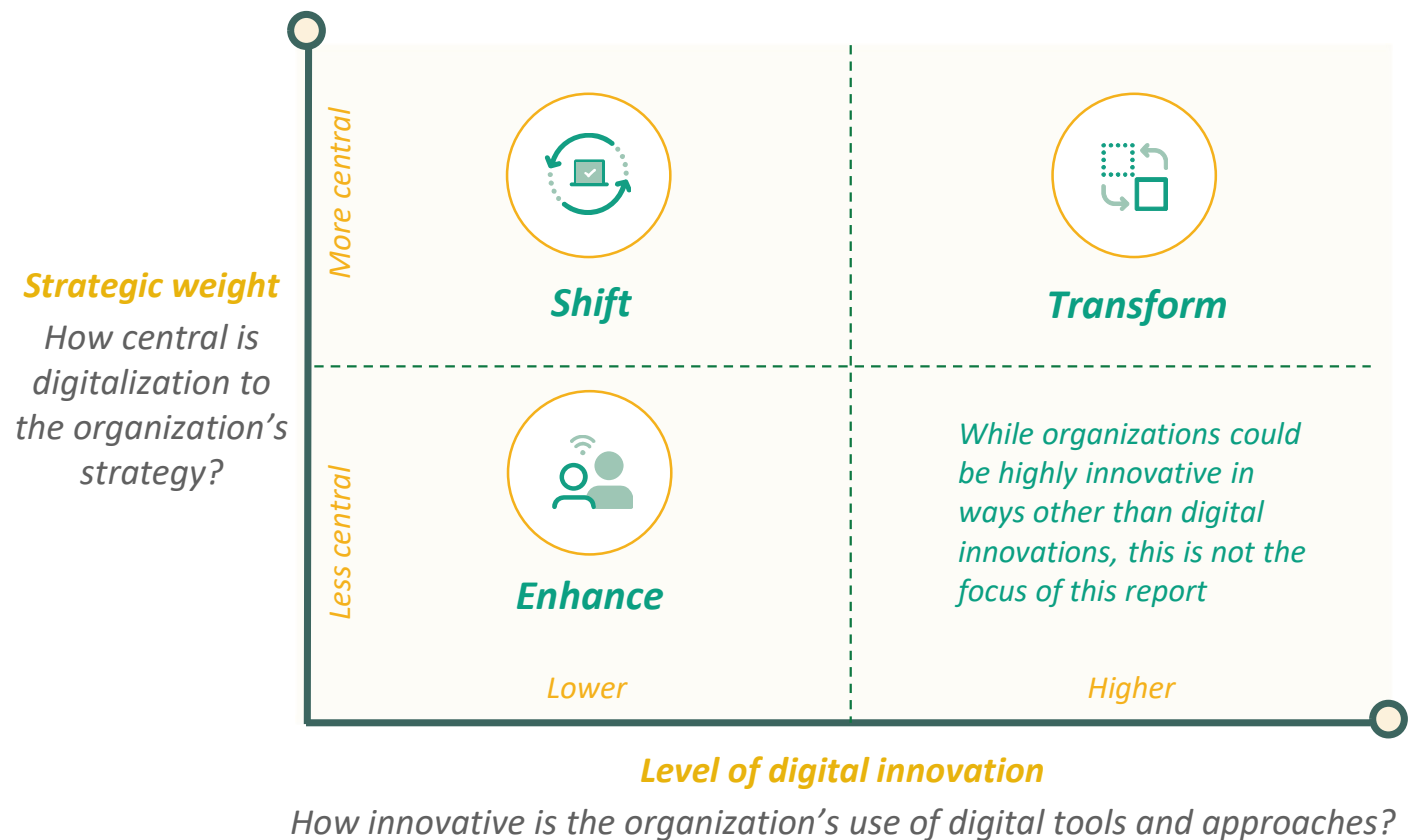# Digitalization archetypes for BDS providers

No single pathway is right for all organizations…

- BDS providers vary in their aspirations for how significant a role digitalization should play in service delivery, driven by differences in their contexts and strategies

- As a result, different digitalization pathways are appropriate for different organizations

- Three key archetypes for digital delivery characterize these different pathways: *Enhance*, *Shift*, and *Transform*

…rather, there are different digital pathways ("archetypes") you can adopt, which are distinguished by two key features

Strategic weight
How central is digitalization to the organization's strategy?

More central

Less central

Shift

Transform

Enhance

While organizations could be highly innovative in ways other than digital innovations, this is not the focus of this report

Lower

Higher

Level of digital innovation
How innovative is the organization's use of digital tools and approaches?

Dalberg

Aspen Network of Development Entrepreneurs

argidius

Profile of *Enhance* archetype

Enhance **organizations** deliver client value through a **core offline service model supplemented by digital tools and practices**, which are adopted for reasons such as improving efficiency of service delivery, but which are not central to the organizational strategy and business model.

KEY CHARACTERISTCS:

Aspiration

Maintain focus on offline services but complement with online tools; digital is less central to organization's overall strategy

Service offerings

Lower share of services are digital; offline services are complemented with synchronous and/or asynchronous online delivery
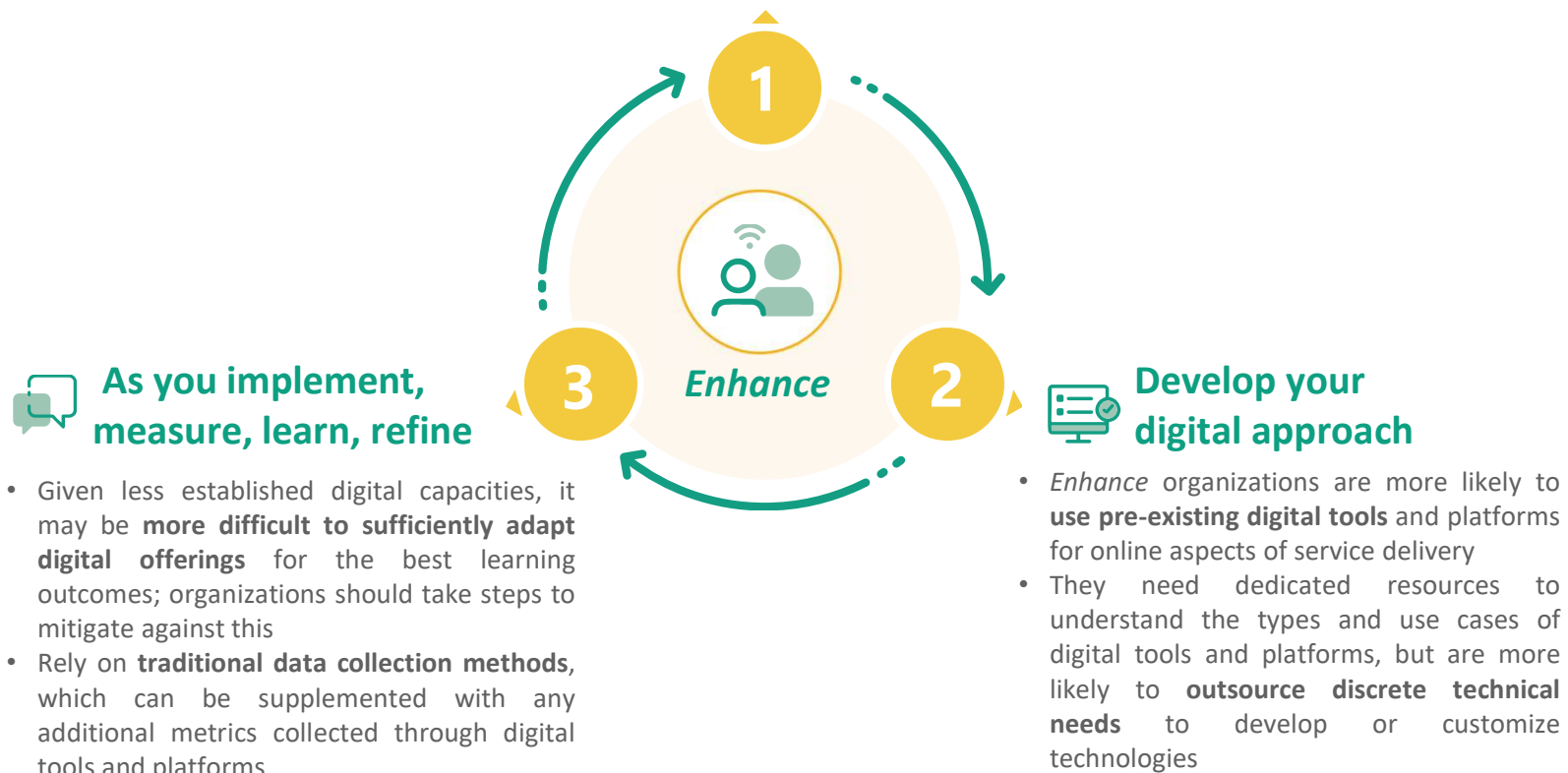
Approach

Adopt pre-existing digital tools; use existing staff to identify and adapt tools, possibly working with partners to customize them

KEY CONSIDERATIONS:

Design: How your strategy determines how you digitize

- *Enhance* is the most likely path if **customers' level of comfort and is of technology is low**
- Despite a smaller strategic emphasis on digitalization, **be flexible to adjust quickly to external demands** and remain relevant amidst an increasingly digital BDS landscape

1 ➔ **2** ➔ **3** — *Enhance*

Develop your digital approach

- *Enhance* organizations are more likely to **use pre-existing digital tools** and platforms for online aspects of service delivery
- They need dedicated resources to understand the types and use cases of digital tools and platforms, but are more likely to **outsource discrete technical needs** to develop or customize technologies

As you implement, measure, learn, refine

- Given less established digital capacities, it may be **more difficult to sufficiently adapt digital offerings** for the best learning outcomes; organizations should take steps to mitigate against this
- Rely on **traditional data collection methods**, which can be supplemented with any additional metrics collected through digital tools and platforms

Dalberg · Aspen Network of Development Entrepreneurs · argidius

Profile of *Shift* archetype

Shift **organizations** have a strategic focus on using online digital channels to deliver services. This may be complemented with targeted offline service components, though **digital delivery is the emphasis.**

KEY CHARACTERISTCS:

Aspiration

Move and adapt offline delivery to online channels with digital delivery as the emphasis; digital is central to organization's strategy

Service offerings

Higher share of services are digital; combines synchronous & asynchronous digital delivery with any offline complements
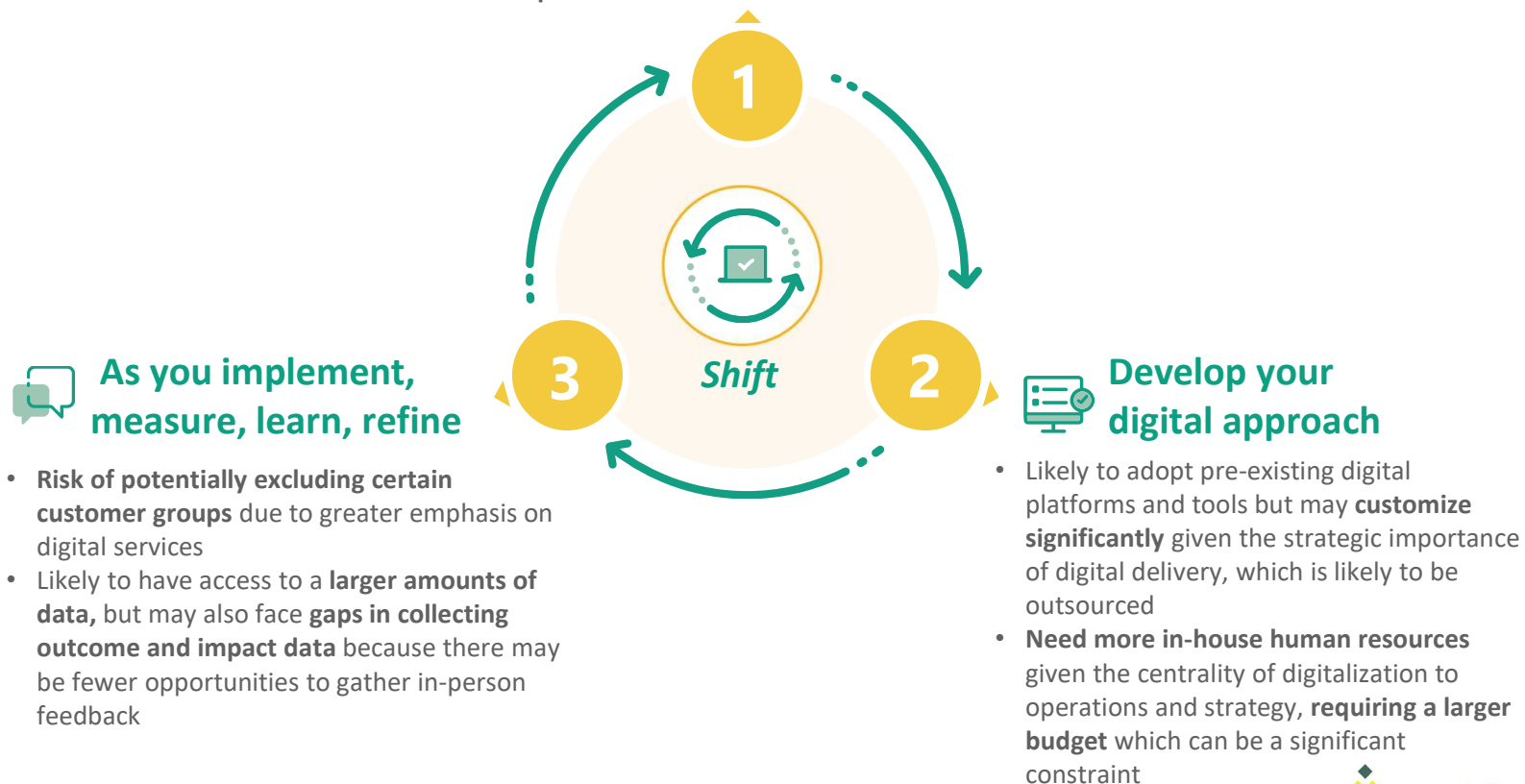
Approach

Use pre-existing digital tools, potentially customizing extensively; work with partners and existing staff to design online approaches

KEY CONSIDERATIONS:

Design: How your strategy determines how you digitize

- Must determine that core **value proposition would be maintained or strengthened by having digital services at the center** of its strategy
- *Shift* organizations should **look to sector learnings and inspiration** for the various elements of their online services

As you implement, measure, learn, refine

- **Risk of potentially excluding certain customer groups** due to greater emphasis on digital services
- Likely to have access to a **larger amounts of data,** but may also face **gaps in collecting outcome and impact data** because there may be fewer opportunities to gather in-person feedback

Develop your digital approach

- Likely to adopt pre-existing digital platforms and tools but may **customize significantly** given the strategic importance of digital delivery, which is likely to be outsourced
- **Need more in-house human resources** given the centrality of digitalization to operations and strategy, **requiring a larger budget** which can be a significant constraint

Shift

1

2

3

Dalberg

Aspen Network of Development Entrepreneurs

argidius

Profile of *Transform* archetype

Transform organizations have a **digital-centric strategy** and highly innovative business models, approaches, and tools for digital delivery. Their more **extensive in-house capabilities and resources** enable them to **create their own technology platforms or products**.

KEY CHARACTERISTCS:

Aspiration

Reimagine service delivery by using different business models to achieve outcomes digitally; digital is central to organization's strategy

Service offerings

Higher share of services are digital; combine synchronous and asynchronous online models with offline services, designed to achieve outcomes differently
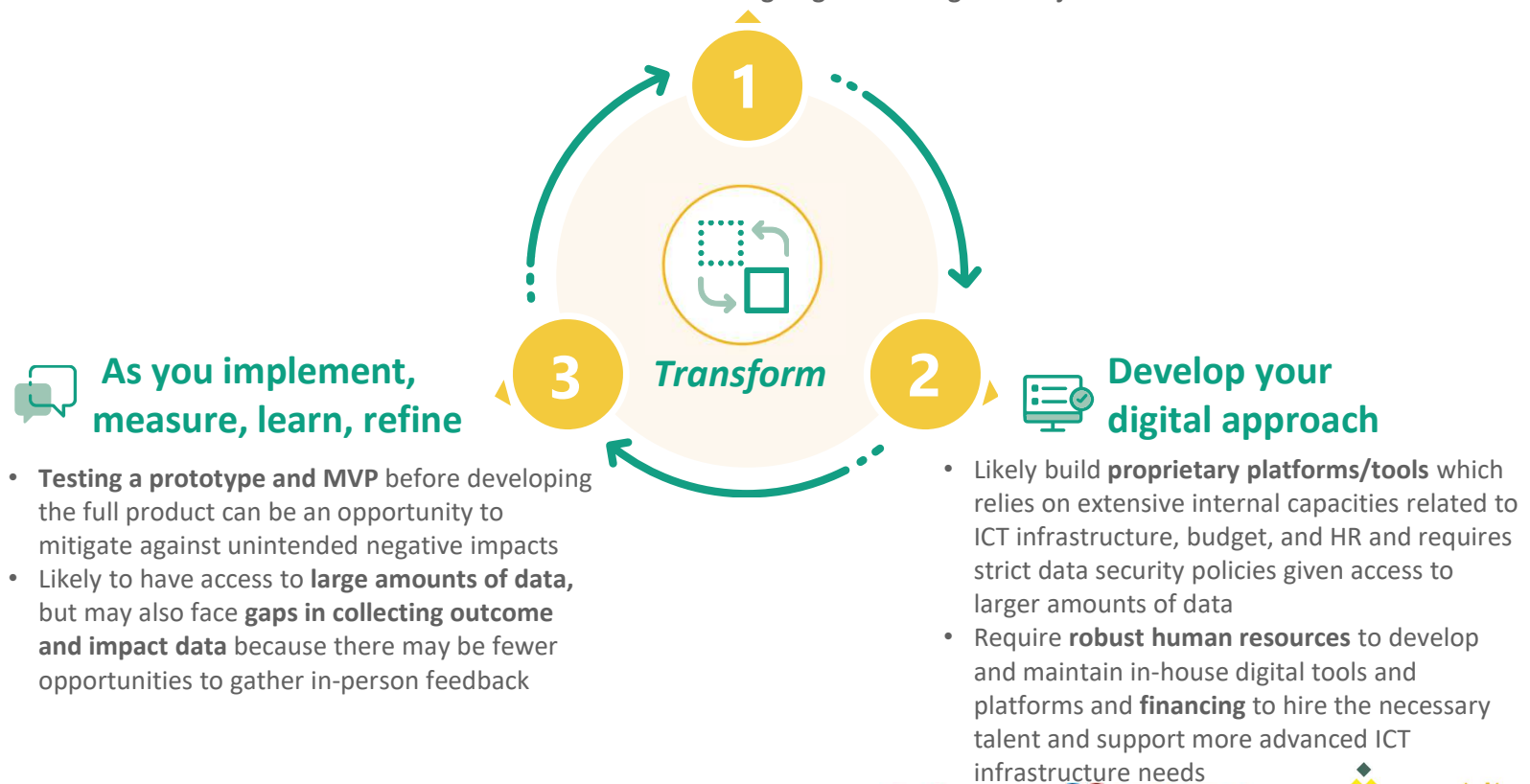
Approach

Create new digital tools and practices that could be adopted by others; build in-house talent with technology and online design teams

KEY CONSIDERATIONS:

Design: How your strategy determines how you digitize

- **Supplementing research with user testing** is critical and **value proposition must be driven by an innovative digital business model** given large investment required to build digital tools from scratch
- Have large opportunity to innovate digital BDS processes by learning from the **latest cutting-edge technologies in adjacent sectors**

1

Transform

3   **2**

As you implement, measure, learn, refine

- **Testing a prototype and MVP** before developing the full product can be an opportunity to mitigate against unintended negative impacts
- Likely to have access to **large amounts of data,** but may also face **gaps in collecting outcome and impact data** because there may be fewer opportunities to gather in-person feedback

Develop your digital approach

- Likely build **proprietary platforms/tools** which relies on extensive internal capacities related to ICT infrastructure, budget, and HR and requires strict data security policies given access to larger amounts of data
- Require **robust human resources** to develop and maintain in-house digital tools and platforms and **financing** to hire the necessary talent and support more advanced ICT infrastructure needs

Dalberg   **Aspen Network of Development Entrepreneurs**   **argidius**