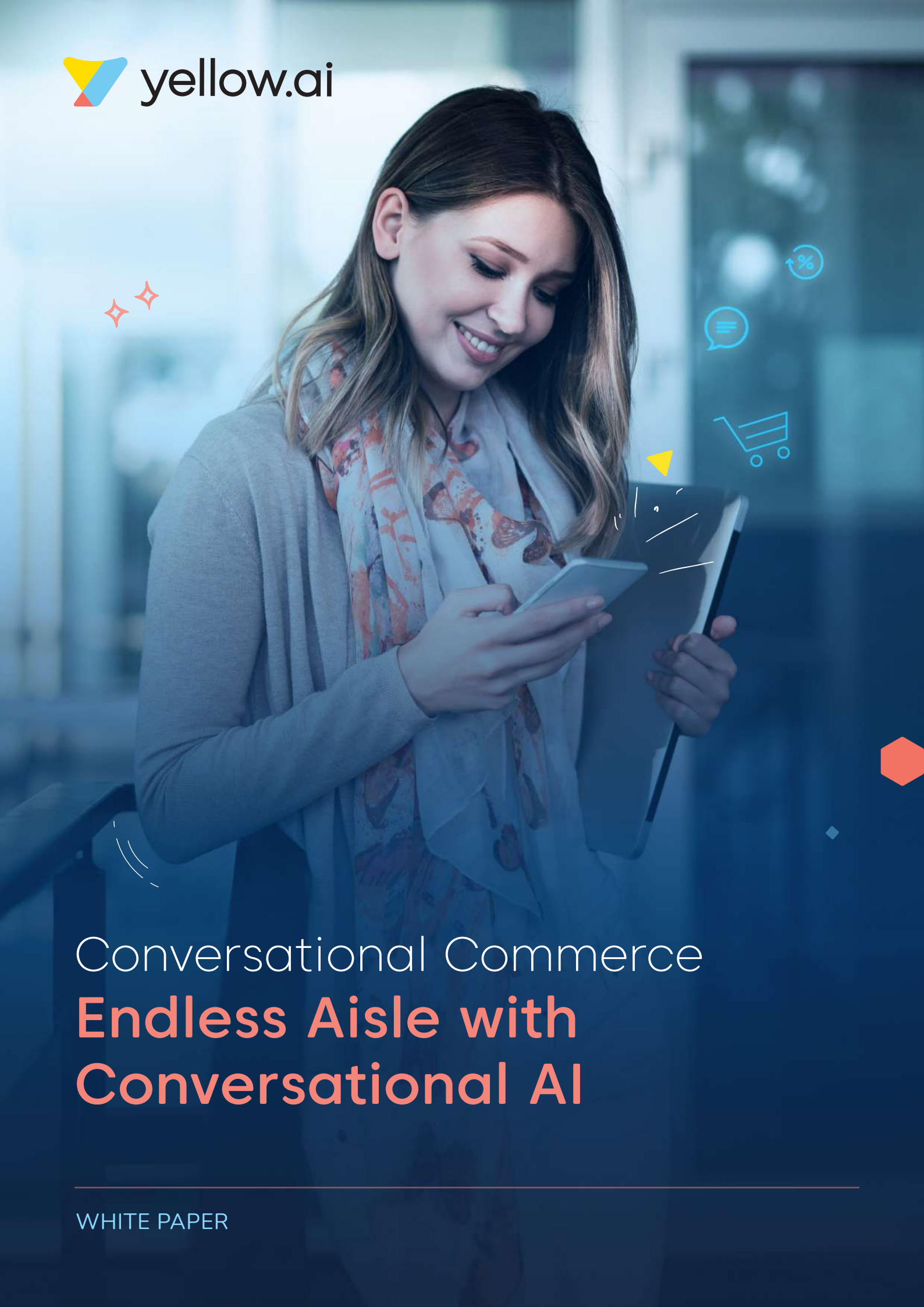
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Conversational Commerce
Endless Aisle with Conversational AI

WHITE PAPER

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A New Era of Consumer **Behaviour and Communications**

Today, enterprises are undergoing a rapid digital transformation. As the world embraces a post-COVID-19 work scenario, companies are innovating their marketing and sales strategy to fit the scene. For any business to jump off the books, the adoption of new technologies is imperative. Now more than ever, imagination is important for devising and executing novel ways to bridge the gap of demand and supply. Innovative strategies that are effective are always catalysed by technology - specifically automation. The power of AI enables organizations to scale and accelerate business functions. This results in efficiency and efficacy. The applications of artificial intelligence are endless. It is on thought leaders and decision-makers to understand and internalise the concept to think of new, innovative ways of decimating business issues, generating additional streams of revenue and gaining a competitive edge. Enterprises which adapt and adjust their business models to incorporate digital technologies, re-imagine their customer journeys for the current and future needs, and implement AI solutions are the economic Moghuls of tomorrow

> **Enterprises that implement AI solutions today are the economic Moghuls of tomorrow.**

What is an **Endless Aisle?**

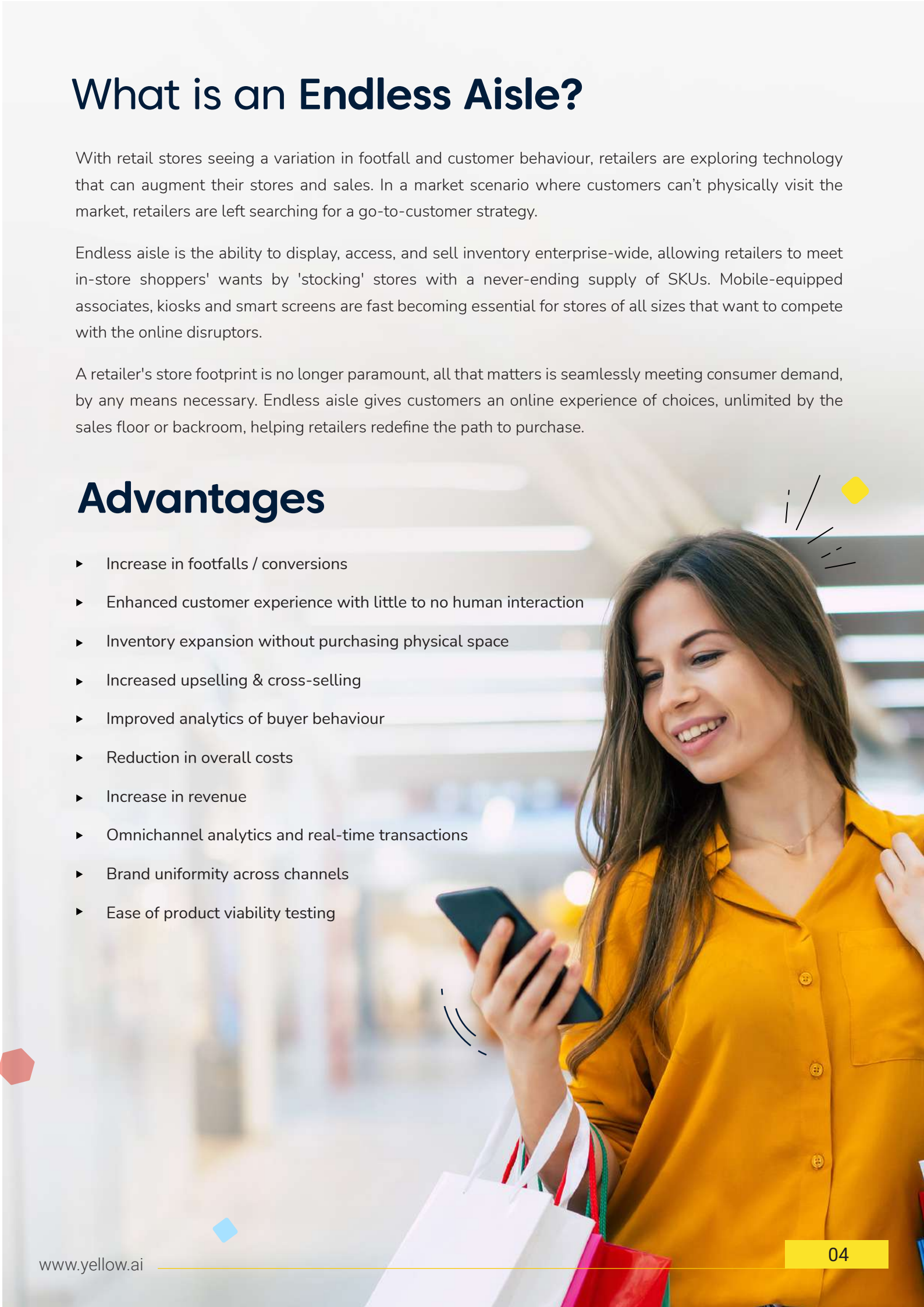
With retail stores seeing a variation in footfall and customer behaviour, retailers are exploring technology that can augment their stores and sales. In a market scenario where customers can't physically visit the market, retailers are left searching for a go-to-customer strategy.

Endless aisle is the ability to display, access, and sell inventory enterprise-wide, allowing retailers to meet in-store shoppers' wants by 'stocking' stores with a never-ending supply of SKUs. Mobile-equipped associates, kiosks and smart screens are fast becoming essential for stores of all sizes that want to compete with the online disruptors.

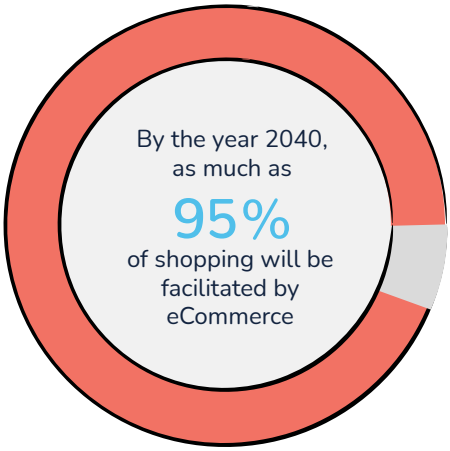
A retailer's store footprint is no longer paramount, all that matters is seamlessly meeting consumer demand, by any means necessary. Endless aisle gives customers an online experience of choices, unlimited by the sales floor or backroom, helping retailers redefine the path to purchase.

Advantages

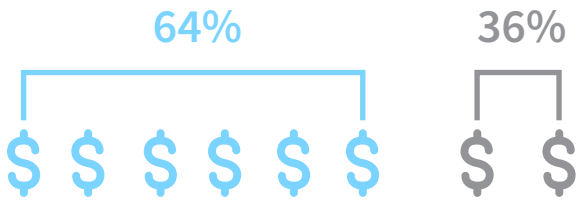
- Increase in footfalls / conversions
- Enhanced customer experience with little to no human interaction
- Inventory expansion without purchasing physical space
- Increased upselling & cross-selling
- Improved analytics of buyer behaviour
- Reduction in overall costs
- Increase in revenue
- Omnichannel analytics and real-time transactions
- Brand uniformity across channels
- Ease of product viability testing



Highlights

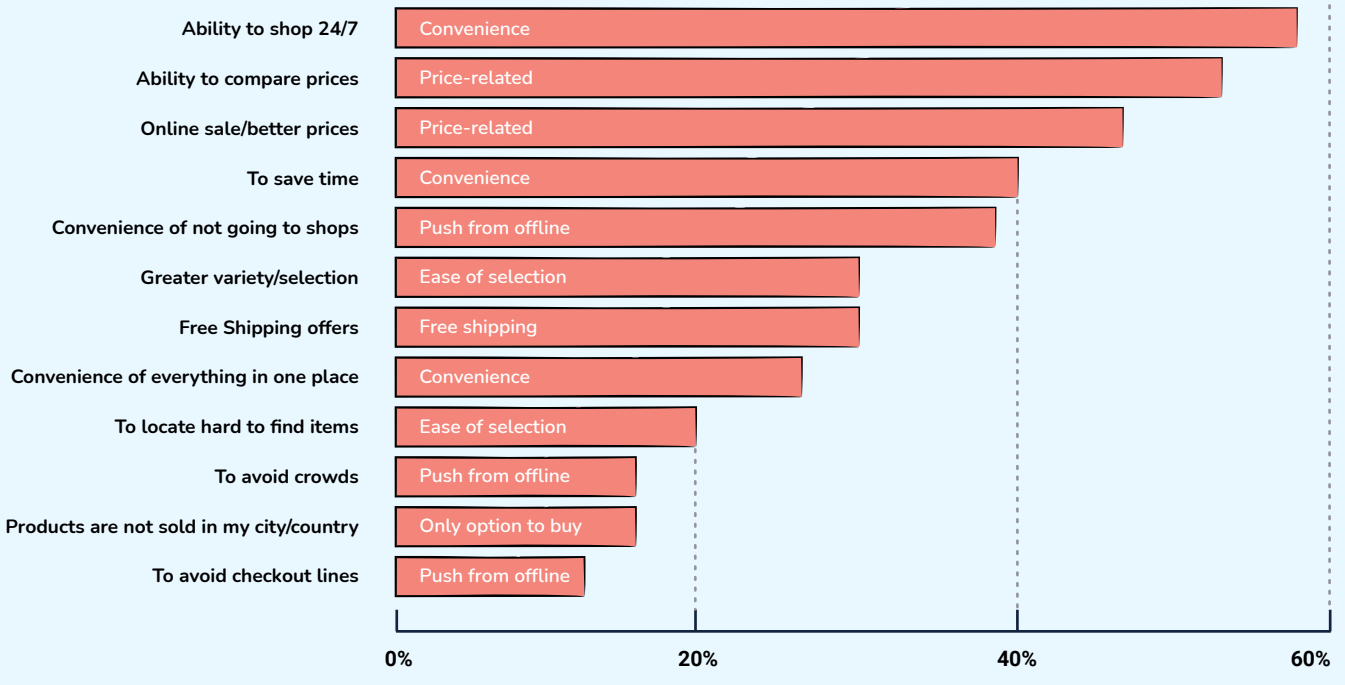


Ecommerce statistics



A the same time, 64% of the American's shopping budget is spent in-store, and only 36% in spent online.

- By 2040, 95% of purchasing will be backed by e-commerce.
- About 25% of the world's population is buying online, currently. That's an estimated 2.05 billion digital buyers.
- E-commerce is expected to make up a staggering 17.5% of retail sales globally by 2021.
- Online shopping is popular because of its convenience. People get to compare the prices of their favourite products, at any time online.
- However, the number one reason is that people can shop 24/7.
- 65% of users compare product prices online while at the store.
- Consumers trust a business that makes it easy to contact people at the company.
- 80% will leave the brand if they have a poor customer experience.
- 69% of shopping carts are abandoned.



Source: Global online consumer report, KPMG International, 2017

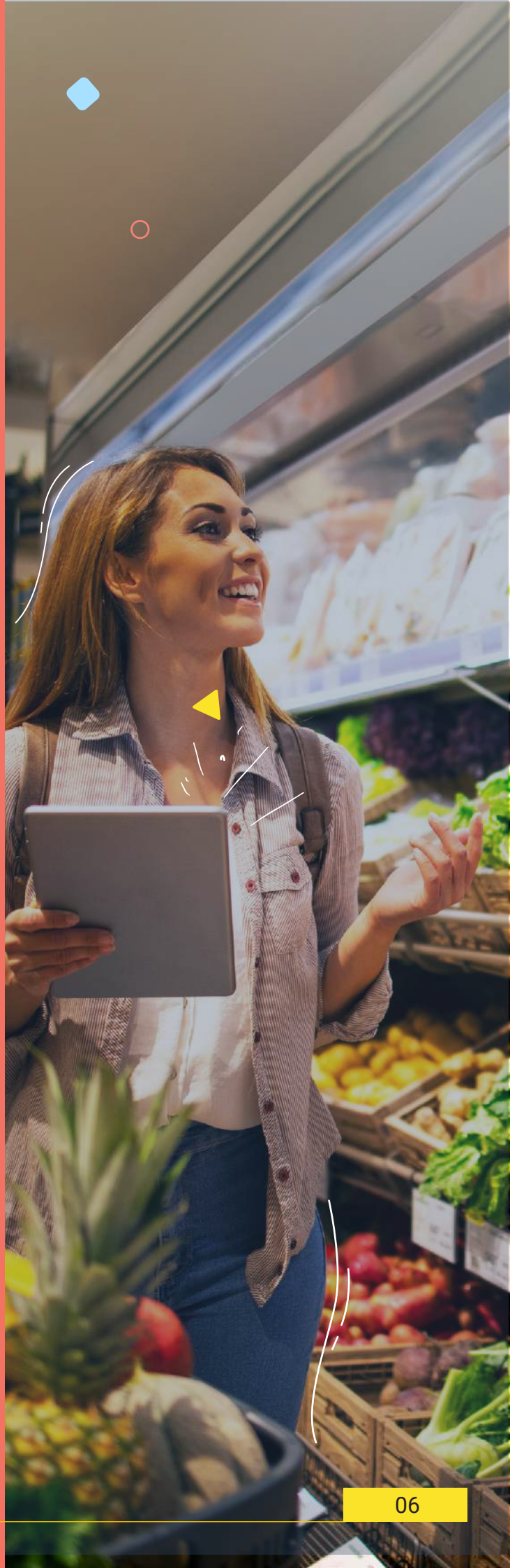
Endless Aisle for **Retail Enterprises**

The endless aisle strategy, as we know, ensures the reduction in drop-offs since the complete catalogue is on display for users regardless of its shortage, if any, at a store. But, endless aisle enhanced with conversational AI not only means greater visibility but also less dependency on humans to make the sale or support a customer. Customer experience becomes a delightful proactive measure wherein grievances are reduced. Customer queries are resolved in real-time by virtual assistants. Costs of buying a physical space, operation expenditures, customer analytics costs are decreased drastically, thus boosting revenue exponentially.

With conversational AI, sell the right products, at the right time to the right customers without depending on agents or ticketing systems.

Direct brand to customer connect

With the distribution of products, brand uniformity, communication, surveying and feedback procedures become increasingly difficult to manage. Besides having centralised data and providing real-time transactions, it is essential to keep the brand persona intact. With decreased supply network dependency and distribution that is cut short thanks to an endless aisle, the virtual assistant ensures that all communications carry the same tonality across channels. We understand the time it takes to build trust. With a direct to consumer channel empowered by conversational AI, receiving timely feedback and using it to provide exceptional customer service is a breeze.





Stock information

Even today, 90% of transactions still occur in physical stores. This means that the customers are there, and they're ready to buy. 8% of inventory is typically out of stock. Put these numbers together, and it becomes clear that a significant amount of money is being lost as a result. Imagine your customer is at your store, looking for a pair of shoes, size 10. But it looks like it's out of stock. Wouldn't it be nice for your customer to snap a QR code and get information on demand about the availability of size 10?

But what if you don't have Size 10 at all? You can then suggest an alternative branch that has the product or give information about when it'll be restocked. The virtual assistant can deliver notifications and reminders to the customer about the availability of the customer's desired products.

Or better still, the virtual assistant can order items on behalf of the customer. With deep learning and analytics, the buying pattern and preferences of every consumer will enable smart purchase ergo complimenting the stock information.



Product information

Is this good for running? Is this quick dry? Which fishing rod is good for beginners? Shoppers today are mostly aware of their requirements and do thorough comparisons before purchasing. What if you could get information about the product on-demand? No more reading, googling, asking the store agents.

With on-demand product information features, not only are your customers more satisfied with making an informed decision, but retailers also get their hands on what customers are seeking. This can help in product design, packaging and even affecting the product as a whole. Providing too many options has also been known to confuse consumers but a chatbot will only speak of products relevant to the individual, yet another example of buyer data analytics.



Improved stock management

With an endless aisle, retailers can manage their stock efficiently and avoid any misalignments in the demand and supply cycle. There will be no overabundance or shortage of supply. It reduces costs involved in inventory management, labor and time spent on inventory control. Real-time transactions will allow effective stock control with little human intervention, ensuring that your consumers get their products. Also, the chatbots get smarter with conversations over time, thus reducing the workload yet generating phenomenal revenue.



Testing the viability of a product

You're rolling out a new product. It's unconventional and fresh, something different from your theme of products. You produce it in abundance or buy them and find an inventory to stock them. On release, you've ensured that the supply for your product is in place with no room for delays only to realize that it's not a hit. The number of resources wasted on this line will be a difficult acceptance. But it doesn't have to be. With the harmony of chatbots, e-commerce, and endless aisle, one can first test the product in limited quantities and avoid fully perpetrating the product. As mentioned earlier, testing and receiving feedback on products and services is quick therefore one doesn't have to over-commit to a product.



Reduction in drop-offs

In densely populated regions, where the hospitality industry is pretty cut-throat, the availability of rooms is unpredictable like in the case of Paris, New York, etc. Here tired travelers can get agitated if they find that the rooms are now fully occupied, which is also a usual occurrence and can happen in a matter of minutes so a website isn't a complete solution. Real-time information and transaction is the need. In these cases, where consumers' patience is running low and so are the resources or space, it can be easy for them to switch loyalty. To avoid these drop-offs, the endless aisle concept embellished with conversational AI is of huge importance and impact. Instead of waiting to check the availability of other hotels, one can ask the virtual concierge about the availability of rooms at sister branches. Let's say the concierge runs on WhatsApp, it makes the journey 70% more easy for consumers/travelers. This is a huge feat since WhatsApp is the number one messaging app in the world so it's faster for anyone to use instead of going for niche apps. The same is true for products. Consumers can check the availability of desired items at nearby stores at purchase without waiting.



Concierge to walk-in customers - no-touch + accurate info interactions

With an endless aisle, retailers can manage their stock efficiently and avoid any misalignments in the demand and supply cycle. There will be no overabundance or shortage of supply. It reduces costs involved in inventory management, labor and time spent on inventory control. Real-time transactions will allow effective stock control with little human intervention, ensuring that your consumers get their products. Also, the chatbots get smarter with conversations over time, thus reducing the workload yet generating phenomenal revenue.

Did you know? Our NLP engine runs on a transfer-learning [a machine learning problem] module which means that our virtual assistants provide speedy, accurate information with little to no data to work with from the start.



Smart promotions

You're rolling out a new product. It's unconventional and fresh, something different from your theme of products. You produce it in abundance or buy them and find an inventory to stock them. On release, you've ensured that the supply for your product is in place with no room for delays only to realize that it's not a hit. The number of resources wasted on this line will be a difficult acceptance. But it doesn't have to be. With the harmony of chatbots, e-commerce, and endless aisle, one can first test the product in limited quantities and avoid fully perpetrating the product. As mentioned earlier, testing and receiving feedback on products and services is quick therefore one doesn't have to over-commit to a product.



Increased sales, improved NPS with no increase in overhead

It's clear that this concept permits extending the inventory without having to purchase a space. Top it off, with AI-powered assistance to your business, the sales, marketing, customer support and many other business functions will require no extra budgets and human effort. Agent time is spent on creative strategies that can further enhance your business. Customer queries can be reduced to almost half and in some cases, beyond that. Personalised experience provided by smart chatbots will ensure delighted users and fewer complaints. Drop-offs will diminish, CSAT and NPS will improve and your ROI will maximise even for minimal spending on processes.



Omni-channel analytics

When do your consumers buy and what's their purchasing behaviour like? How does this impact sales? Retailers have to address these issues to optimize the shopping experience. To do this, retailers have access to a wide range of technologies on the market that measure customer football and consumer behavior.

Previously, brick-and-mortar businesses used loyalty programs or purchase receipt data to get to know their customers and preferences better. However, this data can often not be compared to other relevant parameters – so-called key performance indicators (KPI). That's why customer footfall measurement and customer behavior analysis are increasingly elevated to a digital level. With interaction points such as QR codes to chatbots, there is a lot more information flowing to the retailers, in the natural language entered by the customers and analyzed with the power of AI.

Conversational AI can take care of your customer's journey from marketing, sales to support, leaving your employees free to be creative, innovative and experimental. Yellow AI's virtual assistants are your execution engines to bring your best ideas to life.

Get a **demo** to understand the benefits of **conversational AI** for your business, today

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