



Proving the ROI of UX research

“eBusiness professionals must work to prove the value of their digital strategy by benchmarking their success against deeper, customer-centric metrics if they are to drive continued investment in digital transformation.”

Martin Gill, Forrester Analyst



If your department has a UX research team, it's likely you already have an intuitive sense of the value research brings to your organization. However, quantifying that value can be a challenge when you need to defend your research budget and headcount. How do you measure which research findings were implemented into product design? Which profitable UX improvements can be tracked back to research? How much does UX research impact the bottom line?

Conventional wisdom claims that for every \$1 you spend on UX research, you'll get between **\$2 to \$100 in return**.

That's an impressive statistic. Unfortunately, it's much too vague to be used to accurately predict your organization's specific outcomes.

Despite the growing number of executives who feel that UX research is a critical component of their business, it can be frustratingly difficult to find relevant evidence to justify your budget.

So how do you convince your stakeholders that UX research is not only worth the investment, but that it's an essential part of your culture, process, and budget?

In this whitepaper, we'll introduce a plan for calculating the unique ROI of UX research at your organization, and it starts with improving team processes to make it easier to track and quantify UX improvements.

ALIGNING YOUR TEAM AROUND OUTCOMES

Part of the challenge with quantifying the value of UX research lies in the communication—or lack thereof—between the team that conducts the research and the team that creates the product.

Many teams fall into the trap of operating in silos, working independently from one another rather than collaboratively. As work gets passed from one team to another, it's easy for research goals to get lost. This results in the UX research team simply filling orders and delivering reports without ever knowing whether their findings were implemented or what business impact they made.

To help alleviate this, heads of all the teams involved in a product's development, need to start meeting on a regular basis. Hold your UX Research Manager and your Product Manager accountable for meeting weekly to discuss goals and outcomes for research projects as they relate to overall business goals.

This weekly meeting will have three effects:

- 1 Allowing for ongoing tracking and benchmarking of UX initiatives
- 2 Improving communication between Research and Product teams and keeping them focused on business goals
- 3 Fostering a user-centric culture in your department

Once you start benchmarking and tracking goals that are associated with your research, it's time to start calculating your ROI.

CALCULATING THE VALUE OF UX RESEARCH FOR YOUR ORGANIZATION

Tracking results make it easier to quantify the value of your research. Below are several examples of ways to track various results to show the value of your team's efforts.

Tracking revenue to research

One of the most compelling arguments for UX research is that it can directly impact revenue. When compared to performance before implementing a UX research strategy, many companies see an improvement in sales-related metrics, such as overall conversion rates and average order size.

Your research and product teams will need to work closely together to focus on the improvements that will make the biggest business impact.

- Work with your Product Manager to prioritize KPIs that need to be improved. For example, how would a 1% increase in conversions on your pricing page impact revenue per month? Share these goals with the research team leader.
- Task your research team with discovering where improvements can be made and how they are expected to impact the desired outcomes the team has outlined.
- Once research is complete, your product team can get to work developing the improvements. Then, your team can measure the outcomes of the changes so you can easily track them back to the research.

Review your company's key goals and objectives for the coming quarter or year. Then determine what products or services contribute most—or least—to that goal and use those as your initial focus for UX research.

The improvements you share will show clear value to stakeholders while being in line with your company's objectives.

8% increase in
real estate
agent contacts

Zillow wanted to redesign its search results page but was wary of making drastic changes, as this section was an important source of revenue.

After numerous **rounds of studies with UserTesting**, the company redesigned its search results page and enjoyed an 8% increase in real estate agent contacts—and a boost in revenue as a result.



Benchmarking results

Measuring a variety of metrics both before and after product improvements is a powerful way to illustrate value. To do this, your team will need to create a baseline from which you'll measure all future progress.

- 1 Start by noting the key metrics you typically track when measuring the product's performance. This can be anything from conversion rates to average order size to NPS scores.
- 2 Establish who on the team will be responsible for tracking and communicating the results. If your research and product leaders are meeting together on a weekly basis, this will be one or both of them.
- 3 Determine how often you'd like to measure results: weekly, monthly, or quarterly. This will depend on what you're studying and how long your development cycles are. It may take a cycle or two determine the best intervals.
- 4 Once you've established your timeline, track your results over time, making sure to note what UX research was conducted and what product changes were introduced between measuring each metric.
- 5 Be sure to incorporate sample user videos, both before and after changes have been made, to help you illustrate the improvements.

Eliminating costly rework

Fixing problems after a product is built is not only costly from a development perspective, but the time and morale of the teams designing the product, as well. By investing a little time in testing prototypes of a product, your team can quickly validate their design decisions—or pivot—before investing any development time.

While it can be tricky to pin an exact dollar amount on time saved through UX research, you can do a quick calculation of the estimated amount of hours it would take to develop each feature or element that got eliminated through iterative research during design. Multiply this by the value of your developers' time, and you have an approximation of the amount of money you've saved by avoiding those mistakes.

HOW CONTINUOUS UX RESEARCH DRIVES BETTER RESULTS

Once you're able to prove the value of UX research, it's time to take it a step further and ensure that UX research is being conducted on a regular basis. Organizations with mature UX practices have infused user research into their regular development cycles.

Continuous research not only helps you tap into additional revenue, but it can also enhance your team culture, drive innovation and motivate teams, and most importantly, create lasting, loyal relationships with your customers. By embedding UX research into your development cycle, you'll have results you can track, promote a user-centered culture; all while impressing the customers you already have, and winning the loyalty of new ones, too.



When teams across disciplines are involved with UX research, everyone sees the impact of their contributions. You can do this easily by inviting teams to watch user videos throughout each research cycle so they can see how improvements the team has made has impacted the user experience.



The industry—and your customers—are changing every day. The only way to keep up with the expectations of both is to conduct UX research on a regular schedule. By doing this, you'll be a step ahead of your competitors, innovating and adapting, while the rest of the market is trying to catch up.



Part of what drives customer loyalty is trust. One of the best ways to develop trust is to prove that you're dedicated to consistently providing what your customers want. The only way to do this is by asking them on a regular basis.

It's not hard to convince your stakeholders of the importance of UX research. Most companies already admit they're planning to conduct more research. What will set you apart from your competition, however, is making UX research a regular part of your process and your budget.

A successful UX research initiative begins with cross-departmental communication and alignment to goals. Once you've woven user research as a staple of your regular process and budget, you'll need the right tools and resources to conduct your research. Choose a platform that will provide you with the speed, agility, and diverse panel you need for fast, insightful results. Then benchmark your results.

To learn how UserTesting can help you gain valuable insights that impact the bottom line, request a trial today at www.usertesting.com/plans or call **1.888.877.1882**.



Create great experiences

UserTesting is the fastest and most advanced user experience research platform on the market. We give over 30,000 UX and CX professionals on-demand access to people in their target audience who deliver audio, video, and written feedback on websites, mobile apps, and prototypes.

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