



I D C A N A L Y S T C O N N E C T I O N



Peter Marston

Research Manager

Application Development, Testing, and Management Services

Application Quality: The Next Generation

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A frenzy of activity is occurring in the custom application development services market. Enterprises are feverishly developing software applications to better connect with customers and prospects as well as improve customer experiences through digital channels. With the onslaught of mobile application development activity continuing to rise at a steep clip and the race to get the next form factor for applications in the hands of consumers fast, sometimes quality is insufficiently addressed, overlooked, or simply ignored. The impact? If functional quality, performance, or user experience for applications is compromised, brand owners risk tarnished reputations, users migrating to the competition, and losing revenue.

The following questions were posed by Applause to Peter Marston, research manager for IDC's Application Development, Testing, and Management Services (ADTMS) program, on behalf of Applause customers.

Q. How important to top-line growth is the quality of the digital experiences a brand offers to its customers?

A. In today's applications markets, mobile applications are used increasingly to engage with customers and prospects. The digital medium by which these groups connect with brand owners has grown monumentally important because mobile applications have become indelibly tied to brands and are often the conduit where consumers gain their first impressions on brands. Digital connections — Web sites, mobile apps, omnichannel, wearables, and so forth — have become the front line where brands interact with customers and prospects and initiate customer experiences and relationships with their company. For example, today, the mobile application platform often is the first place where buyer trust develops. Buyers get a sense of how efficient it is to do business with the brand, and buyers get a sense of the brand's ability to meet their needs.

The end result? The digital experience drives sales conversions and is forcing traditional sales channels to evolve and conform to how customers want to interact with brands' owners. Instead of one-sided broadcast messaging and engagement coming from the brand via traditional channels like display advertising and broadcast media, mobile applications have flipped the traditional customer engagement paradigm to enable buyers to initiate and interact on a personalized one-to-one level with brands. Similarly, the digital experience paradigm shift has enabled brands to more easily scale their operations to handle ebbs and flows of customer and prospect demands and interactions.

Q. Are long-standing brands at an advantage when it comes to creating loyal app users?

A. While long-standing brands may have advantages in terms of initial brand awareness and recognition, their notoriety and familiarity alone don't drive loyalty for mobile application users. Many long-standing brands continue to operate in the same mindset that made them successful on the Web. But mobile requires new thinking, more agile development, and iterative responses to customer needs.

The mobile age has leveled consumer application playing fields as well as lowered barriers, and as a result, increased competition has emerged for mobile application providers. Nearly anybody can build an application with overnight success, and smaller players can be disruptive to the incumbents by building a loyal user base before monetizing their application. Additionally, accessibility to mobile applications has increased via consumer application stores, and along with that, accessibility supplies of mobile applications with the application stores have risen.

With an increase in mobile application suppliers, consumer costs of procuring mobile applications have gone down. With lower procurement costs for buyers, switching costs have also lowered because buyers' initial investments aren't as high, thereby reducing their exit costs for using alternative mobile applications. Application quality — usability, performance, and customer experiences generated through application usage — has much more of an impact on creating loyal application users than long-standing brand notoriety. Failure to enable users to complete their goals and objectives, poor reliability and performance, and poor user experiences drive users to seek alternative substitute applications.

Q. How central are a company's app users in defining the company's reputation?

A. User input is critical in defining and measuring application quality. Emerging social media, online reviews, and forums have become integral sources for defining and setting application usability standards as well as driving application improvements for functionality, security, and other issues. Such outside sources broaden use cases and expand audience groups for brands and their digital experiences. They also help product managers focus and triage software application road maps for product improvements and refinements.

Collecting data and feedback from application users helps shape stronger customer experiences and strengthens application quality. Internal labs used for testing applications and measuring application quality are limited and can only simulate application performance. Real-world usage and feedback, however, help identify application shortfalls and gaps that, in turn, can be used by organizations to outline and measure risks and develop mitigation and remediation plans.

Q. What can companies do to ensure high-quality digital experiences for their users?

A. As we've seen with the mobile revolution, application supplies are increasing in consumer app stores, and the commoditization of mobile applications is becoming more of a phenomenon. As a result, with prices being driven down because of increased mobile application supply and with application functionality becoming more common between disparate brands' mobile applications, quality becomes the pivot point for brands to differentiate their mobile applications and accumulate and grow user bases.

To uphold quality, it's critical to involve application users throughout the application life cycle. Application definitions, requirements gathering, and application design efforts need to involve users to ensure the application is structured and designed to meet user needs and that the application enables users to accomplish tasks. Additionally, testing efforts must also heavily involve users to validate the application functions according to user purposes prior to launch, and application usability is simple, intuitive, and efficient. Incorporating user feedback doesn't end once the application is released.

Rather, once the mobile application is launched into general availability, brands need to continually assimilate user feedback and weave it back into their application life-cycle management activities to enhance and improve the application. The key message is that user input and feedback are a holistic part of the application delivery process and a key metric for quality assurance throughout the entire application life cycle.

Q. Is the focus on application quality as commonly addressed through modern application life-cycle management practices sufficient in today's apps economy?

A. The phases of the application life cycle — requirements definition, design, development, testing/QA, release, and maintain — are broken up not only to separate work tasks and milestones based on requisite skills for project execution but also to simplify and expedite the overall process and manage risk.

However, the pursuit of application quality isn't an initiative that's simply limited to the testing/QA stage of the application life cycle. Instead, application quality is a hallmark that needs to be explicitly addressed through every stage of the application life cycle. Heightened attention on application quality has created increased pressure on brands to deliver applications that meet user needs, are highly usable, and always work to foster consumer loyalty (as well as fend off user attrition).

The attention pressures will, in turn, force organizations to embrace greater fluidity in their application life-cycle management activities and constantly gather user feedback and feed that data back into their application life cycle to continuously enhance quality for the useful life of the application. Given the importance of quality, this practice of application quality management will need specific, efficiently dedicated resources from companies if they wish to stay ahead of competitors.

ABOUT THIS ANALYST

Peter Marston serves as research manager for IDC's Application Development, Testing, and Management Services (ADTMS) program and is a member of the Outsourcing Services research team. Marston develops research focused on the life cycle of application services markets, which include custom application development (CAD); testing; application management (AM), also referred to as ADM (application development and maintenance); and hosted application management (HAM). His research examines and identifies key trends and market dynamics including the impact of mobility, cloud, hosting, analytics, and social media across these services markets.

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Global Headquarters: 5 Speen Street Framingham, MA 01701 USA P.508.872.8200 F.508.935.4015 www.idc.com