

Conversational Messaging:

The Next Big Thing For Great CX

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Introduction

Conversations over <u>messaging</u> apps have become a preferred mode of communication today. Whether sharing content or interacting with friends and family or their favourite brands, consumers choose to interact through messaging apps over other communication channels. A global survey found that 75% of people want to be able to message a business, and 64% prefer messaging over email or the phone.

Furthermore, with so many consumers visiting your website, keeping track of everyone's requests can be difficult, so roughly 21% of live chats go unnoticed by businesses. The average response time for a live website chat is 3 minutes, and with the growing expectation of instant replies, it's not easy to accommodate every customer queries within that timeframe.

On the contrary, messaging apps can help businesses perform well even in stressful situations. Companies can set up both automated and human agents to accommodate consumer requests and queries. Now that the biggest messaging apps are 20% more popular than social media platforms, it's become easier for businesses to migrate from live chat platforms to messaging apps. And with the recent development of in-app features, transferring customer support to messaging apps is more exciting than ever.

With a focus on understanding the users' behaviour towards messaging services, <u>Gupshup</u> commissioned a survey to learn how the Indian shoppers leverage messaging apps such as WhatsApp and Instagram and their features to communicate with businesses.

A Note on Methodology

Gupshup surveyed over 1000 Indian online shoppers to understand their opinions about engaging with messaging services via messaging apps.

Key Stats at a Glance

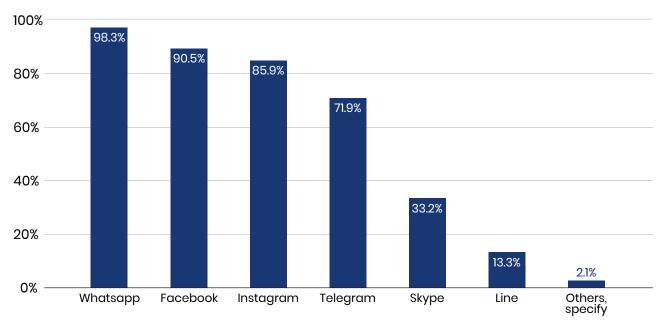
- **54%** of respondents are **male**, and **46%** are **female**, mostly aged between **20 to 40 years**
- 66% of the people surveyed are aged below 40 years
- **62%** are **private employees**, and more than **90%** of respondents have a monthly income of **more than INR 4000**
- Almost 70% of the respondents actively dine in a restaurant and do family gatherings, besides purchasing products and services online in the past three months

Popular Messaging Platforms Among Indian Consumers

The last few years have seen many changes in the way people interact with brands. Consumers are no more interested in downloading dozens of applications to their mobile phones. They want to get things done using one application at a time, which makes conversational messaging apps the most preferred mode of interaction these days. Consumers would rather reach out to their favourite brand in how they communicate with friends and family - without having to download multiple apps all over again!

The research revealed that <u>WhatsApp</u>, Meta Messenger and <u>Instagram</u> are the most popular apps used among Indian online shoppers.

Figure 1.
Popular messaging channels among Indian Online shoppers



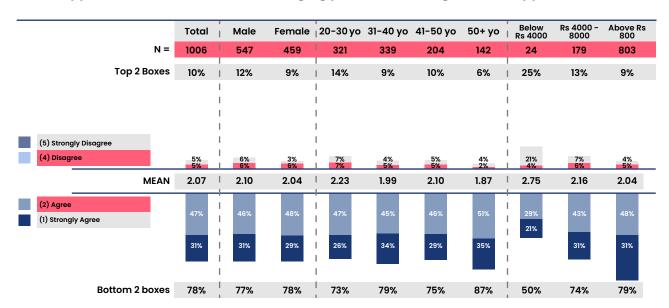
Notes:

Base: All respondents Total n=(1006), Male n=(547), Female n=(459), 20-30 yo n=(321), 31-40 yo n=(339), 41-50 yo n=(204), 50+ yo n=(142), Below Rs 4000 n=(24*), Rs 4000 n=(179), Above Rs 8000 n=(803)

Is WhatsApp The New Shopping Hub For Consumers?

WhatsApp has the most users out of all the platforms on the list. About 71% of the people have active interactions with businesses via WhatsApp. Nearly 80% said they would like to send messages to their intended businesses on WhatsApp as they find it to be an effective way to get further information.

Figure 2.
WhatsApp is one of the most used messaging platforms among online shoppers



Base: All respondents – I tried to send messages on WhatsApp after knowing how to reach them effectively Total n=(1006), Male n=(547), Female n=(459), 20–30 yo n=(321), 31–40 yo n=(339), 41–50 yo n=(204), 50+ yo n=(142), Below Rs 4000 n=(24*), Rs 4000 n=(179), Above Rs 8000 n=(803)

With WhatsApp turning out to be the default messaging app for people across the world, it can take a business to consumer communication to a whole new level. On average, users open their WhatsApp 23-25 times a day.

Figure 3.

Speed of response via WhatsApp & Instagram appeal to online shoppers

	Total	Male	Female	20-30 yo	31-40 yo	41-50 yo	50+ yo	Below Rs 4000	Rs 4000 - 8000	Above Rs 800
N =	1006	547	459	321	339	204	142	24	179	803
Top 2 Boxes	85%	84%	86%	82%	87%	84%	86%	88%	89%	84%
				!						
	44%	42%	46%	41%	47%	38%	47%	42%	45%	43%
				!						
(5) Strongly Disagree	41%	42%	40%	41%	40%	46%	39%	46%	44%	41%
(4) Disagree										
MEAN	4.26	4.23	4.29	4.19	4.33	4.19	4.32	4.21	4.29	4.25
(2) Agree	3%	3%	3%	4%	2%	3%	1%	4%	4%	2%
(1) Strongly Agree				I				l		
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				I						
Bottom 2 boxes	3%	3%	3%	4%	2%	3%	1%	4%	4%	2%

Notes:

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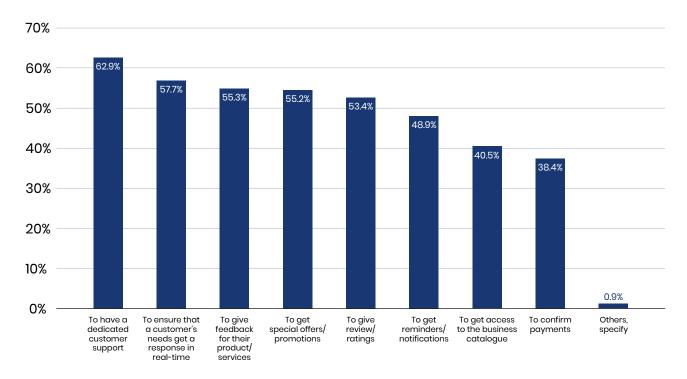
What Consumers Prefer Using WhatsApp Business API For

Customer Support

WhatsApp engagement is highly associated with dedicated customer support, which accounted for 63% of people (see Figure 3). Meeting customer expectations increases customer satisfaction and improves retention rates of your business. Our survey found that consumers prefer speedy responses from the customer services team. According to HubSpot, 90% of customers rate an 'immediate' response as a significant part of the customer experience. Through WhatsApp Business API, brands can stay connected with customers via timely, meaningful, two-way conversations - no matter where they are.

Figure 4.

Consumer desire for a dedicated customer support in real time via WhatsApp



Notes:

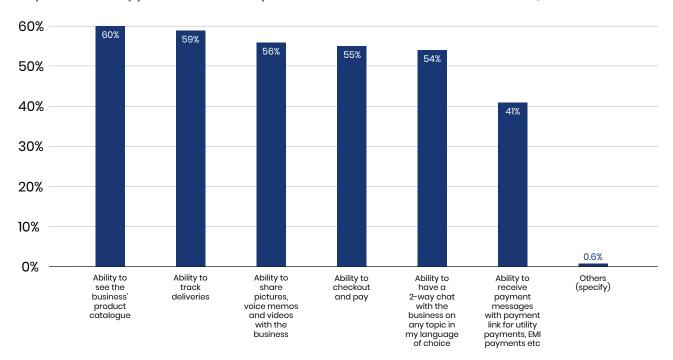
Base: All respondents Total n=(989), Male n=(539), Female n=(450), 20-30 yo n=(315), 31-40 yo n=(334), 41-50 yo n=(199), 50+ yo n=(141), Below Rs 4000 n=(22*), Rs 4000 n=(173), Above Rs 8000 n=(794)

From handling customer queries to showcasing products, sending notifications or giving updates, a variety of tasks can be done through WhatsApp to enhance customer experience with a brand. Your company can benefit from end-to-end encryption features and use them to redefine communication with customers. With WhatsApp Business API, you can strengthen your customer support and take business communications to a new level of engagement.

Discover New Products

About 60% of the shoppers highly recommend the product and service discovery feature in the business account on WhatsApp. This feature enables brands to showcase their products or services in an interactive way resulting in a better customer experience and a faster, more effective way of engagement. Consumers can browse through the offerings for in-app browsing and shopping all in a single window.

Figure 5.
Popular WhatsApp features that help consumers to connect with businesses/brands



Base: All respondents Total n=(989), Male n=(539), Female n=(450), 20-30 yo n=(315), 31-40 yo n=(334), 41-50 yo n=(199), 50+ yo n=(141), Below Rs 4000 n=(22*), Rs 4000 n=(173), Above Rs 8000 n=(794)

Order Payment and Tracking

WhatsApp chatbots enable consumers to make direct payments from their WhatsApp account or through third-party UPI apps or One-click Bill Pay while they are on the purchase journey without navigating between multiple apps. 55% of the users rated the ability to check out and pay feature useful. However, 18% of the users find it inconvenient to make payments via WhatsApp and said an additional layer of trusted features should be added, such as a verification page, to build more trustworthy value for payments via WhatsApp account.

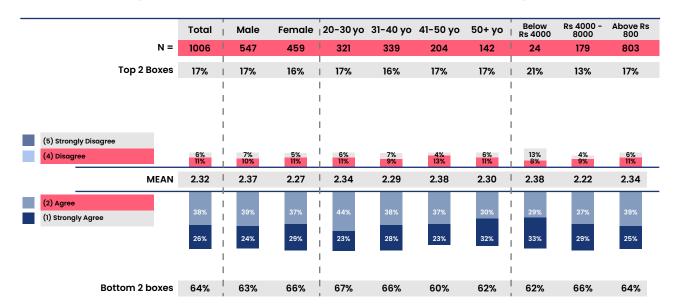
Besides payments, WhatsApp <u>chatbots</u> also enable consumers to track their shipments directly via their preferred messaging applications. The ability to track product delivery via WhatsApp attracts 59% of shoppers.



Instagram: The Next-Gen Shopping Mall

Instagram is one of the most popular social media apps among customers today. About 70% of shopping enthusiasts follow at least one business on Instagram and more than 60% of the users send direct messages to brands on Instagram for further information after following them. The report also indicates that 64% of the users got an active interaction with a brand via Instagram. This data demonstrates that Instagram could be the right medium for businesses to build social engagement with consumers directly.

Figure 6. 64% of the users got an active interaction with a business/brand via Instagram



Notes:

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What Consumers Prefer Using Instagram Messenger API For

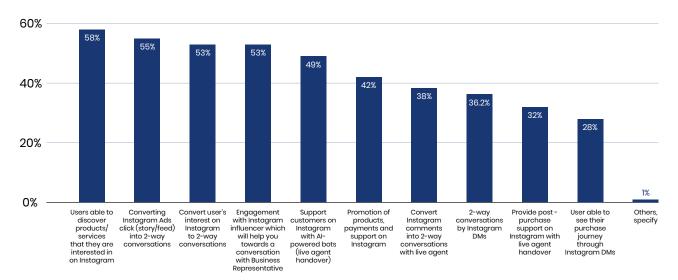
Discover New Products

Instagram plays a key role at every step of the purchase process. Consumers use the platform to discover what's trending, research products before making a purchase and decide whether or not to buy the product - each of these moments offers touchpoints on Instagram where businesses can drive action.

Brand-led communication can have a substantial impact on people's shopping journeys. In fact, when we asked people which Instagram features are they attracted to the most. Nearly 60% of the people said features that enable them to discover the products and services in business accounts are highly recommended. Moreover, 63% of people would like to have the recent product and service updates via Instagram.

Figure 7.

Popular Instagram features that help consumers to connect with businesses/brands



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Click To Chat Ads

Of the people surveyed, 24% said click to Instagram ads or "Click to Chat ads" are the most favourite features besides product discovery to get more access to businesses. "Click to Chat ads," also known as "Click to Instagram Direct Ads" enables customers to start an interaction with the brand when they see your ad on Instagram. Unlike traditional ads, which drive users to a static webpage, "Click to chat" ads take your customers to your Instagram Direct Messenger.

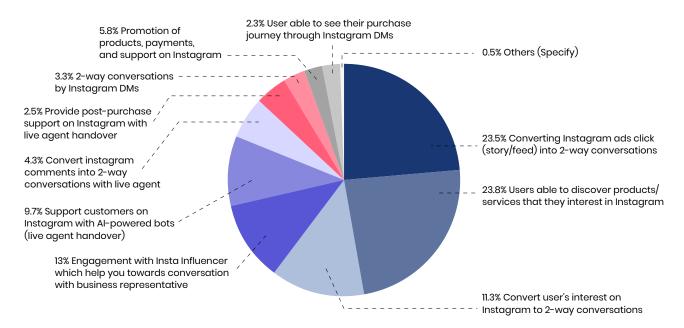
Customers can then interact with your Instagram DM chatbot to know more about the product/service being advertised, and buy them right from within the messenger. Running Instagram click to chat ads reduces drop-offs dramatically as it enables customers to clear their doubts and apprehensions before making a purchase.

It also gives customers the opportunity to engage in conversations to explore products other than the one being advertised. Implementing "Click to Chat ads on Instagram" can be a strategic move to set you apart from the competition and increase your returns on advertising spending.



Figure 8.

Product discovery and Click to Chat ads are THE MOST selected features on Instagram

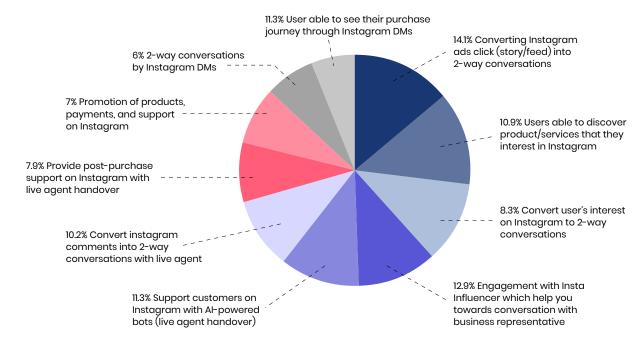


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Simply by being present and active on Instagram, brands can make a positive impact on potential customers. People surveyed said that Instagram features, especially the product discovery and click to Instagram are their favourite ones and they find these features to be easy and user-friendly for any usage (42%). Contrary to the favourite Instagram features, 13% said they do not prefer engaging with Instagram influencers as they find it a quick brand endorsement.

Figure 9.

Engagement with Instagram Influencers is one of the most disliked features on Instagram



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Conversational Messaging Is The New Normal

As online experiences have become more convenient than ever, consumers are more inclined to interact, shop and do business online. People across the globe use messaging apps to communicate with friends and family. They expect the same level of convenience when they need to contact a business.

Therefore, when we asked people how satisfied are they with business engagement via messaging channels such as WhatsApp and Instagram:

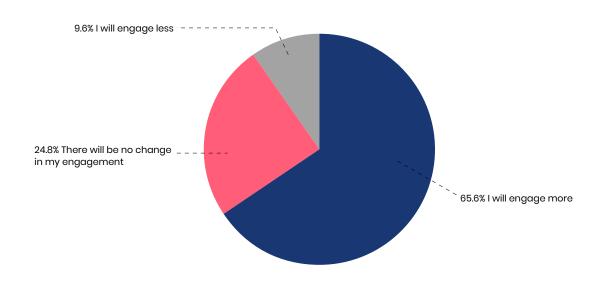
- **85%** are satisfied with the responsiveness of brands' engagement via WhatsApp and Instagram
- Nearly **9 out of 10** people were able to enrich their products and services knowledge via these messaging apps
- **84%** feel satisfied with the efficiency of businesses handling consumer needs via these platforms
- **83%** consider that approaching businesses via WhatsApp and Instagram are reliable
- **89%** find these messaging channels are easy to use
- Nearly 90% said responses from businesses via WhatsApp and Instagram are easy to understand
- 41% are happy with businesses leveraging chatbots on WhatsApp and Instagram to solve consumer requirements



Conclusion

With consumers increasingly demanding instant and personalised two-way communication with businesses, WhatsApp and Instagram are becoming powerful tools for businesses. People want to engage more with businesses on these platforms in the future (60%).

Figure 9.
People would engage more with businesses via WhatsApp and Instagram in the future



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Today's consumers want to feel heard and valued and want human-centred experiences. By implementing messaging channels such as WhatsApp and Instagram, a brand can offer such experiences to foster deeper relationships with customers and build a more loyal community that's willing to stay connected with the brand in the long term.

With the WhatsApp Business app, small and medium businesses (SMBs) can easily leverage WhatsApp's reach, ubiquity, and immediacy to share useful information with customers on the go. But if you are a mid-sized business or large business (MLB) looking to enhance global customer <u>support</u> cost-effectively and boost sales, the <u>WhatsApp Business API</u> is the one-stop-shop for your business.

Similarly, with Instagram messaging, businesses can deliver a personalised private conversation to provide a highly engaged conversation. The Messenger API makes it easy for businesses to implement workflows and integrate their Instagram Messenger with applications and databases to drive meaningful conversations with consumers, followers and users. It enables them to devise automation to not only interact with consumers at scale but to do so with NLP capabilities in a contextual manner. Thus, delivering a human-like conversational experience to consumers.

By its nature, WhatsApp and Instagram are capable of one-on-one connections and offering personalised experiences. As a result, both channels are best for marketers looking to have more

meaningful customer interactions in a timely, cost-effective and scalable manner. These messaging channels enable businesses to connect with customers in an immersive way, making shopping actionable and facilitating brand communication throughout the customer journey spanning pre-purchase, purchase and post-purchase touchpoints.

A powerful WhatsApp and Instagram business solution provider like Gupshup can effectively boost customer engagement and enhance customer experience. Gupshup is the leading conversational messaging platform, powering over 9 billion messages per month. Thousands of large and small businesses in emerging markets leverage Gupshup's Smart Messaging Platform to create conversational experiences in marketing, sales, and customer support across verticals like e-commerce, Retail, D2C, BFSI, and Fintech, among others.

Leverage the Gupshup WhatsApp Business API and Instagram Messenger API to automate many processes, including customer support, onboarding and e-commerce transactions. You can also set auto-responses for bots to deal with common queries. If a bot is unable to respond to a question, a human agent can seamlessly take over the conversation to interact with the customer and provide a relevant solution.

With Gupshup, you not only get a hassle-free setup; but you also get pay-as-you-use pricing and world-class technical support. Connect with customers on their terms, increase brand recall, and boost sales and profits. With the WhatsApp API and Instagram API, your midsize or large business can do all this and more.

To get started with WhatsApp API and Instagram API and to create conversational experiences for your customers on WhatsApp and Instagram, **#LetsGupshup**.

#LetsGupshup to get started.

