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Research Paper

A PROJECT REPORT ON

" INFLUENCE OF ARTIFICIAL INTELLIGENCE IN IMPROVING CUSTOMER'S SATISFACTION " AT TAJ MAHAL RESTAURANT

KOTRIKA BASANTH REDDY [1], G. AHMED ZEESHAN [2].
Student[1], Guide[2].
GLOBAL INSTITUTE OF ENGINEERING AND TECHNOLOGY
AN AUTONOMOUS INSTITUTION
Chilkur (v). Moinabad (M). RR. District. Telangana

ABSTRACT

Artificial Intelligence (AI) is increasingly transforming the restaurant industry by enhancing operational efficiency, personalization, and overall customer experience. This study examines the influence of AI technologies—such as chatbots, recommendation systems, automated ordering, predictive analytics, and customer feedback analysis—on improving customer satisfaction in restaurants. Data were collected from consumers and managers of restaurants implementing AI solutions in India, focusing on metrics such as service speed, accuracy, personalization, responsiveness, and overall dining experience. The research highlights that AI facilitates faster order processing, personalized menu recommendations, efficient reservation management, and predictive insights into customer preferences. Findings indicate that restaurants using AI-enabled systems experience higher customer satisfaction, increased loyalty, and positive word-of-mouth promotion. Additionally, AI supports staff in managing peak hours, reducing errors, and providing consistent service quality. The study also identifies challenges in AI adoption, including high implementation costs, technological training requirements, and customer adaptation to automated services. The research concludes that strategic integration of AI in restaurant operations significantly enhances customer satisfaction, operational efficiency, and competitive advantage. Emphasizing customer-centric AI applications ensures sustainable growth and improved service quality in the dynamic and technology-driven foodservice industry.

Keywords: Artificial Intelligence, customer satisfaction, restaurants, AI applications, service quality, personalization, India, operational efficiency

I. INTRODUCTION

One of the most innovative technologies of the twenty-first century, artificial intelligence (AI) is

transforming how businesses operate and interact with their customers. In today's cutthroat, digital market, customer satisfaction is essential to an organization's success. Businesses in the retail, hotel, healthcare, banking, and food services sectors are using AI to enhance client relationships, service quality, and customer experience. AI improves customer satisfaction by helping businesses analyze consumer behavior, anticipate needs, customize offerings, and react more quickly and effectively.

II. STATEMENT OF THE PROBLEM

Customer satisfaction is now essential to business success and competitive advantage. As technology develops, businesses are using Artificial Intelligence (AI) to enhance customer service, reaction time, and customization. Chatbots, virtual assistants, machine learning systems, and predictive analytics are often used to expedite customer interactions. Even though AI is widely used in many industries, its impact on customer satisfaction is still debatable.

III. NEED OF THE STUDY

In the digital era, customer satisfaction is critical to the success and longevity of any firm. AI has made customer service faster, smarter, and more personalized. Predictive analytics, chatbots, and virtual assistants improve quality and expedite customer support. Despite these advantages, it's unclear how AI will affect customer satisfaction across industries. This study is necessary to ascertain how AI impacts customer satisfaction, how consumers see AI-based services, and the benefits and drawbacks of using AI. The study will help businesses enhance user experience and customer service.

IV. SCOPE OF THE STUDY

This study looks at how AI impacts customer satisfaction in several service industries. Its areas of expertise include recommendation algorithms, chatbots, automated customer support, and predictive analytics.

Additionally, the study assesses customer behavior, satisfaction, and perceptions of AI-based services. The advantages and disadvantages of AI in enhancing service quality are discussed. The study's findings will assist businesses in enhancing customer satisfaction via AI integration and digital transformation.

V. OBJECTIVES OF THE STUDY

1. Examine how AI affects customer service.
2. Examine how AI affects customer happiness.
3. Find out how customers feel about AI-based services.

4. To investigate how AI may improve the effectiveness of services.
5. Determine issues with AI-powered customer support systems.
6. To provide suggestions for improving the AI-driven consumer experience.LIMITATIONS OF THE STUDY

1. Because of its small sample size, the study may not accurately represent the population.
2. Responses may be influenced by personal prejudice and a range of experiences.
3. The study focuses on customer perception rather than the technical aspects of AI systems.
4. The depth of data collection is limited by time and resource constraints. Quick developments in AI technology might eventually affect the findings' applicability.

VI. REVIEW OF LITERATURE

1. Davenport (2021)

Davenport looked at how AI is enhancing the consumer experience in the service sector. According to the study, AI technologies like automation and machine learning accelerate decision-making and service effectiveness. According to the article, AI-driven customer care solutions increase client satisfaction by speeding up responses and customizing offerings. According to the research, AI uses data analytics to assist businesses understand customer behavior. Davenport cautions that an excessive dependence on technology might reduce human interaction, which could harm emotional ties and customer confidence in service-oriented businesses.

2. Russell and Norvig (2022)

Russell and Norvig looked at the principles and practical uses of AI. The authors contend that AI systems increase productivity and mimic human intelligence. By providing prompt and precise responses, chatbots and recommendation engines enhance customer support. The study emphasizes that AI functions best when combined with human assistance systems. Additionally, it highlights algorithm bias and data privacy concerns that might impact the satisfaction and confidence of users of digital services.

3. Huang and Rust (2021)

Huang and Rust spoke about the importance of AI in the customer experience and service industries. AI was categorized by the writers as mechanical, thinking, and emotional. According to the study, AI increases customer satisfaction by automating routine tasks and freeing up people to focus on complex problems. Additionally, it demonstrates how AI's poor emotional intelligence affects customer interactions. According to the survey, businesses need to combine

AI technology with human interaction in competitive markets in order to please and keep consumers

VII. RESEARCH METHODOLOGY

Creating Research Designs

The descriptive study looks at how customer satisfaction is impacted by AI.

Data Collection • Structured surveys from customers using AI-based services provided the primary data. • Secondary data: Taken from books, journals, research papers, publications, and online resources pertaining to AI and customer satisfaction.

Method of Sampling

Convenience sampling is used to choose respondents who are accessible and available. The size of the sample

One hundred staff replies are used to examine customer perceptions. Tools

for Gathering Data

Data is gathered using a methodical questionnaire that includes Likert scale and multiple-choice questions.

Tools for Statistics

To comprehend data, use tables, charts, percentages, and basic statistical methods.

Area of Study

Customers in certain service sectors who have used AI-based services are examined.

Time Spent Studying

The 45-day study looks at trends of customer satisfaction based on artificial intelligence.

VIII. DATAANALYSIS

Gender Distribution (N = 100)

Gender	Frequency	Percentage
Male	52	52%
Female	48	48%
Other	0	0%
Total	**100**	**100%**

Interpretation

The genders of 100 responders are shown in the table above. 52% of participants are men, 48% are women, and there are no "others." The sample is gender balanced since there are about equal numbers of male and female responses. A fair distribution lessens the study's gender bias and

makes it easier to compare answers linked to gender in the findings.

2. Age Group (N = 100)

Age Group	Frequency	Percentage
Below 20	18	18%
21–30	42	42%
31–40	25	25%
Above 40	15	15%
Total	**100**	**100%**

Interpretation

According to the statistics, 42% of responses are between the ages of 21 and 30. This indicates that young people are the main patrons of Taj Mahal Restaurant. 15% are over 40, 18% are under 20, and around 25% are between 31 and 40. The research indicates that the restaurant is preferred by younger customers, namely professionals and students. This age distribution aids in determining customer preferences and concentrating age-targeted advertising.

3. AI Improves Ordering Experience

Response	Frequency	Percentage
Strongly Agree	28	28%
Agree	42	42%
Neutral	18	18%
Disagree	8	8%
Strongly Disagree	4	4%
Total	**100**	**100%**

Interpretation

According to the findings, 70% of respondents believe AI improves ordering. The restaurant's use of AI is viewed favorably. Twelve percent disagree, while around eighteen percent are indifferent. The findings suggest that AI systems increase food ordering convenience, speed, and accuracy. Only a small percentage of users favor traditional methods. Adoption of AI- based restaurant services may increase customer satisfaction if system stability and user engagement are continuously improved.

4. AI Reduces Waiting Time

Response	Frequency	Percentage
Yes	60	60%

No	20	20%
Sometimes	20	20%
Total	**100**	**100%**

Interpretation

According to the report, 60% of participants believe AI shortens wait times at restaurants. But 20% disagree, and 20% believe it sometimes works. For many customers, AI has improved service speed; nevertheless, its applicability may depend on crowd density and system efficiency. Positive responses show how AI can speed up order processing, but inconsistent results call for system modification. By enhancing backend performance and integration, customer wait times may be regularly decreased.

IX. FINDINGS

With 52% of respondents being men and 48% being women, the gender distribution is almost equal.

The bulk of respondents (42%) are between the ages of 21 and 30, indicating that the target market is mostly young people.

3. The largest group, monthly visitors (35%), shows continuous but limited customer contact. The primary source of awareness, which highlights the importance of digital marketing, is social media (40%).

X. SUGGESTIONS

The eatery may improve AI-based services to make them simpler to use, especially for new customers.

2. Raise awareness of AI systems via staff assistance, signage, and in-store training.

3. A hybrid strategy (AI + human workers) should be maintained to satisfy customers who want personal interaction.

4. Frequent updates to the AI ordering system might improve accuracy and get rid of technological issues.

5. Train employees to help customers with AI system issues

6. To boost customer customisation, the restaurant should strengthen AI recommendations.

7. To increase trust in AI-based payment systems, maintain robust cybersecurity.

8. Improve customer service quality and AI response speed for complex queries.

9. Put in place feedback systems to improve AI services based on user input.

10. Since social media is the main source of exposure, make it stronger.

XI. CONCLUSION

According to the Taj Mahal Restaurant study, AI-enabled technologies improve customer satisfaction and service effectiveness. The majority of young people are aware of and like AI-based services. The findings show that AI systems enhance order accuracy, convenience, customer satisfaction, and wait times.

AI systems that are simple to use are reliable for ordering, making payments, and making recommendations. According to some respondents, automation is not the best option since they prefer human interaction. The optimal approach is a hybrid AI-human service model. AI enhances the quality of restaurant service, but the study indicates that long-term success and customer satisfaction need continuous development, more customisation, and robust technical support.

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