

7 Reasons Why your Business needs a Chatbot?

For businesses, it has become necessary to solve the queries and problems of the customers to ensure consumer loyalty along with the brand establishment. And just like the earlier times, man has looked to take help of machines to remove the constraints of human limitations. This time it is the customer service industry which has been revolutionized, and the innovation responsible for this is chatbot. Chatbots are considered the future of customer service and management.

A brief Intro to Chatbots

Computer programs which can have real conversations are known as chatbots. A chat interface allows chatbots to converse with users. Chatbots can be used with almost all popular messaging apps. These bots can be given distinct personalities as well. Chatbots can understand written and spoken text, and interpret its meaning. The bot can then look up relevant information and deliver it to the user. Most modern smartphone apps rely on chatbots to function.

Taking a look at the Chatbot Technologies in use

The cost and power of a chatbot depend on the technology it uses. There are two categories of chatbots –

1. Command based chatbots
2. AI based chatbots

Command based chatbots rely on a databank of replies and heuristics. The bots reply by selecting an answer that matches the context of a query. Command based chatbots cannot create new texts.

Characteristics of command based chatbots:

- These chatbots can answer a limited set of questions. The bot will require manual help for atypical questions.
- The chatbot cannot perform functions outside its code.
- To answer a question, the chatbot has to understand it first. Command based chatbots use template search or dynamic search for understanding and answering questions.

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AI based or Machine Learning Chatbots can answer ambiguous questions. Meaning, you do not have to be specific when asking questions to these chatbots. The chatbots create replies from scratch using natural language processing. These **chatbots** become smarter with time, learning from past questions and answers.

Both categories have their advantages and disadvantages. Command based chatbots can give more reliable and grammatically correct answers but fail to respond to questions outside their knowledge base. On the other hand, machine learning chatbots need a vast amount of learning data and can struggle to form longer sentences.

WeChat and Facebook: A study into the creation and Development of Chatbots

The question you might be asking now is why invest in chatbots since you have already invested in developing an app or a mobile friendly website? Well, because chatbots are the future. Understand how the development of chatbots has helped two powerhouses increase sales and engage customers better to emulate the same for your brand.

WeChat

WeChat had become very popular over the world due to its attractive stickers, is also the world's first company to focus on the development of chatbot and allocate resources to the development of the same. By integrating AI with voice recognition and its inherent chat platform, the app was able to achieve much more than the simple task of chatting. The reason behind the success of chatbots is that users don't have to download a new app every time they need a new service.

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The chatbots on this platform have been categorized into two segments: subscription accounts and service accounts. The future of the chatbots on this platform includes increasing the complexity and the sophistication in the working of the chatbots so that they can carry on long conversations with the users instead of just answering with generic replies based on the words in the string of text sent by the user. The most popular bot on this platform is Microsoft's Xiaoice. It has over 40 million users in Japan and China. Besides the replies it gives, even the voice of the bot is modified based on the cues it is getting from the user. Based on these stats and trends, we can say that the future of chatbots in this app is bright.

Facebook Messenger

Taking a leaf from the book of WeChat, Mark Zuckerberg, the CEO of Facebook, has the vision to turn the Facebook Messenger app into a commercial stalwart by integrating many functionalities and utilities into a single app. It began with an integrated P2P payment method on the messenger app and then moved onto a full-fledged chatbot API to create interactions with the customers.

With more than 11000 active chatbots on the Facebook Messenger and around 23000 registered accounts on wit.ai, Facebook's Natural Language Processing(NLP) service for developers, it seems that the chatbot platforms are all set to take the messenger platform by storm. By taking a step ahead in the development of chatbots, Facebook has even integrated the feature of sending not only textual responses but audio, videos, GIFs, etc., as well. And this has translated into multiple benefits for companies in the form of increased sales. Sephora's Sephora Reservation Assistant has increased the average spend by a user by \$50, and SnapTravel's bot has seen booking of over \$1 million in a year.

As a brand, it might be that you were late to the mobile optimisation bandwagon, but the chatbot revolution is yet to take off. So, if you are a business owner, this is the right time to start investing in chatbots for your business. This is clear from the two examples given above.

How Small and Medium sized Businesses are using Chatbots?

There are many ways in which business owners are using chatbots to enhance customer experience

Using chatbots for specialized tasks

There are several tasks which chatbots can do quickly and more efficiently than their human counterparts. Tasks such as checking the weather, ordering a pizza or hiring cabs can be done more efficiently with chatbots. In a similar vein, businesses can use chatbots to automate tasks such as inventory ordering and management.

Better service on smartphones and tablets

The world is moving towards a mobile future. Today, mobile phone users far outnumber the laptop and PC users. Use of chatbots in mobile apps has helped in creating more streamlined app interfaces. The user can browse, compare, buy and get support from a single interface.

Enhance your social presence by resolving social issues

The best example of this is the chatbot DoNotPay which saved not only different users from fines amounting to \$160,000 but also helped homeless people apply for housing. It is now turning to help the refugees claim asylum. Besides DoNotPay, there are other bots like U-Report, GYANT, Yeshi, etc., are making sure that they bring about a change in the society.

Chatbots are only going to get smarter with time, allowing diversified usage of this technology. They can become the first point of contact between customers, providing instant assistance, buying advice, and resolving common issues. It is safe to say that chatbot technology is the next big thing in customer service and e-commerce industry.

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Things to keep in mind while developing a Chatbot for your Business

- The whole idea behind getting a chatbot is personalization. Your welcome screen should tell the user about features of your bot. A user will feel more at home with your service if the bot is using his name for greeting and interaction.
- Another thing that users notice is the design of your bot. A user is more likely to trust a well-designed bot.
- Use proper text formatting, high-quality links and high-resolution pictures in your bot replies.
- Ask users for all the information you require, upfront, instead of asking repeat questions.
- Linking your chatbot with an NLP library can help in minimising grammatical errors.

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The easiest answer to that question is that a chatbot works 24/7 for 365 days a year. But, here are a few more

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- Scale up Operations**
Where live agents can handle only 2 to 3 conversations at a time, chatbots can operate without an upper limit.
- Handles lot of Customer Queries**
If your business receives a lot of inquiries, chatbots can take the lead off your customer support team.
- For range of identical products or services**
Chatbots can assist customers in getting the right product or services.
- Selling to the Millennials**
Millennials prefer live chat over phone calls. So, intruding chatbots in your customer service will be a prudent investment.
- Marketing content through Online channels**
For online communication channels chatbots can be useful in simplifying certain tasks.
- To drive up Organisational Efficiency**
If you are burning too many resources in backend support, chatbots can be your way out.

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1. To scale up your operations

Chatbots do not suffer from the limitations of a human agent. Where live agents can handle only 2 to 3 conversations at a time, chatbots can operate without an upper limit. By employing chatbot solutions to complement your human task force, your business can get the boost it needs to enter new markets.

2. You get a lot of queries from your customers

If your business receives a lot of inquiries, chatbots can take the load off your customer support team. By acting as the first point of contact, chatbots can screen calls from customers and redirect them to human agents only when required.

3. You have a range of nearly identical products or services

If you are selling goods and services which are near substitutes for each other, your customers may need help in selecting the right product. Customers also seek advice when buying something expensive, such as smartphones, camera accessories, etc. Chatbots can assist customers in getting the right product or service.

4. You are selling to the millennials

Millennials are not impulsive buyers. They like to inquire and compare products before they buy. Also, millennials prefer live chat over phone calls. So, if your product lines are aimed at Millennials, introducing chatbots in your customer service will be a prudent investment.

5. You are actively marketing content through online channels

The more you interact with your customers, the more business you get from them. If you are using online channels to communicate with your customers, then chatbots can be useful in simplifying certain tasks for you.

6. You are looking for an interactive marketing platform

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Unlike apps and websites, chatbots do not present a passive user experience. You can use chatbots for a highly interactive marketing campaign. And the availability of chatbots on platforms like Facebook Messenger means you can reach out to more people at once.

7. You need to drive up organizational efficiency

If you are burning too many resources in backend support, chatbots can be your way out. Instead of employing more people for mundane and repetitive tasks, install a chatbot business solution and automate everything.

Readymade chatbot platforms you can use

1. *ChattyPeople* – One of the most popular chatbot platforms on the internet, ChattyPeople also allows Facebook commerce. It's free for basic users and requires zero coding experience to set things up.
2. *FlowXO* – A very flexible chatbot solution that allows users to create fully automated bots.
3. *BotKit* – An open-source chatbot toolkit, BotKit supports Slack, FB Messenger and Twilio. It has the backing of an active developer community.
4. *Chatfuel* – A platform for pro developers to create their own chatbots, Chatfuel requires users to have coding experience. However, its interface is incredibly simple and easy to understand.
5. *MEOKAY* – Ideal for use by both developers and novice users, MEOKAY offers flexible and reliable chatbot integration. It also has advanced functions for advanced users.
6. *Recast* – A simple but high-quality chatbot which can be used across several platforms.
7. *Morph.ai* – A platform that helps in setting up your own chatbot in three easy steps. Morph.ai uses natural language processing to make conversations more believable.

Concluding thoughts

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Automation technologies are taking over all the spheres of our lives, be it the development of smart cities, smart homes, automated workspaces or technologies like smartphones and digital personal assistants. With every new development, we are moving a step closer to a more connected and digital future. Industry experts are unanimous in their opinion that the chatbot technology is still in its infancy. We are only scratching the surface of what a chatbot-enabled future may look like.

One thing is pretty clear though, chatbots are here to stay, and their development will impact both businesses as well as consumers. The present implementation of chatbots in the customer service industry offers businesses a doorway to understanding the future uses of chatbots for different aspects of business operations. Moreover, it is only through trial can we discover innovative ways of implementing this technology further.

If you are a small or medium business owner who wants to expand his/her business online, then chatbots can play a significant role in your success story. Chatbots can deliver the two essential requirements for any online business today – quality products and market presence. With the chatbot business solution, you can use smart AI technologies to keep your customers engaged in meaningful business to business conversations. This will enhance your knowledge base and help you in developing better products for your clients. Furthermore, you will be able to offer a quicker and more accurate support service to customers, enhancing your brand's reputation. Lastly and most importantly, as an early adopter, you will benefit more from the future advances in chatbot technology.

Soon enough, every brand will have a bot channel of its own. Chatbots are expected to become as common as business phone numbers, and with increasingly intelligent AIs, they will replace human assistance, entirely. We are once again moving towards a more conversational way of doing things, as was the case before technology hit our shores.

