# SWOT Analysis of Chatly
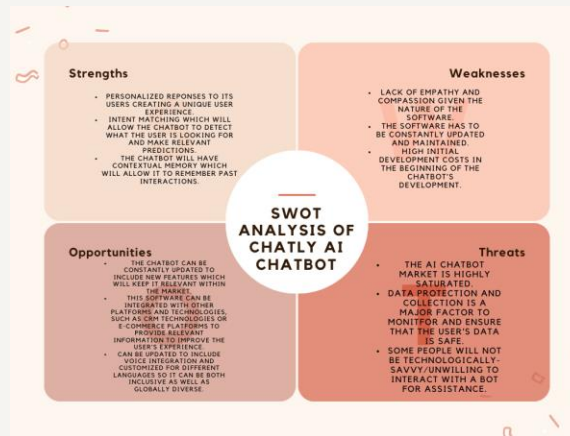
The strengths that are most likely to help in the development of marketing activities for my AI Chatbot, Chatly, are the personalized responses to users and its intent matching feature. Personalized responses can demonstrate how dynamic and unique the chatbot is in creating a personalized user experience and how well it can adapt to different users in different situations. The intent matching feature demonstrates how the chatbot can figure out what the user is intending to achieve through interacting with the chatbot, and it can make relevant predictions based upon certain parameters that the user asks about. This can help with the marketing of this software because it shows how adaptive and intelligent the chatbot is at helping the user find the solution to their issue or inquiry in the fastest fashion possible.

The opportunity that I will purse first is the opportunity to include voice integration and language customization because this is an incredible selling point of the chatbot that needs to be explored to demonstrate its inclusivity as well as open the chatbot up to global markets.

The threat that I am most concerned about is the fact that some people will not be technologically savvy enough/interested to use the AI chatbot and would prefer a real person. Because of this fact, I need to ensure that my chatbot is as inclusive,
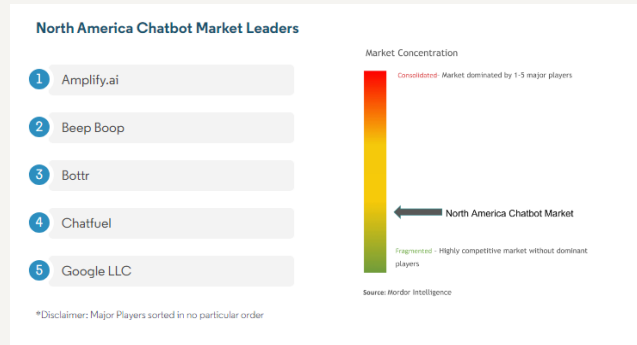
simplistic, and helpful as possible. I can ensure this happens through constant updates and developments to the software to ensure that it is inclusive, easy to use, and relevant within the quickly evolving marketplace.

The gap not addressed in the SWOT analysis that I need to be aware of as I move forward in the development of my marketing plan is the option for people to opt in or out of using the AI chatbot. Because some of the users are not as technologically inclined, I will need to ensure that there is an option for my users to opt in or out of their data being collected and opt in or out of using the AI chatbot, in case they are just not understanding how to use the bot.

Some legal and ethical implications to consider would be the fact that the AI chatbot has to be in line with the government's regulations surrounding AI technologies, have the technology flag any risks or threats to the software, and ensure that we have consent from the users to both allow them to use the technology and to have their data collected. Transparency is pivotal in building trust between the user and the brand and increasing brand loyalty and transparency in the long-term.
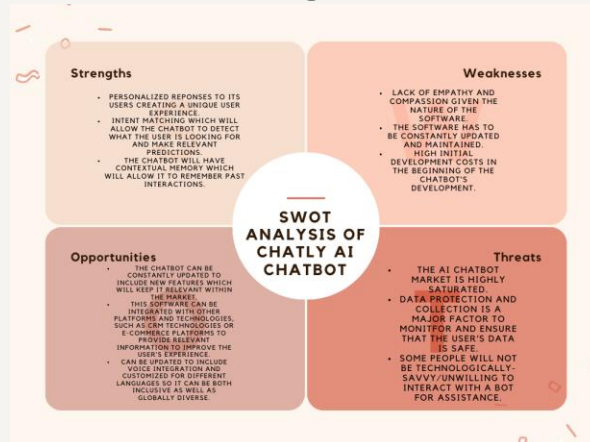
## Chatly AI Chatbot Summary

- Highly Fragmented Market
- Industry is projected to grow at an immense rate within 6 years.
- Projected to reach USD 11,053.12 Million by 2030
- Multitude of Competitors
- No clear barrier of entry or monopoly

**North America Chatbot Market Leaders**

1. Amplify.ai
2. Beep Boop
3. Bottr
4. Chatfuel
5. Google LLC

*Disclaimer: Major Players sorted in no particular order

Market Concentration

Consolidated- Market dominated by 1-5 major players

← North America Chatbot Market

Fragmented - Highly competitive market without dominant players

Source: Mordor Intelligence

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My Chatly AI Chatbot product is positioned within a market that is highly fragmented yet growing at an exponential rate. "United States Conversational AI Market size was valued at USD 2,091.11 Million in 2023 and is projected to reach USD 11,053.12 Million by 2030, growing at a CAGR of 23.12% during the forecast period 2024-2030" (Verified Market Research, 2024). This demonstrates the immense potential for success within this marketplace and how incredible the outlook is for this market in the next 6 years. This graphic pulled from Mordor Intelligence delves into a snapshot of what the AI Chatbot market looks like in terms of the market concentration. Looking at the visual, the user can deduce that this market is relatively fragmented with a lot of highly competitive businesses and products within the market. This leaves room for other companies to enter the marketplace with a competitive product or business model, as there is no clear monopoly or barrier of entry given the market's fragmented nature.
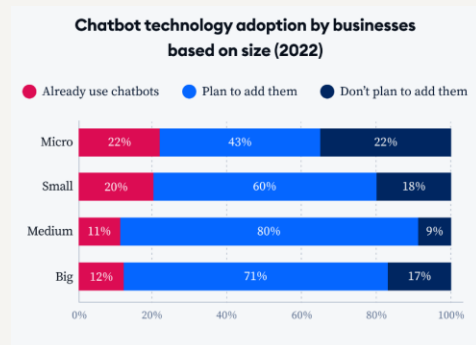
In conducting a SWOT Analysis of my Chatly AI Chatbot to use in my marketing plan, I was able to clearly identify its strengths, weaknesses, opportunities, and threats. Some of the strengths identified for this chatbot are that it will be able to generate personalized responses to its users, intent matching which will help the chatbot detect what the user is looking for, and contextual memory which will allow the chatbot to remember its past interactions with users. Some of the weaknesses of Chatly are a lack of empathy and compassion given the fact that it is a robot, the software must be constantly updated, and there will be high costs in the beginning while the software is being developed. Some of the opportunities identified for Chatly are that it can be updated to incorporate new features, making it easy to remain competitive and relevant within the market, this software can be integrated with other platforms and technologies, which will help it remain competitive and adaptable, and this can be updated to include voice integration to be more inclusive and globally diverse. Lastly, in terms of threats, the AI chatbot market is highly saturated, user's data must be collected ethically and safe from being compromised, and they may need to have a certain degree of technological proficiency to interact with the chatbot.

## Target Market Analysis

- Focusing on marketing towards businesses
- Crowded areas or cities
- Primarily millennials
- Between the ages 18 and 55

**Chatbot technology adoption by businesses based on size (2022)**

● Already use chatbots   ● Plan to add them   ● Don't plan to add them

| | Already use chatbots | Plan to add them | Don't plan to add them |
|---|---|---|---|
| Micro | 22% | 43% | 22% |
| Small | 20% | 60% | 18% |
| Medium | 11% | 80% | 9% |
| Big | 12% | 71% | 17% |

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Analyzing the target market for ai chatbots is essential for drafting up effective marketing objectives. "60% of millennials have actively utilized chatbots with 70% of users claiming to have positive responses. Meanwhile, of the rest of the millennials who have not yet used chatbots, more than half claim to be interested in utilizing the chatbot" (GilPress, 2024). Based upon this formation gathered, my target market will encompass an audience made up of primarily millennials, which are people between the ages of 27 and 42 years old. I will extend this to both ends of the age spectrum to account for the other 40%, by adjusting my target audience to customers between the ages of 18 to 55 years old. Because the vast percentage of businesses currently use or plan to add in the use of ai chatbots, I will focus on areas that are business-heavy, such as heavily populated areas and cities. I will be focusing on targeting business planning to incorporate this software onto their digital platforms based within crowded areas or cities comprised of primarily millennial business professionals.

## Marketing Objectives

- Collect data from as many businesses within the surrounding cities as possible within a six-month period and learn more about what they need in an ai chatbot to create an effective product that will provide them utility and exceed their standards.
- Create an effective social media marketing campaign that will drive traffic to our chatbot's website by 60% over a 12-month period and increase the conversion rate by 35% over a 12-month period.
- Improve the SEO of Chatly's website by 30% to appear higher in search results and optimize the website for primarily mobile applications, increasing the SEO of the mobile version of Chatly by 30% over a 12-month period.

I have created some effective marketing objectives that will help Chatly remain relevant and constantly evolving to compete with the fragmented market of ai chatbots. The first marketing objective that I will set is to optimize brand positioning through the collection of data through surveys. The objective is to collect data from as many businesses within the surrounding cities as possible within a six-month period and learn more about what they need in an ai chatbot to create an effective product that will provide them utility and exceed their standards. The second goal is to create an effective social media marketing campaign that will drive traffic to our chatbot's website by 60% over a 12-month period and increase the conversion rate by 35% over a 12-month period. My last objective is to improve the SEO of Chatly's website by 30% to appear higher in search results and optimize the website for primarily mobile applications, increasing the SEO of the mobile version of Chatly by 30% over a 12-month period. These objectives will help us learn more about what is currently resonating with the ai chatbot market, drive traffic to Chatly's website, optimize Chatly for mobile, and optimize Chatly's online presence for SEO, all over a 12-month period.

## Legal and Ethical Considerations of the SWOT Analysis

I must ensure that:

- Users can opt in or out of their data being collected.

- User's data is protected and safe.

- I am being truthful and transparent about Chatly and its functionalities.

- I am creating a chatbot that is original and innovative.

In terms of legal and ethical considerations of my SWOT analysis, I must ensure that the users can opt in and out of their data being collected, their data is protected, I am being truthful and transparent about Chatly and its functionalities, and I am creating a chatbot that is original and not a copy of another company's work. It will stand out for its originality and innovation within a highly competitive and fragmented market.

## Product

- Chatly – ai chatbot product
- Provides customer service/virtual assistance to website visitors
- Intent matching feature
- Contextual memory feature
- This product will be:
- -Periodically updated
- -Developed to include voice integration
- -Intergrated with other online or ecommerce platforms
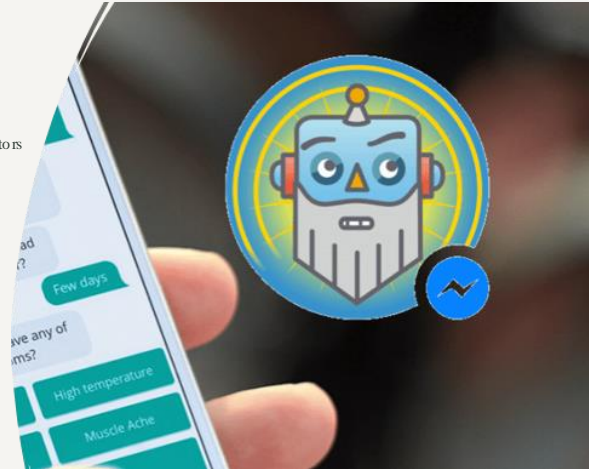
Chatly is an ai chatbot product that provides essential customer service and virtual assistance to the user's website visitors. This product has intent matching which allows the chatbot to detect what the user is looking for and make relevant recommendations. Chatly will also have contextual memory, which will allow it to remember past interactions with users, significantly improving the user's experience and capabilities of the chatbot. I will be able to make periodic updates and implement new features into the Chatly software to keep this product competitive and relevant within the fragmented and widespread market. I could make updates such as voice integration with every language around the globe and integration opportunities with other online or ecommerce platforms.

## Price

- Average price: $0 to $500 a month.
- I want my chatbot to be penetrative within the market.

- Three Subscription Tiers:
- -Base Monthly Subscription: $299.99/month
- -Developer Tier Monthly Subscription: $399.99/month
- -Premium Monthly Subscription: $499.99.mo
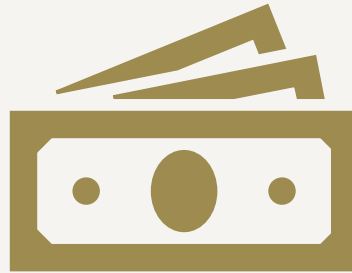
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The average price for a standard chatbot subscription is "...between $0 and $500/mo" (Stefanowicz, 2024). Because I want to price my chatbot at a penetrative price, I will charge $299.99 for a base monthly subscription. This is the base price but I will scale this to incorporate more features in the future. The two other tiers I have are the developer monthly subscription which is $399.99 and the premium monthly subscription which is $499.99. These prices will allow me to be extremely competitive within a market that is relatively saturated, fragmented, and constantly evolving by keeping my prices on the lower end and all below the average ai chatbot estimation.

## Place

- Online Service
- Available on web and mobile platforms
- Will be centered around heavily-populated areas/cities

I will be hosting this as an online service. This will be available on both web and mobile applications. I will be primarily interested in reaching businesses located in and around heavily-populated areas or cities.

## Promotion

- Social Media Marketing Campaigns
- Email Marketing Campaigns
- B2B focused (both small and large businesses)
- Will also reach out to entrepreneurs and millennial business professionals
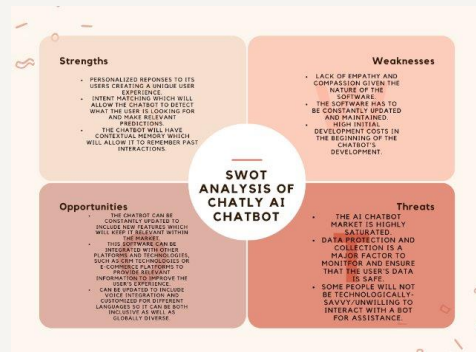
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I will be marketing this product through social media marketing campaigns as well as email marketing campaigns in a B2B marketing campaign to both small and larger businesses as well as interested entrepreneurs and millennial business professionals within their respective fields who require an ai chatbot to streamline how they do business online and to improve their user's experience.

SWOT Analysis Marketing Strategy Integration

- Strengths: The personalized responses/intent matching showcases how adaptive and intelligent the chatbot is at helping the user.
- Weaknesses: There is a lack of empathy, and it has to updated.
- Opportunities: This can be updated constantly, and new features can be added to make sure that it is current/competitive.
- Threats: The market is saturated, and people must have their data protected.
- I will emphasize all the current and developing features with the software and how adaptable/intelligent/safe it is to use. I will emphasize how much of an asset it is to businesses and how it can provide exceptional customer service and online support.

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My SWOT analysis of my ai chatbot, Chatly, provides an impactful framework for my product's marketing strategy. In terms of strengths, the personalized responses can demonstrate how dynamic and unique the chatbot is in created a personalized user experience and how well it can adapt to different users in different situations. The intent matching feature demonstrates how the chatbot can figure out what the user is intending to achieve through interacting with the chatbot, and it can make relevant predictions based upon certain parameters that the user asks about. This can help with the marketing of this software because it shows how adaptive and intelligent the chatbot is at helping the user find the solution to their issue or inquiry in the fastest fashion possible. The opportunity that I will purse first is the opportunity to include voice integration and language customization because this is an incredible selling point of the chatbot that needs to be explored to demonstrate its inclusivity as well as open the chatbot up to global markets. The threat that I am most concerned about is the fact that some people will not be technologically savvy enough/interested to use the AI chatbot and would prefer a real person. Because of this fact, I need to ensure that my chatbot is as inclusive, simplistic, and helpful as possible. I can ensure this happens through constant updates and developments to the software to ensure that it is inclusive, easy to use, and relevant within the quickly-evolving marketplace. The gap not addressed in the SWOT analysis that I need to be

aware of as I move forward in the development of my marketing plan is the option for people to opt in or out of using the AI chatbot. Because some of the users are not as technologically-inclined, I will need to ensure that there is an option for my user's to opt in or out of their data being collected and opt in or out of using the AI chatbot, in case they are just not understanding how to use the bot.

Some legal and ethical implications to consider in order to successfully integrate the factors described in my SWOT Analysis would be the fact that the AI chatbot must be in line with the government's regulations surrounding AI technologies, have the technology flag any risks or threats to the software, and ensure that we have consent from the users to both allow them to use the technology and to have their data collected. Transparency is pivotal in building trust between the user and the brand and increasing brand loyalty and transparency in the long-term.

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