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Thought Leadership Paper
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November 2017

Drop A Pin At The Intersection Of Digital Experience And Security

Mapping The Route To Digital Business
Prowess

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Executive Summary

To survive in today's economy, companies must balance effortless digital experience with the imperative to maintain fail-safe security. This is the age of the customer, wherein empowered consumers seek out the easiest and most effective experiences. And in today's digitally connected world, where customer data fuels new experiences, maintaining customer trust has become business-critical. Due to its immense value, customer data is under constant threat of attack and loss, endangering customer livelihoods and future revenue.

World-class digital experiences are now and forever bound to effective security. Together they form the foundation of trust and loyalty — and future business success. As companies wake up to the reality of digital business, they must work to secure customer data without dampening innovation.

In September 2017, Akamai commissioned Forrester Consulting to examine how companies approach digital experience and digital security. Forrester conducted an online survey with 373 digital security and experience decision makers across industries in the US, Canada, UK, Germany, and Japan to explore this topic. We found most executives prioritize security over digital experience, stunting growth opportunities.

KEY FINDINGS

- › **Firms will only survive by earning customer trust.** Customers are more willing to share personal data with brands they trust. From customer data comes insight to drive innovation. But when trust is lost due to a breach, it puts at risk customer loyalty and the opportunity to drive revenue from customer data insights. Executives recognize the trust imperative: 75% say trust will be critical to their business in two years.
- › **Executives must treat customer data as a critical business asset.** Customer data will inform the new products and services that power future growth. The most mature companies succeed by putting customer data at the center of both experience and security strategies. The insights from the data fuel the innovation needed to constantly evolve experiences to meet or exceed expectations.
- › **Digitally mature companies reap the biggest rewards.** The most digitally mature companies report growth rates that outpace their competitors, more frequently reporting double-digit revenue growth. And by connecting investments to revenue growth, executives in these companies are able to secure the funds they need to deliver secure innovative experiences.

As companies wake up to the reality of digital business, they must work to secure customer data without dampening innovation.

The Intersection Of Digital Experience And Digital Security Will Define The Future Economy

Businesses derive more and more revenue from digital capabilities and service offerings. With the increased importance of digital comes the need to balance seamless digital experiences with the rigorous demands of digital security. This dynamic will dictate an organization's ability to compete in the marketplace. In surveying over 350 companies, we found that:

- › **Customer trust is at an all-time low, and it's hurting growth.** Customer trust has dropped over time, and it's bad for business. In fact, mere negative suspicion of a company's data use practices can cut revenues by up to 25%.¹ And while more than 50% of executives believe they have a high level of trust from their customers, a significant percentage are not as confident — 36% feel they have only a moderate level of trust from their customers.
- › **Executives are aware that customer trust is becoming critical to success.** While 69% already feel trust is critically important today, this grows to 75% in two years. In the age of the customer, savvy customers, regulators, and advocacy groups will increasingly seek to shift the balance of control over personal data away from firms.² To leverage data in the future, firms must maintain trust.
- › **When firms fail to deliver on security, the damage is three-fold.** Executives understand security breaches damage brand reputation, customer trust, and revenue (see Figure 1). Customers share more data with companies they trust.³ In turn, their data create rich opportunities for companies to deliver more relevant experiences. On the other hand, lost trust negatively impacts the evolution of digital experiences that drive revenue growth. Trust is the glue that binds customers to your brand.



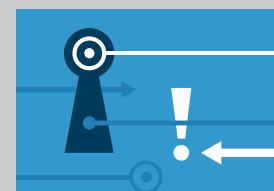
Trust is the glue that binds customers to your brand.

Figure 1

“What impact do security breaches have on your organization?”



Base: 373 professionals at the manager level and above in web and mobile experience and/or web security at firms with \$100M or more revenue
Source: A commissioned study conducted by Forrester Consulting on behalf of Akamai, October 2017



When customers lose trust, they provide less data — leading to lost opportunity.

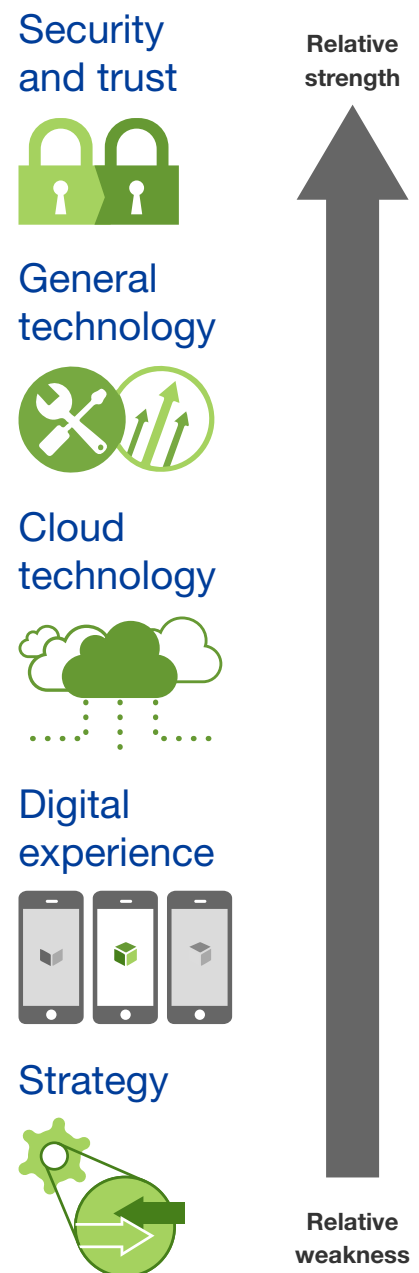
EXECUTIVES MUST ASSESS THEIR FIRM'S ABILITY TO SIMULTANEOUSLY DELIVER SECURE AND SEAMLESS EXPERIENCES

Assessing current capabilities is the first step in a roadmap to success in the digital economy. Our study evaluated respondents on 31 measures of digital business maturity: Survey respondents were prompted to place themselves on a scale for each maturity measure across five categories including security and trust, strategy, digital experience, cloud technology, and general technology (see Figure 2). The overall average score for each category was calculated out of a possible six. The maturity assessment is an accurate predictor of where the average firm stands in relation to digital business excellence. We found that:

- › **Companies struggle to balance security with digital experience.** Of the five categories, most executives report their firm is strongest in security and trust and weakest in digital experience maturity. This aligns with other Forrester research that tells us legacy architectures are too slow and hamper the firm's ability to make rapid changes necessary for digital experiences. But executives agree that they must deliver both secure and engaging digital experiences. Executives should adopt the Zero Trust framework to better deliver on the shared imperative.⁴
- › **Executives recognize the potential negative impact a breach of customer data would have on their business — but they don't fully grasp how to prevent future revenue loss.** Forrester knows the strongest companies preserve revenue by putting the customer first — and this extends to their data. While the average respondent scored highest in agreeing a breach would have a catastrophic impact on their business, they scored lowest in making the connection that revenue is secured when customer data is secured. Since customer data is critical to improving products and experiences, it's troubling that executives do not draw a strong connection between customer data and future revenue.
- › **In digital experience, firms are likely to optimize for speed, reliability, and security, but put the burden on customers for feedback on performance.** While many executives scored their firms highly on optimizing experiences for speed, reliability, and security, they scored lowest on monitoring performance in real time. These companies depend on their customers to tell them when their experience is bad, preventing them from proactively remedying problems. Plus, they miss out on a trove of experience data to inform further improvements. Firms with a test-and-learn culture use analytics to understand digital engagement in real time. These data points help improve experience design faster than firms waiting for feedback.⁵

Figure 2

The maturity framework assessed respondents on 31 measures across five key categories of digital business excellence.



Base: 373 professionals at the manager level and above in web and mobile experience and/or web security at firms with \$100M or more revenue

Source: A commissioned study conducted by Forrester Consulting on behalf of Akamai, October 2017

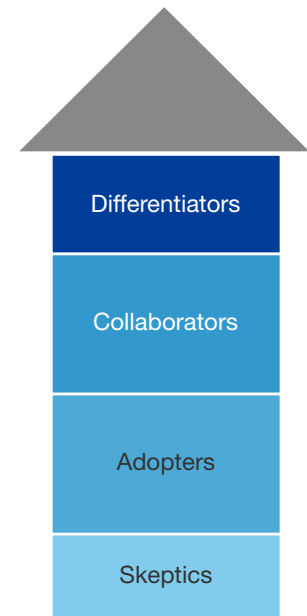
Follow The Differentiators: The Path To Digital Experience And Security Excellence

To fully understand those who are able to balance high digital security with sophisticated digital experience, we segmented survey respondents on a spectrum from low-maturity skeptics to high-maturity differentiators. Comparing the challenges of the top and bottom groups highlights behaviors to mimic and pitfalls to avoid. We found:

- › **Respondents in our survey fall into four levels of maturity.** These levels include skeptics, who are just beginning the digital journey; adopters, who are investing in skills and infrastructure; collaborators, who are breaking down traditional silos; and, finally, differentiators, who are leveraging data to drive customer obsession. The greatest concentration of respondents falls in the middle two levels, with significant minorities in the bottom and top rungs (see Figure 3).
- › **Skeptics have much to learn from differentiators, especially around digital experience.** When it comes to digital experience, differentiators stand out as being much further ahead than for any other category of maturity.⁶ While low-maturity skeptics have the furthest to grow, they also have the most to gain by learning from differentiators.
- › **Differentiators strive to meet evolving customer expectations.** Skeptics find themselves relatively unaware of the evolving expectations of their customers. Only a quarter of skeptics cite this as a top challenge, compared to 38% of differentiators. But every company has customers with rapidly evolving digital expectations. Differentiators are learning that they must constantly evolve their experiences just to keep up with expectations.
- › **Differentiators don't have a budget problem.** About 30% of both skeptics and adopters cite budget as a top challenge when maturing digital experiences, compared to just 16% of differentiators (see Figure 4). The difference is differentiators understand they must invest in digital experiences to drive future revenue — and they successfully connect investments to revenue.

Figure 3

The maturity framework segmented respondents into one of four maturity levels.



Base: Skeptics (N = 55); adopters (N = 125); collaborators (N = 137); and differentiators (N = 56) at the manager level and above in web and mobile experience and/or web security at firms with \$100M or more revenue
Source: A commissioned study conducted by Forrester Consulting on behalf of Akamai, October 2017

The digital maturity landscape varies by region — see Figure 5.

SECURITY CHALLENGES REFLECT DIGITAL MATURITY

As digital maturity develops, the dependency on maintaining customer trust through security increases. The more companies invest in building digital capabilities, the more complex their security environment becomes. Differentiators support their dependency on sustaining trust by investing more heavily in security.

- › **Maturity creates complexity surrounding security.** For 45% of collaborators and 32% of differentiators, the complexity of their environment is a top security challenge when attempting to mature digital experiences. Just 24% of skeptics see the complexity of their environment as a challenge, reflecting the lower level of their digital maturity. As companies mature their digital capabilities, they should plan on increasing investment to sustain the security of customer data.
- › **Maturity in security also challenges agility.** More than a third of collaborators and differentiators struggle to find the balance between security protocols and business agility (compared to just 22% of skeptics). Acutely aware of the need to continuously evolve world-class digital experiences, differentiators are always striving to balance speed-to-market with customer data security.
- › **Differentiators understand trust depends on investing in security.** When it comes to maturing digital experiences, skeptics struggle to find the money. And we see it again with security — 27% of skeptics lack security budget, compared to just 16% of differentiators. Differentiators understand their revenue depends on investing in security.

Figure 4

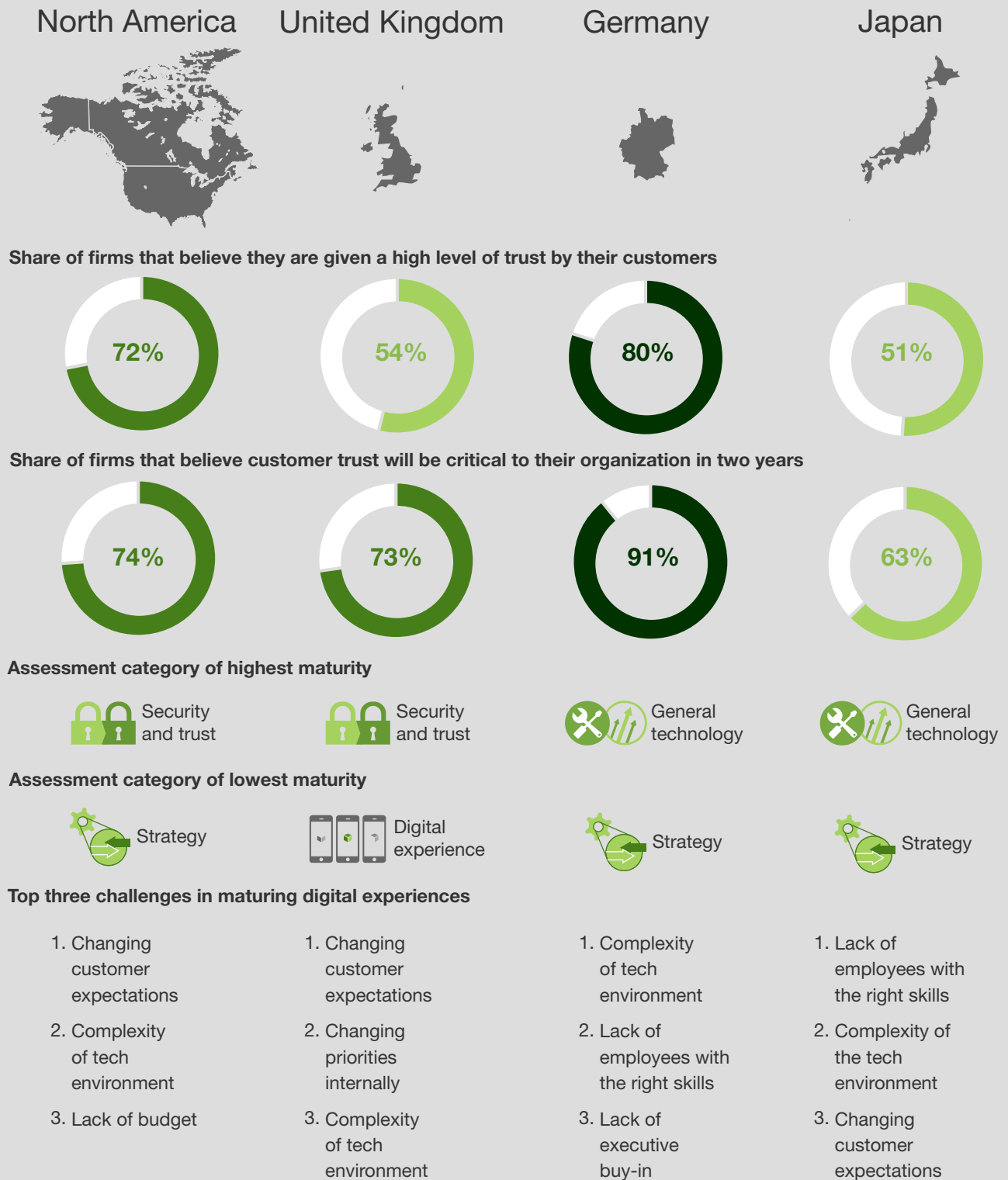
“What are the top challenges your organization faces as you attempt to mature your digital experiences?”
(Top three challenges by maturity shown)

Skeptics	Adopters	Collaborators	Differentiators
1. Lack of employees with the right skills	1. Changing customer expectations	1. Complexity of technology environment	1. Changing customer expectations
2. Complexity of technology environment	2. Complexity of technology environment	2. Changing customer expectations	2. Lack of employees with the right skills
3. Lack of budget	3. Lack of budget	3. Changing priorities internally	3. Complexity of technology environment

Base: Skeptics (N = 55); adopters (N = 125); collaborators (N = 137); and differentiators (N = 56) at the manager level and above in web and mobile experience and/or web security at firms with \$100M or more revenue
Source: A commissioned study conducted by Forrester Consulting on behalf of Akamai, October 2017

Figure 5

We surveyed four countries/regions and found each faces a varying market landscape.



Base: North America (N = 116); UK (N = 102); Germany (N = 76); and Japan (N = 79) professionals at the manager level and above in web and mobile experience and/or web security at firms with \$100M or more revenue

Source: A commissioned study conducted by Forrester Consulting on behalf of Akamai, October 2017

Master Security, Trust, And Digital Experience To Reap Bottom-Line Rewards

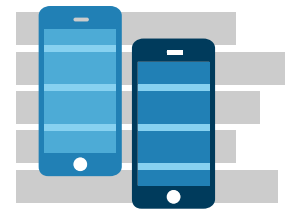
It's simple: Higher-performing companies deliver better experiences with greater security. The more digitally mature the business, the greater the opportunity for revenue growth. We found:

- › **More mature firms gain the greatest share of customer trust.** Eighty-two percent of differentiators believe they have a high level of trust from their customers. For collaborators, this falls to just 67%.
- › **Differentiators are the leaders in their industry.** Seventy-three percent of differentiators report their growth is either among the top or is the top compared to others. This is only true of about half of skeptics. Differentiators are over 20% more likely to be industry leaders.
- › **Companies with a high growth rate maximize experience and security.** The percentage of firms with hypergrowth goes downward with each rung in maturity. Forty-three percent of differentiators say they have a revenue/customer growth rate of 11% or more — of that, nearly 10% of differentiators have a rate greater than 20%. Sustaining high growth requires a commitment to continuously evolve both digital experiences and security.

SUCCESSFUL COMPANIES ARE ALSO THE MOST MATURE

To validate the maturity model, we also asked respondents a number of business performance questions, including rates of customer retention, percentage of revenue generated on digital channels, growth in customer adoption of digital experiences, and others. We combined and segmented these results into four levels of business performance from under performers to high performers. This business performance cut reveals:

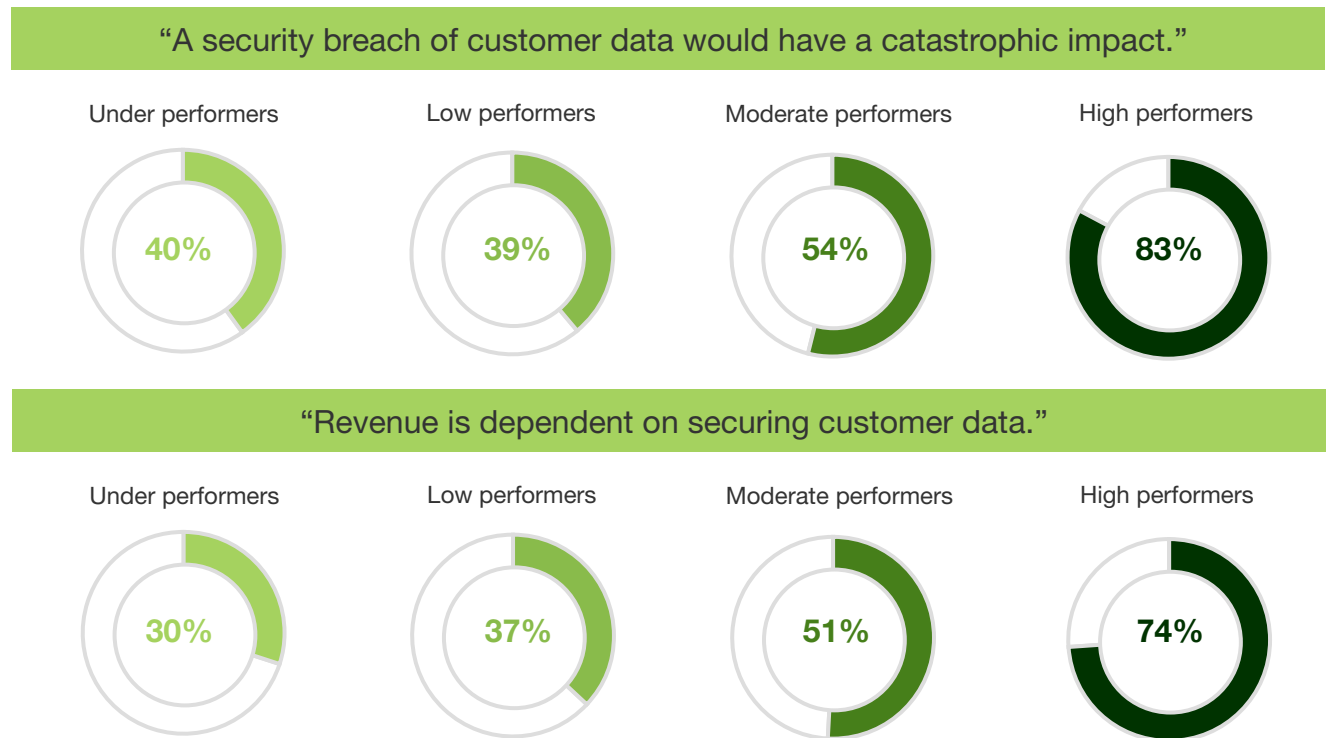
- › **High performers understand the significant threat of a security breach.** Over 80% of high performers report that a security breach would have a catastrophic impact on their business. The majority also feel that securing revenue from attack hinges on securing customer data, not company data (see Figure 6). As companies mature their digital capabilities and accelerate digital revenue, they find they need to invest more heavily in security.
- › **High performers monitor customer experiences in real time.** Eighty-five percent of high performers say they are optimizing for speed, reliability, and security throughout the entire experience — just 20% of under performers say they do this. Meanwhile, nearly 70% of high performers report monitoring performance of digital experiences in real time, rather than depending on customer feedback. Only a quarter of under performers report doing this (see Figure 7).



The path to digital maturity leads to hypergrowth.

Figure 6

The highest maturity security behaviors are most often adopted at the highest performing companies.



Base: Under performers (N = 50); low performers (N = 105); moderate performers (N = 164); and high performers (N = 56) at the manager level and above in web and mobile experience and/or web security at firms with \$100M or more revenue. For each performance level, we combined the percentage of respondents who rated themselves in the top two ratings for each behavior (numbers five and six on a scale of one to six).

Source: A commissioned study conducted by Forrester Consulting on behalf of Akamai, October 2017

DIFFERENTIATORS EXPERIMENT TO IMPROVE DIGITAL EXPERIENCES

To optimize applications for security and experience, organizations should look for the lowest risk opportunities to get the highest levels of feedback. Our survey revealed:

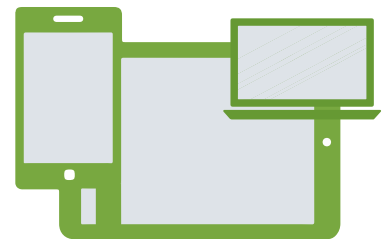
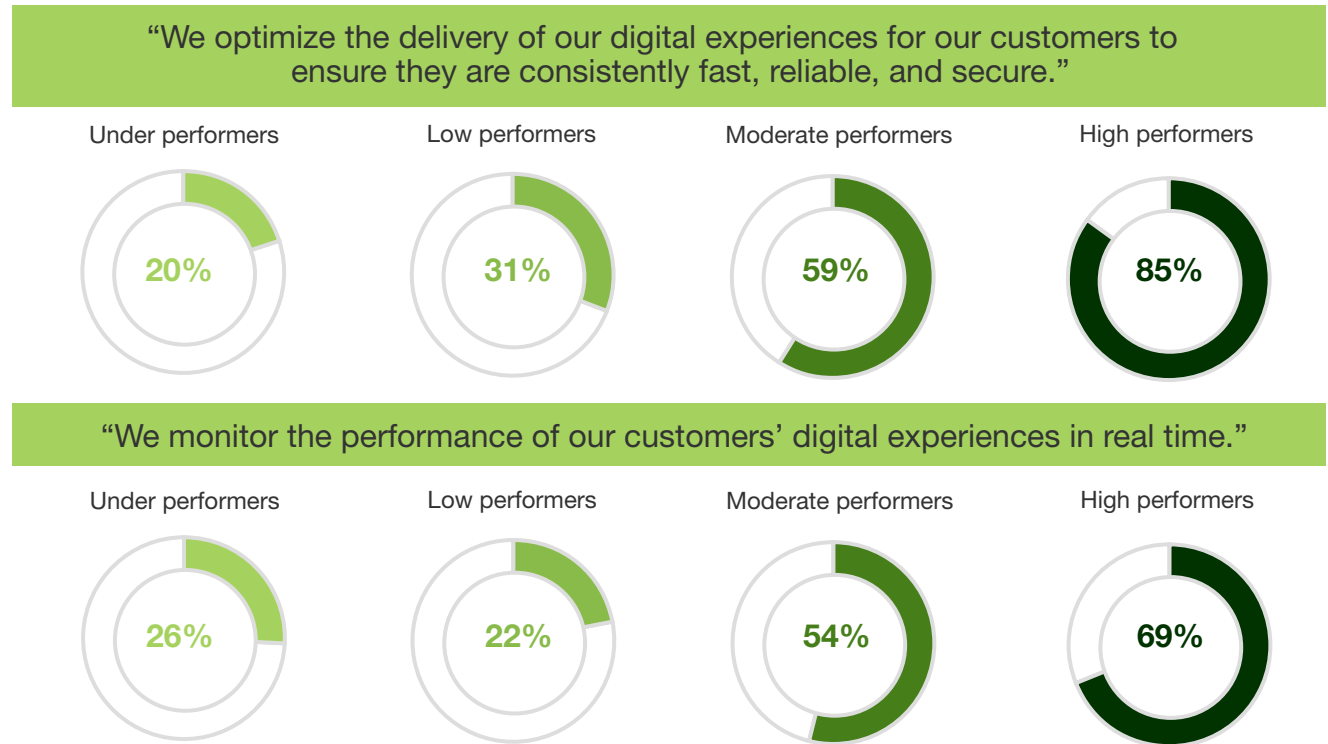


Figure 7

The highest maturity digital experience behaviors are most often adopted at the highest performing companies.



Base: Under performers (N = 50); low performers (N = 105); moderate performers (N = 164); and high performers (N = 56) at the manager level and above in web and mobile experience and/or web security at firms with \$100M or more revenue. For each performance level, we combined the percentage of respondents who rated themselves in the top two ratings for each behavior (numbers five and six on a scale of one to six).

Source: A commissioned study conducted by Forrester Consulting on behalf of Akamai, October 2017

› **Firms across the spectrum of maturity approach user access to strategic, tactical, and prototype applications in similar ways.**

All firms vary the rules of access to different business applications based on whether a user is internal and on-premises, internal but remote, or an external user. We found that the level of security for any given application is not aligned to maturity. Companies must adopt appropriate levels of access based on their application environment (i.e. on-premises versus software-as-a-service) and the balance of risks and gains associated with access to each.

› **Differentiators accelerate innovation through their ecosystem.**

Nearly half of differentiators accelerate innovation by giving their ecosystem partners and customers access to prototype applications. Such access allows them to codesign and coinnovate, rapidly identifying where they can remove the most pain from customer touchpoints. Our research also shows the most mature companies adopt design thinking to help maintain the focus on customer value.

Key Recommendations

Assess your maturity today and use this as a guide to figure out how to accelerate your company's security and digital experience portfolio in support of customer trust, loyalty, and revenue growth.

No matter where you start, Forrester recommends you follow these best practices:



Design security on the assumption you will be breached. Every business' ultimate goal should be to protect customers and empower the business. Zero Trust networks accomplish the dual tasks of deep, continuous data inspection across the network and lean operation and oversight. It puts the focus of enterprise security on the data itself and requires you to continuously assess what is trustworthy activity. For more on Zero Trust, see Appendix C.



Sustain customer trust by treating customer data as your most valuable asset. If data is the new oil, then customer data is akin to refined oil — it is your company's most valuable asset, and you must treat it as such. To maintain the trust of your customers, you must protect your customers' data as if your company's future depends upon it — it most likely does.



Focus on the entire customer journey. Invest in improving all aspects of the customer experience, not just the digital touchpoints. Your digital touches are often connected to physical experiences, so be sure your customers experience a seamless shift between digital and physical.



Design new experiences to save customers time and remove pain. You can maximize customer value by identifying the pain points in the customer journey and removing them. Whenever you can give customers back time, you create immediate value for them. Make your experiences painless, fast, and engaging, and you create an emotional connection that drives revenue.



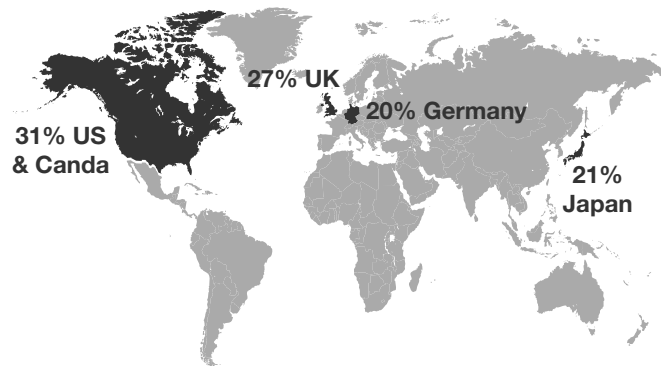
Adopt a minimum viable product approach, but don't skimp on security. Your company must learn to foster an innovation culture. Often this goes hand-in-hand with adopting a minimum viable product (MVP) approach to application development whereby teams incrementally improve software products based on early and frequent customer feedback. But you can never compromise security, even while iteratively improving experiences — it may be more expensive, but once lost, customer trust is difficult to win back.

Appendix A: Methodology

In this study, Forrester interviewed 373 organizations across industries in the United States, Canada, the United Kingdom, Germany, and Japan to evaluate digital experience and digital security initiatives. Survey participants included decision makers in digital experience and security. Questions provided to the participants asked for priorities and challenges, as well as to assess their current capabilities. The study began in September 2017 and was completed in October 2017.

Appendix B: Demographics/Data

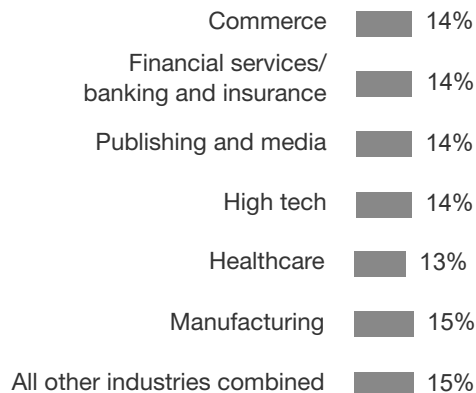
“In which country are you located?”



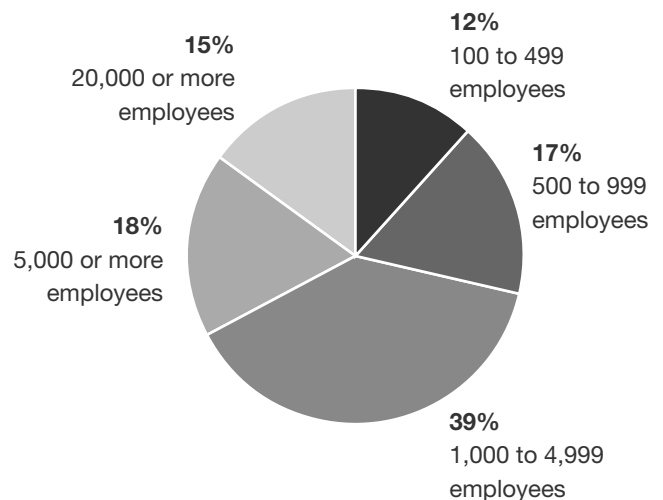
“To what extent are you involved with the following areas?”



“Which of the following best describes the industry to which your company belongs?”



“Using your best estimate, how many employees work for your firm/organization worldwide?”



Base: 373 professionals at the manager level and above in web and mobile experience and/or web security at firms with \$100M or more revenue

Note: Percentages may not total 100 because of rounding.

Source: A commissioned study conducted by Forrester Consulting on behalf of Akamai, October 2017

Appendix C: Supplemental Material

RELATED FORRESTER RESEARCH

“Digital Rewrites The Rules Of Business,” Forrester Research, Inc., April 27, 2017.

“Future-Proof Your Digital Business With Zero Trust Security,” Forrester Research, Inc., July 5, 2017.

“Disrupt Your Business From The Outside In,” Forrester Research, Inc., May 9, 2017.

“Successful Transformation Requires A Customer-Obsessed Culture,” Forrester Research, Inc., September 30, 2016.

Appendix C: Endnotes

¹ Source: “How To Build Customer Trust Faster,” Forrester Research, Inc., June 12, 2017.

² Source: “Make Privacy A Competitive Differentiator,” Forrester Research, Inc., September 28, 2017.

³ Ibid.

⁴ Source: “Future-Proof Your Digital Business With Zero Trust Security,” Forrester Research, Inc., July 5, 2017.

⁵ Source: “Global Mobile Banking Benchmark, 2017,” Forrester Research, Inc., July 13, 2017.

⁶ We took the average score of each maturity level across the five categories to see where skeptics lagged most. The category with the greatest spread between skeptics and differentiators was digital experience.