

BOT Services Market - Global Forecast to 2027 by MarketsandMarkets™

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As per a report by MarketsandMarkets™, the bot services market size in revenue is projected to reach USD 6.7 billion by 2027 from USD 1.6 billion in 2022, growing at 33.2% Compound Annual Growth Rate during the forecast period. Factors such as technology enhancements across AI and ML-based tools for development of smart bots delivering better customer experience combined with a widespread implementation of automation for efficient customer services throughout pandemic will drive the adoption of bot services across the key industry verticals.

In terms of the services offered, the market is categorized into platform and framework. The framework service category is projected to grow at a faster pace than platform service during the forecast period. A bot framework is a set of software tools or programs to build or produce bots, including its creation, connection, testing, and deployment. Apart from AI-driven technologies like artificial neural network, natural language processing (NLP), machine learning (ML) and deep learning. A bot framework provider also offers other tools, which include bot analytics and chat flow analyzers. Bot framework enables developers to design bots with speech recognition capabilities and other advanced features to efficiently manage complex users queries in real-time.

The vendors in the market offer bot services through various deployment models that include on-premises and cloud mode of deployment. The on-premises segment continues to drive market revenue with a larger market share during the forecast period. The on-premises deployment is done on the system of a user, wherein software gets installed within company premises. The

on-premises deployment type includes purpose-built software installed in systems, such as mobiles, laptops, tablets, and desktops. The bot building tools deployed on-premises enforce developers to efficiently manage the increasing amount of in-house data at reduced cost of ownership.

The bot services market by organization size has been categorized into SMEs and large enterprise. The SMEs segment is projected to grow at a rapid pace in upcoming years. Reduced operational costs, government support, and enhanced IT infrastructure are the factors that influence the adoption of bot services among SMEs. Moreover, bots are cost-effective and highly efficient; hence, their adoption is expected to increase among SMEs in the coming years.

In terms of geographical coverage, the bot services market has been analyzed across five major geographies, namely, North America, Asia-Pacific, Europe, Middle East and Africa, and Latin America. Asia Pacific is anticipated to witness a higher adoption rate during the forecast period. Owing to a growing market, several vendors, with an objective to expand their footprint, are setting up new offices and R&D centers across the region. Moreover, favorable government policies to embrace AI-based technologies and higher technology penetration in countries such as China, Japan, Singapore, and India will result in a faster adoption rate of bot services in the APAC region.

Bot services typically refers to the development process carried out using software platform or tools that empower developers to design and deploy bots across multiple channels, involving, mobile

applications, websites, contact centers, email, and social media. Moreover, these tools comprise of conversational User Interface (UI) built across different interface modes namely text, audio, and video and cater to a variety of enterprise use cases for enhanced communication. Furthermore, these bots support medium-sized businesses and enterprises to enhance their customer experience across different communication channels.