The Cost of Convenience: Evaluating Intelligent Virtual Agent Pricing Models

The introduction of automation and artificial intelligence in the form of Intelligent Virtual Agents (IVAs) has altered the landscape of customer support. However, as with many new technologies, it can sometimes come with a high price point. This article highlights the benefits of "success-based" IVA pricing models versus traditional IVA pricing models.

What are **IVAs**?

Using technologies such as machine learning, advanced speech recognition and data integration, Intelligent Virtual Agents (IVAs) identify customer intent and can provide answers to customer service related inquiries. They can quickly and effectively route a customer to the appropriate resource without long, convoluted menus, and can also fully resolve many customer service inquiries.

IVAs can identify customer intent and enable customers to self-serve certain inquiries and avoid the need to engage with live customer service agents. This eliminates long wait times and complicated menus for customers. When developed and deployed properly, an IVA will improve the customer experience, ease the growing burden on live customer service agents, and significantly reduce operational costs.

Only providers that have full confidence in their solutions will be willing to forego their revenue when the application is unsuccessful.

Understanding **pricing models** for IVAs

Many traditional IVA providers charge for both the development AND use of their technology, which in some cases may carry a hefty six or seven figure price tag. At that investment level, it will likely take many years for the IVA to deliver any return on the investment, making it hard to justify. And since most of the provider's revenue is tied to the development of the IVA, there may not be incentive for them to deliver the most efficient and effective solution. Furthermore, some providers tack on a per-minute fee while the IVA is engaged, which means even more costs to overcome.

On the other hand, providers that offer "success-based" pricing models have more skin in the game to deliver a successful IVA. These providers earn their revenue not on the development of the solution, but on the transaction fees for tasks successfully completed by the IVA. "Success" can come in many forms. Some examples include greeting the caller and identifying intent and routing appropriately. Or it might mean providing resolutions to "who", "what", "when", "where" type inquiries — i.e., Order Status or Claims Status.

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Alternatively, if the goal of an IVA is designed to reduce agent talk time for specific calls, then success could mean that the IVA collects administrative details such as name and address which can then be handed off (via a pop-up on the agent desktop) for the live agent to finish out the balance of the engagement.

Because these providers earn their revenue by delivering a successful IVA, they are highly motivated to design it to deliver the highest success rates possible. Only providers that have full confidence in their solutions will be willing to forego their revenue when the application is unsuccessful.

Adopting new solutions is risky. Finding a provider that allows you to evaluate the service before fully adopting it can not only eliminate the risk component from your decision process, but can also help determine adoption rate. So look for a solution provider that is willing to offer a trial period — ideally with no fees.

And since IVAs are custom-designed for each business, it often takes real-time adjustments before delivering a fully efficient and effective solution. That's why it's important to look for a provider that is willing to make enhancements and adjustments on their dime, not yours.

Verascape's **success-based** pricing model

Verascape is considered a pioneer when it comes to success-based pricing. The all-inclusive transaction fee is assessed only when the IVA is successful. This fee is a fraction of agent-based call costs with no upfront fee to absorb or overcome. Many of our customers have funded other internal projects because of the immediate cost savings our solutions have delivered.

Verascape takes on all the risk. We design, develop, integrate, and deploy the application at no cost to you. We assess our nominal transaction fee only when we save you time, money, or resources.

Get a **free proof of concept**

To learn more about Verascape's success-based pricing model and 30 day proof of concept, visit verascape.com.

Success-based metrics can include:

- Identifying intent
- Routing appropriately
- Providing resolutions to simple inquiries
- Collecting administrative details for live agents

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