walkme

360-degree Digital Adoption

The Essential Building Blocks of Successful Digital Adoption.

Critical Mass for DAP

April 2022 marks the 10 year anniversary of when WalkMe introduced the industry's first digital adoption platform (DAP) to the market. What got its start as a "nice to have" evolved to a "got to have it," thanks to the continued investment in digital transformation projects and the ROI derived from increased digital adoption. More than 13 patents, 2,000+ customers, a global pandemic and an initial public offering later, we are finally seeing digital adoption as a line item carved out within budgets for digital transformation projects. We are seeing critical mass for DAP.

In an era when digital transformation reigns supreme, technology adoption is the gatekeeper to those projects' success. Over time, enterprises have come to realize that their digital projects are at risk if they can't better embed those technologies into their businesses. It's as simple as that.

Undoubtedly, digital adoption's role in successful digital transformation projects was a foregone conclusion when the first DAP was launched a decade ago. Yet the tipping point–and critical mass–is upon us now. Why?

One big reason is that technology adoption has traditionally gone unmeasured. This is because management's attention has not been where the value is achieved. For example, management is very involved before a new system goes live; they are very focused on identifying the business needs, the development strategy, and deployment. However, it's only once the new system goes live that value will actually be realized.

Yet, by go-live, management's attention is already focused on the next digital project, often leaving the new system without the dedicated resources it requires to realize its full potential and bring home the best possible ROI. It's like a farmer who continuously plants crops but does not go back to tend to them because they are busy planting the next one.

Over time, it became more and more clear that enterprises need a dedicated person or team to focus on the critical moment of when digital projects go live — and beyond. What is the ROI? How can it be measured? This can be a digital adoption professional who works exclusively on the successful adoption of technology within an organization. And their tool of the trade is a robust digital adoption platform, which provides immediate insights to create and deliver elegant experiences for users to access the full functionality and value of applications, ultimately fulfilling the promise of digital transformation.

With digital adoption being the missing link between the investment in technology and the value being realized, critical mass for DAP is here. And it's growing steadily.

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Everest Group®

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Introduction

The number of enterprises opting for digital transformation has risen sharply in recent years. With the pandemic stress-testing organizations' business continuity plans, enterprises have been forced to rethink their strategic priorities and have realized that traditional or legacy business models pose an existential threat. Thus, enterprises are working toward becoming digital-first businesses to stay ahead of the curve. Notably, Everest Group's market study and interactions indicate that organizations with advanced digital transformation journeys are better positioned to respond to business disruptions and that such a transformation cannot succeed without an enterprise-wide digital adoption strategy.

In this research, we use the term 360-degree digital adoption to refer to a state in which digital adoption spans the entire organization and is considered to be a strategic enabler for transformation. We identify Digital Adoption Platforms (DAPs) as a key empowering lever for enterprises in their digital adoption journeys to achieve superior business outcomes, business resilience, growth, and agility.

Scope of the research

To examine the need for 360-degree digital adoption and understand how DAPs enable this transformation, Everest Group interviewed four enterprises – Nestlé, Veolia, Splunk, and Gilead, which embarked on their DAP journeys two to three years ago – and asked them questions around the following themes:

- DAP's role in the business
- Characteristics of siloed versus 360-degree digital adoption
- Benefits of shifting from siloed digital adoption to 360-degree digital adoption
- The routes undertaken to achieve 360-degree digital adoption

This research combines the findings of our in-depth interviews with Everest Group's ongoing research and Intellectual Property (IP) on DAP to provide insights on the themes above, along with a detailed enterprise case study. The report will enable readers to identify the fundamental building blocks for achieving desired business outcomes and transformation.

Siloed vs. 360-degree digital adoption

Digital adoption is a strategic enabler to becoming a digital-first business and realizing the value of digital assets. It enables enterprises to capitalize on their digital investments and ensure sustained returns. However, achieving digital adoption and its expected outcomes remains elusive for many organizations.

While a majority of organizations have a clear strategy and methodology, and the tools to deal with their external-facing digital assets (i.e., analytics, chatbots, popups, etc.), less mature organizations lack this understanding when it comes to their internal software utilization. Organizations that are more advanced might take a siloed approach, which will yield outcomes in pockets rather than a holistic solution.

Nearly 68% of enterprises surveyed in a recent Everest Group survey said they have not realized the envisioned value from their digital transformation initiatives.

At an organizational level, if we consider digital adoption as a spectrum, we see two extremes – siloed and 360-degree digital adoption. Currently, many enterprises lie somewhere in the middle of the spectrum,
while a majority operate in the initial or siloed state. We believe that enterprises that embrace 360-degree digital adoption at an accelerated pace will emerge as digital-first businesses and reap the full benefits from their investments.

The exhibit below presents an outcome comparison between siloed and 360-degree digital adoption.

EXHIBIT 1

Siloed vs. 360-degree digital adoption

Source: Everest Group (2022)

	Siloed digital adoption	360-degree digital adoption
Business impact	• Inconsistent experiences across the organization • Unrealized or delayed RoI realization • Low visibility and control on operations and opportunities for senior stakeholders	• An empowered workforce due to better employee experience improves the customer experience and, in turn, generates higher RoI • Unified enterprise user experience and high user satisfaction • Quicker time-to-value realization • Enhanced visibility in terms of benefits and opportunities
Operational impact	• Operational improvements limited to few applications • Not amplified across the organization	• Operational improvements across a large user population and across processes (not limited to applications) • Synergies from all individual gains
Cost impact	• Application-view does not cover all business processes and thus realizes limited cost savings • No synergistic gains realized	• Synergistic impact on the bottom line, as users are empowered to self-navigate and self-serve for all business processes • Operational optimization-led cost savings due to the automation of organization-wide repetitive tasks

Below we take a closer look at both these approaches to digital adoption.

Siloed digital adoption

In this state, digital adoption is not organized or implemented organization-wide, and the investments or initiatives are aimed at individual business segments or applications as a reaction to short-term problems. In most organizations, business processes span multiple applications and departments, and the siloed approach cannot support an end-to-end workflow because of its application-centric view, that is, focus on supporting one or few applications without considering the complete business process and all the applications involved.

Enterprises should move away from this approach. Due to disproportionate resource consumption and derailed project timelines, fragmented digital adoption efforts deliver underwhelming returns. A disjointed vision will not support a firm's overall growth strategy. Key problems associated with siloed adoption are:

- Lack of visibility on the impact of initiatives
- Disparity between business outcomes and investments
- Slow execution of critical tasks
- Patchy user experience

> Digital adoption is not something that just happens. It is a process by which users learn to leverage technology to its fullest potential and derive maximum value from a digital process or solution.
>
> – Senior Product Manager, large global food and beverage conglomerate

360-degree digital adoption

A holistic digital adoption strategy may, at first, be an aspirational end-state for organizations, as it involves taking a centralized approach and viewing opportunities from a strategic value perspective. As enterprises move closer to this state, however, their digital adoption will shift from an application-centric view to a user- or process-centric view and align with the organization's business goals. The exhibit below depicts the key focus areas and drivers for 360-degree digital adoption.

EXHIBIT 2

Key focus areas and drivers for 360-degree digital adoption

Source: Everest Group (2022)

SCALE AND SCOPE

- Enterprise-wide digital adoption – across all key or major business units, geographies, and applications
- User- or process-view of digital adoption
- Cross-app and platform workflows

VISION AND STRATEGY

- Long term and strategic – embedded into the broader strategy
- Looks to solve business problems with a focus on strategic outcomes

GOVERNANCE AND FUNDING

- An established Center of Excellence (CoE) with Subject Matter Expert (SME) support from various business teams
- Funding and strategy owned at a central or strategic (e.g., CXO) level

TALENT

- Well-defined skill sets, job descriptions, and roles and responsibilities
- Dedicated (full-time) talent that can be shared for organization-wide initiatives

VALUE REALIZATION FRAMEWORK

- A robust value realization framework with key KPIs to be measured
- Proactive and continuous monitoring from the beginning

Enterprise-wide digital adoption enables organizations to realize RoI by actually transforming their operations and creating a DNA characterized by business resilience, future-readiness, and digital dexterity in the workforce. Notably, its key benefits are:

- **Improved visibility:** Analytics and dashboards cover the entire organization, including users, applications, processes, and business initiatives, thereby enhancing visibility for the leadership. Enterprises can focus on the long-term vision and make a business case for future investments with a superior understanding of progress, outcomes, and opportunities
- **Superior business outcomes:** With 360-degree digital adoption, organizations can achieve synergistic gains and realize significantly higher top-line and bottom-line benefits. Enterprises can go beyond onboarding and training on individual applications to realize process excellence with higher productivity, data hygiene, and fewer errors
- **Shift to job execution:** A holistic digital adoption strategy accelerates enterprises' shift from learning to execution. It enables employees to perform their day-to-day activities much more efficiently and effectively
- **Unified user experience:** Organizations can extend process-centric support to users and successfully guide them to complete their day-to-day processes, across single or multiple apps, irrespective of the applications or platforms they work on. Customers and employees can benefit from frictionless transactions and smooth transitions across these applications and platforms

> Through our digital adoption efforts, we want users to experience self-service, self-comfort, and self-satisfaction in using all systems.
>
> – Associate Director, large US-based biopharmaceutical firm

Achieving 360-degree digital adoption with DAP

Everest Group take

Organizations should use DAPs as an enabling layer across the enterprise to overcome challenges. Even before deploying guidance and other support content, enterprises should leverage DAPs' advanced analytics dashboards to provide clarity to stakeholders on the key action items.

DAP is central to an organization's journey to value realization as it offers a unique value proposition compared to traditional ways of improving digital adoption, such as instructor-led training or instruction manuals. The key ways in which DAPs serve organizations are depicted below.

The key ways in which DAPs serve organizations

Source: Everest Group (2022)

Below we take a closer look at these offerings and benefits.

- **Multi-scenario support:** DAPs can address multiple use cases, stakeholders, decision-makers, departments, applications, processes, and end objectives. They can provide:
  - Multi-app support: DAPs can provide a seamless user experience in cases where a process runs through multiple apps (such as Workday, Salesforce, and SAP) and users must switch applications to complete the process. For example, DAPs can offer guided tours to enterprise customers to increase trial conversions and support for customer service agents for faster customer services
  - Multi-platform support: Some mature DAPs are platform-agnostic and can support users on all platforms (browsers, mobiles, desktops, etc.). For example, they can assist a desk-less worker carry out tasks on a mobile or a tablet device
  - Multi-stakeholder support: Enterprises can also use DAPs within departments such as IT, HR, sales, and finance. For instance, application owners of systems such as Workday, SAP, and Oracle can leverage DAPs to enhance employees' ability to better execute their day-to-day operations. Similarly, a product team may want to leverage a DAP to increase customer satisfaction and retention by better serving customers

- **Quicker time-to-value:** Enterprises can ramp up their initiatives with DAP capabilities such as pre-designed content, templates, solution accelerators, out-of-the-box integrations, and automation, thereby realizing quicker time-to-value. DAPs prove to be useful in the following ways:
  - Coping with frequent changes: As compared to traditional training methods, such as instructor-led training, simulations, case studies, and manuals, DAPs can better serve organizations by expediting training and onboarding, and coping with frequent process changes or software updates, which are time consuming and often require retraining users
  - Supporting workflows: Employees get continuous support in their workflows and can quickly execute processes as opposed to training themselves over a long period on how to do something

> Not everybody learns in the same way. If you give a big PDF file to someone, they might feel lost. A platform that provides contextual on-demand support is much better.
>
> – DAP Manager, large, France-based environmental services company

- **Insights and analytics:** DAPs can provide vital insights for different stakeholders, such as CXOs, digital adoption managers, the senior management, and product managers. It is important to understand that not all DAPs can provide necessary or advanced analytics. This capability can become an important evaluation parameter for DAP vendors. Some of the key benefits of using DAP analytics are:
  - Targeted user support and better user experience: DAPs can be used to track user behavior on applications before building any support content. Such tracking is useful in identifying user pain points such as drop-off points, inordinate time taken to complete processes, or user confusion areas
  - Enhanced visibility: DAPs can provide the senior management access to various dashboards to monitor the progress of digital initiatives and business objectives, and take strategic decisions
  - Opportunity identification: With DAP analytics, organizations can identify user segments, applications, departments, and geographies that need support and intervene accordingly. This exercise can assist organizations in programmatically upscaling their digital adoption programs

> With DAPs' depth and breadth to support multiple use cases, coupled with strong analytics, we could understand user behavior, tweak processes in an iterative way, and achieve desired outcomes.
>
> – Senior Systems Manager, US-based tech company

- **Democratic content creation:** DAPs can ease content creation and, in fact, make content creation available to all without the need to possess in-depth technical or coding knowledge to create guides. It also saves enterprise costs on traditional content creation methods, for which resources (such as talent and budget) and time might be challenging in the long run
  - Individual teams can independently drive their strategic initiatives using a DAP without requiring R&D efforts, which potentially elevates their role in the organization. These benefits can be further amplified if enterprises have a formalized governance structure that oversees DAP initiatives and establishes content creation guidelines

> DAP is efficient, effective, and easy for end users, and the fact that it is a no-code solution means that both employees in non-technical roles and IT personnel can learn how to use it.
>
> – Senior Product Manager, large global food and beverage conglomerate

- **Synergies from the ecosystem:** DAP vendors can tap into an ecosystem that may include certified and experienced DAP talent, institutions providing DAP certifications, communities, partners, pre-designed content, and professional services to better serve clients. These synergies can drive organizations' digital adoption initiatives through strategic and effective platform use across digital assets and provide tailored DAP offerings to best meet their needs

A representative DAP ecosystem is depicted below.

Key steps in the journey

Everest Group take

As enterprises look for a strategic DAP partner, they should consider the partner's vision for digital adoption and transformation in addition to the DAP's product capabilities. For successful 360-degree digital adoption, organizations should follow a programmatic organization-wide strategy with well-defined goals, metrics, and governance structure.

Achieving 360-degree digital adoption is not an easy journey for enterprises. We recommend that organizations follow the steps below for successful implementation.

EXHIBIT 3

Key steps in achieving 360-degree digital adoption

Source: Everest Group (2022)

1 **Develop a DAP strategy**
- Align the DAP strategy with the business strategy
- Prepare a roadmap with defined milestones and project goals
- Build a business case for stakeholder buy-in

2 **Set up a governance and talent strategy; select a DAP vendor**
- Establish a governance structure (CoE, executive committee, stakeholders involved, etc.) to drive initiatives and serve different use cases across the organization; an enterprise can choose to have any of the two CoE models – hub and spoke or centralized – depending on the company's overall strategy and needs
- Forecast talent requirements for execution
- Select an appropriate DAP vendor based on the capabilities required to achieve business outcomes

3 **Create awareness**
- Communicate extensively to make stakeholders aware of the digital adoption initiatives and DAP's benefits
- Identify champions from each LOB or geography or team to advocate for change

4 **Create a detailed business value framework**
- Identify user pain points and action points using DAP analytics before deploying walkthroughs
- Define an application- or process-level value framework with KPIs, baselines, and goals to closely monitor progress from Day 1
- Assign dedicated talent to report progress or setbacks using DAP analytics and dashboards

5 **Execute iteratively**
- Adopt multiple interventions at different points in time for complete digital adoption
- Monitor indicative metrics and fine-tune them (if required) to plug any gaps; the DAP excellence cycle in Exhibit 3 explains the four steps of this iterative process

After an organization has developed a DAP strategy, it can follow the DAP excellence cycle outlined in the exhibit below to execute the strategy at a tactical and operational level. The DAP excellence cycle is an iterative process that enterprises can leverage to ensure desired outcomes through minimum execution errors and continuity of efforts.

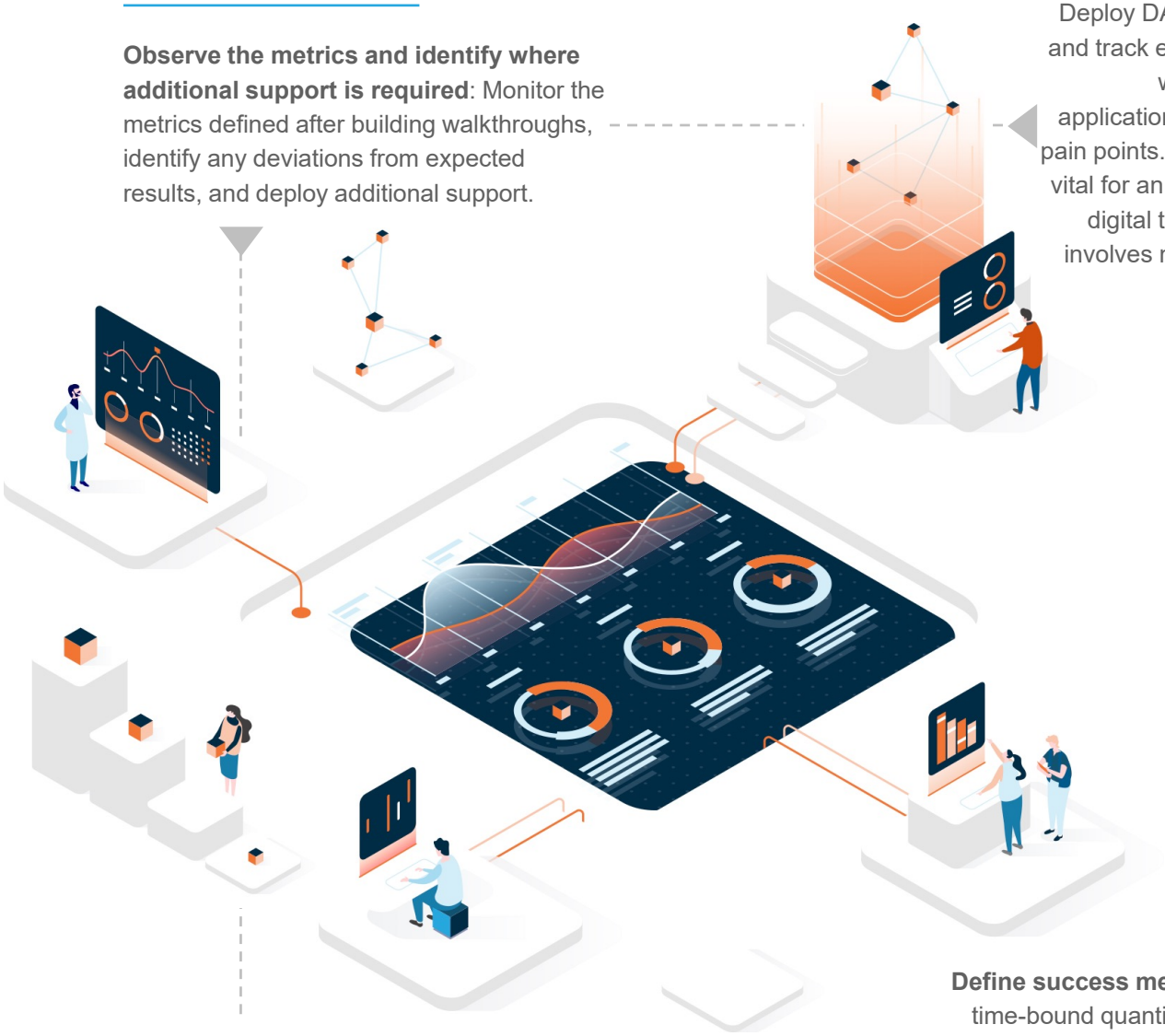
EXHIBIT 4

The DAP excellence cycle

Source: Everest Group (2022)

Diagnose and identify: Deploy DAP on applications and track employee behavior with the underlying application to diagnose user pain points. Such diagnosis is vital for an organization-wide digital transformation that involves many applications.

Observe the metrics and identify where additional support is required: Monitor the metrics defined after building walkthroughs, identify any deviations from expected results, and deploy additional support.



Define success metrics: Define time-bound quantitative targets to meet the broad business goals, for example, 20% reduction in the time taken to complete a material requisition form in two months.

Deploy targeted support: Based on employee behavior insights on underlying applications, such as current adoption rates, number of users dropping off, and task completion rates, build content for processes or applications that need more support to reach the defined levels.

Enterprise case study

Company overview and business objectives

Veolia, a global environmental company, aspired to be the benchmark company for ecological transformation, and, to achieve the vision, the company launched the Digital New Age (DNA) initiative within the organization in 2018. It brought in seven apps, including Workday, Salesforce Lightning, and a risk and assurance app in the first phase of implementation. Through these digital adoption initiatives, the enterprise wanted to achieve two objectives:

- Digital adoption can be utilized by anybody in the organization with any skills to perform any job without any specific knowledge or skill sets and subsequently make cross-departmental transfers and employee reskilling or upskilling quick and easy
- All the data received in the enterprise should be clean and no employee should dedicate any time for data cleaning (to obtain more sales leads and conversions)

Challenges

The company had to deliver app training and in-app guidance to about 5,000 employees who had never seen these apps before. Among them were users with needs ranging from high-touch applications usage (for example, employees executing business processes within recruitment) to low-touch applications usage (for instance, employees booking time-off or printing pay slips).

Veolia realized that it had to shift from traditional ways of learning and that the company needed a solution to mitigate the challenges and act as a strategic enabler. To address these needs, Veolia deployed WalkMe's DAP solution.

Veolia's DAP journey

Veolia started its DAP journey by deploying WalkMe on one application in the risk and assurance domain and 2,000 licenses in 2018. The company achieved much success in the initiative, and, today, it deploys DAP on 22 applications accounting for 80-85% of its usage volume and plans to expand further.

Exhibit 5 depicts the key steps that Veolia undertook in its digital adoption journey.

Benefits and business outcomes

Veolia achieved the following benefits from its DAP adoption:

- **Quantitative benefits:** In 2019, Veolia realized 4x RoI on the 10 applications on which it had deployed DAP as compared to what the company had paid for the DAP licenses and achieved US$1.1 million in annual productivity savings. The organization expects to realize over US$2.2 million annual savings from the 22 applications on which DAP is currently deployed
- **Cost savings:** The organization's training costs reduced drastically. The automatic conversion of walkthroughs (step-by-step in-app guides) to PDF and PPT formats enabled the company to create content to serve a wider employee population while reducing content creation costs
- **Ease of onboarding employees:** The DAP ensured the enterprise to provide applications to employees on their Day 1 of joining and inform them about their tasks and other formalities

EXHIBIT 5

Veolia's DAP journey

Source: Everest Group (2022)

1 **Pre-deployment**

- Brainstormed with product owners to understand their pain points
- Analyzed ServiceNow tickets to see what employees were asking for

2 **Beginning the DAP journey**

- Started with one app used by employees working in a depo or a waste-recycling plant to record an accident or a near-miss in the system
- Initially bought 2,000 licenses
- Started observing usage analytics to decide on the DAP expansion strategy

3 **DAP expansion**

- Once Veolia realized that it was generating 5X of its investment by saving clicks and training costs and time savings, the company decided to expand the license agreement to all 5,000 users in the UK
- Undertook the value realization exercise when it expanded to 10 applications
- Has expanded the DAP to 22 applications, accounting for 80-85% of its usage volume
- Leveraged an in-house hub-and-spoke model for two months as part of which SMEs from different business units created content for their respective areas but realized that the look and feel of the guides were not aligned with the broader organization
- Switched to a centralized digital adoption team to improve governance and standardize the look and feel of the guides throughout the organization

4 **Future plans**

The enterprise plans to expand to three more applications, including customer-facing applications, to increase the coverage to 95% of its usage volume

- **Better leads and conversion rates:** Veolia's sales department has achieved better leads and faster conversion rates due to improved data quality, as the DAP offers a data validation feature. Additionally, the company saves time on cleaning the data received for all business processes
- **Uptick in compliance and task completion rates:** The company's compliance and activity completion rates have increased significantly after deploying DAP. The software enables direct communication on employee desktops instead of emails prompting employees what they need to focus on urgently before they can resume work as usual, leading to better workforce participation

The way forward

Digital adoption and DAP markets are growing at a tremendous speed. Enterprises looking to achieve 360-degree digital adoption leveraging a DAP will need to focus on certain key factors, including their target end states, business objectives, DAP strategy, DAP vendor selection process, and governance structure. Decision-makers who want to succeed in using DAP as a strategic lever to achieve 360-degree digital adoption should focus on the steps mentioned in the exhibit below.

EXHIBIT 6

An action plan for enterprises' DAP adoption

Source: Everest Group (2022)

A programmatic approach

Take a **programmatic approach** with a clearly defined vision, mission, and desired outcomes

Assign a core team at the central level to develop the organization's DAP strategy

Ensure that the strategy is enterprise-wide and inclusive, with a clearly defined roadmap and approach to desired outcomes

Ensure the following:

- Understand the requirements and challenges in scaling up DAP across the organization, including factors such as talent, governance, and stakeholder involvement
- Select a DAP vendor that will partner throughout the journey

Empower the organization

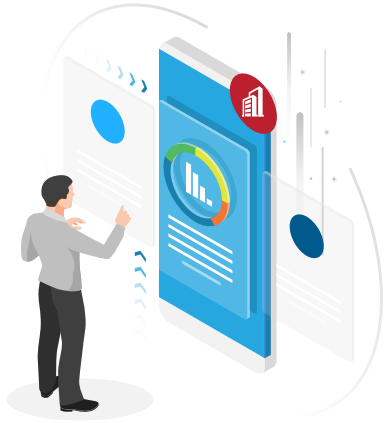
Empower the organization to succeed with DAP initiatives

Provide executive sponsorship and centralized assistance for DAP project funding and resourcing

Support the respective team or stakeholders to work through organizational challenges and barriers to deployment

Develop an organizational culture that embraces innovation

Best-in-class organization



Aim to be a **best-in-class organization** in terms of DAP leverage

Build DAP capabilities with the goal of achieving business outcomes and growth

Ensure that the organization follows best practices

Learn from past mistakes and execute or improve iteratively

We believe that the future holds great promise for the DAP market. As the market becomes more mature, DAP will become one of the first things that people think of as part of any enterprise's digital strategy. In the coming years, we believe the following themes will become dominant in the DAP market.

EXHIBIT 7

Future outlook for DAP

Source: Everest Group (2022)

DAP embedded into the digital strategy

DAP will become a critical component of any digital strategy to achieve business goals and strategic objectives.

DAP on top of every CXO's mind

DAP will be one of the first things that leaders think of as part of their enterprise's digital strategy.

Analytics at the front and center

DAP leverage will become data- and analytics-driven to provide visibility and control at the organizational level.

Elevated experience across all touchpoints

DAP will provide a unified and personalized experience to users, irrespective of the application or device.

Empowerment of the ecosystem and the DAP community

Initiatives to empower the partner ecosystem and the DAP community will continue to gain momentum and will drive growth and shape the market.

To conclude, enterprises should have their own vision of their ideal end state in terms of digital adoption. However, irrespective of the end state and associated business goals, they should adopt a DAP to achieve their objectives. We believe that the market is ripe for change, and enterprises that leverage DAP proactively and strategically will leapfrog the competition and achieve real business success in the future.

Everest Group®
With you on the journey

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