



ROLE OF CHATBOTS IN MARKETING IN INDIAN CONTEXT

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ABSTRACT

Today consumers are connected with the organizations through multiple digital communication channels. Marketing content distribution through traditional channels has limitations in engaging the customers effectively. Chat bots has quickly emerging as a preferred channel for marketing communications due to the penetration of smart phones and digital transformation efforts by the Indian Government This paper has examined the role of voice bots in marketing functional area with respect to the service sector organizations in India. Consumer apprehensions have to be addressed about the validity and reliability of the chat bots responses against the customer queries. Chat bots works according to the programmed information and do not possess capabilities to answer unstructured queries. Since customers associate with the brands emotionally, chat bots need to be refined to understand the customer emotions and answer accordingly to win the customer trust. A few factors were discussed which need to be taken into consideration while designing customer centric bots.

KEYWORDS:

Chat bot, Voice bot, Conversational commerce, Customer acquisition, Customer experience.

I. INTRODUCTION

"I don't know anyone who likes calling a business. And no one wants to have to install a new app for every business or service that they interact with. We think you should be able to message a business, in the same way you would message a friend." - Mark Zuckerberg at F8 in 2016.

Today organizations are using different channels like e-mail, blogs, webinars, infographics, e-books, e-courses to interact and distribute marketing content with the customers. Through marketing communications marketers need to acquire customers, build brand loyalty, offer superior customer service. In terms of consumer decision making process organizations need to understand the purchase decision making in a holistic way rather than in a fragmented approach.

Chat bots are the latest trend in reaching customers which eliminates the human intervention to answer the queries posed by customers by software automation. Chat bots are specialty programs that can conduct conversations, attempting to mimic human interaction. Marketers are extensively using chat bots to answer the customer queries accurately in real time basis. Many organizations deployed enterprise chat bots platforms to cater to the needs of customers during pre purchase, purchase, and post purchase decision making process.

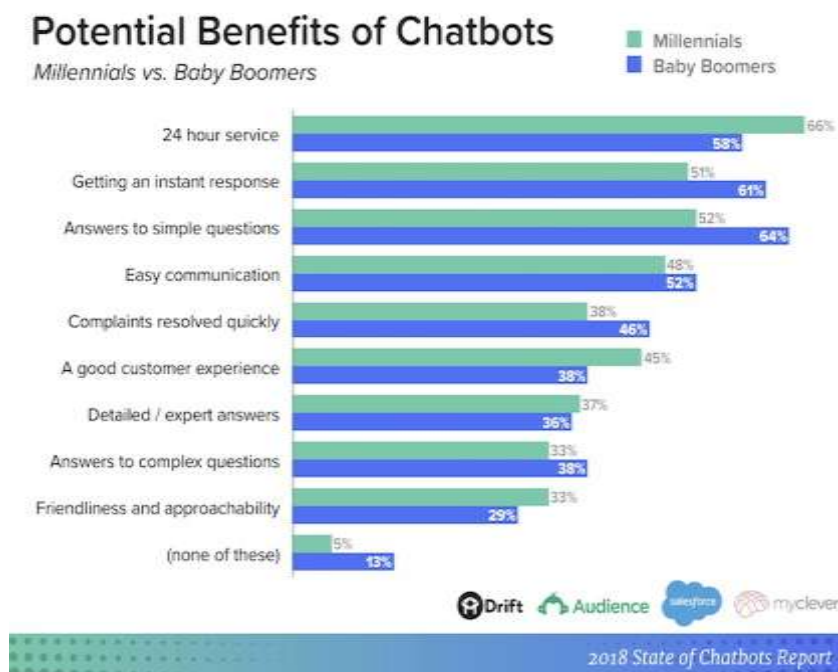
Chat bots can be deployed on multiple platforms seamlessly for the convenience of consumers like websites, mobile apps, or messaging platforms. Instead of text marketers are

bringing more convenience to the consumers through voice bots which called as conversational commerce. Major messenger platforms to deploy bot applications are Facebook Messenger, Amazon Alexa, Google Home, Apple Business Chat, WeChat, Telegram, WhatsApp etc.;

II. LITERATURE REVIEW

Due to the mobile phones penetration online search has become popular to find answers related to the products by the consumers. In a report published by Microsoft the future of marketing lies with the search[1]. According to Gartner's views by 2020 an average messenger user will be more often talking to bots instead of a customer care executive, and 85% of interactions between a customer and brand will not be based on a direct contact with a human.

Chart 1. Potential benefits of chat bots (Millennials Vs. Baby Boomers)



Source: State of chatbot report 2018, USA

Customers interactions with both web and offline worlds are increasingly assisted and intermediated by digital personal assistants. Intelligent evaluation of consumer responses will help in developing smart shopping bots to the shoppers in assisting product searching [2]. In a research study it is found that though shopping bots helped to compare the products with respect to supplementary information, details like shipping details, accuracy of information, and e-vendor coverage were not accurate [3]. According to chatbots magazine.com 2018 report 24 hours service stood the top benefits offered by the chatbots [4].

III. CHATBOTS APPLICATIONS IN MARKETING IN INDIAN CONTEXT

Hospitality and Travel industry:



Alexa for Hospitality is Amazon's new product, and it helps the hotels, vacation rentals and other hospitality locations, which provides voice first experience to the consumers [5]. Amazon Echo smart speakers will be placed in the hotel rooms where guests will be able to talk to Alexa for accessing hotel information, requests for room service, housekeeping, control lights and thermostats, play music and more. This solution is rolled out across Marriott Hotels, Westin Hotels & Resorts, St. Regis Hotels & Resorts, Aloft Hotels, and Autograph Collection Hotels.

Tavel search marketplace Ixigo has introduced Ixibaba, an artificial intelligence (AI) based chat bot with capability of answering to all travel planning and booking queries through the big data applications [6].

Gia for Goibibo and Myra for MakeMyTrip are the chat bots using to solve multiple customer interactions and product problems. MakeMyTrip with the integration of business processes with WhatsApp messenger platform offering more convenience to the customers like Web CheckIn, Seat Selection, Reviews & Ratings, Food Selection and many more with a few taps [7].

Banking and telecom industry:

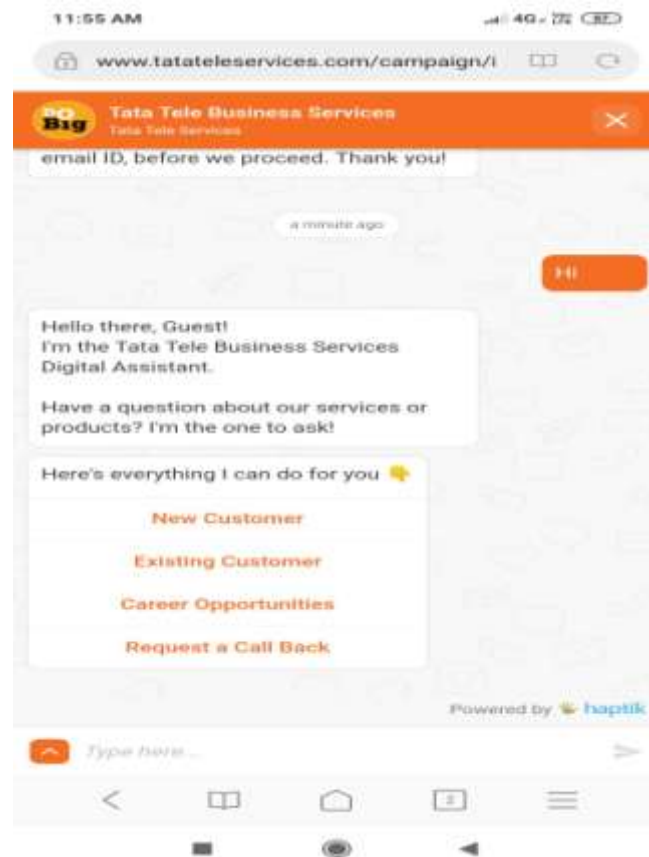
Kotak Mahindra Bank has launched 'Keya' an Artificial Intelligence powered voice bot by integrating with phone banking system in English and Hindi languages with automatic speech recognition, natural language understanding and text-to-speech technology features [8].

State Bank of India(SBI) has launched ILA an interactive live assistant to address the customer queries about SBI Credit card features, benefits, services and more through chat [9].

Axis bank has launched a chat bot Aha to provide relevant and contextual responses to customer queries and even helps make transactions on the chat window itself. Customers can initiate transactions either through voice or chat [10].

Customers drop off due to long lead forms, incomplete information, and lack of an immediate touchpoint. To avoid this Tata tele business services is using chatbot powered by Haptik for generating leads[11].

Figure 1: Tata tele services chatbot in the process of lead generation



Similarly Tata Capital is using Tata Capital Chatbot powered by a virtual agent (VA) engine which understands and provides information to individual online queries related to its financial services products [12]. This chatbot uses Artificial Intelligence (AI), Machine Learning (ML) to improve the customer experience which helps the organization to track and measure customer queries, sentiments, satisfaction.

IV. DISCUSSION

Through the literature review and personal observations following are the points taken into consideration by the organizations while developing chat bots to make them as consumers preferred communication channel to connect with the sales and marketing functional area.

1.Trust: Good reputation is the main factor in influencing consumer trust in an online travel site[13]. Organizations has to make clear to the consumers that the conversations made by the bots are reliable and reflects the business procedures defined. For example a customer who booked a round trip ticket on a travel aggregator website has contacted the call centre executive when the return flight was cancelled. With out consent of the customer, call center executive has cancelled the round trip tickets though customer has requested to cancel the cancelled flight ticket only. Subsequently customer interacted with the call center to refund the cancellation charges against the transaction which is not authorized and asked them to retrieve the voice call data in support of the event and able to receive the flight ticket cancellation charges. Even though chat history is available in the messenger in e-commerce



websites many sites lack the chat history data where in customers can not produce any evidence to prove the validity of the conversations happened between the bots and consumers. It is highly recommended to create trust among the consumers in usage of chatbots.

2.Emotions: Since chat bots are in nascent stage unlike humans chat bots can not understand the complex human emotions. Organizations can use machine learning algorithms to train the bots in understanding human emotions upto some extent and win customer loyalty.

3.Privacy: Consumer data privacy is a major aspect in designing the bots. When the bots has interface with external API calls it is required to protect the data privacy when sharing consumers data with external systems. Instead of a lengthy consent and privacy documents the key privacy terms should be identified and communicated in a easy understandable manner to the consumers prior to usage of chatbots by the consumers. Many consumers have doubts over how the data generated with the bots are protected. Organizations need to win the consumer trust in protecting their data privacy.

4.Regulations: The introduction of GDPR (EU General Data Protection Regulation) organizations need to comply with the regulations in collecting and usage of customers data. The same applies to chat bot design and usage.

5.Ecosystem: Organizations can achieve more convenience to consumers if they build an ecosystem with other external partners while designing chat bots. If a flight is cancelled while a traveller is on the way to airport the airlines vocie bot should alert him and recommend a hotel nearby to the airport to minimize the impact of inconvenience caused to the customer.

6.Personalization:Bots should be able to learn about consumer preferences based on the conversations made with them and offer personalized interactions subsequently to delight them.

7.Localization and NLP: To avoid language barriers chat bots should be capable to interact with the consumers in local languages also apart from English. Apart from Hindi, users can respond to Alexa's English statements in Tamil, Marathi, Kannada, Bengali, Telugu, Gujarati and other regional languages [14]. Since there is a wide contextual, cultural variations coupled with several dialects and accents exist in India technologies like Natural Language Processing (NLP) need to be used while developing the chat bots to overcome these barriers.

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