

**Customer  
Experience**

# Conversational Commerce: The Future of the Digital Customer Journey



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The digital customer journey (as part of broader enterprise digital transformation) brings many changes, disruptions, challenges and opportunities for organizations across all verticals. According to ZK Research's 2019 IT Priorities Study, 90% of companies now have at least one digital initiative underway. As transformation continues to gain momentum, we're starting to identify main drivers of the digital customer journey. At a high-level, these include digital communication channels, mobility, cloud computing, Internet of Things (IoT), social media, artificial intelligence (AI), blockchain, and virtual reality (VR). The digital customer journey is complex, involving seemingly endless elements, concepts and technologies.

And further dramatic changes are coming

Somewhere deep in the shadow of AI and chatbots, something is happening that's far greater than any of the abovementioned drivers. This is something that will reshape contact centers from touchpoints to back-end systems, redefining the very meaning of digital customer journey. That something is conversational commerce, driven by easy-to-navigate conversational user interfaces that leverage AI and the natural human language to enable organizations to deliver better experiences and meet growing consumer demand for user-friendly conversational capabilities.

In short, conversational commerce allow brands and consumers to interact with each other through messaging, voice assistance and other natural language interfaces. Research shows high consumer demand and countless monetization opportunities for organizations.



The Avaya chatbot provides social messaging integration and automation of digital interactions, leveraging Chat Bot and Natural Language Processing (NLP). Organizations can use Avaya Ava to engage customers using chat and messaging channels to provide immediate self-service as well as deliver the customer to agent-based customer care with full context of the upfront automated experience.

A [recent study](#) from OC&C Strategy Consultants, for example, shows that voice shopping is expected to account for \$40 billion in U.S. consumer spending by 2022. A great example of conversational commerce is Chinese social messaging network, WeChat. What started as a simple messaging platform has evolved into a place where tens of thousands of businesses interact with customers, advertise their products and services, make transactions, and provide service support. Through WeChat, consumers can order food, buy movie tickets, book doctor's appointments, pay bills and more.

WeChat boasts [over 1 billion active monthly users](#) including organizations of all sizes, from large companies like Nike and Apple to small, family-owned shops. Using WeChat, consumers don't access services or engage with organizations via traditional websites or smartphone applications but rather through messaging in natural language. This is where terms like "Conversational Commerce" and "Conversational User Interfaces" are coming from.

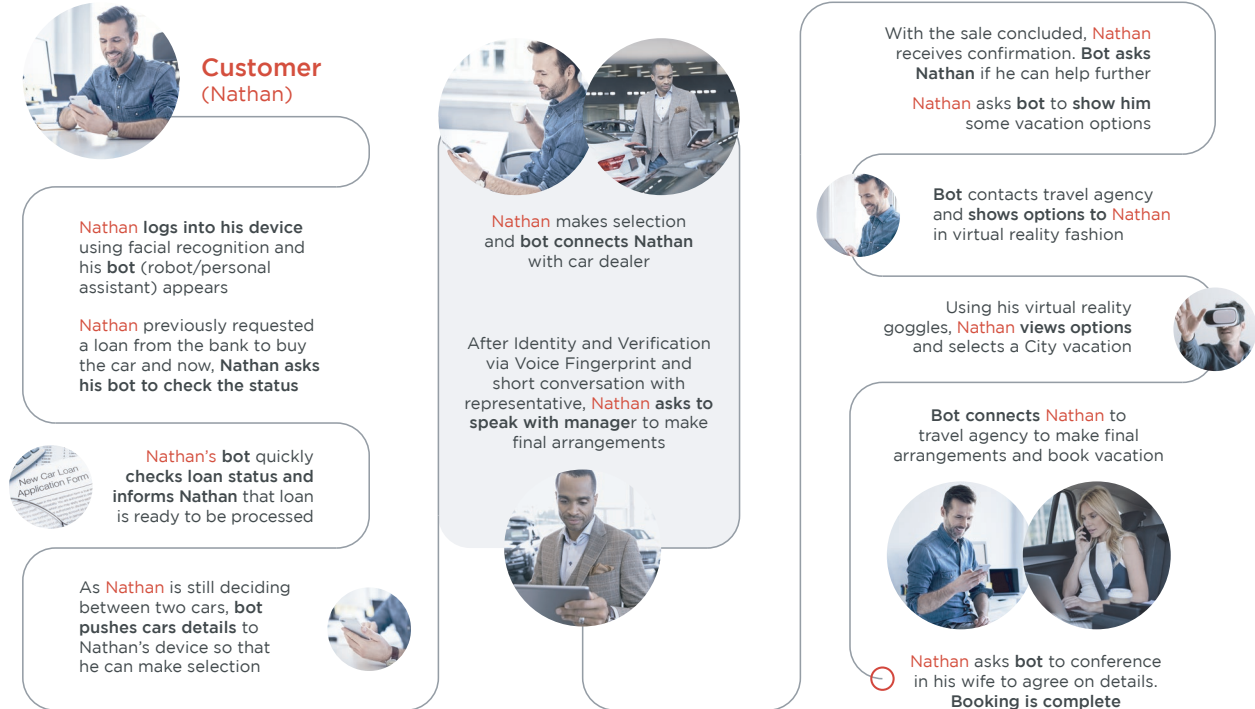
We're seeing this trend quickly spreading across other popular messaging platforms like Facebook Messenger, Slack, Kik, and Telegram. Today, Facebook allows you to order an Uber via its Messenger app and Slack allows you to interact with a Taco Bell chatbot to place food delivery orders.

So, what's driving this growth of conversational commerce? Primarily, a new generation of consumers—now the largest in existence—that considers messaging in natural language a native form of communication. Research shows, for example, that [one-third of millennials](#) prefer using messaging apps like Facebook Messenger and WhatsApp with billions of messages sent each month. Coupled with the fact millennials spend more money online than any other age group, and in the U.S. alone represent a combined \$200B of annual purchasing power, this consumer group cannot be overlooked.

AI and chatbots are also an integral part of conversational interfaces. We can easily see that on Facebook, WeChat and other platforms where you can rent a bot, train it and enable it to interact with your customers. The Avaya chatbot provides social messaging integration and automation of digital interactions, leveraging Chat Bot and Natural Language Processing (NLP). Organizations can use our chatbot to engage customers using chat and messaging channels to provide immediate self-service as well as deliver the customer to agent-based customer care with full context of the upfront automated experience.

An integral component of conversational commerce is the integration of messaging platforms (i.e. WeChat, Facebook Messenger) with online payment systems and different functionalities offered to users via open APIs such as mobile wallets, safe transactions, and different widget for displaying content and managing media.

Consider the following story as an example of this evolution.



In the above story, our customer (Nathan) communicated with the bank, car dealer, and travel agency but did not use any web sites or smartphone applications.

This represents the beginning of a “new Internet,” which will be entirely different from the Internet we know today. This new era of Internet will see chat and voice as primary user interfaces for quickly, efficiently and securely accessing information and services. These conversational user interfaces will gradually replace the graphical user interfaces that are currently in use.

At the same time, traditional websites will be replaced by robots and automated agents based on AI and natural language processing. These bots will be used to access information (i.e. “When was my last deposit?”) fill out forms (medical, financial, etc.) and more. Smartphone applications will continue to exist but will disappear from device screens, being moved to the background to provide services to messaging platforms via APIs.

The reality is that traditional apps are becoming convoluted and frustrating to use. There are simply too many of them - installing, updating, separate identification and verification for each, notifications scattered across different applications - which make using applications more and more ineffective. In addition, applications are creating functional siloes that affect the digital customer journey. Case in point: needing one application to locate a restaurant, a second application to make a reservation, a third application to order a taxi and a fourth to tell your friends that you'll be 15 minutes late.

Exactly for this reason, existing mobile applications will become APIs for messaging platforms. Messaging platforms will become ‘super applications’ enabling consumers to use natural language - written or

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spoken – to access any service they could possibly imagine. This paints the picture of a bold new world where:

- We won't have to enter credit card details into every website and application; our mobile wallet will be associated with our messaging platform identity
- We won't have to provide separate identification and verification for each company we do business with because our identity will be provided by the messaging platform itself
- All notifications will be available in one single, easy-to-use space

This rise of conversational commerce—driven by conversational user interfaces—and super applications will have direct implications for the contact center. From a contact center perspective, these super applications will become super touchpoints and super communication channels. It's not a matter of 'if' but 'when' organizations will have to step up to meet this growing trend.

Some may think this is too radical of a change to realistically happen. Yet the truth is that we have seen countless similar changes over the decades. As recently as 10-12 years ago, companies like Snapchat, Instagram and Lyft were either just being launched or had yet to be founded. Products we relied on 20 years ago like clocks, radios and voice recorders are now virtually irrelevant, having been replaced by smartphone applications. We live in an age of innovation that's moving us forward faster than ever before.

We believe contact centers must evolve to support conversational commerce:

- Support for social messaging (including both plain text and different widgets used in messaging platforms)
- Support for AI and natural language processing: machine learning, speech and text bots, contextual insight for relevant, real-time action
- Omni-channel capability: seamless access to services and communications regardless of chosen channel
- Mobile and social: inherent to every action to drive personalized interaction

Avaya Intelligent Xperiences™ (Avaya IX) Digital solution provides companies a solid foundation to support conversational commerce. Our solution:

- Seamlessly connects to various social messaging platforms via our cloud AI solutions
- Supports effortless self-service, including adoption through conversational interfaces, and extends bot-based interaction capabilities
- Allows developers and non-developers to build custom communication experiences with easy-to-use, sophisticated application development capabilities
- Handles messages from platforms as native "social" contact type with its own routing, treatment distribution, and reporting

# Avaya Intelligent Xperiences™ (Avaya IX) Digital solution provides companies a solid foundation to support conversational commerce.



- Seamlessly integrates with third-party chat bot solutions, such as Amazon Alexa, in addition to Avaya Ava
- Supports natural language driven understanding, driven, communication-enabled workflows, enabling organizations to leverage external applications to trigger business process workflows, support resource allocation and capture agent work
- Elevates offerings and enhances business processes with improved best practices and voice-of-customer analytics

## About the author

Tvrtko Stosic is a Consultant in Avaya International Specialists group, located in Europe. He has deep knowledge of trends and best practices in customer services and care industry, with expertise in the Telco, Finance, Utility and Retail verticals. Tvrtko is passionate about digital transformation, customer experiences, communication analytics and automation based on Artificial Intelligence.

## About Avaya

Businesses are built on the experiences they provide and every day millions of those experiences are built by Avaya (NYSE:AVYA). For over one hundred years, we've enabled organizations around the globe to win—by creating intelligent communications experiences for customers and employees. Avaya builds open, converged and innovative solutions to enhance and simplify communications and collaboration—in the cloud, on premise, or a hybrid of both. To grow your business, we're committed to innovation, partnership, and a relentless focus on what's next. We're the technology company you trust to help you deliver Experiences that Matter. Visit us at [www.avaya.com](http://www.avaya.com).

