

How Conversational Messaging Is Transforming

# **Marketing, Commerce and Support**

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## What You Will Learn

In an increasingly digital world, the way businesses connect with customers is constantly transforming. Research shows that 91% of customers do not wish to download a new app to communicate with businesses. Another research by Statista suggests that users spend almost [50%](#) of their time on messaging apps and social media.

Catering to tech-savvy customers requires businesses to build a presence on apps that their customers are already familiar with. If brands can personalise their customer service over messaging platforms, then it is indeed a recipe for successful engagement. And that is exactly what conversational messaging strives to achieve.

*In a broad sense, conversational messaging is the practice of adding a personal touch to the business communication taking place over messaging platforms such as WhatsApp, Instagram, RCS, Telegram and more.*



Conversational messaging can help drive more customer engagements across key business functions such as marketing, operations and customer support, creating more meaningful touchpoints and valuable openings to educate customers across these channels.

### Read this guide to understand:

- What conversational messaging is
- Role of Conversational AI and chatbots
- How conversational messaging can make business communication more seamless to drive more revenue
- Benefits and use cases of conversational messaging

### Key takeaways from this report:

- ✓ Why conversational messaging matters
- ✓ How to engage with customers seamlessly throughout their journey and maximize the revenue stream
- ✓ Conversational messaging use cases across various industries

## Why Conversational Messaging Matters

Customers now have more choices than ever before, and they know it. This means that they have high expectations when it comes to interacting with any brand. These connected customers have reshaped what is expected when it comes to [customer experience](#). They want to use their preferred channels for brands to engage proactively and address their requirements, self-serve and solve their queries faster and personalised.



**88%**

customers expect a response from your business within 60 minutes



**30%**

expect a response within 15 minutes or less



**75%**

customers say that a fast response time is the most important attribute of a good customer experience

Meeting and exceeding these expectations will determine a brand's success in this highly competitive market. As a result, meeting the ever-growing demand of connected customers is the top priority for many businesses.

[Conversational messaging](#) enables brands to provide meaningful two-way engagement at a scale. This approach helps deliver more personalised messages that create a better experience on the channels customers want to use. Brands have already started using new rich messaging channels for various use cases. Best Buy customers use [RCS](#) to shop daily deals, view weekly promotions and manage curbside pickup. [WhatsApp Business API](#) enables Barclays bank to provide customer support for a variety of queries. Khan Academy uses [WhatsApp API](#) to empower learners to study at their own pace.

## The Opportunity Gap

Catering to tech-savvy customers requires businesses to build a presence on apps that their customers are already familiar with. If brands can personalise their customer service over messaging platforms, then it is indeed a recipe for successful engagement. And that is exactly what conversational messaging strives to achieve.

With conversational messaging channels, customers have a choice in how they want to engage with a business on their preferred messaging platform such as WhatsApp, Instagram, Meta Messenger, SMS, Telegram etc. Customers can type and tap to conveniently make purchases and get the information they need without having to guess how to find it.

For brands, conversational messaging channels offer a way to increase automation and scale customer journeys. They are becoming the foremost digital medium for growing and maintaining relationships with new and existing customers to drive sales and increase retention.

- › Interact and transact with customers on their preferred messaging channels
- › Scale customer journeys, grow and maintain relationships with new and existing customers to drive sales and increase retention

# What Is Conversational Messaging?

[Conversational messaging](#) is one-on-one conversations between brands and their customers on any messaging platform. Unlike live chat, where customers await an agent's response, conversational messaging is more like texting a friend. It provides customers with a constant connection with a brand, enabling them to receive information quickly and reliably.

Conversational messaging combines familiar, easy-to-use texting with the rich graphical and interactive elements of websites and apps - and has a 98% open rate. Furthermore, conversational messaging enables omnichannel possibilities for businesses and allows them to send an automated update via [SMS](#), a chatbot response on [WhatsApp](#) or swing in an agent when the conversation needs a human touch.

## Benefits of Conversational Messaging:



**100%  
reach**



**98%  
open rate**



**Rich  
content**



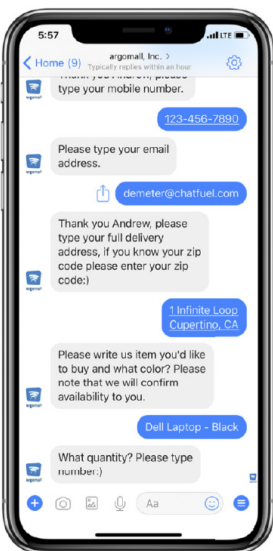
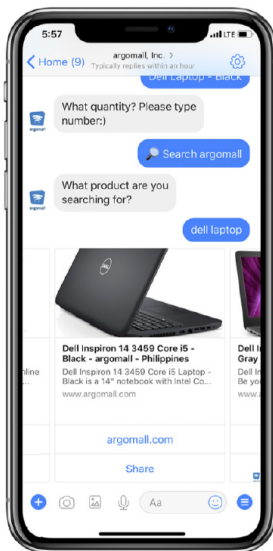
**Two-way  
conversation**

## Role Of Chatbots And Conversational AI

[Chatbots](#) have been around for a decade. But in recent years, these digital assistants have become extended applications to enhance the communication between businesses and customers. At the same time, they offer businesses new opportunities to streamline the customer's engagement process for efficiency that can reduce traditional support costs.

Oracle CEO Mark Hurd has predicted that by 2025, 85% of customer interactions will be automated. A Business Insider report states that the chatbot market size is projected to grow to \$9.4 billion by 2024, at a compound annual growth rate (CAGR) of 29.7%.





Source: Chatfuel



**85% of customer interactions** will be automated



Chatbot market size is projected to grow to **\$9.4 billion by 2024**



**Almost 85% of business executives** believe opting for AI and ML-based solutions



**64% of customers** want to shop with companies that can meet their needs in real-time

Businesses have started experimenting with [chatbots](#), powered by a combination of Machine Learning (ML), natural language processing (NLP), and live operators, to provide customer service, sales support and other commerce-related services. Almost 85% of business executives believe opting for [Artificial Intelligence](#) (AI), and ML-based solutions will increase productivity and help gain a competitive edge. Undoubtedly, investment in AI, ML and automation will put businesses at the forefront of innovation and creativity.

With Conversational AI-powered chatbots, businesses can now take their customers through personalised journeys within the messaging channels. Think of a customer who opens up WhatsApp or any other messaging channels to interact with a brand, and a chatbot pops up and presents the customers with the right product or service needed – that's what the future of messaging will look like, championed by the ever-growing adoption and innovation around chatbots. The advent of chatbot-powered [conversational messaging platforms](#) will enable customers to communicate with businesses and have businesses communicate with them easily.

*No matter where your customer is, conversational messaging can streamline communications and reinforce the brand experience.*

# Power-up Your Marketing With Conversational Messaging

[Conversational messaging](#) can be defined as a new, personalised way through which brands can engage with consumers in real-time across multiple channels. This inbound marketing style helps brands build relationships and create authentic experiences for each customer via messaging apps, chatbots and live chat.

With conversational marketing, brands have been able to create meaningful one-on-one conversations to drive customer engagement, improve customer experience and ultimately boost revenue. the conversation needs a human touch.

Conversational marketing is a new way to engage with consumers and move them down the sales funnel more efficiently through the power of real-time conversations.

Today a brand must become an assistant, friend, adviser, and guide. These conversational interactions are far more substantial and consequential. Instead of broad, high-level key messages, each brand must now communicate highly individualised messages. A rich, engaging, meaningful conversation catered to the user's needs is more likely to convert to the transaction or, at the very least, identify a lead.



“What makes conversational marketing better than offline and digital marketing is its ability to appeal to customers' intimacy and relationship with the brand. Conversational marketing can make the customers' experience highly personalised as they talk to someone who knows them by their names, styles, preferences, and dislikes. The best thing about it is it doesn't cost that much to invest in, as it can be tied to the brand's existing marketing campaigns,” -

**Beerud Sheth,**  
*Co-founder and CEO, Gupshup*



Let's look at some of the examples:



## Automobile

Buying a vehicle is a huge decision that one makes, after considering numerous pros and cons. There are many technical aspects that most customers cannot navigate without advice, and there are apparent visual elements that are difficult to transmit through photos and pre-recorded video alone.

Hyundai Mexico recognised these challenges and implemented a conversational marketing solution to improve lead capture from their website. They used the One-to-Many solution, a live video streaming service that allowed them to qualify and generate more leads. This has resulted in a 16% conversion rate and a massive increase in their user satisfaction.



## Telecommunications

Vodafone Spain implemented conversational messaging solutions to convert visitors from product pages, generating an additional 400,000 leads per month.



## Travel

Conversational marketing has also benefited the luxury travel industry. Bahia Principe, a leading luxury travel company, improved their online experience, changing the way their customers experience the products. By addressing customer queries, they built a trust factor in their customers and have increased their online sales conversions by 16%.

**Others include Sun 50, [Gupshup IP](#), and [conversational marketing bot](#) by Gupshup.**

## Benefits

**Consumer needs and wants have shifted. Not only does your brand need to deliver a seamless experience to each customer but also one that meets them on the channel of their choice. A conversational marketing strategy pushes brands ahead of their competitors. Here are the top benefits of conversational marketing:**



➤ **Become a market leader in digital experience:**

Conversational marketing helps establish your brand as an innovator and raises the bar for customer experience. By interacting with each customer in a personalised way, you can improve their online buying experience and gather feedback easily

➤ **Build effective relationships through personalisation:**

Conversational marketing enables you to build stronger relationships with your customers through personalisation. Conversational messaging platforms like Gupshup provide [bot development](#) services that can lead to significant results for you. They know the dos and don'ts of developing a bot. Therefore, the process is much faster and cheaper.

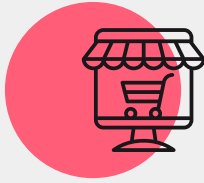
➤ **Improve customer satisfaction:** Engaging with the customers better without going to the FAQs page or waiting for callbacks.

**Other benefits include:**

- Generating sales and leads through new channels
- 24x7 availability and automation
- Save time by shortening the sales cycle
- Increased conversion rates
- Maximising call centre and retail staff



# Use Cases Across Various Industries



## D2C & e-commerce

- Chatbots help brands collect contact information from prospects while taking them through a conversational journey
- Launch campaigns on 30+ messaging channels including SMS, WhatsApp and Messenger



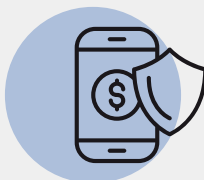
## Banking, Financial Services and Insurance

- Navigate prospects through a variety of financial instruments, from loans to investments to insurance
- Nudge your credit card customers to renew their cards via a bot
- Personalised offers and deals
- Product up-sell like loans, credit cards, insurance, overdraft, shares, mutual funds
- Upgrade of existing sold instruments



## Edtech

- Collect contact information of students and parents who access your website/app
- Create one-on-one communication and remarketing campaigns for users on a platform of their choice
- Product up-sell like courses, supplements, tests
- QR code for offline to online print marketing



## Fintech

- Chatbots help collect loads of customer information such as contact details of prospects, etc., for a variety of financial instruments from loans to investments. This helps in generating leads with follow-up options.
- Streamline the vehicle finance process from loan to insurance. Chatbots can prompt prospects who are looking for loan options by directing them to the available options.

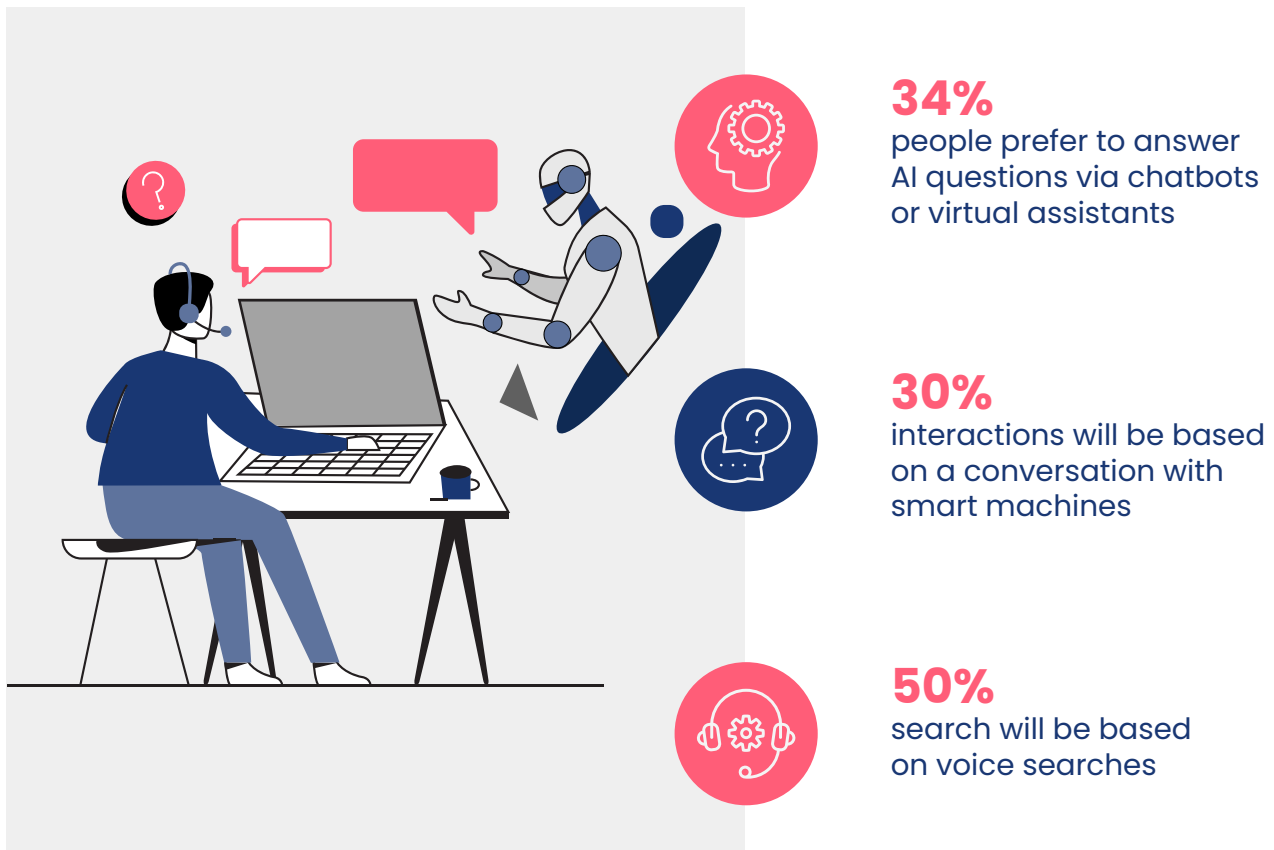
Conversational marketing can turbocharge your strategies without modifying too much. It is a tremendous opportunity for remote teams to automate the services and make their business more efficient. Customers expect personalisation services without having to ask for them. Conversational marketing strategy does just that.

# Rise Of Conversational Commerce

Conversational commerce is the tool that allows businesses to interact with their customers with the help of digital messaging and voice-assisted technology. The term gained popularity in 2015 after an article written by an American blogger and inventor of the hashtag Chris Messina became popular. In his article, Chris drew attention towards the trend of selling products and services through messaging apps.

*Conversational commerce can help optimise customer experience, increase online sales, and improve the way customers interact with your brand during the entire*

The key benefit of conversational commerce is in making the business more approachable and convenient for the customers. Conversational AI-powered chatbots help brands create more direct engagement and indirectly generate more revenue by taking customers on a conversational journey through the purchasing and sales processes. Furthermore, the chatbots used on various platforms enable customers to narrow their choices, list their preferences, and make informed decisions.



The projected value of the chatbot e-commerce transactions to be \$112 billion by 2023

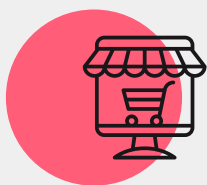
## Benefits

Conversational commerce enables brands to easily meet customers at every stage of the shopping journey to support them in real-time. No matter where consumers are in their journey, they can quickly initiate a conversation with a business on their preferred channel. Whether through chatbots or a human agent behind the screen, brands can provide personalised information immediately, and customers can quickly make an informed decision about the products they're browsing. Let's look at some of the key benefits of conversational commerce solution:

- › Expand your market reach
- › Make conversational commerce secure
- › Start conversations and build a direct digital connect with your customers
- › Respond to customers real-time and engage them in conversations
- › Make all steps of the purchase and [customer support](#) lifecycle conversational
- › Convert your existing messaging workflows into conversations
- › Protect the privacy of your business and your customers at all times
- › With chatbots on messaging apps, no additional apps need to be downloaded
- › Make the online commerce experience consultative and conversational
- › Convert your existing SMS volume into conversation starters with embedded GIP links to chatbots

## Conversational Commerce Use Cases Across Industries

Customers today are always on-the-go. Research shows that 46% of shoppers drop off due to unanswered FAQs. With so much competition in the market, businesses can't afford to make customers wait to get their queries resolved. Here's how businesses across industries can use conversational commerce to improve customer experience:



### D2C & e-commerce

- › **Personalised Deals:** Customise deals based on past purchases, preferences, shopping behaviour, and demographics
- › **Product Discovery:** Chatbots help businesses understand their customers' requirements and suggest relevant products



## Banking, Financial Services and Insurance

- **Cross-sell & upsell:** Convert credit card payment messages into upsell for a personal loans
- **Portfolio management:** Customers can track or add to their portfolio and buy/sell through the bot
- **Chatbots can also help customers in the following:**
  - Balance check
  - Cheque book requests
  - FD / RD requests
  - New card / Block card
  - Insurance premium payments, statement downloads
  - Nominee updates
  - Buying and selling of stocks, mutual funds, gold bonds, CFD



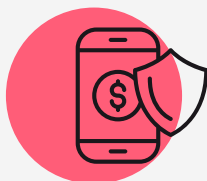
## Edtech

- **Course Purchase:** Share a conversational workflow to help choose and pay for the right course
- **Consultative Selling:** Upsell, cross-sell and make purchase suggestions when answering doubts



## Automobile

- Using a chat-based interface, customers can raise inquiries, discover products, book test drives, check for availability
- **The AI engine answers frequently asked queries such as**
  - Showing available products
  - Photos of the car
  - Available colour variants
  - Reviews
  - Features/Specs/Pricing/Variants



## Fintech

- **EMI collection:** Chatbots help collect loan EMI, send payment reminders, and remind default penalties through a conversational interface
- **KYC:** A simple chat-based journey can simplify processes like collecting customers' KYC details during the onboarding process

The rise of conversational commerce has helped earn a loyal and satisfied customer base and offer a better human experience across industries. When the business is optimised, the customers get discounts, offers, recommendations, feedback and smoother communication and query resolution. Conversational commerce has not only shown up to 80% positive customer experience but has also helped companies reduce operational costs.

# The Emergence Of Conversational Support

Customer service provided by businesses is vulnerable without artificial intelligence. Bad customer service hurts the customer experience and satisfaction in such a way that businesses lose customers.

Take the following statistics as evidence:



**91% of customers**

with poor customer service experience leave without warning



**94% of customers**

are annoyed by the communications they receive from businesses



**80% of customers**

switched brands because of poor customer experience



After more than one bad experience,

around **80% of consumers**

say they would rather do business with a competitor.



**78% of customers**

have backed out of purchase due to a poor customer experience



To address these shortcomings, businesses need Conversational AI in customer service to improve their overall customer experience and elevate operational efficiency. By 2025, customer service companies that embed AI in their multichannel platform will elevate their operation efficiency by 25%.

*Conversational support helps a business improve customer satisfaction and loyalty by making the customer support experience richer with a combination of automated conversations and timely live agent handovers.*

While traditional customer support and conversational customer engagement have a few similarities, they are fundamentally different. Their differences contribute to conversational customer engagement's superior ability to boost customer satisfaction.

#### Traditional vs Conversational Support

Traditional Support	Conversational Support
Generic support	Personalised support
Transactional approach	Value-adding experience
Soulless ticketing	Enriching conversations
No proper flow	Seamless support
Each channel is handled separately	Customer conversations are integrated
Customers have to report for each question	Conversations are ongoing
Low response time	Quick query resolution
Customer data is scattered between teams	Every agent has access to the customer data
No option to choose the channel	Customer can contact businesses on any channel
Customers are handed off between teams	A unified approach to support

Conversational AI is redefining how businesses engage with customers and how customers experience customer service. Using NLP, machine learning, and big data, conversational AI enables computers and humans to converse in a human-like manner.

The conversational messaging platform enables businesses to provide faster, more accurate exceptional customers without adding agents or contracting with a business process outsourcing provider. This reduces total customer service costs while giving customers easy, fast, 24/7 access to customer service without having to wait on hold.

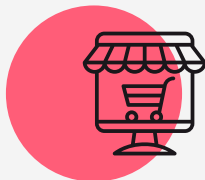
## Benefits

There are several advantages to adopting a customer service chatbot, a primary one being solving the challenges of customer service representatives. If you're looking to implement conversational support for your business, here's a look at a few conversational AI benefits you can expect:

- › Offer an unparalleled conversational messaging experience for your customers that's easy to integrate with and helps maintain higher ROI.
- › Handle simple, mundane queries as well as frequently asked queries (FAQs) in a relatively easier manner.
- › Avoid the false choice of making a trade-off between the 'value of support' and its 'cost'.
- › Handle escalation to a single agent and even to a group of agents based on the routing logic decided by the business.

## Use Cases Across Industries

A growing number of industry verticals now realise the value of either ditching the traditional method of customer support or complementing it with conversational support. Doing this has many benefits as customers no longer need to deal with long wait times for getting support, nor need to get support on the channels of someone else's choice. Here are some use cases of conversational support across industries:



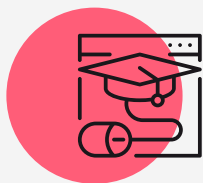
### D2C & e-commerce

- › **Live Chat Support:** Reduce load on live agents with support bots handling FAQs and timely handover to agents
- › **Customer Feedback:** Run surveys, capture NPS, record customer feedback via bots



### Banking, Financial Services and Insurance

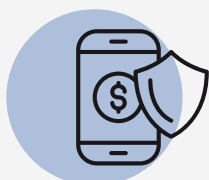
- › **Automate Call Center FAQs:** Reduce the load on your live agents with support bots that can answer FAQs and handover to agents at the appropriate time
- › **Customer Feedback:** Run surveys, capture NPS, record customer feedback via bots to reduce the load on live agents



## Edtech

➤ **Doubt Solving:** Trained AI models handle FAQs with context changes and pass advance level queries to human counsellors

➤ **Student Feedback:** Run surveys, capture NPS, record student feedback through a conversational workflow



## Fintech

➤ **Automate general queries:** Reduce the overall load on your live agents with support bots. These bots help answer frequently asked generic questions and intelligently hand over in time to the agents in case of complex queries.

➤ **Customer feedback capture:** [Chatbots](#) can initiate surveys, capture NPS, record customer feedback, etc. This information can be recorded and passed on to live agents and CRM for further follow-ups.

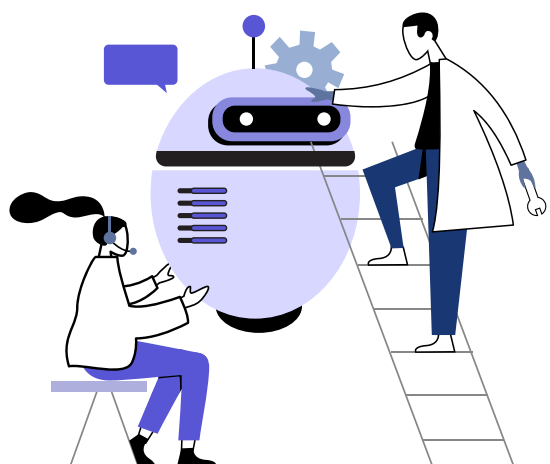
The future of customer experience is [conversational support](#). If businesses are able to engage users with an enriching conversation, they will provide great customer experiences at every step of the way. Therefore, businesses need to focus on automating the support and adding more self-service options to ensure value to customers.

## Getting Started With Gupshup

In today's buyer's market, customers don't just care about the quality or price of goods and services. Now, 73% of buyers say that customer experience is an essential factor influencing their purchasing decisions. On the other side of the table, about 58% of consumers are also willing to sever a relationship with a business if the latter cannot meet their expectations.

Conversational messaging provides a powerful means to deliver great customer experiences. That's why it should be integral to every brand's customer experience strategy. Through conversational messaging, businesses can reach customers on their terms, quickly satisfy their needs for information or service, and deliver hyper-personalised experiences at scale. They can also nurture and build relationships to boost customer loyalty and convert them into brand advocates and super-fans.

Building a conversational messaging strategy for all three business functions, i.e. marketing, commerce, and customer support, will enable businesses to drive more revenue, reduce costs, and increase customer satisfaction.





However, conversational messaging is omnichannel at its core. An ideal conversational experience enables customers to converse in a messaging channel they are comfortable with – WhatsApp, SMS, Instagram, Telegram etc. So, connect with your customers on the messaging platform they prefer the most and bridge the communication gap. Get started with conversational messaging for your business with Gupshup.

Gupshup empowers businesses of all kinds and sizes to engage with customers in meaningful, personalised ways via conversational apps. Using our conversational messaging platform, customer-focused brands can deliver rich interactive messaging experiences when they send positive messages in business communication.

With our APIs, bot builder tools and bot development services, you can effortlessly incorporate conversational messaging into your key business functions. Over 45,000 brands have already leveraged the potential of Gupshup's messaging platform, [WhatsApp API](#), [Instagram API](#), [SMS API](#), and other solutions to integrate conversational messaging into their business – with zero coding. You can too!

**#LetsGupshup to get started.**

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