

# The Love-Hate Relationship

IVR Best Practices that Transform the Customer Experience



Why do customers love to hate Interactive Voice Response (IVR) systems? In an attempt to help companies engineer superior IVR systems, TeleTech’s Customer Technology Services division performed an in-depth exploration of customer sentiment about IVRs. The study uncovers the biggest determiner of the IVR customer experience, and establishes five best practices to help organizations evaluate their automated service technology.

### Three Common IVR Sins and How to Avoid Them

When TeleTech asked people why they dislike automated systems answering their calls, the most frequent responses were because it takes too long and because users can’t find the right service option. These IVR sins are common, but the truth is that they can easily be avoided. Here’s how:

- 1. Option Overload:** There is a maximum number of audio prompts that callers are willing to listen to before they get frustrated and forget the options. Menu options should be clear and quick. Our rule of thumb is this: The time span between the start of the Welcome message and the end of the last main menu prompt should not exceed 30 seconds.
- 2. Just Get to the Point:** Lengthy upfront messages including marketing messages or website addresses cause callers to tune out. Avoid these phrases: “Thank you for calling XYZ. Did you know you can get faster responses on our website? Please listen carefully to the following options.”
- 3. Can You Repeat That?:** The quality of the system’s speech recognition depends on the type of Automated Speech Recognition (ASR) engine and the grammar development behind the speech engine. Advanced ASR engines are available today with impressive recognition accuracies, support for foreign accents, as well as customizable commands.

### Building a System that Customers Like: Speaking vs. Typing Information

TeleTech’s study shows that 57 percent of customers prefer to use the touchtone keypad to enter their data, rather than speaking it into the voice recognition system. Why? The survey’s open form responses indicated that users are still apprehensive about speech recognition technology problems. So, IVR systems should always offer callers the option to either speak or use the touchtone keypad to type their response.

### The Single Most Important Determiner of the IVR Customer Experience

The option to bypass the automated system and speak with a human is considered the single most important determiner of the IVR customer experience. In fact, TeleTech’s study shows that more than 60 percent

of customers prefer to speak with an associate, so don’t forget to give them the option. Unlike web and mobile automated systems, the IVR is forced on the customer rather than chosen by the customer. Thus, it has a high potential to cause sharp negative reactions. When poor-quality IVR applications are forced onto customers, they can destroy customer loyalty.

### Bonus Tips:

- At no time should the caller be required to request an associate more than once.
- Callers should never hear that the system can assist them after they have requested an associate.
- Callers should have the option to return to the IVR if there is a long hold time.

### How a 10-Minute Wait Time Impacts the Customer Experience

Believe it or not, a 10-minute wait time doesn’t automatically result in dissatisfied customers. TeleTech’s survey shows that 46 percent of customers believe that a 10-minute wait in queue for an associate is still considered good service, and 12 percent think that it was excellent service. The important caveat to note is that the question states that the customers received the requested information, which suggests that issue resolution is a bigger factor in customer satisfaction than the queue time.

**What Determines if it's Love or Hate?**

The option to bypass the automated system and speak with a human is considered the single most important determiner of the IVR customer experience.

**60%**  
of customers prefer to speak with an associate

### Five IVR Best Practices to Live By

IVR systems are one type of service automation that customers love to hate, but the truth is—it’s really a love-hate relationship. Based on our findings, most customers dislike using IVRs, but appreciate them when the application provides clear, concise, and quick access to the information they need. TeleTech’s survey results highlight the

# The Love-Hate Relationship

IVR Best Practices that Transform the Customer Experience (continued...)



following best practices for developing and delivering superior IVR customer experiences:

1. Audio prompting, upfront messages, and speech recognition are three key areas that heavily shape the customer experience. Use caution with these approaches and invest in sophisticated technology to ensure frictionless service.
2. Allow the customer to use the channel of choice. IVR systems should be flexible and provide options to either speak their responses to questions or use the touchtone keypad to type them. The best IVR systems accommodate the idiosyncrasies of different social and demographic characteristics of the customer group, industry, or business, and do not advertise self-service websites unless they offer more information or help callers avoid long queue times.
3. Customers understand why businesses use IVRs, so leverage these technologies for cost efficiencies. But, don't forget to invest in upgrades that enhance the quality of service interactions. These will pay off in the end with increases in customer loyalty.
4. The option of bypassing the system and speaking with a human is the single most important influencer of the IVR customer experience. The exit strategy is crucial. Always provide the option to speak with an associate.
5. Although long wait times are never recommended, don't sweat 10-minute holding times. While wait times are important, call resolution is a bigger influencer of customer satisfaction.

## An IVR Action Plan: What's Next?

The next big thing in IVR technology will be connecting IVR systems to customer management data, so they can provide more intelligent service backed by more data such as customer calling history, channel preference, and what the customer was doing when they requested service. For now, though, transforming public opinion about IVRs will

need to start with a simple customer-centric approach and IVR technology upgrades. IVR systems still have a long way to go before they will be the popular service channel of choice, but when these systems are designed with the customer in mind, customers will come flocking.

Designing a superior customer experience can be complex with successful customer interactions often hinging on important decisions such as: how to ask questions, how many questions to ask, and when to transfer calls to other systems. Customer service leaders are not alone in their improvement efforts. Voice user interface designers are masters at making these decisions and evaluating existing systems. These professionals stand eager to map out your improvements and show you how IVR technology can be the difference between loyal customers and lost customers. ■

## About TeleTech

For 30 years, TeleTech and its subsidiaries have helped companies design, enable, manage, and grow customer value through the delivery of superior customer experiences across the customer lifecycle. TeleTech offers technology-enabled solutions that maximize revenue, transform customer experiences and optimize business processes. From strategic consulting to operational execution, we drive success for clients across all industries.

Learn more at [www.telettech.com](http://www.telettech.com)