BACHELOR THESIS

KEYWORDS

- AI-Language models
- Customer engagement
- Online advertising

TOPIC: **THE IMPACT OF AI-LANGUAGE MODELS ON DIGITAL MARKETING: A STUDY OF CHATGPT'S ROLE IN IMPROVING CUSTOMER ENGAGEMENT**

As digital marketing has evolved, companies have increasingly turned to AI technologies to improve their customer engagement strategies. AI-Language Models, such as ChatGPT, have emerged as a popular tools for generating conversational content and enhancing customer interactions. One of the most popular language models is ChatGPT, a natural language processing model that uses machine learning algorithms to generate human-like responses to user inquiries. This technology has been shown to be effective in improving customer interactions and reducing the workload of customer service teams (Nicolescu & Tudorache, 2022). In the context of digital marketing, ChatGPT has been used to create chatbots and virtual assistants that provide personalized and engaging customer experiences. Studies have shown that these chatbots can improve customer satisfaction, reduce customer churn, and increase sales (Mydyti & Kadriu, 2021). Besides customer service, marketers can use ChatGPT in other areas like content generation, lead generation, and e-mail marketing (Enterpreneur, 2023). It is expected that ChatGPT will play an increasingly important role in digital marketing in the coming years, and this study will provide valuable insights into how businesses can use it effectively to improve their marketing efforts.

This thesis aims to investigate customer attitudes towards digital marketing content that employs ChatGPT compared to content that does not, in order to illustrate ChatGPT's potential for improving customer engagement.

You can choose from one of the following settings to study the above research question (or come up with your own):

Example 1: Ad Copywriting

In this setting, you can create two versions of an ad, one using a ChatGPT-generated ad copy and the other using an ad copy written by a human copywriter. The two versions of the ad should be identical in all other respects (e.g., same image, same call-to-action, a same landing page). In a randomized experiment, you can then show each version of the ad to different participants and measure the metrics you are interested in, such as attitudes towards the ad.

Example 2: E-mail Marketing

Another setting worth exploring is e-mail marketing and the effectiveness of using ChatGPT-generated subject lines versus human-written ones. The experiment would look similar to the first one.

Example 3: Native Advertising

The setup is similar to the one above, but this time you would be testing the effectiveness of Chat-GPT generated native ads vs human-generated ones.

LITERATURE & LINKS:

Luo, X., Tong, S., Fang, Z., & Qu, Z. (2019). Frontiers: Machines vs. humans: The impact of artificial intelligence chatbot disclosure on customer purchases. *Marketing Science*, *38*(6), 937-947.

Mydyti, H., & Kadriu, A. (2021). The impact of chatbots in driving digital transformation. *International Journal of E-Services and Mobile Applications (IJESMA)*, *13*(4), 88-104.

Nicolescu, L., & Tudorache, M. T. (2022). Human-Computer Interaction in Customer Service: The Experience with AI Chatbots—A Systematic Literature Review. *Electronics*, *11*(10), 1579.

Reisenbichler, M., Reutterer, T., Schweidel, D. A., & Dan, D. (2022). Frontiers: Supporting Content Marketing with Natural Language Generation. *Marketing Science*, *41*(3), 441-452.

Schanke, S., Burtch, G., & Ray, G. (2021). Estimating the impact of "humanizing" customer service chatbots. *Information Systems Research*, *32*(3), 736-751.

Yalcin, G., Lim, S., Puntoni, S., & van Osselaer, S. M. (2022). Thumbs up or down: Consumer reactions to decisions by algorithms versus humans. *Journal of Marketing Research*, *59*(4), 696-717.

Some chatbot use cases in advertising:

- https://www.marketingdive.com/news/emirates-vacations-digital-display-ads-integrate-chatbots-that-give-travel/518243/

- https://www.entrepreneur.com/science-technology/how-can-marketers-use-chatgpt-here-are-the-top-11-uses/445015
- https://acquire.io/blog/chatbot-statistics-trends/

SUPERVISOR:

- Isin Acun: https://www.wu.ac.at/en/imsm/about-us/team/isin-acun/
- Prof. Dr. Nadia Abou Nabout: https://www.wu.ac.at/en/imsm/about-us/team/nadia-abou-nabout/

APPLICATIONS:

You can apply for this topic by filling in the **application form** (available here) and sending it to Isin Acun (isin.acun@wu.ac.at).