Voice mail

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ABSTRACT

If you think 1982 brought us revolutionary advances in communications technology, then hold on to your hats—1984 is just around the corner, and the growth of the voice store and forward market will start to prove everyone was right: The voice mail race is on. There have been survivors and losers—the real winners will be the users. Vendors that don’t understand the dynamics of customer acceptance and don’t engineer a usable method of applying voice mail will lose the fundamental opportunities of this technology. Voice mail is not as complicated as it looks. You pick up any telephone, anywhere in the world, and record a message for someone else in your own voice. It’s a new medium of communicating. Voice mail is a fast, convenient way to tell someone something when you can’t reach them directly. Everyone will use voice mail.
In the very near future every telephone will have voice recording. You’ll be able to call a friend, and if the line is busy, or if no one answers the telephone, you’ll be able to touch a key, hear a tone, record a message, and hang up. When your friend gets home, he’ll go to his phone and touch a key to have the message played back.

For the last four years I have been able to go to any telephone and send a voice message to anyone in the world.

The potential for voice store and forward is just beginning to be realized. The Yankee Group once reported it would be a 500-million-dollar-a-year industry by 1985. Last year, less than $10 million was realized in voice store and forward services and systems. Who is going to make the projections we’ve read come into focus? Where are the opportunities?

The opportunities are real. The projections are understated. The movement has begun. Name any business—they are using or will be using voice mail. If you have a telephone, you need voice mail. Voice store and forward is a product of the computer industry; another computer technology, another type of computer looking for ways to be used.

After sitting through several national symposiums and seminars on electronic mail, you realize that about half the speakers dwell on voice store and forward. The PABX, data processing, paging, electronic mail, and voice mail companies display genuine ingenuity linking voice mail services to every conceivable office-of-the-future use that one could imagine. Projections of increased productivity and cost savings—and their respective quantitative methods, for the most part—ignore end users’ perception of voice mail and the communications dynamics resulting from it.

It is surprising when you look at the vendor list. There’s a healthy representation of heavyweights who’ve diversified into voice mail. It’s even more surprising that less than 100 systems were installed last year, and only a few thousand companies were using voice mail services—not a significant number compared to those who should be active users. Their needs are to improve communications and reduce telecommunications-related costs. Economic realities are going to drive those needs to greater levels. That’s the opportunity.

Large systems, small systems, dedicated systems, general systems, and networked, interfaced, linked, expandable systems will be rolling off the assembly line, presumably on a direct line to eager customers. The demand for services these computers provide will be there. Functionality will be more streamlined. But will people understand what voice mail is? Can anyone say they have a grip on its dynamics, beyond pushing the buttons on the phone?

We have a rule at Voicemail International: “Don’t tell anyone about voice mail; show them.” Understanding when to use voice mail is paramount. Plumbers, real estate people, lawyers, bankers, doctors, pilots, stockbrokers, and lonely hearts have understood. Through an international voice mail network, thousands are using voice mail worldwide. We have found it extremely important to show them when, and where, they will use these services.

On the other hand, we have found thousands of people who won’t use voice mail. We’ve performed a considerable amount of research examining this phenomenon. The microphone syndrome and the “Rockford syndrome” give us two glimpses into the way people perceive what voice mail is and why they hesitate at first even to consider its use. Behavioral considerations are fascinating: Many of the measurable criteria can be directly correlated to what has been found in the usage characteristics of other electronic mail users. Many differences have been witnessed in the acceptance patterns of various voice mail users.

The microphone syndrome occurs when you call a number and someone tries to put a microphone in front of your mouth. One company that risked its existence, and lost, tried to introduce voice recording into a medical answering service. Most callers needed to leave messages that were difficult to talk about, even in a real-time conversation: For example, Mrs. Jones, who wasn’t feeling very well at all, called the doctor and was unexpectedly asked, by a computer, to leave a recorded message. This was something new, different, and difficult compared to what she had been doing. She didn’t like it.—Isn’t voice mail supposed to be convenient and user-friendly? In this application, it wasn’t.

Give the same person the means to leave a message for her husband—whose office phone is always busy or rings without an answer—and you have an application that works. She expects the recording service; and she is not speaking to a professional office or a stranger. By dialing the star button twice, she can leave a message in her own voice for later pickup by her husband. She doesn’t own a system, she’s not a subscriber to any voice mail service, and she’s not calling a telephone-answering type of number—she’s just making a call over a telecommunications carriers’ lines whose switch has a specialized voice mail enhancement. The carrier provides the capability, the convenience, and the means to use voice mail—when she needs it, not when someone else wants to make her use it.

The “Rockford syndrome” is named after the TV series, “The Rockford Files.” A phone-answering machine is in the background. James Garner, in the company of a woman, listens to a caller recording a message. A significant number of people have the impression that when you record a mes-

*According to presentations at a Probe Research seminar New York, September 15-16, 1982.
sage, uninvited ears will be able to listen. In the business world, the political consequences of passing messages on to someone else can be devastating to one's future.

There are many situations where voice mail is just not applicable. But often voice recording and delivery capability can bring what you want to the party. Voice mail that provides specific solutions for specific problems has shown most clearly its benefits in terms of cost reduction, time saving, and time recapture.

Understanding end users' needs and identifying who can best benefit from using a voice mail service is the point to start at. Then consider the large number of people who have general and specific needs to obtain information.

One example would be airlines; some supply flight information, vacation tips, automated reservation services, and many travel-related services toll-free to callers through the specialized services a voice mail network can provide. Within the airlines themselves, flight crew scheduling, flight attendant scheduling, cargo information, and emergency notifications can be provided by the same voice mail computer.

One major airline uses voice mail to tell its reservations centers that its main computer has slowed down—in effect, a specialized computer tells people that another specialized computer isn't working. Numerous applications in the computer and data processing industries are handled by voice mail services.

Voice mail is ideal in the service industries. A service person can receive scheduling assignments by voice mail while on the road, even directly from the customer who needs service immediately. The service dispatcher can keep track of who is doing what and can get an up-to-the-minute report on the status of the calls their service people are making. Voice mail improves communications effectiveness whenever you have people on the move and their activity creates value.

Voice mail can give engineering changes and delivery reports to both the service staff and the sales force. In just about every organization we've spoken with, sales, marketing, and customer service divisions qualify as the best types of voice mail clients we've seen.

With one call a regional marketing director can send important, time-critical information to the entire sales staff. Hundreds upon hundreds of individuals, all away from their phones, get the same message. Their customers can leave orders through voice mail. Numerous companies in the auto parts, computer systems, and catalogue order entry industries take orders by the thousands through voice mail. And they all have one thing in common: They add value to what they do without giving up anything.

For direct-response marketing campaigns, voice mail increases the capture rate. Voice mail services are being streamlined for specialized uses. The needs of virtually every conceivable approach can be served effectively. We have witnessed tremendous acceptance of direct-response types of applications for direct mail, print media advertisements, and classified ads. All of the callers are nonsubscribers, effectively using voice mail—by the thousands.

One regional airline extensively analyzed customer acceptance after an introductory program and found that more than 90% of those who used voice mail liked it and would use it regularly. And the results were predictable. The service was convenient, and timely information could be delivered flawlessly.

In a similar type of application, financial advisors, stockbrokers, and portfolio managers can give their customers information at less cost, with better results, and with more accuracy than ever before. Portfolio status reports, buy and sell orders, and trade confirmations can be sent and received through voice mail. Many national brokerage and trading organizations use voice mail to give better service to their customers.

Accounting firms and management consultants use voice mail for both internal project status reporting and communicating with their clients. In an environment where everyone is away from the telephone, voice mail is indispensable.

Internal communication within large organizations has many behavioral dynamics attached. Voice mail solves the problems of real-time confrontation or intimidation and the problem of telling someone bad news directly. The end user now has a way to tell someone something without having to do it directly; and it gives everybody the option of thinking about the message until a time when they are better prepared to respond.

The costs associated with telephone tag are highly overstated. Voice mail does indeed save time spent making unsuccessful direct calls. This can lead to substantial savings in the cost of long-distance calls, but the net effect only offsets the cost of using voice mail. The real benefit voice mail can provide in the telephone-tag situation is that it can lead to revenue opportunities and to a better competitive position.

At Voicemail International we have developed extensive analytical capabilities and sophisticated econometric models of the true costs of telephone tag. Our clients struggled to find ways to come up with cost/benefit figures to justify the use of voice mail. Predictions were made that voice mail could reduce the cost of telephone tag from 60% to 90% in toll and time-spent equivalents. The results after voice mail was fully implemented are important to note:

We found that for every call placed through voice mail, time and toll-charge savings were indeed impressive, often exceeding predicted savings. However, overall savings did not filter down to the bottom line. Operating costs camouflaged too many other variables to prove any measurable benefits, except in one case—revenue growth showed a measurable increase. In this case, the oftener voice mail was used, the more time could be spent being productive. People using voice mail now had more time to spend—time they soon began using effectively to add value to what they did. The phone bill, in several cases, actually increased after making the decision to use voice mail; but the cost of adding voice mail was offset by hard dollar savings, and the real benefits came in the form of better productivity and added convenience. These factors are virtually impossible to quantify and measure on a short-term basis. In the long term, when voice mail has been effectively implemented and the right people are using it, it really works.

An important element in a voice mail system is the flexibility it has for serving both subscribers and nonsubscribers. More than 60% of the telephones in this country do not have touch-tone-generating capability. Portable touch-tone generators are
virtually useless from pay phones and most hotels because of the poor quality of phone microphones. We provide 24-hour-a-day operator assistance for callers to sign on and use the various features. This live intervention maximizes the results, especially the first time a nonsubscriber calls.

Earlier it was mentioned that economic realities are going to drive decision makers to implement voice mail programs within their organizations. The decision maker today looks at cost reduction; but what companies will get with voice mail is revenue opportunities. Voice mail is a supplementary, or alternative, method of communication—a whole new medium that is just beginning to be understood.

Security of message handling, simplicity of operation, and user-friendly characteristics tell us that the technology is functionally capable of serving many diversified needs. What is developing now is the understanding that the entire global population must have access. Voicemail International is on that track, to link the entire international public switch so that it can be voice-mail-capable.

Another key factor to open up the world of voice mail is the ability to be open-ended. This means that two nonsubscribers can communicate by voice mail with each other. Toll-free access to the caller, and the ability to charge it to a variety of bank or travel cards, gives the necessary flexibility. Delivery of the voice message to any person at any telephone on a deferred basis gives the service people need. And it doesn’t have to be a one-to-one type of call; one nonsubscriber can send a message to any number of people.

As advocates of this technology, our goal is to network the entire global telephone system with voice mail services. Voice mail will mobilize the world’s information resources. By 1990, it will be a household word.