



IVR: The Endangered Species

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What is IVR?

IVR is synonymous with automated DTMF-based services that run on dedicated proprietary systems. The 21st century has pushed IVR, once popular as a call center technology designed to help streamline customer contacts, onto the endangered list. Here's why:

1. Speech recognition is replacing the DTMF interfaces - the infuriating press-this-number-then-this-number interface that comedians make fun of and;
2. Open, standards-based VoiceXML architectures are replacing proprietary IVR systems.

83% of callers prefer speech recognition over DTMF

...speech systems can process a call for 10% of the cost of a live operator

Callers are happier because speech makes automated systems easier and more appealing to use

Speech recognition is replacing DTMF because:

- Callers simply like Voice User Interfaces (VUIs) much better than DTMF. More satisfied callers reflects improved customer service.
- More services can be automated with a VUI than with DTMF because VUIs allow a broader range of input (e.g. saying a name instead of trying to spell it on a keypad, much better handling of alphanumeric, etc.). More automation means that fewer calls need be handled by expensive live attendants.
- A VUI is a more streamlined interface, one that reduces call holding time, resulting in cost savings and better customer service (flatter menus, fewer menu steps to get you to the information you want).
- VUIs result in lower opt-out rates than with DTMF; more callers stay in the automated system instead of bailing out to a live attendant. This lowers the cost of the call because speech systems can process a call for 10% of the cost of a live operator.

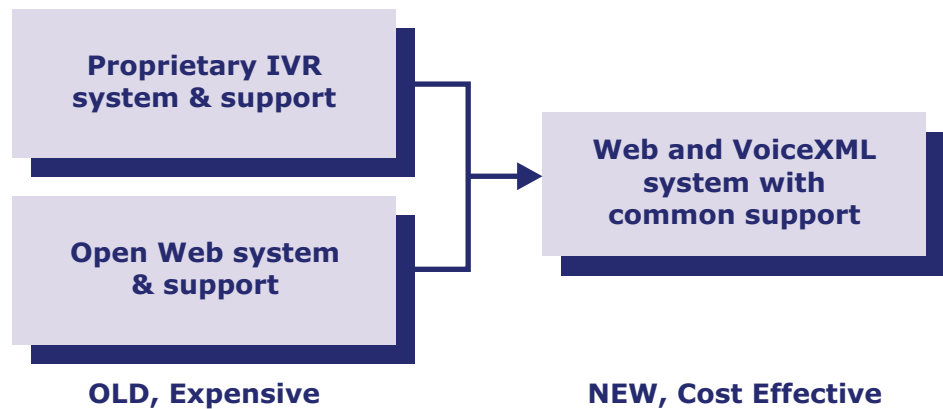
What does all this mean? Callers in voice-driven systems are happier because speech makes automated systems easier and more appealing to use. Enterprises are happier because their customers are satisfied, and because their use of speech results in fewer calls being handled by expensive live attendants.



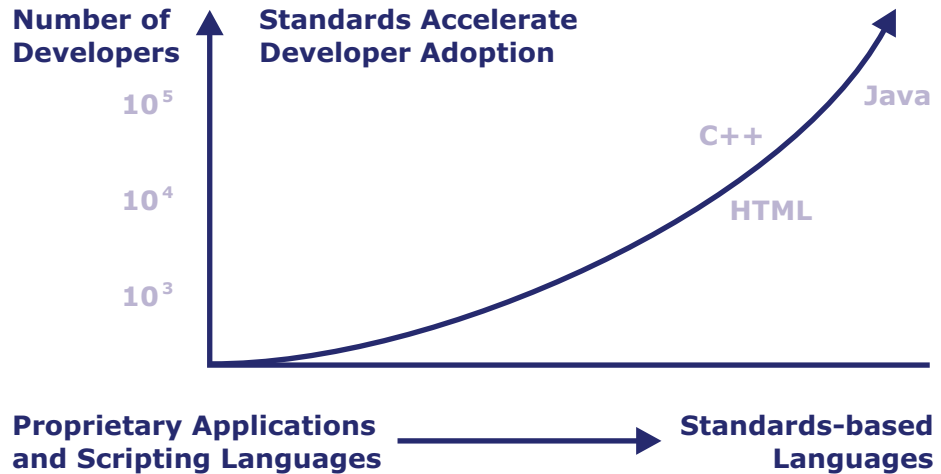
The use of VoiceXML radically simplifies the programming task

Open, standards-based VoiceXML architectures are significantly impacting the industry, by replacing proprietary IVR systems. Here's why:

- The use of VoiceXML radically simplifies the programming task
- VoiceXML allows voice response services to be deployed with significant reuse of existing Internet/intranet infrastructure
- Two separate infrastructures - one for Web access and one for phone access - can be collapsed into a single Internet-based infrastructure that's easier to manage and cheaper to maintain

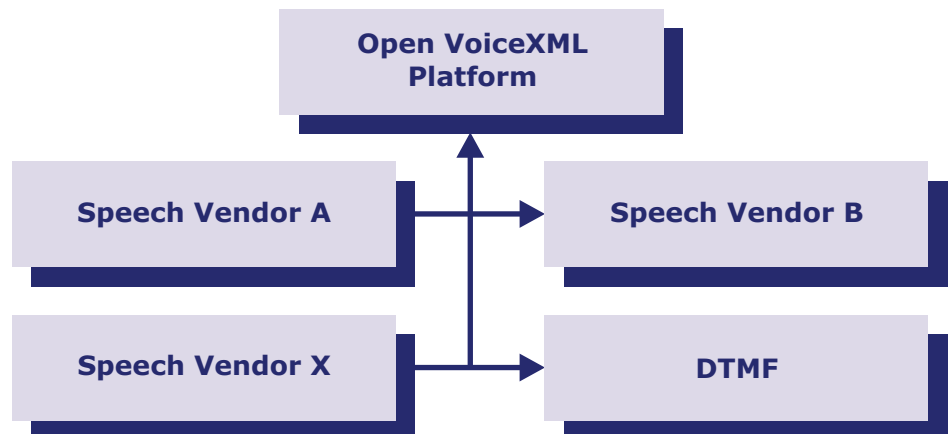


- With open, standards-based VoiceXML systems, there's a much larger pool of application developers available to build and modify services; it's often very difficult to find developers proficient in specific proprietary IVR application languages.



With VoiceXML enterprises get flexibility in the selection of hardware and software at each solution layer...

- With open, standards-based VoiceXML systems, enterprises can manage traffic fluctuations by augmenting on-premises capacity with externally-hosted capacity. Instead of investing in IVR capacity to handle sporadic traffic loads, an enterprise can invest in on-premises capacity for its base call volume, then contract for external capacity to handle peak volumes.
- With open, standards-based VoiceXML systems, enterprises are afforded considerable flexibility in the selection of hardware and software at each solution layer: applications, platforms, and speech engines. They can choose from best-of-breed solutions that meet their unique needs.





Migration to Open Standards

There is always an investment associated with the implementation of new systems. Substantially less investment, however, is required when adopting an open standards-based voice solution for the enterprise. VoiceXML solutions inherently give back in dividends; significant cost savings that may even be passed along for customers to enjoy. Payback is often less than a few months, or even weeks. For enterprises looking to migrate to the open and flexible VoiceXML model, there are attractive options available for migration from DTMF. For example, VoiceGenie Technologies offers a simplified migration route, whereby Gateway solutions for DTMF are VoiceXML ready; enterprises may voice-enable parts of their systems and continue to grow out their VoiceXML strategy as they quickly realize the cost savings and payback of voice-driven services.

VoiceGenie

VoiceGenie is the worldwide leader in VoiceXML Gateways. The VoiceGenie VoiceXML Gateway -- the first to offer 100% VoiceXML 1.0 compliance and first to support VoiceXML 2.0 and multiple speech- and text-to-speech engines -- allows any phone to access Voice Web applications developed using VoiceXML. VoiceGenie's customers and partners comprise the world's leading organizations, including AT&T, France Telecom, SAP, Lucent, Intel, SpeechWorks, Nuance, Oracle, Eli Lilly, and more. VoiceGenie's VoiceXML Gateway was recently ranked the #1 VoiceXML Gateway for a hosted environment by CT Labs, and given the Innovation Award by TMC Labs. The Kelsey Group estimates that the market for voice-enabling services will grow to \$41 billion by 2005. Please call 416.736.0905 or visit www.voicegenie.com.

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