



# BUILD IT OR BUY IT?

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Make the **SMARTEST** Choice for  
Your Digital Customer Interactions:  
**4 Factors to Consider**

# INTRODUCTION

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Recent global crises have only accelerated the need for enterprises to shift to digital, as customers and employees need to interact anytime, from anywhere – the couch or the park – in addition to the traditional office or branch.

These market forces are putting IT leaders and their teams under pressure to automate content and document-based processes across the enterprise, from customer acquisition to onboarding and service. How do you decide the best approach to meet these needs and support your corporate culture, your team and most importantly your internal and external customers?

For enterprises that have a large IT team, the temptation may be to build digital and/or mobile user experiences from scratch using your own skills and resources. However, when considering whether to buy software or build custom applications (including SaaS and cloud-based solutions), you need to balance more factors today than ever before.

As a software vendor, naturally we're biased. We've seen our customers save enormous amounts of time and money by enabling their IT teams to move processes like new account opening and claims processing to digital sometimes in a matter of weeks. But the comparison equation extends far beyond the traditional cost versus time-to-market tradeoff.

**To help you clarify your IT strategy – and get to digital even faster, let's explore some of the most common challenges we hear, and some factors you will want to consider while making a smart decision for your organization.**

## OBJECTION #1

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### **We Want to Own It. We Don't Want to Get Locked into a Vendor.**

The reality is internal IT development presents its own set of risks. Consequences from a botched development effort, poor rollout or lack of ongoing innovation can now be much more significant and far-reaching than just a few years ago.

This is the same argument organizations made 15+ years ago when Salesforce launched its SaaS platform. But over time, businesses ended up replacing custom-built customer databases with a web-based, easy-to-configure platform, and few companies would even consider building a custom CRM solution today.

Furthermore, many companies who built custom solutions find they end up “locked” into that system anyway, because the IT personnel who built it moved on and only one or two technical resources remain with the organization to keep it updated or add functionality. This “technical debt” eventually catches up with you.

**Here are a Few Specific Areas to Consider, If You Ultimately Decide You Want to Build an Application Internally.**

#### MAINTENANCE AND CONTINUOUS IMPROVEMENT

Once the initial software development project is completed, how will you manage ongoing work around the software? Do you have committed resources to handle software maintenance, updates, security patches, improvements and modifications? Do you have procedures in place for when something breaks, in all scenarios?

In contrast, midsized and large software platform vendors maintain consistent and regular update cycles. For example, Smart Communications provides two software update cycles per year on all major applications. These cloud-driven updates enable you to take advantage of the latest innovations without requiring time and focus from your IT team.



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“Flexible integration options are critical to our success to ensure interoperability between our internal and external software systems and making best use of data captured. SmartIQ not only delivers an excellent customer experience but also automates compliance and reduces risk. Add sensational user feedback and uptake makes this project enormously rewarding.”

– **Melanie Drago, Financial Planning Manager, Industry Fund Services**

## OPEN APIS & INTEGRATION ACROSS YOUR TECH STACK

Most likely your communications don't happen in a vacuum and instead require integration or data from internal and maybe even external systems of record. Ongoing and never-ending upkeep of these integrations can become a major resource drain on IT today when developing modern digital and mobile use cases.

Even once you've built your integrations, these third-party systems will likely change as those vendors roll out updates. To avoid disruptions, you need assigned people to track and manage these to enable your bespoke application to work properly. Your users and customers will not tolerate broken processes or incomplete data.

In contrast, modern applications are often built using open APIs. These give the software access to a wealth of data sources and allow it to share new data across with other systems. Buying from a vendor means you don't need to worry about ensuring the APIs continue to function as intended over the long term. It could be smarter to allow the software vendor to worry about proactively mitigating any changes and keeping tabs on required changes to API maintenance.

As an example, that's why Smart Communications has pre-built integrations with partners in our Conversation Cloud, with platforms like DocuSign and Guidewire. If you're using digital signatures already, and want to pull in real-time data collection, it makes sense to leverage our proven, supported connectors, rather than try to build a custom solution in your IT department.

Furthermore, thanks to the ubiquity of open standards like REST, IT can easily set up data connections with Smart Communications' products and your core systems to support seamless end-to-end digital transactions. Then the business has the data available to plug into any process, either to drive personalization, or to map incoming data back into the core system and avoid manual rekeying.

## OBJECTION #2

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# You don't understand. We have highly unique, complex requirements.

**We get it:** if you build it yourself, you don't need to worry about a product not meeting every single need you have. The possibilities seem endless. Why would you buy software knowing that it may not be 100% of what you need? Here a few things you may want to consider.

### PLATFORMS VERSUS POINT SOLUTIONS

Whether you are buying or building software to solve a business challenge, it's important to look beyond solving the need of just one business unit (e.g. you want to build a mobile app) to considering how you can use that technology to scale faster and support multiple areas or departments in your organization.

For example, Smart Communications enables you to build two-way digital interviews and communication templates that can be used across any customer-facing or employee process in the organization. You don't need to buy different solutions for new account applications, employee onboarding, claims and internal purchasing forms.

When you buy a platform instead of a solution fit for a single purpose, you can get even more

value from your investment throughout the enterprise. We've worked with many global enterprises that started with a single use case, such as onboarding, and then expanded usage quickly to other areas once they saw the time and cost savings.

Moreover, from a platform perspective, you don't want to waste valuable IT resources writing distinct apps for Android or Apple iOS, along with HTML versions of those same apps for their customer portals. Not only is such a strategy resource – and cost-prohibitive in development, it can stall initiatives and introduce unnecessarily high levels of complexity during ongoing application management. Instead, look to software purpose built to be responsive based on the device or platform the customer is using.

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You don't need to buy different solutions for new account applications, employee onboarding, claims and internal purchasing forms. Look for flexible solutions that can scale to meet enterprise needs, not just those fit for a single purpose.

## AVAILABILITY AND SECURITY IN THE CLOUD

If you're relying on a bespoke on-premise solution, it's challenging and time intensive to scale up and down as needed. That's one reason so many organizations are moving their tech stack to the cloud. However, cloud platforms demand the highest levels of availability, security, robust disaster recovery, and industry-leading service level agreements with cloud vendors.

If you're handling this yourself, you could be putting your system at risk. When you put the burden on your software vendors to handle availability and security, you can free up your internal IT team from dealing with that daily stress.

Smart Communications, for example, leverages Amazon Web Services (AWS), enabling clients to scale dynamically to meet peak volume needs without hardware sitting idle most of the time. Amazon's AWS high availability and failover safeguards across multiple availability zones mean you experience minimal disruption in service.



## OBJECTION #3

### But Digital is Exciting for Our IT Team!

It may be that your IT team is enthusiastic about the chance to work on building “cutting-edge” new applications leveraging the latest digital and mobile technologies. But if your organization is like most, the IT department is already strapped for resources.

As an IT manager or executive, you are well aware of the common considerations of time, energy and money spent on developing the initial solution itself. Added to those is the opportunity cost based on who gets tasked with building the software and what other things are they NOT accomplishing while dedicating their time to this project.

#### Consider that IT development might require all of these steps:



Analysis and design



Localization



User interface design



Building



Business logic



Testing



Process workflows



Deployment



Data and system integrations



Ongoing maintenance



Mobile and social integration

The importance of these processes and the demands from business users can quickly overwhelm IT. And even if your bespoke application is functioning as planned, markets continue to evolve at hyper-speed. What will you do when a competitor adds features that make your solution seem outdated? How will you manage user and customer requests for new features and functionality? How easily can your custom solution adapt to new demands?

Certainly, few insurance executives were prepared for market disruptors like Amazon, Rocket Mortgage, or Lemonade in insurance. Yet we see these businesses completely reinventing the way goods and services are sold with a digital-only model, changing customer expectations forever.

IT teams who believed that their move to mobile secured them from market disruptors have been surprised at the pace with which newer technologies – such as AI-driven chatbots and smart home devices – have started to digitally transform many customer-facing experiences.



## Large U.S. State Agency Deploys Digital in Two Weeks

One Smart Communications client, a large state government agency overseeing water resources, spent five years trying to build digital forms-based processes through its internal IT department. The need for hard coding and technical skills made the work challenging and time consuming. After that five years, the agency had fewer than five forms actually in production. Following an initial pilot with SmartIQ, the agency was able to rebuild all of these forms – plus a number of others – in just two weeks. Now, the agency has a platform to release new forms and processes quickly, while easily making changes as needed.



## OBJECTION #4

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### The Business Needs to Depend on IT.

Every IT organization puts a high value on partnering with internal business teams to provide the support they need. But as noted above, you're strapped for time and resources. That's why the trend across software vendors is to make platforms as easy as possible for non-technical employees to use and adapt, with less need for IT support.

If you need to know Java to launch an online form, and your skilled IT developers are backlogged on projects, your competition can get to market faster, ultimately impacting top-line revenue.

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“The simplicity and ease-of-use of the solution has enabled the business to take control of customer communications. New requirements, new regulations and business-as-usual changes can now be performed in days rather than months — and without us being dependent on IT.”

– **Janet Hambly, Document Manager, Prudential**

For example, say you're working in product development for a financial services provider, getting ready to launch a new product targeting millennial buyers. You need to give those customers a seamless, fast digital experience. Do you want to wait months or even longer for IT to build that for you? Say your business goes through a rebrand. Can your custom-built application allow business users to change a logo in one location, rather than going to an IT team to make changes everywhere?

That's why organizations are moving to empower their business users with what's been called “low code” or even “no code” technology platforms. Instead of requiring a skilled Java developer to create a new digital or mobile experience, low-code platforms enable business analysts to use drag-and-drop features to build them as needed.

Even if your IT department were up to the initial development task, the situation would likely change fast. As business requirements constantly evolve with changing customer needs and competitors' capabilities, your bespoke, homegrown solution would run the risk of being outdated and behind customer and internal expectations almost immediately after initial implementation.

## THE BOTTOM LINE ON IN-HOUSE SOFTWARE DEVELOPMENT RISKS

Think about all the innovative ways to capture data about the modern consumer. Then, imagine all the possible permutations for incorporating that with known data from your back-end systems. Suddenly, you realize that having in-house developers smart enough to custom-build a solution is just the beginning. Whereas, traditionally, you only had to ask, "How complex is my problem," you now must ask, "How complex is my problem and how will it expand/evolve over time?"

If your organization decides to internally develop software that is outside your developers' area of core competency, there is a high likelihood of either building a woefully inadequate application or an application that will not stand the test of time.

In virtually any area you can imagine today, you can find long-standing, stable and substantial software companies offering applications that do what you need – and provide the flexibility to support your future needs, as well. Even then, the 80/20 rule applies: if the vendor's software can deliver 80 percent of what you need, then that could be the smartest choice for your organization, saving your IT team and developers a massive amount of time and cost.

If you're weighing your options for transforming your customer and employee interactions to digital and mobile, the only real way to know is to put Smart Communications to the test. Let us show you how rapidly your business can launch a digital process. Contact us today to see a demonstration or learn more about our approach to flexible, easier application development.

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**To Learn More Visit**

[www.smartcommunications.com](http://www.smartcommunications.com)



## Key Takeaways

By Leveraging Proven Software Platforms and Vendors, Your Enterprise Can:

1. **Reduce time to market** for new or enhanced products or services
2. **Accelerate your ability** to engage customers and employees across multiple channels – even new and emerging ones like smart home devices
3. **Respond faster** to customer-driven demands, competitor actions or regulatory compliance changes
4. **Reduce errors** and update time by leveraging the "build once and reuse everywhere" model
5. **Optimize IT resources** so your team can focus on more strategic projects
6. **Future-proof** your platform instead of relying on internal IT to add functionality
7. **Improve uptime** as vendors manage the relationship with cloud partners for you