The State of IVRs in 2018:
GREAT SELF-SERVICE SOLUTIONS

Interactive voice response (IVR) systems have been the workhorse of customer self-service for decades—and have also, unfortunately, been a thorn in the side of customers trying to use them over the years. But that experience has definitely changed for the better recently. Consider our two contributors to this special report who proffer two distinctly different recipes for IVR success.

Radial makes a case for visual IVRs, leveraging the transition from landlines to smartphones as the device of choice when calling customer service. Convergys takes a different tack and uses conversational IVR technology that employs natural language understanding to eliminate the frustrating menu trees and miscues that customers dislike so much, and that cause callers to escalate to live operators, which completely defeats the purpose of self-service.

Both directions deserve careful consideration from anyone researching IVR solutions. But one thing is certain: The state of IVRs in 2018 has dramatically changed for the better for that majority of consumers who still use their phones to contact customer service.

Bob Fernekees
VP/Group Publisher, CRM Media
Information Today, Inc.

SILVER SPONSOR

Radial

935 First Ave.
King of Prussia, PA 19406
877-255-2857
sales@radial.com
www.radial.com

SPONSOR

CONVERGYS

201 East Fourth St.
Cincinnati, OH 45202-4206
800-344-3000
www.convergys.com

CRM CUSTOMER RELATIONSHIP MANAGEMENT

A New Dawn for Dynamic Customer Care

Visual IVR is transforming CX while improving the bottom line

Modern consumers are increasingly striving to solve their own problems. According to research by Forrester[1], 76% prefer to use web and mobile self-service channels due to convenience and efficiency. Additionally, m-commerce is on a continual rise and expected to reach 45% of the total U.S. eCommerce market by 2020, according to BI Intelligence (Business Insider's research). Therefore, retailers must evolve their customer service to meet new consumer demands Thankfully, it has.

THE FUTURE OF IVR

The next evolution of IVR isn't voice-based — it's visual, and it's available now. Visual IVR guides customers to answers through touch-screen menus streamed to their smartphone. An interactive digital solution that utilizes skills everyone constantly builds in our continually mobile-oriented world.

Businesses have tried visual menus before using native apps. The cliché says there's an app for everything, but customers just don't download them. Clogging up your phone's home screen with countless apps you may never actually use doesn't appeal to anyone anymore.

That's where on-demand technology closes the gap between functionality and ease of use. When customers call a business equipped with Visual IVR, they get the solution they've wanted from traditional IVR with the functional design of native apps streamed instantly to their smartphone. Exactly what they need; when it's needed.

Photo by Søren Astrup Jørgensen on Unsplash

No useless download. No clunky voice menus. All the answers they need. Now.

Visual IVR delivers better answers faster.

Traditionally, calling customer service means first wrangling with antiquated voice-based IVR before eventually being funneled to a customer service representative to find an answer. With intuitive Visual IVR platforms, customers tap their way to solutions quickly and accurately; not to mention in a way they prefer to interact. Using Visual IVR one company experienced a reduction of 300 seconds in Average Handling Time (AHT) per call (when the customer queried information, got their answer and hung up without needing to interact with an agent). Visual IVR platforms allow for higher self-service rates, providing answers faster without the need for live agent interaction. A more convenient platform means more satisfied customers and lower costs.

Visual IVR users find answers more efficiently, but they also find more dynamic solutions. New IVR platforms leverage the full power of the smartphone to improve every aspect of customer care. Basic needs are at the heart of most customer calls. They might be looking for information, confused about an offering, or trying to submit a form. Visual IVR hands customers exactly what they are looking for…the power to solve their own problems. According to the *Harvard Business Review*[2], "across industries, 81% of all customers attempt to take care of matters themselves before reaching out to a live representative." Callers can now leverage self-service functions directly from visual menus — avoiding live agent interaction altogether. Since implementing Radial's Visual IVR solution, specialty casual apparel and accessories retailer Aéropostale achieved a 70% containment rate (the percentage of calls resolved in the IVR and not transferred to an agent), compared to the typical rate of

1   Leggett, Kate. "Online Self Service Dominates Yet Again. Why? It's An Effortless Way To Get To Your Answers," Forrester Research. January 28, 2016. http://blogs.forrester.com/kate_leggett/16-01-28-online_self_service_dominates_yet_again_why_its_an_effortless_way_to_get_to_your_answers

2   Matthew Dixon, Lara Ponomareff, Scott Turner, and Rick DeLisi. "Kick-Ass Customer Service," *Harvard Business Review*. January/February 2017. https://hbr.org/2017/01/kick-ass-customer-service

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20-30% for Traditional IVR. If customers do find themselves interacting with live agents, Visual IVR makes worthwhile use of their time. Omnichannel connectivity, co-browsing, and photo and video sharing provide agents the tools they need for powerful and informed assistance.

A Visual IVR platform leads to happier customers – in fact, Aéropostale saw a Net Promoter Score (NPS) of 90, a clear indicator that customers who interact with Visual IVR have a positive experience.

The revolution won't be televised — it's on your smartphone.

Visual IVR will revolutionize customer care by helping businesses lower costs while increasing their customer satisfaction. Easy-to-use touch screen menus make the experience efficient and effective. Mobile On-Demand technology delivers impressive new tools for successful customer care. Together the potent combination decreases AHT and costs while maintaining businesses' most vital resource: happy customers. ■

Radial provides award winning customer service centers powered by brand-focused customer service agents and industry leading technology solutions. Backed by a 30-year track record of success, we help retailers and brands around the world deliver the customer experience consumers expect to succeed in the age of the consumer.

Give us a call at **877-255-2857** or visit us online at **www.radial.com**.

CASE STUDY

VISUAL IVR SOLUTION HELPS AÉROPOSTALE DRIVE CUSTOMER SATISFACTION AND LOYALTY

The Situation

Aéropostale has been a Radial client since 2005, utilizing full-service customer care. The retailer had been using only traditional IVR (interactive voice response), a technology that enables a computer to provide information to handle calls for order or credit status. And while traditional IVR is helpful in providing consumers with a self-service option, only 20-30% of calls are resolved via IVR, and the rest are routed to a live agent due to limitations of a traditional IVR. Additional analysis done by Radial also identified that roughly 60% of Aéropostale customer calls into the contact center were from a mobile device. Having this insight and new technology, Radial recommended implementing a Mobile IVR solution.

The Radial Solution

Identifying an opportunity for improvement, Radial approached Aéropostale with a Visual IVR concept, designed to cut down on costly live agent transfers and greatly improve the mobile customer service experience. Since Aéropostale already used Radial's order management system, integrating the new Visual IVR solution to get order and credit status was seamless. Radial partnered with Zappix, a smartphone Visual IVR software development firm, to implement this solution giving mobile consumers a highly intuitive visual interface as an alternative to pushing buttons in a phone tree and still at times having to be transferred to an agent.

With Visual IVR, Aéropostale customers can choose to quickly navigate a visual-based menu optimized for smartphones, and then simply select options by touch versus listening to a list of options and interacting via voice. The result is a much faster, frictionless, and satisfying support experience that gives customers exactly the information they want—using the channel and device that they prefer.

Visual IVR is just one innovative component of Radial's omnichannel support strategy. Today, customers can easily transition from Visual IVR to a phone conversation with an agent, and soon will be able to initiate a text message to an agent. Radial insights into Aéropostale's customer care interactions show that their customers want to interact on one channel and then continue the conversation later on any other channel.

The Results

Radial's Visual IVR solution achieved a 70% containment rate (the percentage of calls that are resolved in the IVR and not transferred to an agent) compared to the typical rate of 20-30% for Traditional IVR. When given the choice, approximately 20% of all callers checking on order status chose Visual IVR over Traditional IVR—an impressive adoption rate when you consider how new the Visual IVR technology is to the retail space. In addition to increased efficiency, Aéropostale also achieved a Net Promoter Score (an index that measures consumers' likelihood of using the solution again or recommending it) of 90, a clear indication that customers who interact with Visual IVR have a positive experience. On the contrary, Traditional IVR is typically the lowest driver of NPS with a score of 54, according to 2016 CFI Benchmarking data.

"The customer experience comes before all else," said John Remlin, Senior Director, eCommerce Operations at Aéropostale. "We want to ensure that every interaction Aéropostale has with a customer is as seamless and frictionless as possible. We're always looking to improve customer satisfaction, and Radial's Visual IVR solution gives consumers control and choice, while also saving us time and money. Like all retailers today, we're working to grow our business, and that starts with a happy and loyal customer base."

Aéropostale is a specialty retailer of casual apparel and accessories, principally targeting 16 to 22-year-old young women and men through its Aéropostale® and Aéropostale Factory™ stores and website, aeropostale.com.

Four Steps to Conversational IVR

INTRODUCTION

We have become accustomed to using speech to interact with devices in our everyday lives. Voice-controlled digital assistants such as Google Home™ and Amazon Echo™ help us get information from the Web, set timers, play our favorite music, and much more. Now, you can leverage this technology in your contact center to give your customers the seamless, low-effort experience they deserve. This paper outlines some fundamental steps to get you started on the path to Conversational IVR.

#1: REVIEW YOUR CUSTOMERS' JOURNEY THROUGH SELF-SERVICE.

First, look at how your customers are currently using your IVR—and, most importantly, the level of effort they must expend to perform a given task. Different technologies provide different experiences:

- **Touchtone** requires mapping from service categories to single digit numbers (0-9), which callers press to make their requests, often forcing contact centers to summarize multiple choices into a single menu option. Multiple menus can create a frustrating customer experience. When callers have a question on their account that cannot be matched to the menu options, they frequently "zero out" of touchtone menu trees or hang up and call again later. This leads to low self-service rates and inefficient use of customer service agents.

- **Directed Dialog** uses voice, but often still requires the caller to say what they are calling about in a way that matches the menu. This experience can prove simpler than touchtone, but the caller has to navigate pre-defined menu options to complete their desired tasks.

- **Conversational IVR** uses Natural Language Understanding (NLU) to replace menus and options with a human-like conversational interface, allowing callers to say what they want in their own words. This technology is easier and faster, reduces costs by eliminating misroutes, and improves automation rates by getting more callers to their desired self-service information.

The most sophisticated Conversational IVR solutions take customer care to a new level by enabling unstructured free speech, with no predetermined event flow. In these platforms, the dialog is driven by the customer, not by the system, and the platform is context sensitive, so it remembers the entire customer dialog, from the beginning to the end of the conversation.

#2: CONSIDER HOW YOUR CUSTOMERS CAN BENEFIT FROM CONVERSATIONAL IVR.

For customers, Conversational IVR provides:

- **Control of the conversation**—By allowing the caller to say anything, Conversational IVR gives control back to the caller, but still provides directional prompts where appropriate, such as when a banking customer needs to enter their account number and PIN.
- **Enhanced recognition of caller intent**—The design of a Conversational IVR, with its use of keywords and sentence patterns, enables caller intent to be correctly captured, even when callers say a phrase in a different order than in the sample utterances that were used to build the Conversational IVR solution.
- **Reduced frustration**—Callers find menu trees frustrating because they are forced to hear multiple irrelevant options, and in many cases, they are not sure which category best fits their request.
- **Increased efficiency**—Because the caller can say exactly what they need, their experience is more efficient and streamlined.

#3: DETERMINE WHAT SUCCESS WILL LOOK LIKE.

As business management expert Peter Drucker noted, "If you can't measure it, you can't improve it." With this in mind, be sure you are prepared to measure the success of your Conversational IVR implementation. You can use a variety of Key Performance Indicators (KPIs), such as:

- Customer satisfaction
- Call containment
- Task completion rate

- Agent Average Handle Time (AHT)
- IVR AHT
- Agent-to-agent transfer rate

If your KPIs are new, make sure you have a way to compare your new app against your old app, and make sure you have a Defined Control population against which you can measure your KPIs. You may need to put logging in the existing application for future comparison early in the process. Also, during development, make sure to test your logging and calculations to ensure they are correct.

#4: PICK THE RIGHT PLATFORM.

All Conversational IVR platforms are not created equal. When you are selecting a vendor, ask them:
- Does the same platform support all channels?
- Can the platform maintain context throughout the entire dialog?
- How well does the platform's speech recognition engine perform?
- Can the vendor provide the deployment and support resources you need to succeed?
- Will the vendor be able to provide periodic tunings?
- Can the vendor help you build a strong business case for Conversational IVR by measuring the *true automation* of your existing IVR?

GET STARTED NOW

Your IVR reflects your company's brand. Following these simple steps will help ensure it gives your prospects and customers the best experience possible. ■

Why Convergys?
For over 30 years, Convergys has provided industry-leading technologies and services that balance customer satisfaction with cost reduction. Our Virtual Assistant solutions combine Omilia's context-sensitive virtual assistant with our comprehensive digital solutions and world-class Professional Services. The result is a seamless, end-to-end conversational experience for self-service across all channels.