Building a Business Case for Delta Testing



Table of Contents

Building a Case for Delta Testing 1

ROI Research 2

The Return on Delta Testing: Core Business Cases 4

Investment and Costs 7

Other Investment Factors 8

Selling Delta Testing Internally 9

How to Position Delta Testing Technology for Each Executive 11

Conclusion 14

Delta Testing with Centercode 15

Building a Case for Delta Testing

Delta testing is unique to practices like beta, field, and UAT because it highlights the features and experiences that mean the most to your customers. Then, it makes them easy to both disseminate and track as they travel through your organization. And it does this automatically and continuously.

But before your company can take advantage of the many benefits of delta testing, you first need to help stakeholders throughout your organization understand those benefits and secure their buy-in.

This ebook is your guide for promoting the value of delta testing to each stakeholder, including how it increases product success and alleviates the obstacles of traditional user testing. Inside, you'll get the tools you need to build a business case for delta testing and address the specific careabouts of stakeholders and executive leadership.

We'll look at:

- The ROI of delta testing and data points supporting its efficacy in practice
- Core business cases, from time and money saved, to investments optimized, to product quality improved
- The investments required for seeing delta test success and other investment factors that pertain specifically to your organization
- Tips for selling delta testing internally, including a breakdown of key framing points for each executive at your organization
- The cost of delaying — or, why delta testing should be a priority right now



ROI Research

When it comes to the potential ROI of delta testing, it's best to start by looking at the hard data.

Here are some of the *research findings* on the effectiveness of delta testing using an automated platform:

Reduced labor costs of completing user testing projects by $620K. Delta testing platforms enable organizations to run user tests without incurring major labor expenses in the process. A composite organization designed for a three-year delta testing model using automation cut 200 hours of labor across 36 projects.

Avoided over $2.8M in costs by resolving major product bugs prior to release. Bugs found after release are detrimental to product sales. Using delta testing platforms helped organizations catch these bugs prior to release — about 30 bugs per project on average. As a result, product, engineering, and QA departments saved enormous amounts of time and money.

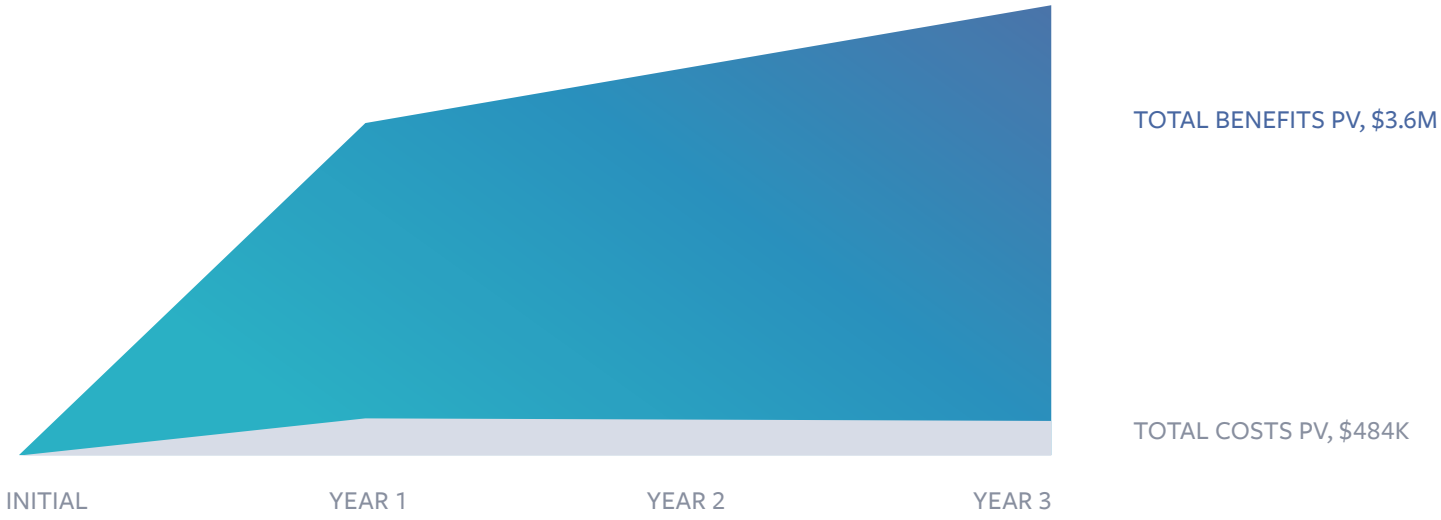
Increased project quality by collecting over 3,600 new pieces of tester feedback. Testers recruited with and interacting via delta testing platforms were more engaged with and enthusiastic about testing. This increased participation by 75%, bringing in more valuable feedback like product issues, ideas, and praise.

Increased engineering efficiency by 10%. Delta testing platforms enabled program managers to quickly prioritize incoming feedback, which in turn let engineers focus on fixing high-impact issues. Ultimately, this produced a cost savings of $121,500.

ROI Research

Companies can expect three core benefits with their delta testing platforms: higher engagement, increased efficiency, and a decrease in testing, engineering, and higher-level product and support costs.

In addition, interviews with existing customers and a supplementary financial analysis found that a composite organization based on these companies experienced benefits of $3,611,369 over three years, with a net present value (NPV) of $3,127,259 and an ROI of 646%.



The Return on Delta Testing: Core Business Cases

Delta testing platforms deliver three key benefits:

1. Money and time savings

2. Ability to measure and optimize investments

3. Improved product quality

1. MONEY AND TIME SAVINGS

The best way to get CFO signoff for delta testing technology is to build your business case on its ability to save time and money. Here are three ways delta testing platforms do just that:

- **Less Manual Effort.** Delta testing requires you to interact with testers and manage their feedback in a modern way. For example, the ability to drive engagement means communicating individually with hundreds of testers on an ongoing basis. Without a delta testing platform, tasks like this require a lot of costly manual effort from internal teams. By investing in technologies that automate these processes, companies are reducing user testing costs by 40%.
- **More Visiblity.** Delta testing platforms save time and money by giving companies more visibility into user testing processes and results. Instead of guessing at what's working about your user test and what isn't, delta testing provides a direct line of sight to the actions and adjustments that will have the most immediate impact on your project and program success. Not only does this save money, but it also saves time and makes your program more agile.
- **Simplifying Privacy and Compliance.** Delta testing platforms save time and money by simplifying privacy and compliance processes. Collecting feedback from customers about pre-release products requires agreements like NDAs and demands compliance with local privacy laws like GDPR and CCPA. Delta testing platforms make it easier to manage user privacy and keep crucial product details confidential.

The Return on Delta Testing: Core Business Cases

2. ABILITY TO MEASURE AND OPTIMIZE INVESTMENTS

It's important to measure delta testing results and prove that it can deliver value for your organization on an ongoing basis. Executives are always looking for hard data, and delta testing platforms give testing teams a way to both expand their success and show concrete numbers to prove it.

Here are three key ways delta testing platforms help you measure and optimize user testing investments:

- **System of Record.** Delta testing platforms bring otherwise siloed data together and serve as the core system of record for all your user testing information. They enable you to take measurements, compare projects, and track the progress of key metrics over time.
- **Measure and Test.** The ability to experiment with processes (this feedback form vs. that form; this project template vs. that template) helps you learn which elements of your tests are working over time. This ultimately helps you increase test effectiveness and deliver more actionable insights.
- **Prove Program ROI.** What is the specific impact that your testing program has on product quality and success? How can you compare the effectiveness of one project to another? Delta testing platforms highlight the impact of your customer feedback so you and your stakeholders can invest time and money where it's going to have the greatest positive outcome.



The Return on Delta Testing: Core Business Cases

3. IMPROVED PRODUCT QUALITY

Delta testing platforms drive improvements to product quality by helping you:

- Surface bugs and usability issues earlier on
- Cover more use cases during testing than ever before
- Contextualize feedback with details like tester technographics
- Prioritize the right feedback
- Route feedback to the right teams
- Close the feedback loop and confirm issue resolutions with testers

With a delta testing platform, companies can more effectively and efficiently collect and prioritize customer feedback. They enable companies to:

- Recruit and engage with target market testers in real time about the latest versions of products or features.
- Deliver clear-cut product improvement recommendations that will have a noticeable impact on product quality and/or usability.
- Closely integrate testing activities and information with other parts of the organization, such as Engineering or Product Marketing, to create a seamless experience for buyers.

The result is impactful product improvement recommendations that increase product success with every release.

5 KEY METRICS FOR MEASURING DELTA TESTING PLATFORM SUCCESS

1. Tester engagement rate
2. Resolution percentage of issues discovered during delta testing
3. Hours spent managing feedback
4. Number of recommendations per test
5. Star ratings

Investment and Costs

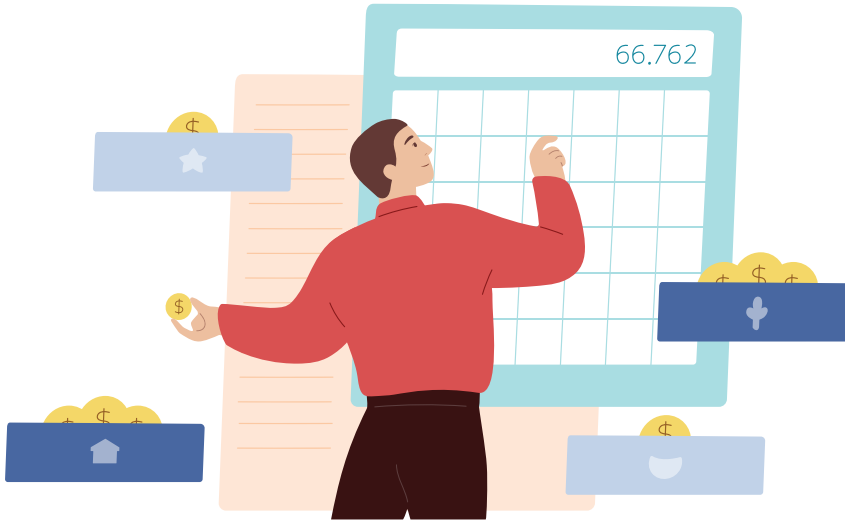
Once you've estimated the benefits of implementing a delta testing platform, it's time to understand the investment required.

There are a few main factors that drive the cost of delta testing platform subscriptions:

1. **Size of Your Tester Community**. It's common to see variable pricing based on how many profiled testers you have in your community. Whether you're starting from scratch or moving testers in from a different community management tool, keep this cost in mind as your community grows over time.
2. **Number of Administrator Seats**. A per-seat charge for community and test managers is also common. These seats provide admin access so they can get insight and action inside the community and project management areas of the delta testing platform.
3. **Number of Active Projects**. With the ongoing nature of delta testing, it's typical to see the number of active projects grow over time. Keep this investment in mind as your program expands within your organization. While adding more product lines into your program will increase your subscription cost, it should always be less expensive than purchasing separate subscriptions.
4. **Functionality in Each Edition**. Pricing will also vary for different editions of the same platform. Examples include an edition to facilitate lower cost entry (e.g., for a single person managing one or two projects) and others with more powerful, higher end functionality (e.g., for an enterprise team managing tests for multiple product portfolios).



Other Investment Factors



It's typical for platform vendors to offer add-ons to their baseline subscriptions. This includes services like new customer onboarding, training, consulting, and premium support packages. All of these investments serve to accelerate ROI and time to value.

But in order to get the jump on your best delta testing results, you need to look beyond software and its add-ons. Consult the end-to-end process outlined in *The Definitive Guide to Delta Testing* to make sure you have all the ingredients for success.

Here are some questions to ask:

1. Does my product development schedule already include the time needed to execute my projects?
2. Do I have a clear breakdown of who my target audience is?
3. Do I need to modify my end-to-end process for closing the feedback loop and/or improve internal alignment?
4. Do I have the right skills on staff?

Depending on the maturity of your delta testing program, your ROI goals, and the complexity of your vendor's offerings, you may need to consider investing more heavily in these areas.

TIME TO VALUE

Time to Value is a metric that measures the span of time between when a project starts and when it delivers value. This metric is just as critical as ROI because no executive wants to wait to see results, and nobody wants to explain why the expected benefits aren't being realized.

Keep in mind that the time it takes for the overall benefits to exceed your total costs will vary. As you're shopping for a delta testing platform, make sure to ask how long ramp-up and implementation will take, as well as how soon you're likely to see value.

Selling Delta Testing Internally

Depending on the culture of your organization, your executive team may not immediately see the value of investing in delta testing. To convince them, you need to fully understand their priorities and the challenges they're facing. With this knowledge, you can connect the dots for them and position delta testing in as a way to address their specific concerns.

To gain internal support for the purchase of a delta testing platform, it needs to be positioned relative to the challenges your overall business is facing ***right now*** and how those challenges impact each individual. Without this context, your organization won't see your business case as an immediate priority.

Delivering a compelling business case for a delta testing platform means structuring your argument to address your audience's specific challenges and priorities.

Make sure to manage executive expectations about the time to value and effort required. Depending on the complexity of your program and your product, you may not just be able to turn on your delta testing system and see instant results. Don't overpromise and under-deliver.

You'll start by crawling, then walking, then running, and your organization will appreciate your realism and level-headed approach.

DOES TRADITIONAL TESTING LACK CREDIBILITY?

Many executives are loath to invest more resources into a program that "comes standard" in product development but hasn't historically presented any measurable ROI. Why automate testing processes, they ask, if it will just produce mediocre results faster?

User tests like beta and employee testing are often perceived only as an insurance policy — something that isn't vital all the time but might come in handy every once in a while. Others see these tests as a necessary evil instead of as a viable means for driving revenue and increasing customer satisfaction.

Needless to say, you'll need to address some of these perceptions head-on when making the case for investing in a delta testing platform.

Selling Delta Testing Internally

SIX TIPS FOR SELLING INTERNALLY

1. **Make Sure You Understand Management's Objectives**. If you understand their collective and individual goals, you can present a case that addresses their needs and concerns.
2. **Create a Financial Case That's Aligned With Their Objectives**. Start with your executives' most important objectives, and work backwards from there. If revenue is their focus, help them understand how your delta testing program will affect the top line with a revenue-based case.
3. **Make It a Discussion, Not a Presentation**. Start with probing questions that reveal what they want to achieve. Then transition by saying, "If I could show you how to meet those objectives efficiently and effectively, would you be interested in learning more?"
4. **Use Real-Life Case Studies to Support Your Case**. This will prepare you to answer the inevitable question, "This all sounds good in theory. How do you know it will work?"
5. **If They Say Yes, Be Ready**. Have your high-level plan already prepped, as well as an overview of the next steps and time frames and a list of required resources.
6. **Reduce Friction Wherever Possible**. Put in your own leg work to keep the buying and implementation processes as simple and low-effort for execs and other stakeholders as possible. This will increase satisfaction and internal adoption.

How to Position Delta Testing Technology for Each Executive

CPO

CHIEF CONCERNS

- Determine strategic direction
- Manage product vision, innovation, and design
- Build products that deliver sustainable value to the business
- Oversee all product-related matters

CONNECT THE DOTS

- Show the benefits of being able to better measure what your organization gets for its delta testing investments — namely, connecting product improvements from testing to revenue, reducing waste, and limiting expenses.
- Position the delta testing platform as the key to improving Product's ability to adapt to changes, test innovative strategies, and reduce the threat of increasing technology complexities.
- Position the delta testing platform as a critical element for bringing your company and products into better alignment with customer needs.
- Get the support of others on the executive team so the CPO perceives an investment in the delta testing platform as a low-risk decision that doesn't endanger their credibility.

CEO

CHIEF CONCERNS

- Grow revenue and "make the number"
- Manage costs, meet shareholder expectations for profitability
- Attract and retain talent
- Innovate and out-execute the competition
- Build and align the organization to enhance collaboration
- Manage risk

CONNECT THE DOTS

- Contextualize the delta testing platform as a solution that drives business growth by enhancing product success and getting more from customer feedback.
- Show how program performance is predicted to improve with the ability to identify precisely which testing programs increase revenue and how to optimize spend on user testing.

How to Position Delta Testing Technology for Each Executive

CTO

CHIEF CONCERNS

- Make tech investments that support the business
- Maintain quality of service both internally and externally
- Manage security and risk
- Innovate and evolve company infrastructure for the future (digital transformation)
- Control infrastructure and communication costs

CONNECT THE DOTS

- Show how the engineering department is a primary beneficiary of a delta testing technology investment.
- Discuss plans for automated feedback scoring with the delta testing platform. This is a good thing because it means fewer poor-quality, irrelevant, or incomplete issues and ideas will be passed on. Instead, set the expectation that the testing team will vet and prioritize action items based on incoming feedback so the engineering team doesn't have to.
- Partner with your proposed vendor to answer specific technical questions about security, data management, integration, and other IT requirements.
- Show engineering how the customer feedback will allow them to prioritize their time on the most impactful fixes and updates.

CFO

CHIEF CONCERNS

- Manage expenses
- Contain risk
- Enable profitable growth
- Plan for the future

CONNECT THE DOTS

- Do the math and present a developed business case. It's okay to make estimates, as long as they're clearly labeled. You'll build credibility with the CFO simply by showing a clean spreadsheet of numbers, which demonstrates that you can speak their language.
- Show the benefits of being able to better measure what your organization gets for its delta testing investments — namely, connecting product improvements from testing to revenue, reducing waste, and limiting expenses.

How to Position Delta Testing Technology for Each Executive

CIO

CHIEF CONCERNS

- Manage security, privacy, and risk
- Innovate and evolve company infrastructure for the future (digital transformation)
- Improve infrastructure and communication (integrations)
- Make tech investments that support the business
- Maintain quality of information both internally and externally

CONNECT THE DOTS

- Explain that delta testing technologies also improve data integrity and quality. Display the value of a more cohesive testing environment from data that's integrated across formerly disparate systems (CRM, ticketing, survey, email, and spreadsheets).
- Partner with your proposed vendor to answer specific technical questions about security, data management, integration, and other IT requirements.



Conclusion

Now that you have what you need to lay out a clear business case for delta testing at your organization, you can help internal teams get beyond the baggage of beta and move towards reaping the full benefits of automated user testing.

As you gain buy-in from stakeholders and start looking at systems and processes for your program, be sure to check out *The Definitive Guide to Delta Testing*, your everything-you-need-to-know companion for user testing automation. It covers key components of delta testing, including process inputs and outputs, along with must-have features for your automated tool.

If you'd like to talk with us about automating your user testing program, *put some time on our calendar today*.



centercode

centercode

Delta Testing Solutions



WHY CENTERCODE?

Increase Revenue
½ ☆ INCREASE
in product ratings

Release Sooner
50% FASTER
test cycles

Gain Participation
75% INCREASE
in tester engagement

Save Time
40%+ DECREASE
in time managing tests

The Centercode Platform equips you with the automation and best practices you need to get actionable user insights for any use case.

PRODUCT LAUNCH

Engage your **Target Market** to successfully bring new products and services to market

USE CASES:

- Beta Tests
- User Acceptance Tests
- Field Tests

PRODUCT GROWTH

Recruit **Existing Customers** to continuously mature live products and services

USE CASES:

- Progressive Delivery
- Early Access
- Customer Advisory Boards

CUSTOMER ZERO

Gather **Employee** feedback to enhance your products while fostering a product culture

USE CASES:

- Alpha Tests
- Dogfooding
- Employee Tests

COMPETITIVE EDGE

Enlist **Competitors' Customers** to rapidly gain actionable intel about their products

USE CASES:

- Competitive Intelligence
- Market Testing
- Comparative Research