



Playbook for a **Modern IVR**

Press 1 for a better customer experience





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Introduction

A **new vision** for IVR





A company's **interactive voice response (IVR)** is the first point of contact for callers. Done right, an IVR system can help build stronger customer relationships and reduce user frustration. On the other hand, a poor IVR experience can leave customers feeling abandoned and annoyed.

While most businesses would never create a bad customer experience on purpose, the constraints of a rigid, one-size-fits-all legacy IVR system can make it difficult to keep up with evolving customer expectations. If your business still relies on legacy contact center technology, you're likely already well aware that even minor changes to your phone menu require lengthy software updates with no ability to prototype or A/B test—and new features like speech recognition are seemingly always “coming soon.”

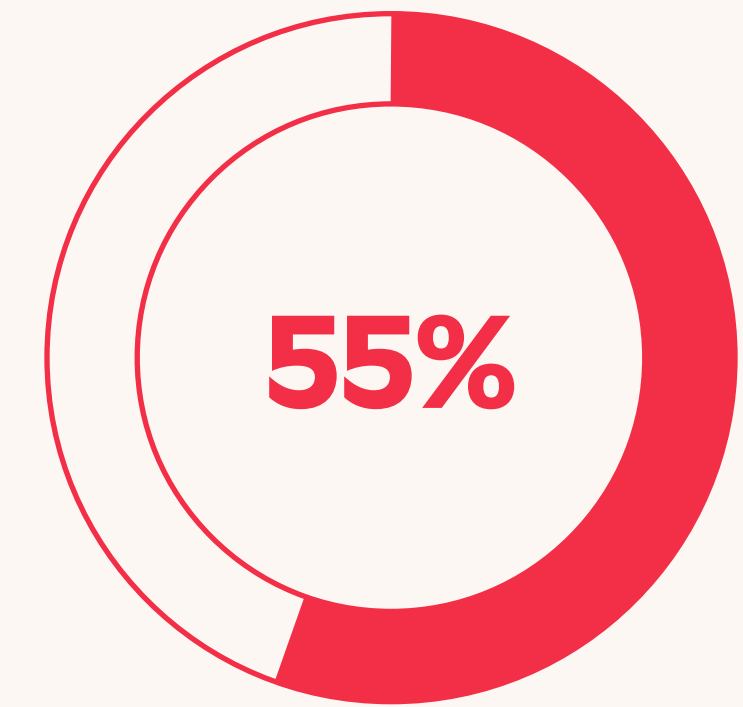
These limitations leave many businesses stuck in the 20th century.

In order to keep up with rising customer expectations and the competition, businesses need a modern IVR system to deliver personalized interactions, and offer instant self-service solutions. And thanks to the rise of communications APIs and artificial intelligence (AI), building a modern IVR is more efficient and accessible than ever.

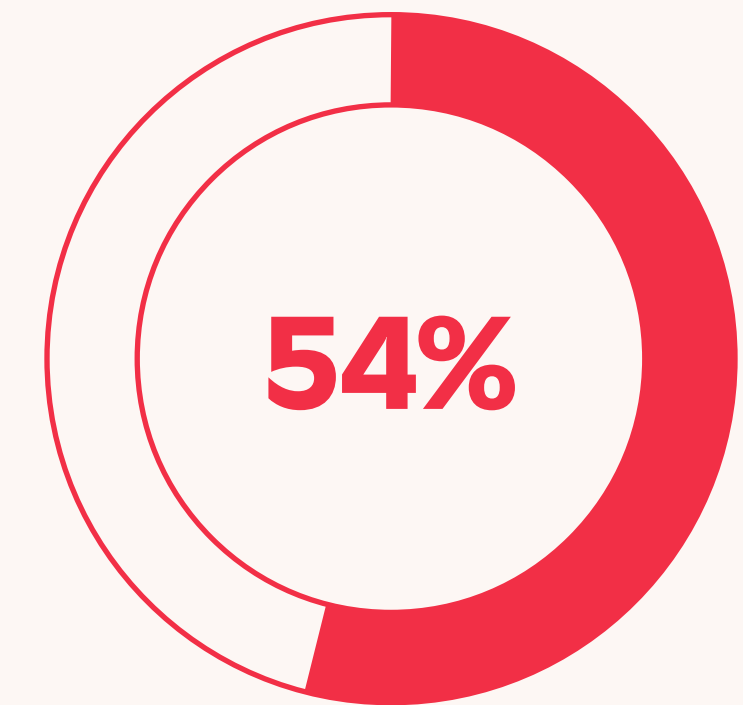
Many businesses are already using AI to build tailored and engaging customer experiences. Those that have are reaping substantial benefits. In fact, of brands that have implemented AI:

- 45% have witnessed improved customer satisfaction scores
- 41% reported enhanced data-driven decision-making
- 41% enjoyed better market segmentation and targeting

In order to reap these benefits for your business, we've put together a closer look at how modern IVRs are built and how APIs and conversational virtual agents have become the software building blocks that power modern communications. In this guide, you'll learn how the right IVR system can transform the way your customers do business with your brand.



55% of consumers are willing to spend more for a customized experience.



Customers spend 54% more when their experience is personalized, according to brands.

Source: [Twilio's 2024 State of Customer Engagement Report](#)

Chapter 01

Why modernize your IVR?



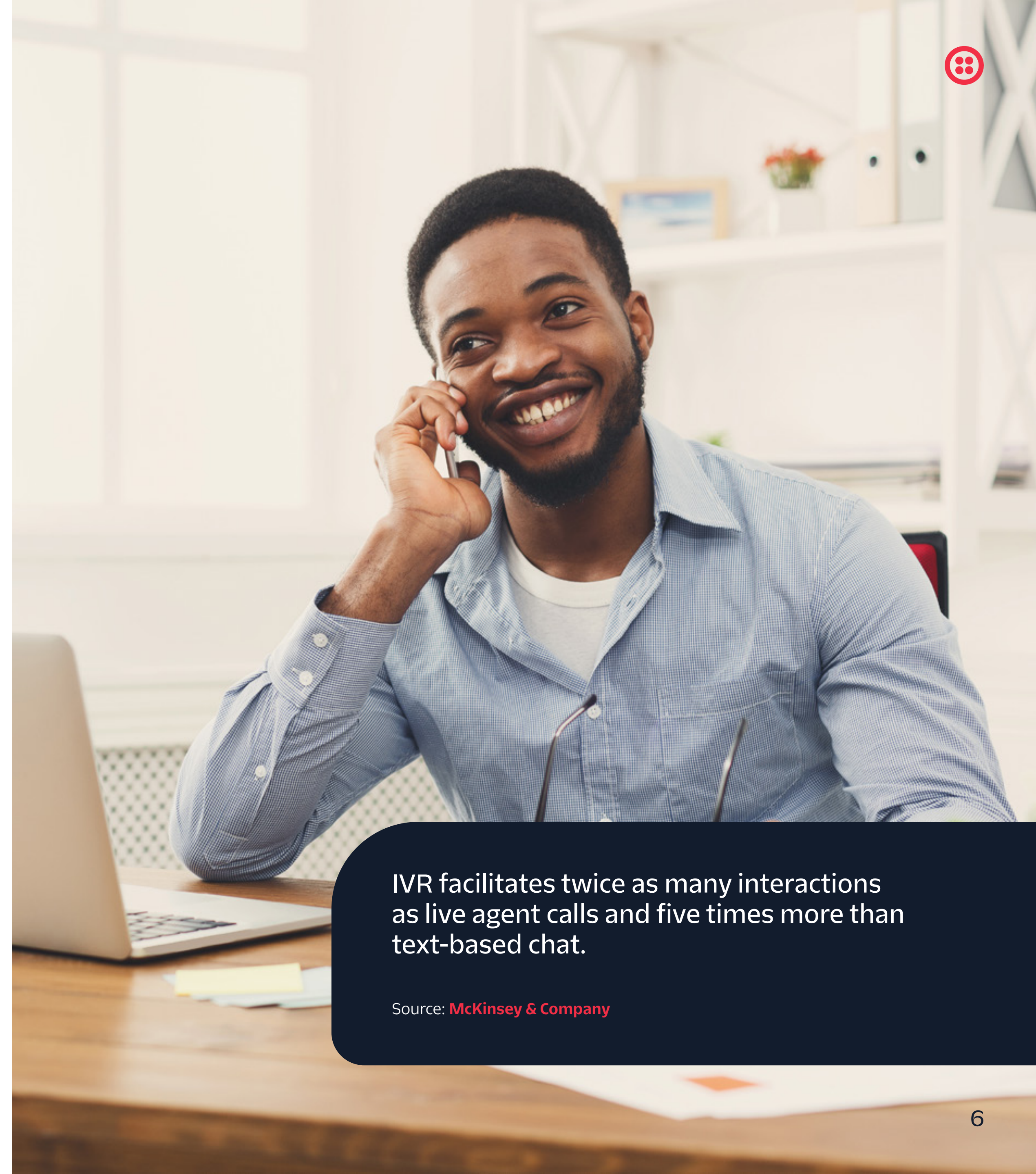
Good communication isn't just a nice-to-have for businesses, it's imperative. Whereas poor communication directly and negatively impacts a company's bottom line, great communication can have a multiplying effect and be a key driver to a business' success.

Today's customers demand an elevated user experience across all platforms. They're accustomed to websites and apps that offer high levels of personalization and deliver interactive experiences tailored to their individual preferences. 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 even happen recently) were the result of hours of costly professional services. Something is broken in this system.

And despite the proliferation of digital channels, phone calls remain the preferred mode of service for many consumers, and IVR technology stands as the primary link between companies and customers. That's why nailing your IVR strategy is crucial for your business.

Leveraging AI-powered IVR for personalization and self-service can significantly enhance your customer experience and bottom line. A well-executed IVR strategy increases call deflection by automating common queries, freeing up agents for more complex issues. Failure to deliver these modern experiences may lead customers to seek alternatives from businesses they believe can offer better outcomes.

Just remember: you need a dynamic IVR system that can meet the needs of each individual caller. After all, the ideal IVR experience for your customers is one that feels tailor-made to their individual questions and issues.



IVR facilitates twice as many interactions as live agent calls and five times more than text-based chat.

Source: **McKinsey & Company**



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 user-friendly experience that enhances **customer lifetime value (CLV)** while reducing cost-to-serve. By employing next-gen technologies such as predictive engines, **conversational AI**, and **Natural Language Understanding (NLU)**, your enterprise can use an IVR as a critical element in your engagement strategy.

With a modern IVR leveraging these technologies, your business can:

- Automate basic workflows like bill pay and information retrieval
- Intelligently route customers to the correct resources using the information you already have
- A/B test your IVR strategies in real-time to continuously improve customer experience

An IVR system designed with the customer in mind can not only make your support processes more efficient and your customers happier, but aligning your business logic with the customer journey can also help you:

- Identify breakpoints swiftly
- Uncover automation opportunities to enhance self-service
- Deliver a seamless experience that resolves queries efficiently





Improve operational efficiency

Customers want questions answered and product information delivered promptly. As customer expectations for seamless experiences grow, organizations are embracing self-service as the new standard.

By leveraging naturalistic engagement tools like AI-powered voice technology, businesses aim to deliver what customers want while boosting operational efficiency. A modern IVR can:

- Eliminate the need to slog through multiple levels of customer support
- Significantly enhance customer satisfaction scores
- Expedite issue resolution
- **Decrease live-agent calls** by over 10%

An IVR system enhanced by NLU allows businesses to offer more flexible menus, empowering consumers to use natural speech instead of being confined to rigid touch-tone menus. When combined with conversational virtual agents, data integration with existing databases, and predictive intents, you have the capability to deliver highly personalized experiences. This not only demonstrates your commitment to meeting customer expectations but also enables **intelligent call routing** based on previous activity or first-party customer data, further enhancing the customer-centricity of your operations.

In some cases, IVRs combined with **text-to-speech (TTS) technology** allow callers to find necessary information or accomplish entire tasks on their own (think checking account balances or scheduling appointments). Today, outbound IVR systems are being used to send bill notifications, appointment reminders, and retail order updates—all without involving a live agent.



Organizations that have adopted modern IVR tech have seen five-fold improvement in overall customer experience.

Source: **McKinsey & Company**



Empower customer self-service

Today's customers want to be more self-sufficient. McKinsey & Company research shows that **customers prioritize speedy solutions above all else**. IVR technology is increasingly acknowledged as the quickest method to address basic inquiries like troubleshooting cable TV connections, locating a technician, or tracking package deliveries.

IVR systems not only assure customers of prompt issue resolution but also handle thousands of calls daily without requiring expensive agent intervention. Also, for departments lacking round-the-clock expertise, an intelligent IVR can route callers to department voicemail and promise a callback during work hours, allowing customers to get the help they need without wasting their time waiting on the phone.

Reduce costs

Most businesses are looking to improve customer experience without increasing costs and a modern IVR system can save companies big. According to **DMG Consulting**, a typical customer service call handled by a live agent costs \$3.00 to \$6.50, while an IVR transaction costs only \$0.03 to \$0.25 per minute. Of course, strong IVRs can help customers self-serve, allowing them to

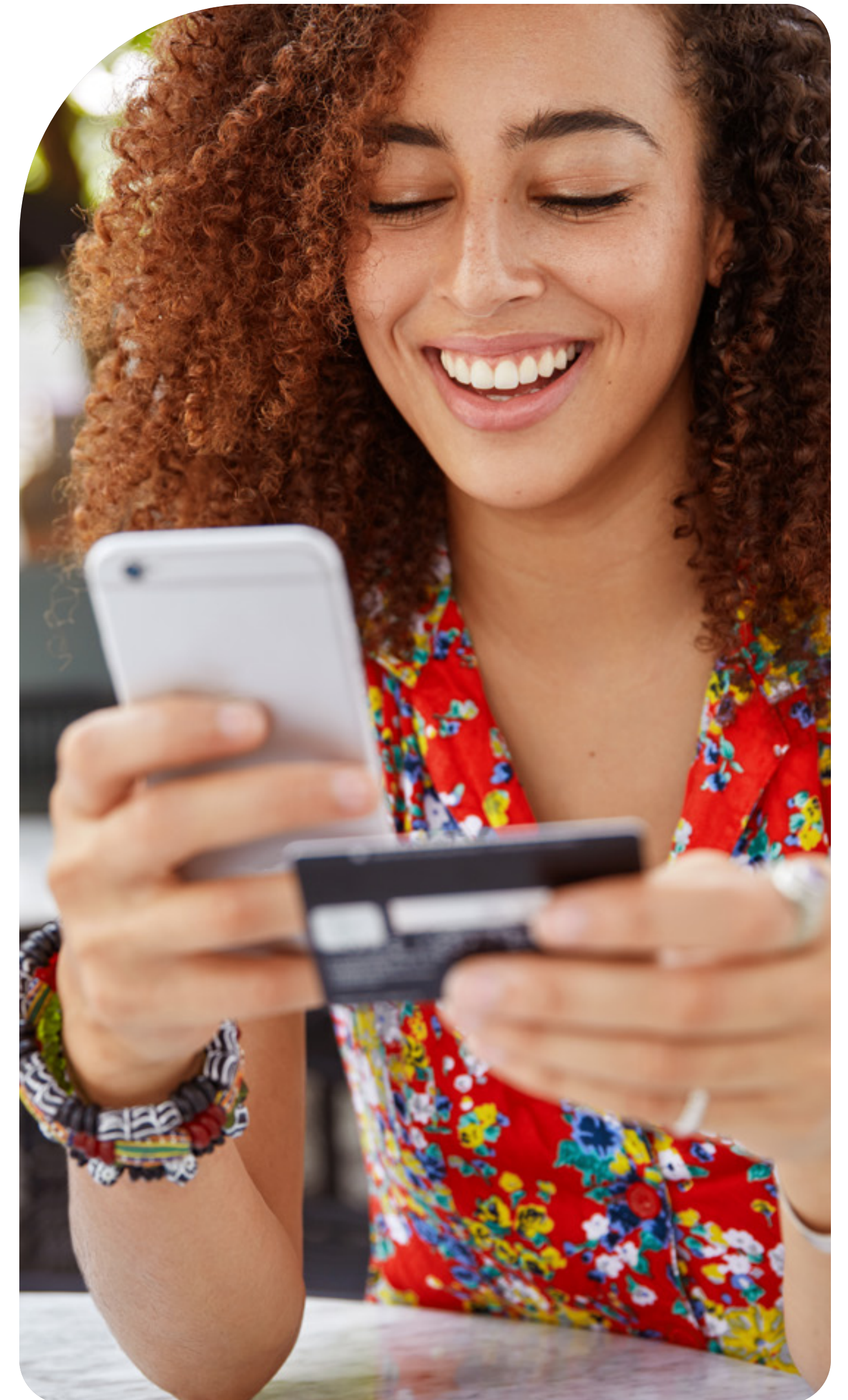
solve their issues on their own, without requiring any agents to intervene. This allows your business to prioritize customer experience all while keeping costs down.

Typical customer service call cost:	Typical IVR transaction cost:
\$3.00 - \$6.50	\$0.03 - \$0.25 / minute

Scale your business

The optimal IVR solution must scale with your organization and adapt to your customers' ever-changing expectations. That's often where rigid legacy systems fall short. They don't provide the necessary flexibility today's companies need to stay competitive.

Modern solutions, on the other hand, can build more user-friendly IVR experiences thanks to cloud-based APIs that offer intelligent routing, conversational AI, NLU, and native software integrations such as **PCI-compliant payment connectors**. By integrating these APIs into existing systems, innovative organizations are able to provide the efficient self-service options and personalized interactions that consumers demand.





Chapter 02

How 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 assistance, implementing an IVR system makes good business sense. But before you begin to build (or enhance) your IVR system, here are seven IVR best practices to keep in mind.

7 best practices to modernize your IVR

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 fewer or by using an AI-powered conversational virtual agent.

Also, don't assume you'll perfect the design on your first attempt. Instead, plan to conduct A/B tests to adjust messaging, prompts, and predictive intents 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

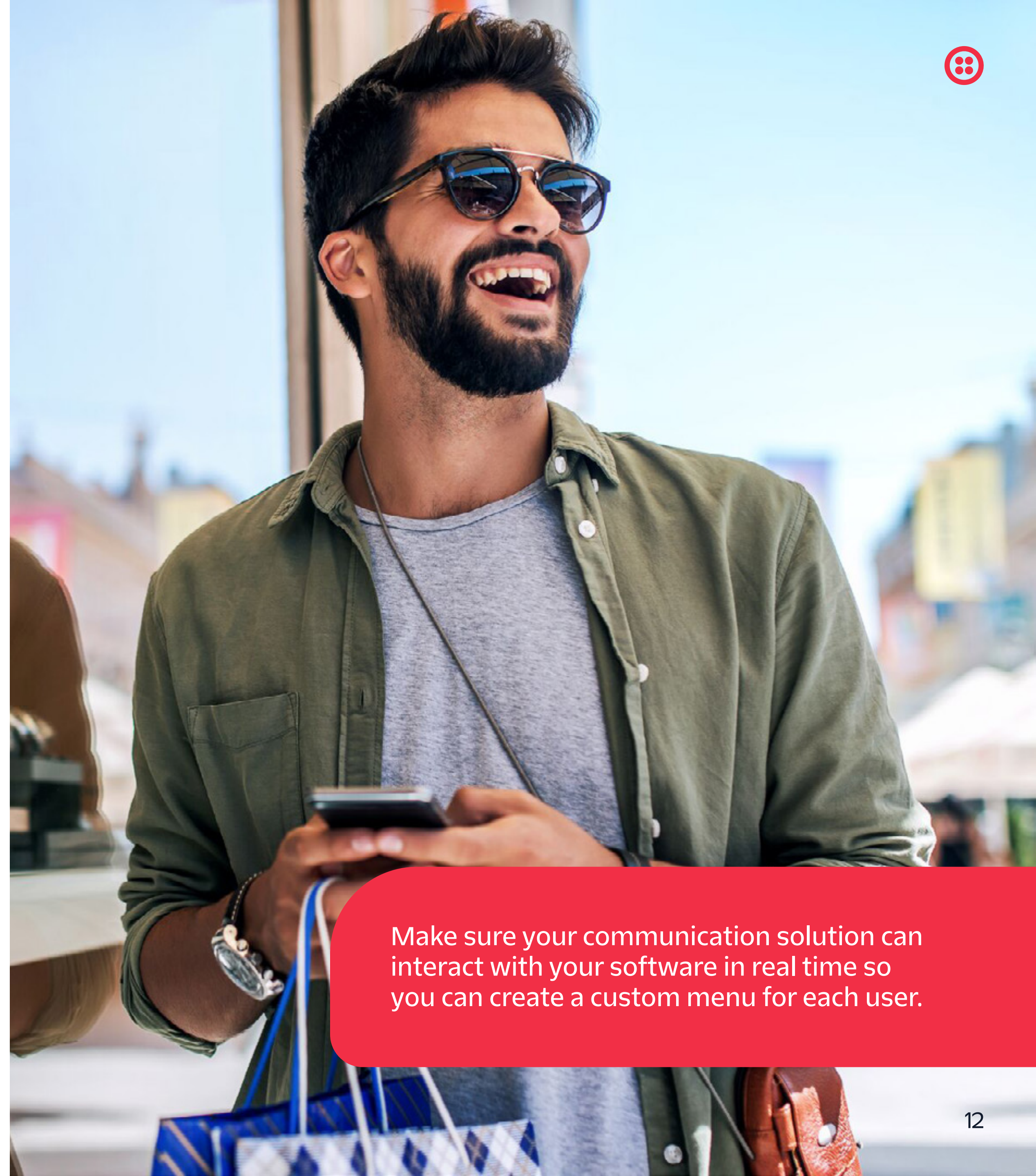
Since you know who your typical callers are, IVR systems allow for tremendous personalization capabilities and stronger customer connections. If it's a known caller, greet them by name. If they speak a different language, respond to them accordingly, and make sure to provide them with a local phone number to call. The best IVR systems learn more about your customers with each contact.

When an IVR has visibility into the full customer journey—the reason a user might be calling, the products they have purchased, their billing status, etc.—the entire customer experience is more personal. When your communication solution can interact with your software in real-time, you can create a custom menu for each user that results in a conversation flow that's 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—and monitor IVR abandonment. High abandonment rates could point to a problem with call flow design and help you identify how to improve your user experience.

While there are many advantages to automation, there's nothing more frustrating to a caller than being unable to connect with a real person when desired. 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.” By connecting your caller's data to your CRM, your agents should be privy to the complete details behind the customer's inquiry, including any information entered in earlier stages of the phone tree. This can help them better serve the user from the moment they are connected.



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



4. Take advantage of the brand/customer connection

IVR also offers an ideal platform to infuse your brand identity into customer conversations. Smart marketers ensure IVR systems use messaging and tone that authentically represents their brand. This allows businesses to create an immediate and lasting impression, aligning the brand and its products with positive customer experiences that resonate long after a call ends.

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 incorporate 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

A modern IVR must integrate into all your support channels such as SMS, chat, and video for a truly seamless communication experience. This can help your business prioritize dynamic customer channel preferences, offering intuitive transitions between channels to ensure seamless experiences that adapt to evolving user needs and preferences.

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, conversational AI, and generative AI.

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. However, because communication platforms often use proprietary technologies that require expensive, specialized skills to manage and maintain, many organizations can't make the necessary changes





using in-house resources. By turning to communication APIs built on standard and well-understood web technologies, 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

Building an IVR solution with modern tools like conversational and generative AI empowers organizations to exceed rising expectations and deliver the outstanding experiences consumers demand. Serving as the primary contact point for customer support and call routing, an IVR system facilitates innovative interactions such as sales, bookings, and real-time feedback surveys. By leveraging cloud communication APIs, forward-thinking businesses can customize IVR systems to their unique needs, ensuring a competitive edge in customer engagement.

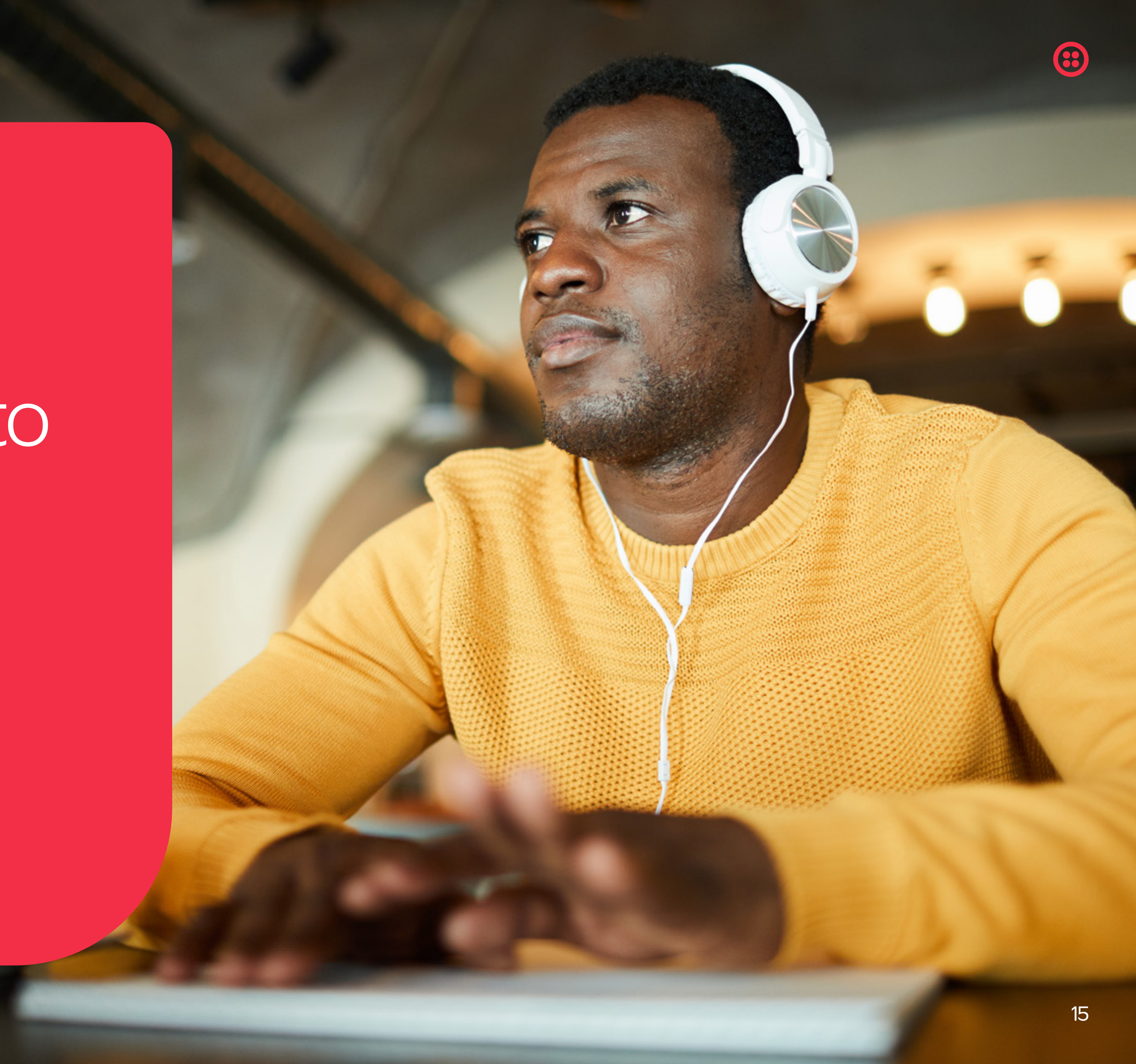
Whether you're looking to enhance a legacy system or build an even smarter IVR solution, a cloud communications platform is the best choice to create an engaging, interactive experience for your customers. **Twilio's APIs** offer deeper integration with greater reliability, global carrier connectivity,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





Chapter 03

Innovative ways to use a Modern IVR





While IVR has traditionally been used as a business optimization tool, modern IVRs are a powerful customer engagement tool.

Today's modern businesses use their IVR systems beyond mere call routing, employing them for various tasks such as user surveys, marketing promotions, payment processing, and more.

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.

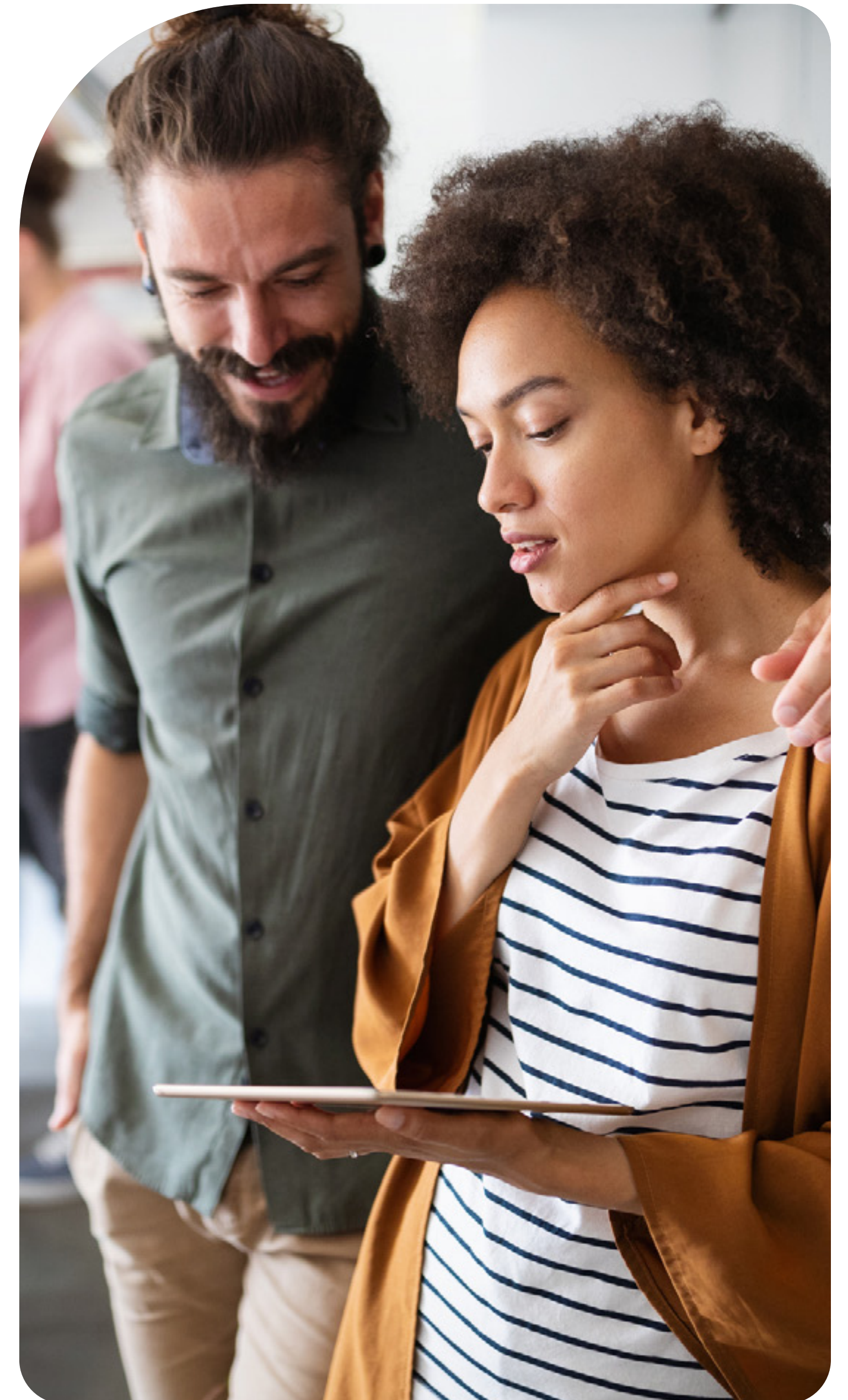
After responding to a few simple questions, interested and qualified prospects can be quickly routed to a live sales agent to seal the deal.



Marketing promotions

Your customer's IVR experience is no different than any other interaction with your brand. Proactive marketers know that inbound calls are prime opportunities to share your brand values, introduce a special offer, or deliver a custom marketing message while routing the caller 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 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 uses of IVR is to let customers conduct simple transactions, like paying bills or updating account information. In this case, 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. This can allow your customers to self-serve on the channels they prefer, while also making collecting payments simple for your business.

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 upcoming 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 they're implemented, IVR-based surveys are an ideal method to collect real-time feedback to help your business adapt to your customers' ever-changing needs.





Customer Spotlights



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 that have adopted Twilio-powered IVR systems, resulting in significant savings and bottom line growth.

eLocal.com

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%.

Chope

No-show rates slashed by half

Singapore-based restaurant reservations facilitator, **Chope**, implemented an IVR for customers to book reservations and restaurants to manage those bookings efficiently.

Results: Restaurants saw a 50% reduction in no-shows, with the added benefit of confirmed cancellations enabling rebookings.

DDI

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.



Chapter 04

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:

1. Visual interface to build it quickly

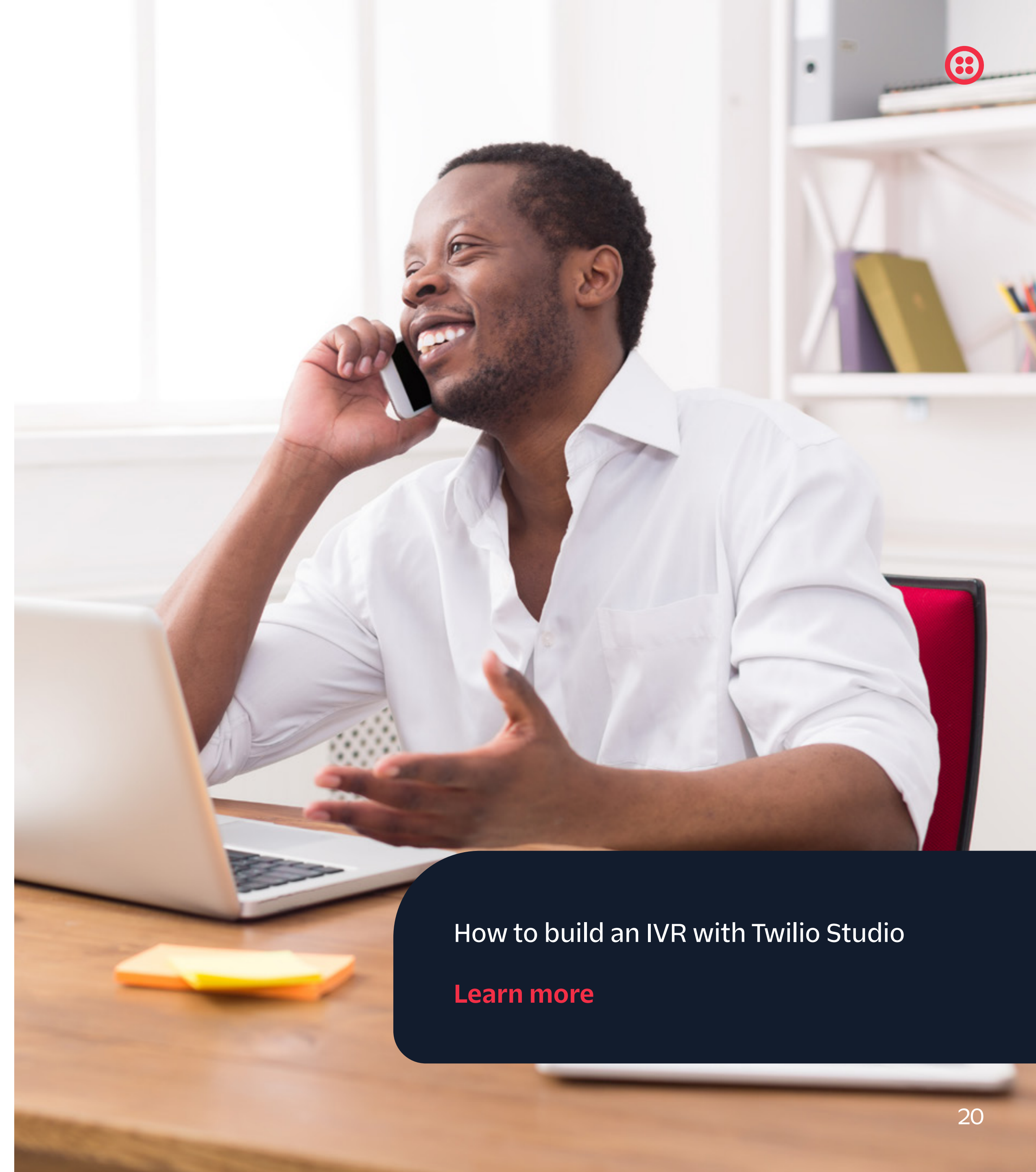
Changing content and routing logic for an IVR can now be done visually rather than in code. For companies that lack developer resources and/or want to get into production faster, a visual interface can allow every department within a business—including non-technical users in product, marketing, support, 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. Studio allows companies to quickly prototype IVR workflows, including everything from phone tree menus to surveys and chatbots.

2. Speech recognition

Navigating phone menus can be frustrating due to cumbersome keypad inputs. They're tedious for customers, make it difficult for businesses to understand 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 improve menu navigation. When done correctly, accurate speech recognition can help callers find the information they need with minimal frustration.



How to build an IVR with Twilio Studio

[Learn more](#)



3. Natural language understanding

While speech is much more efficient, parsing speech is not a simple task. The newest addition to IVR is adding 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 options. Picture a bank caller saying, “Check my account balance” and receiving their balance instantly instead of navigating via speech recognition and **dual-tone multi-frequency (DTMF) tones**. Besides reducing caller frustration, NLU helps reduce the load on each live agent, allowing operators and sales agents to specialize and provide better service.

Twilio Virtual Agent integrates AI-based conversational experiences (chatbots) into **Twilio Programmable Voice**. This includes Google Dialogflow CX, a virtual agent platform within Google’s Cloud computing Platform (GCP) and part of Google Contact Center AI (CCAI) solution. This tight integration simplifies setup and management while providing the sophistication needed to develop contact center-grade chatbots for businesses of any size.

With this feature, businesses can transform their traditional IVR “voice front door” into a natural, fluid conversational experience with AI-based virtual agents. These agents handle simple inquiries like “what can I help you with today?” and seamlessly transfer customers to live agents when necessary, maintaining call context.

This streamlines the customer experience, providing quick answers while allowing companies to scale their contact center operations and boost customer satisfaction.

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.

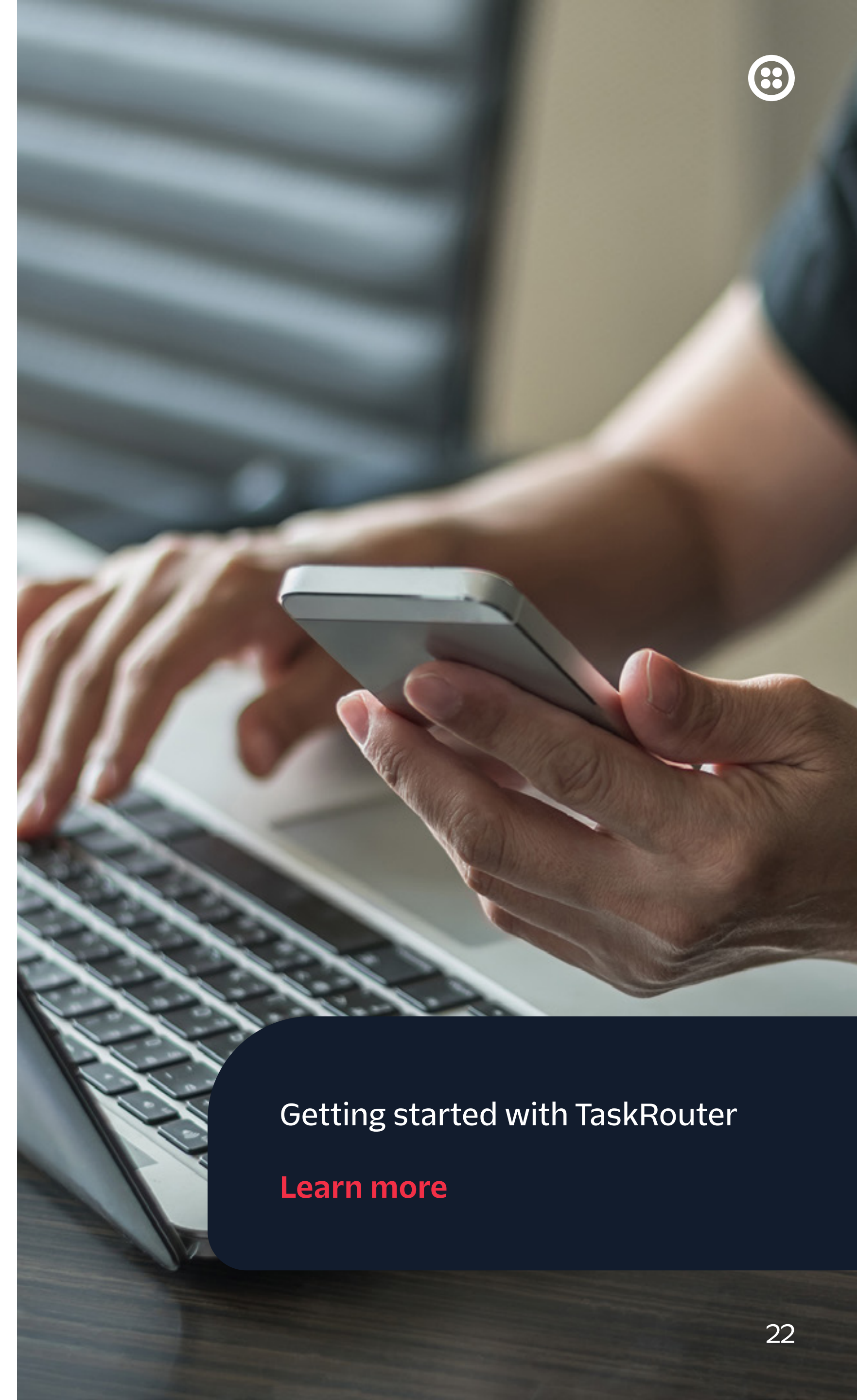
In an age where it's crucial to create personalized experiences for each customer's unique needs, intelligent routing streamlines your support process and delights customers. **Twilio TaskRouter** is an example of intelligent routing that connects callers to the right agent or department by using IVR data.

With TaskRouter, you define 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 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.



Getting started with TaskRouter

[Learn more](#)

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

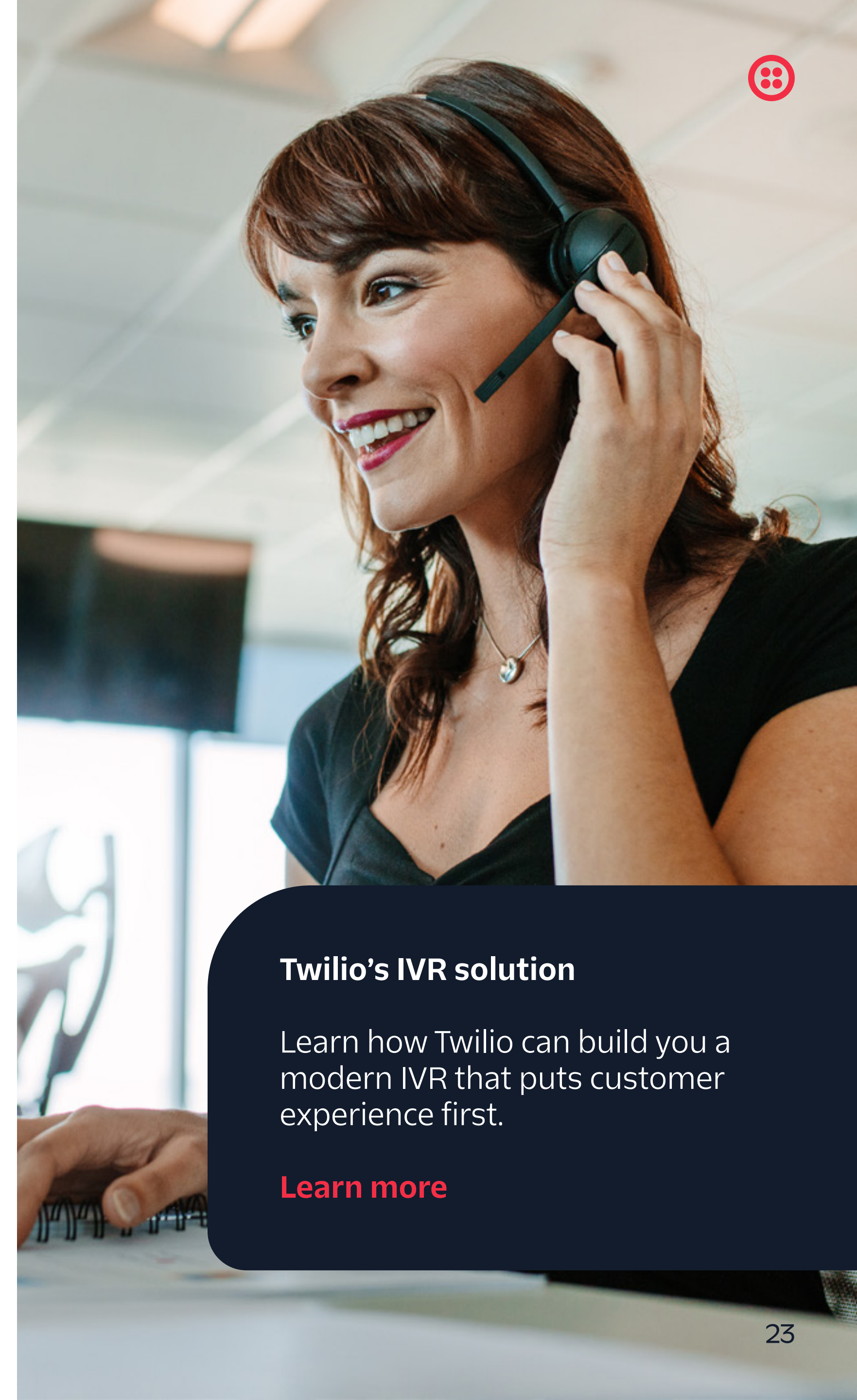
Your customers probably don't talk on the phone with their family and friends as often as they connect by SMS, chat, and messaging apps. Chances are, they also want to connect with your business in the same way.

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. They also 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 the initial responder, transitioning to a human agent if it can't respond effectively.



Twilio's IVR solution

Learn how Twilio can build you a modern IVR that puts customer experience first.

[Learn more](#)



USE CASE	<ul style="list-style-type: none"> Alerts and notifications IVR and customer care
INDUSTRY	On-demand services
REGION	Asia-Pacific
PRODUCTS	Messaging, Voice

Customer Spotlight

Talkpush

Automated recruiting software solution **Talkpush** created a 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.

Previously, Talkpush hosted their own IVR, running everything on Asterisk and their own hardware, before quickly realizing they needed to move to a more scalable, flexible, and reliable platform. That brought them to Twilio. In less than a month, Talkpush shifted the majority of their volume into a Twilio-powered IVR 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 seen a:

- 4x increase in call volume in 4 months
- 50% decrease in time to hire
- 70% decrease in cost per hire for TalkPush's customers

[Read the full Talkpush story](#)



Chapter 05

Advantages of building IVRs 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. You can also:

- Create custom greetings
- Collect speech and DTMF input
- 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, you may be stuck with what you build the first time around for a long time. 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 each unique caller.

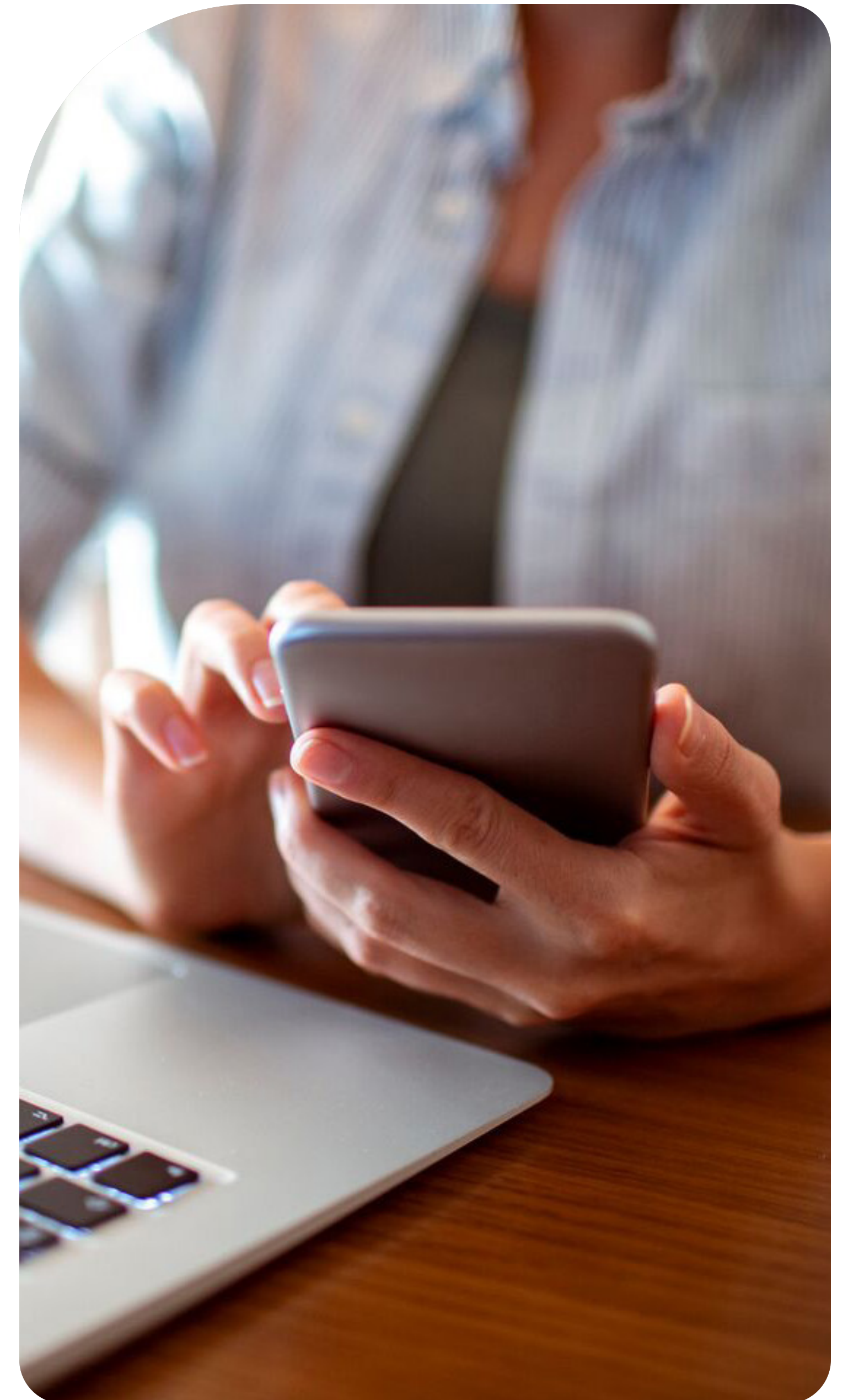
But with APIs, you can build a smarter IVR.

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're also 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 and 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 continue optimizing the things that work well.

Most companies redesign their websites **every two to three years** to keep up with the latest user preferences and industry trends. That's an entire redesign, above and beyond all the copy updates and new web pages added even more frequently.





Similarly, 67% of the most popular Android mobile apps **get updated at least once a month**, with 30% being revised weekly. Ideally, you should be able to test and measure your IVR in a similar manner.

Unfortunately, businesses with complex legacy ecosystems can't treat their IVRs the same way. 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

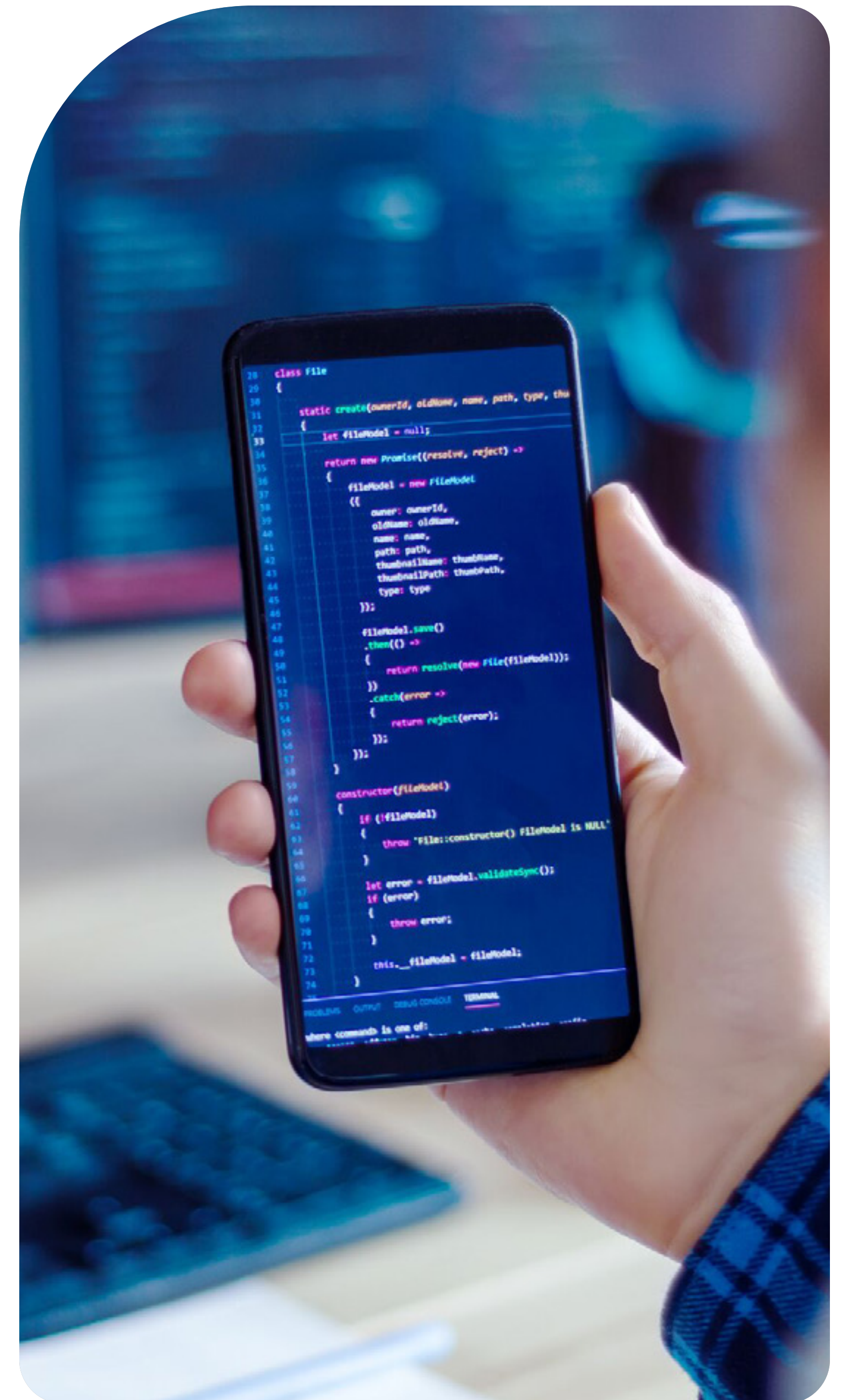
The ideal IVR experience is one that feels built for your customer from the ground up. A modern IVR keeps up with customers through integration and experimentation—two distinct advantages to building an IVR with APIs.

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 significant difference in 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, and these technologies aren't compatible with legacy systems. APIs also 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 structured at every layer to handle an omnichannel system effectively. Omnichannel strategies are almost impossible to implement with legacy IVR systems. Any IVR with limited features that require a lengthy installation process and restrict integration with other platforms won't provide the agility needed to deliver excellent customer experiences in an omnichannel world.

Of course, you don't have to add all the channels at once. By leaning on the liberating flexibility of API technology, you can deliver an excellent omnichannel customer experience, step by step.





Customer Spotlight

Schwarz Supply Source

Leading customized supply chain management solution **Schwarz Supply Source** supports retailers that need to place orders without internet access. This pushed the company to build an IVR system that allows customers to place orders over the telephone.

Their biggest needs? An IVR system that could:

1. Process orders automatically
2. Integrate and leverage all the capabilities of their existing e-commerce and ERP systems
3. Streamline call workflow to ensure a perfect balance of call length, usability, and functionality
4. Prioritize system uptime—especially during periods of peak demand

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 Schwarz 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 demonstrating 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.

[Read the full Schwarz Supply Source story](#)

USE CASE	IVR and customer care
INDUSTRY	Technology
REGION	North America
PRODUCTS	Voice



Conclusion

Discover how IVR works with Twilio

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 simplify this complexity and make building an IVR system considerably straightforward.





Optimize customer experiences with a modern IVR from Twilio

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 use 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 intuitive 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 offers a number of products and services that streamline the process of building an IVR system in a straightforward way—no hardware required.

- **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** allows you to intelligently route calls to the proper sales or support agent.
- **Twilio Virtual Agent** allows customers to offer AI-based conversational experiences (aka chatbots) through Twilio Programmable Voice.

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.



Today's leading companies trust Twilio's Customer Engagement Platform (CEP) to build direct, personalized relationships with their customers everywhere in the world. Twilio enables companies to use their communications and data to add intelligence and security to every step of the customer journey, from sales to marketing to growth, customer service and many more engagement use cases in a flexible, programmatic way. Across 180 countries, millions of developers and hundreds of thousands of businesses use Twilio to create magical experiences for their customers.

For more information about Twilio (NYSE: TWLO), visit: www.twilio.com.

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