**KEY FACTORS IMPACTING CHATBOT ENGAGEMENT AND**

**CONSUMER SATISFACTION**

As more companies use chatbots into their customer service strategies, understanding customer perceptions of these AI tools becomes crucial. While chatbots offer benefits such as 24/7 availability and prompt responses, customer satisfaction varies based on several factors. Key determinants include the chatbot’s capability to understand and process natural language, the design and user interface of the chatbot, its ability to emulate human conversation, and the security of personal data during interactions. This research aims to explore how these factors influence customer opinions about chatbots and identify the key reasons behind varying levels of satisfaction and loyalty towards them in the customer service domain of SMEs.

What factors impact the consumers engagement and satisfaction of a chatbot?

1. How does the **information quality** of a chatbotimpact consumer engagement and satisfaction- Jarro
2. How does the **system design** of a chatbot impact consumer engagement and satisfaction? - Vladislav
3. How does the **type of conversation** of a chatbot impact consumer engagement and satisfaction? - Ron
4. How does the **implementation of** **security** in a chatbot impact consumer engagement and satisfaction? – Stijn

**Stakeholder Analysis for Chatbots in Customer Service**

1. **Consumers:**

**Interest**: consumers interested in chatbots that are effective, efficient, reliable and informative, fast and accurate information responses to prompts, while using friendly interface with the protection of privacy and security of their data.

**Impact**: Consumers satisfaction is high when the chatbot provides good quality responses, unlike poor chatbot performance can lead to dissatisfaction among the users. Trust is gained when the consumers aware to the privacy and security of a chatbot.  
  
**Priority**: Highest

**Reason**: Consumers are the users of chatbots, and their satisfaction and trust directly impact the success of the technology. Their feedback shapes improvements and ensures the service meets user needs.

1. **SME’s:**

**Interest:** SME’s and other businessowners benefits using chatbots by reducing employment cost and training time, increasing service speed and availability to consumers as its leads to higher customer satisfaction, operational efficiency, and increasing the brand value and image.

**Impact:** Effective chatbots reduce business spending and expenses while improving better service or product delivery, in contrast to low performance chatbots that can damage and create a negative reputation to the business.  
  
**Priority**: High

**Reason**: SMEs are the primary implementers of chatbot technology. Their use of chatbots impacts efficiency, customer satisfaction, and overall business reputation.

1. **Regulatory and Compliance Bodies:**

**Interest**: Adherence to legal and ethical standards regarding GDPR compliance and monitoring while ensuring transparency and fairness in chatbot interactions.

**Impact**: Non-compliance with legal and ethical laws can damage the trust of the consumer and lawsuits or penalties to the company.

**Priority**: Medium-high

**Reason**: Compliance with legal and ethical standards is essential for chatbot operation. Non-compliance can lead to penalties and loss of trust, impacting both consumers and businesses.

1. **Customer Service Representatives:**

**Interest**: Reducing workload and improved efficiency by dividing tasks between human agent and chatbot.

**Impact**: Chatbots can handle simple issues very quickly, allowing human representative to focus on complex issues. Ineffective chatbots increasing workload, although advanced chatbot replacing work force of the human agents leading to frustration.

**Priority**: Medium

**Reason**: These affected by the integration of chatbots, as their roles may be redefined to focus on more complex issues. Effective chatbot use reduces their workload, while poorly functioning chatbots can increase their tasks.

1. **Developers:**

**Interest:** developer interests are to create a smooth integration of the chatbot whereas insuring business suitability and high-quality responses to the end user.

**Impact:** Chatbots require maintaining and bug or issues fixing, therefore regular checkups and fine tuning are necessary.

**Priority**: Low

**Reason**: Developers are responsible for the quality of chatbots. While their work influences the performance of the chatbot, their interest is more technical, focusing on system maintenance and updates.