

# Chatbots to facilitate \$142bn of consumer retail spend by 2024

According to a new report from Juniper Research, consumer retail spend over chatbots will reach \$142bn by 2024, rising from \$2.8bn in 2019. This represents average annual growth of 400% over the next four years.



The research, titled *Chatbots: Vendor Opportunities & Market Forecasts 2020-2024*, identified the retail sector as a key beneficiary of advances in NLU (Natural Language Understanding) technologies. It forecast that NLU would be essential in providing a seamless retail experience for users and to establish chatbots as a reliable retail channel as it enables chatbots to efficiently process human inputs and produce more accurate automated responses to users.

## Driven by omnichannel retail strategies

The new report forecasts that advances in NLU capabilities will drive the effectiveness of chatbots. It anticipates that over 50% of retail chatbot interactions will be completed successfully by 2024, without the need for human intervention. As a result, retailers are urged to implement chatbots as part of a wider omnichannel retail strategy in order to maximise their presence on a number of key retail channels.

Additionally, it was found that 80% of global consumer spend over chatbots will be attributable to discrete chatbots by 2024. These are embedded directly into a retailer's mobile app, rather than accessed via a browser or messaging application. The research anticipates that control over development and the ability to retain company branding will drive discrete chatbots to become the most popular chatbot medium in retail.



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## Far East and China dominates spend

It's also forecast that 70% of the global number of chatbots accessed by 2024 would be attributable to Far East and China.

Furthermore, over \$80 billion will be spent via chatbots in China in 2024, accounting for over 55% of global chatbot spend in that year. However, the research highlighted that this will still only be around 4% of total mobile and online spend on digital and physical goods in the region.

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