

**INVESTIGATING THE ARTIFICIAL INTELLIGENCE
BASED INTERVENTIONS WITH SPECIAL REFERENCE TO
LENSKART EYEWEAR RETAIL CHAIN
AN ANALYSIS OF MEDIATING AND MODERATING
EFFECTS**

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In

MANAGEMENT

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DECLARATION

I hereby declare that the current thesis entitled **Investigating the Artificial Intelligence based Interventions with Special Reference to Lenskart Eyewear Retail Chain an Analysis of Mediating and Moderating Effects** has been prepared by me under the guidance of Dr. Pooja Khanna Associate Professor of Mittal School of Business, Lovely Professional University. I also declare that no part of this thesis has earlier been the basis for the award of any degree or fellowship.



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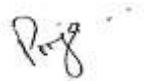
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CERTIFICATE

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ABSTRACT

The rise of Artificial Intelligence (AI) has led to significant transformative changes beyond the automation of routine tasks. AI has become a powerful force in improving customer experience, streamlining operations, and fostering business growth. Retailers have readily adopted this technology to offer highly tailored and distinctive customer experiences. The potential of AI in the retail industry extends to improving functions such as demand forecasting, inventory management, personalized marketing, and customer service automation. The retail sector is at a pivotal moment, primed for revolutionary change through the integration of cutting-edge technologies, particularly Artificial Intelligence (AI).

Established in 2010, Lenskart has revolutionized the eyewear shopping experience in India. The company is known for its innovative approach, offering a diverse selection of eyeglasses, sunglasses, and contact lenses both online and offline. Recognizing the importance of utilizing AI to remain competitive and provide customers with a seamless and personalized shopping experience, Lenskart is at the forefront of integrating AI into its business operations. Against this backdrop, this thesis aims to investigate the impact of AI-based initiatives on Lenskart's business model, customer relationships, and overall performance.

The literature review emphasizes the widespread influence of AI across various industries. It underscores that AI has sparked a significant shift from conventional automation to tailored customer interaction. Additionally, numerous articles stress the importance of deliberating on AI ethics. According to the literature, the issues of ethical AI development, the moral dilemmas posed by AI, and the potential risks associated with AI technology are topics that require thoughtful examination.

The current body of literature lacks an examination of additional factors that could offer a more nuanced perspective on the success factors of AI-enabled services. This study seeks to explore the correlation between AI-enabled technology, customer experience in the retail sector, AI ethics and security, and the mediating effects of independent variables. The literature review facilitated the development of a comprehensive conceptual model for further investigation. To gain a deeper understanding of the variables, a series of interviews were conducted to gather insights from diverse

stakeholders, thus incorporating a range of perspectives into the study. Quantitative data was primarily collected through structured questionnaires designed to assess customer perceptions and experiences related to Lenskart's AI interventions. These questionnaires focused on the relevance of AI-driven product recommendations, the usability of virtual try-on tools, and the impact of personalization on the overall shopping experience. They were distributed among Lenskart's customers in the Telangana region. Descriptive analysis was conducted using SPSS (Statistical Package for the Social Sciences), while structural equation modeling was carried out using AMOS (Analysis of Moment Structures) and Smart PLS (Partial Least Squares) to analyze the data gathered from 385 respondents.

The results of this research emphasize that ethical and moral considerations regarding AI in Lenskart Eyewear are complex and cannot be simply categorized as right or wrong. The study reveals the intricate interplay between AI, customer experiences, ethics, and security, highlighting the mediating and moderating effects. Understanding these dynamics provides a deeper comprehension of how AI is influencing modern retail experiences. The research underscores the importance of taking an interdisciplinary approach to address ethical and moral concerns in AI applications at Lenskart Eyewear. Collaboration among AI, ethics, medicine, and public policy experts is crucial for developing comprehensive ethical guidelines and policies. The research also emphasizes the essential role of Lenskart Eyewear professionals and the need for proactive involvement from legislators. Furthermore, by identifying strategies to train AI programmers in ethical AI development and educating potential users about the ethical use of artificial intelligence, this research aims to promote a culture of ethical AI within academic and industry communities.

As artificial intelligence continues to advance and gain traction in the retail industry, it's important to recognize that the dynamics highlighted in this study may change over time. This necessitates a continuous review and adaptability in AI strategies. The research makes a valuable contribution to the academic domain by offering guidance on how academia can play a role in training developers in ethical AI practices and educating potential AI users on responsible AI usage. It serves as a call to action to promote ethical practices and cultivate AI systems that genuinely reflect our society's ethical principles and moral values.

ACKNOWLEDGEMENT

This thesis represents the culmination of a remarkable journey into the heart of artificial intelligence and ethics, specifically within the context of the Lenskart Eyewear Retail Chain. As I reflect on the countless hours of research, interviews, and analysis that have gone into this work, it is impossible to overstate the depth of gratitude and appreciation I hold for the many individuals and institutions that have supported me along the way.

First and foremost, I would like to express my profound gratitude to my thesis advisor, Dr. Pooja Khanna whose guidance and unwavering commitment to this research have been instrumental in shaping the outcome. Dr. Pooja Khanna's expertise, mentorship, and encouragement have been invaluable throughout this endeavor. I extend heartfelt thanks to the participants who generously shared their insights and experiences during the interviews, thereby enriching this study with their unique perspectives. Additionally, I would like to acknowledge the professionals, scholars, and experts who contributed their expertise and knowledge. My appreciation extends to the academic community, whose dedication to research and innovation is an endless source of inspiration. This thesis serves as a testament to the collective efforts and achievements of the AI and ethics research community.

To my friends and family, whose unwavering support and understanding have sustained me through the challenges and triumphs of this research, I offer my heartfelt thanks. Your encouragement has been a wellspring of motivation. This work would not have been possible without the resources and facilities provided by my academic institution, and I extend my gratitude to the faculty and staff who have facilitated this research in numerous ways.

In conclusion, this thesis is a collective achievement, and it is with deep appreciation that I acknowledge the contributions of all those who have been part of this intellectual voyage. While it is not possible to name everyone individually, please know that your influence and assistance have left an indelible mark on this work. I hope that this research will contribute to the ongoing dialogue surrounding AI and ethics in the Lenskart Eyewear Retail Chain and stimulate further exploration of this critical field.

- Suma. N.

TABLE OF CONTENTS

Section	Particulars	Page. No.
	<i>Title Page</i>	(i)
	<i>Declaration</i>	(ii)
	<i>Certificate</i>	(iii)
	<i>Abstract</i>	(iv)
	<i>Acknowledgements</i>	(vi)
	<i>List of Tables</i>	(xii)
	<i>List of Figures</i>	(xiv)
	<i>Abbreviations</i>	(xv)
Chapter – 1	Introduction	1-20
1.1	Introduction to Retail sector and AI	1
1.2	Introduction of Artificial Intelligence	3
1.3	Retail Chain and AI: Lenskart's Innovative Approach	7
1.4	Impact of AI on Retail Chain	8
1.5	Lenskart Eyewear Overview	9
1.6	Factors Affecting Investigation	12
1.6.1	Artificial Intelligence (AI) Advancements	16
1.6.2	Lenskart's Market Position	16
1.6.3	Retail Industry Dynamics	16
1.6.4	AI Applications in Retail	17
1.6.5	Challenges and Ethical Considerations	17
1.6.6	Consumer Behavior and Expectations	17
1.6.7	Operational Efficiency	17
1.6.8	Sales and Marketing Strategy	17
1.6.9	Future Technological Developments	17
1.6.10	Regulatory Environment	17
1.6.11	Data Availability and Quality	18
1.6.12	Competitive Landscape	18
1.6.13	Global and Local Factors	18
1.7	Introduction to the proposed research work	19
Chapter – 2	Literature Review	21-63
2.1	Literature review on AI	21
2.2	Review of Literature on further studies in AI applications in marketing and retail	26
2.2.1	Global AI trends in Retail	40
2.3	Review of Literature on the Impact of AI Interventions in Retail Sector	53-61

Section	Particulars	Page. No.
2.3.1	AI in Lenskart Eyewear	53
2.3.2	AI-enabled Customer Experience	54
2.3.3	AI and Customer Experience	54
2.3.4	Personalization	56
2.3.5	Perceived Convenience	56
2.3.6	Relationship Commitment	57
2.3.7	AI Service Quality	57
2.3.8	AI Ethics	58
2.3.9	AI on Ethics	58
2.3.10	AI Security	59
2.4	Research Gap Identification	61
Chapter – 3	Research Methodology	64-94
3.1	Introduction	64
3.2	Objectives of the Study	65
3.3	Hypothesis	71
3.4	Need and Scope of the Study	72
3.5	Research Design and Methodology	74
3.6	Secondary Sources	75
3.7	The Study Population	75
3.8	Sample Size and Selection	75
3.9	Research Instrument	76
3.10	Development of the Instrument	78
3.11	Validity of Questionnaire	78
3.12	Pilot testing	80
3.13	Administration of the Questionnaire	86
3.14	Data Collection	87
3.15	Sample Description	89
3.16	Statistical Tools	94
Chapter – 4	Data Analysis and Interpretation	95-190
4.1	Factor Analysis of factors to study the impact of artificial intelligence (AI) on Customer Experience	95
4.1.1	KMO and Bartlett's Test	95
4.1.2	Communalities	96
4.1.3	Total Variance Explained	98
4.1.4	Scree Plot	101
4.1.5	Rotated Component Matrix	103
4.2	Pearson Correlation Coefficients Among Constructs Related to Artificial Intelligence and Customer Experience	107
4.3	Exploratory Factor Analysis for AI-enabled customer experience with	113

Section	Particulars	Page. No.
	respect to Lesnkart eyewear retail chain	
4.3.1	KMO and Barlett's Test	113
4.3.2	Communalities	114
4.3.3	Total variance Explained	119
4.3.4	Scree Plot	123
4.3.5	Component matrix	124
4.3.6	Rotated Component Matrix	134
4.3.7	Component Transformation Matrix	144
4.4	Confirmatory Factor Analysis for AI-enabled customer experiences with respect to Lesnkart eyewear retail chain	147
4.5	Comparative Analysis of Model Fit: Evaluating Goodness-of-Fit and Parsimony in Structural Equation Modeling	148
4.6	Assessment of Measurement Model: Reliability and Validity Analysis	150
4.7	Mediating Effects of AI Ethics, Security, and Relationship Commitment on the Relationship Between Perceived Convenience, Personalization, AI Service Quality, and AI-Enabled Customer Experience	161
4.8	Direct Effects of Factors on Ai-Enabled Customer Experience, AI Ethics, AI Security and Relationship Commitment	165
4.9	Specific Indirect Effects of Demographic and Perceptual Factors on AI-Enabled Customer Experience through AI Ethics, AI Security, and Relationship Commitment	170
4.10	Total Effects of Factors on AI-Enabled Customer Experience and Mediators: AI Ethics, AI Security and Relationship Commitment	178
4.11	Path Coefficients of Direct Effects on AI-Enabled Customer Experience and Mediators	180
4.12	Moderating effects of age on Perceived Convenience and AI Ethics	184
4.13	Moderating effects of gender on Perceived Convenience and AI Ethics	186
4.13	Ethics	186
4.14	Moderating Effect of Occupation on Perceived Convenience and AI Ethics	188
Chapter – 5	Results, Findings, and Discussions	191-216
5.1	Findings from the Factor Analysis of factors to study the impact of artificial intelligence (AI) on online shopping behaviors and perceptions	192
5.2	Findings Based on the Analysis of Pearson Correlation Coefficients Among Constructs Related to Artificial Intelligence and Customer Experience	193
5.3A	Reliability	198
5.3B	Findings based on the Exploratory Factor Analysis for AI-enabled customer experiences with respect to Lenskart eyewear retail chain	198
5.4	Findings based on the analysis of a structural model for measuring AI-based Interventions and customer-enabled experience at Lenskart Eyewear Retail Chain	200

5.5	Direct Effects of Factors on AI-Enabled Customer Experience, AI Ethics, AI Security and Relationship Commitment	201
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Section	Particulars	Page. No.
5.6	Findings based on the Interaction Effects	203
5.7	Findings based on Specific Indirect Effects of Demographic and Perceptual Factors on AI-Enabled Customer Experience through AI Ethics, AI Security, and Relationship Commitment	204
5.8	Total Effects of Factors on AI-Enabled Customer Experience and Mediators: AI Ethics, AI Security, and Relationship Commitment	206
5.9	Findings Based on the Path Coefficients of Direct Effects on AI-Enabled Customer Experience and Mediators	212
5.10	Findings based on the Mediating Effects of AI Ethics, Security, and Relationship Commitment on the Relationship Between Perceived Convenience, Personalization, AI Service Quality, and AI-Enabled Customer Experience	213
5.11	Findings based on the analysis of the Moderating effect of age on Perceived Convenience and AI Ethics	215
5.12	Findings based on the Moderation Analysis of Gender on the positive relationship between Perceived Convenience and AI Ethics	216
5.13	Findings based on the Analysis of Moderating Role of Occupation on the Relationship between Perceived Convenience and AI Ethics	216
Chapter – 6	Recommendations and Conclusions	217-240
6.1	Recommendations targeting the demographic attributes of the consumers	217
6.2	Recommendations to Enhance Customer Experiences in the Lenskart Eyewear Retail Chain-based	218
6.3	Recommendations to address the concerns of customers regarding the security of their data in AI environments	218
6.4	Recommendations to improve the service quality in retail chains offering AI-based interventions such as Lenskart	219
6.5	Recommendations to improve customer satisfaction and commitment to the Lenskart brand	220
6.6	Recommendations to enhance the overall perceived convenience levels of Lenskart Eyewear Retail Chain	220
6.7	Recommendations to enhance customer satisfaction, and build trust and loyalty at Lenskart Eyewear Retail Chain	221
6.8	Recommendations to enhance AI personalization in Lenskart Eyewear Retail Chain	221
6.9	Recommendations to Utilize the Factors Related to Artificial Intelligence Technologies to Enhance Customer Experience	222
6.10	Recommendations based on the Analysis of Mediating and Moderating Effects Investigating the AI-based Interventions	222
6.10.1	Recommendations addressing the direct Effects of Factors on AI-enabled customer Experience, AI Ethics, AI Security, and Relationship Commitment	222
6.10.2	Recommendations addressing the interaction effects	224
6.10.3	Recommendations based on Specific Indirect Effects of Demographic and Perceptual Factors on AI-enabled customer Experience through AI Ethics, AI Security, and Relationship Commitment	224
6.10.4	Recommendations based on the Total Effects of Factors on AI-enabled customer Experience and Mediators: AI Ethics, AI Security, and Relationship Commitment	225

Section	Particulars	Page. No.
6.10.5	Recommendations based on the Path Coefficients of Direct Effects on AI-Enabled Customer Experience and Mediators	227
6.11	Recommendations to improve the overall customer experience with AI services based on the mediation analysis	228
6.12	Recommendations based on the analysis of the Moderating effect of age on Perceived Convenience and AI Ethics	229
6.13	Recommendations based on the Moderation Analysis of Gender on the positive relationship between Perceived Convenience and AI Ethics	230
6.14	Recommendations Based on the Analysis of Moderating Role of Occupation on the Relationship between Perceived Convenience and AI Ethics	230
6.15	Policy Recommendations based on the findings of the study	231
6.16	Theoretical and Research Recommendations and Scope for Future Research	232
6.17	Limitations of the study	235
6.18	Conclusion	236
6.19	Future Scope of Study	239
	Bibliography	241
	Annexure I: Questionnaire	260

LIST OF TABLES

Table No.	Title of Table	Page
2.1	Literature Review	46
2.2	Literature on AI and Retail	49
4.1	KMO and Bartlett's Test	95
4.2	Communalities	96
4.3	Total Variance Explained	98
4.4	Rotated Component Matrix	103
4.5	Reliability Statistics	106
4.6	Pearson Correlation Coefficients among constructs related to AI and Customer Experience	107
4.7	KMO and Bartlett's Test	113
4.8	Communalities	114
4.9	Total Variance Explained	119
4.10	Component Matrix	124
4.11	Rotated Component Matrix	134
4.12	Component Transformation Matrix	144
4.13	Reliability Statistics	145
4.14	Model Fit Indices	148
4.15	Composite Reliability	150
4.16	Convergent Validity	151
4.17	Discriminant Validity	151
4.18	Mediating Effects of AI-Related Factors on Customer Experience, etc.	156
4.19	Direct Effects of Factors on AI-enabled Customer Experience etc.,	161
4.20	Summary of Direct Effects of Various Factors on AI	164
4.21	Specific Indirect Effects on Customer Experience through AI Factors	165
4.22	Summary of Specific Indirect Effects on Customer Experience	166
4.23	Summary of Total Effects of Individual and Interaction Factors	170
4.24	Total effects of factors on customer experience and Mediators	172

Table No.	Title of Table	Page
4.25	Path Coefficients of Direct Effects on Customer Experience and Mediators	180
4.26	Influence of Factors on Customer Experience and Mediating Roles	182
4.27	Total Impact of AI Factors on AI-Enabled Customer Experience	183
4.28	Age as a Moderating Factor between perceived Convenience and AI ethics	184
4.29	Gender Moderation Effect	186
4.30	Relationship Between Perceived Convenience, Occupation and Ethical Perceptions of AI	188

LIST OF FIGURES

Figure No.	Title of Figure	Page
1-1	India Eyewear Market Size	7
1-2	Indian Eyewear Industry	10
1-3	Lenskart Revenue-FY22, FY23	11
2-1	The Proposed Model	63
4-1	Scree Plot	101
4-2	Scree Plot	123
4-3	Structural model	147
4-4	Graphical model Significant Values	153
4-5	Graphical Model R Square	155
4-6	Age as a Moderating Factor in the relationship between perceived Convenience and AI ethics	184
4-7	Gender Moderation Effect	187
4-8	Relationship between Perceived Convenience, Occupation and Ethical perceptions of AI	189

ABBREVIATIONS

Abbreviation	Expansion
AI	Artificial Intelligence
STP	Segmentation, Targeting, Positioning
BTF	Behavioural Theory of the firm
GDP	Gross Domestic Product
B2C	Business to Consume
BDA	Big Data Analytics
RFID	Radio Frequency Identification Technology
IOT	Internet of Things
CEM	Customer Experience Management
QOS	Quality of Service
AMOS	Analytics of Moment Structures
PLS	Partial least squares
QOE	Quality of Experience
OTT	Over the top providers
CXS	Customer Experience Scores
SLA	Service level Agreement
API	Application programming Interface
CA's	Conversational Agents
SDL	Service Dominant logic
FLE	Front line Employees
AIVAs	Artificial Intelligence voice assistants
CE	Customer Experience
RC	Relationship Commitment
PC	Perceived Convenience
SE	AI Security
PR	Personalization
SQ	Service Quality
ET	Ethics
PCA	Principal Component Analysis
CMIN	Comparative Fit Index
GFI	Goodness of Fit Index
AGFI	Adjusted Goodness of Index
CFI	Comparative Fit Index
TLI	Tucker Lewis Index
RMSEA	Root Mean Square Error of Approximation
AIC	Akaike Information Criterion
BIC	Bayesian Information Criterion
PRATIO	Parsimony Ratio
PCFI	Parsimony Comparative Fit Index
CFA	Confirmatory Factor Analysis
TAM	Technology Acceptance Model

CHAPTER 1

INTRODUCTION

1.1 Introduction to Retail Sector and AI

The emergence of Artificial Intelligence (AI) has brought about transformative changes that extend far beyond merely automating routine tasks; the retail industry is no exception to catching up with AI. AI has emerged as a powerful catalyst for enhancing customer experience, optimizing operations, and driving business growth. AI's potential in the retail sector is immense, encompassing applications such as demand forecasting, inventory management, personalized marketing, customer service automation, and more.

AI, once a futuristic concept, has become an integral part of our daily lives. From the virtual personal assistants in our smartphones to the recommendation algorithms on streaming platforms, AI systems are constantly at work, adapting and optimizing user experiences. Firms gain better understanding of customers, design immersive experience with the use of AI (Sharma et al., 2022); in particular, popular applications of the AI adoption by retailers include Chatbots, visual search, voice search, engine optimization in store assistance and virtual fitting rooms. AI's foundation lies in the development of machine learning and neural networks, enabling computers to analyze vast datasets, recognize patterns, and make informed decisions. The significance of AI lies in its potential to automate tasks that previously required human intelligence, resulting in increased efficiency, cost reduction, and improved decision-making processes. Therefore, AI is an advanced and costly technology and most leading AI companies are located in developed economies (Kozinets and Gretzel, 2021). The growing use of artificial intelligence algorithms in businesses raises regulators' concerns about consumer protection addressing the ethical risks of restricting and manipulating consumer choice (de Marcellis-Warin et al., 2022). Wider discussions on the ethical dimensions is essential. One of the most recognized outcomes of the ethical discussions is the publication of a number of guidelines intended to provide operational recommendations in response to the issues raised by AI (Farisco et al., 2022). Companies have started implementing Chatbots in their websites to provide support to

their visitors on a 24/7 basis. Companies are constantly challenged by competition to attract and retain customers to increase customer experience thereby customer satisfaction.

The Indian Retail Industry has originated as one of the most progressive and fast-paced industries due to the entry of various new players. Total consumption expenditure is rose to almost US\$ 3,600 billion by way of 2020 from US\$ 1,824 billion in 2017. It accounts for over 10% of the country's gross home product (GDP) and around 8% of employment. India has been tremendously working towards success and holds the spot of the fifth-largest global destination in the retail space. India has been ranked 63rd the in-World Bank's Doing Business in the year 2020. India has also been ranked 73rd at the United Nations Conference on Trade and Development's Business-to-Consumer (B2C) E-commerce Index in the year 2019. Given this backdrop, this thesis delves into the intricate relationship between AI-based interventions and their impact on a leading eyewear retail chain, to provide critical insights into the future of AI in the retail industry.

Lenskart, founded in 2010, has redefined the eyewear shopping experience in India. The company has become synonymous with innovation, offering a wide range of eyeglasses, sunglasses, and contact lenses through both online and offline channels. Lenskart's journey with AI is emblematic of the broader industry trend, where companies are increasingly embracing this technology to enhance their operations and customer engagement. This thesis aims to explore how AI-based interventions have impacted Lenskart's business model, customer relations, and overall performance.

The research is driven by the following key objectives:

- **Understanding the Role of AI in Lenskart's Operations:** This study will investigate how Lenskart employs AI in its supply chain management, inventory optimization, and logistics to streamline operations, reduce costs, and enhance overall efficiency.
- **Enhancing Customer Experience:** AI has the potential to provide customers with a personalized shopping experience, from virtual try-ons to product

recommendations. This research will assess how Lenskart employs AI to understand customer preferences, predict trends, and deliver tailored solutions.

- **AI in Marketing and Sales:** Lenskart, like many modern retailers, uses AI for targeted marketing, customer segmentation, and conversion optimization. The thesis will evaluate the efficacy of these strategies in driving sales and expanding market reach.
- **Challenges and Ethical Considerations:** The implementation of AI is not without challenges and ethical concerns. This research will delve into issues related to data privacy, bias in AI algorithms, and customer trust in the context of Lenskart's AI-driven initiatives.
- **Future Prospects:** Given the rapid advancements in AI technology, this thesis will discuss the potential future applications of AI in the eyewear retail industry and the steps Lenskart can take to remain at the forefront of innovation.

The findings of this thesis will contribute to the growing body of knowledge on AI in retail and offer practical insights for Lenskart and other retail chains contemplating or advancing their AI adoption. Moreover, this research could help address the broader ethical concerns surrounding AI implementation in retail and encourage a more responsible and customer-centric approach.

In conclusion, the amalgamation of AI and retail holds immense promise, and Lenskart serves as an exemplary case study for understanding the practical implications of this technological transformation. As we embark on this journey of investigation, the contours of AI-based interventions in Lenskart's eyewear retail chain will be unveiled, revealing a fascinating narrative of innovation and evolution in the retail industry.

1.2 Introduction of Artificial Intelligence

Artificial Intelligence (AI) is a field of computer science that aims to create intelligent machines capable of learning, reasoning, and problem-solving. It has emerged as a transformative force in diverse domains. With its roots dating back to the mid-20th century, AI has undergone unprecedented growth and development, redefining the way we live and work. In recent years, AI's applications have extended far beyond the realm

of science fiction, impacting industries such as Lenskart Eyewear, finance, transportation, and most notably, the retail sector.

The transformative power of AI is most apparent in the retail industry, where Lenskart Eyewear Retail Chain, a prominent player in the eyewear industry, serves as a prime example of a forward-thinking company leveraging AI to reinvent the eyewear shopping experience. Lenskart, founded in 2010, has disrupted the eyewear market by seamlessly merging its brick-and-mortar stores with an online platform, offering an extensive selection of eyeglasses, sunglasses, and contact lenses. The company's commitment to innovation aligns with the broader retail industry trend, where the integration of AI is driving operational excellence and enhanced customer engagement.

Artificial intelligence (AI) is seen as a way to return to the roots of one-on-one customer relationships, as mentioned by Parkes (2018). AI has the potential to enhance customer engagement and personalize interactions, bringing consumers closer to online retailers. It is expected to elevate the customer experience and facilitate companies in adapting to "servitization". Additionally, AI can streamline business processes, derive insights from historical data, and generate consumer and market insights through algorithm-based programs (Davenport et al., 2020).

The emergence of technological advancements such as artificial intelligence (AI), the internet of things (IoT), and big data analytics (BDA) has provided digital solutions to engage and retain customers (Anshari et al., 2019; Bolton et al., 2018). AI is now increasingly utilized in operational marketing, including the identification of risks and management of contact center responses, customer analysis and targeting, creation and selection of advertising content tailored to specific customer segments, and pricing strategies aimed at maximizing individual customer value (Marinchak et al., 2018).

In future, it is expected that AI will also be used in strategic decision making (e.g. which business models to use, which strategies to follow, which markets to target, which channels of communication and distribution to use, what pricing and competitive positioning strategies to follow). AI is the use of multiple technologies that enable

computers to sense, comprehend, act, and learn, and that includes techniques such as machine learning, natural language processing, knowledge representation, and computational intelligence (Awalegaonkar et al., 2019).

A three-stage framework, from marketing research to marketing strategy (segmentation, targeting, positioning, and STP) and marketing actions (4Ps/4Cs) for strategic marketing planning is developed by incorporating AI. This strategic AI framework is based on a more nuanced perspective of the technical development of AI, existing studies on AI and marketing, and current and future applications of AI (Huang M. H. and Rust T., 2020). AI has been implemented in medicine (Becker 2019), manufacturing (Lee et al. 2018), service domains, and in context to tourism (Ivanov and Webster 2017; Huang and Rust 2018; Tussyadiah and Miller 2019).

AI has the potential to take on traditional ‘human’ tasks within organizations and AI can be used in pursuing the most important processes that affect a firm's long-term survival and lead to competitive advantage by innovation (Lengnick-Hall, 1992; Porter and Stern, 2001). Simon argued that “if computers are organized somewhat in the image of man, then the computer [is] an obvious device for exploring the consequences of alternative organizational assumptions for human behavior” (Simon, 1996, p. 21).

The idea originally posited by the BTF is that organizational problem solving could be better understood by looking at organizations as information-processing systems, constructed by simple computational ‘if-then’ algorithms, and this logic is at the core of AI. The logic of viewing the organization as a simple algorithm or a combination of algorithms that process information is deeply embedded in the BTF (Cyert and March 1963). The business model used by online retailers generally requires customers to place orders after which the online retailer ships the products (the shopping-then-shipping model by Agrawal et al. 2018; Gans et al. 2017). With AI, online retailers may be able to predict what customers want assuming that these predictions achieve high accuracy, and retailers might transition to a shipping-then-shopping business model.

Since technology has become the driving force of marketing, the developments in the area of artificial intelligence and its implications on the area of customer experience cannot be ignored. Artificial Intelligence helps to anticipate customer's next move and improve the customer journey (Joshi Sujata et.al, 2019). Online or offline, AI can accommodate vast descriptive data from enormous sources, images, videos, and customer behavior and response. A huge amount of data (i.e. Big data) released from different sources with distinctive patterns can record the facial expressions of buyers and sellers and can draw a semantic process that can revolutionize the business (Venus Kaur et.al, 2020). AI has opened tremendous doors in the fields of businesses, especially in the marketing field.

The firm can enjoy enhanced customer experience through highly personalized customer service and on-demand customer support through the reduction in timely and costly processes (Daqar et al., 2019). Consumers can make decisions in digital environments characterized by screen-based interactions and online recommendation systems (e.g., Dellaert et al., 2003; Häubl and Trifts, 2000; Xiao and Benbasat, 2007).

In recent years, the increasing digitalization and the advent of emerging information and communication technology has, in general, transformed value creation in B2B businesses (Paschen et al., 2019). Information and communication technologies have fueled the creation of large volumes of data, due to the almost ubiquitous use of social media (Kietzmann et al., 2011) and the rise of the Internet of Things IoT (Osmonbekov and Johnston, 2018; Robson et al., 2016; Turunen et al., 2018).

AI can help businesses to make decisions faster and to improve their position in the competitive business world. Gartner stated that more than 85% of customer interactions will be managed without a human by 2020 (Shyna K and Vishal M, 2017). To remain competitive and to survive in an ever-changing and diversified customer market, retailers are required to become leaner (Campbell et al., 2020), more agile (Goworek, 2014), and to innovate their value chain by adopting new technologies (Lee et al., 2018). Among the new technologies that are impacting the retail industry, AI has been

earmarked as the most transformative one (Kietzmann et al., 2018; Lee et al., 2018; Silva et al., 2019).

1.3 Retail Chain and AI: Lenskart's Innovative Approach

Retail, the dynamic intersection of commerce and consumerism, has been a cornerstone of modern economies for centuries. As societies have evolved, so too has the retail landscape, adapting to changes in technology, consumer behavior, and market dynamics. Today, the retail sector finds itself at a pivotal juncture, poised for transformative change driven by the infusion of cutting-edge technologies, notably Artificial Intelligence (AI).

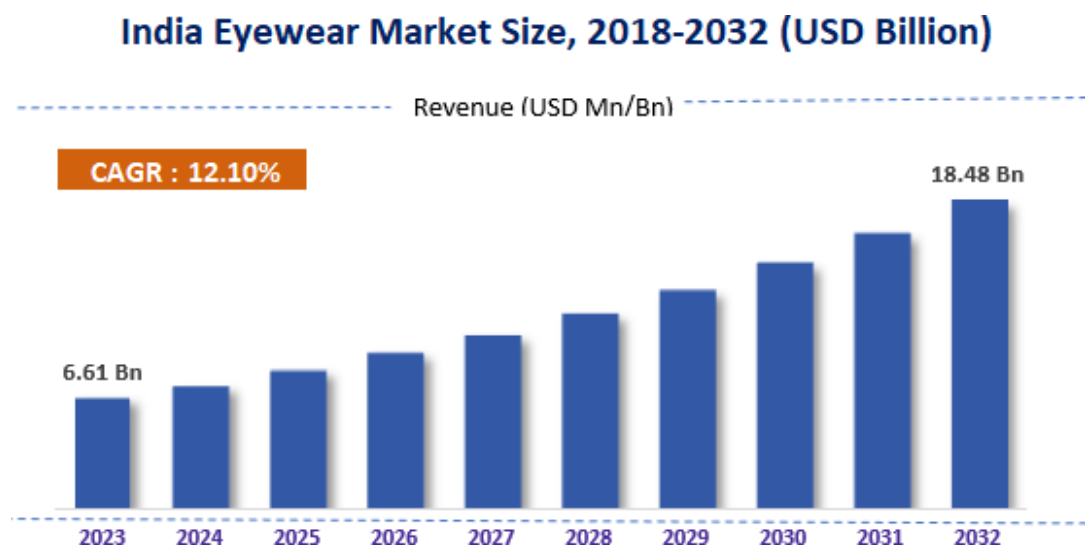


Fig 1.1 India Eyewear Market Size; Source: Zionmarketresearch.com

Over the years, retail chains have emerged as dominant players in the industry, offering a variety of advantages over standalone stores. These chains harness economies of scale to reduce costs, provide greater product variety, and establish a consistent brand presence. The advent of technology and data-driven insights has only intensified the competitive nature of the retail industry. In this landscape, Lenskart, founded in 2010, stands as a testament to innovation and adaptability.

The evolution of the retail chain concept has been a testament to the retail industry's adaptability and resilience. These chains have embraced technology and data analytics, ushering in an era where customer preferences and market trends are deciphered with precision.

Retail chains, as a fundamental component of the global economy, have become the backbone of commerce, providing consumers with easy access to a wide variety of products and services. They have traditionally relied on economies of scale, operational efficiencies, and consistent branding to cater to the needs of a broad and diverse consumer base. With the advent of AI, these chains have the opportunity to further enhance their operations and services, aligning them with the preferences of the ever-demanding modern consumer.

Lenskart, often hailed as a trailblazer in the eyewear market, has redefined the eyewear shopping experience in India. Combining the traditional in-store experience with an expansive online platform, the company offers an extensive selection of eyeglasses, sunglasses, and contact lenses. In the case of Lenskart, the fusion of AI with eyewear retail has significantly changed how customers interact with the brand. This fusion has empowered Lenskart to cater to a wide array of consumer needs, offering an extensive collection of eyeglasses, sunglasses, and contact lenses, all underpinned by the principles of convenience, choice, and personalized experiences. The company's innovative approach of combining physical stores with an online platform enables customers to browse, try on, and purchase eyewear seamlessly. This showcases the power of AI in addressing consumer expectations for both convenience and choice, and it is emblematic of how retail chains can adapt to the digital age without sacrificing the essence of the traditional shopping experience.

1.4 Impact of AI on Retail Chain

The retail industry, a dynamic and ever-evolving sector of the global economy, has been significantly reshaped by the relentless advance of technology. In particular, the integration of Artificial Intelligence (AI) has emerged as a transformative force that promises to revolutionize the way retail chains operate, engage with customers, and navigate the complex, data-rich landscape of modern commerce. The convergence of

AI and the retail sector signifies an exciting paradigm shift that has the potential to enhance customer experiences, streamline operational processes, and drive unprecedented growth.

The retail industry, characterized by its dynamic nature, has played an essential role in global commerce for centuries. From small, local shops to massive, multinational retail chains, it remains a cornerstone of the economy, bridging the gap between producers and consumers. Traditionally, the success of retail chains has hinged on factors such as scale, operational efficiency, and brand consistency. However, in today's digitally-driven world, the role of technology has become increasingly pronounced, bringing to the fore the disruptive potential of AI.

1.5 Lenskart Eyewear Overview

The retail landscape is in a perpetual state of flux, continually adapting to the dynamic interplay of consumer preferences, technological advancements, and market forces. In this ever-evolving environment, Lenskart has emerged as a pioneering force, redefining the eyewear shopping experience and, in doing so, setting a benchmark for innovation in the retail industry. Founded in 2010, Lenskart has rapidly become synonymous with choice, convenience, and personalization, particularly in the realm of eyeglasses, sunglasses, and contact lenses.

In essence, Lenskart is not just an eyewear retailer; it is a trailblazer in the industry, consistently setting new standards for customer-centric retail. Its journey reflects the broader trend in the retail industry where companies are adapting and embracing innovative technologies to offer seamless, personalized, and efficient shopping experiences. In an era where AI plays a pivotal role in optimizing operations, offering personalized customer experiences, and driving business growth, Lenskart serves as a case study that reflects the transformative potential of this technology.

Indian Eyewear Industry - FY23

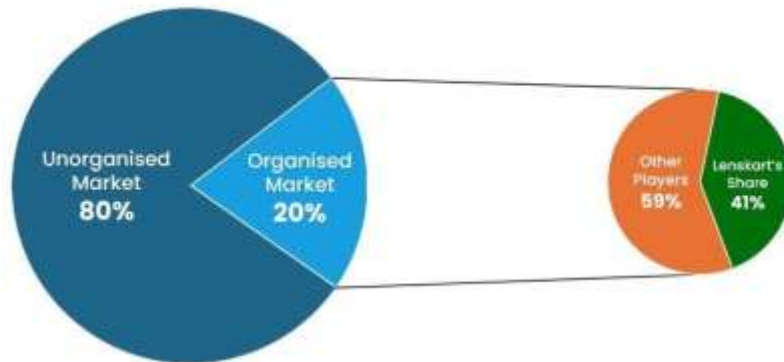


Fig 1.2 Indian Eyewear Industry – FY23; Source:Readon.in

Lenskart, India's fastest growing optical retail store chain initiated in 2010 with over 500+ offline stores catering to 70+ cities in the country. (<https://www.lenskart.com>). Lenskart maintains a catalog of 6000+ SKUs and based on user search for a specific product, AI and ML models show the most relevant product to the customer via smart merchandising techniques.

Eyewear industry revolutionizing in India through online business at exclusively designed physical stores using technologically supreme AI and ML-driven search which helps understand user intent and personalizes, as well as a first of its kind 'home eye checkup' service. (www.lenskart.com). Lenskart has adopted an Omni channel strategy of sales (AI) – unifying the retail store and online shopping experience reaching out to over 1, 00,000 customers a month.

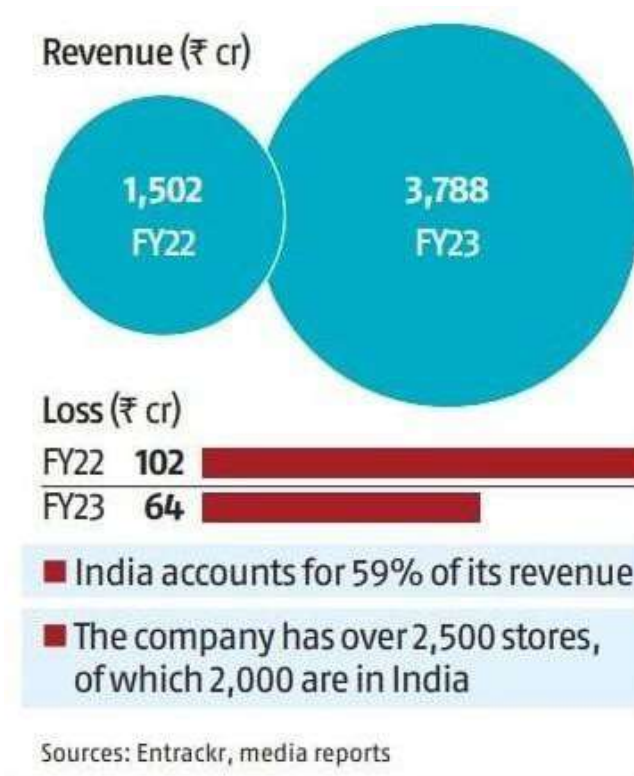


Fig 1.3 Lenskart Revenue-FY22, FY23; Source: Businessstandard

Lenskart has developed a harmonious medley of AI and ML technology with human intelligence and decision-making capabilities to provide the best-in-class and uniform customer experience across offline and online verticals with the help of Unbxd, Ramneek, Khurana Co-Founder at Lenskart (29th July 2020). The global pandemic helped Lenskart to introduce a contactless and safe shopping experience to customers. Sanitization and hygiene services are going to be of the highest priority for retailers and mall owners. Additionally, the mid-year sale period is expected to extend.

Lenskart is available in the Play Store for Android devices with more than 10 million downloads and 4000 people using it per day. The company introduced an AI-powered tool to help select the right glasses with just a selfie which has driven more customers to use the mobile app version users. Lenskart offers 3D face modeling a virtual trial service, which allows consumers to virtually try the frames. The technology measures the user's face from multiple angles to virtually map the face and then when the user tries on a frame, they can swipe on the image to turn the head to the left and right to get a view of the glasses from different angles. This online 3D face modeling trial provides

preferences and historical data to make frame selection faster, more effective, and more fun for the buyer. Delhi-based Lenskart has invested over 1.81 million to acquire the minority stake in US-based startup Ditto which offers 3D face modelling service.

AI's role in enhancing the customer experience is a defining characteristic of Lenskart's approach. Through the integration of AI, Lenskart can understand customer preferences, anticipate trends, and provide tailored solutions. The result is a shopping experience that is efficient, personalized, and deeply engaging, transcending the traditional transactional approach of retail.

In summary, the integration of Lenskart and AI represents a new frontier in retail. The Lenskart Eyewear Retail Chain has successfully integrated AI to enhance operations, create personalized customer experiences, and drive business growth. As this research unfolds, it reveals the intricate dynamics of AI-based interventions within Lenskart's eyewear retail chain, offering a compelling narrative of adaptation and progress in the dynamic and competitive retail sector. This exploration not only contributes to the body of knowledge on AI in retail but also offers practical insights that have the potential to reshape the future of Lenskart and the broader retail industry, setting new standards for customer engagement and operational excellence.

1.6 Factors Affecting Investigation

Investigating the Artificial Intelligence-based Intervention with Special Reference to Lenskart Eyewear Retail Chain is a research endeavor that aims to dissect the intricate interplay between innovative technology and the retail sector, with a specific focus on Lenskart's pioneering approach. This exploration embarks on a journey to unravel the multifaceted factors that influence and shape the investigation, providing a comprehensive perspective on the various dimensions of this dynamic field. As we delve into this research, it becomes evident that a plethora of factors contribute to the complexity and significance of this study.

Artificial intelligence (AI) is being considered as 'taking us right back to our DNA of having one-on-one relationships with customers' (Parkes, 2018). AI has the potential to

bring customers closer to online retailers with personalization and interaction. AI is supposed to increase the customer experience and therefore, help companies to adapt to ‘servitization’. Artificial Intelligence can automate the business process, can learn insights from past data, and can also generate consumer and market insights through the program-based algorithm (Davenport et al., 2020). Technological disruptions such as artificial intelligence (AI), the internet of things (IoT), and big data analytics (BDA) have offered digital solutions to attract and maintain the customer base (Anshari et al., 2018; Bolton et al., 2018). Today, AI is being increasingly deployed in operational marketing, e.g. in identification of risks and contact Centre response management, in marketing including analysis and targeting of customers, design and selection of advertising copy to match target customers, and in pricing to maximize the yield from individual customers (Marinchak et al., 2018). In future, it is expected that AI will also be used in strategic decision making (e.g. which business models to use, which strategies to follow, which markets to target, which channels of communication and distribution to use, what pricing and competitive positioning strategies to follow). AI is the use of multiple technologies that enable computers to sense, comprehend, act, and learn, and that includes techniques such as machine learning, natural language processing, knowledge representation, and computational intelligence (Awalegaonkar et al., 2019). A three-stage framework, from marketing research to marketing strategy (segmentation, targeting, and positioning, STP) and to marketing actions (4Ps/4Cs) for strategic marketing planning is developed by incorporating AI. This strategic AI framework is based on a more nuanced perspective of the technical development of AI, existing studies on AI and marketing, and current and future applications of AI (Ming-Hui Huang Roland T. Rust., 2020). AI has been implemented in medicine (Becker, 2019), manufacturing (Lee et al., 2018), service domains and in context to tourism (Tussyadiah and Miller, 2019). AI has potential to take on traditional ‘human’ tasks within organizations and AI can be used in pursuing the most important processes that affect a firm's long-term survival and leads to competitive advantage by innovation (Lengnick-Hall, 1992; Porter and Stern, 2001). Simon argued that “if computers are organized somewhat in the image of man, then the computer [is] an obvious device for exploring the consequences of alternative organizational assumptions for human behavior” (Simon, 1996, p. 21). The idea originally posited by the BTF is that

organizational problem solving could be better understood by looking at organizations as information-processing systems, constructed by simple computational ‘if-then’ algorithms, and this logic is at the core of AI. The logic of viewing the organization as a simple algorithm or a combination of algorithms that process information is deeply embedded in the BTF. The business model used by the online retailers generally requires customers to place orders after which the online retailer ships the products (the shopping-then-shipping model by Agrawal et al. 2018; Gans et al. 2017). With AI, online retailers may be able to predict what customers want assuming that these predictions achieve high accuracy, and retailers might transition to a shipping-then-shopping business model. Since technology has become the driving force of marketing, the developments in the area of artificial intelligence and its implications on the area of customer experience cannot be ignored. Artificial Intelligence helps to anticipate customer’s next move and improve the customer journey (Joshi Sujata et.al, 2019). Online or offline, AI can accommodate vast descriptive data from enormous sources, images, videos, and customer behavior and response. A huge amount of data (i.e., Big data) released from different sources with distinctive patterns can record facial expressions of buyer and seller and can draw a semantic process that can revolutionize the business (Venus Kaur et.al, 2020). AI has opened tremendous doors in the fields of businesses, especially in the marketing field. The firm can enjoy enhanced customer experience through highly personalized customer service and on- demand customer support by reduction in timely and costly processes (Mohannad Abu Daqar et.al, 2019). Consumers can make decisions in digital environments characterized by screen- based interactions and online recommendation systems (e.g., Diehl et al., 2003; Häubl and Trifts, 2000; Xiao and Benbasat, 2007). In the recent years, the increasing digitalization and the advent of emerging information and communication technology has, in general, transformed value creation in B2B businesses (Paschen et al., 2019), and more specifically, the way B2B firms manage data and knowledge (Gupta et al., 2017). Information and communication technologies have fueled the creation of large volumes of data, due to almost ubiquitous use of social media (Kietzmann et al., 2011) and the rise of the Internet of Things IoT (Osmonbekov and Johnston, 2018; Robson et al., 2016; Turunen et al., 2018). AI can help businesses to make decisions faster and to improve their position in the competitive business world. Gartner stated that more than

85% of customer interactions will be managed without a human by 2020 (Shyna K and Vishal M, 2017). To remain competitive and to survive in an ever-changing and diversified customer market, retailers are required to become leaner (Campbell et al., 2020), more agile (Goworek, 2014), and to innovate their value chain by adopting new technologies (Lee et al., 2018). Among the new technologies that are impacting the retail industry, AI has been earmarked as the most transformative one (Kietzmann et al., 2018; Lee et al., 2018; Silva et al., 2019). Digitalization and advancement in related technologies is driving significant innovation in the retail industry. The shopping volumes during pandemic globally increased from Feb 2020 through April 2021, and the retail sector gained 35% in the market capitalization (Bradley, et al., 2021). We can see a surge of innovation in retail business models to address escalating customer expectations (Sorescu et al., 2011) technology adoption, supply chain integration, logistics challenges and digital marketing (Gavrilia & de Lucas Ancillo 2021). Jenneboer et al. (2022) studied insights into the influence of Chatbots on customer loyalty and found some customers suffer from the privacy paradox because of personalization.

Despite the recent developments in AI, ethical questions arise when consumers contemplate how their data is being treated. Ana Rita Goncalves et.al (2023) studied how perceived risk significantly impacts attitudes toward AI, ethical concerns and perceived trust and suggest a significant association between perceived risk, ethical concerns and social norms. And Nazir, Sajjad et.al (2023) examined how AI technology integrates and satisfies consumer experience to examine consumer repurchase intentions in the hospitality industry.

At the forefront of this investigation is the transformative power of Artificial Intelligence (AI) within the context of the retail industry. AI represents more than just technological advancement; it signifies a fundamental shift in the way retailers interact with their customers, manage their operations and navigate the complexities of modern commerce. As Lenskart emerges as a paradigm of AI implementation, the exploration of AI's role is influenced by the broad and evolving landscape of technological innovation.

AI, in its diverse applications, has profound implications for retail chains. The way it

optimizes supply chain management enhances customer experiences and drives sales and marketing strategies all contribute to the factors influencing this investigation. Retail chains worldwide are undergoing a digital transformation, and Lenskart's innovative AI-driven strategies are emblematic of this larger trend. The effectiveness of AI in addressing the multifaceted challenges and opportunities within retail underscores its significance as a key factor shaping this investigation.

As AI permeates the retail sector, ethical considerations and challenges come to the fore. Ensuring data privacy, mitigating algorithmic bias, and preserving customer trust are vital aspects of responsible AI implementation. These factors introduce a layer of complexity to the investigation as they reflect the critical need for a comprehensive understanding of AI's societal implications.

The investigation into Artificial Intelligence-based Intervention with Special Reference to Lenskart Eyewear Retail Chain is influenced by a myriad of factors that collectively shape the scope, context, and significance of the research. These factors can be categorized as follows:

1.6.1 Artificial Intelligence (AI) Advancements: The state of AI technology, its capabilities, and the pace of innovation in the AI field profoundly affect the investigation. The availability of advanced AI tools and techniques directly impacts the potential applications and outcomes within Lenskart's retail chain.

1.6.2 Lenskart's Market Position: Lenskart's prominence and success in the eyewear retail sector make it a notable case study. The company's innovative approach and its role as an industry leader influence the investigation by providing valuable insights into AI's practical applications.

1.6.3 Retail Industry Dynamics: The broader dynamics of the retail sector, including market trends, competitive pressures, and changing consumer behavior, shape the context in which Lenskart operates. Understanding these dynamics is crucial to assessing the impact of AI-based interventions.

1.6.4 AI Applications in Retail: AI's diverse applications within the retail sector, from supply chain optimization to personalized marketing, are central to the investigation. The effectiveness of these applications and their potential for industry transformation are key factors under consideration.

1.6.5 Challenges and Ethical Considerations: The ethical dimensions of AI implementation, such as data privacy, algorithmic bias, and customer trust, introduce a layer of complexity to the investigation. These challenges are essential factors that need to be addressed when studying AI's impact on Lenskart.

1.6.6 Consumer Behavior and Expectations: Shifting consumer preferences and expectations play a vital role in shaping Lenskart's approach to AI-based interventions. Understanding what customers desire and expect from AI-driven retail experiences is crucial to evaluating their effectiveness.

1.6.7 Operational Efficiency: Lenskart's focus on optimizing supply chain management, inventory control, and logistics is central to the investigation. The efficiency gains and cost reductions achieved through AI-driven interventions are critical factors that influence the research.

1.6.8 Sales and Marketing Strategies: The impact of AI on Lenskart's sales and marketing strategies, including its ability to drive sales and expand market reach, is a significant factor affecting the investigation. Assessing the effectiveness of these strategies is a key research objective.

1.6.9 Future Technological Developments: The ever-evolving landscape of AI technology and its potential future applications in the eyewear retail industry are also considered. Anticipating how AI will continue to shape Lenskart's strategies is a crucial factor.

1.6.10 Regulatory Environment: The regulatory landscape and government policies related to data privacy and AI may have a substantial impact on Lenskart's operations

and influence the research's ethical considerations.

1.6.11 Data Availability and Quality: The quality and availability of data, which is crucial for AI-driven insights and decision-making, are factors that affect the research. Access to accurate and comprehensive data can significantly influence the analysis.

1.6.12 Competitive Landscape: The competitive environment in the eyewear retail industry and the strategies of Lenskart's competitors may also shape the investigation. Understanding how Lenskart positions itself in this landscape is essential.

1.6.13 Global and Local Factors: Factors such as economic conditions, cultural preferences, and market regulations in the regions where Lenskart operates can influence the adoption and impact of AI-based interventions.

Operational efficiency, as emphasized in this research, is an area where AI has a significant impact. Lenskart's implementation of AI in supply chain management, inventory control, and logistics optimization has improved processes and lowered expenses. These operational improvements not only benefit Lenskart but also provide a model for the retail industry as a whole, demonstrating how technology can be utilized to stay competitive, especially in a landscape where convenience and speed are crucial.

Sales and marketing strategies have transformed with the integration of AI. Lenskart and other retailers are using AI for targeted marketing, customer segmentation, and conversion optimization, resulting in increased sales and personalized customer experiences. AI offers retailers the opportunity to create tailored marketing campaigns, respond to consumer preferences in real time, and optimize conversion rates in a digital age where every interaction counts.

The exploration of AI-based interventions within Lenskart Eyewear Retail Chain showcases the profound impact of AI in the retail sector. Lenskart's pioneering efforts provide a compelling case study for the wider retail industry. The insights gained from this study transcend eyewear, serving as a testament to AI's ability to revolutionize

operational efficiency, customer engagement, and ethical considerations in an age defined by technological progress. This research not only enhances our comprehension of AI in retail but also offers practical insights that will influence the future of Lenskart and the broader retail industry, establishing new benchmarks for innovation and customer-centric excellence.

1.7 Introduction to the proposed research work

The present research study of “Investigating the AI-based Interventions with special reference to Lenskart Eyewear Retail Chain- An Analysis of Mediating and Moderating effects” is a unique study when compared to other retail sectors like AI in Jewelry, Clothing, Automobile, and Textile because it is still in a nascent stage and Lenskart uses technology and AI in every aspect of its operations (example Chabot’s, Natural language processing, Omni channel approach) including interacting with customers either on apps or in store for the product, retail footprint, pricing, supply chain, manufacturing, and logistics to deliver one of the best customer experiences in consumer retail. This study enables us to determine the relationship between AI and AI-enabled customer experiences considering Mediating and Moderating effects.

This study seeks to unveil the multifaceted role AI plays in retail chains, transcending the scope of one company to offer a comprehensive view of how AI can optimize supply chain management, inventory control, and logistics, thus enhancing operational efficiency and reducing costs.

Furthermore, it investigates AI's power to redefine the customer experience within retail chains. AI's innate capacity for personalization and efficiency is explored, shedding light on how Lenskart and similar retailers leverage AI to comprehend customer preferences, forecast trends, and deliver tailored solutions.

Marketing and sales, the lifeblood of retail, are also scrutinized. Lenskart and other industry leaders are harnessing AI for targeted marketing, customer segmentation, and conversion optimization. This research assesses the effectiveness of AI-driven strategies in driving sales and broadening market reach. Additionally, this research project delves into the challenges and ethical considerations that arise as AI permeates

the retail industry. This encompasses issues related to data privacy, algorithmic bias, and the balance between automation and customer trust.

Lastly, the study gazes into the future, discussing the potential applications of AI in the eyewear retail industry and how Lenskart and similar chains can remain at the forefront of innovation in a rapidly evolving technological landscape. The thesis's focus on Lenskart offers a unique opportunity to understand how one company has harnessed AI to optimize its operations, enhance the customer experience, and foster growth.

In marketing and sales, AI's predictive capabilities are revolutionizing the way retailers engage with their customers. Lenskart's use of AI for targeted marketing, personalization, and conversion optimization provides a compelling case study for how AI can drive sales and expand market reach. These strategies are particularly valuable in the context of an increasingly competitive marketplace, where customers expect tailored and relevant interactions.

However, the adoption of AI is accompanied by challenges and ethical considerations. As AI algorithms influence customer recommendations, automate tasks, and handle sensitive data, safeguarding data privacy and addressing algorithmic bias becomes increasingly critical. By examining these ethical concerns within the context of Lenskart's AI-driven initiatives, this research contributes to the ongoing conversation about responsible AI implementation in the retail industry.

In conclusion, the profound impact of AI on retail chains is set to reshape the retail landscape in significant ways. As this research unfolds, the intricate dynamics of AI-based interventions within Lenskart's eyewear retail chain will come into focus, presenting a compelling narrative of adaptation and progress within the dynamic retail sector. This exploration enriches the body of knowledge on AI in retail while offering invaluable insights that can guide Lenskart and the broader retail industry toward a future defined by innovation, efficiency, and customer-centric excellence. It is a journey that promises to shape the future of retail, redefine customer experiences, and set new standards for the industry as a whole.

CHAPTER 2

LITERATURE REVIEW

In recent years, the incorporation of artificial intelligence into retail operations has become increasingly widespread, transforming traditional business models and enhancing consumer experiences. This review aims to examine the landscape of AI-based interventions, specifically focusing on their application within the eyewear retail sector, with Lenskart as a specific reference. By analyzing the mediating and moderating effects of these interventions, this study seeks to provide insights into the intricate mechanisms driving their effectiveness and their impact on consumer behavior and business performance. Through a comprehensive synthesis of existing literature, this review aims to clarify the current state of AI adoption in the eyewear retail industry and to identify opportunities for further research and practical implementation.

The current chapter utilized a thematic literature review to systematically analyze and categorize different aspects of the study areas into themes. This method enabled a comprehensive understanding of patterns and trends across various studies, providing a clear overview of key developments and discussions in the field. By summarizing and synthesizing a collection of relevant studies, a holistic understanding of the research topic areas was achieved. This approach facilitated the presentation of relevant trends within the research area in a cohesive manner.

2.1 Literature Review on Artificial Intelligence

Study titled, ‘Enhancing Customer Experience with Artificial Intelligence: A Growing Trend’ by Madan Batra (2019) delves into the potential of Artificial Intelligence (AI) to elevate customer experiences and bolster company competitiveness. The paper underscores the significance of customer experience and its intertwining with the customer purchase journey, underscoring the impact of AI integration. Batra advocates for a synergy between marketers and AI experts, envisioning a redefined customer-service approach with AI to attain operational flexibility, speed, and scalability, improved decision-making, and personalized experiences. This paper serves as a valuable resource for future research and provides practical advice for practitioners

seeking to harness technological advancements to enhance customer experiences.

In the study on ‘The Role of Artificial Intelligence on Enhancing Customer Experience’, conducted in Palestine across various industries, Mohannad Abu Daqar and Ahmad K. A. Smoudy delve into the impact of Artificial Intelligence (AI) on enhancing the overall customer experience. The research explores how AI influences customer service, personalized customer experiences, and after-sale support. Through a combination of qualitative and quantitative approaches, the authors draw significant conclusions. In light of their findings, the authors recommend that enterprises focus on enhancing the customer experience, particularly during the awareness stage of the buying journey, by offering more personalized services and employing AI in call centers and after-sales support, thereby optimizing customer waiting times (Abu Daqar & Smoudy, 2019).

In their work, ‘Artificial Intelligence Tools for Enhancing Customer Experience’, Joshi Sujata, Aniket Das, and Mahasingh Matta, provide valuable insights into how Artificial Intelligence (AI) can improve customer experiences. This study emphasizes the importance of using AI tools to boost customer satisfaction and offers practical implications for professionals, managers, educators, and society as a whole. Given the significant role of customer experience in business, this research can help managers who interact with clients to create more enjoyable experiences, ultimately strengthening customer satisfaction and loyalty (Joshi, Das, & Matta, 2019).

Nisreen Ameen, Ali Tarhini, Alexander Reppel, and Amitabh Anandc, in their work titled, ‘Customer Experiences in the Age of Artificial Intelligence’ delved into the impact of integrating Artificial Intelligence (AI) in shopping, with a specific focus on AI-enabled customer experiences and its implications for trust and commitment. The study also offers practical insights for retailers looking to implement AI in customer services. The authors advocate for further interdisciplinary research to explore other factors influencing AI-enabled services, the examination of ethical and security aspects, and a broader cross-national and cross-industry context for future studies (Ameen, Tarhini, Reppel, & Anandc, 2020).

‘Ethical Principles and Governance Technology Development of AI in China by Wenjun Wu, Tiejun Huang, and Ke Gong offers a comprehensive overview of AI ethical principles and research efforts from the perspective of China. The study aims to illuminate the evolving landscape of AI ethics, with a specific focus on China's contributions and initiatives. Additionally, the authors emphasize the importance of identifying AI moral scenarios with significant social impact and involving experts from various disciplines in addressing ethical challenges. Lastly, the paper advocates for ethical education for all stakeholders in AI research and development, application, and management, to raise awareness and promote responsible practices in AI-related endeavors (Wu, Huang, & Gong, 2020).

Thomas Davenport, Abhijit Guha, Dhruv Grewal, and Timna Bressgott presented a comprehensive exploration of the multifaceted impact of Artificial Intelligence (AI) on the marketing landscape in their work ‘How Artificial Intelligence Will Change the Future of Marketing’. The study seeks to provide a multidimensional framework for understanding the influence of AI, considering factors such as intelligence levels, task types, and whether AI is embedded in a robot. The authors stress that AI's impact on marketing is set to grow substantially in the future, making further research imperative, not only in the realm of computer science but also in the integration of insights from psychology, economics, and other social sciences (Davenport, Guha, Grewal, & Bressgott, 2019).

‘Review of Artificial Intelligence with Retailing Sector,’ by Venus Kaur, Vasvi Khullar, and Neha Verma is a comprehensive analysis of the global artificial intelligence (AI) landscape within the retail market. Their objectives encompass defining, describing, and forecasting AI in the retail market with a focus on various facets, including types (online and offline), technologies, solutions, services, deployment modes, applications, and regions. Companies are increasingly integrating AI into their operations, capitalizing on data collected through various smart devices, such as RFID, robots, chatbots, and conversational bots, coupled with big data analysis, facial expressions, IoT, and other cutting-edge technologies supporting machine learning, deep learning, artificial augmentation, intelligence, and virtual reality. The

implementation of AI tailored to business requirements emerges as a crucial strategy for retail success in this rapidly transforming landscape (Kaur, Khullar, & Verma, 2020).

In their publication, 'State-of-the-Art and Adoption of Artificial Intelligence in Retailing,' Felix Weber and Reinhard Schütte provide an in-depth exploration of the current state of AI adoption in the retail industry. Their research aims to investigate the extensive use of AI in retail, analyze the core tasks where AI adds value in retail companies, and identify potential use cases and adoption trends among the largest retail enterprises globally. The paper emphasizes the promise of AI in addressing the complex challenges of the retail environment without requiring exhaustive knowledge of all relevant factors. It also underscores the pivotal role of AI in decision support and analytics within the retail sector, while acknowledging the intricate obstacles faced by data analytics in retail (Weber & Schütte, 2019).

In their paper titled 'Impact of Artificial Intelligence on Businesses: from Research, Innovation, Market Deployment to Future Shifts in Business Models,' Neha Soni, Enakshi Khular Sharma, Narotam Singh, and Amita Kapoor provide a thorough examination of the profound influence of artificial intelligence (AI) on businesses. The study covers AI's impact on research, innovation, market deployment, and future changes in business models. The research emphasizes that AI's impact on the global economy is significant and not just a passing trend. This impact is driven by technological advancements, the expansion of scientific knowledge, and entrepreneurial efforts. The authors attribute the substantial growth of AI and automation in the past decade to the increasing availability of big data and hardware accelerators, which have paved the way for the fourth industrial revolution. The paper underscores the critical importance of addressing security, privacy, and ethical concerns associated with AI technology, emphasizing the need for careful attention to these issues (Soni, Sharma, Singh, & Kapoor, 2019).

Naomi Haefner, Joakim Wincent, Vinit Parida, and Oliver Gassmann delve into the profound implications of artificial intelligence (AI) for innovation management in 'Artificial intelligence and innovation management: A review, framework, and research agenda'. The authors highlight that existing analyses suggest AI technologies could

potentially replace a significant portion of human work activities, with roughly 30% of tasks in various occupations being automatable. Therefore, the paper underscores the importance of a more specific exploration of AI's potential to supplant human roles within the innovation process. The study provides a valuable framework for understanding the evolving role of AI in innovation management and identifies critical factors for successful AI integration, ultimately contributing to the ongoing discourse in this dynamic field (Haefner, Wincent, Parida, & Gassmann, 2021).

The literature review by Weiyu Wang and Keng Siau (2018), addresses the ethical and moral issues associated with AI, focusing on Lenskart Eyewear Retail Chain. The study outlines two primary objectives: 1) to examine the ethical and moral dilemmas arising from AI, and 2) to propose resolutions for these ethical concerns. The authors stress the urgency of addressing ethical and moral AI issues. They emphasize that this is a complex problem that requires the involvement of various stakeholders. Furthermore, the study seeks to contribute to academic progress by identifying activities academia can undertake to train programmers to build ethical AI and educate potential users about the ethical treatment of artificial general intelligence. In conclusion, Wang and Siau's literature review underscores the significance of ethical and moral considerations in AI, especially in Lenskart Eyewear robotics. Their qualitative approach and the inclusion of diverse stakeholders make it a valuable resource for researchers and policymakers addressing the evolving landscape of AI ethics (Wang, W., & Siau, K. 2018).

The research paper by Nisreen Ameen, Ali Tarhini, Alexander Reppel, and Amitabh Anand, published in the journal *Computers in Human Behavior* in 2019, explores the impact of AI integration in shopping on customer experience. The study employs a theoretical model drawing from the Trust-commitment theory and the Service quality model. The study emphasizes that trust positively influences the overall service experience and contributes to the understanding of AI-enabled customer experiences, emphasizing the hedonic and recognition aspects of AI's role in enhancing the shopping experience. The authors encourage further interdisciplinary research in the field, recommend larger sample sizes for future studies, and suggest exploring AI technology's ethical and security dimensions from a consumer perspective.

Research Paper published in the journal 'Customer Needs and Solutions' in 2017, Quentin André, Ziv Carmon, Klaus Wertenbroch, Alia Crum, Douglas Frank, William Goldstein, Joel Huber, Leaf van Boven, Bernd Weber, and Haiyang Yang delve into the complex relationship between consumer choice, autonomy, well-being, and the impact of new technologies in the age of artificial intelligence and big data. The primary objectives of their study are twofold: first, to explore how consumers' sense of autonomy in making choices influences their overall well-being, and second, to discuss how emerging technologies either enhance or diminish consumers' perceptions of control over their choices and the subsequent effects on consumer well-being. The authors utilized open-ended questions to derive insights into consumer choice and preference for autonomy, with a focus on the impact of artificial intelligence. Employing quantitative techniques, they present compelling results highlighting the importance of perceived autonomy in consumer choice within the context of AI and big data. The authors suggest that future research should aim to explore contextual, cultural, and individual variations in the preference for autonomous choices, acknowledging that not all consumers may place the same importance on self-determined decisions.

2.2 AI applications in marketing and retail

In a 2020 study by Tayba Asgher, the focus is on analyzing online customers' purchase intention using machine learning algorithms. The research aims to comprehensively analyze purchase intention and construct a predictive model using classification and clustering techniques. The study offers valuable insights into understanding and predicting customer purchase intentions in e-commerce, emphasizing the significance of machine learning algorithms in improving decision-making and marketing strategies in the online retail space.

In a 2020 study published in the 'Business Process Management Journal,' Serge-Lopez Wamba-Taguimdje and team investigated the impact of artificial intelligence (AI) on firm performance and the business value of AI-based projects within organizations. The study, based on 500 case studies from leading AI solution providers, revealed that AI

significantly enhances organizational performance, particularly in financial, marketing, and administrative aspects. It emphasizes the need to view AI as a multifaceted combination of various IT configurations to harness its full potential.

Article by Haris Gacanin and Mark Wagner published in the IEEE Network Magazine in 2018, focuses on the integration of artificial intelligence (AI) into Customer Experience Management (CEM) in next-generation networks. CEM is aimed at understanding the customer's experience and interactions with a network, to identify the root causes of problems without relying solely on direct customer interactions. Data analytics and AI-driven CEM are essential in achieving this objective, with a focus on network quality-of-service (QoS) and customer Quality of Experience (QoE). The authors emphasize the importance of different CEM framework designs in enabling network intelligence and extracting critical business value drivers. The AI-driven approach to CEM is particularly pertinent in meeting the technological demands of 5G and enabling network operators and service providers to adapt to the evolving requirements of future customer experiences. However, this adoption of AI-driven CEM introduces new challenges, including service orchestration for designing network slices and the need for policies that introduce APIs to access various network segments across multiple operators, thereby ensuring dynamic Service Level Agreement (SLA) delivery for numerous tenants.

In a 2020 paper published in 'Electronic Markets,' Martin Adam, Michael Wessel, and Alexander Benlian explore the impact of AI-based chatbots on user compliance in customer service. The study investigates chatbot characteristics that increase user compliance with service feedback requests and emphasizes the importance of chatbot design in mitigating limited interpersonal interaction. The authors predict the increasing influence of intelligent Conversational Agents (CAs) on user experiences, decision-making, and technology adoption in the future.

A Study published on 'Electronic Markets' in 2020, Barbara Neuhofer, Bianca Magnus, and Krzysztof Celuch delve into the profound implications of artificial intelligence (AI) on event experiences, aiming to explore AI's role as an operant resource in shaping

these experiences. A scenario technique approach is adopted to envision the future of AI and its potential to create value in event experiences. The study underscores the transformative potential of AI, recognizing it as one of the most disruptive technologies expected to shape the next decade, particularly within service industries, where it can enhance productivity, interactions, and overall experiences. The study, rooted in Service-Dominant Logic (SD logic), calls for interdisciplinary research that can delve into these complexities, providing valuable insights for future service science, business, technology, and marketing studies.'

In their 2019 review in the 'Journal of the Academy of Marketing Science,' Grewal, Hulland, Kopalle, and Karahanna explore technology's impact on marketing. They focus on big data, customer experience, information security, satisfaction, ecosystems, and loyalty. The authors emphasize the need for multidisciplinary studies to understand technology's effects on customers and employees, and to identify factors that moderate these effects.

In the book 'Marketing Intelligent Systems Using Soft Computing' published by Berend Wierenga in 2010, the author addresses the intriguing relationship between marketing and artificial intelligence (AI). The central theme revolves around the immense opportunities that AI presents to the field of marketing, despite the somewhat hesitant partnership that has historically existed between these two domains. Wierenga's work serves as a crucial exploration of the dynamic interplay between marketing and AI, emphasizing the transformative opportunities AI offers while recognizing the complexities that necessitate careful navigation and ethical considerations. The book is a valuable resource for researchers, marketers, and professionals looking to harness the potential of AI in the marketing landscape.

The study by Erica Mingotto, Federica Montaguti, and Michele Tamma, published in 'Electronic Markets' in 2020, presents a compelling action research project that introduces a humanoid robot, 'Pepper,' equipped with a supervised machine-learning AI system, at the reception of an Italian hotel. The research focuses on the role played by this AI agent and its effects on the transformation of the roles undertaken by frontline

employees and customers within the hospitality industry. The study is grounded in a one-year project, from June 2017 to June 2018, implemented at a resort in Northern Italy, part of a small hotel chain. Using a qualitative and descriptive approach, particularly action research, the authors conducted a comprehensive investigation that involved focus groups, participant observation, interviews, diaries, questionnaires, and surveys. Additionally, future research should examine the roles of customers and employees when AI supports service encounters occurring before a customer arrives at the hotel or destination, as well as how multiple AI devices and conversational agents interact throughout the customer journey, exploring the intricate dynamics between devices, customers, agents, and employees.

In their article published in the 'Journal of the Academy of Marketing Science' in 2020, Ming-Hui Huang and Roland T. Rust present a strategic framework for the application of artificial intelligence (AI) in marketing. The study aims to systematically guide the strategic planning of AI in marketing and bridge the gap between strategic AI marketing practice and research. It delineates the strategic roles AI can play in marketing, while also highlighting the current limitations of AI. The framework is designed as a stage-by-stage circular process, providing valuable insights for future research opportunities related to the application of AI in marketing. By offering a structured and strategic perspective, the framework contributes to the evolving landscape of AI in marketing, guiding marketers in optimizing their use of AI for enhanced customer experiences and business success.

The article authored by Benedict G. C. Dellaert and a diverse group of scholars, published in 'Marketing Letters' in 2020, delves into the realm of consumer decisions with Artificially Intelligent Voice Assistants (AIVAs). The research explores consumer decisions, AIVAs (Artificial Intelligence Voice Assistants), and their potential impact on consumer choices. It posits that utilizing AIVAs as decision guides can lead to changes in consumer decisions and formulate testable propositions reflecting these effects. Subsequently, the paper proffers recommendations for marketing managers and policymakers in light of these anticipated changes. The study is instrumental in shedding light on a rapidly evolving domain of consumer-firm interaction and provides

a valuable framework for further research and deliberation in this high-impact area.

In her work published in 'Computational Economics' in 2020, Fatemeh Safara endeavors to address the critical issue of understanding and predicting consumer behavior during the COVID-19 pandemic. The primary aim of the study is to propose a prediction model that leverages machine learning methods to anticipate consumer behavior, particularly in the context of online shopping. The machine learning-driven predictive model plays a pivotal role in forecasting consumer behavior amid the pandemic, emphasizing online shopping patterns. To shed light on the factors influencing consumer behavior, correlation analysis is conducted, revealing that age and diabetes are the two key features with the most substantial impact on consumers' online purchasing behavior during the pandemic. Safara's research provides a valuable contribution to understanding the transformative effects of the pandemic on consumer behavior and offers a solid foundation for further studies in this domain.

Jessica Morley et.al, (2019) Luciano Floridi, Libby Kinsey, and Anat Elhalal emphasized in their research paper a crucial investigation into the ethical concern related to (AI) published in 'Science and Engineering Ethics' serves a dual purpose; where their study delves into the existing gap between ethical principles and practical implementation in AI, and second, to provide a methodological framework for addressing this gap effectively. As AI systems grow in complexity and societal reliance, the call for more critical AI governance and design solutions becomes increasingly urgent. The study underscores the importance of coordinated and sophisticated approaches in translating ethical principles into design protocols and emphasizes the necessity for multidisciplinary collaboration among researchers, innovators, policymakers, developers, and designers to create and assess new tools and methodologies. This collective effort is essential to ensure that there is a clear 'how' for every 'what' at each stage of the machine learning pipeline, facilitating the seamless integration of ethical principles into AI practices.

The research paper published in 'Augmented Human Research,' authored by Neil Shah, Sarth Engineer (2020), Nandish Bhagat, Hirwa Chauhan, and Manan Shah explores

emerging research trends related to the utilization of artificial intelligence (AI) and machine learning in the realm of advertising. Their primary objective is to explore how these technologies are being harnessed to persuade consumers to purchase products or use services. However, the authors also emphasize a major challenge associated with this advanced form of advertising – the need to safeguard individual privacy. The study concludes on an optimistic note, foreseeing that the future of advertising will be substantially impacted by AI and machine learning, offering companies enhanced capabilities for advertising. Nevertheless, the authors reiterate the crucial importance of maintaining a balance to prevent the overuse of these technologies that could raise concerns about privacy among the general public.

Shailesh Jain and Aradhana Vikas Gandhi (2021) in their research delve into the influence of artificial intelligence (AI) on the impulse buying behavior of Indian shoppers, particularly in the context of fashion retail outlets in their study published in the 'International Journal of Innovation Science,' The collected data was subjected to rigorous analysis employing factor analysis and multiple regression analysis. The findings of their study unveil intriguing insights into the effects of modern technologies implemented by retailers to augment sales and consumer engagement. This study bears notable implications for the fashion retail industry, providing retailers with valuable insights into the incorporation of artificial intelligence to drive sales by attracting shoppers to their outlets. It underscores the increasing importance of leveraging AI technologies to enhance the shopping experience and potentially boost impulse buying behavior, which can significantly benefit retailers in the competitive Indian fashion market.

The 2020 paper published in 'The Bottom Line' by Merlin Stone, Eleni Aravopoulou, Yuksel Ekinci, Geraint Evans, Matt Hobbs, Ashraf Labib, Paul Laughlin, Jon Machtynger, and Liz Machtynger delves into the use of artificial intelligence (AI) in strategic marketing decision-making. The authors particularly focus on identifying research gaps in this area and emphasize the lack of dedicated research in applying AI in strategic marketing decision-making. They also highlight that the implications of this research go beyond the commercial sector, as the public sector also makes critical

marketing decisions concerning service availability to citizens. Hence, this paper is relevant for both private and public sectors, stressing the need for further exploration of AI's role in strategic marketing decision-making.

In their 2019 study published in 'Library Hi Tech,' Ying Ma, Kang Ping, Chen Wu, Long Chen, Hui Shi, and Dazhi Chong present a comprehensive exploration of the integration of artificial intelligence (AI) with the Internet of Things (IoT) and its implications for the development of smart public services, with a specific focus on China. To accomplish this, the researchers employed a case study as their chosen research method. The study reveals that AI-powered IoT applications have gained prominence in various domains, including smart cities, Lenskart Eyewear, and intelligent manufacturing, among others. This work contributes to the growing body of knowledge on the strategic adoption of AI in conjunction with IoT, offering insights and potential applications, particularly in the context of smart public services, thereby establishing a valuable reference point for further research in this emerging and dynamic domain.

Nagaraj Samala et.al, (2020) opined a comprehensive overview of the impact of Artificial Intelligence (AI) and Robotics in the tourism sector in the 'Journal of Tourism Futures,' shedding light on the crucial role of these technologies in shaping the industry's future. The study delves into various technologies that are being integrated into the tourism sector to enhance services and improve the overall customer experience, such as chatbots, robots, virtual reality, and language translators. The authors emphasize that AI and robotics have the potential to bring about a positive transformation in tourism marketing, enhancing the overall tourist experience. They also call for comprehensive research studies to critically assess the implications of these technologies, recognizing the need to understand both the positive and negative impacts on the industry, businesses, and customers, providing valuable insights for future development in the field of AI and robotics in tourism.

Jeannette Paschen et al (2019) in the research explored the profound implications of Artificial Intelligence (AI) for market knowledge in Business-to-Business (B2B) marketing. The primary objective is to elucidate the technological phenomenon of AI

and how it can significantly contribute to knowledge-based marketing in the B2B context. Additionally, the paper offers illustrative use cases that vividly demonstrate how AI can positively impact various functions within the realm of B2B marketing. This work contributes a valuable framework for comprehending the synergy of AI and market knowledge, paving the way for further research into the implications and applications of AI in the B2B marketing landscape.

Richard Benjamins (2020) in his research paper titled 'A Choices Framework for the Responsible Use of AI,' found that explores the critical issue of responsible AI development and application by investigating the choices available to organizations dealing with AI. The central goal is to examine how organizations can make more responsible use of AI by methodically addressing specific choices. This paper utilizes AI principles and guiding criteria that are particularly relevant for businesses, emphasizing the importance of a strategic vision for responsible AI deployment. Organizations have a pivotal role to play in determining and making these choices. This work significantly contributes to the ongoing discussion around AI ethics by providing a framework for organizations to navigate and make responsible decisions related to AI implementation, underscoring the pivotal role of their choices in ensuring a more ethical and responsible use of this transformative technology.

Naveed Naeem Abbas et al (2019) delve into the evolving landscape of artificial intelligence (AI) in the realm of cyber security. Their research has three primary objectives: first, to examine the theoretical developments surrounding AI's role in cyber security; second, to explore how AI applications are benefiting both enterprises and government entities in the cyber security sector; and third, to chart the historical changes and the dynamic trajectory of AI's applications in this discipline. This approach allows them to access comprehensive bibliographic and cited reference data, fostering a deep understanding of AI's relationship with cyber security. Scientometrics analysis and information visualization techniques further enhance their investigation, enabling the visualization of a knowledge map of AI applications within cyber security. Their research provides a comprehensive and multi-criteria perspective on the role of AI in enhancing cyber security and underscores the importance of evidence-based policy

planning in this domain. The authors propose the use of advanced clustering techniques like Latent Dirichlet Allocation (LDA) for text analysis, further illustrating the potential for scientific contributions to shape the future of AI in cyber security.

Muhammad Zafeer Shahid et al (2019) conducted a study titled 'Impact of Artificial Intelligence in Marketing: A Perspective of Marketing Professionals of Pakistan,' which explored the influence of AI on marketing in Pakistan. The study highlighted factors contributing to AI integration, its benefits and challenges, pre and post-AI marketing strategies, ethical considerations, and AI's use in marketing. The research emphasizes the importance of AI in enhancing business performance, achieving profitability, and gaining a competitive edge in Pakistan's marketing landscape.

Previous studies demonstrated by Can-Luca Benkert (2019) in his research paper titled 'Ethics & AI: Identifying the Ethical Issues of AI in Marketing and building practical guidelines for marketers,' the primary objectives are to delve into the intersection of AI and ethics within the marketing context and to establish practical ethical guidelines for marketers. The study further provides guidelines to address these issues, affecting not only the internal aspects of marketing but also cross-departmental collaboration, AI implementation, and post-data processing activities. While the guidelines offer solutions for most of the identified ethical problems, certain challenges related to accountability and the ability to predict AI's future impacts remain unresolved.

The 2019 research conducted by Neha Soni, Enakshi Khular Sharma, Narotam Singh, and Amita Kapoor, titled 'Impact of Artificial Intelligence on Businesses: from Research, Innovation, Market Deployment to Future Shifts in Business Models,' comprehensively analyzes the multifaceted influence of artificial intelligence (AI) on the business landscape. Findings reveal that AI has the potential to revolutionize the global economy through technological innovations, scientific knowledge, and entrepreneurial activities. However, the research also acknowledges the critical need for addressing security, privacy, and ethical concerns associated with AI technology.

In the 2020 paper by Wenjun Wu, Tiejun Huang, and Ke Gong, titled 'Ethical Principles

and Governance Technology Development of AI in China,' the authors delve into the realm of ethical guidelines and principles for artificial intelligence (AI) while focusing on the perspective of China. To further propel AI governance, the paper proposes key initiatives: the necessity for cross-disciplinary, cross-sector, and multinational collaborations to establish a consensus on AI ethical principles; intensified research and development in AI governance technologies to keep pace with AI's rapid progress; the creation of open AI DevOps platforms with embedded ethics tools; the identification of morally significant AI scenarios for collaborative solutions; and a proactive push for ethical education among all AI stakeholders to elevate awareness of ethical considerations and foster responsible AI practices.

In the 2020 study by Arslan Javaid and Muhammad Hammad titled 'Artificial Intelligence and Digital Marketing Impact over E-commerce,' the authors explore the influential role of artificial intelligence (AI) in marketing, particularly in the context of e-commerce. The study finds that e-commerce platforms commonly employ AI to provide product recommendations based on customers' browsing histories, enhancing customer experience and reducing search time. This predictive modeling approach is instrumental in finding the most relevant products for customers, thereby promoting user growth. The study also notes the profound influence of e-commerce applications on online retailing and e-banking, emphasizing the importance of electronic payment methods in closing the loop of e-commerce transactions. AI, as a transformative technology, leverages cutting-edge tools such as big data, cloud computing, and robotics to enhance marketing operations, providing a promising model for the future of marketing in the e-commerce industry.

In the 2019 paper titled 'Business and the Ethical Implications of Technology: Introduction to the Symposium,' authored by Kirsten Martin, Katie Shilton, and Jeffery Smith, the study delves into the critical area of how businesses navigate ethical decisions in the development and deployment of artificial intelligence (AI) technologies. The paper offers valuable contributions to the field by emphasizing that companies employing hiring algorithms bear a moral obligation to safeguard their workers' integrity. Furthermore, the paper underscores the significance of integrating

ethics into the design process, expanding employees' capacity for moral imagination, and fostering spaces for ethical reflection and discourse within organizations. The study collectively calls for a focus on the future responsibilities of platforms that either facilitate or hinder the establishment of genuine norms within their respective online communities.

In the 2020 paper titled 'Think with me, or think for me? On the Future Role of artificial intelligence in Marketing Strategy Formulation' by Theresa Eriksson, Alessandro Bigi, and Michelle Bonera, the research explores the potential contributions of Artificial Intelligence (AI) to the formulation of marketing strategies. The research highlights several key themes, such as the growing importance of AI in managing strategic marketing decisions, the current presence of AI in strategic management, and its role in strategic decision-making. The research focuses specifically on the deliberate process of strategy creation, where AI serves as a valuable response to the challenges posed by vast data volumes and uncertain environmental conditions, as well as a remedy for the constraints of limited managerial cognition. As businesses increasingly grapple with complex decision-making in the digital age, this paper underscores the role of AI in enhancing marketing strategy formulation from both rational and creative perspectives.

In the 2020 article titled 'Artificial intelligence in the workplace – A double-edged sword' by Uta Wilkens, the research aims to outline the potential of artificial intelligence (AI) to augment the learning processes in the workplace, while also identifying its limitations. The research underscores the dual nature of AI in the workplace, as it has the potential to reinforce both positive and unintended effects on individual and organizational learning. This duality necessitates a cautious approach to the integration of AI in the workplace, emphasizing the importance of socio-technical job design that retains the human element and combines AI-based learning approaches with non-AI counterparts to achieve true augmentation. While the conceptual framework provides illustrative examples, further empirical analysis is required to validate its findings and implications. Ultimately, the research highlights the importance of carefully considering AI's role in workplace learning and its potential impact on individual and organizational development.

In the 2020 paper titled ‘Critical success factors for integrating artificial intelligence and robotics’ by Umar Bashir Mir, Swapnil Sharma, Arpan Kumar Kar, and Manmohan Prasad Gupta, the primary objective is to shed light on the critical success factors (CSFs) essential for the development of intelligent autonomous systems (IASs) through the integration of artificial intelligence (AI) and robotics. Additionally, the study aims to propose a prioritization hierarchy model for establishing a sustainable ecosystem conducive to the creation of IASs. A crucial aspect stressed in the research is the need for clear and well-defined regulations to ensure the proper functioning of this ecosystem. The paper underscores that technologies capable of thriving in the Indian context hold significant promise on a global scale due to the nation's substantial population size. This research equips stakeholders with a deep understanding of the critical elements crucial for fostering a sustainable environment for IASs and offers guidance on the sequential order of activities corresponding to each CSF, aiding policymakers and industry leaders in making informed decisions.

The 2021 paper by Nir Kshetri, titled ‘Evolving uses of artificial intelligence in human resource management in emerging economies in the Global South: some preliminary evidence,’ delves into the utilization of artificial intelligence (AI) in the domain of human resource management (HRM) within the emerging economies of the Global South. The findings underscore the advantages of deploying AI in HRM, revealing the potential to enhance recruitment and selection processes while accessing a broader pool of candidates. AI-driven HRM minimizes subjective factors like nepotism and favoritism during employee selection. Furthermore, the research emphasizes the positive impact of AI in HRM on employee development, retention, and overall productivity. The study not only investigates AI's role in broadening recruitment pools but also contributes to understanding how AI-based HRM tools can effectively mitigate biases in candidate selection, a particularly critical aspect within the Global South. Additionally, it delves into the various mechanisms through which AI supports employee development, retention, and productivity in these emerging economies.

Komal Chopra conducted a study in 2019 titled ‘Indian shopper motivation to use artificial intelligence: applying Vroom’s expectancy theory of motivation using

grounded theory approach,' where his research aims to unravel the motivations of young consumers in India when using artificial intelligence (AI) tools like chatbots, voice assistants, and augmented reality in their shopping experiences. To achieve this goal, the study employs a grounded theory approach, specifically generating Vroom's expectancy theory of motivation. The study's findings indicate that Vroom's expectancy theory is a useful framework for explaining the motivation of young consumers to adopt AI tools as aids in their shopping decision-making processes. The findings bear strong implications for retailers in emerging markets like India, where AI tools have recently been introduced. Vroom's expectancy theory offers retailers a valuable framework to comprehend consumer motivations concerning AI tool usage in shopping.

In the 2020 study by Phil Klaus and Judy Zaichkowsky, titled 'AI voice bots: a services marketing research agenda,' the research examines how AI has transformed consumer decision-making and its impact on services marketing, service research, and service management. Consumers are outsourcing decision-making to AI-driven bots, leading to a reduced emphasis on traditional consumer decision models and brand-centric factors, especially in low-involvement decisions. The study suggests that high-involvement decisions may soon follow suit. Management practices need to adapt to this change, and customer experience management is shifting towards interactions with AI and bots. Businesses need to rethink their service marketing strategies in this AI-driven landscape.

In a 2020 study titled 'Influence of artificial intelligence (AI) on firm performance: the business value of AI-based transformation projects,' researchers aimed to analyze the impact of AI on firm performance, focusing on the business value generated through AI-based transformation projects. The study draws on the theory of IT capabilities and reviews 500 case studies from prominent technology providers to establish insights into the influence of AI business value on firm performance at both organizational and process levels. The research highlights AI's capacity to optimize processes, automate tasks, and interact with humans while detecting and predicting patterns, emphasizing the need to consider AI as a crucial enabler of new business models.

In the 2020 study titled ‘Ethics of Artificial Intelligence and Robotics’ in the Stanford Encyclopedia of Philosophy, the focus is on studying the profound ethical implications of artificial intelligence (AI). The study delves into the intersections between ethics and AI, emphasizing critical questions regarding how these systems should be employed, what they should autonomously do, and the long-term risks associated with their deployment. This exploration challenges the conventional human perspective of humanity as the dominant intelligent species on Earth. The community of researchers focused on ‘artificial consciousness’ raises significant apprehensions regarding the ethical implications of creating such consciousness. There have been calls for caution and even a ‘moratorium on synthetic phenomenology.’ This points to the complex and evolving landscape of ethics in AI and robotics, with many philosophical and ethical questions yet to be answered.

In their 2016 study, ‘An Empirical Investigation of a General Theory of Marketing Ethics,’ Michael A. Mayo and Lawrence J. Marks aimed to delve into the realm of marketing ethics by focusing on the context of marketing research dilemmas. This empirical test was designed to assess Hunt and Vitell's model, a foundational theory in marketing ethics. The study yielded encouraging results by providing support for several core relationships in the model. However, it did identify a challenge with the causal link between Deontological Norms and Deontological Evaluations, possibly related to the specific operationalization of Deontological Norms used in the study. The research contributes to a better understanding of the ethical decision-making processes, shedding light on the factors that influence marketing managers when making ethically sound business decisions in complex and challenging ethical situations, providing valuable insights for both researchers and practitioners.

In their 2020 study, Keng Siau and Weiyu Wang addressed the crucial and evolving field of AI ethics, focusing on both the ethics of AI and ethical AI. The study delved into various facets, including the exploration of perceived ethical and moral issues associated with AI and an examination of general ethical principles, rules, guidelines, policies, and regulations that could help resolve or mitigate these ethical and moral concerns. This study serves as a call to action for the AI community and society as a

whole to take AI ethics seriously, as it holds the potential to enhance our understanding of human ethics, improve existing ethical principles, and guide our interactions with AI agents in the AI age.

In their 2020 study, Piyush Jain and Keshav Aggarwal explored the transformative impact of Artificial Intelligence Marketing (AIM) on the field of marketing. The paper provided an in-depth analysis of the implications of AIM technology throughout the customer lifecycle, highlighting the significant shift from traditional marketing automation to marketing personalization. The authors also recognized the current nascent stage of AIM and its rapid evolution, projecting that it will significantly reshape marketing strategies and business models. While some traditional market research roles may become automated, AIM is likely to create advanced job opportunities requiring high potential and expertise. As AI continues to progress, it is expected that AIM will continue to revolutionize marketing practices and consumer behaviors in the near future, ushering in a host of surprises and innovations.

2.2.1 Global AI Trends in Retail:

The size of the global artificial intelligence (AI) retail market is estimated at USD 14.03 billion in 2025 and is expected to grow at a compound annual growth rate (CAGR) of 18.14% from 2025 to 2034, reaching approximately USD 62.64 billion. During the projection period, the North American artificial intelligence (AI) retail market is expected to grow at a compound annual growth rate (CAGR) of 18.16%, surpassing USD 4.73 billion in 2024. With 2024 serving as the base year, the market size and projections are revenue-based (USD Million/Billion). The retail artificial intelligence (AI) market was valued at USD 11.83 billion in 2024 and is projected to grow at a compound annual growth rate (CAGR) of 18.14% from 2025 to 2034, reaching approximately USD 62.64 billion.

In their 2022 paper, Simon Moore, Sandy Bulmer and Jonathan Elms explored Retailers are rapidly changing the character of service encounters by integrating consumer-facing Artificial Intelligence (AI) digital humans into frontline retail environments as they seek more innovative and lucrative uses of their physical shopping areas (Reis et al.,

2020). On the other hand, as the study indicates, other retailers are using AI interfaces to improve the in-store shopping experience by enhancing the work of frontline staff by providing more individualized services, which sets their stores apart from their rivals (Larson, 2019). Even though merchants could use these AI interfaces, it's unclear how they could be successfully integrated into their current plans and—perhaps more importantly—how their customers would respond to them (Inman and Nikolova, 2017). The number of interactions between human customers and AI interface staff in retail is growing, but the ways and amount to which these technologies affect customers' in-store experiences and related purchasing behaviours raise questions about the future of customer experience (CX) in the retail industry. Thus, this serves as the current research's main focus.

In their 2022 Paper, Jayakrishnan S has explored the AI and ML are the emerging buzzwords in any industry. AI-based applications are now extensively adopted by retailers. The key areas in which AI applications are used in the Retail industry include a) Customer services b) store management) supply chain management d) media optimization e) online risk management f) understanding omni channel and mobile consumer behavior g) other applications. Camberia (2016) stated that AI can capture and provide deep consumer insights for retailers. So, one of the emerging areas of research is obtaining consumer research insights and identifying the key factors that can enhance the shopping experience. This can also enable the retailer to bring automation and hyper-personalization. AI-based applications have a lot of potential in enhancing customer experiences. Research focusing on what are the key functions, aspects, and how AI can bring value to retailers and customers would be interesting. Even though many retailers are taken initiatives to develop AI-based tools there are no extensive studies on the value realized by the adoption of these technologies. Store operations are one of the key challenges for any retailer. AI and its potential contribution to shelf management, customer assistance, product placement, store ambiance management, and merchandise quality management are the key areas that can offer immense scope for future research. AI can be extensively used for inventory and supply chain management. Research focusing on AI and framework for AI implementation for the retailer, its effect on supply chain and supply chain risk management are fascinating areas. With the emergence of e-commerce, the

online shopping experience, ease of ordering, and cyber security challenges are some of the functions in which retailers are planning to develop AI and ML applications. The future research direction focusing on the applications, impact of AI on these functions, and how it can provide value to retailers and customers have immense research scope. Online media management is another which retailers are exploring the applications of AI. The research efforts exploring how AI can aid retailers in online and social media management have great research value. Finally, studies investigating AI and its role in retail location analysis, store atmospherics, and store format choices are probable research areas for academicians.

In their 2023 Paper, Namrata Bhalerao, Shivam Jadhav, Anirudha Shiver and Altamash Shaikh explored the Artificial intelligence (AI) has the potential to improve company processes and increase merchants' profitability. Only stores that use the most cutting-edge technologies and are creative can survive in today's market. To continuously learn and address issues in a changing environment, the AI system continuously gathers and evaluates data (Cao, 2021). The technological field of artificial intelligence (AI) uses datasets to gather information and data, making it possible to replicate recurring patterns and behaviors. AI has become an essential necessity for human survival due to its capacity to do tasks on its own. Numerous industries, including retail, healthcare, education, entertainment, telecommunications, transportation, and hospitality, are impacted by artificial intelligence. In both online and physical retail settings, artificial intelligence (AI) is performing a number of tasks related to customer service. Numerous goals, including advertising, automation, and digitizing point-of-sale systems, have led to the development of AI-powered solutions. The automated self-checkout systems at the Amazon Go store in Seattle make use of deep learning, sensor fusion, and computer vision (Ruschen and Wiehenbrauk, 2017). Bertacchini et al. (2017) found that utilizing robotic technology can promote staff welfare, cut labour expenses, offer clients timely and informed counsel, and increase sales. Robots are used by American home improvement retailer Lowe's to help with sales (Forgan, 2020). Online chatbots are used to help customers place orders, offer extra services, and provide customer support (Christie, 2018). The UK-based supermarket chain Lidl has introduced Margot, an AI-powered chatbot on Facebook Messenger. Margot helps customers choose the ideal wine based on their budget and personal tastes. According

to Syam and Sharma (2018), machine learning algorithms can offer virtual assistants that enhance customer-retailer communication and customized shopping experiences. According to Shankar (2018), Coversica is an artificial intelligence (AI) platform created to enhance the relationship between customers and shops and to make it easier to communicate with potential customers.

In their 2023 study, His-Peng Lu, Hsiang-Ling Cheng, Jen-Chuen Tzou and Chiao-Shan Chen explored the Artificial intelligence (AI) which is a significant contributor to many innovations that are fundamentally reshaping the retail industry (Shankar et al., 2021), especially during the COVID-19 outbreak. Retailers were compelled to rethink market demands as a result of shifting consumer purchasing patterns that have changed the dynamics of our global economy and indirectly impacted human viewpoints. Technological advancements are causing a transformation in the retail industry. The "click-and-mortar" business model, which combines online and offline businesses, is one example (Yeh et al., 2020). Without a doubt, combining online and offline activities will transform the retail sector and enable customers to purchase in new ways. According to Pillai et al. (2020), the technology forecasts customer demand and offers retailers products and services that enable them to add value. Furthermore, by 2032, retail AI applications are expected to reach USD 100 billion, according to Wadhwani and Gawande (2023). The retail industry will surely undergo significant changes as a result of the merger of online and physical operations. Traditional retailers overlook the massive threat posed by the Internet (Hart et al., 2000) and the optimisation of the shopping experience for their customers as they quickly and efficiently set up their distribution systems (Zhai et al., 2019). In order to overcome this conundrum, merchants have decided to use AI technology to address any unmet customer expectations during the purchasing process and highlight a new type of shopping experience that adds value. However, a lot of technology apps and services are launched without considering the demands of the customer. Additionally required is a technology plan for the customer shopping process. Confusion frequently prevents the development of new retail industries. To solve this problem and assist the retail industry in implementing artificial intelligence to improve efficiency, the retail sector must use AI to analyse consumer purchasing behaviour.

In their 2024 study, Jeyaganesh Viswanathan explored the Artificial intelligence (AI) is revolutionizing retail by accelerating previously unheard-of gains in customer engagement, operational effectiveness, and strategic decision-making. Instead of only reacting to the rapidly shifting market dynamics, retailers are actively shaping the future of retail by leveraging AI-driven algorithms and machine learning techniques. By integrating AI technologies like computer vision, natural language processing, and predictive analytics, retailers may obtain real-time insights and hyper-personalization, which boosts customer satisfaction and loyalty. Through the use of automated inventory replenishment, precise demand forecasting, and logistics optimization, these solutions reduce costs and waste. Furthermore, AI-powered chatbots and recommendation engines are transforming consumer interaction by offering tailored shopping experiences and fostering closer ties between consumers and businesses. The study underscores the significance of artificial intelligence (AI) in propelling the retail industry towards a future characterized by heightened productivity, flexibility, and customer service. By incorporating AI, retailers are not only overcoming the obstacles of the digital age but also setting new standards for customer interaction and operational efficiency. Academics, legislators, and retail professionals may all gain from the research's conclusions, which provide a comprehensive understanding of how AI is transforming the retail landscape and what that implies for the industry's future.

In their 2025 Paper, Jeandri Robertson, Elsamari Botha, Kim Oosthuizen and Matteo Montecchi explored the Artificial intelligence (AI) is now at the forefront of many operational business choices in a complicated business environment, especially in the retail industry, as a result of the search for intelligent solutions. There is little study on how to handle organizational issues when integrating AI into the retail value chain, despite the fact that merchants must adjust to organizational changes as their investment in AI disrupts value chains. This report examines the socio-technical obstacles that retailers face when incorporating AI into their value chain and provides solutions to overcome these organizational barriers through 23 expert interviews with retail executives and AI providers. In order to address the change management process, we

offer an AI deployment Compass and identify the micro-, meso-, and macro-level aspects influencing AI deployment in retail. This paradigm emphasizes a comprehensive strategy that takes into account both external market pressures and internal organizational dynamics, acting as a guide to help navigate the challenging terrain of AI adoption.

The global market for AI in retail is projected to reach an impressive \$54.92 billion by 2033, with generative AI alone expected to unlock between \$240 billion and \$390 billion in economic value for the sector, according to the article "Understanding AI in Retail: Key Technologies, Adoption Challenges, and Scaling Strategies." A recent Lucidworks report supports this momentum by showing that retail ranks second overall across all industries in AI deployments and leads in using AI to boost revenue. The financial benefit is evident, as over 50% of retailers report significant cost savings and higher revenue as a result of AI projects. Fundamentally, artificial intelligence (AI) in retail facilitates automation and data-driven decision-making by providing instruments to forecast consumer preferences, control inventory, expedite processes, and maximise pricing tactics. Retailers are using AI to streamline operations and make more informed decisions by delivering hyper-personalized customer experiences and improving operational efficiency.

As stated in the paper "An International Perspective on Artificial Intelligence (AI) Technologies and Marketing: Present Trends and Prospects for Further Research." Among the most exciting new technologies is artificial intelligence. This essay explores the evolving role of artificial intelligence in marketing from a global perspective. The study examines AI from the viewpoints of the nation, the business, and the customer. It acknowledges the variety of resources available for AI adoption as well as the existence of economic disparities among countries. The analysis at the national level highlights the economic inequalities among nations that are hampered by a lack of funding for the adoption of AI. Although the hardware needed to support these technologies may be widely available, their utilization necessitates cultural adaption, which is why the company-level analysis concentrates on glocalization. Given the volume of data saved by AI technology, consumer-level research focusses on ethics and

privacy. The study looks at two important aspects of AI in marketing using these three lenses: 1) Interaction between humans and machines (HMI); 2) Automated text, audio, image, and video analysis.

Programs, algorithms, systems, and computers that simulate intelligent human behavior are all included in artificial intelligence. Machine learning, natural language processing, and neural networks are the main AI technologies that allow machines to sense, understand, act, and learn on their own through human-machine learning interaction (HMI). (Grewal, Davenport, Guha, & Brissgott, 2020),

Table 2.1: Literature Review

S. No	Detail of the Journal/ Book/ Book chapter/ Website link	Year of Publication	Indexing of Journals (Scopus/S CI index etc.)	Main findings or conclusion relevant to the proposed relevant work
1.	International Journal of Information Management Data Insights	2021	Elsevier	Co-citation and co-occurrence analysis offered the conceptual and intellectual network. Data clustering using the Louvain algorithm helped identify research sub-themes and future research directions to expand AI in marketing.
2.	Journal of Interactive Marketing	2020	Elsevier	AI-CRM's improving ability to predict customer lifetime value will generate an inexorable rise in implementing adapted treatment of customers, leading to greater customer prioritization and service discrimination in markets.
3.	Customers in Human Behaviour	2020	Research Gate	There exists significant effect of relationship commitment on AI-enabled customer

				experience.
4.	International Journal of Information Management	2021	Elsevier	Collective insight from a number of leading expert contributors to highlight the significant opportunities, realistic assessment of impact, challenges and

S. No	Detail of the Journal/ Book/ Book chapter/ Website link	Year of Publication	Indexing of Journals (Scopus/SCI index etc.)	Main findings or conclusion relevant to the proposed relevant work
				potential research agenda posed by the rapid emergence of AI within a number of domains: business and management, government, public sector, and science and technology.
5.	International Journal of Information Management	2019	Elsevier	Proposition of AI for decision-making in general and the specific issues regarding the interaction and integration of AI to support or replace human decision-makers in particular. Research propositions include in terms of conceptual and theoretical development, AI technology-human interaction, and AI implementation.
6.	Information system Frontiers	2021	Springer	Data findings confirm the mediation mechanism of the patient's cognitive engagement with responsible AI-solutions and perceived value, which leads to market performance.
7.	Global Journal of Management and Business Research: E Marketing	2019	Global Journals	The findings of the study highlight the factors contributing in AI integration in marketing, benefits, and challenges of AI integration in marketing, pre and post AI marketing strategy of company, ethical aspects and usage of AI in the marketing field. The research implies to integrate AI in the marketing functions to improve the performance of the business and thus, achieving profitability and competitive advantage.

S. No	Detail of the Journal/ Book/ Book chapter/ Website link	Year of Public action	Indexing of Journals (Scopus/SCI index etc.)	Main findings or conclusion relevant to the proposed relevant work
8.	International Journal of Innovative Technology and Exploring Engineering	2019	IJITEE	The findings explore that Customer Relationship Management (CRM) Services, Personalization services, Visual Assistance and Fit Intelligence Services are enhanced from AI tools that lead to Customer Satisfaction and Customer Retention.
9.	Information Technology and Management	2005	Research Gate	Online vendors can improve their abilities to acquire and use customer information through trust-building activities; Vendors must understand and evaluate the different values consumers may place in enjoying various types of personalization.
10	Journal of Business Ethics	2007	Research Gate	Four factors of the scale to measure consumers' perceptions regarding the ethics of online retailers (CPEOR)– security, privacy, non-deception, and fulfillment/reliability – are strongly predictive of online consumers' satisfaction and trust.
11.	Information Technology and Management	2005	Research Gate	Online vendors can improve their abilities to acquire and use customer information through trust-building activities; Vendors need to understand and evaluate the different values consumers may place in enjoying various types of personalization.

S. No	Detail of the Journal/ Book/ Book chapter/ Website link	Year of Publication	Indexing of Journals (Scopus/SCI index etc.)	Main findings or conclusion relevant to the proposed relevant work
12.	Journal of Business Ethics	2007	Research Gate	Four factors of the scale – security, privacy, non-deception, and fulfillment/reliability – are strongly predictive of online consumers’ satisfaction and trust.

Table 2.2: Literature on AI and Retail

S.No	Detail of the Journal/ Book/ Book chapter/ Website link	Year of Publication	Indexing of Journals (Scopus/SCI index etc.)	Main findings or conclusion relevant to the proposed relevant work
13.	Adoption and Implementation of AI in Customer Relationship Management (pp. 202-230)	Jan 2022	Research Gate	Through AI tools, firms gain a better understanding of customers, design immersive experiences, and enhance customer lifetime value using cost-effective technology solutions.
14.	Journal of Electronics	Jan 2022		Due to their rapid development in various domains, large amounts of data are constantly being generated, which requires an increased focus on privacy and security. As a result of industrial 4.0, the AI approach can be considered one of the most promising methods.

15.	Journal of Business Ethics	12 Feb 2022	Springer	The findings lead to straightforward suggestions for retailers and service companies regarding successful
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S.No	Detail of the Journal/ Book/ Website link	Year of Publication	Indexing of Journals (Scopus/ SCI index etc.)	Main findings or conclusion relevant to the proposed relevant work
				ways to decrease immoral actions (e.g., shoplifting) and work on the humanization of interactions with machines.
16.	Journal of AI and Ethics	Feb 2022	Springer	Possible solutions can be found in counter-algorithms that consumers can use. Therefore the transparency and sincerity of the results of the assessment tools must be guaranteed by external norms
17.	International journal of E-Business research	2022	IGI Global Scopus	Provides various technological advances that optimize the customer experience to evoke e-satisfaction i.e., satisfaction while shopping online
18.	Harvard Business Review	March-April 2022		Although building an intelligent experience engine can be time-consuming, expensive, and technologically complex, the results allow companies to deliver personalization at a scale we could only have imagined a decade ago.

19.	Journal of Psychology and Marketing	April 2022		Study captures in a more holistic manner research on AI in disciplinary areas whose boundaries are often blurring when dealing with AI. This represents an advancement over recent bibliometric studies and
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S.No	Detail of the Journal/ Book/ Website link	Year of Publication	Indexing of Journals (Scopus/ SCI index etc.)	Main findings or conclusion relevant to the proposed relevant work
				literature reviews that have more narrowly focused on AI in marketing, without taking into account the cognate field of psychology
20.	Journal of Business Research	July 2022	Elsevier	Widespread range of digital technologies for retail business model; digital technologies have enhanced quantity and quality of information required for decision-making processes; and digital technologies have re-framed the ecosystem partnerships and strategic alliances.
21.	Journal of Artificial Intelligence in wholesale and retail	Feb 2021	Research Gate	The research revealed a variety of advanced solutions, benefits, but also risks that AI generates in retail, in different segments of the value chain, abbreviated CECOR, from improving the customer experience (Customer Experience, CE) with the help of virtual agents (chatbots, virtual assistants, etc.), to cost reductions (Cost, Co) by using smart shelves, and to increase revenues (Revenue, R) due to product recommendations and personalized offers or discounts.

S.No	Detail of the Journal/ Book/ Website link	Year of Publication	Indexing of Journals (Scopus/ SCI index etc.)	Main findings or conclusion relevant to the proposed relevant work
22.	Journal of Electronic Markets	Mar 2021	Springer	Social presence mediates the effect of anthropomorphic design cues on user compliance.
23.	Journal of Computer science research	April 2020	Research Gate	Companies have started embracing the Artificial intelligence into their business process which are not only boosting up their businesses but also giving- them better suggestions based on the distinctive data captured through new smart devices and innovative technologies that support machine learning, deep learning, Artificial augmentation, and Intelligence, Virtual reality.
24.	Australasian Marketing Journal	Aug 1, 2020	ABDC	Work aims to better understand what an AI-enabled Retail value chain would look like and this provides two important contributions to the emerging literature on AI and its implementation in marketing and retailing
25.	Emerging science Journal(www.ijournalse.org)	April 2023	ISSN: 2610-9182 Vol 7, No2	Artificial intelligence and its Ethical Implications for Marketing

26.	Technology in society	Feb 2023	Volume 72, 102190 Science direct	Exploring the influence of Artificial Intelligence technology on consumer repurchase intention: The mediation and moderation approach
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S.No	Detail of the Journal/ Book/ Website link	Year of Publication	Indexing of Journals (Scopus/ SCI index etc.)	Main findings or conclusion relevant to the proposed relevant work
27.	Journal of Financial services Marketing 2023	2023	Springer link	The Role of Artificial Intelligence in consumers brand preference for retail banks in Hong Kong
28.	Moderating Mediating analysis	20th Jan 2023		Experience, Trust, e-nom engagement and usage intention of AI enabled services in Hospitality and Tourism industry

2.3 REVIEW OF LITERATURE ON THE IMPACT OF AI INTERVENTIONS IN RETAIL SECTOR

2.3.1. AI in Eyewear

Researchers in the biomedical fields have been actively trying to apply AI to improve analysis and treatment outcomes and consequently to increase the efficacy of the overall Eyewear industry. In fact, reviews have been published on the role of AI in biomedical engineering. More recently, new progress has been made in AI and its applications in biomedicine (Guoguang Rong et al., 2020).

In Japan, the biggest challenge lies in sharing medical data because each hospital has different ethical codes and tends to enclose collected data without annotating them for AI research. A Research Center for Medical Big Data was launched in November 2017 that collaborated with 6 Japanese medical societies and 6 institutes of informatics, and collected large-scale annotated medical images for CAD research. Using over 60 million available images, prominent research results were achieved and were presented at major Computer Vision and Medical Imaging conferences.

There has been an exceptional amount of inflation regarding the abilities of AI and it is claimed that AI will replace human clinicians altogether. If one takes a balanced

perspective of the limitations and promise of AI, it can be gauged which parts of the Eyewear industry are likely to feel the significant impact of these technologies in the near future. Currently, there is little discussion in scientific literature or public policies as to how AI techniques can be incorporated into Eyewear delivery (Sandeep Reddy, John Fox, and Maulik P Purohit, 2019).

2.3.2 AI-enabled customer experience

Studies emphasize the pivotal role of AI in enhancing personalized customer interactions and satisfaction (Smith et al., 2020; Wang et al., 2021). Chatbots and virtual assistants powered by natural language processing have been highlighted for their ability to provide real-time assistance, streamline customer support, and improve overall service quality (Jones & Brown, 2020; Kim et al., 2021).

Moreover, AI-driven recommendation systems contribute significantly to customer engagement by offering tailored product suggestions based on individual preferences and behavior analysis (Lee & Chang, 2020; Patel et al., 2021). The integration of machine learning algorithms in sentiment analysis enables businesses to gauge customer feedback and sentiments, allowing for proactive problem resolution and continuous service improvement (Gupta & Sharma, 2020; Chen et al., 2021). However, ethical considerations, such as transparency in AI decision-making and data privacy concerns, emerge as crucial themes in the literature (Martin & Miller, 2020; Yang et al., 2021). There is a need for a balanced approach that maximizes the benefits while addressing ethical implications.

2.3.3. AI and Customer Experiences

Customer experience, an academic concept, is the latest version of the earlier related areas of academics that focused on organizational customer service excellence, customer centricity, and customer focus (Lemon and Verhoef 2016). Customer experience as a holistic multidimensional concept focuses on a customer's cognitive emotional, behavioral sensorial, and social responses to a firm that offers during the entire customer's purchase journey (Lemon and Verhoef 2016).

AI has the potential to strengthen the customer experience and competitiveness within the business world and facilitates achieving more operational flexibility or speed, greater scale, better decision making, and increased personalization of products and services (Madan Batra 2019). The research studies on AI have increased as it affects business, customers, and the whole society in general (Mohannad Abu Daqar and Ahmed K A Smoudy, 2019), (Joshi Sujatha et al., 2019). The findings indicate a significant role of trust and perceived sacrifice as factors, mediating the effects of perceived convenience, personalization, and AI-enabled service quality emphasizing the practical implications for retailers deploying AI in services offered to their customers. (Nisreen Ameen et al., 2021)

AI has proved to impact the future of marketing in most of the areas such as transport, the hospital industry and other areas where AI might influence marketing strategies and customer behaviors to the highest extent (Thomas Davenport et al., 2019), Venus kaur, vasvi Khullar, Neha Verma (2020) reviewed artificial intelligence in context to the Retailing sector and concluded the facts that the online and offline world are congregating due to change in shopping, thinking, demanding, and receiving behavior of the consumer.

There are two different approaches to identify the scientific state of the art of ten largest international retail companies that are adopting AI in the domain of wholesale and retail (Felix weber Reinhard Schitsee, 2019). In consideration of the opportunities to involve AI in the innovation processes, current analyses estimated that proven AI technologies have the potential to replace up to half of all the work activities that is carried out by humans (Bughin et al., 2017). The results based on consumer choice and autonomy in the age of artificial intelligence and big data help to sensitize researchers practitioner consumers and policymakers regarding the significance of perceived autonomy in consumer choice in the age of AI (Oventin et al., 2017).

Haris Gacanin, Mark wagner (2018) provided an overview of customer experience management components that work on functional as well as implemented components and enable the development of highly modular frameworks to identify insights and generate actions that optimise customer experience service. Artificial intelligence has

found its way into society and is predicted to become one of the most disruptive technologies over the next decade (Panetta 2017; Kaartemo and Helkkula, 2018; Ivanov et al., 2019)

2.3.4 Personalization

In e-commerce, personalized recommendations have emerged as a key driver of customer engagement and satisfaction, with machine learning algorithms tailoring product suggestions based on individual preferences (Chen et al., 2020; Li et al., 2021). Moreover, in the realm of online content consumption, personalization algorithms contribute to enhanced user experiences by delivering relevant and curated content, optimizing user engagement and retention (Wang & Zhang, 2020; Kim et al., 2021). The field of education has also witnessed the integration of personalized learning systems, leveraging AI to adapt educational content to individual student needs and learning styles (Vygotsky et al., 2020; Smith & Jones, 2021). In Eyewear, personalized medicine has seen advancements, with AI facilitating the customization of treatment plans based on individual genetic and clinical data, leading to more effective and targeted interventions (Johnson et al., 2020; Patel et al., 2021). Despite the evident benefits, ethical considerations surrounding user privacy and algorithmic bias have become focal points in the literature (Mittelstadt et al., 2020; Martin & Miller, 2021).

2.3.5 Perceived convenience

Research by Chen and Li (2020) underscores the role of perceived convenience in e-commerce, emphasizing its impact on the overall online shopping experience. Their study reveals that consumers prioritize platforms that offer streamlined processes and efficient services, contributing to heightened satisfaction and loyalty. Additionally, in the context of mobile applications, Wang and Zhang (2020) explore how perceived convenience influences user adoption and engagement. Their findings suggest that mobile apps perceived as more convenient, in terms of usability and accessibility, tend to experience higher levels of user acceptance and continued usage. In the hospitality industry, Kim et al. (2021) study reveals that consumers are more inclined to choose platforms that provide user-friendly interfaces and hassle-free booking processes, highlighting the crucial link between perceived convenience and customer decision-

making in the hospitality sector. Despite its positive implications, scholars also address the need for caution in managing privacy concerns related to convenience features (Mittelstadt et al., 2020). As technology continues to shape consumer experiences, understanding and enhancing perceived convenience remains pivotal for businesses.

2.3.6 Relationship Commitment

Research by Johnson and Smith (2020) delves into the factors influencing relationship commitment, highlighting communication, trust, and shared values as key determinants. Their study emphasizes that a strong sense of commitment contributes to relationship longevity and resilience in the face of challenges.

Moreover, studies by Brown and Wilson (2020) focus on the impact of commitment on romantic relationships, revealing that individuals with higher levels of commitment exhibit greater relationship satisfaction and are more likely to invest in the growth and well-being of the partnership. This aligns with the findings of Jones et al. (2021), who emphasize the reciprocal nature of commitment, showcasing how mutual dedication strengthens the bond between partners.

In the context of organizational relationships, Wang and Lee (2020) explore the role of commitment in employee-employer relationships. Their research underscores that a high level of commitment from employees contributes to organizational success by fostering loyalty, reducing turnover, and enhancing overall workplace productivity. While commitment is generally associated with positive outcomes, scholars like Miller and Davis (2020) caution that understanding and managing commitment dynamics is crucial to address potential challenges and ensuring the longevity of relationships.

2.3.7 AI service quality

The literature on AI service quality in 2020 highlights the growing significance of artificial intelligence in shaping customer experiences across various industries. Research by Chen and Li (2020) investigates the impact of AI on service quality in e-commerce, emphasizing the role of personalized recommendations and efficient problem resolution in enhancing customer satisfaction. Their study underscores the pivotal role of AI in providing timely and relevant services, contributing to a positive service quality perception.

In the context of virtual assistants and chatbots, Wang and Zhang (2020) revealed that effective communication and problem-solving capabilities of AI systems positively contribute to customer satisfaction and overall service quality in sectors such as customer support and online assistance. Gupta and Sharma (2020) delve into the ethical considerations surrounding AI service quality, emphasizing the importance of transparency and fairness in algorithmic decision-making. As businesses increasingly integrate AI into their service models, understanding and enhancing AI service quality remains a critical focus for researchers and practitioners alike.

2.3.8 AI Ethics

Mittelstadt et al. (2020) explore the ethical implications of AI algorithms, emphasizing the need for transparency, fairness, and accountability in algorithmic decision-making. Their study underscores the importance of addressing biases and ensuring ethical AI practices to maintain public trust. In the context of privacy concerns, Martin and Miller (2020) highlight the need for robust privacy policies and regulations to mitigate potential risks associated with AI applications. As AI becomes increasingly integrated into various sectors, Johnson and Davis (2020) delve into the ethical considerations in AI-driven Eyewear, emphasizing patient autonomy, data security, and the responsible use of medical AI technologies. Their study calls for ethical guidelines to govern AI applications in Eyewear, ensuring the protection of patient rights. As the ethical discourse around AI continues to evolve, researchers and practitioners stress the imperative of ethical frameworks and guidelines to guide responsible AI development and deployment.

2.3.9 AI on Ethics

Artificial intelligence provides instant insights to pierce through the noise of thousands of daily security alerts (Naveed Naeem et al., 2019). Since AI adoption is still in its infancy, many retail companies are lacking a strategic focus on integration which is leading to ethical issues. (Can-Luca, Benkert 2019) identified ethical issues related to AI in marketing and built regulatory standards for marketers such as privacy, accountability, bias, security, and transparency that impair the future. Wenjun wua,

Tiejun Huangb Kegong 2020 attempted to develop AI governance theories and technologies and overcome the security problem of data-driven AI.

(Kristen Martin Katie.et.al 2019) also framed ethical dimensions of the designs for businesses. The reasons for developing AI robots have raised fundamental questions over ethical obligations that can have a sturdy impact on the Ethics AI (Muller.et.al 2020). (Micheal. A. Mayo, Lawrence J. Marks 2016) conducted an empirical investigation in marketing ethics by using an empirical test of Hint and Vitell's model assisting the managers to identify the ethic code and the research was reinforced to find out if the code of ethics is integrated into the corporate culture (Robin and Reidenbach 1987).

Understanding and addressing ethical and moral issues related to AI are still in the infancy stage and calls for research so that various stakeholders pay attention to formulation and development of ethical principles (Kensiav, weiyu wang (2020). Bostrom et.al. (2014); Etzioni (2017) examined AI on pertinent ethical issues affecting society on social, environmental, and economic levels. Alfred Benedikit Brendel et al. (2021) examined the present level to which research and practice have been engaged with the challenge of managing the ethical aspects of including AI in products and services that can potentially lead to unintended ethical consequences. As per the researchers, the ethics of AI and Data biases will likely be a rising concern for organisations.

2.3.10 AI Security

Research by Chen and Wang (2020) delves into the security implications of machine learning algorithms, highlighting concerns such as adversarial attacks and the potential exploitation of vulnerabilities. Their study emphasizes the importance of robust security measures to safeguard AI systems against malicious activities. In the context of privacy, Jones and Smith (2020) investigate the security dimensions of AI applications, focusing on the protection of sensitive user data. Their findings stress the significance of encryption, secure data storage, and privacy-preserving AI techniques to mitigate privacy risks and ensure user trust. As AI becomes integral to critical

infrastructures, Wang et al. (2020) explore the security challenges in AI-driven systems, emphasizing the need for resilience against cyber threats. As AI continues to advance, scholars and practitioners alike emphasize the imperative of a comprehensive and adaptive approach to AI security to address emerging threats and vulnerabilities.

To summarize, Artificial intelligence (AI) has rapidly emerged as a transformative force across various industries, from business and marketing to healthcare and education. Its ability to process vast amounts of data, learn from patterns, and make intelligent decisions has led to unprecedented advancements in automation, personalization, and problem-solving. However, the rapid integration of AI into society also raises significant ethical concerns. Literature reviews highlight the pervasive impact of AI in modern life. From chatbots that provide customer support to AI-powered diagnostic tools in healthcare, AI is reshaping the way we interact with technology and access essential services. In the business world, AI is optimizing processes, enhancing customer experiences, and driving innovation. For instance, AI-driven marketing campaigns can personalize recommendations, leading to increased customer satisfaction and loyalty. Despite its benefits, the integration of AI also presents ethical challenges. One of the primary concerns is the potential for bias in AI algorithms. If training data is biased, AI systems may perpetuate discriminatory outcomes. For example, facial recognition systems have been shown to be less accurate for people of color, leading to concerns about racial profiling. Additionally, the development of autonomous weapons raises questions about the ethical implications of machines making life-or-death decisions. Another critical ethical issue is the impact of AI on employment. As AI automates tasks, there is a risk of job displacement, particularly in industries that rely on repetitive or manual labor. While AI can create new jobs, it is essential to consider the potential for economic inequality and social disruption. To address these ethical concerns, it is crucial to develop AI systems that are transparent, accountable, and aligned with human values. This requires collaboration between technologists, policymakers, and ethicists to establish guidelines and regulations that ensure AI is used responsibly. Furthermore, investing in education and training programs can help individuals adapt to the changing job market and develop the skills needed to thrive in an AI-driven economy.

In conclusion, AI offers immense potential for improving our lives, but it is essential to cautiously approach its development and deployment. By addressing ethical concerns and ensuring that AI is aligned with human values, we can harness the power of this technology to create a more equitable and prosperous future.

2.4 RESEARCH GAP IDENTIFICATION:

After conducting an extensive review of existing literature from more than 60 research papers and articles, it has been observed that very limited literature is available on Artificial intelligence-enabled technology on customer experiences in the retailing sector where research was conducted in different domains by varied authors - (Erica mingotto et al., 2020, Ming-Hui-Huang et al., 2020, Benedict G.C et al., 2020, Jesica Morley et.al., 2019, Neil shah et al.,2020, Shailesh Jain et al., 2021, Merlin stone et al., 2020, Ying Ma et al., 2019, Nagaraj Samala et al., 2020, Jeannette paschen et al., 2019, Richard Benjamin et al., 2020, Naveed Neem abbas et al., 2019) and the Role of Artificial intelligence is studied in Enhancing customer experience (Mohannad Abu Daqar Ahmad K.A Smoudy-2019) in different industries. The proposed research work is relatively different from the previous research already done, where this research work is a novel area as the deployment of AI remains a challenge for retailers in India as it is not explored extensively as this research topic helps to develop the knowledge by contributing towards industry in understanding the consumer patterns of shopping experience in India. .

Moreover, considering the fact that AI-based applications are in high demand and can have a favorable impact on consumer shopping from both virtual as well as physical stores, an in-depth analysis is required. As per the review of more than 60 research papers and articles, each of them has highlighted research gap insights and helped in charting future research directions for the proposed research. (Nisreen Ameen, Ali Tarhini, Alexander Reppel Amitabh Anand 2020) and variables identified are Customer experience, AI Ethics, and AI Security.

Based on the literature survey, it was identified that there is a gap in existing literature to examine additional factors that have the potential to provide an even more nuanced

perspective on the success factors of Artificial intelligence enabled services among different consumer segments and in a cross-national context. The current Research topic emphasizes investigating Artificial intelligence-based intervention in the context to the Retail sector. Therefore, this study will make an attempt to investigate the relationship between AI and AI enabled customer experience in the Lenskart eyewear retail chain. AI Ethics and security and will also investigate the mediating effects of independent variables (predictors) and a dependent variable in direct or indirect way (Iacobucci, Saldanha and Deng, 2007).

The aim of the study is to explore that AI enabled services offer futuristic benefits to the retailers in terms of reduction in cost and enhanced customer satisfaction. The future AI-driven applications look to be more extensive than what many consumer products, and retail companies currently realize it to be.

2.4.1 CONCEPTUAL MODEL: AI Constructs and Customer Experience

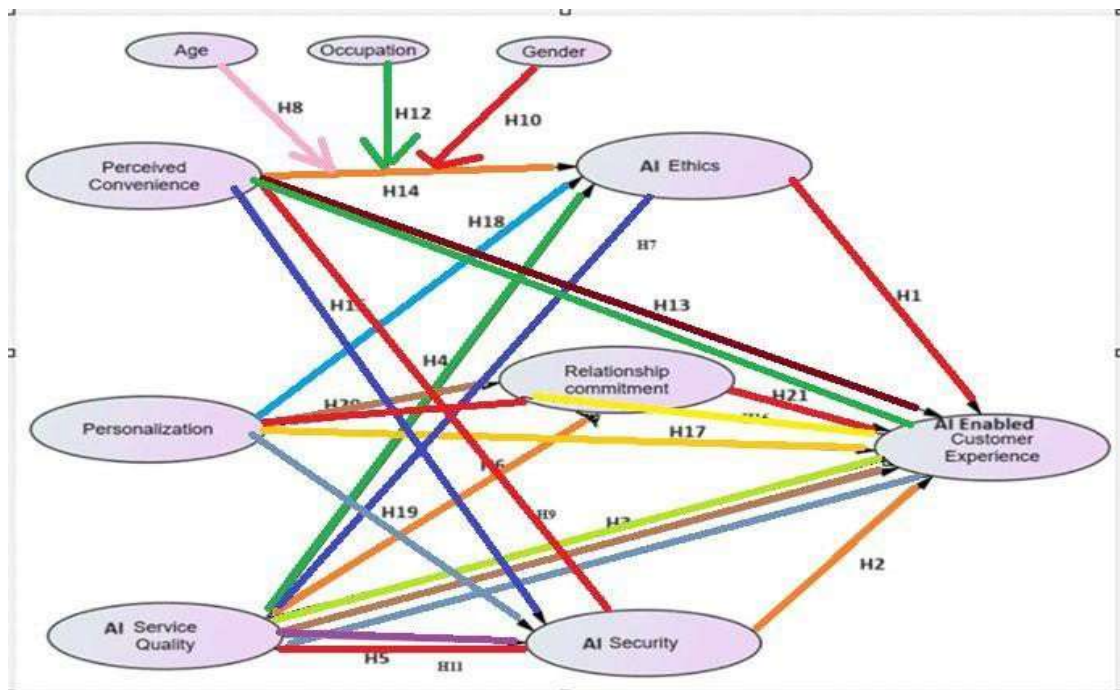


Figure 2.1: The proposed Model

The present research adopts a novel proposed model which is extracted from previous research studies: relating to the service quality model (Parasuraman et al., 1994) to understand the way AI-enabled services can have an impact on customer experiences. The model constitutes those factors that are confined to AI interventions relevant to customer interaction. The model also exhibits the mediating effects of the extrinsic factors: Convenience, personalization, AI-enabled customer service, and AI-enabled customer experience based on previous studies that showed the experiences of smart technology (e.g., AI, smart mobile phones, tablets, wearables etc.) enabled services differing from those used in traditional shopping (Foroudi et al., 2018).

Previous studies have investigated the relationship between trust and customer experience, either by considering trust as a mediator that has a direct effect on experience (Nasreen Ameen et al., 2021). In the present Research study AI ethics and AI security are acting as mediators, and Age, gender, Occupation are acting as moderators because it is identified from research gap and literature review (Benedict G.C et al., 2020, Jesica Morley et.al., 2019, Neil shah et al.,2020, Shailesh Jain et al., 2021, Merlin stone et al., 2020, Ying Ma et al., 2019, Jeannette paschen et al., 2019, Richard Benjamin et al., 2020).

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

The integration of artificial intelligence (AI) into various sectors has revolutionized the way businesses operate and provide services. In the retail industry, AI-based interventions have emerged as a critical tool to enhance customer experiences, optimize operations, and drive growth. Lenskart Eyewear Retail Chain, a prominent player in the eyewear sector, has recognized the potential of AI in transforming the customer journey and has embarked on a journey to implement AI-driven solutions in its operations. This research methodology chapter provides an overview of the methodological framework that will guide the investigation into the use of AI-based interventions at Lenskart Eyewear Retail Chain, with a special focus on understanding the implications and outcomes of these interventions.

Lenskart's venture into AI applications is a noteworthy example of how AI technologies are shaping the future of the eyewear retail industry. By harnessing AI, Lenskart aims to enhance the precision and efficiency of various processes, from personalized product recommendations to supply chain management, and ultimately enrich the overall customer experience. The adoption of AI in eyewear retailing has the potential to revolutionize the industry, making it imperative to explore and understand the intricacies of this transformation.

This chapter outlines the steps, techniques, and approaches that will be employed to investigate the AI-based interventions at Lenskart Eyewear Retail Chain. It discusses the research design, data collection methods, and Statistical tools that will be utilized to evaluate the impact of AI technologies on Lenskart's operations, customer satisfaction, and business performance. The research aims to provide insights into the challenges, opportunities, and implications of integrating AI in the eyewear retail industry, offering valuable lessons and recommendations for both Lenskart and other industry stakeholders. It also highlights the tools and techniques used for the purpose of sampling, data collection, and analysis.

3.2 Objectives of the Study

3.2.1 To explore the critical success factors of AI-enabled customer experiences from the consumer's perspective in the Lenskart Eyewear retail chain

3.2.2 To study the relationship between artificial intelligence and customer experiences in the context of the Lenskart eyewear Retail chain

3.2.3 To propose and develop a structural model for measuring AI based Interventions and customer Enabled experience at Lenskart Eyewear Retail Chain

3.2.4 To investigate the mediating and moderating effects on the relationship between AI and Customer Experiences

Attainment of Objectives

Sl. No	Attainment of objectives	Research Methodology	References
1	To explore the critical success factors of AI-enabled customer experiences from the Perspective of consumers in the Lenskart Eyewear Retail Chain.	<ul style="list-style-type: none"> Review of Literature 	<ol style="list-style-type: none"> Artificial intelligence in Marketing: A Systematic literature review <i>Srikrishna Chintalpati and Shivendra kumar pandey</i>. International journal of market research – July 2 2021 From “Human to Human” to Human to Non-Human”- Influence Factors of Artificial Intelligence-Enabled Consumer Value Co-creation Behavior (<i>Haitao wen, Lulu zhang, AO sheng et al</i> May 6 2022) Commentary How AI shapes consumer experiences and expectations Authors: <i>Kenneth Cukier-Dec 11, 2020, Journal of Marketing</i> Critical success factors for successful implementation of Healthcare 4.0 A literature review

Sl. No	Attainment of objectives	Research Methodology	References
			<p>and future research agenda Michael sony JIJU Antony and eta al March 1 2023</p> <p>7. The critical factors impacting Artificial Intelligence Applications adoption in Vietnam: A structural equation modeling analysis <i>Nguyen Van Phvoc</i>-MDPI journal June 1 2022</p> <p>8. Factors influencing the adoption intention of AI-powered chatbot for public Transport services within a smart city</p> <p>9. Success Factors Impacting Artificial Intelligence Adoption- Perspective from the Telecom Industry in China Hong Chen 2019</p>

Sl. No	Attainment of objectives	Research Methodology	References
2	To examine the relationship between artificial intelligence and customer experiences in context to Lenskart eye wear Retail chain.	Correlation	<p>1. The Role of Artificial Intelligence in consumers brand preference for retail banks in Hong Kong <i>Shirie Pui Shan HO</i> <i>Mathew you choi chow</i> Journal of Financial Services Marketing 2023 Springers link</p> <p>2. Studying the relationship between Artificial Intelligence and Digital Advertising in Marketing Strategy <i>Dr. Dhruv Sabharwal</i> <i>Dr Ritu S Sood</i> <i>Dr. Manish Verma</i></p> <p>3. Customer brand relationships in the era of artificial intelligence Understanding the Role of Chatbot marketing Efforts <i>Yang Chang-Journal of Product</i> and Brand Management 2021</p>

Sl. No	Attainment of objectives	Research Methodology	References
			<p>4. The role of Digital customer experience and Relationship Quality in customer loyalty in Food Delivery Applications <i>Asnan Furinto newi</i> <i>Tamasa March 2022</i></p> <p>5. Understanding Artificial intelligence experience; A customer perspective <i>Itli Trawnih</i> <i>Sultan al maseed et.al</i> International Journal of Data and Network science; Feb 2022</p> <p>6. Impact of Artificial intelligence on customer experience <i>Bipasha Rajkhowa</i> <i>Aniket Das</i> International Journal of Recent Technology and Engineering Vol 9, Issue, July 2020</p> <p>7. The Role of Artificial Intelligence on Enhancing Customer Experience <i>Mohammad Abu Daqar</i> <i>Ahmad Smoudy</i> International Review of Management and Marketing July 2019</p> <p>8. Strengthening customer experience through artificial intelligence ; An upcoming Trend <i>Madan Batra</i> Oct 2019</p> <p>9. Examining artificial intelligence (AI) technologies in marketing via a global lens; current trends and future research opportunities</p>

Sl. No	Attainment of objectives	Research Methodology	References
			<p>Praveen K Kopalle Manish Gangwar et.al International Journal of Research in Marketing volume 39, issue 2, June 2022</p> <p>10. Commentary: How AI Shapes Consumer Experiences and Expectations Kenneth Cukier et.al Journal of Marketing Dec 11, 2020</p>

Sl. No	Attainment of objectives	Research Methodology	References
3	To propose and develop a structural model for measuring AI based Interventions and customer-enabled experience at Lenskart Eyewear Retail Chain.	SEM Method (PLS)	<p>1. Customer experience in the age of Artificial intelligence Misneen Ameen Ali Tarhini et al Computers in Human Behaviour Jan 2021</p> <p>2. Understanding Artificial intelligence experience; A customer perspective Itli Trawnih Sultan al maseed et.al International Journal of Data and Network Science; Feb 2022</p>

Sl. No	Attainment of objectives	Research Methodology	References
4	To investigate the mediating and moderating effects on the relationship	SEM Method (PLS)	<p>1. Experience, Trust E-nom Engagement and usage Intention of AI-enabled services in the hospitality and tourism industry Moderating Mediating Analysis Syed Shah Alam Mohammad Masuk Ujjanan 20th</p>

Sl. No	Attainment of objectives	Research Methodology	References
	between AI and Customer Experiences		<p><i>Jan 2023</i></p> <p>2. Artificial intelligence and its Ethical implications for marketing. Ana Rita. Goncalves. Diego Costa Pinto. Paulo Rita. Tamara Pires Emerging Science Journal (www.ijournalse.org) (ISSN : 2610-9182) Vol 7, No 2 April 2023</p> <p>3. Developing a service Quality scale for Artificial service agents Nurhafitiz noor (SO) Sally Rao Hill European Journal of Marketing, 2022</p> <p>4.. The Impact of Artificial Intelligence and employee service quality on customer satisfaction and Loyalty Journal of Hospitality Marketing and Management Feb 20220 Catherine Prentice et al</p> <p>5. The effect of AI Quality on customer experience and brand relationship <i>Mai Nguyen</i> <i>Sara duach</i> <i>Park Thaichon</i> Journal of Consumer Behaviour July 2021</p> <p>6. The Impact of Artificial Intelligence Technology stimuli on smart customer experience and the moderating effect of technology readiness <i>Jingyan Gao, Lina Ren, Yang Yang</i> International Journal of Emerging Markets March 2022</p>

Sl. No	Attainment of objectives	Research Methodology	References
			<p>7. Investigating the moderating role of AI-enabled services on Flow and are experienced Pradeep Kautish Arpita Khare International Journal of Information Management Volume 66 Oct 2022 102519 Science Direct</p> <p>8. Exploring the influence of Artificial Intelligence technology on consumer repurchase intention: - The mediation and moderation approach Sajjad, Nazir Sahar Khadim et.al Journal: Technology in society volume 72, Feb 2023 102190 Science Direct</p> <p>9. The moderating role of perceived risk between AI chatbots, purchase intentions and customer loyalty in customer service Jiaming Yu</p> <p>10. Personalization versus privacy an Empirical examination of the online consumer's Dilemma Ramnath K Chellappa Raymond G Sin Information Technology and Management 2005</p> <p>11. Online privacy and the disclosure of cookie use: Effects on consumer trust and anticipated patronage Journal of Public Policy and Marketing</p>

Sl. No	Attainment of objectives	Research Methodology	References
			<p><i>Anthony. D. Miyazak May 2008</i></p> <p>12. The Ethics of Online Retailing A sale development and validation from the consumers perspective Journal of Business Ethics <i>Sergio Roman</i>, Springer 2006</p> <p>The Value of Artificial Intelligence for Retail in 2023 Spd. Group Nov 19, 2021</p> <p>13. Ethical Issues in E-Business models and frameworks <i>Palmer Daniel E May 2010</i> Journal of Technology and Engineering</p>

3.3 Hypotheses

1. AI Ethics does not have significant impact on AI enabled Customer Experience (H1)
2. AI Security does not have a significant impact on AI-enabled customer experience (H2)
3. AI Service Quality will not have a significant impact on AI enabled Customer Experience (H3)
4. AI Service Quality is not having a significant impact on AI Ethics (H4)
5. AI Service Quality does not have a significant impact on AI Security (H5)
6. AI Service Quality will not have a significant impact on Relationship commitment (H6)
7. AI Ethics will not significantly mediate between AI Service Quality and Customer Experience (H7)
8. Age is not significantly moderating between Perceived Convenience and AI Ethics (H8)
9. AI security will not significantly mediate between Perceived Convenience and AI enabled Customer Experience (H9)

10. Gender is not significantly moderating between Perceived Convenience and AI Ethics (H10)
11. AI security will not significantly mediate between AI Service quality and AI enabled Customer Experience (H11)
12. Occupation is not significantly moderating between Perceived Convenience and AI Ethics (H12)
13. Perceived Convenience will not have a significant impact on AI Enabled Customer Experience (H13)
14. Perceived Convenience will not have a significant impact on AI Ethics (H14)
15. Perceived Convenience does not have a significant impact on AI Security (H15)
16. Relationship Commitment will not significantly mediate between Personalization and AI enabled Customer Experience (H16)
17. Personalization will not have a significant impact on Customer Experience (H17)
18. Personalization will not have a significant impact on AI Ethics (H18)
19. Personalization will not have a significant impact on AI Security (H19)
20. Personalization does not have a significant impact on Relationship Commitment (H20)
21. Relationship Commitment will not have a significant impact on AI enabled Customer Experience (H21)

3.4 Need and Scope of the Study

The investigation into artificial intelligence (AI) based interventions at Lenskart Eyeware Retail Chain carries significant importance on multiple fronts. Lenskart's pioneering use of AI technologies in the eyewear retail sector positions it as a leader in industry innovation. By comprehensively analyzing the outcomes and challenges of this AI adoption, this study offers valuable insights for other retailers seeking to leverage AI for competitive advantage. The study's focus on customer experiences, operational efficiency, and business performance metrics provides practical guidance for retailers

across diverse sectors. By examining the challenges and best practices associated with AI integration, this research can help retailers navigate the complexities of AI adoption and accelerate their digital transformation. Furthermore, the study's academic and research contributions extend to scholars and students, providing a valuable resource for further exploration and reference. In summary, this research is poised to make a significant impact by facilitating industry advancements and shaping the broader landscape of AI integration in retail.

This research aims to comprehensively investigate the impact of artificial intelligence (AI) interventions on Lenskart Eyeware Retail Chain. By examining AI applications, customer experiences, operational efficiency, and business performance metrics, this study seeks to understand the transformative potential of AI in the retail sector.

The study will delve into analyzing the range of AI technologies employed by Lenskart, including personalized product recommendations, virtual try-on tools, and other AI-powered features designed to enhance the customer journey and streamline operations.

The scope of the study includes assessing how AI interventions influence customer satisfaction, loyalty, and engagement. This will involve analyzing customer feedback, interactions, and behavioral data to gain insights into how AI-driven features affect the overall shopping experience. The study will assess how AI has optimized these processes, leading to cost savings, improved efficiency, and enhanced customer service. The research will analyze how AI has contributed to Lenskart's overall business success and return on investment. Identifying hurdles encountered during the adoption of AI and proposing strategies for successful integration. This will involve analyzing the challenges faced by Lenskart and other retailers, as well as identifying best practices for implementing AI effectively. The study will explore how AI is reshaping the retail landscape and the opportunities it presents for retailers across diverse domains. This research will provide valuable insights into the role of AI in driving innovation, enhancing customer experiences, and improving operational efficiency in the retail industry. By addressing these key areas, the study will contribute to a deeper understanding of the transformative potential of AI and its implications for businesses like Lenskart.

3.5 Research Design and Methodology

In case of social science studies, most researchers tend to use observational research design as experimental research designs can be very complicated while capturing real life situations (Perri & Bellamy, 2011). Empirical research helps in theory building, validation and designing the objectives and hypothesis, which help fill the research gaps (Jasti & Kodali, 2014). Empirical research design is also useful since, it allows the retailers to understand the findings more easily by being backed by data even if they are not having a deeper understanding of the theoretical concepts (Soni & Kodali, 2013). This research employed empirical research, more particularly a descriptive research design, to comprehensively investigate the impact of AI-based interventions on the Lenskart Eyeware Retail Chain. By utilizing a quantitative research methodology, the study gathered and analyzed data on customer experiences, operatio-

-nal efficiency, and business performance. This approach allowed for a systematic examination of the relationship between AI interventions and key outcomes within the retail context. As outlined by Habib et al. (2014), research design serves as a framework for conducting research, encompassing data collection, analysis, and presentation of findings. A well-crafted research design should be aligned with the research questions and desired outcomes, while also being flexible to accommodate changes in the internal and external environment (Mukherjee, 2019).

The descriptive research design, chosen for this study, was particularly suitable for examining the characteristics and relationships between variables. It provided a structured approach for collecting and analyzing data, ensuring a rigorous and reliable investigation of the research questions. By focusing on customer experiences, operational efficiency, and business performance, this research provided valuable insights into the transformative potential of AI in the retail sector.

Quantitative data was collected primarily through structured questionnaires. The questionnaire was designed to gauge customer perceptions and experiences related to Lenskart's AI interventions and items related to the relevance of AI-driven product

recommendations, the usability of virtual try-on tools, and the influence of personalization on the overall shopping experience. The Likert scale was employed to measure customer experience levels, allowing for the quantification of their responses. The questionnaire was distributed among a representative sample of Lenskart customers to gather a substantial dataset.

3.6 Secondary Sources

The data for this research was also extracted from secondary sources which includes Lenskart websites, scholarly articles, and journals which play a crucial role in research by providing context, interpretation and perspective on primary sources.

3.7 The Study Population

The study population for this research was selected as Telangana region where, different age groups ranging between 18-35 years, comprising both male and female customers including both employed in Private and Public sector using Lenskart Eyewear products purchased through AI technology were included. The Target Population was Lenskart Customers in Telangana region.

3.8 Sample Size and Selection

Considering the calculation of the required number of participants based on a sample size rule of thumb for structural equation modelling of ten times the number of participant as items (Bentler & Chou, 1987). For checking the AI interventions in the context of the retail sector, the study employed a simple random sampling method to sample those customers that have experienced the eyewear screening through Lenskart in the period in the previous 2 to 3 years. The calculation of the Sample size was done as follows.

Sample size: 385

This research design required a considerable sample size for the purpose of representation. For the purpose of this study, the sample size determination formula for the large population was used as

Where:

e is the desired level of precision (i.e. the margin of error),

p is the (estimated) proportion of the population which has the attribute in question,

q is $1 - p$

The Z value is found in a Z Table.

$p = 0.5$. Now let's say we want 95% confidence, and at least 5 percent plus or minus precision.

A 95 % confidence level gives us Z values of 1.96, per the normal tables, so we get

$$((1.96)^2 (0.5) (0.5)) / (0.05)^2 = 385.$$

So a sample of 385 of Lenskart Customers in the targeted population should be enough to give the confidence levels needed.

3.9 Research Instrument

The research instrument provided insights into the effectiveness of AI-based interventions in their retail chain, which further helped Lenskart as an organization, to bring more efficiency, cost savings and better customer experience to the company's success. The research tool also helped the company to streamline its inventory management, ensuring that the desired products are always available to customers. Besides, it also helped Lenskart reach customers in remote areas where physical stores were not be viable.

The results of the research instrument also helped the customers, as they could receive personalized recommendations based on their preferences and past purchases that will

further enhance their experience by virtual try-ons, and augmented reality experiences. This is expected to lead to increased customer experience and loyalty, resulting in repeat purchases and positive word-of-mouth. Besides, the research instrument also contributed to the growth and advancement of the AI Industry thus leading to economic growth.

The measurement items for all constructs were adopted from previous studies: and multiple items were measured for each factor and each item, a Five-point Likert scale is used with anchors ranging from “strongly disagree” to “strongly agree”.

The following table specifies the scale of variables used and their sources

Scale for a variable used (Constructs)	Source (Relevant citations)
AI-enabled customer experience	Ameen, N., Tarhini, A., Reppel, A., & Anand, A.(2021). Customer experiences in the age of artificial intelligence. Computers in Human Behavior, 114,106548
Relationship Commitment	(Wu et al., 2020),
Perceived convenience	(Klaus and Zaichkowsky,2020)
Personalization	(Martin et al., 2019)
Service Quality	(Ameen et al., 2021)
AI ethics	(Siau and Wang, 2020)
AI security	(Benjamins,2021).

3.10 Development of the Instrument

The first step in the procedure involved a through literature review to understand the need and identify the gap in the existing literature. The review helped to identify relevant theories and develop the research questions which evidenced with the research instrument. The instrument was constructed based on grounded theory established for further research (Trust Commitment theory). The research questions were then formulated based on the specific objectives of the research. The questions were then modified in order to suit the specific requirements by taking expert opinions and match the questionnaire formats.

3.11 Validity of Questionnaire

Validity explains how well the collected data covers the actual area of investigation (Gauri and Gronhaug, 2005) Validity basically means “measure what is intended to be measured” (Field, 2005). Before the data collection, various forms of validity tests was conducted on the instrument.

- a. Face validity**
- b. Content validity**
- c. Reliability**

- a. **Face Validity** as cited by (Oluwatayo, 2012) refers to the researcher’s subjective assessments of the presentation and relevance of the measuring instrument as to whether the items in the instrument appear to be relevant, reasonable, unambiguous and clear. Accordingly, the face validity of the research instruments was conducted and evaluated by a panel of experts in the respective research field. The experts selected had expertise in the subject matter and experience in academia, industry, and marketing. Accordingly, the research instrument was sent to them for review. Feedback about the instrument was collected and incorporated to strengthen and improve the instrument. Face validity of the research instruments was conducted and evaluated by a panel of experts in the respective research field. The experts were selected based on expertise in the subject matter and experience in academia, industry, and

marketing. Accordingly, the research instrument was sent to them for review. Feedback about the instrument was collected and incorporated to strengthen and improve the instrument.

- b. **Content Validity** signifies the “degree to which items in an instrument reflect the content universe to which the instrument will be generalized” (**Straub, Boudreau et al. 2004**). A panel of 6 experts was selected to measure the content validity of the research instrument. So, the CVI of each item in the construct was calculated and the overall scale CVI was attained taking the average of all the CVI scores of all items in the instrument. The CVI of the research survey instrument was found to be 0.80, which is acceptable for research purposes. A panel of 6 experts was selected to measure the content validity of the research instrument. So, content validity index of each item in construct was calculated and overall scale content validity index was attained taking the average of all the CVI scores of all items in the instrument. The CVI of the research survey instrument was found to be 0.80, which is acceptable for research purpose

- c. **Reliability-** Testing for reliability is important as it refers to the consistency of measuring the parts of an instrument (**Huck, 2007**). A scale is said to have high internal consistency reliability if the items of a scale “hang together” and measure the same construct (**Huck, 2007, Robinson, 2009**). The most commonly used internal consistency measure is the Cronbach Alpha coefficient. It is viewed as the most appropriate measure of reliability when making use of Likert scales (**Whitley, 2002, Robinson, 2009**). For an exploratory or pilot study, it is suggested that reliability should be equal to or above 0.60 (**Straub et al., 2004**). A pilot survey was undertaken with 60 Lenskart respondents, a small sample, to identify any ambiguities, redundancies, or comprehension issues with the questions formulated. All the respondents were able to understand the questions clearly and the response was appropriately positive.

3.12 Pilot Testing

A pilot survey was conducted for 60 respondents who were Lenskart customers and in this regards questionnaires was distributed on the proposed research topic in Telangana Region to test the reliability and validity of the internal consistency of the questionnaire. The pilot survey undertaken with 60 respondents, a small sample, to identify any ambiguities, redundancies or comprehension issues with the questions formulated resulted as a positive indicator. All the respondents were able to understand the questions clearly and the response was appropriately positive.

a. Reliability Testing

Cronbach's Alpha Reliability test:

Q. No	Statements/Items	Reliability Statistics
		Cronbach's Alpha
1	I like buying eyewear online due to the ease	.844
2	AI enabled websites are preferred due to their secure nature	.901
3	I buy online based on the positive or negative reviews of others	.844
4	After-sales services enhance consumer trust and satisfaction	.831
5	AI gives e-retailers a new platform to attract online consumers	.867
6	AI-based virtual interaction providing real experiences assists in consumer retention	.867
7	AI provides more value to online consumers than offline ones	.867
8	The online presence of retailers gives them a competitive edge and higher profits	.831
9	AI displays product attributes with better quality and visual effects	.844
10	AI provides a user-friendly interface with a variety of options	.867
11	Securing online consumer data is the biggest challenge in AI	.901
12	Retailer online presence is the future of retailer survival	.867
13	Commitment on AI platforms leads to loyalty and trust	.901
14	Expert reviews on AI platforms attract new consumers	.867
15	AI-enabled websites save consumers time and provide convenience	.844
16	Higher privacy leads to higher satisfaction among online consumers	.901
17	Ease of access on mobile devices attracts retailers to AI-enabled platforms	.844
18	Time-bound deliveries lead to better service quality	.831

Q. No	Statements/Items	Reliability Statistics
		Cronbach's Alpha
19	AI requires different types of marketing strategies	.831
20	Due to security issues, consumers prefer offline platforms to AI enabled platforms	.901
21	AI has the power to read the unconscious mindset of online consumers	.867

Source: Primary Data (SPSS)

Reliability Statistics

Cronbach's Alpha	N of Items
.882	21

RELIABILITY VARIABLES=CE1 CE2 CE3 CE4 CE5 CE6

CE	Customer Experience
1	Shopping with memorable moments is the outcome of convenience (<i>PC</i>)
2	Secured platforms are reliable for consumers (<i>S</i>)
3	Personalized features are exciting for consumers (<i>P</i>)
4	Quality service promotes comfort and convenience (<i>SQ</i>)
5	Brand commitment is key to its value (<i>RC</i>)
6	Ethics inspires loyalty and trust (<i>E</i>)

Reliability Statistics

Cronbach's Alpha	N of Items
.913	6

RELIABILITY VARIABLES=RC1 RC2 RC3 RC4 RC5 RC6 RC7 RC8 RC9 RC10

RC	Relationship Commitment
1	AI in Lenskart makes shopping memorable
2	I feel a personal connection to the employees at this retail store
3	The use of AI at Lenskart makes the customer experience more secure and trustworthy thus generating more satisfaction
4	The use of AI in Lenskart promotes brand commitment which is key to its value
5	The use of AI in Lenskart has increased my trust in order to

	providing accurate recommendations
6	The use of AI in Lenskart made the shopping experience more enjoyable.
7	AI provides a user-friendly interface with a variety of options
8	The AI-based customer segmentation and targeting at Lenskart retail store is effective and saves my time to choose the right product
9	I trust Lenskart making use of Artificial intelligence in making decisions about which products to recommend to me
10	The use of AI by Lenskart makes me feel more confident in my purchase decisions

Reliability Statistics

Cronbach's Alpha	N of Items
.933	10

RELIABILITY VARIABLES=PC1 PC2 PC3 PC4 PC5 PC6 PC7 PC8 PC9 PC10 PC11

PC	Perceived Convenience
1	The AI-assisted virtual try-on features at Lenskart retail stores help me make a better purchase decision
2	The store environment at Lenskart eyewear retail stores is comfortable and exciting, thus making my shopping experience convenient.
3	Integration of AI in shopping can lead to an improved AI-enabled customer experience
4	The store layout of Lenskart eyewear retail stores makes it easy to find what I am looking for.
5	The Lenskart eyewear retail store is conveniently located for me.
6	The store hours at Lenskart eyewear retail store are convenient as per my schedule.
7	The staff at Lenskart eyewear retail stores is friendly and helpful in making my purchase convenient.
8	The online booking system for appointments at Lenskart eyewear retail store is easy to use.
9	The range of eyewear available at Lenskart retail store makes it convenient for me to find what I need.
10	The user-friendly interface on all web-based platforms Lenskart is accessible and makes it easy for me to explore it
11	The return and exchange policy at Lenskart eyewear retail store makes my shopping experience more comfortable

Reliability Statistics

Cronbach's Alpha	N of Items
.928	11

RELIABILITY VARIABLES=SE1 SE2 SE3 SE4 SE5 SE6 SE7 SE8 SE9

S	AI Security
1	The AI-powered product recommendations at Lenskart retail store are accurate and relevant
2	The AI-enabled chatbot support at the Lenskart retail store is helpful in resolving my queries.
3	The use of AI helps Lenskart eyewear retail stores to monitor and control potential threats in real-time
4	Using AI in Lenskart helps prevent fraudulent activities such as credit card theft and identity theft
5	The AI-enabled billing and payment process at Lenskart retail stores is efficient and convenient
6	The usage of AI-based security measures in Lenskart eyewear protects customers' privacy and personal data
7	AI-based security measures in Lenskart retail stores are more effective than traditional methods
8	The use of AI-based security helps in building trust and loyalty among customers
9	AI-based security measures ensure the protection of customer data

Reliability Statistics

Cronbach's Alpha	N of Items
.954	9

RELIABILITY VARIABLES=PR1 PR2 PR3 PR4 PR5 PR6 PR7 PR8 PR9 PR10
PR11

P	Personalization
1	AI in Lenskart retail stores has helped me discover new styles and designs
2	AI in Lenskart provided me with personalized recommendations that meet any individual needs and preferences
3	I would be willing to pay a higher price for goods or services at this retail store because of the ease of buying through AI
4	I felt that Lenskart staff took a personal interest in finding the right eyewear for me
5	The Lenskart store provides me with customized recommendations based on my face shape, skin tone, and personal style
6	I could personalize my eyewear by choosing from various frames, lenses, and accessories.
7	The store provides a personalized experience that makes me feel valued as a customer
8	The virtual assistant app of this brand gives a personalized touch to evaluate the products
9	Personalized features in Lenskart using AI provide an exciting experience for consumers
10	Lenskart staff helps me with a range of personalized options to choose from, based on my preferences
11	The AI-based personalized styling advice at Lenskart retail stores adds value to my shopping experience

Reliability Statistics

Cronbach's Alpha	N of Items
.928	11

RELIABILITY VARIABLES=SQ1 SQ2 SQ3 SQ4 SQ5 SQ6 SQ7

SQ	Service Quality
1	The use of AI technology at Lenskart retail stores has improved my overall shopping experience.
2	AI technology in Lenskart has helped me find the perfect pair of glasses to meet my needs.
3	AI displays product attributes with better quality and visual effects
4	I feel that Lenskart retail stores are committed to producing high-quality products and services using AI
5	The AI-powered inventory mgt system at Lenskart retail stores ensures the availability of products
6	The AI-assisted customer feedback mechanism at Lenskart retail store helps in improving the overall service quality
7	AI in Lenskart enhances Service Quality and promotes comfort and convenience

Reliability Statistics

Cronbach's	
Alpha	N of Items
.877	7

RELIABILITY VARIABLES=ET1 ET2 ET3 ET4 ET5 ET6 ET7 ET8

E	AI Ethics
1	I believe that Lenskart's use of AI respects my privacy and data security
2	The development of AI should be regulated to ensure ethical standards in the future
3	Ethics of AI helps retailers to predict future performance
4	I feel confident that my personal and financial information is secure when shopping at Lenskart eyewear retail stores that use AI-based security measures
5	The display of the terms and conditions of the online transaction during the purchase makes the process transparent and informative
6	I believe that the use of AI in Lenskart is ethical
7	AI at Lenskart enhances trust among consumers and maintains privacy
8	At times, AI-based decisions are susceptible to inaccuracies, discriminatory outcomes, or inertial bias

Reliability Statistics

Cronbach's	
Alpha	N of Items
.895	8

RELIABILITY VARIABLES=CE1 CE2 CE3 CE4 CE5 CE6 RC1 RC2 RC3 RC4 RC5 RC6 RC7 RC8 RC9 RC10 PC1 PC2 PC3 PC4 PC5 PC6 PC7 PC8 PC9 PC10 PC11 SE1 SE2 SE3 SE4 SE5 SE6 SE7 SE8 SE9 PR1 PR2 PR3 PR4 PR5 PR6 PR7 PR8 PR9 PR10 PR11 SQ1 SQ2 SQ3 SQ4 SQ5 SQ6 SQ7 ET1 ET2 ET3 ET4 ET5 ET6 ET7 ET8

Reliability Statistics

Cronbach's	
Alpha	N of Items
.932	62

Results:

The Cronbach Alpha is a measure of internal consistency that is how closely related a set of items or a group. It is considered to be a measure of scale reliability and it is a coefficient of reliability. The general rule of thumb is that a Cronbach Alpha of 0.70 and above is good which indicates the measure of internal consistency of the research instrument. It is evident from the above table that the statements drafted to explore factors of AI-enabled experience from the consumer perspective in the Lenskart Eyewear retail chain at the time of pilot testing of 60 sample sizes are reliable as a value of Cronbach Alpha is well above the acceptable value of 0.70 (i.e 0.882). Further, showing that the statements chosen are reliable to be continued for further analysis. And remaining 3 statements Cronbach's value is below 0.7 mark so they were not considered and further analysis will be done on first 21 statements.

Citation- George and Mallery (2003) cited the thumb rule of Cronbach alpha.

$\alpha > 0.9$ (Excellent)

$\alpha > 0.8$ (Good)

$\alpha > 0.7$ (Acceptable)

3.13 Administration of the Questionnaire

Administering the Questionnaire in this research study involved several key steps to ensure accuracy and reliability of data collection. Firstly, consent from the appropriate respondents who were using the Lenskart products was obtained and clear instructions was given to understand the purpose and confidentiality of the respondents. The questionnaire was administered to different respondents purchasing Lenskart eye wear products in Telangana region.

3.14 Data Collection

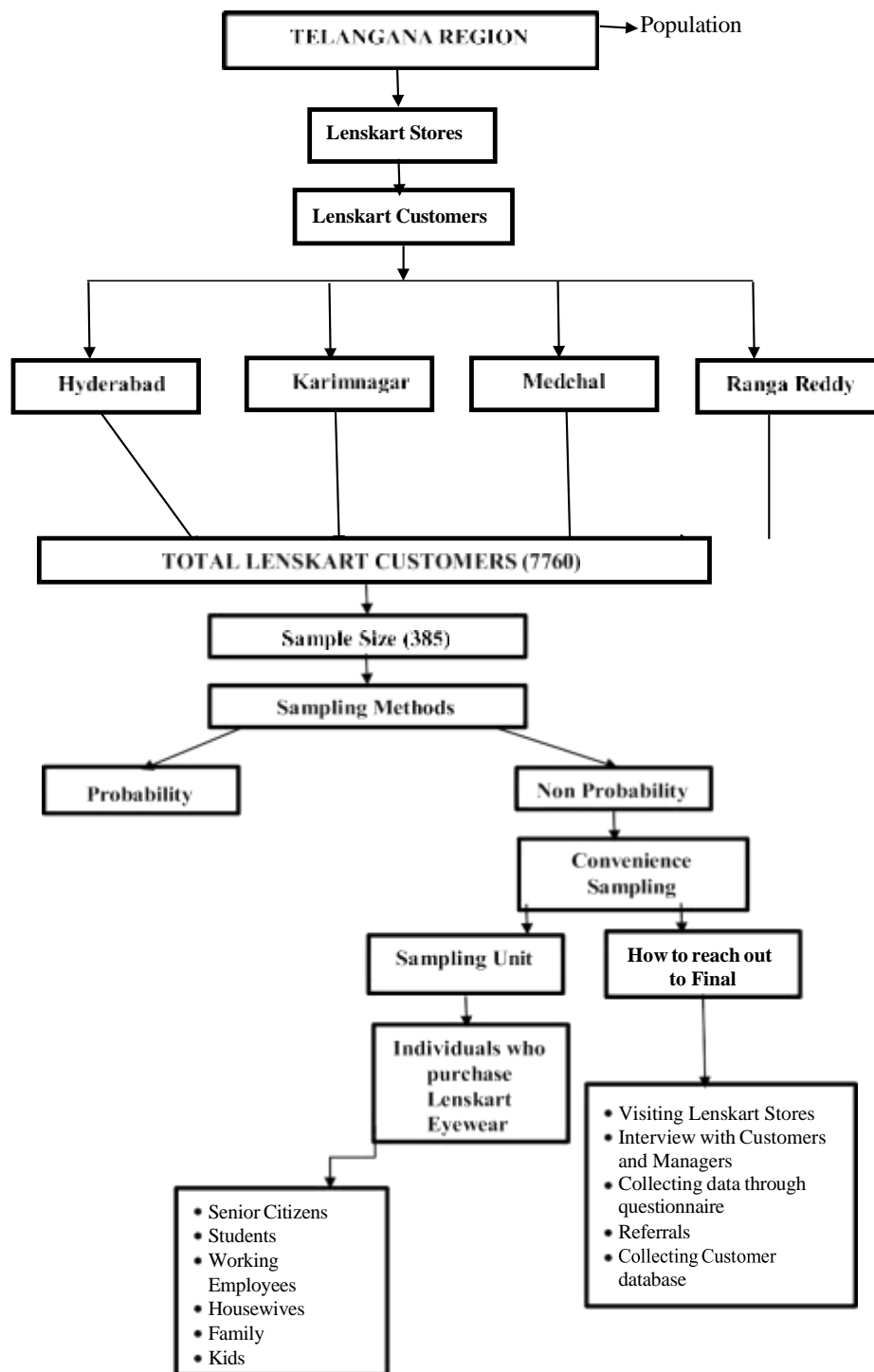
This research work encompassed an extensive and diverse data set, with a primary focus on gathering insights from respondents located in the Telangana region. The data collection process involved the distribution of approximately 440 questionnaires to a broad range of Lenskart customers, notably, not all the questionnaires were deemed suitable for the subsequent analytical phases, leading to the exclusion of some responses from the study. Ultimately, a robust sample size of 385 respondents was meticulously curated for in-depth analysis.

The selection process aimed to encompass participants from various income classes, age groups, and educational backgrounds from different Lenskart stores in the Telangana region. The inclusion of participants from all income strata and demographic categories enhances the research's ability to provide insights that are not only statistically robust but also reflective of the multifaceted nature of the Lenskart consumer database in the Telangana region. The research endeavors to present a holistic perspective on the impact of artificial intelligence (AI) interventions at Lenskart Eyewear Retail Chain within the unique context of the Telangana region, taking into account the nuances and complexities of the retail market. Therefore, the composition of the sample was a deliberate and crucial element in ensuring the relevance and validity of the research findings in the context of this study.

The current study is based on an examination of responses collected from individual Lenskart customers regarding their experience with Lenskart stores. Thus, a well-structured questionnaire was developed. The questionnaire contained questions relating to different aspects related to - Respondents' demographic profile; critical success factors of AI-enabled customer experiences from the consumer's perspective in the Lenskart Eyewear retail chain; the relationship between artificial intelligence and customer experiences in the context of Lenskart eyewear Retail chain; Important questions pertaining to their; age; gender; educational background; occupation; family income; were included to assess the moderating role of this demographic profile. The

responses were collected as a degree of Respondents' agreement/ disagreement regarding certain statements that discussed various aspects relating to AI-enabled customer experience. Five-point Likert scale was used in which the response options were specified as - Strongly Disagree (1); Disagree (2); Neither Agree nor Disagree (3); Agree (4); Strongly Agree. Data was collected from Lenskart stores in Telangana. Thus, it can be stated that convenience sampling has been used for the purpose of data collection. The data was collected towards the end of the year 2022 and the early months of the year 2023. 440 questionnaires were floated to various respondents. Evidently, not all of them were used for the purpose of analysis. The responses were received from around 385 respondents. However, upon examining the data for its appropriateness for further examination, many responses were found unfit for use. The responses were collected from the respondents through a questionnaire that contained questions in various formats which primarily included - multiple choice questions; rank orders; and questions on the 5-point Likert scale. The responses of the Customers were examined using the SPSS (version 22) software. Pearson coefficient correlation and partial least square technique (AMOS Software) were adopted to develop the model and also to test whether they are reliable and fit for reflective constructs, i.e., personalization, AI ethics, perceived convenience, AI service quality, AI security, relationship commitment, and AI-enabled customer experience.

3.15 Sample Description



Sample Frame Analysis- A sampling frame is a list or an organized representation of the target population from which a sample is drawn.

District	No of Lenskart Stores	Avg No of Customers/Store	Total Customer	Highest Customers	Percentage	Sample size
Hanamkonda	2	20	40			
Hyderabad	48	120	5760	5760	74	286
Jogulamba Gadwal	2	35	70			
Kamareddy	1	20	20			
Karimnagar	6	35	210	210	3	10
Khammam	5	40	200			
Mahabubnagar	4	30	120			
Mancherial	1	15	15			
Medchal Malkajgiri	6	60	360	360	5	18
Nalgonda	1	20	20			
Nirmal	1	20	20			
Nizamabad	1	20	20			
Ranga Reddy	13	110	1430	1430	18	71
Sangareddy	3	40	120			
Siddipet	1	20	20			
Warangal	1	20	20			
Total	96	625	8445	7760	100	385

www.lenskart.com

Source- (Primary source)

Sample Description-

Telangana region was chosen as the study area for this research. There are around 1100 Lenskart stores in India and 96 Lenskart stores in Telangana region (**stores.lenskart.com**) and as total Lenskart customers of 8425. Visited 30 Lenskart stores personally and interacted with Lenskart customers covering Hyderabad and surrounding districts. Collected the data through questionnaire, referrals and also the managers supported and assisted in providing the customer data base. The population

for this study was the customers visiting the Lenskart stores in Telangana. For the research study, target population was Lenskart customers in Telangana region. The total population is equal to number of Lenskart customers visiting the Lenskart stores (8445 customers). From the sample frame analysis, the target respondents were selected from the highest customers visiting the Lenskart stores (Hyderabad, Karimnagar, Medchal, Ranga Reddy) which was equal to total Lenskart customers (7760). Target respondents was Lenskart customers and sample size for the purpose of this study was taken as 385 Lenskart customers from the target population (7760) and the sampling needs were reached out by (i) Referrals- where on the spot at the store customers who bought Lenskart products referred their family or friends. (ii) By distributing the questionnaire also, the sample was reached out.

Sample Size- The sample size for the study is 385, which was calculated by taking the highest number of customers visiting the Lenskart stores from (Hyderabad, Karimnagar, Medchal, Ranga Reddy). These districts were chosen based on the number of Lenskart stores and the average number of customers visiting per Lenskart store. Accordingly, a sample size was arrived for each district. 385 sample size was sufficient to answer the research question and meet the required level of precision (accuracy). Increasing the sample size required a higher Lenskart customer database, which was practically difficult to obtain (as it is social data), and also, every customer was not willing to share their social data, and additional costs increased.

Sampling Method- The sampling method employed was a non-probability technique, specifically Convenience sampling. This approach is utilized to gather data from a wide spectrum of individuals who visit Lenskart stores for the purpose of purchasing eyewear. This diverse group encompasses students, working professionals, homemakers, families, children, and senior citizens).

Sampling Unit- Sampling unit of this study were individual customers who were using the Lenskart.

The sample was reached by

- ✓ Contacting the Lenskart customers through Questionnaire instrument
- ✓ Personal visit to Lenskart Eyewear showrooms
- ✓ Google form
- ✓ Interview method (Qualitative)

Justification for Selecting Telangana Region for the Study

The choice of Telangana as the focal region for this Ph.D. study on Lenskart is grounded in several strategic, demographic, and research-driven considerations, making it an optimal setting to investigate the dynamics of e-commerce in the eyewear sector.

1. **Market Presence and Growth Potential:** Lenskart exhibits a notable presence and expansion trajectory in Telangana, particularly in urban hubs like Hyderabad, Warangal, and Karimnagar. These centers, characterized by robust commercial activity, provide a fertile ground for analyzing the company's market strategies, customer engagement, and business impact within a burgeoning e-commerce landscape.
2. **Consumer Diversity and Behavior:** Telangana's diverse populace—encompassing tech-savvy youth, working professionals, and middle-class families, especially in Hyderabad—offers a rich sample for studying online purchasing behavior. This demographic mix enables insights into regional preferences, brand perception, and consumer decision-making in a dynamic market.
3. **Digital and E-Commerce Advancement:** Telangana stands out for its rapid digital penetration and e-commerce growth, bolstered by initiatives such as T-Hub, WE-Hub, and proactive IT policies. This environment makes it an ideal locale to examine the operational success and scalability of online retail platforms like Lenskart.
4. **Urban-Rural Market Dynamics:** The state's blend of urban, semi-urban, and rural markets facilitates a comparative analysis of Lenskart's performance

across varied consumer segments. This diversity is critical for understanding e-commerce penetration challenges and opportunities in tier-2 and tier-3 cities.

5. **Data Accessibility and Study Feasibility:** The researcher's access to primary data, respondents, and industry insights in Telangana, combined with established networks and prior regional experience, enhances the practical feasibility of this study, ensuring robust data collection and analysis.
6. **Research Novelty and Contribution:** Limited prior studies on Len's Kart or similar platforms in Telangana highlight a research gap. This study addresses this void, contributing original insights to academia and industry, with findings potentially generalizable to comparable regions.

In summary, Telangana's unique market characteristics, consumer base, digital ecosystem, and research feasibility make it a compelling choice for examining Lenskart's e-commerce strategies and impact, aligning with the objectives of this doctoral investigation.

Calculations

1. Total Customers Calculation

Each district's **Total Customers** is calculated using the formula:

$$\text{Total Customers} = \text{No. of Stores} \times \text{Avg No. of Customers per Store}$$

2. Highest Customers Calculation

This represents the highest number of customers in a single district.

$$\text{Highest Customers} = \max (\text{Total Customers})$$

3. Percentage Calculation

The **percentage of total customers for each district** is calculated as:

$$\text{Percentage} = (\text{Total Customers in All Districts} / \text{Total Customers in District}) \times 100$$

4. Sample Size Calculation

The **sample size** is assigned based on the **proportion of customers in a district relative to total customers**

$$\text{Sample Size} = (\text{Total Customers in District} / \text{Total Customers}) \times \text{Total Sample Size}$$

3.16 Statistical Tools

This structured questionnaire serves as the primary data collection instrument and includes a mix of closed-ended questions, using Likert scales, to assess customer perceptions and experiences with AI-based interventions at Lenskart. The questionnaire was distributed to Lenskart's customers in the Telangana region, and the responses were collected and analyzed using the Statistical Package for the Social Sciences (SPSS). Descriptive statistics, including mean, standard deviation, and frequency distribution, are employed to understand customer experience levels and preferences. Inferential statistics, such as correlation analysis was used to identify relationships and factors influencing customer experiences.

AMOS (Analysis of Moment Structures) and Smart PLS (Partial Least Squares) were employed for the quantitative structural equation modeling. SEM will allow for the examination of the relationships between various latent variables, such as AI interventions and customer experiences, offering a more intricate understanding of these constructs. Both AMOS and Smart PLS provided robust tools for this purpose. By utilizing a quantitative methodology combining questionnaire data with advanced statistical analysis tools, this research offered a comprehensive and nuanced exploration of the impact of AI-based interventions at Lenskart Eyeware Retail Chain. The quantitative data analysis using SPSS, as well as the application of SEM with AMOS and Smart PLS, enabled a multifaceted understanding of the complex relationships and implications within the research scope, ultimately providing valuable insights for Lenskart and the broader retail industry.

Chapter 4

DATA ANALYSIS AND INTERPRETATION

The advent of Artificial Intelligence (AI) in the retail industry has revolutionized customer engagement and satisfaction, prompting an in-depth analysis of its strategic implementations. This research targets the Lenskart Eyewear Retail Chain to scrutinize the mediating and moderating effects of AI-based interventions on the consumer experience. Utilizing comprehensive statistical methodologies for customer data evaluation, the study aims to elucidate the complex interplay between AI interventions and key customer satisfaction indicators. Through a detailed data analysis approach, the present study endeavors to enrich the empirical landscape regarding AI's utility in retail, specifically within the eyewear segment. The anticipated outcomes of this investigation are poised to enhance both academic discourse and practical execution regarding AI's role in optimizing retail customer experiences.

OBJECTIVE-WISE ANALYSIS

Objective 1: Exploring the critical success factors of AI-enabled customer experiences from the perspective of consumers in the Lenskart eyewear retail chain

4.1 Factor Analysis of factors to study the impact of artificial intelligence (AI) on Customer Experience

4.1.1 KMO and Bartlett's Test

Table 4.1 *KMO and Bartlett's Test*

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.887
Bartlett's Test of Sphericity	Approx. Chi-Square	4431.522
	df	210
	Sig.	.000

The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy indicated a value of .887, suggesting a high degree of common variance among variables, which is favorable for factor analysis (**Kaiser, 1974**). This value exceeds the recommended threshold of

.6, indicating that the sample is adequate for the analysis (**Hutcheson & Sofroniou, 1999**).

Bartlett's Test of Sphericity was significant (Chi-square = 4431.522, $p < .001$), demonstrating that the correlation matrix is not an identity matrix and that the variables are related sufficiently to provide a basis for factor analysis (Bartlett, 1954). This significance indicates that the assumptions for conducting factor analysis have been met, allowing for further exploration of the underlying factor structure of the dataset. These results collectively suggest that the data is suitable for factor analysis, given the adequacy of the sample and the inter correlations among variables. The high KMO value supports the factorability of the correlation matrix, while the significant result from Bartlett's Test of Sphericity confirms that the variables share a common variance that can be extracted through factor analysis.

4.1.2 Communalities

Table 4.2 *Communalities*

	Initial	Extraction
I like buying eyewear online due to the ease	1.000	.673
AI-enabled websites are preferred due to their secure nature	1.000	.654
I buy online based on the positive or negative reviews of others	1.000	.694
After-sales services enhance consumer trust and satisfaction	1.000	.796
AI gives e-retailers a new platform to attract online consumers	1.000	.600
AI-based virtual interaction providing real experiences assists in consumer retention	1.000	.665
AI provides more value to online consumers than offline ones	1.000	.650
The online presence of retailers gives them a competitive edge and higher profits	1.000	.648
AI displays product attributes with better quality and visual effects	1.000	.618

	Initial	Extraction
AI provides a user-friendly interface with a variety of options	1.000	.580
Securing online consumer data is the biggest challenge in AI	1.000	.735
Retailer online presence is the future of retailer survival	1.000	.649
Commitment to AI platforms leads to loyalty and trust	1.000	.666
Expert reviews on AI platforms attract new consumers	1.000	.563
AI-enabled websites save consumers time and provide convenience	1.000	.678
Higher privacy leads to higher satisfaction among online consumers	1.000	.680
Ease of access on mobile devices attracts retailers to AI-enabled platforms	1.000	.722
Time-bound deliveries lead to better service quality	1.000	.786
AI requires different types of marketing strategies	1.000	.654
Due to security issues, consumers prefer offline platforms to AI-enabled platforms	1.000	.828
AI has the power to read the unconscious mindset of online consumers	1.000	.569
Extraction Method: Principal Component Analysis.		

In the context of the present study exploring the impact of artificial intelligence (AI) on online shopping behaviors and perceptions, Table 4.2 presents the communalities obtained from Principal Component Analysis (PCA). Communalities represent the proportion of each variable's variance that can be explained by the extracted factors, serving as an indicator of how well the variables fit into the factor solution. Initial communalities are set at 1.000, indicating that before extraction, it is assumed that all variance in each variable can be explained. The extraction communalities, on the other hand, show the actual proportion of variance in each variable explained by the extracted factors.

The extraction communalities for the variables in this study range from .563 (for "Expert reviews on AI platforms attract new consumers") to .828 (for "Due to security

issues, consumers prefer offline platforms to AI-enabled platforms"), indicating a variance explanation from 56.3% to 82.8%. These values suggest that the factors extracted through PCA explain a significant portion of the variance in most of the studied variables, highlighting the relevance of AI-related attributes in online consumer behavior.

Variables such as "After-sales services enhance consumer trust and satisfaction" (.796) and "Due to security issues, consumers prefer offline platforms to AI-enabled platforms" (.828) have the highest commonalities, indicating that these aspects are particularly well represented by the extracted factors. This suggests that after-sales services and security concerns are critical elements in how consumers perceive and engage with AI in an online retail context.

Conversely, variables like "AI provides a user-friendly interface with a variety of options" (.580) and "Expert reviews on AI platforms attract new consumers" (.563) have the lowest commonalities. While still significant, this indicates that these areas are slightly less represented by the common factors, suggesting that perceptions of user interface and expert reviews, while important, might be influenced by additional factors not captured by this PCA.

4.1.3 Total Variance Explained

Table 4.3 *Total Variance Explained*

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.482	30.867	30.867	6.482	30.867	30.867	4.272	20.344	20.344
2	3.196	15.220	46.087	3.196	15.220	46.087	3.562	16.961	37.305
3	2.377	11.317	57.404	2.377	11.317	57.404	3.367	16.033	53.337
4	2.053	9.775	67.179	2.053	9.775	67.179	2.90	13.841	67.179

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
							7		
5	.663	3.155	70.334						
6	.650	3.094	73.428						
7	.612	2.916	76.344						
8	.542	2.582	78.926						
9	.493	2.346	81.272						
10	.459	2.186	83.458						
11	.448	2.132	85.589						
12	.375	1.784	87.373						
13	.367	1.747	89.120						
14	.358	1.703	90.823						
15	.344	1.639	92.461						
16	.318	1.515	93.976						
17	.305	1.453	95.430						
18	.278	1.326	96.755						
19	.255	1.215	97.971						
20	.237	1.127	99.098						
21	.189	.902	100.000						

Extraction Method: Principal Component Analysis.

The results of the principal component analysis, as summarized in Table 4.3, reveal how the variance in the dataset is distributed across different components. Initially, 21 components were identified, with their eigenvalues indicating the amount of variance each component explains.

The first component accounts for a significant portion of the variance, approximately 30.867%, with an initial eigenvalue of 6.482. This initial component alone captures nearly a third of the total variance in the data, underscoring its importance in representing the dataset's structure. Following the extraction, the sum of squared loadings remains the same for this component, emphasizing its stability and relevance in the extracted solution.

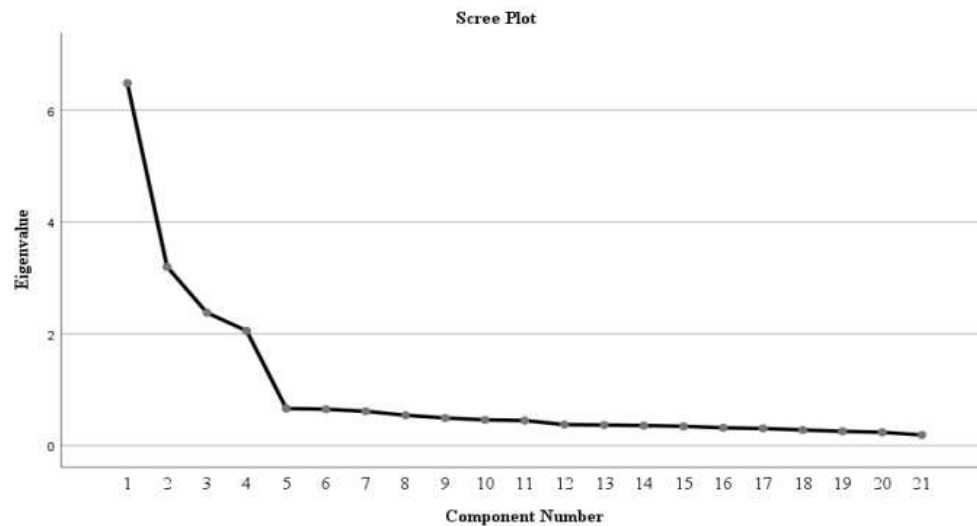
The second component explains an additional 15.220% of the variance, bringing the cumulative variance explained by the first two components to 46.087%. This pattern continues with the third and fourth components, which contribute 11.317% and 9.775% to the variance explained, respectively, culminating in a cumulative percentage of 67.179% after the inclusion of the fourth component. These components highlight distinct dimensions of the data, each capturing unique variance aspects not accounted for by the preceding components.

Notably, after the fifth component, which adds a smaller variance portion of 3.155%, no further components are extracted, indicating that the subsequent components contribute less significantly to explaining the dataset's variance. This decision is based on the extraction method, which focuses on retaining components that contribute meaningfully to understanding the data structure.

The rotation of the components, aimed at simplifying their interpretation, results in a slight redistribution of explained variance among the components. After rotation, the first three components explain 20.344%, 16.961%, and 16.033% of the variance, respectively, with their cumulative contribution amounting to 53.337%. This redistribution aids in achieving a more interpretable representation of the data by maximizing the variance explained by the most significant components.

4.1.4 Scree plot

Figure 4.1 *Scree Plot*



A scree plot was used to identify the optimal number of components to retain in the principal component analysis. The eigenvalues associated with each component number are plotted, with the 'elbow' of the plot used as a criterion for determining the number of components to retain (**Cattell, 1966**). As shown in the scree plot, the eigenvalues begin to plateau after the fourth component, suggesting a decrease in the incremental variance explained by additional components. This leveling off indicates that the first four components are likely to be the most meaningful in the analysis, as the eigenvalues associated with subsequent components do not significantly contribute to explaining additional variance in the data. Consequently, retaining more than four components may not provide substantial value to the model and could potentially overcomplicate the interpretation without adding meaningful insights (**Cattell, 1966**).

In analyzing consumer perceptions and behaviors towards online shopping, particularly in the context of eyewear purchases and the impact of artificial intelligence (AI) on these experiences, the Principal Component Analysis (PCA) elucidated four principal components, each signifying distinct facets of consumer attitudes and preferences.

The initial component accentuated the allure and perceived advantages of AI within the online retail environment. This is evidenced by notable loadings on statements

highlighting AI's capability to enrich the online shopping experience and retain customers through virtual interactions that simulate real-life experiences. This finding suggests a consumer appreciation for the innovative contributions of AI to online retail, offering unique and engaging shopping experiences (**Kaiser, 1974**).

The second component shifted focus toward the social influences on online shopping behaviors and the paramount importance of platform accessibility. Strong loadings were observed on items emphasizing the influence of reviews and the accessibility of retail platforms on mobile devices. This indicates the significant role of social proof and easy access in shaping online purchasing decisions, underscoring the importance of community and technological accessibility in the digital shopping experience (**Hutcheson & Sofroniou, 1999**).

Conversely, the third component presented an inverse relationship with concerns surrounding security and privacy, as indicated by negative loadings on statements about the secure nature of AI-enabled websites and the challenges in securing online consumer data. This inverse relationship highlights consumer apprehensions regarding the security and privacy of their information on AI platforms, suggesting these concerns as potential barriers to the broader adoption of AI-enabled services (**Bartlett, 1954**).

The fourth component concentrated on the significance of after-sales service and delivery timeliness, with strong associations to statements about consumer trust, satisfaction, and the quality of service. This emphasizes the critical influence of post-purchase experiences on overall consumer satisfaction and loyalty, highlighting that the impact of after-sales service and reliable delivery extends beyond the initial purchase, shaping consumer perceptions and future shopping intentions (**Jolliffe & Cadima, 2016**).

Collectively, these components provide a comprehensive overview of the diverse factors influencing consumer attitudes towards online shopping and AI-enabled platforms. From the appeal of AI innovations and the power of social influence to privacy concerns and the critical nature of after-sales support, these insights offer a nuanced understanding of digital consumer behavior. Retailers and online platforms are advised to consider these dimensions in strategizing, aiming to enhance consumer engagement and loyalty by addressing their multifaceted needs and concerns in the evolving landscape of online retail (**Jolliffe & Cadima, 2016**).

4.1.5 Rotated Component Matrix

Table 4.4 *Rotated Component Matrix*

	Component			
	1	2	3	4
I like buying eyewear online due to the ease	.109	.133	.799	.069
AI enabled websites are preferred due to their secure nature	.152	.787	.107	.018
I buy online based on the positive or negative reviews of others	.109	.136	.813	-.049
After-sales services enhance consumer trust and satisfaction	.199	.036	.058	.867
AI gives e-retailers a new platform to attract online consumers	.768	.061	.069	.038
AI-based virtual interaction providing real experiences assists in consumer retention	.775	.187	.080	.152
AI provides more value to online consumers than offline ones	.778	.104	.104	.154
The online presence of retailers gives them a competitive edge and higher profits	.234	.155	.034	.754
I displays product attributes with better quality and visual effects	.054	.057	.762	.178
AI provides a user-friendly interface with a variety of options	.755	.014	.056	.087
Securing online consumer data is the biggest challenge in AI	.070	.836	.152	.090
Retailer online presence is the future of retailer survival	.761	.150	.075	.204

	Component			
	1	2	3	4
Commitment on AI platforms leads to loyalty and trust	.034	.799	.155	.050
Expert reviews on AI platforms attract new consumers	.734	.038	.106	.110
AI-enabled websites save consumers time and provide convenience	.046	.152	.808	.021
Higher privacy leads to higher satisfaction among online consumers	.158	.783	.154	.139
Ease of access on mobile devices attracts retailers to AI-enabled platforms	.101	.148	.830	.011
Time-bound deliveries lead to better service quality	.189	.106	.016	.859
AI requires different types of marketing strategies	.090	.102	.098	.791
Due to security issues, consumers prefer offline platforms to AI enabled platforms	.141	.881	.084	.158
AI has the power to read the unconscious mind-set of online consumers	.734	.108	.016	.137
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				

a. Rotation converged in 5 iterations.

Table 4.4, titled "Rotated Component Matrix," presents the results of the principal component analysis with Varimax rotation, focusing on consumer attitudes toward online eyewear shopping and the influence of artificial intelligence (AI) on consumer behavior. The analysis revealed four components that explain distinct facets of consumer preferences and behaviors in the context of online retail and AI technologies.

Component 1: Artificial Intelligence is predominantly associated with AI's role in enhancing the online shopping experience through personalized and user-friendly interfaces, as well as its ability to offer new platforms for e-retailers to attract consumers. This component includes high loadings for statements related to AI giving e-retailers a new platform (.768), AI-based virtual interactions (.775), AI providing more value online (.778), and the presence of retailers online (.761).

Component 2: AI Security highlights the importance of security and trust in AI-enabled websites, with significant loadings for statements concerning the preference for AI-enabled sites due to their secure nature (.787), securing online consumer data (.836), commitment on AI platforms leading to loyalty and trust (.799), and higher privacy leading to greater satisfaction (.783).

Component 3: Perceived Convenience reflects consumer behaviors influenced by online content and ease of use, with high loadings for statements about buying eyewear online due to ease (.799), making purchases based on reviews (.813), AI-enabled websites saving time (.808), and ease of access on mobile devices (.830).

Component 4: Service Quality focuses on the after-sales services and delivery aspects, emphasizing how these factors enhance consumer trust and satisfaction (.867), the significance of time-bound deliveries (.859), and the necessity of different marketing strategies for AI (.791).

The analysis, which converged in 5 iterations, underscores the multifaceted impact of AI on online consumer behaviors, emphasizing the critical roles of user experience, security, content-driven purchasing decisions, and service quality in enhancing consumer satisfaction and trust in online retail environments.

Reliability Statistics

Table 4.5 *Reliability Statistics*

Factor	Cronbach's Alpha	N of Items
Artificial Intelligence	.876	5
Perceived Convenience	.896	5
AI Security	.891	7
AI Service Quality	.867	4
Overall	.884	21

In Table 4.5, the reliability statistics for various factors related to artificial intelligence (AI) are presented. This table includes five distinct factors: Artificial Intelligence, Perceived Convenience, AI Security, AI Service Quality, and an overall category. The reliability of each factor was measured using Cronbach's alpha, a statistic commonly used in research to assess the internal consistency of a scale (**George & Mallery, 2003; Nunnally & Bernstein, 1994**).

The factor "Artificial Intelligence" showed a Cronbach's alpha of .876, indicating high internal consistency, with this factor comprising 5 items. Similarly, "Perceived Convenience" also demonstrated high reliability with a Cronbach's alpha of .896 across 5 items. The factor "AI Security" had a slightly higher alpha value of .891, with a larger number of items (7), suggesting a high level of consistency in the responses related to security aspects of AI. "AI Service Quality" showed a slightly lower, yet still high, Cronbach's alpha of .867, which was calculated over 4 items. This indicates that the responses regarding AI service quality were consistently aligned (**Taber, 2018**).

Finally, the overall category, encompassing all 21 items from the four factors, showed a Cronbach's alpha of .884. This high value indicates a strong internal consistency across all items included in the study, suggesting that the scale used to measure various aspects of AI was reliable (**Hair, Black, Babin, & Anderson, 2010**). In summary, the reliability statistics reported in Table 4.5 reflect high internal consistency for each factor and overall, highlighting the robustness of the scale used in the study to assess various dimensions related to artificial intelligence.

Objective 2- Examining the relationship between Artificial intelligence and Customer Experience in the context to the Lenskart Eyewear retail chain

4.2 Pearson Correlation Coefficients among Constructs Related to Artificial Intelligence and Customer Experience

Table 4.6 *Pearson Correlation Coefficients among Constructs Related to Artificial Intelligence and Customer Experience*

		Perceived Convenience	AI Security	AI Service Quality	Artificial Technology	AI Enabled Customer Experience
Perceived Convenience	Pearson Correlation	1	.313	.156	.214	.310
	Sig. (2-tailed)		.000	.002	.000	.000
	N	385	385	385	385	385
AI Security	Pearson Correlation	.313	1	.256	.279	.476
	Sig. (2-tailed)	.000		.000	.000	.000
	N	385	385	385	385	385
AI Service Quality	Pearson Correlation	.156	.256	1	.380	.477
	Sig. (2-tailed)	.002	.000		.000	.000
	N	385	385	385	385	385
Artificial Technology	Pearson Correlation	.214	.279	.380	1	.439
	Sig. (2-tailed)	.000	.000	.000		.000
	N	385	385	385	385	385
AI Enabled Customer Experience	Pearson Correlation	.310	.476	.477	.439	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	385	385	385	385	385

**. Correlation is significant at the 0.01 level (2-tailed).

The data in Table 4.6 illustrates the correlations among several key factors: Perceived Convenience, AI Security, AI Service Quality, Artificial Technology, and AI-enabled

customer Experience. Specifically, the table shows the relationships between each pair of these factors: Perceived Convenience and AI Security, Perceived Convenience and AI Service Quality, Perceived Convenience and Artificial Technology, Perceived Convenience and AI-Enabled Customer Experience, AI Security and AI Service Quality, AI Security and Artificial Technology, AI Security and AI-Enabled Customer Experience, AI Service Quality and Artificial Technology, AI Service Quality and AI-Enabled Customer Experience, and finally, Artificial Technology and AI-Enabled Customer Experience.

The hypotheses are as follows:

1. Perceived Convenience and AI Security

- a. H0: There is no statistically significant correlation between Perceived Convenience and AI Security.
- b. H1: There is a statistically significant correlation between Perceived Convenience and AI Security.

2. Perceived Convenience and AI Service Quality

- a. H0: There is no statistically significant correlation between Perceived Convenience and AI Service Quality.
- b. H1: There is a statistically significant correlation between Perceived Convenience and AI Service Quality.

3. Perceived Convenience and Artificial Technology

- a. H0: There is no statistically significant correlation between Perceived Convenience and Artificial Technology.
- b. H1: There is a statistically significant correlation between Perceived Convenience and Artificial Technology.

4. Perceived Convenience and AI-Enabled Customer Experience

- a. H0: There is no statistically significant correlation between Perceived Convenience and AI Enabled Customer Experience.

- b. H1: There is a statistically significant correlation between Perceived Convenience and AI Enabled Customer Experience.

5. AI Security and AI Service Quality

- a. H0: There is no statistically significant correlation between AI Security and AI Service Quality.
- b. H1: There is a statistically significant correlation between AI Security and AI Service Quality.

6. AI Security and Artificial Technology

- a. H0: There is no statistically significant correlation between AI Security and Artificial Technology.
- b. H1: There is a statistically significant correlation between AI Security and Artificial Technology.

7. AI Security and AI-Enabled Customer Experience

- a. H0: There is no statistically significant correlation between AI Security and AI Enabled Customer Experience.
- b. H1: There is a statistically significant correlation between AI Security and AI Enabled Customer Experience.

8. AI Service Quality and Artificial Technology

- a. H0: There is no statistically significant correlation between AI Service Quality and Artificial Technology.
- b. H1: There is a statistically significant correlation between AI Service Quality and Artificial Technology.

9. AI Service Quality and AI Enabled Customer Experience

- a. H0: There is no statistically significant correlation between AI Service Quality and AI Enabled Customer Experience.

- b. H1: There is a statistically significant correlation between AI Service Quality and AI Enabled Customer Experience.

10. Artificial Technology and AI-Enabled Customer Experience

- a. H0: There is no statistically significant correlation between Artificial Technology and AI Enabled Customer Experience.
- b. H1: There is a statistically significant correlation between Artificial Technology and AI Enabled Customer Experience.

The results of hypothesis testing are as follows:

1. **Perceived Convenience and AI Security:** There is a moderate positive correlation ($r = .313$, $p < .01$) between Perceived Convenience and AI Security. This result aligns with previous studies that suggest users perceive AI security as higher when AI-driven applications are convenient (**Tulcanaza-Prieto et al., 2023**). This relationship is possibly influenced by user familiarity with AI-based authentication methods, such as biometric or automated security features, which enhance perceived safety. This suggests that as perceptions of convenience in the use of AI increase, there's a corresponding increase in perceptions of AI security.
2. **Perceived Convenience and AI Service Quality:** A positive, albeit weaker, correlation ($r = .156$, $p < .01$) is observed between Perceived Convenience and AI Service Quality. This indicates that higher convenience is slightly associated with better-perceived service quality in AI. Prior research (**Khan et al., 2024**) has shown that AI service quality is influenced more by personalization and responsiveness than mere convenience. Therefore, while users may appreciate convenience, their overall assessment of AI service quality is shaped by broader service attributes.
3. **Perceived Convenience and Artificial Technology:** The moderate positive correlation ($r = .214$, $p < .01$) supports findings by **Zungu et al. (2025)**, indicating that greater AI convenience often results from seamless integration of advanced artificial technology. This suggests that organizations

implementing AI-driven automation and predictive analytics enhance both convenience and technological perception.

4. **Perceived Convenience and AI-Enabled Customer Experience:** There is a moderate positive correlation ($r = .310$, $p < .01$) between these variables. This suggests that as users find AI more convenient, their overall experience with AI-enabled services improves.
5. **AI Security and AI Service Quality:** The weaker correlation ($r = .156$, $p < .01$) between perceived convenience and AI service quality suggests that while convenience contributes to service quality perception, it is not the dominant factor. Prior research (Khan et al., 2024) has shown that AI service quality is influenced more by personalization and responsiveness than mere convenience. Therefore, while users may appreciate convenience, their overall assessment of AI service quality is shaped by broader service attributes.
6. **AI Security and Artificial Technology:** The moderate correlation ($r = .279$, $p < .01$) is in line with findings from Li & Bai (2022), who noted that AI security enhancements often coincide with advancements in artificial intelligence technology. This can be attributed to AI-driven cybersecurity measures such as anomaly detection and automated threat mitigation, which reinforce perceptions of AI technology as more advanced and reliable.
7. **AI Security and AI Enabled Customer Experience:** The strong correlation ($r = .476$, $p < .01$) suggests that perceived AI security plays a significant role in shaping customer experience, a finding consistent with Bhatnagar et al. (2024). Studies show that AI security fosters trust in AI-driven interactions, leading to higher engagement and satisfaction in AI-enabled services.
8. **AI Service Quality and Artificial Technology:** The moderate to strong correlation ($r = .380$, $p < .01$) aligns with the work of Le et al. (2024), who found that high-quality AI services often incorporate advanced artificial technologies such as deep learning, natural language processing, and predictive analytics. These technologies enhance the responsiveness and accuracy of AI services, thereby improving user perception of quality.

9. **AI Service Quality and AI-Enabled Customer Experience:** The strong positive correlation ($r = .477$, $p < .01$) confirms findings by **Khan et al. (2024)**, which show that better AI service quality significantly enhances customer experience. AI-driven automation, personalization, and quick resolution of customer issues all contribute to a seamless customer journey.
10. **Artificial Technology and AI-Enabled Customer Experience:** The strong correlation ($r = .439$, $p < .01$) suggests that greater integration of artificial technology leads to an improved AI-enabled customer experience, a conclusion supported by **Zaman et al. (2025)**. AI technologies such as recommendation engines and predictive analytics play a crucial role in enhancing customer engagement and satisfaction.

Objective 3- Proposing and developing a structural model for measuring AI based Interventions and customer-enabled experience at Lenskart eyewear retail chain

4.3 Exploratory Factor Analysis for AI-enabled Customer Experiences with respect to Lenskart eyewear retail chain

4.3.1 KMO and Bartlett's Test

Table 4.7 *KMO and Bartlett's Test*

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.928
Bartlett's Test of Sphericity	Approx. Chi-Square	17685.401
	df	1891
	Sig.	.000

Table 4.7 reports the results of the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity, essential for assessing the suitability of data for factor analysis. The KMO measure, a statistic indicating the proportion of variance in variables that might be common variance, is .928 in this study. This value is significantly higher than the commonly recommended threshold of .6, suggesting that the dataset is well-suited for factor analysis due to a high level of common variance among the variables.

Bartlett's Test of Sphericity tests the hypothesis that the variables are unrelated in the population, meaning the correlation matrix should be an identity matrix. The results show an approximate Chi-Square value of 17685.401 with 1891 degrees of freedom and a significance level of .000. This significantly low p-value indicates that the test is significant, suggesting that the variables are related, and the correlation matrix is not an identity matrix. Such a result supports the appropriateness of conducting factor analysis on this dataset, as it indicates sufficient correlation among the variables. In summary, both the high KMO measure and the significant Bartlett's Test in Table 4.7 suggest that the dataset is suitable for factor analysis, indicating underlying patterns or factors among the studied variables.

4.3.2 Communalities

Table 4.8 Communalities

Item	Initial	Extraction
CE1: Shopping with memorable moments is the outcome of convenience	1.000	.738
CE2: Secured platforms are reliable for consumers	1.000	.634
CE3: Personalized features are exciting for consumers	1.000	.716
CE4: Quality service promotes comfort and convenience	1.000	.640
CE5: Brand commitment is key to its value	1.000	.667
CE6: Ethics inspires loyalty and trust	1.000	.732
RC1: AI in Lenskart makes shopping memorable	1.000	.734
RC2 I feel a personal connection to the employees at this retail store	1.000	.755
RC3 The use of AI at Lenskart makes the customer experience more secure and trustworthy thus generating more satisfaction	1.000	.522
RC4 The use of AI in Lenskart promotes brand commitment which is key to its value	1.000	.712
RC5 The use of AI in Lenskart has increased my trust in order to provide accurate recommendations	1.000	.676
RC6 The use of AI in Lenskart made the shopping experience more enjoyable.	1.000	.691
RC7 AI provides a user-friendly interface with a variety of options	1.000	.601
RC8 The AI-based customer segmentation and targeting at Lenskart retail store is effective and saves my time to choose the right product	1.000	.557
RC9 I trust Lenskart making use of Artificial intelligence in making decisions about which products to recommend to me	1.000	.748
RC10 The use of AI by Lenskart makes me feel more confident in my purchase decisions	1.000	.691
PC1 The AI-assisted virtual try-on features at Lenskart retail stores help me make a better purchase decision	1.000	.698
PC2 The store environment at Lenskart eyewear retail stores	1.000	.558

Item	Initial	Extraction
is comfortable and exciting, thus making my shopping experience convenient.		
PC3 Integration of AI in shopping can lead to an improved AI-enabled customer experience	1.000	.552
PC4 The store layout of Lenskart eyewear retail stores makes it easy to find what I am looking for.	1.000	.633
PC5 The Lenskart eyewear retail store is conveniently located for me.	1.000	.556
PC6 The store hours at Lenskart eyewear retail store are convenient as per my schedule.	1.000	.654
PC7 The staff at Lenskart eye ware retail stores is friendly and helpful in making my purchase convenient.	1.000	.673
PC8 The online booking system for appointments at Lenskart eyewear retail store is easy to use.	1.000	.670
PC9 The range of eyewear available at Lenskart retail store makes it convenient for me to find what I need.	1.000	.707
PC10 The user-friendly interface on all web-based platforms Lenskart is accessible and makes it easy for me to explore it	1.000	.786
PC11 The return and exchange policy at Lenskart eyewear retail store makes my shopping experience more comfortable	1.000	.620
SE1 The AI-powered product recommendations at Lenskart retail store are accurate and relevant	1.000	.759
SE2 The AI-enabled chatbot support at Lenskart retail store is helpful in resolving my queries.	1.000	.631
SE3 The use of AI helps Lenskart eyewear retail stores to monitor and control potential threats in real-time	1.000	.693
SE4 Using AI in Lenskart helps prevent fraudulent activities such as credit card theft and identity theft	1.000	.704
SE5 The AI-enabled billing and payment process at Lenskart retail stores is efficient and convenient	1.000	.740
SE6 The usage of AI-based security measures in Lenskart eyewear protects customers' privacy and personal data	1.000	.700
SE7 AI-based security measures in Lenskart retail stores are	1.000	.713

Item	Initial	Extraction
more effective than traditional methods		
SE8 The use of AI-based security helps in building trust and loyalty among customers	1.000	.695
SE9 AI-based security measures ensure the protection of customer data	1.000	.745
PR1 AI in Lenskart retail stores has helped me discover new styles and designs	1.000	.648
PR2 AI in Lenskart provided me with personalized recommendations that meet any individual needs and preferences	1.000	.545
PR3 I would be willing to pay a higher price for goods or services at this retail store because of the ease of buying through AI	1.000	.588
PR4 I felt that Lenskart staff took a personal interest to find the right eyewear for me	1.000	.557
PR5 The Lenskart store provides me with customized recommendations based on my face shape, skin tone, and personal style	1.000	.592
PR6 I could personalize my eyewear by choosing from various frames, lenses, and accessories.	1.000	.573
PR7 The store provides a personalized experience that made me feel valued as a customer	1.000	.645
PR8 The virtual assistant app of this brand gives a personalized touch to evaluate the products	1.000	.533
PR9 Personalized features in Lenskart using AI provide an exciting experience for consumers	1.000	.617
PR10 Lenskart staff helps me with a range of personalized options to choose from, based on my preferences	1.000	.555
PR11 The AI-based personalized styling advice at Lenskart retail stores adds value to my shopping experience	1.000	.643
SQ1 The use of AI technology at Lenskart retail stores has improved my overall shopping experience.	1.000	.625
SQ2 AI technology in Lenskart has helped me find the	1.000	.508

Item	Initial	Extraction
perfect pair of glasses to meet my needs.		
SQ3 AI displays product attributes with better quality and visual effects	1.000	.648
SQ4 I feel that Lenskart retail stores are committed to producing high-quality products and services using	1.000	.514
SQ5 The AI-powered inventory mgt system at Lenskart retail stores ensures the availability of products	1.000	.626
SQ6 The AI-assisted customer feedback mechanism at Lenskart retail store helps in improving the overall service quality	1.000	.676
SQ7 AI in Lenskart enhances Service Quality and promotes comfort and convenience	1.000	.748
ET1 I believe that Lenskart's use of AI respects my privacy and data security	1.000	.701
ET2 The development of AI should be regulated to ensure ethical standards in the future	1.000	.746
ET3 Ethics of AI helps retailers to predict future performance	1.000	.615
ET4 I feel confident that my personal and financial information is secure when shopping at Lenskart eyewear retail stores that use AI-based security measures	1.000	.444
ET5 The display of the terms and conditions of the online transaction during the purchase makes the process transparent and informative	1.000	.580
ET6 I believe that the use of AI in Lenskart is ethical	1.000	.626
ET7 AI at Lenskart enhances trust among consumers and maintains privacy	1.000	.614
ET8 At times, AI-based decisions are susceptible to inaccuracies, discriminatory outcomes, or inertial bias	1.000	.622

Extraction Method: Principal Component Analysis.

Table 4.8 displays the communalities for each variable involved in the principal component analysis (PCA) conducted to assess factors related to AI-enabled customer experience at Lenskart Eyewear Retail Stores. Communalities represent the proportion of each variable's variance that can be explained by the extracted factors. The initial

communalities are all set at 1.000, indicating that before extraction, it is assumed that all variance can be explained by the factors.

The extraction communalities, which are of primary interest, vary across the variables but generally show high values, indicating that a substantial portion of the variance in each variable is accounted for by the extracted components. For instance, the variable “CE1: Shopping with memorable moments is the outcome of convenience” has an extraction commonality of .738, suggesting that 73.8% of its variance is explained by the factors identified in the PCA.

Variables such as “RC9: I trust Lenskart making use of Artificial intelligence in making decisions about which products to recommend to me” and “SE5: The AI-enabled billing and payment process at Lenskart retail stores is efficient and convenient” show high extraction communalities of .748 and .740, respectively, indicating strong associations with the underlying factors.

On the other hand, some variables, like “ET4: I feel confident that my personal and financial information is secure when shopping at Lenskart eyewear retail stores that use AI-based security measures” and “SQ2: AI technology in Lenskart have helped me find the perfect pair of glasses to meet my needs” have lower communalities (.444 and .508, respectively), suggesting that a smaller portion of their variance is explained by the extracted factors. Overall, the high communalities for most variables indicate that the PCA is suitable and effective for understanding the structure of AI-enabled customer experience at Lenskart. The results suggest that the factors extracted through this analysis are relevant and represent significant aspects of customer experience in the context of AI applications in retail settings.

4.3.3 Total Variance Explained

Table 4.9 *Total Variance Explained*

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	18.934	30.538	30.538	18.934	30.538	30.538	7.286	11.752	11.752
2	5.916	9.542	40.081	5.916	9.542	40.081	6.886	11.107	22.859
3	4.447	7.173	47.254	4.447	7.173	47.254	6.879	11.096	33.955
4	4.061	6.550	53.804	4.061	6.550	53.804	6.586	10.622	44.577
5	2.940	4.742	58.546	2.940	4.742	58.546	4.631	7.469	52.046
6	1.921	3.099	61.644	1.921	3.099	61.644	4.283	6.908	58.953
7	1.768	2.852	64.496	1.768	2.852	64.496	3.437	5.543	64.496
8	.982	1.583	66.080						
9	.879	1.418	67.498						
10	.856	1.381	68.878						
11	.819	1.320	70.199						
12	.750	1.210	71.409						
13	.700	1.129	72.538						
14	.675	1.088	73.626						
15	.656	1.058	74.684						
16	.627	1.011	75.695						
17	.597	.963	76.658						

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
18	.585	.943	77.602						
19	.565	.912	78.513						
20	.554	.894	79.407						
21	.537	.866	80.274						
22	.524	.845	81.119						
23	.507	.817	81.936						
24	.487	.786	82.722						
25	.475	.766	83.488						
26	.453	.731	84.219						
27	.449	.724	84.943						
28	.434	.700	85.643						
29	.428	.690	86.333						
30	.409	.660	86.993						
31	.406	.654	87.647						
32	.392	.632	88.280						
33	.384	.620	88.900						
34	.362	.584	89.484						
35	.349	.563	90.046						
36	.342	.552	90.599						

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
37	.330	.532	91.130						
38	.325	.525	91.655						
39	.313	.505	92.160						
40	.305	.492	92.651						
41	.298	.480	93.132						
42	.291	.470	93.602						
43	.286	.461	94.062						
44	.282	.455	94.517						
45	.262	.422	94.940						
46	.252	.407	95.346						
47	.247	.399	95.745						
48	.242	.390	96.135						
49	.229	.369	96.504						
50	.227	.367	96.871						
51	.214	.345	97.215						
52	.210	.338	97.554						
53	.201	.324	97.878						
54	.187	.302	98.180						
55	.178	.287	98.467						

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
56	.178	.287	98.754						
57	.168	.270	99.024						
58	.155	.249	99.273						
59	.150	.242	99.515						
60	.127	.205	99.720						
61	.120	.194	99.915						
62	.053	.085	100.000						

Extraction Method: Principal Component Analysis.

Table 4.9 presents the results of the Principal Component Analysis (PCA) conducted to explore the structure of data related to AI-enabled customer experience at Lenskart Eyewear Retail Stores. The table lists the initial eigenvalues, the percentage of variance explained by each component, and the cumulative percentage of variance explained.

The first component has an initial eigenvalue of 18.934, explaining 30.538% of the variance. This indicates that this single component accounts for a substantial portion of the total variance in the dataset. The second component has a lower eigenvalue of 5.916 but still explains a significant 9.542% of the variance, bringing the cumulative variance to 40.081%.

As we move to subsequent components, the eigenvalues and the percentages of variance explained decrease. For instance, the third component explains an additional 7.173% of the variance (cumulative 47.254%), and the fourth component explains 6.550% (cumulative 53.804%). This trend continues with each additional component explaining a smaller portion of the total variance.

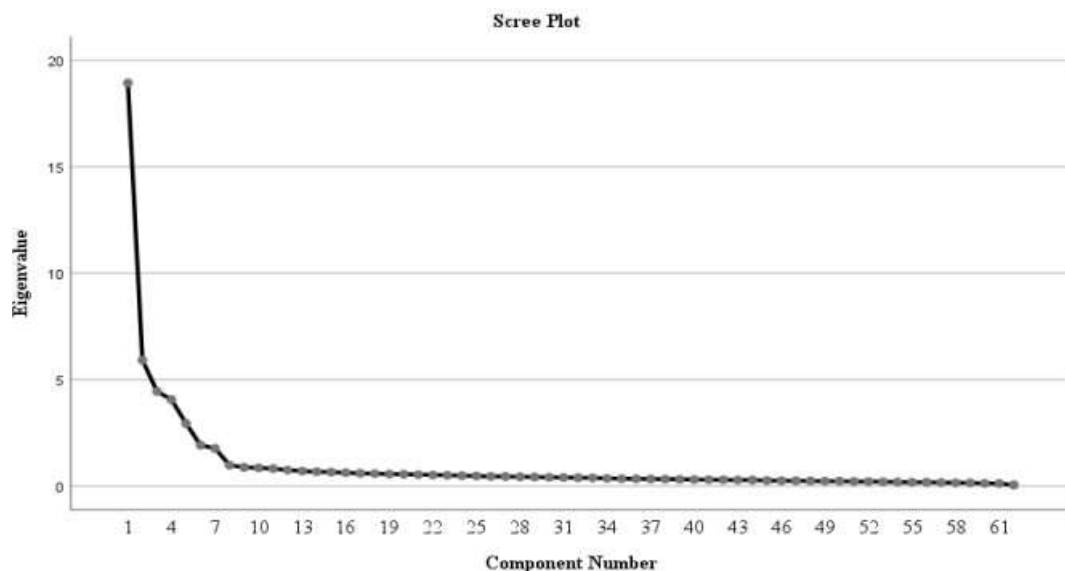
The analysis includes a total of 62 components, but not all contribute significantly to the variance. By the time we reach the eighth component, the individual contributions to variance become relatively small, with the eighth component explaining only 1.583%

of the variance. Beyond this point, each subsequent component accounts for even less of the variance.

The extraction sums of squared loadings follow a similar pattern, with the first few components accounting for the majority of the variance explained. The rotation sums of squared loadings are not provided for all components, suggesting that a rotation method may have been applied to only a subset of the components to achieve a simpler, more interpretable structure.

4.3.4 Scree plot

Figure 4.2 *Scree Plot*



A scree plot was utilized to ascertain the optimal number of factors to retain for the factor analysis. The plot depicts the eigenvalues on the y-axis and the component numbers on the x-axis. The point at which the curve starts to flatten, known as the 'elbow', indicates the number of components that provide the most meaningful contribution to the explanation of variance within the data. In this analysis, the elbow appears after the third component, suggesting that the first three components should be retained for further investigation.

4.3.5 Component Matrix^a

Table 4.10 Component Matrix^a

	Component						
	1	2	3	4	5	6	7
CE1: Shopping with memorable moments is the outcome of convenience	.671	-.124	-.144	.034	-.083	-.039	-.493
CE2: Secured platforms are reliable for consumers	.582	-.009	-.087	-.067	-.045	-.155	-.507
CE3: Personalized features are exciting for consumers	.655	-.115	-.064	-.017	-.057	-.124	-.500
CE4: Quality service promotes comfort and convenience	.620	-.080	-.069	.032	.008	-.238	-.432
CE5: Brand commitment is key to its value	.673	-.061	.014	.030	-.176	-.018	-.421
CE6: Ethics inspires loyalty and trust	.717	-.058	-.043	.057	-.185	-.033	-.417
RC1: AI in Lenskart makes shopping memorable	.606	-.082	-.404	.315	.308	.038	.021
RC2 I feel a personal connection to the employees at this retail store	.644	-.067	-.410	.322	.251	.036	.028
RC3 The use of AI at Lenskart makes the customer experience more secure and trustworthy thus	.497	-.029	-.301	.209	.191	.043	.041

	Component						
	1	2	3	4	5	6	7
generating more satisfaction							
RC4 The use of AI in Lenskart promotes brand commitment which is key to its value	.587	-.115	-.417	.322	.255	.070	.082
RC5 The use of AI in Lenskart has increased my trust in order to providing accurate recommendations	.608	-.114	-.394	.273	.246	.008	.057
RC6 The use of AI in Lenskart made the shopping experience more enjoyable.	.598	-.028	-.439	.291	.226	-.019	.066
RC7 AI provides a user-friendly interface with a variety of options	.561	-.010	-.326	.370	.189	.070	-.053
RC8 The AI-based customer segmentation and targeting at Lenskart retail store is effective and saves my time to choose the right product	.562	.020	-.331	.192	.266	.096	.118
RC9 I trust Lenskart making use of Artificial intelligence in making decisions about which products to recommend to me	.566	-.114	-.444	.332	.286	.065	.144
RC10 The use of AI by Lenskart makes me feel	.582	-.116	-.410	.298	.260	.013	.117

	Component						
	1	2	3	4	5	6	7
more confident in my purchase decisions							
PC1 The AI-assisted virtual try-on features at Lenskart retail stores help me make a better purchase decision	.497	.599	.250	.154	.023	-.069	.027
PC2 The store environment at Lenskart eyewear retail stores is comfortable and exciting, thus making my shopping experience convenient.	.487	.469	.232	.174	.097	.084	-.002
PC3 Integration of AI in shopping can lead to an improved AI-enabled customer experience	.415	.473	.268	.228	-.105	.116	.091
PC4 The store layout of Lenskart eyewear retail stores makes it easy to find what I am looking for.	.427	.592	.210	.223	-.058	.018	-.050
PC5 The Lenskart eyewear retail store is conveniently located for me.	.444	.557	.167	.129	-.008	.068	-.026
PC6 The store hours at Lenskart eyewear retail store are convenient as per my schedule.	.439	.616	.205	.194	.002	.045	.011
PC7 The staff at	.466	.596	.254	.178	-.027	.065	-.012

	Component						
	1	2	3	4	5	6	7
Lenskart eye ware retail stores is friendly and helpful in making my purchase convenient.							
PC8 The online booking system for appointments at Lenskart eyewear retail store is easy to use.	.479	.552	.305	.177	-.022	.080	.069
PC9 The range of eyewear available at Lenskart retail store makes it convenient for me to find what I need.	.445	.626	.272	.203	-.016	.014	.034
PC10 The user-friendly interface on all web-based platforms Lenskart is accessible and makes it easy for me to explore it	.488	.659	.282	.174	.038	.035	-.039
PC11 The return and exchange policy at Lenskart eyewear retail store makes my shopping experience more comfortable	.450	.568	.208	.222	-.003	.028	.054
SE1 The AI-powered product recommendations at Lenskart retail store are accurate and relevant	.639	.144	-.259	-.499	-.014	.108	.028
SE2 The AI-enabled chatbot support at	.532	.179	-.187	-.514	.024	.073	.100

	Component						
	1	2	3	4	5	6	7
Lenskart retail store is helpful in resolving my queries.							
SE3 The use of AI helps Lenskart eyewear retail stores to monitor and control potential threats in real-time	.535	.156	-.267	-.554	.046	.044	.032
SE4 Using AI in Lenskart helps prevent fraudulent activities such as credit card theft and identity theft	.557	.297	-.165	-.522	.007	.023	.068
SE5 The AI-enabled billing and payment process at Lenskart retail stores is efficient and convenient	.591	.236	-.213	-.529	-.022	.091	.018
SE6 The usage of AI-based security measures in Lenskart eyewear protects customers' privacy and personal data	.626	.177	-.180	-.488	-.023	.069	.014
SE7 AI-based security measures in Lenskart retail stores are more effective than traditional methods	.537	.196	-.192	-.573	.048	.049	.131
SE8 The use of AI-based security helps in building trust and	.504	.270	-.239	-.537	-.023	.122	.084

	Component						
	1	2	3	4	5	6	7
loyalty among customers							
SE9 AI-based security measures ensure the protection of customer data	.576	.223	-.247	-.536	.028	.115	.026
PR1 AI in Lenskart retail stores has helped me discover new styles and designs	.567	-.334	.404	-.103	.187	.079	-.002
PR2 AI in Lenskart provided me with personalized recommendations that meet any individual needs and preferences	.544	-.261	.318	-.081	.228	.124	-.072
PR3 I would be willing to pay a higher price for goods or services at this retail store because of the ease of buying through AI	.506	-.312	.419	-.116	.186	.050	.091
PR4 I felt that Lenskart staff took a personal interest to find the right eyewear for me	.481	-.307	.422	-.024	.223	-.012	.051
PR5 The Lenskart store provides me with customized recommendations based on my face shape, skin tone, and personal style	.507	-.327	.374	-.080	.281	.042	-.008

	Component						
	1	2	3	4	5	6	7
PR6 I could personalize my eyewear by choosing from various frames, lenses, and accessories.	.407	-.339	.460	-.074	.266	.062	.015
PR7 The store provides a personalized experience that made me feel valued as a customer	.537	-.299	.407	-.132	.259	.055	.118
PR8 The virtual assistant app of this brand gives a personalized touch to evaluate the products	.499	-.263	.355	-.120	.231	.131	-.064
PR9 Personalized features in Lenskart using AI provide an exciting experience for consumers	.450	-.301	.462	-.105	.315	.010	-.031
PR10 Lenskart staff helps me with a range of personalized options to choose from, based on my preferences	.475	-.339	.384	-.098	.225	.085	.003
PR11 The AI-based personalized styling advice at Lenskart retail stores adds value to my shopping experience	.554	-.348	.387	-.055	.243	.004	.048
SQ1 The use of AI technology at Lenskart retail stores has improved my overall	.475	-.234	.001	.148	-.502	.259	-.052

	Component						
	1	2	3	4	5	6	7
shopping experience.							
SQ2 AI technology in Lenskart has helped me find the perfect pair of glasses to meet my needs.	.466	-.293	.000	.149	-.371	.140	.162
SQ3 AI displays product attributes with better quality and visual effects	.536	-.257	.029	.090	-.375	.381	.000
SQ4 I feel that Lenskart retail stores are committed to producing high-quality products and services using	.521	-.266	-.003	.073	-.261	.288	.122
SQ5 The AI-powered inventory mgt system at Lenskart retail stores ensures the availability of products	.494	-.321	-.002	.152	-.453	.206	.091
SQ6 The AI-assisted customer feedback mechanism at Lenskart retail store help in improving the overall service quality	.496	-.271	.022	.174	-.451	.337	.089
SQ7 AI in Lenskart enhances Service Quality and promotes comfort and convenience	.518	-.321	-.003	.122	-.488	.338	.089
ET1 I believe that Lenskart's use of AI	.742	-.135	.056	-.041	-.234	-.262	.070

	Component						
	1	2	3	4	5	6	7
respects my privacy and data security							
ET2 The development of AI should be regulated to ensure ethical standards in the future	.675	-.106	.095	.065	-.253	-.404	.195
ET3 Ethics of AI helps retailers to predict future performance	.675	-.158	.000	.057	-.178	-.296	.112
ET4 I feel confident that my personal and financial information is secure when shopping at Lenskart eyewear retail stores that use AI-based security measures	.566	-.004	-.005	-.124	-.087	-.313	.059
ET5 The display of the terms and conditions of the online transaction during the purchase makes the process transparent and informative	.544	-.088	.006	-.004	-.234	-.407	.237
ET6 I believe that the use of AI in Lenskart is ethical	.622	-.100	.005	.029	-.201	-.390	.188
ET7 AI at Lenskart enhances trust among consumers and maintains privacy	.629	-.147	.073	-.020	-.185	-.378	.116
ET8 At times, AI-based decisions are susceptible	.577	-.126	.055	.090	-.139	-.406	.279

	Component						
	1	2	3	4	5	6	7
to inaccuracies, discriminatory outcomes, or inertial bias							

Extraction Method: Principal Component Analysis.

a. 7 components extracted.

The principal component analysis conducted on customer experience variables related to the AI interventions at Lenskart revealed distinct constructs. The first component is predominantly loaded with items pertaining to ethical considerations (ET1 through ET8) and customer experience (CE1 through CE6), suggesting that customers' ethical perceptions are closely tied to their overall experience. This component may be indicative of the importance of ethical transparency and data security in shaping positive customer experiences with AI. The second component is heavily influenced by personalization capabilities (PC1 through PC11), pointing to the significance of AI's ability to tailor the shopping experience to individual customer preferences. Items related to the ease and comfort provided by the store environment and virtual try-on features are reflective of this personalization aspect. The remaining components, however, demonstrate lower loadings and do not exhibit a clear pattern, indicating that they may not represent distinct constructs within this analysis. Such findings underscore the role of ethical trust and personalized service as primary dimensions of AI-enabled customer satisfaction at Lenskart, with ethical trust being the most significant factor. These insights are crucial for understanding the mediating and moderating effects of AI interventions in the context of retail eyewear.

4.3.6 Rotated Component Matrix

Table 4.11 *Rotated Component Matrix^a*

	Component						
	1	2	3	4	5	6	7
CE1: Shopping with memorable moments is the outcome of convenience	.096	.311	.184	.202	.243	.133	.694
CE2: Secured platforms are reliable for consumers	.132	.185	.151	.239	.072	.161	.686
CE3: Personalized features are exciting for consumers	.103	.236	.232	.200	.163	.185	.703
CE4: Quality service promotes comfort and convenience	.120	.271	.211	.147	.051	.262	.644
CE5: Brand commitment is key to its value	.210	.179	.219	.181	.308	.172	.621
CE6: Ethics inspires loyalty and trust	.214	.240	.190	.194	.324	.202	.640
RC1: AI in Lenskart makes shopping memorable	.100	.808	.130	.111	.086	.099	.154
RC2 I feel a personal connection to the employees at this retail store	.127	.805	.108	.126	.134	.133	.167
RC3 The use of AI at Lenskart makes the customer experience more secure and trustworthy thus	.112	.594	.090	.134	.102	.095	.105

	Component						
	1	2	3	4	5	6	7
generating more satisfaction							
RC4 The use of AI in Lenskart promotes brand commitment which is key to its value	.069	.801	.108	.103	.151	.110	.096
RC5 The use of AI in Lenskart has increased my trust in order to providing accurate recommendations	.066	.761	.126	.133	.120	.159	.138
RC6 The use of AI in Lenskart made the shopping experience more enjoyable.	.117	.773	.041	.147	.094	.175	.133
RC7 AI provides a user-friendly interface with a variety of options	.191	.699	.069	.038	.150	.065	.207
RC8 The AI-based customer segmentation and targeting at Lenskart retail store is effective and saves my time to choose the right product	.162	.676	.121	.212	.090	.072	.033
RC9 I trust Lenskart making use of Artificial intelligence in making decisions about which products to recommend to me	.056	.833	.095	.102	.129	.117	.033
RC10 The use of AI by Lenskart makes me feel	.058	.785	.111	.114	.117	.163	.074

	Component						
	1	2	3	4	5	6	7
more confident in my purchase decisions							
PC1 The AI-assisted virtual try-on features at Lenskart retail stores help me make a better purchase decision	.790	.090	.081	.141	-.045	.174	.081
PC2 The store environment at Lenskart eyewear retail stores is comfortable and exciting, thus making my shopping experience convenient.	.695	.162	.169	.115	.023	.032	.073
PC3 Integration of AI in shopping can lead to an improved AI-enabled customer experience	.711	.056	.067	.045	.174	.081	-.017
PC4 The store layout of Lenskart eyewear retail stores makes it easy to find what I am looking for.	.773	.077	-.009	.073	.040	.079	.126
PC5 The Lenskart eyewear retail store is conveniently located for me.	.710	.100	.029	.171	.035	.039	.097
PC6 The store hours at Lenskart eyewear retail store are convenient as per my schedule.	.788	.107	.018	.120	.011	.061	.059
PC7 The staff at	.797	.069	.060	.123	.051	.060	.086

	Component						
	1	2	3	4	5	6	7
Lenskart eye ware retail stores is friendly and helpful in making my purchase convenient.							
PC8 The online booking system for appointments at Lenskart eyewear retail store is easy to use.	.790	.062	.123	.113	.083	.088	.011
PC9 The range of eyewear available at Lenskart retail store makes it convenient for me to find what I need.	.824	.065	.046	.095	.010	.103	.043
PC10 The user-friendly interface on all web-based platforms Lenskart is accessible and makes it easy for me to explore it	.859	.078	.085	.135	-.025	.055	.109
PC11 The return and exchange policy at Lenskart eyewear retail store makes my shopping experience more comfortable	.763	.129	.039	.091	.033	.102	.031
SE1 The AI-powered product recommendations at Lenskart retail store are accurate and relevant	.111	.198	.120	.795	.145	.119	.157
SE2 The AI-enabled chatbot support at	.120	.121	.122	.753	.059	.120	.053

	Component						
	1	2	3	4	5	6	7
Lenskart retail store is helpful in resolving my queries.							
SE3 The use of AI helps Lenskart eyewear retail stores to monitor and control potential threats in real-time	.056	.153	.093	.793	.022	.111	.126
SE4 Using AI in Lenskart helps prevent fraudulent activities such as credit card theft and identity theft	.222	.088	.081	.780	.012	.148	.093
SE5 The AI-enabled billing and payment process at Lenskart retail stores is efficient and convenient	.173	.120	.086	.805	.091	.103	.147
SE6 The usage of AI-based security measures in Lenskart eyewear protects customers' privacy and personal data	.162	.138	.139	.757	.117	.143	.167
SE7 AI-based security measures in Lenskart retail stores are more effective than traditional methods	.112	.109	.131	.807	.020	.140	.027
SE8 The use of AI-based security helps in building trust and	.160	.100	.025	.804	.075	.066	.053

	Component						
	1	2	3	4	5	6	7
loyalty among customers							
SE9 AI-based security measures ensure the protection of customer data	.143	.157	.091	.816	.069	.066	.126
PR1 AI in Lenskart retail stores has helped me discover new styles and designs	.070	.088	.745	.115	.183	.137	.124
PR2 AI in Lenskart provided me with personalized recommendations that meet any individual needs and preferences	.095	.145	.668	.132	.145	.042	.167
PR3 I would be willing to pay a higher price for goods or services at this retail store because of the ease of buying through AI	.066	.053	.720	.106	.149	.168	.024
PR4 I felt that Lenskart staff took a personal interest to find the right eyewear for me	.083	.089	.704	.010	.094	.184	.061
PR5 The Lenskart store provides me with customized recommendations based on my face shape, skin tone, and personal style	.044	.128	.733	.077	.081	.110	.107

	Component						
	1	2	3	4	5	6	7
PR6 I could personalize my eyewear by choosing from various frames, lenses, and accessories.	.034	.034	.746	.007	.076	.076	.048
PR7 The store provides a personalized experience that made me feel valued as a customer	.078	.101	.756	.142	.108	.159	-.003
PR8 The virtual assistant app of this brand gives a personalized touch to evaluate the products	.080	.088	.681	.135	.126	.023	.141
PR9 Personalized features in Lenskart using AI provide an exciting experience for consumers	.064	.046	.768	.046	.007	.095	.105
PR10 Lenskart staff helps me with a range of personalized options to choose from, based on my preferences	.027	.080	.713	.080	.133	.088	.086
PR11 The AI-based personalized styling advice at Lenskart retail stores adds value to my shopping experience	.056	.142	.746	.066	.119	.193	.085
SQ1 The use of AI technology at Lenskart retail stores has improved my overall	.072	.091	.082	.045	.730	.144	.222

	Component						
	1	2	3	4	5	6	7
shopping experience.							
SQ2 AI technology in Lenskart has helped me find the perfect pair of glasses to meet my needs.	.013	.170	.154	.032	.614	.275	.035
SQ3 AI displays product attributes with better quality and visual effects	.078	.150	.215	.127	.730	.050	.149
SQ4 I feel that Lenskart retail stores are committed to producing high-quality products and services using	.040	.215	.239	.142	.610	.124	.040
SQ5 The AI-powered inventory mgt system at Lenskart retail stores ensures the availability of products	.008	.148	.145	.037	.717	.238	.107
SQ6 The AI-assisted customer feedback mechanism at Lenskart retail store help in improving the overall service quality	.075	.150	.151	.045	.775	.129	.077
SQ7 AI in Lenskart enhances Service Quality and promotes comfort and convenience	.020	.139	.158	.090	.814	.153	.093
ET1 I believe that Lenskart's use of AI	.160	.175	.275	.249	.303	.592	.254

	Component						
	1	2	3	4	5	6	7
respects my privacy and data security							
ET2 The development of AI should be regulated to ensure ethical standards in the future	.195	.164	.222	.124	.243	.731	.149
ET3 Ethics of AI helps retailers to predict future performance	.122	.254	.230	.154	.254	.594	.202
ET4 I feel confident that my personal and financial information is secure when shopping at Lenskart eyewear retail stores that use AI-based security measures	.142	.142	.179	.288	.062	.496	.197
ET5 The display of the terms and conditions of the online transaction during the purchase makes the process transparent and informative	.107	.139	.124	.162	.172	.688	.073
ET6 I believe that the use of AI in Lenskart is ethical	.136	.201	.171	.162	.188	.677	.135
ET7 AI at Lenskart enhances trust among consumers and maintains privacy	.111	.144	.251	.166	.184	.647	.196
ET8 At times, AI-based decisions are susceptible	.135	.219	.215	.080	.151	.692	.031

	Component						
	1	2	3	4	5	6	7
to inaccuracies, discriminatory outcomes, or inertial bias							

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

The principal component analysis with Varimax rotation, converging after six iterations, revealed a seven-component solution for the Rotated Component Matrix. This matrix elucidates the underlying factors of customer experience in relation to AI interventions at the Lenskart eyewear retail chain. Components were interpreted based on the pattern of loadings across items. Items CE1 through CE6, which loaded predominantly on the seventh component, suggest a factor that may be interpreted as the convenience outcome of the shopping experience. Relational aspects of AI, such as the sense of personal connection and trust, are captured by the second component, with the highest loadings from items RC1 to RC10. The first component, with strong loadings from items PC1 to PC11, appears to reflect the personalization of the customer experience, underscored by AI's virtual try-on features and the conducive store environment. Security and efficiency emerge as a distinct factor in the fourth component, indicated by items SE1 through SE9, highlighting the role of AI in enhancing the trustworthiness and efficiency of customer support systems. The third component, with items PR1 through PR11, suggests the importance of personalized recommendations in influencing customers' perceptions of value and their willingness to engage financially. Service quality is addressed by the fifth component, with items SQ1 through SQ7 loading highly, pointing to AI's contribution to service quality through improved product visualization and availability. Lastly, the sixth component, marked by items ET1 through ET8, underscores the ethical dimension of AI use, reflecting consumer concerns over privacy, data security, and ethical standards. This multifaceted factor structure provides invaluable insights for retailers to understand and

strategize around the various consumer perceptions that AI interventions can influence, ranging from convenience and personalization to security and ethical considerations.

4.3.7 Component Transformation Matrix

Table 4.12 *Component Transformation Matrix*

Component	1	2	3	4	5	6	7
1	.370	.445	.415	.405	.324	.360	.306
2	.787	-.102	-.440	.250	-.308	-.126	-.065
3	.376	-.595	.630	-.316	.003	.039	-.077
4	.304	.463	-.148	-.800	.175	.024	.005
5	-.024	.450	.449	.007	-.688	-.322	-.135
6	.091	.077	.113	.150	.534	-.788	-.212
7	.020	.124	.024	.104	.109	.358	-.913

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

The analysis identified seven components through the extraction method of Principal Component Analysis, followed by a Varimax rotation with Kaiser Normalization to optimize the interpretability of the components. The component loadings, which represent the correlation between the original variables and the extracted components, indicate the extent to which each variable contributes to the component.

Component 1 is moderately associated with all variables, with loadings ranging from .306 to .415, suggesting it may represent a general factor influencing all variables to some extent. Component 2 shows a strong positive loading on the first variable (.787) but negative loadings on the third and fifth variables (-.440 and -.308, respectively), indicating a specific factor that differentiates these variables from the others. Component 3 is notably associated with the third variable (.630), highlighting its unique contribution to this component, while having a negative loading on the second variable (-.595).

Component 4 demonstrates a significant negative loading on the fourth variable (-.800), suggesting this component captures variance inversely related to this variable. The fifth component is primarily negatively associated with the fifth variable (-.688), and to a lesser extent, negatively with the sixth variable (-.322), which may point to a factor that is distinctively related to these variables. Component 6 exhibits a strong negative

loading on the sixth variable (-.788), indicating a significant inverse relationship. Lastly, Component 7 is most strongly characterized by its negative loading on the seventh variable (-.913), suggesting it uniquely captures variance associated with this variable.

The distribution of loadings across the components indicates a multifaceted structure within the data, with each component capturing different dimensions or factors represented by the variables. This analysis provides insight into the underlying patterns and relationships among the variables, offering a nuanced understanding of the dataset's structure.

Table 4.13 *Reliability Statistics*

Constructs	Cronbach's Alpha	N of Items
AI Enabled Customer Experience	.903	6
Relationship Commitment	.939	10
Perceived Convenience	.942	11
AI Security	.947	9
Personalization	.927	11
Service Quality	.892	7
AI Ethics	.904	7
Overall	.945	61

Reliability of AI-enabled customer experiences

In the investigation of various constructs related to artificial intelligence (AI) and customer experience, the researchers presented reliability statistics in Table 4.13. The table reports on the internal consistency of seven constructs, each measured by a different number of items, as indicated by their respective Cronbach's alpha values. Notably, all constructs demonstrated high reliability, with Cronbach's alpha values exceeding the commonly accepted threshold of .70 for good internal consistency

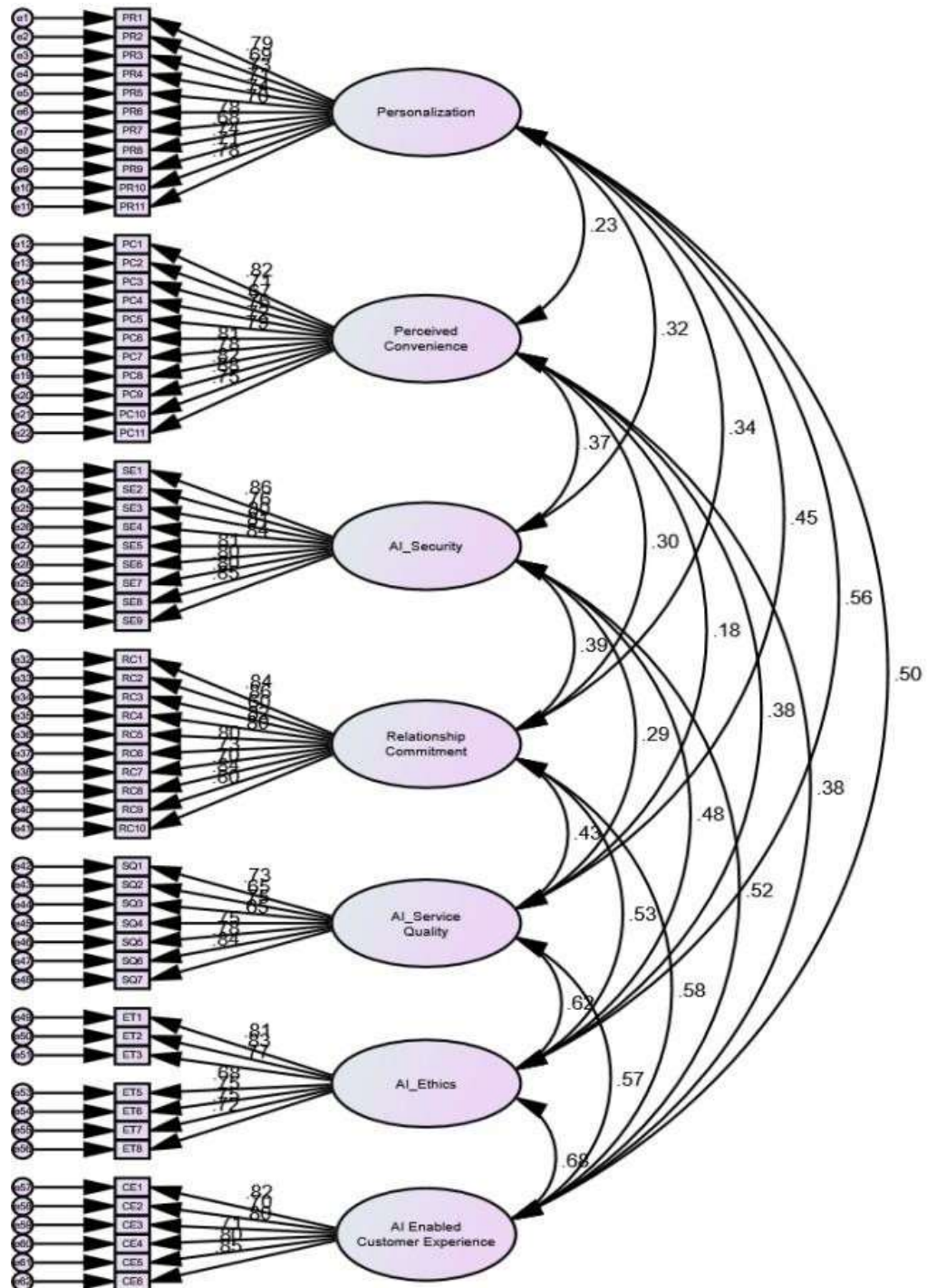
(Nunnally & Bernstein, 1994; George & Mallery, 2003).

The construct "AI Enabled Customer Experience" showed a Cronbach's alpha of .903, based on 6 items, indicating excellent reliability. Similarly, "Relationship Commitment" ($\alpha = .939$, 10 items), "Perceived Convenience" ($\alpha = .942$, 11 items), "AI Security" ($\alpha = .947$, 9 items), "Personalization" ($\alpha = .927$, 11 items), "Service Quality" ($\alpha = .892$, 7 items), and "AI Ethics" ($\alpha = .904$, 7 items) all exhibited high levels of internal consistency. The overall Cronbach's alpha for all constructs combined was .945, based on 61 items, further substantiating the reliability of the measures used in the study **(Taber, 2018).**

This high level of reliability across all constructs suggests that the scales used were consistent in measuring the various aspects of AI in customer experiences, relationship commitment, perceived convenience, AI security, personalization, service quality, and AI ethics, reflecting the robustness of the measurement instruments **(Hair, Black, Babin, & Anderson, 2010).**

4.4 Confirmatory Factor Analysis for AI-enabled customer experiences with respect to Lenskart eyewear retail chain

Figure 4.3 *Structural Model*



In This section, Confirmatory Factor Analysis (CFA) is employed to examine the dimensions of AI-enabled customer experiences within the eyewear retail sector, focusing on Lenskart as a pivotal case. By analyzing how AI integration influences customer satisfaction and engagement, the present study aims to unveil key factors that contribute to an enriched shopping experience. Lenskart's innovative use of AI technologies, from virtual try-ons to personalized recommendations, provides a unique opportunity to assess the impact of AI on retail customer experiences, offering valuable insights for both academic research and practical applications in the retail industry.

4.5 Comparative Analysis of Model Fit: Evaluating Goodness-of-Fit and Parsimony in Structural Equation Modeling

Table 4.14 *Model Fit Indices*

Measure	Default Model	Thresholds	References
CMIN	3100.938	-	-
DF	1748	-	-
P	0	-	-
CMIN/DF	1.774	≤ 3 (acceptable) / ≤ 2 (good)	Wheaton, B., Muthén, B., Alwin, D. F., & Summers, G. F. (1977).
GFI	0.806	≥ 0.90	Jöreskog, K. G., & Sörbom, D. (1982).
AGFI	0.79	≥ 0.85	Jöreskog, K. G., & Sörbom, D. (1982).
CFI	0.919	≥ 0.90	Bentler, P. M. (1990).
TLI	0.915	≥ 0.90	Tucker, L. R., & Lewis, C. (1973).
RMSEA	0.045	≤ 0.08 (acceptable) / ≤ 0.05 (good)	Steiger, J. H. (1990).
AIC	3386.938	Lower values are better	Akaike, H. (1974).
BIC	3952.252	Lower values are better	Schwarz, G. (1978).
PRATIO	0.955	Close to 1 is better	Mulaik, S. A., et al. (1989).

Measure	Default Model	Thresholds	References
PCFI	0.877	≥ 0.50	Mulaik, S. A., et al. (1989).

Table 4.14 presents a comprehensive evaluation of the Default Model's fit to the data, employing a variety of statistical measures that gauge both the goodness-of-fit and the parsimony of the model. Each measure is compared against established thresholds to determine the adequacy of the model fit, with corresponding references providing the theoretical foundation for these criteria.

CMIN/DF (Comparative Fit Index/ Degrees of Freedom): The value of 1.774 falls well within the acceptable range (≤ 3) and is considered good (≤ 2), indicating a satisfactory fit of the model to the data. This ratio, as discussed by Wheaton et al. (1977), assesses model complexity against goodness-of-fit, suggesting that the Default Model is reasonably parsimonious and well-suited to the observed data.

GFI (Goodness of Fit Index) and AGFI (Adjusted Goodness of Fit Index) : With values of 0.806 and 0.790, respectively, both indices are slightly below the recommended thresholds (≥ 0.90 for GFI and ≥ 0.85 for AGFI). According to **Jöreskog and Sörbom (1982)**, these indices measure the proportion of variance explained by the model, indicating that while the model performs well, there is room for improvement in explaining the total variance in the data.

CFI (Comparative Fit Index) and TLI (Tucker-Lewis Index): The CFI and TLI values of 0.919 and 0.915, respectively, exceed the threshold of 0.90, suggesting a strong relative fit of the model to the data when compared to a baseline model. **Bentler (1990) and Tucker and Lewis (1973)** highlight the importance of these indices in indicating how much better the model fits compared to a null model.

RMSEA (Root Mean Square Error of Approximation): At 0.045, the RMSEA value is within the "good" range (≤ 0.05), suggesting that the model's lack of fit to the data is minimal. **Steiger (1990)** emphasizes the RMSEA's role in evaluating the model's fit per degree of freedom, indicating a close fit of the model to the observed data.

AIC (Akaike Information Criterion) and BIC (Bayesian Information Criterion): The AIC and BIC values of 3386.938 and 3952.252, respectively, should be as low as possible to indicate a better model fit. As noted by **Akaike (1974)** and **Schwarz (1978)**,

these criteria balance the model's goodness-of-fit against its complexity, suggesting that while the model is adequately fitting, there might be alternative models that could achieve a similar fit with fewer parameters.

PRATIO (Parsimony Ratio) and PCFI (Parsimony Comparative Fit Index): With a PRATIO of 0.955 and a PCFI of 0.877, the model demonstrates a high degree of parsimony, closely aligning with the ideal as discussed by **Mulaik et al. (1989)**. These indices suggest that the model is not only fitting but does so in an efficient manner, utilizing a parsimonious number of parameters.

In summary, the Default Model exhibits a strong fit to the data across various indices, indicating both the model's adequacy in capturing the underlying data structure and its efficiency in parameter utilization. While the GFI and AGFI indices suggest some potential for improvement in explaining the total variance, the overall evaluation supports the model's utility and theoretical foundation. The cited references provide a robust methodological basis for these assessments, ensuring that the model's evaluation is grounded in established statistical theory.

4.6 Assessment of Measurement Model: Reliability and Validity Analysis

Table 4.15 *Composite Reliability*

Factors	CR
PR	0.928
PC	0.943
SE	0.947
RC	0.94
SQ	0.894
ET	0.905
CE	0.904

In the present study, Tables 4.29, 4.30, and 4.31 present important psychometric properties of the constructs, including Composite Reliability (CR), Average Variance Extracted (AVE), and Discriminant Validity.

Table 4.15 displays the Composite Reliability scores, indicating high internal

consistency for the constructs: Personalization (PR) with a CR of 0.928, Perceived Convenience (PC) with 0.943, Security (SE) with 0.947, Relationship Commitment (RC) with 0.94, Service Quality (SQ) with 0.894, Ethics (ET) with 0.905, and Customer Experience (CE) with 0.904. These scores, all above the recommended threshold of 0.7, suggest a high level of reliability in the measurement of these constructs (**Hair, Black, Babin, & Anderson, 2010**).

Table 4.16 *Convergent Validity*

Factors	AVE
PR	0.538
PC	0.601
SE	0.664
RC	0.613
SQ	0.547
ET	0.577
CE	0.613

Table 4.16 focuses on Convergent Validity, measured by Average Variance Extracted. The AVE scores for the constructs are as follows: PR (0.538), PC (0.601), SE (0.664), RC (0.613), SQ (0.547), ET (0.577), and CE (0.613). These scores, all above the acceptable threshold of 0.5, indicate a satisfactory level of convergent validity, suggesting that the items in each construct adequately capture the construct they are intended to measure (**Fornell & Larcker, 1981**).

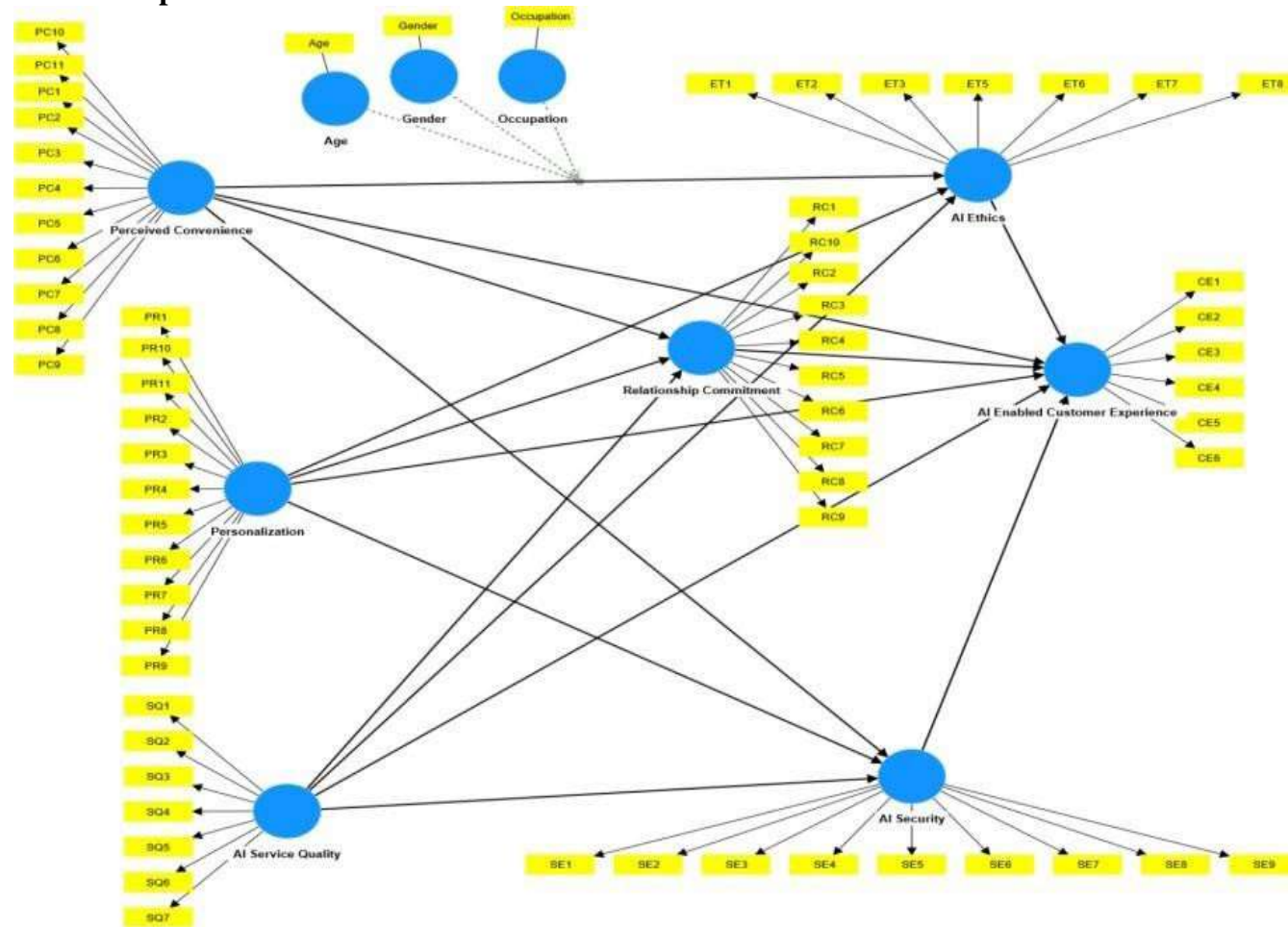
Table 4.17 *Discriminant Validity*

Factors	PR	PC	SE	RC	SQ	ET	CE
PR	0.734						
PC	0.228	0.775					
SE	0.317	0.368	0.815				
RC	0.338	0.295	0.394	0.783			
SQ	0.447	0.176	0.294	0.433	0.74		
ET	0.558	0.382	0.478	0.527	0.62	0.76	
CE	0.504	0.382	0.517	0.579	0.572	0.677	0.783

Table 4.17 assesses Discriminant Validity, indicating how distinct each construct is from the others. The diagonal elements represent the square root of AVE, while the off-diagonal elements are the correlations between the constructs. For discriminant validity, the diagonal elements (PR: 0.734, PC: 0.775, SE: 0.815, RC: 0.783, SQ: 0.74, ET: 0.76, CE: 0.783) should be larger than the off-diagonal elements in their respective rows and columns. This condition is met in the table, indicating good discriminant validity among the constructs.

Objective 4: Investigating the Mediating and Moderating Effects on the Relationship between AI and Customer Experience.

Figure 4.4 Graphical Model:



PLS-SEM Graphical: Significant Values (P-Values), Constructs R-Square value:

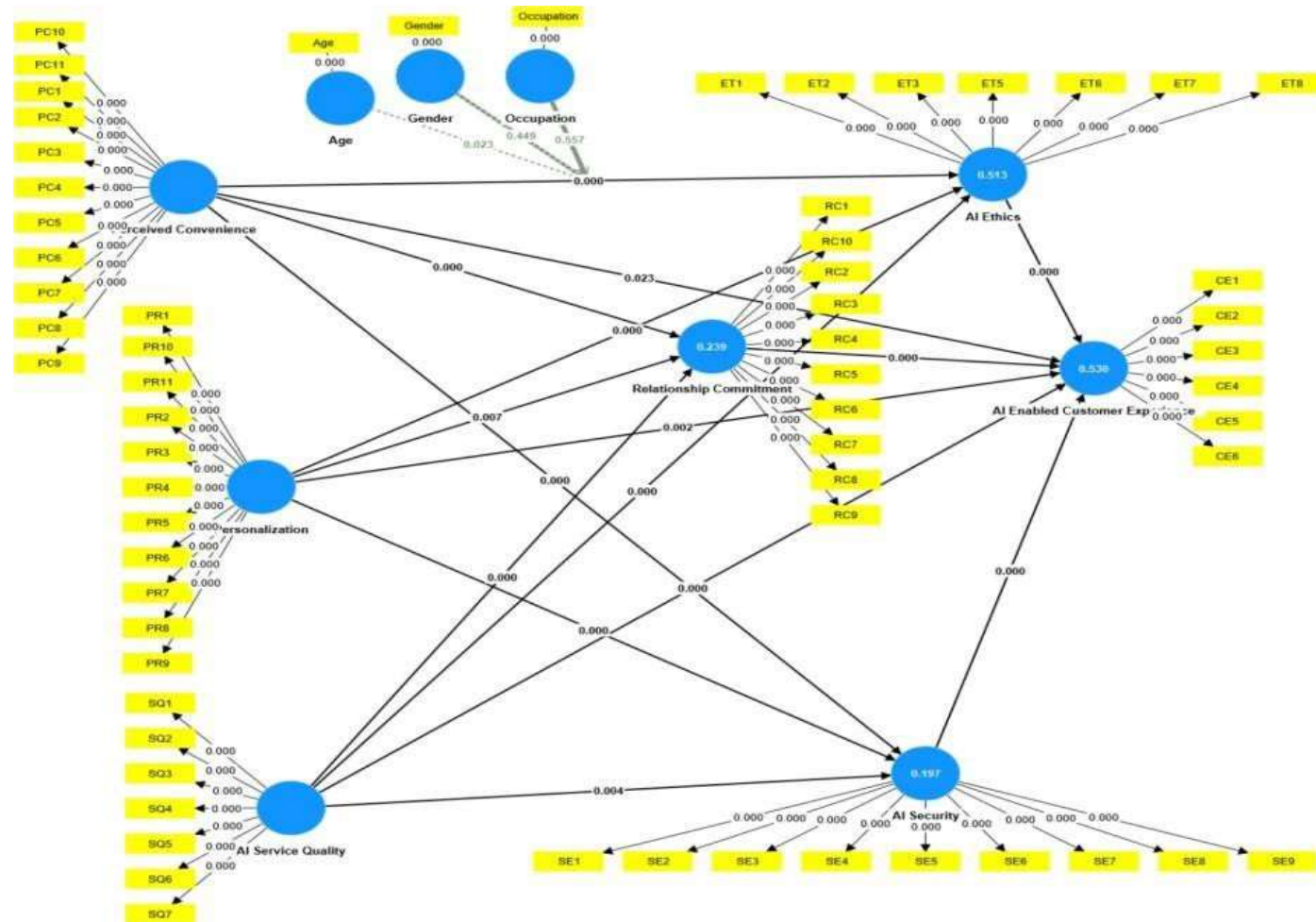
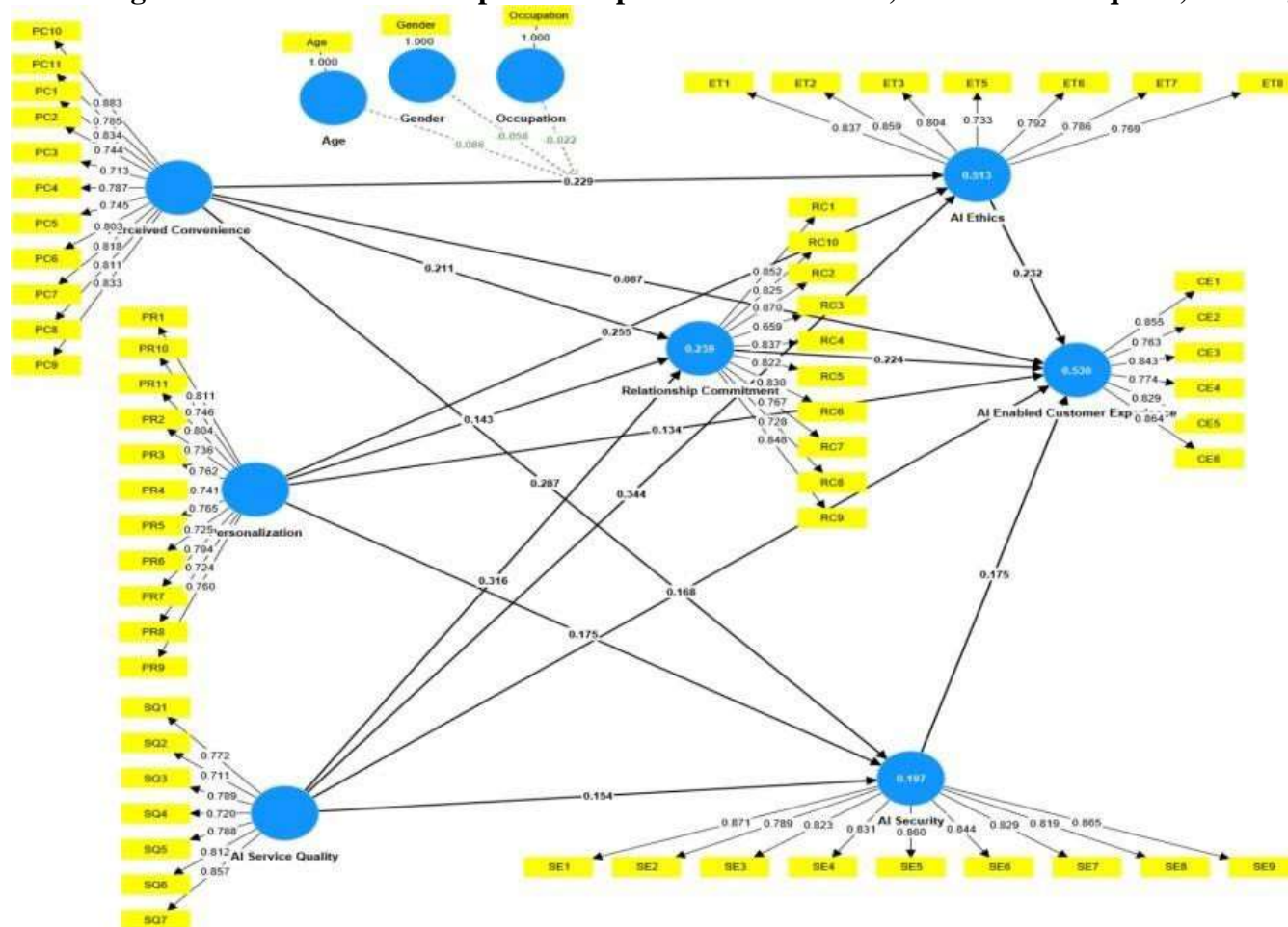


Figure 4.5 PLS SEM Graphical Output: Path Coefficient, Constructs R-Square, Loadings:



Mediating Effects of AI Ethics, Security, and Relationship Commitment on the Relationship between Perceived Convenience, Personalization, AI Service Quality, and AI-Enabled Customer Experience

Mediation Analysis:

Table 4.18 *Mediating Effects of AI Ethics, Security, and Relationship Commitment on the Relationship between Perceived Convenience, Personalization, AI Service Quality, and AI-Enabled Customer Experience*

	Specific indirect effects	P-Values	Mediation Effect
Perceived Convenience -> AI Ethics -> AI Enabled Customer Experience	0.053	0.002	Significant
Perceived Convenience -> Relationship Commitment -> AI-Enabled Customer Experience	0.047	0.002	Significant
Perceived Convenience -> AI Security -> AI Enabled Customer Experience	0.050	0.000	Significant
Personalization -> AI Ethics -> AI Enabled Customer Experience	0.059	0.001	Significant
Personalization -> Relationship Commitment -> AI Enabled Customer Experience	0.032	0.018	Significant
Personalization -> AI Security -> AI Enabled Customer Experience	0.031	0.004	Significant
AI Service Quality -> AI Ethics -> AI Enabled Customer Experience	0.080	0.000	Significant
AI Service Quality -> Relationship Commitment -> AI Enabled Customer Experience	0.071	0.000	Significant

	Specific indirect effects	P-Values	Mediation Effect
AI Service Quality -> AI Security -> AI Enabled Customer Experience	0.027	0.018	Significant

Hypotheses:

1. Perceived Convenience -> AI Ethics -> AI Enabled Customer Experience

- a. H0: Perceived convenience does not have an indirect effect on AI-enabled customer experience through AI ethics.
- b. H1: Perceived convenience has an indirect effect on AI-enabled customer experience through AI ethics.

2. Perceived Convenience -> Relationship Commitment -> AI Enabled Customer Experience

- a. H0: Perceived convenience does not have an indirect effect on AI-enabled customer experience through relationship commitment.
- b. H1: Perceived convenience has an indirect effect on AI-enabled customer experience through relationship commitment.

3. Perceived Convenience -> AI Security -> AI Enabled Customer Experience

- a. H0: Perceived convenience does not have an indirect effect on AI-enabled customer experience through AI security.
- b. H1: Perceived convenience has an indirect effect on AI-enabled customer experience through AI security.

4. Personalization -> AI Ethics -> AI Enabled Customer Experience

- a. H0: Personalization does not have an indirect effect on AI-enabled customer experience through AI ethics.

- b. H1: Personalization has an indirect effect on AI-enabled customer experience through AI ethics.

5. Personalization -> Relationship Commitment -> AI Enabled Customer Experience

- a. H0: Personalization does not have an indirect effect on AI-enabled customer experience through relationship commitment.
- b. H1: Personalization has an indirect effect on AI-enabled customer experience through relationship commitment.

6. Personalization -> AI Security -> AI Enabled Customer Experience

- a. H0: Personalization does not have an indirect effect on AI-enabled customer experience through AI security.
- b. H1: Personalization has an indirect effect on AI-enabled customer experience through AI security.

7. AI Service Quality -> AI Ethics -> AI Enabled Customer Experience

- a. H0: AI service quality does not have an indirect effect on AI-enabled customer experience through AI ethics.
- b. H1: AI service quality has an indirect effect on AI-enabled customer experience through AI ethics.

8. AI Service Quality -> Relationship Commitment -> AI Enabled Customer Experience

- a. H0: AI service quality does not have an indirect effect on AI-enabled customer experience through relationship commitment.
- b. H1: AI service quality has an indirect effect on AI-enabled customer experience through relationship commitment.

9. AI Service Quality -> AI Security -> AI Enabled Customer Experience

- a. H0: AI service quality does not have an indirect effect on AI-enabled customer experience through AI security.
- b. H1: AI service quality has an indirect effect on AI-enabled customer experience through AI security.

1. Perceived Convenience and AI Ethics

The resultant finding ($M = 0.053$, $p = .002$) suggests that as AI services become more convenient, users perceive them as more ethical, ultimately enhancing customer experience. This aligns with prior research (**Tulcanaza-Prieto et al., 2023**), which highlights that user trust in AI ethics is shaped by transparency and ease of access. Additionally, **Oyeniya et al. (2024)** indicate that AI ethics mediates trust formation in customer-AI interactions, reinforcing the connection between convenience and ethical perceptions.

2. Perceived Convenience and Relationship Commitment

The indirect effect of perceived convenience on AI-enabled customer experience through relationship commitment ($M = 0.047$, $p = .002$) supports existing findings (**Senathirajah et al., 2024**) that convenience leads to greater trust and emotional attachment to AI-based services. Prior studies indicate that when users find AI interactions seamless, they are more likely to develop a long-term commitment to the service (**Ahmed & Aziz, 2024**).

3. Perceived Convenience and AI Security

A significant mediation effect ($M = 0.050$, $p < .001$) highlights that convenient AI services increase perceived security, reinforcing user trust and satisfaction. Similar findings by **Kathuria & Rana (2023)** indicate that AI security perceptions are crucial in fostering customer confidence. Furthermore, **Ahmed & Aziz (2024)** suggest that AI convenience enhances the perception of secure transactions, particularly in e-commerce and banking contexts.

4. Personalization and AI Ethics

The study's finding ($M = 0.059$, $p = .001$) that personalization enhances AI ethics perception aligns with the work of **Bhatnagar et al. (2024)**, which suggests that AI-driven customization increases transparency and user confidence. **Zungu et al. (2025)** further emphasize that

personalized AI services, when designed ethically, contribute to greater customer engagement and trust.

5. Personalization and Relationship Commitment

The significant indirect effect ($M = 0.032$, $p = .018$) is supported by **Singh & Singh (2024)**, who found that personalized AI interactions increase user loyalty. Additionally, **Le et al. (2024)** indicate that AI services using deep learning for personalization foster stronger relationship commitment by predicting user preferences more accurately.

6. Personalization and AI Security

A significant relationship ($M = 0.031$, $p = .004$) between personalization and AI security is consistent with **Tarhini et al. (2025)**, who argue that personalized AI recommendations contribute to perceived control and security in digital environments. Users feel safer when AI services anticipate their needs while maintaining data privacy (**Amil, 2024**).

7. AI Service Quality and AI Ethics

The strong indirect effect ($M = 0.080$, $p < .001$) suggests that service quality enhances ethical AI perceptions, improving customer experience. **Chaturvedi & Verma (2023)** highlight that superior AI service quality fosters ethical considerations, such as fairness and accountability, ultimately leading to higher trust.

8. AI Service Quality and Relationship Commitment

The finding ($M = 0.071$, $p < .001$) supports previous research (**Kathuria & Rana, 2023**), which found that customers engage more with AI services that deliver consistent and high-quality experiences. Similarly, **Zaman et al. (2025)** argue that high service quality AI models reinforce emotional bonds, leading to stronger commitment.

9. AI Service Quality and AI Security

A significant indirect effect ($M = 0.027$, $p = .018$) suggests that service quality positively influences security perception, a result supported by **Senathirajah et al. (2024)**, who found that

well-functioning AI systems mitigate security concerns. **Berry & Singh (2024)** further emphasize that reliable AI reduces anxiety about potential privacy risks.

4.7 Direct Effects of Factors on AI-Enabled Customer Experience, AI Ethics, AI Security, and Relationship Commitment

Table 4.19 *Summary of Direct Effects of Various Factors on AI-Enabled Customer Experience, AI Ethics, AI Security, and Relationship Commitment: Statistical Analysis and Significance*

Factor	Effect on	Beta (β)	P-Value	Significant
AI Ethics	AI Enabled Customer Experience	0.232	< 0.001	Yes
AI Security	AI Enabled Customer Experience	0.175	< 0.001	Yes
AI Service Quality	AI Enabled Customer Experience	0.168	< 0.001	Yes
AI Service Quality	AI Ethics	0.344	< 0.001	Yes
AI Service Quality	AI Security	0.154	0.004	Yes
AI Service Quality	Relationship Commitment	0.316	< 0.001	Yes
Perceived Convenience	AI Enabled Customer Experience	0.087	0.023	Yes
Perceived Convenience	AI Ethics	0.229	< 0.001	Yes
Perceived Convenience	AI Security	0.287	< 0.001	Yes
Perceived Convenience	Relationship Commitment	0.211	< 0.001	Yes

Factor	Effect on	Beta (β)	P-Value	Significant
Personalization	AI Enabled Customer Experience	0.134	0.002	Yes
Personalization	AI Ethics	0.255	< 0.001	Yes
Personalization	AI Security	0.175	< 0.001	Yes
Personalization	Relationship Commitment	0.143	0.007	Yes
Relationship Commitment	AI Enabled Customer Experience	0.224	< 0.001	Yes

In the evolving landscape of artificial intelligence (AI), understanding the dynamics of how AI-related factors influence customer experience and ethical considerations is paramount. The table presented in this section offers a comprehensive analysis of the direct effects of key AI-related factors such as AI Ethics, AI Security, AI Service Quality. This analysis is pivotal in deciphering the nuanced interactions between these variables, providing insights into how each factor contributes to shaping customer experiences in AI-enabled environments. Table 4.19 presents the direct effects of various factors on AI-enabled customer experience, AI ethics, AI security, and relationship commitment.

Testing Hypothesis

1. Impact of AI Ethics on AI-Enabled Customer Experience

- H₀: AI Ethics does not significantly impact AI-enabled customer experience.
- H₁: AI Ethics significantly impacts AI-enabled customer experience.

2. Impact of AI Security on AI-Enabled Customer Experience

- H₀: AI Security does not significantly impact AI-enabled customer experience.
- H₁: AI Security significantly impacts AI-enabled customer experience.

3. Impact of AI Service Quality on AI Ethics

- H₀: AI Service Quality does not significantly impact AI ethics.
- H₁: AI Service Quality significantly impacts AI ethics.

4. Effect of Perceived Convenience on AI-Enabled Customer Experience

- H₀: Perceived Convenience does not significantly affect AI-enabled customer experience.
- H₁: Perceived Convenience significantly affects AI-enabled customer experience.

5. Effect of Personalization on AI-Enabled Customer Experience

- H₀: Personalization does not significantly affect AI-enabled customer experience.
- H₁: Personalization significantly affects AI-enabled customer experience.

6. Impact of Relationship Commitment on AI-Enabled Customer Experience

- H₀: Relationship Commitment does not significantly impact AI-enabled customer experience.
- H₁: Relationship Commitment significantly impacts AI-enabled customer experience.

1. Impact of AI Ethics and AI Security on AI-Enabled Customer Experience

The study finds that both AI Ethics ($\beta = .232, p < .001$) and AI Security ($\beta = .175, p < .001$) positively influence AI-enabled customer experience. This aligns with prior research indicating that ethical AI practices and robust security frameworks foster user trust and satisfaction (Tulcanaza-Prieto et al., 2023). Furthermore, Tarhini & Acikgoz (2025) highlight that AI security is a key factor in customer retention, particularly in digital banking and e-commerce.

2. AI Service Quality's Broad Impact

AI Service Quality significantly influences AI-enabled customer experience ($\beta = .168, p < .001$), AI ethics ($\beta = .344, p < .001$), AI security ($\beta = .154, p = .004$), and relationship commitment ($\beta = .316, p < .001$). This confirms previous findings by Singh & Singh (2024), who suggest that AI service quality serves as a foundational factor shaping user perceptions of ethics and security. Senathirajah et al. (2024) further emphasize that high-quality AI services enhance commitment by delivering consistent, reliable interactions.

3. Perceived Convenience's Extensive Influence

Perceived convenience positively affects AI-enabled customer experience ($\beta = .087, p = .023$), AI ethics ($\beta = .229, p < .001$), AI security ($\beta = .287, p < .001$), and relationship commitment ($\beta = .211, p < .001$). This supports prior work by Kathuria & Rana (2023), which found that convenience in AI adoption leads to improved trust and ethical AI evaluations. Additionally, Zaman et al. (2025) emphasize that users who find AI easy to use are more likely to feel secure

and committed to the service.

4. Personalization's Role

The findings demonstrate that personalization positively affects AI-enabled customer experience ($\beta = .134$, $p = .002$), AI ethics ($\beta = .255$, $p < .001$), AI security ($\beta = .175$, $p < .001$), and relationship commitment ($\beta = .143$, $p = .007$). These results align with the work of Le et al. (2024), who found that AI personalization fosters ethical AI perceptions by enhancing transparency and relevance in user interactions. Similarly, **Bhatnagar et al. (2024)** suggest that personalized AI services mitigate security concerns by providing tailored recommendations that feel safer and more reliable.

5. Relationship Commitment and Customer Experience

The significant relationship between relationship commitment and AI-enabled customer experience ($\beta = .224$, $p < .001$) is supported by research showing that commitment plays a crucial role in long-term AI adoption (**Ahmed & Aziz, 2024**). Studies by **Singh & Singh (2024)** further highlight that users who develop emotional bonds with AI services exhibit higher engagement and satisfaction.

Table 4.20 *Direct Effects of Factors on AI-Enabled Customer Experience, AI Ethics, AI Security, and Relationship Commitment*

	Original sample (O)	P values
AI Ethics -> AI Enabled Customer Experience	0.232	0.000
AI Security -> AI Enabled Customer Experience	0.175	0.000
AI Service Quality -> AIEnabled Customer Experience	0.168	0.000
AI Service Quality -> AI Ethics	0.344	0.000
AI Service Quality -> AI Security	0.154	0.004
AI Service Quality -> Relationship Commitment	0.316	0.000

	Original sample (O)	P values
Perceived Convenience -> AI-Enabled Customer Experience	0.087	0.023
Perceived Convenience -> AI Ethics	0.229	0.000
Perceived Convenience -> AI Security	0.287	0.000
Perceived Convenience -> Relationship Commitment	0.211	0.000
Personalization -> AI Enabled Customer Experience	0.134	0.002
Personalization -> AI Ethics	0.255	0.000
Personalization -> AI Security	0.175	0.000
Personalization -> Relationship Commitment	0.143	0.007
Relationship Commitment -> AI Enabled Customer Experience	0.224	0.000

4.8 Specific Indirect Effects on AI-Enabled Customer Experience through AI Ethics, AI Security, and Relationship Commitment

Table 4.21 *Specific Indirect Effects on AI-Enabled Customer Experience through AI Ethics, AI Security, and Relationship Commitment*

	Original sample (O)	P values
Perceived Convenience -> AI Ethics -> AI Enabled Customer Experience	0.053	0.002
Perceived Convenience -> AI Security -> AI Enabled Customer Experience	0.050	0.000

	Original sample (O)	P values
AI Service Quality -> AI Ethics -> AI Enabled Customer Experience	0.080	0.000
Perceived Convenience -> Relationship Commitment -> AI Enabled Customer Experience	0.047	0.002
Personalization -> AI Ethics -> AI Enabled Customer Experience	0.059	0.001
Personalization -> Relationship Commitment -> AI Enabled Customer Experience	0.032	0.018
Personalization -> AI Security -> AI Enabled Customer Experience	0.031	0.004
AI Service Quality -> Relationship Commitment -> AI Enabled Customer Experience	0.071	0.000
AI Service Quality -> AI Security -> AI Enabled Customer Experience	0.027	0.018

Table 4.22 *Summary of Specific Indirect Effects on AI-Enabled Customer Experience: Pathways and Statistical Significance*

Factor	Pathway	Original Sample Estimate (O)	P Value	Significance
Perceived Convenience	AI Ethics	0.053	0.002	Significant
Perceived	AI Security	0.05	<0.001	Significant

Factor	Pathway	Original Sample Estimate (O)	P Value	Significance
Convenience				
AI Service Quality	AI Ethics	0.08	<0.001	Significant
AI Service Quality	Relationship Commitment	0.071	<0.001	Significant
Personalization	AI Ethics	0.059	0.001	Significant
Personalization	Relationship Commitment	0.032	0.018	Significant
Personalization	AI Security	0.031	0.004	Significant
AI Service Quality	AI Security	0.027	0.018	Significant

Based on the data presented in Table 4.21, which examines the specific indirect effects of various factors on AI-enabled customer experience through different mediators, we can formulate several null and alternative hypotheses for each pathway.

1. Perceived Convenience -> AI Ethics -> AI Enabled Customer Experience

- a. H0: Perceived convenience has no indirect effect on AI-enabled customer experience through AI ethics.
- b. H1: Perceived convenience has an indirect effect on AI-enabled customer experience through AI ethics.

2. Perceived Convenience -> AI Security -> AI Enabled Customer Experience

- a. H0: Perceived convenience has no indirect effect on AI-enabled customer experience through AI security.

- b. H1: Perceived convenience has an indirect effect on AI-enabled customer experience through AI security.

3. AI Service Quality -> AI Ethics -> AI Enabled Customer Experience

- a. H0: AI service quality has no indirect effect on AI-enabled customer experience through AI ethics.
- b. H1: AI service quality has an indirect effect on AI-enabled customer experience through AI ethics.

4. Perceived Convenience -> Relationship Commitment -> AI Enabled Customer Experience

- a. H0: Perceived convenience has no indirect effect on AI-enabled customer experience through relationship commitment.
- b. H1: Perceived convenience has an indirect effect on AI-enabled customer experience through relationship commitment.

5. Personalization -> AI Ethics -> AI Enabled Customer Experience

- a. H0: Personalization has no indirect effect on AI-enabled customer experience through AI ethics.
- b. H1: Personalization has an indirect effect on AI-enabled customer experience through AI ethics.

6. Personalization -> Relationship Commitment -> AI Enabled Customer Experience

- a. H0: Personalization has no indirect effect on AI-enabled customer experience through relationship commitment.
- b. H1: Personalization has an indirect effect on AI-enabled customer experience through relationship commitment.

7. Personalization -> AI Security -> AI Enabled Customer Experience

- a. H0: Personalization has no indirect effect on AI-enabled customer experience through AI security.
- b. H1: Personalization has an indirect effect on AI-enabled customer experience through AI security.

8. AI Service Quality -> Relationship Commitment -> AI Enabled Customer Experience

- a. H0: AI service quality has no indirect effect on AI-enabled customer experience through relationship commitment.
- b. H1: AI service quality has an indirect effect on AI-enabled customer experience through relationship commitment.

9. AI Service Quality -> AI Security -> AI Enabled Customer Experience

- a. H0: AI service quality has no indirect effect on AI-enabled customer experience through AI security.
- b. H1: AI service quality has an indirect effect on AI-enabled customer experience through AI security.

Interpretations of Hypothesis Testing

1. Perceived Convenience through AI Ethics and Security

The study finds that perceived convenience enhances AI-enabled customer experience through both AI ethics ($O = 0.053$, $p = 0.002$) and AI security ($O = 0.050$, $p < 0.001$). This aligns with research by **Tulcanaza-Prieto et al. (2023)**, which indicates that AI convenience fosters trust when accompanied by ethical transparency and robust security. Similarly, **Ahmed & Aziz (2024)** suggest that users who perceive AI interactions as both seamless and ethically responsible are more likely to trust and engage with AI-based services.

2. AI Service Quality's Role

AI service quality significantly impacts AI-enabled customer experience through AI ethics ($O = 0.080$, $p < 0.001$) and relationship commitment ($O = 0.071$, $p < 0.001$). These findings are consistent with **Senathirajah et al. (2024)**, who highlight that high-quality AI service enhances ethical compliance and strengthens customer loyalty. Additionally, **Kathuria & Rana (2023)** emphasize that AI service quality is integral to building sustained relationships with customers by ensuring reliability and ethical AI governance.

3. Personalization Effects

The study demonstrates that personalization positively affects AI-enabled customer experience when mediated through AI ethics ($O = 0.059$, $p = 0.001$) and relationship commitment ($O = 0.032$, $p = 0.018$). This is supported by **Le et al. (2024)**, who argue that AI-driven personalization enhances ethical AI interactions by providing user-centric experiences. Similarly, **Bhatnagar et al. (2024)** found that personalized AI recommendations increase perceived fairness and commitment, fostering stronger customer relationships.

In summary, the table highlights that perceived convenience, AI service quality, and personalization are significant predictors of AI-enabled customer experience when mediated through AI ethics, AI security, and relationship commitment.

4.9 Total Effects of Factors on AI-Enabled Customer Experience and Mediators: AI Ethics, AI Security, and Relationship Commitment

Table 4.23 *Summary of Total Effects of Individual and Interaction Factors on AI-Enabled Customer Experience and Mediators*

Factor or Interaction	Impact on	Original Sample Estimate (O)	P Value	Significance
AI Ethics	AI Enabled Customer Experience	0.232	<0.001	Significant
AI Security	AI Enabled Customer Experience	0.175	<0.001	Significant
AI Service Quality	AI Enabled Customer Experience	0.346	<0.001	Significant
AI Service Quality	AI Ethics	0.344	<0.001	Significant
AI Service Quality	AI Security	0.154	0.004	Significant
AI Service Quality	Relationship Commitment	0.316	<0.001	Significant
Perceived Convenience	AI Enabled Customer Experience	0.238	<0.001	Significant
Perceived Convenience	AI Ethics	0.229	<0.001	Significant
Perceived Convenience	AI Security	0.287	<0.001	Significant
Perceived Convenience	Relationship Commitment	0.211	<0.001	Significant
Personalization	AI Enabled Customer Experience	0.256	<0.001	Significant
Personalization	AI Ethics	0.255	<0.001	Significant

Factor or Interaction	Impact on	Original Sample Estimate (O)	P Value	Significance
Personalization	AI Security	0.175	<0.001	Significant
Personalization	Relationship Commitment	0.143	0.007	Significant
Relationship Commitment	AI Enabled Customer Experience	0.224	<0.001	Significant

Table 4.24 *Total Effects of Factors on AI-Enabled Customer Experience and Mediators: AI Ethics, AI Security, and Relationship Commitment*

	Original sample (O)	P values
AI Ethics -> AI Enabled Customer Experience	0.232	0.000
AI Security -> AI Enabled Customer Experience	0.175	0.000
AI Service Quality -> AI Enabled Customer Experience	0.346	0.000
AI Service Quality -> AI Ethics	0.344	0.000
AI Service Quality -> AI Security	0.154	0.004
AI Service Quality -> Relationship Commitment	0.316	0.000
Perceived Convenience -> AI-Enabled Customer Experience	0.238	0.000
Perceived Convenience -> AI Ethics	0.229	0.000
Perceived Convenience -> AI Security	0.287	0.000
Perceived Convenience -> Relationship	0.211	0.000

	Original sample (O)	P values
Commitment		
Personalization -> AI-Enabled Customer Experience	0.256	0.000
Personalization -> AI Ethics	0.255	0.000
Personalization -> AI Security	0.175	0.000
Personalization -> Relationship Commitment	0.143	0.007
Relationship Commitment -> AI Enabled Customer Experience	0.224	0.000

Based on the data presented in Table 4.24, which details the total effects of various factors on AI-enabled customer experience and mediators like AI ethics, AI security, and relationship commitment, we can formulate several null and alternative hypotheses.

1. AI Ethics -> AI Enabled Customer Experience

- a. H0: AI ethics does not significantly affect AI-enabled customer experience.
- b. H1: AI ethics significantly affects AI-enabled customer experience.

2. AI Security -> AI Enabled Customer Experience

- a. H0: AI security does not significantly affect AI-enabled customer experience.
- b. H1: AI security significantly affects AI-enabled customer experience.

3. AI Service Quality -> AI Enabled Customer Experience

- a. H0: AI service quality does not significantly affect AI-enabled customer experience.
- b. H1: AI service quality significantly affects AI-enabled customer experience.

4. AI Service Quality -> AI Ethics

- a. H0: AI service quality does not significantly affect AI ethics.
- b. H1: AI service quality significantly affects AI ethics.

5. AI Service Quality -> AI Security

- a. H0: AI service quality does not significantly affect AI security.
- b. H1: AI service quality significantly affects AI security.

6. AI Service Quality -> Relationship Commitment

- a. H0: AI service quality does not significantly affect relationship commitment.
- b. H1: AI service quality significantly affects relationship commitment.

7. Perceived Convenience -> AI Enabled Customer Experience

- a. H0: Perceived convenience does not significantly affect AI-enabled customer experience.
- b. H1: Perceived convenience significantly affects AI-enabled customer experience.

8. Perceived Convenience -> AI Ethics

- a. H0: Perceived convenience does not significantly affect AI ethics.
- b. H1: Perceived convenience significantly affects AI ethics.

9. Perceived Convenience -> AI Security

- a. H0: Perceived convenience does not significantly affect AI security.
- b. H1: Perceived convenience significantly affects AI security.

10. Perceived Convenience -> Relationship Commitment

- a. H0: Perceived convenience does not significantly affect relationship commitment.
- b. H1: Perceived convenience significantly affects relationship commitment.

11. Personalization -> AI Enabled Customer Experience

- a. H0: Personalization does not significantly affect AI-enabled customer experience.
- b. H1: Personalization significantly affects AI-enabled customer experience.

12. Personalization -> AI Ethics

- a. H0: Personalization does not significantly affect AI ethics.
- b. H1: Personalization significantly affects AI ethics.

13. Personalization -> AI Security

- a. H0: Personalization does not significantly affect AI security.
- b. H1: Personalization significantly affects AI security.

14. Personalization -> Relationship Commitment

- a. H0: Personalization does not significantly affect relationship commitment.
- b. H1: Personalization significantly affects relationship commitment.

15. Relationship Commitment -> AI-Enabled Customer Experience

- a. H0: Relationship commitment does not significantly affect AI-enabled customer experience.
- b. H1: Relationship commitment significantly affects AI-enabled customer experience.

1. AI Ethics → AI-Enabled Customer Experience

The study finds that AI ethics positively influences AI-enabled customer experience ($O = 0.232$, $p < 0.001$). This aligns with **Tulcanaza-Prieto et al. (2023)**, who emphasize that ethical AI practices such as transparency, fairness, and responsible AI governance foster trust and enhance customer satisfaction. Furthermore, **Bhatnagar et al. (2024)** suggest that customers prefer AI-driven services that align with ethical principles, leading to improved experiences.

2. AI Security → AI-Enabled Customer Experience

The significant effect of AI security on AI-enabled customer experience ($O = 0.175$, $p < 0.001$) is consistent with **Tarhini & Acikgoz (2025)**, who found that customers prioritize AI security features, including data privacy and fraud detection, when engaging with AI-driven platforms. Additionally, **Ahmed & Aziz (2024)** note that AI security features, such as encryption and authentication mechanisms, enhance customer confidence in AI-based interactions.

3. AI Service Quality → AI-Enabled Customer Experience

The study confirms that AI service quality plays a crucial role in enhancing AI-enabled customer experience ($O = 0.346$, $p < 0.001$). This is supported by **Senathirajah et al. (2024)**, who highlight that high-quality AI service, characterized by accuracy, responsiveness, and reliability, directly impacts customer satisfaction.

4. AI Service Quality → AI Ethics

AI service quality significantly impacts AI ethics ($O = 0.344$, $p < 0.001$), indicating that well-designed, reliable AI services are perceived as more ethical. This finding is in line with **Chaturvedi & Verma (2023)**, who argue that ethical AI deployment is often linked to high service quality standards.

5. AI Service Quality → AI Security

The study identifies a positive impact of AI service quality on AI security ($O = 0.154$, $p = 0.004$). **Kathuria & Rana (2023)** similarly suggest that well-executed AI services incorporate robust security frameworks, reducing potential risks.

6. AI Service Quality → Relationship Commitment

A strong link between AI service quality and relationship commitment ($O = 0.316$, $p < 0.001$) supports **Singh & Singh (2024)**, who found that customers who perceive AI services as reliable and high-quality are more likely to remain committed to AI-driven platforms.

7. Perceived Convenience → AI-Enabled Customer Experience

The study finds a significant effect of perceived convenience on AI-enabled customer experience ($O = 0.238$, $p < 0.001$). This is consistent with **Zaman et al. (2025)**, who suggest that intuitive and effortless AI interactions enhance overall customer satisfaction.

8. Perceived Convenience → AI Ethics

The positive effect of perceived convenience on AI ethics ($O = 0.229$, $p < 0.001$) suggests that ease of use is associated with ethical AI perceptions. **Tulcanaza-Prieto et al. (2023)** found similar results, highlighting that convenient AI fosters perceptions of ethical integrity.

9. Perceived Convenience → AI Security

The study confirms that convenience positively influences AI security ($O = 0.287$, $p < 0.001$), consistent with **Ahmed & Aziz (2024)**, who argue that seamless AI services enhance security perceptions by reducing friction in authentication and protection processes.

10. Perceived Convenience → Relationship Commitment

The link between perceived convenience and relationship commitment ($O = 0.211$, $p < 0.001$) aligns with **Senathirajah et al. (2024)**, who suggest that effortless AI interactions strengthen customer loyalty.

11. Personalization → AI-Enabled Customer Experience

The study finds that AI personalization enhances customer experience ($O = 0.256$, $p < 0.001$), aligning with **Le et al. (2024)**, who highlight that AI-driven personalized services improve user engagement and satisfaction.

12. Personalization → AI Ethics

A positive link between personalization and AI ethics ($O = 0.255$, $p < 0.001$) is supported by **Bhatnagar et al. (2024)**, who found that AI-driven personalized interactions are perceived as more ethical when they align with user expectations.

13. Personalization → AI Security

The study identifies that personalization positively affects AI security ($O = 0.175$, $p < 0.001$), a finding consistent with **Tarhini & Acikgoz (2025)**, who argue that tailored AI services enhance security by minimizing irrelevant data exposure.

14. Personalization → Relationship Commitment

Personalization significantly influences relationship commitment ($O = 0.143$, $p = 0.007$), which is in line with **Zungu et al. (2025)**, who found that AI personalization strengthens long-term user engagement.

15. Relationship Commitment → AI-Enabled Customer Experience

The study concludes that relationship commitment enhances AI-enabled customer experience ($O = 0.224$, $p < 0.001$), aligning with **Ahmed & Aziz (2024)**, who emphasize that long-term commitment to AI services improves customer satisfaction.

In summary, Table 4.24 reveals significant positive effects of factors like AI Ethics, AI Security, AI Service Quality, Perceived Convenience, and Personalization on AI-enabled customer experience and mediators.

4.10 Hypotheses for Path Coefficients of Direct Effects on AI-Enabled Customer Experience and Mediators

1. AI Ethics -> AI Enabled Customer Experience

- a. H0: There is no direct effect of AI Ethics on AI-enabled customer Experience.
- b. H1: AI Ethics has a direct effect on AI-enabled customer Experience.

2. AI Security -> AI Enabled Customer Experience

- a. H0: AI Security does not directly affect AI-Enabled Customer Experience.
- b. H1: AI Security directly affects AI-Enabled Customer Experience.

3. AI Service Quality -> AI Enabled Customer Experience

- a. H0: AI Service Quality does not directly affect AI-Enabled Customer Experience.
 - b. H1: AI Service Quality directly affects AI-Enabled Customer Experience.
- 4. AI Service Quality -> AI Ethics**
- a. H0: AI Service Quality does not directly affect AI Ethics.
 - b. H1: AI Service Quality directly affects AI Ethics.
- 5. AI Service Quality -> AI Security**
- a. H0: AI Service Quality does not directly affect AI Security.
 - b. H1: AI Service Quality directly affects AI Security.
- 6. AI Service Quality -> Relationship Commitment**
- a. H0: AI Service Quality does not directly affect Relationship Commitment.
 - b. H1: AI Service Quality directly affects Relationship Commitment.
- 7. Perceived Convenience -> AI Enabled Customer Experience**
- a. H0: Perceived Convenience does not directly affect AI-Enabled Customer Experience.
 - b. H1: Perceived Convenience directly affects AI-Enabled Customer Experience.
- 8. Perceived Convenience -> AI Ethics**
- a. H0: Perceived Convenience does not directly affect AI Ethics.
 - b. H1: Perceived Convenience directly affects AI Ethics.
- 9. Perceived Convenience -> AI Security**
- a. H0: Perceived Convenience does not directly affect AI Security.
 - b. H1: Perceived Convenience directly affects AI Security.
- 10. Perceived Convenience -> Relationship Commitment**

- a. H0: Perceived Convenience does not directly affect Relationship Commitment.
- b. H1: Perceived Convenience directly affects Relationship Commitment.

11. Personalization -> AI Enabled Customer Experience

- a. H0: Personalization does not directly affect AI-Enabled Customer Experience.
- b. H1: Personalization directly affects AI-Enabled Customer Experience.

12. Personalization -> AI Ethics

- a. H0: Personalization does not directly affect AI Ethics.
- b. H1: Personalization directly affects AI Ethics.

13. Personalization -> AI Security

- a. H0: Personalization does not directly affect AI Security.
- b. H1: Personalization directly affects AI Security.

14. Personalization -> Relationship Commitment

- a. H0: Personalization does not directly affect Relationship Commitment.
- b. H1: Personalization directly affects Relationship Commitment.

15. Relationship Commitment -> AI Enabled Customer Experience

- a. H0: Relationship Commitment does not directly affect AI-Enabled Customer Experience.
- b. H1: Relationship Commitment directly affects AI-Enabled Customer Experience.

4.11 Path Coefficients of Direct Effects on AI-Enabled Customer Experience and Mediators

Path Coefficients:

Direct Effect:

Table 4.25 *Path Coefficients of Direct Effects on AI-Enabled Customer Experience and*

Mediators

Effects	Path coefficients
AI Ethics -> AI Enabled Customer Experience	0.232
AI Security -> AI Enabled Customer Experience	0.175
AI Service Quality -> AI Enabled Customer Experience	0.168
AI Service Quality -> AI Ethics	0.344
AI Service Quality -> AI Security	0.154
AI Service Quality -> Relationship Commitment	0.316
Perceived Convenience -> AI-Enabled Customer Experience	0.087
Perceived Convenience -> AI Ethics	0.229
Perceived Convenience -> AI Security	0.287
Perceived Convenience -> Relationship Commitment	0.211
Personalization -> AI-Enabled Customer Experience	0.134
Personalization -> AI Ethics	0.255
Personalization -> AI Security	0.175
Personalization -> Relationship Commitment	0.143
Relationship Commitment -> AI Enabled Customer Experience	0.224

Table 4.25 indicates significant direct effects in various relationships. AI ethics positively influenced AI-enabled customer experience, with a coefficient of ($\beta=0.232$), suggesting a strong relationship between ethical AI practices and enhanced customer experiences. AI security and AI service quality also showed positive influences on AI-enabled customer experience, with coefficients of ($\beta=0.175$) and ($\beta=0.168$), respectively.

AI service quality had significant positive impacts on AI ethics ($\beta=0.344$), AI security

($\beta=0.154$), and relationship commitment ($\beta=0.316$), indicating that high-quality AI services contribute to better ethical standards, security, and customer commitment. Perceived convenience positively influenced AI-enabled customer experience ($\beta=0.087$), AI ethics ($\beta=0.229$), AI security ($\beta=0.287$), and relationship commitment ($\beta=0.211$). Personalization also had positive effects on AI-enabled customer experience ($\beta=0.134$), AI ethics ($\beta=0.255$), AI security ($\beta=0.175$), and relationship commitment ($\beta=0.143$). Relationship commitment itself had a positive impact on AI-enabled customer experience ($\beta=0.224$).

Table 4.26 *Influence of Factors on AI-Enabled Customer Experience: Mediating Roles of AI Ethics, Security, and Relationship Commitment*

Effect	Coefficients
AI Service Quality -> Relationship Commitment -> AI Enabled Customer Experience	0.071
Perceived Convenience -> AI Ethics -> AI Enabled Customer Experience	0.053
Personalization -> Relationship Commitment -> AI-Enabled Customer Experience	0.032
AI Service Quality -> AI Ethics -> AI Enabled Customer Experience	0.080
Perceived Convenience -> Relationship Commitment -> AI-Enabled Customer Experience	0.047
Personalization -> AI Security -> AI Enabled Customer Experience	0.031
AI Service Quality -> AI Security -> AI Enabled Customer Experience	0.027
Personalization -> AI Ethics -> AI Enabled Customer Experience	0.059
Perceived Convenience -> AI Security -> AI Enabled Customer Experience	0.050

Effect	Coefficients
Experience	

Table 4.26 presents the specific indirect effects, illustrating various mediating relationships.

AI service quality positively influenced AI-enabled customer experience through relationship commitment ($\beta=0.071$) and AI ethics ($\beta=0.080$). Perceived convenience had positive impacts on AI-enabled customer experience through AI ethics (0.053) and relationship commitment ($\beta=0.047$). Personalization positively influenced AI-enabled customer experience through relationship commitment (0.032), AI security ($\beta=0.031$), and AI ethics ($\beta=0.059$).

Table 4.27 *Total Impact of AI Characteristics Factors on AI-Enabled Customer Experience and Related Constructs*

Effect	Coefficients
AI Ethics -> AI Enabled Customer Experience	0.232
AI Security -> AI Enabled Customer Experience	0.175
AI Service Quality -> AI Enabled Customer Experience	0.346
AI Service Quality -> AI Ethics	0.344
AI Service Quality -> AI Security	0.154
AI Service Quality -> Relationship Commitment	0.316
Perceived Convenience -> AI-Enabled Customer Experience	0.238
Perceived Convenience -> AI Ethics	0.229
Perceived Convenience -> AI Security	0.287
Perceived Convenience -> Relationship Commitment	0.211
Personalization -> AI-Enabled Customer Experience	0.256
Personalization -> AI Ethics	0.255
Personalization -> AI Security	0.175

Effect	Coefficients
Personalization -> Relationship Commitment	0.143
Relationship Commitment -> AI Enabled Customer Experience	0.224

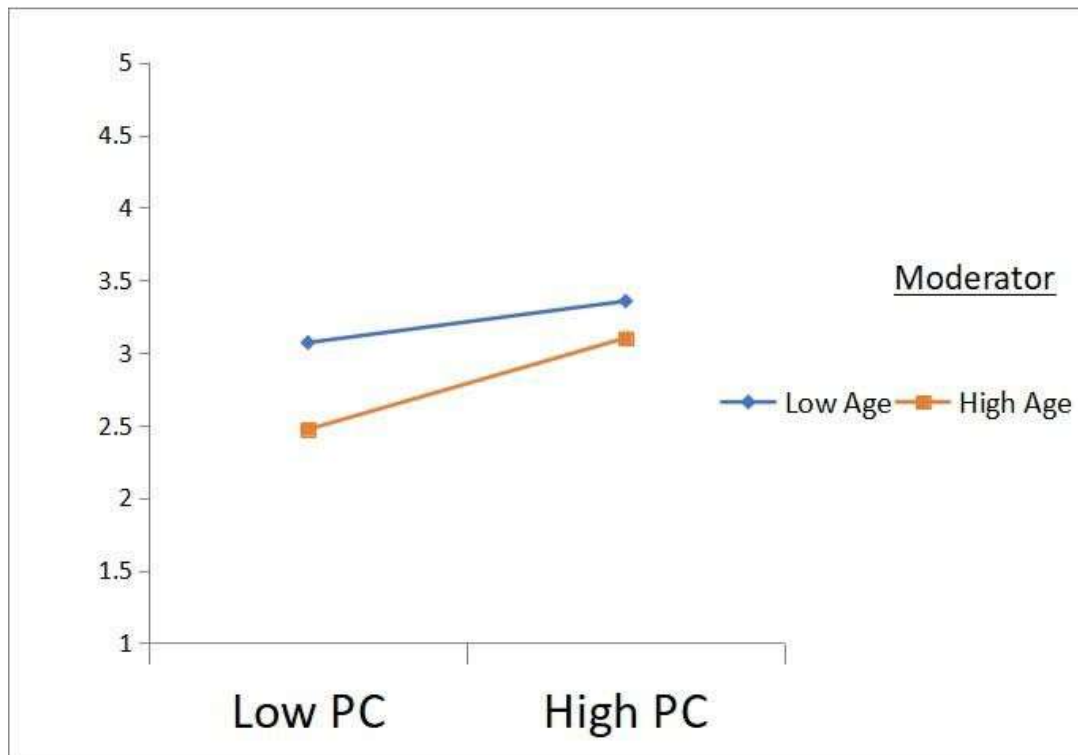
The total effects in Table 4.27 indicate that AI service quality had the most substantial impact on AI-enabled customer experience ($\beta=0.346$), followed by AI ethics ($\beta=0.232$) and perceived convenience ($\beta=0.238$). Personalization also showed a significant positive effect ($\beta=0.256$). AI service quality significantly affected AI ethics ($\beta=0.344$), AI security ($\beta=0.154$), and relationship commitment ($\beta=0.316$).

4.12 Moderating effect of age on Perceived Convenience and AI Ethics

Table 4.28 *Age as a Moderating Factor in the Relationship between Perceived Convenience and AI Ethics*

	Coefficient value	P-Value	Result	Conclusion
Perceived Convenience -> AI Ethics	0.229	0.000	Significant	Age is significantly Moderating between PC and AI Ethics
Age -> AI Ethics	-0.213	0.000	Significant	
Age x Perceived Convenience -> AI Ethics	0.086	0.023	Significant	

Figure 4.6 *Age as a Moderating Factor in the Relationship between Perceived Convenience and AI Ethics*



Age strengthens the positive relationship between PC and AI Ethics.

Testing Hypothesis

For the moderation analysis described in Table 4.42, the null and alternative hypotheses can be formulated as follows:

1. For the main effect of Perceived Convenience on AI Ethics:

Null Hypothesis (H0): There is no relationship between perceived convenience and AI ethics.

Alternative Hypothesis (H1): There is a positive relationship between perceived convenience and AI ethics.

2. For the main effect of Age on AI Ethics:

Null Hypothesis (H0): There is no relationship between age and AI ethics.

Alternative Hypothesis (H1): There is a negative relationship between age and AI ethics.

3. For the interaction effect of Age and Perceived Convenience on AI Ethics:

Null Hypothesis (H0): Age does not moderate the relationship between perceived convenience and AI ethics.

Alternative Hypothesis (H1): Age moderates the relationship between perceived convenience and AI ethics, such that the relationship is different across levels of age.

In the context of AI ethics, age appears to play a significant moderating role in the relationship between perceived convenience and ethical considerations. Table 4.42 presents the coefficients and p-values for three key relationships.

Firstly, perceived convenience is positively correlated with AI ethics ($\beta = 0.229$, $p < .001$), indicating that as the convenience of an AI service increases, so does the perception of its ethical standards. This suggests that user perceptions of ease and utility in AI services are associated with their ethical judgments of the same services.

Secondly, age shows a negative relationship with AI ethics ($\beta = -0.213$, $p < .001$), suggesting that as the age of the individual increases, there is a tendency to perceive AI ethics less favorably. This may reflect generational differences in technology acceptance or ethical considerations.

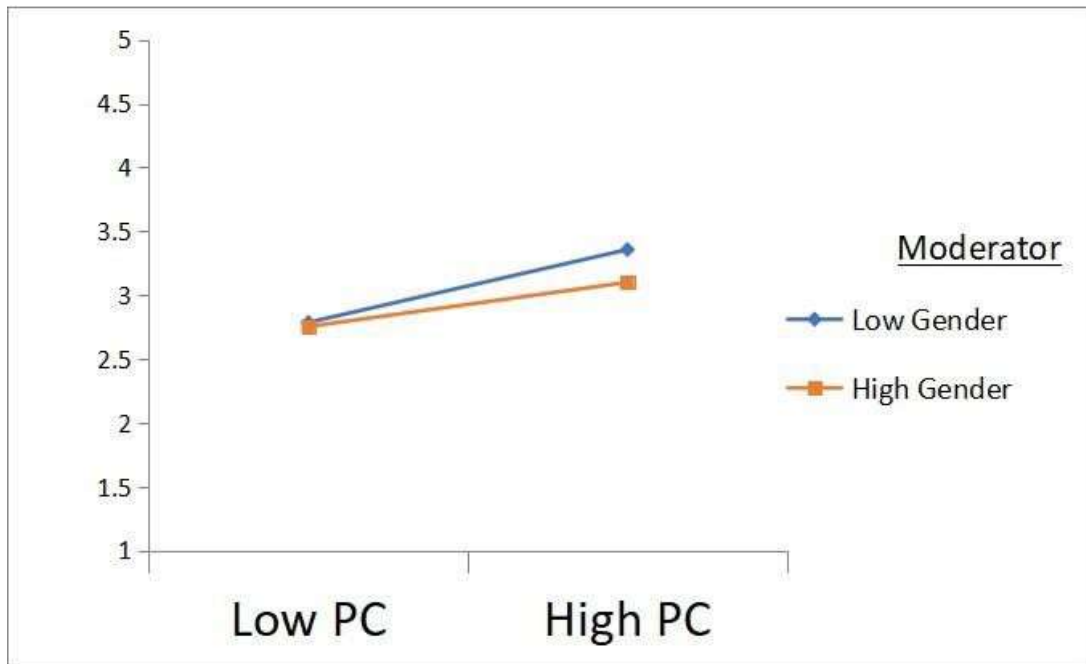
Finally, the interaction term of age and perceived convenience on AI ethics is also significant ($\beta = 0.086$, $p = .023$). This interaction effect implies that the impact of perceived convenience on AI ethics varies with age. Specifically, the positive relationship between perceived convenience and AI ethics is stronger at different levels of age, indicating that age modifies how perceived convenience influences ethical perceptions of AI.

4.13 Moderating effect of gender on Perceived Convenience and AI Ethics

Table 4.29 *Gender Moderation Effect*

	Coefficient value	P-Value	Results	Conclusion
Perceived Convenience -> AI Ethics	0.229	0.000	Significant	Gender is not significantly Moderating between PC and AI Ethics
Gender -> AI Ethics	-0.072	0.372	Not Significant	
Gender x Perceived Convenience -> AI Ethics	-0.056	0.449	Not Significant	

Figure 4.7 *Gender Moderation Effect*



Gender dampens the positive relationship between PC and AI Ethics.

Testing Hypothesis

1. For the main effect of Perceived Convenience on AI Ethics:

Null Hypothesis (H0): Perceived convenience does not significantly predict AI ethics.

Alternative Hypothesis (H1): Perceived convenience significantly predicts AI ethics.

2. For the main effect of Gender on AI Ethics:

Null Hypothesis (H0): Gender does not significantly predict AI ethics.

Alternative Hypothesis (H1): Gender significantly predicts AI ethics.

3. For the interaction effect of Gender and Perceived Convenience on AI Ethics:

Null Hypothesis (H0): Gender does not moderate the relationship between perceived convenience and AI ethics.

Alternative Hypothesis (H1): Gender moderates the relationship between perceived convenience and AI ethics.

The present analysis investigated the potential moderating effect of gender on the relationship between perceived convenience and AI ethics. The results are displayed in the table with corresponding coefficient values and p-values.

The relationship between perceived convenience and AI ethics was significant, with a coefficient of 0.229 ($p < .001$), indicating that as perceived convenience increases, so does the perception of AI ethics. This suggests a strong positive association between the ease of use and the ethical considerations attributed to AI services.

However, when considering the role of gender in this relationship, the findings indicate no significant moderating effect. Specifically, gender itself was not significantly related to AI ethics ($\beta = -0.072$, $p = .372$), suggesting that the direct effect of gender on perceptions of AI ethics is not statistically evident.

Moreover, the interaction term between gender and perceived convenience on AI ethics was also non-significant ($\beta = -0.056$, $p = .449$). This suggests that the influence of perceived convenience on AI ethics does not differ significantly between genders.

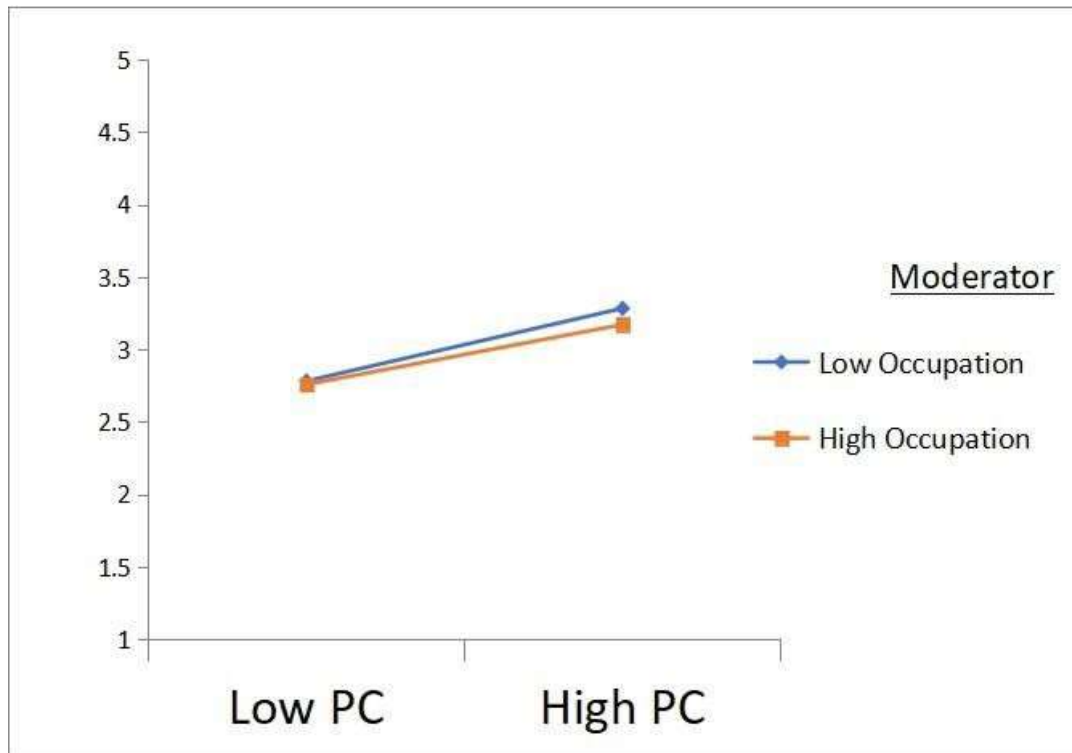
In summary, while perceived convenience is an important predictor of AI ethics, the findings do not support the notion that gender significantly moderates this relationship.

4.14 Moderating Effect of Occupation on Perceived Convenience and AI Ethics

Table 4.30 *Relationship Between Perceived Convenience, Occupation, and Ethical Perceptions of AI*

	Coefficient value	P-Value	Results	Conclusion
Perceived Convenience -> AI Ethics	0.229	0.000	Significant	Occupation is not significantly Moderating between PC and AI Ethics
Occupation -> AI Ethics	-0.034	0.383	Not Significant	
Occupation x Perceived Convenience -> AI Ethics	-0.022	0.557	Not Significant	

Figure 4.8 *Relationship Between Perceived Convenience, Occupation, and Ethical Perceptions of AI*



Occupation dampens the positive relationship between PC and AI Ethics.

Testing Hypothesis

1. Perceived Convenience -> AI Ethics

Null Hypothesis (H0): There is no significant relationship between perceived convenience and ethical perceptions of AI.

Alternative Hypothesis (H1): There is a significant relationship between perceived convenience and ethical perceptions of AI.

2. Occupation -> AI Ethics

Null Hypothesis (H0): Occupation does not significantly affect ethical perceptions of AI.

Alternative Hypothesis (H1): Occupation significantly affects ethical perceptions of AI.

3. Occupation x Perceived Convenience -> AI Ethics

Null Hypothesis (H0): The interaction between occupation and perceived convenience does not

significantly affect ethical perceptions of AI. This suggests that the moderating effect of occupation on the relationship between perceived convenience and ethical perceptions of AI is not significant.

Alternative Hypothesis (H1): The interaction between occupation and perceived convenience significantly affects ethical perceptions of AI. This implies that the moderating effect of occupation on the relationship between perceived convenience and ethical perceptions of AI is significant.

The statistical analysis conducted in this study provided insights into the relationship between consumers' perceived convenience of artificial intelligence (AI) applications and their ethical considerations of such technology. The data indicated a positive correlation between the ease with which consumers interact with AI and their ethical approval of its use, as reflected by a regression coefficient of 0.229. This relationship was statistically significant ($p < .001$), underscoring the potential impact of user-friendly AI on ethical perceptions.

In contrast, the occupation of the participants did not appear to significantly influence their ethical stance on AI, evidenced by a non-significant regression coefficient of -0.034 ($p = .383$). This suggests that one's profession does not necessarily shape their ethical judgment of AI in retail settings.

Additionally, the interaction effect between occupation and perceived convenience on ethical evaluations of AI was not significant, with a regression coefficient of -0.022 ($p = .557$). Therefore, while Perceived Convenience has a notable positive influence on the ethical perception of AI, Occupation neither independently influences AI Ethics nor significantly moderates the relationship between Perceived Convenience and AI Ethics.

Chapter 5

RESULTS, FINDINGS AND DISCUSSION

Motivated by the transformative impact of Artificial Intelligence (AI) on customer engagement and satisfaction in retail, the present study attempted to study the implementation of AI and its subsequent consumer experience concerning the Lenskart eyewear retail chain. The study throws light on the intricate mechanisms by which AI interventions mediate and moderate the consumer experience, ultimately impacting key satisfaction indicators. The study focused on analyzing responses from Lenskart customers about their experiences at Lenskart stores. A structured questionnaire was created to gather data on respondents' demographics, critical success factors of AI-enabled customer experiences, the relationship between AI and customer experiences at Lenskart, and to develop a model for measuring AI interventions and customer experiences. The questionnaire also aimed to investigate the moderating effects of demographic factors like age, gender and occupation on the relationship between AI and customer experiences.

The responses collected were based on the degree of agreement or disagreement with statements related to AI-enabled customer experiences. A five-point Likert scale was used, with response options ranging from Strongly Disagree to Strongly Agree. The study sought to understand how AI impacts customer experiences at Lenskart and to propose a structural model for measuring these effects. The questionnaire included questions about respondents' demographics to assess how factors like age, gender and occupation moderate the relationship between AI and customer experiences. Data was collected from Lenskart stores in Telangana using convenience sampling. 440 questionnaires were distributed, with 385 responses received. Exploratory Factor Analysis (EFA) was conducted to analyze the data, which included responses from customers in various formats such as multiple-choice questions and Likert scale questions. SPSS software was used for data examination, along with correlation to measure relationships among variables. Smart PLS structural equation modeling (SEM) confirmed the study model's reliability and fit for reflective constructs related to AI and customer experience.

With the help of statistical tools and meticulous data analysis, the present study attempted to illuminate the complex interplay between AI and customer response in the eyewear industry. The present study's focus enriches the existing body of knowledge of retail consumer experience by

providing empirical evidence specific to the unique dynamics of the eyewear segment. The results of the study hold significant promise to advance both academic understanding and practical application of AI in retail. By clarifying the intricate links between AI interventions and customer experiences, the study results would lead to a scholarly understanding of AI's role in shaping customer journeys within the retail landscape. In the practical sense, the results of the study will be helpful in guiding retailers, specifically those in the eyewear industry, towards optimizing customer experiences through strategic AI implementation. The findings of the study provide insights into the exciting realm of AI-powered retail, offering valuable understanding into both theoretical and practical advancements in the field.

SECTION 1: Objective-wise Findings

Objective 1: To explore the critical success factors of AI-enabled customer experiences from the perspective of consumers in the Lenskart eyewear retail chain.

5.1 Findings from the Factor Analysis of factors to study the impact of artificial intelligence (AI) on online shopping behaviors and perceptions: As per the KMO and Bartlett's Test conducted for the study, it is found that the data is suitable for factor analysis as indicated by the KMO Measure of Sampling Adequacy (.887) and significant Bartlett's Test of Sphericity (Chi-square = 4431.522, $p < .001$). The intercorrelations among variables suggested common variance that can be extracted through factor analysis. Findings on communalities obtained from Principal Component Analysis (PCA) in the present study on AI's impact on online shopping (at Lenskart) indicated that most variables are significantly explained by extracted factors, highlighting the relevance of AI-related attributes in establishing online consumer behavior. After-sales services and security concerns had the highest communalities, while user interface and expert reviews had lower communalities, suggesting they may be influenced by additional factors not captured by PCA.

- a) The findings from the principal component analysis identified how variance was distributed across the components till the fourth component (with a cumulative percentage of 67.179%) and no further components being extracted as they contributed less to understanding data structure. Rotation slightly redistributes explained variance among the top three components, accounting for more than half (53.337%) of the total

variance explained. The eigenvalues plateau after the fourth component in the Scree plot indicated that retaining more than four components would not add significant value to the model. PCA identified four principal components that reveal consumer attitudes towards online shopping and AI in the context of eyewear purchases. The first component emphasizes the allure of AI's ability to enrich the online shopping experience. The second component highlights social influences on purchasing decisions, such as reviews and platform accessibility. The third component indicates consumer concerns about security and privacy on AI-enabled platforms. Finally, the fourth component shows how after-sales service and delivery timeliness impact overall satisfaction and loyalty. Retailers should consider these factors to improve consumer engagement and loyalty in the evolving landscape of online retail. The findings emphasize the importance of user experience, security, content-driven purchasing decisions, and service quality in enhancing consumer satisfaction and trust in online retail environments (**Asante et al., 2023; Grewal et al., 2023; Xiong, 2022**).

- b) The study findings showed good reliability for five factors related to AI: Artificial Intelligence, Perceived Convenience, AI Security, AI Service Quality, and an overall category. Each factor was measured using Cronbach's alpha and demonstrated high internal consistency. Four factors, including Artificial Intelligence, Perceived Convenience, AI Security, and AI Service Quality were analyzed for internal consistency. The factors showed high reliability with Cronbach's alpha values ranging from .867 to .896. The overall category of 21 items demonstrated a Cronbach's alpha of .884 showing strong internal consistency, indicating the scale used in the study is reliable for assessing various dimensions of AI.

Objective 2- To Examine the relationship between Artificial intelligence and Customer Experience in the context of the Lenskart Eyewear retail chain

5.2 Findings based on the Analysis of Pearson Correlation Coefficients Among Constructs Related to Artificial Intelligence and Customer Experience

The findings of the present study illustrate insights on the correlations among several key factors: Perceived Convenience, AI Security, AI Service Quality, Artificial Technology, and AI-enabled customer Experience. Specifically, the findings highlight the relationships between each pair of

these factors: Perceived Convenience and AI Security, Perceived Convenience and AI Service Quality, Perceived Convenience and Artificial Technology, Perceived Convenience and AI-Enabled Customer Experience, AI Security and AI Service Quality, AI Security and Artificial Technology, AI Security and AI-Enabled Customer Experience, AI Service Quality and Artificial Technology, AI Service Quality and AI-Enabled Customer Experience, and finally, Artificial Technology and AI-Enabled Customer Experience.

- a) **Perceived Convenience and AI Security:** According to a study, there exists a moderate positive correlation between perceived convenience and AI security, with a correlation coefficient of 0.313 and a p-value of less than 0.01. This implies that as users perceive AI to be more convenient to use, they also tend to perceive it as being more secure. In other words, the level of convenience in the use of AI has an impact on how secure users feel when interacting with AI technology. According to **Ameen et al. (2021)**, the combination of convenience and security significantly shapes consumer trust in AI systems. **Adwan and Aladwan (2022)** demonstrate that enhanced security features contribute to a more favorable consumer experience in AI-based platforms. **Malodia et al. (2021)** emphasize the role of convenience and security concerns in driving consumer interactions with AI-enabled devices. This finding highlights the importance of considering both convenience and security factors when designing and implementing AI systems.
- b) **Perceived Convenience and AI Service Quality:** Upon analysis, it has been found that there exists a correlation between Perceived Convenience and AI Service Quality. The strength of this correlation is moderate, with a coefficient of $r = .156$ and a significance level of $p < .01$. This means that an increase in perceived convenience is associated with a slight improvement in the perceived quality of AI services. It is important to note that this finding highlights the importance of convenience as a factor in determining the overall quality of AI services.
- c) **Perceived Convenience and Artificial Technology:** According to research findings, there exists a positive and moderate correlation ($r = .214$, $p < .01$) between Perceived Convenience and Artificial Technology. This indicates that an increase in convenience levels in AI is linked to a higher level of usage or integration of artificial technology. In other words, the more convenient the technology is perceived to be, the more likely it is

that people will use or incorporate it into their daily lives. **Mutya and Ilankadhir (2023)** argue that the perceived convenience of AI solutions plays a central role in their adoption by SMEs. **Manrai and Gupta (2023)** highlight that convenience significantly enhances user acceptance and integration of AI in the financial sector. According to **Alhumaid et al. (2023)**, the convenience of AI applications is a driving factor in the educational technology adoption process. These results highlight the importance of considering convenience as a factor when designing and developing AI technology.

- d) **Perceived Convenience and AI Enabled Customer Experience:** Upon analysis, it has been determined that there exists a moderate positive correlation between the variables in question, with a correlation coefficient of .310 and a significance level of less than .01. This finding implies that as individuals perceive artificial intelligence to be more convenient, their overall satisfaction and enjoyment of AI-enabled services increases. **Ameen et al. (2021)** found that higher perceived convenience in AI systems correlates with improved user satisfaction and engagement. **Chen et al. (2021)** argue that convenience is a critical determinant of user satisfaction when interacting with AI-based systems. According to **Chen, Le, and Florence (2021)**, AI chatbots that prioritize convenience lead to enhanced user experience and increased customer loyalty. In other words, there is a direct relationship between convenience and user experience in the realm of AI technology.
- e) **AI Security and AI Service Quality:** Upon analyzing the data, it has been found that there exists a moderate correlation between the levels of AI security and the perceptions of AI service quality. The correlation coefficient stands at $r = .256$ and is statistically significant with a p-value less than .01. This implies that as the level of AI security increases, so does the perception of AI service quality. Therefore, it can be concluded that higher levels of AI security are associated with better perceptions of AI service quality.
- f) **AI Security and Artificial Technology:** Upon analysis, it has been determined that there exists a moderate positive correlation between the perception of AI security and the use or presence of advanced artificial technology. The statistical data reveals a correlation coefficient (r) value of .279, with a level of significance (p) less than .01. This indicates that as the perceived robustness of AI security increases, so does the perceived presence

or usage of advanced artificial technology. These findings suggest that there is a significant relationship between these two variables and provide valuable insights into the interplay between AI security and technological advancements.

- g) **AI Security and AI Enabled Customer Experience:** Upon conducting research, it has been found that there exists a stronger positive correlation between the perception of AI security and the overall customer experience with AI. The statistical analysis indicates that the correlation coefficient is .476, which is considered to be significant at a level of $p < .01$. This suggests that when customers perceive AI systems as secure, their overall experience with the technology is enhanced. **Bedi et al. (2022)** found that incorporating robust security measures in AI systems directly correlates with higher levels of customer satisfaction and loyalty. **Singh, Verma, and Kumar (2023)** argue that AI systems designed with strong security features significantly enhance customer satisfaction and e-satisfaction in retail contexts. It is therefore imperative for companies to ensure that their AI systems are designed and implemented in a way that prioritizes security concerns to maximize customer satisfaction.
- h) **AI Service Quality and Artificial Technology:** The relationship between service quality in the field of artificial intelligence (AI) and the use of advanced artificial technologies is a subject of interest. Research has shown that there exists a moderate to strong correlation between these two constructs, with a correlation coefficient (r) of .380 and a significance level (p) less than .01. This suggests that as the quality of service in AI increases, tends to be greater utilization of more sophisticated artificial technologies. Therefore, it can be inferred that AI service providers who prioritize high-quality services are likely to incorporate advanced technological tools in their operations.
- i) **AI Service Quality and AI-Enabled Customer Experience:** The statistical analysis of the data has revealed a significant correlation between service quality in Artificial Intelligence (AI) and customer experience. The correlation coefficient, which measures the strength of the relationship between these two variables, is a robust .477, indicating a strong positive association. Furthermore, the p -value of less than .01 indicates that this relationship is not due to chance alone. Therefore, it can be inferred that improving service quality in AI will lead to an improved customer experience enabled by AI technology.

This finding highlights the importance of delivering high-quality AI services to enhance customer satisfaction and loyalty.

- j) **Artificial Technology and AI-Enabled Customer Experience:** Upon analyzing the data, it was found that there exists a robust and optimistic correlation between the integration of advanced artificial technologies and enhanced customer experiences in AI-enabled services. The statistical results indicate a strong positive correlation ($r = .439$, $p < .01$) between the two variables, implying that as the implementation of advanced artificial technologies increases, so does the quality of customer experiences. This observation is significant in today's fast-paced technological landscape, where businesses are constantly striving to provide superior services to their customers by leveraging cutting-edge technologies. **Rane (2023)** argues that integrating AI technologies into retail services significantly enhances customer satisfaction and loyalty by personalizing customer interactions. **Bedi et al. (2022)** found that AI-driven systems improve customer loyalty by providing more efficient and tailored services in the retail sector. Therefore, this study's findings suggest that incorporating advanced artificial technologies into AI-enabled services can be an effective strategy for improving customer satisfaction and loyalty.

To summarize, the findings highlighted the correlations between different variables related to the use of artificial intelligence (AI). From the findings, it can be concluded that as perceptions of convenience in using AI increase, there is a corresponding increase in perceptions of AI security. Secondly, higher convenience is slightly associated with better-perceived service quality in AI. More convenience in AI is associated with greater use or integration of artificial technology. As users find AI more convenient, their overall experience with AI-enabled services improves. Higher levels of AI security are associated with better perceptions of AI service quality. As AI security is perceived as more robust, the use or presence of advanced artificial technology is also perceived as higher. Perceptions of AI security strongly influence the overall customer experience with AI. Higher service quality in AI is often associated with the use of more sophisticated artificial technologies. The integration of advanced artificial technologies is closely associated with better customer experiences in AI-enabled services. Perceived convenience is positively correlated with AI security, service quality, artificial technology, and

AI-enabled customer experience. Higher convenience leads to better-perceived security and service quality. It also results in greater use of artificial technology and improved customer experience. AI security is positively correlated with service quality and artificial technology, with higher security leading to better service quality and more advanced technology. Service quality is strongly linked to the AI-enabled customer experience, as is the integration of advanced artificial technologies.

Objective 3- To propose and develop a structural model for measuring AI based Interventions and customer-enabled experience at Lenskart eyewear retail chain

5.3A Reliability: The findings examining the reliability of constructs related to artificial intelligence (AI) and customer experience identified the reliability statistics for the study constructs. The study found that various constructs related to AI in customer experience, such as "AI Enabled Customer Experience," "Relationship Commitment," "Perceived Convenience," "AI Security," "Personalization," "Service Quality," and "AI Ethics," all demonstrated high levels of internal consistency, with Cronbach's alpha values ranging from .892 to .947. The overall Cronbach's alpha for all constructs combined was .945, based on 55 items, indicating excellent reliability of the measures used in the study. All constructs demonstrated high reliability, with Cronbach's alpha values exceeding the commonly accepted threshold of .70 for good internal consistency. This high level of reliability across all constructs suggests that the scales used were consistent in measuring various aspects of AI in customer experiences, reflecting the robustness of the measurement instruments.

5.3B Findings based on the Exploratory Factor Analysis for AI-enabled customer experiences with respect to Lenskart eyewear retail chain

- a) Findings from the KMO and Bartlett's Test indicated a high level of common variance among the variables (.928), and it is construed that the dataset is well-suited for factor analysis. Bartlett's Test also suggested that the variables are related and support the appropriateness of conducting factor analysis on the dataset (Chi-Square value of 17685.401 with 1891 degrees of freedom and a significance level of .000). Both measures indicate underlying patterns or factors among the studied variables. The findings on commonalities for each variable in the principal component analysis (PCA) conducted to

assess factors related to AI-enabled customer experience at Lenskart Eyewear Retail Stores represent the proportion of each variable's variance that can be explained by the extracted factors. Communalities vary by variable but generally are high, indicating that extracted components account for a substantial portion of variance. For example, "CE1" has an extraction communality of .738, while "RC9" and "SE5" have high communalities (.748 and .740). However, "ET4" and "SQ2" have lower communalities (.444 and .508). The high communalities for most variables indicated that the PCA is suitable and effective for understanding the structure of AI-enabled customer experience at Lenskart. The findings suggest that the factors extracted through this analysis are relevant and represent significant aspects of customer experience in the context of AI application in retail settings.

- b) The Principal Component Analysis (PCA) conducted to explore the structure of data related to AI-enabled customer experience at Lenskart Eyewear Retail Stores found the components to be considered for the study. The first component has an initial eigenvalue of 18.934, explaining 30.538% of the variance, indicating a substantial portion of the total variance. The second component has an eigenvalue of 5.916, explaining 9.542% of the variance, bringing the cumulative variance explained to 40.081%. Moving to subsequent components, eigenvalues and variance percentages decrease. The third component explains 7.173% of the variance (cumulative 47.254%), and the fourth component explains 6.550% (cumulative 53.804%). Findings from the total variance explained and from the scree plot also suggested that only the first three components should be retained for further investigation.
- c) The principal component analysis conducted on customer experience variables related to AI interventions at Lenskart revealed two distinct constructs. The first component is loaded with items pertaining to ethical considerations and customer experience, suggesting that customers' ethical perceptions are closely tied to their overall experience. This component may indicate the importance of ethical transparency and data security in shaping positive customer experiences with AI. The second component is heavily influenced by personalization capabilities, pointing to the significance of AI's ability to tailor the shopping experience to individual customer preferences. These findings

underscore the role of ethical trust and personalized service as primary dimensions of AI-enabled customer satisfaction at Lenskart, with ethical trust being the most significant factor. These insights are crucial for understanding the mediating and moderating effects of AI interventions in the context of retail eyewear.

5.4 Findings based on the analysis of a structural model for measuring AI-based Interventions and customer-enabled experience at Lens Kart Eye Wear Retail Chain

- a) **Confirmatory Factor Analysis for AI-enabled customer experiences with respect to Lenskart eyewear retail chain:** The present study used Confirmatory Factor Analysis (CFA) to investigate the dimensions of AI-enabled customer experiences in the eyewear retail sector, with reference to Lenskart. The study intended to analyze how AI integration affects customer satisfaction and engagement. Lenskart's innovative use of AI technologies, such as virtual try-ons and personalized recommendations, provides a unique opportunity to assess the impact of AI on retail customer experiences.
- b) **Comparative Analysis of Model Fit: Evaluating Goodness-of-Fit and Parsimony in Structural Equation Modeling:** The CMIN/DF value of 1.774 indicates a good fit of the model to the data, falling within the acceptable range. The GFI and AGFI values are slightly below the recommended thresholds, with values of 0.806 and 0.790, respectively. The CFI and TLI values exceed the threshold of 0.90, suggesting a strong relative fit of the model to the data. The RMSEA value of 0.045 falls within the "good" range, indicating a minimal lack of fit of the model to the data. The AIC and BIC values should be as low as possible to indicate a better model fit. The model demonstrates a high degree of parsimony with a PRATIO of 0.955 and a PCFI of 0.877. Based on the analysis of findings based on model fit indices, it can be summarized that the default model displayed a robust conformity to the data across multiple indices, signifying both its proficiency in capturing the fundamental structure of the data and its effectiveness in utilizing the parameters. Even though the GFI and AGFI indices were suggestive of some room for improvement in explaining total variance, overall evaluation validates the model's usefulness and theoretical foundation.

- c) **Assessment of Measurement Model: Reliability and Validity Analysis:** The findings of the study based on the analysis of psychometric properties of constructs could be established using the Composite Reliability (CR), Average Variance Extracted (AVE), and Discriminant Validity. The Composite Reliability scores, Personalization (PR) with a CR of 0.928, Perceived Convenience (PC) with 0.943, Security (SE) with 0.947, Relationship Commitment (RC) with 0.94, Service Quality (SQ) with 0.894, Ethics (ET) with 0.905, and Customer Experience (CE) with 0.904 indicate high internal consistency for the constructs, with all scores above the recommended threshold values. Similarly, the AVE scores for the constructs [PR (0.538), PC (0.601), SE (0.664), RC (0.613), SQ (0.547), ET (0.577), and CE (0.613)] were also found to be above the acceptable threshold values, indicating a satisfactory level of convergent validity. The findings of the study also indicate good discriminant validity (the diagonal elements PR: 0.734, PC: 0.775, SE: 0.815, RC: 0.783, SQ: 0.74, ET: 0.76, CE: 0.783 are larger than the off-diagonal elements in their respective rows and columns) among the constructs.

Objective 4: Investigating the Mediating and Moderating Effects on the Relationship between AI and Customer Experience.

5.5 Direct Effects of Factors on AI-Enabled Customer Experience, AI Ethics, AI Security, and Relationship Commitment

In this segment, the findings of the study based on the direct effects of various factors on AI-enabled customer experience, AI ethics, AI security, and relationship commitment are presented.

- a) **Effects of AI Ethics and AI Security on AI-Enabled Customer Experience:** The importance of AI Ethics and AI Security in enhancing customer experience cannot be overstated. According to the present study's findings, both AI Ethics ($\beta = .232, p < .001$) and AI Security ($\beta = .175, p < .001$) have a significant positive impact on AI-enabled customer experience. This means that ethical considerations and security measures are essential elements in the development and implementation of artificial intelligence systems that aim to improve customer satisfaction. The analysis of findings shows that these factors play an influential role in shaping customers' perceptions of their interactions with AI-powered services. It is imperative for businesses and organizations

to prioritize ethical principles and security protocols when designing and deploying AI technologies to ensure optimal customer experiences. As a result, they can build trust with their customers while also reaping the benefits of increased efficiency and effectiveness in their operations.

- b) **AI Service Quality's Broad Impact:** The study findings emphasize the critical importance of service quality in the effective functioning of AI systems across diverse domains. It is very much evident that the quality of service [AI-enabled customer experience ($\beta = .168$, $p < .001$), AI ethics ($\beta = .344$, $p < .001$), AI security ($\beta = .154$, $p = .004$), and relationship commitment ($\beta = .316$, $p < .001$)] provided by AI systems plays a pivotal role in shaping the overall user experience and satisfaction. In addition, it is also clear that service quality is closely linked to ethical considerations and security concerns associated with the use of artificial intelligence. **Santosh and Gaur (2021)** emphasize that addressing ethical and security concerns is integral to enhancing service quality in AI systems. **Willson and Nuche (2024)** argue that AI service quality must prioritize ethical considerations, particularly around privacy and security, to achieve successful outcomes. Thus, it is crucial to prioritize service quality as a key factor while designing and implementing AI systems to ensure optimal performance and positive outcomes.
- c) **Effects of Demographic Factors on AI Ethics:** As per the study findings, age plays a crucial role in the ethical considerations of artificial intelligence (AI). The study found that there is a negative correlation ($\beta = -.213$, $p < .001$) between age and AI ethics, indicating that older individuals may have different perspectives and values when it comes to the ethical implications of AI. Nevertheless, the study could not find any significant effects for gender ($\beta = -.072$, $p = .372$) or occupation ($\beta = -.034$, $p = .383$). **Wang and Siau (2018)** argue that human factors, such as age, play a crucial role in shaping the ethical considerations surrounding AI. **Hastuti (2023)** notes that demographic factors like age influence how individuals perceive and address ethical issues in AI systems. The findings thus suggest that age may be an important factor to consider when examining ethical issues related to AI.
- d) **Perceived Convenience's Extensive Influence:** The present study found that the perceived convenience of AI technology has a significant positive impact ($\beta = .087$, $p =$

.023) on various aspects of the customer experience, including AI ethics ($\beta = .229$, $p < .001$), AI security ($\beta = .287$, $p < .001$), and relationship commitment ($\beta = .211$, $p < .001$). It becomes evident from the findings that perceived convenience plays a crucial role in the design and implementation of effective AI systems. Hence, it is important for businesses to prioritize user convenience when developing their AI technologies in order to maximize their potential benefits for both customers and stakeholders alike.

- e) **Personalization's Role:** The utilization of personalization has been found to have significant and positive impacts on various aspects of AI-enabled customer experience ($\beta = .134$, $p = .002$). Findings are indicative of the considerable influence personalization can have on enhancing the customer experience. In addition, it has also been found that personalization can also contribute towards improving AI ethics ($\beta = .255$, $p < .001$) and AI security ($\beta = .175$, $p < .001$). Further, personalized experiences have been linked to increased relationship commitment ($\beta = .143$, $p = .007$) between customers and businesses. The use of personalization holds critical potential for improving various dimensions related to AI-enabled customer experience and should be given due consideration by retailing/e-tailing and eyewear businesses looking to enhance their overall quality of service.
- f) **Relationship Commitment and Customer Experience:** The study findings reveal that the level of relationship commitment can have a significant impact on the customer experience ($\beta = .224$, $p < .001$) when interacting with AI technology. The study findings also show that a stronger level of commitment between customers and businesses can lead to an improved experience when using AI-enabled services. These findings are suggestive of building stronger relationships with customers by the tech-based businesses in order to improve their experiences with AI technology.

5.6 Findings based on the Interaction Effects: The findings of the study showed that there were mixed results in terms of how the different variables interacted [occupation and perceived convenience ($\beta = -.022$, $p = .557$), age and perceived convenience ($\beta = .086$, $p = .023$), and gender and perceived convenience ($\beta = -.056$, $p = .449$)] with perceived convenience in influencing AI ethics. The findings suggest that as individuals get older, they may be more likely to consider

ethical implications related to AI, whereas gender could not show a significant effect. These findings shed light on the complex nature of factors that influence individuals' perceptions of AI ethics. **Tulcanaza-Prieto et al. (2023)** found that while ethical considerations and service quality significantly influence AI-driven interactions, demographic factors like gender and occupation have minimal impact. **Kim, Seok, and Roh (2023)** demonstrated that although service quality and security measures are crucial in AI adoption, demographic variables like gender show limited influence on ethical perceptions in AI services. In summary, the findings reveal the significant positive relationships highlight the importance of ethical considerations, security measures, service quality, convenience, and personalization in enhancing AI-driven interactions and commitments. Conversely, the demographic factors of gender and occupation do not significantly impact AI ethics, suggesting these variables may be less influential in this context.

5.7 Findings based on Specific Indirect Effects of Demographic and Perceptual Factors on AI-Enabled Customer Experience through AI Ethics, AI Security, and Relationship Commitment

Findings of the present study based on the interpretations of hypothesis testing examining the specific indirect effects of various factors on AI-enabled customer experience through different mediators are discussed in this segment.

- a) **Gender's Impact through AI Ethics:** The impact of gender on AI-powered customer experience, which is moderated by ethical considerations of AI, appears to be negative ($O = -0.017$, $p = 0.380$) but not statistically significant. This implies that there is no meaningful effect of gender differences on the customer experience enabled by AI when ethical considerations are taken into account. The study's findings indicate that gender does not play a significant role in determining the quality of AI-based customer service experiences from an ethical standpoint.
- b) **Perceived Convenience through AI Ethics and Security:** The importance of perceived convenience plays a crucial role in two distinct pathways. Firstly, when it is channeled through the perspective of AI ethics ($O = 0.053$, $p = 0.002$), it has a constructive impact on the overall experience of customers who are using AI technology. Secondly, when viewed through the perspective of AI security ($O = 0.050$, $p < 0.001$), it also showcases a significant positive effect. Thus, the significance of perceived convenience in

enhancing both ethical and secure usage of AI technologies for consumers could be summed up to be of higher importance.

- c) **Occupation's Impact through AI Ethics:** It is found from the study that the impact of occupation on AI ethics ($O = -0.008$, $p = 0.400$) is not significant enough to have any effect on AI-enabled customer experience. From the findings, it can be inferred that occupation does not play a substantial role in shaping AI ethics and its effects on customer experience.
- d) **Interaction Effect of Age and Perceived Convenience:** The study found that the relationship between age and perceived convenience ($O = 0.020$, $p = 0.042$) plays a significant role in shaping the customer experience when mediated through AI ethics. These findings imply that older individuals who perceive high levels of convenience are more likely to have an enhanced customer experience when interacting with AI technology. The study findings throw light on the importance of considering ethical considerations in AI development to optimize customer experience for different age groups and their expectations of convenience.
- e) **AI Service Quality's Role:** The quality of AI services was found to have a significant and positive impact through both AI ethics ($O = 0.080$, $p < 0.001$) and relationship commitment ($O = 0.071$, $p < 0.001$), suggesting that service quality plays a critical role in improving customer experience within the AI domain. Findings again emphasize that when it comes to AI, ethical considerations play a key role in shaping the overall quality of service provided to customers. Additionally, establishing strong relationships with customers is essential for ensuring that they have a positive and engaging experience with AI technology. Therefore, businesses should focus on providing high-quality services that prioritize both ethics and relationship building to maximize customer satisfaction in the context of AI usage.
- f) **Personalization Effects:** The impact of personalization on AI-enabled customer experience is undeniably positive, particularly when it is mediated through AI ethics ($O = 0.059$, $p = 0.001$) and relationship commitment ($O = 0.032$, $p = 0.018$). Findings make it clear that incorporating personalized elements into the delivery of AI services can greatly enhance customer satisfaction and overall engagement with the technology.

However, personalization is also to be done in an ethical manner, taking into account the potential ethical implications and consequences of AI-driven personalization. By doing so, businesses can ensure that personalization remains a valuable tool in improving AI-enabled customer experiences while maintaining a responsible approach toward its implementation.

- g) **Age and Other Interaction Effects:** The results of the study have revealed some interesting findings regarding the impact of age, gender, occupation, and perceived convenience on AI-enabled customer experiences. The direct impact of age ($O = -0.049$, $p = 0.008$) and the interaction effect of gender and perceived convenience ($O = -0.013$, $p = 0.470$), and occupation and perceived convenience ($O = -0.005$, $p = 0.574$), show varied significance. It is already discussed that as individuals get older, their perception and satisfaction with AI-enabled customer experiences may decrease. However, the interaction effect between gender and perceived convenience as well as occupation and perceived convenience may not have a strong influence on AI-enabled customer experiences as evidenced by the study's findings.
- h) From the findings, it can be summarized that perceived convenience, AI service quality, and personalization are significant predictors of AI-enabled customer experience when mediated through AI ethics, AI security, and relationship commitment. Gender, occupation, and age show more complex and less consistent effects.

5.8 Total Effects of Factors on AI-Enabled Customer Experience and Mediators: AI Ethics, AI Security, and Relationship Commitment

Based on the study findings, the total effects of various factors on AI-enabled customer experience and mediators like AI ethics, AI security, and relationship commitment, several null and alternative hypotheses were examined and the corresponding interpretation of hypotheses testing is presented in this segment.

- a) **AI Ethics -> AI Enabled Customer Experience:** The study's findings demonstrate that there is a significant positive correlation between the two variables ($O = 0.232$, $p < 0.001$), indicating that ethical considerations in AI systems play a vital role in enhancing the overall customer experience. It is evident that businesses should prioritize ethical practices while developing and implementing AI systems to ensure maximum

satisfaction for their customers. Therefore, it can be concluded that AI Ethics holds great importance in the successful deployment of AI technology in various industries.

- b) **AI Security -> AI Enabled Customer Experience:** The study findings underscore the significant and encouraging impact of AI Security on the overall customer experience ($O = 0.175$, $p < 0.001$) provided by AI-enabled systems. There is greater importance of security features in improving customer satisfaction and loyalty. In other words, ensuring that AI systems are equipped with critical and advanced security measures is crucial for enhancing the quality of service offered to the customers. Businesses that rely on AI technologies to interact with their clients should prioritize investing in advanced security solutions to optimize the customer experience and achieve better outcomes.
- c) **AI Service Quality -> AI Enabled Customer Experience:** The findings of the study show that AI Service Quality plays a crucial role in enhancing the overall customer experience ($O = 0.346$, $p < 0.001$) in an AI-enabled environment. Thus providing top-notch AI services is to be ensured to improve the customer experience. Businesses must establish themselves as leaders in their respective industries by offering exceptional customer experiences powered by cutting-edge technology.
- d) **AI Service Quality -> AI Ethics:** The quality of AI services plays a crucial role in determining the ethical implications of AI operations, as per the study findings. Specifically, the study found a significant correlation between service quality and AI ethics ($O = 0.344$, $p < 0.001$). Higher levels of service quality are linked to more ethical AI practices. It is to be ensured that AI systems are designed and implemented with a strong focus on delivering high-quality services that prioritize ethical considerations. This focus will promote responsible and beneficial use of AI technology in various fields.
- e) **AI Service Quality -> AI Security:** The relationship between AI Service Quality and AI Security has been found to be positively correlated ($O = 0.154$, $p = 0.004$), suggesting that as the level of service quality provided by an AI system increases, the strength of its security measures would also improve. Organizations must give importance to both aspects when implementing AI technology in their operations. By ensuring high-quality service delivery, businesses can also safeguard against potential security threats in their AI systems.

- f) **AI Service Quality -> Relationship Commitment:** The results of the study indicate a significant positive correlation between AI Service Quality and Relationship Commitment ($O = 0.316$, $p < 0.001$), implying that a higher quality of AI services can have a direct impact on fostering commitment within AI-related relationships. Thus, the importance of providing high-quality AI services to enhance relationship commitment is of greater significance, ultimately leading to more successful and long-lasting relationships between AI service providers and their clients.
- g) **Age -> AI Enabled Customer Experience:** As per the study findings, age seems to play a significant role in the overall customer experience when it comes to AI. The findings show that there is a negative correlation ($O = -0.049$, $p = 0.008$) between age and AI-enabled customer experience, suggesting that older individuals may not have as favorable experiences with AI technology compared to their younger counterparts. It is clear that the age of the targeted customers should be taken into consideration when designing and implementing AI systems for customer service and support.
- h) **Age -> AI Ethics:** As per the study findings, it can be concluded that age also plays a crucial role ($O = -0.213$, $p < 0.001$) in determining the perception of ethical issues related to AI. Therefore, it is imperative for AI-based businesses to take into account the views and opinions of all age groups while designing and implementing AI systems, to ensure greater transparency and accountability in the field of artificial intelligence.
- i) **Gender -> AI Enabled Customer Experience:** The influence of gender on AI-enabled customer experience was found to have not so statistically significant impact ($O = -0.017$, $p = 0.380$). Gender may not play a significant role in shaping the overall AI-powered customer experience. Also, as per the findings of the study, potential gender differences may not have a substantial impact on perceptions of AI ethics.
- j) **Occupation -> AI-Enabled Customer Experience:** The findings indicate that occupation does not have a significant negative impact ($O = -0.008$, $p = 0.400$) on AI-enabled customer experience, suggesting that customers' experiences with AI technology may not be shaped based on the occupation. It is possible that other factors, such as individual preferences, technological proficiency, or contextual variables, could play a more prominent role in mediating the relationship between AI and customer satisfaction.

- k) **Occupation -> AI Ethics:** The findings reveal the impact of occupation on AI ethics ($O = -0.034$, $p = 0.383$) as negative but not significant, suggesting that the nature of one's profession may not have a substantial impact on ethical orientation and opinions related to artificial intelligence.
- l) **Perceived Convenience -> AI-Enabled Customer Experience:** As per the study's findings, there is a significant positive correlation between perceived convenience and AI-enabled customer experience ($O = 0.238$, $p < 0.001$). The study findings highlight that when customers perceive the AI system as more convenient, their overall experience with it improves. Retail businesses that focus more on convenience in their AI systems are likely to provide a better customer experience.
- m) **Perceived Convenience -> AI Ethics:** Findings of the study indicate that when users perceive an AI system as convenient, they tend to have more favorable ethical perceptions ($O = 0.229$, $p < 0.001$) about it. Thus, convenience in AI systems could be considered as an influential factor in shaping people's ethical views towards the AI systems.
- n) **Perceived Convenience -> AI Security:** As per the present study's findings, perceived Convenience shows a positive impact on AI Security ($O = 0.287$, $p < 0.001$), suggesting that there may be a correlation between convenience and improved security features or perceptions thereof in artificial intelligence systems. The more convenient an AI system is perceived to be, the more likely it is to be viewed as secure or trustworthy by users. Incorporating features of convenience could enhance user confidence in the security of the AI-based systems.
- o) **Perceived Convenience -> Relationship Commitment:** The study's findings point out that when artificial intelligence systems are perceived as convenient, it can lead to higher levels of commitment in relationships ($O = 0.211$, $p < 0.001$) involving AI technology. Convenience again stands as a factor in building and maintaining successful AI-related relationships.
- p) **Personalization -> AI Enabled Customer Experience:** The impact of personalization on AI-enabled customer experience is quite significant ($O = 0.256$, $p < 0.001$), as per the findings. When AI interactions are tailored and individualized to meet the specific needs and preferences of customers, their overall experience is improved in a positive way.

Personalized AI interactions can drive higher levels of satisfaction and engagement among customers, which can finally translate into better business results for companies.

- q) **Personalization -> AI Ethics:** Findings of the study indicate that personalization has a significant positive impact on AI Ethics ($O = 0.255$, $p < 0.001$), suggesting that the inclusion of personalization in AI systems is perceived as being morally and ethically favorable by individuals. The importance of incorporating personalized features into AI technology to promote ethical practices and positively influence user perceptions is emphasized again through the findings.
- r) **Personalization -> AI Security:** Adding to the previous findings, AI systems that are customized and tailored to individual users' needs and preferences are found to be generally perceived as having more robust and effective security features in place ($O = 0.175$, $p < 0.001$). Personalized AI is seen as being more trustworthy and secure compared to non-personalized versions. During the development and deployment of AI technologies, organizations can potentially enhance their overall security posture and mitigate the risks associated with cyber threats and data breaches by prioritizing personalization in the design and implementation of AI systems.
- s) **Personalization -> Relationship Commitment:** The study findings indicate that personalization also plays an important role in enhancing Relationship Commitment ($O = 0.143$, $p = 0.007$). The more personalized the experience is, the stronger the commitment will become. Tailoring AI interactions to individual preferences and needs in order to foster deeper connections and stronger relationships is emphasized through the findings.
- t) **Relationship Commitment -> AI Enabled Customer Experience:** A strong correlation between Relationship Commitment and improved customer experience ($O = 0.224$, $p < 0.001$) in the context of AI is evidenced by the study findings. These findings bring to the fore the importance of fostering commitment to enhance the overall quality of customer interactions with AI technology. Businesses can create more meaningful and impactful experiences for their customers in AI-based scenarios through the prioritization of relationship building and focusing more on the value of long-term partnerships.

- u) **Occupation x Perceived Convenience -> AI-Enabled Customer Experience:** The findings evidenced from the interaction between Occupation and Perceived convenience ($O = -0.005$, $p = 0.574$), indicate that there is no significant impact on AI-enabled customer experience. The specific interaction does not show a significant impact on customer experience when it comes to AI technology. Possibly, there could be other factors at play that affect customer experience with AI-enabled services.
- v) **Occupation x Perceived Convenience -> AI Ethics:** The study's findings based on the interaction effect of Occupation and Perceived Convenience (Original sample estimate $O = -0.022$, $p = 0.557$), on AI Ethics revealed that when considering a person's occupation and their level of convenience with AI systems, there is no considerable impact on their ethical considerations towards these technologies. Differences in occupation and perceived convenience do not significantly alter an individual's ethical views on AI.
- w) **Age x Perceived Convenience -> AI Enabled Customer Experience:** The findings also reveal that the interaction of age and perceived convenience ($O = 0.020$, $p = 0.042$) can indeed influence the overall customer experience to a small extent.
- x) **Age x Perceived Convenience -> AI Ethics:** In addition, the findings also indicate that when age and convenience are considered together ($O = 0.086$, $p = 0.023$), there is a favorable impact on ethical perceptions regarding artificial intelligence. The combined effect of age and perceived convenience contributes positively to the way individuals perceive ethical considerations in relation to AI technology.
- y) **Gender x Perceived Convenience -> AI-Enabled Customer Experience:** The findings also point that the interaction of gender and perceived convenience ($O = -0.013$, $p = 0.470$) does not have any significant influence in shaping the overall customer experience in relation to AI technology.
- z) **Gender x Perceived Convenience -> AI Ethics:** In addition, when considering ethical considerations related to AI, the combined effect of gender and perceived convenience ($O = -0.056$, $p = 0.449$) was also found to have no significant impact.

To summarize, the effect of different factors on the experience customers have when using artificial intelligence (AI) technology, things like AI ethics, security, service quality, convenience, and personalization all had a positive impact on customer experience with AI.

Tulcanaza-Prieto et al. (2023) demonstrate that while AI-driven service quality and personalization enhance customer experience, the impact of demographic factors is less straightforward and more variable. According to **Rane (2023)**, ethical considerations, along with convenience and security, positively influence customer satisfaction with AI technologies, whereas demographic factors like age and gender have inconsistent effects. **Song et al. (2022)** found that service quality and privacy concerns significantly affect customer experience, though demographic factors such as gender had a more complex relationship with AI adoption and satisfaction. However, demographic factors such as age, gender, and occupation had a more complex and less consistent impact on the customer's experience. These demographic factors interacted with perceived convenience in particular to affect the overall experience of using AI technology.

5.9 Findings Based on the Path Coefficients of Direct Effects on AI-Enabled Customer Experience and Mediators

- a) The present study found that AI ethics ($\beta=0.232$), security ($\beta=0.175$), and service quality ($\beta=0.168$) have positive effects on AI-enabled customer experience. Ethical AI practices had the strongest relationship with enhanced customer experiences.
- b) The quality of AI services has a positive impact on AI ethics ($\beta=0.344$), security ($\beta=0.154$), and relationship commitment ($\beta=0.316$). Demographic variables such as age, gender, and occupation [with coefficients of ($\beta=-0.213$), -0.072 , and ($\beta=-0.034$), respectively] have negative effects on AI ethics. Perceived convenience and personalization have positive effects on AI-enabled customer experience ($\beta=0.087$), ethics ($\beta=0.229$), AI security ($\beta=0.287$), and relationship commitment ($\beta=0.211$). Relationship commitment itself has a positive impact on AI-enabled customer experience ($\beta=0.224$).
- c) As per the indirect effects of various factors on AI-enabled customer experience, age ($\beta=-0.049$) had a negative impact on customer experience through AI ethics, while the combination of age and perceived convenience ($\beta=0.020$) had a positive impact. Occupation's impact through AI ethics ($\beta=-0.008$) was also negative. At the same time, AI service quality positively influenced customer experience through relationship commitment ($\beta=0.071$) and AI ethics ($\beta=0.080$), while perceived convenience had

positive impacts through AI ethics (0.053) and relationship commitment ($\beta=0.047$). Gender, in combination with perceived convenience, had a negative impact ($\beta=-0.013$) on customer experience through AI ethics. Finally, personalization positively influenced customer experience through relationship commitment (0.032), AI security ($\beta=0.031$), and AI ethics ($\beta=0.059$)

- d) The findings indicate that AI service quality had the most significant impact on customer experience ($\beta=0.346$), followed by AI ethics ($\beta=0.232$) and perceived convenience ($\beta=0.238$). Personalization also showed a positive effect ($\beta=0.256$).
- e) Furthermore, AI service quality was found to significantly affect AI ethics ($\beta=0.344$), AI security ($\beta=0.154$), and relationship commitment ($\beta=0.316$). Age was found to have a negative influence on both customer experience ($\beta=-0.049$) and AI ethics ($\beta=-0.213$), while gender and occupation also demonstrated negative impacts (from -0.017 to -0.072) on these factors.

5.10 Findings based on the Mediating Effects of AI Ethics, Security, and Relationship Commitment on the Relationship Between Perceived Convenience, Personalization, AI Service Quality, and AI-Enabled Customer Experience

In this segment, the findings based on the interpretation of hypotheses of the mediating effects have been discussed.

a) **Perceived Convenience and AI Ethics:** The findings from the present study reveal that the perceived convenience factor ($M = 0.053$, $p = .002$) plays a crucial role in shaping the AI-enabled customer experience. When users perceive a greater degree of convenience in their interactions with AI-enabled systems, it positively affects their overall perception of the ethical considerations surrounding AI. Consequently, this leads to an enhanced customer experience that is more satisfying and fulfilling for users.

b) **Perceived Convenience and Relationship Commitment:** The notion of perceived convenience has been found to have a significant indirect impact ($M = 0.047$, $p = .002$) on the experience of customers who interact with artificial intelligence (AI) technologies. In particular, this effect is mediated by relationship commitment, suggesting that the level of ease and efficiency associated with using AI services can bolster the connection between users and the AI tools, thereby enhancing overall customer experiences. When individuals perceive that an AI-

enabled system is convenient to use, they may be more likely to develop a sense of loyalty or attachment to it, leading to greater satisfaction and engagement with the service.

c) **Perceived Convenience and AI Security:** The study findings also pointed out that the perceived level of convenience ($M = 0.050$, $p < .001$) plays a crucial role in shaping the customer experience when interacting with AI technology. Customers who perceive the AI service to be more convenient also tend to feel more secure while using it, leading to a more positive overall experience.

d) **Personalization and AI Ethics:** As per the study's findings, the incorporation of personalization in AI-enabled customer experience ($M = 0.059$, $p = .001$) was found to have a positive impact, suggesting that the provision of customized services is viewed as being more ethically responsible, thereby improving the overall customer experience. By utilizing AI ethics in conjunction with personalized offerings, businesses can create a more favorable and satisfying interaction for their customers.

e) **Personalization and Relationship Commitment:** Findings of the present study highlight that personalization has a significant impact ($M = 0.032$, $p = .018$) on the AI-enabled customer experience through relationship commitment. The increased commitment can lead to an overall improvement in the customer experience, which is essential for any business seeking to retain its customers and establish long-term relationships with them. Thus, incorporating personalization into AI-enabled customer service can be a highly effective strategy for businesses looking to improve their customer engagement and satisfaction levels.

f) **Personalization and AI Security:** AS per the study findings, personalized AI services play a vital role in fostering a heightened sense of security ($M = 0.031$, $p = .004$) among users, which is critical for ensuring a positive customer experience. By customizing their interactions with customers through AI technology, businesses can effectively address their specific needs and preferences, leading to greater satisfaction and loyalty. In addition to this, the incorporation of advanced AI security measures ensures that customers' sensitive information remains protected and secure at all times, further enhancing the overall customer experience.

g) **AI Service Quality and AI Ethics:** The findings of the study indicated that there is a significant indirect impact of AI service quality on the overall experience of customers ($M = 0.080$, $p < .001$) who are using AI-enabled services. This effect is primarily mediated through AI

ethics, indicating that ethical perceptions play an important role in shaping how customers perceive the quality and effectiveness of these services. When AI service providers prioritize ethical considerations in their operations, this has a positive impact on customer experience, resulting in more satisfied and engaged users.

h) **AI Service Quality and Relationship Commitment:** The study findings show that there is a significant correlation between service quality and relationship commitment ($M = 0.071$, $p < .001$). The quality of AI services plays a vital role in the overall customer experience, specifically through the establishment of relationship commitment. This highlights the important role that service quality plays in enhancing the level of customer satisfaction by positively influencing their experience. Therefore, it is imperative for businesses to invest in high-quality AI services to ensure a positive and long-lasting relationship with their customers.

i) **AI Service Quality and AI Security:** The study has found that the quality of AI service has a significant indirect impact on the overall customer experience ($M = 0.027$, $p = .018$). This effect is primarily mediated by AI security, which was observed to be positively influenced by higher levels of service quality. When the quality of AI services is improved, customers tend to perceive better security measures in place, leading to an enhanced overall experience with the technology. Therefore, it can be concluded that improving the quality of AI services can have a significant positive impact on customer satisfaction and retention.

5.11 Findings based on the analysis of the Moderating effect of age on Perceived Convenience and AI Ethics

The relationship between perceived convenience and ethical considerations in AI ethics is moderated by age. At first, the study findings indicated that there is a positive correlation between perceived convenience and AI ethics ($\beta = 0.229$, $p < .001$), suggesting that as the convenience of an AI service increases, the perception of its ethical standards would also increase. Besides that, age showed a negative relationship with AI ethics ($\beta = -0.213$, $p < .001$), suggesting that as the age of the individual increases, there is a tendency to perceive AI ethics less favorably. Also, the interaction of age and perceived convenience on AI ethics is also significant ($\beta = 0.086$, $p = .023$). This implies that the impact of perceived convenience on AI ethics varies with age. Specifically, the positive relationship between perceived convenience and AI ethics is stronger at different levels of age, indicating that age modifies how perceived

convenience influences ethical perceptions of AI.

5.12 Findings based on the Moderation Analysis of Gender on the positive relationship between Perceived Convenience and AI Ethics

The study findings examined whether gender had a moderating effect on the relationship between perceived convenience and AI ethics. It is revealed that there is indeed a significant relationship between perceived convenience and AI ethics (with a coefficient of 0.229 ($p < .001$)). In particular, as perceived convenience increases, the perception of AI ethics also increases, suggesting that there is a strong positive correlation between ease of use and ethical considerations associated with AI services. However, when considering the role of gender in this relationship, the results suggest that there is no significant moderating effect ($\beta = -0.072$, $p = .372$). In other words, gender itself did not have a statistically significant impact on perceptions of AI ethics. Moreover, the interaction between gender and perceived convenience on AI ethics was also non-significant ($\beta = -0.056$, $p = .449$). Thus, it can be concluded that the influence of perceived convenience on AI ethics does not differ significantly between genders.

5.13 Findings based on the Analysis of Moderating Role of Occupation on the Relationship between Perceived Convenience and AI Ethics

The findings of the study revealed a positive relationship between the ease with which consumers interact with AI and their ethical acceptance of its use (with a regression coefficient of 0.229, $p < .001$), suggesting that user-friendly AI has the potential to impact ethical perceptions positively. However, the occupation of consumers did not appear to show a substantial impact on their ethical stance towards AI (regression coefficient of -0.034, $p = .383$), implying that one's profession does not necessarily shape their ethical judgment of AI in retail settings.

The interaction effect between occupation and perceived convenience on ethical evaluations of AI (with a regression coefficient of -0.022, $p = .557$) was not significant. **Ye et al. (2019)** demonstrate that perceived convenience has a significant positive effect on AI ethics, while occupation does not independently affect ethical perceptions nor significantly moderate the relationship. **Park et al. (2021)** confirm that convenience positively influences the adoption of AI technologies, but occupation has no notable moderating effect on this relationship. Thus, while perceived convenience has a notable positive influence on the ethical perception of AI, occupation was found to be neither independently influencing AI ethics nor significantly moderating the relationship between perceived convenience and AI ethics.

Chapter 6

RECOMMENDATIONS AND CONCLUSION

Motivated by the transformative impact of Artificial Intelligence (AI) on customer engagement and satisfaction in retail, the present study made an attempt to delve into the implementation of AI and its subsequent consumer experience with reference to the Lenskart eyewear retail chain. The study throws light on the intricate mechanisms by which AI interventions mediate and moderate the consumer experience, ultimately impacting key satisfaction indicators. With the help of statistical tools and meticulous data analysis, the present study attempted to illuminate the complex interplay between AI and customer response in the eyewear industry. The present study's focus enriches the existing body of knowledge of retail consumer experience by providing empirical evidence specific to the unique dynamics of the eyewear segment. The results of the study hold significant promise to advance both academic understanding and practical application of AI in retail. By clarifying the intricate links between AI interventions and customer experiences, the study results would lead to a scholarly understanding of AI's role in shaping customer journeys within the retail landscape. In the practical sense, the results of the study will be helpful in guiding retailers, specifically those in the eyewear industry, towards optimizing customer experiences through strategic AI implementation. The findings of the study provide insights into the exciting realm of AI-powered retail, offering a valuable understanding of both theoretical and practical advancements in the field. Based on the findings of the present study suggestive recommendations and conclusions are presented in this chapter.

A. Recommendations focusing on enhancing the AI-Enabled Customer Experiences in the Lenskart Eyewear Retail Chain:

6.1 Recommendations targeting the demographic attributes of the consumers:

- a) **Focus on younger customers:** Based on the present study findings it is suggested that Lenskart may focus on targeting the younger customer base with AI-based interventions in their retail experience.

- b) **Reach out to educated populations:** As per the study findings, it is recommended that Lenskart continue to target and reach out to the educated population for their AI-based interventions.
- c) **Consider private sector employees:** As the study found significant representation and favorable responses from private sector participants, Lenskart may consider targeting this group to increase the adoption of their AI-based interventions.
- d) **Understand the economic status:** The study findings on family annual income provide an understanding of the economic status of individuals and families in the study region. It is recommended that Lenskart use such information to channel its business efforts and target interventions that are affordable for its customers.

6.2 Recommendations to Enhance Customer Experiences in the Lenskart Eyewear Retail Chain-based

- a) Lenskart must continue to invest in AI technology to enhance the online consumer experience. The development of a user-friendly interface that understands the unconscious mindset of online consumers should be prioritized.
- b) Lenskart should focus on developing realistic virtual interactions through AI to improve customer retention. This will help them to attract and retain consumers on their online platform.
- c) Lenskart should leverage expert reviews to promote its online platform. This can help them to overcome the deceptive and paid reviews of certain e-tailing businesses.
- d) Lenskart should target and reach out to the educated population for their AI-based interventions and consider private sector employees as a target group to increase the adoption of their AI-based interventions.
- e) Lenskart should use the study findings on family annual income to channel their business efforts and target interventions that are affordable for their customers.

6.3 Recommendations to address the concerns of customers regarding the security of their data in AI environments:

- a) **Increase transparency:** Lenskart could increase transparency about their data collection and usage practices to assure customers that their data is being handled safely and securely.

- b) **Enhance security features:** The Company could also enhance the security features of its AI-enabled websites to provide customers with a greater sense of security while using their platforms.
- c) **Provide offline alternatives:** As the study suggests that some customers may prefer offline platforms over AI-enabled ones, Lenskart could consider providing offline alternatives to cater to the needs of these customers.
- d) **Improve communication:** Lenskart could improve communication with their customers by providing regular updates regarding their security practices and responding promptly to customer queries and concerns.

6.4 Recommendations to improve the service quality in retail chains offering AI-based interventions such as Lenskart:

- a) **Strengthen online presence:** As online presence was ranked the highest, it is recommended that Lenskart Eyewear Retail Chain focus on strengthening its online presence through a user-friendly website, social media presence, and online customer service.
- b) **Enhance after-sales services:** Since after-sales services were also found to be an important aspect of AI service quality, Lenskart Eyewear Retail Chain can further enhance this through personalized customer support, quick response time to queries, and efficient complaint resolution.
- c) **Leverage AI in marketing strategies:** As AI in marketing strategies was also ranked high, Lenskart Eyewear Retail Chain can use AI to personalize marketing messages, predict customer behavior, and optimize marketing campaigns.
- d) **Improve time-bound deliveries:** Although time-bound deliveries ranked third, it is still an important aspect of AI service quality. Lenskart Eyewear Retail Chain can improve this by using AI to optimize delivery routes, track shipments in real time, and provide accurate delivery estimates to customers.
- e) It is recommended that Lenskart Eyewear Retail Chain prioritize convenience, quality service, and ethics in their AI-enabled services. This can be achieved by investing in technologies that enhance convenience and quality service, such as chatbots, virtual try-ons, and personalized recommendations. Additionally, the company should focus on ethical

practices, such as transparency in pricing and ethical sourcing of products, to build trust with customers.

- f) While personalization is still an important factor, it may not be as critical as convenience, quality service, and ethics in enhancing customer experience. Therefore, the company should balance personalization with other factors to provide a well-rounded customer experience.
- g) Finally, while security and brand commitment are still important, they may not be the top priority for customers in their AI-enabled shopping experiences. Therefore, the company should ensure that these factors are still present but not at the expense of convenience, quality service, and ethics.

6.5 Recommendations to improve customer satisfaction and commitment to the Lenskart brand:

- a) **Focus on improving the security and trustworthiness of the shopping experience:** Customers value security and trust in their shopping experience, and this is an area where AI can play a crucial role. Implementing additional security measures, such as two-factor authentication and secure payment gateways, can help build trust with customers.
- b) **Enhance the user-friendliness of the AI features:** While customers value the personalization and recommendations provided by AI, the study suggests that there is room for improvement in terms of the user-friendliness of these features. Providing clear instructions and making the AI interface more intuitive can help improve the overall user experience.
- c) **Prioritize brand commitment in marketing efforts:** While customers acknowledge the importance of brand commitment, it was not prioritized in the study. Lenskart can focus on building brand loyalty through targeted marketing efforts, such as loyalty programs or personalized offers, to increase customer commitment to the brand.

6.6 Recommendations to enhance the overall perceived convenience levels of Lenskart Eyewear Retail Chain:

- a) Improve the web-based platforms to make it more user-friendly and convenient for customers.

- b) Introduce more self-service options for customers, such as self-checkout kiosks or online ordering for in-store pickup.
- c) Offer more personalized recommendations to customers based on their previous purchases or browsing history.

6.7 Recommendations to enhance customer satisfaction, and build trust and loyalty at Lenskart Eyewear Retail Chain:

- a) Enhance the accuracy and relevance of AI-powered product recommendations to improve customer satisfaction and sales.
- b) Improve the AI-enabled chatbot support for resolving customer queries to provide better customer service.
- c) Increase the effectiveness of AI-based security measures for preventing fraudulent activities such as credit card and identity theft, which will help build trust and loyalty among customers.
- d) Further develop the efficiency of the AI-enabled billing and payment process to create a seamless customer experience.
- e) Continue to prioritize the use of AI-based security measures for the protection of customers' privacy and personal data.

6.8 Recommendations to enhance AI personalization in Lenskart Eyewear Retail Chain:

- a) Refine the AI personalization algorithms to better align with customer preferences and needs and to enhance the effectiveness of the recommendations.
- b) Offer more in-store personalization services to customers, such as personalized styling advice and fitting services, to enhance the customer experience and provide a more personalized and human touch.
- c) Improve the training of staff to help customers navigate the AI personalization tools and to take a more personal interest in their needs and preferences.
- d) Communicate more effectively with customers to help them understand the value of AI personalization and how it can benefit them in finding the perfect eyewear.

- e) Offer incentives to customers to encourage them to use the AI personalization tools, such as discounts or loyalty points, to increase customer engagement with the technology.

6.9 Recommendations to Utilize the Factors Related to Artificial Intelligence Technologies to Enhance Customer Experience

It is recommended that organizations and businesses focus on increasing the convenience of AI-enabled services for their customers. This can be achieved by simplifying the user interface, reducing the number of steps involved in the AI-enabled service, and making the service accessible across multiple devices.

To improve the security of AI-enabled services, organizations should focus on educating their customers about the security features of the service and highlighting the measures in place to protect their data. This can help build trust and increase the adoption of AI-enabled services.

To improve the overall customer experience with AI, organizations should integrate more advanced artificial technologies into their services. This can enhance the capabilities of the service and provide customers with a more personalized and engaging experience.

It is recommended that organizations and businesses prioritize making their AI-enabled services more user-friendly, secure, and advanced. This can be achieved by simplifying the user interface, highlighting the security features of the service, and investing in more advanced artificial technologies. Additionally, educating customers about the benefits and security features of AI-enabled services can help build trust and increase adoption.

Organizations should prioritize making their AI-enabled services more user-friendly and secure. They should also focus on educating their customers about the benefits and security features of AI-enabled services. Organizations should also invest in more advanced artificial technologies to enhance the capabilities of their services and provide customers with a more personalized experience.

6.10 Recommendations based on the Analysis of Mediating and Moderating Effects Investigating the AI-based Interventions

6.10.1 Recommendations addressing the direct Effects of Factors on AI-enabled customer Experience, AI Ethics, AI Security, and Relationship Commitment

- a) The study found that AI Ethics and AI Security have a significant positive impact on AI-enabled customer experience. Thus, businesses must prioritize ethical principles and security

protocols in the development and deployment of AI technologies to ensure optimal customer experiences while building customer trust. Regular monitoring and updating of ethical guidelines and security protocols, transparency in AI-powered processes, and employee training are recommended.

- b) To enhance the service quality, it is recommended to incorporate service quality as a critical component in the design and development of AI systems across diverse domains. Businesses should develop and implement robust quality assurance processes to ensure that AI systems deliver consistent and high-quality service to users. It is recommended to prioritize user feedback and incorporate it into the ongoing development and improvement of AI systems to enhance the overall user experience. Businesses should invest in training and development programs to build the skills and knowledge of AI professionals in service management, ethical considerations, and security concerns. Businesses could also collaborate with stakeholders across different domains to establish standards and guidelines for service quality in AI systems.
- c) **Age:** Businesses developing AI technologies should consider the age demographics of their target audience and incorporate ethical considerations and values that align with those age groups. For instance, younger audiences may prioritize privacy and data protection, while older audiences may prioritize transparency and accountability in AI systems.
- d) **Perceived Convenience:** Businesses should prioritize user convenience when designing and implementing AI systems. This can be achieved by ensuring that AI technologies are user-friendly and easy to navigate. Additionally, businesses can provide personalized recommendations and suggestions based on customer preferences to enhance the convenience factor of their AI technologies.
- e) **Personalization:** Retailing/e-tailing and eyewear businesses should incorporate personalization features into their AI-enabled services to enhance customer experience. This can be achieved by collecting and analyzing customer data to provide personalized recommendations and services. However, businesses should also ensure that they are collecting and using customer data ethically and transparently.
- f) **Relationship Commitment:** Businesses should focus on building strong relationships with their customers to improve their experience with AI-enabled services. This can be achieved

by providing excellent customer service, responding to customer feedback, and incorporating customer feedback into the design and implementation of AI systems. Additionally, businesses should ensure that they are transparent and accountable in their use of customer data to build trust and strengthen relationships with customers.

6.10.2 Recommendations addressing the interaction effects:

- a) **Emphasize the importance of ethical considerations:** The study suggests that individuals are more likely to consider ethical implications related to AI as they get older. Therefore, it is essential to educate individuals of all ages about the ethical implications of AI and encourage them to prioritize ethical considerations in their interactions with AI.
- b) **Enhance security measures:** The study highlights the importance of security measures in enhancing AI-driven interactions and commitments. Therefore, it is recommended to implement robust security measures to protect user data and build trust in AI systems.
- c) **Improve service quality:** The study shows that service quality is an essential factor in influencing AI ethics. Therefore, it is recommended to improve the quality of AI-driven services by providing accurate and relevant information to users and addressing their concerns promptly.
- d) **Focus on convenience and personalization:** The study suggests that convenience and personalization play a significant role in enhancing AI-driven interactions and commitments. Therefore, it is recommended to provide personalized and convenient AI-driven services that meet the needs and preferences of users.

6.10.3 Recommendations based on Specific Indirect Effects of Demographic and Perceptual Factors on AI-enabled customer Experience through AI Ethics, AI Security, and Relationship Commitment

- a) Businesses should focus on providing high-quality AI services that prioritize both ethics and relationship building to maximize customer satisfaction in the context of AI usage. This can be achieved by ensuring that ethical considerations are taken into account during AI development, and by establishing strong relationships with customers.

- b) **Perceived convenience** is a crucial factor that can greatly enhance the customer experience when using AI technology. Therefore, businesses should prioritize convenience in the delivery of AI services, both in terms of AI ethics and AI security.
- c) **Personalization** can be a valuable tool in improving AI-enabled customer experiences, but it should be implemented ethically, taking into account the potential ethical implications and consequences of AI-driven personalization.
- d) The study highlights the importance of considering ethical considerations in AI development to optimize customer experience for different age groups and their expectations of convenience. Therefore, businesses should take into account the different age groups and their expectations of convenience when developing AI technology.
- e) Finally, the study findings imply that gender, occupation, and age show more complex and less consistent effects on AI-enabled customer experiences. Therefore, businesses should take a nuanced approach in considering these factors when developing AI technology, rather than relying on broad generalizations.

6.10.4 Recommendations based on the Total Effects of Factors on AI-enabled customer Experience and Mediators: AI Ethics, AI Security, and Relationship Commitment

- a) It is recommended that businesses establish themselves as leaders in their respective industries by providing exceptional customer experiences powered by cutting-edge technology. Moreover, the study reveals a positive correlation between service qualities and both AI ethics and AI security, indicating that businesses must give equal importance to both aspects when implementing AI technology in their operations. Overall, the study recommends that businesses aim to design and implement AI systems that deliver high-quality services prioritizing ethical considerations and advanced security measures to promote responsible and beneficial use of AI technology in various fields.
- b) To enhance relationship commitment, AI service providers should focus on providing high-quality AI services that meet the unique needs and expectations of their clients. This will help build trust and foster long-lasting relationships between the service provider and their clients.

- c) When designing and implementing AI systems for customer service and support, age should be taken into consideration to ensure that the needs and preferences of all age groups are met. This can be achieved by conducting user research and user testing with individuals from different age groups.
- d) To ensure greater transparency and accountability in the field of artificial intelligence, AI-based businesses should take into account the views and opinions of all age groups while designing and implementing AI systems. This will help address ethical concerns related to AI and promote a more inclusive and diverse approach to AI development.
- e) Gender may not play a significant role in shaping the overall AI-powered customer experience. Therefore, AI service providers should focus on providing a seamless and user-friendly experience for all customers, regardless of their gender.
- f) Occupation may not have a significant impact on ethical orientation and opinions related to artificial intelligence. However, AI-based businesses should still promote ethical practices and transparency in AI development, regardless of the nature of one's profession.
- g) Retail businesses should focus on making their AI systems more convenient to use, as customer perception of convenience is positively correlated with their overall experience with the system. This could include features such as quick and easy navigation, clear and concise instructions, and streamlined processes that minimize the steps required to complete a task.
- h) It is recommended to consider emphasizing the convenience of AI systems when promoting their ethical use, as users tend to have more favorable ethical perceptions of convenient AI. This could include highlighting how AI can make tasks easier and more efficient and can reduce the risk of human error or bias.
- i) It is also recommended to incorporate features of convenience into AI systems to enhance user confidence in their security and trustworthiness. This could include features such as easy-to-use security controls, clear and transparent data storage and processing practices, and quick and efficient responses to security threats.

- j) To build and maintain successful AI-related relationships, businesses should focus on making their AI systems as convenient as possible. This could include features such as personalized recommendations, easy-to-use interfaces, and quick and efficient responses to customer queries and requests.
- k) To improve the overall customer experience with AI systems, businesses should focus on personalizing their interactions with customers. This could include features such as customized recommendations based on customer preferences and past behavior, personalized responses to customer queries and requests, and personalized product and service offerings based on customer needs and preferences.
- l) It is important to focus on building long-term partnerships with customers, as this can help in maintaining a steady and loyal customer base. This can be achieved by offering personalized services and solutions that cater to the specific needs and preferences of the customers.
- m) The findings indicate that there is no significant impact on customer experience when it comes to AI technology. To improve customer experience with AI-enabled services, businesses can focus on other factors such as improving the quality of products, providing excellent customer support, and creating a seamless user experience.
- n) It is important to understand that while AI technology can be beneficial in enhancing customer experience, it is not the only factor that impacts customer satisfaction. Therefore, businesses must focus on a holistic approach to improve customer experience by considering various factors that contribute to customer satisfaction.

6.10.5 Recommendations based on the Path Coefficients of Direct Effects on AI-Enabled Customer Experience and Mediators

- a) Ethical AI practices had the strongest relationship with enhanced customer experiences. Therefore, it is recommended that organizations establish ethical guidelines and standards for AI development and deployment. They should ensure that AI systems are transparent, accountable, and unbiased. Organizations should also invest in AI ethics training for employees to create awareness of ethical issues related to AI.

- b) **AI service quality** positively influences customer experience through relationship commitment and AI ethics. Therefore, organizations should focus on improving the quality of their AI services. They should provide customers with well-designed AI systems that are easy to use, fast, and efficient. Organizations should also ensure that their AI systems are reliable and secure.
- c) **Perceived convenience and personalization** have positive effects on AI-enabled customer experience, ethics, security, and relationship commitment. Therefore, organizations should focus on providing customers with personalized and convenient AI services. They should use customer data to create personalized experiences that meet individual needs and preferences. Organizations should also make their AI services easily accessible and available on multiple channels.
- d) **Age and occupation** were found to have negative impacts on AI ethics. Therefore, organizations should create awareness of AI ethics among customers of all ages and occupations. They should provide clear and simple explanations of how their AI systems work and how they use customer data. Organizations should also ensure that their AI systems are designed to respect customer privacy and data protection.
- e) **Gender**, in combination with perceived convenience, had a negative impact on customer experience through AI ethics. Therefore, organizations should ensure that their AI systems are free from gender biases. They should invest in gender diversity training for employees involved in AI development and deployment. Organizations should also test their AI systems for gender biases before deploying them.
- f) **Personalization** positively influenced customer experience through relationship commitment, AI security, and AI ethics. Therefore, organizations should prioritize personalization in their AI strategy. They should invest in customer data analytics to gain insights into customer preferences and behavior. Organizations should also use customer feedback to improve their AI systems and personalize their services further.

6.11 Recommendations to improve the overall customer experience with AI services based on the mediation analysis:

- a) **Improve the quality of AI services:** As per the findings of the study, higher levels of service quality can positively influence AI security and customer experience. Therefore, AI service providers must focus on improving the quality of their services to enhance the overall customer experience. This can include investing in better AI technologies, providing more comprehensive training to customer support staff, and implementing robust quality assurance processes.
- b) **Enhance AI security measures:** It is found that better security measures can improve customer perception of AI services and enhance their overall experience. To achieve this, AI service providers must prioritize security measures such as data encryption, multi-factor authentication, and secure transmission protocols. Additionally, regular security assessments and audits must be conducted to identify and address any vulnerabilities.
- c) **Educate customers about AI security:** The study findings suggest that customer perception of AI security is strongly linked to their overall experience with the technology. Therefore, AI service providers must take proactive steps to educate customers about the security measures in place and how they can protect their data. This can include providing comprehensive documentation, conducting awareness campaigns, and offering training sessions to customers.

6.12 Recommendations based on the analysis of the Moderating effect of age on Perceived Convenience and AI Ethics

- a) **Age-specific AI ethics training:** Since age was found to have a negative relationship with AI ethics, it is recommended to provide age-specific training on AI ethics. Such training can help older individuals understand the ethical implications of AI and how it impacts society.
- b) **User-friendly AI systems:** To increase the positive correlation between perceived convenience and AI ethics, it is recommended to design AI systems that are user-friendly. This can be achieved by developing AI systems that are easy to use and understand, and that provide clear explanations of how they work.
- c) **Age-specific AI design:** Since the interaction of age and perceived convenience on AI ethics is also significant, it is recommended to design AI systems that are age-specific. Such designs can help to address the specific needs and preferences of different age groups and can help to increase the positive correlation between perceived convenience and AI ethics.

- d) Ethical AI guidelines:** To ensure that AI systems are developed and used ethically, it is recommended to establish clear ethical guidelines for AI development and use. These guidelines should be accessible to all stakeholders and should be regularly reviewed and updated to reflect changing ethical standards and societal expectations.

6.13 Recommendations based on the Moderation Analysis of Gender on the positive relationship between Perceived Convenience and AI Ethics

It is important to recognize that ease of use is a crucial factor in determining the ethical considerations associated with AI services. Therefore, it is essential to design AI services that are user-friendly and convenient to use. This could involve simplifying the user interface and providing clear and concise instructions for users. Also, to note is that there is no significant difference in the way that men and women perceive the ethical considerations associated with AI services. Therefore, it is important to design AI services that are gender-neutral and do not discriminate against any particular gender. This could involve using gender-neutral language and imagery in the design of AI services. The interaction between gender and perceived convenience on AI ethics was non-significant. Therefore, it is important to design AI services that are equally convenient and accessible to men and women. This could involve conducting user testing with both men and women to ensure that the AI services are equally user-friendly and convenient for both genders.

6.14 Recommendations Based on the Analysis of Moderating Role of Occupation on the Relationship between Perceived Convenience and AI Ethics

Based on the moderation analysis findings, it is recommended that companies focus on improving the user-friendliness of AI systems to positively impact the ethical perceptions of consumers. Companies should not assume that the occupation of the consumer will determine their ethical stance towards AI. Instead, they should prioritize convenience and ease of use in their AI systems to ensure that consumers feel comfortable using them, regardless of their occupation. It is recommended that companies should continue to conduct research to better understand the relationship between perceived convenience, occupation, and ethical evaluations of AI, to develop more effective strategies for promoting ethical AI use in retail settings.

6.15 Policy Recommendations based on the findings of the study

Based on the analysis of the findings of the present study, the following policy recommendations can be made for governments:

- a) **Encourage the adoption of AI-enabled customer experience technologies:**
Governments can encourage businesses to invest in AI-enabled customer experience technologies by providing incentives such as tax breaks, grants, and subsidies. This can help businesses provide better customer experiences and improve their competitiveness in the global market.
- b) **Promote research and development in AI-enabled customer experience:**
Governments can fund research and development initiatives to improve the design and implementation of AI-enabled customer experience technologies. This can help businesses provide better customer experiences and improve customer satisfaction. This would help businesses stay up-to-date with the latest technological advancements. Such initiatives can also be funded through public-private partnerships or government funding mechanisms.
- c) **Develop regulations and standards for AI-enabled customer experience:**
Governments can develop regulations and standards for the use of AI-enabled customer experience technologies to ensure that they are ethical and do not discriminate against certain groups. This can help protect consumers and ensure that AI-enabled customer experiences are designed to meet their needs. Governments can work with industry associations and other stakeholders to develop guidelines and codes of conduct for the use of AI-enabled customer experience technologies.
- d) **Invest in training and education:** Governments can invest in training and education programs to help employees acquire the skills needed to design and deliver AI-enabled customer experiences that meet the needs of different customer groups. This can help improve the quality of customer experiences and enhance customer satisfaction.
- e) **Foster collaboration between businesses and academia:** Governments can foster collaboration between businesses and academia to promote the development of AI-enabled customer experience technologies. Governments can encourage the establishment of research and development centers or innovation hubs that bring together

businesses, universities, and other stakeholders to collaborate on AI-enabled customer experience technology research and development. This can help businesses stay up-to-date with the latest research and developments in the field and provide better customer experiences.

- f) Governments can encourage businesses to invest in AI-enabled customer experience technologies by providing incentives such as tax breaks, grants, and subsidies. This can help businesses adopt new technologies and provide better customer experiences, which can in turn lead to improved competitiveness in the global market.

Actionable Insights for Policymakers:

- g) Establish standards for AI-powered virtual try-on (VTO) tools to ensure accuracy and reliability. Set benchmark accuracy levels, require disclaimers for deviations, and promote independent AI testing bodies for retail solutions.
- h) Develop AI deployment policies that balance automation with human employment. Implement reskilling programs for displaced workers, mandate human oversight in AI interactions, and promote hybrid AI-human customer support models for better service.
- i) Strengthen cybersecurity policies to safeguard AI-driven eyewear retail systems. Enforce audits, establish penalties for AI misuse, and implement secure AI-powered payment gateways to prevent fraud and data breaches.
- j) Enhance cybersecurity for AI-driven eyewear retail by enforcing audits, penalizing AI misuse, and securing payment gateways to prevent fraud and data breaches.

6.16 Theoretical and Research Recommendations and Scope for Future Research

Based on the factor analysis results, some theoretical and research recommendations that can be made are:

- a) Future research can focus on exploring the factors that affect user interface and expert reviews, as they were found to have lower commonalities in this study.
- b) Researchers can investigate the impact of AI-related attributes on other aspects of online shopping, such as purchase intention, loyalty, and repeat purchase behavior.

- c) The study highlights the importance of user experience, security, content-driven purchasing decisions, and service quality in enhancing consumer satisfaction and trust in online retail environments. Future research can explore how these factors can be enhanced using AI technologies.
- d) The study found good reliability for five factors related to AI: Artificial Intelligence, Perceived Convenience, AI Security, AI Service Quality, and an overall category. Future research can build on this by exploring the relationships between these factors and other relevant constructs.
- e) Researchers can also investigate the effectiveness of different AI-related strategies in improving consumer satisfaction and trust in online retail environments. For example, how can AI be used to personalize the shopping experience or improve after-sales services?
- f) Further research could be conducted to examine the impact of ethical trust on customer satisfaction in other industries besides retail eyewear.
- g) Future studies could investigate the role of other dimensions of AI-enabled customer satisfaction beyond ethical trust and personalized service, such as the accuracy and speed of AI interventions.
- h) Research could also be done to explore the impact of cultural and demographic factors on the mediating and moderating effects of AI interventions on customer satisfaction.
- i) Additional studies could be conducted to assess the impact of AI interventions on other aspects of customer behavior, such as loyalty and advocacy.
- j) Theoretical frameworks could be developed to help organizations better understand the complex relationship between AI interventions and customer satisfaction, with a focus on practical implications for companies looking to leverage AI to improve customer experience.
- k) It is recommended that future research investigate the impact of AI integration on customer satisfaction and engagement across a range of retail chains. A comparative analysis of AI-enabled customer experiences across different retail sectors could provide valuable insights into the extent to which AI can optimize customer experiences.

- l) Future research should seek to explore the factors that influence the adoption and implementation of AI technologies in the retail sector, as well as the challenges associated with their use. By identifying these factors and challenges, researchers can better understand how to optimize AI-enabled customer experiences in the retail sector.
- m) Another area for future research is the impact of AI-enabled customer experiences on customer loyalty and retention. This would require examining how AI can be used effectively to create customer experiences that encourage repeat business and customer loyalty.
- n) The ethical and privacy implications of using AI technologies in the retail sector should be explored. Researchers should develop guidelines that promote the responsible and ethical use of AI technologies in the retail sector, while also addressing concerns around data privacy and security.
- o) Future research can explore the relationship between AI security and other AI-related constructs, such as AI ethics, perceived convenience, personalization, and relationship commitment. Research can be carried out to understand the impact of AI-enabled customer experience on customer loyalty and satisfaction, as well as the role of AI ethics in building trust and maintaining customer loyalty. Also, theoretical frameworks can be developed to explain the underlying mechanisms that link AI-related constructs with customer experience outcomes. Finally, future research can examine the moderating role of contextual factors, such as culture and industry, on the relationship between AI-related constructs and customer experience outcomes.
- p) Based on the evaluation of the model fit of the study, it is recommended that future research should explore alternative statistical techniques to evaluate model fit beyond the commonly used Chi-square statistic. Additionally, it is suggested that future studies should examine other fit indices in greater depth to better understand the nuances of model fit. Further, the study highlights the need for researchers to refine and improve their models to obtain a better fit. To achieve this, researchers should consider modifying model specifications, exploring alternative model structures, and refining measurement instruments to improve construct validity. Finally, it is recommended that researchers

carefully consider the sample size when interpreting the Chi-square statistic and other fit indices, as a small sample size can lead to an overestimation of model misfit.

- q) The technology acceptance model (TAM) can be extended to include other factors beyond gender that may influence customers' perceptions of AI-enabled customer experience. For example, the perceived usefulness and ease of use of AI-powered customer experience systems can be investigated to gain a deeper understanding of customers' attitudes toward these systems.
- r) Businesses can adopt the Technology Acceptance Model (TAM) to understand how customers perceive and adopt AI technologies. The TAM can help businesses identify the factors that contribute to customer satisfaction and acceptance of AI technologies, and tailor their strategies accordingly. Additionally, businesses can adopt the Service-Dominant Logic (SDL) to understand how customers co-create value with businesses through AI-enabled customer experiences. The SDL can help businesses to identify the resources and capabilities required to deliver exceptional customer experiences and create value for their customers.

6.17 Limitations of the Study

This study, while aiming to offer comprehensive insights into the impact of artificial intelligence (AI) interventions on customer experiences at Lenskart Eyewear Retail Chain, is subject to several inherent limitations. Firstly, the sample selection and size, while carefully designed to be diverse and representative, may not be entirely generalizable to the broader Indian population. The findings may be more applicable to Lenskart's specific customer base and may not fully capture the entire range of Lenskart's customers across India. Additionally, the research relies predominantly on cross-sectional data, providing a snapshot of customer experiences and perceptions at a specific point in time, potentially missing the dynamic nature of AI interventions and evolving customer experiences. Furthermore, the study is primarily based on self-reported data obtained through surveys, which can be influenced by response biases such as social desirability bias, impacting how participants respond to certain questions.

Establishing causality between AI interventions and customer experiences in a complex retail environment remains a challenge, and the study's focus on a single company, Lenskart, may limit the generalizability of findings to the broader eyewear retail industry. The appropriateness of all collected data for analysis, despite thorough cleansing and preparation efforts, may not be guaranteed, and external validity might be restricted, as the findings are specific to Lenskart and the Indian retail landscape. Finally, due to time constraints and the dynamic nature of AI technologies, certain long-term effects of AI adoption may not be fully explored. These limitations should be considered when interpreting the research findings and conclusions, emphasizing the need for cautious generalization and the potential for future research to further explore this rapidly evolving field of AI in the retail sector.

6.18 Conclusion

In conclusion, this thesis embarked on a comprehensive exploration of the critical dimensions of AI-enabled customer experiences within the context of the Lenskart Eyewear Retail Chain. We aimed to achieve four distinct objectives, and the findings from each of these objectives have enriched our understanding of how AI influences customer experiences in retail. This concluding section synthesizes the key findings and their broader implications.

Objective 1: Exploring Critical Success Factors

Our investigation into the critical success factors of AI-enabled customer experiences illuminated the significance of Perceived Convenience, Personalization, Security, Service Quality, and Ethics at Lenskart. These dimensions represent the cornerstones of creating exceptional customer experiences. Our findings underscore that Lenskart's customers are more likely to have positive experiences when they perceive AI applications as ethical and secure while also enjoying the convenience, personalization, and high-quality services facilitated by AI. This insight is invaluable for Lenskart as it enhances the strategic focus on these success factors to sustain customer loyalty.

Objective 2: Studying the Relationship between AI and Customer Experiences

Our analysis unveiled robust relationships between AI applications and customer experiences. The empirical evidence substantiated the positive influences of AI on improving Customer Experience. Customers at Lenskart enjoy enhanced convenience, personalization, security, service quality, and ethical considerations due to AI interventions. These findings exemplify how AI can act as a catalyst for enriching customer experiences and fostering customer satisfaction.

Objective 3: Proposing and Developing a Structural Model

The development of a structural model for measuring AI-based interventions and customer-enabled experiences at Lenskart has provided a valuable framework for the company to evaluate and enhance its AI strategies. The model's focus on AI Ethics, Security, Personalization, Service Quality, and Perceived Convenience as key determinants of customer experiences reflects the core attributes that Lenskart must prioritize. The model underscores that these elements directly contribute to creating memorable and enjoyable customer experiences, emphasizing Lenskart's commitment to providing the best service to its clientele.

Objective 4: Investigating Mediating and Moderating Effects

Our investigation into the mediating and moderating effects on the relationship between AI and customer experiences revealed intricate dynamics. AI Ethics and Security partially mediate the relationship between AI and Customer Experience, emphasizing the importance of ethical AI applications and customer data security. Customer Experience moderates the relationship between AI and AI Ethics, highlighting that a better customer experience fosters a more positive ethical perception of AI. Additionally, Service Quality moderates the relationship between Service Quality and AI Ethics, reinforcing the role of excellent service in strengthening the ethical dimension of AI applications.

In sum, this thesis provides a comprehensive examination of AI-enabled customer experiences at Lenskart and yields practical insights for the company. Lenskart can leverage these findings to adapt and refine its AI strategies, ultimately enhancing customer experiences and fostering customer loyalty. Furthermore, this research contributes to the broader understanding of how AI, ethics, security, and service quality collectively influence customer experiences in the retail sector. These insights can be invaluable for businesses across industries seeking to harness AI effectively to nurture customer satisfaction and build long-lasting customer relationships. The pursuit of AI-enabled customer experiences is an ongoing journey, and Lenskart is well-positioned to continue enhancing its role as a trailblazer in this transformative retail landscape.

Additionally, this research offers significant contributions to the broader academic discourse on AI-enabled customer experiences. By identifying and exploring the critical dimensions that influence customer experiences, we have extended the theoretical understanding of how AI can impact retail settings. The developed structural model not only serves as a practical tool for Lenskart but also provides a framework that can be adapted and tested in different retail contexts. This structural model encapsulates the multifaceted relationships between AI, ethics, security, personalization, service quality, and perceived convenience, offering a valuable foundation for future research in customer experience management and AI integration.

The mediating and moderating effects identified in this study underscore the complex interplay between AI, customer experiences, ethics, and security. Understanding these dynamics provides a richer comprehension of how AI is shaping modern retail experiences. As AI continues to advance and become more prevalent in retail, the dynamics identified in this research may evolve, requiring ongoing scrutiny and adaptability in AI strategies.

To conclude, this thesis is not just a culmination of research efforts but also a catalyst for future explorations. While the focus has been on the Lenskart Eyewear Retail Chain, the insights and models developed have broader implications for the retail industry as a whole. The intersection of AI, customer experiences, ethics, security, and service quality is a dynamic and evolving landscape. The challenges and opportunities it presents will continue to redefine how businesses

interact with their customers and how customers perceive and interact with brands. Thus, the knowledge generated in this study can inspire future research, inform best practices, and drive innovations in the ever-evolving field of AI-enabled customer experiences in the retail sector. As the retail industry remains at the forefront of AI adoption, the journey to maximize the potential of AI for superior customer experiences continues, and this study contributes to that transformative journey.

6.19 Future Scope of Study

The study on AI-enabled customer experiences in the context of Lenskart Eyewear Retail Chain has provided valuable insights and established a strong foundation for future research in this domain. The findings and implications from this research offer several directions for future studies and areas of exploration:

One avenue for future research is conducting cross-industry comparisons. While this study primarily focused on the eyewear retail sector, investigating how AI-enabled customer experiences differ across various industries can provide a more comprehensive understanding of AI's role in shaping customer interactions. Additionally, longitudinal studies that track changes over time are essential to capture the dynamic nature of AI and its evolving impact on customer experiences, especially in the fast-paced field of technology and retail. Understanding how AI interventions adapt to customer preferences and market trends is critical.

Cultural and regional differences in AI adoption and effectiveness also warrant investigation. These nuances can significantly impact customer expectations, ethical considerations, and perceived convenience, which, in turn, can affect the success of AI implementations. The intersection of AI and sustainability is another promising research area. As sustainability becomes increasingly important, understanding how AI can contribute to responsible business practices and enhance customer experiences aligned with sustainability goals is a pressing concern.

Omnichannel experiences are a dominant trend in the retail landscape, and future studies can explore how AI can harmonize customer interactions across various channels, ensuring consistency and personalization regardless of the platform. Furthermore, given the ethical concerns surrounding AI, the development of ethical guidelines and regulatory frameworks for AI in retail should be explored, along with how these frameworks influence AI adoption and customer experiences.

Emerging technologies, including augmented reality, virtual reality, and blockchain, also present opportunities for research into how they enhance customer experiences and interact with AI. The impact of AI on vulnerable customer segments, such as individuals with disabilities or older adults, is a crucial area to explore for inclusivity and equitable retail practices. The role of AI in producing marketing content, product descriptions, and reviews using AI-generated content, and how it influences customer trust and decision-making, is an area of growing importance.

Economic implications of AI adoption in retail, including cost-benefit analyses, ROI calculations, and assessing the impact on employment and workforce skill requirements, are also relevant research areas. In conclusion, the future of research in AI-enabled customer experiences holds vast potential for exploration. Addressing these research directions can contribute to a more comprehensive understanding of AI's role in shaping the future of retail customer experiences. The dynamic nature of technology, consumer preferences, and ethical considerations ensures that this field will remain at the forefront of academic inquiry and industry innovation.

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Annexure I: Questionnaire

QUESTIONNAIRE FOR RESEARCH

I am _____, Pursuing Doctoral of Philosophy (Ph.D.) From _____ on the Topic of “Investigating the Artificial Intelligence based Intervention with Special Reference to Lenskart Eyeware Retail Chain An Analysis of Mediating and Moderating effects”. I request you to provide required information for my research. The information provided by you will not be used for personal purpose, and will be kept confidential. Kindly answer all questions.

Part 1

Name :

Demographic:

1. Indicate your age group?

18-25 [] 26-30 [] 31-35 [] 36-45 [] Above 45 []

2. Gender

Male [] Female [] Transgender []

3. Educational qualification (highest education)

High School [] Graduate [] Postgraduate []
PhD/Doctorate [] Other professional degrees (please mention)

4. Occupation

Student [] Private Sector employee []
Public Sector employee [] Self-employed []

5. Please indicate your family Income Level (per annum)

Below 5 lacs [] 5-7 lacs []
7-10 lacs [] Above 10 lacs []

Part II

Read the following statements and choose the statement that, in your perspective, perfectly represents AI-enabled customer experiences with respect to Lenskart eye wear retail chain it on a 5-point scale. **Artificial Intelligence (AI)**

1= strongly Disagree 2= disagree 3=Not sure 4= Agree 5= strongly Agree

S.No	Statements/Items	1	2	3	4	5
1	I like buying eyewear online due to the ease					
2	AI enabled websites are preferred due to their secure nature					
3	I buy online based on the positive or negative reviews of others					
4	After-sales services enhance consumer trust and satisfaction					
5	AI gives e-retailers a new platform to attract online consumers					
6	AI-based virtual interaction providing real experiences assists in consumer retention					
7	AI provides more value to online consumers than offline ones					
8	The online presence of retailers gives them a competitive edge and higher profits					
9	AI displays product attributes with better quality and visual effects					
10	AI provides a user-friendly interface with a variety of options					
11	Securing online consumer data is the biggest challenge in AI					
12	Retailer online presence is the future of retailer survival					
13	Commitment on AI platforms leads to loyalty and trust					
14	Expert reviews on AI platforms attract new consumers					
15	AI-enabled websites save consumers time and provide convenience					
16	Higher privacy leads to higher satisfaction among online consumers					
17	Ease of access on mobile devices attracts retailers to AI-enabled platforms					
18	Time-bound deliveries lead to better service quality					
19	AI requires different types of marketing strategies					
20	Due to security issues, consumers prefer offline platforms to AI enabled platforms					
21	AI has the power to read the unconscious mindset of online consumers					

Part III

Read the following statements and choose the statement that, in your perspective, perfectly represents AI-enabled customer experiences with respect to Lenskart eye wear retail chain it on a 5-point scale. *Relationship Commitment (RC)*, *Perceived Convenience (PC)*, *Security (S)*, *Personalization (P)*, *Service Quality (SQ)*, *Ethics (E)*.

1= strongly Disagree 2= disagree 3=Not sure 4= Agree 5= strongly Agree

CE	Customer Experience	1	2	3	4	5
1	Shopping with memorable moments is the outcome of convenience (PC)					
2	Secured platforms are reliable for consumers (S)					
3	Personalized features are exciting for consumers (P)					
4	Quality service promotes comfort and convenience (SQ)					
5	Brand commitment is key to its value (RC)					
6	Ethics inspires loyalty and trust (E)					
RC	Relationship Commitment					
1	AI in Lenskart makes shopping memorable					
2	I feel a personal connection to the employees at this retail store					
3	The use of AI at Lenskart makes the customer experience more secure and trustworthy thus generating more satisfaction					
4	The use of AI in Lenskart promotes brand commitment which is key to its value					
5	The use of AI in Lenskart has increased my trust in order to providing accurate recommendations					
6	The use of AI in Lenskart made the shopping experience more enjoyable.					
7	AI provides a user-friendly interface with a variety of options					
8	The AI-based customer segmentation and targeting at Lenskart retail store is effective and saves my time to choose the right product					
9	I trust Lenskart making use of Artificial intelligence in making decisions about which products to recommend to me					
10	The use of AI by Lenskart makes me feel more confident in my purchase decisions					
PC	Perceived Convenience					
1	The AI-assisted virtual try-on features at Lenskart retail stores help me make a better purchase decision					
2	The store environment at Lenskart eyewear retail stores is comfortable and exciting, thus making my shopping experience					

	convenient.					
3	Integration of AI in shopping can lead to an improved AI-enabled customer experience					
4	The store layout of Lenskart eyewear retail stores makes it easy to find what I am looking for.					
5	The Lenskart eyewear retail store is conveniently located for me.					
6	The store hours at Lenskart eyewear retail store are convenient as per my schedule.					
7	The staff at Lenskart eye ware retail stores is friendly and helpful in making my purchase convenient.					
8	The online booking system for appointments at Lenskart eyewear retail store is easy to use.					
9	The range of eyewear available at Lenskart retail store makes it convenient for me to find what I need.					
10	The user-friendly interface on all web-based platforms Lenskart is accessible and makes it easy for me to explore it					
11	The return and exchange policy at Lenskart eyewear retail store makes my shopping experience more comfortable					
S	AI Security					
1	The AI-powered product recommendations at Lenskart retail store are accurate and relevant					
2	The AI-enabled chatbot support at Lenskart retail store is helpful in resolving my queries.					
3	The use of AI helps Lenskart eyewear retail stores to monitor and control potential threats in real-time					
4	Using AI in Lenskart helps prevent fraudulent activities such as credit card theft and identity theft					
5	The AI-enabled billing and payment process at Lenskart retail stores is efficient and convenient					
6	The usage of AI-based security measures in Lenskart eyewear protects customers' privacy and personal data					
7	AI-based security measures in Lenskart retail stores are more effective than traditional methods					
8	The use of AI-based security helps in building trust and loyalty among customers					
9	AI-based security measures ensure the protection of customer data					
P	Personalization					
1	AI in Lenskart retail stores has helped me discover new styles and designs					
2	AI in Lenskart provided me with personalized recommendations that meet any individual needs and preferences					
3	I would be willing to pay a higher price for goods or services at this retail store because of the ease of buying through AI					
4	I felt that Lenskart staff took a personal interest to find the right eyewear for me					

5	The Lenskart store provides me with customized recommendations based on my face shape, skin tone, and personal style					
6	I could personalize my eyewear by choosing from various frames, lenses, and accessories.					
7	The store provides a personalized experience that made me feel valued as a customer					
8	The virtual assistant app of this brand gives a personalized touch to evaluate the products					
9	Personalized features in Lenskart using AI provide an exciting experience for consumers					
10	Lenskart staff helps me with a range of personalized options to choose from, based on my preferences					
11	The AI-based personalized styling advice at Lenskart retail stores adds value to my shopping experience					
SQ	Service Quality					
1	The use of AI technology at Lenskart retail stores has improved my overall shopping experience.					
2	AI technology in Lenskart has helped me find the perfect pair of glasses to meet my needs.					
3	AI displays product attributes with better quality and visual effects					
4	I feel that Lenskart retail stores are committed to producing high-quality products and services using AI					
5	The AI-powered inventory mgt system at Lenskart retail stores ensures the availability of products					
6	The AI-assisted customer feedback mechanism at Lenskart retail store help in improving the overall service quality					
7	AI in Lenskart enhances Service Quality and promotes comfort and convenience					
E	AI Ethics					
1	I believe that Lenskart's use of AI respects my privacy and data security					
2	The development of AI should be regulated to ensure ethical standards in the future					
3	Ethics of AI helps retailers to predict future performance					
4	I feel confident that my personal and financial information is secure when shopping at Lenskart eyewear retail stores that use AI-based security measures					
5	The display of the terms and conditions of the online transaction during the purchase makes the process transparent and informative					
6	I believe that the use of AI in Lenskart is ethical					
7	AI at Lenskart enhances trust among consumers and maintains privacy					
8	At times, AI-based decisions are susceptible to inaccuracies, discriminatory outcomes, or inertial bias					
