



# THE NEVER-ENDING DIGITAL JOURNEY



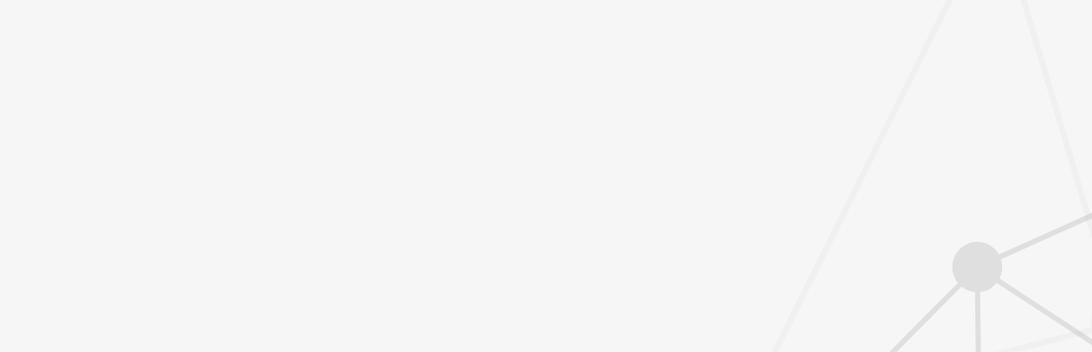
# THE NEVER-ENDING DIGITAL JOURNEY

Creating new consumer experiences through technology

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Roundtree Press



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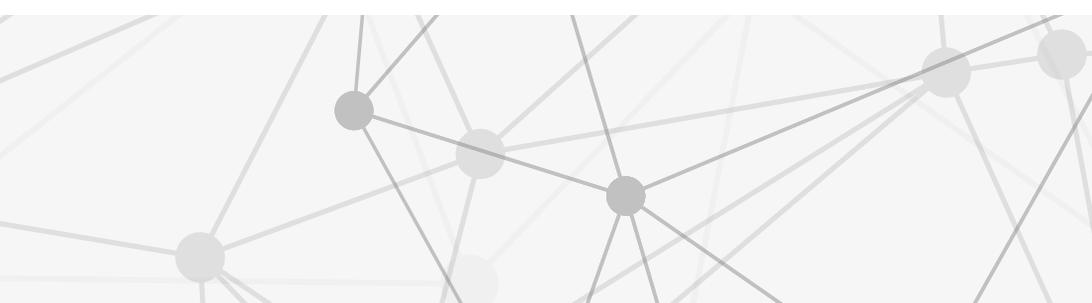
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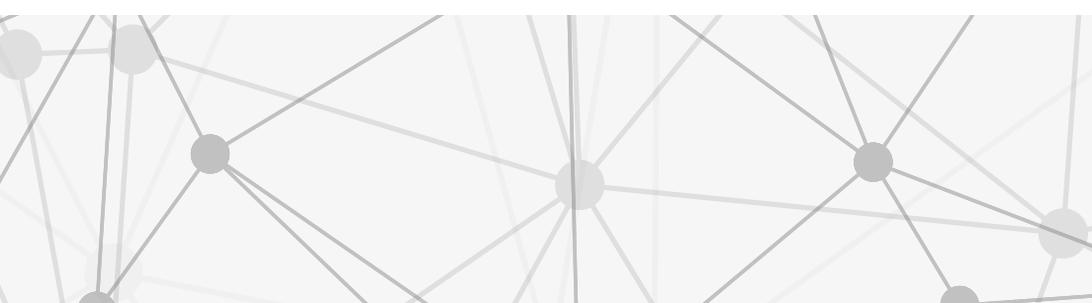
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A network diagram consisting of numerous dark gray circular nodes connected by thin, dark gray lines. The nodes are scattered across the page, with a higher density in the center and left side. The lines form a complex web of interconnected paths. The background is a solid, light gray color.

# PREFACE

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**E**VERY BUSINESS UNDERSTANDS the critical importance of connecting to its customers. Being close to the customer helps companies establish a conversation and path of discovery that helps drive innovation, thus opening new possibilities and inviting valuable feedback. The very nature of connecting and attracting feedback has long been used to improve products and business offerings for customers.

Think back to the 1950s and the heyday of New York's legendary Madison Avenue "Mad Men" culture. The colossal advertising agencies pushed products through iconic campaigns, such as creating the Marlboro Man to sell cigarettes. These campaigns defined particular personalities and characteristics and suggested a cultural set of preferences, including what you were supposed to wear and look like. Many followed those suggestive and powerful marketing campaigns.

The agency model endures today, though it has been impacted by the arrival of new technologies and ubiquitous access to information. The idea, however, of driving consumers down a single path with communications has gone

out of fashion. Today's sophisticated consumers tend to perceive these advertising campaigns as an annoyance with little discernible value.

Our all-digital society leverages an assortment of advanced technologies to reach consumers, penetrate their world, and deliver a persuasive message more effectively. In this new landscape where technology and Millennials are synonymous, poorly conceived and delivered unilateral digital marketing campaigns are viewed as intrusive and impersonal.

The future of digital engagement with consumers demands uniqueness and personalization.

In 2007, Steve Jobs captured the imagination of consumers with Apple's smartphone. This event marked the beginning of a new wave of innovation directed at the end-user market. It also allowed brands to reach the consumer whenever and wherever they were.

Jobs's phenomenon created a new ecosystem of businesses. Many traditional industries looked at this new sensation rocking the marketplace and felt threatened. They rushed to embrace the new digital conversation by conceiving products molded from their Web environment and grafted onto a mobile platform. Most of those efforts generated lackluster products and results. Many businesses mistakenly believed what they had running on the Web would work just as well on a mobile device. They did little or nothing to leverage the native features of the new phones. In essence, there were few results demonstrating an improved experience.

The mobile era was born. It wasn't the first time businesses found themselves behind the curve, desperately trying to catch up to the newest thing.

In this new context, organizations need to embrace technology and unleash their innovation potential in order to transform the future of their business. The concept of "digital" needs to evolve. We are not talking about a new media channel, but rather a foundation to build current and future digital experiences that customers and employees want.

Digital native businesses have discovered ways to establish long-lasting ties with customers by focusing on their experience. We call these turbocharged digital tech companies "disruptors," because they perceived imperfect experiences and made them better. In doing so, these companies shook the very foundation of entire industries and grabbed market share from incumbents. These disruptors, for example, have deeply impacted the industries of music and personal transportation with their digital savvy. What's more, this disruption has spread across every industry and market. It has forced incumbents to come to grips with the reality that they were being disrupted by next-generation players powered by emerging digital technologies infused with design and the ability to scale.

As companies have watched their market share being eroded by digital-savvy companies, they have also suffered losses in talented pools of employees. The new generation of digital workers is being drawn to company cultures driven by powerful digital consumer technologies.

In order for technology to help shape and forge bonds between a brand and its customer or consumers, it requires a commitment on the part of the company to a highly iterative and ongoing evolutionary process. These pools of digital talent will lean toward corporate cultures embracing agile cycles where products are part of an experiential journey. This is the essence of what in this book we are calling the “digital journey.”

The demands of the digital marketplace are extremely dynamic and require attention to managing talent, which includes listening to consumers, promoting innovation, and establishing a strong process for the way software is created. This vastly exceeds adopting an agile development process. These are the times in which agility must become enterprise-class.

But to get to the new digital plateau requires rethinking how design, digital technologies, and traditional engineering mesh.

In the early 1980s, when Trip Hawkins founded Electronic Arts (EA), he was credited by analysts and writers with pioneering the concept of treating software as an art form and calling the developers “software artists.” EA routinely referred to their developers as “artists” and gave them photo credits in their games and in full-page magazine ads. This novel approach of awarding credit to its developers was one of EA’s trademarks in its early days and helped place the company in the limelight of the game industry.

Art was further reinforced into the core of EA’s culture and business by packaging most of their games with an “album

cover.” Hawkins thought that a record album style would both save costs and convey an artistic feeling. The company also shared lavish profits with their developers, which added to their industry appeal. Because of this, EA was easily able to attract the best developers.

These pioneering concepts blazed a new path for innovative software design and approaches that successfully married design and innovation with engineering. It is this powerful combination that brings tremendous value to all kinds of software development projects, not just video games. Small teams with cross-functional expertise help drive integration of technology, talent, and ideas, which ultimately drives innovation. But this drive toward forging a union between designers and engineers wasn’t a journey without big challenges.

As noted, today’s savvy consumers have a seemingly insatiable appetite for well-designed software that’s intuitive and delivers a smooth, friction-free experience. Design and simplicity is at the heart of leading-edge software. To get there requires cross-functional expertise.

Software services have come a long way over the past decade. Consumers and business users want digital products that follow them as they pursue a task or seek out information for their needs. The bridging of the two distinctive cultures of art and engineering into an integrated vehicle has helped spur innovation and drive successful projects and engagements with large customer bases.

This first book in a series provides the necessary context, ideas, and selected methodologies that will allow organizations to surf the wave of the digital transformation and help companies bring greater value as they connect with customers and employees in a continuous digital journey.

Having executed thousands of projects for all varieties of organizations, we believe we have distilled here a comprehensive approach to how technology should be developed to achieve success in the digital space.

Trip Hawkins's important insight about the need to bring together art and engineering to design powerful and engaging games now seems obvious to gaming companies. We can only expect that the rich symbiosis of art and engineering for creating all kinds of software will be embraced and seem obvious years from now as the driving force for the digital experience.



A network diagram consisting of numerous dark gray circular nodes connected by thin, dark gray lines. The nodes are scattered across the frame, with some forming dense clusters and others being more isolated. The lines vary in thickness and opacity, creating a complex web of connections. The background is a solid, light gray color.

# INTRODUCTION

## THE DIGITAL JOURNEY

# INTRODUCTION

## The Digital Journey

IN 2008, A GLOBAL ENTERTAINMENT COMPANY, “M,” needed to improve their client’s experience dramatically. M was a company with a complex structure, including physical and digital properties, with little or no connection between them. Their opportunities to cross-sell had been crippled by the lack of cohesion between business units, which doubled marketing budgets and overall created a user experience that felt like talking to disjointed pieces of inconsistent brands.

M wanted to invigorate its websites and create a seamless experience across the various company units. It wanted to create a technology blueprint for establishing a coherent conversation with its customers. The company deeply understood its customer journey: how customers did research before a purchase, their main order, their cross-sell purchases, their service experience, and the follow-up communication and subsequent purchases. But these channels were disconnected and weren’t digitally integrated. M realized that their designs, processes, and products that targeted the X and Y generations were not embracing the digital technologies those consumers

use—and will, increasingly, use in the future. Most of the company's strategies to acquire customers—to get them to buy and keep buying—were campaign-oriented, with heavy traditional marketing budgets for advertising and promotions.

The company's leaders knew they needed a holistic digital product road map, but they were puzzled about how to execute such a strategy, especially given the complexity of the organization and the underlying technology changes, including e-commerce, social media, big data, and mobile and cognitive computing. All these technologies were transforming a consumer's experience, fast. M's executives felt as if the earth was moving underneath them, and they were slipping.

The company's website and mobile apps had become tired compared to more cutting-edge websites, which were rich in video, images, and animation. But most of all, the new digital makeover needed to embrace simplicity in the user experience and be “beautifully” engaging, so that it behaved in a way that anticipated its user's train of thought. In other words, it needed to be a seamless experience that was context-driven, creating a rich, engaging conversation with consumers that would evoke strong emotional responses. The company needed a user interface design that would ensure the experience was smooth and also surprising. M had taken all of these factors into consideration when they created experiences in the physical world for their customers, but that was no longer sufficient, as M was not tackling its next generation of consumers: digital natives.

The company hired a young director, “Joe,” who had come over from a major online travel company. He knew that while M’s technology culture was mature and its creative talent base was strong, it lacked the digital design and software engineering skills needed to provide the driving force for this big redesign. Joe also knew that the project’s success hinged on being able to successfully integrate outside digital software engineers with M’s internal technology team, which would be a vexing challenge.

The problem M faced of integrating inside and outside talent is one that plagues many industries and businesses. It’s difficult to manage large, complex teams of software engineers, let alone get them to work together—particularly when a company hires an outside firm to work alongside in-house teams. But it’s crucial. Twenty years ago, software’s use within organizations was limited to companies’ corporate process optimization. Now, software underpins nearly every function in every industry and has become critical to survival.

But software development projects are often trouble spots that can lead to failures.

Some of the most common factors underlying software project failures include inaccurate estimates of required resources, inability to handle the project’s complexity, unmanaged risks, turf wars, and politics. Engineers and creative design teams often have a difficult time communicating ideas and concepts, and newly minted designs can be fumbled when they are handed over to engineering staff for crafting into products.

A digital focus compels businesses to look internally and assess their technology ecosystems. The trouble is, these ecosystems have a complex array of legacy data and software systems that are difficult to change or modify to meet these new digital requirements. During the past couple of decades, corporations have invested considerably to optimize processes and create efficiencies that changed and modernized their corporate IT infrastructure and services. Many have been very successful. But these technologies fall short in fulfilling the requirements of the digital era, where seamless connectivity between systems serves as the foundation of the digital journeys that consumers and employees expect to experience.

Legacy and core transactional systems comprise old and new technology combined, and in general don't support very frequent releases or continuous delivery; a slower velocity than the development life cycle of digital products. This new technology paradigm requires a two-velocity approach: first, it must meet the requirements of corporate transactional systems, which have traditionally supported the core business and processed critical data; and second, it must allow for a highly iterative, fast cycle of delivery that enables these companies to quickly launch or update new digital products. This is key to enable the digital transformation.

Within large entertainment conglomerates like M, there are distinct divisions that provide experiences to customers across various media. These business units have their own ways of providing experiences and managing brand perception,

which are sometimes inconsistent and even conflicting across the company. Just as M acknowledged a problem in the integration of its company at a massive scale, it also realized the tremendous opportunity such an integration would present to leverage scale and connect these experiences in game-changing ways.

M needed a different approach to be digital. This approach was not just about creating more digital products; it was about linking interactions between their products and services within the life of their users. To understand the experience of their users with their products and services, M needed to envision their user journeys in the new digital world.

In simple terms, a digital journey is a context-aware interaction between an end user and a brand or business, whereby the interaction becomes a conversation in which technology facilitates a powerful experience that builds deep emotional connections by incorporating three key values: simplification, surprise, and anticipation.

**SIMPLIFICATION** is all about minimizing complexity in products, services, or technology yet providing comprehensive functionality.

**SURPRISE** is at the core of an emotional experience that delights the user yet also helps understand them and their needs with greater precision and predictability.

**ANTICIPATION** is all about enabling rich connections timed to help the user move forward with their objective, whether that is discovery or completing a tasks or set of tasks.

To create digital journeys, however, requires a confluence of talent, agility, and a corporate culture that promotes innovation, experience design, and technology. M needed a new kind of corporate structure and flexibility to help them integrate their various business units and create an emotionally engaging digital conversation with their customers. They needed a collaborative approach that would permit engineering and design teams to work side by side quickly and efficiently, and at scale, to reach their consumer and business goals.

At the heart of a successful business strategy is a customer experience that is elegantly simple and positive, where consumers are likely to come away satisfied—and return. This type of experience is designed by understanding the emotion of end users throughout a journey involving the company's products and services. The goal is to maximize positive emotion. Ultimately, the goal from the viewpoint of end users' emotional engagement is to elevate a sub-optimal consumer experience into a journey in which the consumers receive high satisfaction.

M had to consider all these issues in redesigning its business within the context of speed. Speed is a central factor when it comes to the execution of a digital strategy; it compels leaders to rethink how software is produced inside and outside of the

company. As a business begins to leverage digital and build experiences, software has to be created at a fast pace to leverage multiple channels and entry points. All kinds of devices become components in building and realizing digital journeys.

In today's marketplace, time to market is a chief concern for any business trying to establish or drive digital journeys. Delivering the best experience establishes emotional bonds that last. Arriving late renders a negative impact, a low to no return, and a lackluster effect that lowers brand equity instead of boosting it.

To meet these diverse challenges, teams need to be reworked so that design and engineering work together. What's more, motivational drivers need to be aligned and emphasized to forge a culture of innovation. The challenge was huge for such a large organization. M needed to propel agility and team maturity while implementing a seamless digital journey composed of hundreds of projects, and at the same time integrate in a seamless way design, innovation, and engineering in a single culture—at scale.

And they did great. Today they are one of the most successful digital transformation efforts in the world, and a relevant example that shows big organizations can also be disruptors on the digital arena.

How did they do it?

First, a top-level management decision had to be crafted with a coherent budget. Second, a team had to be assembled that was relevant and well versed in the latest technologies.

Third, a culture needed to be fostered that inspired innovation and allowed employees to explore and imagine these new journeys. Finally, a proper methodology was required to drive and continuously evolve these goals. Out of all these factors, one of the most relevant for the execution was the development methodology that helped M nurture and propel agility and team maturity throughout these digital journeys. This methodology is known as “agile pods.” At M, the new manager, Joe, decided to implement its digital transformation by using the agile pods methodology (developed at Globant) and validated in hundreds of digital transformation projects.

Pods are cells comprising designers and engineers with an assortment of digital skills and talents. Typically, a pod has eight to ten team members spanning creative, engineering, and test automation skill sets, all of whom have a shared responsibility for the outcome of a project.

Similar to cells in living organisms, pods have all the equipment and expertise necessary to carry out their functions. They can grow and evolve, maintain the health of the team, and can even replicate themselves. Typically small, they are sometimes part of a larger organism—in this case, a pod ecosystem. As in nature, where there are different kinds of cells, not all pods are equal, and their characteristics will depend on the function to be performed, which may evolve over time. During the development of our agile pods methodology, we stress the importance of multiple pods working seamlessly, as cells in a living organism.

In a large digital transformation initiative, being able to structure an ecosystem of pods brings the scalability, collaboration, and cost-effectiveness any large organization will demand.

This book will focus on the talent, the team structure, the relevant information, and the methodology to carry out a digital transformation.