



The digital innovation gap

The industry's largest-ever survey of CMS users reveals
which technology drives greater business results



INTRODUCTION

There's no question that businesses need strong digital capabilities. Eighty-two percent of the 750-plus people surveyed tie digital experiences directly to increased revenue.

But many companies struggle with outdated tools that prevent them from building great digital products. Their chief concerns are time to market (89% cited this as a problem); the unit cost of development (81% experience this problem), and the ability to iterate on digital experiences once delivered (a problem for 79% of those surveyed).



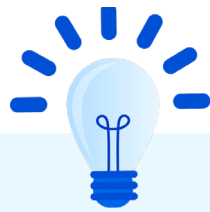
This is the digital innovation gap – the chasm between what's needed to be successful in the digital-first era, and having the tools and capabilities necessary to achieve it.

Our survey also uncovered a gap between the perceptions of digital and business leaders, and the experiences of a group of people we call builders: content creators, developers, and others who contribute to creating digital experiences. Our findings point to an overconfidence on the part of business leaders that their CMS has the necessary functions to support omnichannel and content orchestration, while builders say they feel disempowered and frustrated.

One telling stat: Just 34% of content creators say they can control all of the content across digital channels without developer assistance, while 74% of digital leaders think their CMS enables this.

Two-thirds of business leaders believe they are behind competitors in delivering new digital experiences. They struggle with maintaining content and brand consistency across channels, hiring qualified talent, juggling multiple systems, and managing a mountain of existing content while simultaneously innovating.

This survey reveals what's needed to build digital-first, digital-fast capabilities. Business leaders must invest in API-enabled integrations, personalization and localization, and platforms that empower builders to orchestrate across channels.



THE TAKEAWAY

The digital innovation gap is an opportunity to leapfrog competitors and claim greater market share by pivoting from multi-year digital transformation plans to creating digital competency fast.

Winning companies are accelerating their ability to build, launch, and iterate on new digital products and experiences.

This pivot shortens the time from vision to value, so companies can reap the rewards of their efforts sooner. It also reduces the inherent risk associated with long implementations and enables companies to iterate – no matter how the market evolves.



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Businesses are adopting a digital-first approach, seeking the ability to build, launch and scale digital capabilities and experiences faster to meet customer expectations and maximize the value of their digital initiatives. But in a survey of more than 750 CMS users and digital leaders, there's a clear disconnect between customer expectations for digital and what brands actually deliver.

This disconnect is caused by a gap in companies' digital capabilities – 82% of business leaders agree that these capabilities are directly tied to revenue, but the survey shows businesses are struggling to meet customer expectations with last-generation technology like legacy CMS products. These don't allow for agile development processes, quick iteration, or frequent revisions based on user feedback.

Less than half of the 757 respondents are satisfied with their current CMS, and 45% said their CMSes disappoint right out of the box. "We were promised that this monolithic CMS would be able to handle transactional APIs, which was wrong. It had its limitation, thereby affecting the performance in production," one developer said.

Almost half of respondents are using a legacy CMS as their primary content solution.

Companies can't scale localization, omnichannel experiences, and key personalization features using legacy tools that rely on manual processes (see Chart 1). They need next-generation tools that support collaboration, promote efficiency, and enable them to launch new digital products and experiences in a scalable, repeatable way.

The Covid-19 pandemic has accelerated the market shift to a digital-first economy, widening the digital gap between companies that rely on legacy systems and those that have adopted next-generation technology. Digital leaders are using cloud-based, API-first solutions to quickly test and deliver digital experiences that meet customers' changing needs. Meanwhile, companies with less agile processes and systems are struggling to build and scale digital solutions fast enough.

How companies update content published in multiple digital places

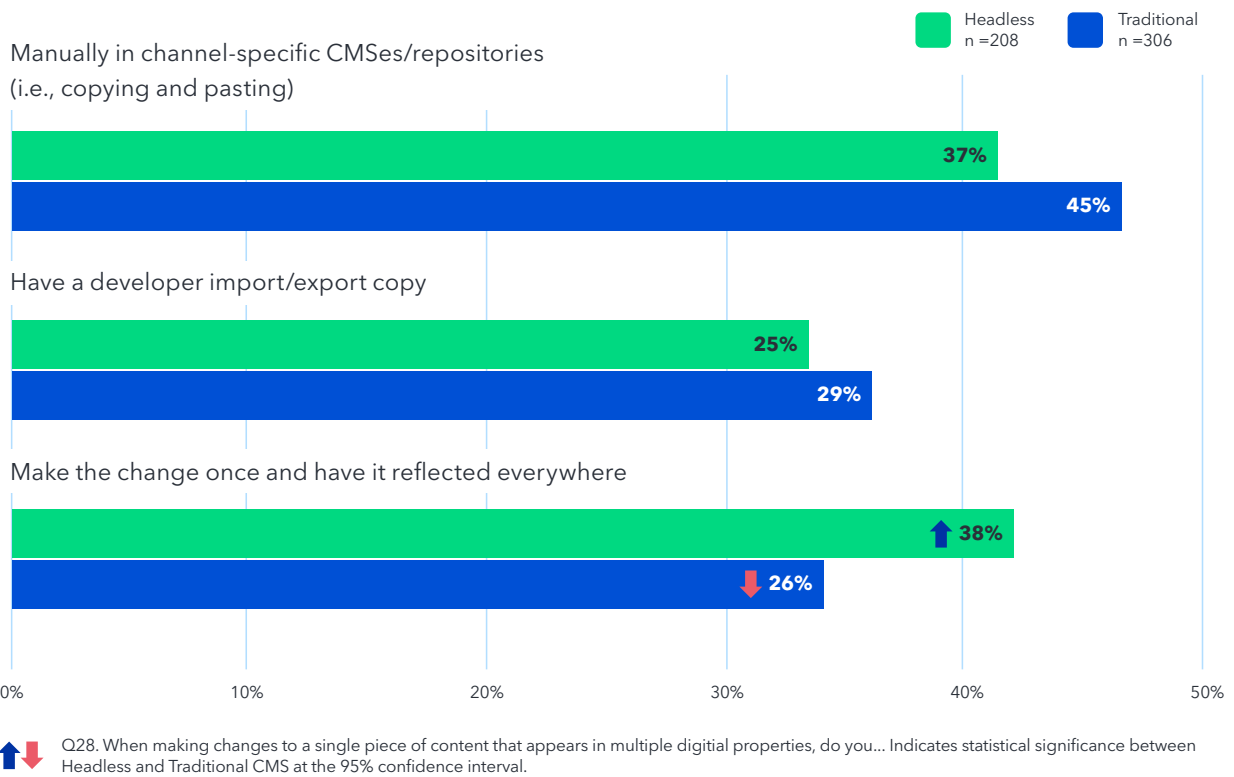


Chart 1: Traditional CMS users are more likely to manage content for each digital property in separate CMSes, multiplying the time and effort required. Those using next-generation tools are able to automate and streamline content delivery, saving time and resources.

This report provides insight into the digital innovation gap and how the right tools enable teams to cross that gap and accelerate speed to build, speed to market, and time to value. It reveals dissatisfaction with traditional CMSes, and points to the need for next-generation tools that accelerate digital efforts and help businesses realize value faster.



Companies know what customers want, but are struggling to deliver

Respondents at all levels recognize what's important to consumers, but face challenges in delivering those digital experiences. The demand for new digital products and experiences overwhelms most enterprises' current capabilities. They lack agility and speed to market as a part of their core competency – a requirement for any sustainable operating model going forward.



Connected omnichannel experiences

Eighty-three percent of respondents think customers expect an omnichannel digital experience and 88% think brand consistency across these experiences is important. This aligns with industry research that shows consistent, connected digital experiences are important throughout the customer lifecycle.

Seventy percent of customers consider connected processes – seamless handoffs and content based on earlier interactions – important in winning new business, according to a 2020 report from Salesforce.

Furthermore, **75%** consumers expect consistency across channels, with **73%** saying they are likely to switch brands if they don't get the consistency they want.



So why are businesses struggling to deliver connected, omnichannel experiences? For many, the challenge is a sprawl of siloed content that must be manually managed across channels. Half of respondents report using multiple CMSes. This might have supported autonomous innovation in early digital efforts, but disconnected systems are now a liability. Seventy-six percent of traditional CMS users are struggling to deliver consistent content. These inconsistencies impact customer satisfaction and brand recognition, not to mention the ROI on the content solution itself.

As **70%** of business leaders plan to increase the number of digital products or channels they deliver, they will also need to invest in better tools to unify content and deliver a seamless experience across those channels.



API-first content platforms with proven integration capabilities will be critical and platforms that can integrate with existing services will help businesses transition faster.

Personalization and localization

Customers are looking for a more personal connection with the brands they love. More than half consider personalization based on past interactions important, according to the Salesforce report. CMS users recognize this trend, with three out of four content managers saying they will need to integrate new tools to enhance content personalization, localization/translation, experimentation and messaging in the next two years.

These efforts will exponentially increase the amount of content teams need to produce and manage. Almost half of respondents say they already spend too much time maintaining content and not enough time creating new content, testing, and iterating. Trying to meet customer expectations without an agile content platform leaves businesses in the weeds, struggling with time management and productivity.

Modern content platforms help teams overcome these challenges by unifying content management and [seamlessly integrating with the personalization, localization, and optimization tools they prefer](#). These platforms empower teams to create a connected tech stack that delivers the personal, connected digital experiences customers want. Better integration means teams can automate workflows between systems and minimize manual work – like cutting and pasting – to free up resources for faster content creation.

“Personalization and localization are very big hurdles – when mixed with testing, they grow larger.”

Content manager and survey respondent



Differentiated digital experiences

Ninety percent of respondents say that digital experiences are important to their business success, but 58% of traditional CMS users think they are behind in delivering new digital experiences. Content is at the heart of digital experiences. The tools you use to create, manage, and deliver that content can either act as a brake or be the gas pedal that accelerates your digital initiatives.

Teams need the ability to build highly performant digital products in a fast, agile, and iterative way.

This capability creates a competitive advantage across the customer lifecycle, making it easier to attract and retain customers. In the digital-first era, digital experiences differentiate products and services, even for physical goods.

For example, after a full rebrand, plant-based food manufacturer [Alpro needed to update and unify its brand identity](#) across 32 different markets – in just six months. By switching to an agile content platform, it was able to easily reuse content across markets and channels and keep brand identity consistent. Now, both the website and mobile sites draw more traffic, with a higher proportion of repeat visits and more pages viewed per visit.

Top digital channels being invested in

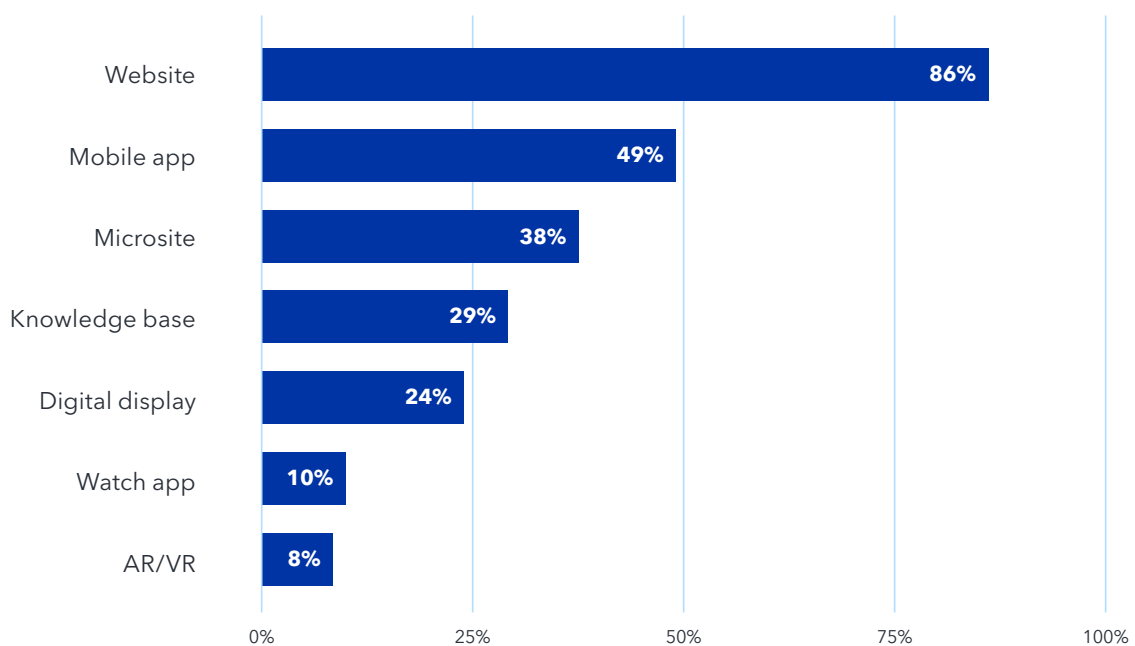


Chart 2: Businesses can leapfrog the competition and open up new revenue streams by targeting consumers who want new digital experiences supported by new technologies.

Digital leaders are raising the bar for what customers expect. Quebec-based [BRP enhanced the shopping experience](#) for its iconic Cam-Am three-wheeled motorcycles with 3D augmented reality technology that allows customers to customize and share their vehicles from an iOS or Android device. Kärcher made its user-friendly cleaning products even better by [integrating with Alexa skills](#) and reusing that content to provide voice control features.

Tapping into new technologies helps businesses engage new customers and stay relevant, yet a majority of companies are still focused on websites and mobile apps (see Chart 2). Salesforce found that 56% of customers actively seek out companies that consistently introduce new products and services based on customer needs and new technology, and two-thirds will pay a premium for superior experiences.

This gap between what customers want and what business can deliver represents an opportunity for businesses to claim market share and generate new revenue streams by investing in their digital capabilities.



By pivoting from multi-year digital transformation efforts to a focus on going digital fast, companies can see value from their efforts sooner and reduce the inherent risk associated with long implementations.

Direct-to-consumer ecommerce trends for 2020 and beyond

The world's brick-and-mortar retail economy changed forever in March 2020 thanks to Covid-19, and the effects were felt in retail businesses around the globe. Digital suddenly became the primary – or, for many, the only – way to connect with customers and generate revenue.

This was the death knell for retailers that were already struggling to compete with the growing direct-to-consumer trend. Those that didn't have the resources to pivot and scale to digital closed shop or filed for bankruptcy protection.

The demand for food and groceries went up, both in-person and online, while every other area of retail experienced a decline in sales, according to a report from Strategy&. Initially, this resulted in more sales, but then sales faltered due to an unstable delivery and supply chain.

When store lockdowns began to flatten the Covid-19 curve, there was a 70-100% drop in sales of apparel and footwear, home goods, electronics, and beauty products.

That was when the shift happened – people moved online for most of their shopping needs, even groceries. Strategy& predicts consumers will continue to remain online for most of their purchasing needs, even after the crisis subsides. Habits acquired during the pandemic are expected to become habits for life.

Retailers can – and are – surviving, but challenges remain

Not all retailers are suffering equally. According to Forbes, four major retailers were able to hang onto a majority of their sales as compared to 2019 – despite shuttering their physical locations for the duration of the spring lockdown. Best Buy, Gap, Nordstrom, and Kohl's brought in 56-70% of their 2019 sales.

Companies that survive will face many challenges for 2020 and beyond, Jason Goldberg, Chief Commerce Strategy Officer at Publicis Communications, explains in a Forbes column. Short-term behaviors, such as digital shopping and germaphobia, might become long-term habits. Preferences for the perceived safety of a digital experience squash the appeal of in-store samples and beauty counter makeovers. Consumers will likely pivot to recession-era buying habits, prioritizing value and needs-based goods at the top of their shopping lists.

There are also new technologies to consider. Cashierless technology such as voice-activated shopping, drones and robots for delivery, and more robust online communities could engage shoppers. While not new, self-service options for everything from shopping to customer support will be more appealing to customers who are already more comfortable with contactless service.

Four key areas retailers should focus on for the holiday season and beyond

When the holiday season approaches, businesses will be focusing on nurturing customer loyalty and how they will differentiate themselves in the digital landscape. With so much uncertainty, it is critical that retailers invest in their ability to pivot quickly. They could be facing frugal customers, supply chain issues or, more positively, the opportunity to integrate digital and in-person experiences.

1

SCALABLE TECHNOLOGY

About a quarter of developers said their CMS is prone to breakage. This is alarming given how much revenue is lost due to site outages. Digital experiences should be built on scalable platforms that can flex to accommodate sudden surges in traffic.

2

CONSISTENT EXPERIENCES

Brand and content consistency are challenges that retailers need to overcome to deliver seamless shopping experiences. Consumers will likely be shopping on multiple devices and comparing prices. Retailers should make it easy to move between devices and digital channels without losing continuity and causing frustration.

3

CONTENT OPERATIONS

Forty-eight percent of respondents are spending too much time maintaining content and not enough time creating new content. Inefficient content operations make it challenging to create and manage content for the new digital products and experiences consumers want. Retailers need the ability to quickly update content across channels in response to Covid-19-related changes, such as store closures, supply shortages and delivery issues.

4

OMNICHANNEL DELIVERY

Businesses are struggling to find time to create better digital experiences, and many are not yet offering a truly omnichannel experience. Retailers including [Loblaw Companies Limited](#) and [GoodRx](#) have shown that the changes in technology and processes can accelerate delivery of new experiences, enabling them to engage customers through the pandemic and beyond.

Key business objectives and challenges

One of our goals with this survey was to look at content from the perspectives of business leaders, and from a group of people we call builders – content creators, developers, and others who are creating digital experiences.

Empowering these builders is critical to business success. They are the people in your organization who are listening to customers and building solutions. The right tools enable them to go from vision to value faster.

Many business objectives – adding channels, personalizing content, localization, optimization – will exponentially increase the amount of content that teams need to produce and manage. This will exacerbate many of the challenges teams already face (see Chart 3). The time and resources required for maintenance, updating, and similar “content hygiene” tasks increase with every piece of content, unless businesses adopt tools that automate and streamline content operations.

Common challenges to content operations

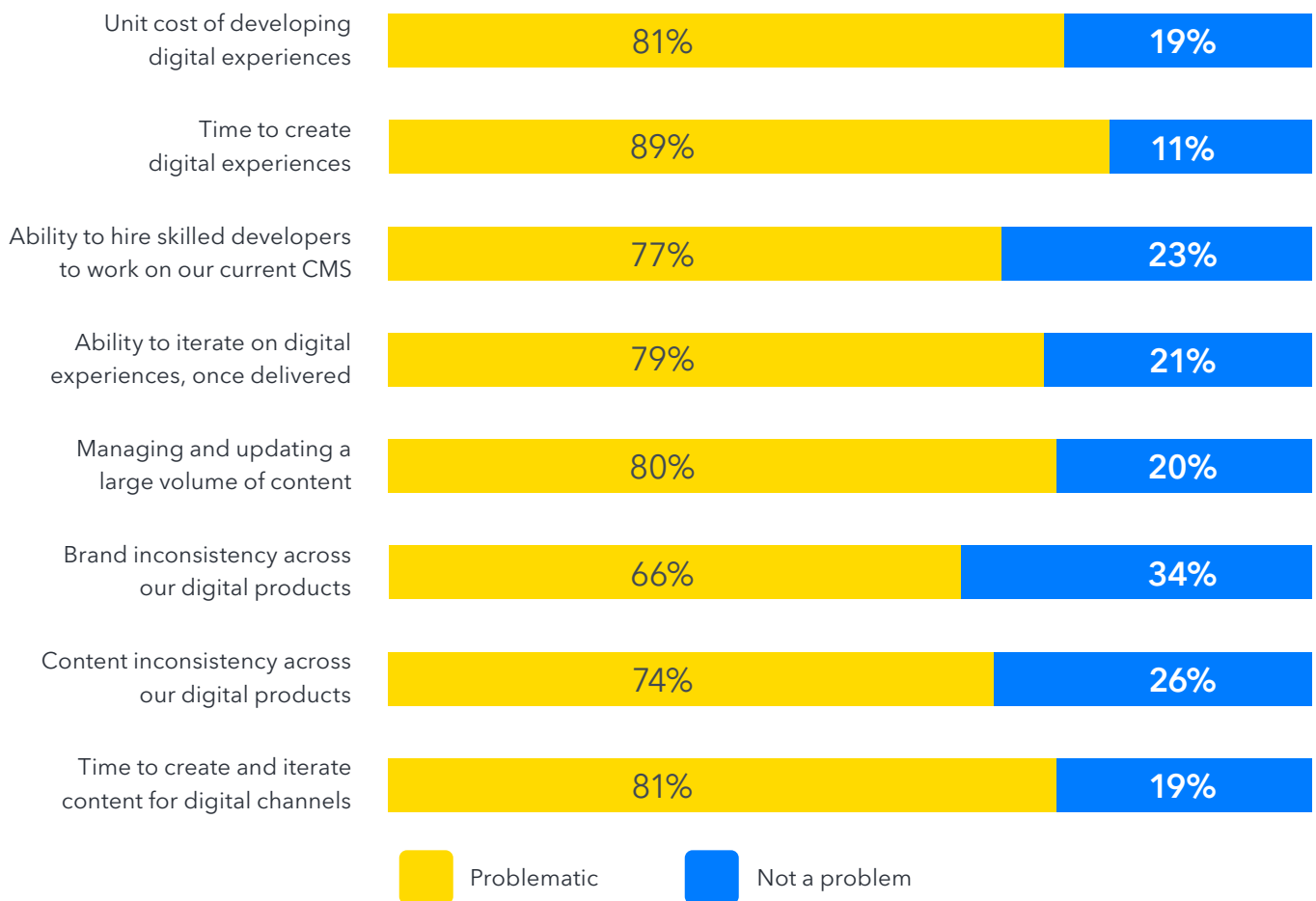


Chart 3: Problems with a lack of time and consistency are plaguing content teams with slowdowns and bottlenecks. To solve these challenges, builders require integrated tools that support efficient, repeatable processes.

Seventy percent of respondents recognize this, saying that their software ecosystems are growing and they need API-first platforms that allow them to use a broad range of systems and components (see Chart 4). Yet only 36 percent are currently using API-first solutions. We expect to see more businesses adopting API-first content platforms at the team and enterprise level as teams increase their focus on personalization, localization and new channels.

Reasons for adopting API-first technology

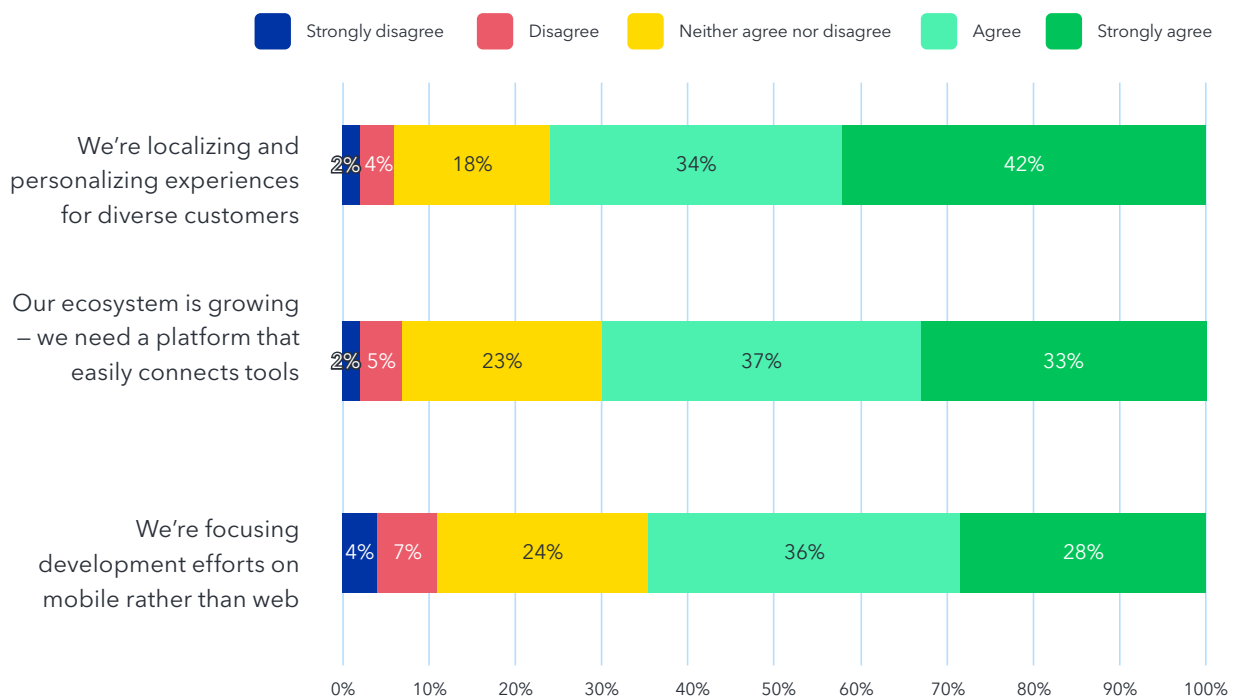


Chart 4: We see a strong need for API-first platforms to support the growing software ecosystem.

Developers

Developers are in high demand, with three out of four respondents saying it's a challenge to hire skilled developers. Understanding what drives developer happiness and removing pain points can help keep valuable talent and improve continuity.

Two-thirds of developers tie a CMS to their job satisfaction, but many are feeling some frustration. They are struggling with technical debt and poor documentation and a quarter say the CMS is fragile or prone to breakage.

One developer confessed that no one has time to clean out the technical debt in their codebase. Another complained about the need for constant tweaks, saying, "We almost want to just scrap it altogether and start over."

Plugins were a common gripe, with one developer noting “There is no plugin audit. Any updates anywhere in the system has potential to break the entire thing.”

Forty-five percent of developers report that managing a CMS pulls them away from their core function. As content delivery becomes more complex, developers are often pulled into content operations, performing tasks such as pushing content updates live, editing hard-coded content, and trying to make rigid templates fit fluid content needs.

Developers also have doubts about their CMS’s ability to support future needs, with 38% saying their CMS limits their ability to deliver digital experiences at scale. One developer summed it up by saying, “It’s manageable for the amount of content we’re working with now.” This is the challenge business leaders face: What got them here won’t take them to the next level.

Those that have already adopted API-first solutions had a brighter outlook. “We have built everything with the latest technology so we are ready to scale accordingly,” another developer says. Both developers and creators need the ability to work together in parallel using their preferred tools, languages, and frameworks so they deliver value sooner and scale faster. Modern architectures with content at the center of the stack are where the market is moving.

Developer satisfaction with current CMS

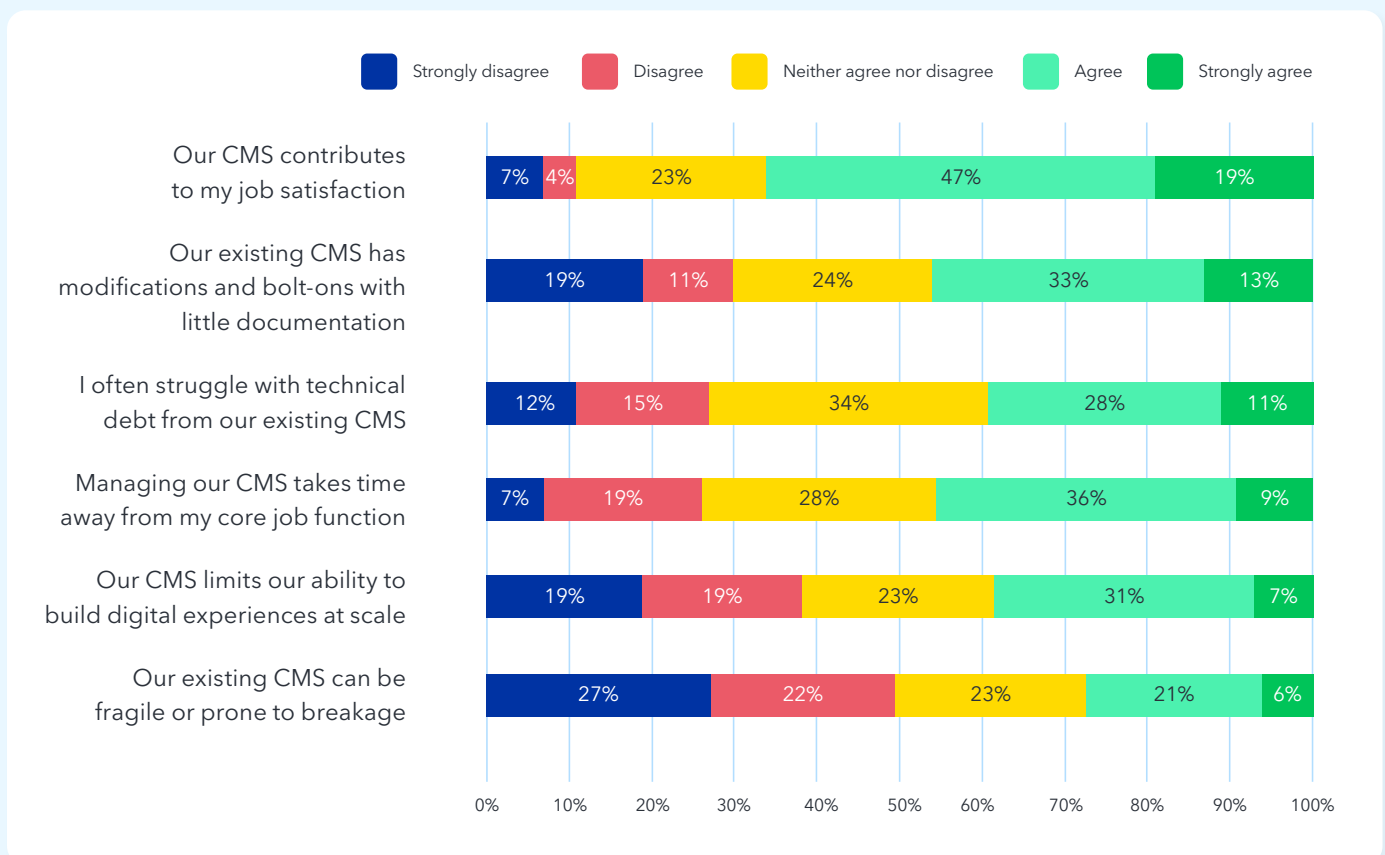


Chart 5: Developers share how the CMS impacts their job satisfaction and performance.

Content wrangler

Ninety-three percent of content managers manage content across multiple digital products. These are the power users of the CMS. A great content platform enables them to create engaging content and reuse it across products and channels – increasing its reach and value. This is where we see the gap forming between traditional CMS users and those who have adopted next-generation, API-first solutions.

Traditional CMS users are more likely to feel that they are behind and spending too much time maintaining content to the detriment of new content creation (see Chart 6). They also have less confidence that their current CMS can meet their business needs. Users cited “lack of integration with our legacy systems” and CMSes that are “lacking flexibility and functionality to leverage the content that we create (i.e., repurposing content is a highly manual and labor-intensive process currently)” as significant challenges.

Developer insight on CMS scalability

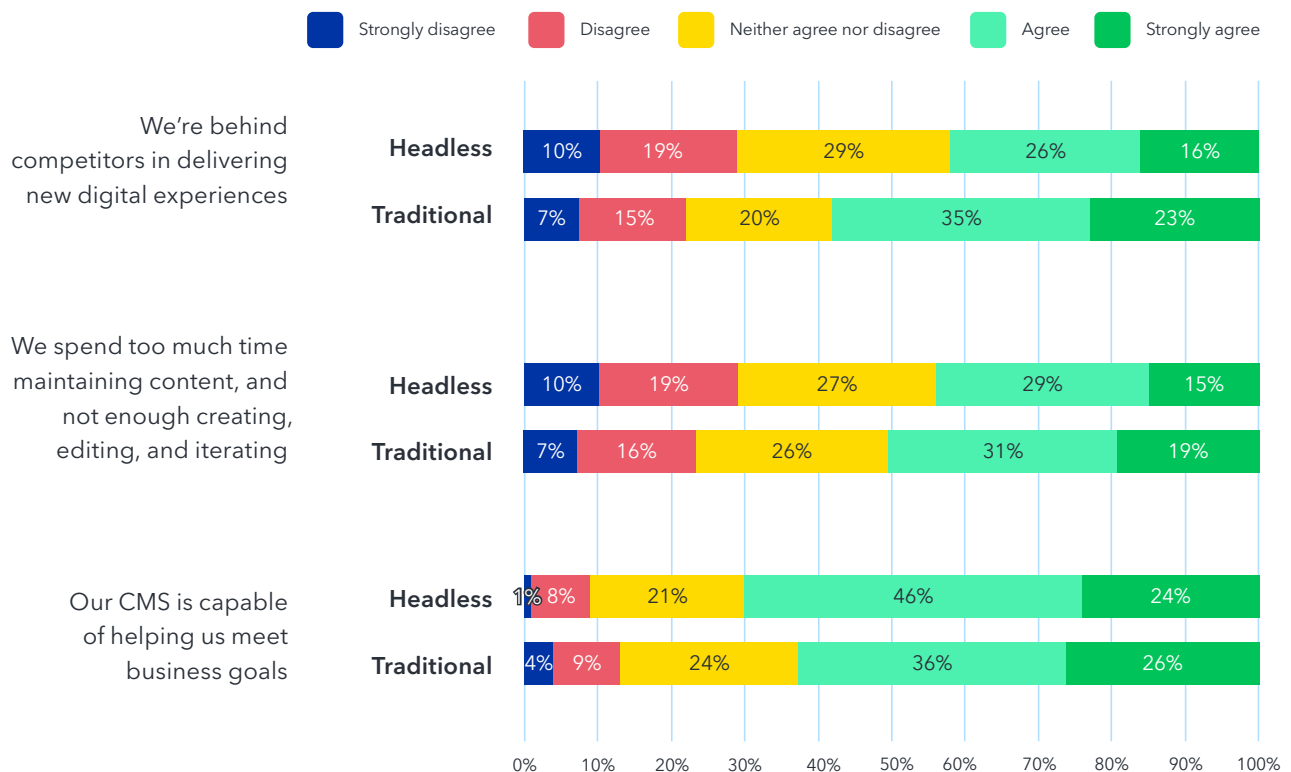


Chart 6: Traditional CMS users are falling behind and lack the tools they need to streamline content maintenance.

Alignment between builders and digital leaders

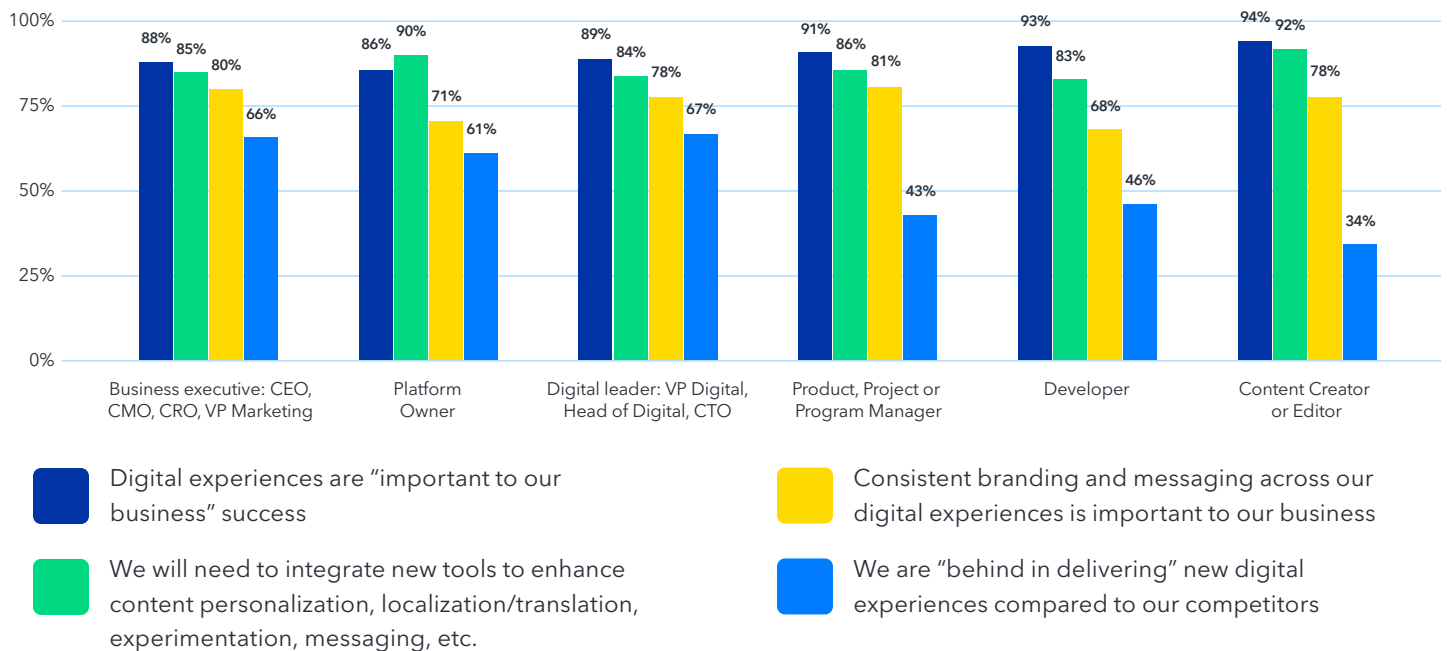
There's a strong alignment among leaders, developers, and content wranglers about the importance of digital experiences, brand consistency, integrations, personalization, and localization.

However, there's much less agreement around how well their current CMS supports those goals. This is a potential blind spot for digital leaders.

Disagreement about competitiveness

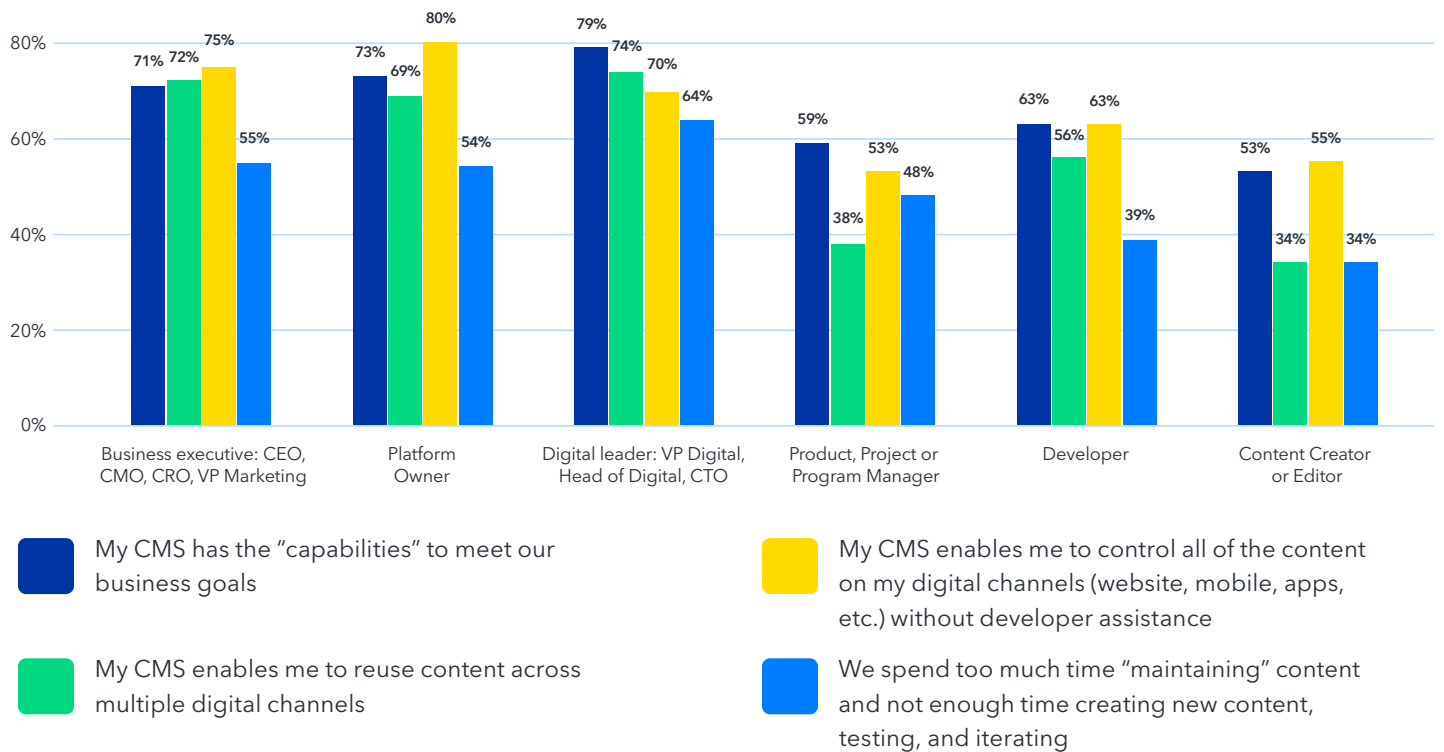
More than two-thirds of digital and business leaders believe they're behind on delivering new digital experiences, compared to their competition. But less than half of developers, content creators, and project managers agree.

Perception of digital business success broken down by roles



- Content creators feel disempowered: Just 34% of them say they can control all of the content across digital channels without developer assistance
- Disconnect on CMS capabilities: While 79% of digital leaders believe their CMS has sufficient capabilities to achieve their business goals, only 53% of content creators agree

Perception of CMS performance broken down by role



The rise of multichannel digital experiences heightens the need to be able to seamlessly orchestrate content from a single hub. But while business executives, platform owners, and digital leaders think their business is able to control all of the content across digital channels without developer assistance, only 34% of content creators agree with that statement. This suggests that at the ground level, content creators are struggling to manage content across various digital channels.

Leaders also believe, more than content creators and developers, that their current CMS enables content reuse across channels. They are more likely to say their business spends too much time maintaining content. This disconnect can make content wranglers, developers, and other builders look like they're falling behind due to the staff's lack of skill, rather than because of the limitations of their CMS.

[Bad CMSes can hurt productivity](#) and restrict an otherwise good performers' ability to contribute their talents to the organization.

Not surprisingly, business leaders feel more pressure to keep up with competitors. Two-thirds of them believe they are behind competitors in delivering new digital experiences. Business leaders need to address the gaps in perceived versus actual CMS capabilities to empower builders with tools that support speed and agility – from content creation through final delivery to multiple customer touchpoints.

How to close the digital innovation gap and meet soaring customer expectations

Eighty-two percent of respondents agree that delivering digital experiences will increase revenue, but many of them struggle with outdated tools that prevent them from building great digital products.

“Scalability is almost non-existent,” one content manager said about their current CMS. The digital-first era demands next-generation technology, but those still using the last generation are falling farther behind.

This survey shows that how you create, manage, and deliver digital content has a broad impact, not only on your team, but also on your current and future customers.

How do you close the digital gap quickly?

Getting ahead doesn't require you to solve all of your digital problems immediately. You just need to solve the biggest problem first.

Start by understanding the disconnects between digital leaders and digital builders. This will reveal your current technology's capabilities, and where it holds the team back. Addressing technology gaps empowers people and helps businesses optimize the talent and resources they already have.

TECHNOLOGY

Choose next-generation tools that will support your future needs. According to the survey, those needs include API integrations for a host of marketing technology such as personalization, localization, and on-site search. It also calls for streamlined content management across products and channels; and support for faster, more agile workflows. Look for a fully extensible solution that can integrate with legacy and future technologies to bridge the gap without a painful rip-and-replace process.

PEOPLE

Look for people with a builder ethos who can help you scale up your digital portfolio. Empowering your builders with flexible tools and elevating them to leadership roles can jumpstart efforts to make digital a core competency across the organization.

PROCESS

Modular, next-generation tools are changing the way digital experiences are built. Silos and suites are being replaced by integrated stacks that connect teams and products.

These integrated tools promote collaboration and support agile, cross-functional teams, enabling builders to rapidly assemble new products and experiences.

As you evolve your people, processes and technology, strive to solve your most significant problem first. Solving for how your team handles content – the heart of every digital experience – can create a great ripple effect to accelerate digital transformation as teams pilot in parallel, test, and iterate quickly, create feedback loops, and scale to deliver more value sooner.



A word about the impact of Covid-19

This survey launched as companies were first responding to the impacts of Covid-19. Almost overnight, digital transformation went from a long-term goal to a short-term necessity. But digital capabilities aren't just needed to cope with lockdowns and lifestyle restrictions. Covid-19 has fundamentally reshaped consumer habits and the way people interact with brands.

Companies such as Loblaw Digital and GoodRx, which had already invested in flexible, agile technology, were able to quickly pivot as the market landscape changed overnight. They had the technology and processes in place to provide customers with a seamless update or spin up newly in-demand digital experiences.

Other companies faced challenges and setbacks as legacy systems began breaking under the strain of customer traffic at scale, and digital agencies and in-house development were backed up with endless change requests.

Rigid suites often have waterfall workflows that are weeks or even months long, effectively "missing the market" in digital delivery. Meanwhile, cloud-based, API-first content platforms launched new and modified digital experiences faster than legacy suites by assembling them from modular components and sourcing content from an existing, unified content repository.

The pandemic underscores the need for businesses to invest in digital capabilities that not only serve the needs they face today, but also provide the flexibility to respond to unexpected challenges and opportunities.

Another bonus: these rapid and often radical changes were far easier for digital teams with a content platform solution, because they could make updates in one place and publish them across all of their channels.

The post-pandemic economy will be vastly different, driven by digital demands from customers and organizations' renewed drive to develop digital competency in-house. We believe highlighting the digital innovation gap gives companies an opportunity to close it more rapidly.

Contentful's content platform accelerates digital transformation

[Learn more](#)

