Conversational Marketing with Chatbots

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ABSTRACT

The marketing business is an ever growing business. The boom of online technologies has helped propelled it forward. This paper displays the use of chatbots on the websites rather than using traditional forms for generating customer leads and the impact it has on the overall customer capture and customer satisfaction.

Keyword : - Chatbots, Conversational Marketing, Marketing, Sales, Lead Capture, Forms

1. Introduction

Chatbots are "online human-computer dialog system[s] with natural language." [1] The first conceptualization of the chatbot is attributed to Alan Turing, who asked "Can machines think?" in 1950. [2] Since Turing, chatbot technology has improved with advances in natural language processing and machine learning. Likewise, chatbot adoption has also increased, especially with the launch of chatbot platforms by Facebook [3], Kik [4], Slack [5], Skype [6], WeChat [7], Line [8], and Telegram [9]. By September 2016, Facebook Messenger hosted 30,000 bots and had 34,000 developers on its platform. [10] The Kik Bot Shop announced in August 2016 that the 20,000 bots created on its platform had "exchanged over 1.8 million messages." [11]

2. OVERVIEW
2.1 What is a chatbot?

According to Oxford Dictionaries, a chatbot is "A computer program designed to simulate conversation with human users, especially over the Internet." It is an assistant that communicates with us through text messages, a virtual companion that integrates into websites, applications or instant messengers and helps entrepreneurs to get closer to customers. Such a bot is an automated system of communication with users.

2.2 Why does a business need chatbots?

There are reasons for that like getting rid of routine tasks and simultaneous processing of multiple requests from users. Besides, a tremendous speed of processing users' requests with chatbots helps gaining customers' loyalty.

3. ARCHITECTURE AND DESIGN

The architecture model of a chatbot is based on the core functionality it provides. There are two types of possible responses of a chatbot: it can generate a response based on the data provided to it by artificial intelligence and machine learning or select a response based on a library of predefined responses.

3.1 Generative Models

This model is used for development of chatbots that are quite advanced in nature. These kind of chatbots are rarely used as they require complex algorithms in machine learning and artificial intelligence. These models are also very difficult to develop and training them is very time consuming as it requires millions of examples to train from. The accuracy of intended responses also varies with each interaction.
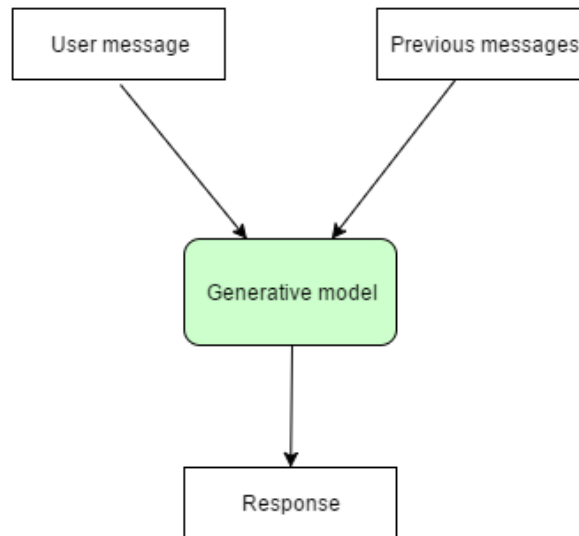

Fig -1: Generative Model

3.2 Retrieval-Based Models

Retrieval-Based Models are easier to build and are much more efficient and reliable. Accuracy of this model cannot be 100%, but if we know the possible types of responses, we can make sure that the chatbot doesn't respond with an incorrect or inappropriate response. This model is widely used nowadays to build chatbots because of the accuracy it provides. A lot of tools are available for developers to build chatbots on this model. This bot considers the message and context of the conversation to deliver the best response from a predefined list of messages.
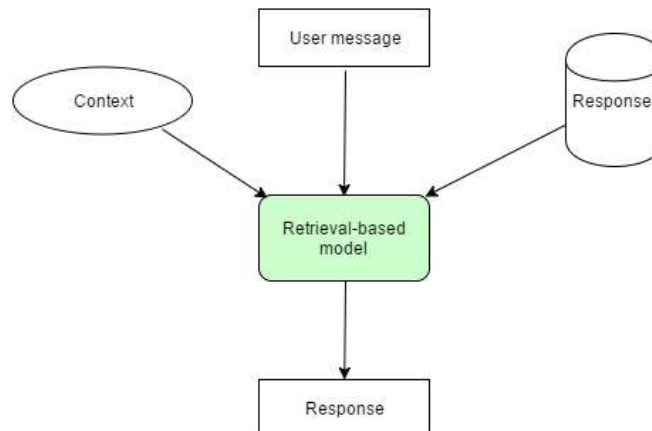

Fig -2: Retrieval-Based Model

4. CONVERSATIONAL SALES AND MARKETING

For businesses, everything comes down to results. Marketing specialists are constantly tasked with finding ways to drive business through digital means. As technology progresses, businesses have to adapt themselves to

move forward. This means they have to grow their customer base in a more engaging and captivating way. Chatbots serve as the perfect vehicle for this to happen. The solution for businesses is Conversational Sales and Marketing.

'Conversational Sales & Marketing' is a one-on-one approach which allows you to move more consumers down the sales funnel quicker. Consumers also feel more of a connection to your brand when the interaction is more humanized and real time.

Generally businesses have the customers fill out a form on their websites or marketing platform. While being tedious, a substantial part of the customers forget why they have filled out the form after a while. Rather than encouraging potential customers to complete a form on your website with their information, conversational marketing allows for immediate communication and targeted messaging where and how customers want and after that collecting lead details will yield greater quality leads. The model is obviously communication-centric and gives more room for user interactions.

Visitors visit your website either to understand about services/products or to inquire on the existing service that they have purchased. They can also leave a feedback or complaint. All of these tasks can be automated by using a chatbot. Apart from being available 24/7 as opposed to human agents, they also have the ability to engage with numerous people simultaneously. Even if the chatbot fails to satisfy the visitor, the chat can be transferred to a human, who can then interact with the customers.

In the marketer's eyes, once users are first introduced, the key is to make sure they are taken care of well enough to keep them coming back for more. Chatbots are really good at finding out what those interests are and then automatically sending users the right messaging thereby increasing their desire. Once their desire increases, their odds of buying go way up. After the user purchases, the bot can then be used to send them order updates, as well as handling logistics like shipping and tracking, and even be used to up-sell similar products.
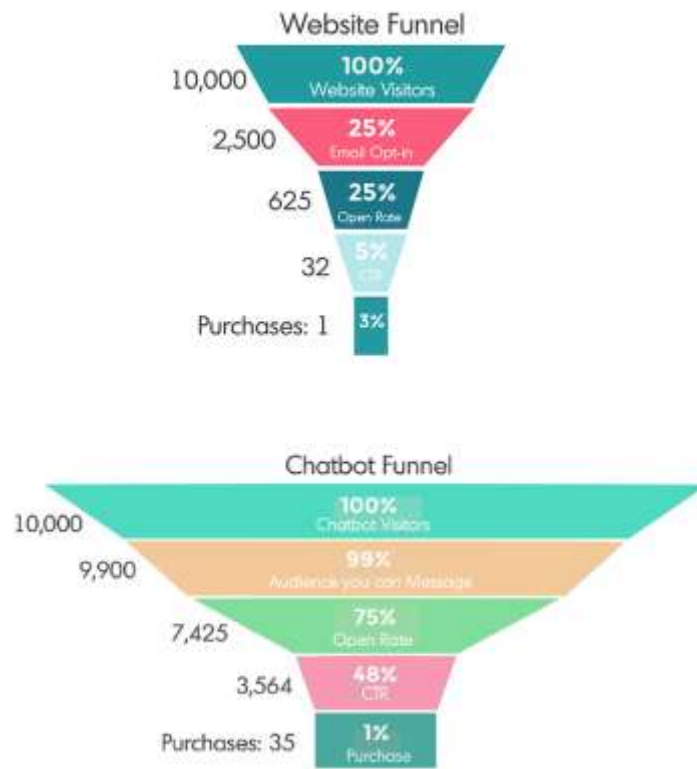

Fig -1: Websites and Emails vs. Conversational Marketing

4. CONCLUSIONS

Many business owners are just beginning to understand what benefits chatbots can bring to them. This technology is still in an early stage, its capabilities continue increasing and the best chatbots have yet to be created.

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