

# Modernize the Customer Experience with Conversational IVR

Six must-have components for a modern IVR.

EBOOK





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## Introduction

# Voice is still your most valuable channel

When it comes to customer service and engagement, the voice channel reigns supreme. Although organizations have focused much of their efforts and budgets on digital transformation in recent years, telephone calls accounted for **74.8 percent** of inbound contact center interactions in 2019.<sup>1</sup> This includes self-service and agent-assisted calls, both of which are usually routed by an interactive voice response (IVR) system.





## 01 Introduction

### 04 Six must-have components

Each year global businesses spend **\$1.3T** dollars handling 265 billion customer service calls.<sup>2</sup>

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Voice call volume in the early months of the pandemic rose **40 percent**—a trend seen around the world.<sup>3</sup>

## 02 The need to increase automation

### 05 Get the benefits of modern IVR

The COVID-19 pandemic dramatically increased demand on voice channels. With sweeping stay-at-home orders shuttering businesses and sending millions of workers home, customers turned to the phone to do many things they would normally do in person. Online shopping skyrocketed, with buyers picking up the phone to ask questions about products, shipping times, and returns.

Call volumes also spiked across healthcare, financial services, internet providers, government services, and other industries as people relied on the phone to complete crucial tasks—such as securing loans, getting remote medical advice, and accessing benefits—and the newly homebound sought to connect with live humans during the crisis.

**The events of 2020 have made it clear: The voice channel is more important than ever.**

## 03 What is a modern IVR experience?

### 06 Why [24]7.ai?



## Chapter 02

# The need to increase automation

Most people think of automated phone systems as outdated question-and-answer trees that require very specific, preprogrammed responses. For customers, this feels like a barrier to getting the help they need—which is why they often request an agent instead. In fact, **98 percent** of customers find traditional IVR systems so frustrating, they try to skip the IVR entirely.<sup>4</sup>





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The top things customers dislike about IVRs:<sup>5</sup>

- **45 percent** forced to listen to irrelevant options
- **43 percent** reasons for calling not listed
- **37 percent** menus too long
- **35 percent** prevents them from reaching an agent

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Forrester found that the cost of resolving a customer support call with an agent can be **48x** the cost of resolving it using an IVR.<sup>6</sup>

As a result, many IVR systems have a poor containment rate, which means that most calls—up to 80 percent—end up going to an agent.

While routing to the correct agent is an important IVR function, it's not enough. To deliver the high-quality experiences your customers expect, you need an IVR that fully automates calls for common and routine inquiries.

Start with the simplest calls—for example, frequently asked questions. From there, you can expand automation to handle basic transactions like account inquiries and order lookups. When you're ready, move on to more complex transactions such as processing returns, changing account services, or making reservations.

With the right tools and infrastructure, you should contain 60-70 percent of incoming calls. In addition to increasing customer satisfaction, this will also enable you to handle a higher volume of calls without driving up costs.

## Chapter 03

# What is a modern IVR experience?

Change the game by replacing outdated menus and decision trees that accept a limited response set with an AI-powered IVR solution that does more. Why require callers to respond with touch-tone inputs when a modern IVR uses natural language everywhere? It understands and responds to open-ended answers that may contain multiple pieces of information or even take the conversation in a new direction.

Modern IVR uses human-like audio output that sounds natural—without requiring a voice actor. This makes it easier to personalize calls and keep IVR content relevant as you update content on the fly with no need to record new voice responses.

AI-powered IVR turns voice calls into two-way interactions by pushing visual content to a smartphone or other device to simplify complex transactions. An advanced system also retains customer context across channels, ensuring customers don't have to start over.





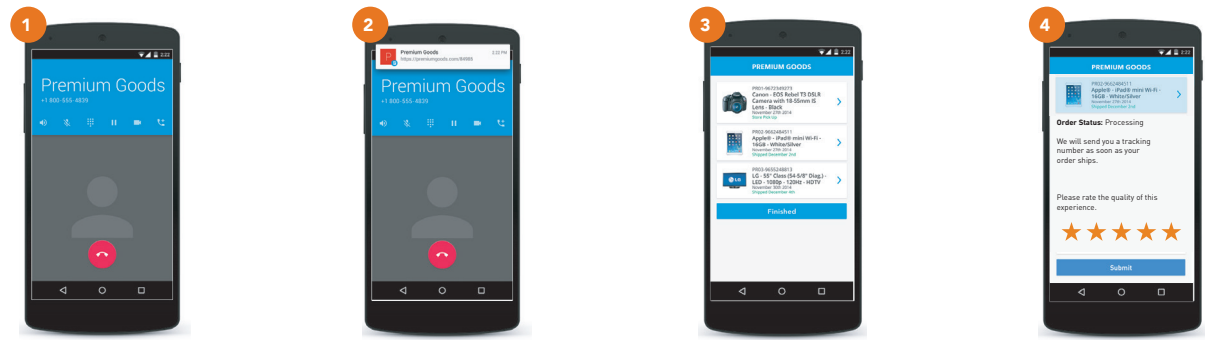
## Use case

### Modern IVR in action

Customers new to modern IVR may be surprised—and delighted—at how much easier it is to get things done.

For example, when customers transfer from the IVR to a digital agent, the IVR passes along the customer's information and the context of their call. And a connected, web-aware system even knows what web pages a customer has visited and uses that information to serve them better.

A sophisticated IVR solution takes it a step further—using AI-powered intent prediction to anticipate customer needs, accelerating resolution and increasing call containment. It even handles multiturn interactions and mixed initiatives. And when integrated with an omnichannel platform, this IVR provides the same consistent brand experience consumers expect wherever they interact with your business, which drives loyalty and increases customer lifetime value.



1. User calls 800 number.
2. "Hi. Thanks for calling Premium Goods. Am I speaking to Melissa Wilson?"
3. "Yes."
4. "Welcome back Melissa. I looked up your account and I see that you have several pending orders. How can I help you today?"
5. "I'm calling to see when my order is going to arrive."
6. "No problem, you're calling from a smartphone, I can go ahead and send a link to you so you can easily see the status of all your orders. Would you like that?"
7. "Yes."
8. "I sent you a text message with a link. Just tap on the link to get started."
9. "Here are all of your orders. Let me know if you have any questions."
10. "Here is your order status. We're glad we were able to help you resolve your concern."



## Chapter 04

# Six must-have components for an ideal IVR system


To reinvent your voice channel and give callers the satisfying experiences they expect, you need the following components in your technology stack.

## #1: Conversation automation

Transform IVR calls into two-way conversations that feel natural and help customers get things done. Whatever your performance goals, conversational IVR is where success starts.



**52 percent** of Americans get frustrated at having to repeat themselves.<sup>7</sup>



DNN technology improves speech recognition by **15 percent** for non-native US English speakers and **10 percent** increase in French and UK English recognition accuracy.<sup>8</sup>

### Natural language understanding (NLU)

Your IVR system needs to be able to understand what your callers mean—not just what they say. This requires advanced NLU technology that supports complex conversations and understands callers speaking the way they do normally. Advanced NLU even responds to a sudden topic change and asks clarifying questions as part of a multiturn conversation. NLU is foundational to modern IVR.

### Deep Neural Network (DNN) speech recognition

Customers prefer to respond to prompts by speaking rather than using the keypad. But when an IVR can't understand what they're trying to say, they're more likely to escalate to an agent. Unlike most acoustic models, which rely on a single node to determine meaning, DNN-based speech recognition uses multiple nodes together—just like the human brain. DNN technology gives callers a better experience by detecting and understanding accents, dialects, and colloquial speech. Background noise and grammatical errors aren't a problem, either.

### Neural text-to-speech (NTTS)

Create and deploy natural, human-sounding voice prompts on the fly. NTTS matches spoken language stress and intonation patterns, so computer-generated voices don't sound robotic. And there's no need to professionally record audio, so you get new prompts and responses into production quickly. Custom text-to-speech (CTTS) capabilities take it a step further, enabling brands to replicate a specific human voice and use different speaking styles to fit the call's context.

### Intent prediction and vertical models

No matter the industry or reason for a call, IVR's overall goal is to understand what the customer is trying to accomplish and respond appropriately. But callers ask for the same thing in many different ways. A system with prebuilt, vertical-specific intent models combines data from multiple sources to derive the meaning behind a customer's words more accurately.

**65 percent** of people found authentication processes frustrating, and nearly **50 percent** consider the process too time-consuming.<sup>9</sup>

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Voice biometrics verify caller identity in seconds, simply by speaking a phrase.

## #2: Better authentication

Enterprise-grade security is table stakes for any customer engagement platform. With telephone fraud on the rise, you need an IVR solution that protects your callers and your contact center.

### Voice biometrics

Replace outdated PINs and security questions with speaker verification. Active voice biometrics enables customers to record specific passphrases into the phone to establish a unique voiceprint. The next time they call, they just have to recite the phrase to verify their identity in seconds. Passive voice biometrics uses free-form voice input, enabling callers with recorded voiceprints to verify their identity by uttering any phrase. Faster authentication increases call containment and decreases handle time while also improving CX.

### Call-spoofing prevention

Caller ID makes it easy for callers to authenticate their account using the number they're calling from, but savvy criminals have figured out how to imitate a customer's number and use it to access their account. Real-time call verification technology analyzes incoming calls and detects spoofed numbers earlier, automatically routing those calls through additional authentication steps. This works to prevent fraud without making every caller jump through hoops.

### #3: Faster development

Relying on a vendor or developer to create and manage your IVR experience slows down your business and may end up costing you more. Look for a solution with these capabilities to stay agile.

#### Conversation builder

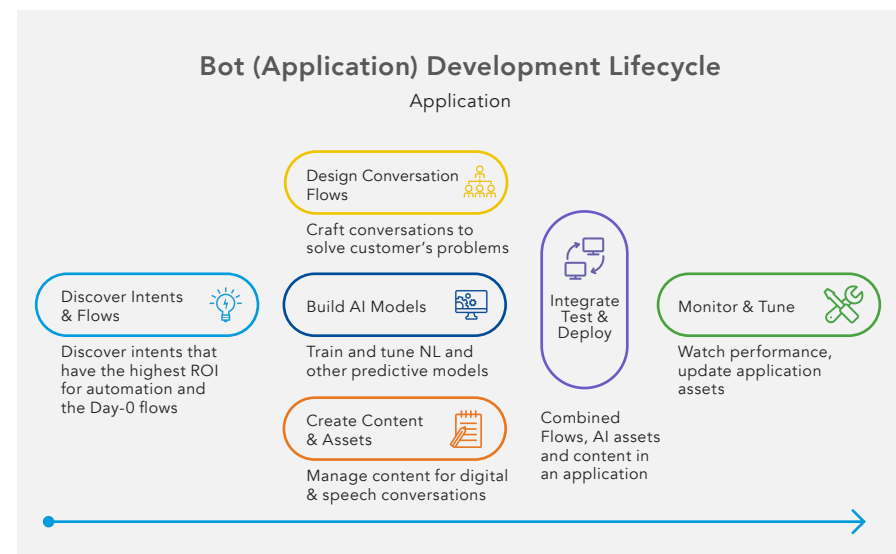
Your IVR needs to support any potential conversation, and that starts with creating structure. Solutions that enable you to build responses, and add user utterances typically associated with those responses, make it easy for your virtual agent to identify and deliver the right response while keeping the conversation on track.

Look for an intuitive solution that lets you manage intents, conversations, and dialogs in a single interface. You want to deploy changes simultaneously across your voice and digital channels and combine all your AI bots into one easy-to-use tool. An open API will also enable your IVR to integrate with NLU models from popular platforms including Google Dialogflow and IBM Watson. And out-of-the-box intent models increase accuracy and resolve issues faster.

### Advanced application development, model creation, and tuning

Even for novice users, it's important to be able to build, tune, and test NL models yourself—with no coding required. This includes building models from structured datasets as well as building and testing digital and speech NL models. Those with more skills, such as data scientists, need tools to improve model performance and tune them towards application specifics.

Supervised AI is another smart way to optimize your IVR and contain more calls. Data scientists retrain bot models by uploading new datasets and tagging them to intents or use collaborative tagging—where agents tag content as they work. Deep AI control also makes it possible to view and improve model accuracy.







## **Self-service tools**

### **Conversation builder**

You need to stay ahead of fast-changing customer expectations and business needs. Choose a vendor with easy-to-use self-service tools that put you in control. You'll develop your application faster, stay agile and flexible, and lower call center costs.

### **Advanced application development, model creation, and tuning**

A self-service platform makes it easy to onboard new users, manage user accounts and access, and provision new instances—without waiting for developers. The platform's tools span the entire lifecycle, from using data to discover what to automate to designing the application, adding platform capabilities, and turning on speech. An intuitive interface console puts everything you need at your fingertips.

## **Unified platform**

### **A singular customer experience**

Customers expect a consistent, seamless experience, no matter how they're connecting with your brand. Your modern IVR must automate conversations across all your channels and connect both virtual and live agents to the same tools and information. A single control point enables you to optimize omnichannel interactions to boost CSAT and efficiency.

### **Build once, deploy anywhere**

A common business logic across channels enables you to build your conversational models once, deploy them everywhere, and add new channels and platforms that extend your investment value. This significantly reduces operating costs, speeds time to market, and creates the consistency required for a strong brand voice.

Pushing digital content directly to a caller's screen boosts conversions and customer satisfaction while reducing AHT and simplifying self-service.

## #4: Digital connectivity

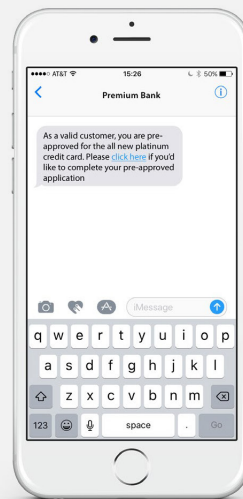
Chances are your traditional IVR system doesn't talk to your other channels. A connected experience makes it easier for customers to get things done and improves call containment.

### Visual IVR

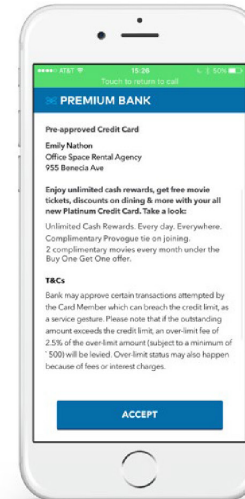
A visual IVR component enables you to push rich interactive content—such as product or order information, account details, terms and conditions, travel reservations, or even payment forms—to a caller's screen, making it easier for them to get things done. All without interrupting the call.



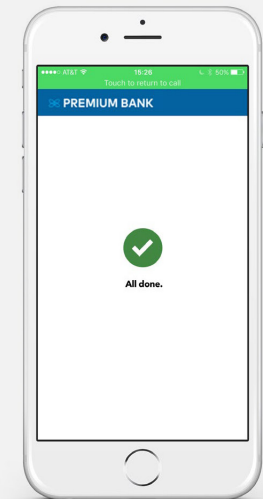
- "Hello, this is Premium Bank calling with a Visa credit card fraud alert. Is this Pat Wilson?"
- "Yes."
- "Thank you."



- "Over the past 24 hours we have identified some unusual activity on your credit card ending in 2354. Would you like me to send you the details of your charges to your smartphone for you to review?"
- "Yes."



- "OK, I've sent a link to a list of the charges. Just tap on the link to get started."
- "Here is the list of the charges for you to review."
- "All the charges are mine."



- "Thank you for confirming these charges. You may continue to use your card."

**50 percent** of callers are on a company website when they call customer support.<sup>8</sup>

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**87 percent** of customers start their journey in digital channels.<sup>10</sup>

### Web-aware IVR

Customers are often far into their journey by the time they reach your IVR. Callers expect the phone channel to be a natural extension of that journey. A web-aware IVR accesses the caller's web journey and detects if they're still on the website. This makes it easier to personalize the call and predict what the customer is trying to do, which speeds up resolution and increases containment. Plus, it reduces frustration—because no one likes to start over every time they switch channels.



I noticed that you were recently trying to update your address on our website. Are you calling about that?



Yes, I am.



Okay. I see you are currently logged in to Premium Bank. Would you like me to take you to your profile now?

### Call deflection to digital channels

Live agent interactions are costly, and long wait times lead to mounting frustration and poor CX. Intelligent IVR systems enable you to collect a customer's personal and issue details and then offer them the option to switch to lower-cost digital channels, such as chat and messaging, so they jump the queue and get help faster. The IVR passes along the context it has already collected, speeding up resolution once customers get there.



## #5: Contact center-ready

To create the best possible CX and drive the most value for your business, choose a cloud-based, enterprise-grade platform with a telephony-grade system.

### ACD and CTI integrations

To ensure your contact center runs smoothly, you'll need a solution that integrates with automatic call distributor (ACD) and computer telephony integration (CTI) systems. These systems work with the IVR to intelligently route calls to the right agent or department, streamlining calls and reducing AHT. Look for a platform that works with every major contact center vendor, so you easily connect your IVR to your agents.

### Outbound campaigns

Contact your customers and prospects with single, bulk outreach and scheduling campaigns. Use a modern IVR to personalize outbound IVR calls for better CX or use SMS messages that direct back to your channel of choice, including messaging channels. Send bill notifications, appointment reminders, and more—with no agent involvement. Improve outreach without driving up costs.

## Speech analytics with call recording

"Voice of the customer" analytics provide first-hand insight into why your customers are calling and how to make things better for them. Record calls in their entirety or segregate calls into IVR and user audio for easier data mining using business intelligence tools. Choose post-call transmission for regulatory compliance. It's a smart way to improve IVR journeys.

## #6: Reporting and monitoring

A modern IVR system is a great source of customer data and insights. Choose a solution that offers comprehensive, interactive dashboards right out of the box, and use them to view call performance by intent and dive deeper into tasks and dialogs. Create custom reports with easy-to-use reporting tools to get exactly the data you need—with just a few clicks.



## Chapter 05

# Get the benefits of modern IVR

Legacy IVR systems simply can't provide the kind of experience that today's customers expect. Transform your voice channel with an AI-powered, conversational IVR system that delivers a range of business benefits.





**1 in 3** customers say they would stop doing business with a brand after just one bad experience.<sup>11</sup>

**51 percent** of consumers have abandoned a business altogether because they've reached an automated menu of options.<sup>6</sup>

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In the last year, consumers abandoned **22 percent** of calls made to businesses because they reached an IVR.<sup>6</sup>

**54 percent** of consumers feel that IVR technology makes for a poor customer experience.<sup>6</sup>

## Improve the customer experience

Say goodbye to frustrating menus and start automating conversations that are intuitive, personalized, and satisfying. A connected digital experience makes it even easier for customers to get things done—fast.

## Boost operational efficiency

Reduce AHT for both self-service and agent-assisted calls with proactive intent prediction, accurate call routing, and seamless escalation. Handle a higher volume of calls without adding contact center seats.

## Reduce support costs

Help more customers help themselves. Increasing self-service containment and automation deflects calls from agents. With the IVR managing more journeys, tasks, and intents, your agents focus on high-value customer issues.

## Gain flexibility and scale

Keep up with changing support needs—without hiring or firing. Manage seasonal fluctuations, promotional spikes, and the unexpected with ease. And as your business grows, your IVR grows with it.



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## Chapter 06

# Why [24]7.ai?

### The industry leader in conversational IVR

Start delivering the easy, effective, and personalized calls your customers expect—without routing every call to an agent. With [24]7.ai, you get a unified, enterprise-grade platform that has everything you need right out of the box. [24]7 Voices delivers conversational AI that makes every interaction natural, intuitive, and efficient. Let callers speak the way they do in real life and get things done fast. Increase self-service containment and elevate CX. And for issues that can't be contained, our industry-leading AIVA technology ensures a seamless handoff to an agent.





[24]7 Voices delivers  
for our customers:

- **30 percent** reduction in IVR call duration
- **70 percent** IVR containment rate
- **95 percent** speech recognition
- **20 percent** increase in self-service rates

## Everything you need plus unmatched expertise

[24]7.ai has been a contact center leader for over 20 years. We understand AI, automation, and customer support technology better than anyone. With the [24]7.ai Engagement Cloud at the center of your technology stack, you build experiences and design conversations once and then easily deploy them across any voice or digital channel. Manage high volumes, understand your customers better, and delight them on any channel.

We combine customer data from multiple sources to more accurately predict intent and blend human insight with machine efficiency to drive continuously better results. Make interactions more meaningful, support satisfying conversations, and help customers get things done with the least possible effort.

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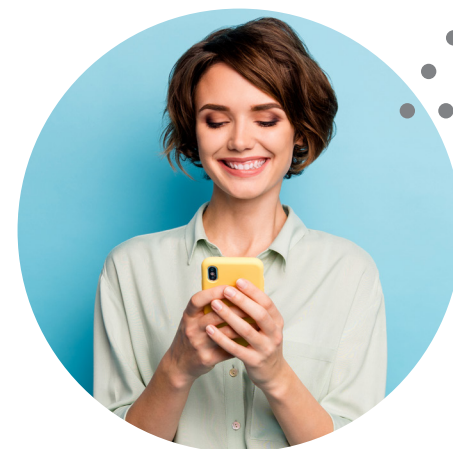


Trust the company  
that powers:

- **1.2B** self-service interactions per year
- **200M** virtual agent interactions per year
- **40M** agent chats per year
- **275M** web visitors per month

Whether you're looking to upgrade your existing IVR system or augment it with [24]7 Voices, [24]7.ai has a framework to meet your needs. Contact us to outperform your goals—today and tomorrow.

**Take customer service into the future,  
with [\[24\]7.ai](#).**



Thank You.



## Contact us today

[www.247.ai](http://www.247.ai)

[info@247.ai](mailto:info@247.ai)

USA +1 855.692.9247

CA +1 866.454.0084

UK +44 0.207.836.9203

AUS +61 2.90025780

## About [24]7.ai

[24]7.ai is redefining how artificial intelligence and human insight are combined to produce satisfying customer experiences. Our conversational AI platform predicts consumer intent to create frictionless interactions, across every channel, that strengthen relationships and increase brand loyalty, at the lowest cost per resolved conversation.

**For more information visit: [www.247.ai](http://www.247.ai)**