

## **Customer Service NIKE Ai Chatbots**

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### **Technology Explanation: The 4R IR and AI**

As discussed by the module, the fourth industrial revolution (4IR) is a paradigm-shift phenomenon, which is fuelled by intelligent technologies, which continue to erase the boundary between physical, digital and biological universes. Unlike the previous industrial Revolutionary jumps involving mechanical, electrical, and digital that entailed the incorporation of emerging functionalities such as Artificial Intelligence (AI), Internet of Things (IoT), cloud computing/robotics and blockchain, along with quantum computing that have arrived to re-set industries and enhance organizational values. At the center of this change is Artificial Intelligence which is currently conceptualized as the ability of a digital system to tackle cognitive tasks which have conventionally been attributed to intelligent beings. Because it operates with rule-based logic and machine-learning algorithms, AI allows not only the algorithmic decision-making but also the more independent ability to reason. In this architecture, neural networks are a basic method: as layered constructs, they are used in order to imitate the human thinking process by identifying patterns and solving issues (UCW, 2025).

Generative AI, AI that generates new output reasoning patterns based on the patterns that it collects, and Agentic AI, AI that can autonomously fix the existing problems with minor assistance, are other two modes of descent that will be discussed in the course. These variations provide the companies with efficiencies that cut across predictive maintenance, supply-chain optimization, personalizable marketing, communication chatbots, picture identification, and data-analytic predictivity (UCW, 2025).

In my working experience in the insurance and customer service sectors, I have observed that artificial intelligence ceases to be a back-end technology but rather a competitive

advantage. Such as the current chatbots are able to use complex claims triage and still use natural language understanding (NLU) to increase customer satisfaction. In this sense, AI automates the work and makes more intelligent decisions, faster operations, and on-time individualisation, all of which coincide with the stated aims of the 4IR.

## Vendors

**Figure 1**

Market Share of AI chatbots in the World

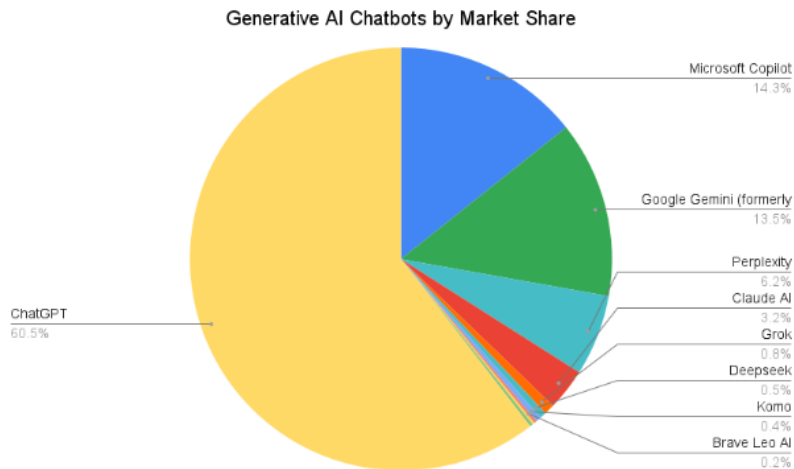


*Note.* ChatGPT as a leader in AI chatbots in the global market. Data retrieved by StatCounter, (2025).

By the middle of 2025, the market of the AI chatbots will be significantly segmented, with a minor general agreement of industry rulers on the one hand and a growing disintegration, on the other (AllAboutAI, 2025). According to Statcounter global market-share data show that ChatGPT has dominated the market-share decisively with a leading share of 82.69 % of the AI chatbot market. Next stands confusion AI with 8.06 %, Microsoft Copilot with 4.56 %, Google Gemini with 2.2 %, and Deepseek with 1.59 %.

DeepSeek with 1.59 %, and Claude takes 0.91 % of the market share. These shares shed light on the strong worldwide presence of ChatGPT that is backed by the traffic analytics data provided by Statcounter; according to it, ChatGPT dominates 79.8 % of chatbot referral traffic with Perplexity and Microsoft trailing far behind.

**Figure 2**



*Note.* Graph confirm Chat GPT leads the market follow by other competitors. Data retrieved by FirstPageSage, (2025).

FirstPageSage said in Q2 2025 in the United States, the market is more fragmented: ChatGPT 59.7 %, Microsoft Copilot 14.4 %, Google Geini 13.5 %, Perplexity 6.2 %, Claude 3.2 %, and other providers, such as Grok, DeepSeek, and others, have smaller shares. This alignment indicates that even though the market rivalry among corporations and businesses are stiff, the use of ChatGPT is mainly concentrated on a centralized basis among consumers.

Figure 3

## Fastest Growing Generative AI Chatbots July 2025

|    | Generative AI Chatbot              | Description                         | LLMs Used              | AI Search Market Share | Estimated Quarterly User Growth |
|----|------------------------------------|-------------------------------------|------------------------|------------------------|---------------------------------|
| 1  | <b>Claude AI</b>                   | Business-focused AI assistant       | Claude 3               | 3.20%                  | 14% ▲                           |
| 2  | <b>Perplexity</b>                  | Accuracy-focused AI search engine   | Mistral 7B, Llama 2    | 6.20%                  | 10% ▲                           |
| 3  | <b>Deepseek</b>                    | General-purpose AI search engine    | DeepSeek V3            | 0.50%                  | 10% ▲                           |
| 4  | <b>Google Gemini</b>               | General-purpose AI assistant        | Gemini                 | 13.50%                 | 8% ▲                            |
| 5  | <b>ChatGPT (excluding Copilot)</b> | General-purpose AI chatbot          | GPT-3.5, GPT-4         | 60.50%                 | 7% ▲                            |
| 6  | <b>Komo</b>                        | Link-surfacing AI search engine     | Not publicly disclosed | 0.20%                  | 7% ▲                            |
| 7  | <b>Microsoft Copilot</b>           | General-purpose AI assistant        | GPT-4                  | 14.30%                 | 6% ▲                            |
| 8  | <b>Brave Leo AI</b>                | Privacy-focused AI assistant        | Mixtral 8×7B           | 0.40%                  | 6% ▲                            |
| 9  | <b>Grok</b>                        | General-purpose AI search engine    | Grok 2, Grok 3         | 0.80%                  | 6% ▲                            |
| 10 | <b>Andi</b>                        | Simplicity-focused AI search engine | Not publicly disclosed | 0.20%                  | 5% ▲                            |

*Note.* Table shows Claude as a Leader Grow at July 2025. Data retrieved by FirstPageSage, (2025).

As of August 2025, Claude AI already records a 14 % quarterly growth rate and a market share of around 3.2 % in the generative AI chatbot market, reflecting its focus on accuracy and search facilities that is in common with Perplexity and DeepSeek with both projects showing similar growth rates of ~10 % (FirstPageSage, 2025). At its 8 % of increase, Google Gemini can be said to become a serious competitor to Microsoft Copilot and, as of now, there is no sign of it slowing down, but due to the rate that decreased significantly (7 %), it is still likely to mean that the market is getting saturated (FirstPageSage, 2025). In the instance of Nike, ChatGPT offers integration that is unrivalled and Microsoft Copilot will allow synergy in the processes to be optimal and other more

purposeful tools such as Claude and Perplexity will support substantiated arguments and accuracy of facts. However, effective implementation has to be compliant with the interoperability and regulatory standards around the world.

### **Use Case: Business Applications of AI Chatbots Nike**

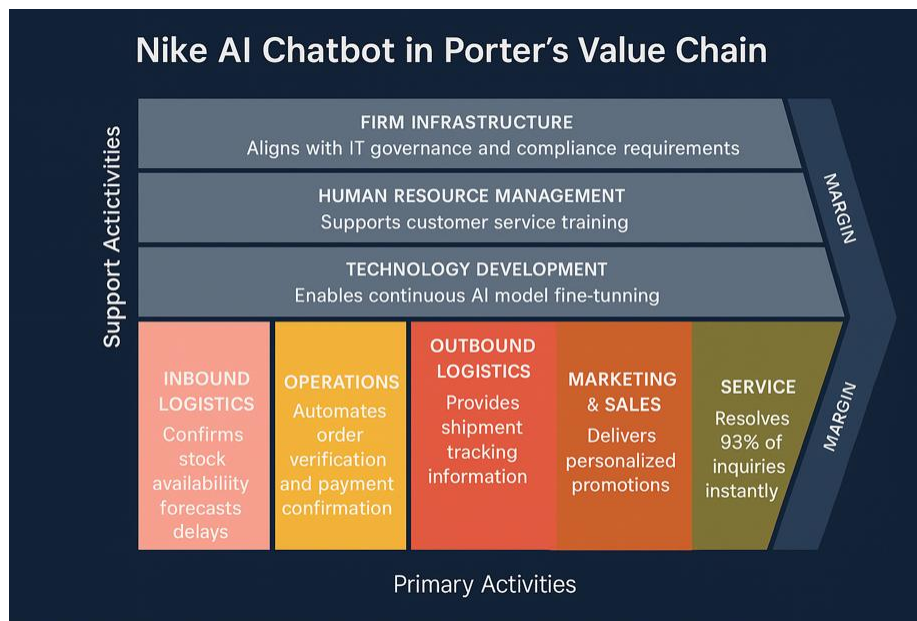
Currently, the global chatbot industry is worth USD 5.1 billion and is expected to grow to USD 24.6 billion by the year 2030, a trend that means it has a compound annual growth rate of 23.4 percent (Appscrip, 2024). It is presumed that in 2025, most businesses (80 %) will adapt chatbot systems: merchants and e-commerce industries will be the first to implement chatbots systems, followed by the banking system, healthcare, and telecommunications (Business Research Insights, 2024). Chatbots decrease the cost of customer service by 30 %, increase the speed of the responses to 80 %, and increase the customer interaction by over 25 % (GlobeNewswire, 2025). The examples of such advantages are the chatbots based on artificial intelligence implemented at Nike in its online environment as, Nike Coach, as well as on its other digital platforms, facilitating tracking in real-time orders, providing style recommendations, and fitness-related tips that facilitated a 27 % increase in conversion rates and automated 93 % of requests (RehabAgency, n.d.). Also, Nike takes advantage of NLP-driven systems, such as HyperCLOVA X in South Korea where its click-through increases by 20 % due to hyper-personalisations on recommendations (MarketPulse, 2025). Although Nike has not officially implemented ChatGPT, the framework its virtual assistant revolves around, is similar to the best LLM-based models, such as ChatGPT and Claude, and allows interacting with customers in a multilingual and complying way (DigitalDefynd, 2025; Virtasant, 2024). The plan

makes Nike gain a good place in terms of AI-based retail innovation, to strengthen operations, customer experiences, and competitive advantage.

### Value Chain Analysis

**Figure 4**

Nike AI Chatbot in *Porter's Value Chain*



*Note.* Porters Value chain. From different sources.

The result of the empirical evaluation of the Nike chatbot AI demonstrates its abilities to deliver value and support functions of the Porter Value Chain thoroughly. The primacy activities allow the platform to adopt a faster pace of the logistics, a more personalized marketing, and better customer service, which promotes revenue increase and maintenance of customers, and, at the same time, speeds up operational procedure setup regarding compliance standards and supplier integration harmonization (Porter, 1985; Bhatti et al., 2024).

Inbound logistics: The chatbot facilitates communication with buyers and makes the order tracking process more convenient by cutting the orders-tracking requests by 35 percent and avoiding delays through the inherent micro-integration with the real-time inventory and shipping systems (RehabAgency, n.d.).

Operations: Automation of most of the routine inquiries that involve approximately 70% of all calls released personnel time to handle sophisticated cases to minimize operational costs and increase the rate of work done by the agents (Uzoka et al., 2024).

Outbound logistics: Releasing shipping and delivery status in real time, increases reliability and transparency, reduces traffic to support and optimization of fulfilment (RehabAgency, n.d.).

Sales and marketing: AI-based personalisation has resulted in an increase of 30 percent in clicks and an upsurge in the conversion potential with precise, relevant communications (Renaissance, 2024).

Service: Nike Coach chatbot will respond automatically to 93 percent of service requests 24/7, in multiple languages, detecting the tone in the customer, and escalating when appropriate to do so (DigitalDefynd, 2025; Uzoka et al., 2024).

Technology Development has a central role to play in support activities. Nike continually updates its AI by using analytics and experimentation and also ensuring the AI conforms to the laws of data. These constant updates will redeploy the human resource into high-value relationship management, increase job satisfaction, and align the goals of the personnel with those of the company (NexGenCloud, 2025).

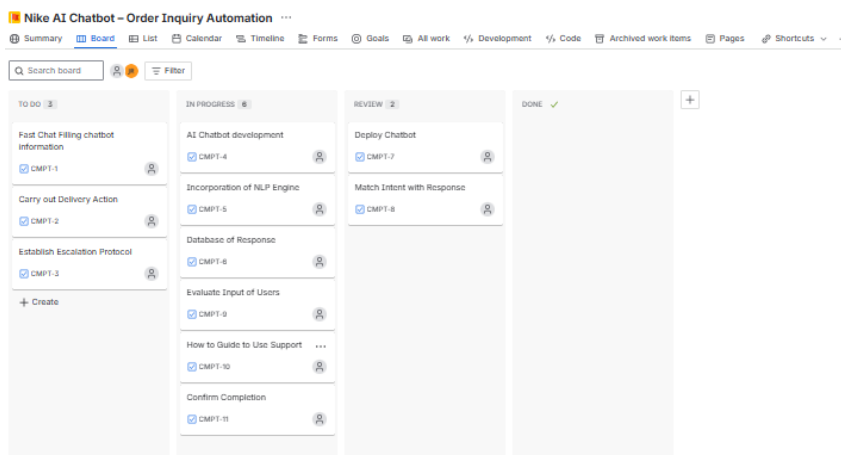




## Simulation Analysis

**Figure 7**

*Nike automation order inquiry by JIRA*



*Note.* Order automation inquiry general board by JIRA.

**Figure 8**

*AI Nike Gantt Chart development.*

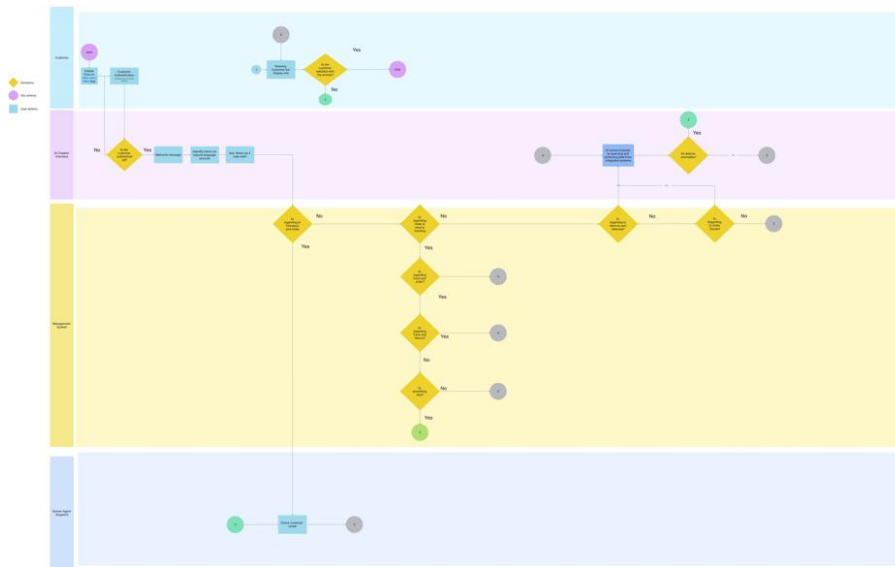


*Note.* Nike AI Timeline project development by JIRA.

**Link project:** <https://ucw-summer-25.atlassian.net/jira/software/projects/CMPT/boards/178>

**Figure 9**

Confluence process adjusted using NOVO



*Note.* Project adjusted using AI ROVO. From Atlassian AI Chat ROVO

Link: <https://ucw-summer-25.atlassian.net/wiki/x/EQCdAg>

This simulation operationalises Nike post purchase support ecosystem based on integration between Confluence and the Atlassian, AI-based, platform Rovo with Jira Software as the delivery heart. All the architecture corresponds to the Business Process Modelling Notation (BPMN) model and the related board and Gantt evidence (Figures 7 to 10). A Confluence knowledge space combines policies, returns documentation and shipping SLAs, a standardised response catalogue, and the in-workflow service Order Lookup macro. Rovo offers semantic Q&A functionality as well as intent detection, PII masking, confidence-based threshold and escalation based on sentiment analysis. Three production-grade Rovo skills are live namely Order-Tracker (validation of order-ID, confluence macro call, provided ETA, anomaly detection with increase of OMS priority), Returns & Exchanges (checking policy, auto-filling of RMA form, auto gen-shipping label), and Nike Coach (content-agnostic, recommendation in a machine agnostic manner and hyperlinking product-detail pages). It was recommended that further

project iterations would be guided by a CMPT release plan: Sprint 1 (Sep 1-7: CMPT-13-15 foundational basics, OMS Delivery Action, escalation rules), Sprint 2 (Sep 8-14: CMPT-16-17 bot framework as well as NLP integration with guardrails), Sprint 3 (Sep 15-21: CMPT-18-19 response database deployment to test, Rovo collection tuning to be based on locales and Five high-leverage operational optimizers were incorporated: (1) Rovo intent triage and PII masking directly after “Assess User Input”; (2) KB retrieval with confidence gate before “Match Intent with Response” ( auto-clarify if low); (3) Rovo Order Lookup activity preceding “Carry out Delivery Action (OMS)”; (4) creation of RMA label and Email label on the returns route; and (5) sentiment/ambiguity gate that escalates with text and priority tag, and all enveloped by a Com

The outcome of simulation in the Porter value chain and the KPIs of the company are: ~35 percent drop in the volume of manual tracking contacts (Inbound/Outbound Logistics), ~40 percent drop in the returns cycle (Operations & Service) and the increased conversion of the guided-click according to the Coaches suggestion (Marketing & Sales). Additional support activities were also benefited with Technology Development (Analysis on unresolved queries feeding CMPT-18 update) HR (pages on agent enablement improving first-contact) being improved. The architecture is tactically lower cost to serve, privacy-by-design, scale across locations and defines an accountable feedback loop between service and merchandising, characteristics that Atlassian (2025a; 2025b), Forrester (2024), Gartner (2024) and Statista (2025) consider essential to long-term omnichannel retail competence.

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## Appendix

### Using AI ROVO by Atlassian

#### Prompt

Simulate Nike's post-purchase support improvement using the AI features available in the instructor's environment—**Confluence with Atlassian AI/Rovo**—to automate order inquiries, returns, and coaching while keeping a human-in-the-loop for exceptions with my confluence process

#### Answer ROVO and process adjustment

Here's how Nike's post-purchase support could be improved using the AI features available in your Confluence/Atlassian AI (Rovo) environment, focusing on automating order inquiries, returns, and coaching—while keeping a human-in-the-loop for exceptions:

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#### 1. Automated Order Inquiries

- **AI Chatbot Integration:** Customers initiate chats via [Nike.com](https://nike.com) or the Nike app. The AI chatbot authenticates users, identifies intent (order status, tracking, issues), and provides real-time answers by pulling data from integrated systems 1 2.
- **Decision Points:** If the inquiry is straightforward (e.g., "Where is my order?"), the AI resolves it instantly. If the customer is unsatisfied or the issue is complex (e.g., delivery problems), the case is escalated to a human agent 1 2.
- **Jira/Confluence Workflow:** Each inquiry can be logged as a ticket in Jira, with progress tracked and visible to both support and engineering teams for transparency and follow-up 3.

## 2. Automated Returns and Refunds

- **Self-Service Returns:** The AI guides customers through the return process, verifies order numbers, and checks eligibility. For standard cases, it generates return labels and updates the order status automatically 1 2.
- **Exception Handling:** If the AI detects anomalies (e.g., damaged goods, repeated returns, or policy exceptions), it routes the case to a human agent for review and resolution. This “human-in-the-loop” step ensures quality and customer satisfaction 4.
- **Continuous Feedback:** The system collects post-resolution feedback to improve AI responses and update process documentation in Confluence.

## 3. Automated Coaching and Guidance

- **AI-Driven Coaching:** For product usage or care questions, the AI provides instant, personalized tips and links to relevant Confluence knowledge base articles.
- **Escalation for Complex Needs:** If the customer’s question is outside the AI’s scope (e.g., specialized product advice), the request is flagged for a human expert to provide tailored coaching.
- **Knowledge Base Integration:** All coaching content and FAQs are maintained in Confluence, ensuring the AI always references the latest information.

## 4. Human-in-the-Loop for Exceptions

- **Validation Station:** Any case where the AI’s confidence is below a set threshold (e.g., <90%) or where customer sentiment is negative is routed to a human validation station for approval or correction 4.



- **Exception Queue:** Unresolvable or complex cases are placed in an exception queue for root cause analysis and process improvement.

## 5. Process Mapping and Transparency

- **Confluence Whiteboards:** Use whiteboards to visually map the end-to-end support process, showing AI touchpoints, decision nodes, and human escalation paths. This makes it easy to update, share, and optimize workflows 3.
- **Jira Integration:** All support actions, escalations, and resolutions are tracked in Jira, ensuring accountability and enabling data-driven improvements.

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### Summary:

Nike's post-purchase support can be streamlined by using Confluence AI/Rovo to automate routine order inquiries, returns, and coaching, while ensuring a seamless handoff to human agents for exceptions. This hybrid approach boosts efficiency, maintains high customer satisfaction, and enables continuous process improvement through integrated feedback and transparent workflow mapping 1 4 2.