The Rise of WhatsApp-Led Growth

Report 2023

The big picture is, even if it is internet, all we are trying is to mimic the offline. [...] We want to see people. We want to talk to people. We want to have conversations. We want to touch. We want to feel, right? [...] We should have a conversation, and WhatsApp is facilitating that.
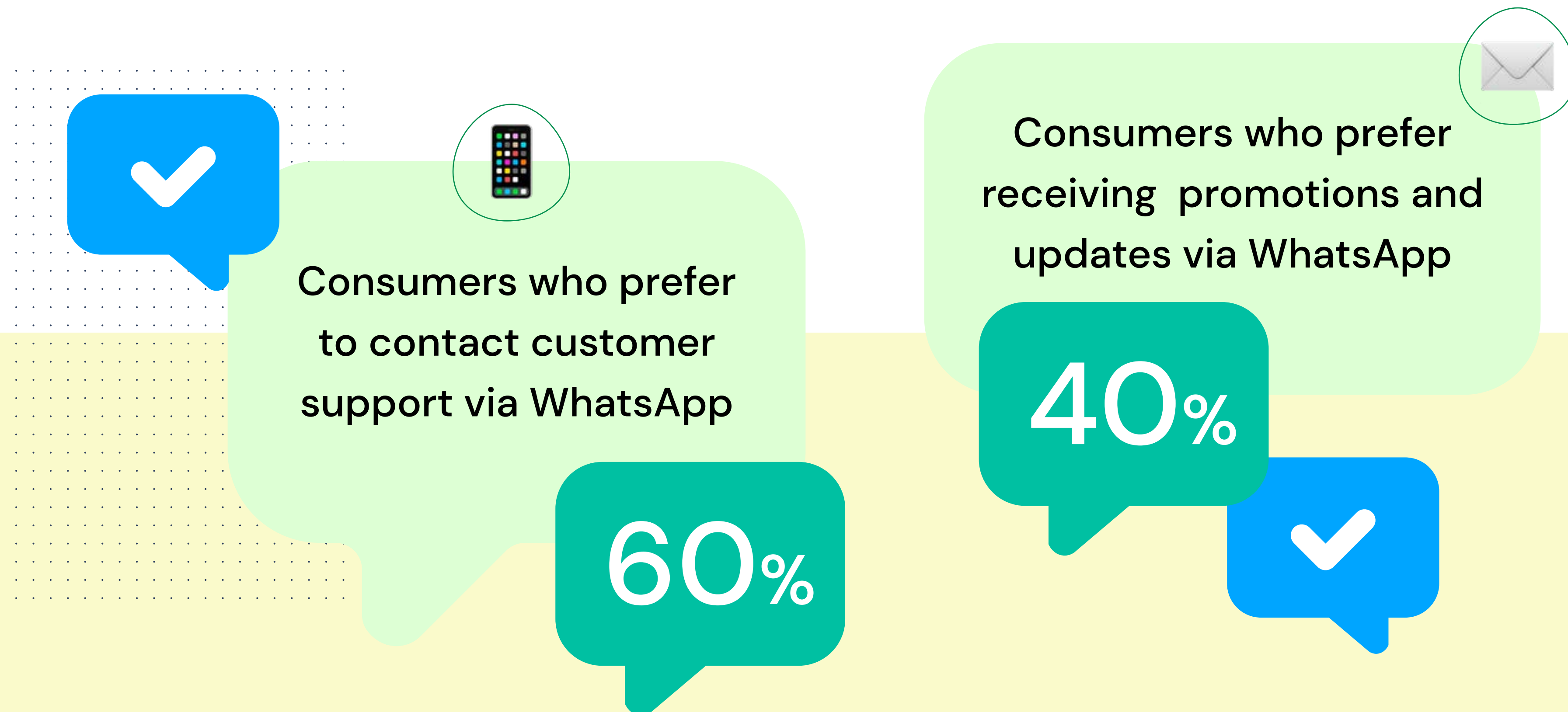
Antony Chacko, Founder of Alpha Marketer

We surveyed more than 600 marketing and customer operations professionals as well as consumers to identify challenges and opportunities when it comes to **WhatsApp automation**. What's more? We contrasted their responses to determine if businesses were aligned to consumer preferences. Whether it's for lead acquisition or providing quality customer service, one thing is certain: consumers expect a frictionless experience from end-to-end. All on WhatsApp. **So, how can professionals from different sides of the buyer journey align the reality of WhatsApp automation to consumer expectations?** That's what this report intends to highlight.

Interestingly, the majority of professionals across marketing and customer support departments still favor email as the primary form of communication with clients and prospects. While WhatsApp as a communication channel is not unheard of, professionals still struggle to adopt it. Use cases tend to exist in silos, making the experience lack cohesion across the buyer journey.

Consumers who prefer to contact customer support via WhatsApp

60%

Consumers who prefer receiving promotions and updates via WhatsApp

40%

Nevertheless, consumer responses reveal that 60% prefer to use WhatsApp for customer support. Why is that? If we think about "intention," when a customer contacts support, they are looking for two things: immediacy and personalization. When a customer has a question in regards to a product they've purchased, they expect to be answered immediately—in a personalized way.

Moreover, 40% of consumers said they would be open to receiving promotional content (newsletters, discounts, notifications, etc.) on WhatsApp. What does this mean for Marketing professionals? It means that the marketing potential for WhatsApp exists yet is still underutilized.

The 4 P's of the classic marketing mix come to mind: Product, Place, Price, and Promotion. So, why not promote on WhatsApp? If it's what consumers want, this is a low-hanging fruit marketing professionals can capitalize on immediately.
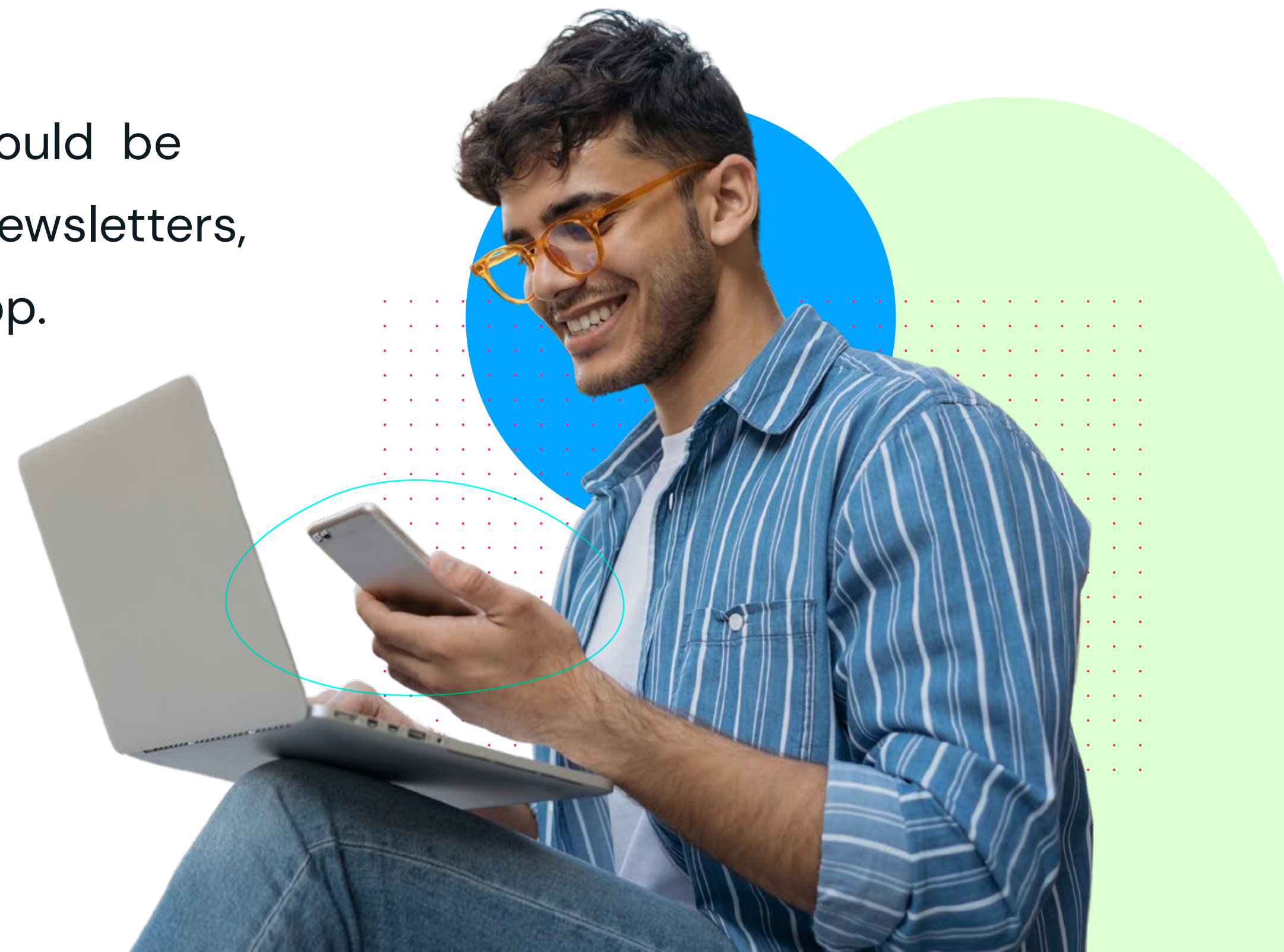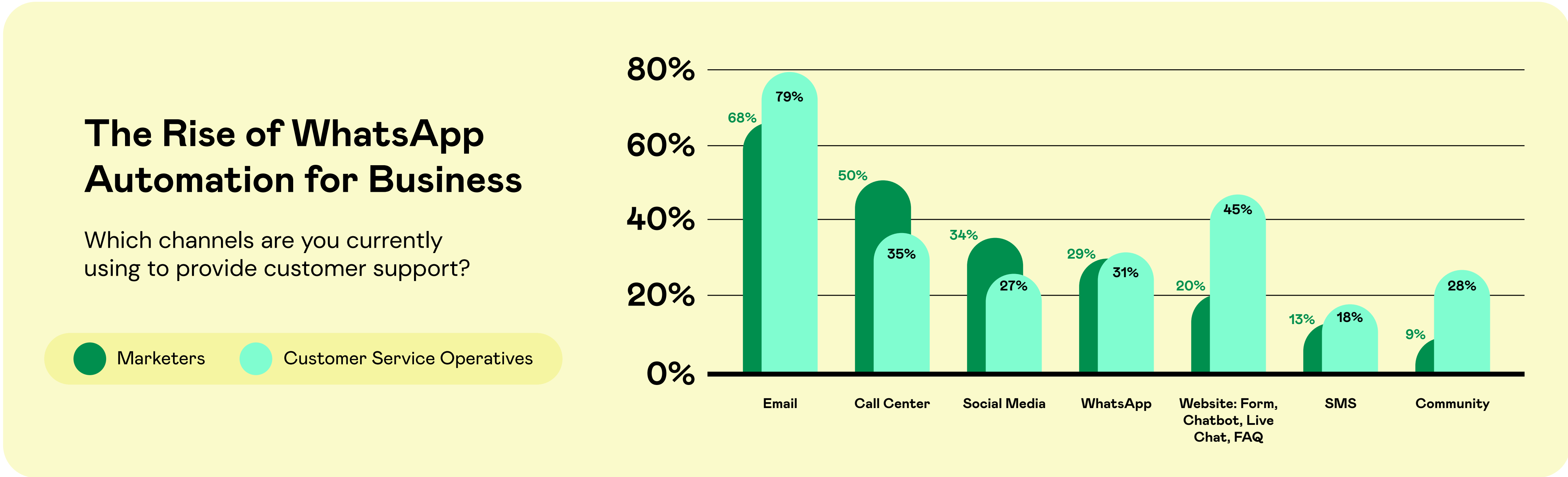
WhatsApp is on the map, but most still struggle to get there ✓

Marketers and customer support operatives say WhatsApp is on their radar. In fact, 31% of respondents claimed to currently use WhatsApp for customer service operations and 29% as part of their marketing efforts.

The Rise of WhatsApp Automation for Business

Which channels are you currently using to provide customer support?

● Marketers   ● Customer Service Operatives

Email: 68% / 79%
Call Center: 50% / 35%
Social Media: 34% / 27%
WhatsApp: 29% / 31%
Website: Form, Chatbot, Live Chat, FAQ: 20% / 45%
SMS: 13% / 18%
Community: 9% / 28%

For both departments, WhatsApp automation falls behind the more traditional channels, including email, call center, SMS, and social media. However, WhatsApp is taking a clear lead when it comes to consumer preferences. And while professionals are making an effort to meet consumers on this channel, our findings reveal that adoption and implementation are slow. In other words, they are unable to keep up with demand.
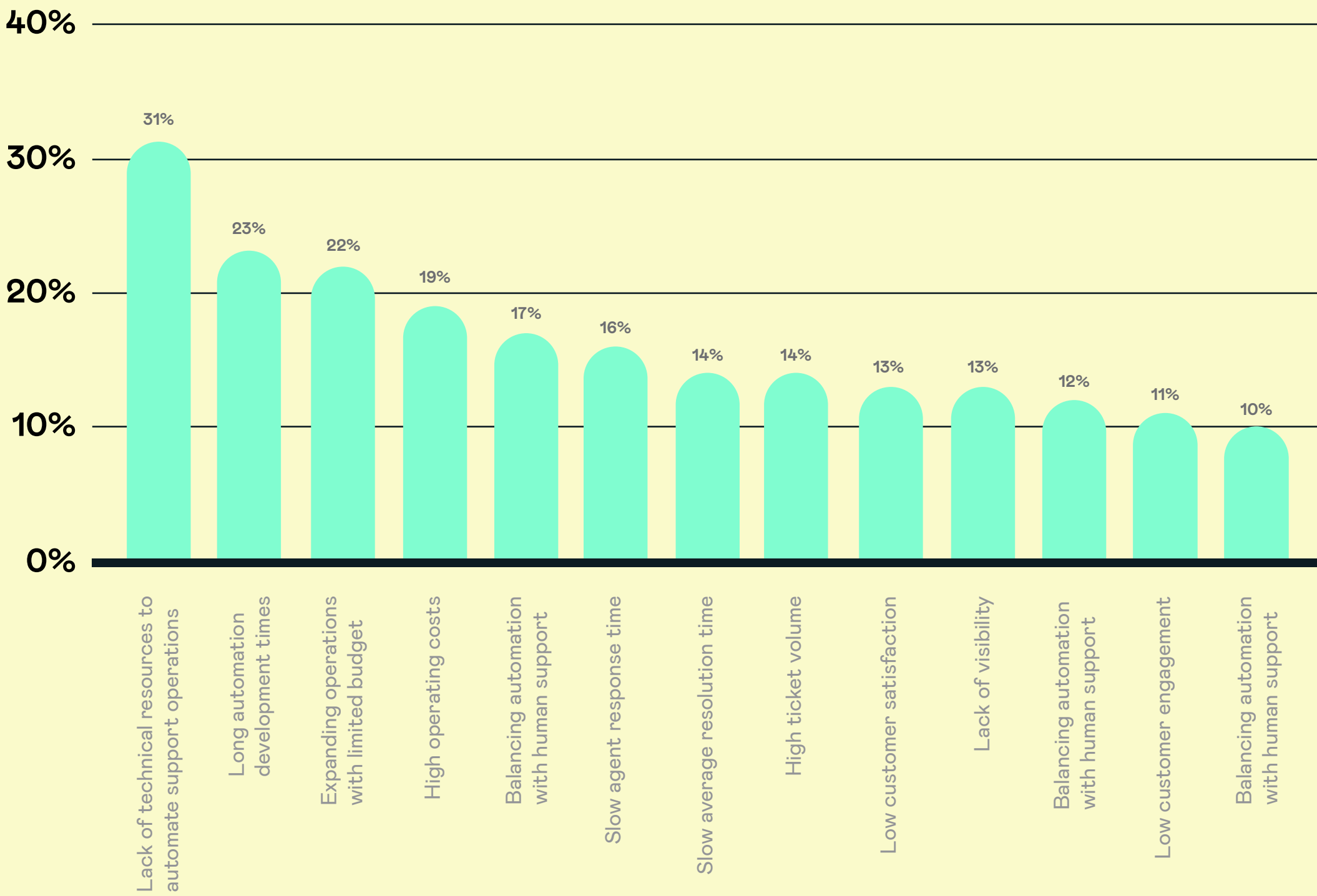
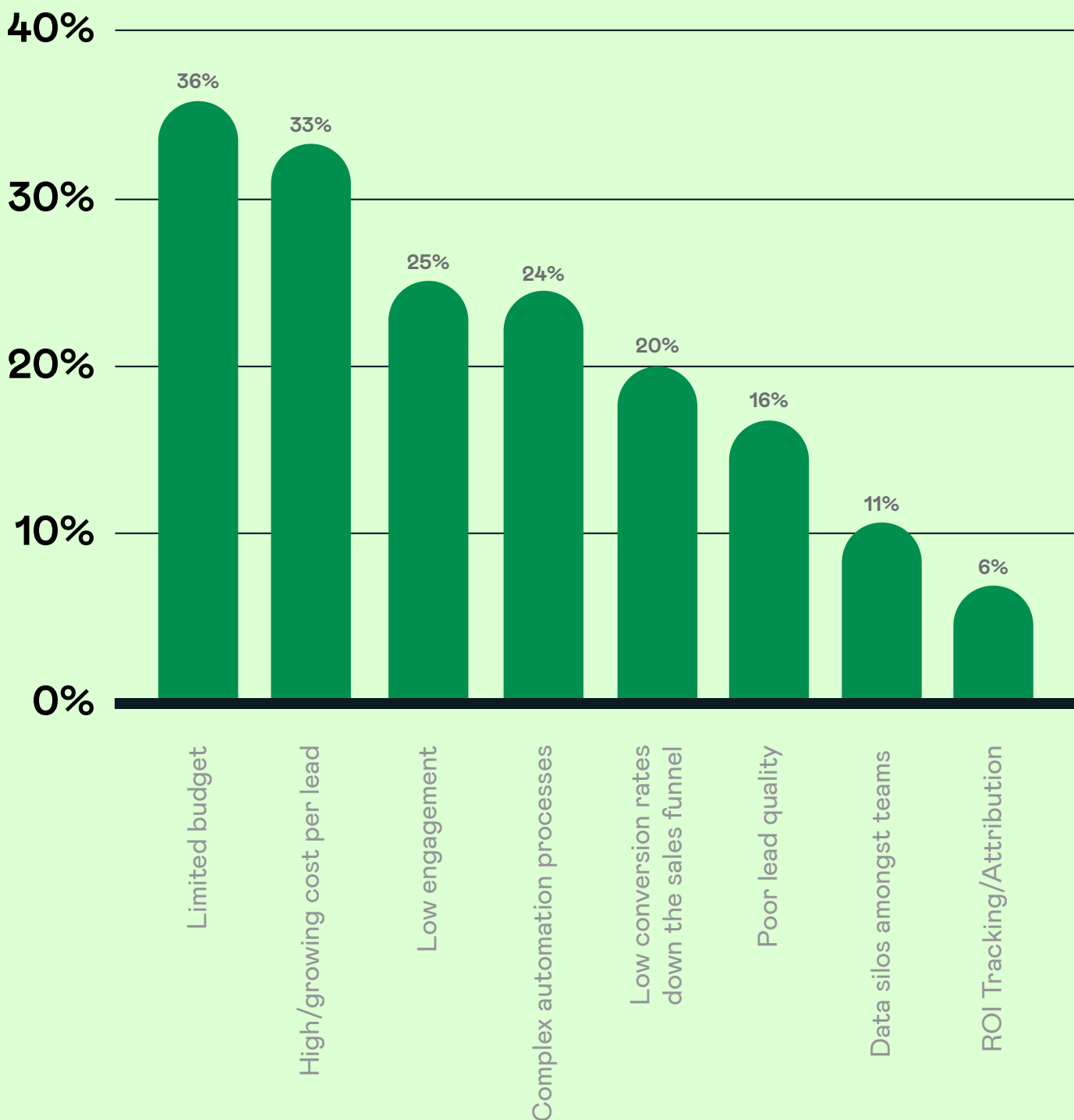Lack of technical resources and budget blocking innovation

Despite marketing and customer service teams managing different parts of the customer journey, their top concerns with WhatsApp automation happen to coincide. In both cases, challenges regarding budget limitations and the complexity of automation—eating up resources and time—are at the forefront.

Roadblocks hindering innovation according to professionals

Customer Support

Category	Value
Lack of technical resources to automate support operations	31%
Long automation development times	23%
Expanding operations with limited budget	22%
High operating costs	19%
Balancing automation with human support	17%
Slow agent response time	16%
Slow average resolution time	14%
High ticket volume	14%
Low customer satisfaction	13%
Lack of visibility	13%
Balancing automation with human support	12%
Low customer engagement	11%
Balancing automation with human support	10%

Marketing & Lead Generation

Category	Value
Limited budget	36%
High/growing cost per lead	33%
Low engagement	25%
Complex automation processes	24%
Low conversion rates down the sales funnel	20%
Poor lead quality	16%
Data silos amongst teams	11%
ROI Tracking/Attribution	6%

The prevalence of these challenges has created a unique space for low-code WhatsApp automation tools and generative AI, such as ChatGPT, to solve them. When we combine the powers of easy automation and conversational dialogue on a channel consumers prefer—WhatsApp—the possibility for a cohesive customer journey becomes more tangible. The next year will tell us much more about how these compatible technologies evolve and their impact on the customer experience. The gap between consumer expectations and reality will be reduced extensively. But more on this later.

Join us in the **AI chatbot** building revolution.

Access Landbot AI
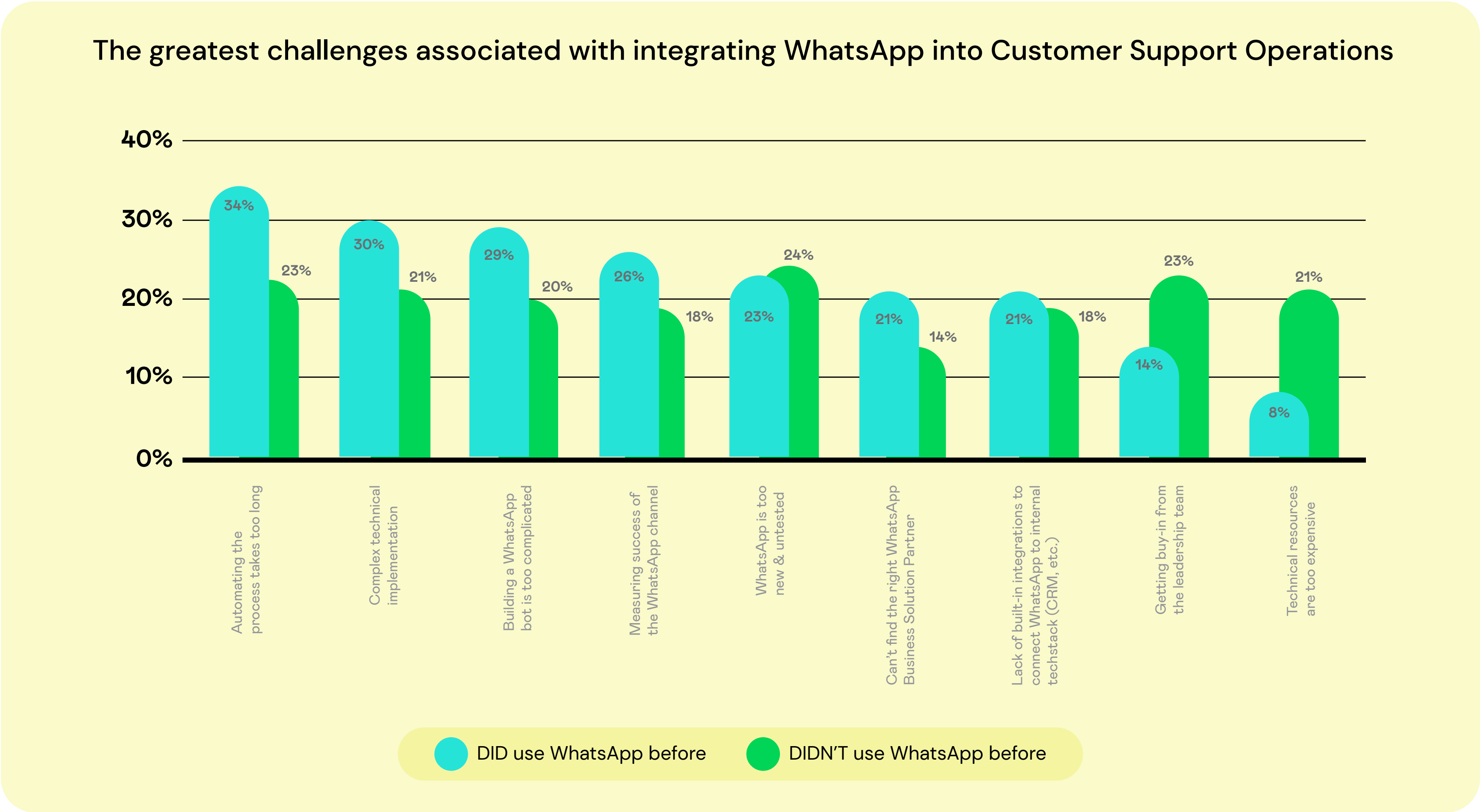
WhatsApp Automation:
Same challenges
different departments

For customer support operations specialists with no prior WhatsApp experience, the main concerns centered around the WhatsApp channel being too new and untested (24%), getting buy-in from the leadership on the experiment (23%), automation taking too long (23%) as well as the complexity of the implementation (21%) ranked among the top concerns.
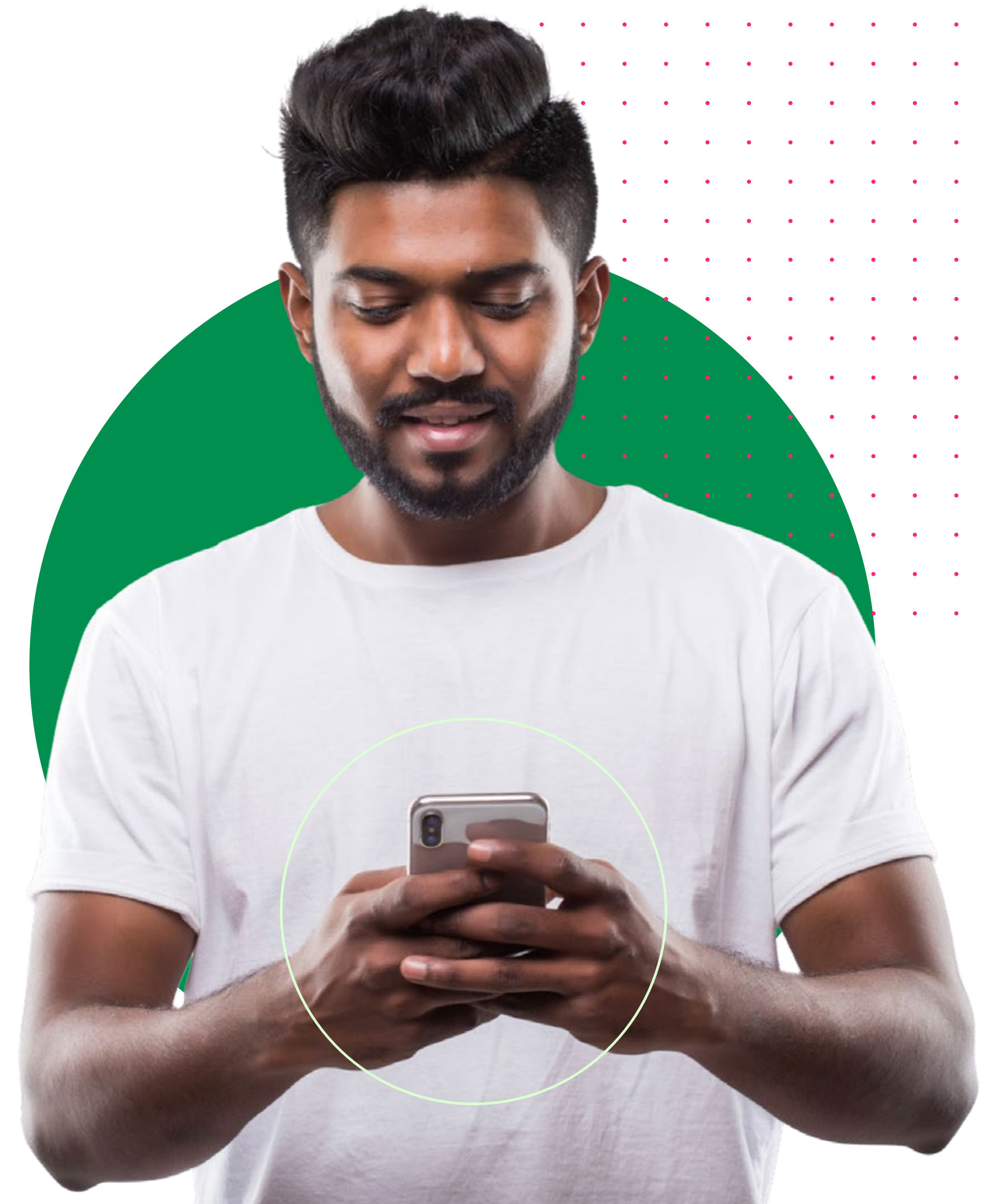
On the other hand, those in customer support who have had previous experience with WhatsApp are concerned about the automation process taking too long (34%), the complexity of technical Implementation (30%), WhatsApp bot building being too complicated (29%), difficulty with measuring the success of their WhatsApp channel (26%), lack of built-in integrations (21%) and the struggle of finding the right Business Solution Provider (21%).

The greatest challenges associated with integrating WhatsApp into Customer Support Operations

Challenge	DID use WhatsApp before	DIDN'T use WhatsApp before
Automating the process takes too long	34%	23%
Complex technical implementation	30%	21%
Building a WhatsApp bot is too complicated	29%	20%
Measuring success of the WhatsApp channel	26%	18%
WhatsApp is too new & untested	23%	24%
Can't find the right WhatsApp Business Solution Partner	21%	14%
Lack of built-in integrations to connect WhatsApp to internal techstack (CRM, etc.)	21%	18%
Getting buy-in from the leadership team	14%	23%
Technical resources are too expensive	8%	21%

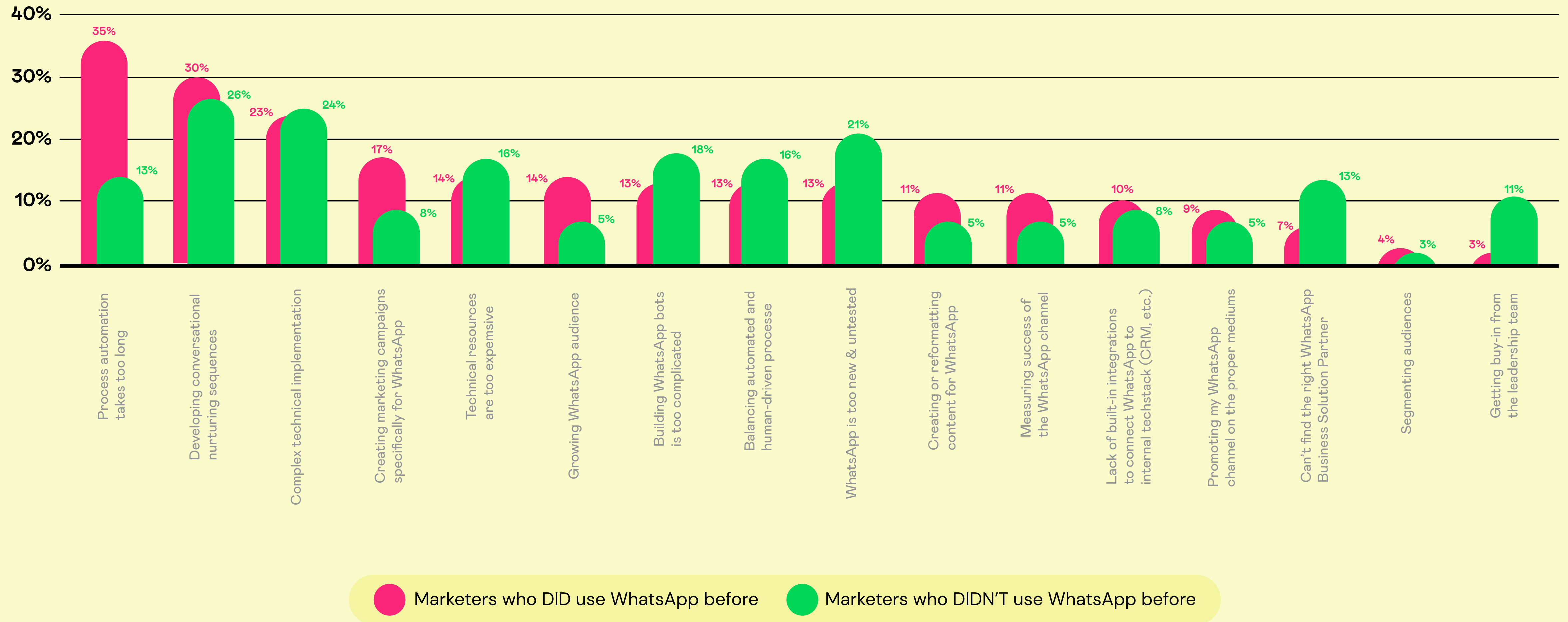● DID use WhatsApp before   ● DIDN'T use WhatsApp before

Marketers, too, differ in their concerns based on whether or not they have worked with WhatsApp before. Perceived challenges of those completely new to WhatsApp are more evenly dispersed among all categories, with "WhatsApp being too new and untested" making its way to top challenges at 21%.

However, both groups—experienced and less experienced marketers—share concerns over complex technical implementation (23-24%) as well as more creative roadblocks, including developing logical, conversational nurturing sequences (29%). It's interesting to highlight that email was ranked as the most-used channel for lead generation (70%). This begs the question: If marketers are used to building sequences to generate and nurture leads via email cadences, what makes creating cadences for WhatsApp campaigns so different? Our suspicion is that many are not prepared to handle the uniqueness and, sometimes, unpredictableness a WhatsApp conversation can bring. What happens if a person interacts in a way that's not defined in the flow? However, with the emergence of ChatGPT, we've reached a tipping point, and WhatsApp is ripe with opportunities.

The greatest challenges associated with integrating WhatsApp into a marketing strategy

Legend:
- ● Marketers who DID use WhatsApp before (pink)
- ● Marketers who DIDN'T use WhatsApp before (green)

Challenge	DID use	DIDN'T use
Process automation takes too long	35%	13%
Developing conversational nurturing sequences	30%	26%
Complex technical implementation	23%	24%
Creating marketing campaigns specifically for WhatsApp	17%	8%
Technical resources are too expensive	14%	16%
Growing WhatsApp audience	14%	5%
Building WhatsApp bots is too complicated	13%	18%
Balancing automated and human-driven processe	13%	16%
WhatsApp is too new & untested	13%	21%
Creating or reformatting content for WhatsApp	11%	5%
Measuring success of the WhatsApp channel	11%	5%
Lack of built-in integrations to connect WhatsApp to internal techstack (CRM, etc.)	10%	8%
Promoting my WhatsApp channel on the proper mediums	9%	5%
Can't find the right WhatsApp Business Solution Partner	7%	13%
Segmenting audiences	4%	3%
Getting buy-in from the leadership team	3%	11%

WhatsApp Business Solution Partners: Beyond API connections

Whether marketing or customer service, both departments face almost identical challenges. However, upon closer examination, these difficulties underline more pertinent issues, such as complexity of implementation, time-to-value, and availability of integrations.

This is where Business Solution Partners (BSPs) come into play. Today, many BSPs go beyond facilitating just an API connection and offer ample resources to minimize key stress points. Offering **no-code and low-code tools** as part of their experience, they **reduce the complexity and production times** not just in terms of activating a WhatsApp channel but also by developing conversational sequences that integrate with an existing CRM without code.

hotelbeds

HotelBeds developed a self-service WhatsApp COVID response system in 4 weeks

"We realized it was not prudent to develop our chatbot from scratch when it's easier to create a chatbot using no-code tools like Landbot and save time."

Xavier Godoy, Customer Experience & Automation Director at Hotelbeds

HASHADS MEDIA AGENCY

Hash Ads boosted player trials attendance by 60% for a leading football academy

"Understanding the nuances of the WhatsApp Business API and identifying the relevant use cases for our client became easier with Landbot's personalized onboarding process. The customer support team at Landbot was also readily available, understood our needs and requirements while building the bot, and provided the necessary advice."

Faeez Saloojee, Agency Partner at Hash Ads

KAYROS INTELIGENCIA MÉDICA

Kayros enabled patients to proactively receive clinical assistance during COVID

"I believe the future is no code and the key highlight for me with Landbot was the execution speed, thanks to the visual builder. Landbot was able to integrate with Airtable, Calendly, Google Sheets, and Zapier seamlessly."

Leo Leon, Founder at Kayros

The right BSP with a low/no-code ecosystem also answers the struggles of marketers, who may lack the technical know-how to automate complex sequences to generate, qualify and nurture leads using WhatsApp chatbots. This can be solved with a visual, intuitive builder, empowering non-technical professionals to take an active part in designing and creating conversational flows for marketing campaigns. If you can build a sequence on your Email Marketing Automation platform, you can create an automated WhatsApp campaign that generates and nurtures leads down the funnel in a matter of minutes, too. All you need is to find the right BSP—with the right visual builder, of course.

animal
EQUALITY

Animal Equality captured more leads at a lower cost using WhatsApp automation

"We needed something easy to learn, create, and iterate for non-developers, and that is where the platform's no-code capability to build WhatsApp automation became one of the key triggers for us."

**Gio Fumagalli**, International Director of Marketing and Digital Strategy at Animal Equality

ChatGPT

A push to speed up WhatsApp adoption?

We've established that visual builders could significantly minimize technical difficulty, time-to-value, and resource expenditure. However, there is always the next layer to innovation, enabling the creation of frictionless customer experiences at scale. We've mentioned ChatGPT before, but let's dive into what it means for the customer journey.

Google Search
Trends: ChatGPT

100	
75	
50	
25	

Nov 1, 2022   Nov 28, 2022   Dec 25, 2022   Jan 21, 2023
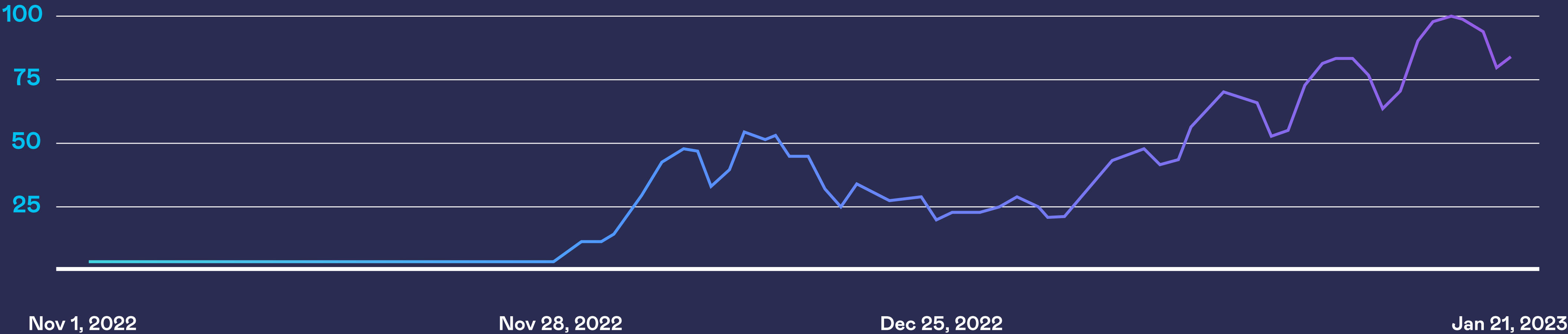
ChatGPT, a web chatbot developed by OpenAI and powered by GPT-3, a Large Language Model (LLM), has shaken up the status quo of conversational automation. It has an unmatched ability to interact with people in conversational dialogue, and provide responses that are surprisingly human. Its reach is so widespread that it's already starting to affect consumer expectations. Nevertheless, the technology is still young, and its practical application is challenging because of expensive AI, limited availability, and delays in completing more complex requests. The main reason it has been released to the public is to allow the AI engine to learn and improve. At this point, ChatGPT is not ready to be a holistic customer-communication solution that can be responsible for high-stakes tasks. However, there are ways you can begin to leverage the GPT-3 language model, regardless of those limitations, as a supporting element within automated WhatsApp conversations.

Large language models are AI tools that can...

ANSWER QUESTIONS

SUMMARIZE TEXTS

TRANSLATE LANGUAGES

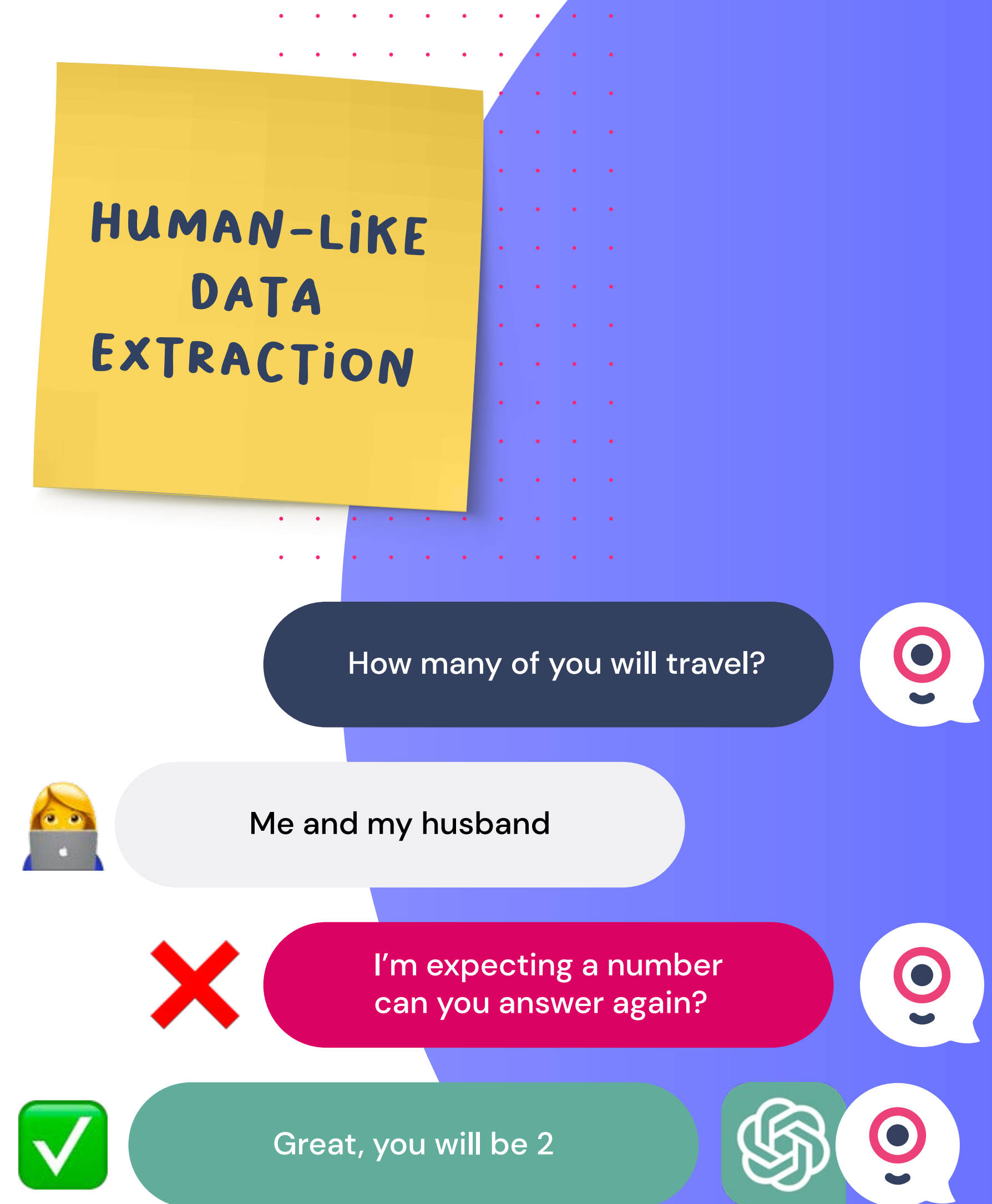PREDICT THE NEXT PROBABLE WORDS

Generate sentences similar to how humans talk and write

Filling in the Gaps

A fully-GPT-3-driven chatbot is not foolproof, yet! However, it is possible to start experimenting with the large language model to fulfill supporting functions and fill in the gaps that are known to block communication flows. In other words, while we can't allow the AI to roam freely, it can have some autonomy if given a very specific goal and rules to complete the task. For example, integrating a GPT-3 model can help collect information on the number of guests that will be staying in a hotel. The user is allowed to answer freely—be it by providing a numeric or text value—"two guests" or "2"—and the chatbot will be able to interpret those values. Once the task is completed, the conversation returns to the structured flow defined in your builder with the data extracted. The AI made the interaction natural, and you have the data needed to process the action—in this case, booking a hotel room.

HUMAN-LiKE DATA EXTRACTiON

How many of you will travel?

Me and my husband

I'm expecting a number can you answer again?

Great, you will be 2

The implications of these experiments are far-reaching. "Controlled humanization" of conversational sequences and lightning-speed-development for customized flows are game changers because they can help:

>> Shorten the time-to-value when automating operations
>> Create more fluent, natural flows while following a set structure and maintaining control
>> Get buy-in from leadership by being able to present a chatbot flow within hours/days

These advances in no-code chatbot builders and AI ensure that the conversationalization of business communication is here to stay. There have been challenges in implementing WhatsApp-led growth strategies for lead generation and customer support. However, the release of the GPT-3 model is one of the key elements that hold the potential to diminish, if not eliminate, the top concerns by both profiles.

Be among the first to try Landbot AI

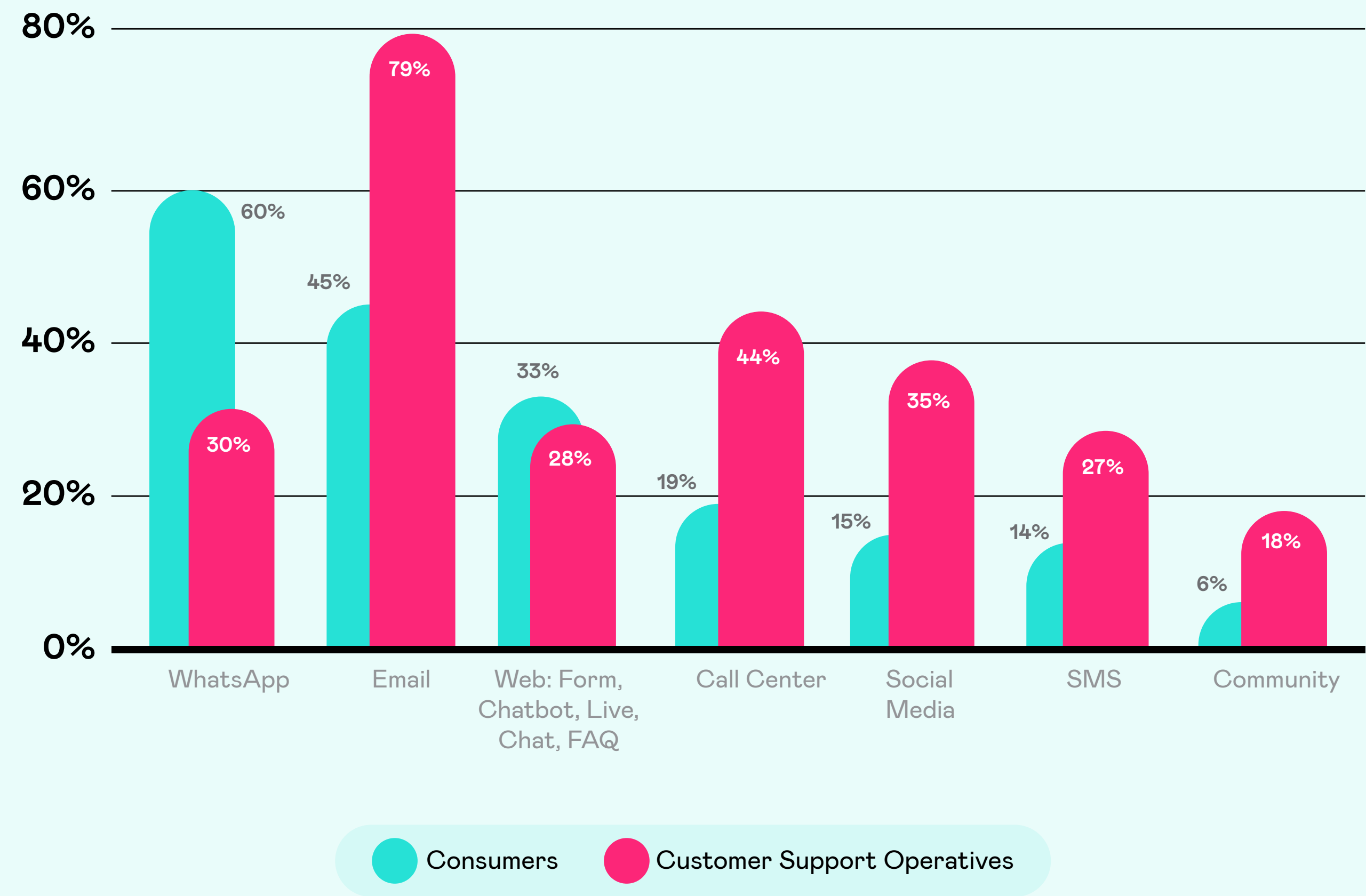Try Landbot AI
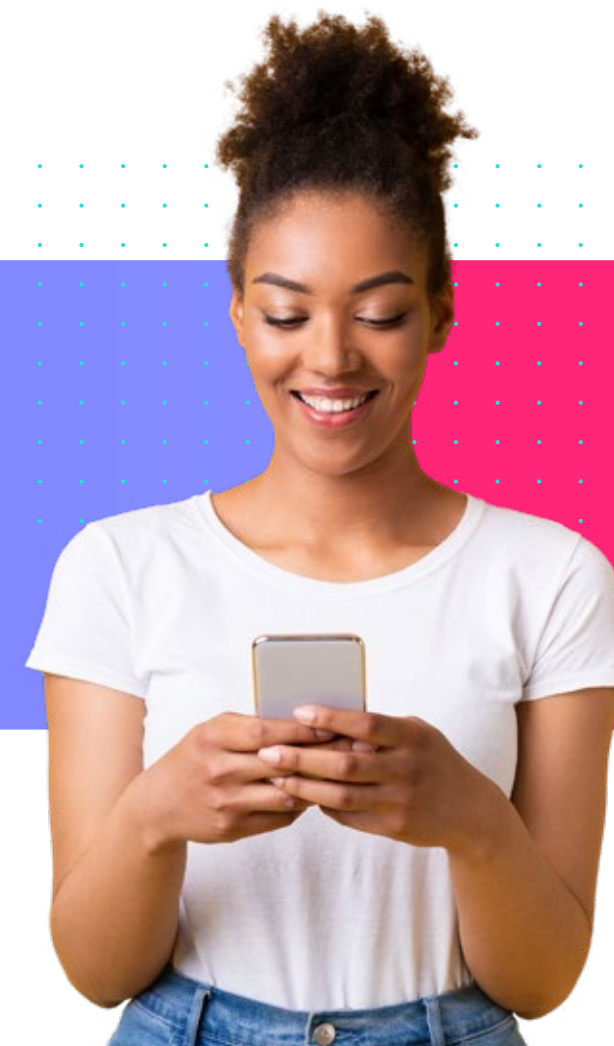
WhatsApp bridges the gap between expectations and reality

Consumers worldwide are increasingly accustomed to faster service and demand better, more personalized experiences regardless of industry. WhatsApp automation and the introduction of ChatGPT only add fuel to the growing fire of demand. Marketers and customer support operatives alike aspire to satisfy consumer needs, often with multichannel experiences. Still, the gap between expectations and reality remains wide.
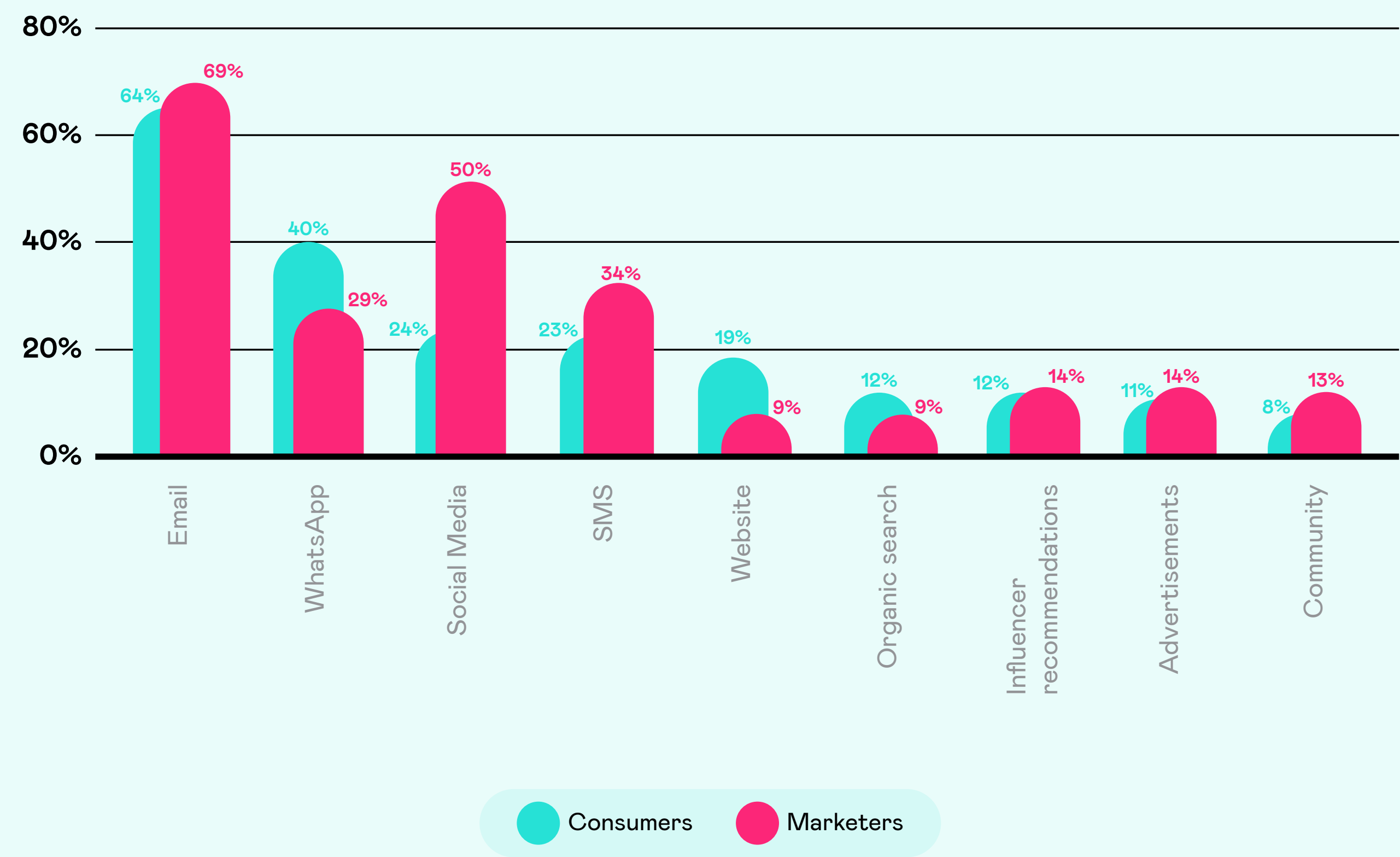
When questioned about channel preference regarding customer support, WhatsApp is, without argument, a consumer favorite. However, most companies continue to provide their customer support via email (79%), call centers (45%), and social media (35%).

Preferred Customer Support Channel: Consumers vs. Professionals

	WhatsApp	Email	Web: Form, Chatbot, Live, Chat, FAQ	Call Center	Social Media	SMS	Community
Consumers	60%	45%	33%	19%	15%	14%	6%
Customer Support Operatives	30%	79%	28%	44%	35%	27%	18%

Consumers Customer Support Operatives

In terms of marketing communications, consumers indicated WhatsApp as their second preferred channel, right after email. Still, the disparity in consumer expectations and reality is prevalent as—besides email—most brands continue to rely primarily on social media (49%) and SMS messaging (33%).

Preferred Marketing & Promo Channel: Consumers vs. Professionals

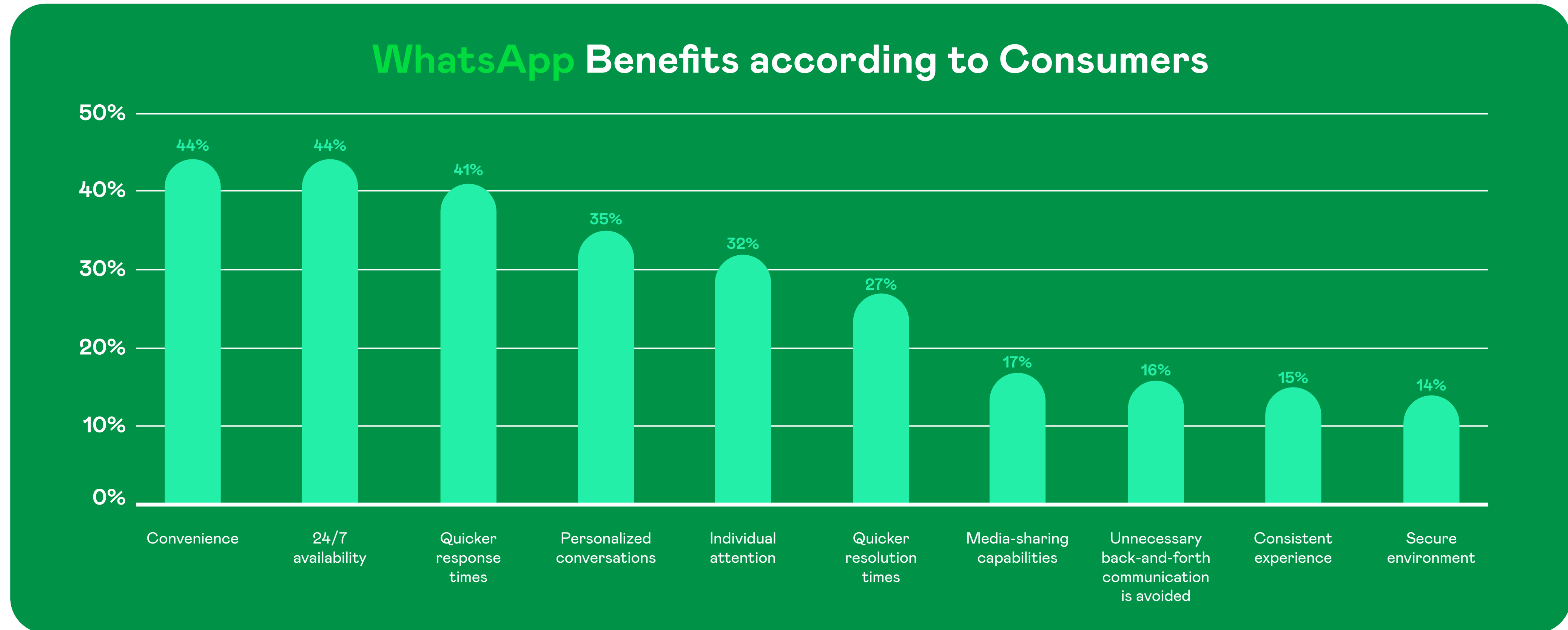| Channel	Consumers	Marketers
Email	64%	69%
WhatsApp	40%	29%
Social Media	24%	50%
SMS	23%	34%
Website	19%	9%
Organic search	12%	9%
Influencer recommendations	12%	14%
Advertisements	11%	14%
Community	8%	13%

Consumers   Marketers

WhatsApp is winning over consumers: Convenience trumps automation hesitation

There's a reason consumers have given the green "tick" to WhatsApp. Its popularity is clearly reflected in the perceived benefits. Consumers, from Generation Z to Baby Boomers, unanimously voted 24/7 availability during non-business hours (45%), convenience (42%), quick response times (42%), and personalized conversations (35%) as the main draws of the channel.

WhatsApp Benefits according to Consumers

Benefit	Percentage
Convenience	44%
24/7 availability	44%
Quicker response times	41%
Personalized conversations	35%
Individual attention	32%
Quicker resolution times	27%
Media-sharing capabilities	17%
Unnecessary back-and-forth communication is avoided	16%
Consistent experience	15%
Secure environment	14%

Interestingly, the above benefits can all be associated with chatbots in general. But, why is WhatsApp succeeding where other web-based conversational automation hasn't before?

Its appeal lies in offering a unique brand–consumer connection that promotes:

>> **Comfort and security:** Conversations take place on an encrypted platform that is already integrated into consumers' daily lives.

>> **Continuity:** Interactions and the data exchanged within the chat never disappear, allowing for more seamless personalization and minimizing needless back–and–forth.

>> **Mobile first, desktop friendly:** Conversations are not limited to a specific place and are fluid across devices.

>> **Asynchronicity:** Conversations are not limited to a specific time. While you can provide immediate responses, users can take their time and contact you at their convenience.

>> **Availability:** WhatsApp provides a reliable channel to those living in areas with limited internet connectivity making it widely accessible.

WhatsApp for customer support or marketing Do you need to choose?

A short time ago, Landbot's CEO, Jiaqi Pan, emphasized the importance of adopting a new mindset when it comes to building a WhatsApp-led growth strategy, focusing on the following:

>> **Retention instead of acquisition**
>> **Building relationships instead of chasing transactions**
>> **Enabling team collaboration instead of competition**

He theorized that to leverage WhatsApp automation to the fullest, it can't work in silos but rather span across departments and work in harmony with the entirety of the customer journey. Hence, the question is not whether it is better to use WhatsApp for marketing purposes or customer support. Instead, you need to ask where you are lagging when it comes to fulfilling customer expectations. Which gaps in the journey can WhatsApp help you bridge?
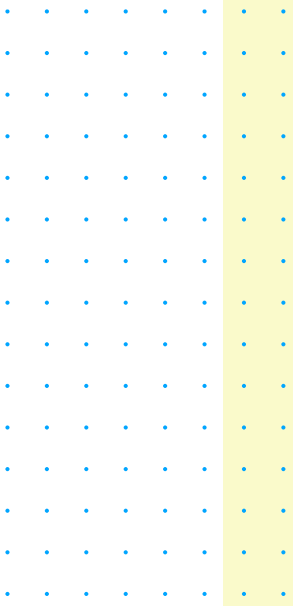
Consumer responses corroborate his theory, as most respondents are open to using WhatsApp to communicate with businesses in a wide range of instances. Access to customer support (49%) and receiving delivery notifications (36%) are the most popular uses. Interestingly, providing feedback (31%) and receiving promotional content (27%) are just a little behind.

This is an important observation. The top choices favor the customers, but the runner-up use cases provide a more direct value to businesses. In saturated markets, reviews are crucial and notoriously hard to get, while promotional content is often overlooked. This begs the question of whether—beyond convenience—it's the personal, more informal nature of WhatsApp communication that makes users more likely to engage. It's a way to stand out amongst the noise.

The responses in the graph on the right only provide a general snapshot of consumer preferences for WhatsApp use cases. Their tendencies can differ largely depending on the context. For instance, Plum (employee benefits platform that provides group medical insurance) based its entire WhatsApp-led growth strategy on allowing customers to use the channel to file claims. This use case naturally involves uploading a lot of sensitive data and documents—an interaction that ranks last with only 9% of votes. Even so, Plum achieved an 85% opt-in rate from users wanting to file claims via their WhatsApp channel, uploading personal information. In fact, Plum continues to process 80% of all claims via WhatsApp.

This use case reiterates the importance of building your WhatsApp-led growth strategy, thinking first and foremost of the pain point you're alleviating for customers. The results might surprise you.

Business interactions consumers are happy to complete via WhatsApp

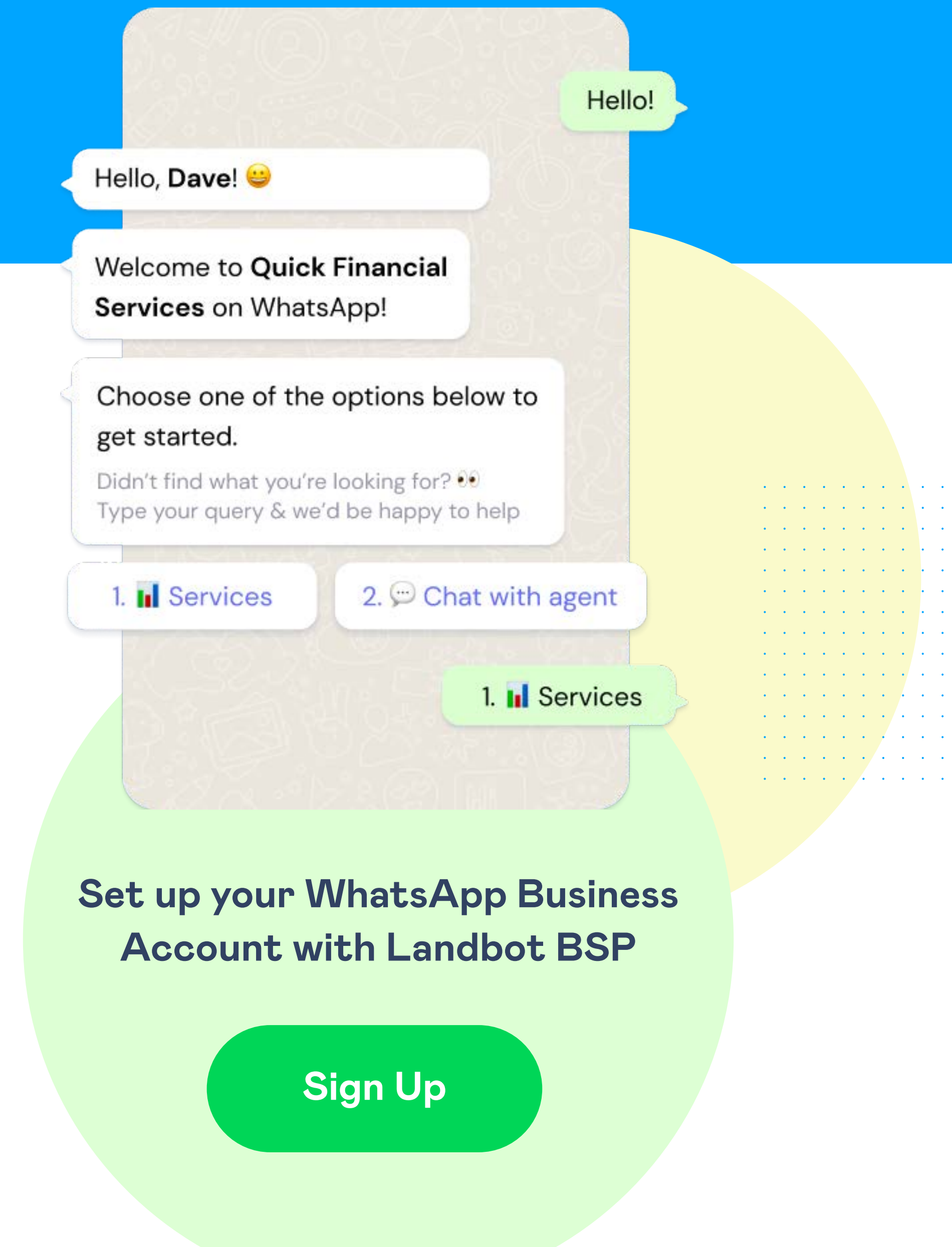| Interaction	%
Access customer support	49%
Get delivery notifications	36%
Give feedback	31%
Receive promotions & discounts	27%
Receive loyalty offers/discounts	23%
Receive news & updates	22%
Receive reminders	20%
Purchase products	19%
Schedule meetings and make reservations	18%
Receive educational content	15%
Review product catalog	15%
Share basic information	15%
Manage your account	14%
Upload personal documentation	9%

4 ways to capitalize on the rise of WhatsApp-Led Growth

Choose the right WhatsApp BSP partner

All major challenges related to WhatsApp adoption circle back to finding the right WhatsApp BSP that has the supporting tools needed for success. Issues related to the high complexity of implementation, slowed time-to-value, or lack of easy-to-connect, built-in integrations are often within the scope of specialized low or no-code providers. While professionals show interest in WhatsApp, there seems to be a disconnect between expectations and actual market offerings and opportunities.

Hello!

Hello, Dave! 😄

Welcome to **Quick Financial Services** on WhatsApp!

Choose one of the options below to get started.

Didn't find what you're looking for? 👀 Type your query & we'd be happy to help

1. 📊 Services   2. 💬 Chat with agent

1. 📊 Services

Set up your WhatsApp Business Account with Landbot BSP

Sign Up

Consider a complete WhatsApp-led growth strategy

Consumers eagerly embrace WhatsApp as a channel to communicate with businesses and brands. However, most companies miss out on the hidden growth opportunity by being too wary of adopting WhatsApp. Moreover, when they do adopt WhatsApp, oftentimes, use cases are created in silos. Implementing a WhatsApp-led growth strategy from a company-wide perspective can alleviate pain points from end-to-end, providing continuity throughout the entire customer experience.

Leverage no-code tools

Low-code and no-code solutions have been gaining in popularity, making a particularly big splash during the pandemic, when time was of the essence. While many associate no-code with website development, the variety available is virtually endless, extending to the realm of WhatsApp automation, as well. Whether you are working with a BSP or going solo, you can leverage no-code tools to manage campaigns and build chatbots to stay within budget, reduce complexity, and speed up time-to-value.
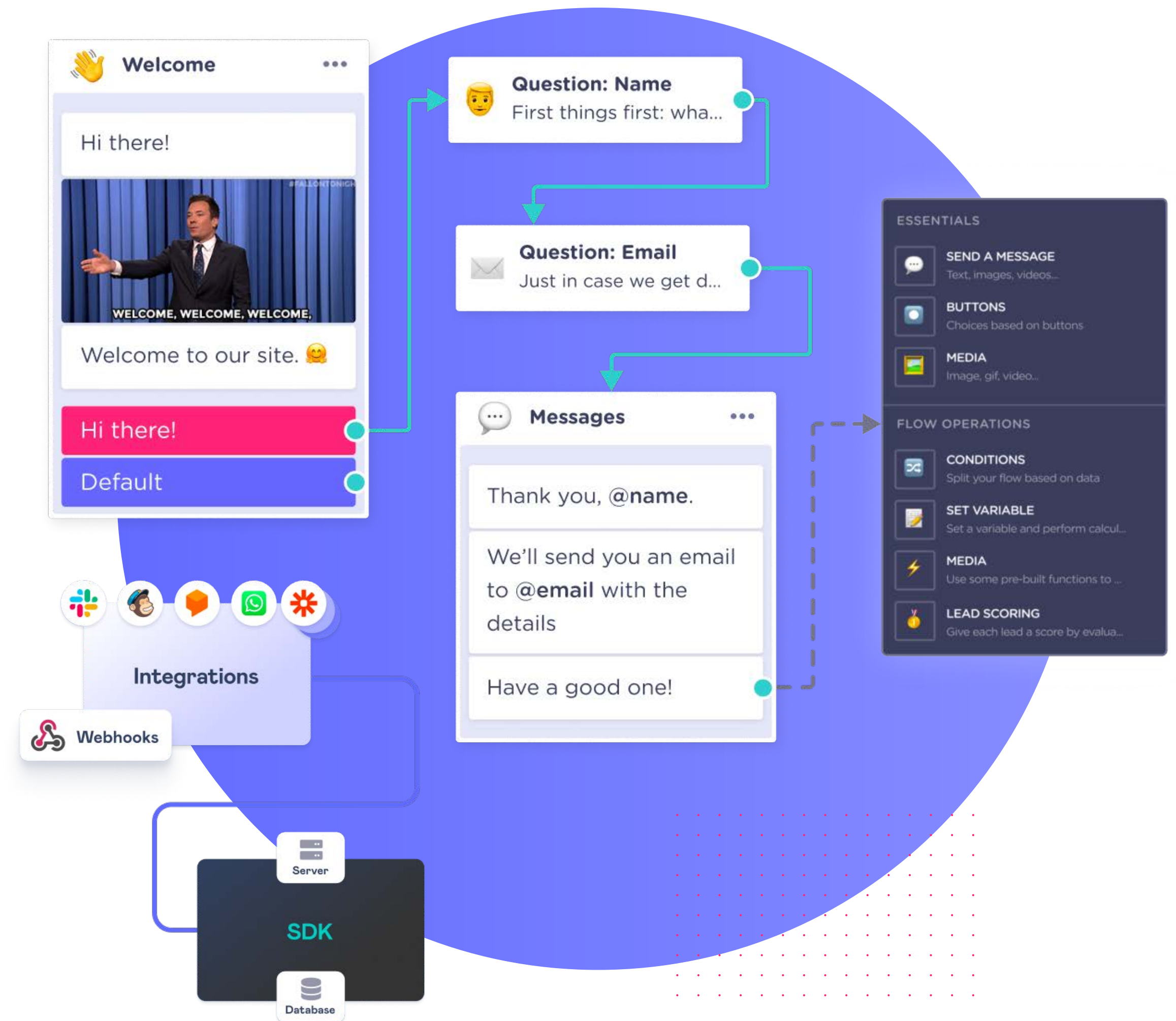
Keep your eyes open for what's to come

The rise of ChatGPT is a step forward that cements the place of conversational automation in business. While this technology is still in experimental stages, it offers a strong point of inspiration—a peek into what the future holds for consumer-business communication! Professionals interested in WhatsApp automation should neither ignore this trend nor rush into it. For the time being, GPT-3 is an LLM model that allows us to experiment and leverage the technology by allowing you to design support functions such as bot-flow generation or humanization of low-impact conversations.

What does the future hold for WhatsApp-led growth? We're excited to find out ✔️

Want to be among **the first ones to test** and leverage **Landbot AI** capabilities?

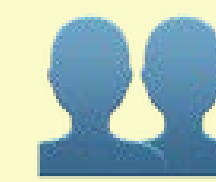**Try Landbot AI**

Methodology

Timeframe
Survey launched between January 17 and January 20, 2023.

Profiles
Professionals from Marketing, Customer Support and Development departments, and consumers.

Population
600+ people, men and women, between the ages of 18 and 65.

Countries
United States, Mexico, Spain, Germany, and the UK.

Thanks

Landbot