



Inside Track Research Note

In association with



The Value of Digital Hubs

Understanding the
full potential

May 2016

About this Document

The material presented in this Inside Track builds on previous discussions which cover the nature of digital hubs and the associated practicalities. We would therefore recommend reading this document in conjunction with those listed in the 'References and further reading section'.

The digital assets needed by users to do their jobs effectively often exist in multiple states and many versions spread across different locations and repositories.

Providing a convenient single point of access for finished, approved and/or recommended digital assets from any desktop or mobile device can have major benefits.

Multiple digital hub 'use cases' will become relevant to your business over time.

In a nutshell

Most organisations are not short of technology to help produce electronic content and other digital assets. Solutions aimed at the creation process, however, are often less effective at dealing with publication and access needs. This is where digital hubs come in, and with their ability to provide convenient anytime, anywhere access to digital documents, mobile apps, etc, their applicability is broader than you might think. Understanding the full potential is important to maximising ROI.

Cleaning up digital access

The digital assets needed by users to do their jobs effectively often exist in multiple states, with many versions and copies spread across lots of different locations and repositories. Whether it's documents, multi-media content or mobile apps, it can be hard for employees to find the digital assets they require for the job at hand in an easy and timely manner, and to be sure they have the most current material.

The resulting user frustration and more tangible business costs and risks have been previously documented^[1]. As your business becomes more connected, similar challenges arise around material published to customers, partners and suppliers.

Against this background, providing a convenient single point of access for finished, approved and/or recommended digital assets from any desktop or mobile device can have major benefits.

Creating one or more 'digital hubs' to enable this can be achieved by either leveraging existing information management systems or implementing a solution specifically designed for the job^[2]. The former will likely require significant time and development effort, while the cost of the latter may be more in the form of licence or subscription fees. Either way, justifying the necessary investment and maximising ROI is easier if you have a clear understanding of where and how the digital hub approach will benefit your business over the shorter and longer term.

With this in mind, our objective here is to provide you with an overview of the most common ways in which digital hubs can potentially deliver value. Some of these may map onto your immediate needs and you'll undoubtedly recognise where this is the case pretty easily; indeed, you may already be using a digital hub for some such purposes. However, the chances are that multiple digital hub 'use cases' will become relevant to your business over time, so it's worth considering the bigger picture.

The high level view

Before getting into specific use cases, it is worth defining the general types of digital hub implementation. These are:

- Employee hubs
- Partner hubs
- Customer hubs

The first two of these build on the intranet and extranet capabilities you may already have in place, providing the next level of convenience, usability and reliability for employees and partners needing to access business critical digital assets. The third is

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A digital hub can lead to significant short-term benefits.

In a workforce context, high-level objectives will include increased productivity, faster turnaround times, better and more accurate decision-making, and an overall boost to efficiency and effectiveness

Think through the objectives and practicalities at the next level down in relation to specific departments and functions.

concerned with embedding digital hub functionality into your product and service offerings to drive operational efficiency, deliver incremental value to customers, and perhaps even create whole new income streams and business models.

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Let’s take a closer look at each type of implementation in turn.

Employee hubs

This is arguably the most obvious application area for digital hubs. The pain, cost and frustration caused by information fragmentation, combined with the rapid proliferation of mobile apps within the workforce, means investment in a digital hub can lead to significant short-term benefits. In a workforce context, high-level objectives will include increased productivity, faster turnaround times, better and more accurate decision-making, and an overall boost to efficiency and effectiveness.

When scoping and prioritising activity within a digital hub initiative, however, it helps to think through the objectives and practicalities at the next level down in relation to specific departments and functions. Table 1, for example, provides an illustration of the kind of digital assets you may want to focus on in different parts of the business, and the sort of benefits you would be looking to achieve.

Functional Area	Example Digital Assets	Benefits sought
Sales and Marketing	Price lists, product collateral, competitive information, reference stories, commercial templates, sales policies and procedures, etc.	Increased conversion rates, shorter sales cycles, better cross selling and up selling, fewer ‘bad’ deals.
Customer Service	Product/service documentation, troubleshooting and support guides, escalation policies, scripts, checklists, etc.	Faster response and resolution times, lower costs and overheads, increased customer satisfaction.
Business Operations	Standard operating procedures, quality guidelines, safety policies, checklists, forms, general reference information, etc.	Shorter process cycle times, higher quality output, less waste, lower costs, better safety, increased compliance.
Business Intelligence	Routine performance reports, links to ‘canned’ analyses, definitions of key metrics/KPIs, budgeting and reporting guidelines, etc.	Consistency (single version of the truth), faster and better decision-making, general workforce empowerment.
HR Policy & Process	Management procedures and templates (e.g. for recruitment, onboarding, remuneration, appraisals, discipline), admin forms/tools, etc.	More effective talent acquisition, empowerment of managers, supervisors and employees, lower costs.
Training & Development	Training schedules and request procedures, online training materials (documents, multimedia, CBT), certification documents, etc.	Increased competency and effectiveness, regulatory compliance, maintenance of staff morale, lower costs.

The above provides a flavour of the broad applicability of digital hub solutions aimed at enabling the workforce, but is by no means exhaustive. From a department or line-of-business perspective, we could legitimately include legal, IT, facilities management

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and so on, in fact any part of the organisation that routinely needs to publish, recommend and/or promote documents, multimedia content, templates, forms, reports, links, mobile apps, etc to employees.

While we haven't listed it above, one of the overarching benefits of a digital hub is the ability to track and analyse the degree to which your digital assets are being exploited. This allows any of the departments listed (and others) to optimise the material they produce, e.g. publishing more of the kind of assets employees find useful, and strengthening or spending less time on assets that are underperforming.

In addition to the tangible benefits highlighted, we mustn't forget the 'user satisfaction' factor. When employees are used to struggling with clunky and outdated intranet repositories, and sprawling, out-of-control cloud storage services, giving them a single point of access with an Amazon/iTunes style interface to quickly and conveniently get to what they need can be viewed as a major positive.

Partner hubs

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In today's digital markets, communicating and collaborating electronically with partners is becoming much more common. Whether it's looking upstream to your suppliers, downstream to your sales channel, or into your broader partner ecosystem, a lot of digital assets tend to be in play. This in turn requires enabling access similar to that already described, though in this case from outside the organisation. As you look at Table 2, which summarises some of the interactions and assets involved in this context, some of the benefits you see will look familiar.

Type of Partner	Example Digital Assets	Benefits sought
Sales Channel	Price lists, product collateral, sales tools (inc mobile apps), commercial and contract templates, forecasting and compensation guidelines, sales reports and statements, etc.	Better channel motivation and satisfaction, increased indirect revenues, lower costs, fewer 'bad' deals and customer issues.
Fulfilment Partners	Operating procedures, best practice guides, legal, safety and compliance policies, training/reference materials, support and escalation processes, customer engagement templates.	Better quality delivery, increase customer satisfaction, lowering of overheads, more repeat business.
Suppliers	Quality and compliance policies, standard terms and conditions, administrative forms and templates, current forecasts and status reports.	More predictable products and services, increase trust and visibility, lower supplier management overheads.

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Again, we can't be exhaustive, and possible omissions from the above list would certainly include consultants and professional advisors. It may, for example, be useful to publish reports and status information, as well as policy and process documentation, to accountants, solicitors, managed service providers, and so on.

Customer hubs

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The nature of Customer Hubs can vary immensely depending on your business.

Focus on the 'shape' of the deployment.

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You would be wise to regard investments in this space as more strategic than they may first appear, then make sure you put a solid foundation in place for the longer term.

The first is what we might call 'value added services', which is concerned with introducing the digital hub concept to strengthen or enhance your customer interactions around existing offerings. This approach can be used to differentiate your core products and services in a competitive market where similar offerings are available, but in any event, customer loyalty will typically be helped.

The second approach involves direct monetisation of digital assets to create a new business line or an optional up sell opportunity to existing offerings, perhaps even to introduce a whole new business model. As a simple example, a training company could deliver multi-media courses in 'snack-sized' chunks that could be consumed by busy professionals from their mobile device whenever they have 10 minutes spare.

The nature of Customer Hubs can vary immensely depending on your business, so when you look at Table 3, focus on the 'shape' of the deployment and ask yourself whether something that like that would work in your business environment.

Type of Deployment	Example Digital Assets	Benefits sought
Valued Added Services	Reference material, self-assessment guides, training videos, interactive mobile apps, even games, etc.	Better differentiated core products and services, increased customer loyalty and repeat business.
Subscription Services	Full computer-based training courses, market information, mobile apps providing innovative functionality, etc.	Additional sources of revenue and margin, more predictable annuity income, new markets and business models.

In general terms, given the nature of the technology and cloud services available at the time of writing, digital hubs aimed at customers are probably more relevant in a business-to-business (B2B) context. It is perfectly possible to support many thousands of B2B users, but other solutions (typically purpose-built web and mobile applications) are likely to be required if you are looking to service millions of consumers.

The bottom line

It is easy to run away with the notion that technology to help you handle your digital needs is all about optimising the creation process. Content-centric collaboration systems, file sync-and-share services and software development tools are certainly critical in this regard. But such solutions are not always optimised for consumption of 'finished' digital assets. This is important to recognise as an asset is only created once and occasionally updated, whereas it's likely to be accessed many times over; indeed, whether it's an electronic document, multi-media file or mobile app, that's typically how its value is realised.

Against this background, digital hubs, optimised for publication and access, therefore have an important role to play, and as we have illustrated in our discussion here, that role can be wide and varied. When considering investment in this kind of solution it therefore makes sense to think more broadly than the immediate problem at hand. You may have an immediate requirement around sales and marketing or HR, for example, but the chances are that you can boost ROI by thinking more broadly. That doesn't mean trying boil ocean with your first initiative, but it does mean you would be wise to regard investments in this space as more strategic than they may first appear, then make sure you put a solid foundation in place for the longer term.

References and further reading

The following documents are available for free download from the Freeform Dynamics or 5app websites.

1. Tackling End-User Content Sprawl

The emerging role of digital hubs

2. Building a Curated Digital Hub

What are your options and how do they compare?

About Freeform Dynamics

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