

botco.ai



THE STATE OF CHATBOTS IN MARKETING 2022

A custom study commissioned by Botco.ai | January 2022



INTRODUCTION

WHAT IS CHATBOT MARKETING?

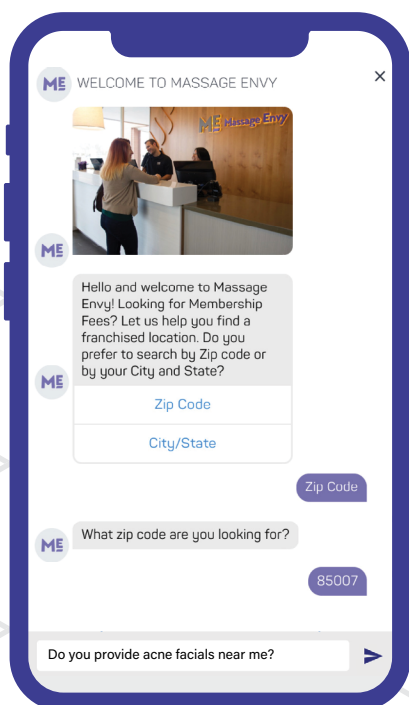
Chatbot marketing is a modern approach to promoting products and services using a chatbot—a computer application that converses with users with the help of artificial intelligence (AI).

In the latter part of the 20th century, chatbots were merely a convenient tool for businesses to automate customer service. One of the earliest chatbots etched in public memory was utilized by Microsoft Office through the 1990s but was retired in 2007 after much criticism. In comparison however, Microsoft's chatbot had a far more universal reach than its predecessors, Eliza (1966) and ALICE (1995)—prototype chatbots that were mainly limited to research purposes.

Since then, the evolution of chatbots has come a long, long way. While, in essence, a chatbot is quite simply a computer program that automates tasks by conversing with a user through an interface, the development of AI and natural language processing (NLP) has enabled chatbot technology to exponentially evolve, helping to understand complex requests, personalize responses, and greatly improve virtual interactions overall.

While chatbots are still used to creating frictionless customer experiences across a multitude of industry sectors, they are now increasingly being tasked to tackle data collection, lead generation, and of course marketing.

This report sheds light on the chatbot marketing priorities and trends challenging enterprise leaders, the benefits of investing in AI-powered chatbots to deliver ROI, and looks ahead to the greater adoption of chatbots across industry sectors in the coming years.



Message Envy's chatbot creates personalized conversation based on real customer data for a humanlike conversation.



METHODOLOGY

In November 2021, Botco.ai conducted two surveys to gauge the utilization of chatbots in the field of marketing. The first survey was directed towards consumers and had 1,000 participants. The second survey conducted had 250 respondents, all of whom held a title of either chief marketing officer, digital marketing manager, vice president of marketing, or director of marketing.

The goal of the survey was to evaluate the participants' familiarity, use of, and satisfaction with intelligent chatbots, as well as the appeal of the technology compared to other products currently available. Respondents represented a wide variety of industries, education and income levels. This custom study was conducted with the following demographics:

Organizational Role

CMO: **26%**
Marketing Manager: **29%**
VP of Marketing: **19%**
Marketing Director: **26%**

Organization Size

1-100 employees: **12%**
101-500 employees: **26%**
501-1,000 employees: **36%**
1,001-5,000 employees: **20%**
5,000+ employees: **6%**

Industry Sector

Aerospace: **14%**
Agriculture: **9.2%**
Construction: **9.6%**
Education: **4.4%**
Energy: **1.6%**
Energy: **1.6%**
Entertainment: **2.8%**
Finance: **6.8%**
Food: **6.4%**
Healthcare: **13.6%**
Hospitality: **1.2%**
Manufacturing: **12%**
Media: **1.2%**
Technology: **12.4%**
Telecommunications: **3.2%**
Transportation: **1.2%**



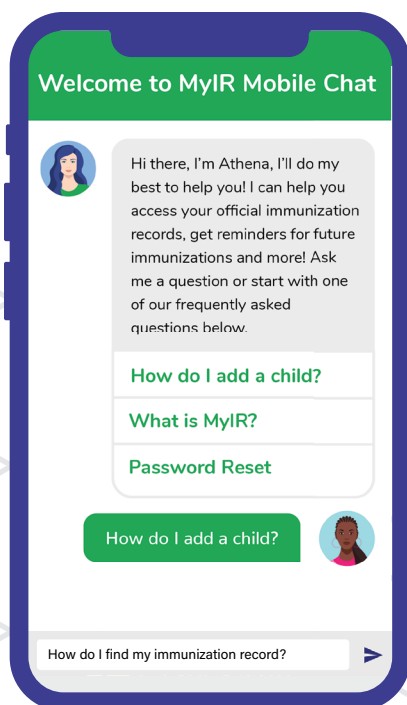
INSIGHTS & TRENDS

Smart, conversational AI-powered chatbots deliver a human-like experience across the customer journey. Intelligent chat can help your business stand out from the competition and bring new experiences to delight and excite your existing customers and prospects.

In today's ever-evolving digital world, many companies are choosing to leverage AI and automation to deliver personalized marketing interactions across a multitude of channels. Unfortunately, most conversational platforms lack the key capabilities and user-friendly functionality, which ultimately lead to less-than-stellar results as well as unsatisfied customers.

To best reflect the needs and wants of their customers, forward-thinking companies must offer easily configured, well-integrated and highly personalized chatbot experiences that are specifically tailored to the interests and behaviors of the user.

Trends in marketing strategies across a wide swath of industry verticals suggest organizations of all sizes have made investments in chatbot technology and data infrastructure over the last few years. Overall, that is not entirely surprising given the fact that as the pandemic progressed, many organizations continued to suffer due to staffing shortages, furloughed employees and limited business hours.



MyIR Mobile, an online service keeping digital logs of vaccination records, uses Botco.ai-powered virtual agent Athena to immediately engage with users in a text conversation. Athena is successful because she asks parents questions about their health through bite-sized conversations, rather than filling out lengthy, traditional forms that normally lead to abandonment.



Staying relevant in a fast-paced digital world

Without a doubt, the pace of business, as well as customer expectations, have changed exponentially over the last 20 years. And so has the concept of regular business hours.

We now live in a world where you can order pizza from an app, buy practically anything online while still in bed, book a flight while lounging by the pool, and quickly find reviews of virtually every business, service and product within a matter of seconds. This multitude of online information, as well as the ease of instantaneous access, really matters to consumers.

It can be tough for businesses of all sizes to keep up with the speed of the ever-changing digital world we live in. However, tech-savvy businesses that use the latest digital methods to operate, market and promote themselves, engage with customers, and grow their businesses have the upper hand.



Conversational marketing and chatbots have taken hold

Conversational marketing has gained prominence in the last few years. Building direct customer relationships that drive sales with messaging powered by artificial intelligence is not the future of doing business—it's the present. Leading brands across the globe are utilizing conversational marketing to exponentially grow their website pipeline by quickly identifying high-value website visitors and engaging with them instantly.

Approximately 82% of survey respondents acknowledged that they have engaged with a chatbot before. Of those respondents, 70% said the chatbot answered “all” or “most” of their questions to their satisfaction.

82% have engaged with a chatbot.

70% of those had all or most questions answered.

An impressive 93% of marketing professionals polled said their companies currently use chatbots to interact with prospects and customers. Companies that embrace highly personalized marketing and customer service interactions with buyers and prospects can expect to see a return on their investment. Forward-thinking companies aren't merely just using chatbots because they are the newest shiny object to drive sales and marketing, they are relying on them. Virtual assistants and chatbots using artificial intelligence are here to stay.



The value and ease of chatbots

There have never been so many ways to access information so quickly. In our high-speed, dynamic environment, it's easy to see why people prefer to communicate through the channels that are most convenient for them.

Machine-learning chatbots are powering conversations across all customer-engagement channels. If customers are online 24/7—your business should be, too. AI-powered chatbots deliver real conversations and better customer engagement. There's no waiting on hold for a live agent, ever. Your customers and prospects get the answers they need in real time.

Results of the study illustrate that the vast majority of people with questions for a business would prefer to speak with an intelligent chatbot right away, as opposed to waiting for a live agent. An astounding 91% of respondents stated that if they knew a chatbot could provide necessary information more quickly than a live agent, they would use it.

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In addition, 30% were pleased that all of their questions were answered to their satisfaction when they have used chatbots, while 40% of respondents stated that most of their questions were answered.

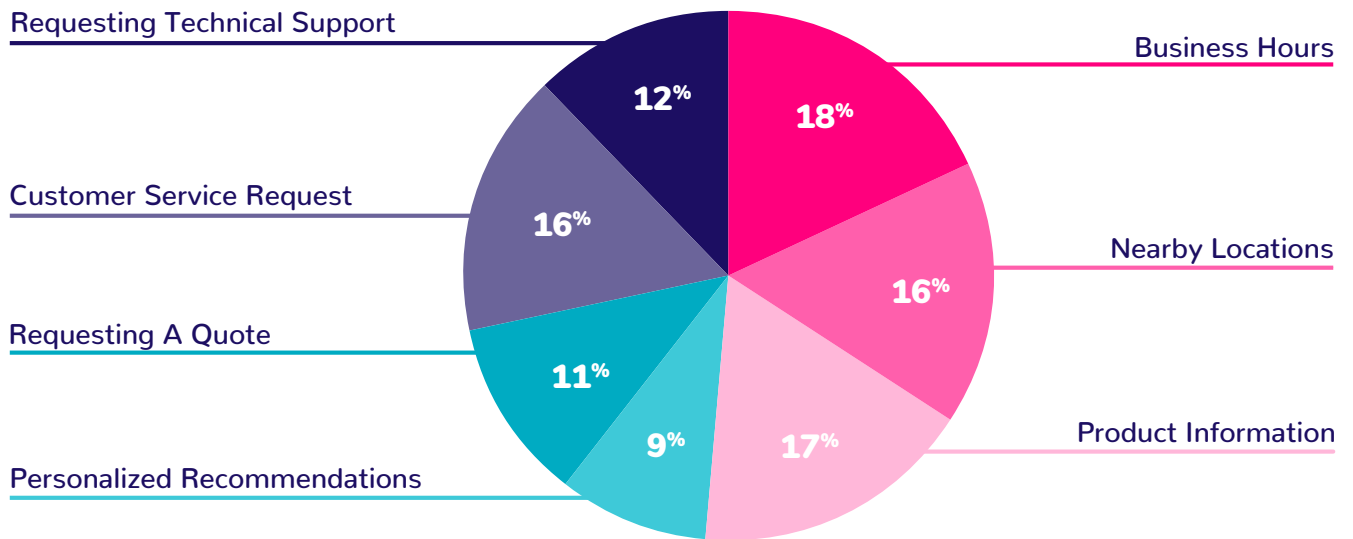
If a company has a chatbot on its website, nearly two-thirds of people (64%) indicated that they are more likely to ask the chatbot for answers to basic questions than browse a site to try to find the answer(s) themselves.

Understanding that their businesses could be left behind, 87% of companies that don't currently utilize chatbots expect to do so in the future, with 50% of them expected to do so in the next year or less.



Reasons consumers use chatbots

As the world becomes even more interconnected, intelligent chatbots powered by AI are becoming the best allies for both customers and companies as they are extremely versatile across industry sectors. Survey respondents provided valuable insight on the reasons for using a company’s website chatbot. Approximately 18% of users are searching to find business hours, while nearly 16% are looking to find a nearby business location and 17% are interested in learning more about product information. Rounding out the list include receiving personalized recommendations (9%), requesting a quote (11%), customer service request (16%), and requesting technical support (12%).



Achieving ROI and measurable results

By implementing a chatbot into your business, you’ll optimize conversational marketing performance over time. Today’s leading brands leverage conversational marketing to get results across the customer lifecycle, and you can too.

A remarkable 98% of survey marketing professionals confirmed that chatbots have improved the customer journey overall for customers and prospects, as well as increased sales conversions for their companies. The most noted benefit was increased sales conversions at 26%, followed by more qualified leads (20%), decreased customer-support requests (12%), a more positive customer experience (22%), and increased brand affinity (19%).

Your customers want personalized and effortless experiences. In a world full of online marketplaces, consumers prefer to engage your brand where, when and how they want. Intelligent chatbots powered by AI make it possible for you to do exactly that at scale. Your business will drive sales, build trust and increase loyalty by engaging consumers in real time with AI-powered marketing chatbots.



Security in providing personal information

Sharing personal information with businesses—whether over the phone, while making online purchases, or responding to email requests from your bank—is often met with skepticism and caution, as it can potentially be one of your biggest risks online.

When asked who they would be most comfortable providing their personal information to, 34% of consumers still prefer to provide their name, address, phone number, email address and account number to a live agent. Approximately 29% of respondents felt comfortable with providing their personal data to chatbots. Essentially, people are just about equally comfortable sharing information with either a chatbot or a live agent. And while a small percentage of consumers are still skeptical about some sharing personal data, they are willing to make a trade-off for the sake of time, convenience and accessibility.



Utilizing chatbots across industry sectors

An ever-increasing number of industry sectors are using chatbots in many exciting ways. You can find a local movie theater, share music, order groceries and take out, hail a ride home from a concert, schedule a flight, stay on top of national news, track returns to a retailer, and so much more. This all points to one thing: adoption of chatbots is growing. Chatbots and virtual assistants are clearly the future of marketing and customer support.

Chatbots have set a new bar for retailers and e-commerce, which are the combined No. 1 sector for adopting intelligent chatbots. These days, retail browsing and overnight delivery is far beyond just for the holidays. It can now be considered a new favorite pastime for many people. E-commerce has not only changed the customer experience on the busiest shopping days of the year, but, in fact, has completely transformed it year-round with meaningful interactions.

Close behind retail and e-commerce is the banking and financial services industry, followed by health care, the services business sector, education and non-profit organizations.



Retail



E-commerce



Banking



Financial Services



Health care



Services Business



Education



Non-profit

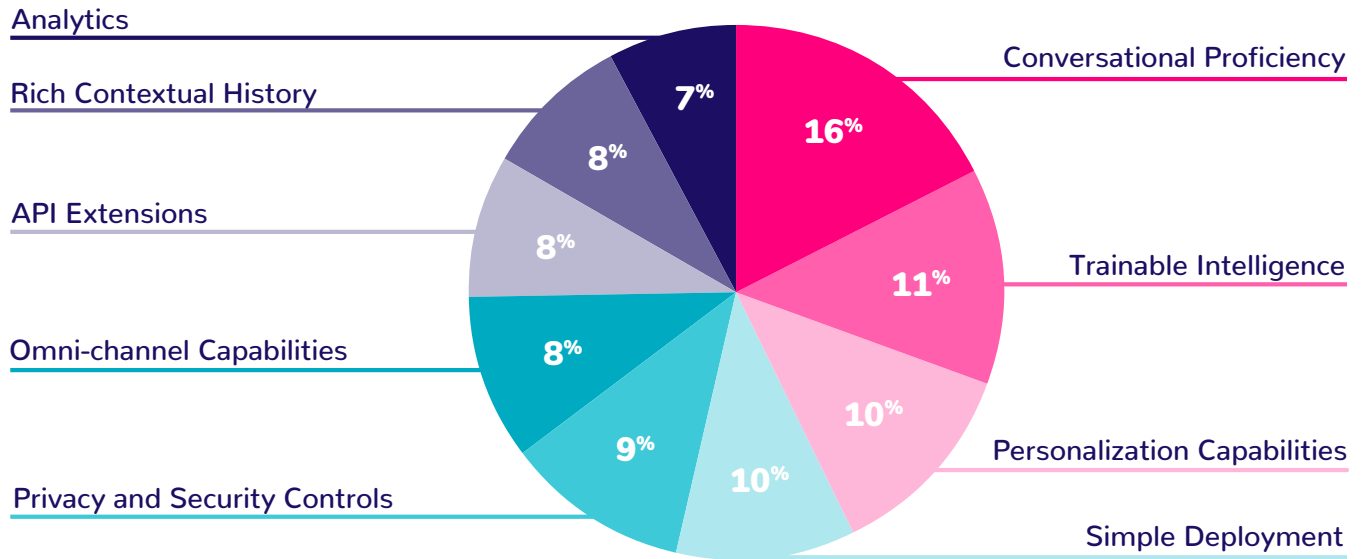


Chatbot features right for your business

While chatbots are already revolutionizing various sectors, this rapidly rising trend can be intimidating to those businesses that don't know where to start.

First and foremost, the chatbot that businesses select must align with the organizational goals as well as customer expectations. The right technology will not only simplify the consumer experience, but also bring in long-term loyalty to your business. Essentially, the chatbot that you select must be relevant to the needs of your business. There is no one-size-fits-all approach with a chatbot.

Conversational proficiency is at the top of the list of features marketers consider when evaluating chatbot solutions at nearly 16%, followed by trainable intelligence (12%), personalization capabilities (11%), simple deployment (10%), privacy and security controls (10%), omni-channel capabilities (9%), API extensions (8%), rich contextual history (8%), timely human take-over (8%), and analytics (7%).





BARRIERS TO INCREASED DEPLOYMENT

In today's fast-paced digital environment, we want answers and we want them fast. Overall, roughly 60% of consumers have a positive perception of AI and automated chat technologies and find them to be convenient and helpful.

Extremely Positive	29.47%
Somewhat Positive	30.07%
Neither Positive Nor Negative	24.98%
Somewhat Negative	11.89%
Extremely Negative	3.6%

So, what exactly is holding businesses back from greater adoption then? Overall, the answer appears to be that familiarity and old habits really do die hard. Nearly 45% of survey respondents actually really do care whether they are speaking to a live agent or a chatbot when it comes to answering basic questions.

Yes, I'd prefer to speak with a live agent	44.96%
Yes, I'd prefer to speak with a chatbot	26.07%
No, I don't have a preference	28.97%

And whether it's frustration with chatbots, lack of trust, or concerns over data privacy, 41% of consumers said that they would still prefer to speak with a live agent.

I don't believe it will give me the answers I want	38.96%
I think it's unlikely to answer complete questions	56.44%
I'd rather speak with a live agent	41.56%
I find chatbots frustrating to use	22.08%
I don't trust chatbots	9.69%
I'm concerned about my data privacy	21.88%

Respondents had the option to choose multiple answers.



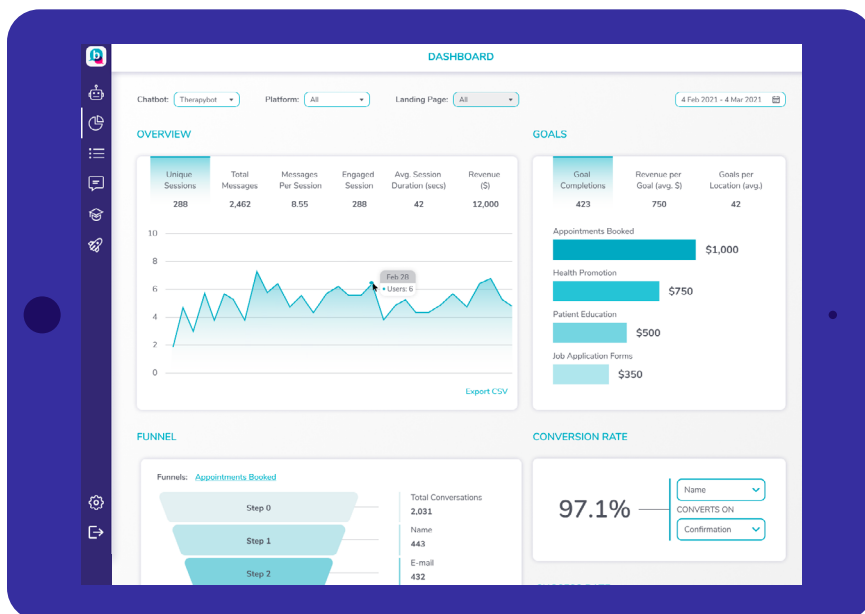
THE BENEFITS OF CHATBOT MARKETING

INVEST IN AI-POWERED CHATBOTS TO DELIVER ROI-DRIVING MARKETING STRATEGIES

You don't need to be a tech genius to increase your company's relevance and effectiveness online. Botco.ai is here to help.

Chatbots can bring a plethora of benefits to your business at large, including but not limited to:

- Ability to integrate content marketing posts into chatbots as attachments
- Higher degree of chatbot personalization
- Higher engagement and conversion rates
- More expansive data analytics opportunities
- Decreased customer-support costs
- Automate up to 80% of inquiries
- Connect with buyers and convert leads faster
- Grow your pipeline by 6x
- Chat with high-value website visitors in real time
- Convert interest to action instantly



Personalized for you. Connecting a virtual agent to your existing EHR or CRM delivers a rich experience that converts more patients.



A LOOK AHEAD

THE FUTURE OF MARKETING WITH INTELLIGENT CHATBOTS

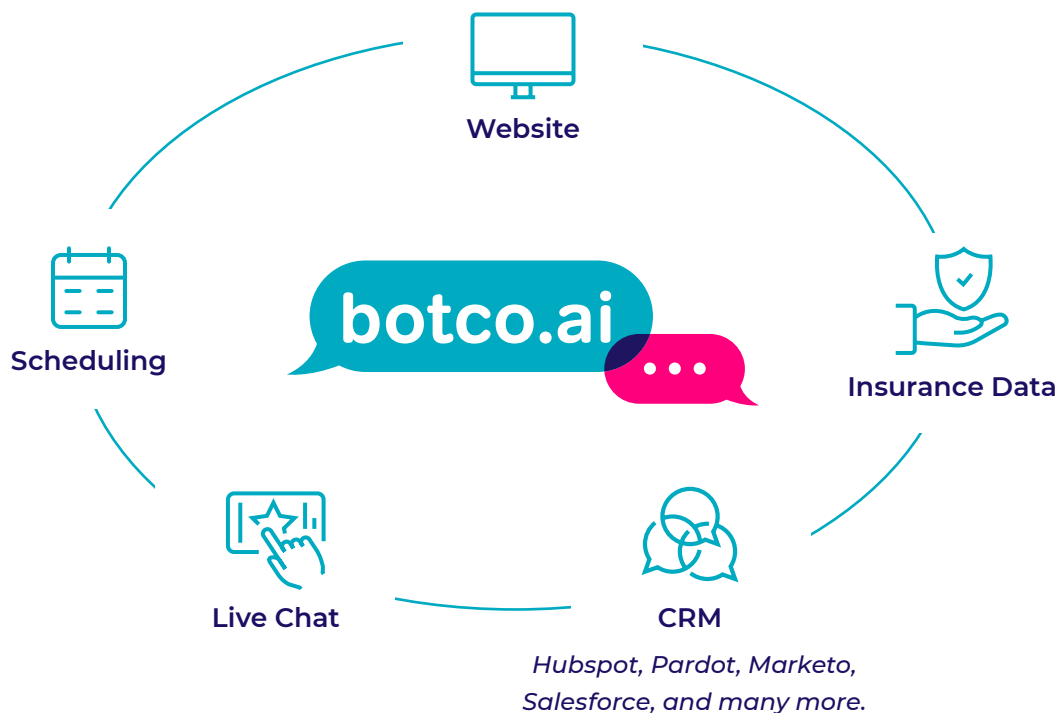
Technology will continue to grow, accelerate and change business for the foreseeable future. The complexity of providing customers with a connected journey will likely span multiple channels.

Chatbots for marketing automation may still be considered somewhat unexplored terrain, but it's one of those fields of marketing that's low-risk, high result. And with the world moving towards digital, you need to have the tools and technology to support that.

Companies risk facing many challenges to adapt to new technology. However, the far greater risk is not doing anything at all to stay competitive. Organizations that embrace conversational AI technologies will overcome challenges and continue to drive interest and increase revenue.

Botco.ai intelligent chat powered by AI makes it possible for businesses of all sizes and revenue streams to be accessible to their customers and prospects all day, every day. And while your staff enjoys their days off, long weekends at the beach or extended vacations abroad, your chatbot is always working for you.

Want to get a head start in chatbot marketing? **Here's your chance!** Forward-thinking companies that take advantage of AI-powered tools and technologies will have a huge advantage over their competitors who are either late adopters or who enter the market at a much later date.



CONCLUSION

PRIORITIZE PERSONALIZATION WHEN CHOOSING AN AI-POWERED, CONVERSATIONAL CHATBOT PLATFORM TO REAP GREATER SUCCESS

As you can see, there's a plethora of ways to utilize chatbots, and the usage numbers don't lie. They might not have completely taken over just yet, but more and more companies are becoming more aware of their uses—and more brands are tapping into that opportunity.

Both new and established businesses of all sizes, bricks and mortar and online, are finding it harder to compete and generate revenue in today's modern marketplace.

The good news? You don't need to be a tech genius to increase your company's relevance and effectiveness online. With the right tools, coupled with some knowledge and effort, you can find new ways to promote your business, interact with current customers and attract potential customers to your organization. The most successful companies continuously learn, grow and adapt to changing technology. And Botco.ai can help your business to do exactly that.





ABOUT BOTCO.AI

MULTIPLY YOUR MARKETING ROI USING AI-POWERED CHATBOTS FROM BOTCO.AI

At the forefront for digital customer experience, Botco.ai helps you re-imagine the customer journey through engagement-first solutions, spanning automation and live chat.

Botco.ai, a leader in conversational marketing that enables meaningful and intelligent conversations between businesses and their customers, is one such tech innovator that has prioritized personalized engagement with conversational chatbots powered by artificial intelligence.

Botco.ai's conversational AI will enhance your marketing strategies like never before. Discover the benefits of investing in accessible AI-powered chatbots to deliver ROI-driving experiences for your customers and prospects today!

For more information, visit botco.ai.

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