Increasing website conversions with chatbots

INCL. CHATBOT CONVERSION DATA FROM 400 COMPANIES IN 25 INDUSTRY CATEGORIES

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TL;DR

We collected chatbot conversion data from 400 companies in 25 industry categories. This report presents the data together with comments, key insights, and pro tips for getting started and succeeding with chatbots.

3 KEY TAKEAWAYS

10–100% increase in website conversions

Our data shows that chatbots increase the overall conversion rate of websites by 10-100%. That is high-quality conversions added on top of the baseline.

Great conversations bring great results

Great conversations make chatbots into something special. We saw several industries reach 30% conversion rate from conversation to lead. That's 30 leads from 100 people who start chatting on the website.
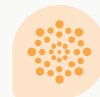
Measurable gains in B2B and B2C

These performance improvements can be seen across industries. Chatbots are effective for lead conversion in B2B and B2C – not to mention the benefits related to customer service and CX.

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Introduction

ABOUT LEAD GENERATION AND THE ONLINE BUSINESS ENVIRONMENT

The waves of 2020 gave new boost to digitalization across sectors. When people can't consume as they've been used to in the real world, they turn to online channels.

Adoption of digital marketing and sales tools, such as chatbots, has accelerated beyond the wildest predictions. Before going to the data part, let's have a look at the state of lead generation and conversions.

The basics of lead generation

Lead generation is the act of capturing the target audience's interest towards an offering, and helping them take the next steps towards purchase.

Lead gen and conversions are at the crux of marketing and sales alignment. In our experience, a company's success in aligning these two functions is measured in its capability to capture and convert leads in an effective joint effort.

Practically speaking, lead generation is driven by marketing, but aims to build upon and develop the sales pipeline. Ultimately, leads and conversions feed business growth.

Marketing tasks

Ensure sufficient volume of incoming leads

Qualify leads and forward potential SQLs

Nurture MQLs with value-adding content

Increase incoming lead quality over time

Sales tasks

Qualify the most potential leads as SQLs

Pursue and follow up on SQLs

Turn SQLs into opportunities

Close opportunities into new business

New and repeat business

Shifts in online business

2020 showed us just how quickly things can change in business and society at large. The witnessed digitalization leap has two significant implications to online business.

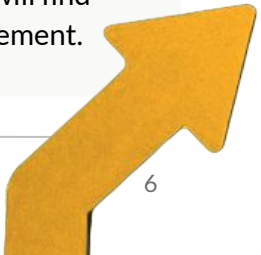## Increased online activity

Online traffic increased in 2020 across the web. This surge naturally follows from social distancing and from restrictions that impacted physical consumption.

Whilst traffic increases vary greatly by company, online transactions and conversion rates have increased globally. According to Statista (2020)*, both grew from 1/2020 to 10/2020 by nearly 30%, meaning that consumers feel more comfortable making purchases online, regardless of what they're buying.

Increased consumer expectations

Consumers' growing expectations go hand in hand with digitalization. When online becomes the primary channel of doing business, customers in B2C and B2B learn to demand speedy, stable and secure service.

The purpose of marketing & sales technology such as chatbots is to make buying easier and to improve the overall customer experience. Companies that fail to provide a smooth buying process and helpful online support will find competitors reaping the benefits of the digital movement.
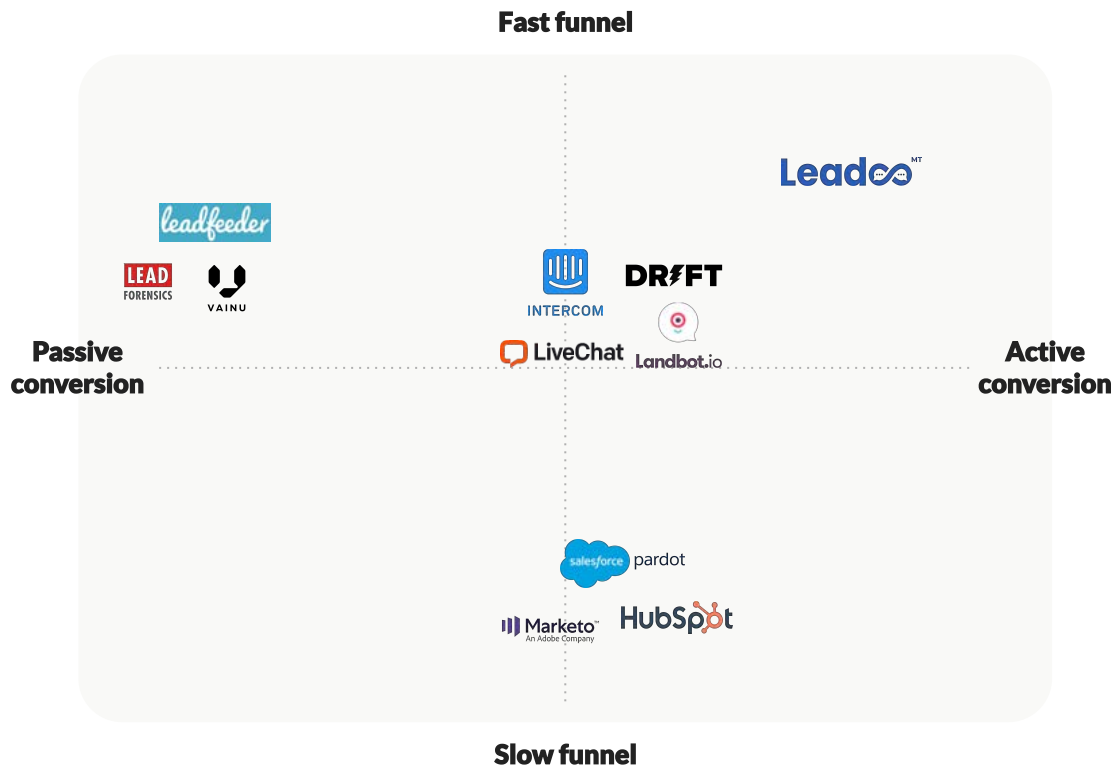
Lead conversion tech landscape

Software and technologies for increasing lead generation and website conversion rates come in many shapes.

Active conversion describes a focus on proactive lead conversion, initiated by the user. **Passive** means that the software focuses on identifying passive leads.

Some software increase the flow-through speed from Top-of-Funnel to conversion (**Fast funnel**). Others have a stronger focus on nurturing leads with longer sequences (**Slow funnel**). You can think of this as time between first interaction and conversion.

Fast funnel

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leadfeeder

LEAD FORENSICS   VAINU

Passive conversion

INTERCOM   DR✸FT

LiveChat   Landbot.io   **Active conversion**

salesforce pardot

Marketo
An Adobe Company   HubSpot

Slow funnel

Chatbot conversion data and key takeaways

400 COMPANIES, 25 CATEGORIES

The data for this report was collected between 11/2019 and 11/2020. All companies included in the data set are customers of Leadoo Marketing Technologies. The data is anonymized to protect their privacy and business.

Note that conversion rates are always highly contextual, i.e. even companies in the same industry are not directly comparable, because of differences in their business model, offering, target audience and other situational variables.

Data summary

400 companies in 25 industry categories

Triggers
How many times the tracked chatbots have been
triggered (think about this as impressions)

Discussions
How many times website visitors initiated a discussion
with the chatbots tracked for this report

Leads
How many qualified conversions from chatbot conversations
(lead criteria vary by company and bot type)

18 million
Bot triggers

880,000
Bot discussions

130,000
Leads
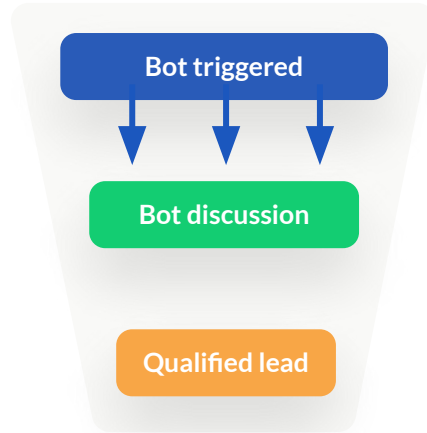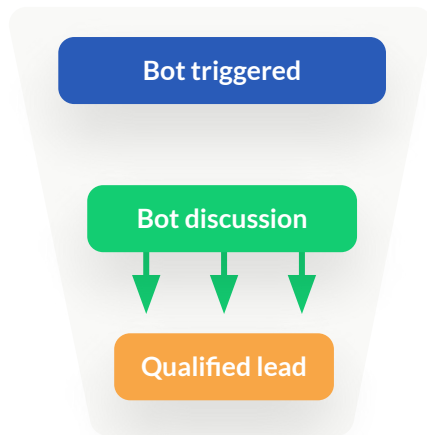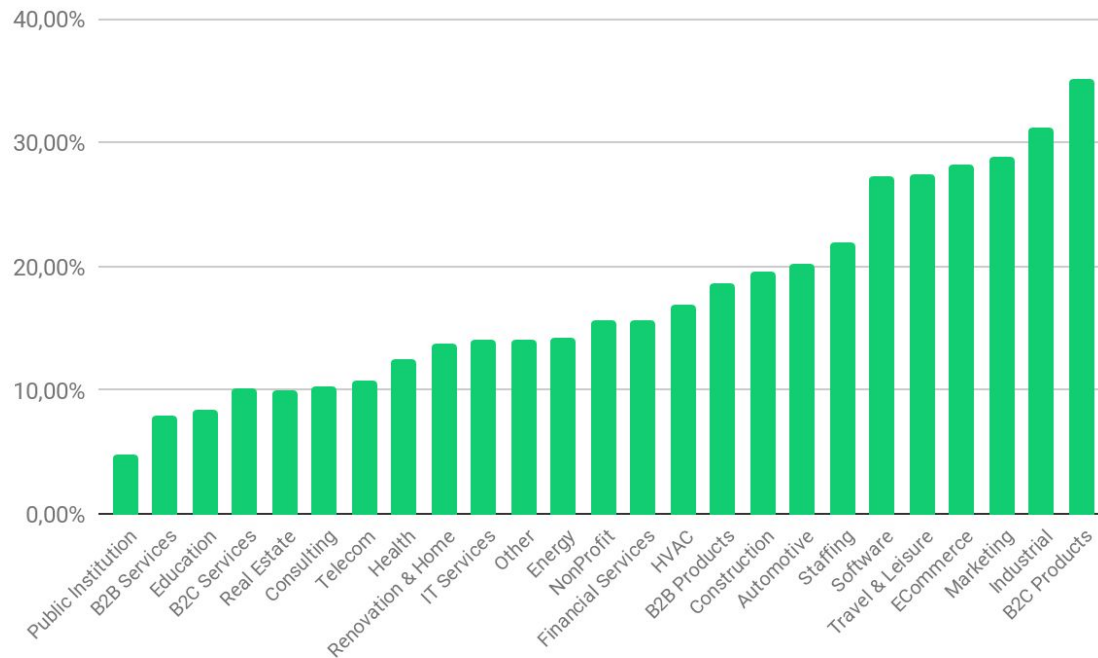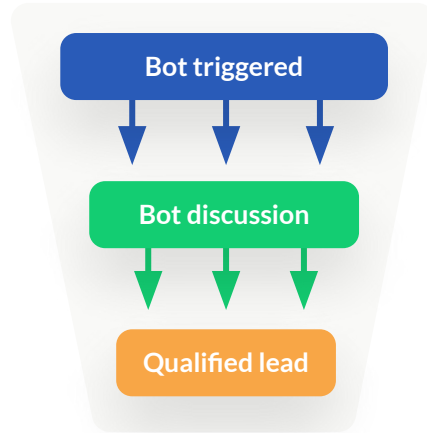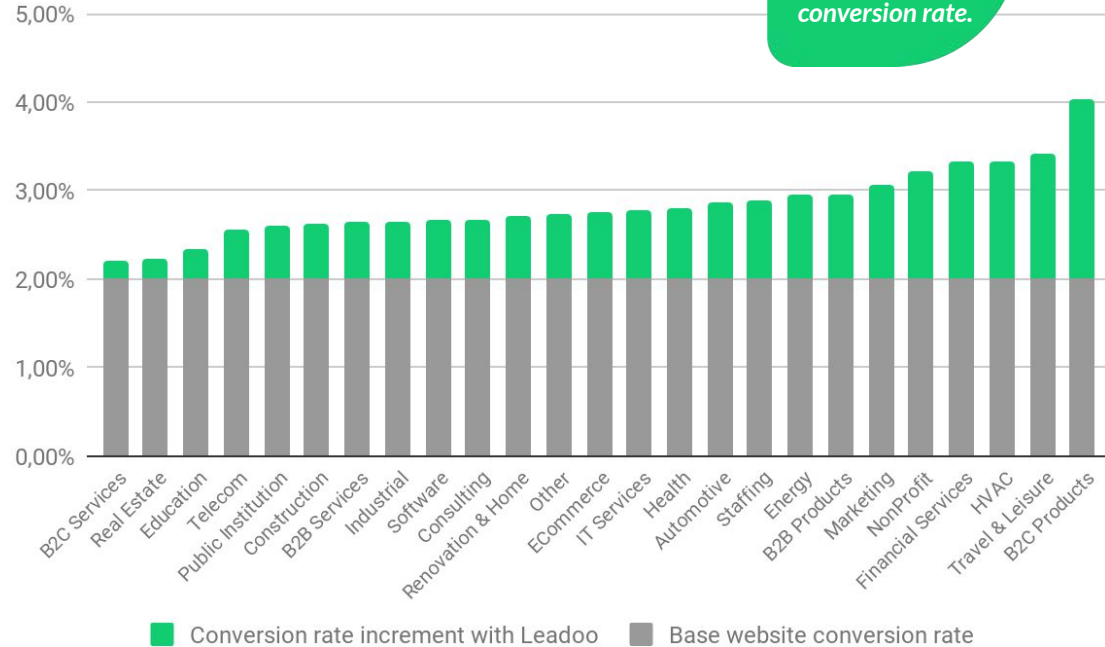
10–100% increase in website conversions

Results speak for themselves. The data on previous slides shows that chatbots are a viable option for generating leads and accelerating business growth in various industries.

Companies included in the data set achieved 10-100% increase in the overall conversion rate of the website. That is high-quality chatbot conversions added on top of the baseline (forms and other means of contact).

+100%

Great conversations bring great results

Conversation quality is the biggest contributor to conversion success with chatbots. Chatbots always collect extra triggers, but the discussion-to-lead conversion rate tells how well chatbots really succeed in activating and engaging website visitors.

Several industry categories reached a discussion-to-lead conversion rate of 20% or more. This means that 20 or more people out of 100 who started chatting, converted into a qualified lead.

Example

Company A adds a lead conversion chatbot on its most popular service page with 1000 monthly users.

10% of those users start chatting with the bot, and 20% of the conversations capture a qualified lead. This results in 20 qualified leads who have shown interest towards the particular service.

With a 30% closing rate and 5000€ customer lifetime value, Company A's chatbot nets 6 new customers and generates 30 000€ in revenue in one month.

With a lower conversation quality, or without the chatbot, Company A would have missed most if not all of this revenue.

Measurable gains in B2B and B2C

Chatbots perform best when customers need information and guidance before making a purchase. A conversational approach works equally well for consumer and business customers, as long as the buyer's journey includes a natural lead or inquiry stage.

The data shows fairly little variation between sectors, emphasizing the fact that conversation quality is a bigger success factor than industry. With the right strategy and great execution, chatbots are an effective way to increase customer interaction that leads to measurable benefits.
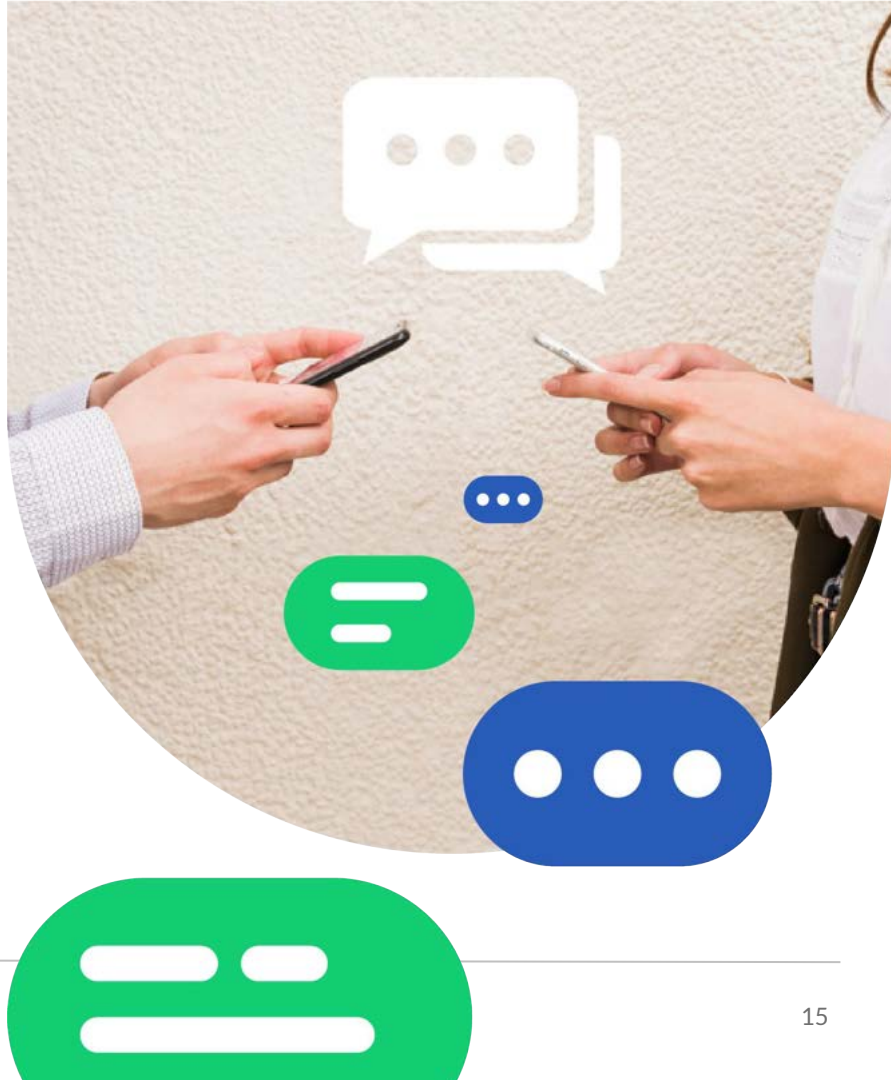
Industry-specific conversion data with comments

The numbers presented here are aggregated from several companies and bot types. This shaves off the highs and lows, so the numbers are only indicative of what can be expected in each field.

Automotive

sample: 10 companies

692,818 triggers

4,3%

29,956 discussions

20,2%

6,064 leads

44% increase in overall conversion rate
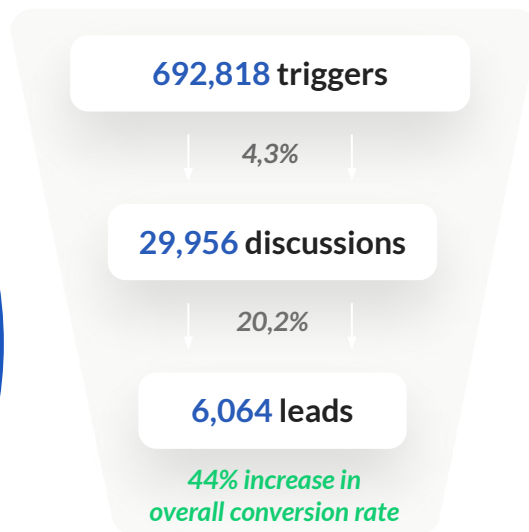
Automotive companies use chatbots for helping customers find the right model and for capturing sales inquiries. One Leadoo customer achieved up to 46% conversion rate from discussion to lead.

B2B Products

sample: 11 companies

106,983 triggers

5,1%

5,441 discussions

18,7%

1,018 leads

47,5% increase in overall conversion rate
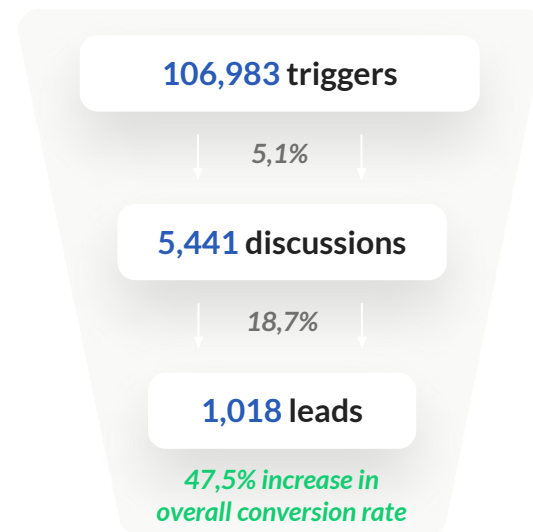
Chatbots perform well in providing information about complex products and in simplifying the choice for customers. In B2B products, trigger-to-lead conversion rate was up to 2,5%.

NB: Industries are presented in alphabetical order. Reported increase in overall conversion rate is based on the chart on slide 14.

B2B Services

sample: 25 companies

817,843 triggers

8,1%

66,567 discussions

7,9%

5,245 leads

32% increase in overall conversion rate

This sector contains a wide range of services with lead-centric sales. In our data set, B2B services rank 3rd in terms of trigger-to-discussion conversion rate, meaning that customers value chatbots for the support.

B2C Products

sample: 6 companies

242,198 triggers

5,8%

13,977 discussions

35,2%

4,914 leads

101,5% increase in overall conversion rate

In our data set, B2C products rank 1st in terms of discussion-to-lead and trigger-to-lead conversion rates. This shows that chatbots are very effective in consumer businesses that include the lead stage.

B2C Services

sample: 6 companies

1,206,596 triggers

2,1%

25,325 discussions

10,1%

2,565 leads

10,5% increase in overall conversion rate

Including businesses from daycare to personal training, the B2C services sector benefits from chatbots in informing customers. The large number of triggers in our data set pulls conversion rates down.

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Construction

sample: 22 companies

609,616 triggers

3,2%

19,443 discussions

19,5%

3,799 leads

31% increase in overall conversion rate

The construction industry is a solid performer and a good match with conversational chatbots. One in five people who started chatting converted into a qualified lead.

Consulting

sample: 20 companies

528,880 triggers

6,5%

34,140 discussions

10,1%

3,511 leads

33% increase in overall conversion rate

Consulting firms use chatbots to explain their services and to enrich contacts from potential customers. More than half of the companies achieved a discussion-to-lead conversion rate of 15-25%, the best performer reaching nearly 50%.

ECommerce

sample: 7 companies

588,487 triggers

2,7%

15,792 discussions

28,2%

4,460 leads

38% increase in overall conversion rate

ECommerce players primarily use chatbots to deliver immediate support during the online shopping experience. Customers value this and often convert within a chatbot conversation. In this data set, leads include e.g. newsletter subscriptions and support tickets.

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Education

sample: 12 companies

1,297,537 triggers

4,0%

51,517 discussions

8,5%

4,368 leads

*17% increase in
overall conversion rate*

Chatbots in the education sector add vital support to websites with lots of information. Whilst inquiries often relate to questions about programs and courses, qualified leads also include registrations and enrolments.

Energy

sample: 10 companies

560,039 triggers

6,7%

37,248 discussions

14,3%

5,320 leads

*47,5% increase in
overall conversion rate*

Energy companies' chatbots perform well throughout the funnel from trigger to lead. Customers get to ask questions and learn more about e.g. sustainability factors. Bots are also used as calculators and product recommendation engines.

Financial Services

sample: 11 companies

50,293 triggers

8,5%

4,263 discussions

15,7%

667 leads

*66,5% increase in
overall conversion rate*

Financial companies utilize chabots within specific content, which shows in the relatively small number of triggers. This means, that when a customer encounters the chatbot, they are far in the buyer's journey and likely to convert.

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Health

sample: 17 companies

261,440 triggers

6,3%

16,509 discussions

12,6%

2,075 leads

39,5% increase in overall conversion rate

In our data set, the health sector performs close to average in terms of chatbot effectiveness. Regulations limit what information chatbots can collect, but they are a good for handling generic questions and guidance.

HVAC

sample: 11 companies

304,447 triggers

7,8%

23,874 discussions

16,9%

4,044 leads

66,5% increase in overall conversion rate

Across the board, 10-30% of chatbot conversations on HVAC websites result in a qualified lead. HVAC ranks 5th in trigger-to-discussion, and 3rd in trigger-to-lead conversion rate from the 25 industry categories in this report.

Industrial

sample: 12 companies

590,396 triggers

2,1%

12,357 discussions

31,3%

3,865 leads

32,5% increase in overall conversion rate

Big industrial companies mean a lot of triggers. Not everyone will want to interact with a chatbot, but the ones who do mean business. This shows in the average discussion-to-lead conversion rate of over 30%, and the top figure of nearly 57%.

IT Services

sample: 23 companies

260,686 triggers

5,6%

14,617 discussions

14,0%

2,052 leads

39,5% increase in overall conversion rate

IT service providers find chatbots as a natural addition to the website. The sector performs at an average level compared to the other industries. As is the case for all B2B categories, even one lead in IT can turn out really valuable.

Marketing

sample: 22 companies

540,838 triggers

3,7%

19,940 discussions

28,9%

5,752 leads

53% increase in overall conversion rate

Marketing & media agencies are another eager group to implement chatbots. Creativity plays a big part, and the chatbots that hit the right spot can be hugely successful. Discussion-to-lead conversion rate ranks 3rd at nearly 30%.

Non-Profit

sample: 6 companies

261,517 triggers

7,9%

20,550 discussions

15,6%

3,205 leads

61,5% increase in overall conversion rate

Chatbots present a user-friendly and automated way to collect donations and encourage participation. Nonprofit organizations rank in the top-5 for trigger-to-discussion and trigger-to-lead conversion rates.

Public Institution

sample: 6 companies

828,452 triggers

12,4%

102,918 discussions

4,9%

5,023 leads

30,5% increase in overall conversion rate

Public institutions and organizations at large are yet to discover the potential of chatbots. In our data set, the public sector ranked 1st for trigger-to-discussion conversion rate, showing that consumers are ready to seek answers from chatbots.

Real Estate

sample: 25 companies

1,370,478 triggers

2,4%

32,258 discussions

10,1%

3,250 leads

12% increase in overall conversion rate

The high trigger count of real estate chatbots affects conversion rates, but when customers start a conversation, it often takes them forward on the customer journey. The category ranks low by numbers, but companies in this field still find chatbots valuable.

Renovation & Home

sample: 18 companies

1,145,756 triggers

5,2%

59,922 discussions

13,8%

8,268 leads

36% increase in overall conversion rate

An excellent example of an industry where consumers need information before making purchase decisions. Chatbots are a natural way to help customers understand their need better. Renovation companies performed at an average level in our data set.

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Software
sample: 21 companies

910,058 triggers

2,4%

22,006 discussions

27,3%

6,009 leads

33% increase in overall conversion rate

Much like IT, software companies aren't afraid to utilize new technologies. Most of the 21 companies in this category reached a discussion-to-lead conversion rate of 20% or more, peaking at 40%. Big revenue potential.

Staffing
sample: 17 companies

832,292 triggers

4,1%

34,092 discussions

22,0%

7,485 leads

45% increase in overall conversion rate

Staffing & recruiting companies use chatbots for capturing job candidates and sales leads. These benefits, and the valuable automation of bots, bring considerable savings in time and costs. Strong performer in terms of conversions.

Telecom
sample: 7 companies

1,156,465 triggers

5,2%

60,648 discussions

10,8%

6,566 leads

28,5% increase in overall conversion rate

Telecom is characterized by large customer volume on the B2C side and information needs in B2B. The former finds value in speed and automation, the latter in the ability to tailor conversations and solutions.

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Travel & Leisure

sample: 22 companies

1,220,922 triggers

5,2%

63,529 discussions

27,4%

17,400 leads

71,5% increase in overall conversion rate

Chatbots have numerous use cases for travel, destination, and entertainment businesses. This category is one of the top performers in terms of conversions. Several companies reached a discussion-to-lead rate of over 40%.

Other

sample: 53 companies

1,812,715 triggers

5,2%

94,607 discussions

14,1%

13,351 leads

37% increase in overall conversion rate

This category includes companies from a range of industries (5 or fewer firms in the data set, f.i. legal, events, insurance and so on). This diversity results in average performance, but also hints at how many different businesses can benefit from chatbots.

Ask us for more information about conversions in your industry.

Disclaimer

The aim of this report is not to provide a definite truth about conversions in specific industries.
All data is aggregated from several companies, which evens out the high- and low-performers.

Consider at least these points when using the data for reference:

- The data set includes different chatbot types used for several different purposes
  (incl. lead conversion, online customer support and recruitment)
- The value of triggers, discussions and leads varies based on trigger type as well as chatbot type
  and placement (f.i. front page chatbots often have more triggers than actual valid impressions)
- All discussions are extra engagement for the companies included in the data set
- Lead criteria vary by company; sometimes chatbot leads are fully qualified (even sales qualified)
  and other times they represent a softer conversion (sign-up, material download etc.)

How to increase conversions with chatbots

IMPLEMENTING CHATBOTS DOESN'T HAVE TO BE DAUNTING, BUT YOU SHOULD HAVE A PLAN.

- Define the business case and your targets
- Create conversations that convert
- Optimize your performance and processes

Define the business case and your targets

What do you want to achieve with chatbots?

Chatbots are a versatile technology for tackling several business challenges. The most prominent use cases include:

Leads & sales: converting more website visitors into customers
Customer service: providing online support and a better CX
Recruitment: screening candidates and filling open jobs faster

A professionally built chatbot conversation can automate a large part of customer interactions on the company website. At the same time, it delivers measurable results as well as creates intangible value for customers.

Who do you want to reach?

Your answer to this question is largely defined by the previous one. With customer service and recruitment, the answer is obvious; you want to be there for customers and future colleagues.

With leads and sales, it's a good idea to also consider different buyer profiles. Think, for instance, which customer profile uses online as the main channel for doing business with you? Consider how you can best support these people throughout their buyer's journey. Chatbots can be targeted like any online marketing.

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Create conversations that convert

Know your customers

To succeed with chatbots, you need to understand what customers want and need.

By knowing the pains and goals of customers, you can address them more accurately on your website. Use the knowledge to create a strong conversational strategy that creates value to both of you.

Build great conversations

Match customer need with context-specific information that improves CX and moves people towards purchase. Some conversational touchpoints should help website visitors, while others can be more focused on the conversion.

Also, match the look and feel of the chatbot with what is expected of your brand. We always recommend getting expert help for the conversations.

Consider your own needs

Leads and conversions are glue between sales and marketing, so improving your work here can really help align the two.

Define what is a valuable and relevant lead for your business. Who are they and what information do you need from them? Both sales and marketing will have their own valuable insights on this.

At the end of the day, you're using chatbots to enable growth.

Optimize your performance and processes

Automate and integrate

The whole point of chatbots is to help customers and convert leads in a personalized but scalable way.

Chatbots qualify and convert leads 24/7. Make sure no lead slips through by integrating your lead conversion tools with other marketing & sales software for reliable results.

Also, clarify key responsibilities along the lead process: who does what and when. At best, chatbots will give structure to and improve your entire sales process.

Track and improve performance

When you've added chatbots on your website, the work has only begun. Keep an eye on your conversion data and make adjustments when needed. Reflect product updates, campaigns and changes in the business environment in your chatbots.

Study the data to learn where good leads come from, and who they are. Improve performance by targeting conversations directly to the right people in the right companies.

Becoming or hiring a chatbot expert is usually not a viable option, so outsourcing the work is your best bet for reaching your targets with chatbots.

Process outline for increasing conversions with chatbots

START

DEFINE YOUR GOALS
Knowing what you want will make it much easier to achieve. Clarify your strategy and goals first.

DEFINE YOUR AUDIENCE
Based on what you want, define who you're targeting with your chatbots and conversion efforts.

GET ALIGNED AND PUBLISH
Agree on responsibilities between marketing & sales and go live. With a partner, you can get here in days.

BUILD EFFECTIVE CHATBOTS
Match the needs of customers with your expertise in user friendly conversations that convert.

STUDY YOUR AUDIENCE
Find out what is important to the people you want to convert. Their hopes, pains and challenges.

AUTOMATE & INTEGRATE
Connect chatbots with other tools and never miss a lead. Automate all you can for maximum benefits.

TRACK & OPTIMIZE RESULTS
Don't just set up and forget. Improve results by analyzing the data and optimizing chatbots accordingly.

Improving your conversion results with chatbots is an infinite game. If you lack the resources, ask for help.

The 100–10–1 rule and how to get there

100-10-1 is our rule of thumb for good chatbot performance. This means that (at minimum) from 100 people who encounter your chatbot, 10 start chatting, and 1 converts into a qualified lead.

100-10-1 is a good guideline when getting started with chatbots. Note, however, that actual performance will always be chatbot-specific and depend on variables like industry, target audience and product & service offering.

Other design and content factors also play a critical role. These include website structure and for instance chatbot placement, which has a big impact on the numbers (high trigger count quickly skews conversion rates).

Tips for making the funnel work

Triggers

Consider chatbot placement; dialogues in generic places like the front page vs. chatbots on specific product and landing pages. Test also different trigger types, like instant trigger, scroll or time-based.

Discussions

Make it easy to start and continue interacting with your chatbot. Give users simple choices and ask questions they know the answers to. Think about the flow and question order – and make chatting fun!

Leads

What information do you need to take the lead over the line? After a good chat, capture the lead with confidence.

Happy converting!

As the data shows, and as experience tells us, chatbots can revolutionize conversion performance in pretty much any field.

At the same time, focusing on conversions is a great way to align the efforts of sales and marketing. This alignment is the best way to increase your results and resilience in the fast-paced digital world.

I hope this report inspires you to crush your previous lead conversion records and to grow your business. It takes work, but that work may well future-proof your business for the 2020s.

We're ready when you are.

Mikael da Costa
CEO & Founder
Leadoo MT

About Leadoo

Leadoo is a lead conversion platform that turns passive website visitors into qualified leads. Including a selection of powerful chatbots, visitor tracking features, and easy-to-use analytics.

✅ **Generate more qualified leads from existing website visitors**

✅ **Improve customer service and enhance the customer experience**

✅ **Convert more qualified job applicants**
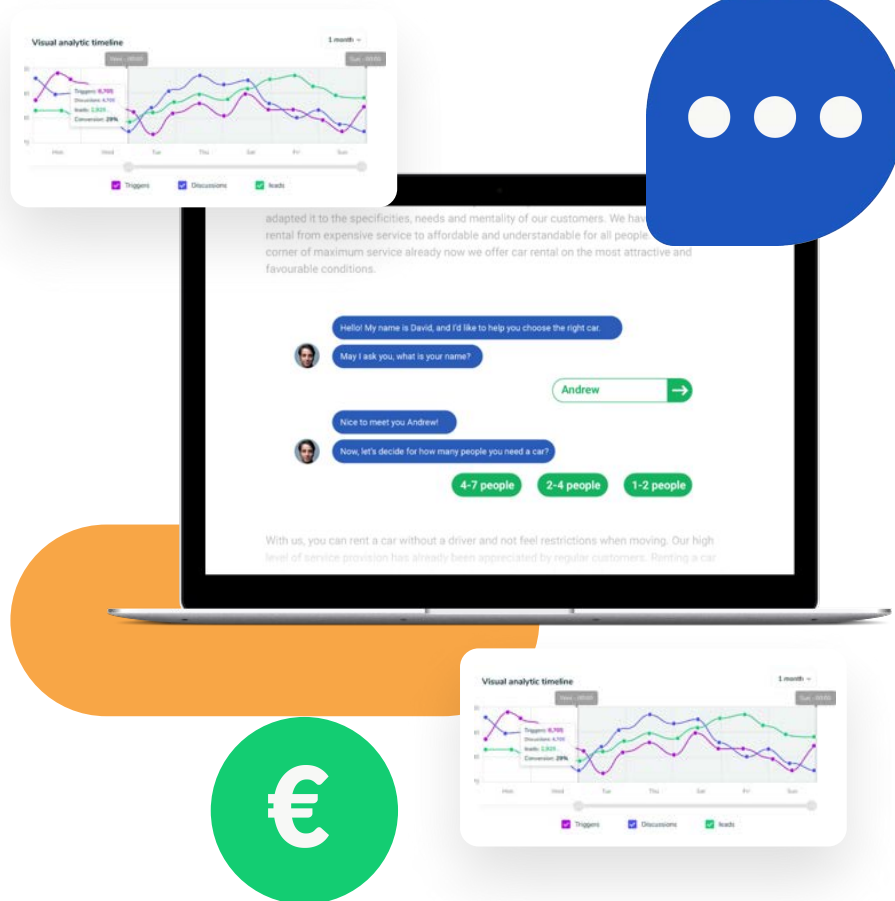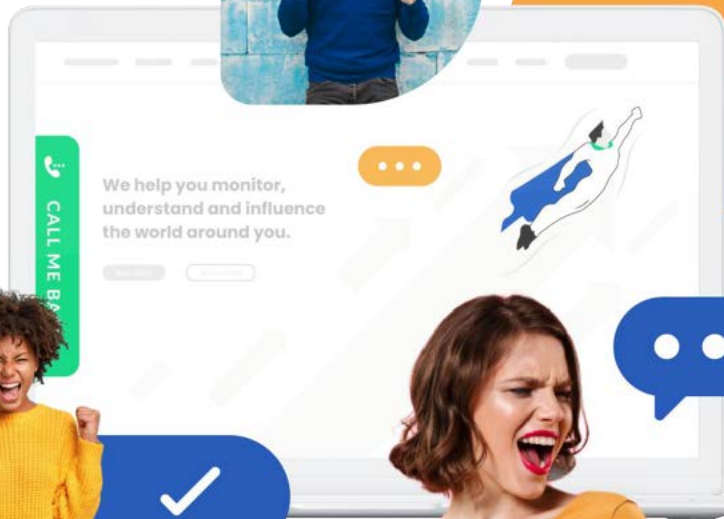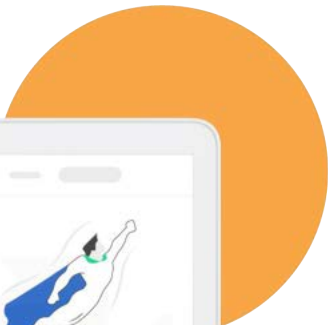
Not just the tech

All paid Leadoo subscriptions come with added service from our team of experts. Your success is our priority number 1.

✅ **Onboarding service: our experts build your first 5-10 chatbots for you**

✅ **5 optimization rounds per year to make sure your bots keep performing**

✅ **Support available whenever you need it**

Never miss a lead again.

Let's have a look at how you can get better results with Leadoo.

BOOK A TOUR

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