Accelerate Time to Market for New Digital Products and Services
Speed Is the New Success

There are many differences between traditional and digital business models, but perhaps the most important and far-reaching is speed. And the most important manifestation of speed is the rate of innovation. Digital businesses need to be first to market with new products and services. In the digital world, many new products and services are driven by digital development, and the need to focus on fast but effective app development is increasing. According to Gartner, more than a quarter of enterprises globally have not built, customized or virtualized any mobile apps in the past 12 months.¹ “This will place an increasing amount of pressure on IT to develop a larger variety of mobile apps in shorter time frames,” says Gartner research director Adrian Leow. And this pressure will extend well beyond just mobile apps.

As new digital products and services such as financial planning, personalization, and even healthcare services are released with greater frequency, markets become hypercompetitive. Some companies are putting substantial marketing expenditures behind these new digital products and services, making them a critical means of differentiation. For example, as highlighted in the omnipresent Progressive commercials, the insurer’s digital application that allows customers to “name their price” has become the company’s primary point of differentiation. In the mortgage market, Quicken Loans has used its digital services for mortgages to become the largest home lender in the United States in just a few short years. New digital services are changing market share in real time.

Speed is a primary differentiator between digital predators and digital prey. For that reason, companies must completely rethink their internal processes for designing, developing and deploying new digital products and services with a primary focus on how to cut design cycle time and reduce time to market.

Rethinking the Process for Developing Digital Products and Services — Adopting the MVP Approach

Organizations are facing an imperative: It is absolutely necessary to move away from slower legacy approaches to digital product development. There are a number of high-level strategies that any organization can take to enable faster delivery of digital products and services.

One proven strategy for dramatically improving speed to market is implementing the Minimum Viable Product (MVP) approach to design and delivery. Eric Ries describes this in detail in his book *The Lean Startup*. The MVP approach focuses on finding a useful but narrower functional design point that allows a company to “scope down” the features and speed up the design process, thereby bringing the offering to market much faster. Typically, most businesses try to include as many features as

¹ “Gartner Survey Reveals the Number of Enterprise Mobile Apps Is Not Accelerating,” Gartner, June 1, 2017
possible and deliver a full-featured version 1.0 of their product. MVP takes the opposite approach, detailing what the minimum usable design is to reduce the design and development time frame as much as possible. Additional features are added in frequent, future iterations.

This may raise concerns and cause fear that the product doesn’t “do enough,” but today’s digital customers already accept the “deploy and update” process and rely on frequent updates. Companies applying the MVP approach include highly successful businesses. For example, Dropbox started with a video only and showed the basic functionality to persuade customers to sign on. Features such as robust security and file integrity were added years after launch. Another example is Zappos, which started as a website showing pictures of shoes from local stores to gauge interest and shopping patterns. From there, it determined the MVP necessary to launch the online retailer.

Digital Engineering – 3 Pillars Drive the New Process

Perhaps the most important process change to enable the MVP approach is the adoption of digital engineering concepts and processes. Digital engineering changes the process for developing new digital services by driving the design process with customer research and using the direct input from customers to inform the design and move it to the programming team for actual development. Digital engineering is based on three fundamentals:

1. Correctly understand the customer/user requirements

While the coders of virtually every application built since 1965 will claim that they have incorporated user/customer input, digital engineering takes this to a much higher level with more rigorous hard data input and quantifiable measurements. Among the most important new approaches is the use of social science data and observations to infuse the design with the insight that comes only from reliable data collection methods. In many cases, this social science data may be gathered from outside sources or observing customer behaviors when using similar products. Further, the team should have regular design thinking sessions to incorporate new customer/user feedback and identify new
sources of hard data that informs the design. A primary difference from legacy approaches is that key input and design goals come from customer input and observation, not the developers or product manager alone. The result is a customer-centric design point based on documented information.

During this phase of the process, the design and development team should evaluate any similar products or services that already exist or competitive offerings that are currently in the market. This helps ensure that the MVP design point is an improvement over current solutions and not behind competitive offerings. As part of this process, attention should be given to shortcomings in competitive offerings. It is important to remember that the MVP approach is useful for both upgrading an existing product or service as well as entirely new offerings.

2. Use direct customer input to create the initial MVP design spec and future versions

The MVP is always designed with customer engagement. This may be in the form of customers looking at screens, or via questionnaires and interaction. In addition to these well-known methods, new approaches such as “shadowing” customers to see how they use and interact with a potential design or logic flow is very useful for direct feedback. For web applications, some organizations will use lasers to track where the customer’s eyes move as they scan the page. And a relatively new method of getting input is the use of storyboards and mockups. The combination of these input methods can also be used to prioritize the most important features or usage patterns that will drive the MVP. The customer becomes the ultimate arbiter of the design.

This focus on customer engagement, both directly and through social observation and social science, ensures that the design is driven by “what customers want,” not “what development can do.” Further, the clarity and prioritization that comes from customer-driven input can be used to eliminate features or capabilities and nail down the MVP.

3. Scale the MVP approach with best-in-class DevOps tools and processes

Once the MVP has been defined using the first two pillars of digital engineering, it is time to scale the MVP into an actual product or services using best-in-class development tools and processes. This finished product may be a “net new” product or an upgrade of an existing one. Agile development processes and a DevOps strategy are common methods of scaling the MVP into finished product. In addition, cloud development using platforms is often an option for many businesses. Legacy development approaches are just not conducive to fast and agile delivery of new digital products and services.

And scaling the MVP includes not only the initial product or service release but the delivery of future versions as well. The MVP approach includes support for iterative development, enabled by all the tools found in modern DevOps and Agile methodologies. As part of the iterative design model, it’s important to manage and direct developers with an emphasis on the idea that there isn’t a specific finish line and that iterations will be frequent and require fast
completion. This is a key element in the concept of scaling the MVP over time and through multiple iterations.

In addition, ensuring the development environment has built-in security, compliance and governance capabilities enhances speed. This eliminates the lag that occurs when the basic design is complete and then weeks (or months) are spent retrofitting the security and compliance functionality necessary to release the product or service into the wild.

Cognizant Delivers Best-in-Class MVP Support

Cognizant is well versed in utilizing the MVP approach with substantial expertise and many successful completed projects. The company is a skilled practitioner of the digital engineering methodology that results in successful MVP projects. It provides technologies and services that enable accelerated time to market, and there are many proof points of how the Cognizant approach provides real-world benefits.

In one example, a large conglomerate wanted better delivery with faster “time to customer” for its agri-business. Cognizant worked with the company to identify an MVP that would gather data on key customer behaviors and integrate information from its SAP environment to identify customer requirements. This was used to define an MVP that became a digital service that now delivers greater visibility into its supply chain and improved speed of customer delivery. Faster delivery of food items to 5,000-plus stores was achieved along with a 15% efficiency gain.

Key Takeaways

Delivering innovation is essential to success in today’s digitally driven business environment. And many of the innovative new products and services are digital in nature. The difference maker will be the speed at which these new products and services can be released. The fastest organizations will win.

The challenge facing every organization is how to start on the path to an MVP-based approach to the design of digital products and services. CIOs and other IT leaders are well positioned to bring this concept into their organizations. The most immediate way to accomplish this is to identify short-term projects where moving from legacy approaches to the MVP design method, supported by digital engineering principles, can deliver the solution in a tight time frame.

ABOUT COGNIZANT’S DIGITAL SYSTEMS & TECHNOLOGY

Cognizant Digital Systems & Technology helps clients create, evolve and transform applications, platforms and infrastructure to meet the needs of the modern enterprise—unlocking value in legacy technology environments, adapting to the speed of change and ensuring the integrity of the IT core. To learn more, contact us at simplify@cognizant.com. You can also visit us at www.cognizant.com/cognizant-digital-systems-technology, or email us at Inquiry@cognizant.com.

ABOUT COGNIZANT

Cognizant (NASDAQ-100: CTSH) is one of the world’s leading professional services companies, transforming clients’ business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 205 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us @Cognizant.