
E-BOOK

Playbook for a Modern IVR

Press 1 for a Better Customer Experience



ABOUT THIS E-BOOK

The *Playbook for a Modern IVR* reimagines interactive voice response as not just a tool for call deflection but a positive contributor to the customer experience. From facilitating a sale to gathering top-of-mind customer feedback, modern businesses are inventing entirely new ways to use IVR software to make instant customer connections, all while reducing costs and increasing engagement. Learn how business professionals — from marketing to sales to operations — are using new technology to interact with customers 24/7 and seeing real benefits. This is the new IVR paradigm: a modern IVR doesn't only exceed customer expectations, it is a powerful tool for customer engagement.



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After a poor communication experience, 38% of customers will switch to a competitor or cancel orders or services, 66% will tell a friend about their experience, and 41% will stop doing business with the company altogether.

Twilio Customer Communications Report



A New Vision for IVR

A company's IVR is its front door, the first point of contact for callers, and the concierge to the customer experience. If your customers get stuck waiting on hold, or worse, trapped in a never-ending IVR menu, what kind of customer experience are you delivering? When an IVR is outdated, the experience suffers further, leaving customers abandoned and frustrated. With increasingly demanding customer expectations, today's customers expect instant resolution.

Your business is missing the mark if you're making customers jump through the hoops of an endless IVR. And the cost could be much worse than you realize. Twilio's recent [Customer Communications Report](#) found that after a poor communication experience, 38% of customers will switch to a competitor or cancel orders or services, 66% will tell a friend about their experience, and 41% will stop doing business with the company altogether.

Of course, you would never create a bad customer experience on purpose. But the constraints of a legacy IVR system can make it difficult to keep up with evolving customer expectations. IVRs weren't originally designed to keep up with the level of service that today's customers demand. If your business still relies on legacy contact center technology, you're likely feeling the pain of your system's limitations. Even minor changes to your phone menu require software updates and weeks of effort and there is no ability to prototype or A/B test. Plus, new features like speech recognition are always "coming soon." That leaves many businesses stuck in 1998.

However, there is a solution, and it could be much easier and more affordable than you realize. With the rise of communications APIs, building a modern IVR is simpler and faster than ever. You can update your IVR as you need, in far less time than it takes to write an RFP. It is built with APIs—the software building blocks that are powering modern communications.



1.

Why Modernize your IVR?

Good communication isn't just a nice to have for businesses, it's imperative. Whereas poor communication directly and negatively impacts a company's bottom line, great communication can have a multiplying effect and be a key driver to a business' success. Consumer research shows that 67% of customers will give more business to a company as a result of positive communication experiences.

The fact is, today's customers expect a better user experience across the board. They're used to websites and apps that are regularly updated and improved. But when they call a business, all too often they hear the familiar refrain, "Please listen carefully as the options may have changed." In reality, those changes (which probably didn't actually happen recently) were the result of hours of costly professional services. Something is broken in this system.

Industry experts J.D. Power estimate 30% of a customer's interaction with your contact center is with an IVR. Yet, only about 7% of companies offer better customer solutions through the IVR experience than those an agent can typically provide. That means most customers are sitting on the line, waiting to reach someone who can solve their problem. Sound familiar? This is a major missed opportunity.

Beyond just a cost-savings mechanism, your IVR system can serve as a customer engagement tool—both to increase customer satisfaction and to improve overall contact center performance. The ideal IVR experience for your customers is one that feels tailor-made to answer their questions and solve their problems.

67% of customers will give more business to a company as a result of positive communication experiences.

Twilio Customer Communications
Report Research



Deliver

A BETTER CUSTOMER EXPERIENCE

Since your IVR system is often one of the first contacts a customer has with your company, it provides an exceptional opportunity to deliver a customized experience. With the use of customizable phone menus and prompts, your enterprise can use the IVR as a critical element in your engagement strategy. Mapping your business logic to the natural customer journey will allow you to deliver an experience that is always reliable and on-brand.

With a modern IVR, you can dynamically create greetings, iterate phone tree changes, and A/B test your messages in real-time so that your customer's IVR experience is no different than any other interaction with your brand. When an IVR system is designed with the customer in mind, your support process will naturally be more efficient and make customers happier.



Improve

OPERATIONAL EFFICIENCY

Customers want questions answered and product information delivered fast. In fact, [Gartner](#) predicts that customer preferences for independence and self-service automation will likely rise to 85% by 2020. By eliminating the need to slog through multiple levels of customer support, a modern IVR reduces caller frustration while simultaneously freeing live agents to handle specialized issues and tasks.

An IVR system with custom-built menus can expedite incoming calls, accurately route callers, or even schedule a callback. In some cases, IVRs combined with text-to-speech (TTS) technology allows callers to find necessary information or accomplish entire tasks on their own (think account balances, scheduling appointments, or instructional messages). Today, outbound IVR systems are being used to send bill notifications, appointment reminders, and retail order updates— all without involving a live agent.



Not only do businesses save on personnel, productivity is increased because staff can focus on resolving real issues or making sales to qualified buyers.



Reduce

COSTS

You've probably noticed an intersection of two important trends: customers want to be more self-sufficient, and businesses are looking to improve customer experience without increasing costs. Both of these needs are satisfied by modern IVR systems. According to [Forrester](#), the price of resolving a customer need on a call with an IVR versus an agent is a 48X difference.

[A recent study](#) found that when compared to live chat at \$5 per contact, or telephone-based customer service that ranges from \$6 to over \$12 per contact, an IVR can cost less than \$1 per contact and make customers happier. That's real cost savings. Not only do businesses save on personnel, productivity is increased because staff can focus on resolving high-touch issues or making sales to qualified buyers. Also, for departments which don't staff expertise 24/7, an intelligent IVR can route callers to department voicemail and promise a callback during work hours.



Scale

YOUR BUSINESS

The optimal IVR solution must be flexible and robust enough to scale with your organization and adapt to your customers' ever-changing expectations. Rigid legacy systems don't provide the necessary flexibility companies need to keep up. However, companies are benefiting by building with cloud-based APIs that offer intelligent routing, multilingual capabilities, and omnichannel support. By integrating these APIs into existing systems, innovative organizations ensure complete control of phone trees and optimal on-demand customer engagements.

Now that you know why
it's important to modernize your IVR,
let's discuss *how*.



2. Best Practices to Modernize your IVR

It's today's hardest balancing act: meeting ever-growing customer demands while optimizing operational expenses. With the successful implementation of an IVR system, many businesses are doing just that: delighting customers by giving them quick access to the information they need, while simultaneously reducing costs.

Because customers prefer self-help features over waiting on hold for human contact, implementing an IVR system makes good business sense. This is especially true since IVR-handled calls can cost 100 times less than those involving a live agent. But before you begin to build (or enhance) your IVR system, here are seven IVR best practices to keep in mind.

1 Make your IVR intuitive

IVR solutions should provide your customers with a more straightforward way to get what they want, fast. But that can only be achieved if you design your IVR with customer needs in mind. This requires making your phone menus and routing logic more intuitive by reducing menu options to five or less.

Also, don't assume you'll nail the design on your first attempt. Instead, plan to conduct A/B tests to adjust messaging and prompts to iterate toward customer satisfaction. Think of your IVR as a living and breathing agent: conversations change over time, and so should your solution. You know it's time to rethink your IVR if it isn't easily customizable or is difficult to update.

2 Get personal

Since you know who your typical callers are, IVR systems allow for tremendous personalization capabilities. Use IVR to make stronger customer connections: if it's a known caller, greet them by name; if they speak a different language, respond to them accordingly, and make sure to provide them with a local phone



number to call. The best IVR systems learn more about your customers with each contact.

When an IVR knows the full customer journey — the reason a customer might be calling, the products they have purchased, their billing status, etc. — the entire customer experience is more personal. Make sure your communication solution can interact with your software in real-time to so you can create a custom menu for each user that results in a conversation flow that is as natural as speaking with a human.

3 Let customers escalate to a real person, if necessary

Some callers may prefer to connect with a human immediately, so make sure to include this option in your phone tree. While there are many advantages to automation, there is nothing more frustrating to a caller than wanting to connect with a real person but not finding the prompt to do so. Also, remember to connect your caller's data to your CRM so it can be accessed by a live agent in real-time.

Make sure your communication solution can interact with your software in real-time to so you can create a custom menu for each user.

Accenture reports that almost 90% of customers get frustrated when transferred to a live agent because they're asked to repeat their issues. To ensure a positive customer experience, your speech recognition software should be smart enough to transfer the call when it hears the words "Representative" or "Operator," and the agent should be privy to the complete details behind the customer's inquiry, including any information entered in earlier stages of the phone tree.

4 Take advantage of the brand/customer connection

Yes, it's an automated process, but an IVR solution is an ideal opportunity to blend brand identity into the conversation. IVR systems allow smart marketers to introduce their business and provide the messaging and tone that best



represents their brand. Using IVR technology gives you the opportunity to leave an immediate and lasting impression.

In fact, the best IVR solutions allow you to create and adjust messages as often as you change your advertisements, email campaigns, and social media posts. Make sure you build in capabilities that enable you to monitor, measure, and improve the customer experience dynamically just as you would with any other marketing program.

5 Utilize omnichannel

The use of digital apps, particularly self-service apps, is on the rise — up 65% in recent years. Your IVR is just one of the building blocks needed to deliver an engaging, omnichannel experience. Make sure your IVR is integrated into all your support channels such as SMS, chat, and video for a truly seamless communication experience.

6 Think outside the box

Don't limit your IVR to just routing incoming customer service calls. Modern businesses are inventing entirely new uses for speech recognition and dual-tone multi-frequency signaling (DTMF). Perhaps you're considering automation to help customers update a pharmaceutical prescription order, make a purchase, or book an event. Or maybe you're looking for a faster way for your sales team to convert leads. Whatever the motivation, you'll find that legacy systems simply have not kept pace with the considerable capabilities of IVR technologies.

Fortunately, you have a choice: employ comprehensive cloud communications APIs to enhance your existing systems or develop a brand new way to automatically connect with your customers.



7 Connect globally and scale with ease

Seamless integration is the key to creating a five-star IVR experience. But because communication platforms are often complex, many organizations can't make the necessary changes using in-house resources. By turning to communication APIs, you can utilize the power of the cloud to get to market quickly without the heavy lifting associated with telecom upgrades of the past.

However, be aware that not all cloud services are alike. You need one that has reliable, high-quality connections supported by a global carrier network. And you want an API that is easy to deploy, maintain, and scale. Get your developers involved early and have them try before you buy.

Bottom line: Create the experience your customers want.

An IVR is your first point of contact for customer support and call routing, but it also offers endless possibilities to connect with your customers in entirely new ways: selling products, booking reservations, and even conducting on-demand surveys to get real-time customer feedback. Leading businesses are using cloud communication APIs to customize IVR systems to meet their unique business requirements.

Whether you're looking to enhance a legacy system or build an even smarter IVR solution, a cloud communications platform is the best choice to create an engaging, interactive experience for your customers. Twilio's APIs offer deeper integration with greater reliability, global carrier connectivity, multilingual capabilities, omnichannel support, and intelligent routing to give customers the experience they demand.



hulu

Hulu

DELIVERS PREMIUM CUSTOMER SERVICE WITH INBOUND IVR

CUSTOMER SPOTLIGHT

While preparing to launch Hulu Plus, the premium service's customer support team needed an IVR solution that could scale reliably with the tremendous growth it was expecting. The team selected Twilio for its ease of use and low cost. Now, if all customer support agents are busy when users contact the Hulu Plus toll-free support number, callers are connected to the new cloud API-based IVR system.

The Hulu development team created multiple workflows within the Twilio-powered IVR. First, estimated wait times and queue positions are communicated to the caller. This is followed by custom audio, including music from popular Hulu shows. Callers always have the option to press '1' at any time to schedule a callback. In this scenario, Hulu's CRM will detect when an agent becomes available, and then automatically dial back the caller.

And because Twilio tracks rich metadata for each call that flows through the system, Hulu can track all the critical metrics for its customer support team, including total calls, average call time, and distribution of calls.



Arkansas Children's Hospital

HELPS KIDS STAY HEALTHY WITH OUTBOUND IVR

It takes a team of 4,400 employees, 500 physicians, 95 residents in pediatrics and pediatric specialties, and 370 beds to make sure the kids at Arkansas Children's Hospital get the care they need every day. But the hospital can only help patients that show up for their appointments. When patients are a no-show, it costs the hospital a tremendous amount of time and money, and can negatively affect a child's care and recovery.

The hospital used to send out hundreds of thousands of appointment confirmation calls in their legacy phone system, which would chronically break down under the call load. The search for a new system led the hospital's systems development group to Twilio.

Today, when a patient books an appointment at Arkansas Children's Hospital, they can opt-in to SMS or voice reminders. The hospital's IVR system will contact patients a day before their appointment, reminding them of the day, time, and location, and asking them if they'll be there. If the response is "no," the script will remind the patient to reschedule, and give them the number to call to make a new appointment.

This new system saved the hospital \$250,000 and freed it from dealing with a fickle, costly, on-premise call center. Most importantly, its new Twilio-powered appointment reminder service helped the hospital directly meet the needs of patients. With 400,000 outpatient appointments a year, this is no small task.



3. Innovative Ways to Use a Modern IVR

While IVR has traditionally been used as a business optimization tool, modern IVRs are a powerful tool for customer engagement. When implemented correctly, IVR systems have allowed callers to resolve straightforward customer service interactions by themselves, over the phone, without ever having to speak to a live agent. Today's modern businesses use their IVR systems for much more than routing a caller's inquiry; they are now tasking them in entirely new ways: for surveys, promotions, payments, polls, brand awareness, and more.

IVR systems are becoming the foundation for an entirely new sales channel that can support, or replace, telemarketing. Since an IVR can automate the process of reaching out to prospective clients, it's providing a simplified way to pre-qualify interest and support lead conversion.

Beyond lead routing, marketers are quickly adopting IVR systems to learn more about their customers. Whether conducting phone polls, surveys, or marketing campaigns, IVR systems provide a sure-fire way to unveil customer likes, interests, and demographics. With such rich customer data integrated with IVR systems, marketers can conduct post-campaign analysis to determine which demographics responded most favorably and then adjust messaging accordingly.

Let's dive deeper into how businesses are reaching more people, more quickly, and in more ways using the power of their IVR systems.



Lead routing

Interactive Voice Response systems can support your sales operations and accelerate lead conversion efforts. For inbound sales, marketers have found that IVR technology is ideal for lead scoring: similar to qualifying questions on a web form, you can immediately gauge interest by using an IVR to listen to a customer's response. After responding to a few simple questions, interested and qualified prospects can be quickly routed to a live sales agent to seal the deal.

Marketing promotions

Your customer's IVR experience is no different than any other interaction with your brand. Proactive marketers know that when inbound calls occur, it's a prime opportunity to inject your brand values, introduce a special offer, or deliver a custom marketing message while routing them to their requested destination. IVR systems are also being employed in integrated marketing campaigns by adding local IVR phone numbers to emails or print advertisements. Customers can easily call to enter a contest, redeem a promotion, or take a survey and during those automated calls, important marketing messages can be reaffirmed.

Payment processing

One of the more popular and convenient uses of IVR is to let customers conduct simple transactions, like paying bills or updating account information. In this case, the use of IVR increases convenience by allowing customers to make payments using touch-tone or voice-activated technology. With a smartly designed phone menu, IVRs let you expertly tailor call flows to efficiently and securely funnel your callers. For businesses, the use of this self-help tool makes collecting payments simple, and customers prefer it.



Appointment reminders

When scheduling a customer appointment, be sure to ask your customers for their phone number so you can send a reminder using IVR technology. Automated reminders for restaurant reservations, scheduled car repairs, or pending medical appointments are increasingly becoming the norm. The convenience factor alone makes it a no-brainer for customers to share their phone number. And when it comes to reducing no-shows, IVRs have created huge savings for businesses, especially when you consider that missed appointments can cost a single doctor upwards of \$150,000 a year.

Surveys

Surveys are a fantastic way to get immediate feedback and make informed business decisions based on customer input. There are many customer touch points at which a survey is appropriate, the most common of which is following a recent transaction or interaction with your customer service department. IVR-enabled surveys are usually limited to just a few choice questions, with the most important question positioned early in the call to accommodate for customer drop-off. Since the IVR can capture the voice of the customer, another best practice is to ask open-ended questions as opposed to offering a menu of responses. However implemented, IVR-based surveys are an ideal method to collect real-time feedback to help your business adapt to your customers' ever-changing needs.



Twilio IVR technology

LEADS TO REAL-WORLD RESULTS

Having illustrated a few of the most popular ways to use an IVR, let's explore some actual use cases. The following examples showcase companies who have adopted Twilio-powered IVR systems, resulting in significant savings and bottom line growth.

CUSTOMER SPOTLIGHT

45% revenue growth: As an online directory that helps consumers find local businesses, **eLocal** sought to deliver high-quality, sales-ready leads. By creating a highly-targeted IVR campaign, eLocal was able to connect their sales team with more live leads. Results: It only took one week for eLocal to build an IVR solution that has since grown call center revenue by 45%.

No-show rates slashed by half: **Chope**, a Singapore-based restaurant reservations facilitator, implemented an IVR for customers to easily book reservations while enabling restaurants to manage those bookings simply and efficiently. Results: A 50% reduction in no-shows, plus confirmed cancellations make re-bookings possible.

50% savings via cloud data storage: Talent management agency, **Development Dimensions International (DDI)**, screens talent via phone interviews, which were previously archived on cassettes. To be more efficient, DDI created an IVR voice-based interview process which now archives interviews in the cloud. Results: DDI increased assessor productivity and saved more than 50% in material costs annually.



4 Requirements for a Modern IVR

Now that we've explored the many innovative ways your business could be using an IVR, let's talk about how to get there. Ideally, the objective for all IVRs in today's business world is to improve the customer experience. To deliver your customers the experience they deserve, look for the following top 10 features of a modern IVR in your system:

1. Visual interface to build it quickly

Changing content and routing logic for an IVR can now be done visually rather than in code. For companies who do not have developer resources and/or want to get into production faster, a visual interface can allow every department within a business—including non-technical users in product, marketing, support, and engineering— to design, build, scale, and A/B test IVR interaction flows.

Twilio's visual builder, [Studio](#), uses an intuitive drag-and-drop visual editor with a library of omnichannel widgets that handle the underlying communication logic. This can be a great way for companies to quickly prototype IVR workflows, including everything from phone tree menus to surveys and chatbots.

2. Speech recognition

Your customers don't want to use cumbersome keypad inputs to navigate phone menus. They're tedious for the customer, make it difficult to figure out customer intent, and result in long, deep menus that are unwieldy to maintain over time.

Speech recognition technology allows a caller to respond to a prompt using spoken language, which can ease navigation through a menu. When done correctly, accurate speech recognition can significantly help repeat callers find the right areas of information and minimize frustration. Using natural language is a better customer experience than overloading a touch-tone, such as requiring a caller to press '1' multiple times while navigating to their final endpoint.



3. Natural language understanding

While speech is much more efficient, parsing speech is not a simple task. The newest addition to IVR is adding artificial intelligence (AI) in the form of natural language understanding (NLU). By combining highly accurate speech recognition with advanced processing and call history or account status, AI can more accurately determine caller intent.

NLU can be used to help route callers to the proper destination quickly, skipping some — or all — of the traditional phone menu. Picture a bank caller saying ‘check account balance’ and being instantly given the balance instead of navigating via speech recognition and DTMF tones. Besides reducing caller frustration, NLU helps reduce the load on each live agent, allowing operators and sales agents to specialize and give better service.

With Twilio [Understand](#), conversational dialogue is transformed into structured data. Businesses can configure a custom model to identify and categorize the content that’s most important for their IVR. With Understand as part of a live call flow, you can greet callers with “What can I help you with?” and then analyze callers’ answers to determine the best way to route the call. Twilio Understand can be trained to handle everything from simple questions to more sophisticated interactions such as re-booking a flight or purchasing health insurance.

4. Text-to-speech and multilingual capabilities

Ideally, your IVR should be able to support additional languages without having to rebuild complete flows. Twilio offers [text-to-speech](#) capabilities to greet callers, speak prompts, or build confirmations into phone calls without any need to record the dialogue in advance.

5. Custom menus

Give customers access to the people and information they need with predictive IVR menus based on caller history and journey data from browsers or mobile apps. When your IVR is created with APIs, your phone menu can be as simple or as complex as you require.



Since the menus are written in code that you control, rather than locked in proprietary hardware, they are flexible and completely customizable. You can A/B test different menus to see which performs better on metrics like first call resolution, or you can connect your menu to other APIs, like intelligent routing from Twilio TaskRouter.

6. Intelligent routing

With an intelligent routing engine, an IVR system can route your callers to the people and processes that can best handle them. In an age where it's crucial to create personalized experiences for each customer's unique needs, intelligent routing streamlines your customer support process and delights customers. Twilio [TaskRouter](#) is an example of intelligent routing that connects callers to the right agent or department by using IVR data.

With TaskRouter, you specify in the workflow how you want tasks to be routed based on any combination of attributes you apply to a task, such as skills-based routing and task prioritization. You can specify how many different tasks each agent can handle concurrently, with different limits per channel, and push the most important task to the best-matched available agent instantly. Intelligent routing takes care of the complexity of assigning millions of tasks in milliseconds across a large number of agents.

7. Visual IVR

Visual IVR lets you expand the IVR experience by providing visually-guided menus on your website or a customer's smartphone. With visual IVR, the caller navigates through your phone tree using visual prompts giving them the convenient option to interact with an on-screen menu while still connected to a call. Instead of second-guessing "Do I press 9 for technical support or 6?" and getting lost in a phone tree, a visual IVR presents your navigation options clearly.



8. A/B test and update on demand

In theory, existing IVRs should be easy to change, but the reality is it often requires updates from a provider, statements of work for professional services, and weeks of effort to make even minor changes to a legacy IVR system. When you're held back by your provider's roadmap, optimizing metrics and customer satisfaction can take a backseat.

Instead, consider the power to continually adapt your IVR system to changing needs, with full control of your phone tree and routing logic. With APIs, you can A/B test as often as you want because you have the flexibility and autonomy to make changes quickly. With a Twilio-powered IVR, you can make updates with just a few clicks—create greetings, build menus, rearrange call flows, and easily customize any aspect of your customer experience—using the web languages you already know.

9. Easy to make it omnichannel

Your customers probably don't talk on the phone with their family and friends as often as they connect by SMS, chat, and messaging apps. Chances are, they also want to connect with your business in the same way. Modern IVR systems offer customers more ways to receive service by including support channels such as SMS, chat, and video in existing IVR call flows. When you're looking for the right IVR system for your company, look for the ability to connect with your customers via multiple channels.

10. Ability to incorporate automation and bots

Bots bring the power of innovative AI technologies to your IVR by helping customers before they reach an agent. Bots provide automated responses based on message analysis using technologies such as natural language understanding and intent extraction. New advances in bot technology mean customers can accomplish entire tasks in an IVR, like booking flights or scheduling appointments, without the help of a live agent. Many IVRs use a human-assisted bot as a first-to-respond entity, which falls back on a human agent if it doesn't know how to respond effectively.



Talkpush shifted the majority of their volume into a Twilio-powered IVR in less than a month and finished the complete integration in half the time they expected.



Talkpush

HELPS EMPLOYERS HIRE QUALITY EMPLOYEES FASTER

CUSTOMER SPOTLIGHT

Talkpush has created an entirely new recruitment model with a digital and audio application process that captures and assesses the voices of thousands of job seekers every week. When a candidate applies for a job online, they are prompted to complete an IVR interview. Talkpush records their answers and then provides the recording to employers so they can more fully evaluate candidates. Recruiters can review hundreds of candidates for the role, increasing their capacity fivefold or more.

For the first two years of business, Talkpush hosted their own IVR, running everything on Asterisk and their own hardware. They soon found they needed to move to a more scalable, flexible, and reliable platform—which brought them to Twilio. Talkpush shifted the majority of their volume into a Twilio-powered IVR in less than a month and finished the complete integration in half the time they expected.

Today, Talkpush's platform and process enable recruiters to conduct up to 400 interviews per day. Since implementing Twilio into their platform, Talkpush has increased the interview volume by four times, reduced the time to hire by over 50%, and cut the average cost per hire by up to 70% for some employers.



5. Advantages of Building Your IVR Using APIs

We've already discussed the drawbacks of legacy IVR systems: they can require hours, weeks, or sometimes months of expensive consultants, RFPs, and negotiations to make even simple changes, such as updating a phone menu. In contrast, with APIs, you can update your IVR on demand, with full control of your phone tree and routing logic. With APIs, you can create custom greetings, collect speech and DTMF input, and route callers to the best available agent, all with a few clicks—no professional services required.

In with the new: staying relevant with APIs

When making changes is difficult and time-consuming, what you build the first time around is what you may be stuck with for a long time to come. Off-the-shelf IVRs are either too complex to change or can't be changed at all. This makes it hard to try new things and discover which menu choices to present to the caller in each situation. But with APIs, you can build a smarter IVR.

At Twilio, we've seen thousands of IVRs built with APIs, and every single one delivers a distinct advantage over legacy systems: agility combined with resiliency. These systems are agile because they have the flexibility to quickly adapt to the needs of their customers. They are resilient because Twilio IVR systems are built on a cloud-based infrastructure rather than on-premise; the platform is built to adapt. Twilio handles concurrency, fast failover, and outage proofing that make hosting IVR systems so complicated.

Update your IVR like you update a website

Great customer experiences aren't built in a day. Chances are, your customers' needs and desires will always be changing and evolving. To provide an ongoing superior customer experience, you need to experiment, gather customer feedback, look at the metrics that make sense for your company, roll back the things that didn't work, and keep the things that work well.



According to [Hubspot](#), most companies redesign their websites every six months to two years. That's an entire redesign, above and beyond all the copy updates and new web pages added even more frequently. Similarly, the most popular mobile apps get updated every 30 days or so, according to mobile intelligence platform [Sensor Tower](#). Ideally, you should be able to similarly test and measure your IVR.

Businesses with complex legacy ecosystems can't treat their IVRs the same way, unfortunately. So how do you implement an IVR that you can change like you change your website? This type of IVR can't be purchased off the shelf; it must be built. With APIs, your team can modify your IVR to create the right customer experience—just like you would optimize a web page or mobile app.

Integration and experimentation

The ideal IVR experience is one that feels built for your customer from the ground up. A modern IVR keeps up with customers through integration and experimentation—two distinct advantages to building an IVR with APIs.

Integration is the key to creating an IVR experience that leaves your customers feeling like the service was created just for them. An API-based approach can synchronize information seamlessly between different systems, like your CRM, workforce management software, reporting tool, and other sources of customer data—just as your website is deeply integrated with other systems. When your IVR knows the entire customer journey—the pages they've looked at, the products they've purchased, their billing situation, etc.—it makes a huge difference to the customer experience.

In addition to integration, you also need to iterate the experience to get it right. You should be able to easily launch experiments to measure against the metrics most important to your business. Building with APIs enables you to split-test different experiences and methods and implement prototypes rapidly in order to better understand what your customers want to do with your IVR. IVR systems built with APIs let you change elements quickly and easily, and then analyze the results of those changes. And you can do this as often as you like.



Easily add new features and channels

With APIs, IVR hardware no longer has to be a constraint, and the systems are no longer as complex. It's easy to add new features like speech recognition, natural language processing, and life-like text-to-speech. APIs are the only way to build flexible bots that automate interactions and train themselves over time; these technologies aren't compatible with legacy systems. APIs give you the tools you need to build the exact customer journey you want, using the perfect combination of humans and AI.

In addition, APIs are architected at every layer for handling an omnichannel system. Omnichannel is almost impossible to implement with legacy IVR systems. Any IVR with limited features that requires a lengthy installation process and restricts integration with other platforms will not provide the agility needed to deliver excellent customer experience in an omnichannel world. Of course, you don't have to add all the channels all at once. By leaning on the liberating flexibility of API technology, you can deliver an excellent omnichannel customer experience, step by step.



Schwartz Supply Source

STREAMLINED THEIR ORDERING SYSTEM

CUSTOMER SPOTLIGHT

Schwartz Supply Source is a leading provider of customized supply chain management solutions. Their client list includes Fortune 500 companies and some of the top retail brands in the world. Since some of Schwartz's customers are retailers who need to place offline orders from locations that don't have internet access, the company decided to build an IVR system that allows customers to place orders over the telephone.

They needed an IVR system that could process orders automatically, integrating and leveraging all the capabilities of their existing e-commerce and ERP systems. Streamlining call workflow to ensure a perfect balance of call length, usability, and functionality was also important. In addition, system uptime—especially during periods of peak demand—was a critical metric for Schwartz. Twilio's proven track record of uptime and scalability were key factors in the decision to use Twilio APIs.

Even with no telecom experience, the Schwartz web development team built the first demo of their new end-to-end IVR ordering system on Twilio in just eight hours, using free trial credits. After demoing it to several sales and team members internally, they iterated quickly, adding a few more features for customer demos. The production IVR solution is now used across thousands of stores.



CONCLUSION

Optimizing Customer Experiences With a Modern IVR

Now that you know the benefits of a modern IVR, you may be wondering where you can find them all in one place. Traditionally, a full IVR system consists of telephony equipment, software applications, a referential database, and any supporting infrastructure. But you don't have to settle for a rigid, complicated IVR that falls short of customer expectations. Newer approaches abstract away this complexity and make building an IVR system quite easy.

If you want to deploy a customized IVR system that can adapt to your ever-evolving business requirements, consider integrating a cloud-based IVR solution like Twilio. Modern businesses are using IVR innovatively—to boost marketing and sales, increase customer loyalty, improve efficiency, and reduce costs. That may sound like a far-off fantasy compared to the average IVR experience today, but APIs make this a concrete reality.

You may be surprised by how easy it is to build your IVR in software using programmable APIs. Even if you're deeply invested in existing systems, you can use APIs to build a better, more flexible IVR experience on top of what you already have. Twilio's Programmable Voice API and Studio visual editor provide a straightforward way to build a custom IVR system with no specialized hardware required.

How IVR Works with Twilio

Twilio offers a number of products and services that make building an IVR system incredibly simple.

Twilio Programmable Voice has speech recognition and DTMF tone support built-in, as well as phone numbers and voice connectivity in over 100 countries, and you can always port existing numbers to Twilio with ease.

Twilio Studio lets you build workflows and make changes using a visual builder instead of code.

TaskRouter makes it easy to intelligently route calls to the proper sales or support agent.

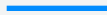
Twilio Understand adds natural language processing to your IVR to use caller intent for advanced routing and autonomous conversations.

Whether your use case calls for multiple languages, a visual menu, omnichannel options, or the latest in bot technology, Twilio APIs put you in control of your IVR so you can engage your customers exactly as you want to. We provide your developers with the tools they need to build exceptional experiences however, and whenever, your customers want to connect with you.

Ready to see how easy it is to add a superior and flexible IVR system with Twilio? Contact our expert sales team to learn more. We'd love to help guide you in building your modern IVR.



Thanks for reading.



Would you like to learn more
about what Twilio can do for
your business?



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