Does Exclusion in Chatbot Encounter Affect Consumers' Intention to Adopt Chatbots?

Sarabjit Kaur Randhir Singh

Taylor's University, Malaysia

This study investigates consumers' digital service encounter with chatbots in terms of how it leads to a psychological state of exclusion which consequently affects consumers intention to adopt the chatbot and behaviour towards the company. The focus of this study is on chatbots given the accelerated deployment by not only consumer-facing firms but also various other entities such as governmental. The use of chatbot is seen as a mean of digitising the service encounters and the use of digital technologies have fundamentally affected the way a firm structures and carries out its business and thereby creates value for customers, the firm itself, and its partners (Martín-Peña, Díaz-Garrido, & Sánchez-López, 2018). According to the founder and CEO of yellowAI, one of the leading providers of artificial intelligence (AI) based text and voice chatbots to companies around the world, AI is being considered and deployed by almost 90 percent of consumer-facing firms (BFM 89.9, 2021). The adoption of AI has been fuelled not only by the growth in technology, but more so in recent times due to the COVID-19 pandemic and increased consumers' online interactions with companies. The rapid adoption however can pose as a challenge especially since research indicates that consumer-chatbot interactions can be detrimental as it reduced the intention to adopt the chatbot when the errors remain unresolved (Sheehan, Jin, & Gottlieb, 2020). Therefore, it is proposed that the nature of the interaction with the chatbot, being either relational or transactional, and the outcome of the interaction impacts consumers intention to adopt the chatbot. Hence, this study extends the understanding on the context within which consumers' service experience with chatbots and the outcome from the experience affect their intention to adopt and consequent behaviours towards the service provider. Exclusion, which is derived from psychology, is expected to explain on consumers intentions and behaviours post service encounter with the chatbots. Exclusion has received much attention in organisational studies such as employee behaviour (Hitlan & Noel, 2009) and in consumer behaviour such as how it affects consumers' choice (Wan, Zu, & Ding, 2014). It is expected that based on consumers' relational encounter with chatbots, a perception of exclusion is experienced when the encounter does not resolve the issue, and it leads to reduced intention to adopt the chatbot and a display of negative behaviours towards the company. On the other hand, consumers will not perceive exclusion when the service interaction is transactional in nature regardless of the outcome of the interaction. Overall, consumers will have a higher intention to adopt the chatbot and display positive behaviours towards the company when the service interaction of both relational and transactional are successful. This research extends the understanding on consumer behaviour for chatbot adoption within a psychological context of social exclusion. Managers gain an understanding on how the context of chatbot implementation, and the outcomes can impact consumers intention to adopt chatbots and their behaviour towards the company.

Keywords: *Chatbots, Digital Service Encounters, Exclusion*