

Modern Speech – The Upgrading of IVR

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In today's experience economy, digital natives are in the driver's seat. They are mobile-first, chat-first, and social-first. They're always connected, juggle multiple screens and channels, and like having options when it comes to customer service. This has prompted many businesses to prioritize upgrading their digital customer service channels in an effort to give customers what they want, but recently, the focus has shifted back to what remains the number one CX channel – voice.

The metrics paint a clear picture – many consumers still prefer to pick up the phone when they really need help, which is why call volumes remain high. Customer support requests are at a staggering 265B per year, costing companies \$1.3T to service them—and 70% are still over the phone. At the same time, consumer expectations continue to rise. While traditional IVR was an acceptable solution 10 years ago, callers today find it frustrating. With the rise of virtual personal assistants (VPAs) like Alexa and Google Home, and voice-first assistants like Siri, consumers have come to expect easy interactions that let them speak naturally and give them instant answers to simple

"For enterprise speech to be useful, it needs to speak in more human-like ways and solve real consumer problems."

Source: Forrester, 2018: "A Reality Check On Natural Language For Conversational Computing"

questions. The question for businesses is, how can they give customers the support they want without driving up costs? To meet expectations and drive efficiencies, CX leaders are upgrading their voice platforms to the next generation of IVR.

Modern IVR, also known as [conversational IVR](#), is all about using advanced AI, automation, and natural language generation to power intuitive conversations. It enables simple self-service calls, proactive responses, and faster resolution. Just like with a VPA, customers can ask questions in their own



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words and modern IVR can understand and respond. If it's not able to resolve a query on its own, a robust voice platform can even hand off a session—including the full context—to an [agent](#) who can pick up where the IVR left off.

Modern IVR is the product of both technological advances, and a strategic shift. While traditional IVR was a standalone channel, conversational IVR should be deployed as part of an [omnichannel strategy](#). This means it can take into account data from multiple sources, such as account history or previous web searches, to personalize and elevate responses, speeding up resolution times and increasing customer satisfaction. And with machine learning built in, the new IVR learns from every interaction for ongoing improvement under the supervision of experienced customer service professionals.

Customers remember everything that happens to them when they interact with a brand—the good, the bad, and the frustrating. If a company hasn't modernized its IVR, chances are it's delivering frustrating experiences every day, and that's not good for CSAT or loyalty. While the proven reliability of IVR systems may make organizations and stakeholders resist change, updating to a next generation solution is a great investment, and a great opportunity. The IVR market size continues to grow at 15.8%¹, and it's come a

Gartner predicts that by 2020, a quarter of customer service operations will use virtual customer assistants.

Source: Gartner, 2018: "Gartner Says 25 Percent of Customer Service Operations Will use Virtual Customer Assistants By 2020"

long way—while IVR was once like a guard callers wanted to get past to reach a human agent, this is no longer the case. Now it engages in conversation, understands natural language and extracts intent, and has access to a deep knowledge base to deliver fast, accurate answers. And when deployed as part of an omnichannel customer support strategy, it can help to create the seamless, holistic experiences that digital natives crave.

Customer support today is all about delivering effortless experiences and anticipating intent—on any channel. While the landscape of voice interactions may have changed, its purpose remains the same: consumers call when they need help, often when they've tried to resolve an issue on other channels and failed. Rather than ditching IVR and funneling customers into digital channels, businesses need to rethink their strategy and modernize the voice channel to give today's digital-first consumers the easy experiences they demand on their channel of choice with a modern, conversational IVR solution. ■

¹ Microsoft, ["2017 State of Global Customer Service Report"](#)