



How Brands Can Leverage Conversational Messaging to Improve Customer Engagement

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Introduction

Conversational Messaging is the new buzzword in the business circles of late. But what does it really mean? Well, in a world that's increasingly mobile, emails and web forms or even web chats are no longer deemed attractive for business communication. Simply because, brands have no visibility into the metrics like open rate, click-through rate, and so forth, for the messages sent by them. Customers, on the other hand, want instantaneity in terms of service—an area where the emails could potentially fail. Web chats do not serve the purpose adequately well as the need to open a website on a relatively small screen to begin the conversation does not provide the best user experience. Messaging apps are a hot topic today as users across the world are comfortable using them. In the smartphone era, [85% of the users](#) are opting for messaging as the channel for engaging with brands. If brands can personalize 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, RCS, Facebook Messenger, iMessage, Telegram, and more. In this guide, we would discuss some of the approaches that Gupshup can assist brands with, to implement a state-of-the-art and highly effective strategy for customer engagement. The approaches discussed in this guide include:

- WhatsApp Business API
- Instagram Messenger API
- SMS API
- Rich Communication Services
- Google Business Messages



1. WhatsApp Business API

When you're thinking about different marketing channels to talk and engage with your customers and prospects, what is the first thing that comes to mind?

Probably Facebook with its [2.89 billion](#) monthly active users. Maybe Twitter with its 330 million active users or LinkedIn that has [310 million](#) active users. You're probably doing marketing their too. But what if we would tell you that [WhatsApp](#) has more than Twitter and LinkedIn combined, with over 2 billion active users. Every day, at least 60 billion messages are sent via this messaging channel.

With billions of users using [WhatsApp](#) multiple times a day, businesses should begin looking at WhatsApp as a new channel to communicate with their customers. Most customers are more likely to shop and remain loyal to a brand they communicate with directly if the recent [Facebook Messaging report](#) is anything to go by. [WhatsApp Business API](#) gives businesses the platform to directly send marketing messages to customers, win their trust, and make them loyal to their brand.

[WhatsApp Business API](#) is specially designed for small and medium businesses that want to take advantage of WhatsApp popularity to improve sales and boost their customer support. Brands from various industries like e-commerce, travel, education, food & beverage, automobiles, outdoor media, banking and finance, etc can benefit by leveraging WhatsApp.

> Private and secure messaging

Unlike SMS, [WhatsApp](#) is linked directly to a single phone number. So when you send a message to a customer, the customer can recognise the brand or organisation they are receiving the messages from. WhatsApp's end-to-end encryption and strict adherence to protecting subscriber privacy is an added bonus. Additional security features like two-factor authentication (2FA) are helpful for businesses, as they are assured of the customer's authenticity.

> Two-way communication

[WhatsApp](#) enables your business and customers to interact with each other proactively via reliable two-way messaging. It also allows a more direct way to engage with customers and have two-way conversations that generally take place in a physical store location or over the phone.

> Enables conversational commerce

Conversational messaging by integrating WhatsApp Business APIs enable [conversational commerce](#). Sales and support teams can answer product related or customer service questions quickly with contextual messages. This would either facilitate new sales or provide customers with support and keep a window for future engagements open.

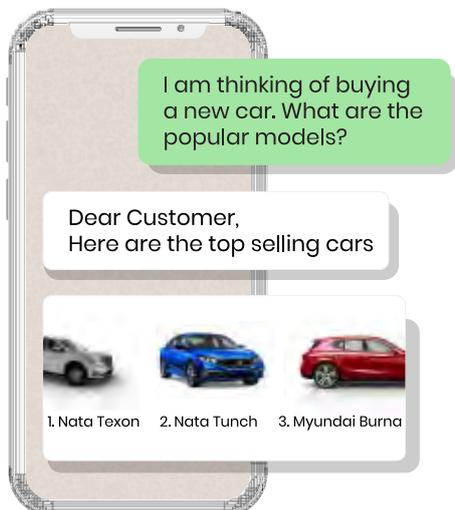
> Engages globally

Since WhatsApp comes preinstalled on many smartphones worldwide, the chances are that most customers are probably already using the app. To connect with a customer, businesses need to just set up a WhatsApp Business profile and associate it with their business number. Companies can send [appointment reminders](#), order notifications, product dispatch alerts, product promotional videos, verification codes, boarding passes, 2-way customer surveys and generic product/service support messages. It's instant, more personal, and effective in the longer run.

1.1 Popular Use Cases

> One-on-one Customer Support

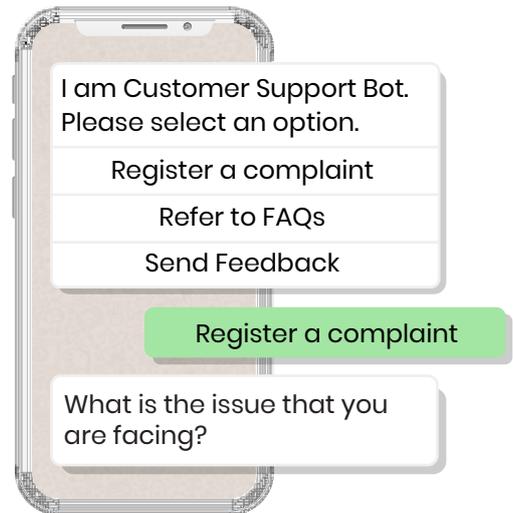
Connect with your customers directly and instantly. [WhatsApp chatbots](#) facilitate interactive and two-way communication through human-like language, text messages, voice notes, images, and videos. Customers can have all their questions answered on products and services.



Product discovery

> Order Processing

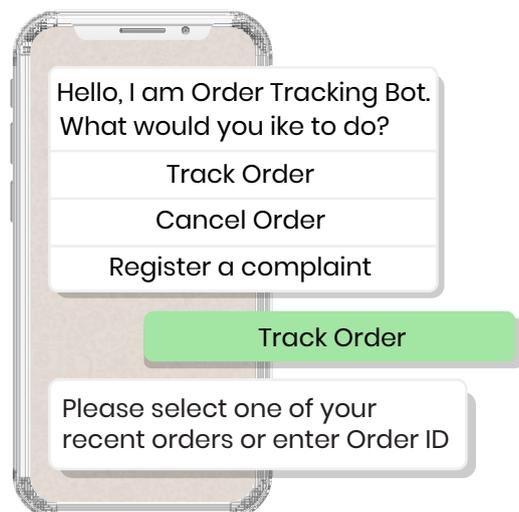
WhatsApp can be used to provide customers with order placement. Send regular order updates, delivery status tracking, or information about billing payments to customers through a chatbot.



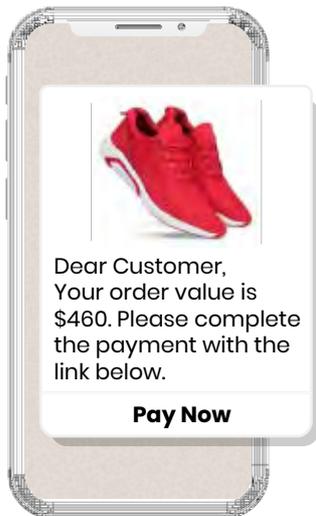
One-on-one customer support

> Discovery

Through [Conversational AI](#), WhatsApp Business API understands the customer's message and helps them discover more about the relevant products or services.



Order processing



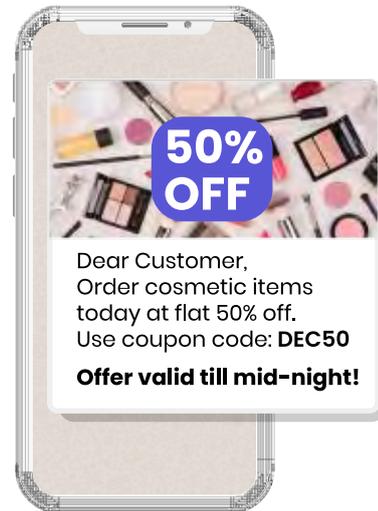
Online transactions

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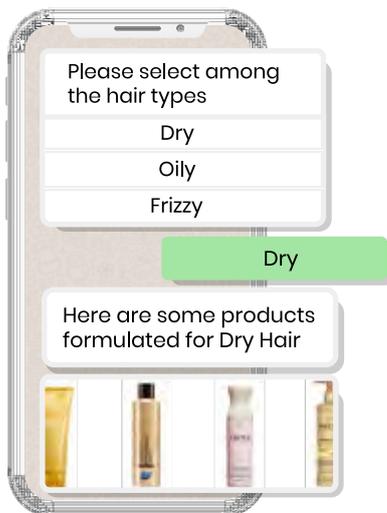
[WhatsApp Business API](#) facilitates purchases and bookings through chatbots. Another option is to provide a third party payment link at the time of the transaction.

> Broadcast Information

Through the broadcast feature, brands can send out important notifications such as changes in business policies or new services. It follows a concept similar to the BCC feature used in emails. Any responses from customers will be visible to the sender and not others. Broadcast lists come with an upper limit of 256 people.



Broadcast information



Data collection

> Data Collection

[WhatsApp Business API](#) provides analytics that is a goldmine of customers buying behaviour. Brands can analyse this information and seek more specific information by asking customers to fill out a form. They can input the data collected into the CRM system.

2. Messenger API For Instagram

Boasting over 1 billion active monthly users, Instagram has huge potential for marketers. On average, users spend [29 minutes](#) per day on Instagram, which makes the platform the second most visited social network after Facebook.

The platform facilitates maintaining your relationship with customers and prospects. People enjoy being connected with brands through this network - [90%](#) of users follow at least one business on Instagram. According to the [SocialPilot report](#), 83% of Instagram users discover new products and services on the platform and 50% of people are more interested in a brand when they see ads on Instagram.

Access to a vast audience, which actively interacts with brands and wants to buy from them, is a core advantage of marketing on Instagram. Now with the availability of the messenger API, the platform enables brands to engage better with their customers by building conversational experiences for them using chatbot automation. The possibility of engaging one on one with millions of customers at scale opens the way to numerous real business benefits.

2.1 Benefits of Instagram Messenger API

› Better Monetization of Marketing Spends

The [Messenger API for Instagram](#) enables brands to integrate their Instagram DMs into their Instagram Ads and stories. This helps in driving action-based engagement with customers and increasing ROI.

› Reduce Drop-offs that occur due to redirection

Redirections are a major reason for customer drop-offs. The messenger API helps brands cater to this issue by developing conversion based conversational journeys and facilitating purchase right from within the DM (Instagram Direct Messenger).

› Increase Product Discovery & Sales

With NLP and AI-based conversational mechanisms, brands can now recommend products to customers during conversations as per their preference. Thus increasing the discoverability of products organically. With personalized offers during conversations, it helps brands increase conversions like never before.

› Offer Impeccable Customer Support

In absence of automated customer support on Instagram, customers are forced to either move to a different platform to get their queries addressed or wait for a long time for a resolution to the grievances they share via comments, story mentions and messages. With automation via the API, brands now have the capability to address customer concerns on Instagram with private replies and transfer any complex queries to live agents in real-time. Thereby delivering seamless personalized care to their customers.

› Build long-lasting relationships

Conversations help build stronger relationships. By helping brands build conversational touchpoints for every stage of their customer's journey, the messenger API promises brands a way to develop stronger ties with their customers.

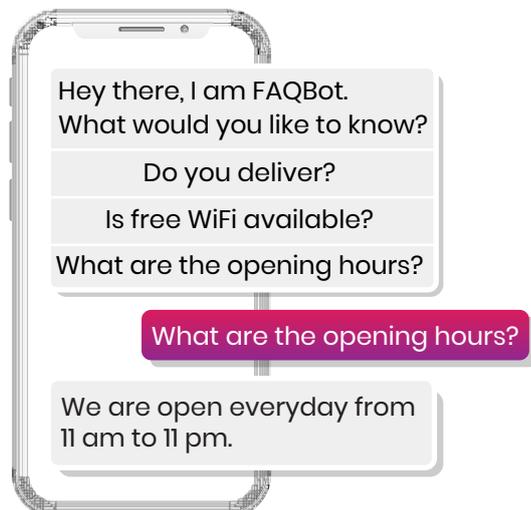
2.2 Use Cases

> Lead Generation Bot

The bot helps collect customer information in a conversational format



Lead generation bot



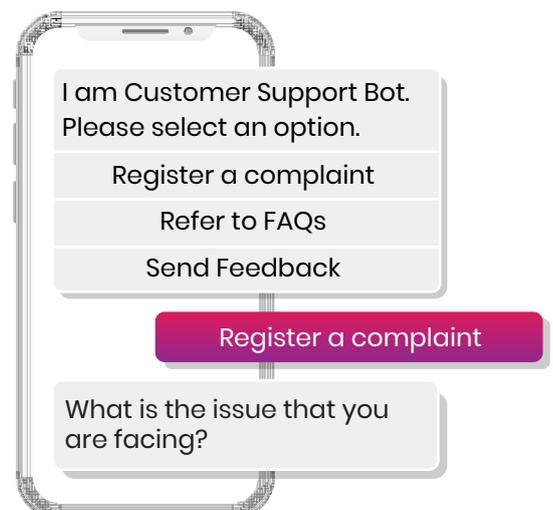
FAQ/Product enquiry bot

> Customer Support / Grievance Resolution Bot

The bot provides solutions to frequently occurring issues, raises tickets and connects users to human agents if needed.

> FAQ/Product Enquiry Bot

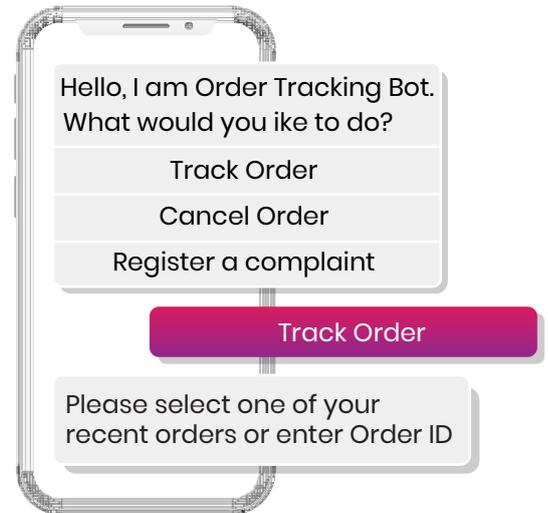
The bot helps answer users' questions related to products, services or the brands themselves.



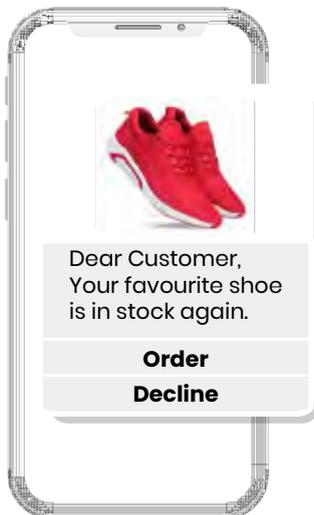
Customer support/Grievance resolution bot

> **Order / Service Tracking Bot**

The bot provides information about the order/service status, staff assigned (if any), ETA, etc.



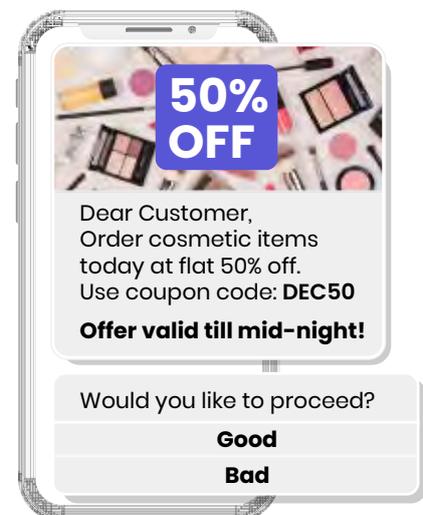
Order/ service tracking bot



Sales/shopping/ordering bot

> **Sales / Shopping / Ordering Bot**

The bot displays menu cards/catalogues, places orders, provides payment options, etc.



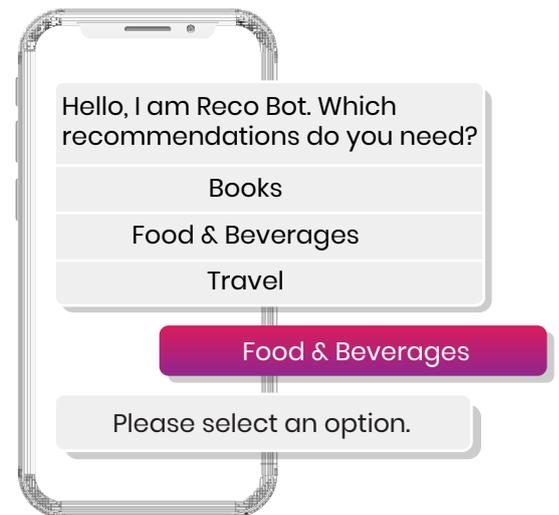
Marketing/Ad showing bot

> **Marketing / Ad Showing Bot**

The bot helps send content for marketing, coupons, offers, updates, etc. after users opt-in for the same.

> **Recommendations / Suggestions Bot**

The bot provides recommendations from your product/service portfolio or in general.



Recommendations bot



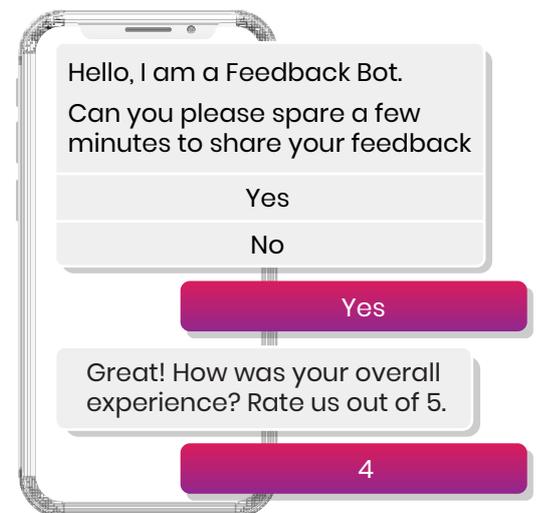
Game bot

> **Games / Quiz / Contests Bot**

The bot helps run games/quizzes/contests in a conversational pre-defined format.

> **Survey / Feedback Bot**

The bot helps conduct surveys/collect feedback after a user visits the website.



Feedback bot

3. SMS API

If you're a business owner or a marketer, you've no doubt heard about the benefits of SMS marketing. This communication strategy is a favourite among marketers because of its unmatched open rates, and promotions that succeed because customers and prospects receive it on the mobile devices they carry all day.

64% of people prefer to engage with a company via text message versus phone calls when it comes to customer service. 44% of people would rather send a text message than be kept on hold over a call. Moreover, 83% of millennials open SMS messages within 90 seconds of the delivery. This makes SMS an excellent option for transactional text messages and service-related updates such as emergency information.

With a plethora of tools and services available for marketers to run campaigns over SMS, text marketing is now easier and more accessible than ever. Since SMS comes pre-installed by default into every mobile device, it gives you the perfect opportunity to connect with your customers. If that's not enough to get you to think about incorporating text marketing into your marketing mix, here are some benefits of SMS API you should consider.

> Easy To Scale

An SMS API is easy to configure and scale. By leveraging this API, you can easily build messaging capabilities into web applications to increase customer engagement with two-way communications. You don't even have to have a deep understanding of telecom networks, because the API will take care of all the technical details.

> Rich Media Support

Today, SMS marketing does not mean "plain text marketing". With an SMS API, you can easily add photos, videos, audio clips, and other rich media to your messages. Moreover, you don't need different phone numbers to send and receive SMS, picture messages and MMS. Make sure the API platform supports rich media that can help drive greater customer engagement and loyalty.

> Global Reach And Omnichannel Capabilities

SMS API enables enterprises to engage with recipients across multiple channels and in any country. It should offer direct carrier connections to ensure global reach with reliable delivery, and provide omnichannel capability so you can access every communication channel that your customers use, to send them text messages.

> Support For Multiple Character Sets

Send SMS to your global audience in their preferred language to make a better impact. Check that the API comes with built-in GSM and Unicode character set support so you can communicate in multiple languages, and include emojis/emoticons and symbols within the messages. The API should also replace Unicode characters with similar GSM (Global System for Mobile communication) characters to ensure that messages get delivered even to destination networks that don't support Unicode.

> Built-In Security And Compliance

Your SMS ecosystem should be compliant with regulatory and data privacy laws. By doing this, you show customers (and regulatory agencies) that you have taken steps to protect customer data, and prevent data theft or fraud. That's why your SMS API provider must provide built-in compliance and security features such as:

- > Phone number masking
- > Message body purging

- > Debug logs purging
- > Smart rate limiting
- > Automated opt-out handling

> **Automated Bulk Messaging**

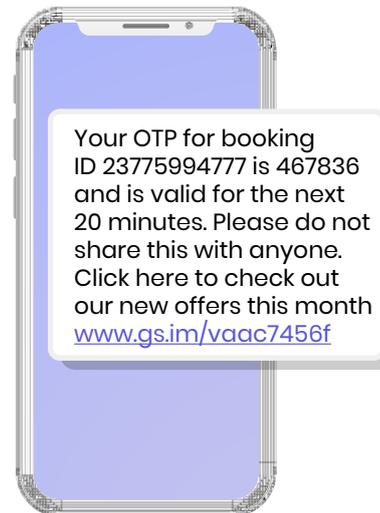
An SMS API allows web applications to programmatically send and receive text messages over telecom or mobile carrier networks. Thus, after integrating the API into your application, you no longer have to manually send SMS messages because the API will do it for you automatically.

3.1 Popular Use Cases

With an SMS API, you can send efficient, professional, bulk SMS messages for several use cases, including:

> **OTP (One Time Password) Authentication**

SMS API can be used by D2C, e-commerce, food & beverage, and banks & financial services companies to send the code when consumers request it to verify their identity. By using OTP authentication, banks enhance the security of the customer's assets. If banks want to offer digital services to their customers, then OTP authentication is an absolute must.



OTP Authentication



Transactional Summary

> **Transactional Summary**

The latest bills, last five bank account transactions or the most recent bank account balance are all accessible to us today at the tap of a button. How? Using the outbound [Messaging API](#), the bank notifies us now and then via SMS, about our account activity.



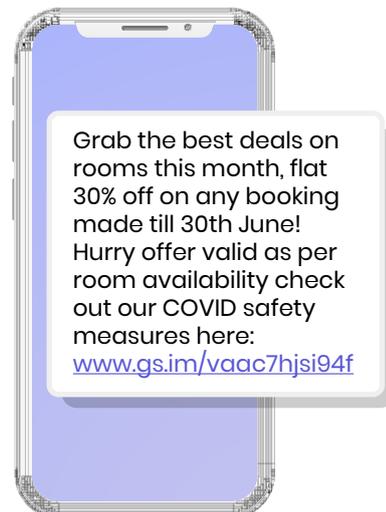
Contest Voting / Polls

> Contest Voting / Polls

Collect results faster on mobile by canvassing the outcome of a local voting contest or survey. How does it work? All that you have to do is configure a bunch of shortcodes or a long command, using the inbound messaging API, to accept the voting commands and run contests.

> Service Subscription

By harnessing the power of SMS API, enterprises can announce newly launched services and ask customers to subscribe. Telecom providers may start an entertainment channel and ask people to subscribe via SMS so they can send weekly alerts about newer content. Furthermore, government organizations, [retailers](#), [restaurants](#), schools, and local organizations may send alerts to their subscribed group of an audience about social causes, promotions, and other vital issues, respectively.



Service Subscription



Greetings

> Greetings

Send a personalized greeting message to your clients. If your client database is up to date and connected with your CRM, you can instantly send personalized messages to your target audience by using the outbound [Messaging API](#).

4. Rich Communication Services

Rich Communication Services (RCS) is a form of IP messaging that allows the secure sharing of high-resolution photos, videos, location, group chats, read receipts, suggested replies, and suggested actions, among several other functions. RCS messages are sent from and received on an Android phone's native messaging app—the one used for the SMS—using the data network. Popularly referred to as the SMS 2.0, RCS replaces SMS as the messaging standard in 5G but works on 3G and 4G networks too.

The person-to-person (P2P) messaging over RCS, wherein a user sends messages to one or more other users is usually free for users, except for any mobile data charges that might result from sending and receiving the messages. P2P RCS over Google's Android Messages app is end-to-end encrypted.

4.1 RCS Market Potential

[1.2 billion](#) users across the globe are already using RCS.

[A study by Markets and Markets](#) estimates the global RCS market size to grow from \$5.2 billion in 2020 to \$11.7 billion by 2025, with a compound annual growth rate (CAGR) of 17.6%. The study even mentions that the rising internet penetration across the globe followed by strong initiatives of operators to promote the RCS through campaigns, continue to drive the growth of RCS in developing economies.

A [study](#) by Juniper Research predicts a 2500% growth in RBM traffic by 2025 to 415 billion messages, up from 160 million in 2020.

Mobilesquared predicts that over [450 mobile operators](#) would offer RCS by 2023.

4.2 What is RCS Business Messaging?

RCS Business Messaging (RBM) is the A2P and P2A communication through the RCS channel that allows brands and consumers to interact with each other for a richer engagement.

Businesses can use RBM to send broadly three types of messages listed below:

> Transactional Messages

Application-to-Person (A2P) messages are used to send notifications, alerts, service messages, one-time passwords (OTPs) etc.

> Marketing and Promotional Messages

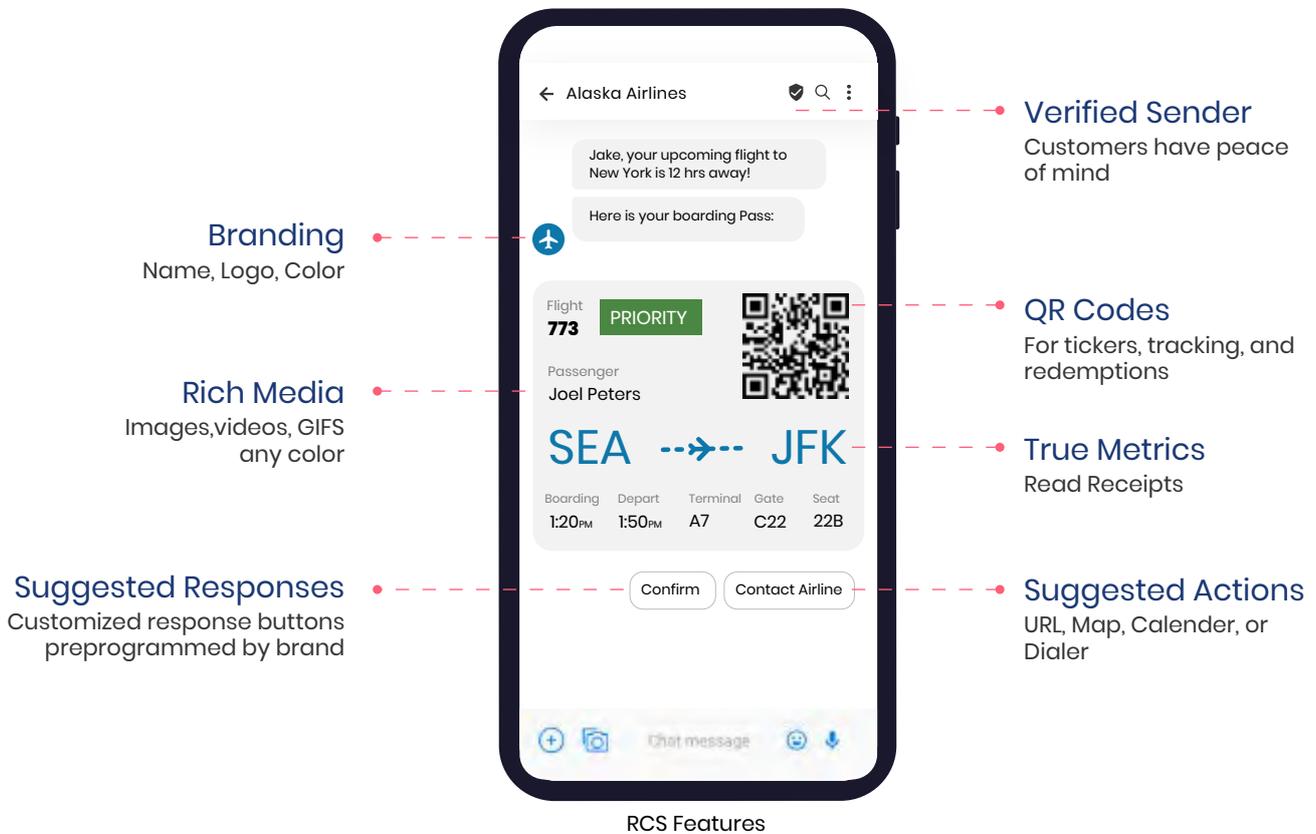
Application-to-Person (A2P) Messages used for marketing communications such as product announcements, sale announcements, promotional offers, coupons, etc.

> Conversational Messaging

Two-way messages (A2P and P2A) are used for customer engagement, sales, support, help from live agents, or to offer complete service experiences such as food delivery, etc.

4.3 Features of RBM

RBM has features that offer a smartphone app-like experience through the native messaging app of the phone:



> **Branding:** Each RBM message has a brand logo, thereby increasing brand awareness among consumers.

> **Verification and Trust:** Businesses are verified before being permitted to send RBM messages and a checkmark (trust mark) is added against the brand name to provide trust and assurance to consumers.

> **Delivery and Read receipts:** RBM allows brands to ascertain whether a message has been delivered and if the recipients have read a message or not.

> **Pay on delivery:** Enterprises pay for the RBM service only if a message is successfully delivered, unlike SMS, where brands pay for messages sent (irrespective of whether the message is delivered or not).

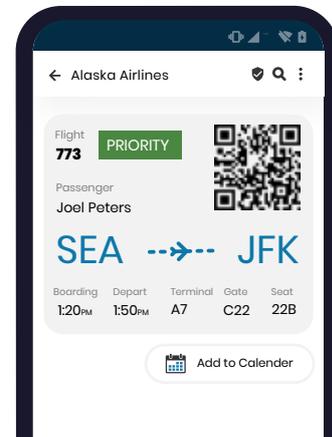
> **Chip Lists and Buttons:** A chip list is a horizontal set of buttons with each of them suggesting a unique reply or action that brands can use to deliver a conversational user experience. It can comprise buttons suggesting a user response or an action.

> **Suggested Responses:** Customers can quickly respond to brands through suggested responses thereby reducing the effort and time taken to type messages.

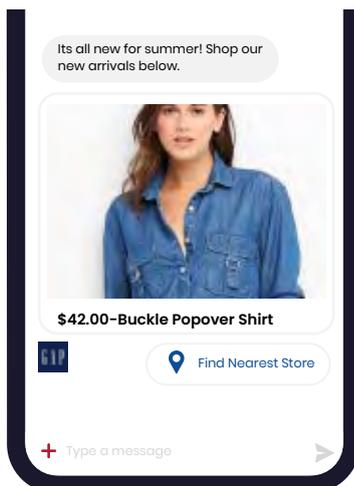
> **Suggested Actions:** Customers can quickly take actions leveraging the functionality built into the devices, for speedy completion of tasks. Some of the suggested actions and the various ways in which brands can use them are listed below:

1. Add to Calendar: Opens the default calendar app of the mobile phone. For example, in the below example, Alaska Airlines sends a boarding pass to a passenger.

Once the passenger clicks on the Add to Calendar button, the flight information is added to the phone's calendar app.



Add to Calendar

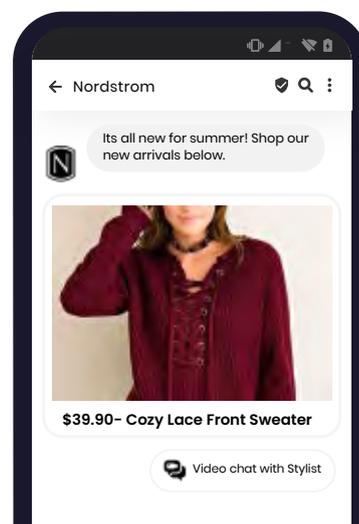


Opening the Mapping Application

2. Open Mapping Application: When brands share their location through an RCS message, customers can locate them at the click of a button.

Once the customer clicks on the Find Nearest Store button, the store's location is displayed using the phone's default mapping app (such as Google Maps).

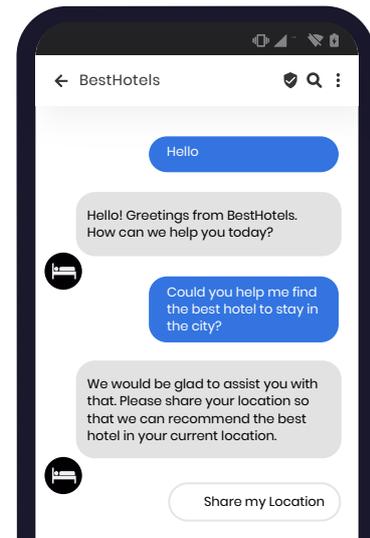
3. Start Video Chat: Using this action, a customer can start a video chat to receive more personalized service from the brand. For example, in Figure 4, the customer has an option to click on the **Video Chat with Stylist** to commence a video chat with Nordstrom.



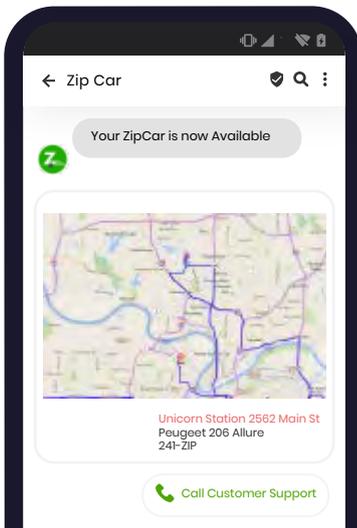
Start Video Chat

4. Share My Location: This suggested action allows a user to share his current location with a brand. For example, in the below image, BestHotels is a brand that sends a business message to know the customer's location.

Once the customer clicks on the "Share My Location" button, his location is shared with BestHotels. The location information helps BestHotels recommend the nearby hotels to the customer.



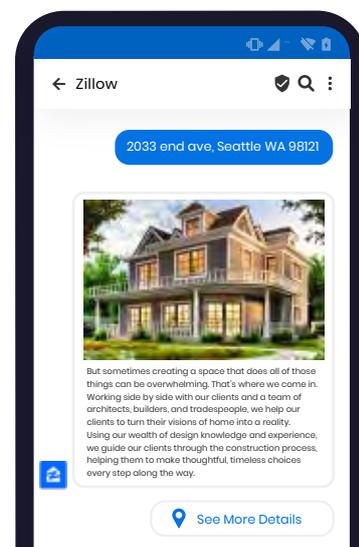
Share My Location



Trigger a Voice Call

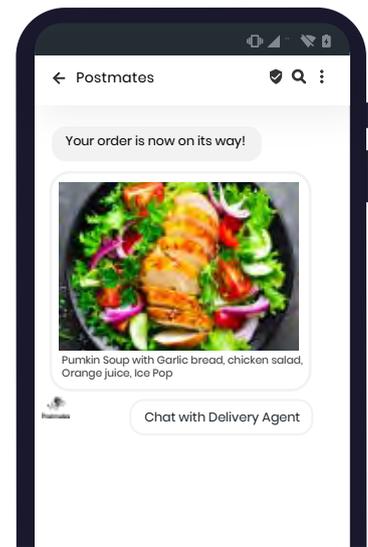
5. Make a Voice Call: When included with an RCS message, this suggested action allows a customer to make a phone call to the brand.

6. Open a URL: When included with an RCS message, this action allows users to open a website on the phone. In Figure 7, a user can view the website by clicking on the "See More Details" button.

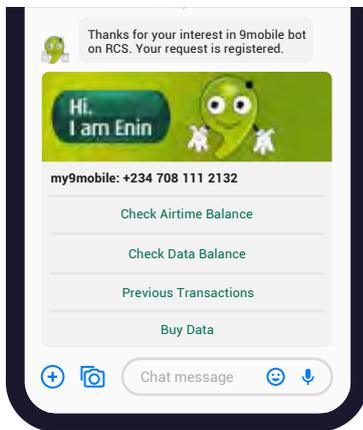


Open a URL

7. Initiate a Chat: A suggested action that helps customers initiate RCS chat with a brand's agent to obtain real-time information. For example, in Figure 8, a food delivery brand is delivering to a customer's location. Customers can click on the **Chat with Delivery Agent** button in the message to reach out to the agent who is delivering the food to know the ETA.



Text Chat



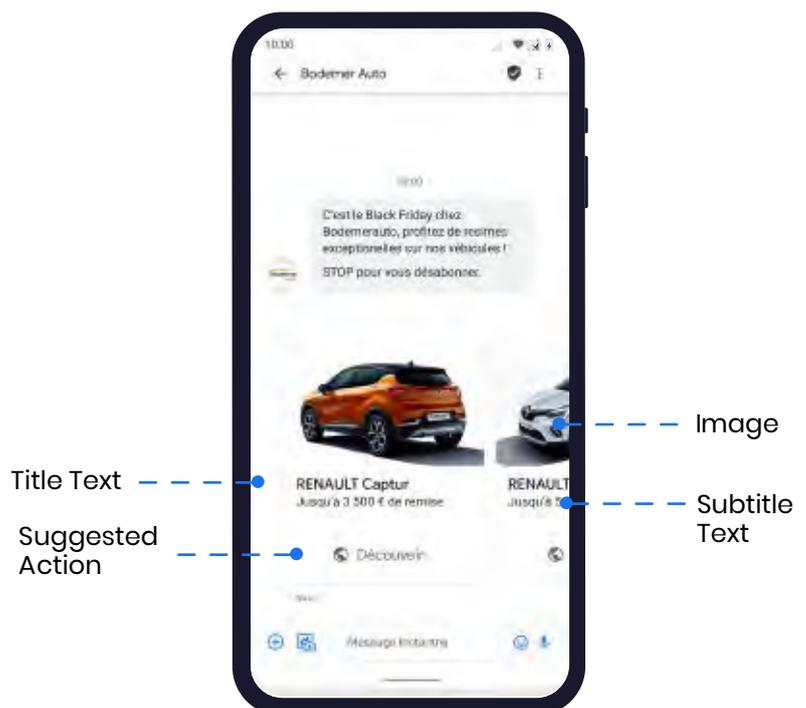
Rich Card

8. Rich Cards: Rich cards allow brands to include text, images/videos, and suggested replies and actions in a single entity.

9. Carousel: RCS carousel is a collection of rich cards that are horizontally scrollable. A carousel may contain the following:

- > Title text
- > Subtitle text
- > Image (not mandatory)
- > Buttons for suggested replies or suggested actions.

Carousels enable brands to showcase products and options that are most suited to customers based on the context.



Carousel

5. Google Business Messages

It is estimated the world sees an average of [63000 search queries every second that translates into 5.6 billion Google searches happening daily](#), which makes the word “Google” synonymous with search. The search results—local or organic—could be an effective customer touchpoint that could be leveraged to connect the customers to their favourite brands; in essence, Google Business Messages (GBM) taps into this area by enabling the chat option for the business listing of brands on Google Search results, Maps, and Google Ads.

5.1 What Does GBM Do?

GBM enables the messaging option for a business listing on Google Search, Google Maps, Google Ads, and other brand-owned assets such as websites, phone dialers, etc., so that users searching for keywords related to a brand or its business, have instant access through chat.

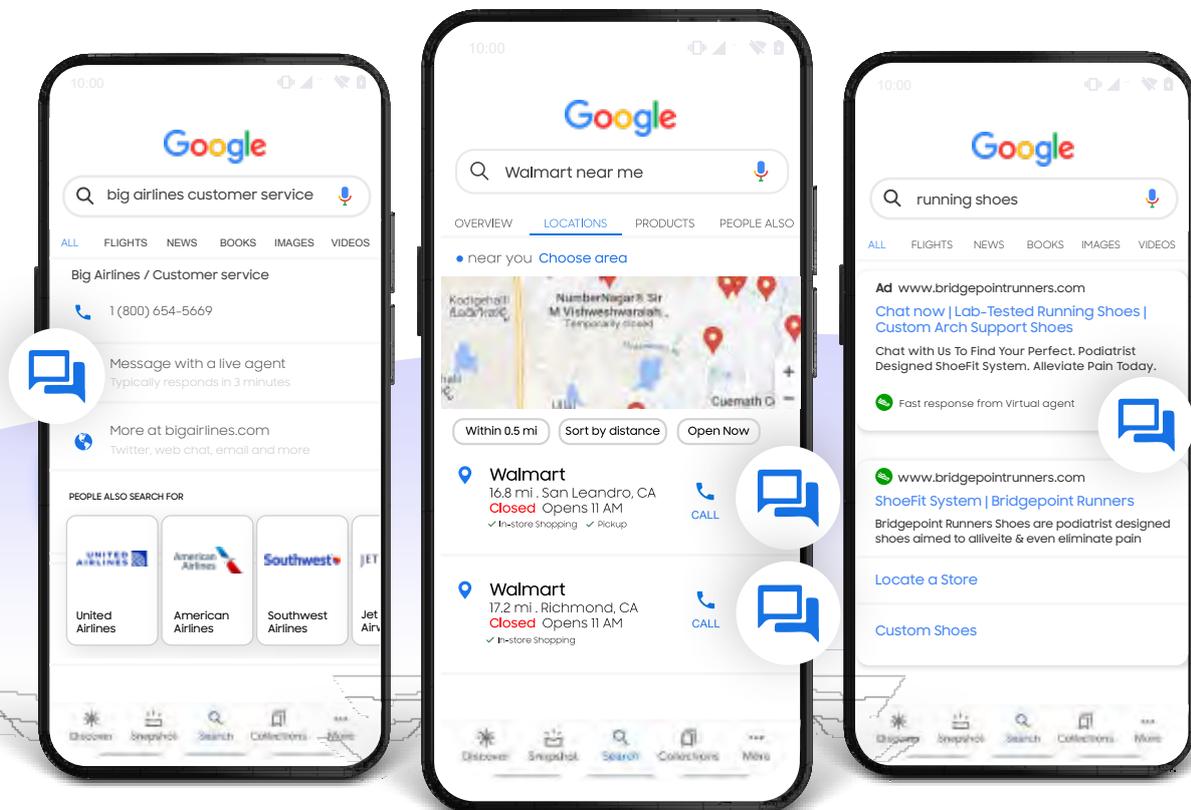


Illustration of GBM Screens

5.2 Features of GBM

- **Discoverability Feature:** Brands become discoverable for customers through organic search or local search in Google Maps, in addition to ads and Google Answer.
- **Device-agnostic:** GBM works on all types of devices such as mobile phones, tablets, and laptops running on Windows, Android, and iOS platforms.
- **Automation Support:** GBM supports the development of chatbot messengers with smart, automated replies to enhance the user experience.

> **Persistent Chat History:** Chats initiated by the customers or brands over GBM are persistent for 30 days, which allows sufficient time for users and brands to respond appropriately to each other.

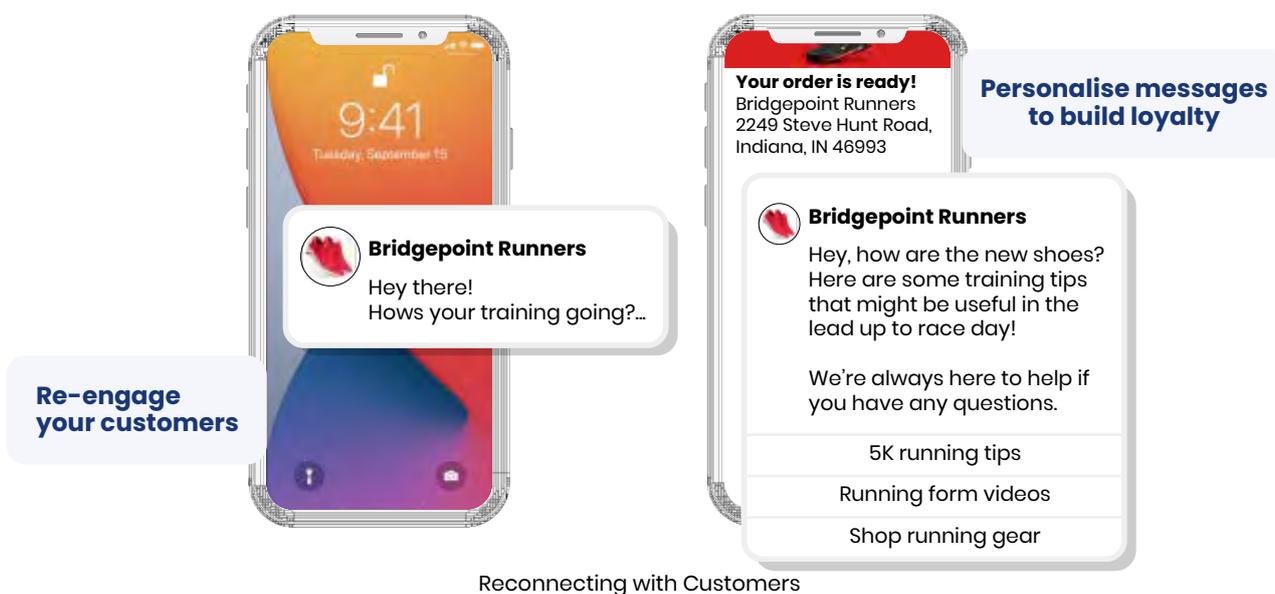
5.3 Advantages of GBM

> **Enablement of Multiple Customer Touchpoints:** The messaging option enabled on search results, maps, ads, and widgets convert them into customer touchpoints for easy brand discoverability and accessibility.

> **Reduced Handle Times:** The chat feature immensely reduces the time required to handle queries at customer care centres.

> **Decreased Call Costs:** Google messaging significantly lowers the call costs incurred by customer service centres.

> **Reconnect with Customers:** Reconnecting with customers even after they have made a purchase to enquire about the product quality, reflects the brand's concern towards its patrons. It also helps in gaining customer loyalty and GBM allows ample scope for brands to do so.



Brands reconnecting with customers serves another important purpose. Suppose a customer checks about a product through chat but does not make a purchase, brands have not really lost a customer. The digital footprint and the persistent chat history allow brands to trigger a conversation with the customers and personalize the services required to convert it into a sale. GBM provides ample opportunities to improve the conversion rate.

> **Seamless Integration:** GBM integrates with a variety of customer support systems without impacting any of the existing service channels.

> **Marketing features:** GBM can incorporate features such as rich cards and carousels, along with buttons for suggested user actions and responses to enable an enhanced user experience and customer engagement standards.

➤ **Smooth transition to agents:** Provides smooth transition from automated replies over chatbots to a live customer service agent for responding to complex customer queries.

5.4 Google Business Messages Case Study - Levi's

There are many success stories associated with GBM, but we shall stick to a recent one associated with a global brand, [Levi's](#).

About Levi's

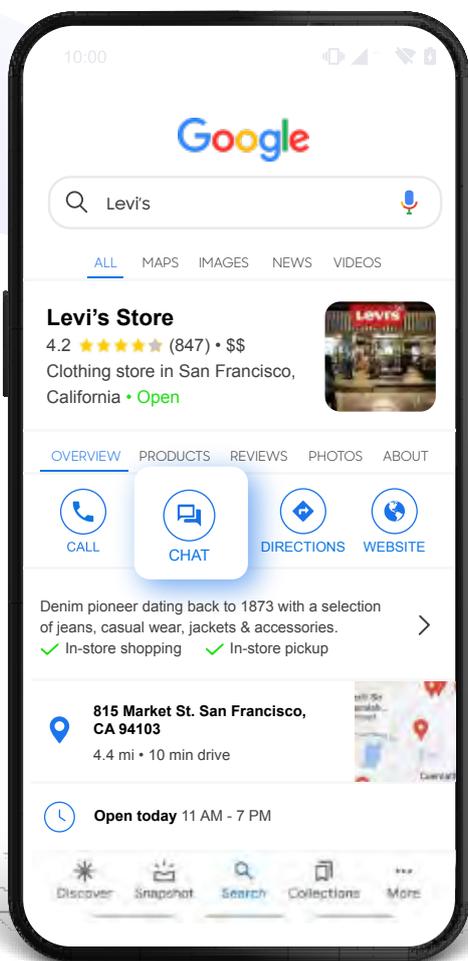
Founded almost 150 years ago, Levi's is a clothing brand popular across the world for denim jeans and other apparel, headquartered in San Francisco, CA, USA.

Challenge

The outbreak of Covid-19 increased the number of online shoppers as the timings of brick-and-mortar stores were impacted due to restrictions imposed on the movement of people. Levi's saw switching to online channels as the way forward to serve customers anywhere, anytime.

Solution

Levi's went live with GBM, enabling the chat option for 50 of Levi's stores on Google maps, which allowed customers to message them 24/7. People opting for traditional offline shopping too could access all the information about their favourite product, before visiting the store.



GBM Enabled for Levi's

Results

30x increase in resolution of store-related issues

85% CSAT in 2 months

For more information on RCS and RBM, download our eBook on the topic [here](#).

In Conclusion:

Consumers seek the liberty to reach out to businesses at their convenience. Automating customer service operations by adding a conversational touch to the interactions, is a major value proposition for brands and is the central idea behind chatbots. This is probably the reason behind the emergence of messaging as the preferred mode of business communication. As self-service is the most coveted form of customer service today, the relevance of chatbots in business is more than ever before; accordingly, business domains such as e-commerce, retail, travel, automobile, fintech, edtech, banking and more have adopted conversational messaging. While there are multiple messenger platforms available for chatbot development, choosing the one that best serves a brand's requirements is critical. Despite WhatsApp being the most popular messaging platform, the push for omnichannel communication has boosted the popularity of other modes such as Instagram messaging. SMS marketing has continued being in vogue even as its upgraded version, the rich communication services (RCS) has made inroads into the conversational messaging market. Google, being the world's most popular search engine, has created customer touchpoints on Google Search, Maps, and Ads.

Based on its experience of crafting numerous best-in-class conversational messaging solutions on the platforms listed above, Gupshup has compiled a guide that helps brands finalize their communication strategy for fruitful customer engagement. Our capabilities extend far beyond the items mentioned in this document. In case there is anything we can help you with, then do leave us a message [here](#). We would be delighted to assist you.

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