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# It's Good to Talk.

**Chatbots powered by artificial intelligence are the answer to our online questions.**

Helping us place e-commerce orders and quickly resolve queries, messaging apps and live chat software have revolutionised the way we converse with brands online. And in order to offer 24/7 customer support to today's 'always on' consumer, chatbots are growing in popularity. In fact, it's predicted that by 2020 the average person will have more conversations a day with chatbots than they do with their partner<sup>1</sup>.







## Brand Encounters in Real Time.

**Customer expectations have changed. Thanks to social media, we can contact almost anyone, at any time. And, as consumers, we expect to interact with companies in the same way. We are no longer prepared to be put on hold when we call with a question or complaint; we expect quicker service and faster response times.**

The ability to offer real-time assistance to a customer can boost sales and encourage a positive brand perception – a recent Facebook survey revealed that 53% of Messenger users<sup>2</sup> would be more likely to shop with a business that they can contact via a chat app.

But despite nine out of 10 consumers<sup>3</sup> stating they want to use messaging to communicate with brands, and 85% saying they want the communication to be two-way, almost 90% of messages that require a response are ignored by brands<sup>4</sup>. And for those who do get a reply, there's an average wait of 10 hours – even though consumers expect a response within four.

# 3 Billion

Number of people using the top four messaging apps (WhatsApp, Facebook Messenger, WeChat, Viber)

# 2.7 Billion

Number of people using the top four social networks (Facebook, Instagram, Twitter, Snapchat)

Source: Social Media Examiner

<sup>2</sup> <http://uk.businessinsider.com/consumers-prefer-businesses-that-use-chat-apps-2016-9>

<sup>3</sup> [https://www.twilio.com/press/releases/global\\_mobile\\_messaging\\_consumer\\_report](https://www.twilio.com/press/releases/global_mobile_messaging_consumer_report)

<sup>4</sup> <https://sproutsocial.com/insights/social-media-monitoring/>

42%

of business decision-makers believe automation technologies in sales, marketing and customer service will improve the consumer experience

58%

of Millennials have interacted with a chatbot on social media – among those who had not,



Two-thirds of consumers say they would buy an item directly from a chatbot

53%

were interested in interacting with a chatbot in the future

## Chatbots Have the Answer.

**Chatbots are interactive platforms that harness artificial intelligence (AI) to mimic human conversations via apps, live chat, email, social media and SMS. They can function as virtual personal assistants and project managers, but it's their ability to connect businesses to consumers and offer real-time interactions that have seen their popularity explode in recent years.**

By using chatbots to deal with routine queries – most consumers ask about products or services (35%) or enquire about store hours, location or inventory (33%)<sup>5</sup> – customer service professionals are free to spend time concentrating on more complex questions or complaints. Think of **Microsoft's** new QnA Maker, which uses AI to turn FAQs into a transcript that is then delivered by a chatbot on a business's website.

As well as boosting efficiency, chatbots can pick up on negative feedback received via social media and respond to users immediately – meaning ignored messages become a thing of the past. In fact, brands including **Airbnb**, **Evernote** and **Spotify** have started using chatbots on Twitter to provide 24/7 customer service.

Of the marketing decision-makers we surveyed, 7% are currently using AI-powered chatbots and 27% said it's something they plan to think about in 2018. Interestingly, the two most popular reasons cited for not using AI were: 'our internal team aren't ready for it' (22%) and 'we don't have the budget' (24%). Only 13% felt it was their customers who were not ready for AI.



<sup>5</sup> <http://uk.businessinsider.com/consumers-prefer-businesses-that-use-chat-apps-2016-9>

# Talkative Technology.

As technology has progressed in the past couple of years, so has a chatbot's understanding of natural language vastly improved. As a result, many brands are using chatbots to move their customer service experience to the next level, taking heed of the **86% of Millennials who say brands should use this AI-powered technology to promote deals, products and services and make transactions simpler**<sup>6</sup>.

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Food and beverage is just one industry to benefit from the use of chatbots. Early adopter **Domino's** lets customers build a new pizza (or reorder their favourite) and track the order via Facebook Messenger. While **Starbucks'** recently released My Barista app adds a conversational element to its mobile payment system by enabling users to place orders via voice command or a chatbot interface. And just as **Just Eat** disrupted the traditional food delivery business model, it's now gamifying the order process by installing a chatbot that lets people search for restaurants using food emojis. The average user spends 1.53 minutes interacting with the software, which has driven a 266% higher conversion rate compared to a social ad<sup>7</sup>.

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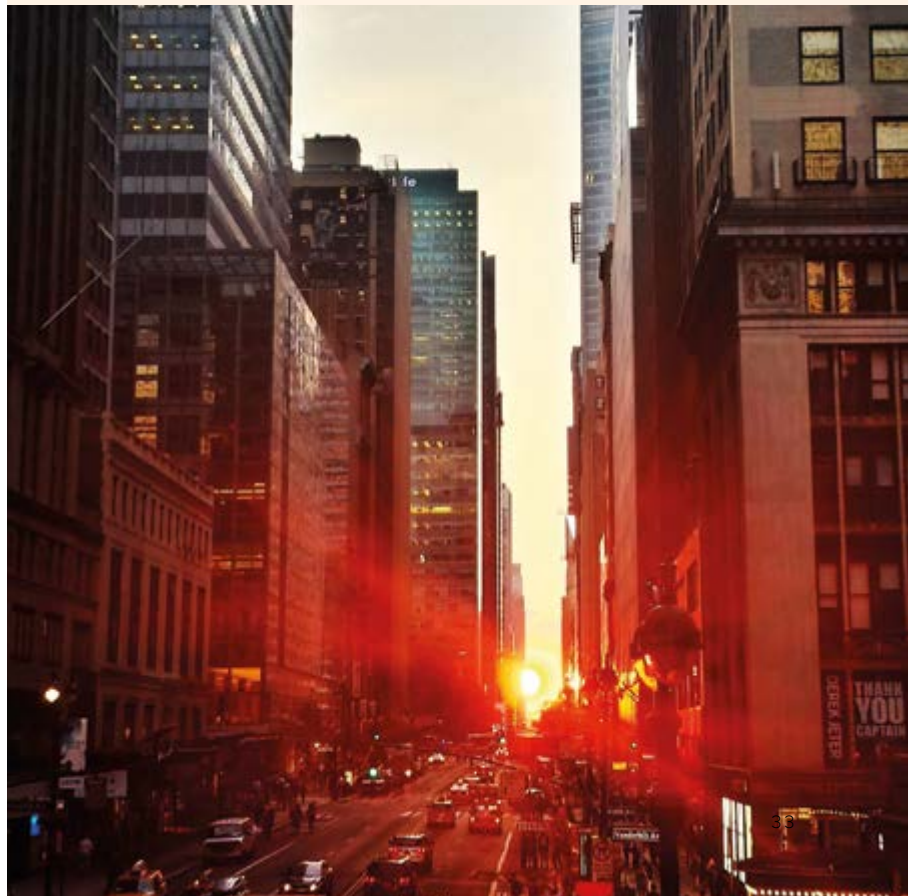
<sup>6</sup> <https://venturebeat.com/2017/03/20/whats-really-going-on-with-chatbots/>

<sup>7</sup> <https://www.marketingweek.com/2017/05/18/how-adidas-just-eat-and-htc-are-using-chatbots/>

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# Intelligent Personalisation.

It's simple: businesses need to go where their potential customers are, and today that means messaging platforms. As technology evolves it seems chatbots will have something to say about every area of our lives – from make-up company **Sephora's** beauty bots, which can pick shades based on skin tone and face shape, to the personalised playlists curated by the bots at music streaming service **Spotify**. Chatbots have also been developed to dispense medical advice, discuss pensions and even act as virtual companions for the young and elderly.



## FREEDMAN HELPS HUMANISE YOUR GLOBAL CHATBOTS.

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In the 21st century, online assistance comes in the form of a chatbot. But for these digital helpers to be truly successful, they have to appear human. AI has reached a stage where chatbots can have an engaging conversation and respond to a range of queries and questions. But to add an extra level of sophistication to this software, it's time for businesses to turn their attention to bots that can converse in a number of languages and offer company-specific answers that have been tailored to the audience.

Humanising language is where we can help. As you prepare to embrace bots, we can assist with localising, refining and adding location-specific language capabilities. Our linguists listen and improve AI language while maintaining brand tone of voice and using up-to-date terms and colloquialisms.





