



Speech Recognition 2005: Return on Investment Study

Automated speech technologies continue to deliver cost savings and crucial business metrics according to findings from a Web-based study conducted in August 2005. Positive results transcended both company size and industry categorizations as 8 out of 10 respondents reported results that met or exceeded their financial objectives. Payback periods averaged less than one year.

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Key Findings

- **Speech delivers:** Seventy-eight percent (78%) of the respondents to this study achieved financial results that either “met” or “exceeded” their ROI objectives. (Of the 20% who “did not meet” expectations, only 5% failed to gain cost savings from speech. The rest merely failed to reach self-defined objectives)
- **Payback remains less than a year:** The 2005 Survey respondents, though representing a broader mix of company sizes and industries, were able to bring in savings within a year (11 months on average. Nonetheless, the range of payback periods was dramatic with 3.5 months at the low end of the yardstick and 18 months at the high end of results that were still acceptable).
- **Nuance is market leader:** Seventy-three percent (73%) of the sample claim to be using core speech processing engines from Nuance (split 41% legacy Nuance and 59% legacy ScanSoft).
- **Deployment create opportunities for third parties:** Only 56% of the respondents claim to have designed their applications internally and slightly more turned to internal staff to deploy their speech applications.
- **The mix of service providers is broad:** Firms mentioned in the category of application design include Accenture, Apptera, Convergys, Dimension Data, Gold Systems, Interactive Intelligence, Mundwerk, Phonetic Systems (now part of Nuance), Syntellect and VoiceGenie.
- **Smaller companies also benefit:** Although deployments remain skewed toward larger companies. More than 44% have revenues in excess of \$500 million. The remaining respondents are evenly divided between firms with less than \$10 million in revenue and \$11-to-\$500 million.
- **There’s room to grow:** Although the respondents companies are large, many of the ASR deployments account for a relatively small number of ‘ports.’ Nearly 40% of respondents were deploying fewer than 50 ASR ports. Only 10% had more than 1,000 ports.
- **Call Routing and ‘Self-Service’ dominate:** ‘Directory’ applications also play a major role. Other applications that gained mention are Locator services, order entry and banking.
- **Cost control is king:** Reducing operating expenses thanks to headcount reduction remains the leading reason for deploying automated speech. “Improving the Customer Experience” is a close second. This contrasts significantly from the 2002 study in which “increasing successful call resolution rates” was the second-most cited reason.

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