



inmoji

State of Conversational Commerce Report

Innovation in messaging starts here
June, 2016

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Executive Summary

With traditional advertising methods increasingly met with cynicism by savvy consumers, marketers are always looking for ways to connect authentically. It's long been known just how valuable word-of-mouth marketing can be. People trust other people far more than they trust companies and a recommendation from a friend can be far more valuable than any marketing campaign.

As more and more of our conversations move online, they offer new twists on just how brands can take advantage of word-of-mouth recommendations and endorsements. In a world where any person with a smartphone can become an influencer to their network of friends, family and colleagues, there are fantastic new opportunities to insert brands into conversations seamlessly and with a high return on investment.

What's most important is not knowing simply that these conversations are occurring, but truly integrating into where they're occurring. More than 2.5 billion people worldwide are now users of mobile chat platforms – apps like Facebook Messenger, WeChat, Tango and Kik – which have experienced exponential growth in recent years. These agile platforms offer quick and easy ways to stay connected and are largely becoming the social hubs of our connected world.

Moreover, these platforms are also becoming vehicles for commerce and what used to simply be an opportunity for a word-of-mouth recommendation now becomes so much more. Taking advantage of platforms like Inmoji, advertisers and brands can now create shareable, interactive and metrics-driven pieces of content that help bring a brand experience to life. Inmoji offers consumers a convenient way to share a good deal, use a service to make plans with friends, or simply recommend a product or service they love. They can place themselves natively within conversations and, for the first-time ever, take word-of-mouth to the next level as they embrace the rise of Conversational Commerce.

The Value of Conversation

In the world of marketing, we hear a lot about “influencers” – that seemingly mythical class of plugged-in individuals, who serve as taste-makers, set trends and ultimately guide purchasing decisions for the masses. Perhaps they're fashion icons or sports stars, maybe they're thought leaders or members of the media – they're different for each of us, but whoever they are, it's clear that a positive word from an influencer gets results.

But there's another class of influencer – the kind that existed long before social networks and mass media and one whose opinion is far more meaningful than any celebrity. Your friends, your family, your coworkers are undoubtedly the most important influencers in your life whether you know if or not. In our hyper-connected, globalized world, intimate

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conversations with those closest to us still have a significant role to play in shaping how we learn about new trends, form opinions about current events, or how we choose what to buy.

Eighty-four percent of consumers say that they either completely or somewhat trust recommendations from family, colleagues and friends about products and services.¹ This kind of trustworthiness is simply unattainable through traditional advertising and marketing. Consumers have an overwhelmingly negative view of traditional advertising – according to AdAge, “fewer than 25 percent of U.S. online consumers trust ads in print publications, and the numbers are even worse for digital media.”² Clearly, smart marketers must find new ways to reach consumers that don’t trigger cynicism and rejection.

...this rising generation of consumers value experiences that are quick, easy and suit an on-the-go lifestyle. By building commerce opportunities into the platform where people are already holding conversations, you eliminate a significant barrier between the consumer and the brand.”

Increasingly, consumers are gravitating towards brands that embrace more organic forms of outreach, companies that speak to human experiences and earn credibility through action and interaction – not through slogans and traditional ad campaigns. This means that brands must find opportunities to seamlessly project themselves into conversations and ensure that they become part of the conversations that their target consumers are having. Word-of-mouth matters – up to 50 percent of purchasing decisions are affected by word-of-mouth and a successful marketer ignores it at their peril.³

For marketers attempting to reach the next generation of consumers, gaining consumer trust is truly an uphill battle. Whenever millennials are polled on what they want from brands, they come back with a resounding chorus of “authenticity.” Millennials are highly attuned to when they’re being marketed to and many traditional methods of advertising are met with cynicism and rejection. And it’s not just selfie-snapping, snapchatting teens – 63 percent of consumers say that they are “highly annoyed with brands’ continued practice of repeating generic advertising messages.”⁴

1 [Under The Influence: Consumer Trust In Advertising](#), Nielsen, 9/7/2013

2 [Marketers: Consumers Don’t Trust Your Ads](#), AdAge, 4/16/14

3 [Infographic: 9 Big Reasons for Serious WOMM](#), 2/2014

4 [Brands Shouting, But Consumers Aren’t Listening](#), Marketing Daily, 6/22/2015

In her latest Internet Trends Report, Mary Meeker lays out what consumers find effective in online ads and the most prized qualities – authenticity, entertainment and a personal or emotional connection – is increasingly difficult to achieve with traditional advertising channels.⁵

For brands looking to truly reach consumers, the challenge stands: How do we best craft campaigns that reach our target audience without bombarding them with advertising that at best becomes background noise and at worst actively harms their opinion of the brand?

Looking at the landscape, it's clear that finding ways to not only inspire conversations, but become an intrinsic part of them is more important to brand success than ever before. A recent article by Chris Messina, the developer experience lead at Uber, dubbed 2016 the “*Year of Conversational Commerce*” and with good reason. Conversations have always been an important part of how consumers make buying decisions, but in the age of conversational commerce, they become the primary vehicle by which consumers discover and build relationships with products and services.

Exactly what is Conversational Commerce? Messina gives us a solid definition:

“Conversational commerce... largely pertains to utilizing chat, messaging, or other natural language interfaces (i.e. voice) to interact with people, brands, or services and bots that heretofore have had no real place in the bidirectional, asynchronous messaging context.”

Simply put, conversational commerce moves conversations from simply being about brands to making brands interactive, engaging and an active participant in an online conversation. It's about using technology to seamlessly integrate audio-visual media and personalized offers from brands into conversations and make that content shareable, fun and data-rich.

For instance, a person planning a night out could make an online reservation for their favorite restaurant and reserve movie tickets directly through their favorite chat application and then share them with a group of friends using clickable, branded icons. The brand could then attach promotions – say, a coupon for a drink special or a trailer for the movie they plan to see – or gather consumer data as part of this interaction. In this way, conversational commerce is convenient, organic and fun for the consumer, while providing significant value to the brands who pursue it.

The Rise of the Mobile Chat Generation

The exceedingly high degree of trust we place in conversations and word-of-mouth is no new trend. But while that trust has remained steadfast, the way we converse has undergone massive change in recent years. The rise of the smartphone and the always-on, always-connected world we live in has enabled a culture of near-constant communications through social networks, text messaging and peer-to-peer chat networks.

Over the past few years, apps like Facebook Messenger, Tango, WeChat and Kik have grown exponentially. These platforms offer quick, easy and oftentimes very affordable

5 [Internet Trends Report 2016](#), Mary Meeker, Slide 46, 6/1/2016

As more and more people adopt smartphones and tablets as their primary gateway to the online world, these lightweight, data-friendly chat apps have become portals to news, services and of course, commerce.

ways to keep in touch with friends and family and are increasingly becoming the primary communication channel for many consumers. Today, about 2.5 billion people have signed up for at least one mobile messaging app and, according to a study by the advisory firm Activate, that number could reach 3.6 billion by 2018. That's 90 percent of the internet-connected world.⁶

What has driven this rise? A growing number of users are moving towards these chat networks and away from

more traditional social media platforms because they're inherently more private and offer a free or much cheaper alternative to SMS texting. This is especially true in major global markets like Asia, Europe and the Middle East.

According to a 2015 report, six of the top 10 most used apps globally are messaging apps.⁷ Perhaps more importantly, the same study showed that users spend significant amounts of time using these apps, launching them dozens of times each day on average. Also of note, this trend shows few signs of slowing down. Since 2013, adoption of messaging apps has grown exponentially, with industry leader WhatsApp enjoying a whopping one billion users as of February 2016 – up from 200 million in 2013.⁸

And with the mass adoption of these apps, it is perhaps no shock that for many they have become the hub of their online life. As more and more people adopt smartphones and tablets as their primary gateway to the online world, these lightweight, data-friendly chat apps have become portals to news, services and of course, commerce. From being able to hail an Uber from inside a Facebook Messenger conversation to ordering clothes from online stores via Tango, users are becoming more and more comfortable with the idea of using chat apps for more than just chatting.

This trend presents an incredibly exciting opportunity for marketers looking to reach some of the most plugged-in audiences. Recently, AdWeek's Jim Tomanchek wrote:

“Research shows that mobile messaging users are loyal, or at the very least, “always on.” Messaging apps are used almost nine times a day, five times the average for all mobile apps. A month after installation, messaging apps have nearly double the retention rate of the average for all apps: 68 percent vs. 38 percent. A year later, users launch 62 percent of downloaded messaging apps at least once... As with the emergence of social platforms years ago, a few companies will be bold enough to embrace messaging apps immediately and

6 [The Future of Mobile Chatting: Commerce](#), The Wall Street Journal, 1/4/2016

7 [Internet Trends 2015](#), Mary Meeker, 5/27/2015

8 [Number of monthly active WhatsApp users worldwide from April 2013 to February 2016](#), Statista

the rest of the industry will follow closely behind as valuable audiences continue to embrace them for everyday use.”⁹

Part of the reason that commerce features are quickly becoming a key part of messaging platforms is they meet the needs of a generation that wants transactions to be quick, easy and seamless. Earlier this year, a survey conducted by Mintel generated a significant amount of coverage and joked when it was shown that 40 percent of millennials will not choose cereal for breakfast, because even cereal is not convenient enough.¹⁰ And while it may be easy to laugh at this trend, it speaks to just how much this rising generation of consumers value experiences that are quick, easy and suit an on-the-go lifestyle. By building commerce opportunities into the platform where people are already holding conversations, you eliminate a significant barrier between the consumer and the brand. And, you create an organic opportunity for your audience to share their brand interactions with like-minded friends, family and more.

Turning Your Best Consumers into Your Strongest Advocates

Clearly, private chat services are an increasingly important forum for both personal communications and commerce. And conversations about brands, products and services are already taking place online – in the United States alone, each day there are 3.3 billion brand mentions in 2.4 billion brand-related conversations.¹¹ For marketers, this presents an unmissable opportunity to harness the power of authentic communications as a vector for interfacing with consumers and extending the reach of your brand.

But how can you best empower users to demonstrate their brand loyalty when chatting with friends? What if you could find a simple way to approach your best consumers with a simple, shareable piece of content that was trackable, data-rich and packaged in a way they were already intimately familiar with?

Today, 41.5 billion messages and 6 billion emojis are sent worldwide every day on mobile messaging apps. In other words, one out of seven messages on average sent on mobile messaging apps contains an emoji.¹² Brands have experimented for a few years now with tracking emojis on social networks as a way to understand how consumers are interacting online. And consumers have embraced emojis as a quick, fun and simple visual shorthand for all sorts of communications. Now, what if we could present consumers with a way to use brand-specific emojis that not only help them share information with friends, but maybe pass on a coupon or a piece of rich media?

This type of interaction is now made possible using Inmoji and these premium-branded, interactive emojis empower consumers to become advocates for the brands they love and convert authentic, meaningful, private conversations into a channel for your own marketing.

With Inmoji, a user can do things like make dinner reservations, purchase movie tickets, or download a coupon, and seamlessly share that interaction with friends on a host of

9 [Why Every Marketer Should Be Keeping Up With the Evolution of Messaging Apps](#), AdWeek, 3/6/2016

10 [Cereal, a Taste of Nostalgia, Looks for Its Next Chapter](#), The New York Times, 2/22/2016

11 [Infographic: What's The Word On Word Of Mouth Marketing?](#), 12/12/2011

12 [Emojis by the numbers: A Digiday data dump](#), Digiday, 5/7/2015

leading chat platforms. This is conversational commerce made truly social. As opposed to interacting with a brand through a bot or a static ad campaign, the brand is represented by your friend, your family member, your coworker – the people you trust most to steer your purchasing decisions in the right direction.

And compared to traditional digital marketing, Inmoji is a significant value proposition that directly reaches key consumers. Companies who choose to work with Inmoji are provided with customized, data-rich, branded emojis that immediately find a home on a number of highly trafficked chat networks. These emojis don't require any extra steps from users – they're not tied to a custom keyboard and they're natively available in the places where consumers choose to hold conversations. Companies running Inmoji campaigns only pay for click-through, not simple impressions – that means you only pay for the consumers who are most interested in engaging with your brand.

Increasingly, consumers need to be engaged on their own playing field. Simply bombarding them with advertisements either through traditional media or on social platforms is simply not effective. With platforms like Inmoji and the rise of “conversational commerce” we see a new path through which marketers can, quite literally, place brands at the center of conversations and create engagement opportunities that are unique, engaging and provide value to both the consumer and the brand.