatically.

8.2 Efficacious Marketing Campaign

As part of their customer journey, corporations also draw on AI. It is capable of targeting ads at potential customers during the "consideration" phase and guiding their search. Artificial intelligence is capable of automating the sales progression by creating highly tailored product and service offers based on highly detailed data about individuals, including geographical location data. At the later phases of the purchaser journey, AI can assist with up-selling and cross-selling to reduce abandonment rates. It is probable for marketers to hit on the finest marketing style that

has engendered the supreme engagement from their customers by means of artificial intelligence.

8.3 Enriched communication over restructured customer journey

Customer-business communications are at this moment zippier than ever with the springing up of new technologies like email, Whatsapp, and Facebook Messenger. When clients have grievances or grumbled with the amenities furnished by the companies, they instantaneously have touching base with the companies. In a world where thousands of messages may be sent, reacting to the whole world would be fanciful. In this spot, an artificial intelligence-powered chatbot can alleviate this issue by conveying human-language text message to customers.

8.4 Exhaustive Sentiment Analysis of Unstructured data

Data that is unstructured can be turned into feasible insight by dint of sentiment analysis. By evaluating customer sentiment, the business can reorganize purchaser service permits in the queue to discourse negative comments in a timely manner. Gain a deeper understanding of how clients view products. It is imperative for businesses to figure out which attributes of their services are highly esteemed by their clients and what could be upgraded as a result. Cloudfactory and Digimind are sentiment analysis tools empowering brands in evaluating their customers. Plus, these tools also accommodate in defining what customers expect from the business.

8.5 Customer Buying Patterns: Prognostication of Trends

Regardless of how virtuous a merchandise or amenity is, if it does not light the customer's essentials and yearnings, it will fail. Cultural, spiritual, national, and environmental factors also incite customer purchase patterns. Over the custom of AI tools, a company can determine what clients are supposing, what their tastes are, or which goods they are willing to spend more money on. In addition to their economic implications, these apparatuses also constitute the buyer's spending potential and financial affairs. As evidenced by their high exactitude, these tools are trustworthy in terms of predicting a forthcoming boom and bust.

8.6 Analysing and forecasting customer churn

Due to the perplexity of tracking down a new purchaser, businesses want to preserve their prevailing clientele at all costs. So as to guard the

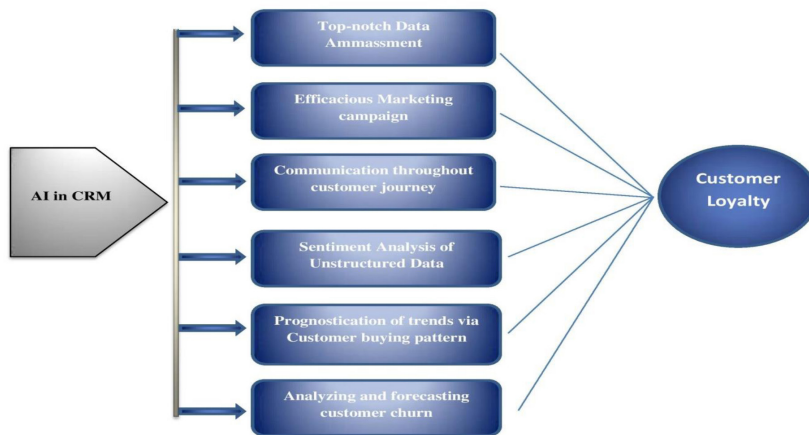


Figure 1

Customer Loyalty with the annexation of AI into CRM

business, companies should be competent to forecast customer churn and ascertain its causes. A churn prediction doesn't just pinpoint customers at risk; it also uncovers the flaws to churn and assists in snowballing overall customer gratification. Furthermore, to predict which customers will stop using a product, companies can research the reasons behind such behaviours with Machine Learning mechanism. Businesses can use these insights to acknowledge the behaviours that root customers to churn.

Figure 1 reveals that using AI in CRM, the business will be able to gather top-notch data, conduct effective marketing campaigns, communicate with customers throughout the customer journey, analyze sentiment in unstructured data, forecast customer churn and ultimately create customer loyalty through predictive trends derived from customer buying patterns.

9. Fabricating loyal customers by owing AI into CRM

Identifying the accurate product/service for a customer is arduous with fluctuating market trends appearing every single minute. Virtual assistance and intelligent automation of routine tasks is couple of the novelties of AI expertise that can assist workforces in accomplishing daily tasks more proficiently and meritoriously [6]. Nourishing an optimistic customer impression is just as cardinal as bestowing high-quality products. With the virtuous Customer Relationship Management (CRM) apparatuses, businesses can feed space-age customers and keep up with

the competition. It has been made possible for humans to be directly involved through automation in managing relationship with customers [13]. The opulence of data in this age needs to be optimized using AI-based CRMs with machine-based learning, to escalate customer relationships, loyalty and contentment. Loyal customers will eventually be rewarded through the implementation of AI techniques designed to identify repeat customers' journeys and nurture relationships. Thus, the prominence of AI in upholding customer loyalty in CRM is ignited below.

9.1 Augmented probing for credible pricing

During the purchasing process, a customer's eye naturally turns to price, which is one of the most important and significant factors. The use of Artificial Intelligence for Pricing can support ongoing price augmentation and help to construct new models for commercialization that can maximize turnover and shrink outflow in the supply chain. The firm comes up with pricing suggestions based on extensive data analysis and different pricing scenarios. In addition to retaining existing and new customers, determining your competitors' market pricing and optimizing your own pricing will promote loyalty among customers.

9.2 Customer satisfaction via Predictive Perusal

A predictive analytics tool aids to acknowledge the target audience's prerequisites beforehand. By forecasting reasons for churning out customers before a sale, a business can significantly increase customer loyalty. A company can feed more tailored product/services grounded on these forecasts to spot the conceivable commination to customers. Customers can become much more loyal when the existing data about them is used to identify their sentiments about a particular product/service and to personalize future recommendations accordingly.

9.3 Tailoring exhortation for customized experience

In order to retain customers, personalized products are essential, because if you give them something they'll actually use, they're more likely to make a purchase. Through predictive and sentiment analytics, individualized recommendations can be made for long-term customer relationships. To accomplish this, they need to segment customers according to their needs and wants, and generate opportunities for reward redemption that are personalized for each individual. Businesses that

embrace personalization will thrive, while brands that avoid it risk becoming obsolete.

9.4 *Superlative Product metamorphosis*

Using Artificial intelligence helps you procure a deeper understanding of your customers and glean authentic discernments that can assist the business to grow. The company used AI research tools to gauge customers' views on its products and to understand the latest trends in their industry. With the usage of artificial intelligence (AI) to consolidate, process, and scrutinize data sets from several sources, researchers and developers can extract insights. By implementing AI personalization, businesses will not only create new products, but will also satisfy the needs, and wants of their target audiences.

10. Conclusion

AI has been adjudged as the pertinent revolutionary innovation midst the fast-track aggrandizement in technology, and it is anticipated to be further persuasive on the progression of manhood. With the immense changes in business operations, AI is gaining tremendous traction. Having a profitable business and maintaining a satisfied clientele are the main goals of every company. Thus, CRM plays a wide role in this sphere by maintaining customer loyalty. The business topology is shifting hastily, since the evolution of Artificial intelligence, and CRM software is no special case. The amelioration of data sets, assimilation competences, and machine learning proficiencies opens huge prospects for technology advancement.

By enhancing customer experience and improving loyalty marketing, companies can mend customer conduct and construct optimistic customer experiences. AI is therefore a powerful tool for constructing brand loyalty and gaining an edge over the competition. . It is certain that the role of AI in businesses will continue to grow even more exciting and innovative as trends transform the tactic we do business and interact with customers.

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