

Forrester Opportunity Snapshot: A Custom Study Commissioned By Enova | December 2017

Transform Your Business With Operational Decision Automation

Decisioning Platforms Bring Decision-To-Action Cycles Into Real Time

GET STARTED ▶



Transform Your Business With Operational Decision Automation

OVERVIEW

SITUATION

APPROACH

OPPORTUNITY

CONCLUSIONS

Decisioning Applications Bring The Value Of Operational Decisions To Light

Businesses face the imperative to transform business from analog to digital due to intense competition for increasingly demanding and digitally connected customers. The imperative to transform has ushered in a new era of decisioning applications in which every operational decision an organization makes can be considered a business asset. New applications inform and advance customer experience and drive operational actions in real time through automation. These applications are at the forefront of the effort to streamline operations and help organizations take the right action at the right time near-instantaneously.

In October 2017, Enova commissioned Forrester Consulting to investigate approaches to automating operational decisions and the impact on business goals. We asked 100 decision makers with responsibility for digital and/or customer experience at their organization, what tools they use to deliver on this critical digital transformation objective, as well as challenges posed by this emerging technology.

Operational decisions are defined as “non-strategic, day-to-day decisions made by machines or employees across an organization.”



Country

- > **100%** - US



Company size by employee

- > **34%** - 20,000 or more
- > **29%** - 5,000 to 19,999
- > **37%** - 1,000 to 4,999



Top industries

- > **48%** - Financial services/banking
- > **21%** - Higher education
- > **14%** - Insurance
- > **9%** - Telecommunications



Job title

- > **17%** - C-level executive
- > **26%** - Vice president
- > **38%** - Director
- > **20%** - Manager

Transform Your Business With Operational Decision Automation

OVERVIEW

SITUATION

APPROACH

OPPORTUNITY

CONCLUSIONS

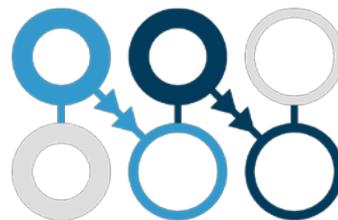
1 2

Automated Decisions Support Customer Experience And Efficiency Objectives

According to the vast majority of companies, the automation of operational decision making is important to executing on digital strategy (77%). Moreover, our study found decision makers believe decision automation will help them achieve key business objectives including:

- > Improved customer experience.
- > Optimized operations.
- > Improved interactions with customers on digital channels.
- > Increased business performance.

*Improved customer experience was selected as the top objective, **increased business performance** was ranked most important.*



What are the top objectives for your firm's use of software to automate operational decision making?

(% who ranked the objective in their top five shown)



57% Improve the customer experience



49% Optimize operations for improved speed, efficiency, and agility of business execution



47% Improve interactions with customers through mobile apps and other digital channels



46% Increase business performance and improve key performance indicators (KPIs)

Base: 100 US business decision makers with digital or customer experience responsibility

Source: A commissioned study conducted by Forrester Consulting on behalf of Enova, November 2017

Transform Your Business With Operational Decision Automation

OVERVIEW

SITUATION

APPROACH

OPPORTUNITY

CONCLUSIONS

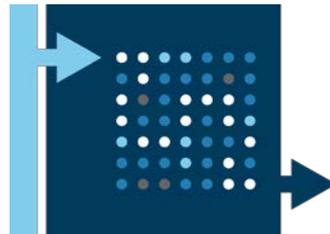
1 2

Achieve Digital Goals With Automated Operational Decision Making

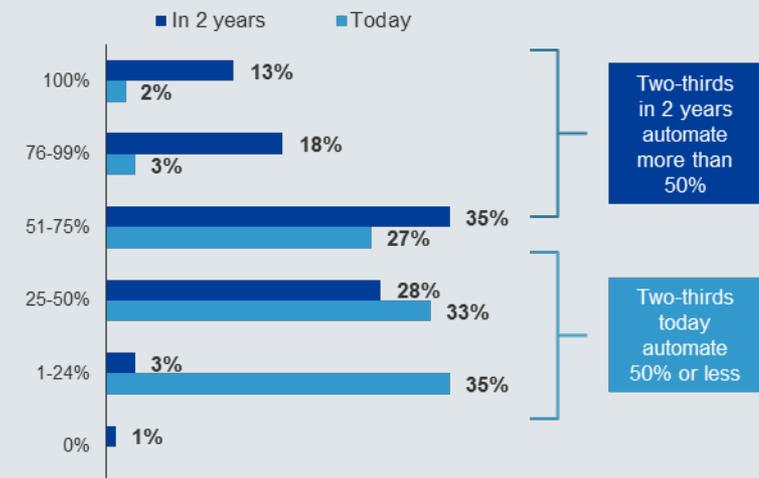
Automating decision life cycles allows firms to manage the fast changes required in increasingly digitized business processes. Our survey found that automation of operational decisions is crucial to meeting digital goals: More than three-quarters of decision makers say it is important to their digital strategy — and close to half say it is very important.

THE SHARE OF DECISIONS THAT ARE AUTOMATED WILL INCREASE MARKEDLY IN TWO YEARS

The importance of automated operational decision making to digital strategy will lead to a sharp increase of automation in the near term. Today, about one-third of respondents say they have the majority of their operational decisions fully or partially automated. In two years, that group will double.



What percentage of overall operational decision making made on a daily basis is currently partially and/or fully automated? What percentage do you estimate in 2 years?



Base: 100 US business decision makers with digital or customer experience responsibility
Source: A commissioned study conducted by Forrester Consulting on behalf of Enova, November 2017

Transform Your Business With Operational Decision Automation

OVERVIEW

SITUATION

APPROACH

OPPORTUNITY

CONCLUSIONS

1 2 3

Use Cases For Automated Decisions Span The Customer Lifecycle But Current Focus Is On Early Stages

To improve the operational aspects of customer experience — and to reap the business benefits that come with delighting customers — firms align automated decision use cases to the customer lifecycle. At least some firms have expanded their share of automated operational decision making to include touchpoints across the customer lifecycle, from the discover phase all the way to the engage phase. However, our survey found that the majority have yet to implement automated decisions as fully in later stages.

Firms first implement decisioning to make it easier for customers to buy. The next opportunity is to use decisioning to improve operations.



Thinking about your firm's customer journey, in which of the following do you use software to automate operational decisioning today?



Base: 100 US business decision makers with digital or customer experience responsibility
Source: A commissioned study conducted by Forrester Consulting on behalf of Enova, November 2017

Transform Your Business With Operational Decision Automation

OVERVIEW

SITUATION

APPROACH

OPPORTUNITY

CONCLUSIONS

1 2 3

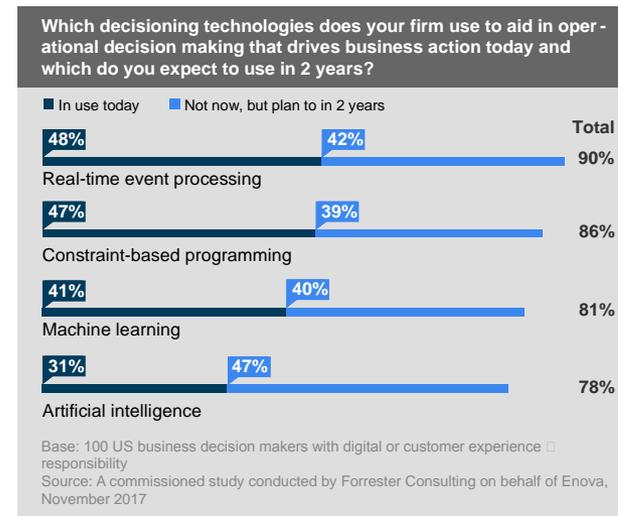
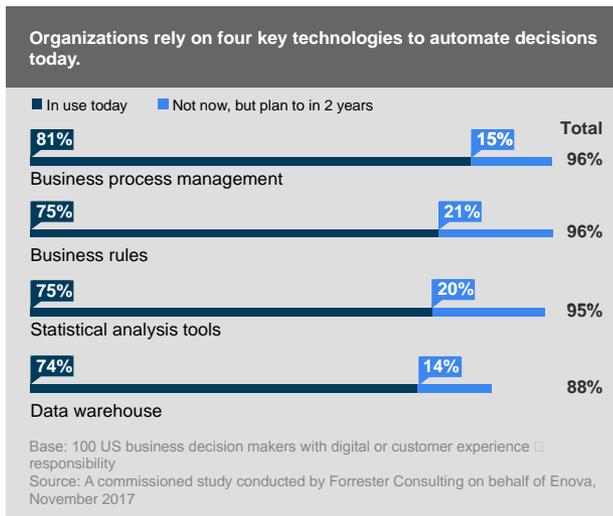
Firms Rely On Established Technology To Automate Decisions; Plan To Adopt Emerging Technology As Automation Accelerates

To power decision automation today, the majority of firms use established technologies like business process management (BPM) tools, business rules engines/platforms, statistical analysis tools, and data warehouses.

Artificial intelligence (AI) will see the largest expansion in the near term, but real-time event processing will be in broadest use.

BUSINESSES RECOGNIZE VALUE IN EMERGING TECHNOLOGY AND PLAN RAPID ADOPTION

As automation accelerates, respondents plan to adopt emerging decisioning technologies.



Transform Your Business With Operational Decision Automation

OVERVIEW

SITUATION

APPROACH

OPPORTUNITY

CONCLUSIONS

1 2 3

Top Challenges Will Intensify With Rapid Expansion Of New Decisioning Tools

Firms are experiencing middling success with current decision automation tools. Our survey found that only 22% are very satisfied with their decisioning software today. Misgivings with today's tools include inability to integrate with current systems or platforms, high cost, and lack of consistency across channels and processes.

The growth of real-time automation use cases and the number of technologies brought on to handle them will exacerbate existing challenges with complexity and cost.

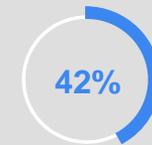
Four significant challenges dampen current satisfaction with existing decision automation technology.



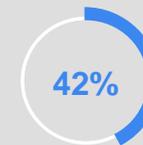
Top challenges encountered in automating operational decision making today.



Inability to integrate with current systems/platforms



Cost



Lack of consistency across channels, systems, and processes



Technical complexity

Base: 100 US business decision makers with digital or customer experience responsibility

Source: A commissioned study conducted by Forrester Consulting on behalf of Enova, November 2017

Transform Your Business With Operational Decision Automation

OVERVIEW

SITUATION

APPROACH

OPPORTUNITY

CONCLUSIONS

1 2

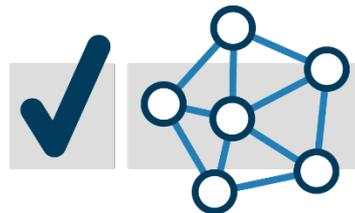
Decision Makers Recognize High Value In Decisioning Platforms That Work In Real Time

Decision makers face significant implementation and cost challenges on their path to automated operational decisions. As a result, getting the greatest business value for the power of their automation tools is top of mind. Our survey found:

- › Eighty-one percent of decision makers say a platform with real-time decision-to-action cycles would be valuable or very valuable to achieving digital transformation goals.

With better, targeted decisions based on real-time analytics, companies have the potential to acquire better customers, improve the operations that serve them, and retain them longer.

For successful digital transformation, firms seek a decisioning platform that brings real-time decision-to-action cycles to light.



Over 80% of respondents say a platform with real-time decision-to-action cycles would be valuable to their digital transformation goals.



Base: 100 US business decision makers with digital or customer experience responsibility
Source: A commissioned study conducted by Forrester Consulting on behalf of Enova, November 2017

Transform Your Business With Operational Decision Automation

OVERVIEW

SITUATION

APPROACH

OPPORTUNITY

CONCLUSIONS

Keep The Rewards Coming With A Platform That Enables Real-Time Decision-To-Action Cycles

To meet digital transformation priorities, firms must automate operational decision making over the next two years. Emerging technologies like machine learning and artificial intelligence allow for the automation of operational decisions — a critical component in achieving digital transformation objectives. While valued by executives for their power to improve customer experience, efficiency, and overall performance, they can be difficult to incorporate due to integration challenges, technical complexity, and added cost. It is critical to find a solution that offers automated operational decisioning across the full lifecycle while maintaining the integrity of existing processes and data. As a result, decisioning platforms that work in real time to optimize decision-to-action cycles are of high value because they will alleviate integration challenges.

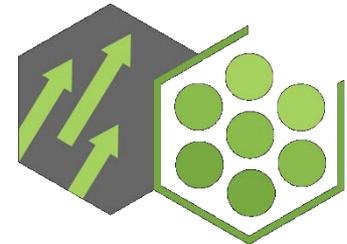
METHODOLOGY

Enova commissioned Forrester Consulting to survey 100 decision makers with responsibility for digital and/or customer experience at their organization. We investigated approaches, challenges, and benefits to automating operational decisions. The study began in October 2017 and concluded in December 2017.

ABOUT FORRESTER CONSULTING

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

© 2017, Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, RoleView, TechRadar, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to forrester.com. 1-158RF8A



Project Director

Andrew Magarie
Market Impact Senior
Consultant