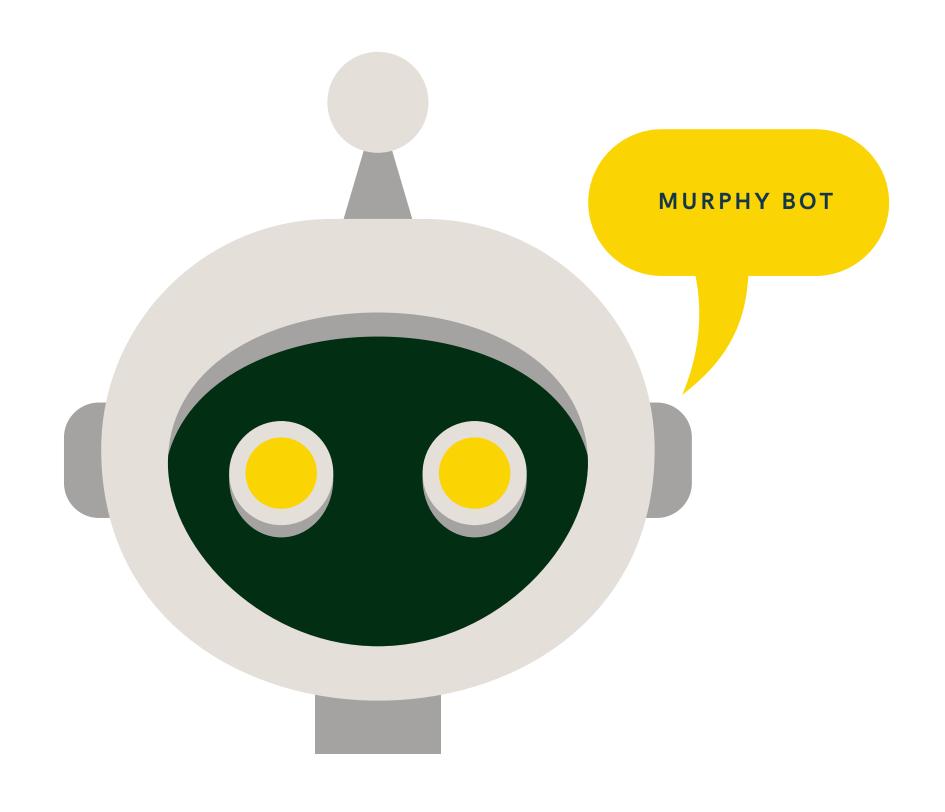
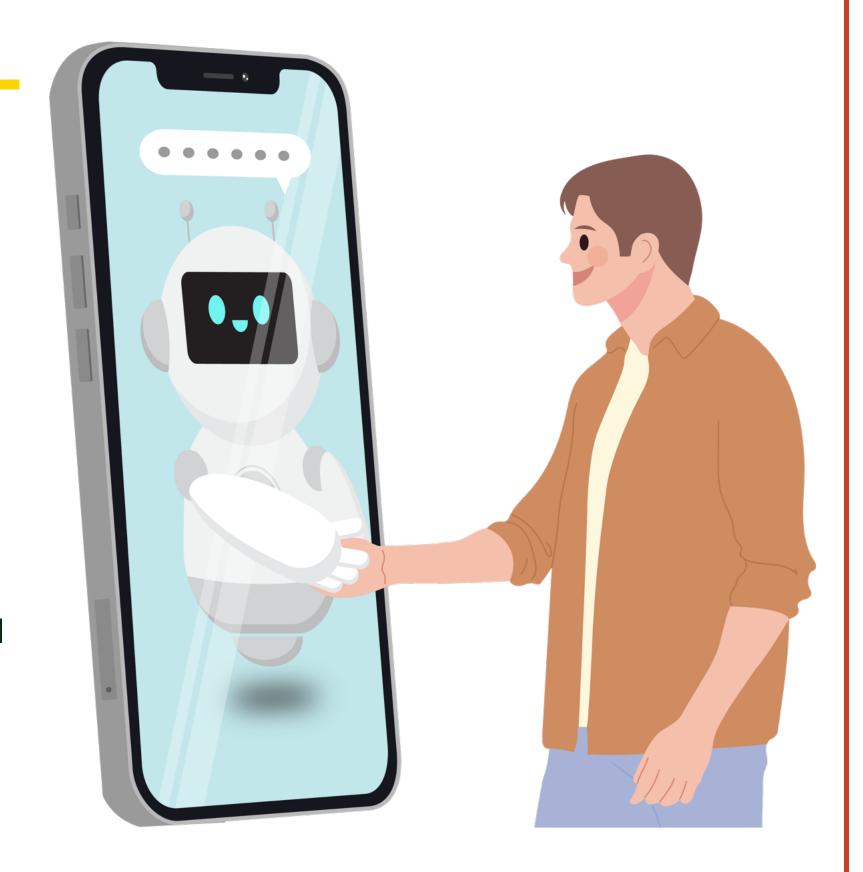
THE CHATBOT EVOLUTION





INTRODUCTION

"CHATBOT EVOLUTION represents a strategic undertaking for a prominent Australian alcohol retailer, boasting a distinguished clientele. The project was initiated in response to the underwhelming engagement levels experienced with the company's existing consumer-facing chatbot. The primary goal of this endeavor is to conduct a comprehensive analysis to identify the root causes of low engagement and subsequently devise robust solutions for improvement. Additionally, the project seeks to uncover novel opportunities for the chatbot's role in enhancing customer engagement, creating deeper brand connections, and expanding its utility beyond its traditional function as a self-service channel."



September 2021

My Role: Product Designer

PROJECT BRIEF

PROJECT AUDIENCE:

Customers aged 18 years and above.

PRPJECT OVERVIEW

Enhance the chatbot's capabilities to actively engage with customers, thereby strengthening their emotional connection to the brand.

PRIMARY OBJECTIVES

Explore new ideas and opportunities fo the chatbot as an engagement tool towards the pathway to purchase.

SECONDARY OBJECTIVES

Improve the current conversation flow of existing service capabilities.

• KEY DELIVERABLE

- Research Insights on the explorations (e.g.competitive reviews)
- Solution/Concept Definition
 - 1. What is the idea?
 - 2. What is the objective of the idea?
 - 3. How it works, etc?
- UX Solution flows (e.g. conversation flows, screen flows)

SCOPING FRAMEWORK

SCOPE:

To undertake essential groundwork, delineate the problem/concept, develop the UX, and perform usability testing leading to an interactive prototype for the Murphy chatbot, culminating in a live presentation.

RISK/CONSTRAINTS:

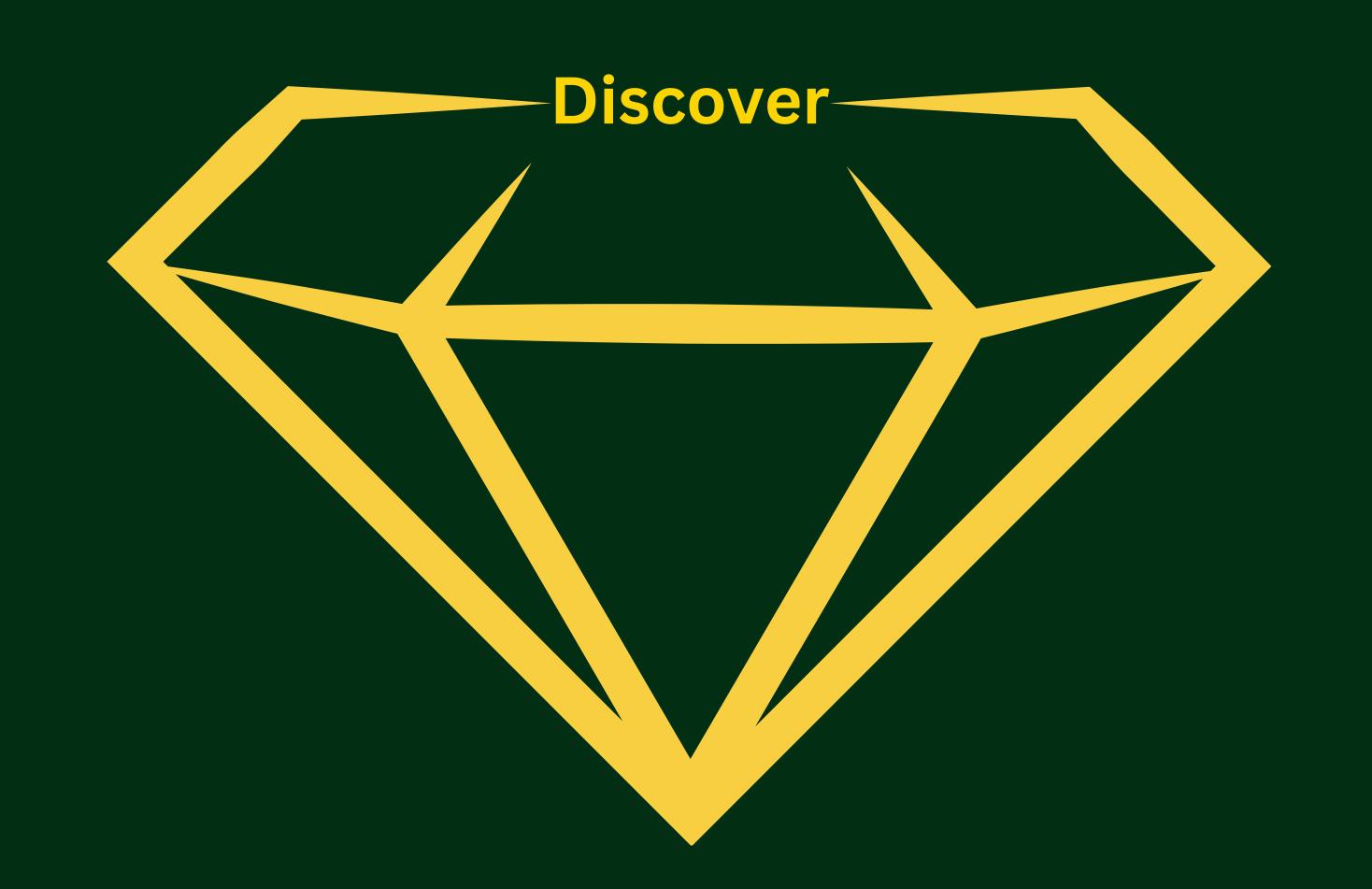
- Impact on Dan Murphy's customer service representatives (e.g. live chat)
- COVID-19 limitations

• DELIVERABLES:

- <u>Research Insights:</u> This section synthesises findings from research activities, including competitive reviews, offering valuable insights that shape subsequent project phases.
- Solution/Concept Definition:
 - 1. Idea Description: This defines the core concept that the project aims to implement.
 - 2. Objectives: Outline the primary goals and expected outcomes associated with the idea.
 - 3. Functionality: Details the mechanics and key features of the proposed idea.
- <u>UX Solution Flows:</u> In this section, we outline solution flows, including conversation and screen flows, depicting the user's journey through the system. These visual representations enhance the understanding of the user experience and system functionality.

PROBLEM STATEMENT

PEOPLE TEND TO BE HESITANT TO ENGAGE WITH CHATBOTS, OFTEN VIEWING THEM PRIMARILY AS SELF-SERVICE TOOLS FOR ADDRESSING SPECIFIC ISSUES.



DESKTOP RESEARCH APPENDIX

Accurate research was conducted looking into Alcohol Industry Trends, Competitor Analysis and Chatbot Users to try gain a deeper understanding of the marketplace.

Desktop Research-Appendix

Industry trends

1. Roy Morgan - Enquiries, 'Number of Australians drinking alcohol increases for first time in 4 years in 2020 – powered by wine, spirits and RTDs', Finding No.

8686, Press Release, April 20 2021

http://www.roymorgan.com/findings/8686-alcohol-consumption-april-2021-202104190630

2. Roy Morgan - Enquiries, 'Number of Australians drinking alcohol increases for first time in 4 years in 2020 - powered by wine, spirits and RTDs', Finding No.

8686, Press Release, April 20 2021

http://www.roymorgan.com/findings/8686-alcohol-consumption-april-2021-202104190630

Australian liquor retailers main players

Roy Morgan, 'Supermarkets continue to take alcohol market share from hotel bottle-shops', Finding No. 7753, Press Release, November 08 2018

http://www.roymorgan.com/findings/8686-alcohol-consumption-april-2021-202104190630

Competitor analysis





Chatbot market trends

Customer Service

Engage Customer

Selling













DESKTOP RESEARCH FINDINGS

The rise in on-demand messaging has reshaped consumer communication preferences, leading to increased integration of chatbots across various industries. These bots play a pivotal role in elevating the consumer experience and delivering exceptional customer service. Chatbots are revolutionizing how businesses engage with both existing and potential customers. Research within customer service, marketing, and sales demonstrates the practicality and importance of incorporating chatbots into Dan Murphy's services.

Desktop Research-Dan Murphy's Customer as Engagement

Industry trends:

In 2020 a total of 13,337,000 Australians (67.0%) aged 18+ consumed alcohol in an average four-week period, up from 13,021,000 (66.2%) a year earlier. Over one-in-ten of these Australian packaged alcohol buyers (11.3%) bought alcohol online, more than tripling the figure of 3.5% for 2019 – an increase of almost 8% points. This represented Australia alcohol market has a huge increase, especially in the online alcohol market. But still a vast majority of 88.6% of Australian packaged alcohol buyers bought alcohol at a store, which take potential opportunity to current online market.

Australian liquor retailers main players

In the past five years, more than 65% of the Australia liquor market has been occupied by Endeavour Group and Coles Group. Among them, the representative brands are **Dan Murphy's** has continued to dominate the market (approximately 30% of the total market), followed by it's complementary brand **BWS** (approximately 17% of the total market) and **Liquorland** (approximately 10% the total market).

Competitor analysis

Dan 249

BWS Over 1300

Liquorland over 700

Number of Stores

Website Performance:

a. BWS: BWS has a reasonable product classification and recommendation that is just right for the reality of the promotion information on thepage.

Liquorland: Emphasize their exciting price advantage through all the website

industrial and in the executing price devartage through an tile website

Dan Murrphy's: Website attempts to establish a deeper connection with users through a large number of cultural and background introductions

b. There are often products out of stock when making purchases at Dan Murphy's. Other competing products do not have similar problem c. All three brand have a complete online sales process, users can complete the product selection, place an order and check out within 5 minutes

Mobile APP Performance:

WS: All functions are simple and efficient, UI design at a glance

Liquorland: Fillter is efficient and Favorite is good for establishing connections with users

Dan Murrphy's: Wishlist function and display of browse items can promote connection with users

Chat bot Performance

In the current market, only Dan Murphy's is currently trying to use chatbot to assist users to improve their experience.

Chatbot market trends

The surge in on-demand messaging has shifted consumers' preferences for communication. More industries are integrating chatbots into their business processes. Bots are a critical resource for enhancing the consumer experience and providing excellent customer service. Chatbots are transforming the ways businesses connect with current and prospective customers. From research in customer service, marketing and selling, Chatbot have feasibility and necessity in Dan Murphy's service.

ONLINE SURVEYS & FINDINGS

Customer research was conducted, including surveys and one-on-one interviews, to gather insights on customer purchasing behaviors and their experiences with chatbots. The objective was to identify customer frustrations and unmet needs.

Customer Buying Habits

75%

of survey repondents have price as their key purchasing influence

71%

of survey repondents have convenience as their key purchasing influence

'I don't want to waste money on something that I may not like'

(Survey Respondent)

Favoured Buying Experiences

48%

of survey repondents want to hear about regional specific products

34%

of survey repondents have knowledge provided by their retailer as a key key purchasing influence

'I like to shop in store to get advice'

(Survey Respondent)

People's Chatbot Experiences

'You end up searching for the information you're after yourself most of the time'

(Survey Respondent)

'I don't really know what a chatbot can do'

(Survey Respondent)

'I only use chatbots to resolve issues with ordering'

(Survey Respondent)

Chatbot Experiences People Want

'A chatbot should be more like a human'

(Interviewee)

'I'd like to recieve information quickly and in a personable manner'

(Survey Respondent)

'I would like to get help and recommendations from a chatbot'

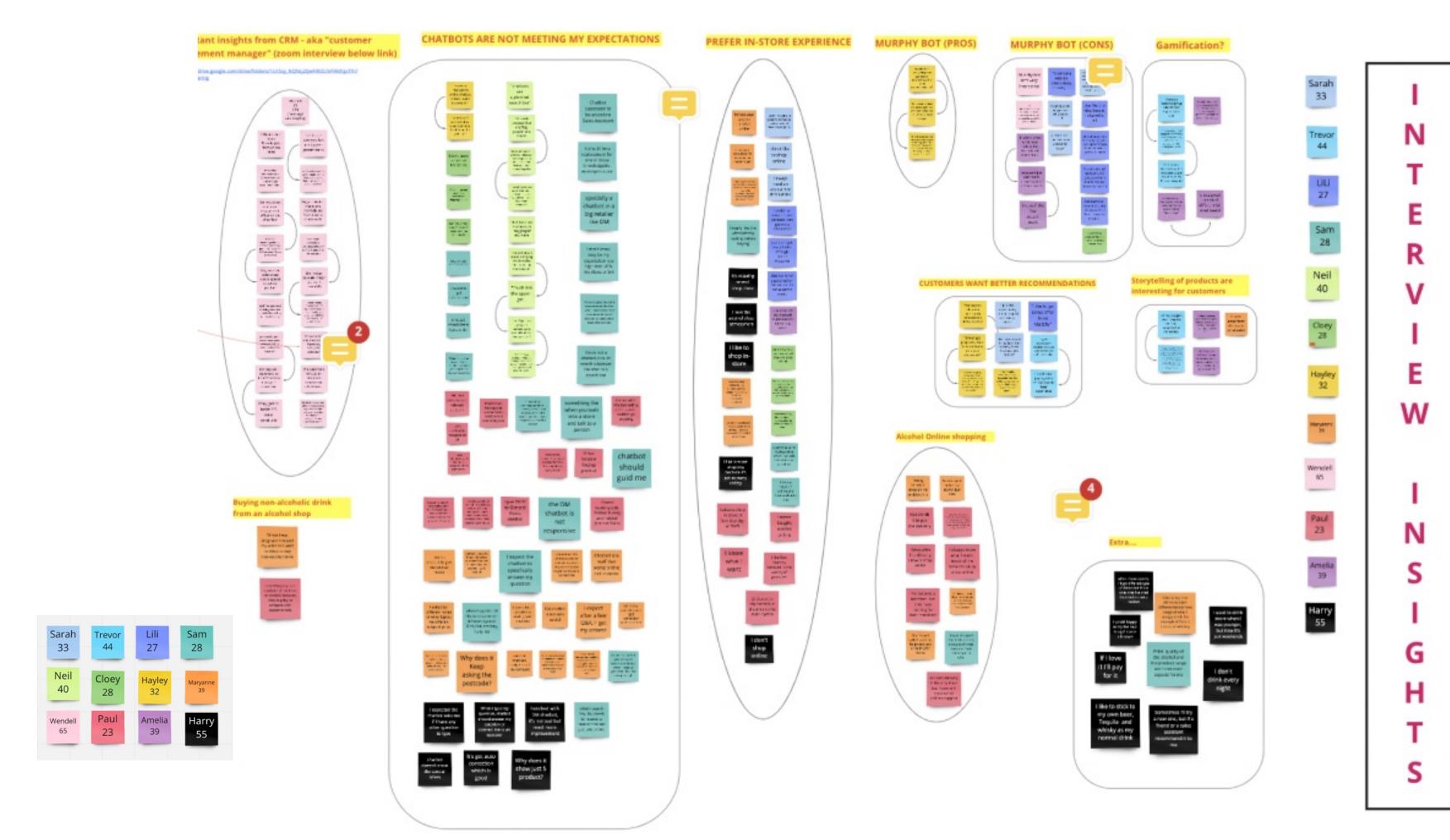
[Interviewee]

Competitor Analysis

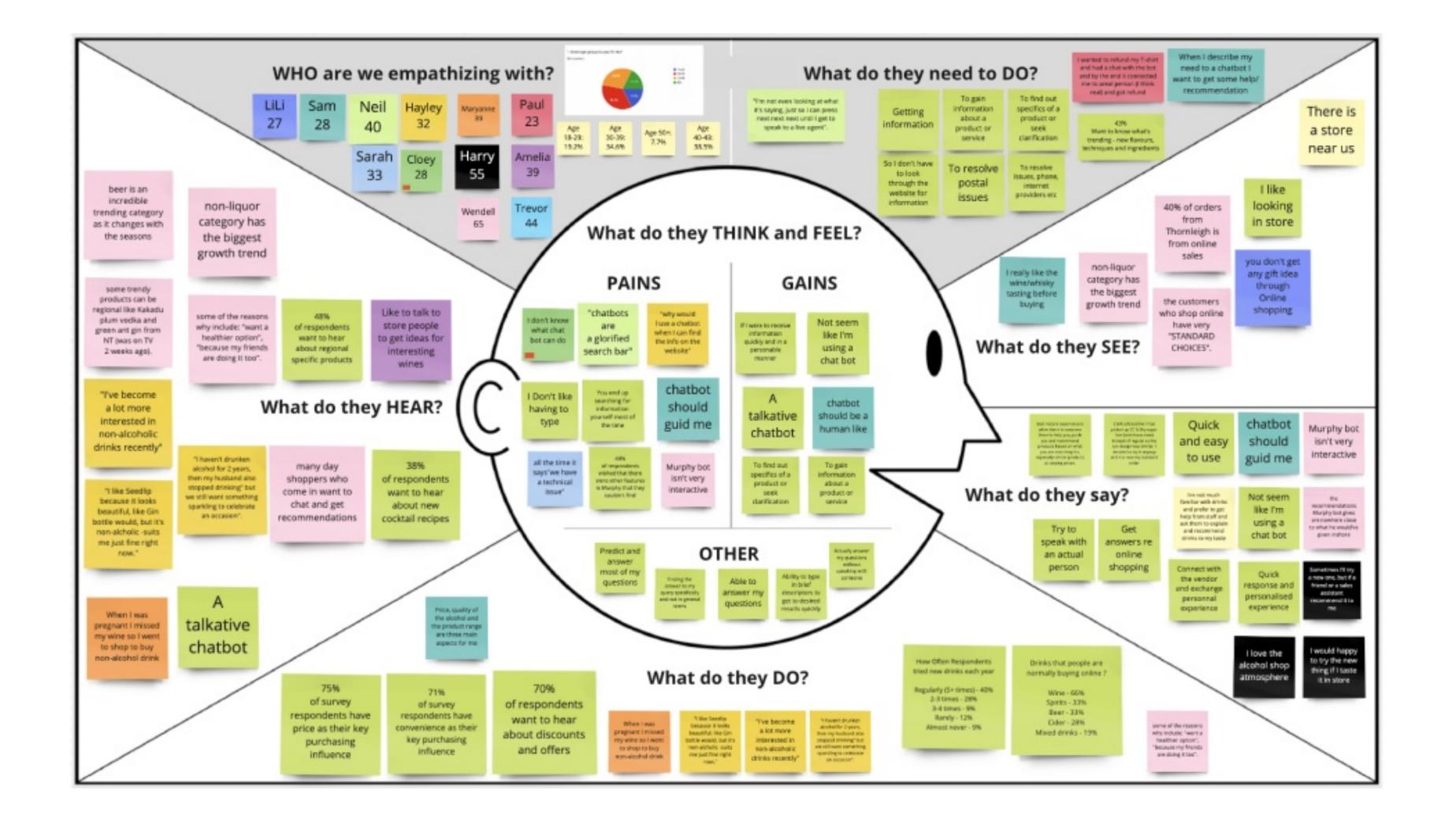
75 x Online Surveys

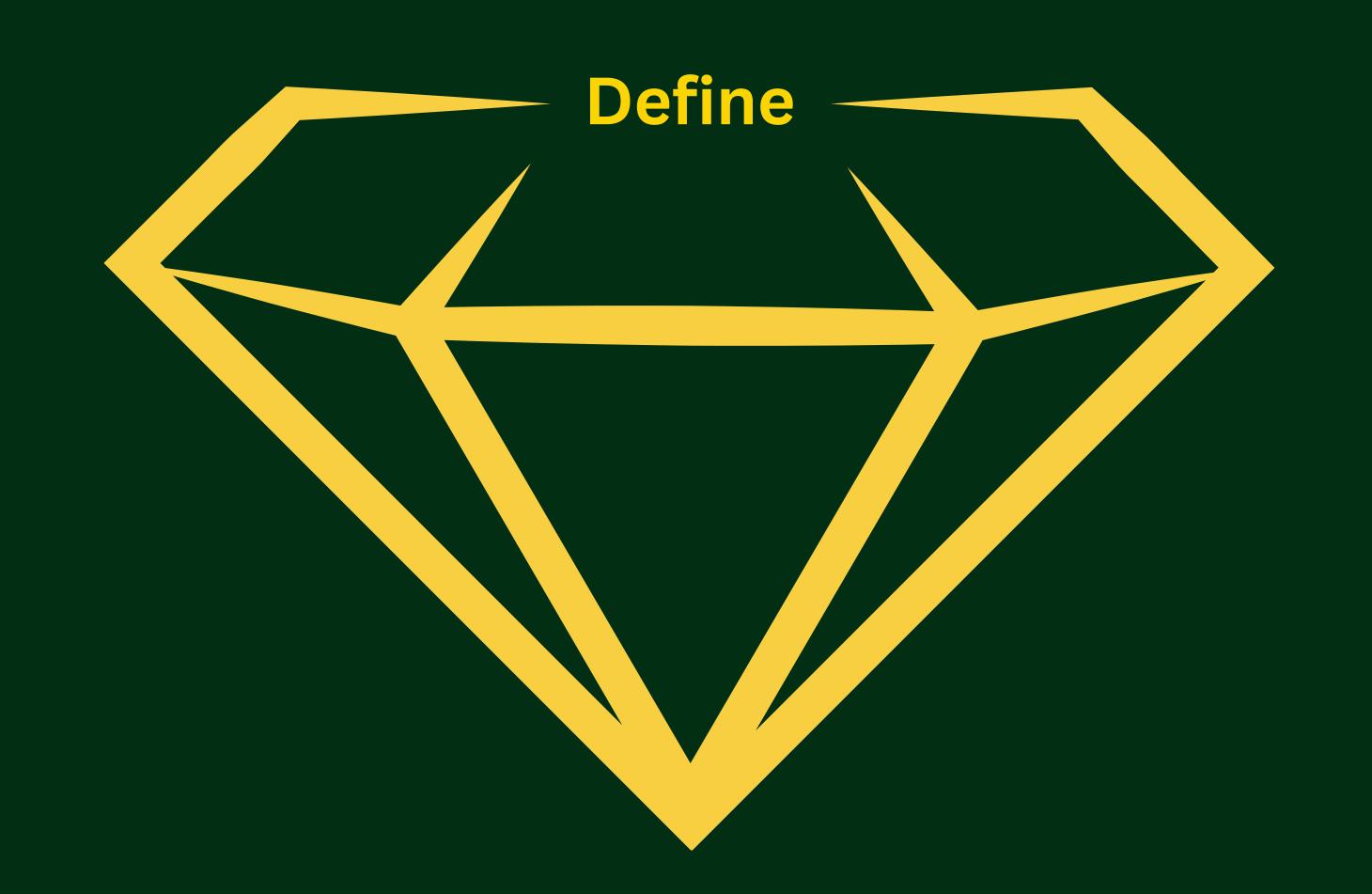
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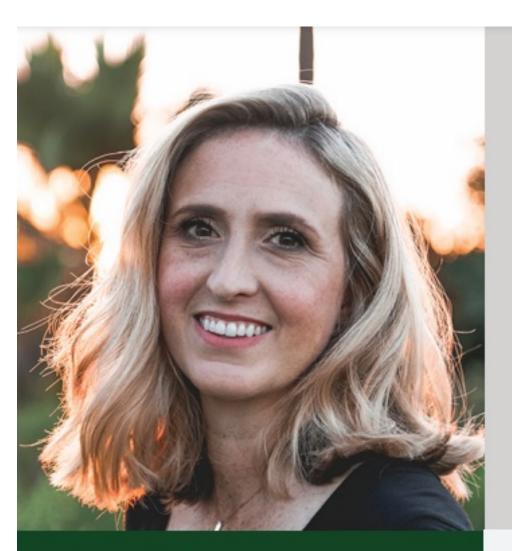
interviews











Bio

Amelia is a busy suburban mum who likes drinking wine and regularly shops at Dan Murphy's because of their competitive pricing and convenience.

When purchasing on-line she usually only purchases products she's familiar with, and doesn't usually interact with chat-bots as she feels like they're really only used for solving problems.

She likes to visit wineries on weekends with her family, and will usually purchase wines that she has taste tested during those visits at Dan Murphy's afterward.

Thoughts

- Feels that getting advice in a store is a much better experience that provides more satisfying results than getting information from a website and selecting products on her own
- When buying on-line she usually ends up purchasing want she considers to be 'safe' options as she doesn't want to end up wasting money on items that she may not end up enjoying
- Thinks it would be great if the on-line shopping experience was somehow made more interactive and less transactional

Frustrations

- Wishes she had more time to go in-store more often and get her recommendations from staff
- Feels the information that she gets on-line lacks a human touch
- Finds the way that product information is displayed on-line is unengaging

Amelia

Age: 45

Occupation: Stay at home mum

Relationship: Married, Mother of two

Location: Sandringham, Melbourne

"I love visiting different wineries on weekends with my family; trying different wines and then stocking up on the ones that I really love"

Personal Traits



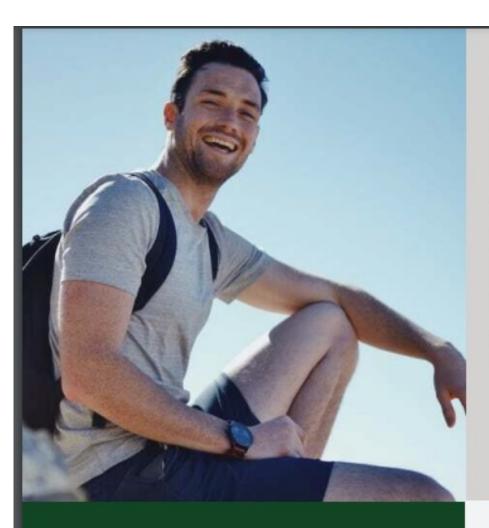
Technology



Likes

- Enjoys having a nightly drink with her dinner
- Likes talking to people in person when getting advice on new products as she enjoys the interaction
- Likes finding out about the back story of the wines she drinks as it gives her a deeper appreciation of where they have come from and who is producing them

"I wish my on-line shopping experience was more engaging and had more of a human touch"



Bio

Paul is a fun loving and adventurous millennial who loves spending time outdoors, hanging out with friends and trying new things.

He enjoys craft beer, and regularly visits his local drinks retailer that's a walking distance from his home to seek out new drinks that he has found through on-line research or have been recommended by friends.

Paul is a technology enthusiast, and has found his experiences with using chat-bots uninspiring.

Thoughts

- He loves to try new things but is unsure about which products to go ahead and try so ends up spending time doing his own research on-line or relying upon friends to provide him with suggestions he feels he can trust
- Paul doesn't mind paying more at an independent drinks retailer because of what he considers to be superior customer service and knowledge in his area of interest - craft beer
- Thinks that it would be great if he could 'speak' to a website or a chat-bot when looking for things on a website, as if where Google or Alexia

Frustrations

- Is sometimes overwhelmed by the variety of drinks choices available and is unsure of how to make sense of it all, or how to know which products would best suit his taste.
- He often feels like there is a lack of detail in the product information that he receives; when he is inquiring about a drink he would love to know more about it's origin, the maker and the brand itself in addition to the flavour profile'

Paul

Age: 29

Occupation: Finance Manager

Relationship: Single

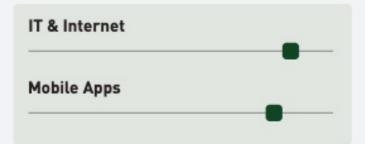
Location: Carlton, Melbourne

"I like spending time in my local drinks store and discovering new products; it's fun and I love finding new craft beers"

Personal Traits



Technology



Likes

- Likes to socialise with friends and colleagues and sees drinking as a highly social experience
- Paul tends to gravitate towards independent retailers because they usually have a larger variety of craft beer options
- Enjoys playing around with different technologies, and reading about how different beers are produced

"I don't mind paying a bit extra for that special beer experience"



Bio

Jamie is a friendly and enthusiastic customer experience manager at a busy flagship alcoholic drinks retailer that serves as a hub for on-line orders for surrounding suburbs.

His days typically include stocking shelves and and packing on-line orders, and providing expert advice to customers who want assistance in finding new drinks to try.

He enjoys the spontaneous nature of the conversations that he has with a variety of people, and gets a kick out of helping customers discover new products that they will continue to enjoy in the future.

Thoughts

- Jamie finds it really interesting how often customers that come into the store love to have a chat, and are often asking for his recommendations
- All it usually takes is a little interaction with a customers to open their eyes to a vast array of new possibilities that they will really enjoy
- Feels that customers are more willing to take on board recommendations when they are provided by a person

Frustrations

- I wish that people shopping on-line were more adventurous with their selections, when there is so much to choose from and enjoy; customers who visit the store tend to be a lot more daring with their selections
- I wish I could reach more people and educate them about the wonderful range of drinks that are available to them; many are missing out on so much enjoyment

Jamie

Age: 26

Occupation: Customer Experience Manager

Relationship: Engaged

Location: Chadstone, Melbourne

"I love how after a little conversation I can get customers to broaden their horizons and try something new; it's a pleasure taking people on that journey"

Personal Traits



Technology

IT & Internet	-	
Mobile Apps		

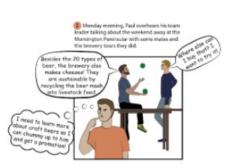
Likes

- I love it when I've helped someone discover something new, and I look forward to seeing them in the store again so we can discuss how it went for them
- I personally enjoy improving my product knowledge so I can continue to help as many people as I can find drinks that they will enjoy

"I love to talk to people in store and help them to find products I know they will enjoy"

JOURNEY MAP

"This customised journey maps serves as a valuable resource for developing solutions that strongly resonate with our primary personas













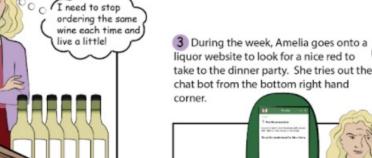




Amelia's Journey Map

2 Amelia searches her pantry for a nice wine to bring to the party, but realises she has multiples of the same chardonnay she always orders from the online liquor store.





Really? Nothing in that price range? Why doesn't it give me another recommendation? Now I've got to find time to go into store! Darn it!



6 Amelia and her husband arrives at the Saturday night dinner party with the bottle of Grenache and the sparkling French wine that Jamie also suggested in store.



5 In store, she flags down a friendly floor staff called Jamie. After explaining she's wanting a red to go with fish, he suggests a Grenache from the McClaren Vale in South Australia. It's smooth, light and within price range. Before



Please don't hesitate to come back for more staff pick recommendations! We've always got new

Wow! I didn't think to ever

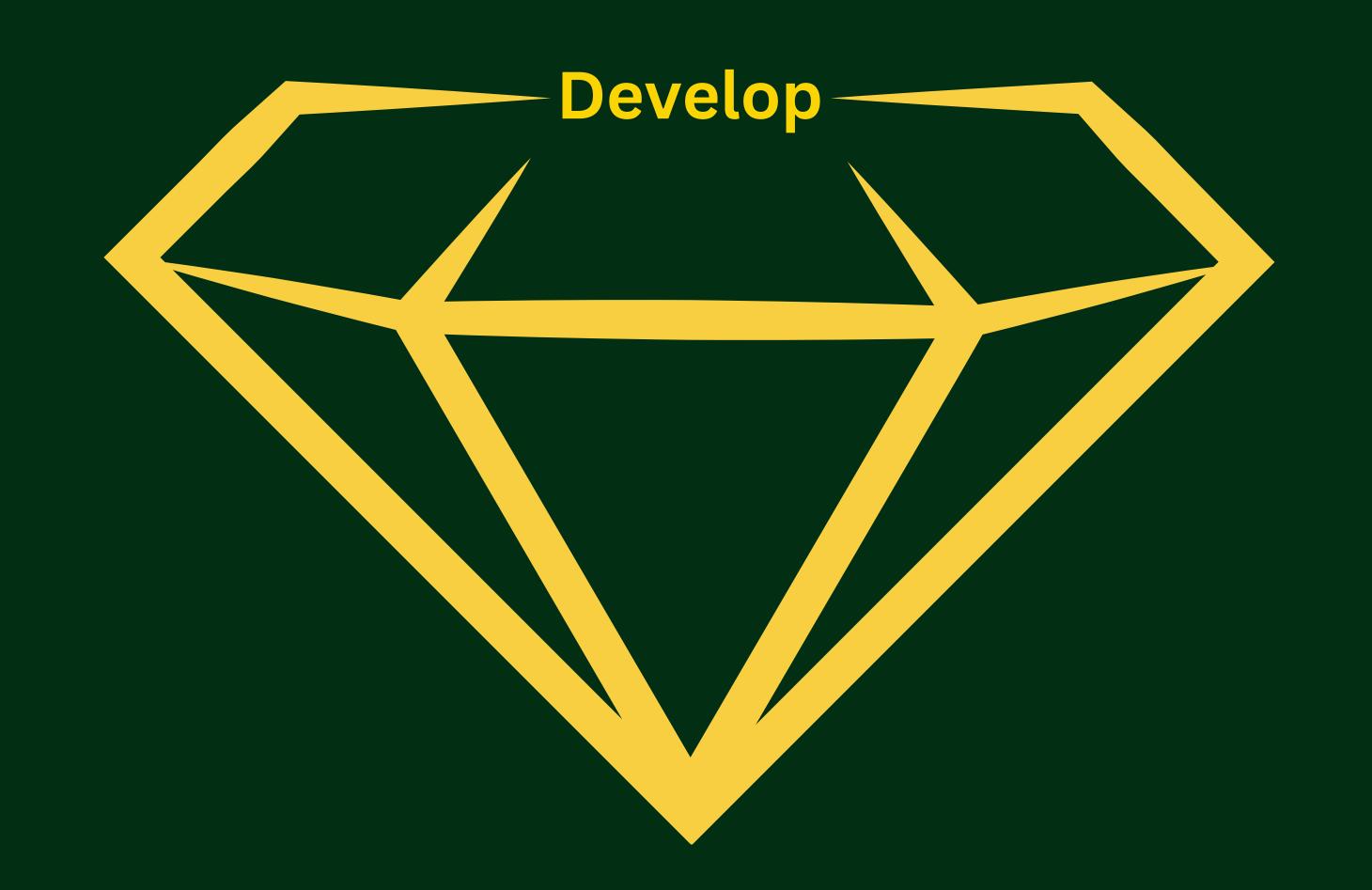
try a Grenache. Sandra & I have been drinking Pinot Noi

for years with our seafood and thought nothing would





Paul's Journey Map



IDEATION WORKSHOP

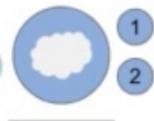


Paul is overwhelmed by the variety of drink choices... How might we simplify this and guid products he would like



Alex







Eddie















Categorising by base spirit (e.g. teguila drinks/vodka drinks)

Seasonal factors

year/season/time of

day - different mind

New Suggestions

based on previous

searches/purchase

character profile o

who paul is and

what he enjoys)

(e.g. time of

set requires

s (building

different drink)

Add something thathe likes already. gets a recommendation within a speq category

Suggestions on a

drink - by flavour

Suggestions by

price range

occasion (food) and

the flavour?

certain category of

differences - best of

Izzy

star rating by customers

Flavours - taste by

association

Alcohol percentage - Narrow dov strong Paul would his drink

Fruity flavoured or

bitter - Narrow

Get paul to enter his normal drinks of choice - to suggest similar drinks.

What type of

depending on

activity

alcohol he is after

Dani

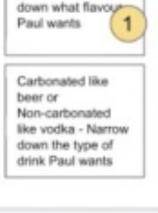
Asking questions about his favourite foods or dining preferences

Finding out the occasion he is he intends to consume the

buying for or when

It knows based off, past buying histor and similar people

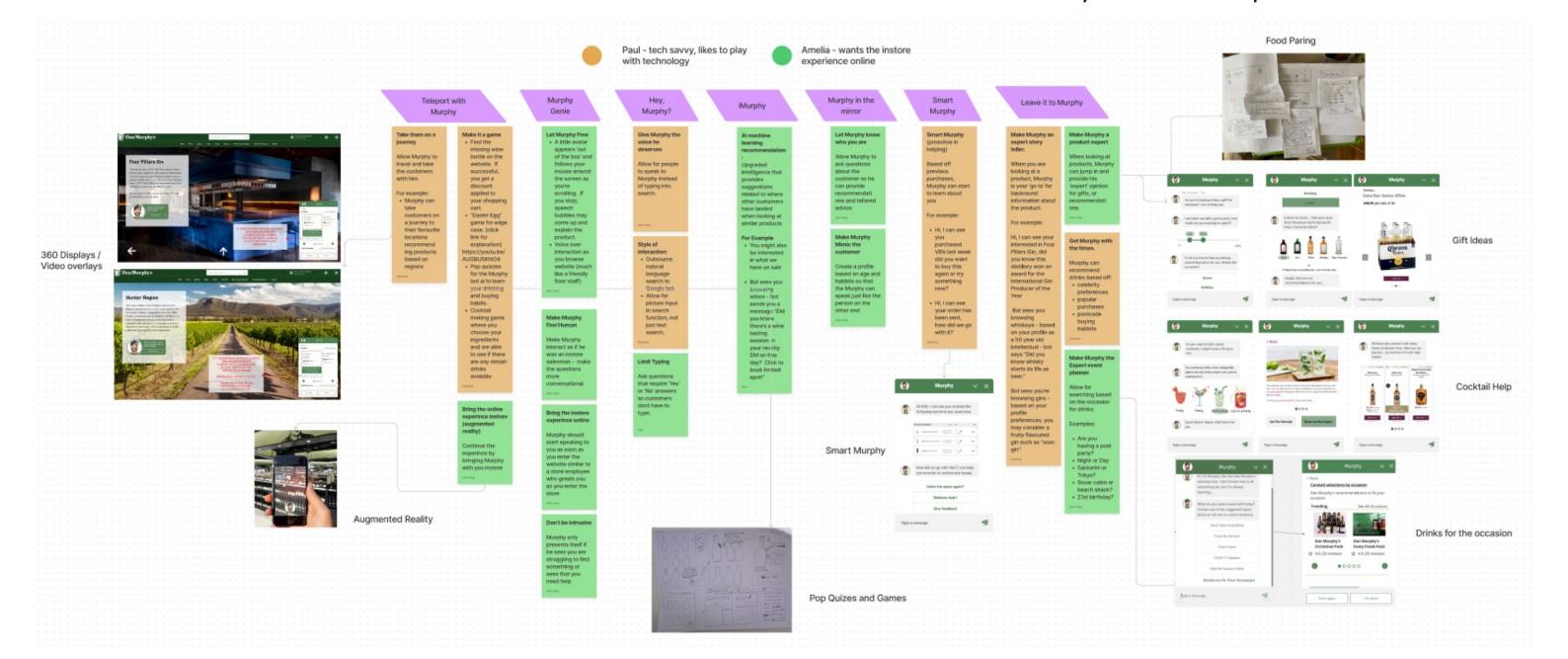
alcohol



Drink pairing - to promote multiple choices.

IDEATION WORKSHOP KEY INSIGHTS

Summery of workshop ideas



Key Insights from Ideation Workshop

#:	Journey Map	Pain Points	Ideation Workshop	User Testing	Feedback from User Testing	Solution	
1 Drinking Trivia	the second section of	Paul, like many millenials love engagement via gamification. He likes to socialise with his friends and talk about the latest trending products he's tried. Through the research survey findings - price & convenience are still the main driving factors of alcohol purchase.	Subject right Major y Major gene - To public to the publ		2/5 Sald Tray vessels day a Devising Terial games via the Membry charbox. "Drinking Trivia" is something I'd play for fun – if I knew I'd get a discount." 3/5 Pedervel the name "Trivia Genet, rether their "Trivy to Win Rome". The word Trivia Genet, rether their Trivy to Win Points. "Play to Win Points" not something I would use – it makes me think of gambling." 5/5 Were able to namigate with cell assistance. "The flow is good and questions are easy to understand".	Engagement via gamification by playing the drinking trivia. Re-engagement by getting an email with a discount code. Discount/free shipping incentive for the price conscious customer.	ivia
2 oktail Inspirations	Even when we have an early and the second of	Entice Amelia to explore new products in a fun and engaging way. Engage adventurous customers to try new products via Murphy Bot.	Multiply Grant Community Personal Community Personal Community Com	W Marie Barrier Mooral of	6/6 Were adde to work with thit app without any prior secretion. "I love lit I'd love to know how to make a cocktall at home, especially during lockdown?" 4/6 Like hew the applicable them to a particular sociale on the wetcale so they can search for mean reages. "It gave me the diverse selection I was looking for." 5/6 Select is a very helpful tool and it gives custowers the same confidence and reliability as if stay were instead. "I really like that the bot gave me suggestions, based on the taste I was looking for."	Gamification - Murphy Bot engages the customer via a fun and lighthearted cocktails inspiration game. All recommended drinks link directly back to the website, providing a pathway to purchase. Cocktail Inspiration Cocktail Inspiration Cocktail Inspiration Cocktail Inspiration.	rations
3 nd your Drinks - ersonality Quiz	After tailing to his heads, Paul Is being your more confused than before There's to much choice out here.	Paul is confused about the amount of products on the market. He needs help with narrowing down some choices.	Maryley in the source of the s		5/7 Said that after they discover that drink personality, should also be to the page to become the product. "I feel like after completing the quiz it should link to the category". 5/7 Said they can't wait to fire cut what drink personality they are. "I'm a champagne personality? Harhaha." 4/7 Said they lead short and sweet questions "Some of the questions are a bit hard to understand."	Gamification - Murphy Bot engages the customer via a fun quiz to find the perfect drink to match their personality. Murphy Bot's recommended drink links directly back to the website, providing a pathway to purchase.	sonality Qui
4 Murphy's Assist	She being out, find proce by a Dan conduct. He confidence is smally the stall solitory to development is branchy the stall solitory to development is smally then stall solitory to development a recommendation. In a content to hear more. In a content to hear more than the stall solitory to the small solitory to the stall solitory to the stall solitory to the stall solitory to the solitory to the stall solitory to the solitory t	Being a millenial and into his online research - Paul would like to bring the online experience instore when he's browsing. Would like help with navigating the myriad of products in store without having to talk to anyone.	Singuer each Marging M		5/5 Said they would use tile to find a bottle ileatore "This is very handly, I allways feel very lost when walking around the store." 4/5 Were take to runking the page with the additional "I can see how people would use this when in store." 4/5 This is not be some training the product has before they be if so they turn make se is formed purchase. "Sometimes I regree my impulse purchases because they aren't to my taste, but I can quickly see what others rated the product while browsing."	Besides being an online product expert, Murphy is also an instore product guide if you take him shopping with you. He may give you expert product knowledge and reviews if you're already in store and are browsing through shelves and shelves of different products. He may give you directions instore so you can go straight to the product you have wishlisted. You will always be the most informed shopper you can be, with Murphy's Assist.	ssist
5 Murphy's Private Cellar	The state of the s	Bring the instore experience online. Amelia is disappointed that Murphy Bot doesn't give her any similar recommendations that she might like after struggling with the product filter.	Subgrant soits Magnity Frameworks Frameworks Stock of the Control of the Contr	The real of the second	5/7 Said that the counted needed to be updated to match the color apparence. "This looks very premium" 7/7 Were able to add appoint to the cart "It's cool that you can add to cart from the pop up."	Murphy Bot is the linchpin for better engagement with customers. We've developed him to be larger than life with a robust personality. In Murphy's Celler, he is more than an extension of the knowledgeable friendly floor staff that you find in every Dan Murphy's store. Murphy is the Go-To expert story teller and product expert - just tell him what you're looking for and he'll give you a curated selection of his personal favourites of the month. We are thinking of the DM business	te Cellar
		Paul didn't find the bot engaging because it didn't give him any interesting info on trending products to quench his thirst for new product knowlege. He wants to dig deeper into products and impress his peers.	Labora & to Magnings Water Amounts of the Magnings Water Amo		4/7 Said they would the to perform more basics within this sorese. "I like this kleas but I feel like it could offer more, maybe some suggestions of cocktail pairing if I choose a gin? Or food pairing if I choose a witne?"	holistically by recommending that Murphy's curated selection of products change periodically so if you get on his mailing list, you'll be notified when interesting products arrive at the cellar. The return customer engages with Murphy Bot time and time again to see the latest trending products recommended by Murphy. There is also an opportunity for increased partnership with interesting distilleries / wineries / breweries depending on who they want to feature for the month.	ship stores n all the sking to that r who may
6 Improved Conversation Flow	The part of the standard proposes of the part of the p	Amelia is frustrated with the dead end solution that the current chatbot gives. She needs Murphy to provide his recommendations just like an instore sales staff would so she can finalise	Hay, Mayaya' Plant Services - Control -		4/5 Said they would profer to have none options to click rather than typing. "If I needed to type something, I would use the search bar". 5/5 Were able to navigate to the quiese without ordinate. "Made sense to me"	The updated user flow groups similar categories and also allows for a change of mind with categories remaining at the top of chat screen. Limit Typing - The options provided to user within the chatbot should provide enough pre-selected choices so that typing is a last resort A byproduct of this is that Murphy can provide a better experience as	ation Flow

orizon 1: 6 months

Consider introducing a library of different Murphy 'faces' (in addition to Christmas and face mask) d reviewing conversational scripts every 6 months – to **keep the Murphy bot dynamic, larger** an life, and changing with the times.

Future Road Map Recommendations

Conduct additional user testing on Murphy Bot - to improve usability and accessibility User interface – consider the use of colour accents and imagery to reduce reading fatigue.

orizon 2: 12 months

nn with Murphy Implement a DM loyalty membership point scoring system for added incentives

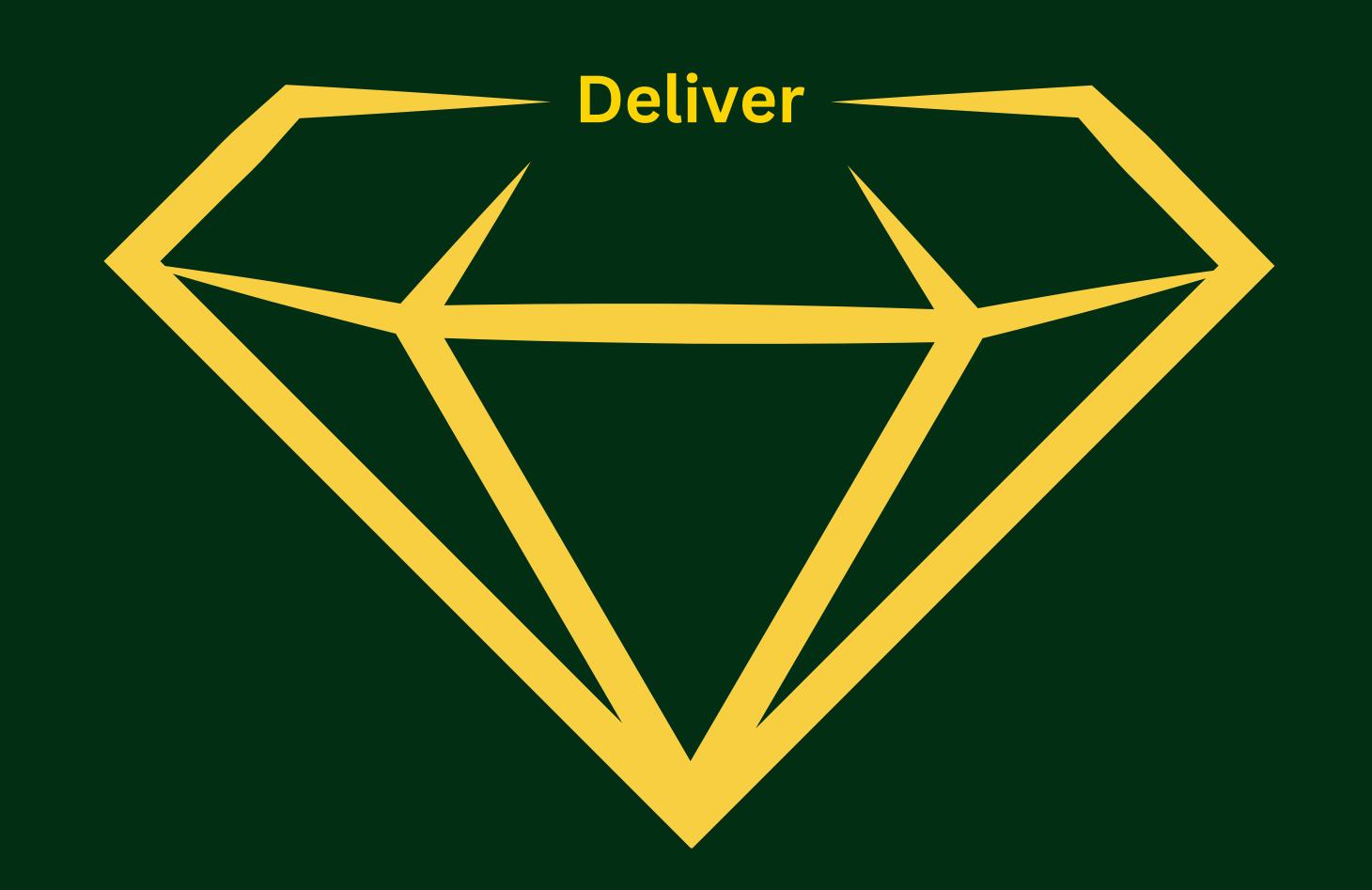
stegrate cocktail inspiration recipe finder within "Help me find a Wine". ecommendation for the current website to filter cocktail results the same way as the Murphy Bot

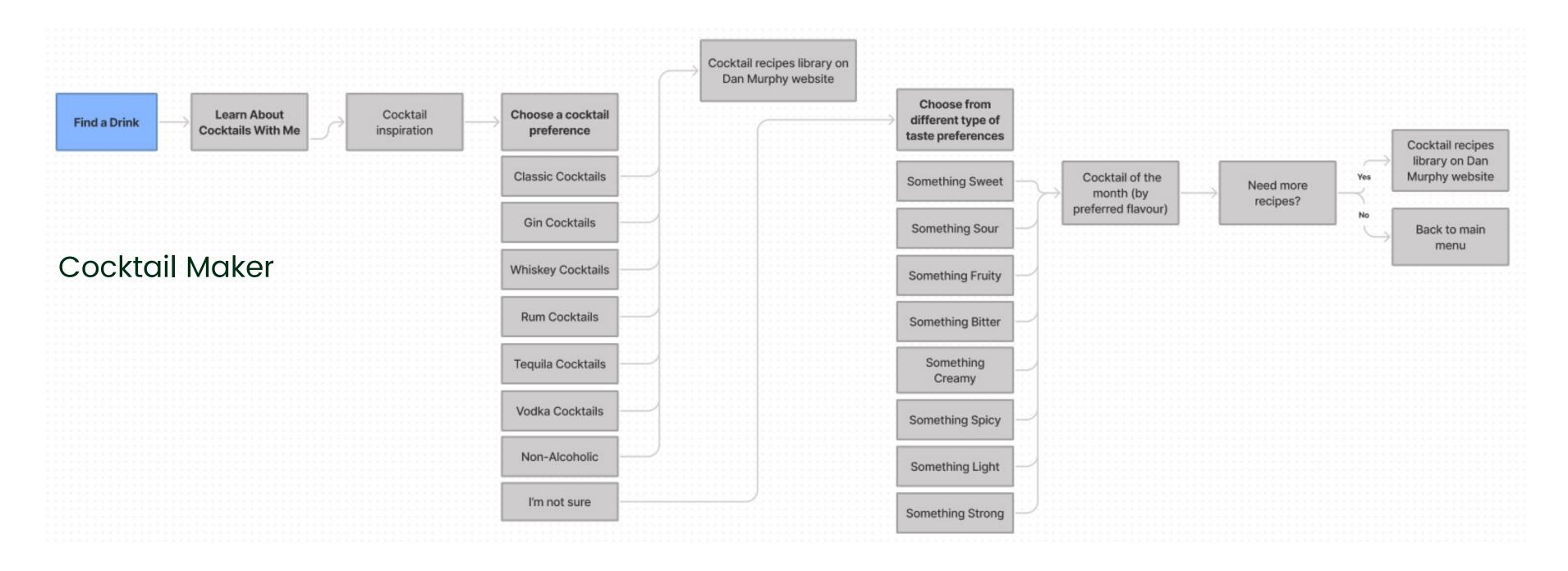
ecommend exploring Murphy bot integration with apps like Facebook Messenger and delivery widers like UberEats and Deliveroo for Food Pairing opportunities.

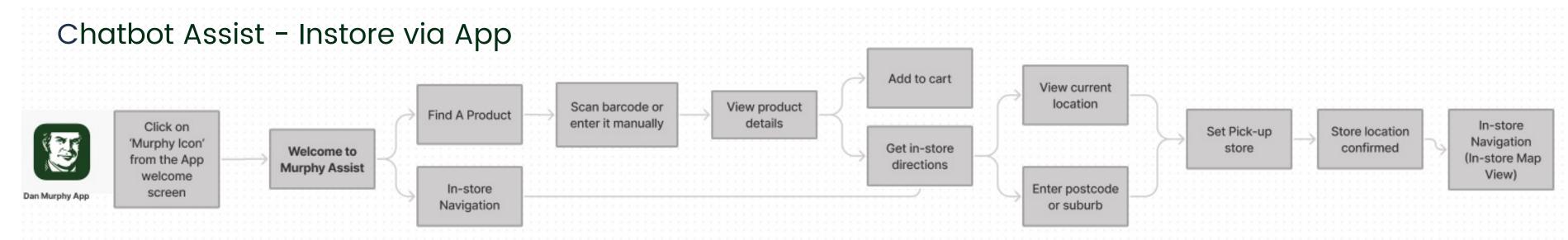
orizon 3:

typed answers were leading to poor

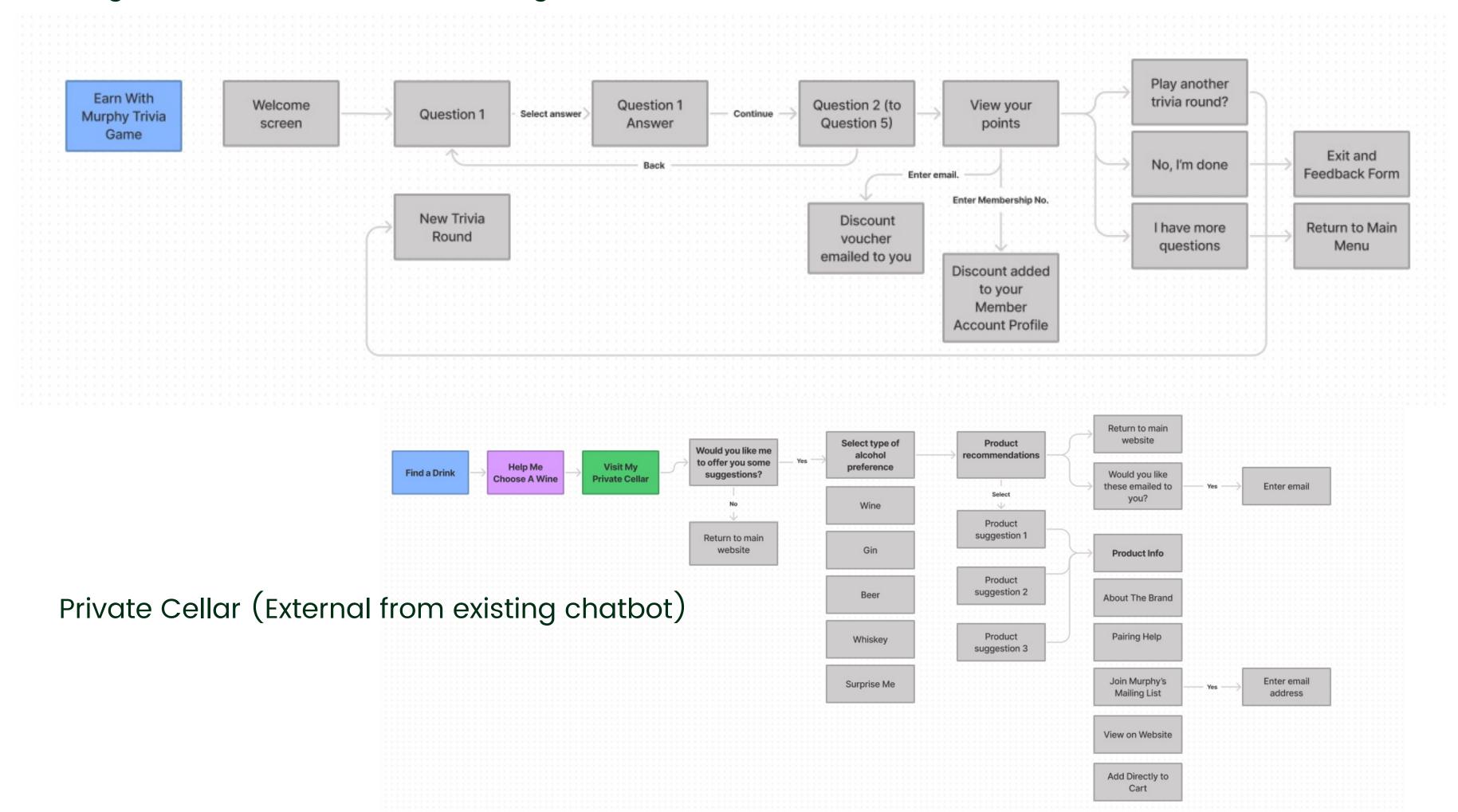
8+ months and beyond





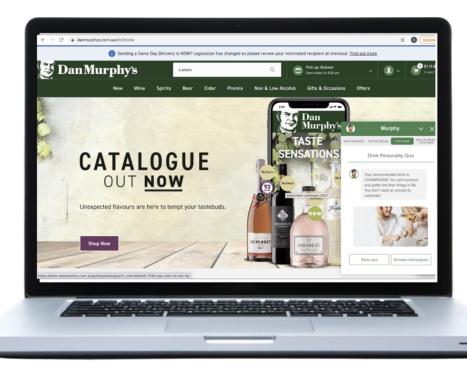


Drinking Trivia Game (Inside of existing chatbot)



PROTOTYPING











USER TESTING

THE IDEA:

- Engagement via gamification in a fun way.
- Use the existing cocktail recipes. So, all recommended drinks link directly back to the website, providing a pathway to purchase.

THE USER FEEDBACKS:

- 6/6 were able to work with the app without any prior knowledge.
- 4/6 like how the app leads hem to a particular section on the website, so they can search for more recipes
- 5/6 believe it's very helpful tool and it gives customers the same confidence and reliability as if they were in-store

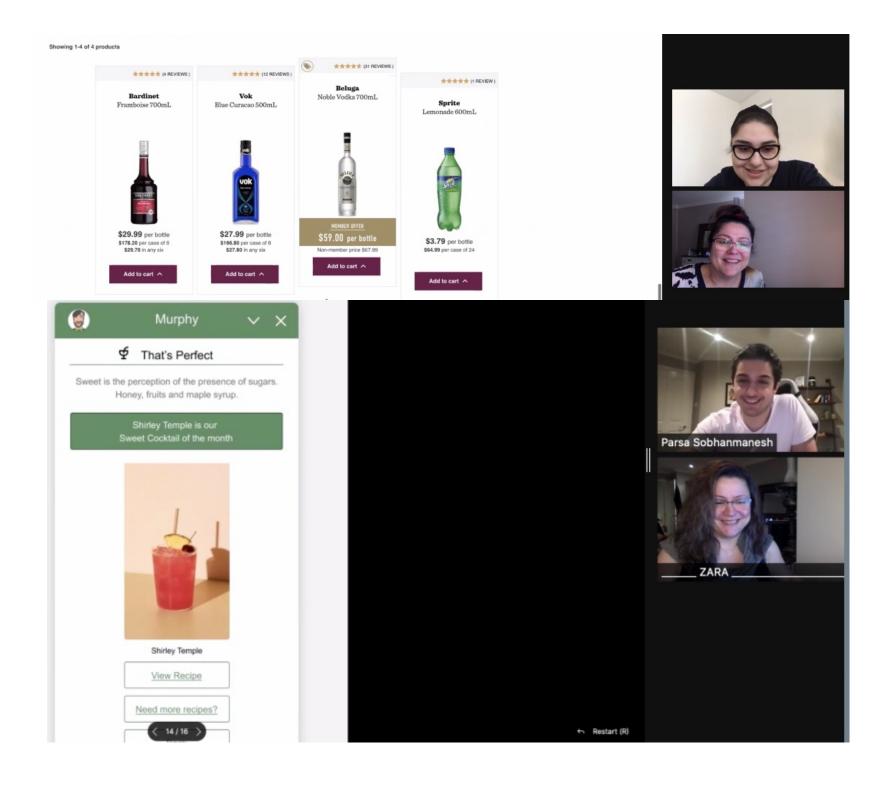
USER QUOTES:

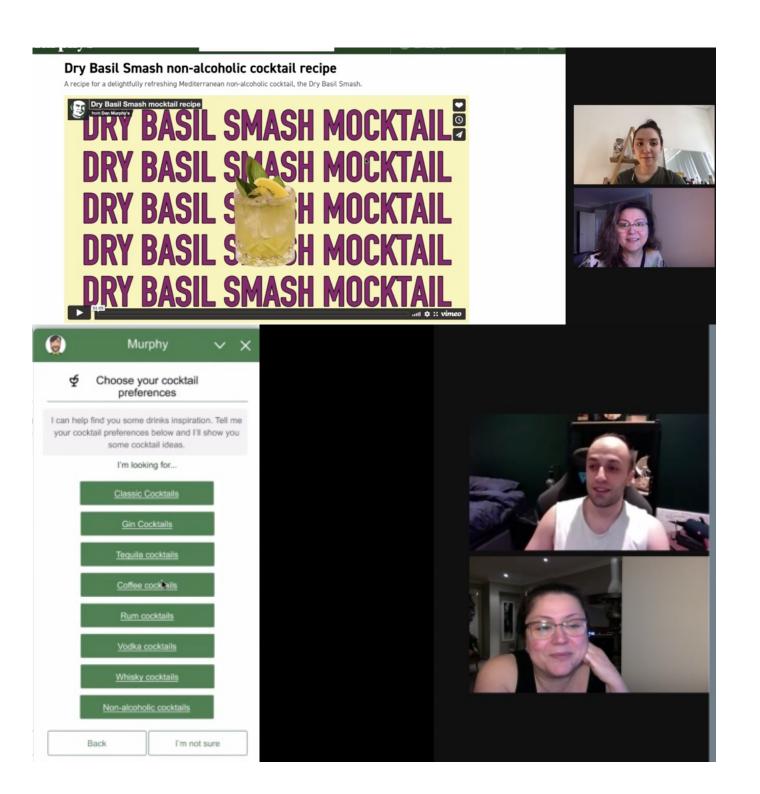
"Love it!"
"I'd love to know how to make a cocktail at home, especially during the lockdown!"

"It gave me the diverse selection I was looking for!""

"I really like that the bot gave me suggestion, based on the taste I was looking for."

USER TESTING





FUTURE ROADMAP

6 Months:

- Consider introducing a library of different chatbot 'faces' (in addition to Christmas and face mask), and reviewing conversational scripts every 6 months – to keep the Murphy bot dynamic, larger than life, and changing with the times.
- Conduct additional user testing on Murphy Bot - to improve usability and accessibility
- User interface consider the use of colour accents and imagery to reduce reading fatigue.

12 Months:

Earn with DM-Chatbot

- Implement a DM loyalty membership point scoring system for added incentives
- Conduct additional user testing on XMBot to improve usability and accessibility
- User interface consider the use of colour accents and imagery to reduce reading fatigue.

Drinks Inspiration

- Integrate cocktail inspiration recipe finder within "Help me find a Wine".
- Recommendation for the current website to filter cocktail results the same way as the Murphy Bot Cocktail Inspirations so results match.

Support Engagement with Integrated App.

• Recommend exploring XMbot integration with apps like Facebook Messenger and delivery providers like UberEats and Deliveroo for Food Pairing opportunities.

18 Months+:

XM's Private Cellar (MPC)

• Members dashboard - MPC integrated with members account dashboard to receive access to personalised recommendations

Customise Murphy Bot based on audience segmentation

 Murphy bot could ask tailored questions based on the buyer type to get the most engagement and assist customers in getting in contact with relevant XM team members.

Advanced Murphy bot features

 Consider adopting more conversational language and open questions (e.g. "What brings you here today?"), so that Murphy finds out more about customers during each interaction.

- For members when signed in, Murphy Bot could provide:Curated suggestions based on previous order history
- Preferences saved such as default preferred store
- Consider a regular pulsed feedback system (proactively asking for feedback on previous orders) for continuous improvement
- Notifications feature such as "Would you like to be notified when this item is back in stock?"

In-store navigation:

• Consider standardising DM stores nationally so Murphy Assist has one system of product navigation for all stores.