Your Digital Experience Technology Strategy Starts With A Customer Journey Map

by Ted Schadler
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Strategy Kicks Off A Three-Step Planning Process

Digital customer experiences are half of what it means to be a digital business. The other half is digital operational excellence.[1] The investments you make in the systems of engagement, including the digital experience platforms, that customers touch will be massive — think $20 million to $200 million over five years.

> To plan the technology investments necessary to transform to a digital business, you need a digital experience technology strategy that's informed by the needs and digital behaviors of your customers.

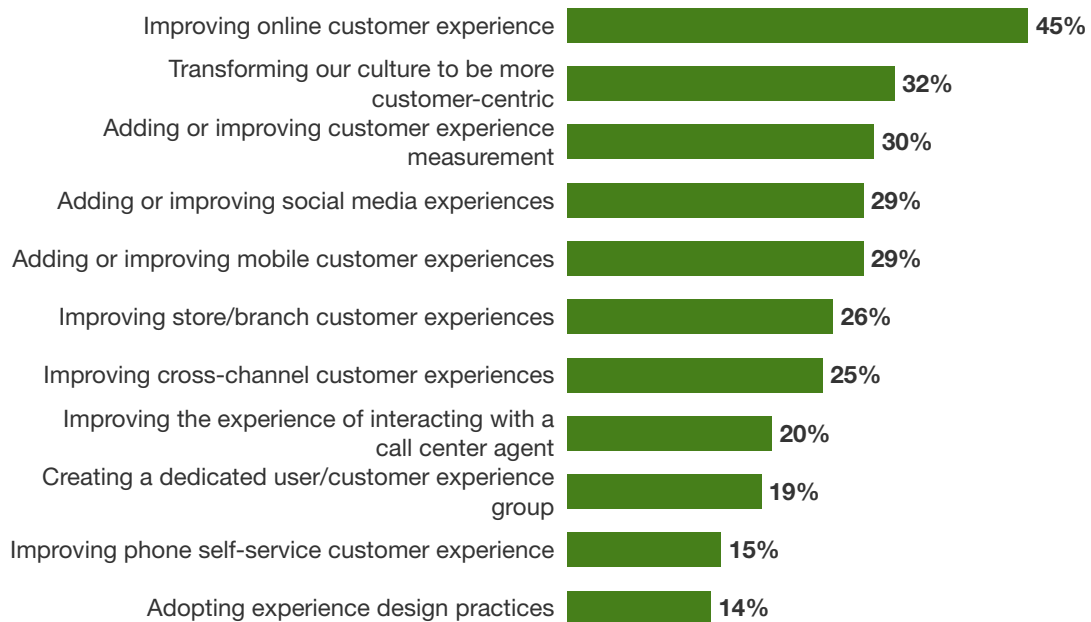## Digital Experience Strategy Starts With A Journey Map

In a recent survey of 4,727 enterprise business and technology decision-makers, Forrester learned that the top investment that firms make in customer experiences is in improving digital customer experiences (see Figure 1). Therefore, any investments you, as an application development and delivery professional, make in digital experience technology should start with your digital experience strategy. To ground your technology strategy planning, you must:

> › **Define business and brand objectives.** If you have a strategy for digital transformation, you're far down the definition path and ready for the next step. If not, pause and build business sponsorship by reviewing corporate objectives and interviewing stakeholders. Your goal is to have a detailed understanding of where your business priorities intersect the digital experience strategy.

› **Identify customers' digital interactions and devices.** This is where a journey map comes in. A good journey map is detailed, comprehensive, and comprehensible. Details include a specific customer's goals, context, motivations, and interactions. It's comprehensive to cover your major customer journeys in every phase of their life cycles.[2] And it's comprehensible so people in your company and ecosystem can understand it.

› **Prioritize and fund interactions that benefit customers and are valuable to you.** Whether your investment is straightforward (mobile-enable the website) or inconceivably vast (become a digital business), the same simple tool will guide your investment levels and priorities: Fund digital experiences that benefit your customers and improve your business.

FIGURE 1 Digital Leads The Experience Improvement List

"You said that in the coming year, your firm wants to improve the experience of its customers. What actions is your firm taking to achieve this objective?"
(Multiple responses accepted)

Improving online customer experience	45%
Transforming our culture to be more customer-centric	32%
Adding or improving customer experience measurement	30%
Adding or improving social media experiences	29%
Adding or improving mobile customer experiences	29%
Improving store/branch customer experiences	26%
Improving cross-channel customer experiences	25%
Improving the experience of interacting with a call center agent	20%
Creating a dedicated user/customer experience group	19%
Improving phone self-service customer experience	15%
Adopting experience design practices	14%

Base: 4,727 global business and technology decision-makers and influencers whose priority is to improve the experience of their customers

Source: Forrester's Global Business Technographics® Priorities And Journey Survey, 2016

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Four Factors Focus Your Digital Experience Technology Strategy

Once you've defined your digital experience strategy, your technology strategy follows. Technology both enables and constrains the digital interactions that drive a great customer experience. To find out how advanced firms are building their digital experience strategy, we interviewed technology executives and their marketing and business counterparts in eight enterprises. We also interviewed 13 software vendors, digital agencies, and systems integrators. We found four consistent factors among these experts:

1. **It's a digital experience program, not a web or mobile technology project.** You can't implement a meaningful strategy piecemeal. Think three- to five-year program funded by corporate budgets, not a website refresh paid for by marketing. The payoff is new technology and the capability to continuously improve digital experiences. This is what every sophisticated company we spoke with does.

2. **Customer journey maps bring relevancy to your investments.** Understanding the specific devices, touchpoints, and interactions is the only way to know if your digital investments will directly improve a customer experience. DBS Bank in Singapore has built customer journey maps spanning web, mobile, call center, and branch experiences.

> It's a digital experience program, not a web or mobile technology project. You can't implement a meaningful strategy piecemeal.

3. **A digital experience platform directs your technology investments.** The bedrock of your digital customer experience is a portfolio of software to support marketing, commerce, and customer service interactions on smartphones, tablets, PCs, and all other screens. Forrester believes that every company's digital future rests on smart investments in these platforms.[3]

4. **Four technology inevitabilities shape your vendor choices.** We are developing a technology strategy here. Cloud-hosted, mobile-first, insights-driven, and loosely coupled are the four technology principles that AD&D pros should follow to support the strategy with an eye toward business responsiveness, cost, and laying foundations for the future.

1. It's A Digital Experience Program, Not A Technology Project

Successful firms don't do one-off tactical investments in digital experience projects. Instead, they make corporate commitments to an overarching digital experience program. A program approach avoids the awfulness of offering disconnected experiences. A digital experience program:

› **Spans three to five years.** Most of our experts described a three- to five-year program with consistent investments and milestones for that duration. This is the only way to move quickly with

tactical investments while investing in the systems of engagement you need for the long haul. Walmart is investing $2 billion in eCommerce, while General Electric has built major new software capacity for its industrial experiences.[4] Forrester expects customer experiences to drive $82 billion by 2019.[5] Investments of that scale require multiyear programs.

> **Is funded by corporate, not departmental, budgets.** One retailer we interviewed told us that its cross-channel program is the biggest technology investment it has made, and that it wouldn't have been possible without CFO-led funding. No marketing or technology budget alone can fund a $150 million cost over five years, as one large fashion retailer is planning. These feel like big numbers, but CEOs increasingly treat digital as a theme in investor calls to justify multibillion-dollar programs like The Home Depot and Morgan Stanley are undertaking.

> **Utilizes two-in-a-box leadership — business and technology executives.** With this approach, both groups plan more pragmatically and sympathetically. Tech teams understand customer journeys, and business teams learn about technical complexity. IHG uses two-in-a-box leadership for its mobile app. But this approach is also working at retailers like Burberry, manufacturers like Schneider Electric, and banks like Westpac in Australia.

> **Uses milestones as investment hurdles that the program team must clear.** No CFO will give you a blank check. A good digital experience strategy builds milestones into the plan so you can demonstrate progress against program objectives to secure funding for next year. The trick, as The Home Depot shows with its new "you'll-find-it-in-aisle-13" digital service, is balancing near-term success and long-range investments to show progress on both fronts simultaneously.

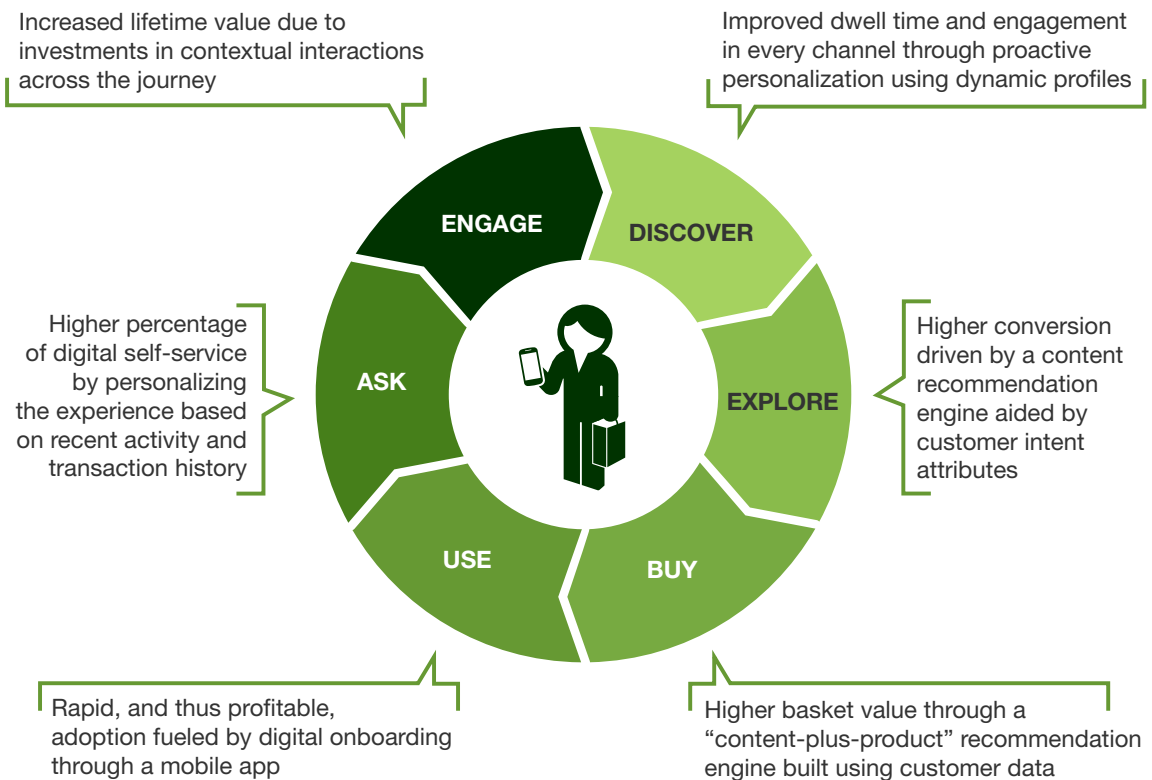## 2. Customer Journey Maps Bring Relevancy To Your Investments

Journey maps are the backbone of customer (hence, digital) experience programs.[6] That's Forrester's conclusion from analyzing seven years of our customer experience research on the role of journey maps. Using a journey map based on observational and evaluative research to frame your digital experience goals places customers at the intersection of your business, marketing, and technology teams — where they belong.[7] Application development and delivery pros should:

> **Build a customer journey map showing the digital interactions.** A journey map conveys how — and why — customers interact with your products, services, and brand presence. By highlighting digital interactions, you will see where digital experiences matter — and matter most. Starbucks uses journey maps to identify challenges and opportunities in its mobile payment implementation — for example, how other customers might feel when a mobile customer saunters in and picks up a beverage that's conveniently waiting for her.

> **Evaluate digital interactions for customer benefit and business value.** There are hundreds of digital touchpoints you might identify on a journey map. You can't address them all, so you must prioritize them. Your business and marketing stakeholders can categorize the business value of the interactions. You can ask customers about the benefits of each one. Armed with these two

vectors — customer benefit and business value — you can narrow your focus and sequence your investments (see Figure 2).

› **Roll changes out incrementally.** People hate change. In one report, we outlined Dell's failure in rolling out a Big Bang website redesign.[8] The results were disastrous, with key financial indicators (like sales) dropping. Dell reorganized its efforts this time with Agile teams deploying new functionality incrementally. For example, it used responsive web techniques, like A/B testing, to incrementally and iteratively improve key pages and gauge small successes before moving to the next page.

FIGURE 2 Examples Of Business Metrics Along Each Step Of The Customer Journey

Increased lifetime value due to investments in contextual interactions across the journey

Improved dwell time and engagement in every channel through proactive personalization using dynamic profiles

Higher percentage of digital self-service by personalizing the experience based on recent activity and transaction history

Higher conversion driven by a content recommendation engine aided by customer intent attributes

ENGAGE

DISCOVER

ASK

EXPLORE

USE

BUY

Rapid, and thus profitable, adoption fueled by digital onboarding through a mobile app

Higher basket value through a "content-plus-product" recommendation engine built using customer data

3. A Digital Experience Platform Directs Your Technology Investments

Now that you have a prioritized set of digital interactions to address and a future-leaning frame of reference for technology investments, you are prepared to bring the reality of technology products and services into the strategy planning process. You're not quite ready for a technology road map — but you can help separate long-range platform investments from quick-win extensions to your existing software. As AD&D pros strategize around technology for digital experiences, they should:[9]

› **Unify the technology architecture with a digital experience platform.** As vendors did with enterprise resource planning in the 1990s and customer relationship management in the 2000s, they are now assembling content, customer data, marketing, analytics, commerce, and service software to deliver digital experiences (see Figure 3). These digital experience platforms both support and constrain your digital experiences: It can take years to fully implement a platform. Forrester has evaluated platforms, including Acquia, Adobe, Episerver, IBM, Oracle, Salesforce, SAP, SDL, and Sitecore, to accelerate your choice.[10]

› **Lay the platform foundation to support Agile development teams.** More than half of firms we recently surveyed prioritize Agile teams to help them deliver new capabilities quickly.[11] The mobile teams already operate this way using the IDEA cycle: Identify moments, design experiences, engineer solutions, and analyze to optimize.[12] It's time for the entire digital team to master the same continuous improvement process. Digital experience platforms can help. But you also can't wait to get started.

› **Augment existing capabilities even while implementing the new platform.** The leaders we interviewed shared this essential lesson: You can't wait years to implement a new platform to deliver new capabilities. Make sure your strategic plan includes a clear separation between what to do now and what to do once the platform is in place.[13]

FIGURE 3 A Digital Experience Platform Bridges Silos
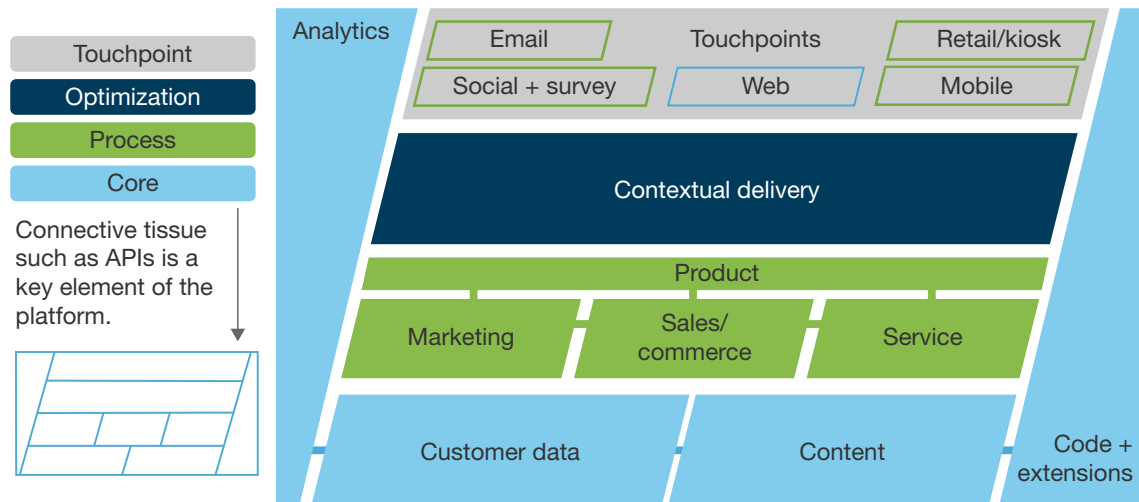
Note: Some ecosystems, such as advertising and social, have a tenuous relationship with digital experience (DX) today and are therefore not depicted. Conversely, insights are so heavily intertwined with DX that they are depicted as part of analytics, customer data, and optimization.

4. Four Technology Inevitabilities Shape Your Vendor Choices

Your role as an application development and delivery professional kicks into high gear now. You are the master of technology — the second-in-a-box leader of the digital experience strategy. But think with a future-leaning posture. Build the strategy for the next 10 years. And, of course, technology has changed massively since the last time you built a website. Keep these four inevitabilities in mind as you seek solutions for your digital experience technology:

1. **Cloud-hosted.** Do everything you can to run your digital experience software in the cloud.[14] The cloud delivers steadily improving economics, digital-ready availability, and, increasingly, exactly the software you need to deliver great digital experiences.

2. **Mobile-first.** Customers are mobile. More than seventy percent of walmart.com's traffic this holiday season is from mobile devices.[15] If your numbers aren't the same, then ask whether your experiences are mobile-friendly. One manufacturer told us that its mobile traffic jumped from single digits to more than 20% in one year simply because it used responsive web techniques on its search and product pages.

3. **Insights-driven.** Personalization is one plank of a great customer experience.[16] New technologies are coming online to help you personalize digital experiences using all available insights — not just clickstream data and thinly defined profiles.

> Do everything you can to run your digital experience software in the cloud.

4. **Loosely coupled.** Closed software stacks existed because, in the olden days, performance required tight links between all components. But today's high-bandwidth, internet-connected world allows firms to assemble more independent software building blocks using a microservices architecture.[17] The CTO of the newly PG-rated playboy.com created a digital experience platform from 11 independent cloud services using loosely coupled integration.

Recommendations

A Strategy Workbook Will Shape Your Business Impact Analysis

We have separated strategy, business impact analysis, and technology road map precisely because this sequence will help you determine the best actions, prioritize investments, and build an execution plan that balances short-term wins with long-term business value and customer benefit. But AD&D pros still need a strategic plan. A strategic plan includes four sections:

1. **Goals.** Starting with the journey map, work out the goals as a group. Then capture them in plain language. "Improve mobile conversion of marketing programs" might be an example. Or "help business customers purchase by giving them product and contract documentation on tablets." Or "accelerate — and lower the cost of — customer self-service through mobile notifications."

2. **Interactions.** Digital interactions flow logically from goals derived from the journey map. Be specific. Use "personalize customer experiences in the mobile app" rather than "personalize experiences." It's OK to have an action hierarchy starting with overarching goals and then drilling down to broad interactions followed by specific actions. Expect to have between 20 and 50 specific technology actions.

3. **Resources.** Now that you've established two-in-a-box leadership, where are you going to get the people and money to accomplish the goals? Many firms turn to outside strategic and implementation help, often from different providers. Be sure to manage knowledge and skill transfer between your firm and these providers.

4. **Schedule.** When defining your strategy, any schedule reflects business priorities and resource commitments — not a calendar of activities. After refining your priorities in the business impact analysis phase, you will build a technology road map and a schedule that intersect and coordinate with changes in process, organization, and systems integration.

Explore Forrester's resources on how to deepen customer understanding and analyze the quality of your customer journey maps.

Endnotes

[1] For more information on how to drive successful digital business outcomes globally, see the Forrester report "Your Company Needs A Digital Business Acceleration Team."

[2] Customer experience (CX) is rapidly increasing in importance across all phases of the customer life cycle — including early phases over which marketing traditionally had exclusive purview. As brand and CX converge, CX pros need to ensure that CX improvements align to brand goals. This report lays out actions for CX pros to partner with CMOs and use the customer life-cycle framework and customer journey mapping tools to align brand, marketing, and CX. For more information, see the Forrester report "What CX Pros Need To Know About The Customer Life Cycle."

[3] For more information on how Forrester defines the emerging digital customer experience delivery platform, explores the vendors delivering these solutions, and provides insight into the approaches these vendors take to integrate with the technologies in which their customers have already invested, see the Forrester report "Vendor Landscape: Digital Experience Platforms."

[4] Source: Kim S. Nash, "Wal-Mart to Pour $2 Billion into E-Commerce Over Next Two Years," The Wall Street Journal, October 14, 2015 (http://blogs.wsj.com/cio/2015/10/14/wal-mart-to-pour-2-billion-into-e-commerce-over-next-two-years/).

[5] Source: Interview with John C. McCarthy, analyst at Forrester.

[6] CX professionals have been quick to adopt journey mapping. Despite this, journey maps remain underutilized because practitioners view them as point solutions for addressing specific problems. To better understand the full potential of journey maps, we conducted a systematic review of Forrester research on journey mapping combined with practitioner interviews. What we discovered is that journey maps are more than just a tool for mapping customer experiences. Rather, they are a foundational document that forms the backbone of CX programs: a common thread that runs through nearly every activity CX professionals perform. For more information, see the Forrester report "Journey Mapping Best Practices."

[7] For more on the rapidly evolving journey analytics landscape, see the Forrester report "Vendor Landscape: Customer Journey Analytics Providers."

[8] The Big Bang website launches and marketing splashes of yesterday are dying. It's time to enter the new era of iterative, progressive improvements to web experiences. For more information, see the Forrester report "Make This Website Redesign Your Last."

[9] AD&D professionals need an array of software to create and manage the digital experience. They must evaluate,

implement, integrate, and build front-end experiences from a fragmented product landscape. Tech vendors try to help by bringing more complete digital experience portfolios to the market. For more information, see the Forrester report "Vendor Landscape: Digital Experience Platforms."

[10] In Forrester's 40-criteria evaluation of digital experience platform vendors, we identified the 10 most significant software providers — Acquia, Adobe, Demandware, Episerver, IBM, Oracle, SAP Hybris, Salesforce, SDL, and Sitecore — in the category and researched, analyzed, and scored them. For more information, see the Forrester report "The Forrester Wave™: Digital Experience Platforms, Q4 2015."

[11] Forrester recently surveyed 135 technology, marketing, and business professionals with decision-making roles in customer-facing web and mobile experience delivery to ask about their strategies for the coming 12 months. We found that organizations struggle to manage hundreds of digital properties, with complex challenges like modernizing and integrating disparate technologies, dividing roles and responsibilities among many stakeholders, and finding the staff and skills they need to succeed. For more information, see the Forrester report "The State Of Digital Experience Delivery, 2015."

[12] Source: Ted Schadler, Josh Bernoff, and Julie Ask, *The Mobile Mind Shift: Engineer Your Business To Win In The Mobile Moment*, Groundswell Press, 2014.

[13] For more on the key milestones necessary for AD&D professionals to execute on a digital experience delivery strategy, see the Forrester report "Take Two Technology Roads To Digital Experience Success."

[14] The digital experience (DX) platform market has been slow to move to the cloud. Fortunately, major digital experience platform vendors like Adobe and SAP Hybris are now embracing the cloud to deploy and operate their software, and service providers like Deloitte, Razorfish Global, and SapientNitro have repositioned their managed hosting options as more cloud-like DX platforms. But what cloud benefits do vendors and service providers actually deliver? For more information, see the Forrester report "Make The Cloud A Foundation Of Your Digital Experience Platform Strategy."

[15] Source: "Walmart Delivers Deals, Availability and Simplicity on Black Friday," Walmart press release, November 25, 2016 (http://news.walmart.com/2016/11/25/walmart-delivers-deals-availability-and-simplicity-on-black-friday).

[16] To scale personalization beyond a single touchpoint, eBusiness and channel strategy pros must pull a cross-functional team together to plan and execute a personalization program, not just treat it as a series of projects. For more information, see the Forrester report "Create A Pragmatic Personalization Program."

[17] The future of software is more than decoupled components. It also requires highly decoupled runtimes. That's called a microservices architecture: decoupled components available over the internet as decoupled services. Think of it as a software component exposed as a microservice — a microservice component. Source: Ted Schadler, "Some Thoughts On Shippable Software And Microservices," Ted Schadler's Blog, October 1, 2015 (http://blogs.forrester.com/ted_schadler/15-10-01-some_thoughts_on_shippable_software_and_microservices).

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