

Three Practical Ways Retail Marketers Can Benefit from Chatbots

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Intelligent media delivery company Valassis has shared insights on the value of chatbots in the current retail climate. These powerful AI programs can enhance consumer engagement, as well as create job functions and employee efficiency and productivity.

“The wave of AI innovation has brought chatbots to the forefront, but this does not mean that we, as a digital society, will not experience some growing pains as they are applied to business practices,” said Cali Tran, President, Valassis Digital. “When thinking about including chatbots in omnichannel initiatives, there are several things to consider. It is important to understand how bots should be leveraged, find natural ways to integrate them into different consumer touchpoint strategies and determine how they will work best in conjunction with live human experiences.”

By using AI, chatbot applications have proven that they can help to bolster different business functions – especially in the retail industry where they are projected to cut business costs \$8 billion by 2022. However, over half of consumers globally still prefer to speak with a human instead of getting assistance from a chatbot, so there is a way to go until we

see optimal usage of chatbots.

Marketers should keep the following benefits and approaches in mind as they optimize chatbots to increase their bottom line:

Drive In-store Foot Traffic: One might envision chatbots as best-suited for small purchases or customer service, but they can provide greater benefits by driving sales for high-ticket items in brick-and-mortar locations – such as a car being sold in a dealership. When properly integrated into an omnichannel approach, chatbots can be part of a strategy that combines digital and physical components. Programmed with appropriate scripts, they can reach and ultimately help convert consumers into purchasers, by eliminating friction along the path to purchase and by answering questions that drive shoppers into brick-and-mortar stores. In fact, according to RetailMeNot, about 9 in 10 retailers are planning to increase their investments in mobile (92 percent) or social media (89 percent) advertising this year. This further supports chatbots as a tool in marketers' consideration sets.

Merge Humans and Automation: While concerns have been raised about chatbots replacing human jobs, they are actually meant to increase employee efficiency and productivity. By serving as the first point of contact for consumer inquiries, chatbots can respond quickly to kick off conversations, then forward the consumer to a representative in the event of a more complex situation. While companies continue to work on optimizing chatbots, they should be viewed as tools to engage consumers and deliver value – not solve every issue. That is where humans come in.

Supercharge Your Customer Relationship Management (CRM): Organizations are constantly looking for ways to gather more data on customers so they can better understand them to provide a more relevant, personalized experience. Chatbot data can easily integrate into existing CRM systems to give marketers a broader, more robust profile of their core

audiences.