

Attentive Acquires Conversational B2C Text Messaging Firm Tone

ByPYMNTS



Fresh on the heels of its <u>\$470 million</u> March fundraise, text messaging startup <u>Attentive announced on Wednesday</u> (June 9) that it is acquiring Boston-based <u>Tone</u>, which specializes in artificial intelligence (AI)-enhanced human text message conversations.

Although terms of the deal were not disclosed, New York-based Attentive said it is pleased to bring the entire Tone team on board, along with its 1,000 customers, noting that the two companies' combined SMS marketing expertise will further aid in the growth of their clients' businesses.

In an interview with PYMNTS, Tone Founder and CEO <u>Tivan Amour</u> said the tie-up talks were hatched about a year ago on the recommendation of a mutual client, at a time when customer communication preferences were changing.

"Seventy percent of customers actually want to text back and forth with brands and want to get [live, human] support from brands. That was the big finding that came out of Attentive's most recent research, so [Attentive CEO] **Brian Long** and I started talking again, and the rest is history," Amour said.

SMS Marketing: It Just Works Better

Whether a client is using email to follow up with customers or offering a "chatbot" to field FAQs while on the site, Amour said he — and the eCommerce community — have come to learn that nothing drives sales and satisfaction like personalized texts. For large digital businesses that have hundreds of thousands of unique visitors each month, the challenge involved in providing an authentic one-to-one customer experience with the existing in-house staff is almost impossible. "So that's really what the Tone technology has been able to do: With a combination of our own human agents and the AI that is built into the platform, we're able to just plug into a merchant and give every single shopper the feeling that they are talking to a real human at the brand that has a vested interest in helping them," Amour said. In fact, Tone is so confident in its product's ability to grow client revenues that it offers a **5x ROI guarantee** to customers, amid a backdrop that has seen it go from nothing to serving more than 1,000 businesses to being acquired by a \$5 billion unicorn in just three years.

Still, Amour told PYMNTS, the real-time, real-life messaging industry is nascent, and he personally comes across examples of poor business communications and missed customer service opportunities all the time.

"Just going about my daily life, I never have the [customer] experience that we create, and for me, that's what's really exciting, just how much 'white space' there is," he said. "Once we're integrated in the coming months, we're excited to see what new opportunities can come out of just putting our heads together and bringing the best of both worlds together."

In fact, Attentive's own study of 2000+ consumers showed that over 90 percent of consumers want to sign up for texts from businesses, and more than 70 percent want the ability to ask brands questions — and get answers — in real time. It's a scenario that underscores the importance and ultimate business use case for enabling true one-on-one conversations.

"The Tone team has built a platform focused on lightning-fast human-to-human interactions, and establishing relationships between brands and the consumers who love them," the joint release said. "For eCommerce and retail brands, understanding what is important to an individual consumer and how to fulfill their needs in a timely manner results in higher revenue and customer satisfaction."