A BEGINNER'S GUIDE TO

Conversational Commerce
Conversations are essential to building relationships and a successful business depends upon strong customer relationships.

Every time we meet someone new, we use our words to shape and craft the message we want to deliver. When you interact with your customers, the same narrative holds true. As our digital world continues to grow, how do we bridge our real world conversations into an online experience?

Meet Conversational Commerce.
Truth be told, the term ‘Conversational Commerce’ isn’t new to the industry.

It first gained popularity in a post on Medium published back in 2014 by Chris Messina, a product designer alum of both Google and Uber. In his words, the term was all about “delivering convenience, personalization and decision support while people are on the go, with only partial attention to spare”.

Simply put, Conversational Commerce is automated technology that allows consumers and brands to engage with each other through chat- or voice-based conversations. This technology is powered by rules and, in some cases, artificial intelligence (AI) and machine learning.

Conversational Commerce can take place across any channels your customers like to use – on your website, in messaging platforms (e.g. text message, WhatsApp, Messenger), on social media or even on smart speakers using voice assistants (e.g. Amazon Alexa & Echo, Google Home).

Since Messina’s post in 2014, Conversational Commerce has not only significantly increased in popularity, but has become known as an essential user experience (UX) feature for online stores.

By enabling this technology, brands have the power to improve the customer experience and buying journey by being there to assist their customers 24/7. Imagine what 24/7 real-time customer support can offer your customers – the convenience of quick access to answers on complex or simple questions on anything from product to order related topics.
Did you know that only around 1 in 33 website visitors make a purchase? And that after over 20 years eCommerce still only represents around 11-12% of total retail sales? Clearly something is not quite right.

While your website is the foundation of your ecommerce business, the web was never intended to be a retail environment – websites were originally designed to make it easy to store, index and display large amounts of information.
Think about how your experience in a brick-and-mortar store compares to online. In a store there is often someone there who can offer advice or answer questions, which in turn, makes you more likely to purchase. Whereas online, you have to find your own way around and, typically, there’s no one there to provide assistance in a timely manner. To no surprise, this results in lower conversion rates.

In order to make your ecommerce store more successful overall, you’ll need to create a better user experience, one that goes beyond a typical set of nicely designed web pages. Conversational Commerce is becoming an essential element in making websites and apps more interactive and conversational, helping take your business to the next stage of growth. Conversational commerce will help you increase conversion rates, improve customer loyalty and retention, and, overall, create an optimal, headache-free experience for your customers.
Consumers are now more connected than ever before, primarily due to an addiction to their smartphones. People send over 150 billion messages every day to each other and to businesses!

That being said, the way consumers communicate has also continued to evolve as new platforms and technologies enter the digital age.

With so many communication platforms, brands struggle to understand how and where their customers are engaging.
When it comes to chat-based communication, the industry has seen a subtle shift in what type of messaging platforms consumers use most. Back in 2015, the combined user base of the top four chat apps (WhatsApp, Messenger, WeChat and Viber) overtook the combined user base of the top four social networks (Facebook, Instagram, Twitter and LinkedIn).
While that statistic may seem surprising to some, increasing concerns over privacy have highly contributed to the shift. More consumers are reducing their public footprint and, instead, are engaging in private messaging as an alternative. Social media platforms are responding to this industry shift and have re-focused on their messaging efforts. Facebook’s focus is now primarily on its three messaging apps – Facebook Messenger, WhatsApp and Instagram Direct Messages.
Mainstream use of smart speakers and voice assistants is also growing rapidly. In December 2018 there were 66 million adults in the United States with a smart speaker.

Amazon dominates the smart speaker market with its range of Echo devices, holding a 61% share whilst Google has grown rapidly to take second place with a 24% share.
The key to their success has been aggressive pricing and continued improvement in the voice bots that power conversations with consumers. Consumers are also able to engage with voice assistants such as Google Assistant or Siri on their Android and Apple mobile phones respectively.

Some people think that voice assistants are created or intended exclusively for home or personal use. However, online businesses can benefit greatly from integrating voice assistants into their online store.

For your busy, on-the-go customers, voice can be an optimal tool they use to engage with your brand, especially for re-ordering regular, repeat purchases. A great example of utilizing voice messaging for your business is Amazon Alexa’s capability of ordering products and processing checkout – entirely via voice communication between the user and the technology.
Conversations are empathetic, natural, authentic, and deep-rooted in emotion – and that’s exactly what consumers look for when they’re shopping online.

In today’s world, consumers are sharing posts on social media, sending direct links to their friends or family group chat, or even engaging in conversation with their smart speakers to learn more about a product or service.

Most importantly, consumers now live in a world where they expect to engage with brands directly and in real time.

Let’s use an example:

Emily receives a Facebook Messenger message from one of her favorite fashion brands featuring a pair of shoes she absolutely adores. She shares this message with her friend Stephanie, adding the following message, “You have to see these shoes! They’ll look amazing with your little black dress!”.

Stephanie clicks the link in the message and sends a question directly to the brand’s Facebook Messenger bot, “Do you have these in size 8 in red?”

Stephanie has now engaged in conversation with the brand and expects a quick, friendly response. Unless brands are willing to staff these chat apps 24/7 they’ll need to employ bots to deal with these types of questions.
There are four types of conversational experiences you can deliver to your customers:

1. **Proactive/Automated** - welcoming returning customers, handling stockouts, etc.
2. **Reactive/Automated** - helping customers find products, preventing abandoned carts, providing pre-sales support, etc.
3. **One-to-Many/Manual** - sending message broadcasts to customers to announce a new blog post or product video, a special promotion or an event.
4. **One-to-One/Manual** - engaging in conversation with an individual customer after they’ve had their order delivered.

Different conversational experiences can be offered at different stages of the customer journey. Steps in a typical buyer journey that can include conversational elements are:

- **Discovery** – helping customers find products that suit their style or tastes.
- **Consideration** – providing answers to product questions, checking stock availability, getting feedback on products from friends.
- **Purchase** – answering questions about returns, delivery, etc, offering incentives to those likely to abandon their purchase.
- **Retention & loyalty** – checking order & delivery status, processing returns, helping with setup or installation, offering loyalty incentives.
- **Advocacy** – purchase sharing, asking for service and product feedback and reviews, refer a friend programs.
It’s important to customize your messaging to suit the stage in the customer journey and to reflect your brand voice. Conversational Commerce platforms like Maisie enable you to customize pre-built, use case specific conversation templates to reflect your brand voice.
We know that the ability to have real-time conversations is influencing the way consumers shop online and, in turn, is raising their expectations.

So, imagine what a technology that acts as a personal shopper for your customers – offering recommendations, providing support and quality information and offering intelligent promotions and discounts – could do for your online business.

Chatbots are automated software that can initiate conversations with and also respond to questions from customers on your website or in apps like Messenger or WhatsApp.

Chatbots empower retailers to engage with customers in real-time, across channels and at scale, both proactively (based on customer behaviour) and reactively (in response to customer queries).

In a competitive world, brands cannot afford to scale their staffing to support real-time customer engagement at the level that chatbots can perform. This makes chatbots both a time- and cost-effective solution.
Chatbots also provide a great user experience – for example, consumers often prefer using online chat over picking up the phone to call customer support. Chatbots allow your business to efficiently address issues or find ways to upsell or cross sell while making customers feel they are personally taken care of in a friendly manner.

Chatbots can be used in a variety of ways to help retailers engage with consumers throughout their buying journey from product discovery to purchase to after-sales support.
In summary, conversational commerce is about providing a better experience for your customers, thereby enabling you to sell to them more effectively. Instead of forcing your customers to come to you, conversational commerce enables you to go to where they are and engage with them in the manner they prefer. The flow-on benefits for your online store are many:

- Increased sales revenue from higher conversion rates
- Greater engagement with customers
- Higher customer satisfaction
- Improved customer retention, loyalty and word of mouth

Conversational Commerce is here and is starting to take the ecommerce industry by storm. Make sure your business doesn’t get left behind!