

June 5, 2009

# The Forrester Wave™: Interactive Marketing Agencies — Web Design Capabilities, Q2 2009

by Vidya L. Drego  
for Customer Experience Professionals



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Sapient, imc<sup>2</sup>, Razorfish, and IconNicholson lead with IBM Interactive close behindby **Vidya L. Drego**

with Harley Manning, Andrew McInnes, Angela Beckers, Will Chu, and Rachel Zinser

### EXECUTIVE SUMMARY

In Forrester's evaluation of the Web design capabilities of leading interactive marketing agencies across 18 criteria, we found that Sapient, imc<sup>2</sup>, Razorfish, IconNicholson, and IBM Interactive led the pack for transaction-led projects — due in large part to the high usability scores earned by the client reference sites they supplied. Organic, just shy of the Leaders' circle for transaction-led projects, received impressive scores for its online branding work, which boosted it into the Leaders' circle for image-led projects. New to our rankings this year, Ascentium, Blast Radius, iCrossing, OgilvyInteractive, Resource Interactive, and Rosetta emerged as Strong Performers, a category rounded out by returning agencies Critical Mass, Molecular, R/GA, VML, and Whittmanhart. Arc Worldwide completed our list of evaluated firms.

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### NOTES & RESOURCES

Forrester conducted Web Site Reviews and Brand Image Reviews of two reference Web sites and evaluated one persona supplied by each agency. We also surveyed the agencies, interviewed their senior leadership, and spoke with two of their reference clients. The agencies included: Arc Worldwide, Ascentium, Blast Radius, Critical Mass, IBM Interactive, IconNicholson, iCrossing, imc<sup>2</sup>, Molecular, OgilvyInteractive, Organic, Razorfish, Resource Interactive, R/GA, Rosetta, Sapient, VML, and Whittmanhart.

#### Related Research Documents

["Where To Find Help For Web Design Projects, 2009"](#)

May 8, 2009

["Best And Worst Of B2C Site Design, 2009"](#)

April 14, 2009

["The Forrester Wave™: Interactive Marketing Agencies — Web Design Capabilities, Q2 2007"](#)

April 11, 2007

## DEMAND FOR WEB DESIGN WORK REMAINS STRONG

Forrester's recent survey of North American interactive design agencies revealed that Web design remains a seller's market: Agencies continue to be selective about the projects they bid on, despite the economic downturn.<sup>1</sup> This comes on the heels of strong industry growth over the past several years. What's maintaining this relatively robust flow of business during a recession?

- **eCommerce growth puts online revenue opportunities in the spotlight.** Despite overall declines in consumer spending, US non-travel eCommerce sales are expected to grow 11% in 2009 while online leisure and business travel spending will increase from \$111 billion in 2008 to \$117 billion in 2009.<sup>2</sup> Companies like Apple, Netflix, Nike, and Zappos have responded to consumers' increasing use of digital channels with experiences that disrupt the status quo in their industries, and the Web plays a key role in those experiences.<sup>3</sup>
- **Low-cost Web self-service gains appeal.** With the economy struggling, most firms look for ways to trim their budgets. They see Web usability as a key tactic for eliminating unnecessary sales and service costs while maintaining customer satisfaction. And they're right: Improved usability can lead to fewer calls to phone center agents and shorter calls about complex issues. Forrester's models show that shifting even a small number of calls and emails to the Web site can lead to significant return on investment (ROI).<sup>4</sup>
- **Companies turn to agencies for help in reaping potential gains.** The biggest brands in the world — Coca-Cola, Microsoft, Nike, GE, and others — continue to tap agencies for their creative services. Why? Agencies offer them top-notch creative resources that are hard to attract and retain in-house, an infusion of outside ideas and technology skills, and the scale to develop and maintain today's biggest Web sites.

## The Interactive Agency Business Has Matured

After several years of rapid change and growth, the industry has evolved considerably. What does this mean for clients? Unfortunately, a landscape of agencies that are, if anything, even harder to tell apart. These agencies have:

- **Literally hundreds of players.** Despite a flurry of mergers and acquisitions in 2007, there's still a long tail of vendors. *Advertising Age*, a leading trade publication, ranks the 50 largest digital agencies by revenue.<sup>5</sup> But even *Ad Age* omits the host of smaller firms that count major corporations as clients.
- **Mature senior management teams and business processes.** Among the ranks of interactive agencies, companies like IBM and Sapient are large, complex businesses that have the sophisticated operations and management structures needed to govern a worldwide base of employees. Many smaller agencies also have seasoned executives and similarly sophisticated operations, often because they are owned by large holding companies that cross-pollinate executives and mandate specific reporting and operations structures.

- **Less risk taking and more focus on business fundamentals.** Despite their relative success, many firms have slowed spending on new technologies and other forms of innovation. Not all of this translates into cost savings, however. Agency execs have increased spending on measurement tools and associated consulting expertise to accommodate clients who are currently more risk averse and more in need of the ability to prove ROI for their efforts.

## INTERACTIVE AGENCY WEB DESIGN EVALUATION OVERVIEW

To assess the state of the Web design market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of top interactive marketing agencies.

### Evaluation Criteria Emphasize Usability And Branding Capabilities

After examining past research and current industry trends, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 18 criteria, which we grouped into three high-level buckets (see Figure 1):

- **Current offering.** We judged the ultimate deliverables from each agency — the Web sites they created — two ways: first, by how well they support customer goals and, second, by how well they support client brand positioning (see Figure 2 and see Figure 3). We also examined the skills, processes, and tools needed to produce effective sites and client satisfaction with their sites.
- **Strategy.** We examined each agency's plans for evolving to meet the changing needs of the marketplace, with special emphasis on tactics for making those plans a reality. Our analysis of vendor strategy fell into four buckets: 1) the firm's current market positioning; 2) its road map for the future of its design practice; 3) its plans for understanding and leveraging changes in Web technology; and 4) its plans for succeeding in the specific industries that it targets.
- **Market presence.** To benchmark the relative size of each vendor's Web design practice, we estimated its revenues, the number of full-time equivalent staff dedicated to the practice, and its revenue growth.

**Figure 1** Evaluation Criteria

CURRENT OFFERING	ATTRIBUTE EXPLANATION	CHANGE FROM 2007
User research	Does the firm conduct primary qualitative research with target users?	No change
Persona creation	Do the firm's reference personas demonstrate best practices?	No change
Persona application	Does the firm follow best practices for using personas throughout the project life cycle?	No change
Design process	Does the firm's design approach focus on user input and feedback?	No change
Skills and staffing	Does the firm have the skills needed for world-class design?	No change
Cross-office consistency	How well does the firm ensure consistent processes and quality of work across its physical locations?	Removed this criterion because most agencies staffed reference projects out of a single office
Measurement	Does the firm define measurement metrics that tie to business goals?	Added new criterion to capture increased investment in measurement and focus on accountability
Collaboration abilities	How well does the firm work with other services firms on shared engagements?	No change
User experience	Do the firm's reference Web sites make it easy for users to complete their goals?	Based on version 7.0 of Forrester's Web Site Review methodology
Brand Image experience	Do the firm's reference Web sites support and differentiate the clients' brands?	Based on version 2.0 of Forrester's Brand Image Review methodology
Satisfaction of reference clients	How do clients rate their satisfaction with the firm for the evaluated site design project?	No change

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Source: Forrester Research, Inc.

**Figure 1** Evaluation Criteria (Cont.)

STRATEGY	ATTRIBUTE EXPLANATION	CHANGE FROM 2007
Market positioning	How clearly does the firm think about and communicate the value of its Web design practice?	No change
Clarity of vision	Does the firm have a clear, credible road map for the future of its design practice?	No change
Emerging Web technologies	Does the firm have a clear, credible plan to take advantage of emerging Web technologies?	No change
Industry focus	Does the firm have a clear, credible plan for succeeding in specific industry verticals?	No change
MARKET PRESENCE		
Billable staff as of Q4 2008	How many full-time equivalents does the firm have dedicated to its site design practice?	Higher cutoffs to reflect increased average size of firms
Revenues (2008)	What were the firm's design revenues in 2008?	Higher cutoffs to reflect larger industry size
Revenue growth (2008 over 2007)	By what percentage did the firm's 2008 design revenues change from 2007?	Lower cutoffs to reflect slower growth
Number of North American offices	How many offices does the firm have in North America?	No change

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Source: Forrester Research, Inc.

**Figure 2** Forrester’s Web Site Review Criteria, 7.0

<b>Value</b>	1. Does the landing page(s) provide evidence that user goals can be completed?
	2. Is essential content available where needed?
	3. Is essential function available where needed?
	4. Are essential content and function given priority in the display?
<b>Navigation</b>	5. Are category and subcategory names clear and mutually exclusive?
	6. Do menu categories immediately expose or describe their subcategories?
	7. Are items classified logically?
	8. Is the task flow efficient?
	9. Is the wording in hyperlinks and controls clear and informative?
	10. Are keyword-based searches comprehensive and precise?
<b>Presentation</b>	11. Does the site use language that’s easy to understand?
	12. Does the site use graphics, icons, and symbols that are easy to understand?
	13. Is text legible?
	14. Does text formatting and layout support easy scanning?
	15. Do layouts use space effectively?
	16. Are form fields and interactive elements placed logically in the display?
	17. Are interactive elements easily recognizable?
	18. Do interactive elements behave as expected?
	19. Does the site accommodate the user’s range of hand-eye coordination?
<b>Trust</b>	20. Does the site present privacy and security policies in context?
	21. Do location cues orient the user?
	22. Does site functionality provide clear feedback in response to user actions?
	23. Is contextual help available at key points?
	24. Does the site help users avoid and recover from errors?
	25. Does the site perform well?

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Source: Forrester Research, Inc.

**Figure 3** Forrester's Brand Image Review Criteria, 2.0

1. Does the site's <b>content</b> support brand positioning in a manner that is consistent with other channels?
2. Does the site's <b>functionality</b> support brand positioning in a manner that is consistent with other channels?
3. Does the site's <b>language</b> and tone support brand positioning in a manner that is consistent with other channels?
4. Does the site's <b>imagery</b> support brand positioning in a manner that is consistent with other channels?
5. Does the site's <b>typography</b> support brand positioning in a manner that is consistent with other channels?
6. Does the site's <b>layout</b> support brand positioning in a manner that is consistent with other channels?
7. Does the site communicate brand attributes that are meaningful to target users in a manner that's <b>relevant</b> to target users?
8. Does the site have high-quality <b>production values</b> ?

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Source: Forrester Research, Inc.

### Evaluated Vendors Are Giants In The Highly Fragmented Web Design Market

Forrester included 18 vendors in the assessment: Arc Worldwide, Ascentium, Blast Radius, Critical Mass, IBM Interactive, IconNicholson, iCrossing, imc<sup>2</sup>, Molecular, OgilvyInteractive, Organic, Razorfish, Resource Interactive, R/GA, Rosetta, Sapient, VML, and Whittmanhart.<sup>6</sup> Each of these vendors has:

- **Significant market presence.** All 18 firms have the resources to service large clients, with the smallest reporting slightly more than 100 full-time equivalent staff dedicated to designing and building Web sites. Design revenues ranging from at least \$20 million to more than \$200 million in 2008 provide additional supporting evidence of substantial practices.
- **Blue-chip clients.** Participants boast a variety of big name customers that validate their presence in the market. For this report, each agency supplied two B2C or B2B clients willing to be interviewed and have their sites subjected to our review process.<sup>7</sup> To ensure candid responses, we promised customer anonymity.

### WE GRADED INTERACTIVE AGENCIES TWO WAYS

The best vendor for any Web site design assignment depends on many factors, but most engagements fall into two broad categories that can help focus the selection process:

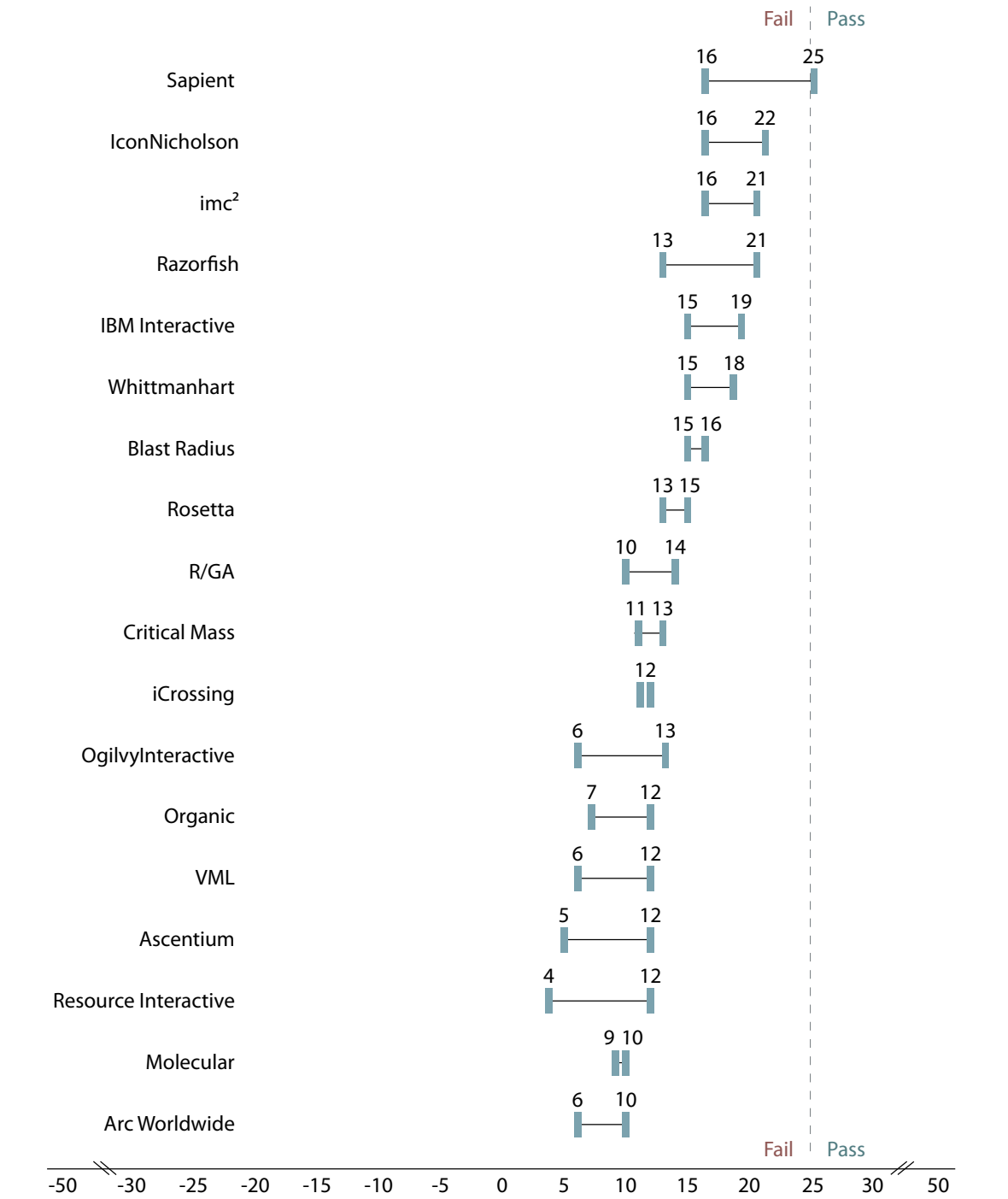
- **Transaction-led Web projects.** These are typically eCommerce initiatives that concentrate on maximizing conversion rates and minimizing service costs. To achieve these business goals, clients need an agency that can craft a great user experience, one that makes it easy for target customers to find information and place orders. High Web Site Review scores earned by reference sites provide solid evidence that agencies can do this kind of work effectively.
- **Image-led Web projects.** These are typically brand-building efforts that require standout creativity to differentiate a product or service from its competitors. To meet their online branding goals, clients need content and function that reinforce brand attributes, well-written copy, and distinctive visuals. High Brand Image Review scores reveal agencies that can deliver on these needs.

### Interactive Agencies Struggle To Differentiate Themselves

Our analysis revealed a decided sameness among agencies in several key areas, especially the quality of client reference sites and their strategies for future success.<sup>8</sup> Prospective clients should take note that the quality of agency work in any given discipline is unlikely to surpass the scores of the handpicked examples submitted for this report and could be worse. We found that:

- **Agency Web Site Review scores are better than average but not great.** Web Site Review scores for sites submitted by the agencies determined most of each firm's current offering rank (see Figure 4). We scored reference sites on 25 criteria, each graded on a scale ranging from -2 (severe failure) to +2 (best practice). Total scores could therefore range from -50 to 50, and passing all tests would result in a grade of 25 or higher. As a whole, reference sites earned an average score of 13. The good news: That grade is a full 11 points higher than the average scores received in a recent benchmark evaluation of sites in four major industries.<sup>9</sup> The bad news: It's 12 points lower than a passing grade of 25. In fact, only one agency submitted a reference site that received a score of 25. This is in sharp contrast to our 2007 rankings, when four agencies submitted sites that earned scores of 25 or higher.
- **Agency Brand Image Review scores are much better but not consistently high.** We evaluated site support for brand attributes with eight criteria, each graded on a scale ranging from -2 (severe failure) to +2 (best practice). Total scores could therefore range from a low of -16 to a high of 16, and passing all tests would result in a grade of 8 or higher (see Figure 5). In all, more than half of the client reference sites we reviewed earned a score of 8 (pass) or higher — demonstrating much better *average* agency performance for online branding work than for usability work.

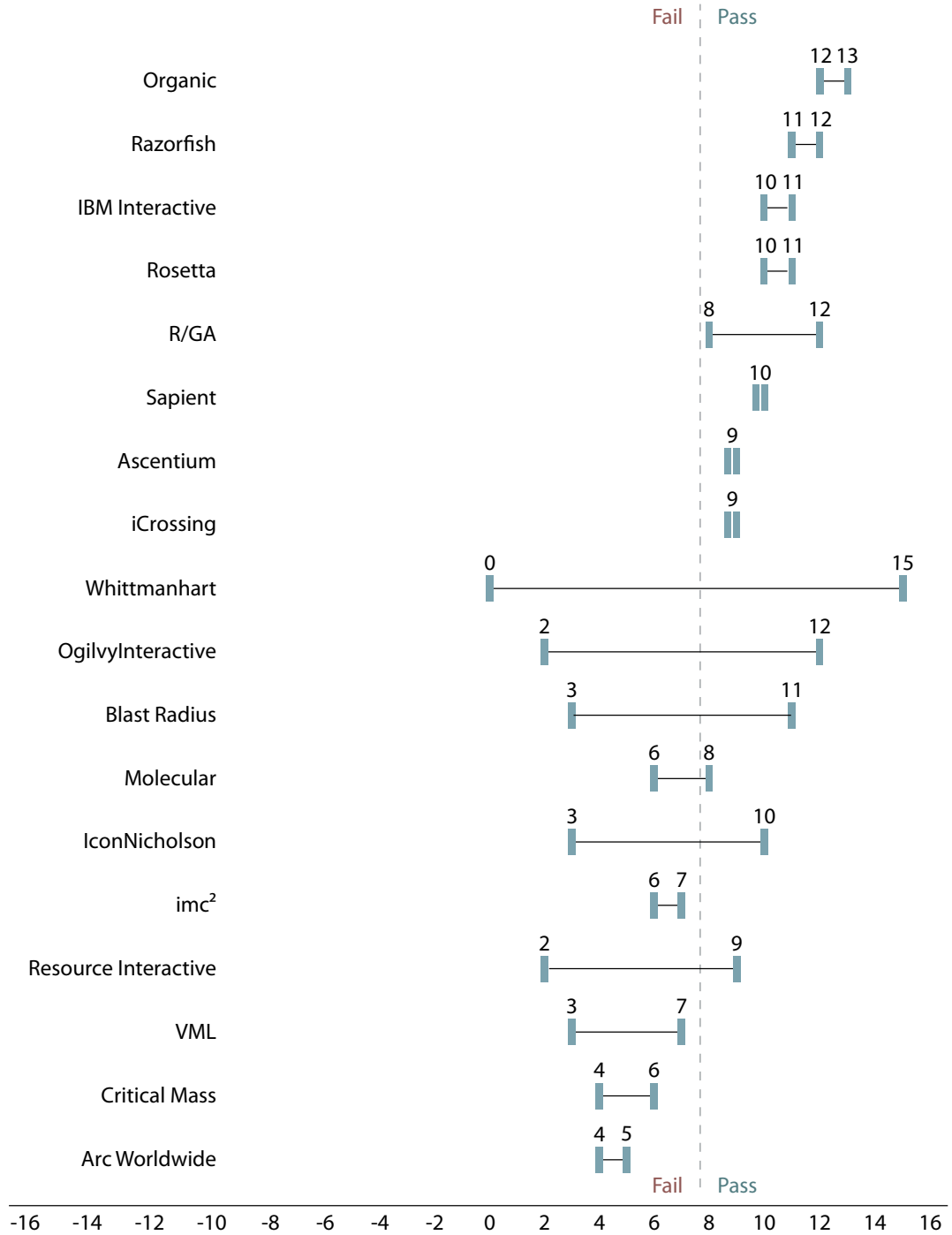
**Figure 4** Forrester Web Site Reviews Of Agency Reference Sites



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Source: Forrester Research, Inc.

**Figure 5** Forrester Brand Image Reviews Of Agency Reference Sites



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Source: Forrester Research, Inc.

- **Strategies are solid but similar.** Interactive design agencies agree more than they disagree about how to thrive in the future of their industry. Most focus their Web practices at the intersection of user needs, business or marketing objectives, and technology. Most are looking to take advantage of emerging trends in social media, measurement, and mobile devices. And because most are conservative about growth estimates in the upcoming year, they are looking to partner with firms that bolster their expertise in emerging media. The result: Agencies in our Wave tend to cluster along a narrow vertical axis that reflects their lack of differentiated vision. This means that prospective clients must judge most firms not by their strategies but by the firms' tactics for executing their strategies.

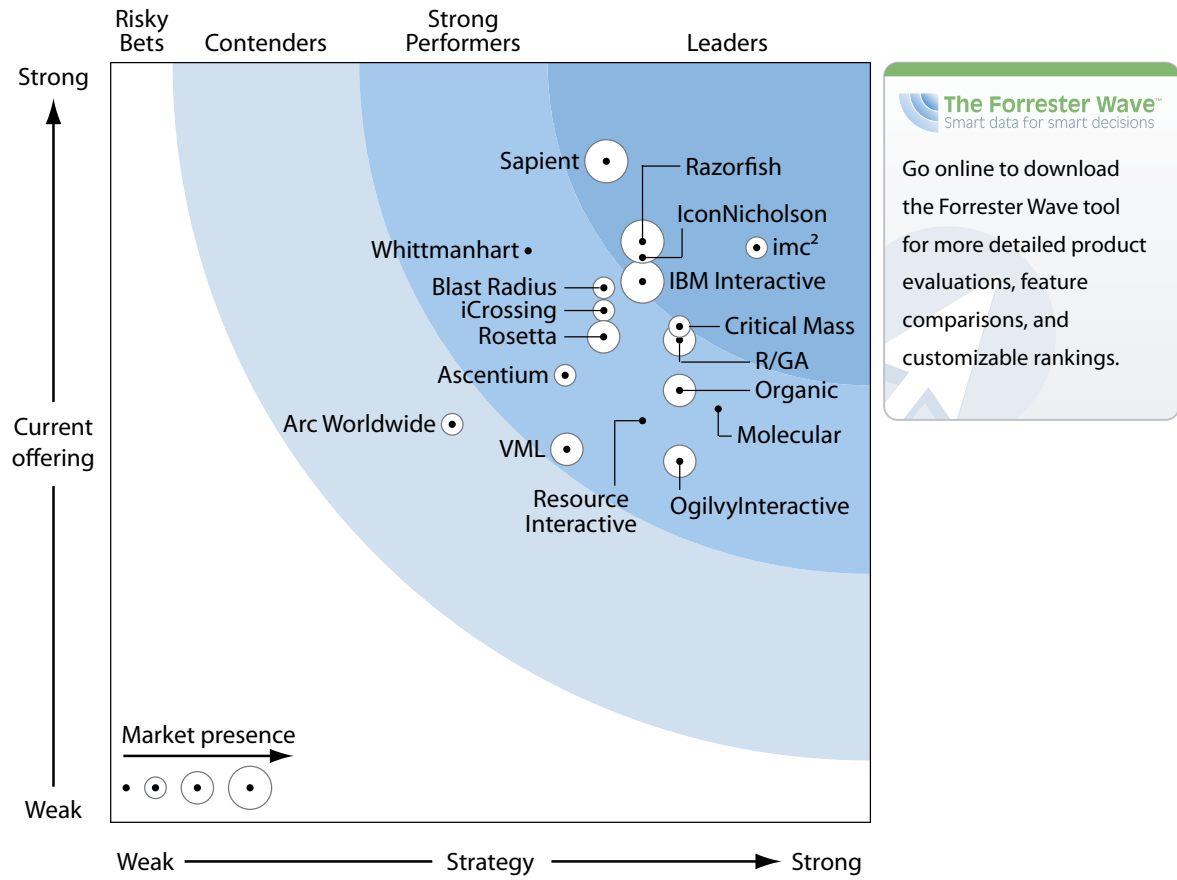
### For Transaction-Led Web Projects, Five Agencies Emerge As Leaders

Our analysis of how well Web design agencies serve the market for transaction-led Web projects reveals an industry characterized by a few Leaders and a large group of Strong Performers (see Figure 6):

- **Sapient, Razorfish, imc<sup>2</sup>, IconNicholson, and IBM Interactive lead the pack.** Higher than average Web Site Review scores catapulted these five agencies into the Leaders' circle. Sapient also stood out due to its strong user research capabilities, significant size, and robust set of skills. Razorfish scored well on its measurement capabilities and structured tactics for managing agency collaboration. imc<sup>2</sup> was helped by its unique staffing model, sophisticated approach to measurement, high client satisfaction scores, and differentiated strategy. IconNicholson offered up solid reference persona work and demonstrated a rigorous design process. IBM Interactive just crossed the border from Strong Performer to Leader, its score dragged down by a weak persona but boosted back up through rigorous research capabilities, a strong network of skills, and robust measurement capabilities.
- **Twelve agencies show merit as Strong Performers.** Solid Web Site Review scores for Whittmanhart and Blast Radius, an impressive persona from Critical Mass, and strong Brand Image Review scores for Ascentium, iCrossing, Organic, R/GA, and Rosetta all contributed to their solid performance. High client reference scores for Ascentium, iCrossing, Resource Interactive, R/GA, and Rosetta helped boost these agencies' rankings. Finally, an unusually clear market positioning and industry focus contributed to a standout strategy score that propelled Molecular deep into the Strong Performer category. OgilvyInteractive and VML narrowly joined the rest on the merits of the former's measurement and collaboration abilities and the latter's measurement and skills and staffing.
- **Arc Worldwide comes in as a Contender.** Despite turning in a solid persona and receiving high marks for its user research, skills and staffing, measurement, and collaboration abilities, Arc Worldwide just missed being a Strong Performer due to its below average Web Site Review and Brand Image Review scores. An undifferentiated market positioning and lack of clarity to its vision also contributed to the agency's overall ranking.

This evaluation of the transaction-led Web design market is intended to be a starting point only. We encourage readers to view detailed product evaluations and adapt the criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool.

**Figure 6** Forrester Wave™: Interactive Agencies For Transaction-Led Web Projects, Q2 '09



Source: Forrester Research, Inc.

**Figure 6** Forrester Wave™: Interactive Agencies For Transaction-Led Web Projects, Q2 '09 (Cont.)

	Forrester's Weighting	Arc Worldwide	Ascentium	Blast Radius	Critical Mass	IBM Interactive	IconNicholson	iCrossing	imc <sup>2</sup>	Molecular	OgilvyInteractive
<b>CURRENT OFFERING</b>	75%	2.62	2.94	3.52	3.26	3.56	3.72	3.36	3.78	2.72	2.38
User research	4%	4.00	4.00	4.00	4.00	4.00	3.00	4.00	3.00	4.00	3.00
Persona creation	8%	4.00	3.00	1.00	5.00	1.00	4.00	2.00	4.00	4.00	1.00
Persona application	4%	3.00	5.00	4.00	4.00	3.00	4.00	4.00	4.00	3.00	3.00
Design process	4%	3.00	4.00	3.00	4.00	3.00	4.00	4.00	3.00	4.00	3.00
Skills and staffing	4%	4.00	4.00	4.00	3.00	4.00	3.00	4.00	4.00	3.00	3.00
Measurement	4%	4.00	3.00	4.00	4.00	4.00	3.00	4.00	4.00	5.00	4.00
Collaboration abilities	4%	4.00	3.00	3.00	3.00	4.00	3.00	4.00	3.00	4.00	4.00
User experience	50%	2.00	2.00	4.00	3.00	4.00	4.00	3.00	4.00	2.00	2.00
Brand Image experience	10%	2.00	4.00	3.00	2.00	4.00	3.00	4.00	3.00	3.00	3.00
Satisfaction of reference clients	8%	2.75	4.75	3.25	3.50	2.50	3.75	4.25	4.00	2.25	2.50
<b>STRATEGY</b>	25%	2.25	3.00	3.25	3.75	3.50	3.50	3.25	4.25	4.00	3.75
Market positioning	25%	2.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Clarity of vision	25%	2.00	3.00	4.00	4.00	3.00	4.00	4.00	4.00	3.00	4.00
Emerging Web technologies	25%	3.00	3.00	3.00	4.00	4.00	3.00	3.00	4.00	4.00	4.00
Industry focus	25%	2.00	3.00	3.00	4.00	4.00	4.00	3.00	5.00	5.00	3.00
<b>MARKET PRESENCE</b>	0%	2.50	2.90	2.60	2.10	4.60	1.40	2.70	2.30	1.40	3.30
Billable staff as of Q4 2008	30%	3.00	3.00	2.00	3.00	5.00	1.00	3.00	3.00	1.00	4.00
Revenues (2008)	50%	2.00	2.00	2.00	2.00	5.00	1.00	2.00	2.00	1.00	3.00
Revenue growth (2008 over 2007)	20%	3.00	5.00	5.00	1.00	3.00	3.00	4.00	2.00	3.00	3.00
Number of North American offices	0%	3.00	3.00	2.00	2.00	3.00	1.00	4.00	2.00	2.00	4.00

All scores are based on a scale of 1 (weak) to 5 (strong).

Source: Forrester Research, Inc.

**Figure 6** Forrester Wave™: Interactive Agencies For Transaction-Led Web Projects, Q2 '09 (Cont.)

	Forrester's Weighting	Organic	Razorfish	Resource Interactive	R/GA	Rosetta	Sapient	VML	Whittmanhart
<b>CURRENT OFFERING</b>	75%	2.84	3.82	2.64	3.18	3.20	4.36	2.46	3.76
User research	4%	5.00	4.00	5.00	3.00	3.00	5.00	4.00	4.00
Persona creation	8%	3.00	3.00	2.00	1.00	2.00	3.00	1.00	4.00
Persona application	4%	4.00	4.00	4.00	3.00	4.00	3.00	3.00	5.00
Design process	4%	3.00	3.00	4.00	4.00	3.00	4.00	3.00	3.00
Skills and staffing	4%	4.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Measurement	4%	4.00	4.00	3.00	5.00	3.00	3.00	4.00	3.00
Collaboration abilities	4%	3.00	4.00	4.00	3.00	3.00	4.00	4.00	4.00
User experience	50%	2.00	4.00	2.00	3.00	3.00	5.00	2.00	4.00
Brand Image experience	10%	5.00	4.00	2.00	4.00	4.00	4.00	2.00	3.00
Satisfaction of reference clients	8%	2.25	3.75	4.00	4.00	4.25	3.75	3.75	2.75
<b>STRATEGY</b>	25%	3.75	3.50	3.50	3.75	3.25	3.25	3.00	2.75
Market positioning	25%	4.00	4.00	4.00	4.00	3.00	4.00	2.00	3.00
Clarity of vision	25%	3.00	3.00	3.00	4.00	3.00	3.00	3.00	2.00
Emerging Web technologies	25%	4.00	4.00	3.00	4.00	4.00	3.00	3.00	2.00
Industry focus	25%	4.00	3.00	4.00	3.00	3.00	3.00	4.00	4.00
<b>MARKET PRESENCE</b>	0%	4.00	5.00	1.20	3.30	3.70	4.10	3.30	2.00
Billable staff as of Q4 2008	30%	4.00	5.00	1.00	4.00	4.00	5.00	4.00	2.00
Revenues (2008)	50%	4.00	5.00	1.00	3.00	3.00	4.00	3.00	2.00
Revenue growth (2008 over 2007)	20%	4.00	5.00	2.00	3.00	5.00	3.00	3.00	2.00
Number of North American offices	0%	3.00	5.00	1.00	2.00	3.00	5.00	3.00	3.00

All scores are based on a scale of 1 (weak) to 5 (strong).

Source: Forrester Research, Inc.

### For Image-Led Web Projects, Five Agencies Stand Out

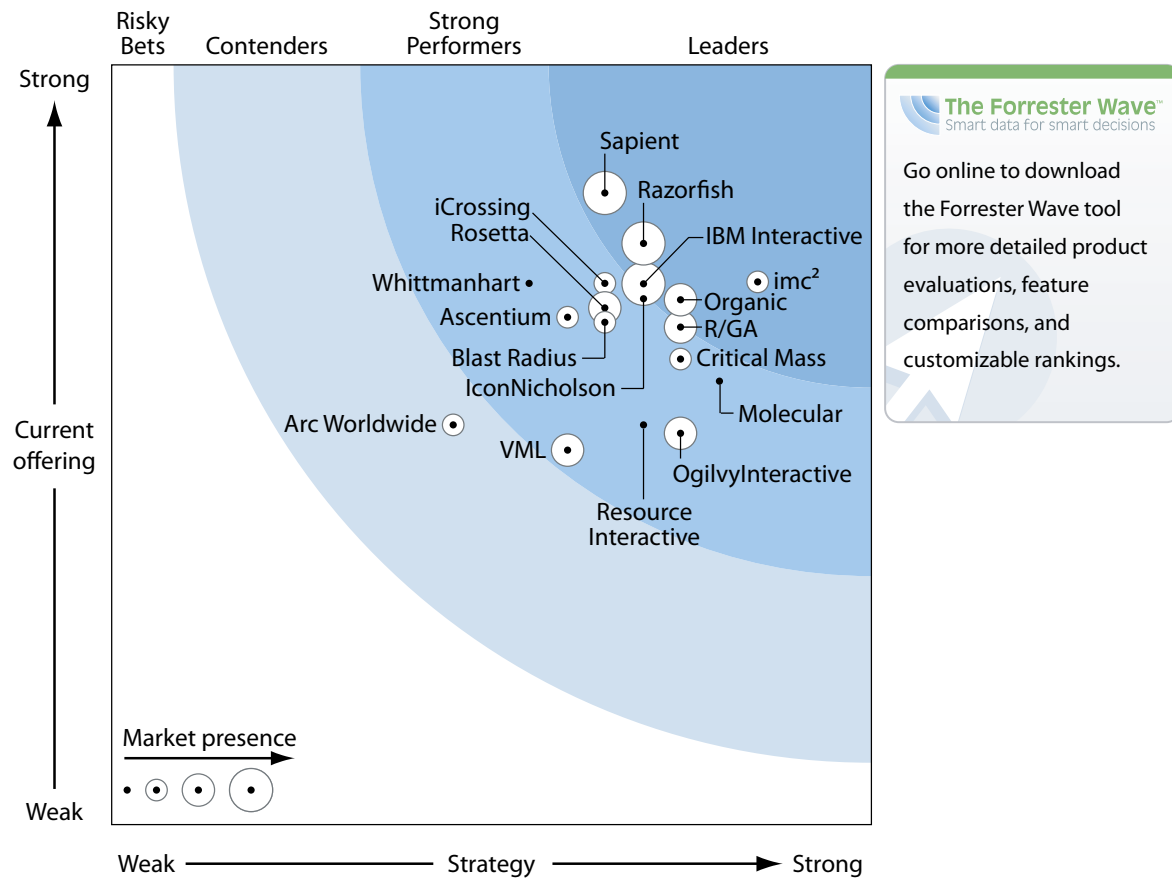
We also assessed how interactive agencies serve the market for image-led Web projects (see Figure 7). We did this by increasing the weight of their Brand Image Review scores until they equaled the weight of their Web Site Review scores. Using these new weightings, we found that:

- **Four out of five agencies remain in the Leader's circle.** Sapient, Razorfish, and IBM Interactive remained in the Leader's circle by delivering reference sites that scored well in both our Web Site Reviews and Brand Image Reviews. Interestingly, despite the fact that imc<sup>2</sup> offered up two sites with relatively low Brand Image Review scores, its Web Site Review scores were so high that they kept it in the Leaders' circle, as well.

- Organic moves into the Leader category on the merit of high Brand Image Review scores.** Impressive Brand Image Review scores catapulted Organic from Strong Performer for transaction-led projects to a Leader for image-led projects. The creative treatments for both of its reference sites showed very high production values and were notably consistent with offline marketing materials for their respective brands.
- Rosetta, Ascentium, and iCrossing move up within the Strong Performer ranks.** Although it wasn't quite enough to get them into Leader standings, three agencies stood out on the basis of their strong Brand Image Review scores. Rosetta's two reference sites averaged a 10.5, and Ascentium and iCrossing's sites averaged a 9. What's more, all of their reference sites received grades higher than the minimum passing mark of 8.

This evaluation of the image-led Web design market is intended to be a starting point only. We encourage readers to view detailed product evaluations and adapt the criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool.

**Figure 7** Forrester Wave™: Interactive Agencies For Image-Led Web Projects, Q2 '09



Source: Forrester Research, Inc.

**Figure 7** Forrester Wave™: Interactive Agencies For Image-Led Web Projects, Q2 '09 (Cont.)

	Forrester's Weighting	Arc Worldwide	Ascentium	Blast Radius	Critical Mass	IBM Interactive	IconNicholson	iCrossing	imc <sup>2</sup>	Molecular	OgilvyInteractive
<b>CURRENT OFFERING</b>	75%	2.62	3.34	3.32	3.06	3.56	3.52	3.56	3.58	2.92	2.58
User research	4%	4.00	4.00	4.00	4.00	4.00	3.00	4.00	3.00	4.00	3.00
Persona creation	8%	4.00	3.00	1.00	5.00	1.00	4.00	2.00	4.00	4.00	1.00
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Skills and staffing	4%	4.00	4.00	4.00	3.00	4.00	3.00	4.00	4.00	3.00	3.00
Measurement	4%	4.00	3.00	4.00	4.00	4.00	3.00	4.00	4.00	5.00	4.00
Collaboration abilities	4%	4.00	3.00	3.00	3.00	4.00	3.00	4.00	3.00	4.00	4.00
User experience	30%	2.00	2.00	4.00	3.00	4.00	4.00	3.00	4.00	2.00	2.00
Brand Image experience	30%	2.00	4.00	3.00	2.00	4.00	3.00	4.00	3.00	3.00	3.00
Satisfaction of reference clients	8%	2.75	4.75	3.25	3.50	2.50	3.75	4.25	4.00	2.25	2.50
<b>STRATEGY</b>	25%	2.25	3.00	3.25	3.75	3.50	3.50	3.25	4.25	4.00	3.75
Market positioning	25%	2.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00
Clarity of vision	25%	2.00	3.00	4.00	4.00	3.00	4.00	4.00	4.00	3.00	4.00
Emerging Web technologies	25%	3.00	3.00	3.00	4.00	4.00	3.00	3.00	4.00	4.00	4.00
Industry focus	25%	2.00	3.00	3.00	4.00	4.00	4.00	3.00	5.00	5.00	3.00
<b>MARKET PRESENCE</b>	0%	2.50	2.90	2.60	2.10	4.60	1.40	2.70	2.30	1.40	3.30
Billable staff as of Q4 2008	30%	3.00	3.00	2.00	3.00	5.00	1.00	3.00	3.00	1.00	4.00
Revenues (2008)	50%	2.00	2.00	2.00	2.00	5.00	1.00	2.00	2.00	1.00	3.00
Revenue growth (2008 over 2007)	20%	3.00	5.00	5.00	1.00	3.00	3.00	4.00	2.00	3.00	3.00
Number of North American offices	0%	3.00	3.00	2.00	2.00	3.00	1.00	4.00	2.00	2.00	4.00

All scores are based on a scale of 1 (weak) to 5 (strong).

Source: Forrester Research, Inc.

**Figure 7** Forrester Wave™: Interactive Agencies For Image-Led Web Projects, Q2 '09 (Cont.)

	Forrester's Weighting	Organic	Razorfish	Resource Interactive	R/GA	Rosetta	Sapient	VML	Whittmanhart
<b>CURRENT OFFERING</b>	75%	3.44	3.82	2.64	3.38	3.40	4.16	2.46	3.56
User research	4%	5.00	4.00	5.00	3.00	3.00	5.00	4.00	4.00
Persona creation	8%	3.00	3.00	2.00	1.00	2.00	3.00	1.00	4.00
Persona application	4%	4.00	4.00	4.00	3.00	4.00	3.00	3.00	5.00
Design process	4%	3.00	3.00	4.00	4.00	3.00	4.00	3.00	3.00
Skills and staffing	4%	4.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Measurement	4%	4.00	4.00	3.00	5.00	3.00	3.00	4.00	3.00
Collaboration abilities	4%	3.00	4.00	4.00	3.00	3.00	4.00	4.00	4.00
User experience	30%	2.00	4.00	2.00	3.00	3.00	5.00	2.00	4.00
Brand Image experience	30%	5.00	4.00	2.00	4.00	4.00	4.00	2.00	3.00
Satisfaction of reference clients	8%	2.25	3.75	4.00	4.00	4.25	3.75	3.75	2.75
<b>STRATEGY</b>	25%	3.75	3.50	3.50	3.75	3.25	3.25	3.00	2.75
Market positioning	25%	4.00	4.00	4.00	4.00	3.00	4.00	2.00	3.00
Clarity of vision	25%	3.00	3.00	3.00	4.00	3.00	3.00	3.00	2.00
Emerging Web technologies	25%	4.00	4.00	3.00	4.00	4.00	3.00	3.00	2.00
Industry focus	25%	4.00	3.00	4.00	3.00	3.00	3.00	4.00	4.00
<b>MARKET PRESENCE</b>	0%	4.00	5.00	1.20	3.30	3.70	4.10	3.30	2.00
Billable staff as of Q4 2008	30%	4.00	5.00	1.00	4.00	4.00	5.00	4.00	2.00
Revenues (2008)	50%	4.00	5.00	1.00	3.00	3.00	4.00	3.00	2.00
Revenue growth (2008 over 2007)	20%	4.00	5.00	2.00	3.00	5.00	3.00	3.00	2.00
Number of North American offices	0%	3.00	5.00	1.00	2.00	3.00	5.00	3.00	3.00

All scores are based on a scale of 1 (weak) to 5 (strong).

Source: Forrester Research, Inc.

## VENDOR PROFILES

### Transaction-Led Leaders Deliver High-Quality, Usable Work

- **IconNicholson.** On the heels of an impressive performance in our European evaluation of interactive agencies' Web design capabilities, IconNicholson, the New York headquarters of LBi International AB Group, showed the most significant improvement from our previous rankings: The firm moved from a Contender to a Leader for transaction-led projects. A strong persona, rigorous application of its personas to guide design work, and a user-focused design process all helped its overall score.

- **IBM Interactive.** The interactive arm of technology giant IBM leverages resources around the globe in a variety of IBM practice areas and industries. This allows it to deliver unique designs that are both usable and on brand. Although the firm submitted relatively weak reference personas, its consistent process for research, design, and measurement helped push it into the Leader category.
- **imc<sup>2</sup>.** imc<sup>2</sup> continues to communicate a market position and vision that differentiates it from its peers. The agency promises to build trust between brands and consumers and supports this promise with several proprietary frameworks that help it assess and measure both trust and transactions. Its continued specialization in the consumer goods and healthcare industries plus strong user experience scores helped move it from a Strong Performer in our last rankings to a Leader in this year's rankings.
- **Razorfish.** Razorfish offers a comprehensive set of marketing services that span multiple screens and tend to incorporate social media. The agency remained in the Leaders' circle on the strength of reference sites that scored well in user experience and exceptionally well in brand experience. Razorfish also distinguished itself by its ability to gather and utilize deep customer insights.
- **Sapient.** Building on its heritage as a business and technology consulting firm, Sapient can now lay claim to strong design skills as well; the firm received the highest scores in this year's usability evaluation and solid marks for its branding work. In addition, Sapient's in-depth research methodologies, user-centered design process, and access to strong technology skills — both on- and off-shore — help propel it from a Strong Performer in our previous report to a Leader in our 2009 rankings.

### Transaction-Led Strong Performers Demonstrate Consistent Basics

- **Ascentium.** With the highest client satisfaction scores in this year's review, this privately held, Bellevue, Washington based agency is new to Forrester's Wave evaluation. The agency shows strength in its ability to apply personas and its focus on a user-centered design process. Weaknesses include reference sites with below average usability and an undifferentiated market positioning.
- **Blast Radius.** This quickly growing, Vancouver based agency is part of the Wunderman and WPP Group. Its consistent user experience scores, as well as solid marks for user research, skills, and measurement capabilities, make it a Strong Performer that will appeal to clients focused on consumer brands and social media. Although the agency offered up relatively weak personas, reference clients were pleased with the business results Blast Radius helped them achieve.
- **Critical Mass.** Critical Mass' impressive reference personas once again garnered the highest score among all competing agencies. And, as in previous years, the firm's commitment to the research and application of personas as well as its user-centered design process look solid.

However, we found that more and more agencies have caught up to Critical Mass in these areas, erasing some of the firm's previous differentiation. Although disappointing user experience and Brand Image experience scores ultimately kept the agency out of the Leader category, it will remain an appealing option for companies that want a thoughtful, structured approach to Web design.

- **iCrossing.** iCrossing uses its expertise in search marketing and search engine optimization to help it deliver sites that score well in our Brand Image assessment and are easily found on the Web. The agency has used its heritage as a search marketing firm to develop a number of search and linguistic based research methodologies that it uses to inform its design process.
- **Molecular.** Molecular's strong user research, standout personas, rigorous design process, and commitment to ongoing measurement and improvement help the agency remain a Strong Performer. Although the firm's reference sites earned disappointing Web Site Review scores, the sophisticated technology platform underlying one of the sites demonstrated that Molecular retains the deep technical skills it developed as a one-time systems integrator.
- **OgilvyInteractive.** The interactive arm of advertising giant Ogilvy submitted strong online branding work that was part of a larger, multichannel Ogilvy campaign. However, the usability of the firm's reference sites was relatively weak, and its reference persona was disappointing. As part of the larger Ogilvy network, the agency has tremendous access to creative skills as well as strong measurement capabilities. This makes it a solid choice for clients with brand-led projects who might already be working with Ogilvy in its offline capacity.
- **Organic.** Organic's outstanding user research, rigorous persona application, and the highest average Brand Image Review score received in this year's evaluation offset its weak user experience scores. The agency should remain a solid force in the Web design space based on its commitment to developing skills, focus on measurement, strong market positioning, and focus on emerging technologies.
- **Resource Interactive.** Resource Interactive's proprietary research methodologies help the firm gain unique insights into users' behaviors, which it uses throughout its design process. The agency's reference sites received low Web Site Review scores and one low Brand Image Review score, which dragged it down in our rankings. However, a strong market positioning focused on its OPEN brand philosophy makes it a Strong Performer, particularly for the retail, consumer packaged goods, and branded manufacturing industries.
- **R/GA.** R/GA's strategy embraces its history as an innovative film production company by bringing together visual arts and technology in creative ways. Experts in retail, branding, mobile, and social media help the agency create work that uses multiple channels to support brands. This year the agency also demonstrated a core strength in its measurement skills.

- **Rosetta.** With the acquisition of Brulant in 2008, Rosetta became the largest independently owned agency in our review. Although the agency's reference persona received a low score, solid marks in our Brand Image Review and strong client reference scores help make it a Strong Performer in 2009.
- **VML.** VML is a global, full-service digital marketing agency that's based in Kansas City and part of the WPP network. Although the firm scored well in several areas including user research, skills and staffing, collaboration abilities, and measurement tactics, its persona didn't pass our review criteria and its reference Web sites received low scores in our usability and brand assessments. Even so, the agency's strengths and industry focus have led to successful long-term relationships with several major brands. This year the agency moved from the Contender category to the Strong Performer category.
- **Whittmanhart.** Whittmanhart's strong strategy practice, supported by its rigorous persona research and application process, provides a solid foundation for its Web design efforts — as evidenced by reference Web sites that scored above average against its industry peers. The firm offered up a reference site that received the highest Brand Image Review score in this year's evaluation, but its overall average was pulled down because it also delivered the site that received the lowest Brand Image Review score. The agency's strategy isn't particularly differentiated, but a roster of top-name clients should help Whittmanhart retain traction as it refines the strategy for its Web design practice.

### Transaction-Led Contenders Just Miss The Cutoff

- **Arc Worldwide.** Arc Worldwide is the marketing services arm of agency Leo Burnett. Despite the firm's strong research methods, innovative partner staffing model, strong measurement skills, and solid collaboration capabilities, Arc Worldwide struggled to deliver sites that scored well on our Web Site Review or Brand Image Review. Its overall strategy also did not compare well to the strategies of many top competitors. These factors combined to pull it just out of the Strong Performer ranks.

## SUPPLEMENTAL MATERIAL

### Online Resource

The online versions of Figure 6 and Figure 7 are Excel-based vendor comparison tools that provide detailed product evaluations and customizable rankings.

### Data Sources Used In This Forrester Wave

Forrester used a combination of four data sources to assess the strengths and weaknesses of each agency:

- **Reviews of reference sites.** Each agency provided two Web sites that went live roughly between January 1 and December 31, 2008, that exemplify its very best work. We graded the sites using Forrester's Web Site Review methodology to determine the quality of their user experience.<sup>10</sup> We also graded the emotional and experiential aspects of the sites using our Brand Image Review methodology.<sup>11</sup>
- **Reviews of reference personas.** High-quality personas help guide site design by aligning agencies and clients behind a common vision of target user needs and goals. Each agency offered up one or more examples of the customer profiles or personas that they use and described the research that went into creating them. We evaluated the personas using criteria derived from our ongoing research into persona best practices.<sup>12</sup>
- **Vendor survey and interview.** Skills, design methodology, vision, and tactics in support of vision provide insight into how the agency operates today and how likely it is to thrive tomorrow. To expose these factors, Forrester surveyed the vendors. Once we analyzed the completed surveys, we conducted phone interviews to explore areas of differentiation, gather more details, and seek clarification where necessary.
- **Customer reference calls.** Before grading the reference sites, we interviewed site owners to: 1) verify that the agency did the work that it claimed to have done; 2) understand the process that the agency followed to produce the site; and 3) get client satisfaction ratings in four key areas: business results achieved, process, timeliness of delivery, and cost.<sup>13</sup>

### The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based

tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

## ENDNOTES

- <sup>1</sup> Of the 35 agencies that disclosed their RFP response rate, only five said they bid on more than 80% of the RFPs they were sent in 2008. Sixteen agencies reported RFP response rates lower than 50% and a few industry leaders — like Critical Mass — said they bid on fewer than 10% of projects. See the May 8, 2009, “[Where To Find Help For Web Design Projects, 2009](#)” report.
- <sup>2</sup> US non-travel eCommerce sales grew by 13% from 2007 to 2008 and are expected to grow 11% in 2009. These figures represent a significant slowdown in growth from 2007, when online sales were 18% higher than in 2006. Much of the slowdown in growth is due to consumer confidence issues, which will weigh down eCommerce sales for much of 2009. Despite the deceleration in growth, Web sales are nonetheless expected to be positive as eCommerce continues to capture market share from brick-and-mortar stores. See the February 2, 2009, “[US eCommerce Forecast, 2008 To 2013](#)” report.  
  
Online leisure, unmanaged business, and managed business travel spending will increase from \$111 billion in 2008 to \$117 billion in 2009 and reach \$158 billion by 2013. Two major factors contribute to this shift: modestly more people who buy travel online (Bookers) and a continuing shift in sales from offline channels to the Web. See the January 20, 2009, “[US Online Travel Forecast, 2008 To 2013](#)” report.
- <sup>3</sup> Forrester’s research uncovered five distinct customer experience strategies that companies use to disrupt an industry: 1) ultrasimplification; 2) online infusion; 3) service infusion; 4) service amplification; and 5) value repositioning. While these strategies may not make sense for all firms or all industries, every company should expect at least one of these approaches to challenge the status quo in its industry. See the December 7, 2006, “[Five Disruptive Customer Experience Strategies](#)” report.
- <sup>4</sup> When the economy is in trouble, most executives start looking for ways to cut costs from their budgets. Customer experience professionals should take advantage of this situation and promote improving Web usability as a key way to eliminate unnecessary sales and service costs by shifting customers from more expensive channels to the Web site. Forrester built a simple model of the cost savings from Web usability improvements for both purchases and service inquiries. These models show that shifting even a small number of calls and emails to the Web site can lead to significant ROI. To understand the potential savings for your organization, use the modifiable version of this model to estimate the potential ROI of improving your site’s usability. See the December 1, 2008, “[Need To Cut Costs? Improve The Web Site Experience](#)” report.
- <sup>5</sup> Source: “Top 50 Digital Agencies,” *Advertising Age*, May 5, 2008 ([http://adage.com/datacenter/article?article\\_id=126721](http://adage.com/datacenter/article?article_id=126721)).
- <sup>6</sup> We initially invited 29 firms from *Advertising Age*’s list of top 50 digital agencies by Web design revenue to participate. In addition, we extended two invitations to companies that participated in “The Forrester

Wave™: Interactive Marketing Agencies — Web Design Capabilities, Q2 2007.” Of those who accepted, we picked the 20 largest and invited them to the next round. Two dropped out in the early phases of the evaluation for a variety of reasons but mostly because they had commitments that prevented them from dedicating the required time and resources. Once we completed our evaluations, agencies were not allowed to drop out.

- <sup>7</sup> Of the 36 reference Web sites we received: 26 were B2C and 10 were both B2C and B2B. Of the 18 personas we graded: 16 were B2C, two were B2B.
- <sup>8</sup> In 2007, Forrester evaluated the Web design capabilities of leading interactive marketing agencies across 18 similar criteria. At the time, our analysis identified Avenue A | Razorfish, Critical Mass, Organic, and R/GA as Leaders — due in large part to their high scores on Forrester’s Web Site Review and Brand Image Review methodologies. See the April 11, 2007, [“The Forrester Wave™: Interactive Marketing Agencies — Web Design Capabilities, Q2 2007”](#) report.
- <sup>9</sup> Forrester applied its Web Site Review methodology to the site experiences at 16 firms — four each of the largest auto insurers, discount retailers, footwear manufacturers, and online travel agencies. While Expedia received the highest score, all 16 sites failed our usability test. As a group, online travel agencies outperformed other industries, while footwear manufacturers fell to the bottom of the list. But we did encounter some good practices along the way, like Allstate’s auto insurance coverage recommendation tool, Nike’s functionality that enables users to customize running shoes, and Expedia’s easy-to-scan pages. See the April 14, 2009, [“Best And Worst Of B2C Site Design, 2009”](#) report.
- <sup>10</sup> Forrester applied its Web Site Review methodology to the site experiences at 16 firms — four each of the largest auto insurers, discount retailers, footwear manufacturers, and online travel agencies. While Expedia received the highest score, all 16 sites failed our usability test. As a group, online travel agencies outperformed other industries, while footwear manufacturers fell to the bottom of the list. See the April 14, 2009, [“Best And Worst Of B2C Site Design, 2009”](#) report.
- <sup>11</sup> How good is the overall experience offered by leading brands’ Web sites in 2008? To find out, we graded the sites of 20 top brands using Forrester’s updated Web Site Brand Review methodology. Our tests measure how well top sites cater to user needs (Brand Action) and how well they infuse their Brand Image into the Web experience. Just one site managed to differentiate itself in both these dimensions: Chevron.com. Common Brand Action problems included poor text legibility, confusing category names, and missing or buried content. On the Brand Image side, sites were guilty of layouts, imagery, and production values that failed to support brand positioning. See the October 10, 2008, [“Best And Worst Of Brand Building Web Sites, 2008”](#) report.
- <sup>12</sup> To gauge the current state of personas, Forrester applied its persona evaluation criteria to reference personas provided by 23 interactive agencies. Most of the personas showed significant room for improvement — and problems ran the gamut in both type and severity. But our evaluations also revealed best practices for each of our six criteria among the two personas that earned nearly perfect scores and those that didn’t pass our review. See the July 19, 2007, [“Best And Worst Of Personas, 2007”](#) report.

To get the most value out of persona projects, customer experience professionals should ask about prospective firms' research capabilities, evaluate their reference personas, find out how they use personas during the design process, and assess their ability to help drive persona adoption throughout the organization. See the October 14, 2008, "[How To Get The Most From Design Personas](#)" report.

<sup>13</sup> In each of the four key areas — business results achieved, process, timeliness of delivery, and cost — we took the average of the two client satisfaction ratings and then mapped that average to a curve. The overall satisfaction of reference clients score was the average of the curved score in these four key areas.

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