

Exploring The Impact of AI Chatbots on Brand Consideration in the Sri Lankan E-Commerce Industry: The Moderating Role of Consumer Emotions

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This study investigates the influence of Artificial Intelligence (AI) chatbots on brand consideration within Sri Lanka's rapidly expanding e-commerce sector. It examines how consumer interactions with AI-powered chatbots impact their brand evaluation and decision-making processes. Additionally, the study explores whether consumer emotions moderate the relationship between chatbot interactions and brand consideration, offering insights into the emotional dynamics of digital consumer engagement.

A quantitative research methodology was adopted, utilizing an online survey distributed to a stratified random sample of 384 Sri Lankan consumers aged 20 to 45 years who had interacted with AI chatbots on e-commerce platforms within the past six months. The study incorporated primary data on consumer perceptions, attitudes, and behaviors related to chatbot interactions, supplemented by secondary data from academic literature and industry reports. Data analysis included descriptive statistics, correlation analysis, and regression analysis, conducted using IBM SPSS Statistics 25

Findings from the regression analysis reveal that AI chatbots account for 79.0% of the variance in brand consideration ($B = 0.814$, $p < 0.05$), confirming their substantial impact on consumer decision-making. However, the hypothesized moderating role of consumer emotions was not supported ($B = 0.0004$, $p = 0.9851$), indicating that chatbot interactions influence brand consideration independently of emotional factors. These results suggest that Sri Lankan e-commerce businesses should prioritize AI chatbots' technical efficiency, reliability, and functionality rather than attempting to tailor chatbot interactions to consumer emotions. Businesses would benefit from developing AI chatbots that provide clear, consistent, and value-driven

interactions rather than focusing on creating emotionally nuanced experiences.

From a theoretical perspective, this study enhances the Customer-Based Brand Equity (CBBE) model by emphasizing AI chatbot interactions as a key driver of brand consideration. It also refines Brand Personality Theory, illustrating how AI chatbots can convey brand attributes and influence consumer perceptions without relying on emotional engagement. Practical implications suggest that Sri Lankan e-commerce businesses should invest in technically robust and user-friendly AI chatbots to enhance consumer engagement and brand perception. Additionally, policymakers and digital marketplace stakeholders should consider these findings when promoting responsible and effective AI integration in the e-commerce sector.

Despite its contributions, the study has certain limitations. The cross-sectional design restricts the ability to assess long-term behavioral changes among consumers. Moreover, reliance on self-reported data introduces the potential for response bias. The study also does not account for individual chatbot features or advanced emotion measurement technologies, which may play a role in shaping consumer interactions. Future research could explore these aspects further, incorporating longitudinal approaches and experimental designs to deepen the understanding of AI chatbot effectiveness in digital consumer engagement.

Keywords: *AI Chatbots, Brand Consideration, E-commerce, Consumer Emotions, Sri Lanka*