

MARKETING

## Chatbots fulfill promise as 65pc of consumers interact with brands: report

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*The app vs. social debate heats up*

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By **Brielle Jaekel** of **Mobile Marketer**

Marketers have quickly adopted chatbots and messaging capability to better serve customers in personalized interactive manner, and it is proving to be as beneficial as expected with one in three users engaging with financial services through chat applications, according to the Mobile Ecosystem Forum.

Facebook, WhatsApp and SMS are the top performing means of messaging, with many brands taking to these platforms to connect with users. The demand for these types of services is growing, and currently 24 percent of retailers are leveraging SMS while 17 percent have a presence on chat apps.

"Mobile messaging is enjoying growth as a vital platform for business to consumer communications, said Rimma Perelmutter, CEO at MEF. "The findings show there is clear consumer demand to engage with all kinds of businesses e.g. banks, retailers, healthcare providers - via both SMS and chat apps."

### Means of messaging

The financial sector seems to have an edge in conversational branding, with 33 percent of consumers claiming to have received SMS for banking services such as account activation and balance check, and 22 percent within a chat app. Retailers are driving conversations as well, with 24 percent having an SMS service and 17 percent using chat apps.

Healthcare is also primed to see growth in this area, with 15 percent of consumers receiving an SMS from a healthcare provider and 12 percent from a chat app.

Worldwide, consumers interacting with brands through mobile messaging make up 76 percent.

For consumer-to-consumer interacting, Facebook is the leader by 56 percent and WhatsApp with 50 percent, while SMS is last at 42 percent. For application-to-consumer messaging, SMS wins out.

### Chat popularity

Consumers are also using messaging systems when it comes to deals, with 26 percent leveraging SMS or chat to interact with a brand regarding a promotion.

However, there is a significant number of interactions that are not beneficial, with more than half of British mobile

users reporting unwanted messages through text. These users are mostly deleting these messages or reporting them as unwanted.

While WhatsApp maybe extremely popular overseas, it lacks the adoption rates within the U.S., with only nine percent of Americans claiming to use the chat app. Facebook Messenger is seeing continued growth with U.S. users, with 65 percent using the messaging app.

"The research underlines the need for mobile to be a key part of retailers' customer engagement strategies," Ms. Perelmuter said. "The study found account authentication, notifications around delivery times and order confirmations are already widely used.

"The level of consumers' engagement via mobile also highlights the potential for retailers to go beyond this and use SMS and chat apps to help build long term customer loyalty," she said.

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