# How agencies can help brands deliver cutting-edge digital experiences



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For brands to succeed in 2020 and beyond, they won't just be doing content marketing, and they won't just be creating websites. They'll be serving customers throughout their entire lifecycle. Digital experiences help brands capture greater revenue by driving preference, increasing customer loyalty and enabling higher pricing.

The demand for these kinds of experiences is driven by several factors. First, customer expectations are rising, due in part to digital disruptors who raise the bar not just for their own industry, but across the digital landscape. Second, the number of digital channels and devices keeps increasing. Third, customers expect the brand experience to carry across channels, with meaningful touchpoints at all stages of the customer journey.

This increased demand coincides with new trends in how brands deliver digital experiences. Mobile is a dominant digital channel, eclipsing traditional websites in its ability to deliver content to the consumer. Brands are also focusing on creating digital-first, direct to consumer experiences, rather than treating digital as ancillary. This trend has spread beyond digital native companies: large brands like Nike and Ralph Lauren have accelerated their shift away from traditional retail channels.

Brands need to make delivering digital experiences a core competency in order to stay relevant and competitive, and many of these brands will rely heavily on digital agencies to help them deliver these amazing digital experiences. The only sustainable competitive advantage in digital experiences will be the ability to build faster than the competition. Agencies also need to better align themselves if they're to help brands enable their digital transformations and deliver experiences faster than the competition. Experts agree: "How companies deliver digital experience and customer experience are essential elements of future success - and will propel the best-in-class businesses," states CMSWire.<sup>1</sup>

This paper is your guide to understanding how digital agencies and consultancies can help brands build modern digital experiences, and to choosing the next generation of tools that will help deliver those experiences. Learn which three digital experiences your agency should focus on delivering now, and get expert insights on the cutting edge tools that are helping top brands shape the digital experiences of tomorrow.

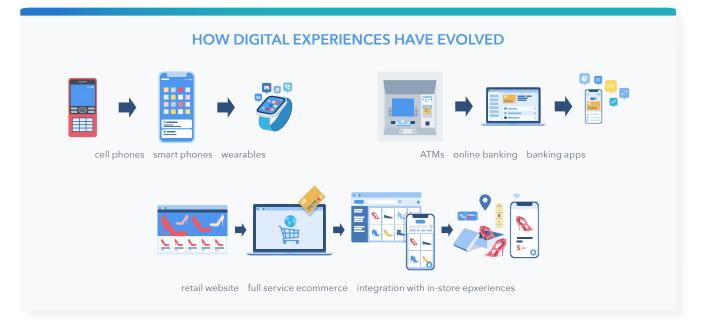
### What is a digital experience?

Modern digital experiences use technology to augment or expand our human experience. And while technology has rapidly evolved from things we imagined in sci-fi movies to practical devices that fit in our pocket, the driver behind this adoption is the value it can add to the human experience.

"The digital experience is an augmentation of human experience. It can mirror the ways we interact in real life or it can be something so unique it can expand the way we see our world," Contentful's Developer Evangelist Amelia Winger-Bearskin explains. "This is why we value delight, imagination and creativity. When people see a new type of digital experience or new way of interacting that is delightful, creative, inspiring... people will try it out, adoption first comes from curiosity and curiosity comes from delight."

Another strategy is to make the technology totally invisible, so the user only has a faster and easier interaction with the front end. The technology runs quietly in the background, facilitating the experience. With both strategies, the focus is on adding value to the customer experience. Industry experts note, however, that staying focused on the user is a challenge. "We still have too many so-called customer experience initiatives that are driven by IT systems that in fact make things that should be easy, more complex," writes Alan J. Porter in CMSWire.<sup>2</sup> Technologydriven experiences focus on a company's operational needs and are often measured by metrics around operational efficiency rather than customer success, according to Porter, who was recently named one of the top 25 content strategist influencers by MindTouch.

To create digital experiences for brands that drive value throughout the customer lifecycle, it's imperative that digital agencies focus on understanding the experiences that end-users want, and then choose the best technology to deliver each experience. Leading agencies do this by choosing API-first tools that work well together and give developers the components they need to create any experience. These tools help agencies stay flexible and pivot to add new product and service offerings. For example, many clients want to jump on the trend of alternate reality-enabled experiences, and agencies need to quickly react to this trend and offer these capabilities to their clients.



### THREE KEY CATEGORIES OF DIGITAL EXPERIENCES

Consumers interact with hundreds of brands every day. These experiences shape their expectations – not only for a specific brand or industry, but across the board. Digital disruptors raise the bar for everyone and consumers show little mercy for brands that can't keep up.

Digital agencies need to keep an eye on digital leaders and disruptors – Amazon, Sephora, Glossier – to identify new digital trends that resonate with their clients and ultimately consumers. When clients are ready to invest in the next big thing, agencies need to be prepared. Agencies need to invest in digital and data capabilities as well as creative teams familiar with leading tech.

#### **EXPERIENCES THAT REDUCE FRICTION**

Customer attention spans are short. Leaders in all industries should focus on making their user experiences more convenient. This doesn't

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just mean making incremental UX changes. The best brands are fully reimagining what the ideal experience can be and using new technology to deliver it.

Synchronizing communications across channels is challenging for many companies. It requires the ability to identify users' preferred channels and the ability to customize messaging and cadence based on previous interactions, regardless of which channel they occur on. Companies with strong omnichannel strategies keep roughly 89% of their customers. Those with weaker offerings retain just 33%.<sup>3</sup>

As more companies master these challenges, users become less tolerant of companies that send generic messages via email, phone and text.

For example, agile project management software Atlassian wanted to deliver personalized support content across its various channels, beyond its existing external support website. Atlassian restructured how it delivers its help content by creating a widget that appears in-product and assists customers at the site of the issue. "We've long thought that the most effective place to get people help content is in the product where they need it," says John Collins, senior content designer. As Atlassian reimagines how it delivers more personalized content across channels, it moves farther from the legacy systems it used in its early years. "We recognize that shapeless content is hard to do intelligent things with," adds Collins, "That's a major change for us as an organization. We really recognize that as powerful."

Other companies know we're attached to the convenience of our ever-present smartphones. Travelers expect to book, check flight status, check in, change seats, upgrade and board a flight using nothing but their phones. Uber and Lyft disrupted a long-established industry with an app. Apple's new credit card integrates with iPhone apps enabling users to pay, track and view the location of purchases with their phone.

#### **NOVEL IS NOW THE NORM**

Think about the evolution of ecommerce sites. Many brands were skeptical that people would pay for goods online. Then, Paypal normalized online payments and ecommerce sites quickly became table stakes for retailers, many of which were not digital companies.

"Digital experience is no longer limited to the domain of born-digital companies or outlier enterprises in specific industries. CIOs must ensure that their organization puts as much effort into understanding how people interact with and experience digital technology as they put into tracking technology itself," says Brian Prentice, research vice president at Gartner.<sup>4</sup>

To stand out, brands need to give customers everything they expect – localization, personalization, consistency across channels, intuitive interfaces, beautiful design – and something more that they don't think they can get elsewhere. It's not enough to deliver the digital experiences we see today; brands need to experiment with novel technology that could be the new standard tomorrow. This puts tremendous pressure on digital delivery pipelines and brands are looking to digital agencies to help them deliver.

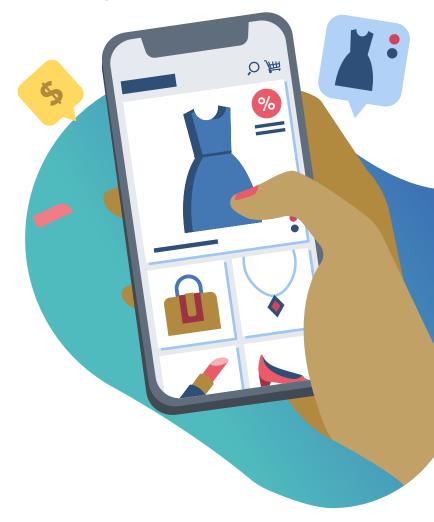
Alpro, a global leader in plant-based food products, engaged digital agency <u>Appnovation</u> to design and build a modern new website and deliver it in nine months. But thanks to their familiarity with cutting edge content solutions and modern tech stack capabilities, the agency delivered a fully rebranded web and mobile site in just six months. Now, both the web and mobile sites draw significantly more traffic – with a higher proportion of repeat visits and more pages viewed per visit

#### DIGITAL THROUGHOUT THE CUSTOMER LIFECYCLE

The new digital experience starts with the first customer interaction, customers expect that digital experiences will support them across their entire lifecycle: Research, learn, compare, buy, receive, set up, operate, troubleshoot, review, extend, repurchase.

#### Repeat.

Teams that were traditionally separate now need to work together to carry the same tone and branding through every interaction. Simply unifying digital experiences throughout the customer lifecycle might not sound as exciting as launching the "next new thing," but it is as important. According to Salesforce, "it is 4-10 times less expensive to sell to repeat customers than it is to acquire new ones, and repeat customers generate 10 times as much revenue."<sup>5</sup> Investing in better tools to build a more unified



customer lifecycle pays off. Breaking down data and content silos enables companies to more deeply understand their customers and deliver the touchpoints they need, at the right time, on their preferred channel.

Luxury audio-visual company Bang & Olufsen understood that they needed to deliver better experiences that catered to each customer's unique journey. They hired <u>Publicis.Sapient</u> to help merge their two websites into one. Powered by Contentful and Commercetools, Publicis. Sapient helped design a website with a story-led commerce approach that engaged consumers through immersive curated content. They enabled Bang & Olufsen shift from a monolithic ecommerce and content software to a bespoke service stack. The company saw a 60% increase in ecommerce conversion rates, and a 13% increase in average order value.

### The future of digital products and experiences

The future of digital experiences is likely to be an entirely different landscape of integrated content and functionality. Digital agencies can assist brands in combining different technologies to understand customers at the molecular level, and deliver superior digital products and experiences.

To stay competitive, brands need to explore new technologies and accelerate their ability to deliver the new digital products and experiences their customers will demand. Digital agencies will be at the forefront of enabling brands to experiment with new technologies, and help brands better understand how those technologies can augment the experiences that brands want to deliver.

While the existing technology and tools will not disappear overnight, they are far less likely to be the choice for new projects and will become less relevant over time. As digital agencies think broadly about how to best deliver ideal digital products and experiences for brands, these four technologies are worth keeping on the radar.

#### Mobile

Mobile isn't new, but the technology keeps getting better. Consumers expect to access everything they need via their mobile devices. The next generation of digital products, like the new Apple credit card, integrate with smartphone features and commonly used apps to deliver blended digital experiences that aren't constrained to a single app. Being mobilefriendly can no longer be an afterthought or a phase two.

Forrester predicts that mobile will be a vital part of future digital experiences: "Tomorrow, mobile will be a digital experience choreographer, creating blended experiences from an ecosystem of developers and vendors building on shared data to address mobile moments. The primary interaction may be on a mobile device, but it won't be constrained to it. Rather, these blended experiences will include anything that an individual can connect to – wearables, cars, homes, and gaming platforms. These experiences will require a shift along three key dimensions."<sup>6</sup>

Delivering blended digital experiences through mobile devices will require businesses to break down content and data silos and expand their ability to deliver to multiple platforms and channels.

#### AI

We've seen artificial intelligence score a win on Jeopardy and raise the bar for chatbots, but we're still only scratching the surface of its potential. Digital agencies should think about how AI can help brands meet consumers where they are and then expand what is possible. For example, some businesses are using AI to unobtrusively improve digital experiences by predicting user intent and then triggering relevant content to assist them. Gartner identifies this type of Al-powered "agent interface" as one of the top digital experience trends for 2020.

"Agent interfaces employ artificial intelligence (AI) to predict what users intend to do from user input and other contextual cues. This information is then used to assist by either easing or automating the execution of those efforts. Agent interfaces represent a whole new paradigm of human-computer interaction and have broad implications that will greatly influence how enterprises interact with customers, offer services and provide tools to employees."<sup>7</sup>

Thinking about and experimenting with how AI can enhance the user experience will help your digital agency move faster as AI becomes more prolific.

#### **Extended reality: AR/VR**

While the nomenclature is still evolving, extended reality – including augmented reality and virtual reality – is rapidly becoming part of our digital experiences. For example, personal vehicle manufacturer <u>BRP</u> built a mobile experience that lets customers customize a Can-Am Ryker and watch the motorcycle come to life in full-size, 3D AR. Luxury carmakers are likely to follow suit and consumers will expect more physical products to include AR as part of their shopping experience.

#### **Biometrics**

Fingerprint and facial recognition, once novel technologies, are now widely available. Facial recognition payments are on Gartner's list for top trends for 2020: "This is a digital experience trend emerging in China, which will disrupt the widespread use of QR code payments and further diminish the use of bank cards and cash."<sup>8</sup> according to their analysts.

Of course, it's not just the financial sector that needs to watch this trend. The biometric identity company Clear is already helping passengers speed through security at dozens of airports and stadiums in the United States. In some stadiums, Clear customers can even use their fingerprint to pay at concession stands.

#### BACKEND OPERATIONS MUST CHANGE TO KEEP UP WITH CONSUMER DEMAND

When one brand delights customers with a new digital experience, users are quick to raise the bar for other brands. And other brands will deliver, making it impossible for a novel digital experience to differentiate a brand for long. The only sustainable competitive advantage in digital experiences will be the ability to build faster than the competition.

#### PREPARING FOR A NEW AD MODEL

Traditional advertising models that disrupt users and aggressively push content are out of sync with the digital experiences that people want. Even with sophisticated targeting, ads are rarely relevant to both the user and the user's activity at that moment. As companies focus on the end-to-end customer experience, they will need to reimagine how ad models fit into the digital experience.

Discarding the old ad model and reimagining the way we advertise products and services might seem radical, but the old model has been failing for years. Tom Standage, the deputy editor responsible for digital strategy at The Economist, predicted that display advertising would disappear by 2026.<sup>9</sup>

We don't know what future ad models will look like. Advertisers need to invest in more flexible content storage and delivery so they're prepared, regardless of how ad models evolve. Keeping up with the pace of technological change is a challenge, especially for businesses that rely on outdated systems and siloed operations. More than half of CMOs and senior marketers surveyed by the Digital Marketing Institute voiced concerns about how their department and business will keep up.<sup>10</sup>

So how can digital agencies help brands keep up? By rethinking backend operations and the tools that support those operations.

Companies need to reinvent their customer experiences, notes McKinsey & Company, but this reinvention must be tied to backend operations. "The other imperative for companies is to explicitly tie the reinvented customer experience to their operations. If they focus only on the front-end experience and don't change the backend operations that support it, the new experience is unlikely to be sustainable."<sup>11</sup> Meanwhile, the front-end experience needs to be flexible – as companies deliver more of these cutting-edge experiences, they need a backend that can scale with their ambition.

## Three changes you should make to streamline operations

 Unify silos: "Crafting a great customer experience requires enormous amounts of collaboration across groups in a company that often work independently and at different stages of product development. In many cases marketing, product design, customer services, sales, advertising agency, retail partners must all be working in concert to create even a single touchpoint," wrote Adam Richardson in the Harvard Business Review.<sup>12</sup> Ten years later, achieving this level of collaboration is still a challenge for many companies.

Unifying content and data fosters collaboration by making assets accessible across products and channels. Instead of managing fragmented data, teams are empowered to build new digital experiences with existing assets. Leaders can streamline processes and implement automated governance tools to create more brand consistency.

- 2. Structure teams, content and tech for speed: When businesses unify siloed content and data, it is imperative that they think about how to structure those assets for usability. For content this means creating reusable, modular components that teams can use to quickly spin up new experiences. Once your content and data are structured, you can set up actions, triggers and webhooks to reduce the amount of intervention required by people when routine updates are made and you can rethink teams and workflows.
- 3. Choose extensible technology that empowers people: To deliver better digital experiences faster, brands need to empower the people who care the most about their company. The best technology empowers people to focus on the work they do best. For example, content creators want power over their own content, and autonomy to change it without developer intervention. Developers want to build new digital products and experiences without the grunt work of maintaining aging systems or worrying about content. And everyone wants platforms that integrate with their preferred tools and workflows.

To meet these needs, digital agencies are enabling companies to replace restrictive legacy systems with extensible, API-first tools that work well together in custom technology stacks.

#### THE GENERATIONAL SHIFT IN HOW BRANDS BUILD DIGITAL EXPERIENCES

Gartner's top digital trends for 2020 include changes in how companies build digital experiences. "The way in which engaging digital experiences are crafted is becoming increasingly formalized, which means that delivering a digital experience that ensures a measurable outcome will require both creative excellence and consistent process execution."<sup>13</sup> This doesn't just pertain to each siloed channel operating within the sphere of its own systems. Users expect a unified, consistent brand experience across channels and throughout their customer lifecycle. Brands need to replace siloed legacy platforms and mega-suites with a new generation of API-first tools.

## CUSTOM STACKS DELIVER WHAT LEGACY SOLUTIONS CAN'T

Monolithic platforms and mega-suites are part of a prior generation of tools that provide an all-in-one solution at the expense of flexibility and speed. Relying on these solutions will put companies at a disadvantage as they aim to accelerate workflows and integrate new technology into digital products and experiences. These legacy systems will become less relevant over time as digital leaders embrace more agile custom technology stacks.

Digital experience stacks decouple functions that are typically tied together in monolithic

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systems. Best-in-class tools for each function – content, data, payments, inventory, etc. – are integrated into a customized stack. Brands focus on selecting extensible tools with high-quality, well-documented APIs. Developers use these APIs to create a digital-first ecosystem of tools that can deliver a broad array of experiences. All the layers work well together but can also be swapped out to fit the needs of each project. This provides flexibility and limitless possibilities at the project level, while offering consistency and unity across the enterprise. Agencies can use a flexible, customized stack to build blueprints or accelerators that then help them deliver projects faster and prove value for their clients.

With the digital-first shift and the advent of new systems to support it, digital agencies have a big opportunity to solve a core set of nextgeneration problems for clients and to extend that platform through high quality APIs.

# Getting started with Contentful's partner program for digital agencies and consultancies

Delivering digital experiences that are fresh and synchronized across all devices and touchpoints requires building a digital experience stack, where you can add the best services for the job while keeping content flowing consistently.

In the new digital-first era, content is king. Contentful's modern content platform makes sure clients reach the right people at the right time. Using Contentful's flexibility, agencies can create more engaging digital experiences for their clients. The digital-first era is accompanied by a preference for bespoke DXPs and headless content management options – agencies that demonstrate competency with both are primed for better business opportunities. Partnering with Contentful gives you the tools your agency needs to streamline your tech stack and allows you to implement your boldest ideas.

Contentful's App Framework is a new, agile way to assemble that stack. With it, digital agencies can easily integrate market-leading third-party services with the Contentful platform, or build custom integrations suited to specific business needs for their clients.

Integrating services with Contentful through apps means that you can create a stack that's seamlessly connected, bringing all relevant tools into the context of your clients' editorial UI. More than a dozen independent software vendors, including Optimizely, Netlify and Commercetools, now offer apps on Contentful to help digital agencies to apply these services across their clients' entire organization in just a few clicks.

The App Framework helps scale services programmatically, instead of one-off integrations that are hard to maintain and upgrade. This gives Contentful's partner ecosystem more agility and flexibility, while strengthening governance for customers' global content operations.

The Contentful Partner Program supports digital agencies with the skills and knowledge to help our mutual customers build, launch and maintain digital products and experiences built on Contentful. Want to learn more about how Contentful can help your agency build out a digital stack that allows you to scale and deliver modern digital experience projects faster?

Get in touch with us.

### **Endnotes**

<sup>1</sup>CMSWire, "Defining Digital Experience & Other Terms to Know"

<sup>2</sup>CMSWire, "Why Are We Thinking About the Future of CX When We Can't Get it Right Today?"

<sup>3</sup>Digital Commerce 360, "Why Omnichannel Strategy Matters"

<sup>4</sup>Gartner, "v Identifies Top Digital Experience Trends for 2020"

<sup>5</sup>Salesforce, "From Lead to Loyal: Creating Engagement through Effective Customer Lifecycle Management" <sup>6</sup>Forrester, "The Future Of Digital Experiences"

<sup>7</sup>Gartner, "Gartner Identifies Top Digital Experience Trends for 2020"

<sup>8</sup>lbid. Gartner

<sup>9</sup>PressGazette, "Economist Digital Strategy Chief: We Expect Display Advertising To Have Disappeared By 2025"

<sup>10</sup>Digital Marketing Institute, "20/20 Vistion: A Marketing Leader's View of Digital's Future"

<sup>11</sup>McKinsey Digital, "Putting customer experience at the heart of next-generation operating models"

<sup>12</sup>Harvard Business Review, "Understanding Customer Experience"

<sup>13</sup>Gartner, "Gartner Identifies Top Digital Experience Trends for 2020"