



REVOLUTION OF BUSINESSES THROUGH CHATBOTS

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Abstract: We live in the 2nd decade of the 21st century where we have moved to a digital era altogether. Businesses have taken a leap toward technological advancement and these changes have become inevitable part for any organization. In the era where brick and mortar stores are being replaced by the virtual store exclusive research are being conducted to replace human beings with robots to save upon time and cost while achieving efficient work results. One of such trend can be clearly seen in Chatbots. Chatbots are the most easily accessible but complicated designed AI technology. Chatbots have turned common in today's date and its use is seen almost everywhere.

Keywords: Chatbots, Marketing, Revolution, Business

1. INTRODUCTION:

A chatbot is a software application used to conduct an on-line chat conversation via text or text-to-speech, in lieu of providing direct contact with a live human agent. Chatbots are typically used in dialog systems for various purposes including customer service, request routing, or for information gathering. While some chatbot applications use extensive word-classification processes, Natural Language processors, and sophisticated AI, others simply scan for general keywords and generate responses using common phrases obtained from an associated library or database.

Types of Chatbots

- 1) Rule oriented chatbots
- 2) AI powered chatbots

Rule oriented Chatbots work on basis of a specific set of rules. They respond only on specific command or else they don't. AI powered chatbots work on the basis of Artificial Intelligence and machine learning. They understand common language and use element for human interaction. They have memory which help them predict the human taste and preferences depending upon its past data provided to them.

2. CHATBOTS AND ITS IMPLICATIONS ON BUSINESS:

- 1) Human substitution- The chatbot has significantly killed the jobs in the BPOs and other customer care services units where Chatbots have proved to be more efficient, cheaper and user-friendly for the companies.
- 2) The list of advantages or the benefits that chatbots have provided to business weighs significantly more than its disadvantages which makes the organisation easily decide upon what they want to have with them.
- 3) Need of the hour - Chatbots in today's date is no more a luxury for any organisation, to be a part of an industry you need to have chatbots pre-installed in your system which will give you a competitive edge over your competitors and help you to struggle and achieve the success that you have been aiming for yourself.
- 4) Cost Reduction- The initial cost of installing a chatbots or a predefined system may be a tough task and need large investment for the organisation at present time but the economies of scale that can be achieved over the time will help in reduction in per unit cost. The human labor that have been involved in this BPOs have been a problem to the organizations over a period of time but now with better technology, the companies are readily available with the solutions and have little efforts to be taken to achieve and retain the customers.

3. PROBLEM AREAS:

- 1) They have no emotions, no emotions means that they can't establish connection with customer, which is important for the growth of any business. With no sentiment analysis knowledge to deal the customers sometime as a result, some customers choose to close the chat.
- 2) They lack in making decision, they won't able to differentiate between good and bad.
- 3) Chabot portrayed as widely self-supporting, it needs to be some tweaking now and again to ensure satisfaction level, maintenance have to done every time so that it works accurately.
- 4) 4) A Chabot should have to robust security from beginning. Company have to come to expect the official procedure such as HTTP metadata and HTTPS metadata attached to any internet channel that makes use of their collected personal data, less than a secure site and users will flat-out refuse to use your Chatbot.

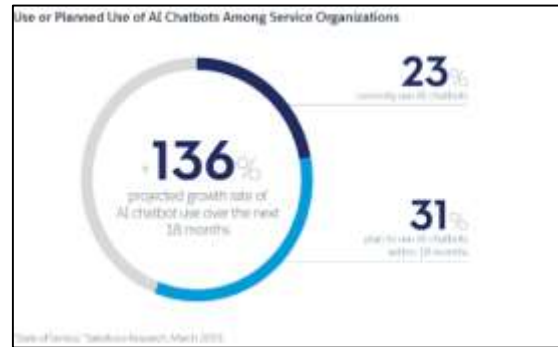


Fig. 1

4. BENEFITS:

- 1) Brand Loyalty- The easy and simple interface that are being available with the chatbots makes the customer's communication more personalized in which brings him closer and holds him with a much better experience and makes him loyal to the brand.
- 2) Data analysis - The advanced AI driven chatbots not only interact with the customers but provide with analytical data which gives us better knowledge of the customer's preferences. With such data it turns out easy to design sales funnel and target the customer effectively. The chatbots even stores data for future references and predict similar behavior.
- 3) Larger engagement Capacity- The constraint of human capacity is being eliminated with the installation of technology. The most important benefit of chatbots is in providing quick support to them. They are programmed to handle numerous data at a time which is unique in itself. And they provide different and personalized interface to each of its customers.
- 4) Social media presence- Digital marketing has turned out to be future of marketing industry and it is practically impossible to complete the Task of marketing without knowing your customers. Be it Facebook messenger or websites Chatbots have replaced the human and have proved to be better there as well. They have successfully helped in achieving sales and acquiring customers as well as in retaining them.
- 5) Personal assistant- Chatbots is just like a customer's personal assistant who is available 24*7 as per the customer's convenience. They feel the oneness and special when their points are being taken cared and solved. It not only satisfies the customer but satisfies them at large.

5. STATISTICS:

Top benefits of Chatbot according to customers

Table no. 1

Benefits	%age
Cost savings	30%
Industries to implement chatbots by2021	85%
24-hour service	64%
Getting an instant response	55%
Getting answers to simple questions	55%
Easy communication	51%
Friendliness and approachability	32%

Acceptance of artificial intelligence Chatbot by customer (by Industry)

Table no. 2

Industry	%age
Online Retail	34%
Healthcare	27%
Telecommunications	25%
Banking	20%
Financial Advice	20%
Insurance	15%
Government	10%

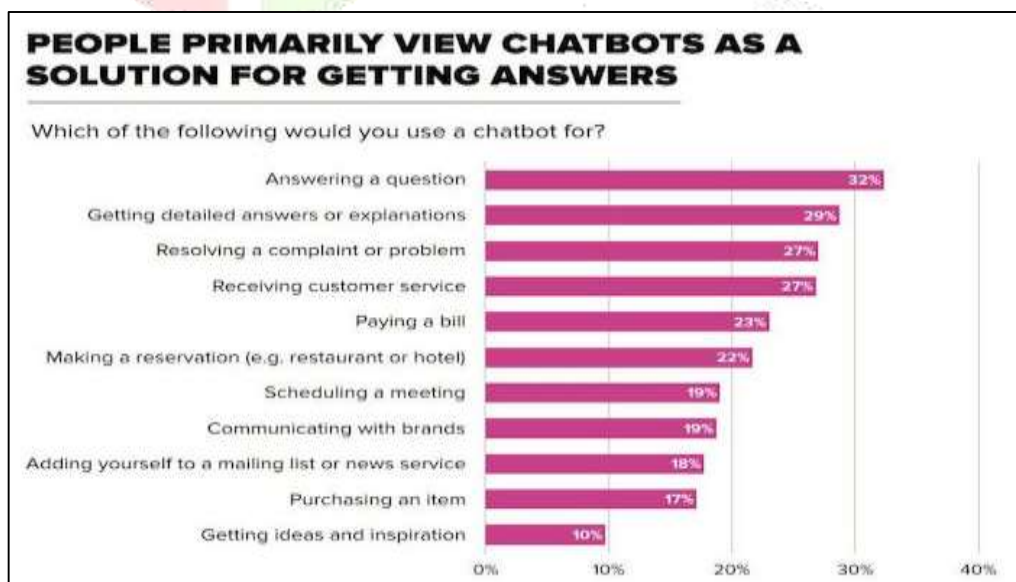


Fig. 2

6. CONCLUSION:

In the ever changing technological world the chatbots are well equipped and ready to replace the human beings and will prove efficient in time as well as cost. They have turned out to be a vital part of any marketing or CRM strategy for the organization, ignoring to which we shall face the adverse consequences. The start-ups will be most beneficial out of the service because of its low customer acquisition cost. In simpler words if we want to make our organization big and walk a long way then Chatbots needs to be a part of us.

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