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Business Response to Market Tendencies: Consumerism, Ai, E-Commerce, and Their Influence on Modern Societies

Businesses have a high reliance on consumer behavior due to the impact of tendencies and market forces. They continually adapt and change their performance to increase performance and consumer satisfaction in changing market conditions. Those forces include consumerism which requires substantial business preparation to satisfy customer demands. The development of AI leaves a visible trace in business-consumer communication, including moments of truth that can affect future communities. Compound components affect business marketing, advertising, and e-commerce presence. For this reason, this paper researches the influence of consumerism and the rise of AI on business accommodation and its role in modern societies.

Keywords: consumerism, AI, e-commerce, consumer behavior, interaction, digitalization.

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Nowadays, businesses function in a closely tied relationship with consumers due to the peculiarities of market conditions. The strategy of producing stocks and pushing them on consumers is no longer accurate. Instead, businesses try to include consumers in decision-making processes and product creation. Multiple companies actively engage consumers in communication to assess their needs and initial responses to the potential products. Businesses react to the slight-

est change in consumer preferences, values or trends by transforming the business offerings.

Aim of the paper

One of the significant factors affecting business propositioning includes consumerism tendency. At first glance, increased customer desire to buy new products and follow new inventions brings external benefits to the busi-

ness. Despite the debates between consumerism's usefulness and its disadvantages, most people accept the presence of consumer economies with "cross-advertising products that are disconnected from any reasonable assessment of needs all this in exchange for economic growth and high employment" [1, p. 2]. Even though consumer purchases do not necessarily fall under the need-driven category, each of them leaves a pattern in the business segment, including its planning.

Continually, consumerism as increased demand is a vital aspect for business preparation in terms of advertising, position, product, and service offerings. This paper aims to analyze the collective influence of consumerism and AI on future business adaptation and the potential reshaping of societal forces and responses.

Problem statement

On the surface, it may seem that businesses adapt to the market conditions and provide consumers with brand products and services at an opportune moment and price. In reality, companies have to do a colossal hidden amount of work in order to attract consumer attention, increase brand awareness, and stimulate feedback at the new product release (Fig. 1). Since the trends expand, consumerism has an undeniable influence on the development of future economics and organizational decision-making.

Discussion

Instead of waiting for the customers to show interest in the product or service, companies actively interact with them, engaging in conversations and collecting feedback. Zero Moment of Truth (ZMOT) enables companies to present an opportunity for the brands to get in front of potential clients [2, p. 466]. The stage allows consumers to look for information about the product and solidify their decision to purchase the product. Not only Google provides the data, but companies themselves also have informational websites and social pages, where consumers can regard the frequently asked questions and read experiences of other users.

However, the abundance of analyzed data is present from the business perspective as well as from the consumer. Organizations have to utilize the information to provide relevant news and product releases. They surround consumers with multiple product mentions, marketing appeals, and

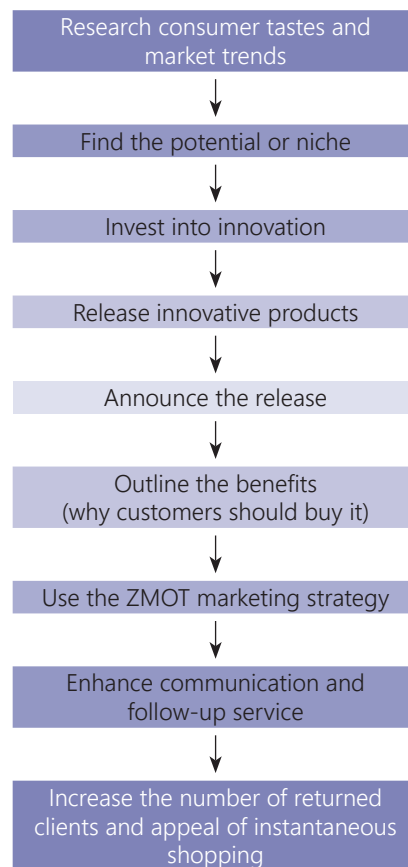


Fig 1. Businesses performance in the consumerism perspective (behind the curtains)

available data. They encourage numerous techniques involving celebrity endorsements, influencers, and word-of-mouth. Due to practice, successful companies hire celebrities to behave as a brand's representative "by encompassing personality, attitude, popularity, stature in a given environment in a field to the brand's entitlements" [3]. Various advertising tools prioritize the appeal to emotion over rational thoughts (Fig. 2). Namely, one of the reasons companies use celebrities in endorsements is due to the spokesperson's physical attractiveness and recognition that positively impact consumers' attitude toward the brand and purchasing intent.

It is noteworthy to mention the increased usage of internet advertising and celebrity endorsement over the

traditional marketing presence. With technological development, individual and business dependence on internet marketing grows. People value symbolic presence, and mature brands constantly remind consumers of their values [4]. While the leadership of marketing advertising is indisputable in the current modern era with high technological usage, the changes may occur. Based on the displayed in table 1 analysis of advertising messages with potential celebrity endorsements, it is possible to conclude that businesses rely on emotions in consumer communication ranging from the stimulus to subsequent moments of truth. The correctly communicated moment of truth increases the probability of consumers becoming brand ambassadors [5]. Companies influence consumer purchasing behavior through continuous interactions and communications. Modern society depends on connectivity with brands. In turn, companies depend on the internet marketing presence, and future consumerism, as well as AI, can intervene with the performance.

Since markets continually develop, technological advancement influences the future of economies and business' responses. One of the concerns for future business and economic develop-

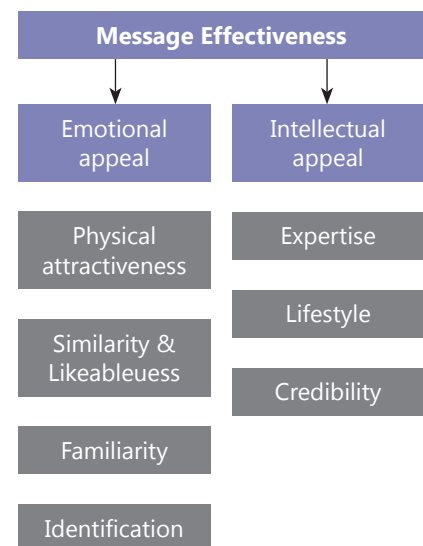


Fig. 2. Message effectiveness

ment lies in AI development. Currently, the use of AI includes famous examples of Apple's Siri [6], followed by Samsung's Bixby, Alexa by Amazon [7], and robot Sophia. Since the mentioned robots have an established set of rules, their increased consumer usage may redefine consumer purchasing behavior. According to Dawar, "technologies that revolutionize the way consumers interact with a marketplace also tend to reconfigure its dynamics" [8]. In other words, since AI and technological assistants act as intermediaries between businesses and consumers, they may affect the final outcome of consumer purchase through the impact on behavior and market forces.

Informational technology assists businesses in sustaining connectivity while creating internal benefits for organizational usage. For instance, CRM allows companies to qualitatively store the user data, categorize it, and transfer relevant information to consumers. Brands know the history of customer purchases, their habits, preferences, and individual characteristics. Due to the acquired data, companies can analyze consumer profiles and develop products with potential interests for the target audience. Smart technologies play a vital role in "practical notions of access to the store, consumer engagement and experience with the new forms of interaction that are at stake with the more social side of the shopping activity" [9]. Businesses rely on high interaction levels with consumers.

Consumerism may have a direct impact on e-commerce and its development due to technological innovation and leadership of internet sales. AI as a house assistant can order routine

and customary purchases. While this activity increases consumer convenience and decreases the time-spent, it also changes the decision-making algorithms. As previously outlined, current advertising has a high reliance on emotional appeals, including feelings, catching displays, songs, and slogans. It is supported by literary research in which "customer engagement is not only dependent on the customer interaction but also to what those brand interactions make the customer focus their attention on" [10, p. 212]. It is one of the essential notions for the researched business-consumer interactions, potential influences, and transformations.

People do not always research the product or brand to the scope of its foundation or do not browse through publicity, especially if a purchase is of low scale.

In contrast, AI has unlimited time and fast speed to analyze the data, check the credibility of public claims and financial statements. If technological assistants choose which products and companies to offer to consumers, it can significantly impact the number or qualities of organizations staying in business. Considering that AI continues to occupy the leading position in future economic development, companies may want to reshape their appeals. Similarly to fighting for first place in Google search, they can prioritize the AI filters to reach consumers.

For instance, modern society can increase its focus on sustainability. Unlike individuals, AI's behavior does not vary from its algorithms. If the user wants to increase social behavior, AI assistants may buy only brands with high CSR, responsible content, and

publicity. It involves the appearance of a new moment of truth or prioritization of the final, ultimate moment of truth (Fig. 3). It is imperative since it brings new consumers to the ZMOT and starts a new cycle [11]. Subsequently, it may change the order of business forces and organizational performance. Since the positioning of AI and Consumerism on the marketing scale of moments of truth is strategic, it undeniably affects business-consumer interaction. Besides changing the algorithms, it affects information allocation, decision-making, experience sharing, and after-service. Likewise, the intervention of AI and its increased usage in the business segment can lead to the increased digitization and remote work tendency.

Conclusion

Following this, consumerism and e-commerce can undergo changes, transform the market forces and require an adapted business response. Organizations rely on increased consumer demand in their plans and performance. Provided that an intermediary in the form of AI stands between the buyer and the marketplace, it creates an additional barrier in communication. This study hypothesizes that advertising, its shape, and quantity will change business relationships in the future. A changed amount of communication in the future society transforms the bargaining powers and position of parties.

Disclaimer

Despite the potential influencing predictions, there is no guarantee that digital and cognitive technologies, including AI, will determine a sort of high-tech revolution resembling or deviating from the previous ones [12]. Since businesses continuously adapt, their transformation in response to technological tendencies may be another step in the development and accommodation to market forces.

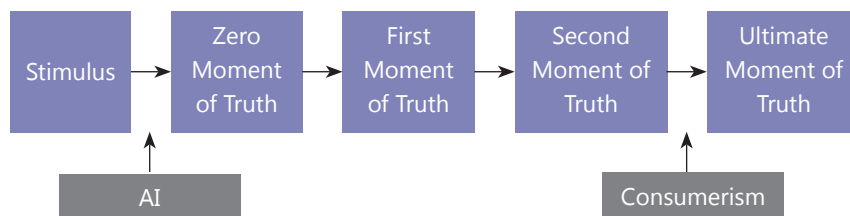


Fig. 3. Moments of Truth Paradigm and Influence of Tendencies

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Ратушняк М. В.

Адаптація бізнесів до ринкових тенденцій: консюмеризм, штучний інтелект, е-комерція та їхній вплив на сучасні суспільства

Підприємства сильно покладаються на поведінку споживачів через вплив тенденцій та ринкових сил. Вони постійно адаптуються та змінюють фактор продуктивності, щоб підвищити ефективність та задоволення споживачів у мінливих умовах ринку. До цих сил належить консюмеризм або надмірне споживання, яке вимагає значної бізнес-підготовки, щоб задовольнити запити споживачів. Розвиток штучного інтелекту (ШІ) залишає помітний слід у спілкуванні між бізнесом та споживачами, включаючи так звані моменти істини, які можуть вплинути на майбутнє спільноти. Вищезгадані компоненти впливають на маркетинг, рекламу та присутність електронної комерції бізнесів. З цієї причини ця стаття досліджує вплив консюмеризму та зростання ШІ на економічний розвиток підприємств, а також їхню роль у сучасних суспільствах.

Ключові слова: консюмеризм, штучний інтелект, електронна комерція, поведінка споживачів, взаємодія, цифровізація.