

The Influence of AI Chatbots in Fintech Services on Customer Loyalty within the Banking Industry

Dina El-Shihy¹, Mohamed Abdelraouf², Mariam Hegazy³, Noha Hassan⁴

¹NewGiza University (NGU), Egypt

²Badr University in Cairo (BUC), Egypt

³Modern Science and Arts University (MSA), Egypt

⁴NewGiza University (NGU), Egypt

Abstract

The convergence of Artificial Intelligence (AI) and FinTech services has brought about a transformative impact on customer engagement in institutions. AI-powered chatbots have emerged as indispensable tools for enhancing customer experiences within the banking sector. In this era of digital transformation, financial institutions have recognized the vital importance of exceptional service quality and the utilization of chatbots in attracting and retaining customers. Consequently, there is a growing interest in comprehending the role of chatbot service quality in shaping customer loyalty. This study adopts an empirical and descriptive approach, employing a quantitative research method. Data were obtained from 729 respondents through an online survey employing judgemental nonprobability sampling. The gathered data were analysed using Smart PLS- Structural Equation Model (SEM). The study delineates the attributes of AI chatbot service quality and identifies their significant influence on customer loyalty, taking into account the mediating role of customer satisfaction. The findings of this study contribute to the understanding of the relationship between chatbots, customer satisfaction, and loyalty. The study validates the significance of customer satisfaction, enhances the understanding of chatbot effectiveness, explores the unique characteristics of chatbot interactions, and demonstrates how technology-driven customer service can be integrated into loyalty models. Moreover, this study offers practical implications that can guide businesses in optimizing their chatbot strategies. By prioritizing the enhancement of chatbot performance, personalizing interactions, integrating across channels, and monitoring customer satisfaction and loyalty metrics, organizations can elevate customer satisfaction, cultivate loyalty, and achieve positive business outcomes.

Keywords: Artificial Intelligence, Customer Satisfaction, Financial Technology, Service Quality