



Ong Kai Kiat

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Nov 3 · 4 min read

Business Application of ChatBots

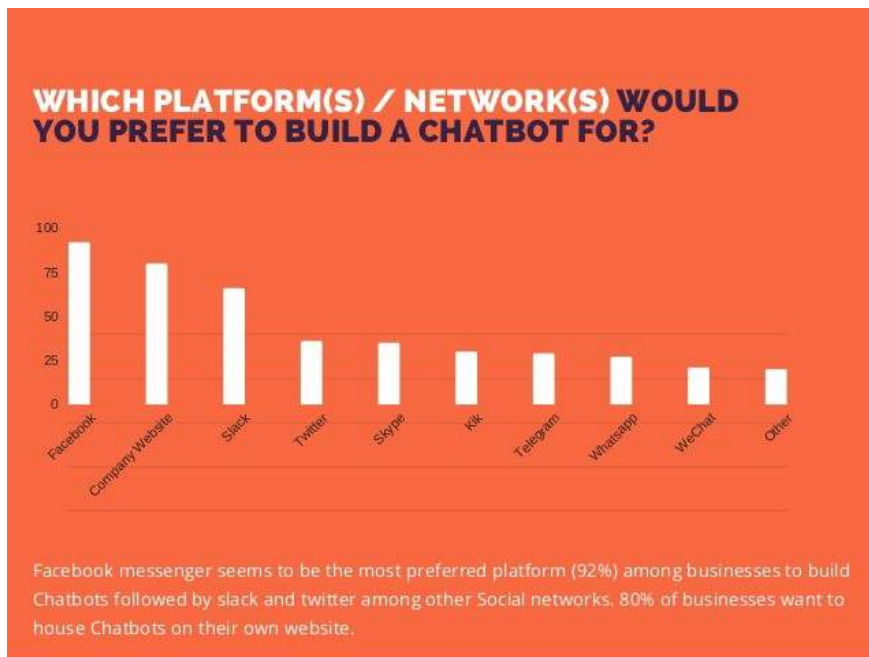
Chatbot is one of the new application of artificial intelligence which would result in deep change in how customer service and sales are being conducted. [Business Insider](#) calculated that chatbots can replace 29% of customer service and 36% of sales representatives in the United States alone. This would result in \$23 billion and \$15 billion in savings of salaries respectively.

The appeal of chatbot is its ability to respond to standard customer queries on products and services instantaneously without having the long response time needed for emails. Customer service tends to work during office hours but chatbots can work around the clock and also collect data from each customer interaction.

Studies have shown that the fast interaction with prospect give a better conversion rate as they are less likely to jump to a competitor. Chatbot can also help to qualify a prospect which allows sales representative to focus on closing the sales. Given these advantages, it makes sense to delve into the details of deploying chatbots.

Position & Industries of Chatbot Deployment

The ideal position of a chatbot is the high internet traffic areas of your digital assets. During a survey done by a app developer company, Mindbrowser, most company would want to place their chatbot on Facebook and their own website.

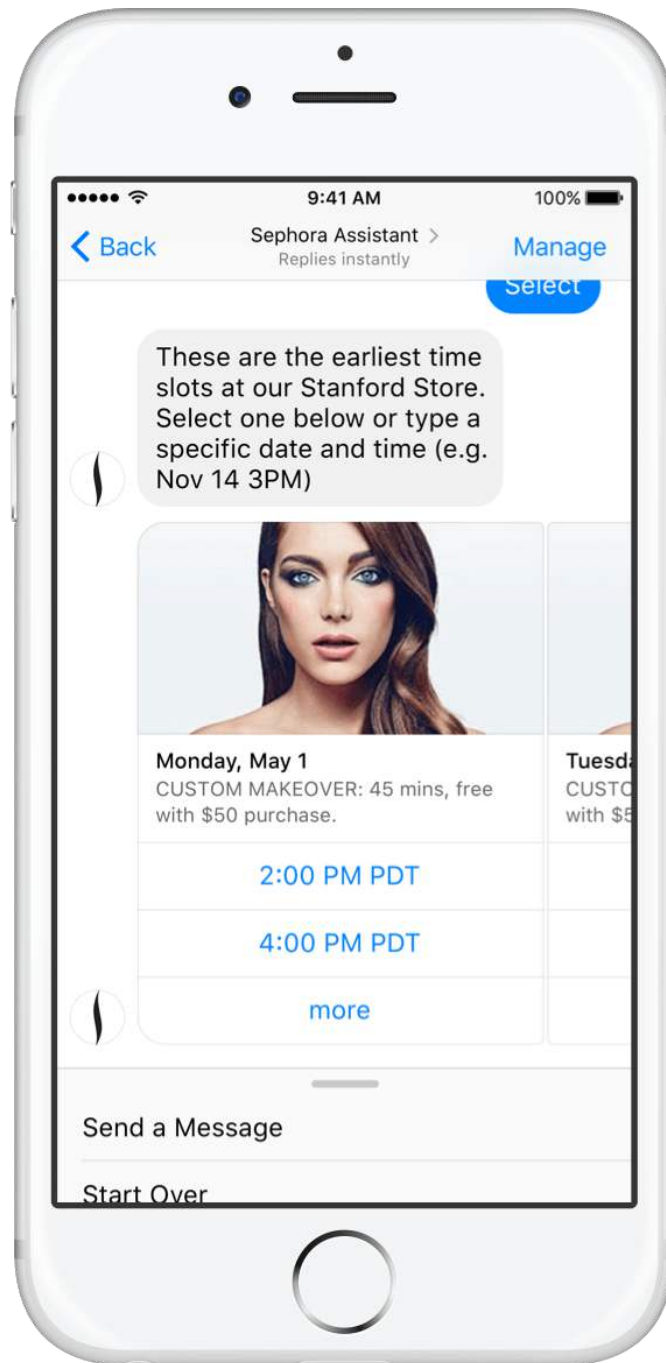


Source: [LinkedIn](#)

Oracle found out that 90% of businesses use Facebook to respond to service request and 65% of customers prefer to use messaging app to contact a business. Interestingly, 50% of customers would purchase items over a messaging app. The survey had also found that the main industries that would benefit most from chatbot would be e-commerce, insurance, healthcare, retail and hospitality.

Actual Example—Sephora Booking Through Facebook Messenger

Sephora uses Facebook's bot to help its client to book their appointment in easily as 3 steps using conversational format. This results in a win-win situation where its clients are willing to spend another \$50 more after their makeover and its client spends lesser time to book a makeover appointment. The ease of booking had resulted in 11% increase in booking compared to other channels during the holiday season.



Source: [Facebook Messenger](#)

Other brands such as Tommy Hilfiger, Absolut Vodka and Coors have embraced Facebook Messenger's bot service to reach to clients even as they engage in targeted advertising. Other usage includes the SnapTravel which allows fast and easy booking and comparison of different travel packages. Other applications can include a fast comparison of [business loans](#), air tickets, sport and concert events in the city around you.

Hubspot Embeds Chatbot Into Sales and Marketing

The most important sign that chatbots are being accepted widely by marketer would be Hubspot's integration of its chatbot called GrowthBot into its sales and marketing automation arsenal. The main objective would be to use GrowthBot to drive more revenue which is linked to its existing CRM system.

For instance, GrowthBot can recognize that customer's request through channels such as Facebook and Slack which is linked to its Customer Relationship Management (CRM) system for better conversion. GrowthBot acts as chatbot to reply to client's inquiry immediately and has the ability to track the behaviour of your prospect before launching its services. As noted by 3E Accounting, an entrepreneur would need to get rid of distractions such as petty customer enquiries and secretarial duties to focus on the important things such as strategic planning and marketing.

GrowthBot can be programmed to launch only when prospect stays on your website for a certain amount of time and after they have visited certain pages such as the pricing page. Such leads can then be referred to the right person who can then connect in real time to take over the conversation. As Marketo noted, a 10% increase in lead quality can result in a 40% improvement in sales productivity.

Major Business Focus of 2017

Chatbot starts to emerge into business consciousness when Facebook announced its bot program in 2015 and started to gain momentum in 2016. Based on Mindbower's recent survey of over 300 small businesses globally in 2017, 70% of them would be building chatbots for their business this year. Chatbot is emerging as a major business productivity tool indeed.

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