

How conversational commerce is shaping the future of business

By <u>James Bayhack</u> 14 Sep 2020

While 'conversational commerce' is not a new concept, the phenomenon is gaining momentum, driving innovation and customer experience in an ever-changing e-commerce landscape.



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The way today's consumers choose to communicate and interact with brands is fundamentally shifting. Gone are the days of infuriating calls, jumping through multiple hoops to get to the right department, and confusing out-of-date websites – customers now expect to be able to engage in seamless, conversational experiences with businesses, similar to how they communicate with their friends and family.

Conversational commerce is exactly that: a conversation between the business and their clients. It combines the power of messaging tools and platforms with the shopping experience, and also extends to customer service. Using platforms like WhatsApp, Facebook Messenger or Apple Business Chat, it allows businesses to engage the consumer where they are.

Payment functionality becomes a breeze when you consider linking your online store to a provider like SnapScan, Zapper or Master Card. It also enables automated and personalised online experiences for customers. Business leaders who don't want to be left behind need to give some serious thought to how they can make this techy trend work for both themselves and their customers.



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Adoption of conversational commerce

A simple example of conversational commerce is a buyer using Facebook Messenger to ask a seller a question, thereby facilitating the transaction. It also includes more sophisticated tools, like chatbots, which have been widely adopted by many websites.

Although some consumers may have been wary of conversational commerce channels at first, they now embrace – and even expect – them to be available in order to simplify their online shopping experience. From querying product specifications to looking for recommendations, customers are able to make more informed decisions that much faster.

Conversational commerce has now evolved to the point where messaging apps are integral to the selling and customerservice processes of various companies.

<u>Burberry's 'R Message'</u> is an example of this. Through this messaging service, employees can text high-value customers directly, rewarding loyal customers with access to in-store appointment bookings, personalised online advice and shopping-from-home assistance. The service was designed to offer peerless service to customers by giving them the right information at the right time, all while driving sales.

In other words, conversational commerce transcends previously expected value and has the potential to drive more meaningful interactions between companies and customers, thereby increasing customer satisfaction and, ultimately, accelerating revenue conversion.



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The benefits of conversational commerce

The most important question for businesses to answer is: why do consumers want conversational commerce? It offers a convenient and personalised service that speaks to the customer in a language they can relate to, and enables 'always-on' availability.

We live in an age where people rely on their smartphones for almost everything; there is very little they can't accomplish with the click of a button. This is true when it comes to brand interactions, too.

The rapid development of natural language processing technology and artificial intelligence systems have made it easier for conversational trade to mimic the human element, creating connections and making customers feel valued.

But why would consumers favour this model of human-like contact to traditional buying channels? It may be because the best examples of conversational commerce feel like shopping with your own personal assistant who's ready to answer any and all of your questions – clearly a win for consumer experience.

So, how does this benefit businesses in the long-run? Some results from early adopters of this e-commerce trend show just how powerful it can be when used in the right way.

US fast-food chain Taco Bell created a purpose-driven bot called <u>TacoBot</u> to take customers' orders via Slack. The service proved particularly effective in solving real-time problems and eliminating significant pain points when it came to dietary preferences and hunting down food items that the customer might have forgotten the name of.

Another example that can't be ignored is Amazon Echo, selling over 3 million units in less than 18 months. Because it is hooked up to Amazon's full product catalogue, it can tap into the user's order history and intelligently carry out voice commands to buy or reorder items. Alexa, the default addressable name, can even walk you through options when ordering something for the first time. It shows just how powerful conversational commerce can be when it's linked to delivering the best possible consumer experience.

It is this level of improved customer experience that fosters brand loyalty and can even lead to cross-selling or upselling opportunities – as is the case with the Amazon Echo. It also helps that the consumer's online behaviour is recorded, which in turn can be used to make future suggestions and continue to add value to the customer journey down the line.



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How to start using conversational commerce

With social platforms like Facebook, Telegram and WhatsApp Business, it may be easier than you think to start a simple conversational sales strategy. However, if we look at Amazon Echo, we can predict where the future of conversational commerce is headed. Chatbots and voice assistants are useful to businesses, but when fully integrated with e-commerce, they can revolutionise the sales process.

So, where do you start? To create a sustainable solution in a world where technology is constantly changing may sound complex and overwhelming, but this technology is easy to integrate with your current business processes using a single business messaging API. The software involved in implementing this is user friendly; just log in and you can start reaping the benefits.

As these technologies evolve, we will see new forms of brand-to-consumer communication and interaction emerge, paving the way for more intelligent touchpoints and increased customer satisfaction. Commerce is becoming not only more conversational, but more ubiquitous and seamlessly integrated into our lives, and the way we interact with brands will be forever changed as a result.

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