Chapter 6 Reinventing Influence of Artificial Intelligence (AI) on Digital Consumer Lensing Transforming Consumer Recommendation Model: Exploring Stimulus Artificial Intelligence on Consumer Shopping Decisions

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ABSTRACT

The rapid evolution of artificial intelligence (AI) has ushered in a transformative era in the digital consumer landscape. In the digital era, the symbiotic relationship between technology and consumer behavior has undergone a seismic shift, with artificial intelligence (AI) emerging as a transformative force in shaping the digital consumer experience. At this paradigm shift lies the intricate interplay between AI and consumer recommendation models, which have evolved from rudimentary algorithms

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to sophisticated systems capable of personalization and tailored engagement. This chapter delves into the intricate interplay between AI and digital consumers, focusing specifically on the profound influence of AI in reshaping consumer recommendation models and, consequently, molding consumer shopping decisions. The study is driven by the overarching objective of comprehensively understanding the impact of AI on the decision-making processes of contemporary consumers in the digital realm.

1. INTRODUCTION

In the digital era, the symbiotic relationship between technology and consumer behavior has undergone a seismic shift, with Artificial Intelligence (AI) emerging as a transformative force in shaping the digital consumer experience. At this paradigm shift lies the intricate interplay between AI and consumer recommendation models, which have evolved from rudimentary algorithms to sophisticated systems capable of personalization and tailored engagement. This research endeavors to delve into the multifaceted dimensions of AI's influence on the digital consumer, with a specific focus on its role in redefining consumer recommendation models (Hasan et al, 2021). The concept of "stimulus AI," characterized by its advanced algorithms and personalized learning capabilities, becomes the focal point of this investigation. As consumers increasingly navigate a vast digital marketplace, characterized by an abundance of choices and information, understanding how AI stimuli influence their shopping decisions becomes paramount for businesses and researchers alike (Wong et al., 2022). By exploring the nuanced dynamics of this interaction, the research aims to uncover the mechanisms through which stimulus AI not only informs but fundamentally transforms the consumer decision-making process, thereby revolutionizing traditional paradigms of commerce (Huynh-The et al., 2023).

AI-powered revolution that is permeating every facet of contemporary life from virtual assistants anticipating user needs to recommendation algorithms tailoring content and products to individual preferences, AI has become an omnipresent force in the digital ecosystem. Traditional consumer recommendation models, which relied on generalized preferences and historic data, are undergoing a metamorphosis as stimulus AI introduces a level of personalization and responsiveness that was once deemed unattainable. As the consumer landscape becomes increasingly dynamic and intricate, understanding the implications of this transformation on businesses and consumers is imperative for navigating the evolving terrain of digital commerce (Nashold Jr, 2020).

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