

# Chatbot Strategic Report

*Version 1.0*

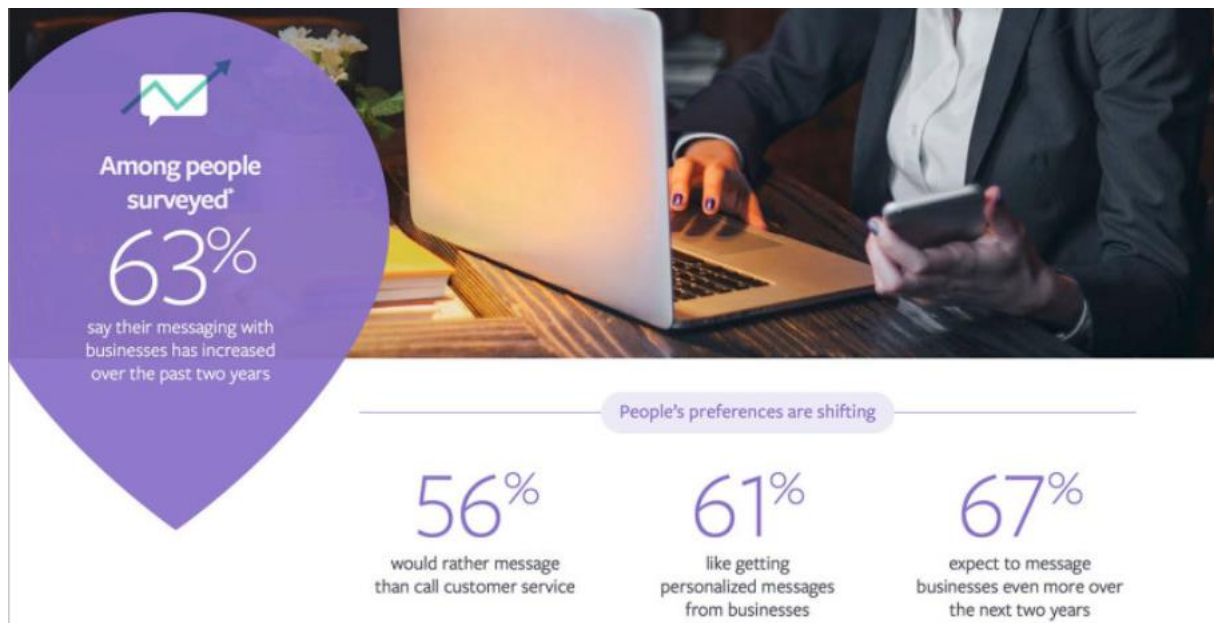
The main question this document aims to answer is: are chatbots a viable option for companies aiming to increase the effectiveness and efficiency of their business communication? Sub questions will be discussed throughout sprint 3 and 4 in this document as well, where some will be tailored specifically to the Now Finance business.

## When were some of the more popular chatbots released?

- Siri (2010)
- IBM Watsons (2011)
- Bixby Samsung voice assistant (2012)
- Alexa (2014)
- Google Assistant (2016)

## What do customers expect?

67% of the participants in a study performed by Facebook in 2016 expressed expectations of having the possibility to get in touch with companies by messaging services. Messaging is becoming an increasingly popular means of communication with businesses, as depicted in the figure below;



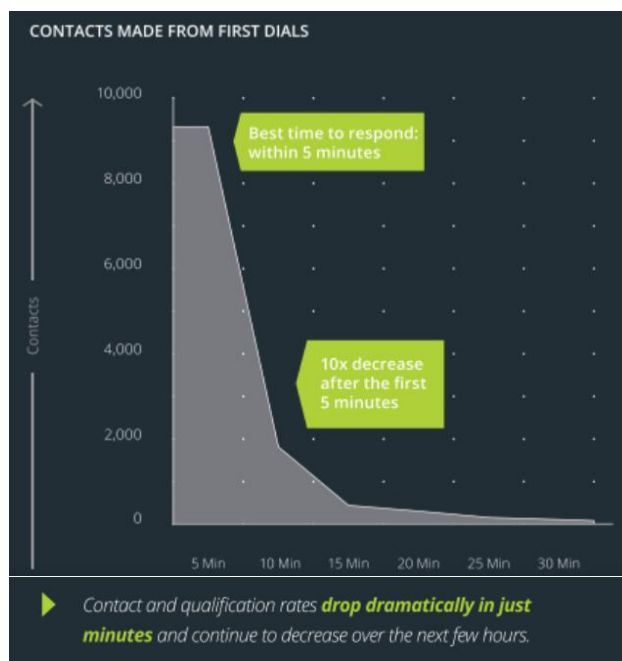
Furthermore, messaging companies through social media makes commerce more personal;



However, Recent studies show that 72% of users who contact a brand on Twitter expect a response within an hour. Yet, the analysis of Xu and colleagues (2017) shows that of 1M conversations shows the average response time is 6.5 hours.

### Do customers want to be answered by chatbots?

Even though multiple arguments can be made as to why customers would want to be dialled through to the customer service department instead of having the message the company, this preference only holds when the company is able to do this very quickly and with excellent execution.



### How do chatbots perform against a conventional customer service department?

We can divide the type of requests into two branches; namely emotional and informational requests. In the study of Xu and colleagues (2017), they find that their chatbot provides nearly similar scores on the emotional requests and significantly higher scores on the informational requests.

## **New Chatbot for Customer Service on Social Media (2017)**

By: Anbang Xu, Zhe Liu, Yufan Guo, Vibha Sinha, Rama Akkiraju

Users are rapidly turning to social media to request and receive customer service; however, a majority of these requests were not addressed timely or even not addressed at all.

## **Potential cost reduction for the Now Finance business**

Waiting for data of the company.

## **References**

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