Influence of Artificial Intelligence on Customer Service: A Review

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Abstract: *The application of AI in customer service has dramatically changed the manner in which businesses maintain relationship with their customers. It is proven that AI technologies like chatbots, virtual assistants, and predictive analytics have improved the efficiency of customer service processes, reduced operational costs, and enhanced customer experiences. The main focus of this paper is the impact of AI in customer service: its benefits and challenges. The literature review and case study analysis illustrates extensively how AI impacts customer satisfaction, the impact of AI on personalization, and operational efficiency. The work also considers what some people regard as the negative impact and the ethical questions surrounding the use of AI in customer service aiming at addressing those issues. The analysis shows that AI modernizes the management of customer relations and improves customers' readiness to interact with a company thanks to automated systems while at the same time AI poses difficult ethical challenges related to privacy, employment, and algorithmic discriminations.*

Keywords: Artificial Intelligence, Customer Service, Operational Efficiency, Data Privacy, Ethical Concerns