



How E-commerce Platforms Can Use Conversational AI To Elevate User Experience

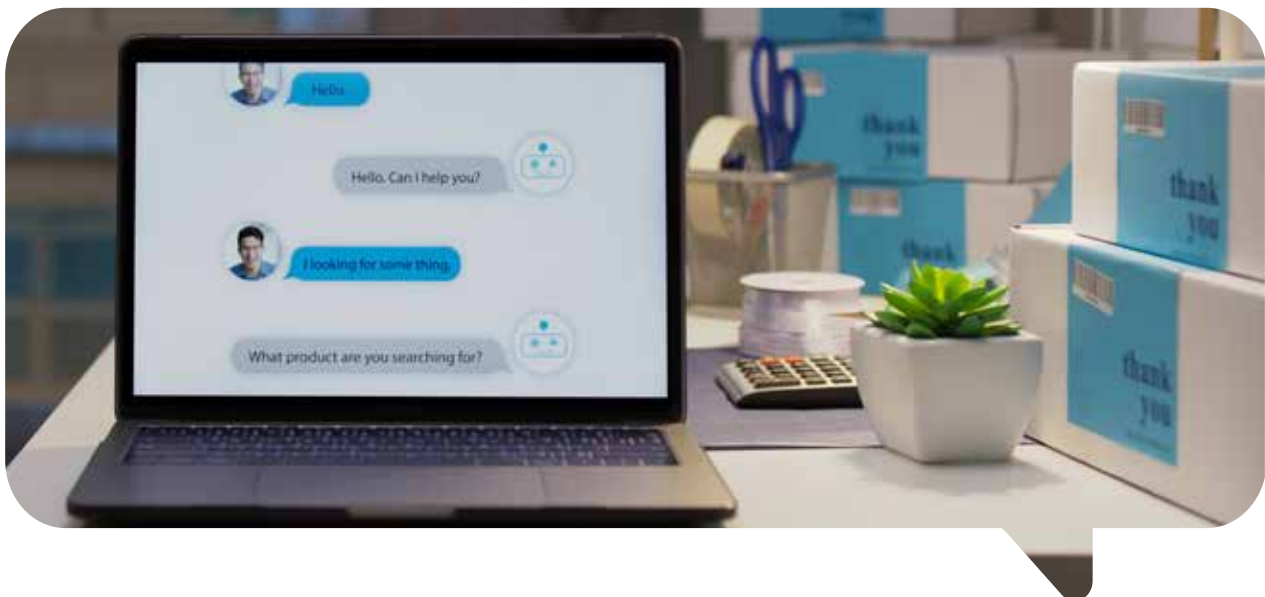
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In a world where [e-commerce](#) has become a necessity for nearly every business due to the pandemic, it seems they have only two options: either sell to consumers directly or list their goods online on marketplaces run by e-commerce giants. In other words, either find customers through advertising and word of mouth or join a dominant e-commerce player. However, for many small and medium businesses, a third option emerged - partner with e-commerce platforms such as Shopify, Instamojo, Meesho, Dukaan, WooCommerce, among others, to operate and grow their businesses.

These platforms have been working on empowering small and medium retail businesses by helping them create and develop online stores. Users can use these platforms to sell their products on the internet. With e-commerce platforms, SMEs can also accept payments, ship items, market themselves, and engage customers. These platforms help businesses to operate and grow their brands across their own direct-to-consumer (D2C) website, online marketplace, and social networks while remaining in full control of their business.

With the rise of [Conversational AI](#)-powered chatbot technology, businesses can now offer a seamless customer experience by interacting with them on their e-commerce websites. [Two-thirds](#) of customers expect a response to their enquiry within 10 minutes. And not all companies can afford to have a 24X7 customer service team. This is why chatbots are a useful tool for businesses of all sizes.



The [chatbots](#) can resolve instant queries, giving them a better understanding of the brand and helping to increase sales. The chatbots enable customers to interact with businesses without leaving the website. Chatbots have proved to be of quite a help in evolving the future of customer support and automation. Integrating chatbots for e-commerce platforms can be exceptionally useful in assisting users, optimising conversion rates, providing a seamless omnichannel experience, and also delivering many other game-changing benefits.

Let's find out more about how Conversational AI can help e-commerce platforms elevate user experiences and boost sales. But before we do, let's understand why SMEs need chatbots?

Why Do SMEs Need Chatbots?



To Have Stronghold On Their Customer Service

Customers prefer chats over calls. In fact, messaging apps have surpassed social networks according to a [Business Insider report](#). And as per a study conducted by [Open Market](#), 75% of millennials think receiving texts for things like payment reminders, delivery notifications, scheduled appointments, and last-minute announcements is useful. The same 75% would choose a text-only phone over a voice-only phone any day of the week. These data explain why your business needs to be on chats. But how do businesses make sure every query is answered and resolved quickly? Here's where chatbots come to the rescue:

- The chatbots can hold conversations with each and every customer and solve their queries at any given time. If the chatbot cannot answer a complex question it can be channelled to your support team.
- Your customers today expect a brand's customer service team to be available 24x7. With that expectations, you can neither afford to lose out on your customers nor add another staff. This makes chatbots the best solution for your business.



Focus On Core Business

Chatbots can enable SMEs to eliminate some routine tasks and help you better focus on areas like sales and marketing, where your expertise is required. A study released by [Juniper Research](#) claims that chatbots will help businesses to save \$8 billion annually by 2022.



Reduce Operational And Hiring Costs

One of the many ways a business can save money with chatbots is by allowing the chatbot to handle 80% or more online chat inquiries and customer service issues. A [Forbes report](#) states that 51% of companies cite cost reduction as the primary benefit of AI technology.

By investing in chatbots, SMEs can also save extra costs that otherwise go into hiring more support resources. With chatbots, a business can reduce costs on different levels:

- Salaries
- Training
- Infrastructure

In addition, Conversational AI-powered chatbots can be scaled during peak hours of business without any further costs. Besides, by ensuring a brand experience that is simpler and more seamless for customers, chatbots also reduce a significant amount of money and add value to the bottom line.

Ways In Which e-commerce Platforms Can Enhance Customer User Experience

Artificial Intelligence in e-commerce is primarily driven by Conversational AI solutions like chatbots. From higher open rates, wider sales funnel and shorter reply times, a chatbot enables brands to find more prospects and better customers in lesser time. [Research](#) found that by 2023, 70% of chatbots will be retail-based. Further, 47% of customers are already open to marketing purchases from chatbots. These facts indicate the growing popularity of chatbots in the e-commerce space.

Using Natural Language Processing (NLP), Conversational AI solutions interact with shoppers in a very human-like manner. It answers questions in real-time and relates them directly to questions asked by the users.

Additionally, the chatbots help e-commerce platforms automate and scale customer and partners interactions on popular messaging channels such as [WhatsApp](#), [SMS](#), [Meta Messenger](#), [Telegram](#), [Instagram](#) etc. They also provide a deeper understanding of their customers at an individual level. This enables them to improve their customers' engagement and drive personalised multi-channel experiences that resonate with and delight customers, regardless of whether they are at home or in-store.



> Convert Potential Customers With Instant Support

Chatbots can help them solve problems quickly and efficiently. It helps businesses improve customer satisfaction, increase sales funnel, hit their sales target, reduce customer support tickets and reduce churn rates. Chatbots can provide instant responses to common questions like "I want to cancel my order," "How long does it take to ship items?," "Can I return this product?," "What if I don't receive products?" etc. This will increase conversion rates by providing instant answers to common problems, which is critical for e-commerce businesses.

> Recover Cart Abandonment, Increase Conversion Rate And Payment

Cart abandonment is when a customer leaves your website without buying anything. As per a research done by [Baymard Institute](#), 70% of customers don't buy their products after adding them to the cart. The reason may vary, but reducing any percentage of this rate can be very beneficial for your business. Chatbots are an effective way to address this prevalent problem in the e-commerce space. It can also automate repetitive tasks like sending emails or creating invoices by triggering events in e-commerce platforms.

The chatbots can help reduce cart abandonment by sending such customers cherry reminders, special offers and tempting discounts to entice them back to the store. For example, when a customer purchases a product, send an email to notify the customer that they've received it. Or, if a customer buys multiple products, trigger an invoice to remind the customer to pay. And in case the customers leave before completing a purchase, send an email with a discount offer if they purchase in the next 24 hours.



> Conversational AI And Enhanced CX

For e-commerce customers, the online shopping experience is as - or even more - important than product range and price. Moreover, their first-time experience with an e-commerce platform will inform their future decisions. To ease their own experience, many shoppers go to the search box instead of navigating to the website's product categories. If the search does not deliver what the customer is looking for, they will lose patience and move on to another retailer.

To keep them online and interested, brands must first index their sites with multiple combinations of search results. Most importantly, since customers will not waste time sorting through dozens of irrelevant results, the e-commerce platform must provide easier search functionality. Here's where a Conversational AI e-commerce platform can be a game-changer.

> Easy Search And Relevant Results: With Conversational AI, e-commerce platforms can help SMEs implement a user-friendly Visual Search functionality that enables customers to ask for what they want in everyday, conversational language. The chatbots can understand their requirements and provide accurate, consistent answers without the need to involve a live/human adviser. It can also be configured to divert some queries to human advisers according to specific parameters like keywords, business rules etc. Both are great ways to enhance customer experience along with their shopping journey.

> Hassle-free Customer Engagement: Another key CX-enhancing factor is seamless brand communication. Leveraging Conversational AI platforms e-commerce brands can harmonize all their contact channels into a user-friendly interface. This intelligent and capable interface can address the majority of users' queries with relevant, personalized answers that ease the shopper's experience and keep them moving towards checkout and sale. The high level of automation and self-service means that brands can keep customers engaged for longer, and at a low cost.

> Improve Customer Journey At Every Stage

One of the biggest advantages of Conversational AI solutions in the e-commerce space is that they can help improve the entire customer journey:



E-commerce chatbots powered by Conversational AI can support customers and ease their experiences at any stage of their purchase journey. They can engage with them in a personalized and meaningful way, answer queries in friendly language, and help them with everything from product search and billing to order tracking, cancellation and refunds. Moreover, these chatbots can be enriched with multilingual capabilities to engage with customers in their preferred language.

> Reduce Support And Sort Out Queries

According to [Accenture](#), the adoption of AI-based analysis could save business owners as much as 54% of their day. With Conversational AI, the e-commerce platform can enable businesses to engage with their customers in pre-sales or pre-purchase queries and automatically respond to all the direct messages of their prospects. Leveraging Conversational AI platforms like Gupshup, businesses can add new skills and customize their bots to fit their brands. These bots can understand how your users interact with your chatbots and discover actionable insights to improve your customer experience and crucial ROI metrics.

A Few Examples Of e-commerce Platforms Leveraging Conversational AI



Ochatbots, an AI chatbot for [Shopify](#) e-commerce, store sales and support engages customers and helps them find the right product, handles support questions and captures abandoned carts. The reporting provides insightful marketing and sales information. The chatbot also shows product images, videos and text and allows them to be added to the cart directly from the chat window reducing the time to find products and add them to the cart..



[Meesho](#) leverages the WhatsApp chatbot to create nudges for customers to open its platform. With the introduction of the chatbot, Meesho observed an immediate lift of 50% in the clicks/user coming from WhatsApp that lead to app opening. Overall, it saw a 1.3x uplift in clicks to our app because of the chatbot.



[Instamojo](#) leverages chatbot to strengthen conversion tactics intelligently while giving users more flexibility. The chatbot helps qualify leads with minimal human interaction through work customizations. It also helps businesses save manpower costs and increase productivity by involving human interaction only when needed. The Live Chat feature helps in collecting data, monitoring customer behaviour and keeping a check on the buying pattern of the consumers.



Through its Live chat feature, [Dukaan](#) helps businesses establish lasting relationships and drive business sales. The chatbots in the Live chat support enable businesses to resolve customers' queries in real-time and help them in gaining clarity about a product or service, resulting in more sales for the businesses.

Conclusion

Big brands have used Conversational AI-powered chatbots for years, but it's only now that e-commerce platforms can help small businesses take advantage of this technology as well. In this ebook, we highlighted some of the many ways chatbot solutions create amazing value for e-commerce firms. In the near future, differentiation and growth in e-commerce will not drive buy products or prices, but by how well e-commerce platforms and companies understand their customers' needs, meet them on their preferred channels, and create a seamless CX throughout their journey. All of this is possible with Conversational AI.

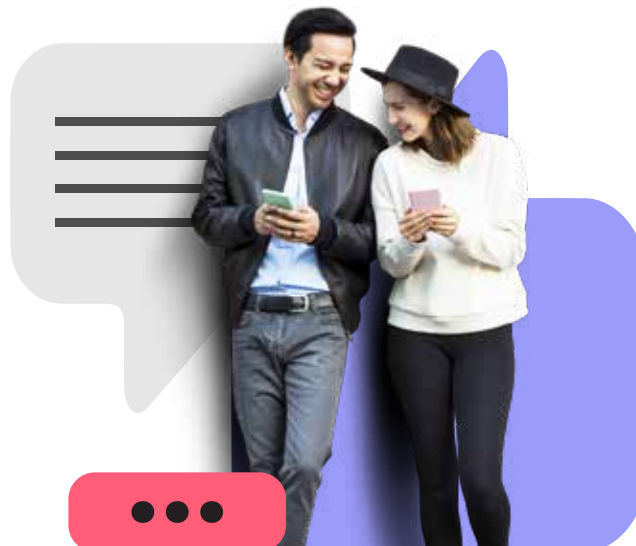
Leverage the technology and the power of conversations in your e-commerce business with Gupshup. With our user-friendly platform, no-code bot builders, and built-in templates, you can design and deploy a fully-customised chatbot for your company in next to no time.

Our carrier-grade platform provides a single messaging API, a rich conversational experience-building tool kit for any use case, and a network of emerging market partnerships across messaging channels, device manufacturers, ISVs, and operators. With Gupshup, businesses have made conversations an integral part of their customer engagement success. Join the success story.

#LetsGupshup to get started.

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