

# Best practices for deploying a modern, predictive IVR system

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Integrating phone self-service into the omnichannel customer experience

An Ovum White Paper

Sponsored by  Genesys®

Publication Date: August 2015

## Introduction

Although customers are increasingly drawn to digital channels to find information, the phone remains a prominent way to resolve complex and urgent queries. The IVR system acts as the front door of the organization for customers using the phone and is typically the first point of contact when they call support. Despite the importance of IVR as part of the customer journey, many organizations have not updated their systems, instead opting to add new digital communication channels or streamline their operations.

Organizations need to prioritize modernization of their IVR systems, incorporating them into with their omnichannel customer experience strategies. Both customers and agents will benefit from an updated IVR that links customer data across channels. Customers will gain simplified, tailored self-service menu options and if needed, they can be routed to the right agent to handle their query. In addition, when the IVR is integrated with CRM data, agents benefit by having more up-to-date knowledge about the customer and their historical interactions.

Contact centers should link their IVR systems with data from different channels, integrating CRM, customer journey context and workforce optimization tools to create a personalized and proactive experience for their customers. This white paper provides important data points on why IVR is still so critical for organizations. It gives businesses reasons to upgrade and describes how to incorporate the IVR experience with other customer interaction channels. Highlights include:

- Why enterprises need to upgrade and modernize their IVR
- Best practices for optimizing IVR as part of an omnichannel support strategy
- The benefits of a dynamic self-service system

# Enterprises need to update their IVR systems

## Phone is still the primary channel to resolve issues

In a recent Ovum survey, 75% of customers indicated that they have successfully resolved their issues on the phone, compared with just 11% on a website and 5% via social media. The emergence of digital channels is important, but clearly the phone is still the go-to channel when customers need to resolve issues. The reality is, many customer interactions start via web self-service or in a mobile application but still use the phone to achieve a final resolution. In some instances, customers' inquiries cannot be resolved in digital channels because they are searching for complex, personalized information, such as medical benefits or financial updates. In other instances, they go straight to the phone because they require urgent assistance: when their house is broken into, a credit card is stolen or a rental car breaks down, time is of the essence.

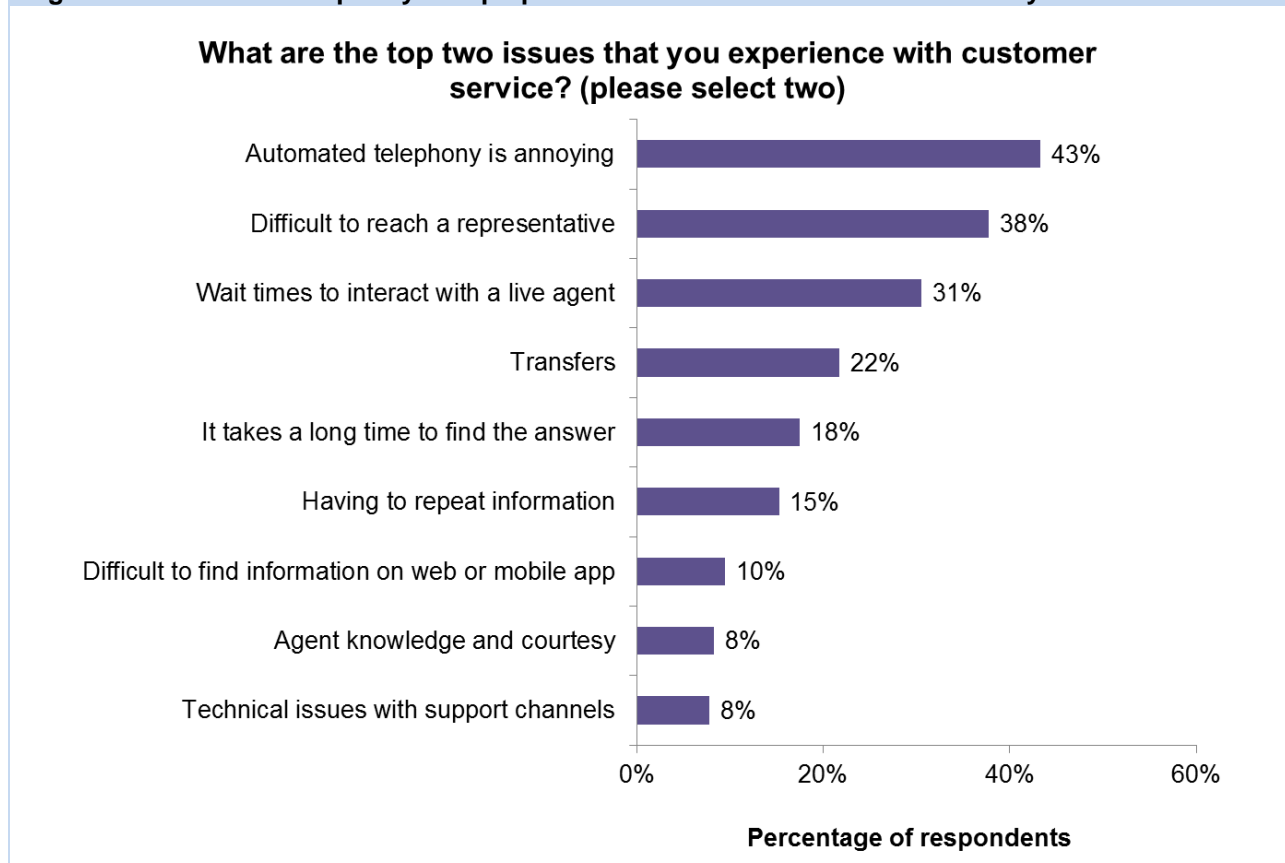
When customers do make a phone call, regardless of their preference or the urgency of their query, they are likely to be greeted by an IVR system. And that automated system has the ability to enhance or hurt their experience as much as any other channel. When the customer is already concerned about an issue, the initial contact has even more impact on their satisfaction with a business. Enterprises should use that IVR system as a portal to help resolve issues wherever possible and improve routing when they do need the assistance of a live agent.

## Yet customers pinpoint IVR as their biggest frustration

When surveyed about their frustrations with customer service, IVR was pinpointed as the biggest issue by 43% of customers (as depicted in Figure 1). The widespread use of IVR in contact centers should, in theory, mean that they have been optimized to effectively help customers while waiting for support. Clearly this is not true since so many customers are dissatisfied with the channel. Furthermore, many of the other top issues with customer service pinpointed by customers can be attributed to the IVR system. As Figure 1 shows, the ability to reach a representative, transfers, and having to repeat information all stem from poorly designed IVRs with menu options not being accurate or tailored to customer needs.

Additional frustrations with automated phone systems include: long, complicated and outdated menu options, poor speech recognition, and inaccurate routing. The complexity of choice in IVR menus or speech recognition inaccuracies often makes voice communications challenging. This coupled with the feeling of outdated technology compared to the intelligence of online information adds to the poor customer experience.

**Figure 1: Automated telephony was pinpointed as the number one frustration by customers**



Source: Ovum, N = 400

## IVR has been neglected, leading to channel discrepancies

In recent years, contact centers invested in support for new digital communications, adding new routing technology and agents to handle customer questions from social media and web chat. But, with finite resources, they could not simultaneously invest in updating existing tools, like their IVR, leading to out-of-date systems that now negatively impact the customer experience. Many IVRs have not been updated since they were initially installed and, furthermore, menu options are lacking up-to-date information much less providing individualized service by taking into consideration customers' behavior. So while customer expectations for their service experiences have risen, the lack of investment in IVR means their phone interactions have gotten worse. The result is a big – and expanding – divide between customer experiences on the web and their experiences when they call. This also impacts assisted service when the agent can only retrieve limited information about what has happened before the customer calls and which options they selected in the IVR, leading to slower, more fragmented interactions.

## Phone self-service should be used to deliver positive experiences

IVR is just as important an investment as digital support and should be integrated with other channels. Automated menus should be incorporated into a joined omnichannel support strategy that allows

customer data to be integrated across channels. Both agents and customers will benefit from having greater access to information and smoother support interactions.

Rather than neglecting their aging IVR systems, contact centers should consider how to make the ‘front door’ to their contact center a contributor to positive customer experiences. If implemented in the right way, IVR can provide customers with simplified ways to self-serve (for instance, utilizing visual capabilities for smartphone users), useful information about the organization, expected wait times, or accurate routing on the first attempt and even offer a call back if wait times are unreasonably high. By using IVR as a way to enhance the experience, rather than hinder it, businesses can significantly improve customer satisfaction and loyalty as well as managing or even deflecting calls.

## Best practices for deploying IVR

Contact centers should tailor phone self-service to meet the needs of connected customers that frequently look for information online before reaching out to a live service agent. As an example, customers like the simple, easy user interfaces delivered by smartphones and social media and ideally want this experience to be replicated in more traditional channels. Oftentimes, customers are connected – whether via web or mobile – while in an IVR system itself or waiting on hold. During this time, there is an opportunity for contact centers to push data via SMS, chat or other visualized systems if a customer is calling from a mobile device. This will help ensure the customer is engaged and improve accuracy of menu choices. The following best practices should be used to guide contact centers that are upgrading their IVR systems.

### 1. Make phone self-service part of the omnichannel experience

IVR impacts the customer experience as much as interactions with a mobile application or an in-store representative. When reviewing the complete customer picture, using customer journey mapping and analytics tools, contact centers should not overlook this important phone self-service step. Enterprises should look at the pathways that a customer takes before they reach self-service and use context from online interactions to dynamically improve IVR menu options as well as live agent conversations.

Customers do not want to have to repeat their information in the IVR and then again when they speak to an agent. Contact centers should integrate their IVR with customer records to ensure seamless flow of information across channels and to carry forward relevant context when a customer transfers to an agent. This applies if a customer makes a call following an interaction on the web or in a mobile application – the context should be carried forward across channels to ensure minimum repetition and effort for the customer to resolve their queries.

Likewise, when a customer needs to speak to an agent, IVR should be viewed as a portal to improve that conversation. There should be a smoother switch between self-service (both on the web and via IVR) and live assisted service. Visibility into wait times can help the customer determine whether they want to wait for a live agent or would prefer to speak at a more convenient time. The option to provide a call back number and a set time will enable contact centers to better manage call volumes as well as ensure customer satisfaction.

## 2. Implement simple menu options that incorporate mobility

Menu options should be clear, brief and tailored to individual customers, ensuring that customers can quickly select the option they require. Speech recognition helps to reduce menu options by asking customers up front what they are calling about, but it must be accurate so that customers are not left frustrated. A combination of touch-tone and speech might work best when a customer needs to type in numeric information such as an account number.

Since today's customers frequently call from a mobile device or smartphone, businesses should use that unique functionality in conjunction with the IVR. For example, following smartphone detection, contact centers can incorporate biometrics and finger prints to speed up the authentication process and improve accuracy. They should also include visual guides and prompts where appropriate. Personalizing visual self-service options helps customers gain the experience that they are more accustomed to on the web as well as bridging the historical gap between phone and digital communications.

Figure 2 shows an example of how a customer could schedule an in-person banking appointment using visual cues that have been integrated with voice self-service. When the customer calls the bank they will be asked in the IVR whether they are using a smartphone and would like supplementary visual menu choices. They can then be sent an SMS with a link to a mobile web page that includes visual menu options which map to common phone queries. The customer can use voice prompts alongside these visual menus to book an appointment with a mortgage specialist, for example. Following the call, the customer can add the appointment to their smartphone calendar.

**Figure 2: Mobile web provides visual tools to augment automated phone interactions**



Source: Genesys

### 3. Encourage resolution in the IVR where possible

There will be some common, simple questions that can and should be resolved within the automated system. Examples of the types of support queries that can be resolved by self-service include: finding store hours, making bill payments, or checking the status of an order. By using existing customer data combined with external prompts, organizations can automatically push relevant information to the customer within the IVR system. Customers are guided to relevant, tailored information that will help them resolve specific inquiries faster.

When a customer does need to speak to an agent however, the system should use that same customer information to match them to the most relevant, available agent. For example, if a customer calls to cancel their service, they should immediately be routed to a retention specialist that can either convince them to remain a customer, offer more suitable services, or have the ability to cancel the service if required.

### 4. Use data to understand and predict customers' needs

Contact centers should integrate their IVR with CRM records, web tracking data and historical customer communications information. This data will help them to predict and preempt customer needs, encouraging resolution within the self-service as well as improving customer satisfaction. By giving customers a more dynamic and proactive self-service experience, contact centers can mirror modern, digital support that customers are accustomed to.

Common queries, time of the call and outstanding issues can all be used alongside live customer inputs to alter menu options and provide customers with the most relevant choices in real time. For example, a caller's record could indicate that they recently purchased a new laptop. If the call occurs within a few days of this purchase, the contact center can predict that the call is likely to be related to the laptop, confirming with a simple question within the self-service. That customer could then be provided with tailored menus relating to laptop trouble shooting and given a faster route to a specialist agent that can assist them. The IVR application can also be used to proactively deliver important customer messages, for example, customers calling from a certain area code could be alerted to an internet outage.

### 5. Update an IVR regularly to enhance the customer experience

Contact centers should use analytics to review the success of their IVR system. They should identify all the self-service options that will be available to a caller and list the required steps to complete that option. By having accurate reports on the number of callers who attempted each self-service option, the number of successful callers, and the number of failures, companies can then determine where improvement is needed.

Combining analytics data with IVR-based surveys can help to understand exactly how a customer felt about the service transaction and map it to the customer effort or number of steps needed for task resolution. Surveys can be included straight after the call via a menu. Often it is only the happiest or most frustrated customers that respond to surveys so it is important to also use these results alongside less subjective contact center metrics to get a balanced view of operations. Task completion rates, call time, resolution time, and call backs should all be considered in conjunction with satisfaction from surveys.

It is important to use this data to constantly evaluate and improve self-service. One of the big challenges with legacy systems is that they are cumbersome to update. But, the business and customer requirements continually evolve. Given this, it is critical for businesses to move to an IVR platform that allows for continuous improvements to keep pace with changing business dynamics and enhance the customer experience.

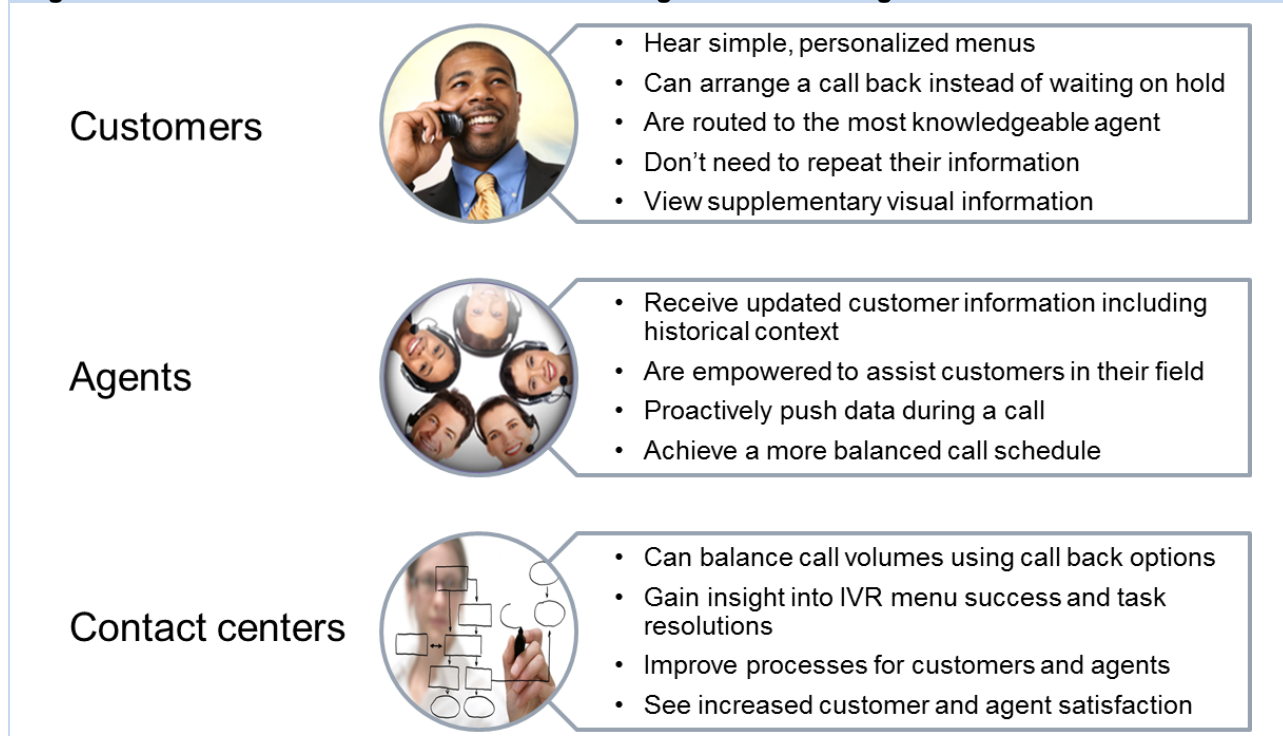
## The benefits of an integrated, modernized IVR

By adapting an IVR system that enables a omnichannel customer service strategy, contact centers will realize numerous benefits. Most notably they will be able to offer tailored, personalized menus to customers that help improve both self-service and satisfaction rates while pushing relevant context to agents after they are routed. Figure 3 shows how improvements in self-service can benefit customers, agents and the broader contact center. Important metrics to track that offer substantial business benefits include:

- **Improve resolution rates** – By integrating customer information from CRM and across the web with IVR, menus can be tailored to the customer. This will enable customers to resolve their issues in the IVR when possible. If assistance is needed, the contact center can also improve routing and agent resolution rates by using menu options to connect customers with the most suitable agent for handling their query. Improved resolution rates both within the IVR and when speaking to an agent will help customer satisfaction ratings as well as deliver cost savings.
- **Minimize transfers** – By using an IVR to effectively route customers, organizations can reduce the number of transfers needed between agents. Customers will be able to speak with the most relevant agent for their query. Reducing transfers also means there will be more agents available to handle other inquiries and customers are less frustrated with the time taken to resolve their issues.
- **More balanced call volumes** – By giving customers visibility into wait times and the option to select a call back, managers can spread calls over a larger time period and realize more balanced call volumes as well as ensuring agent efficiency remains high.
- **Reduce customer effort** – One of the issues with support today is the complexity of different channels and knowing how to find the right information. Customers often go from one channel to another and connect to the phone when they can't find their answers online. If that effort is reduced, they don't need to repeat information or go through multiple menus. Intelligent speech recognition that understands the customer's request on first contact with minimum menu options and accurate routing reduces the time taken for customers to find issue resolutions and improves satisfaction rates.
- **Increase customer satisfaction** – By pushing context from digital channels and the IVR directly to agents, contact centers can also reduce frustration with repetition. All of the above benefits, from minimizing customer effort and transfers will help improve satisfaction. If the number one point of contact with the customer, the phone, can be

improved, customers are more likely left with a positive impression of the company and will remain loyal.

**Figure 3: Contact centers benefit from streamlining and modernizing self-service**



Source: Ovum

## Case study: Benefits realized by a large pharmaceutical company

A large, UK-headquartered pharmaceutical company was using a number of disparate IVR systems and faced increasing costs to maintain and alter the different systems. It was taking too long for the company to make changes to its menu options and it wanted to be more agile to meet changing government regulations and marketing messaging updates. The organization decided to standardize its self-service system to gain better visibility into customer requirements and improve automation rates. It implemented a modern, cloud-based IVR system from Genesys and realized a number of benefits including:

- Increased call containment within the IVR from 40% to 80%.
- Live agent calls were reduced by 80%, contributing to reduced agent costs.
- Additional cost savings for hardware, software and staffing expenses.
- Improved customer satisfaction reflected by post-call surveys.
- A more holistic view of how IVR impacts the customer journey.

The pharma company used customer surveys and focus groups, along with extensive testing, to iteratively adapt and improve their new automated voice self-service system. It was able to gain a more complete picture of how each part of the system was working by having one standardized system. The improvements helped increase customer satisfaction ratings as well as delivering higher resolution rates within the IVR.



## Conclusion

Enterprises need to align their IVR strategy with the rest of their customer service options to create a more cohesive omnichannel experience for customers. In addition, they should look to IVR's successes and failures to replicate information flow when designing digital self-service processes, particularly mobile visual IVR menus.

IVR systems should be simplified and designed to match the digital customer experience by adding intelligent, adaptable menu options. When designed well, an IVR can be used in conjunction with digital tools to offer fast resolutions for customer queries as well as accurate routing when required. Enterprises should be reviewing vendors that offer all the discussed features for a modern IVR system as well as those that will help them to implement self-service as part of a broader customer experience strategy. While it is not necessary to update all technology at once, a vendor with a clear roadmap that is able to assist in evolving with the customer and digital channels will be beneficial.

# Appendix

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## About Genesys

Genesys is a global contact center solutions provider, headquartered in North America. It provides a complete suite of agent desktop, routing, IVR, workforce optimization and analytics capabilities supported by the Genesys Customer Experience Platform. Its robust IVR solutions incorporate speech recognition and analytics and are sold in a range of deployment options including on-premises, managed services or cloud.

## About Ovum

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