

**Perceptions on the Role of AI based Chatbot Technology and Innovations in
Customer Service for Creating a Competitive Service Economy and E-Tourism**

Nino Kodzakhidze

Group #2 Innovations

Master thesis is presented at Ilia State University Business School

Project Supervisor: Dr. Nina Pataraiia Dean, Associate Professor of Innovation Management

Ilia State University

Tbilisi, 2017

Acknowledgement

In the first place, I would like to thank to my academic supervisor for her guidance, patience, support and understanding through all previous thesis writing months. Furthermore, I would like to thank all the respondents who participated in questionnaire and exclusively to those of the participants who helped through their Facebook account social network to collect the required amount of data. Following, I would like to thank Geolab's unique team and their director and finally, special thanks to everyone who assisted to develop the thesis in general and helped in the whole process.

Table of Contents

List of Figures	4
List of Tables	4
Chapter 1	5
<i>Introduction</i>	5
1.1 <i>General overview</i>	5
1.2 <i>Problem Statement and Context</i>	6
1.3 <i>Research Objective</i>	7
1.4 <i>Research Questions</i>	7
1.5 <i>Hypothesis formulation</i>	8
Chapter 2	10
<i>Literature review</i>	10
2.1 <i>AI Based Chatbot and Customer Service</i>	10
2.3 <i>Creating a competitive service economy via selected companies' cases</i>	10
2.3.1. <i>The service sector transformation in developing countries</i>	10
2.3.2. <i>Support for innovation</i>	12
2.3.3. <i>Estonia's innovation strategy</i>	14
2.3.3. <i>Information and communication technology (ICT)</i>	16
2.3.4. <i>E-governance</i>	19
2.3.5. <i>Word of Mouth</i>	20
2.3.6. <i>The self-customer service outcomes</i>	20
2.4 <i>Service provider organizations strategies (Country level)</i>	21
2.4.1. <i>Customer service</i>	21
2.4.2. <i>ICT in banking sector</i>	22
2.4.3. <i>ICT in Hospitals</i>	23
2.5 <i>E-tourism Innovation</i>	24
2.5.1. <i>Conceptualization of consumer innovation</i>	24
2.5.2. <i>Measurements of consumer innovation</i>	24
2.5.3. <i>Conceptual model of Tourist innovation</i>	26
Chapter 3	30
<i>Research Methodology</i>	30
3.1 <i>Method and Approach</i>	30
Chapter 4	32
<i>Qualitative analysis</i>	32
4.1 <i>In-depth interview:</i>	32
<i>Analysis</i>	34
4.2 <i>Descriptive statistics</i>	34
4.3 <i>Measurements of variables</i>	35
4.4 <i>Discussion</i>	39
4.5 <i>Online Self-Service</i>	44
4.6 <i>E-Tourism</i>	51
Chapter 7	56
<i>Recommendations and Limitations</i>	56
7.1 <i>Study Limitations</i>	56
7.2 <i>Study Recommendations</i>	56
Conclusion	58
Bibliography	59