

# Benefits of Personalizing IVR: An eir Case Study

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Publication Date: 07 Apr 2016 | Product code: IT024-000014

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## SUMMARY

### Catalyst

Customer-service channels are at the forefront of improving the customer experience offered by telcos. As social beings, many customers prefer the reassurance of a voice, and will call the contact center even when other channel options exist. This is particularly true for more complex requests that involve longer call durations.

Unanswered calls into call centers contribute to dissatisfaction and lead to churn, so the smart money should be invested in improving methods of effectively dealing with these inbound calls. One method is to embed personalization into interactive voice response (IVR) systems so that each customer interaction is relevant to the customer.

In this case study, we review the implementation of a contextual IVR system by a communications service provider (CSP), and evaluate the tangible business and customer benefits the program delivered.

### Ovum view

There are many ways a CSP can choose to improve its customer experience, and a great deal of focus has been given to online self-service channels. However, the majority of customers still prefer to – or find it easier to – use the phone to seek support. Call centers have a bad reputation across all industries (not just in telecoms) for long waiting times and poorly conceived processes that direct calls in and around an automated system.

As this case study shows, when a self-service solution has the ability and flexibility to effect immediate event-driven changes based on time, location, and customer identity, there is a marked improvement in customer experience. With Genesys the approach is refreshingly simple and customer centric, and delivers measureable value within months. Personalization encouraged eir customers to use the IVR system rather than contact the call center, and the IVR system changed from being the top reason for customer complaints to an asset for customer service and support. Self-service use of the IVR doubled in the 12 months from launch.

For those CSPs reevaluating their self-service strategies, migrating to contextual IVR could be a quick win, and one that provides sustainable commercial benefits.

### Key messages

For this case study, we evaluated the impact of the eir implementation of Genesys App Automation Platform. The analysis concluded the following:

- Putting the customer requirements at the center of the project scope helps CSPs define an efficient solution, provided they have a competent vendor partner to deploy and integrate the offer.
- A contextual IVR system can lead to immediate and tangible benefits in terms of direct cost savings, customer experience, and raising net promoter score (NPS).
- Because a contextual IVR solution can deflect more than 40% of calls away from the call center, it can also improve network capacity.

- The IVR menu should be kept simple: no more than four choices wide and two deep, so that the customer only needs to make two selections before they have a resolution.
- IVR systems should always give the customer the option of speaking to a live agent.

## THE EIR SITUATION

### Background

eir (Eircom) is the largest telecommunications operator in the Republic of Ireland, providing voice, data, broadband, and ICT services to the residential, enterprise, and public sector markets. At year-end June 2015, eir generated revenues of €1.27 billion and had 2 million subscribers for its fixed, broadband and mobile services.

### Drivers for change

As with many former PTTs, eir was faced with the need to change its operating model from a state-owned to a shareholder-driven business to compete against traditional and non-traditional service providers. The organization, IT platforms and systems, and business processes were stove-piped and duplicated across the business, which meant that many hours were spent manually updating systems and providing fixes to obtain an end-to-end view of the business.

In terms of customer-facing systems, eir was running two separate platforms for CRM and IVR systems (one for its eir fixed telephone platform and one for the Meteor mobile brand). eir introduced a speech-recognition IVR service supporting its fixed services in 2004. Initially this was a successful implementation and effectively supported customer self-service. However, over time it became more complex as more rules and processes were layered over the top to accommodate new services. The system seemed to keep customers in a loop for as long as possible, and there were few options to speak with a live agent. Making simple changes to the IVR was complicated and time consuming, and the company's ability to react to needs arising from customer interactions was too slow.

Problems were compounded when eir launched its eMobile brand, which also needed CRM and IVR support. By this stage, the IVR was frustrating customers instead of assisting them, so much so that the IVR became the largest source of customer complaints, bringing down the company's NPS. Consequently, the eir Group decided to bring its three brand subsidiaries into one call center, migrating its three separate IVR systems into one new, consolidated platform.

## BUSINESS REQUIREMENTS

### Defining business and customer drivers

eir uses NPS as a cornerstone of its business and every individual has a personal NPS objective. Improving NPS was therefore one of the key drivers for the IVR project. The project to change this part of the self-service proposition involved multiple stakeholders, who defined the business and customer drivers for deployment by a third party. There were three key principles that the project team agreed on:

- touchtone would meet all their requirements
- there should be a maximum of four options in the menu
- customers should always be given the option to speak with a live agent.

eir wanted a more agile IVR system that could be updated swiftly. With the multiple legacy systems, it could take months to make a change to a simple voice prompt. Consequently, its RFP required a vendor solution that:

- could be deployed within months
- enabled adds and changes within hours or days
- used best-practice processes, standards, and systems
- was dimensioned according to customer rather than technical demands
- was delivered by a flexible and supportive supplier providing a good cultural fit.

eir selected voice and mobile applications specialist Genesys for this project. The two companies had worked together previously, with Genesys engaged to build bespoke IVR applications. This time the implementation would be based on the most recent version of Genesys App Automation Platform, combining a standardized set of applications for CSP self-service and a business user interface that would enable eir to maintain the applications and call flows once the initial project was complete. Genesys proposed the work plan and recommended three workshop phases per brand within the eir Group (a total of nine workshops), each lasting one day.

Phase 1 required a review of the systems in situ. The project team identified the basic process flows and business requirements, with a Genesys consultant configuring call flows to reflect these. This phase involved the eir business teams, so that the functionality would be driven by customer requirements and not technical constraints. In Phase 2 the project team went through all the first versions of the configured IVR applications, and further refined and improved them with the customer experience in mind. Phase 3 was a final review and sign-off. Genesys then integrated the configured call flows with the eir back-end systems, and performed a full suite of system testing before handing over to eir for user-acceptance testing. The deployment and testing was the longest part of the project, lasting three months, which reflected the complexity of the integration with the eir back-end systems. However, the whole project was completed rapidly. After awarding the contract the new systems were commercially deployed, tested and active within five months.

Contextualizing the IVR experience was achieved through enabling the Genesys applications to access data from a range of sources. This included integrating with business support system (BSS) files, calling web application programming interfaces (APIs) for billing and provisioning systems, and taking a customer profile feed from the eir data warehouse.

Once this integration was completed, it provided a robust and logical template to continue upgrading the IVR system without introducing additional complexity, so that eir is able to initiate and manage future upgrades in-house should it choose to.

# BUSINESS BENEFITS

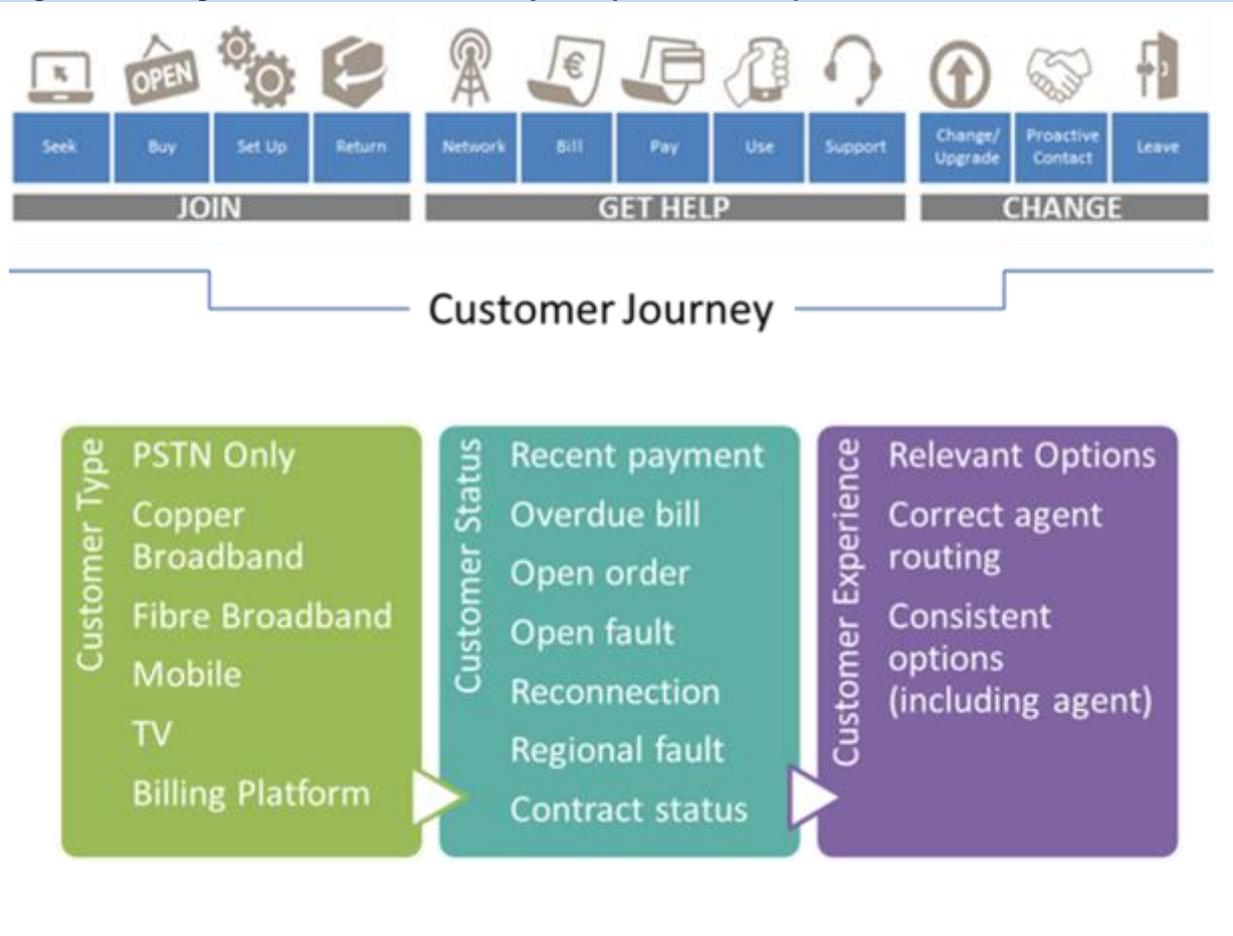
## Financial and customer experience benefits

From the eir perspective, the benefits of the investment have been significant both financially, with a return on investment (ROI) occurring in months rather than years, and in terms of improved customer experience and NPS.

From taking months to make a change, it is now possible to change a voice prompt in one minute, and build and deploy a new application in one hour. For example, during the storms a few years ago fixed lines went down in a number of areas of Ireland. eir made an immediate change to its IVR menu based on the identity of the customer: if the location of the customer and inbound number matched the problem area, the customer received an immediate message acknowledging the problem and providing an update on progress and expected time to restore service.

Figure 1 shows how the complexity of multiple brands, products, customer types, and context in the customer journey is used to narrow down the options presented on a call.

**Figure 1 Adding context to the customer journey across multiple brands**



Source: eir

The out-of-the box reporting tools along with built-in alert functions provided by Genesys also meant that it was able to manage more aspects of the IVR system remotely. This led to improved employee

satisfaction, as updates and changes to the prompts and logic could be made (by the Head of Omnichannel) from home over Christmas. Consequently, employees were not required to make unscheduled trips to the office over the holiday period, and the company did not need to deploy additional staff in the call centers.

Because of the contextual nature of the IVR systems, eir found that – unlike previous outages – there were far fewer calls to contact centers requiring agent handling. Before going live with the new IVR system across the three brands, there were approximately 80,000 IVR and self-service actions per month. In the three months after going live, including at the time of the storm, there were on average 140,000 IVR and self-service actions per month. Similarly, the deflection rate from call centers prior to the new IVR implementation was 28%, but once the system went live the deflection rate reached 38%.

The Head of Omnichannel at eir estimates that the calls deflected away from the contact center alone represent direct savings of more than €1.2m per annum. In addition, as customers received immediate acknowledgment of their issue, customer satisfaction improved, and the NPS score increased from 5.6 prior to the new IVR going live, to an NPS score of 6.2 within one month of going live.

## BEST-PRACTISE ADVICE

### Four key learnings

According to eir, there are four things to remember when upgrading to a contextual IVR system.

- Keep it simple – eir found that many queries to the call centers were relatively straightforward and could be serviced by touchtone IVR; for example, billing and balance enquiries, enquiries to ensure online payments had gone through, and password resets. Customers could be directed immediately to a resolution.
- Keep it short – many companies fail by having too many options on each layer of their automated systems. eir advises that a menu should comprise no more than four options wide and two deep, so that customers arrive where they want and need to be within two touchtones. If there are more, they are likely to lose interest and/or patience and try another channel.
- Keep it personal – by providing options that are relevant to the individual, as well as any external influences at a macro level, the service will provide higher levels of satisfaction, and support the objective of “keeping it short”.
- Keep it live – self-service through the IVR should always be an option that the customer chooses to use. They should not be forced down this route as the only option. Customers should always have an “escape” route and the ability to access a live agent.

With Genesys the method for designing personalized customer experience is based on examining each interaction in the customer’s journey with respect to four attributes, which it calls the four “Cs”:

- Customer – The IVR has to be organized around the customer, not the CSP. The CSP knows a lot about its customer. The information such as whether they are an existing customer or a

new prospect, using a fixed or mobile phone, a first time caller, or a frequent caller should all inform how they deal with the customer and the options they give them.

- **Context** – Personalization identifies only the most relevant or appropriate options for a customer, and so reduces the number of options and menus presented at each stage. Personalization or providing context to an interaction requires the CSP to identify and understand the reasons for the customer call and so anticipate the likely requests and offer a resolution. For example, if the customer receives their monthly bill, and then contacts the call center that day, it is quite likely that the query will relate to the bill they have just received. If the CSPs know who is calling, and where they are in their billing cycle, it can direct the customer straight to an option on the IVR – “Are you calling about your most recent bill?” The customer is taken out of the queue, and directed to an appropriately skilled person to assist.
- **Capacity** – Capacity has more than one dimension if you know the customer and the context. Personalization can increase capacity as shown in the example during the storms highlighted above. We estimate that eir may have required two full-time employees to answer the question “Why is my service not available?” Based on customer number and location, a recorded message immediately answered that query and deflected hundreds of call away from the call center.
- **Control** – To maintain effectiveness, a contextual IVR should monitor, review, and update responses to customer behavior. This means ensuring that the CSP has access to reporting that details how callers interact with the IVR, and that the business functions have the ability to make changes in real time. If the IVR remains well dimensioned and focused on meeting the needs of the customer, it encourages customers to return to the channel in future.

## APPENDIX

### Methodology

For the purposes of this case study, we interviewed:

- John Lush, Head of Omnichannel at eir.
- Damian Kelly, VP Product at Genesys.

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