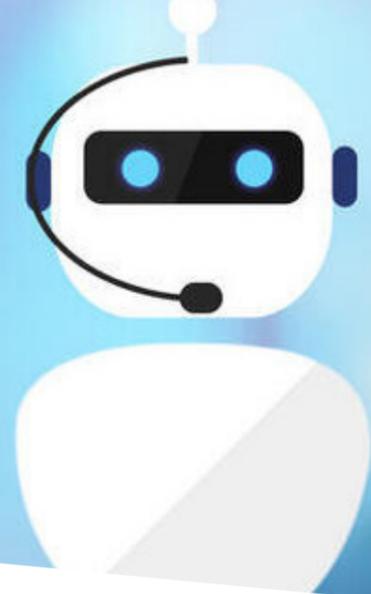




WHITEPAPER

10 chatbot trends for integrated omnichannel communication



What can i help you with?

Do you want to build a strong brand and offer the ultimate in customer service at the same time? In that case, in the year 2021 there's no way round chatbots. Thanks to natural language processing and machine learning technologies, chatbots have become hugely popular in the last few years. What's more, there's a good chance that you talk regularly to a chatbot without even realising it. Chatbots are set to get even better in the near future, and will ultimately even play a central role in customer service at various types of company. In short, chatbots are becoming a vital link in integrated omnichannel business communication. Today, we describe the latest chatbot trends you should keep an eye on.

Chatbots are becoming a vital link in integrated omnichannel business communication.

10 chatbot trends to work with in 2021

- Chatbots are making extreme strides in popularity
 - Chatbots are becoming more human
 - Chatbots are more AI-driven
 - Companies are embracing chatbots
 - Chatbots offer rich consumer insights
- Voice experiences are becoming mainstream
 - Bots understand natural language
- They are coming into use in automated call centres with AI
 - Messaging apps are steadily becoming more popular
 - The virtual assistant is replacing apps

Artificial intelligence (AI) is no longer the sole province of large corporate organisations. Thanks to a number of major innovations in past years, small and medium-sized enterprises can now use AI technology to improve their activities, get into closer contact with their customers and ultimately stimulate sales. Companies are investing more and more in the development of AI technologies which will help the machines to understand human language better.

What actually is a chatbot?

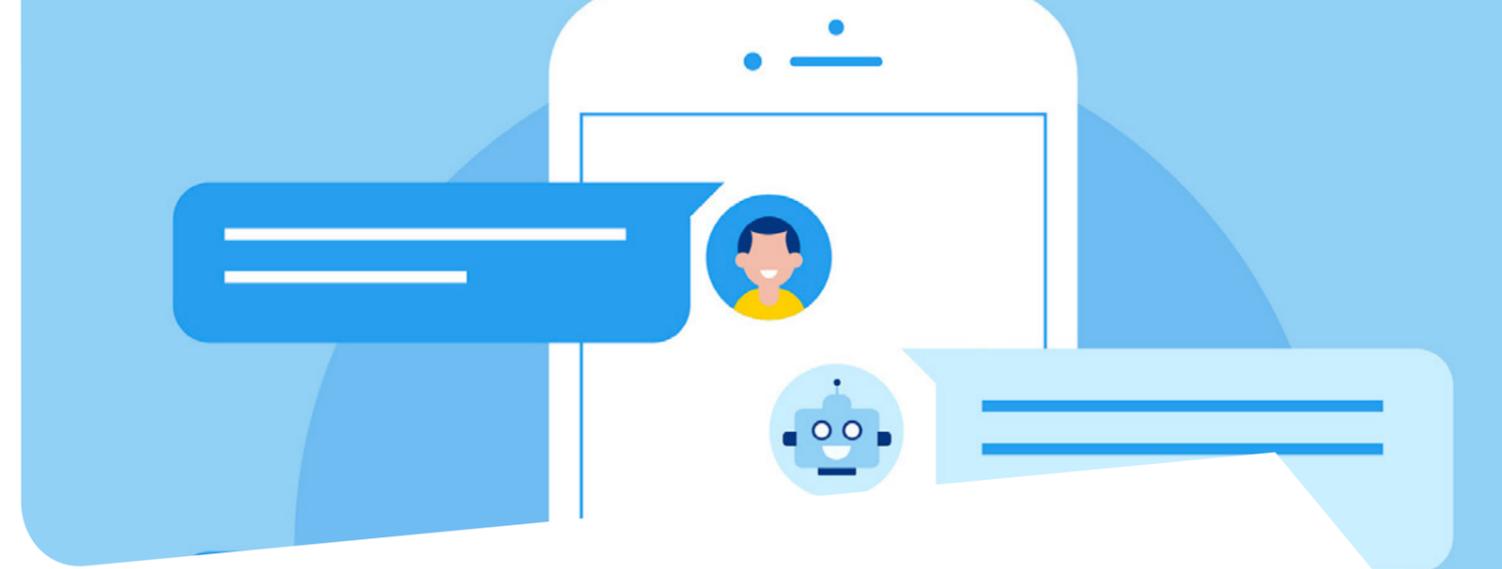
Chatbots are computer programs that carry on conversations with humans via a messaging interface. Most chatbots are driven by artificial intelligence which enables them to solve problems, send personalised messages and improve their interactions over time. The technology is so far evolved that many people use chatbots every day without realising it. Research by Gartner shows that in 2021 no less than 15% of customer service interactions are done via artificial intelligence. This share will rise to 70% in 2022.

The current state of the chatbot market

Chatbots had a phenomenal year in 2017 – the year in which they were most adopted by businesses. From 2019 onwards, chatbots were increasingly AI-driven and were able to cope easily with human interaction. Today, the technology is experiencing enormous growth and bots are now taking over more and more traditional voice services.

In the coming years, chatbot technology will also clearly become an indispensable part of omnichannel business communication. More organisations will go from awareness to adoption. Chatbots will be used in various fields, including processing, payments and marketing. But where do they really stand out? In customer service.

In 2021, 15% of customer service interactions run via AI. In 2022, that share is to rise to 70%.



The top 10 chatbot trends

Are you thinking of taking chatbots on board? We've put together 10 trends that you can already use today.

1. The steady adoption of chatbots

According to IBM, 265 billion customer requests are logged every year and companies spend almost 1 billion euros on following up these customer requests. With chatbots, 30% of these costs can be saved. Salesforce research consequently shows that 53% of service organisations will use chatbots by mid 2022. The increase is already visible today, and the bots are primarily used to offer customer service.

In view of the big names that have already embraced the technology, it's only a matter of time before they spread even farther.

2. Chatbots are becoming more human

Chatbots are increasingly taking over in a number of business sectors. In addition to native bots – Apple's Siri, for example – external companies are helping other organisations to communicate with their customers. For example, you can now book an Uber ride via your Facebook Messenger app.

One major problem with chatbots is that customers can easily feel they're 'unnatural'. Some people prefer to talk to a real salesperson than to a machine, because they think their questions can't be answered well enough.

However, while older consumers still find it difficult to identify the true value of chatbots, millennials have fewer concerns about the technology. Research by Mobile Marketer actually shows that 40% of millennials say they talk to a chatbot every day.

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3. Chatbots are more AI-driven

Chatbots that are driven by AI can offer customers a personal experience. One nice example is Hubo. Hubo uses chatbot technology to help its customer service to answer the most frequently asked questions. Because of the scale of the company and the diversity of its products, Hubo sees automation as the way to improve its customer support and increase customer satisfaction.

In addition to many retailers, insurance companies are also among the first users of AI-based chatbot services. They use location-based technology to automatically launch the claim process and use chatbots, together with visual tools such as live chat, to inform customers about submission, inspections and changes to claim documentation.

80% of B2C communication will take place via chatbots in the next three to five years

4. Companies and chatbots

In today's technically literate world, chatbots have become a popular tool for businesses. Companies large and small have found ways to use chatbots to help their customers. Chatbots grew enormously in 2017, a year that actually came to be known as the "year of the chatbots". The good news? This growth is continuing and is helping companies to offer the best customer service. Moreover, the technology is helping to bring companies and customers even closer together by being in contact with consumers in real time. You're simply available at all times.

More and more companies of all sizes are thought to be using voice-controlled bots for their business. And research has also shown that more than 60% of customers say that they prefer digital self-service tools such as websites, apps or chatbots to find answers to simple questions.

5. Rich consumer insights

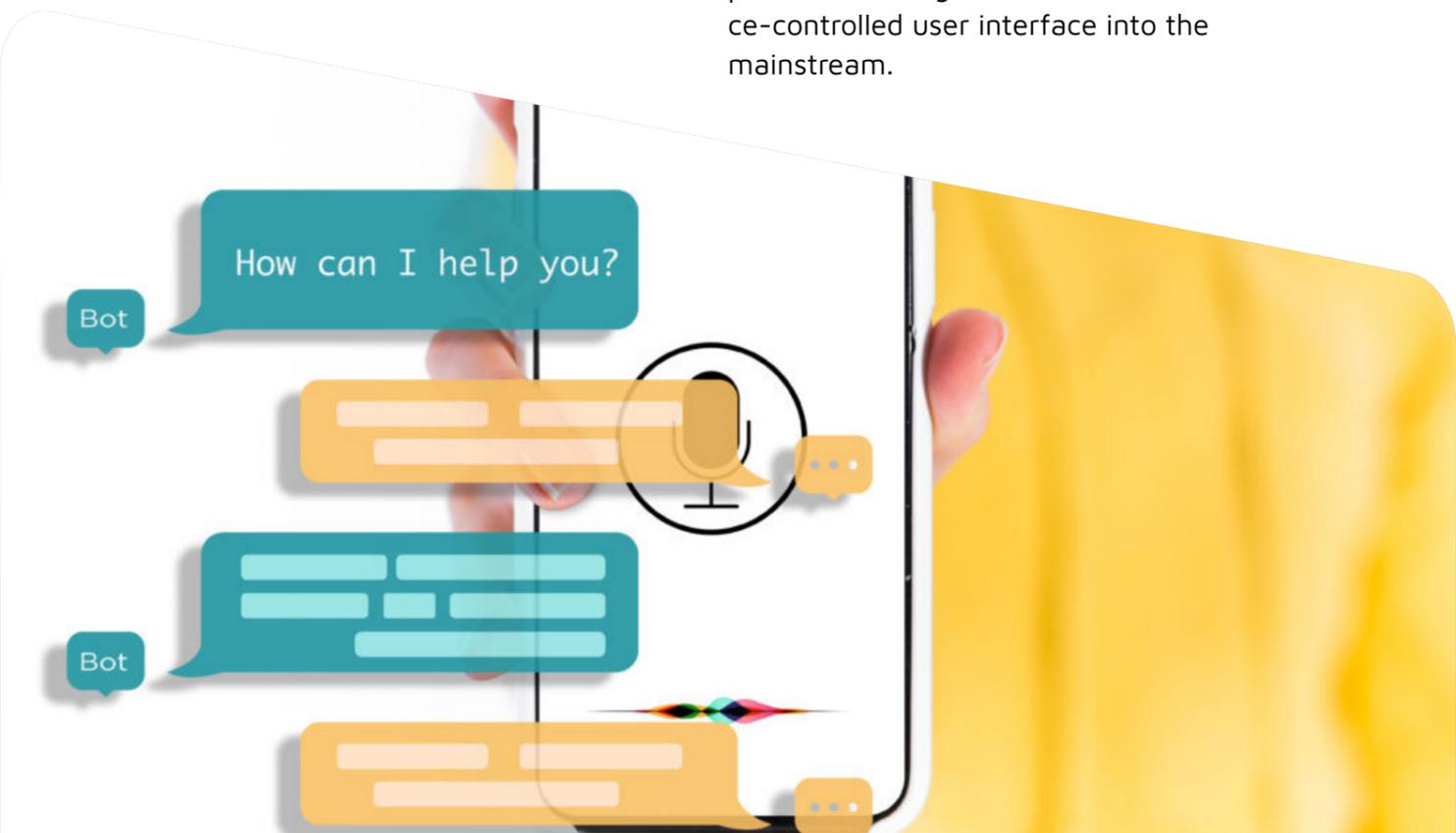
Chatbots save valuable customer details for analysis. Although acceptance of chatbots grew steadily in 2018, reports state that 80% of companies have been using more customised, results-driven chatbots from 2020 onwards.

Artificial intelligence helps in automating data gathering. The analysis demands the right attention from a dedicated team, which can then concentrate on areas for improvement, optimising processes, minimising errors and generating success. Moreover, advanced chatbots can improve themselves by learning from their own behaviour.

6. Voice experiences are becoming mainstream

Around 50% of all searches are voice searches in 2021. Industry giants Google and Amazon are pushing the market for smart speakers and AI. Amazon has already sold more than 100 million devices with Alexa and there are now more than 20 thousand skills in the Alexa Store.

Google even goes a step farther by trying to make voice-controlled assistants available on all Android devices, including smartphones, wearables and even smart TVs, something which is likely to become established in the future. In addition, a number of voice-controlled builders have been launched on the market, with which organisations can build their own voice-controlled chatbots. Naturally, there are still challenges, but developers are working hard to take the voice-controlled user interface into the mainstream.



7. Understanding natural language

In an attempt to be one step ahead of the rest, some companies have started natural language processing. This ensures that the bot understands users' questions a little better. The idea is that this technology will enable users and machines to communicate more naturally. Companies are therefore investing money in its development, in view of the worry about chatbots' ability to understand complex requests. It is this technology that will really make the difference straight away.

**In 2029,
you'll notice
no difference
between a chatbot
and a human**

8. Automated call centres with AI

As natural language processing progresses, totally automated call centres will soon become a reality, with AI language and 'serverless' technology combined. They will have in-depth domain knowledge, so that the conversation with customers will go smoothly. A chatbot is available 24/7, it never gets sick or goes on holiday.

9. The steep rise of messaging apps

According to statista, Facebook registered more than 2 billion active users in the first quarter of 2018, while WhatsApp acquired 1.3 users who are active monthly. Messaging apps are enormously on the rise and are outdoing social networks.

As the use of messaging apps increases, it will become easier for brands to build long-term relationships via

meaningful conversations with target groups. Chatbots will enter the mainstream of messages to have one-to-one conversations and offer incredible customer service.

E-mail campaigns are boosted by automation and segmentation, yet still only achieve 40% open rates and a CTR of 6% on average. Messaging apps have an open rate of 88% and a CTR of 56%.

10. The virtual assistant is replacing apps

At present, it's difficult to get users to test new apps, with the majority of users downloading 0 apps per month. Users clean up, remove apps that they don't use and only keep apps that they really do use.

One of the best things about chatbots is the combination of several apps in one. Chatbots use this potential to automate business tasks and improve the customer experience. They even help users to communicate with the bank or read the news.

The future of chatbots

In 2019, a lot of large companies – including Starbucks, LinkedIn and British Airways – announced their support for the development of chatbots and showed an interest in implementing them in their activities.

The key players, such as Microsoft and Apple, have been investing in these technologies for years. There's no reason to assume that this will not continue in the future.

Many of the major players are already on board, but the acceptance of this relatively new technology for small businesses depends on various factors: lower costs, growing demand and improved technology.

However, in addition to the American giants, quite a few Belgian companies in all sectors and of all sizes have also adopted the technology successfully. Recupel, Hubo and Lampiris, for instance, not to mention Forum Jobs and Febiac.



Chatbots are becoming a vital link in integrated omnichannel business communication

The use of chatbots in business will evolve in the years to come – the design and the architecture will inevitably improve. In short, chatbots are becoming a vital link in integrated omnichannel business communication.

Want to find out how chatbot technology will help your business to grow?

Discover our new chatbot offer at <https://faqbot.co/en/us/home>

You can also contact us directly with your questions.

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