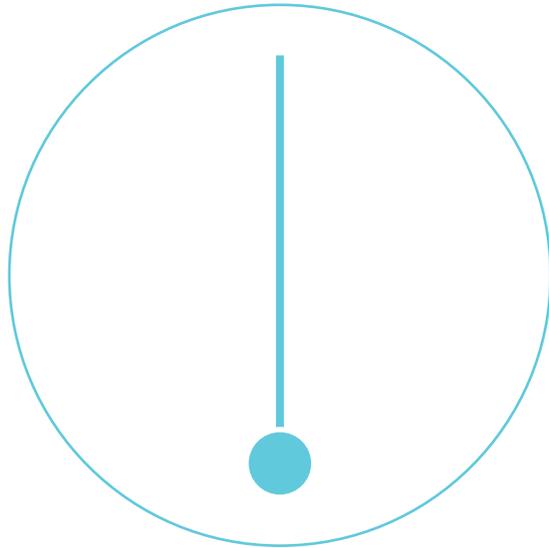


5 Must-Do's for Delivering Self-Service Magic

How to win customers for life through
intelligent, engaging self-service.





Introduction

Self-service. A decade ago, it meant clunky, error-prone self-checkout lanes at the grocery store, or complicated automated phone systems that put you in a never-ending loop of options. Fortunately, technology has evolved at an astonishing pace, and as a result, consumers today often prefer to help themselves when given the option.

That preference is driving stiff competition, putting pressure on businesses to deliver the very best in self-service or pay the price. And that's just the beginning. In multi-billion dollar industries, power is shifting from established players to service-savvy newcomers that dare to turn old business models upside down.

Clearly, the stakes are high. If you can't deliver that magical self-service experience, your competitors will. So where do you start? What exactly do customers want in a self-service experience, and how can you deliver it?

We've analyzed billions of automated phone, Web and mobile consumer interactions through our work with thousands of contact centers. The result? Five "must-do's" to give your customers the best self-service experience in your industry, whether you're just getting started with self-service or looking to enhance your current offerings.

5 Must-Do's for Delivering Self-Service Magic

1. Make the first point of contact intuitive
2. Turn self-service into a conversation
3. Make every experience personal and contextually aware
4. Anticipate customers' needs
5. Be consistent across service channels



Must do

#1

Make the first point of contact intuitive



The backdrop

Have you ever dialed a customer service number and listened to the menu of options, and none of them match what you are calling about? Or gotten tangled in an endless Web of menu choices? Of course you have, and it's frustrating—so much so that you are likely to hang up, or even take to Twitter to air your grievances publicly. Nuance usability studies show that up to 3% of people bail out on self-service at every new request (such as an IVR prompt or menu). Does your IVR have a three-tiered menu? If 3% hang up the phone at every new tier, you could be losing 9% or more of your callers, customers who have a need that is now unmet and are armed with social media accounts to share their frustrations.

It's not just IVRs that can become unwieldy. Mobile apps and Web sites often make getting service more difficult than it should be, requiring you to sift through lists of possibly related options or asking for usernames, PINs and passwords before attempting to get you an answer.

The allure of self-service is clear; it's fast and it's easy. Every design decision that companies make should focus on reducing the effort to get customers the service they expect. If it's done right, the rewards can be huge. According to Harvard Business Review, 94% of customers who encounter a self-service experience that requires minimal effort say they would make additional purchases from that vendor, and 88% say they would even increase their spending.



What you can do

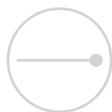
Keep it simple

There's no better way to positively influence customer opinion of your company than to help your customers quickly and easily get to where they want to go the moment they connect with you—on the Web, phone or mobile. Making their initial touch fast and effortless is critical in the overall success of the self-service interaction.

To start, we recommend reducing the touchtone, taps and typing across both your IVR and mobile apps. Virtual assistants like Siri have taken Natural Language Understanding (NLU) mainstream, and companies are using it with great success. For example, today, instead of suffering through multiple layers of IVR menus, customers of a leading financial services company are greeted with a refreshingly simple question: "Please tell us how we can help you?" Callers can describe what they need in their own words, such as, "I moved and I need to update my address," and are automatically directed to the right self-service or agent to take care of their request.

What about the Web? Usability studies confirm that consumers today want to type a single question and get a single answer. Fortunately, "How can I help you?" works just as well there. Consider allowing customers to type their request into your Web application, and then provide them with a highly targeted, accurate and single response—not a list of pages or sites that *might* somehow relate.

How can I help you?



What you can do

Make authentication easier

Without question, you need to deliver the security and privacy your customers trust you to provide. It's how you handle things like authentication that differentiate great self-service experiences from frustrating ones.

People are burdened with remembering dozens of PINs and passwords, or worse yet, having to answer security questions that require disclosing more personal information. Frustrating a customer at the outset of their service request by expecting them to remember a password they established months or years ago can cast a negative impression over the entire experience. From that point forward, you are trying to recover from a negative experience, rather than preserve a positive one.

Fortunately, as technology has gotten smarter, the need for clunky password exchanges and awkward security questions is on its way out. Apple iPhones can now use fingerprints to verify your identity, while Samsung's Galaxy Nexus phone includes built-in facial recognition.

Perhaps most exciting for IVRs and mobile apps is the rapid adoption of technology that makes it easy and secure to verify a person's identity by their voice. While PINs and passwords can be stolen, guessed, misplaced and forgotten, our voices have distinct biometric markers that make them perfect for security verification. Voice verification allows customers to get answers fast, instead of spending the first few minutes of a call fumbling with PINs and passwords.

My voice
is my
password.





Must do

#2

Turn self-service into a conversation



The backdrop

Today, when a bank customer wants to move \$500 from checking to savings, or pay a one-time bill when their check is deposited, they log-in to an online banking application or call an automated phone system, enter authentication information and complete a series of steps to perform the transfer or to pay their bill.

Natural language understands complex sentences, multi-string words, abbreviations, slang, misspellings, fragments and all things that make up a real human conversation. It also uses dynamic decision trees to ensure that conversations do not hit dead-ends or repetitions. All this is done while maintaining a natural conversation cadence to deliver customer service without interruption or pause.

Using conversational interfaces, users can complete transactions without an unnatural series of steps. Instead, they can say or type their detailed request, providing all or only some of the needed information to complete a transaction. For example, a user might make this request: “Pay \$100 on my Visa card next Friday.” Based on an assessment of the missing information needed to complete the transaction and the user’s various account profiles, the IVR or mobile app might respond with “OK. Do you want to pay from your checking, maximizer or savings account?”

Context should also be maintained to make the interaction feel more human-like. For example, a user can ask “What about the following Saturday?” after hearing flight schedules for a specific date, or ask “How about my checking account?” after requesting a list of savings account transactions.



From initially describing why they are calling in their own words (“My home was flooded.”) to getting validation (“Would you like to file a claim on your homeowner’s policy?”), answering questions to provide the needed details (“When did the damage occur?”) and maintaining context (“How about the following day?”), the best experiences today don’t just triage and route support requests, they resolve them with easy-to-use, natural interfaces.

This paves the way for even more intelligent workflows that are already under development. Wired Magazine’s recent article, “Beyond the GUI: It’s Time for a Conversational User Interface,” describes how developers are using Apple’s Siri, Samsung’s S-Voice and Nuance’s Dragon Mobile Assistant to enable a “conversational assistant” where multiple applications work together to meet the needs of the consumer.

In short, if you aren’t already thinking about how to make your entire self-service experience more conversational and integrated into the everyday lives of your customers, you risk losing ground to more forward-thinking competitors.



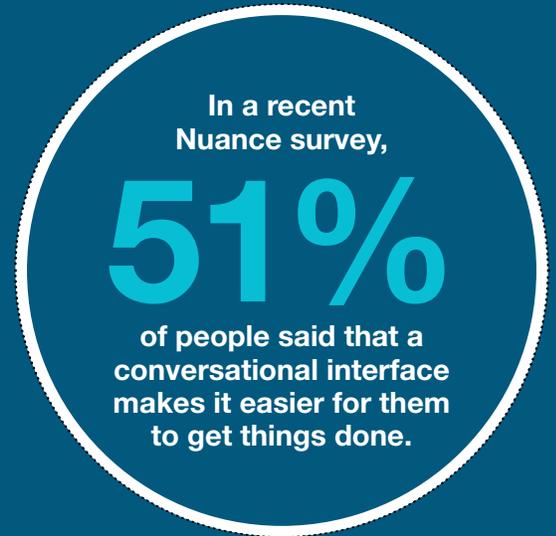
What you can do

Use conversational interfaces

Begin to use speech intelligently and more conversationally across your customer service channels so you are positioned to more quickly evolve as the world around us becomes even more advanced.

Focus on implementing technology that comprehends the intention behind a user's spoken words, not just recognizing the words as a text transcription.

In a recent Nuance survey, 51% of people said that a conversational self-service interface makes it easier for them to get things done. That's no surprise, since people today are constantly on-the-go. By letting your customers interact naturally instead of through a series of tedious prompts, engagement with your company will feel more effortless, bolstering your brand and ensuring satisfaction.





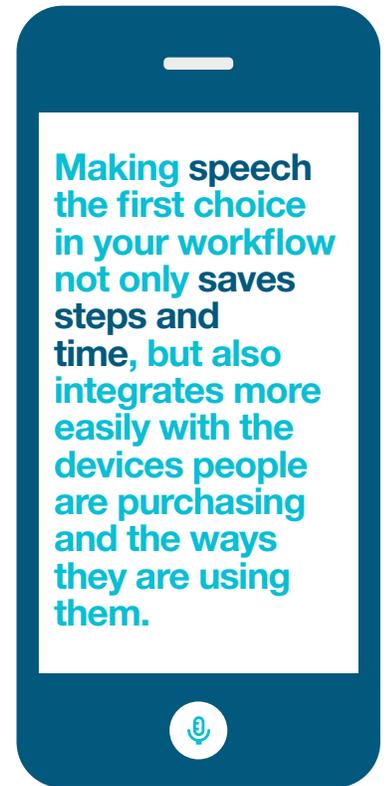
What you can do

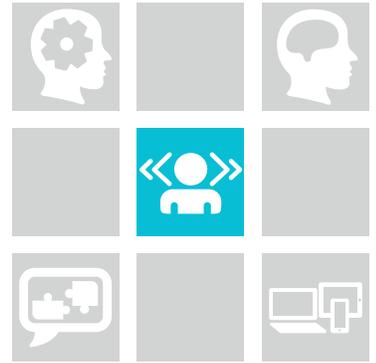
Make speech the first choice in your workflow

Today's devices make conversational interfaces all the more compelling. Mobile device interfaces are increasingly relying less on physical buttons, often burying a touchtone keypad one or more layers deep in the user interface. As a result, users have to fumble with their phones, take their eyes off the road and take additional steps just to make a menu selection. Making speech the first choice in your workflow not only saves steps and time, but also integrates more easily with the devices people are purchasing and the ways they are using them.

Make sure you take your conversational interface beyond simple call routing. Implement a system that can gather the information it needs with the intelligence and fluidity of your very best agent, engaging in a true "conversation" with the customer.

As you develop a more conversational approach to self-service, look for every opportunity to marry natural speech understanding with intelligence and engagement. There are easy paths to get started that allow you to gradually onramp new functionality and introduce incremental improvements as you build out a truly differentiated and valuable self-service experience for your customers.





Must do

#3

Make every experience personal and contextually aware



The backdrop

Ever had a bartender that remembers your favorite drink and has one waiting for you when you walk in after a long day? Top hotels have long recognized the value of personal service, striving to address you by name at every opportunity or provide concierge services to you for your convenience and comfort. No matter your industry, though, the underlying principle is the same: Whether you have thousands of customers or millions, each one wants to feel like you appreciate them.

For IVRs, this can be as simple as remembering a caller's language selection ("Would you like all future calls to use Spanish?"). Using caller ID information, you can provide callers with a tailored experience based on their most commonly requested services.

Members of airline frequent traveler programs, for example, are individually recognized and provided with personalized service based on their travel preferences and profiles, their upcoming trips and their frequent flyer status. Designing your IVR call scripts to provide personalized interactions is a great way to deliver on your customer service promise and reward (and retain) your high profit drivers.



What you can do

Add a little personalization

A little personalization goes a long way with customers. In fact, they value it so much that they will happily give you more of their personal information in exchange for a more relevant experience. 54% of consumers are okay with retailers storing their purchase history in exchange for more adapted service and 65% are completely comfortable receiving retail advice based on their location, according to Cisco's 2013 Customer Experience Report.

Mobile users have grown accustomed to apps that use device settings, time of day and location to personalize the experience. Take a leading retailer's mobile app that tailors the self-service experience based on knowing where the user is. When you're using their app inside one of their stores, the app flips to "in-store" mode so the user can get accurate pricing, local ads and information about new items stocked by that store.

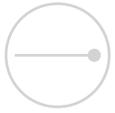
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What you can do

Tailor self-service by customer segment

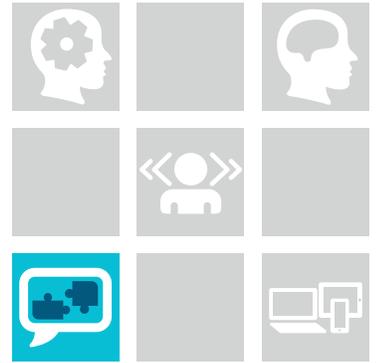
In a recent usability study conducted by Nuance, participants overwhelmingly rated IVR self-service as 'more effective' when it incorporated their name into the experience, for example, greeting the caller at the start of the call with "Hi, Mary." It's a small but effective gesture, particularly when you use other back-office data you have about Mary to truly personalize the experience for her. Does Mary have a mortgage? If not, there's no need to prompt her to "press 7 for mortgage services." Is she 20 years old, or 80? The answer matters, because she's more likely to be calling about her student loan in one case, or her retirement investments in the other.

Tailoring the self-service experience by customer segment can increase effectiveness and adoption. Nuance tracks interaction results and behaviors to create a segmentation strategy that generates the best outcome with every interaction. It complements your own analytics, but adds a critical layer: how individual customers are likely to respond to different strategies and channels, and how they actually behave during the interaction.

Together, these personalization strategies will help your self-service begin to play the role of the friendly, trusted advisor that customers appreciate.



Tailoring the **self-service experience** by customer segment can increase effectiveness and adoption.



Must do

#4

Anticipate customers' needs



The backdrop

Let's say you're returning a rental car on a business trip. Your flight leaves at 10:00 a.m., so you'll need to have the car back well before then. Problem is, your flight is delayed by two hours, and you'd rather stay at the hotel and work over breakfast than fight the crowds at the airport.

Many car rental companies would wait for you to return the car, bill you for any overages and leave the burden of communication on you, the customer. What if they instead used situations like these as opportunities for amazing self-service? What if they sent you an email or a text shortly before your car is scheduled to be returned asking, "Do you need the car for longer?" It could even include a simple, single-touch way to add additional hours or days, prepay for gas to save time in a hurry or even request a callback from an agent.

That's exactly what an innovative auto-rental firm does. Customers that have not returned their car 30 minutes before it is due back receive a short, non-intrusive text message reminding them of their expected return time, with an offer to keep the car longer. To extend the rental, customers simply reply to the text. Not only have the customers' needs been anticipated and met, but the company is better able to forecast supply versus demand and benefits from the added revenue.

Several leading airlines effectively use anticipatory communication to enhance their customer experience. Callers automatically hear about the items they're most likely calling about, including flight status and departure time, connection information and gate numbers.



What you can do

Be proactive

To start, look for any area in your business and transactional model where you are putting the onus on the customer to take action. Could your self-service apps be taking action instead, in a helpful, proactive manner? For example, a popular new car service company doesn't expect customers to stand in the rain and guess the moment when their car service will arrive; they show them in real time where the driver is through an easy-to-read, familiar map interface.

Two of the largest online retailers don't wait for customers to request a return with a cumbersome return authorization process. Instead, they include everything they need to return or exchange a purchase right in the box, no questions asked. It shifts the burden from the customer to the vendor, and it's often a highly effective gesture that can result in both improved customer satisfaction and customer service cost savings.



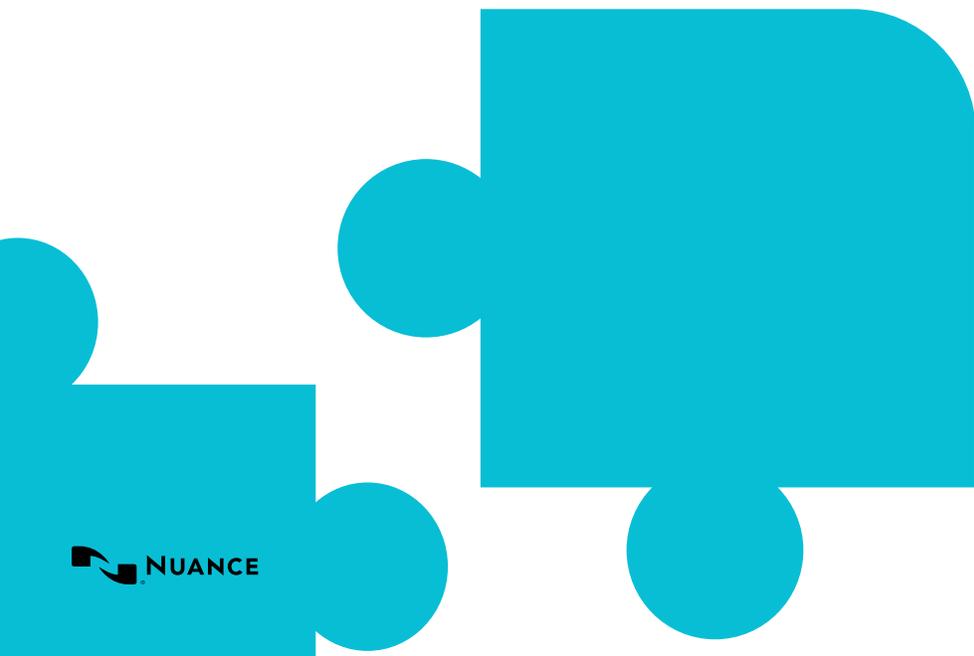


What you can do

Use data to make intelligent inferences

Use as much data as possible to make intelligent inferences about your customer needs, and provide them with a more targeted self-service experience. It's become immensely popular for companies to use big data analytics to market and sell more effectively.

Why not apply the same principles to driving more customer happiness and loyalty through better support? If a customer recently placed an order and one of the items is now on backorder, they are probably calling to check the status or request a substitute item. Anticipate that, and ask them first if they are calling about their recent order. Better yet, send them a proactive notification with recommended product alternatives they can choose from, and an easy way to remove the backordered item altogether. Similarly, if customers reside in an area code where a known outage is occurring, you can identify their inbound calls and present them with service restoration updates and other helpful information upfront.

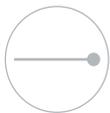




Must do

#5

Be consistent across service channels



The backdrop

We live in an era of virtually non-stop communication. It's not uncommon for consumers to monitor multiple social media channels and SMS texts in near real-time throughout the day. Mobile apps and the Internet make it possible for us to get things done—and on our own terms.

As a result, we're engaging with companies in more unique ways than ever. Two-thirds of US online adults own two or more types of Internet-connected devices, and nearly a third own three or more¹. These users don't turn to just a single device to accomplish tasks. It's now not only possible, but commonplace, to cancel orders, refill prescriptions or even set your DVR while you are sitting in a meeting, waiting in line at the grocery store or even walking your dog. We still make calls too, taking advantage of our long commute times and hands-free systems to take care of business on the road.

And while many people have a channel they prefer over others, most will use more than one of your self-service channels to accomplish a single task, picking the best channel for the situation at a given moment. For example, a recent Google study² shows that 90% of consumers use multiple screens sequentially to accomplish a task and 98% move between devices that same day. The study also found that context drives device choice. The user's time, goal, location and attitude at that moment in time will dictate whether they pick up their tablet, smartphone or head to their desk. For example, 38% of customers who start planning a trip on a PC or laptop continue the activity on a smartphone or tablet; 34% who start watching a video on a laptop or desktop resume their viewing on a smartphone or tablet.

To keep your customers coming back, each of your self-service channels must be consistent and they all must be good.

¹ North American Technographics® Online Benchmark Survey (Part 1), Q2 2012 (US, Canada); North American Technographics Online Benchmark Survey, Q3 2011 (US, Canada)

² The New Multi-screen World



What you can do

Eliminate silos

The first step to delivering consistent service across your channels is to eliminate silos. It's quite common for different channels (IVRs, mobile apps, Web site) to live within different organizations in a company, complete with different customer service goals, separate design and development teams and entirely different reporting and measures.

The result: disjointed experiences for customers as well as ambiguous business results. For example, customers may be authenticated with a user ID and password on the Web, but need to provide a phone number and PIN to the IVR. The mobile app might offer detailed and complete responses, while the Web site focuses on graphical images and has a light and airy elegance. Your customers expect to be dealing with one business and single brand, so the IVR should sound like the Web site looks and mobile app should feel familiar to users who frequently use the Web site. Your self-service goals and measurements should be complimentary across channels, with customer success and ease of use always at the forefront.

Also, make sure that that popular service requests are available in each channel you offer, and prevent a customer from having to be redirected to a different channel mid-request. Nothing is more frustrating to your customers than investing the time to call a company only to be told to go to the Web site to actually get your problem resolved.





What you can do

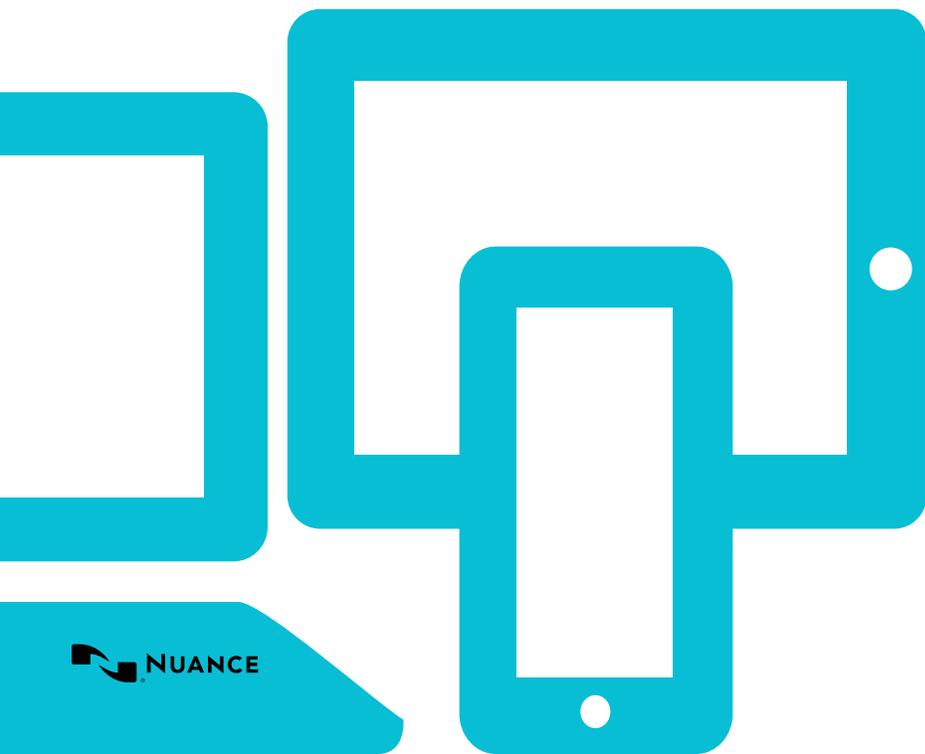
Use foundational technologies across channels

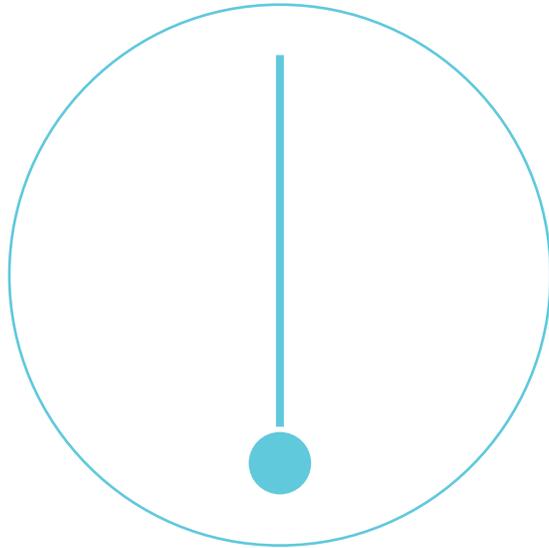
Use foundational technologies like Natural Language Understanding (NLU) and voice authentication across channels to create a truly consistent brand and customer service experience. If customers can say “my voice is my password” to authenticate through your IVR, they should be able to do the same with your mobile app, eliminating the confusion with having independent authentication models across devices. NLU can be used across all of your channels too, letting your customers interact using their own words. In short, you can’t be too consistent, particularly in bringing great experiences and adding convenience across every channel they engage with you.

Take a Fortune 500 financial services company’s mobile app—customers can use their voices to do everything from paying bills to asking if a check has cleared, bringing the familiar experience of the company’s IVR directly to their mobile device.

Since more consumers are using mobile apps for services they once consumed in person or with a live phone agent (like banking, or checking the status of an insurance claim,) the end result is not only more convenient service for customers, but also a dramatically lower cost-to-serve for companies.

Remember the details, too. Something as simple as using the same voice or audio cues when a customer interacts with your IVR, mobile app and Web site can make a world of difference when it comes to the impression and recognition of your brand.





Conclusion

Great experiences are all around us. We can buy a cappuccino from our phone, try on prescription eyeglasses in the comfort of our own homes and even order an executive car to pick us up at the exact spot we are standing without ever speaking to a person. What does this mean for your business?

To emerge victorious from the ongoing user experience wars (with passionate, lifelong customers,) you'll have to set the bar much higher than "hey, it works." Whether you tackle incremental, high value updates to your self-service channels over the next few years or build something bold from the ground up, the most important thing is that you start now.

If you'd like to take the next steps in implementing any or all of the "5 must-do's," or simply want to learn more, we're ready to help. Contact us at CustomerExperienceExperts@nuance.com.

About Nuance Communications

Nuance Communications, Inc. (NASDAQ: NUAN) is a leading provider of voice and language solutions for businesses and consumers around the world. Its technologies, applications and services make the user experience more compelling by transforming the way people interact with devices and systems. Every day, millions of users and thousands of businesses experience Nuance's proven applications. For more information, please visit www.nuance.com/go/CEX.