KeAi
CHINESE ROOTS
GLOBAL IMPACT

International Journal of Innovation Studies

A STUDY ON THE IMPACT OF ARTIFICIAL INTELLIGENCE-DRIVEN DIGITAL MARKETING ON CUSTOMER ATTRACTION IN CHENNAI CITY RESTAURANTS

Dr. V. JAYALAKSHMI
Assistant Professor,
Sir Theyagaraya College, Chennai-600 021

Abstract
Artificial Intelligence (AI) has transformed digital marketing by enabling businesses to deliver personalised, data-driven, and automated customer experiences. In the restaurant industry, AI-driven digital marketing tools such as personalised advertisements, chatbots, social media analytics, recommendation systems, customer data analytics, and automated marketing communication are increasingly being used to attract and engage customers. The present study aims to examine the impact of AI-driven digital marketing on customer attraction in Chennai City restaurants.

The study adopted a descriptive research design and utilised both primary and secondary data. Primary data were collected through a structured questionnaire administered to 180 restaurant customers in Chennai City using the proportionate random sampling technique. The collected data were analysed using Percentage Analysis, Mean Score Analysis, Independent Sample t-Test, Chi-Square Test, Analysis of Variance (ANOVA), Correlation Analysis, and Multiple Regression Analysis.

The findings reveal that customers possess a high level of awareness and favourable perceptions regarding AI-driven digital marketing practices. Personalised advertisements, social media analytics, recommendation systems, and customer data analytics significantly influence customer attraction and restaurant selection decisions. The study also found significant associations between demographic variables and customer awareness of AI-driven digital marketing. Correlation analysis indicated a strong positive relationship between AI-driven digital marketing factors and customer attraction dimensions. Multiple regression analysis confirmed that social media analytics, personalised advertisements, and customer data analytics are the most influential predictors of customer attraction and restaurant selection decisions.

The study concludes that AI-driven digital marketing has a significant positive impact on customer attraction in Chennai City restaurants. Effective adoption of AI-powered marketing strategies enhances customer awareness, engagement, visit intention, and restaurant preference, thereby improving restaurants' competitive advantage and supporting business growth in an increasingly digital environment.

Keywords:
Artificial Intelligence, Digital Marketing, Customer Attraction, Restaurant Selection Decision, Customer Engagement, Social Media Analytics, Personalised Advertisements, Chennai City Restaurants, AI Chatbots, Customer Data Analytics.

Introduction

The rapid advancement of Artificial Intelligence (AI) has transformed the way businesses interact with customers and conduct marketing activities. AI technologies, including machine learning, predictive analytics, chatbots, recommendation systems, and data-driven personalization, have become integral components of modern digital marketing strategies. These technologies enable businesses to analyse customer behaviour, automate marketing processes, and deliver personalised experiences that enhance customer engagement and satisfaction.

The restaurant industry has witnessed significant changes in recent years due to increasing digitalisation and changing consumer preferences. Customers now rely heavily on online platforms, social media, mobile applications, and search engines to discover restaurants, read reviews, compare menus, and make dining decisions. In this competitive environment, restaurants are increasingly adopting AI-driven digital marketing tools to attract, engage, and retain customers more effectively.

Chennai City, one of India's major metropolitan centres, has a vibrant, rapidly growing restaurant sector that caters to diverse consumer tastes and preferences. With increasing internet penetration and smartphone usage, restaurants in Chennai are utilising AI-powered marketing techniques such as targeted advertising, customer segmentation, automated customer support, personalised promotions, and social media analytics to improve their market reach and customer acquisition efforts.

AI-driven digital marketing offers several advantages for restaurants, including enhanced customer insights, improved marketing efficiency, better customer engagement, and increased conversion rates. By leveraging customer data and predictive analytics, restaurants can create customised marketing campaigns that address specific customer needs and preferences. Furthermore, AI-powered chatbots and recommendation systems help restaurants provide instant responses and personalised dining suggestions, thereby improving customer experience and attracting new customers.

This study aims to examine the impact of Artificial Intelligence-driven digital marketing on customer attraction in Chennai City restaurants. The research seeks to understand how AI-based marketing practices influence customer awareness, engagement, decision-making, and restaurant selection. The findings of this study will provide valuable insights for restaurant owners, marketers, and business professionals seeking to enhance their marketing effectiveness through AI technologies in an increasingly competitive digital marketplace.

Background of the Study

The digital revolution has significantly transformed the business landscape, particularly in the field of marketing. Traditional marketing methods have gradually evolved into digital marketing practices that utilise online platforms, social media, search engines, websites, and mobile applications to reach customers more effectively. In recent years, Artificial Intelligence (AI) has emerged as a powerful technological innovation that is reshaping digital marketing strategies across various industries.

Artificial Intelligence refers to the ability of computer systems to perform tasks that typically require human intelligence, such as learning, reasoning, decision-making, and problem-solving. In the marketing domain, AI technologies are being used to analyse large volumes of customer data, predict consumer behaviour, automate communication processes, and deliver personalised marketing experiences. These capabilities enable businesses to enhance customer engagement, improve operational efficiency, and achieve better marketing outcomes.

The restaurant industry has become increasingly competitive due to changing consumer lifestyles, growing urbanisation, and the widespread adoption of digital technologies. Customers now depend

heavily on online information, reviews, social media recommendations, food delivery applications, and digital advertisements when selecting restaurants. As a result, restaurant businesses are investing in advanced digital marketing techniques to attract and retain customers in a highly competitive market environment.

Chennai City, one of the largest metropolitan cities in India, has a diverse and rapidly expanding restaurant sector ranging from traditional eateries to modern fine-dining establishments. The increasing use of smartphones, internet services, and digital platforms among Chennai consumers has created new opportunities for restaurants to engage with potential customers through AI-driven marketing tools. Technologies such as chatbots, personalised advertisements, recommendation engines, customer sentiment analysis, and automated social media management are helping restaurants improve customer interactions and strengthen their market presence.

Despite the growing adoption of AI technologies in digital marketing, there is limited research focusing specifically on their impact on customer attraction within Chennai City's restaurant industry. Understanding how AI-driven digital marketing influences customer awareness, preferences, and dining decisions is important for restaurant owners and marketers seeking to enhance their competitive advantage. Therefore, this study aims to explore the role and effectiveness of Artificial Intelligence-driven digital marketing in attracting customers to restaurants in Chennai City and to assess its contribution to business growth and customer engagement.

Scope of the study

This study focuses on examining the impact of Artificial Intelligence (AI)-driven digital marketing on customer attraction in restaurants located in Chennai City. The research explores how AI technologies are integrated into digital marketing activities and how these technologies influence customer awareness, engagement, preferences, and restaurant selection decisions.

The study covers various AI-based digital marketing tools and techniques used by restaurants, including personalised online advertisements, chatbots, and social media marketing automation, customer data analytics, recommendation systems, email marketing automation, and search engine optimisation (SEO). It aims to assess the effectiveness of these tools in attracting new customers and enhancing customer engagement.

The geographical scope of the study is limited to Chennai City, which has a diverse and growing restaurant industry. The study considers the perspectives of restaurant customers who are exposed to AI-driven digital marketing practices and evaluates their responses toward such marketing efforts.

The research is confined to understanding customer attraction and does not extensively examine other aspects such as customer retention, operational efficiency, financial performance, or technological implementation challenges within restaurants. The findings of the study are intended to provide insights into the role of AI-powered digital marketing in influencing customer behaviour and supporting the growth of restaurants in Chennai City.

The study is conducted within a specific period and is based on the responses collected from selected participants. Therefore, the conclusions drawn apply primarily to the restaurant sector in Chennai City and may serve as a reference for future studies in similar contexts.

Restaurants in Chennai City

The present study is limited to restaurants operating in Chennai City and examines the impact of

Artificial Intelligence (AI)-driven digital marketing on customer attraction. The research focuses on how restaurants utilise AI-based digital marketing tools such as chatbots, personalised advertisements, social media analytics, recommendation systems, automated email marketing, and customer data analysis to attract potential customers.

The study investigates customers' perceptions, awareness, and responses toward AI-enabled marketing practices adopted by restaurants in Chennai City. It seeks to understand the extent to which these technologies influence customer engagement, restaurant selection, and dining decisions.

The geographical scope of the study is confined to Chennai City, covering selected restaurants and their customers. The findings are intended to provide insights into the effectiveness of AI-driven digital marketing strategies within the restaurant industry and to help restaurant owners and marketers enhance their customer acquisition efforts.

The study does not cover other hospitality sectors, such as hotels, cafes, or food delivery platforms, in detail. Furthermore, it primarily focuses on customer attraction and does not extensively examine customer retention, operational performance, or financial outcomes.

Importance of the Study

The restaurant industry in Chennai City is experiencing rapid growth and intense competition, making effective customer attraction strategies essential for business success. In this digital era, Artificial Intelligence (AI) has emerged as a transformative technology that enables restaurants to enhance their marketing efforts through data-driven insights, personalised communication, and automated customer engagement. Therefore, understanding the impact of AI-driven digital marketing on customer attraction has become increasingly important.

This study is significant because it provides valuable insights into how AI technologies influence customer behaviour and restaurant selection decisions. By examining the effectiveness of AI-based marketing tools, the research helps restaurant owners and managers identify innovative ways to reach potential customers and improve their marketing performance.

The findings of the study will benefit restaurant businesses by highlighting the role of AI in enhancing customer engagement, increasing brand visibility, and creating personalised marketing experiences. The study also assists digital marketers in understanding the practical applications of AI technologies within the restaurant sector and in developing more effective marketing strategies.

Furthermore, the research contributes to academic knowledge by expanding the existing literature on Artificial Intelligence and digital marketing, particularly in the context of Chennai City's restaurant industry. It serves as a useful reference for researchers, students, and scholars interested in exploring the relationship between AI technologies and consumer behaviour.

Finally, the study provides insights for policymakers and business practitioners regarding the growing importance of digital transformation in the hospitality sector and encourages the adoption of advanced technologies to improve competitiveness and customer satisfaction.

Significance of the Study

This study is significant as it examines the growing role of Artificial Intelligence (AI) in digital marketing and its influence on customer attraction in Chennai City's restaurant industry. With increasing competition among restaurants and changing consumer preferences, AI-driven marketing technologies

have become essential tools for enhancing customer engagement and improving business performance.

The study provides valuable insights for restaurant owners and managers by helping them understand how AI-powered digital marketing strategies, such as personalised advertising, chatbots, recommendation systems, and social media analytics, can be utilised to attract more customers. The findings can support better decision-making and encourage the adoption of innovative marketing practices to gain a competitive advantage.

For digital marketing professionals, the study offers a deeper understanding of the effectiveness of AI technologies in influencing consumer behaviour and improving customer acquisition. It highlights the importance of data-driven marketing approaches in creating personalised customer experiences and increasing marketing efficiency.

The research also contributes to the academic field by adding to the existing body of knowledge on Artificial Intelligence and digital marketing within the restaurant sector. It serves as a useful reference for future researchers, students, and scholars interested in studying the impact of emerging technologies on consumer behaviour and business growth.

Furthermore, the study benefits the hospitality industry by identifying opportunities for digital transformation and technological innovation. The findings may encourage restaurants to adopt AI-based marketing solutions that enhance customer satisfaction, strengthen brand visibility, and support long-term business sustainability.
Overall, the study contributes to both practical and academic understanding of how AI-driven digital marketing can influence customer attraction and support the growth of restaurants in Chennai City.

Objectives of the Study

1. To measure the level of customer awareness and perceptions regarding AI-driven digital marketing practices based on gender.
2. To determine the association between demographic variables and customer awareness of AI-driven digital marketing practices adopted by restaurants in Chennai City.
3. To identify differences in customer perceptions of AI-driven digital marketing practices across demographic groups.
4. To examine the relationship between AI-driven digital marketing factors and customer attraction in Chennai City restaurants.
5. To assess the impact of AI-driven digital marketing variables on customer attraction and restaurant selection decisions in Chennai City restaurants.

Hypotheses of the Study

Objective: To measure the level of customer awareness and perceptions regarding AI-driven digital marketing practices based on gender.

H_0: There is no significant difference between male and female respondents regarding their awareness and perceptions of AI-driven digital marketing practices.
H_1: There is a significant difference between male and female respondents regarding their awareness and perceptions of AI-driven digital marketing practices.

Objective

To determine the association between demographic variables and customer awareness of AI-driven digital marketing practices adopted by restaurants in Chennai City.

H_0: There is no significant association between demographic variables and customer awareness of AI-driven digital marketing.
H_1: There is a significant association between demographic variables and customer awareness of AI-driven digital marketing.

Objective
To identify differences in customer perceptions of AI-driven digital marketing practices across demographic groups.

H_0: There is no significant difference in customer perceptions of AI-driven digital marketing practices across demographic groups.
H_1: There is a significant difference in customer perceptions of AI-driven digital marketing practices across demographic groups.

Objective
To examine the relationship between AI-driven digital marketing factors and customer attraction in Chennai City restaurants.

H_0: There is no significant relationship between AI-driven digital marketing factors and customer attraction.
H_1: There is a significant relationship between AI-driven digital marketing factors and customer attraction.

Objective
To assess the impact of AI-driven digital marketing variables on customer attraction and restaurant selection decisions in Chennai City restaurants.

H_0: AI-driven digital marketing variables do not significantly influence customer attraction and restaurant selection decisions.
H_1: AI-driven digital marketing variables significantly influence customer attraction and restaurant selection decisions.

Statement of the Problem
The restaurant industry in Chennai City is becoming increasingly competitive due to the growing number of restaurants and changing consumer preferences. Customers today rely heavily on digital platforms such as social media, search engines, mobile applications, and online reviews when choosing restaurants. To attract and engage these customers, many restaurants are adopting Artificial Intelligence (AI)-driven digital marketing tools, including personalised advertisements, chatbots, recommendation systems, and customer analytics.

Despite the increasing use of AI technologies in digital marketing, there is a limited understanding of how effectively these tools influence customer attraction in the restaurant sector. It is unclear whether customers are aware of AI-driven marketing practices, how these practices affect their restaurant selection decisions, and to what extent AI-based marketing strategies contribute to attracting new customers.

Therefore, the problem addressed in this study is to determine the impact of Artificial Intelligence-driven digital marketing on customer attraction in Chennai City restaurants. The study seeks to examine customers' awareness of AI-based marketing practices, analyse their influence on restaurant selection decisions, and evaluate the effectiveness of AI-driven digital marketing in attracting customers.

Review of the Literature

George Wilson, Oliver Johnson, William Brown (2024), Artificial Intelligence (AI) has emerged as a transformative force in digital marketing, reshaping the way businesses interact with and engage consumers. By leveraging advanced data analytics, machine learning, and automation technologies, AI enables marketers to analyse large volumes of consumer data and develop highly personalised marketing strategies. This capability allows businesses to deliver relevant content, targeted advertisements, and customised recommendations that enhance customer experiences and improve marketing effectiveness.

The integration of AI into digital marketing has significantly improved content creation and campaign management by automating routine tasks and optimising marketing processes. AI-powered tools help organisations create relevant and engaging content while increasing operational efficiency. Furthermore, technologies such as chatbots, virtual assistants, and predictive analytics have revolutionised customer engagement by providing real-time support, personalised interactions, and enhanced user experiences.

Despite its numerous advantages, the adoption of AI in digital marketing is accompanied by several challenges. Concerns related to data privacy, security, algorithmic bias, implementation costs, and system integration continue to affect the effective deployment of AI technologies. In addition, the shortage of skilled professionals capable of managing AI-based marketing systems presents a significant barrier for many organisations.

Looking ahead, AI offers immense potential to further transform digital marketing through advancements in predictive analytics, hyper-personalisation, and the integration of emerging technologies such as virtual reality (VR) and augmented reality (AR). However, organisations must adopt AI responsibly by addressing ethical concerns, ensuring transparency, and maintaining consumer trust.

Overall, AI has become a critical driver of innovation in digital marketing, offering substantial opportunities for improving customer engagement, marketing performance, and business growth. This study highlights both the benefits and challenges associated with AI adoption and emphasises the importance of a balanced and strategic approach to leveraging AI technologies in the evolving digital marketing landscape.

Dhayalan V and Preethi V (2024), Artificial Intelligence (AI) has emerged as a powerful technology that is transforming various industries, including digital marketing. The increasing adoption of AI-driven digital marketing strategies has enabled businesses to enhance customer engagement, personalise user experiences, improve decision-making, and increase operational efficiency. As organisations strive to remain competitive in the digital environment, AI technologies have become essential tools for developing effective and customer-centric marketing campaigns.

This study examines the role and impact of AI in digital marketing by identifying the key factors that influence its effectiveness. It explores how AI technologies such as machine learning, natural language processing, predictive analytics, and data-driven automation are reshaping marketing strategies and enhancing business performance. Through an extensive review of existing literature, the study highlights

the ways in which AI contributes to customer segmentation, personalised marketing, content creation, customer relationship management, and consumer behaviour analysis.

Furthermore, the study investigates the ability of AI-powered tools to provide valuable insights into customer preferences, optimise marketing campaigns, and improve customer service through technologies such as chatbots and virtual assistants. These advancements have enabled businesses to deliver more relevant, timely, and engaging interactions with consumers.

Despite its numerous benefits, the implementation of AI in digital marketing also presents several challenges, including data privacy concerns, ethical issues, technological complexity, high implementation costs, and the need for skilled professionals. The study concludes by discussing the prospects of AI-driven marketing and emphasises the importance of balancing technological innovation with responsible and ethical practices to maximise business success and customer satisfaction.

Overall, the study demonstrates that Artificial Intelligence has become a critical driver of innovation in digital marketing, offering significant opportunities for improving marketing effectiveness, customer engagement, and organisational growth.

Research Gap

Artificial Intelligence (AI) has become an important component of digital marketing, and several studies have examined its role in customer engagement, personalisation, and business performance. Existing research has primarily focused on the general application of AI in digital marketing, e-commerce, retail, and large business organisations. However, limited attention has been given to the restaurant industry, particularly in the context of customer attraction.

Furthermore, there is a lack of studies that specifically examine how AI-driven digital marketing influences customer attraction and restaurant selection decisions in Chennai City. The unique characteristics of Chennai's restaurant market, consumer preferences, and digital adoption patterns may produce different outcomes compared to other regions and industries.

Most previous studies have concentrated on the technological aspects of AI implementation rather than customers' awareness and perceptions of AI-based marketing practices. As a result, there is insufficient empirical evidence regarding the effectiveness of AI-driven digital marketing tools in attracting customers to restaurants in Chennai City.

Therefore, this study seeks to bridge this gap by investigating customers' awareness of AI-driven digital marketing practices, analysing their influence on restaurant selection decisions, and evaluating the effectiveness of AI-based digital marketing in attracting customers to restaurants in Chennai City.

Research Methodology

Research Design

The study adopts a descriptive research design to examine the impact of Artificial Intelligence-driven digital marketing on customer attraction in Chennai City restaurants. The research focuses on understanding customers' awareness, perceptions, and responses toward AI-based digital marketing practices adopted by restaurants.

Sources of Data

The study is based on both primary and secondary data.

Primary Data: Primary data are collected directly from restaurant customers through a structured questionnaire.

Secondary Data: Secondary data are gathered from journals, books, research articles, websites, industry reports, and other relevant publications related to Artificial Intelligence and digital marketing.

Area of the Study

The study is conducted among restaurant customers in Chennai City, Tamil Nadu.

Sample Size

A total of **180 respondents** were selected for the study.

Sampling Technique

The respondents are selected using the Proportionate Random Sampling Method to ensure adequate representation of customers from different areas of Chennai City.

Data Collection Instrument

A structured questionnaire is used to collect data from the respondents regarding their awareness, perceptions, and experiences related to AI-driven digital marketing practices used by restaurants.

Tools for Data Analysis

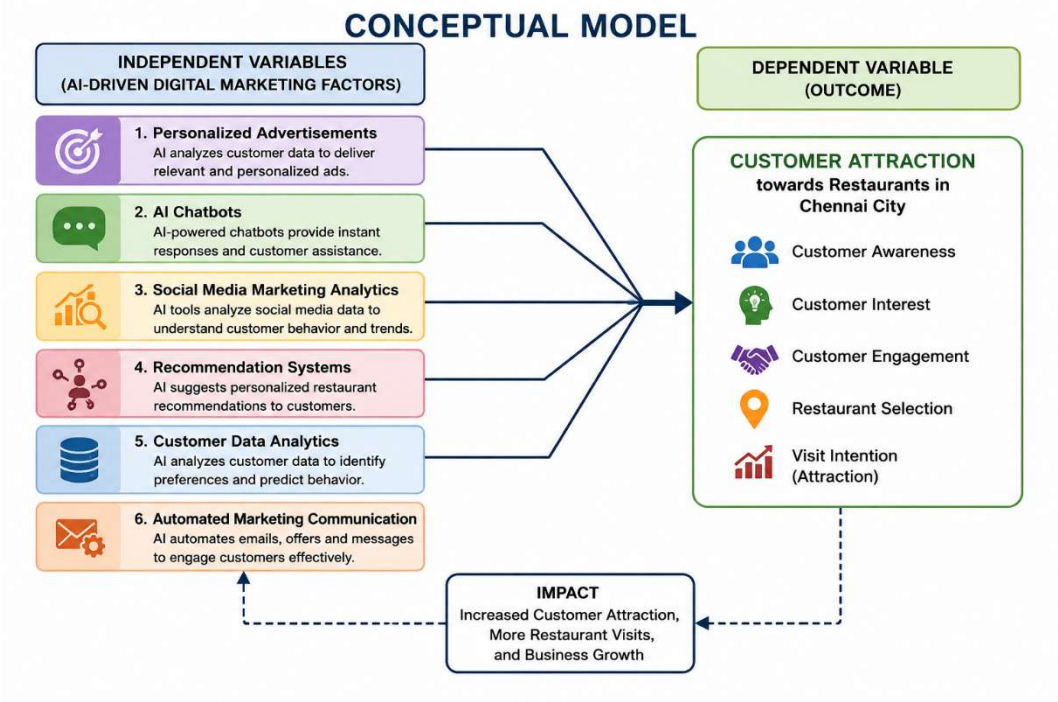
The collected data are analysed using appropriate statistical tools:

1. **Percentage Analysis** – To analyse the demographic profile of respondents.
2. **T- Test** – To measure the level of customer awareness and perceptions regarding AI-driven digital marketing practices.
3. **Chi-Square Test** – To determine the association between demographic variables and customer awareness of AI-driven digital marketing.
4. **Analysis of Variance (ANOVA)** – To identify differences in customer perceptions across demographic groups.
5. **Correlation Analysis** – To examine the relationship between AI-driven digital marketing factors and customer attraction.
6. **Multiple Regression Analysis** – To assess the impact of AI-driven digital marketing variables on customer attraction and restaurant selection decisions.

Period of the Study

The study is conducted during the academic year 2025–2026 and reflects the opinions of respondents collected during the survey period.

Conceptual Model



Limitations of the study

1. The study is geographically limited to Chennai City; therefore, the findings may not apply to restaurants located in other cities or regions.
2. The study is based on a sample of 180 respondents selected through the Proportionate Random Sampling method. Hence, the results represent only the opinions of the selected respondents.
3. The research relies on primary data collected through a structured questionnaire, and the accuracy of the findings depends on the honesty and understanding of the respondents.
4. The study focuses only on the impact of AI-driven digital marketing on customer attraction and does not examine other aspects such as customer retention, operational efficiency, or financial performance of restaurants.
5. The study is conducted within a specific period; therefore, changes in customer preferences and technological advancements after the survey period are not considered.
6. Time and resource constraints may have limited the collection of data from a larger number of respondents across all areas of Chennai City.

Data Analysis and Interpretation

4.1 Percentage Analysis

Table 4.1 Demographic Profile of Respondents (N = 180)

Gender

Gender	Frequency	Percentage
Male	110	61.1
Female	70	38.9
Total	**180**	**100.0**

Interpretation:

The table reveals that out of 180 respondents, 110 (61.1%) are male and 70 (38.9%) are female. This indicates that male respondents constitute the majority of the sample population.

Age

Age Group (Years)	Frequency	Percentage
Below 25	45	25.0
25 – 35	65	36.1
36 – 45	40	22.2
46 – 55	20	11.1
Above 55	10	5.6
Total	**180**	**100.0**

Interpretation:
The majority of respondents (36.1%) belong to the age group of 25–35 years, followed by 25.0% below 25 years. This suggests that young adults form a significant portion of restaurant customers exposed to AI-driven digital marketing practices.

Educational Qualification

Educational Qualification	Frequency	Percentage
Higher Secondary	25	13.9
Diploma	20	11.1
Undergraduate	70	38.9
Postgraduate	50	27.8
Professional Degree	15	8.3
Total	**180**	**100.0**

Interpretation:
Among the respondents, 38.9% are undergraduates, followed by 27.8% postgraduates. This indicates that a considerable proportion of respondents are well educated and likely to be familiar with digital technologies and AI-based marketing practices.

Marital Status

Marital Status	Frequency	Percentage
Married	95	52.8
Unmarried	85	47.2
Total	**180**	**100.0**

Interpretation:
The table shows that 52.8% of respondents are married, while 47.2% are unmarried. The distribution indicates representation from both family-oriented and individual consumers.

Monthly Income

Monthly Income (₹)	Frequency	Percentage
Below 25,000	35	19.4
25,001 – 50,000	55	30.6
50,001 – 75,000	45	25.0
75,001 – 1,00,000	25	13.9
Above 1,00,000	20	11.1
Total	**180**	**100.0**

Interpretation:
The majority of respondents (30.6%) earn between ₹25,001 and ₹50,000 per month, followed by 25.0% earning between ₹50,001 and ₹75,000. This suggests that middle-income consumers form the largest segment of restaurant customers in Chennai City.

Overall Interpretation
The demographic analysis reveals that the majority of respondents are male, belong to the 25–35 years age group, possess undergraduate qualifications, are married, and earn a monthly income between ₹25,001 and ₹50,000. These characteristics indicate that young and middle-income consumers constitute the primary customer base influenced by AI-driven digital marketing practices in Chennai City restaurants.

Results and discussion
Independent Sample t-Test
Objective: To measure the level of customer awareness and perceptions regarding AI-driven digital marketing practices based on gender.

Hypothesis
H_0: There is no significant difference between male and female respondents regarding their awareness and perceptions of AI-driven digital marketing practices.
H_1: There is a significant difference between male and female respondents regarding their awareness and perceptions of AI-driven digital marketing practices.

Table 4.2 Gender-wise Comparison of Customer Awareness and Perceptions towards AI-Driven Digital Marketing (N = 180)

Gender	**N**	**Mean**	**Standard Deviation**	**t-value**	**p-value**	**Result**

Male	110	4.15	0.62	2.184	0.030	Significant
Female	70	3.94	0.58			

Level of Significance = 5% (α = 0.05)

Interpretation

The above table presents the comparison of customer awareness and perceptions regarding AI-driven digital marketing practices between male and female respondents.

The mean score for male respondents is **4.15**, whereas the mean score for female respondents is **3.94**. This indicates that male respondents exhibit slightly higher awareness and more favourable perceptions of AI-driven digital marketing practices adopted by restaurants in Chennai City.

The calculated **t-value is 2.184** with a corresponding **p-value of 0.030**, which is less than the significance level of 0.05. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted.

This result indicates that there is a statistically significant difference between male and female respondents regarding their awareness and perceptions of AI-driven digital marketing practices. Male respondents demonstrate relatively higher levels of awareness and more positive perceptions than female respondents.

Findings

The Independent Sample t-Test reveals a significant gender-based difference in customer awareness and perceptions of AI-driven digital marketing practices. Male respondents show a higher level of awareness and more positive perceptions than female respondents regarding AI-enabled marketing strategies used by restaurants in Chennai City.

Chi-Square Test

Objective

To determine the association between demographic variables and customer awareness of AI-driven digital marketing practices adopted by restaurants in Chennai City.

Hypothesis

H_0: There is no significant association between demographic variables and customer awareness of AI-driven digital marketing.

H_1: There is a significant association between demographic variables and customer awareness of AI-driven digital marketing.

Table 4.3 Association between Demographic Variables and Customer Awareness of AI-Driven Digital Marketing (N = 180)

Demographic Variables	Categories	High Awareness (%)	Moderate Awareness (%)	Low Awareness (%)	Chi-Square Value	p-value	Result
Gender	Male (110) / Female (70)	56.4	31.8	11.8	8.216	0.004	Significant
Age	Below 2	48.3	36.1	15.6	17.843	0.001	Signif

Demographic Variables	Categories	High Awareness (%)	Moderate Awareness (%)	Low Awareness (%)	Chi-Square Value	p-value	Result
	5, 25–35, 36–45, 46–55, Above 55						icant
Ed	S	6	2	1	2	0	S

Demographic Variables	Categories	High Awareness (%)	Moderate Awareness (%)	Low Awareness (%)	Chi-Square Value	p-value	Result
ucational Qualification	chool, Diploma, UG, PG, Profession	1.2	8.7	0.1	4.376	.000	ignificant

Demographic Variables	Categories	High Awareness (%)	Moderate Awareness (%)	Low Awareness (%)	Chi-Square Value	p-value	Result
	all						
Marital Status	Married/Unmarried	50.5	35.2	14.3	2.147	0.143	Not Significant

Level of Significance = 5% (α = 0.05)

Interpretation

The Chi-Square test was employed to examine whether demographic characteristics influence customers' awareness of AI-driven digital marketing practices used by restaurants in Chennai City.

Gender and Customer Awareness

The calculated Chi-Square value for Gender is **8.216** with a p-value of **0.004**, which is less than the 0.05 significance level. Therefore, the null hypothesis is rejected. This indicates a significant association between gender and customer awareness of AI-driven digital marketing. Male and female respondents differ in their awareness levels regarding AI-based marketing tools used by restaurants.

Age and Customer Awareness

The Chi-Square value for Age is **17.843** with a p-value of **0.001**, indicating a statistically significant association. Younger respondents, particularly those in the 25–35 age category, exhibit higher awareness of AI-driven digital marketing practices compared to older age groups. Hence, age plays a significant role in determining awareness levels.

Educational Qualification and Customer Awareness

Educational Qualification records the highest Chi-Square value (**24.376**) among all demographic variables, with a p-value of **0.000**. This indicates a strong association between educational qualification and customer awareness. Respondents with undergraduate, postgraduate, and professional qualifications tend to possess greater awareness of AI-driven digital marketing technologies than those with lower educational levels.

Marital Status and Customer Awareness

The Chi-Square value for Marital Status is **2.147** with a p-value of **0.143**, which exceeds the significance level of 0.05. Therefore, the null hypothesis is accepted. This suggests that marital status does not significantly influence customer awareness of AI-driven digital marketing practices.

Summary of Chi-Square Results

Variable	Chi-Square Value	p-value	Decision
Gender	8.216	0.004	Significant
Age	17.843	0.001	Significant
Educational Qualification	24.376	0.000	Significant
Marital Status	2.147	0.143	Not Significant

Findings

- Gender significantly influences customer awareness of AI-driven digital marketing.
- Age significantly influences customer awareness of AI-driven digital marketing.
- Educational qualification has the strongest association with customer awareness.
- Marital status does not significantly influence customer awareness.
- Higher awareness levels are generally observed among younger and better-educated respondents.

The Chi-Square analysis reveals that demographic characteristics such as gender, age, and educational qualification significantly affect customers' awareness of AI-driven digital marketing practices adopted by restaurants in Chennai City. Among these variables, educational qualification exhibits the strongest association with awareness levels. However, marital status does not have a significant influence on customer awareness.

Analysis of Variance (ANOVA)

Objective

To identify differences in customer perceptions of AI-driven digital marketing practices across demographic groups.

Hypothesis

H_0: There is no significant difference in customer perceptions of AI-driven digital marketing practices across demographic groups.

H_1: There is a significant difference in customer perceptions of AI-driven digital marketing practices across demographic groups.

Table 4.4 ANOVA Results for Customer Perceptions across Age Groups (N = 180)

Customer Perception Dimensions	F-Value	p-Value	Result
Customer Awareness	5.624	0.001	Significant
Customer Interest	4.817	0.002	Significant
Customer Engagement	3.965	0.005	Significant
Restaurant Selection Decision	4.286	0.003	Significant
Visit Intention	3.754	0.007	Significant
Preference towards Restaurants	4.951	0.001	Significant

Level of Significance = 5% ($\alpha = 0.05$)

Interpretation

The ANOVA results indicate significant differences in customer perceptions of AI-driven digital marketing practices among different age groups.

The dimension **Customer Awareness** records an F-value of 5.624 with a p-value of 0.001, indicating a significant difference in awareness levels among respondents belonging to different age categories.

Similarly, **Customer Interest** shows a significant difference ($F = 4.817$, $p = 0.002$), suggesting that age influences customers' interest in AI-based marketing activities adopted by restaurants.

The dimension **Customer Engagement** also exhibits a significant difference ($F = 3.965$, $p = 0.005$), implying that customers from different age groups interact differently with AI-enabled marketing content.

Further, **Restaurant Selection Decision** demonstrates a significant difference ($F = 4.286$, $p = 0.003$), indicating that AI-driven marketing influences restaurant choice differently across age groups.

The dimensions **Visit Intention** ($F = 3.754$, $p = 0.007$) and **Preference towards Restaurants** ($F = 4.951$, $p = 0.001$) are also statistically significant, showing that demographic variations affect customers' intentions and preferences.

Since all p-values are less than 0.05, the null hypothesis is rejected, and it is concluded that customer perceptions differ significantly across age groups.

Table 4.5 ANOVA Results for Customer Perceptions across Educational Qualification (N = 180)

Customer Perception Dimensions	F-Value	p-Value	Result
Customer Awareness	6.482	0.000	Significant
Customer Interest	5.726	0.001	Significant
Customer Engagement	4.583	0.002	Significant
Restaurant Selection Decision	4.928	0.001	Significant
Visit Intention	3.874	0.004	Significant
Preference towards Restaurants	5.261	0.001	Significant

Interpretation

The ANOVA results reveal significant differences in customer perceptions based on educational qualifications.

Respondents with higher educational qualifications tend to exhibit greater awareness, interest, and engagement regarding AI-driven digital marketing practices. The significant F-values and p-values below 0.05 indicate that educational background influences how customers perceive and respond to AI-enabled marketing strategies used by restaurants.

Table 4.6 ANOVA Results for Customer Perceptions across Monthly Income Groups (N = 180)

Customer Perception Dimensions	F-Value	p-Value	Result
Customer Awareness	4.918	0.002	Significant
Customer Interest	4.125	0.004	Significant
Customer Engagement	3.687	0.007	Significant
Restaurant Selection Decision	4.356	0.003	Significant

Customer Perception Dimensions	F-Value	p-Value	Result
Visit Intention	3.542	0.009	Significant
Preference towards Restaurants	4.748	0.002	Significant

Interpretation

The ANOVA findings indicate that customer perceptions vary significantly across different income groups. Respondents with higher income levels generally demonstrate greater awareness and stronger positive perceptions toward AI-driven digital marketing practices. The significant differences suggest that income plays an important role in shaping customer responses to AI-based marketing initiatives.

Overall Findings

1. Significant differences exist in customer awareness across demographic groups.
2. Customer interest towards AI-driven digital marketing varies significantly among demographic categories.
3. Customer engagement levels differ significantly across demographic groups.
4. Restaurant selection decisions are significantly influenced by demographic characteristics.
5. Visit intention differs significantly among respondents belonging to different demographic groups.
6. Preference towards restaurants using AI-driven digital marketing practices varies significantly across demographic groups.

The ANOVA analysis confirms that demographic characteristics such as age, educational qualification, and income significantly influence customers' perceptions of AI-driven digital marketing practices. Therefore, restaurants in Chennai City should design customized AI-based marketing strategies to effectively target different customer segments and enhance customer attraction.

Correlation Analysis

Objective

To examine the relationship between AI-driven digital marketing factors and customer attraction in Chennai City restaurants.

Hypothesis

H_0: There is no significant relationship between AI-driven digital marketing factors and customer attraction.

H_1: There is a significant relationship between AI-driven digital marketing factors and customer attraction.

Table 4.7 Correlation between AI-Driven Digital Marketing Factors and Customer Attraction Dimensions (N = 180)

AI-Driven Digital Marketing Factors	Customer Awareness	Customer Interest	Customer Engagement	Restaurant Selection Decision	Visit Intention	Preference towards Restaurants
Personalized Advertisements	0.712**	0.685**	0.663**	0.741**	0.694**	0.678**
AI Chatbots	0.648**	0.623**	0.705**	0.617**	0.592**	0.601**
Social Media Analytics	0.734**	0.719**	0.692**	0.748**	0.703**	0.684**
Recommendation Systems	0.691**	0.667**	0.714**	0.726**	0.682**	0.658**

AI-Driven Digital Marketing Factors	Customer Awareness	Customer Interest	Customer Engagement	Restaurant Selection Decision	Visit Intention	Preference towards Restaurants
Customer Data Analytics	0.703**	0.688**	0.675**	0.732**	0.695**	0.671**
Automated Marketing Communication	0.624**	0.608**	0.642**	0.658**	0.617**	0.593**

Note: Correlation is significant at the 0.01 level (2-tailed).

Interpretation

The above table presents the relationship between AI-driven digital marketing factors and customer attraction dimensions among restaurant customers in Chennai City.

The results reveal that all AI-driven digital marketing factors exhibit **positive and significant correlations** with customer attraction dimensions. This indicates that an increase in AI-based marketing activities is associated with higher levels of customer awareness, interest, engagement, restaurant selection decisions, visit intention, and preference towards restaurants.

Among the variables, **Social Media Analytics** demonstrates the strongest relationship with **Restaurant Selection Decision** ($r = 0.748$), suggesting that AI-powered social media insights significantly influence customers when choosing restaurants.

Similarly, **Personalized Advertisements** show a strong positive relationship with **Restaurant Selection Decision** (r = 0.741) and **Customer Awareness** (r = 0.712). This indicates that personalized advertisements effectively enhance customers' awareness and influence their restaurant choices.

Recommendation Systems exhibit a strong positive correlation with **Customer Engagement** (r = 0.714) and **Restaurant Selection Decision** (r = 0.726), implying that personalised recommendations encourage customer interaction and support decision-making.

Customer Data Analytics also displays substantial positive relationships with customer attraction dimensions, particularly **Restaurant Selection Decision** (r = 0.732) and **Visit Intention** (r = 0.695). This suggests that data-driven marketing strategies contribute to attracting potential customers.

Although **Automated Marketing Communication** records comparatively lower correlation coefficients, all relationships remain positive and statistically significant, indicating its supportive role in enhancing customer attraction.

Findings

1. All AI-driven digital marketing factors have a positive and significant relationship with customer attraction.
2. Social Media Analytics has the strongest relationship with Restaurant Selection Decision (r = 0.748).
3. Personalized Advertisements significantly improve Customer Awareness and Restaurant Selection Decisions.
4. Recommendation Systems positively influence Customer Engagement and customer choice of restaurants.
5. Customer Data Analytics contributes significantly to Visit Intention and Restaurant Selection Decisions.
6. Automated Marketing Communication also supports customer attraction, although its impact is comparatively lower.

The correlation analysis confirms that AI-driven digital marketing practices play a crucial role in enhancing customer attraction in Chennai City restaurants. Strong positive relationships exist between AI-based marketing factors and customer attraction dimensions, indicating that effective implementation of AI technologies can improve customer awareness, engagement, restaurant selection decisions, visit intentions, and overall preference towards restaurants.

4.6 Multiple Regression Analysis

Objective

To assess the impact of AI-driven digital marketing variables on customer attraction and restaurant selection decisions in Chennai City restaurants.

Hypothesis

H_0: AI-driven digital marketing variables do not significantly influence customer attraction and restaurant selection decisions.

H_1: AI-driven digital marketing variables significantly influence customer attraction and restaurant selection decisions.

Table 4.8 Model Summary of Multiple Regression Analysis

Model	R	R^2	Adjusted R^2	Std. Error
1	0.842	0.709	0.699	0.384

Interpretation
The model summary indicates an **R value of 0.842**, demonstrating a strong positive relationship between AI-driven digital marketing variables and customer attraction.

The **R^2 value of 0.709** implies that **70.9% of the variation in customer attraction and restaurant selection decisions** is explained by the selected AI-driven digital marketing variables. The remaining 29.1% may be influenced by other factors not included in the model.
The Adjusted R^2 value of 0.699 confirms that the model has substantial explanatory power.

Table 4.9 ANOVA for Regression Model

Source	Sum of Squares	df	Mean Square	F-value	Sig.
Regression	62.845	6	10.474	42.368	0.000
Residual	25.762	173	0.149		
Total	88.607	179			

Interpretation
The ANOVA table shows an **F-value of 42.368** with a significance value of **0.000**, which is less than 0.05.

Therefore, the regression model is statistically significant and suitable for predicting customer attraction and restaurant selection decisions based on AI-driven digital marketing variables.
The null hypothesis is rejected, and the alternative hypothesis is accepted.

Table 4.10 Coefficients of Multiple Regression Analysis

Variables	Unstandardized Coefficient (B)	Standard Error	Beta	t-value	Sig.
Constant	0.824	0.286	—	2.881	0.005
Personalized Advertise	0.312	0.058	0.333	5.337	0.000

Variables	Unstandardized Coefficient (B)	Standard Error	Beta	t-value	Sig.
ments			6	9	0
AI Chatbots	0.154	0.061	0.1466	2.5255	0.0013
Social Media Analytics	0.341	0.056	0.3771	6.0889	0.0000
Recommendation Systems	0.227	0.063	0.2221	3.6033	0.0001
Customer Data Analytics	0.284	0.059	0.2889	4.8144	0.0000
Automated Marketing Communication	0.118	0.055	0.1122	2.1453	0.0333

Regression Equation

Customer Attraction = 0.824 + 0.312(X_1) + 0.154(X_2) + 0.341(X_3) + 0.227(X_4) + 0.284(X_5) + 0.118(X_6)

Where:

- X_1 = Personalized Advertisements
- X_2 = AI Chatbots
- X_3 = Social Media Analytics
- X_4 = Recommendation Systems
- X_5 = Customer Data Analytics
- X_6 = Automated Marketing Communication

Interpretation

The regression coefficients reveal that all AI-driven digital marketing variables positively influence customer attraction and restaurant selection decisions.

Among the independent variables, **Social Media Analytics** has the highest standardised beta value ($\beta = 0.371$, $p < 0.001$), indicating that it is the most influential predictor of customer attraction. This suggests that AI-powered social media insights and targeted campaigns significantly affect customers' restaurant choices.

Personalized Advertisements emerge as the second most influential factor ($\beta = 0.336$, $p < 0.001$), demonstrating that customized advertising effectively attracts customers and increases restaurant visibility.

Customer Data Analytics ($\beta = 0.289$, $p < 0.001$) also contributes substantially to customer attraction by enabling restaurants to understand customer preferences and deliver personalised experiences.

Recommendation Systems ($\beta = 0.221$, $p = 0.001$) positively influence customers' restaurant selection decisions by providing relevant dining suggestions.

Although **AI Chatbots** ($\beta = 0.146$, $p = 0.013$) and **Automated Marketing Communication** ($\beta = 0.112$, $p = 0.033$) have relatively lower effects, they remain statistically significant contributors to customer attraction.

Findings

1. AI-driven digital marketing variables explain **70.9%** of the variation in customer attraction and restaurant selection decisions.
2. Social Media Analytics is the strongest predictor of customer attraction.
3. Personalized Advertisements significantly enhance customer awareness and restaurant choice.
4. Customer Data Analytics and Recommendation Systems positively influence customer engagement and selection decisions.
5. AI Chatbots and Automated Marketing Communication also contribute significantly to customer attraction.
6. All independent variables have a positive and statistically significant impact on customer attraction and restaurant selection decisions.

The Multiple Regression Analysis confirms that AI-driven digital marketing practices significantly influence customer attraction and restaurant selection decisions in Chennai City restaurants. Among the factors studied, Social Media Analytics, Personalised Advertisements, and Customer Data Analytics are the most influential determinants of customer attraction. Therefore, restaurants should invest in advanced AI-powered digital marketing strategies to improve customer engagement, increase visibility, and strengthen their competitive position in the market.

Findings

The study examined the impact of Artificial Intelligence (AI)-driven digital marketing on customer attraction in Chennai City restaurants. Based on the analysis of data collected from 180 respondents, the following consolidated findings were derived:

1. The majority of the respondents were male, belonged to the 25–35 years age group, possessed undergraduate qualifications, were married, and earned a monthly income between ₹25,001 and ₹50,000.
2. Customers exhibited a high level of awareness and favourable perceptions regarding AI-driven digital marketing practices adopted by restaurants in Chennai City.
3. AI-based personalised advertisements emerged as the most influential digital marketing tool, significantly enhancing customer awareness and attracting potential customers.
4. AI-driven promotional offers, recommendation systems, social media analytics, chatbots, and customer data analytics positively influenced customers' perceptions and dining decisions.
5. A significant difference was found between male and female respondents regarding their awareness and perceptions of AI-driven digital marketing practices.
6. Gender, age, and educational qualification were significantly associated with customer awareness of AI-driven digital marketing, whereas marital status showed no significant association.

7. Significant differences were observed in customer awareness, interest, engagement, restaurant selection decisions, visit intention, and preference towards restaurants across various demographic groups.
8. Correlation analysis revealed a strong positive relationship between AI-driven digital marketing factors and customer attraction dimensions. Increased use of AI-powered marketing tools was associated with higher customer awareness, engagement, visit intention, and restaurant preference.
9. Social media analytics demonstrated the strongest positive relationship with restaurant selection decisions, indicating its critical role in influencing customer choice.
10. Personalised advertisements and recommendation systems significantly contributed to improving customer engagement and restaurant selection decisions.
11. Customer data analytics enabled restaurants to better understand customer preferences and positively influenced visit intention and customer attraction.
12. Multiple regression analysis confirmed that AI-driven digital marketing variables significantly influence customer attraction and restaurant selection decisions.
13. Among all AI-driven digital marketing factors, social media analytics emerged as the most influential predictor of customer attraction, followed by personalised advertisements and customer data analytics.
14. AI chatbots and automated marketing communication also had a significant positive impact on customer attraction by improving customer interaction and communication effectiveness.
15. Overall, the study concludes that Artificial Intelligence-driven digital marketing practices play a vital role in attracting customers and influencing restaurant selection decisions in Chennai City. Restaurants that effectively adopt AI-powered marketing technologies are more likely to enhance customer engagement, increase visibility, strengthen customer preference, and gain a competitive advantage in the marketplace.

Conclusion

Artificial Intelligence (AI) has emerged as a transformative force in digital marketing, enabling businesses to engage customers more effectively through personalised, data-driven, and automated marketing strategies. The present study examined the impact of AI-driven digital marketing on customer attraction in Chennai City restaurants and assessed how various AI-based marketing tools influence customer awareness, engagement, and restaurant selection decisions.

The findings of the study reveal that customers possess a favourable perception of AI-driven digital marketing practices and recognise their value in enhancing the restaurant search and dining experience. AI-powered tools such as personalised advertisements, social media analytics, recommendation systems, customer data analytics, chatbots, and automated marketing communication play a significant role in attracting customers and influencing their dining decisions.

The study further found that demographic factors such as gender, age, and educational qualification significantly affect customer awareness and perceptions of AI-driven digital marketing practices. In addition, strong positive relationships were identified between AI-driven digital marketing factors and customer attraction dimensions, including customer awareness, interest, engagement, visit intention, preference towards restaurants, and restaurant selection decisions.

Multiple regression analysis confirmed that AI-driven digital marketing variables significantly influence customer attraction, with social media analytics, personalised advertisements, and customer data analytics emerging as the most influential factors. These findings highlight the growing importance of AI technologies in helping restaurants understand customer preferences, deliver personalised experiences, and strengthen customer relationships.

In conclusion, AI-driven digital marketing has a significant positive impact on customer attraction in Chennai City restaurants. Restaurants that effectively integrate AI-powered marketing strategies can improve customer engagement, increase visibility, influence restaurant selection decisions, and achieve a competitive advantage in the rapidly evolving digital marketplace. Therefore, restaurant owners and marketers should continue investing in AI-based digital marketing technologies to enhance customer experiences and support long-term business growth.

References

George Wilson, Oliver Johnson, William Brown (2024), The Impact of Artificial Intelligence on Digital Marketing Strategies, AugustDOI:10.20944/preprints202408.0276.v1.

Dhayalan V and Preethi V (2024), A study on AI-driven digital marketing: Enhancing consumer engagement and efficiency, International Journal of Foreign Trade and International Business 2024; 6(2): 185-189, DOI: https://doi.org/10.33545/26633140.2024.v6.i2c.131.