



Creating the Right Equation for IVR Success: Five Best Practices for Balancing Cost Efficiency with Customer Satisfaction

It's hard to remember how we managed before microwave ovens. You can reheat leftovers and create tasty dishes that save time and keep everyone happy. But if you use one to reheat a slice of cold pizza or fried chicken, you'll often end up with a soggy, inedible mess. Same technology but very different outcomes.

The proper use of IVR technology presents a similar challenge for contact center operators. IVR is a go-to solution that can dramatically diminish call volume and reduce operating costs. IVR systems can handle most of the frequently asked questions that an organization receives and allows agents, salesmen and tech support specialists to concentrate on more complex issues. IVR's main advantage is making callers and customers feel that an organization is responsive to their needs, even if it's just through a machine. If someone has a simple question and gets a quick and accurate answer, the IVR has done its job.

But of course, it's not always that easy. Many people just don't like talking to machines. Older adults may have difficulty following telephone menus and lengthy instructions. And younger callers are impatient with the slow pace of multiple phone menus. Then there's the frustration that callers feel when they're escalated to live agents who ask them to repeat information they've already provided on the IVR.

The problem with IVR systems is that it's easy to design a bad one and more difficult to design a good one. Here are five best practices developed by contact center experts that will benefit organizations, employees and customers alike, by striking that important balance between cost savings and customer satisfaction. While there are many ways to develop an IVR, these methodologies provide a solid foundation for self-service success.

- 1) **Create a Road Map.** One ISP decided that instead of trying to address everything at once, it would prioritize which elements would help the most in the least amount of time and tackle them one by one. The team started by implementing a simple IVR process that enabled customers to know immediately when there was an outage in their zip code. Armed with that information, callers could determine whether they simply needed to wait for a regional situation to be corrected or had a service issue that needed to be addressed. This was perhaps the least complex bit of functionality in the IVR implementation, yet one that prevented major customer pain and saved literally hundreds of agent hours.



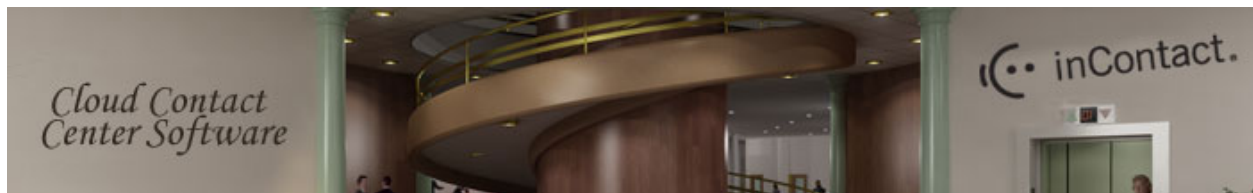
Tip: As this organization did, you would be wise to create an IVR road map that prioritizes your most critical objectives. Kick things off by identifying the situations that create the biggest headaches for your customers and cause the most common spikes in call volume. Find small projects that can produce significant results. Then proceed with each project, one a time. Taking a patient approach will help you manage expectations, stay on track, achieve more rapid results and provide the most benefits for your customers.

- 2) **Don't Try to Make Your IVR Do Too Much.** An inbound sales contact center came up with an ambitious plan to put its complete product inventory into the IVR system. The team jumped through all kinds of hoops and actually got it up and running. But after all their hard work, they found that the number of IVR choices was actually discouraging customers from making product choices. This created a high level of frustration instead of making it easier. Without an agent to help, customers were abandoning carts and going elsewhere, resulting in lost sales.

Tip: Customers want convenience, not complexity. Having every bit of information on the IVR does not make their lives easier. The lesson learned is to use the time-honored “KISS” solution—*Keep It Simple, Stupid*. Any project that looks like it's too complex and unwieldy to implement probably is—and not worth the effort.

- 3) **Good Self-Service Gives Customers a Choice.** Most people still prefer talking to other people as opposed to machines. When setting up your IVR, make sure there's a simple option that helps customers get to the right person as quickly as possible. This may seem counterintuitive, but overly automated systems irritate customers and adversely affect their willingness to continue to do business with your company. After struggling with multiple menus and transfers, once they get to an agent, they're already in a bad mood and likely to take it out on your employee. It's a lose-lose situation..

Tip: One way to avoid putting your customers on the warpath is making certain your IVR can do the basics well, such as providing accurate account balances, delivering up-to-date order status and enabling hassle-free bill payment by phone. More than just appreciating convenience, customers expect it. Having a functional IVR clearly demonstrates to customers that your company is big enough and competent enough to serve their needs, even after business hours.



- 4) Align Your IVR with Current Processes.** One company implemented an IVR payment system that was integrated with its customer accounting system. While the implementation was technically successful, payments were not posting along the same timeline. The result: Customers were panicked because they didn't see their payments posted. The confusion caused call volume to escalate dramatically, and agents had to learn two new, distinct processes to calm down anxious callers.

Tip: Make sure your IVR aligns with your current processes and technologies. Not taking this step can defeat the overall purpose of implementing an IVR in the first place.

- 5) Choose an IVR that Provides Maximum Flexibility and Involves No Capital Expenditure.** One major provider estimates that it can cost a company as much as \$3,000 per phone line to set up an in-house IVR system that also requires 100 hours of installation and configuration by the IT staff. An IVR from a SaaS (software as a service) vendor typically requires no upfront capital expense and bills incrementally, meaning your company pays only for what it uses every month. This also eliminates any upgrade expense: Clients are automatically updated—at no cost—every time the product is advanced.

Tip: Cost savings are just one part of the equation. Those who run and staff contact centers also enjoy the flexibility and functionality offered by SaaS/cloud solutions. Hosted IVRs are easy to use, make managers more efficient and require little to no IT support.

Few companies today can live without the cost savings and added efficiency of an IVR. But if you really care about keeping your customers happy, you need to tap into the best practices above as a guide to help balance cost and customer satisfaction with convenience and functionality.

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