



# The 4 Steps to a Successful Digital Transformation

# Contents



- The 4 Steps to a Successful Digital Transformation 3
- The Importance of a Digital-First Mindset ..... 4
- The 4 Phases of a Digital Transformation ..... 5
  - Initiation ..... 5
  - Uncertainty ..... 7
  - Transformation ..... 8
  - Routinization ..... 9
- The 3 Questions to Ask When Initiating a Digital Transformation ..... 10
- Now, a Recap ..... 14
- About Iterable ..... 15



# The 4 Steps to a Successful Digital Transformation

There's no question about it: A post-pandemic world has encouraged, if not forced, companies to reconsider how customers experience their products and services.

But a brand can't implement curbside pickup policies or launch a mobile app without understanding the difference between **deep change** and **incremental change**. According to [organizational development expert Robert E. Quinn](#):

*"Deep change differs from incremental change in that it requires new ways of thinking and behaving. It is change that is major in scope, discontinuous with the past and generally irreversible. The deep change effort distorts existing patterns of action and involves taking risks. Deep change means surrendering control."*

In other words, brands who are willing to explore innovative ways of serving their customers instead of making minor tactical changes are the ones that will grow in 2021 and beyond. But how can marketers influence such large and sweeping initiatives?

That's why we want to explore the digital transformation altering the customer experience and how you can navigate the change successfully within your organization.

In this guide, we'll cover:

- The importance of a digital-first mindset
- The four phases of successful digital transformation
- Three questions to ask when evaluating your digital goals

**Let's get started.**



# The Importance of a Digital-First Mindset

According to [Top Down Systems](#), a digital-first mindset is:

*A philosophy of content creation that calls for optimizing the design of communications for delivery via responsive digital channels (i.e., web, mobile, etc.) over the page-oriented print channel; it does not preclude print as a potential delivery channel.*

It may sound obvious, but it wasn't always this way—especially when [media companies were struggling to transition from print to online](#). And the trend has only continued a decade later, with people spending more than [6.5 hours a day online](#). There's no denying it any longer: a huge opportunity—or need, depending on the industry—exists for companies to distribute their products and services via digital means.

But based on what we've seen helping brands move from email-only marketing to cross-channel customer experiences, a massive point of contention in organizations is find-

ing a piece of technology that marketers can use to drive high conversion rates without burdening their engineering teams.

Despite the numerous benefits of upgrading digital platforms, it can often be difficult to convince decision makers to support the change and encourage individual contributors to modify their processes and martech stack. Change can be hard.

So not only is it important to get your organization on board with a digital-first mindset, it's also crucial to understand the four phases of what a digital transformation can look like for your brand.



# The 4 Phases of a Digital Transformation

Thanks to [Robert E. Quinn's work](#) helping individuals making positive change, we know that transformations occur in four different phases:

1. Initiation
2. Uncertainty
3. Transformation
4. Routinization

**Let's break each of these principles down, one by one.**

## 1. Initiation

[According to Quinn](#), the beginning of a transformation cycle always starts with a phase of initiation, which begins when: *"An individual or group desires to change and improve...develops a vision, and then begins to take risks."*

However, the initiation phase can bring up a host of emotions for the people who develop a vision for transformation, including skepticism from key stakeholders, lack of support from individual contributors and a dismissive attitude about the need to change in general.

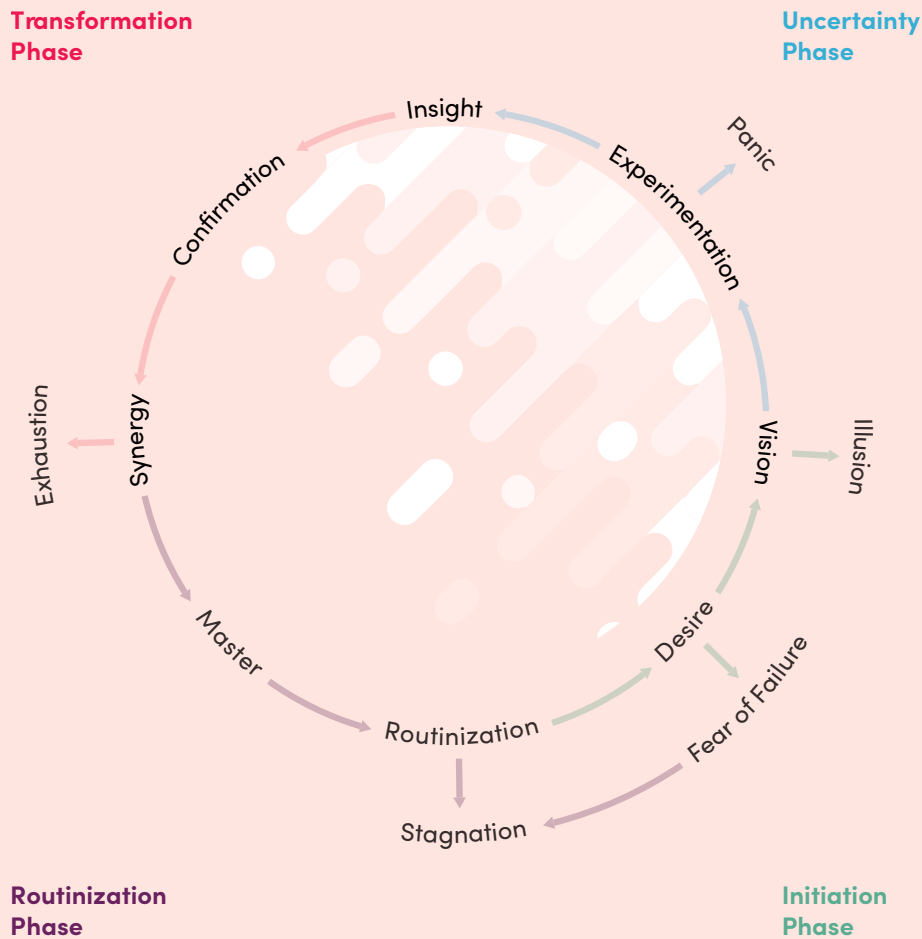
But all positive results start with the desire to do something different than before. This period of initiation is best illustrated by what [Zoopla](#), a U.K.-based property marketplace, experienced when they were acquired by a private equity firm in 2018.

Instead of continuing to work in departmental silos, the company's leadership team reimagined how they wanted to position the company for growth. According to Director of Engagement Adam Knight:

*"We were given the opportunity to define what value we could unlock, what we believed the future of the property market looks like, and what expertise we needed to bring into the business to do that. It evolved to where we were working towards the same goals and understanding each other's needs, requirements and motivations, and even language and ways of working."*

# The Transformation Cycle

Source: [Deep Change by Robert E. Quinn](#)



As a result of this initiation, Zoopla’s marketing and product teams found themselves working cross-functionally as they tried to integrate customer information in their email service provider with the data across their martech stack. The work wasn’t easy: [Chris Frost, Zoopla’s Senior Product Manager](#), notes that it took 12-18 months for the teams to truly understand each other. But the work has paid off, because it helped them realize that first-time home buyers were

essential to the future growth of their business and subsequently launched an [education program designed for this audience](#).

If you’re a brand who’s looking to start a digital transformation, remember that it always starts with the first phase of initiation. You have to have the willingness, or desire, to believe that the organization can grow beyond just meeting quarterly goals—though a successful digital transformation won’t hurt for these too.

## 2. Uncertainty

The next phase of transformation is uncertainty, which is when “participants engage in intense, intuitive experimentation.” [Quinn suggests](#) that there are two outcomes for these experiments:

*“If [they] continuously fail, the process could divert the individual or group from the cycle and into a state of panic. But if, instead, the participants are able to tolerate the resulting discomfort and frustration and continue to experiment, they may be able to gain a creative insight that guides them to the next phase.”*

In other words, it’s going to feel really uncomfortable until it doesn’t.

Sometimes, the phase of uncertainty comes quicker than you expect and can be prompted by recent current events. For example, movie theater chain [Cine-mark](#) faced a dilemma when the coronavirus pandemic hit and forced theaters to close in compliance with social quarant

tine guidelines. By experimenting with digital communications, they discovered a new way to keep customers informed about business updates.



By operating as a nimble cross-functional team, we are able to quickly respond and optimize our communication processes and increase productivity by creating a seamless end-to-end experience for our moviegoers.

**Emily Yeh**  
*Senior Director, Customer Experience and Communications, CINEMARK*

Think of the uncertainty phase as taking baby steps instead of funneling all of your efforts into a one-off event. Your first few experiments are not the deciding factor. Iterations beget learnings. Before real transformation occurs, the organization needs to slowly gain confidence that the vision they came up with in the initiation phase is worth pursuing.

### 3. Transformation

If an organization continues to experiment in spite of the fear of failure, they may achieve the creative insight needed to move towards the phase of Transformation, which [Quinn describes as](#) “the essence of deep change...having a new paradigm integrates the previously contradictory elements of the system and results in synergy.”

The best example of a successful transformation is in the research and development [Fender did](#) to transition from a guitar manufacturer to a “mentor that provided customers with the education, information, and support they needed to pursue their passion for music.”

Thanks to months of customer research and [lifecycle mapping](#) led by Brian Schmidt, former director of CRM and Retention, they discovered their old [email service provider](#) didn’t integrate with their data layer, nor did their in-app messaging connect with their website or the other Fender apps.

By switching to a cross-channel platform like Iterable, they have transformed the customer experience to be more personalized than ever, whether they’re connected to a digital amplifier, buying something or watching a video on their Fender Play app. Schmidt further states:

*“Centralizing in-app messaging, push messaging, and email on one platform, with a unified customer profile view, enabled us to seamlessly engage across our digital and physical universe. With all our data in one place, we can strategically drive lifetime value.”*

Note that it took months for Fender to ascend towards the transformation phase, so don’t be discouraged if it takes months of uncertainty for your organization to move forward. The most important thing is to continue experimenting, without getting distracted by other organizational priorities. Rounding that corner into this phase will feel that much more rewarding.







Becoming a successful digital first company requires companies to embrace change, work differently and focus on what makes them great as an organization. To get started, it's important to embrace a few concepts:

- 1. Recognize Space for Opportunities:** You must agree that change is needed.
- 2. Think Like a Start-up:** Using principles from start-ups to help prioritize leads to more successful execution.
- 3. Embrace Your Entrepreneurs:** Every company has them and many times the best ideas come from unexpected places.

Many times, your organization has the resources to make the transformation possible; it just takes a bit of a perspective shift.

**Chris Duncan**  
President, Inte Q

## 4. Routinization

Transformation is the goal, but [Quinn notes](#) it's just as important to move towards a phase of routinization, which is where "the new vision, with resulting understanding...moves to a more stable equilibrium or the task is fully mastered." Otherwise, the organization can fall back into stagnation if they don't take the time to understand how its current structure can sustain the change.

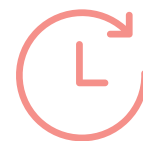
Though online marketplace [HipCamp](#) is a digitally native brand, we believe there's much to learn from their routinization of running experiments as a way to learn, iterate and grow the business without putting a huge strain on their small and nimble team. According to [Operations Manager Christina Tran](#):

*"We turned to experimentation because it allowed us to break down a lot of the larger goals we had into smaller little bits of progress. [We believed if] we got better at running really short snappy experiments, we could start making a little bit of progress every day towards our bigger goals."*

At the start of their experimentation journey, HipCamp relied on spreadsheets and reminders to check the results, manually pull the data and spend a lot of time analyzing it, without understanding how their hypotheses worked together. But since implementing digital platforms like Iterable and Amplitude to supplement their martech stack and limit the need to utilize product or engineering resources, the amount of experiments performed within their company has increased by 4.5x.

HipCamp is a prime example of how organizations don't achieve grandiose visions overnight. As Tran mentions in her [Activate Live21 talk](#), the experiments started out as simple A/B tests on button sizes and colors in their emails. All impactful changes within an organization start with incorporating small tasks into a team's daily routine.

The routinization phase is a good reminder to any organization that it's not enough to make a paradigm shift. The goal is not just to transform, but to sustain the momentum by making it second nature to the organization.





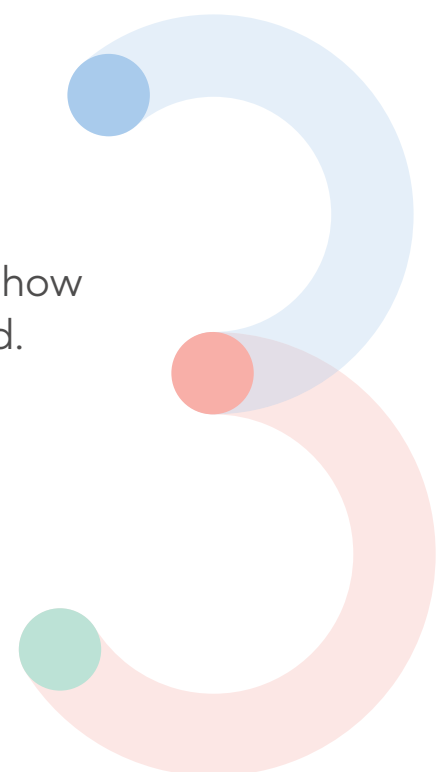
# The 3 Questions to Ask When Initiating a Digital Transformation

Now that we've discussed the four phases of a digital transformation, you may be wondering how to start the initiation process at your own brand.

Based on our experience helping brands evolve during the COVID-19 pandemic, we've discovered that marketers must answer three important questions before moving forward:

1. Who's involved?
2. How is it done?
3. What tools are necessary?

**Let's dive in.**



## 1. Who's involved?

For a successful digital transformation, your brand's team needs to be aligned with **one guiding North Star across the organization**. Unfortunately this can be more difficult than it sounds—Forrester reports that [43% of firms with a mature digital strategy see competing departments as a barrier to change](#).

So what does it take to move forward? It starts with **identifying key stakeholders, particularly in the executive suite**. For fans of [Jim Collins](#), this is also known as “getting the right people on the bus,” because “great vision without great people is irrelevant.”

But the work doesn't end there.

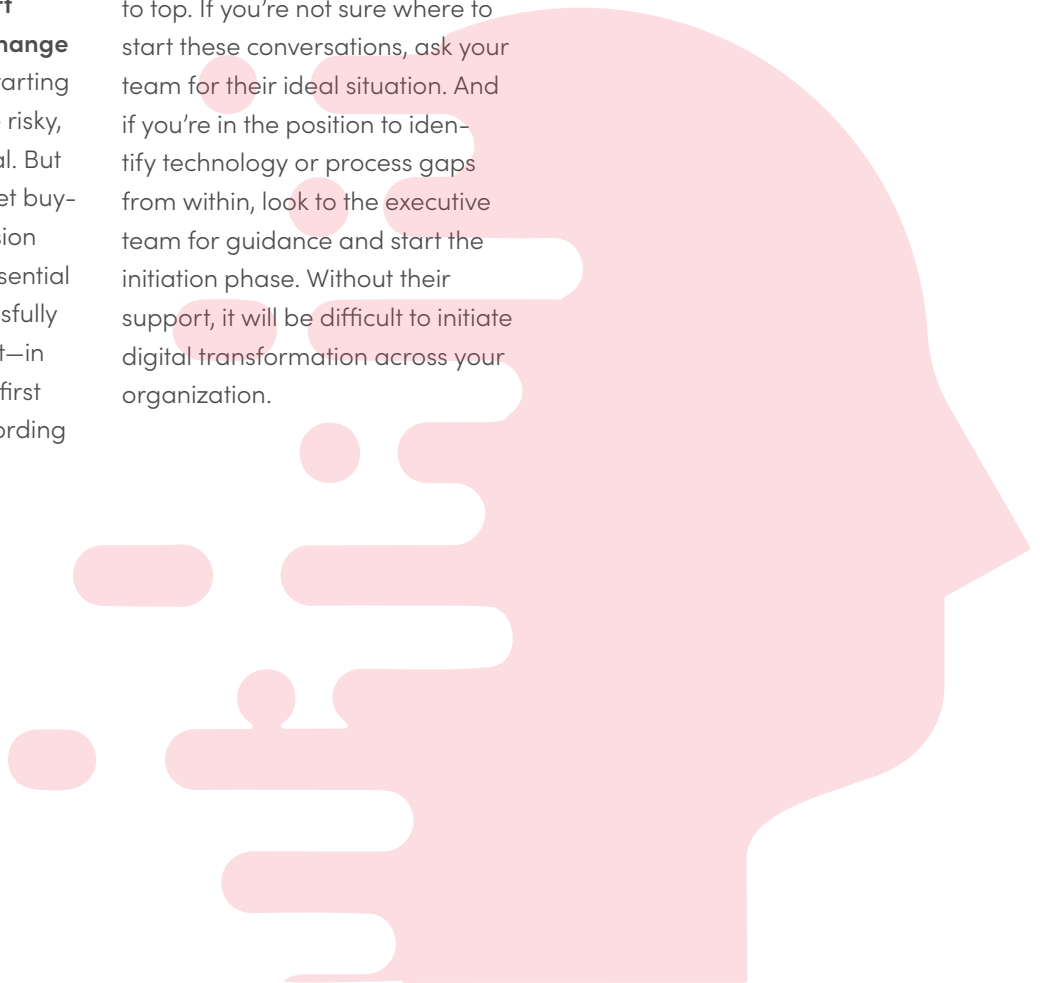
Now **a dialogue has to start about how to implement change across the organization**. Starting these conversations can be risky, controversial and emotional. But as difficult as it can be to get buy-in and execute a shared vision for the organization, it is essential to master this skill to successfully convince people that a shift—in this case towards a digital-first mindset—is necessary. According

to [Patterson, Granny, McMillan, and Switzler](#), organizational performance experts at VitalSmarts:

*“People who are skilled at dialogue do their best to make it safe for everyone to add their meaning to the shared pool—even ideas that at first glance appear controversial, wrong, or at odds with their own beliefs.”*

In other words, what you believe is right for the organization is not enough to initiate change—it's equally important to make space for opinions that are different from your own in order to move forward.

The dialogue has to include everyone—top to bottom, bottom to top. If you're not sure where to start these conversations, ask your team for their ideal situation. And if you're in the position to identify technology or process gaps from within, look to the executive team for guidance and start the initiation phase. Without their support, it will be difficult to initiate digital transformation across your organization.



## 2. How is it done?

The next part of a successful digital transformation involves **rethinking how your organization currently operates to serve your customers**. This includes prioritizing how to anticipate the changing needs of the customer, market and industry instead of getting caught up in the whirlwind of everyday tasks, as well as the ability of the organization to react quickly to said market changes.

The easiest place to start is to **take inventory of the current processes and procedures that run your business** and consider whether automation can improve the speed and efficiency of your products and services getting into the hands of your customers. According to [author and entrepreneur Sam Carpenter](#):

*“Leadership must focus on improving processes, not on performing the work or on repeatedly snuffing out brushfires. Quality products or services, a stable staff, and profitability are the result of the quality systems that underlie them, not the reverse.”*

If you're not sure which processes to audit, start with how projects are executed and completed across your organization. Instead of relying on the linear static thinking reminiscent of a traditional [waterfall project management methodology](#), consider whether something like **agile marketing** can work. According to blogger Jim Ewel, the guiding principle of agile marketing is to:

*“Satisfy the customer through early and continuous delivery of marketing that solves problems and creates value. We welcome and plan for change. We believe that our ability to quickly respond to change is a source of competitive advantage.”*

The change towards a more agile approach doesn't have to be all at once, just like [HipCamp discovered when starting their experimentation journey](#). Start with simple tweaks, like running a [daily standup](#) or [using a Kan-Ban board](#) and then build up from there.

### 3. What tools do you need?

Last but not least, a successful digital transformation includes **assessing the digital platforms that power your technology stack**. But too often, marketers get caught in the trap of using tools that no longer meet the hyper-personalized expectations of customers and in turn, implement processes and procedures that work around the technology.

Breaking out of this trap involves understanding what customers want, as well as imagining the best case scenario, instead of what's currently possible. According to [technology entrepreneur Ben Horowitz](#):

*"The innovator can take into account everything that's possible, but often must go against what*

*she knows to be true. As a result, innovation requires a combination of knowledge, skill, and courage."*

For example, your team may be importing and exporting relevant customer data using manual SQL queries, meaning that all of the marketing campaigns you send out are based off of when you last pulled the data. Ideally, your technology stack would be able to take this data and craft a seamless customer experience for your customers across all relevant channels.

Digitally-minded organizations ask themselves three questions:

➤ Does our current marketing automation platform allow empathic communication?

➤ Does our current marketing automation platform connect seamlessly with the other platforms in our stack?

➤ Does our current marketing automation platform utilize consolidated customer data to individualize across the channels relevant to our customers?

Of course, every digital transformation looks different for each brand. But if you believe your company needs a martech upgrade to execute on the vision you came up with, we recommend evaluating platforms based on three critical martech lenses: Flexibility, Usability, and Productivity. You can learn more about this in our [accompanying guide](#).



When undertaking a digital transformation you will only get the answers you need to succeed if you ask the right questions in the first place. What are your users looking for, what goals should you set and how can the right marketing automation tool help you get there?

Having a tech stack in place that is tailored to your business needs, now and for the immediate future, will provide you with a much more data-driven approach, allow for an in-depth understanding of your users and future proof your growth. This will all help you to build a more personalized relationship with your users and even adapt to your users' behaviors if necessary—all while significantly increasing your chances of success!

**Mick Rigby**  
CEO at Yodel Mobile



## Now, a Recap

Before your brand can undertake its own digital transformation journey, it's important for your team—from the executives to the broader team—to understand, anticipate and persist in spite of setbacks through the four phases, as defined by Robert E. Quinn:

1. Initiation
2. Uncertainty
3. Transformation
4. Routinization

And if you're an executive looking to kickstart the transformation, or a marketer helping your brand through this transition, you can jumpstart the initiation process by asking three important questions:

1. Who's involved?
2. How is it done?
3. What tools are necessary?

Understanding these concepts when trying to incorporate a digital-first mindset into your existing customer experience is key to making sure that the change is deep, lasting and successful, as opposed to incremental and fleeting.

Now that you have an understanding of what it takes to initiate change, how are you going to jumpstart your brand's digital transformation journey?



# About Iterable

Iterable is a cross-channel platform that powers unified customer experiences and empowers marketers to create, optimize, and measure relevant interactions and experiences customers love. Leading brands, like Zillow, DoorDash, Calm, Madison Reed, and Box, choose Iterable to power world-class customer experiences throughout the entire lifecycle. Visit [iterable.com](https://iterable.com) for more information.



## Your data when you need it. Where you need it.

Integrate all your data silos with Iterable to orchestrate seamless campaigns and easily send messages across all the channels your customers prefer.



## Understand your customers as the individuals they are.

Go beyond segmentation and really know your customers based on all their demographic, lifecycle, and behavioral data directly on the user profile.



## Take away the busywork. Unleash your creativity.

Iterable AI helps you decide when to send a message and how often to engage—so you can focus on building engaging campaigns for customers.



## Grow better with analytics and experimentation.

Get all the analytics you need to make better decisions and iterate more quickly through experimentation across the entire customer journey.

## Trusted By:

If you want to learn more about Iterable, please request a demo.

[Request Demo](#)