

Strong Demand Will Sustain LivePerson's Growth, Provided They Innovate

Companies: AAPL, AMZN, ASAI.ST, CRM, FB, GOOG/GOOGL, IBM, LSPN, MSFT, NUAN, ORCL, PEGA, PLTR, SPT, TWLO, ZEN

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Research Question:

Can LivePerson sustain and build on its growth driven by digital transformation and the work-from-home trend?

Summary of Findings

- [LivePerson Inc.](#) (LPSN) can sustain and build on its recent growth, provided it continues to innovate, acquires bleeding edge technology, and consumer demand for conversational commerce and messaging with their favorite brands continues to expand.
- LivePerson is considered a leader in the crowded and highly competitive conversational commerce market, offering a strong brand, solid track record, and innovative and talented leadership and employees. One source said LivePerson has stayed ahead of the competition over the past three years by at least 12 months.
- LivePerson has created space for its products on top of and between the competition, even when a customer uses messaging via other heavyweight platforms like [Alphabet Inc.](#) (GOOG/GOOGL), [Amazon.com Inc.](#) (AMZN), [Facebook Inc.](#) (FB), [Salesforce.com Inc.](#) (CRM), [Microsoft Corp.](#) (MSFT), and [IBM Corp.](#) (IBM). However, one source did suggest that if any of these companies wanted to capture the conversational commerce market they easily could.
- LivePerson's AI-powered cloud-based messaging, [LiveEngage](#), has become the company's flagship product. It has been well received by customers, is said to offer true AI and automated response, and is expected to drive significant growth. Sources added that AI is in its infancy and LivePerson will continue to improve its functionality.
- Three sources that question LivePerson's ability to sustain growth discussed challenges it must address, including a CEO that loses focus and diverts resource from projects before they are ready to scale, AI technology that is more marketing than reality, pricing that deters the SMB market, and a cutthroat corporate culture.
- Competition is another challenge for LivePerson. One source noted more than 1,000 companies in the space and sources discussed 26 providing some kind of conversational commerce and message solution. A LivePerson partner noted that its products communicate with all bots and can be used in conjunction with other platforms.
- The competitive landscape includes companies offering similar solutions to LivePerson, like [Sprout Social Inc.](#) (SPT) and [Hootsuite](#); contact center management tools offered by a host of companies like [Nuance Communications Inc.](#) (NUAN), [Zendesk Inc.](#) (ZEN), [Genesys Telecommunications Laboratories](#), and Salesforce; AI pureplay and automation providers including [Rasa Technologies Inc.](#), [Voca.ai](#), [Artificial Solutions International AB](#) (ASAI.ST), and [Palantir Technologies Inc.](#) (PLTR); and, of course, the technology heavies mentioned above.

Silo Summaries

1) Competitors and Competitors' Partners

Four competitors expect LivePerson's growth to continue, provided it stays highly innovative, acquires and incorporates bleeding edge technology, and consumers and companies continue to demand conversational commerce and messaging. LivePerson is considered a market leader in the space with strong brand recognition, a solid track record, and a dynamic CEO, Rob LoCascio, that provides strong forward-thinking leadership and a strong talent base. One source said LivePerson is making a big push to acquire the talent needed to make conversational AI real, while another said its AI messaging is already real. **A challenge facing LivePerson, according to one competitor, is its cutthroat corporate culture which is standing in the way of success.**

2) LivePerson's Partners, VARS, and Resellers

Two LivePerson partners expect the digital transformation and work-from-home trends to drive continued growth for the company. LivePerson's cloud native LiveEngage platform with imbedded AI is expected to be a key growth driver as it is considered the industry leader, is easy to use, offers a significant ROI, and easily integrates with other bots and customer relationship management (CRM) solutions. **LivePerson's competitive advantage is its focus on conversational commerce and moving voice capabilities into the messaging channel.** One source said LivePerson has typically been a year ahead of competitors with its technology and praised the leadership of CTO Alex Spinelli, who is driving technology forward on AI and machine learning. **LivePerson's growth will be challenged on several fronts, including from its own CEO, who, according to one source, has good ideas but is easily distracted.** Also, LivePerson's solutions volume fees are considered premium priced and, although they provide excellent ROI, are a deterrent in the SMB space.

3) Industry Specialists

Three of the four industry specialists, including two former LivePerson executives, are skeptical about the company's ability to sustain its growth. One source said LivePerson's brand recognition and strong management will continue to drive growth. Issues that cause sources to question LivePerson's ability to sustain its growth trend include the company's lack of operational excellence, the CEO's lack of focus, past technical issues with its platform, the lack of any superior product offerings, and the company's past dependence on acquisitions for growth.

	LivePerson's Growth	LivePerson's Technology	Conversational AI Competition
Competitors and Competitors' Partners	↑	↑	Plentiful & Formidable
LivePerson's Partners, VARS, and Resellers	↑	↑	Plentiful & Formidable
Industry Specialists	→	→	Plentiful & Formidable

Background

Blueshift Research's initial research found LivePerson, a leading global software as a service (SaaS) company offering conversational commerce and messaging solutions, benefiting from the ongoing digital transformation of businesses and the work-from-home trends driven by COVID-19. In the past, a sustained growth trend has proven elusive for LivePerson, which missed earnings estimates for the five quarters prior to COVID-19. In the last two quarters, however, the company has posted record revenue gains and landed multiple seven-figure deals. Determining whether this new trend is sustainable or whether competition and/or a COVID-19 vaccine could derail the company's trajectory is important to understanding LivePerson's prospects for growth.

LivePerson has evolved into a cloud-based software company that uses artificial intelligence (AI) to help companies with customer relations management, sales, and brand messaging. LivePerson offers conversational AI solutions for internet businesses, online merchants, small businesses, automotive dealers, universities, libraries, government agencies, not-for-profit organizations, and Fortune 500 companies.

The conversational commerce market is fueled by digital transformation and, recently, by the COVID-19 pandemic. ResearchAndMarkets [estimates](#) that the global conversational AI market is expected to grow from \$4.8 billion in 2020 to \$13.9 billion by 2025, a compound annual growth rate of 21.9%. LivePerson sees the market for its products as much larger, estimating a total addressable market of \$60 billion.

LivePerson has had a spotty history regarding growth and profitability, but its second (Q2) and third quarters (Q3) produced record-setting results, motivating the company to raise full-year revenue guidance from 22% to 24% growth to 24% to 25%. Q2 highlights include 29% year-to-year revenue growth as brands turned to LivePerson to navigate voice call center disruption, signing seven seven-figure deals and 134 deals total in the quarter, including 47 new and 87 existing customer contracts. Q3 highlights include 26% revenue growth behind a consumer-led shift to conversational AI, signing eight seven-figure deals and 133 deals total in the quarter, including 48 new and 85 existing customer contracts.

LivePerson has also fortified its product offering, business model, and partnerships. In August the company announced its enterprise-grade [Conversational Cloud](#) where hundreds of the world's largest brands build and run AI-powered automations over popular messaging channels such as SMS, WhatsApp, [Apple Inc. \(AAPL\) Business Chat](#), Facebook Messenger, Google RCS, LINE, WeChat (owned by Tencent Holdings ADR/TCEHY), and native messaging on brand websites and mobile apps. LivePerson has also partnered with [Infosys Ltd. ADR](#) (INFY) to help drive penetration of LivePerson's offerings across Infosys' worldwide client portfolio in digital marketing, ecommerce, contact center, employee engagement, and shared services. Finally, LivePerson is shifting its pricing model from a subscription model to a transaction-based model, which provides a customer with its entire suite of products while only charging for actual customer/consumer transactions.

Challenging LivePerson's quest for sustainable growth is a crowded and competitive landscape with tech heavyweights and messaging/conversational support specialists including Apple, Google, [Oracle Corp.](#) (ORCL), Salesforce, [Twilio Inc.](#) (TWLO), and Nuance Communications, to name a few. In addition, it remains to be seen if demand for conversational AI will be subdued if and when a COVID-19 vaccine becomes available and workers return to offices.

Current Research

Blueshift Research assessed whether LivePerson will sustain and build on its growth driven by digital transformation and the work-from-home trend. We employed our pattern mining approach to establish four independent silos, comprising 10 primary

sources and four secondary sources focused on the conversational commerce and messaging market. Interviews were conducted November 9–20.

- 1) Competitors and competitors' partners (4)
- 2) LivePerson's partners, VARS, and resellers (2)
- 3) Industry specialists (4)
- 4) Secondary sources (4)

Next Steps

Blueshift Research will continue to research the conversational AI market to determine if overall demand will continue to grow. We will determine which providers are gaining and losing share and if LivePerson is maintaining its growth trend.

Silos

1) Competitors and Competitors' Partners

Four competitors expect LivePerson's growth to continue, provided it stays highly innovative, acquires and incorporates bleeding edge technology, and consumers and companies continue to demand conversational commerce and messaging. LivePerson is considered a market leader in the space with strong brand recognition, a solid track record, and a dynamic CEO, Rob LoCascio, that provides strong forward-thinking leadership and a strong talent base. One source said LivePerson is making a big push to acquire the talent needed to make conversational AI real, while another said its AI messaging is already real. A challenge facing LivePerson, according to one competitor, is its cutthroat corporate culture which is standing in the way of success. Competition in the conversational AI space is intense. One source said there more than 1,000 companies competing for dominance. Amazon, Google, Salesforce, and IBM offer solutions in the space where LivePerson is well positioned to strongly compete. Nuance, Genesys, [Drift.com Inc.](#), [\[24\]/7.ai Inc.](#), [Cline](#), and Twilio were also discussed as competition LivePerson must deal with.

Key Silo Findings

LivePerson's Growth

- 4 said LivePerson's growth trend will continue.
 - o 1 said LivePerson's growth would continue, provided it continues mergers and acquisitions of bleeding technology.
 - o 1 said LivePerson will have to continue to innovate.
 - o 1 said LivePerson's growth will be driven by consumers demanding to connect to brands via messaging.
 - o 1 said LivePerson's goal of 25% growth with 50% derived from partners is attainable as customer self-service continues to expand.

LivePerson's Technology

- 1 said if LivePerson does not acquire bleeding edge technology it will lose share.
- 1 said LivePerson's LiveEngage is an improved platform and its AI is real.
- 1 said LivePerson's technology is superior to the competition, is trusted, and its AI is real.
- 1 said LivePerson is a conversational AI leader outside of Google and IBM with strong brand recognition.

Competition

- 1 said there are more than 1,000 companies competing in the conversational AI space and specifically mentioned [Cline](#) as highly innovative and [IBM Watson](#) as dysfunctional.
- Amazon, Google, IBM, Salesforce, Genesys, Drift, [24]/7.ai, and Twilio were discussed as competition in the space.

1) Freelance consultant for global conversational AI company

It has been a long time coming for conversational AI companies like LivePerson to gain the momentum sparked by COVID-19. Conversational AI is a bleeding edge industry with more than 1,000 companies competing for dominance.

They range from total dysfunction, like IBM Watson, to forward thinking companies like the [Jason Mars](#)-founded Clinc. If LivePerson continues to acquire high-tech companies, it should sustain its upward trajectory. Generally, 50% of revenue should come from alternate channels; however, most partners and resellers lack the expertise to sell conversational AI solutions. If you are not a bleeding edge technology company, you cannot compete in the conversational AI space.

LivePerson's Growth

- "If LivePerson continues to acquire bleeding edge technology companies they will maintain their trajectory."
- "LivePerson's 25% growth is not only sustainable but it has been a long time coming."
- "The winning combination is investment in very high-tech companies and outsourcing implementations to third parties."
- "Ability to recognize intent is the key ingredient in conversational AI transformation."

LivePerson's Technology

- "If they don't have really bleeding edge technology there are a lot of companies that will eat their lunch."

Competition

- "Consumers want the human in the room experience."
- "Companies in this space need to use third parties to implement their solutions."
- "Although 50% of revenue should go through channels, most resellers are clueless. They do not know how to sell AI solutions."
- "You don't need a Ferrari to get to the grocery store. You just need a viable vehicle."

If LivePerson continues to acquire bleeding edge technology companies they will maintain their trajectory. ... LivePerson's 25% growth is not only sustainable but it has been a long time coming.

Freelance consultant for global conversational AI company

2) VP of client strategy for a conversational AI company

It is hard to say if LivePerson can sustain its pandemic-driven growth trend. The company has been a market leader in the chatbot space but has a long way to go as a conversational AI company. It has a talented workforce and a competent CEO in Rob LoCascio but has fallen behind the curve when it comes to innovation and investment in digital technology. LivePerson can be a strong competitor in this space if it stays focused on the technology and financial investments required to bridge the gap from chatbot solutions company to conversational AI leader. It is unlikely LivePerson will generate 50% of its revenue through partner channels. The market is prime for conversational AI transformation, with a lot of opportunity up for grabs for the right company. Conversational AI is a competitive space, with companies like Amazon, Google, and IBM's Watson competing for market share. However, Rob LoCascio is a worthy CEO with the instinct, tenacity, and fortitude to get things done.

LivePerson's Growth

- "LivePerson has been talking about digital transformation for an exceptionally long time. COVID-19 pushed an increase in digital engagement but LivePerson, mostly known as a chatbot solution company, would have to convince me they are focused on the intense innovation and development required of a chatbot company to sustain their pandemic-driven growth."
- "Moving beyond natural language is harder for smaller companies than large businesses to gain the datasets required for AI to be effective. I have not seen it effective in the SMB to medium enterprise."
- "Verticals for successful AI solutions are typically banks, telecoms, and big box retailers. Healthcare and insurance companies are more difficult to implement because they have to deal with HIPPA compliance issues."
- "LivePerson has a big push to invest in the talent necessary to develop conversational AI."
- "LivePerson invests a lot of money on high level automation talent so, yes, they have the talent."
- "There is a huge opportunity for the right company for the taking. I will never bet against Rob. He is tenacious and has the fortitude to get things done."

LivePerson's Technology

- "LiveEngage has a long history going back to 2002. It had a lot of promise for companies, in terms of analytics. It has been out there a while. The LiveEngage product improved its packaging but I'm skeptical how transformational it is for customers."
- "Without speaking to their customers, I believe LivePerson's AI-driven automated messaging is for real."

- “Rob LoCascio worked out good channel relationships but he is trying to get people to sell a bleeding edge technology without the support and training available to direct sales teams. Also, the pricing models are different between partners and LivePerson, making it even more difficult to grow partner revenue.”
- “Being on the outside, it depends if the strategy comes from Rob or someone else. Rob has great instincts and is very persuasive. Whatever the go-to strategy is, if he is running the project, he will make it work. Otherwise, employees can lose faith if Rob is not behind a project’s momentum.”
- “Rob built out a platform for online purchasing but security metrics have been very demanding so he focused a lot of effort on agents vs. pure digital. He has been pivoting and catching up on the innovative element of conversational AI.”

There is a huge opportunity for the right company for the taking. I will never bet against Rob. He is tenacious and has the fortitude to get things done.

VP of client strategy for a conversational AI company

Competition

- “Call centers are primed for automation. It comes down to internal decisions within companies.”
- “Tremendous amounts of call center agents are doing a bad job at a job they do not want. The average tenure of a call center agent is less than a year.”
- “Consumers are demanding less time to resolve their issues. That is where chatbots can make a difference.”
- “Each customer service conversation can cost a company from \$3 to \$30 per conversation. With AI the cost goes down to \$0.10 per conversation.”
- “The real problem in the market is that a lot of the solutions in place are entity voice based or chatbot based and are not doing a good job of imitating human interaction.”
- “IBM Watson is a top competitor but way too involved to see it through.”
- “Amazon and Google offer partial solutions but are too rigid about how you use their solutions. Google does a good job in the background but not so much in customer-facing solutions.”
- “Conversational AI has become very successful but only when using very limited data sets.”
- “The key to successful AI is in recognizing intent and adding additional layers to conversations through building in the technology to enable natural language.”
- “In some ways LivePerson is leading the market in digital solutions and in other ways they are not.”
- “The big question for AI success is this: Do you actually have what you say you have? The key is ultimately in convincing your customers that it actually works.”

3) Former sales executive at LivePerson, now with a competitor

LivePerson’s growth will be dictated by consumer demand, which will ultimately drive brand adoption. Travel and retail are a big focus for conversational AI but finance is a lagging sector. LivePerson has improved upon old technology and has a visionary leader in Rob LoCascio, but the cutthroat company culture is a liability. LivePerson competes with Drift, [24]7.ai, and other older platforms including Nuance and Genesys, but it strives to be a replacement for Google. Virtual assistant technology is limited but consumers reject scripted and overseas support in favor of a localized, human-backed technology like LivePerson can provide.

LivePerson’s Growth

- “LivePerson will take off when brands start demanding the service. Their growth will depend on market adoption rate and speed of execution.”
- “Travel is a large segment for conversational AI. LivePerson has a vice president in charge of the travel segment and others in charge of retail and finance. The finance segment, however, is lagging on its adoption and integration of the technology.”
- “LivePerson is a market leader. Rob LoCascio has the vision, experience, and strategic mindset to execute best practices.”
- “LivePerson’s mistake is they grew quickly and without attention to a healthy and productive company culture. They made poor company culture decisions. It is a dog-eat-dog world inside the organization where everyone is cutthroat and has no sense of unity or team spirit. LivePerson’s success will come down to their cultural challenges, despite a sound commercial strategy.”

LivePerson's Technology

- "LivePerson's technology is seriously superior to the competition. The market trusts their platform. Delta airlines use the LivePerson virtual assistant and it is amazing."
- "There is a lot of hype in the conversational AI space but when it comes to LivePerson, the promise is real."
- "LivePerson wants to replace Google. They want to provide the platform that connects all the brands. Instead of searching for a brand in Google you would use LivePerson to connect to your best options and tools. Given that strategy, they are unlikely to achieve 50% of their revenue from partners."

LivePerson's technology is seriously superior to the competition. The market trusts their platform. Delta airlines use the LivePerson virtual assistant and it is amazing.

*Former sales executive at LivePerson,
now with a competitor*

Competition

- "LivePerson competes directly with Drift and [24]/7.ai."
- "Salesforce can be a leading competitor if they choose, because they have the customer base."
- "Companies like Genesys and Nuance are pushing the old IVR [interactive voice response] platform rather than competing with LivePerson's technology."
- "LivePerson has taken an old technology and made it better. For example, they developed the [Asynchronous Web Messaging Platform](#), which is superior to synchronous chatbot platforms."
- "Rob LoCascio's vision and ability to drive his vision is a considerable advantage to LivePerson."
- "Consumer demand will impact the market size and growth. If the consumer expects chatbots, the brands will invest in the technology. In the end, it is consumer demand that drives this market."
- "Traditional customer self-service is broken. Consumers are lazy and they do not want to dig for an answer. But virtual assistants cannot stand alone and consumers will not settle for scripted overseas agents. They expect a localized, human network backing any conversational AI technology that will provide expertise and relevant guidance."

Miscellaneous

- "Consumers will start demanding to reach brands via messaging—like as a contact on their phone. They will be driving or in the kitchen and ask Siri or Alexa to handle a transaction for them."
- "Companies like LivePerson will connect these channels together and provide the agent platform, while companies like [Directly \[Inc.\]](#) will supply the gig network of experts so this can all work at scale."

4) Conversational AI designer

LivePerson can achieve its stated revenue growth of 25% with 50% coming from partners. Industry segments most interested in conversational AI include finance, consulting, insurance, and internet providers. LivePerson's AI technology includes algorithms similar to Google and IBM, whereas searches are interpreted in the context of specific phrases and words to compile possible answers/actions. LivePerson is positioned as a proprietary outsourced technology. With its track record and brand recognition, in addition to a full platform and natural language understanding, this source believes LivePerson is well positioned for continued success.

LivePerson's Growth

- "LivePerson's target of achieving 25% growth is definitely attainable."
- "Conversational AI is getting progressively better. Companies are refining their technologies to help orient customers toward what they are seeking and better identify the products and solutions to best address their needs."
- "The financial market was an early adopter. It was seeking to explore how conversational AI tools would best serve their customer needs. The big four consulting firms, insurance, and internet providers are also deeply engaged in the technology."

LivePerson's Technology

- "The [LivePerson] AI technology mimics the algorithms of IBM and Google in many ways. The first step is to interpret the intention of search phrases. The second step integrates the definition of search phrase nouns and adjectives into that interpretation. The AI then produces possible actions related to these search utterances."
- "LivePerson is worth a try. I have a higher degree of faith in processing a payment by chatbot vs. voice bot."

- “Achieving 50% of its target revenue from partners is definitely attainable for LivePerson. The strategy relies on the confidence that its customers will continue to rely on customer self-service.”
- “LivePerson positions itself as a proprietary outsourced technology to create the impression of a uniquely effective and trusted resource.”

Competition

- “When it comes to proprietary conversational AI technology, LivePerson is at that top of the heap outside of Google and IBM. It has a full platform and uses natural language understanding, which is critical to success in this space.”
- “Twilio uses more SMS to connect a bot to a person. It is more like a [Google Dialogflow](#) or IBM’s Watson.”
- “Smart devices like Alexa and Google Home operate by leveraging chatbot platforms like Google Dialogflow or IBM Watson.”
- “LivePerson has the brand recognition that other conversational AI companies do not.”

LivePerson’s target of achieving 25% growth is definitely attainable.

Conversational AI designer

2) LivePerson’s Partners, VARS, and Resellers

Two LivePerson partners expect the digital transformation and work-from-home trends to drive continued growth for the company. LivePerson’s cloud native LiveEngage platform with imbedded AI is expected to be a key growth driver as it is considered the industry leader, is easy to use, offers a significant ROI, and easily integrates with other bots and customer relationship management (CRM) solutions. LivePerson’s competitive advantage is its focus on conversational commerce and moving voice capabilities into the messaging channel. One source said LivePerson has typically been a year ahead of its competitors with its technology and praised the leadership of Chief Technology Officer [Alex Spinelli](#), who is driving technology forward on AI and machine learning. LivePerson’s goal of generating 50% of its revenue from its partners is attainable, as it is becoming more partner friendly and has been successful in securing partnerships with larger firms like Deutsche Telekom AG’s (DTE.DE) [T-Mobile](#). LivePerson’s growth will be challenged on several fronts, including from its own CEO, who, according to one source, has good ideas but is easily distracted. Also, LivePerson’s solutions volume fees are considered premium priced and, although they provide excellent ROI, are a deterrent in the SMB space. Finally, the conversational commerce and messaging solutions market is crowded with competitive solutions of all shapes and sizes and the barrier to entry and customer switching cost are low. Heavyweights including IBM, Apple, Microsoft, Amazon, Salesforce, and Zendesk were all discussed as offering solutions as part of their core applications. Yet, frequently, enterprises already using one of their solutions also use LivePerson. Nuance, Genesys, [24]7.ai, Hootsuite, and Sprout Social were also discussed as offering viable conversational commerce solutions.

Key Silo Findings

LivePerson’s Growth

- 2 said LivePerson’s growth will continue, driven by the digital transformation and work-from-home trends.
- 2 said LivePerson partners will account for 50% of revenue within the next two years.

LivePerson’s Technology

- 1 said LivePerson is the leader in conversational commerce and messaging solutions and is 12 months ahead of the competition. He also praised LivePerson’s CTO Alex Spinelli as driving innovation in AI and machine learning.
- 1 said LivePerson’s AI is young and will continue to improve. He added that customers like LiveEngage.

Competition

- Competition in the conversational commerce and messaging space is significant, coming from technology blockbusters including IBM, Apple, Microsoft, Amazon, Salesforce, and Zendesk and smaller specialty companies like Genesys, [24]7.ai Inc., Hootsuite, and Sprout Social. Both sources implied that LivePerson has carved out a space working in conjunction with larger platforms and by being superior to other solutions.

1) Strategy executive at a global technology services firm and LivePerson partner

LivePerson will sustain and build on its growth driven by digital transformation and the work-from-home trend. Now that it has completed LiveEngage, sales should do nothing but rise. It benefits from its strong focus on conversational commerce rather than an entire CRM platform. The price for LivePerson is somewhat high but it more than makes up for that with return on investment. Customers like LiveEngage. It allows them to adopt more channels. Chief Technology Officer Alex Spinelli is a major asset, driving AI and machine learning, which are well integrated in the company's platform. LivePerson is the leader of conversational commerce services.

LivePerson's Growth

- "LivePerson can continue its recent growth. At a big enterprise, customer service used to answer the phone. That's unsustainable with people working from home. Having call center agents working from home on their laptops is better for LivePerson."
- "It reduces the cost per contact. An agent can handle multiple contacts—more customer queries. And, from the customer standpoint, when people are at home, they do more shopping."
- "The digital transformation improves the customer experience. LivePerson can absolutely build on that because customers have to go down this route and LivePerson enables that."
- "Prior to building LiveEngage, LivePerson had about 70 consecutive quarters of revenue growth. Now that they have made it through, revenue should only go up. More customers need their kind of technology."
- "I think [LivePerson] will absolutely get to 50% of revenue coming from partners, potentially in about two years. They are signing bigger deals with bigger partners. They are investing to be more partner friendly but aren't quite there yet."

LivePerson's Technology

- "The advantage of LivePerson is its focus on conversational commerce. It's not pretending to be Salesforce or Zendesk, offering entire CRM capabilities. It focuses on innovation in its own space. It's one of the only messaging solutions moving voice capabilities into the messaging channel."
- "Its weakness is the flip side of that specialization. You have to connect it to the back end of a system and telephony platform. Previously, LivePerson relied on a third party for AI but now they have built their own pretty well."
- "LivePerson has a strong presence in media, telecommunications, financial services, retail, and aviation. It has T-Mobile and four of the five biggest London banks, for example. It's strongest with enterprise customers who have thousands of agents and customers."
- "It does have a small business arm that accounts for about 15% to 20% of revenue, I think. But LivePerson struggles a bit with SMBs, because of the price. They want straightforward licenses."
- "The volume-based contracts work for medium- and large-sized companies. Pricing is competitive to a degree, but it's a premium product. It's a pricier proposition for the technology. But the ROI it drives is far more than all competitors."
- "Banks are more into niche solutions than the full suite of LivePerson products, as they want to limit exposure to unauthorized channels. Retail and telecoms are more open to more channels. Overall, most customers are adopting key capabilities rather than all channels."
- "They have now migrated everyone to LiveEngage. It's the only thing they talk about. People like it. It's built to be cloud native—more secure and scalable. It's well tied in, where the old platform had patchwork. It allows customers to adopt more channels and drive more usage."
- "There's nothing brand new in LivePerson's machine learning and AI. It's similar to the best-in-class technology that's out there. But how they're using it is what differentiates it."
- "Chief Technology Officer Alex Spinelli is a huge plus. He's driving technology forward on AI and machine learning. They have been able to neatly tie it in to their platform. It drives real-time decisions and understanding of what customers are saying."

I think [LivePerson] will absolutely get to 50% of revenue coming from partners, potentially in about two years. They are signing bigger deals with bigger partners. They are investing to be more partner friendly but aren't quite there yet.

Strategy executive at a global technology services firm and LivePerson partner

- “All of that makes a huge difference. For companies to use an outside provider, such as Microsoft or Amazon, they would have to spend a lot. LivePerson’s integration of its product drives analytics into every conversation, and companies can monetize that.”

Competition

- “I break their competitors into three areas. First, there are like-to-like players in conversation/convers-social. That includes social media suites, such as Hootsuite and Sprout. They aren’t as stable for enterprises as LivePerson. There also are smaller players that challenge LivePerson for the business of smaller companies.”
- “The second area is contact centers, including Genesys, Zendesk, and Salesforce. They aren’t at LivePerson’s level yet but they offer conversation for cheaper or for free if you’re buying their core solution.”
- “Their features and functionality aren’t nearly as good as LivePerson. But for mom-and-pop and medium-sized businesses, that’s where they’re more likely to go.”
- “The third area is pureplay AI and automation companies. They drive integration from the back end into the front end. These companies include Amazon, IBM, and Microsoft.”
- “LivePerson communicates with all bots. So if a customer invests in Amazon, IBM, or Microsoft, they can integrate into the LivePerson platform and use that as automatic capacity. LivePerson doesn’t look at AI and automation companies as direct competitors, but they are a risk.”
- “For any company considering conversational capabilities as a strategy, LivePerson is the leader. Competitors can catch up but, over the last three or four years, LivePerson has stayed 12 months ahead of them.”

2) Customer success manager at a LivePerson partner

LivePerson can sustain and build on the growth driven by digital transformation and the work-from-home trend. It makes sense for consumers who want support to be available any time on any device. LivePerson’s system is easy to implement but switching is not difficult, so LivePerson has to continue to prove its benefits. LivePerson’s CEO has good ideas but gets distracted. People like LiveEngage. For agents, it is easy to use, though it is not as simple for reporting.

LivePerson’s Growth

- “LivePerson can keep growing. The technology makes sense if deployed properly and in the right use cases. Using it for consumers to get support how and when they want makes sense. Messaging allows consumers to navigate between devices and continue their conversation.”
- “LivePerson customers must be able to implement authentication. If customers put in restrictions that don’t allow that to happen, they have lost an advantage. Customers have to play along.”
- “LivePerson’s implementation approach for software is helpful. They give good guidance and the technology is good. It’s not difficult to implement.”
- “One challenge is the ability to demonstrate value in this environment. Being an SaaS product, you have to demonstrate your value every day.”
- “Switching costs aren’t huge, like for on-premise software, so customers can change. You have to show more sales with it than you would without it. You have to prove it delivers on the efficiency promise for messaging—that it can handle more than one customer at once. Are consumers staying engaged?”

LivePerson’s Technology

- “The CEO comes up with interesting ideas, like the partnership with T-Mobile. My complaint is, when they implement ideas, they aren’t completed. Something works great for one customer and then isn’t built for scale. If he left the development team in place it would be great to finish, but he takes them off to the next idea.”
- “LivePerson serves industries across the board. It appeals to businesses of any size if they have the staff to do it. LivePerson has served large and small companies. The auto group has served individual dealerships. In the end, a customer is only as good as the number of people it has online to answer questions.”
- “To make customers comfortable with the price, you have to have reports supporting the volume amount. Some confusion is being created and there’s some uneasiness between account teams and customers.”

LivePerson can keep growing. The technology makes sense if deployed properly and in the right use cases. Using it for consumers to get support how and when they want makes sense. Messaging allows consumers to navigate between devices and continue their conversation.

Customer success manager at a LivePerson partner

- “In addition, in the messaging world, it’s more about service and customer satisfaction than driving sales. Demonstrating value in customer service is difficult.”
- “Customers don’t typically implement all of LivePerson’s services. Web messaging is used most frequently and then customers add on from there. They’ll use Apple Business Chat and [Google Business Messages](#) in LivePerson’s integration, too.”
- “People like LiveEngage. From an agent’s perspective, it’s easy to navigate and use. From an administrative and reporting perspective, it’s not as intuitive as you would like. But no matter what reporting you put it in front of people, they want more.”
- “The AI is strong. It’s young and can improve. You don’t want to generate volume that causes staffing levels above what you want to scale. When you implement new touch points, you want to automate things. You want complicated questions going to agents and simple ones to automation. I think this will grow.”
- “As for partners, they benefit, because it’s not an easy product to self-serve. There are nuances. Especially in larger deployments, it helps to have someone guiding. If LivePerson doesn’t want to grow its service function, partners are the only option.”

Competition

- “Major competitors are Nuance and [24]7.ai. They do things slightly different but are the same in a lot of ways, especially [24]7.ai. LivePerson has had a lot of litigation with them.”

3) Industry Specialists

Three of the four industry specialists, including two former LivePerson executives, are skeptical about the company’s ability to sustain its growth. One source said LivePerson’s brand recognition and strong management will continue to drive growth. Issues that cause sources to question LivePerson’s ability to sustain its growth trend include the company’s lack of operational excellence, the CEO’s lack of focus, past technical issues with its platform, the lack of any superior product offerings, and the company’s past dependence on acquisitions for growth. All four sources indicated that conversational AI is a work in progress and one source went so far to say it is mostly spin and not much more than IVR. A crowded and formidable competitive landscape exists in the conversational commerce and message space and one source said if Amazon, IBM, Google, Microsoft, Facebook, and Salesforce went after the market they could “kill” LivePerson. Rasa, Voca.ai, Artificial Solutions, and Palantir were identified as superior AI providers to LivePerson. Competition also comes from Genesys, Zendesk, Twilio, [Cognigy](#), [Jacada Inc.](#), [Pegasystems Inc.](#) (PEGA), [Interactions LLC](#), Drift, [Intercom](#), [Conversocial](#), Directly, and [Observe.ai](#). One source said there is no company that is “hitting it out of the park” and another said LivePerson has a leg up because of its strong presence in live chat.

Key Silo Findings

LivePerson’s Growth

- 3 said they are skeptical or unsure about LivePerson’s ability to sustain its current growth.
- 1 said LivePerson will continue to grow.

LivePerson’s Technology

- 1 said LivePerson has had technical problems in the past, does not possess operational excellence, and its CEO cannot stay focused.
- 1 said LivePerson has typically grown and innovated through acquisition and its AI is in its infancy stage.
- 1 said LivePerson does not have superior technology.
- 1 said LivePerson’s solid brand, market leadership, and strong management will drive growth.

Competition

- 4 acknowledge that the conversational commerce and message space is highly competitive.
- Technology heavyweights including Amazon, IBM, Google, Microsoft, Facebook, and Salesforce could dominate this market if they decided to aggressively pursue it.
- Rasa, Voca.ai, Artificial Solutions, and Palantir were identified as superior AI providers.
- Genesys, Zendesk, Twilio, Cognigy, Jacada, Pegasystems, Interactions, Drift, Intercom, Conversocial, Directly, and Observe.ai were also discussed as competition for LivePerson.

Miscellaneous

- 1 said there is no company that is “hitting it out of the park.”

- 1 said LivePerson has a leg up because of its strong presence in live chat.

1) Advisor to an artificial intelligence firm, former LivePerson executive

This source is not sure that LivePerson can sustain and build on its growth driven by digital transformation and the work-from-home trend. There are basic technology issues with its platform. The CEO cannot stay focused, distracting the entire company. He is developing a new banking product that is a money pit. LivePerson does have some capable executives but it is questionable how much influence they will have. The company does not have operational excellence now. The CEO is merely building his own brand as an entrepreneurial guru. LivePerson needs to make acquisitions to compete but is not moving in that direction. The company does have opportunities but it is a matter of taking advantage of them and continuing to innovate.

LivePerson's Growth

- "I'm skeptical that LivePerson can sustain its growth. Every quarter has been a struggle to make the numbers. It's still struggling with profitability. If they lose big clients, that would have a dramatic impact."
- "A lot of stuff is happening that should have people nervous. There are platform issues involving basic technology. They may have gotten some of that resolved but it's a fundamental issue."
- "One of the biggest problems is that the CEO can't stay focused, which distracts the entire company. Now he's putting a large amount of energy into a banking product. They're spending a ton of money to no end."
- "They're not looking for it to be profitable. It's more like a proof of concept. To be sure, [Angelo D'Alessandro](#), who's running the bank project, is excellent."
- "They just hired [Andrew Hamel](#) as executive vice president of operations and AI. He had a decent reputation at Amazon but wasn't a senior leader. He might help the core business stay more focused because there are a lot of opportunities. Whether the organization takes to his rigor is a question mark. My guess is no."
- "They need to keep innovating. I'm not sure they have the secret sauce for something new and different. They have a chance but they need operational excellence. And they don't have a lot of that now."
- "People who have gone there from big tech companies can't get out fast enough. The lack of focused vision will drive you batty."
- "The CEO is just building his own brand as an entrepreneurial guru. He talks about bringing the company back from crisis but hasn't accomplished anything on a financial basis. Revenue isn't even \$400 million. I don't understand its stock valuation."
- "They have a mentality that organic growth will get them to where they want to be. But it's such a competitive space. It's due for consolidation [through mergers and acquisitions/M&A], as many analysts have pointed out. It's tough to grow through M&A but LivePerson should be leading the way because they have a good brand."
- "They have made improvements in their core technology. I feel there is an opportunity for them to be a powerhouse. But the CEO can't be distracted and he has to figure out a merger."

I'm skeptical that LivePerson can sustain its growth. Every quarter has been a struggle.

*Advisor to an artificial intelligence firm,
former LivePerson executive*

LivePerson's Technology

- "They have done a good job on the dashboard but that's just the skin. It's easily copied. There are so many competitors. They have a good list of blue-chip clients, but will that last? Trying to differentiate yourself in this space is getting harder."
- "If Salesforce, Amazon, Google, or Microsoft really decide to get into this, LivePerson will get killed on pricing. Also, customer care is a big cost center for the company. When customers are stuck in customer care, it's just a swamp."
- "Their focus for verticals goes across the board. They switch industry targets weekly. It's a weird message for your banking clients when you just started on a bank."
- "They focus on big to medium companies. There's an opportunity for growth with smaller companies and individuals. They talk about having products for everyone but they can't figure it out. That's part of the big thinking they can't get a hold of."
- "People like LiveEngage—when it's up."

- “It’s hard to tell how their AI and machine learning will go. I’m skeptical if they have the brains to do it. If you want to be a leader in machine learning and AI, you go to Amazon, Google, Microsoft, Facebook, or Palantir, not LivePerson.”

Competition

- “LivePerson is one of the top competitors in its space but I don’t how much it will be able to grow.”

2) Conversational AI designer for IBM Watson

It is hard to determine what is sustainable, in terms of building on the COVID-19-triggered growth experienced by LivePerson and other conversational AI companies, because a lot of AI claims are simply corporate spin. We are still at the beginning of AI and machine learning’s growth and LivePerson is not a central part of the AI ecosystem yet. The company is not necessarily innovative—it is growing through acquisitions. The current economic situation is a money grab; brand leaders are using the opportunity to show customers and investors that they are investing in technology to combat COVID-19. However, “conversational AI is not as wonderful as it seems yet. It’s an illusory term.” Only 25% of European AI companies deploy true AI and, if not done properly, it is no better than IVR. It will be another 10 years before AI is tied to hardware and software as “an ambient experience.”

LivePerson’s Growth

- “LivePerson acquired a lot of companies at a steady pace over the past decade.”
- “In terms of sustaining the growth sparked by COVID-19, it’s hard to say what is sustainable.”
- “LivePerson is more of a silo in the conversational AI space. It needs to ferment longer to become part of the larger ecosystem.”
- “Brand leaders want the convenient lie vs. the inconvenient truth. People just want to look good. ‘Hey, we are using AI to combat COVID.’ Right now, it’s a money grab.”

LivePerson’s Technology

- “LivePerson isn’t necessarily innovative, they just acquire a lot of companies.”
- “It’s hard to differentiate what their go-to market strategy is because every company seems to be the same.”
- “LivePerson isn’t a go-to. Rasa and Artificial Solutions deploy more universal solutions.”
- “AI and machine learning are still in their infancy stage; it’s mostly computer science. Conversational AI is not as wonderful as it seems yet. In fact, only 25 to 40% of European AI companies deploy true AI. AI is an illusory term.”
- “Voca.ai actually made strides using speech recognition to determine if you have COVID.”

Competition

- “Whoever can sustain and deliver will win.”
- “No one is hitting it out of the park. It’s more a question of convenience than superiority. Genesys is considered a competitor but they are primarily a telephonic IVR system, not a true conversational AI company.”
- “Pricing in general is consistent across the board.”
- “It’s all about implementation, Otherwise, it’s corporate spin.”
- “If AI isn’t deployed correctly it’s just another IVR system.”
- “At a base level, Siri sucks but Alexa also sucks. Only use it for the weather and sports but mostly use it to gather data info from your home.”
- “Royal Caribbean [Cruises Ltd./RCL] had a chatbot that didn’t work. Like [Bixby](#), most people don’t know what it is or how to get rid of it.”
- “Most conversational AI claims are unnoticeably different from AOL chatbots from 2001. It’s just rebranding of age-old technology. Most companies are just rebranding voice recognition and calling it conversational AI to attract investors.”
- “10 years out AI will be more tied to hardware and software as an ambient experience.”

LivePerson acquired a lot of companies at a steady pace over the past decade. ... In terms of sustaining the growth sparked by COVID-19, it’s hard to say what is sustainable.

Conversational AI designer for IBM Watson

3) Former executive of an analytics firm for conversational commerce

LivePerson may be able to sustain and build on its growth driven by digital transformation and the work-from-home trend. LivePerson's big advantage is its brand. People know it well and it is a solution of choice for big companies doing live chat. It still has a way to go on automated chat but can leverage its strength in live chat to get there. This source was impressed with LivePerson's management when his firm tried to forge an agreement with the company. The conversational commerce space is crowded but LivePerson's strong presence in live chat gives it a leg up.

LivePerson's Growth

- "We were seeing increased interest from large enterprises in automated chatbots [conversational AI] as a result of COVID-19. Companies may have needed to reduce live agent chat for social distancing or cost cutting, and people who needed customer service could not go into businesses at the beginning of the pandemic. Travel companies were hit hard initially with customer service requests."
- "The banking industry has seen an increase in automated conversational interfaces, especially because people can't go into branches. Hopefully that potential for the space will keep going."
- "LivePerson's strength is the brand itself. It's one of the companies you think of when you're talking about live agent chat. Most companies we worked with—a lot of insurance and high-tech companies—if they told us who they worked with, it was LivePerson."
- "On the automated chatbot side, we didn't hear LivePerson's name so much. The companies we worked with tended to build their own products or use other services. Those building their own will often use Google's Dialogflow, Rasa AI, IBM Watson, or Amazon Lex."
- "Those outsourcing tended to go to chatbot agencies like Cognigy or Jacada. Both work with insurance companies. LivePerson is putting resources into it. It sounds like they're doing well. They worked with Delta Airlines."
- "I have met some of their management. We tried to work together with them. I sent a cold email to the CEO and he replied to me, even though we were a startup. The partnership didn't materialize but they were friendly and open to chat. Not everyone does that."
- "They hired Alex Spinelli from Amazon as CTO and LivePerson people were really excited about."
- "We saw a lot of insurance companies, retail, high-tech software, and travel companies using LivePerson, at least for live-agent chat. The larger U.S. banks tend to build their own automated chatbots, I don't know who they use for live agent chat."

LivePerson's strength is the brand itself. It's one of the companies you think of when you're talking about live agent chat. Most companies we worked with—a lot of insurance and high-tech companies—if they told us who they worked with, it was LivePerson.

Former executive of an analytics firm for conversational commerce

LivePerson's Technology

- "For the large enterprises we worked with, it seems like most people use LivePerson for live-agent chat. They're trying to broaden to automated."
- "Some of the benefits of automated chatbots that companies mention are providing better customer experiences—24/7 availability and efficient routing to live agents when needed—reduced costs, and compliance. A chatbot reduces the chance of a live agent saying the wrong thing."
- "As for LiveEngage, judging by the company's revenue, it's working. They're making a significant effort at AI-driven automated messaging, bringing in the guy from Amazon. It will probably be fruitful. It's not marketing hype, it's the real thing. The industry is now moving toward automated solutions."

Competition

- "LivePerson's competition for live-agent chat among enterprise clients includes Genesys, Pega, and Interactions. Google and Amazon have products, too. Smaller competitors include Drift, Zendesk, and Intercom. The prices for the smaller ones like Drift and Zendesk are probably cheaper than LivePerson."
- "People in the past said they wanted fixed pricing, but there seems to be more acceptance of volume pricing now."
- "Startups in conversational AI chatbots include Conversocial, Directly, and Observe.ai. It's a crowded space. But LivePerson has an advantage that people already are using them for live-agent chat. That should make it easier to sell automated service."

4) Former C-level executive at LivePerson

LivePerson's success for sustaining its pandemic-driven growth depends on the variables of COVID-19, politics, and the economy. With rising COVID-19 numbers, the threat of lockdowns, and continued economic downturns, its customer base is increasingly vulnerable. If customer erosion becomes too significant, big problems are on the horizon. It is unlikely LivePerson will get 50% of its revenue from partners. LivePerson may not have the technological superiority or leadership required to thrive in the current conversational AI space. The market leaders are Google and Amazon, while Zendesk and Twilio show technical competence. Customers lack a clear understanding of what conversational AI is, resulting in dissatisfied customer experiences.

LivePerson's Growth

- "It depends on COVID-19 and the economy. When you lose 40% of your customers, you can have a big problem. With COVID-19 numbers the way they look today, their customer base can be vulnerable and that's a threat."
- "Conversational AI might be a bit of a stretch for CEO Robert LoCascio."
- "The complex nature of AI solutions combined with rapidly evolving technology make it a stretch for their partners to implement or be responsible for 50% of LivePerson's revenue at this time."

LivePerson's Technology

- "LivePerson's technology isn't superior."
- "There is too much to go for a single company to use true AI for tech support."
- "The definition of AI is very fuzzy right now. There are some smoke and mirrors driving interest."

Competition

- "For customer service, there is a backlash. They are calling because they cannot find something in Google but the chatbots cannot replace humans at this time."
- "AI isn't really doing all that much from the customer perspective."
- "At this time, conversational AI is no more than an IVR system."
- "The question is, what really is AI? The answer: neural networks. Something powered by a neural network with data sets that provide a reliable repeatable result."
- "Most conversational AI platforms can only recognize a single key word from a small vocabulary. Saying a key word, like, 'I need help with billing or support.'"
- "By definition, conversational AI applications should be trained on specific data sets."
- "Outside of Amazon and Google no one has a big enough data set for AI to be effective."
- "Zendesk has a nice chat program. Twilio is doing more with IVR work."

Secondary Sources

These four secondary sources focused on a survey revealing strong demand for conversational AI, LivePerson's naming of a new partner to promote and sell its products in South Africa, the addition of new talent in LivePerson's C-suite and a new integration with Instagram.

Dec. 1 Cision PR Newswire [article](#)

A LivePerson survey of 5,000 people shows demand for conversational AI is rapidly increasing.

- "LivePerson, Inc. (Nasdaq: LPSN), a global leader in conversational AI, today announced the findings of its [2020 Consumer Preferences for Conversational Commerce report](#) examining consumer attitudes and preferences around brand interactions, messaging, and conversational AI and commerce. The survey of more than 5,000 adults in six countries found that messaging and conversational AI are more widely adopted and trusted than ever before, with the overwhelming majority of consumers of all ages reporting a strong desire to message with brands."
- "As the COVID pandemic continues to limit in-person interactions and keeps employees out of call centers, brands are rapidly rolling out the option for consumers to connect with them via popular messaging channels such as SMS, WhatsApp, Apple Business Chat, Facebook Messenger, Google RCS, LINE, and WeChat, as well as native messaging on brand websites and mobile apps. By layering in automation and conversational AI, brands are scaling their reach

through messaging and providing faster, more convenient experiences fronted by bots available 24/7 for consumer inquiries and purchases.”

- “Global interest in messaging with brands is at an all-time high
 - People of all ages around the world overwhelmingly want the option to message with brands, up from 65% in 2019 to 85% in 2020.
 - Among US respondents, interest in using messaging to interact with brands rose significantly, from 62% in 2019 to 86% this year.
 - The European countries surveyed had the highest average demand for messaging, with France's figures above 90%.”
- “Consumers of all ages report increased interest in messaging with brands
 - The youngest group of people surveyed, 18-24 years of age, were just as likely to want messaging options as the oldest group, 65 and older – 82% of both groups want to message with brands.
 - 35-44 year olds express the highest interest in messaging with brands, with 88% saying they want the ability to do so.”
- “Conversational AI use cases are expanding from customer care into marketing and sales
 - Customer service tasks are the most widely encountered use cases for chatbots, with 68% of respondents who have used a chatbot in the last year saying they've used them for customer support.
 - Consumer use of bots to make purchases continues to rise. Assistance in making a purchase was the second most common use case in 2020.
 - 71% of consumers say they'd be more likely to do business with a company that allows them to message rather than call.
 - 75% report they'd spend more with a brand that offers messaging instead of phone calls, up from 49% in 2019.
 - Conversational AI is considered on par with human assistance in many cases. For tasks like checking an account balance or updating an address, more than 50% of consumers prefer to use bots over interacting with humans.”
- “Familiarity with conversational AI continues to grow, with some regional variations
 - The overall number of people who state, "Yes, I have used a chatbot in the past year" increased from 60% in 2019 to 75%.
 - In the US, there has been a notable increase in bot usage, with respondents saying they've "never" interacted with a bot falling from 32% last year to just 22%.
 - Consumers in the UK report that the highest levels of bot usage, with over 80% of respondents having used one, while Japan reported the largest count of "never" responses: 39%.”
- “Positive sentiment toward conversational AI is up, but there's room for improvement
 - Most people feel "neutral" toward chatbots. 31% of respondents worldwide feel positive, and 18% feel negative.
 - Unlike perceptions of messaging in general, which are positive across age groups, people up to age 54 are more positive toward bots than the oldest groups.
 - In the US there has been a noticeable positive shift in the way that US respondents perceive bots. In 2018, just 13% called their overall feelings toward chatbots "positive," but this has almost tripled, increasing to 20% in 2019 and 35% in 2020.
 - The number of people with negative feelings has dropped from around 28% in 2019 to 18% in 2020. Consumers report that they value the speed, ease of use, and convenience of bots but are wary of a lack of human touch and personality – a key weakness of bots that are created with too little attention to conversational design.”
- “The evidence is clear: AI-powered messaging experiences are more in demand than ever before. Consumers around the world are clamoring for them, and they'll even spend more money with brands that give them what they want,” said Robert LoCascio, founder and CEO of LivePerson. “Brands that embrace conversational AI and infuse it with human qualities like empathy, love, and understanding will outperform their competitors and reach the cutting edge of customer service, marketing, and sales.”
- “The LivePerson [2020 Consumer Preferences for Conversational Commerce](#) report is based on a September 2020 online Upwave survey of 5,066 consumers aged 18 and older in the United States, United Kingdom, France, Germany, Japan, and Australia. The goal was to understand the attitudes of consumers in major economic markets with regards to conversational commerce and conversational AI. Consumers were asked a series of questions on the topics of messaging, chatbots, and automation, and how they prefer to communicate with brands. [The full report is available to view and download here.](#)”

Nov. 20 IT NEWS AFRICA [article](#)

LivePerson add a preferred partner to market and sell its products in South Africa.

- “Altron People Solutions, a subsidiary of JSE-listed technology company Altron, was recently named as a Preferred Partner of LivePerson, a global leader in Conversational AI. The partnership will deliver AI-driven conversational experience solutions to the South African market and help companies pivot their businesses away from traditional voice-based channels to digital messaging channels.”
- “‘The Altron People Solutions-LivePerson partnership is setting the bar when it comes to conversational experiences. South African brands can now leverage AI-powered bots to answer consumer messages alongside human customer service employees; we refer to this the Human-AI Tango,’ says Darryl Marcus, head of business development and CX enabling technologies.”
- “‘The devastating impact of the COVID-19 pandemic has accelerated the speed of digitalisation for our customers. They have had to adopt several initiatives such as new business models and new ways of working to mitigate this extraordinary occurrence. There is a greater need now for our customers to leverage automation together with human experts to fulfil users’ intents, allowing for easy scalability, higher efficiency and increased customer satisfaction.’”
- “LivePerson’s industry-leading platform, the Conversational Cloud – a software platform that allows companies to build automation and manage AI-powered consumer conversations over popular messaging channels including WhatsApp, Instagram, Twitter, Facebook Messenger, SMS, Apple Business Chat, Google RCS, Google Business Messages, LINE, WeChat, and native messaging on websites and mobile apps.”
- “Brands using LivePerson’s Conversational Cloud have seen results including:
 - Higher qualified leads that are 2.5x more likely to convert to sales
 - Up to 20% increases in average order value and online sales conversions
 - Labour costs reduced by 50%
 - Customer Satisfaction (CSAT) scores increased by up to 20%
 - 50% decreases in agent attrition”

Nov. 12 MARTECHSERIES [article](#)

LivePerson is adding C-suite level talent to its org chart. Andrew Hamel, formerly with Amazon, is LivePerson’s new EVP, Operations and Emerging AI Businesses, and Shani Higgins has been added as SVP, Global Partnerships.

- “[LivePerson, Inc.](#), a global leader in Conversational [AI](#), announced the hiring of [Andrew Hamel](#) as EVP, Operations and Emerging AI Businesses, to lead day-to-day operations with a focus on optimizing the company’s ability to grow and scale, and Shani Higgins as SVP, Global Partnerships, to lead LivePerson’s holistic partnership strategy.”
- “Consumers are driving a massive structural shift to remote, digital engagement in the wake of the COVID-19 pandemic, accelerating brands’ adoption of Conversational AI experiences. Conversation volume on LivePerson’s industry-leading Conversational Cloud platform has increased by nearly 50% since the start of the pandemic.”
- “‘We’re thrilled to bring Andrew and Shani onboard to extend our lead helping brands deploy the automation and AI they need to keep pace with overwhelming consumer demand,’ said [Robert LoCascio](#), founder and CEO of LivePerson.”

Oct. 27 IT News [article](#)

LivePerson launches integration with Facebook’s Instagram.

- “[LivePerson, Inc.](#), a global leader in conversational solutions, today announced the integration of Instagram messaging into its industry-leading Conversational Cloud platform, empowering brands to create meaningful messaging experiences with consumers on Instagram at scale.”
- “The launch of LivePerson’s integration with Messenger API with Support for Instagram means brands can respond to Instagram DMs, story tags, and comments directly within the Conversational Cloud, providing seamless and convenient experiences for consumers and improved efficiency for contact centers, customer service, sales, and marketing teams. The integration also enables brands to share rich media, like product cards and images, to drive more meaningful and valuable conversations. LivePerson is a beta developer partner working with Facebook to provide these personalized, scalable experiences on Instagram.”
- “Consumer interest in conversational commerce experiences continues to skyrocket, with daily conversations between people and businesses on Messenger and Instagram growing 40% in the last year, according to Facebook.”

The COVID-19 pandemic has only accelerated demand, with conversation volume on the Conversational Cloud increasing by approximately 40% since shelter-in-place and social distancing requirements were enacted.”

- “‘With the launch of Instagram messaging at scale, brands now have a colossal opportunity to grow their impact on one of the world’s most valuable social networks,’ said [Robert LoCascio](#), founder and CEO of LivePerson. “We can now deliver consumers the high-touch, personalized experiences they expect in-store, all within the same app they love using to check out the latest fashion, travel, retail, and other trends and share them with family and friends. We’re excited to be one of Facebook’s beta partners bringing this to life for the world’s most innovative brands.”

Additional research by [Dan Weil](#) and [Shane Podolsky](#).

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