

# From Projects to Solutions: Accelerating Web Development for Customer Experience

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# Executive Summary

Over the last decade, leading web content management (WCM) systems have evolved from a stand-alone application for managing the information on one or more websites to a vital component at the core of most firms' customer experience management (CEM) ecosystems. This transition reflects, and is fueled by, the increasing desire of consumers for seamless, holistic experiences across channels and touch points.

However, this evolution in the capabilities and breadth of WCM software has not been accompanied by an equivalent shift in how firms and their service provider partners plan for, implement, and operate customer experience initiatives. Often, the approach is fragmented and thus ignores the holistic customer experience. Moreover, service provider partners are often employed only for the build phase of a project, further hindering coordination across multiple customer interactions.

The result is a gap between how firms produce customer experiences and how customers experience them - between, that is, isolated projects and integrated solutions. In this report, we analyze the origins and effects of this gap and show how and why service providers should drive the shift to customer-centric solutions by deploying development practices and technologies that accelerate the build phase, deliver and sustain more business value, and better serve customer expectations.

# What's Holding Back Customer Experience Management?

Three global surveys since 2014 show that despite all of the time, effort, and money expended by companies to improve customer experience (CX), consumers are ever *less* satisfied with the experiences they are offered. For example, in Forrester Research's CX Index, covering 299 North American brands, satisfaction levels declined for 28.5% of brands between January 2015 and September 2015; only 2.3% improved. Overall, just three out of 299 companies received an "excellent" rating.<sup>1</sup>

In previous research, we diagnosed one primary cause of this failure to make progress with customer experience management: Most companies approach CEM in a fragmented manner, producing multiple isolated customer *experiences* with little or no regard for the *customer's experience as a whole*.<sup>2</sup> (That is, the customer's overall perception and attitude about a company or brand based on all of their important interactions.)

This error is compounded by the way in which many companies select and relate to the service provider partners (digital agencies, system integrators, etc.) that are contracted to build these isolated experiences. Service providers are regularly asked to respond to a request for proposal (RFP) that minutely details the build requirements for the project while providing little or no insight into why it is desired or how it

will be used. And, due to budget constraints and economic uncertainty, the final selection is often procurement-driven – that is, based upon costs rather than the experience and expertise of the bidding service providers.<sup>3</sup>

This approach enforces a separation of the implementation or "build-to-spec" phase of the project from the planning/strategy phase (in which favorable outcomes are identified and a solution designed) and the operational phase (in which the solution produces real business value). As a result, client companies have no opportunity – or incentive – to build *long-term strategic relationships* with service providers. In turn, service providers are *relegated to the commoditized build phase*, with few opportunities to demonstrate their skills with higher-value strategic and operational aspects of customer experience.

*Today, service providers are usually relegated to the commoditized build phase for CEM, with few opportunities to demonstrate their expertise with the higher-value strategic and operational aspects of customer experience.*

## Failure is pre-programmed into the current approach to web development

The prevalent, build-to-spec approach to web and broader IT projects has changed little in the twenty-plus-year history of the commercial web. It breeds suspicion and dissatisfaction for both parties in the relationship. Client companies anxious about overpaying for outsourced services turn to procurement-driven selections, which only makes it more difficult for them to identify and build long-term relationships with outstanding providers. Service providers, meanwhile, resist tightly constrained selection processes and resent the lack of opportunities to demonstrate their differentiated expertise.<sup>4</sup>

Unsurprisingly, the established approach often leads to failure. Standish Group annually tracks the outcomes of IT projects (including web development and, more recently, digital transformation initiatives). Over the last five years, only about 30% of all projects were rated “successful” (defined as on time, on budget, and with a satisfactory result). The project outcome of the remaining 70% was designated “challenged” or “failed.”<sup>5</sup>

Despite this dreary statistic, client companies have little motivation to change the status quo. Expanding the role of service providers to encompass some planning and operational elements makes sense for CX outcomes in theory, but seems *risky and more expensive* in practice. (For example, the service provider may not prove capable of handling the expanded role, budget may have been allocated for the build phase alone, or it may be more difficult to get buy-in from affected internal groups for the expanded role.) Precisely in times of uncertainty caused by digital disruptions and empowered consumers, the status quo bias encourages companies to stick with what they know - even to the demonstrable detriment of customer experience and satisfaction.<sup>6</sup>

# A New Approach to Web Development Can Break the CEM Logjam

Service providers can seize the initiative and take the first steps toward building a new kind of working relationship that can increase the chances for client success, create better outcomes for consumers, and *also* grow the service provider's revenue from higher-value work.

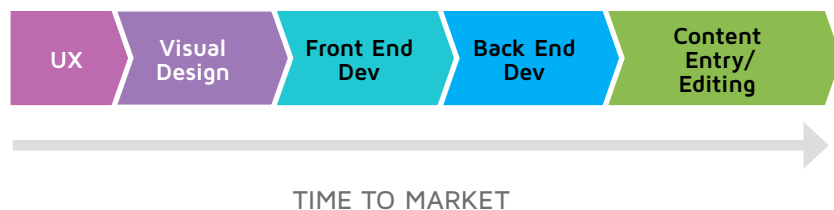
To effect this change, service providers should take the following steps:

- Shift from a *project* mentality to one that views the deliverable as an ongoing *business solution* for improved customer experiences. In other words, shift attention from the *build* to the *business value*.
- Adopt practices that get to the business value *more quickly* and sustain it *more easily*.

Shifting from projects to solutions requires service providers to overcome their own prejudices and ingrained habits. Primary among these is the tendency to think it is necessary or advisable to extract as much revenue as possible out of the build phase. (Precisely the behavior that client companies fear most when outsourcing for services!) When service providers recognize that turning over the “completed” build is only the *beginning* of the project's value for the client, it is possible to align with the client's interest and contribute to the success of the project as an ongoing business solution for integrated CEM – even under the constraints of a build-to-spec contract.

*Precisely in times of uncertainty and transition, the status quo bias encourages companies to stick with what they know – even to the demonstrable detriment of customer satisfaction.*

Figure 1  
**Linear Web Development**  
Business Outcomes Validated at Completion



## Accelerating the time to business value

To support these shifts, service providers can use both web development methodologies and, where available, specific capabilities of the WCM platform. First, consider the typical linear build-to-spec model for a website. (See Figure 1.) This model makes the following points evident:

- Dependency on completion of the previous phases(s) extends the time required. That is, it delays the delivery of business value.
- Assumptions made during the planning phase about the needs of and benefits for both users (i.e., editors, marketers, etc.) and customers cannot be validated until the build is completed.
- A given project has little if any relationship to other initiatives prior to launch – and is more

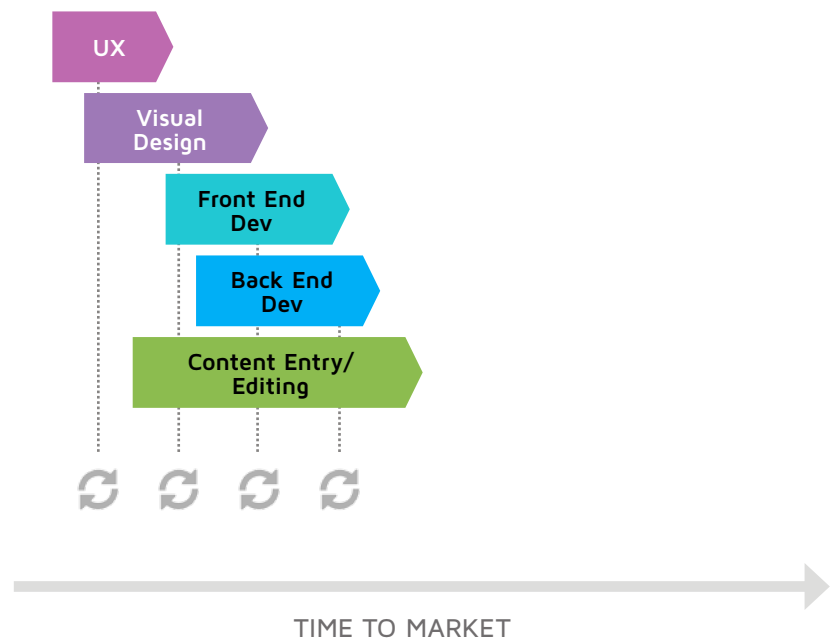
likely to remain isolated afterwards, producing fragmented customer experiences.

- By creating an isolated build-only phase, this approach allows and encourages the client to restrict the relationship with the service provider to these build phases, negating any chance for the service provider to demonstrate additional value.

Now, consider the benefits of parallel development (see Figure 2):

- Parallel phases significantly accelerate time to business value.
- Each overlapping phase is a validation of the work to date – creating multiple *feedback loops* that are absent in the linear model. Flaws or false assumptions are exposed earlier and can be fixed before they threaten overall success.
- The impact on and integration with other customer experiences can be determined, tested, and optimized prior to launch.
- Because users (and, eventually, consumers) become involved before completion, this approach effectively *pulls operational elements into the build phase*. In short, it allows the service provider to *circumvent the client's desire to restrict the service provider to the build phase* by making *operational inputs* a constitutive and unavoidable part of the build. This is the primary opportunity for the service provider to demonstrate it can add value for the ongoing operational life of the program.

Figure 2  
**Parallel Web Development**  
Overlaps Create Multiple Feedback Loops



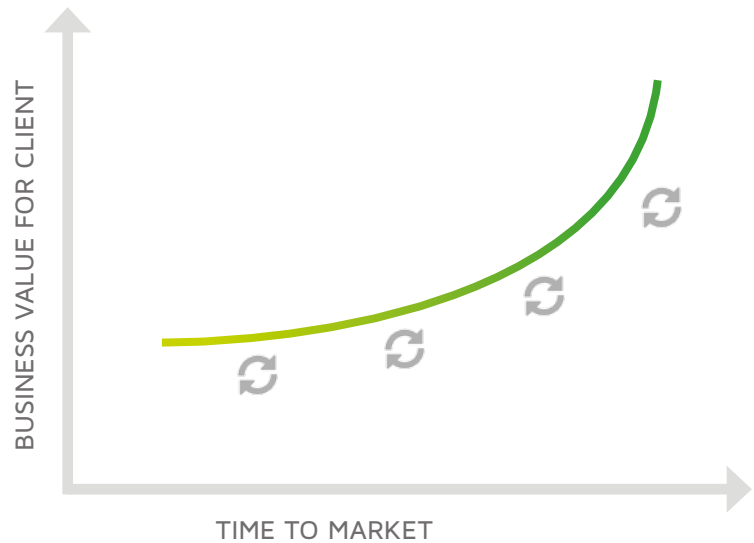
## Escaping from build-to-spec restrictions

Adopting this kind of parallel development formally respects a client's desire for a build-to-spec relationship with the service provider. Yet parallel development is more attractive for the client than a linear approach, since it simultaneously delivers value more quickly and increases the chances of client success, as the multiple feedback loops are checkpoints that validate and/or correct the path of development. (See Figure 3.)

## Beyond an allegiance to agile

The most prominent current example of a parallel approach to development is, of course, agile. The agile philosophy is undoubtedly effective. In the Standish Group's analysis of IT projects over the last five years, the use of agile versus a linear "waterfall" approach increased "successful" outcomes among medium-sized projects from 7% to 27%; for large projects, the successful outcomes increased from 3% to 18%.<sup>7</sup> But the point is not to get caught up in any given development philosophy or methodology – agile, lean, Kanban, etc. What matters is that the adoption of a parallel approach means getting to business value more quickly, while also getting access to business user and consumer feedback in ways that the linear models do not allow.<sup>8</sup>

Figure 3  
**Feedback Loops Validate and Lift the Business Value of the CX Solution During the Build Phase**



# Sustaining Business Value: From Artisanal Web Development to Mass Production

Parallel development does not depend upon the features or capabilities of any specific WCM platform. However, it can be further accelerated and enhanced when the platform actively supports parallel activities. For example, page layout tools can allow UX designers to translate wireframes directly into structured page templates – with the result that visual design, back-end development, and content entry and editing can all proceed together, while still maintaining a strict separation of page presentation and content.

Another step taken by some service providers (and more recently productized by select vendors) is to simplify the creation of reusable components such as tables, accordions, and carousels that can be plugged in as needed with no additional development effort.<sup>9</sup> In research conducted for this report, one digital agency founder noted, “It’s the difference between hand-crafting a piece and having access to standardized parts.”

A designer at another agency pointed out that any perceived creative constraints due to having to work with pre-built components is far outweighed by the upside:

There is a huge time-to-prototype advantage. We’re now able to get client input more quickly and more often. Before, we would share designs but not builds – because the client would get hung up on the parts of the build that weren’t yet finished. With the reusable components, you know it’s going to be working, and the client can focus on what matters. It makes our work a lot easier and helps build a solid relationship with the customer.

Moreover, the availability of standardized parts delivers even more benefits once the solution is operational. But by reducing the number and kinds of change requests that require a coding cycle, this approach encourages experimentation and allows business users to focus on optimizing the impact on customer experience.

## Finally getting to Phase 2

Customer experience management has been a stated strategic priority at most firms for several years.<sup>10</sup> At the same time, WCM product suites have been expanded and enriched to handle CEM workloads. Nevertheless, WCM vendors report that the vast majority of their clients have not advanced much beyond relatively straightforward web content management.

A primary reason for this deficit is that the build phase (“getting the website up and running”) consumes the available resources – not just budget, but also personnel resources, internal consensus, and executive attention. Few of the rich customer engagement practices planned for Phase 2 – personalization, optimized customer journeys, integrated marketing campaigns, etc. – are ever implemented. As one agency lead noted, “The dirty little secret of CEM is that Phase 2 never arrives.”

The experimentation and feedback loops afforded by parallel development and standardized components provide the time and the capability to effectively pull Phase 2 elements into Phase 1, demonstrate and optimize their business value, and thus sustain internal interest and commitment for the ongoing CEM solution.



# Conclusion: Creating Mutual Value for the Client, the Consumer, and the Service Provider

Shifting from building out a project to creating a business solution delivers greater value for all concerned: the client, the consumer, and the service provider.

In the linear approach to build-to-spec web development, there is a pronounced asymmetry between the value (revenue) received by the service provider and the value (desired customer experience impact) received by the client. (See Figure 4.) The service provider receives most of its revenue in the build phase, with greatly diminished opportunities once the project has been delivered and launched. The client, in turn, derives virtually no business benefit until the project is operational – and potentially less-than-optimal benefit over the long run, if the project remains one isolated customer experience among others. Also, this asymmetry creates a post-launch gap that discourages the client from creating a long-term relationship with the service provider.

In contrast, using parallel development and standardized components does not only accelerate the time to launch. The feedback and cycles that are provided “for free” by parallel development also effectively weave operational and optimization decisions into the build phase – thus aligning the service provider with business value during the build and encouraging the client to retain the service provider as an ongoing strategic partner (with obvious impact on the revenue stream). (See Figure 5.)

Figure 4  
**Build-to-Spec Approach**  
Discourages Long-Term Relationship

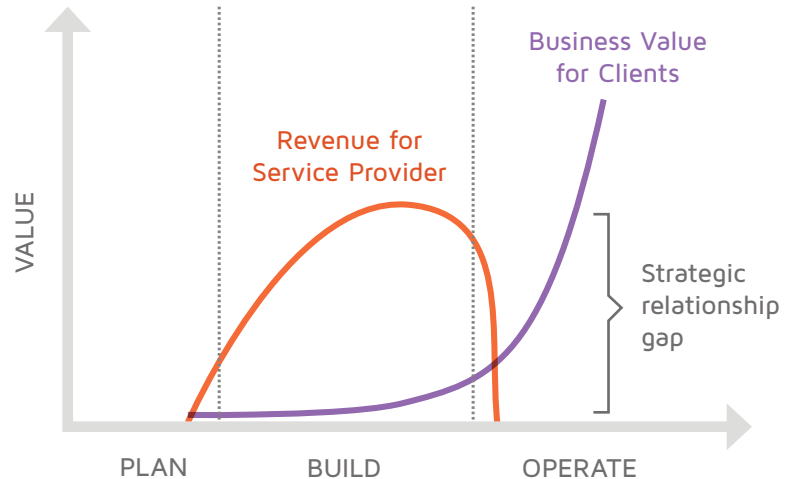
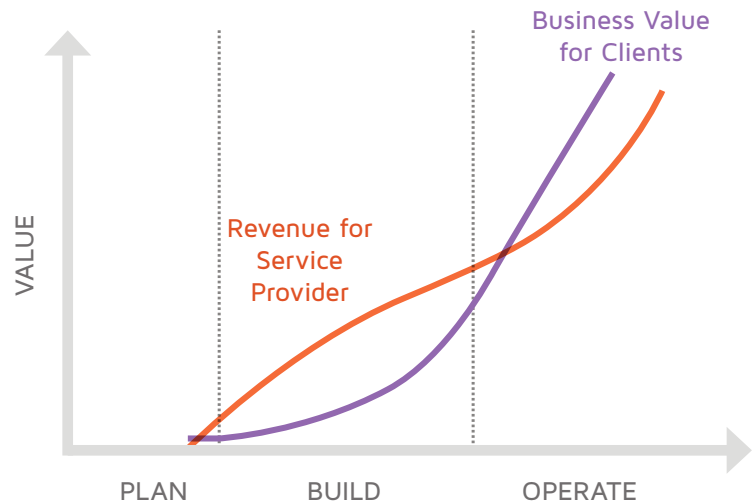


Figure 5  
**Solution-centric Approach**  
Delivers Greater Value for Client and Service Provider



Old habits and status quo thinking impede many organizations' efforts to improve customer experiences and keep up with the customer experience expectations of empowered consumers. By making relatively minor changes in their approaches to website and WCM development, service providers can take the initiative, disrupt the status quo, and produce superior outcomes for client companies, consumers, and their own bottom line.

**Companies interviewed in association with this report:**

Cognifide

MU/DAI

ORM

Sitecore

# Endnotes

- 1 Forrester surveyed 46,000 consumers to evaluate the CX performance of 299 U.S. brands across 17 industries. In a change from previous CX Indexes, “excellence” was reserved for brands that “design and deliver a CX that actually helps the business by *creating and sustaining customer loyalty*.” The Q1 2015 CXI was published on April 20, 2015; the Q3 report was published on September 28, 2015. See Michael Gazala’s blog analysis of the declining scores at [http://blogs.forrester.com/michael\\_gazala/15-10-06-forresters\\_customer\\_experience\\_index\\_q3\\_2015\\_its\\_hard\\_being\\_an\\_optimist](http://blogs.forrester.com/michael_gazala/15-10-06-forresters_customer_experience_index_q3_2015_its_hard_being_an_optimist). Joana van den Brink-Quintanilha’s October 5, 2015 blog post makes it clear that Forrester interprets an “OK” rating as “mediocre” rather than as “not bad.” See [http://blogs.forrester.com/joana\\_van\\_den\\_brink\\_quintanilha/15-09-28-which\\_french\\_german\\_and\\_uk\\_brands\\_create\\_the\\_most\\_loyalty\\_with\\_their\\_customer\\_expe](http://blogs.forrester.com/joana_van_den_brink_quintanilha/15-09-28-which_french_german_and_uk_brands_create_the_most_loyalty_with_their_customer_expe).
- 2 For a detailed analysis of the widespread failure to provide holistic, integrated CEM – and what service providers and end users can do about it – see the Digital Clarity Group Insight Paper by Tim Walters, “The Need for Integrated Customer Experience Management,” available at <http://www.digitalclaritygroup.com/the-need-for-integrated-customer-experience-management/>.
- 3 Just when service providers and end-user clients need to build tighter, more strategic, better-integrated working relationships, the trend is towards more project-based, short-term relationships and RFP- and procurement-driven selections. See Ad Age article, “Marketers Should Take Heed as Agencies Shun Low-Margin, High-Headache Business,” available at <http://adage.com/article/agency-news/marketers-heed-agencies-shun-low-margin-biz/244855/>.
- 4 See note 3.
- 5 Since 1994, the Standish Group has produced an annual snapshot of the fate of software development projects. For the 2015 report, Standish analyzed some 50,000 projects. The latest report modified the definition of a “successful” project as one that was “on time, on budget, and with a satisfactory result.” A summary of the 2015 findings and a comparison with the previous five years (with the retroactive application of the new definition to the data sets), is available at <https://www.infoq.com/articles/standish-chaos-2015>.
- 6 The status quo bias names the innate human preference for the established, familiar state of affairs. For a brief discussion of the impact of status quo bias on business decisions, see <http://www.sbsonline.com/article/status-quo-bars-companies-exploring-new-ways-operate/>.
- 7 See note 5. The publicized results do not specify by what criteria agile and waterfall projects were distinguished.
- 8 For a discussion of the relationships and differences between agile, lean, scrum, and Kanban, see <https://realtimeboard.com/blog/choose-between-agile-lean-scrum-kanban/>. For a recent debate on the merits of the Agile Manifesto versus a broader agile “mindset,” see <http://www.forbes.com/sites/stevedenning/2016/07/07/should-we-change-the-agile-manifesto/#e212e0659b9e>.
- 9 See the related approach of so-called “atomic design,” which conceives of website design as analogous to the way atoms (e.g., HTML tags) combine to form molecules (e.g., a search box) and organisms (e.g., a distinct section of an interface, such as a masthead or product grid). As Brad Frost notes: “Atomic design gives us the ability to traverse from abstract to concrete. Because of this, we can create systems that promote consistency and scalability while simultaneously showing things in their final context. And by assembling rather than deconstructing, we’re crafting a system right out of the gate instead of cherry picking patterns after the fact.” See Frost’s post at <http://bradfrost.com/blog/post/atomic-web-design/>.
- 10 In a recent example, “improving the customer experience” was named the top business priority in Accenture’s 2015 survey of business decision-makers. See <https://newsroom.accenture.com/news/improving-customer-experience-is-top-business-priority-for-companies-pursuing-digital-transformation-according-to-accenture-study.htm>.

# About Digital Clarity Group



Digital Clarity Group is a research-based advisory firm focused on the content, technologies, and practices that drive world-class customer experience. Global organizations depend on our insight, reports, and consulting services to help them turn digital disruption into digital advantage. As analysts, we cover the customer experience management (CEM) footprint - those organizational capabilities and competencies that impact the experience delivered to customers and prospects. In our view, the CEM footprint overlays content management, marketing automation, e-commerce, social media management, collaboration, customer relationship management, localization, and search. As consultants, we believe that education and advice leading to successful CEM is only possible by actively engaging with all participants in the CEM solutions ecosystem. In keeping with this philosophy, we work with enterprise adopters of CEM solutions, technology vendors that develop and market CEM systems and tools, and service providers who implement solutions, including systems integrators and digital agencies.

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