

Conversing to commerce: The emergence of chat-based shopping

Conversational commerce is a rapidly growing trend in the e-commerce industry. It involves using chatbots and other forms of artificial intelligence to interact with customers and help them make purchases via their preferred platform, from Whatsapp and SMS to Facebook Messenger and Instagram. With the wide scale adoption of messaging platforms and mobile devices, consumers are increasingly using chat as a way to communicate with and purchase from businesses.

This shift in consumer behaviour has led to the development of new technologies and strategies that allow companies to engage with customers in a more conversational and personalised way.

We are only at the beginning of a communications revolution as organisations worldwide accelerate their digital transformation journeys in an attempt to improve customer experience across the board. With Google set to phase out the use of third-party cookies in 2024, businesses in 2023 will have to change and transform their marketing strategies as the new privacy regulations will

require marketers to acquire their customer information from new sources.

Navigating a post-third-party cookie era

With the death of the cookie a principal driver of change, the next couple of years are set to be transformational for marketers across the globe.

The end of cookies, which are small text files that store information about a user's browsing history and preferences, will see the usage of conversational commerce skyrocket in the next few years. Cookies have traditionally been used to track users' behaviour on websites and in apps, allowing businesses to gather data about their customers and target them with personalised ads and offers. However, with the increasing focus on privacy and the move away from third-party cookies towards a more transparent digital age, businesses will need to find new ways to gather data about their customers.

One potential impact of the end of cookies is that businesses may need to rely more on first-party data, such as information provided by customers during registration or checkout. This could make it more difficult for businesses to gain a comprehensive understanding of their customers and target them with personalised offers.

Another impact is that the businesses may need to use alternative methods to track user behaviour, such as device browser footprints. These methods can be used to identify a specific device or browser, but they come with their own set of privacy concerns.

Conversational commerce platforms will be less affected by the end of cookies because they rely on direct interactions with customers. However, businesses may need to rely more on other forms of data, such as customer demographics and purchase history, to personalise their interactions with customers. Additionally, businesses may need to be more transparent about their data collection practices and obtain explicit consent from customers to track their behaviour.

The end of cookies is likely to present new challenges for businesses that rely on tracking user behaviour and personalising their interactions with customers. However, it may also lead to new opportunities for businesses that are able to create personalised experiences without relying on data from third-party cookies. Even with the delayed, but inevitable demise of cookies, advertisers and marketers will need to pivot their digital marketing strategies to ensure they are reaching their target audience.

Innovative e-commerce strategies for a changing market

Businesses may want to consider shifting the focus of their software development teams to the creation of infrastructure that will allow conversational AI to build on notifications and generate natural dialogues that lead to sales. Website development teams should think about incorporating quick and easy conversational flows that can be customised for a variety of social media platforms and message channels.

Communications APIs are what enable this. These serve as a software tool for programme control and as the foundational capability for customer assistance solutions involving video, phone, and messaging. APIs are the components of the server that receive requests and provide responses; they are the sets of rules that enable apps to communicate with each other.

Conversational commerce is the future

It is only natural that customers might require assistance when using a company's platform or browsing its product selection. The key in such circumstances is to provide support as soon as feasible and at the end-users' convenience, which can raise the possibility that an exchange will result in a sale.

Conversational commerce allows businesses to offer customer support via messaging and social media apps. By engaging in a conversation with the customer, brands can market their products in a tailored and supportive manner, without accessing consumer internet browsing data.

Businesses must recognise that consumers want instantaneous communication via SMS and social media platforms. The former can profit from this desire by putting in place the infrastructure necessary for end users to make purchases while the conversation is still in progress. For instance, a consumer may notice a company's product on Instagram and message them with a question. After receiving a positive response, the discussion can move on by providing an option for payment.

The demise of the cookie is set to transform the way businesses engage with their customers. Businesses must evolve and adopt conversational commerce now, or risk being left behind in the new transparent digital age.

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