Make confident decisions with better digital strategy

## GOOD DIGITAL STRATEGY

VS

BAD DIGITAL STRATEGY

How you can create good digital strategy



Starts with people and customer insight

VS

#### BAD DIGITAL STRATEGY

Starts with technology and features



Starts with people and customer insight

Your strategy should identify the audiences that you are trying to reach with each channel, and include insights and evidence as to why the channel has been chosen and why the suggested digital experiences will produce the desired result (eg increased engagement).

#### TIP:

It's helpful to create personas for your different audiences. This lets you consider their different needs and helps with decision-making.

Is focused on changing people's behaviour

VS

#### BAD DIGITAL STRATEGY

Is focused on changing technology platforms



Is focused on changing people's behaviour

If nothing changes, no value is created. Therefore, your strategy needs to be clear about how it will drive a change in the behaviour of your customers and your staff. In most instances, when doing something new, your staff will need to learn new skills. It's important to factor that into your ambition and bring the team on the journey.

#### TIP:

Customer journey maps are a fantastic way to look at how your customers currently behave, and to explore how you could add value.

#### Intelligently coordinates all your digital activities

VS

#### BAD DIGITAL STRATEGY

Looks at only one area or channel (eg your website)



#### Intelligently coordinates all your digital activities

The power of coordination is one of the main ways that good strategy beats bad; in the same way that a well-organised sports team can defeat a team of stars. Make sure your strategy factors in all of your digital activities – from social media through to website, advertising, emails and CRM. The goal is a joined up customer experience.

#### TIP:

Most vendors look after a single area (eg your website). This siloed view means your vendors can't create a coordinated digital strategy.

# Explores options so you can make meaningful choices

VS

BAD DIGITAL STRATEGY

Is tied to status quo and delivers no real change



Explores options so you can make meaningful choices

If you don't have options and you don't make meaningful choices, then you're not doing strategy. You are planning, which is fine, but if you want to get better results, you need to imagine different possibilities and consider real alternatives. Your strategy should test options with rationale for each recommendation.

#### TIP:

It's easy to get trapped into upgrades and iteration. Challenge your strategy team to come up with radical ideas and innovation.

Focuses on the customer value that will be created

VS

#### BAD DIGITAL STRATEGY

Focuses on the work that teams and vendors will do



Focuses on the customer value that will be created

The purpose of strategy is to coordinate your activities in a way that adds value to your customers and organisation. Good strategy outlines opportunities to create new value (the *why*), and attaches them to a set of activities (the *what*). The specifics of how the activities will be planned and delivered comes later.

#### TIP:

You should make sure you have the right *why* and *what*, before getting bogged down in planning how and who.

#### Involves testing new ideas in the face of an uncertain future

VS

BAD DIGITAL STRATEGY

Makes plans based on data from the past



Involves testing new ideas in the face of an uncertain future

The digital landscape is constantly evolving as customer preferences change and new technologies emerge. It's better to imagine customer behaviour in the future (based on trends, insights and observation) than to make decisions based on data from past behaviour. Consider how quickly AI is changing everything.

#### TIP:

Historical analytics are important, but it's better to run new experiments and get 'data from the future' when making strategic choices.

# Identifies specific areas where you can make real impact

VS

BAD DIGITAL STRATEGY

Recommends sweeping changes that are easy



Identifies specific areas where you can make real impact

You can't do everything. In fact, the first principle of strategy is that you have to make choices with constrained resources. Therefore, good digital strategy identifies a few key areas where changes will have the biggest impact. These might be the hardest things to do, but they are the right things. Do them first.

#### TIP:

It's enticingly easy to focus on low-hanging fruit, or the areas where your vendors are strong, but what impact comes from just doing easy stuff?

Involves all parts of an organisation

VS

#### BAD DIGITAL STRATEGY

Is developed in a silo (or a bubble)



# Involves all parts of an organisation

One of the joys of developing good strategy is that you get to stray out of your lane. If you don't, where will new ideas come from? Everyone has a role to play when delivering customer value, so try to join as many dots as possible and make sure all parts of your organisation input into the strategy creation process.

#### TIP:

If you visualise the customer experience, you should be able to see where different stakeholders can add insight.

Is easy to communicate and results in action

VS

BAD DIGITAL STRATEGY

Is complicated and quickly forgotten



# Is easy to communicate and results in action

If a tree falls in a forest... if a strategy results in no actions being taken, does it really exist? There is no point creating a strategy that people can't understand, or that people don't know what it is they are expected to do. In many ways, strategy should be measured by the resulting actions taken; not by size or complexity. Keep it simple.

#### TIP:

Try communicating your strategy as a one-page diagram. Then test it with a simple question: "Based on this page, what would you do?"

# Is created by an independent team open to options

VS

BAD DIGITAL STRATEGY

Is created by vendors tied to specific technologies



Is created by an independent team open to options

Who should create your strategy? Internal teams can be prone to confirmation bias, management pressure and inward perspectives. External IT vendors are influenced by their particular technologies and licence partnerships. You need input from both, but strategy creation should be led by an independent party open to new ideas.

#### TIP:

Find an independent strategist to work alongside your team, ensuring that the strategy is built around the needs of your customer.

## HOW CAN WE HELP YOU CREATE GOOD DIGITAL STRATEGY?

#### Talk to **Tom Hovey** at Diagram <u>tom@diagram.co.nz</u>



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