

moengage

The Future of Conversational Commerce

Why WhatsApp Is a Must-Have for a
Great Customer Engagement Plan



Table of Contents

- 03** C-Commerce: What's That?
- 05** The Future of C-Commerce: Why WhatsApp
- 06** Connect More With Your Customers
- 07** How Can Your Business Use WhatsApp?
 - 08** Shopping
 - 11** Entertainment
 - 14** Banking & Finance
- 17** Should Brands Look to Adopt WhatsApp?
- 18** Growth Mentors at MoEngage
- 19** About MoEngage





C-Commerce: What's That?

What started out as a wonderful way to keep in touch with your friends and family, especially those in different countries, quickly went on to become the world's most preferred messaging platform.

We are, of course, talking about WhatsApp, an app that needs no introduction.

With more and more businesses **adopting digital platforms** as a part of their marketing strategies to reach a broader audience, instant messaging (IM) platforms are slowly being integrated into every **customer** engagement plan.

This shouldn't come as a surprise in 2020, **Gartner predicted that by 2022, around 70%** of customer interactions would involve emerging technologies, such as chatbots and messaging services.

A likely reason for customers preferring chatbots and IM is probably because they make it easier to interact with their favorite brands. This is also in line with the results of "Business Messaging Research Study, September 2020", a Meta-commissioned study of 8,214 adults aged 18 and older in the U.S.A, Germany, the UK, India, Mexico, Brazil, and Indonesia. According to the survey, almost 75% of the respondents mentioned that they would prefer communicating with their favorite brands in the same way they communicate with their friends and families.





So, What Is Conversational Commerce?

Only the next best thing for customer engagement and retention!

The term “**Conversational Commerce**” or “**C-Commerce**” was coined in 2015 by Uber’s Chris Messina. Any consumer brand that uses a conversational platform to speak to its customers directly is categorized as “C-Commerce”.

An interventional exchange between a customer and a brand has many advantages. Customers can enter into this exchange at any point of their buyer’s journey, from the discovery/awareness stage to the consideration/purchase stage. **It can also reduce customer wait times by eliminating the need for telephonic support** in a buyer’s journey. In the same Meta study as noted above, **72%** considered waiting on a call for more information about a business as a waste of time. Imagine a customer calling your company only to have to wait five minutes and having to dial a bunch of keys before they drop from the journey altogether!

More importantly, this interventional exchange gives brands the power to remain engaged with their customers, without losing out on a customer’s most valuable currency: attention. In a world where options are numerous and demands are soaring losing customers due to unexplored marketing communication strategies should never happen.



The Future of C-Commerce

Why WhatsApp?

With more than 2 billion users (yep, that's a billion with a B), **WhatsApp is the world's most popular downloaded messaging platform**. It has not only enjoyed exponential growth since its inception but continues to do so worldwide.

2Bn Daily Active Users (DAUs)

100Bn Messages Exchanged Daily

38 Minutes Spent On Average Per Day

20 Hours Spent On Average Per Month

Additionally, the majority of the users (78%) **use WhatsApp at least once a week, and the 19-40 age group** account for a significant portion of the active user base.



And what does that mean for brands?

That a considerable customer base, ready to engage and spend, is using WhatsApp and perhaps waiting for special offers from your organization. This insight can also be used as an opportunity to understand and talk directly to your customers. In a world of short video formats and quick solutions, what's stopping you from automating your customer journey and also your customer support!

If you are still on the fence, **we analyzed more than 6 million WhatsApp messages for you** to help you understand why the future of transactional messaging is "Hey, WhatsApp!"

KEY TAKEAWAYS

5M+

Customer Interactions

80%

Average Read Rates

39.78%

Avg. Conversion With Personalized Messages

83.67%

Average Delivery Rates

13.93%

Avg. Conversion With WhatsApp Broadcast

3X

Impact of Personalization

As organizations and businesses across the world scratch their heads to figure out what can be the next big customer engagement channel, WhatsApp stares everyone right in the face wondering why it isn't getting picked up enough for a team to play, and we are here to tell you how and why you should.



Connect More With Your Customers

In the “[Business Messaging Research Study, September 2020](#)”, around 70% of the respondents mentioned that they were [more likely to do business with an organization](#) that could connect with them [via a messaging app](#) than one that could not.

Now imagine.

A customer traveling from City A to City B via two different airline carriers, and they need their boarding pass on their phone to travel. What sounds better for the customer’s experience: downloading a bunch of extra apps or sending the customer the tickets via WhatsApp?

Take another example.

A customer went to your website, added several products to the cart, filled in all the details, and then at the last minute exited before the payment was made because they received an important call. They forgot to carry on after the call. Wouldn’t it make more sense to send them a message on WhatsApp to follow up or go back to the payment landing page?

It is not just about adopting a new channel to increase customer engagement or to add more options to your marketing strategies. WhatsApp is the future when it comes to accelerating your sales outcomes as well. It has been estimated that Europe alone will spend 160 billion on [digital ads by 2027](#). And IM will be part of the next wave of innovative channels. You are mostly part of this wave right now!

[WhatsApp](#) is evolving and so should your engagement strategies. With an IM like WhatsApp, there are a lot more possibilities than just informing your customers about great new deals and offers, including:

- ▶ [Redirecting them to a landing page after a failed/incomplete purchase](#)
- ▶ [Sharing a product catalog to inform customers about your latest products](#)
- ▶ [Automating customer support and doing away with lengthy customer calls](#)
- ▶ [Taking feedback from your customers](#)

Messaging platforms have come a long way since the early days of character-limited messaging. [With WhatsApp dominating the messaging platform](#) across geographies and demographics, customers are careful about where to invest their most valuable currency: time. They do not like giving their precious time to organizations that make the engagement journey cumbersome and full of stopgaps, instead of a streamlined, easy process.



How Can Your Business Use WhatsApp?

Shopping

Entertainment

Banking & Finance



Where would you like to explore

Business starts the conversation with a message template.

Hey Anne, your order has been received. Do you want us to let you know when it will be sent?

Yes

No

Yes

We will keep you posted. Have a great day.

Thank you.

Hi Anne, please find below the link to track your order that was shipped.
[Track and trace link](#)

Perfect, wow, that was fast!





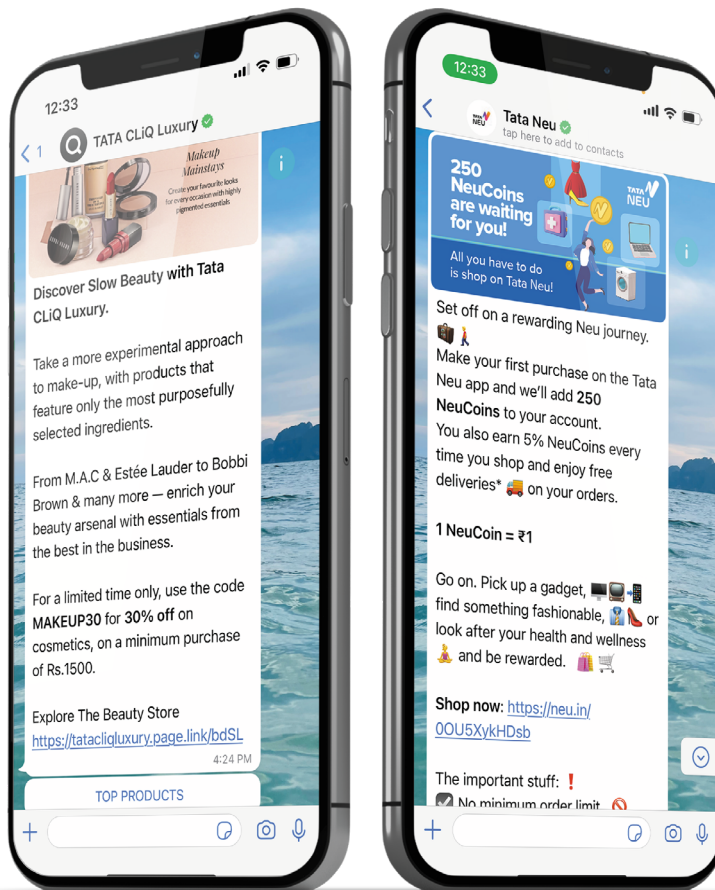
Shopping

Key Points To Remember for WhatsApp for Shopping:

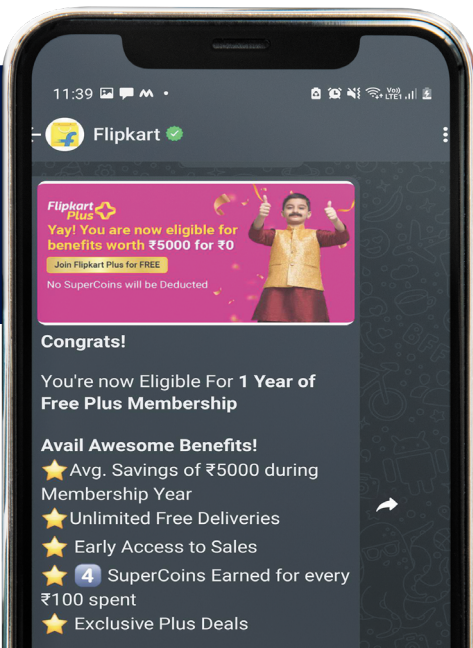
- 1 Target your audience through proper segmentation
- 2 Send communications only relevant to your segmented audience to reduce churn
- 3 Ensure your messages have personalized CTAs and deep links
- 4 Send your customers information about seasonal sales. ALWAYS!
- 5 Learn (with actionable insights) what works with your customers but more importantly, what doesn't!

Onboarding

The first step of the journey typically consists of sending your existing customers a message with new product offerings. It is important to segment your customers based on their past purchases or interest based on browsing for products. No one likes a “spam” message and customers tend to treat irrelevant information as exactly that: spam. Since “first impression is the last impression”, make it count! Before selling them a product that they might be interested in, sell them the idea or the reason why they should come to your platform.



“ First impression is the last impression.



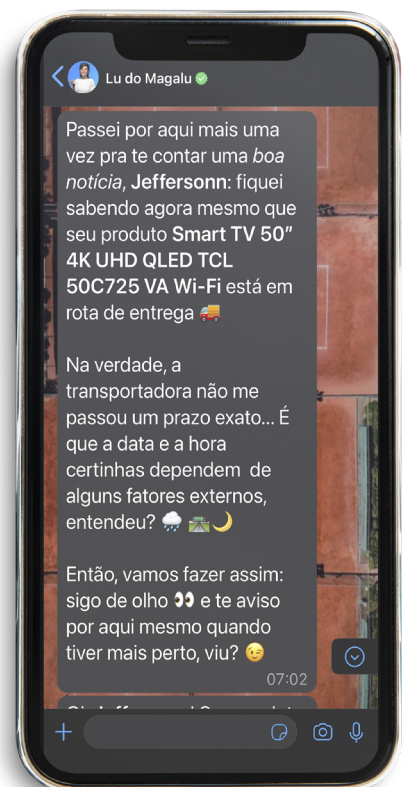
First Purchase

First purchases are always exciting, and ensuring that your customers go for them is important. Not only does this help you understand your customers better but it also helps with the next stages of a purchase. Now, with more information about your customer's preferences, you are better equipped to suggest them better products, create a better experience and help them search for products that are relevant to their needs.

Repeat Purchase/Product Recommendations

As your customers purchase more and more products to suit their needs, you will become more familiar with their preferences to personalize messages even further. This does not stop with only product recommendations; **you must always strive to make customer experiences better and smoother**, and this is where you need to craft a strategy to ensure that they not only come back to your platform but also actively engage with your brand.

Remember, to improve customer lifetime value (LTV) and achieve better ROI, you need to drive sales for repeat purchases through WhatsApp marketing.





Reactivation

What about dormant customers and those who may have dropped from the sales journey?

Worry not because you can always bring them back with a bit of innovative channel marketing. With WhatsApp as a channel, you can send them relevant products from time to time (it is important to space out recommendations for dormant customers), offer them amazing deals on re-purchases, and also help them go straight to the landing page. And since WhatsApp as a channel has **great delivery and reading rates**, the message will always hit home!



Entertainment

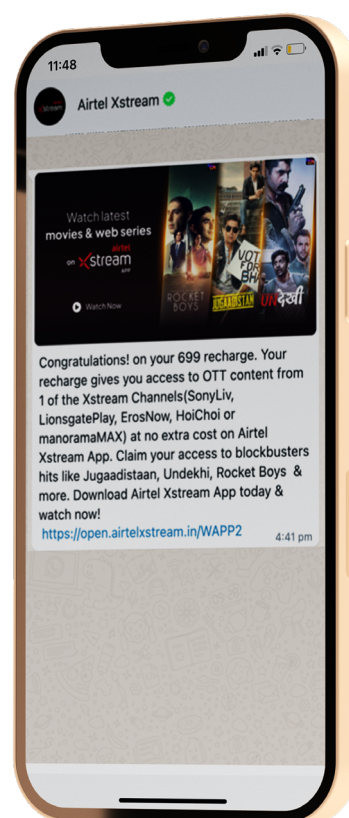
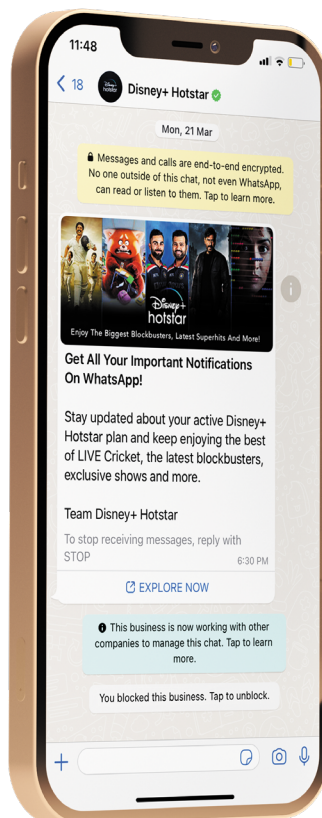
Key Points To Remember for WhatsApp for Entertainment:

- 1 Target your audience through proper segmentation
- 2 Send communications only relevant to your segmented audience to reduce churn
- 3 Announce the latest media content via WhatsApp, especially the ones that are gaining popularity
- 4 Use this channel for important reminders/messages like subscription renewal, mobile tickets, and subscribed alerts
- 5 Learn (with actionable insights) what works with your customers but more importantly, what doesn't!

Onboarding

The first step of the journey usually includes sending your existing customers a message with new content offerings. However, simply sending new content releases is not enough. Customers appreciate relevancy and reliability when experimenting with content. Just like E-commerce, it is also important to segment your customers according to their past content preferences or interest. When looking to onboard new customers, WhatsApp can be the perfect solution to introduce them to your platform by redirecting them to the landing page.

“Simply sending new messages about content releases is not enough.”



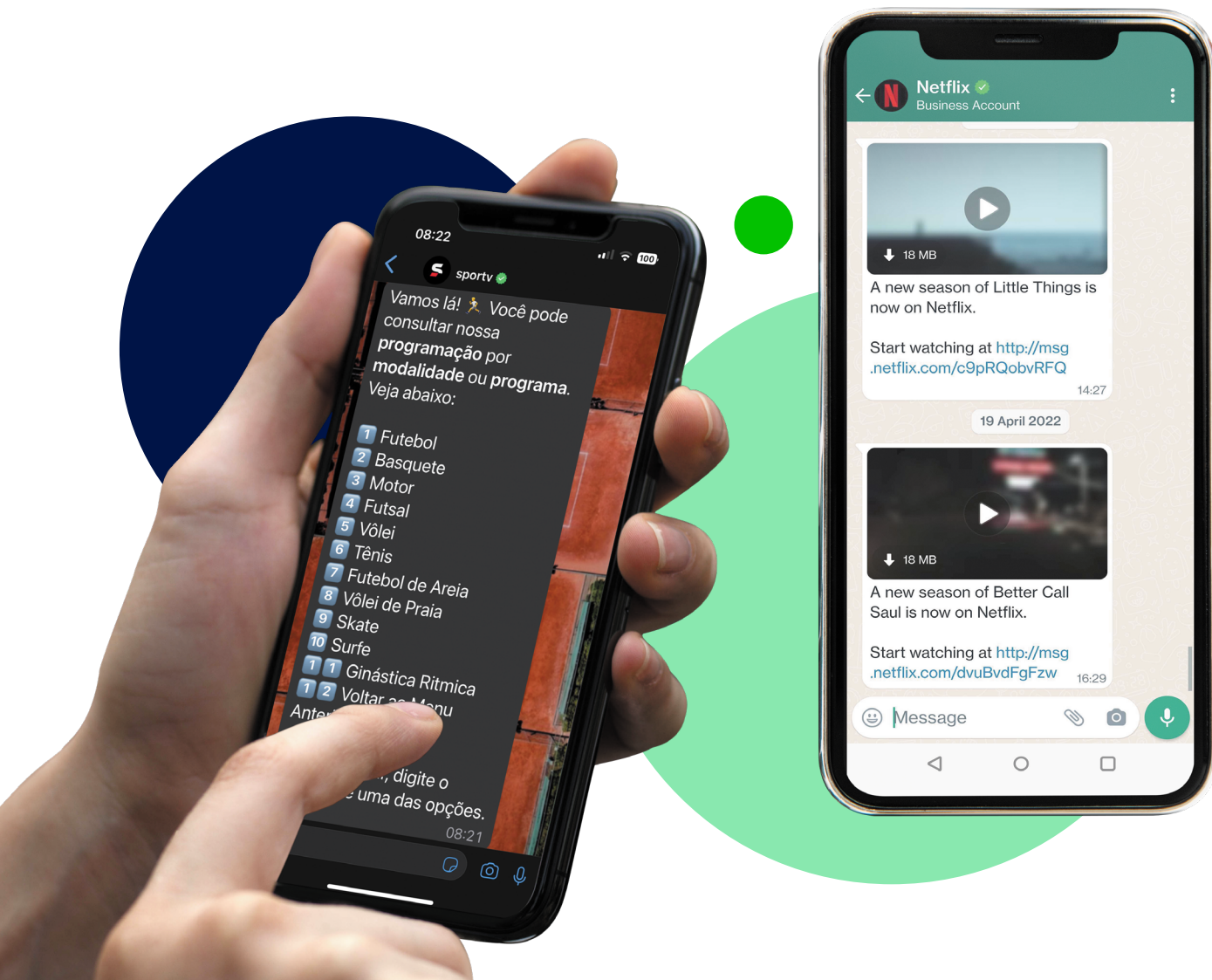


Content Recommendations

Although every step of the customer journey is important, if you are looking to drive a lot of customers to your website/app, few things are as important as sending content recommendations.

Here's an example: Suppose a segment of your customers like Korean drama a lot but they don't enjoy psychological thrillers at all (all that violence!). The OTT platform sends them the top 10 psychological thrillers customers might enjoy over the weekend. Will this segment of customers click on the recommendation?

Perhaps, they will even **unsubscribe** from their WhatsApp communications altogether! And that is how **organizations experience churn!**





Subscription and Adoption

Since most OTT/Media platforms are subscription-based, organizations should use new and innovative channels to not only **drive adoption but also engage with existing customers** who have dropped off from the platform at some point in the customer cycle.

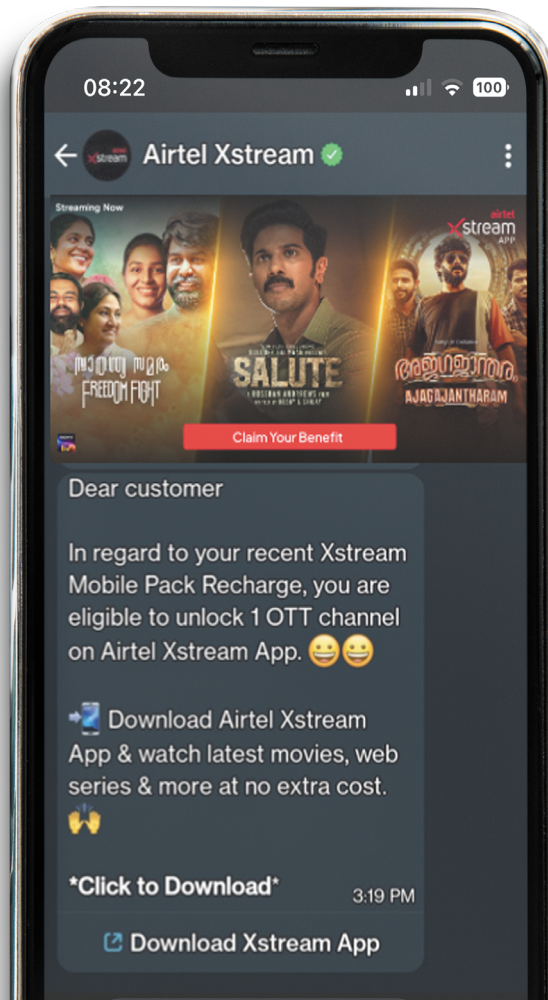
One of the most common ways to drive adoption is to message customers who are unaware of your platform but use other products regularly. OTT companies can send them personalized recommendations, offers, and benefits that can help them with an actively engaged audience.

“ You can also send your customers important alerts like payment reminders and M-tickets.



Reactivation

What about dormant customers and those who may have left the platform? With WhatsApp as a channel, you can send these customers relevant products from time to time (it is important to space out your recommendations to dormant customers), offer them amazing deals on re-purchases, and also help them to go straight to the landing page. Since WhatsApp as a channel has great delivery and reading rates, you can definitely see a rise in your adoption rate again, and stop the churn rates from affecting your platform.





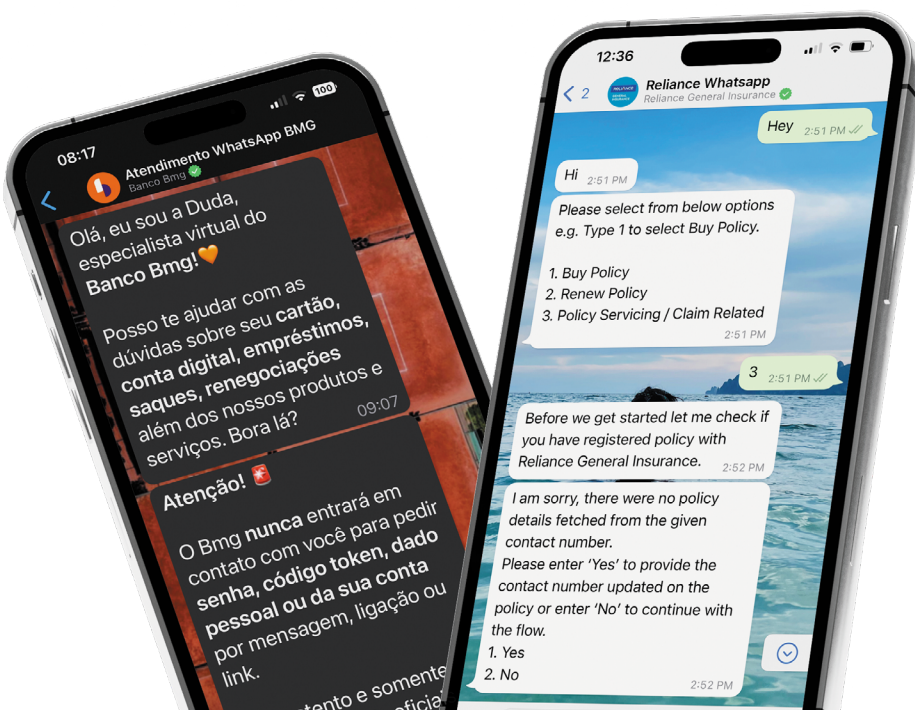
Banking & Finance

Key Points To Remember for WhatsApp for Banking & Finance:

- 1 Target your audience through proper segmentation
- 2 Send communications only relevant to your segmented audience to reduce churn
- 3 Announce all the latest offerings through WhatsApp, due to its high deliverability and read rates
- 4 Send reminders/information for automatic payments, KYC completion, stock price changes, bank balance updates, etc
- 5 Learn (with actionable insights) what works with your customers but more importantly, what doesn't!

Onboarding

The first step of the journey typically consists of sending your existing customers a message with new product offerings. It is important to segment your customers based on their past purchases or interest based on browsing for products. No one likes a “spam” message and customers tend to treat irrelevant information as exactly that: spam. Since “first impression is the last impression”, make it count! Before selling them a product that they might be interested in, sell them the idea or the reason why they should come to your platform.



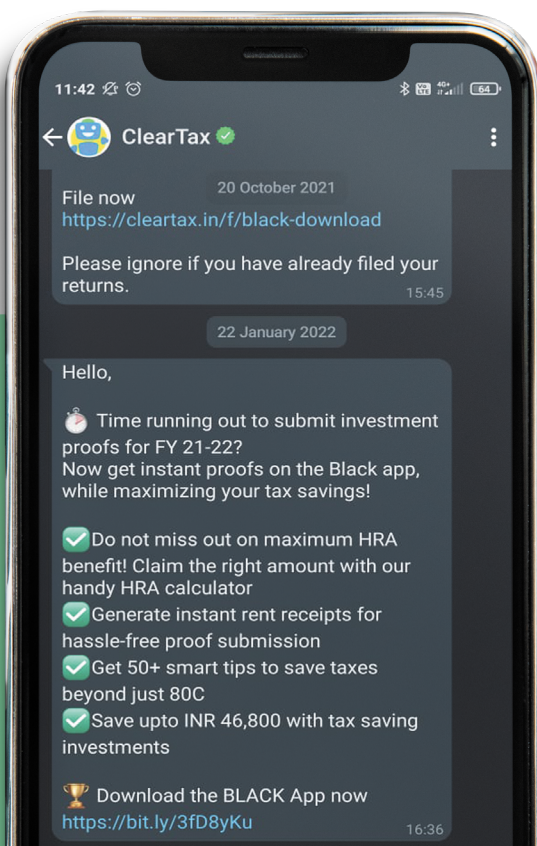
“ Sell them the idea or the reason why they should come to your platform.



KYC Completion

KYC or Know Your Customer is a standard customer verification that many organizations perform, particularly if the future transactions are financial in nature (e-Wallet, setting up new accounts, BNPL, etc).

With WhatsApp, you can always set up an automated process to complete the KYC process, either by asking customers to send documents across or by redirecting them to a landing page to submit these. Additionally, post-submission, you can always inform your customers of the status of their KYC process.



With WhatsApp as a channel, **sending recommendations becomes easier**. At the same time, by analyzing what customers click on, you can also discover what works for your target audience!

Product Recommendations

Product recommendations are very important for BFSI products. Financial commitment of any kind is a very personal choice, and organizations should bear in mind that sending irrelevant recommendations affects customers more than sending none. After segmenting your customers, it is important to **send only relevant information and recommendations to your customers**, since this can help with the churn rate while signaling to your customers that the only time they will receive any message from your organization is when it is highly relevant and important.

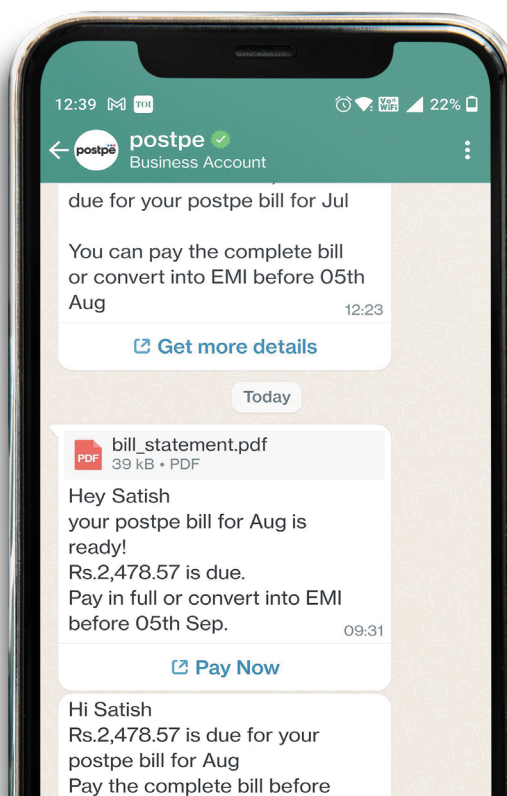


Reactivation

So, what about dormant customers and customers who may have dropped from the platform?

With WhatsApp as a channel, you can send them relevant products from time to time (it is important to space out your recommendations for dormant customers), offer them amazing deals, and also help them navigate straight to the landing page. Since WhatsApp as a channel has great delivery and reading rates, you can also note what works or does not work for your customers and their interests!

“It is important to space out your recommendations for dormant customers.





Should Brands Look to Adopt WhatsApp?

The short answer is, yes!

The long answer:

Brands looking to increase the adoption of their products/platforms or wanting to grow their revenue through a new and innovative engagement channel due to stagnant customer growth issues should definitely explore WhatsApp as a new channel for their marketing strategies.

WhatsApp as a platform has seen some amazing growth (2 billion+ users), with an average conversion rate of 33.8% across all verticals*. Customers use and trust WhatsApp.

* Based on an analysis of more than 6 million+ messages by MoEngage

It can act as a perfect channel for building trust with your customers while sending them important information about both your brand and your products. And the best part is, this channel, like some of the best marketing channels, is vertical/sector agnostic. As long as your brand has something meaningful to offer to your customers, WhatsApp can definitely help you grow your business!





Growth Mentors At MoEngage



Raviteja Dodda

CEO & Co-founder

[Linkedin](#)



Yashwanth Reddy

Chief Business Officer

APAC & EMEA

yashwanthreddy@moengage.com



Narasimha Rao

General Manager

India, Middle East & Africa

narasimha.rao@moengage.com



Saurabh Madan

VP & General Manager

SEA, ANZ & Japan

saurabh.madan@moengage.com



Kunal Badiani

Senior Director

Middle East, Africa & Turkey

Kunal.Badiani@moengage.com



Daniel Simoes

General Manager

Latin America

Daniel.Simoes@moengage.com



Meagan White

Vice President

North America

meagan@moengage.com



Jason Smith

Vice President

Europe

jason.smith@moengage.com



About moengage

MoEngage is an insights-led customer engagement platform, trusted by more than 1,200 global consumer brands such as Ally Financial, McAfee, Flipkart, Domino's, Nestle, Deutsche Telekom, OYO, and more. MoEngage empowers marketers and product owners with insights into customer behavior and the ability to act on those insights to engage customers across the web, mobile, email, social, and messaging channels. Consumer brands across 35 countries use MoEngage to power digital experiences for over 1 billion customers every month. With offices in ten countries, MoEngage is backed by Goldman Sachs Asset Management, B Capital, Steadview Capital, Multiples Private Equity, Eight Roads, F-Prime Capital, Matrix Partners, Ventureast, and Helion Ventures.

MoEngage was named in the **2022 Gartner® Magic Quadrant™** for Multichannel Marketing Hubs and as a Strong Performer in The **Forrester Wave™** 2021 reports.

[**Connect With Us Today!**](#)

Gartner



FORRESTER

