

**Not  
Investing  
in UX  
Maybe  
Costlier  
Than You  
Think!**



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# 01

# Introduction



Focus

on the user  
and all else will follow.

- Rule #1, Google's "Ten Things" Philosophy

Has it ever happened that you are shopping online, and because of the bad design of an app or a website or difficult to understand features, you left things in the cart and abandoned it? Or you just couldn't locate the checkout button and decided to leave it there itself. Well, you aren't the only one.

This is a perfect example of bad UI leading to a bad UX, thus, causing order abandonment. As a matter of fact, [US online shoppers have abandoned orders worth \\$260 billion due to unsatisfactory checkout flow and design, roughly 27% of the online shoppers.](#)

## \$260 billion checkout

US online shoppers have abandoned orders due to unsatisfactory checkout flow and design.



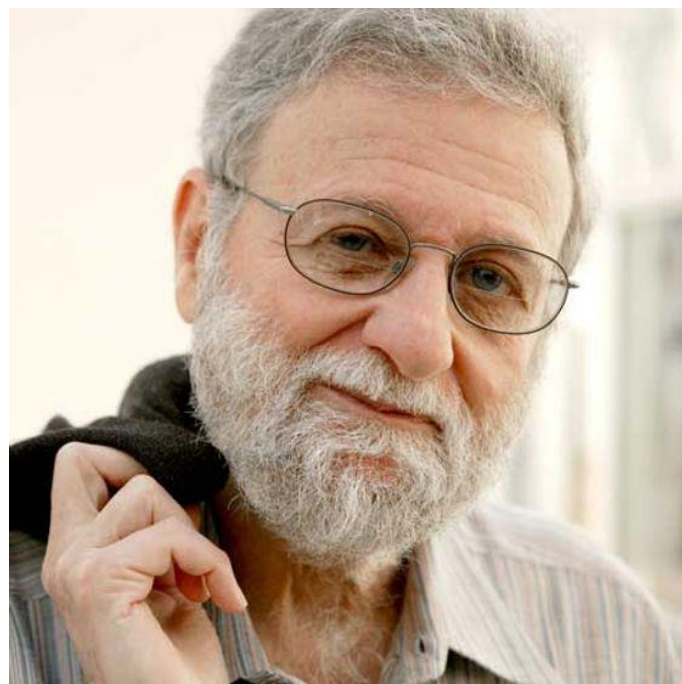
The term UX (User-Experience) was first coined by a user-focused pioneer, **Dr. Donald Norman**, in the 1990s. He emphasized the importance of user-centred design — a design process based on the user's needs and goals, which gave birth to something called *User Experience Design (UXD)*.

UXD focuses on designing specifically for the user or customer's needs, looking at things like ease of use, quality, and efficiency. To produce viable and creative design solutions, you need to analyze past experiences, research new practices, interview potential users, and test your designs.

Depending upon the design of the product or the service, this user experience can range from delightful to downright frustrating.

## Promises of a Good UX to your Business







A good UX design helps fulfill a brand's promise by empathizing with the customer's feeling, which is of utmost importance for the business. Therefore, it is advisable to show how your products work in the real-time to real people who would ultimately help you create a



**“Simplify the structure of tasks”**  
- Donald Norman

better, user-friendly, specially-tailored UX for your users. It is crucial to develop an interaction-rich UX to make your users return to your site/app. A bad or sloppy UX usually drives people away than the other way round. Remember, the users decide whether your site or app is worth their time in just a few seconds. So, the first impression matters. The first few seconds is all you have to reel your users in.

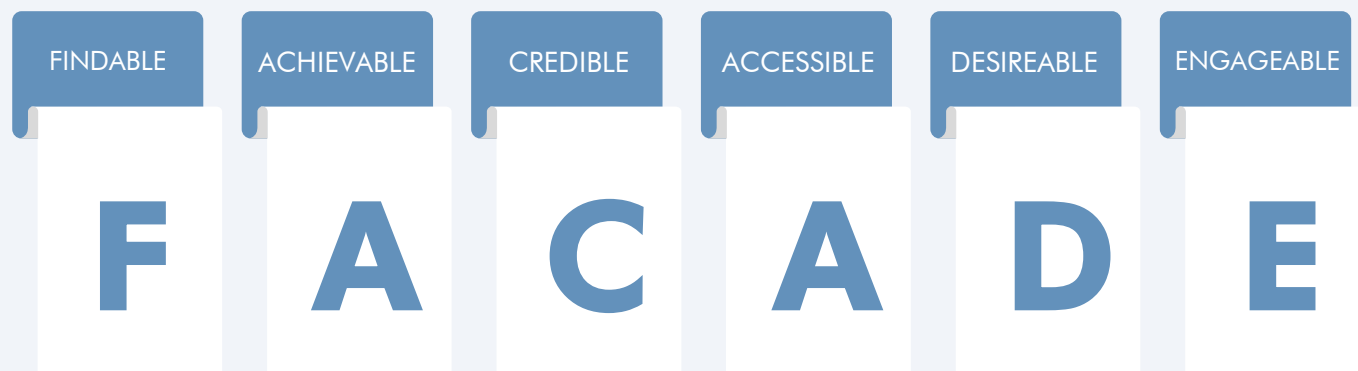
Further, the **Usability Professionals Association** defines six key benefits of adding UX to the design and development process:

 Increased Productivity	 Increased Sales	 Increased customer satisfaction
 Decreased training and support costs	 Reduced development time and costs	 Reduced maintenance costs

A good design is one that is findable, achievable, credible, accessible, desirable, and engageable at the same time. A design that meets all these criteria can be called a good UX and can benefit you significantly in the long run. Let us look at what differentiates a good design from a bad one.

To answer what makes a good UX, this writer likes to call it a "FACADE":

Findable,  
Achievable,  
Credible,  
Accessible,  
Desirable, &  
Engageable



# 02

## **Cost of a Bad Design - How Much Does It Cost Not Investing in UX?**

# The Trillion Dollar UX Problem

The difference between category winners and losers is a good User-Experience (UX). This is the reason why world-class companies like Facebook, Apple, Google, and others invest heavily in their UX teams. They know UX is the secret weapon for growth. While they are exceptional examples, most companies today do not invest enough in UX. As a result, we have found a trillion-dollar UX problem in the making.

Bad Designs can lead to fatal outcomes, some of which can even be unrecoverable. To understand the severity of this, let us look at the example of a leading bank in the U.S.

**A Bad user interface design cost a leading U.S bank \$500M.** In August 2020, the bank administered loans to Revlon - a cosmetics and personal care company. As a part of that function, they wanted to pay the interest due to the lenders. **Using software called *Flexcube*, three employees of the bank accidentally wired \$900 million to the creditors instead of \$7.8 million.**

In the above scenario, a bad UX led to a massive loss to the user, i.e., the bank. Let's look at this issue from a user experience (UX) design perspective:



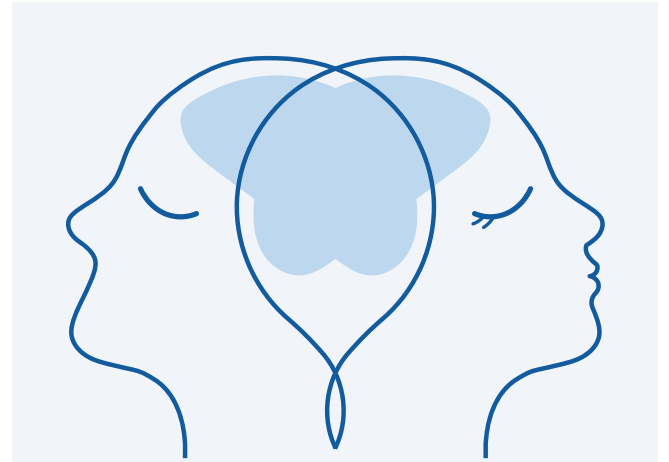


## Problem 1: Failure in Considering Relevant Use Cases

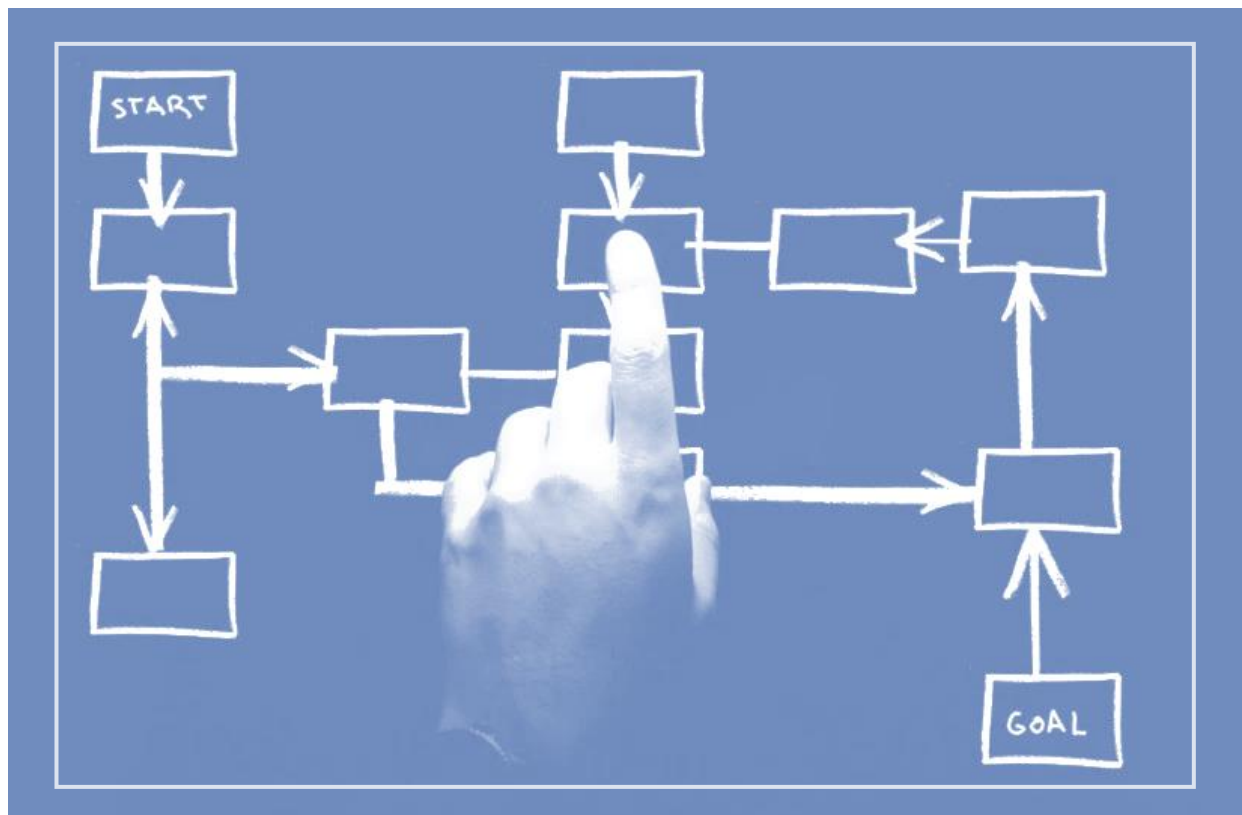
The software, *FlexCube* failed to consider relevant use cases, thus failing to understand a scenario where only interest was to be paid to the creditors. To make just an interest payment, the software required the user to make a new account, which by default was set to pay the creditors the total amount due. So, for making just the interest payment and excluding the principal, a user was required to use multiple overwrites. This 'patch' proved to be truly inefficient and error-prone.

## Problem 2: Mismatch Between the Conceptual and the Mental Model

The mismatch between how the software actually works and how a user thinks it does is what UX Godfather, [Don Norman](#), calls



**“Mismatch between the conceptual and the mental model.”**

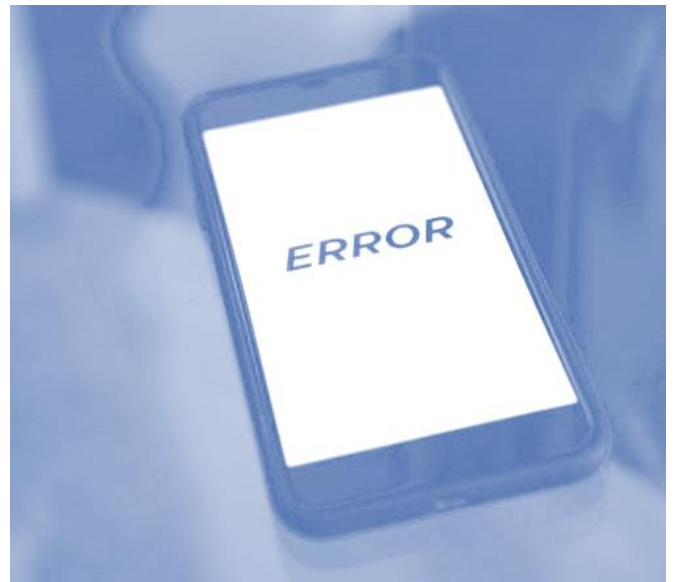


The software at hand, FlexCube , did absolutely nothing to mitigate this mismatch between the two models. The whole scenario clearly depicts that the users didn't understand how the software actually worked.

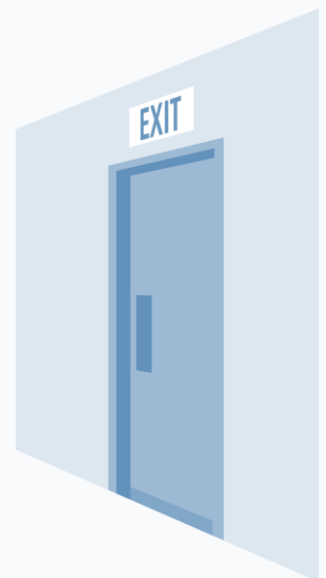
A good software comes with context-specific online help instead of making a user rely on the existence of manuals. Had there been some context-specific online help, it would have allowed the bank associates to look up guidance directly from the UI when it was needed.

### Problem 3: Lack of Error Prevention in the UI

There is a long-standing UI/UX design principle that states,



"the user interface should prevent a problem from occurring in the first place by either eliminating error-prone conditions or by checking for them and presenting users with a confirmation option before they commit to the action."



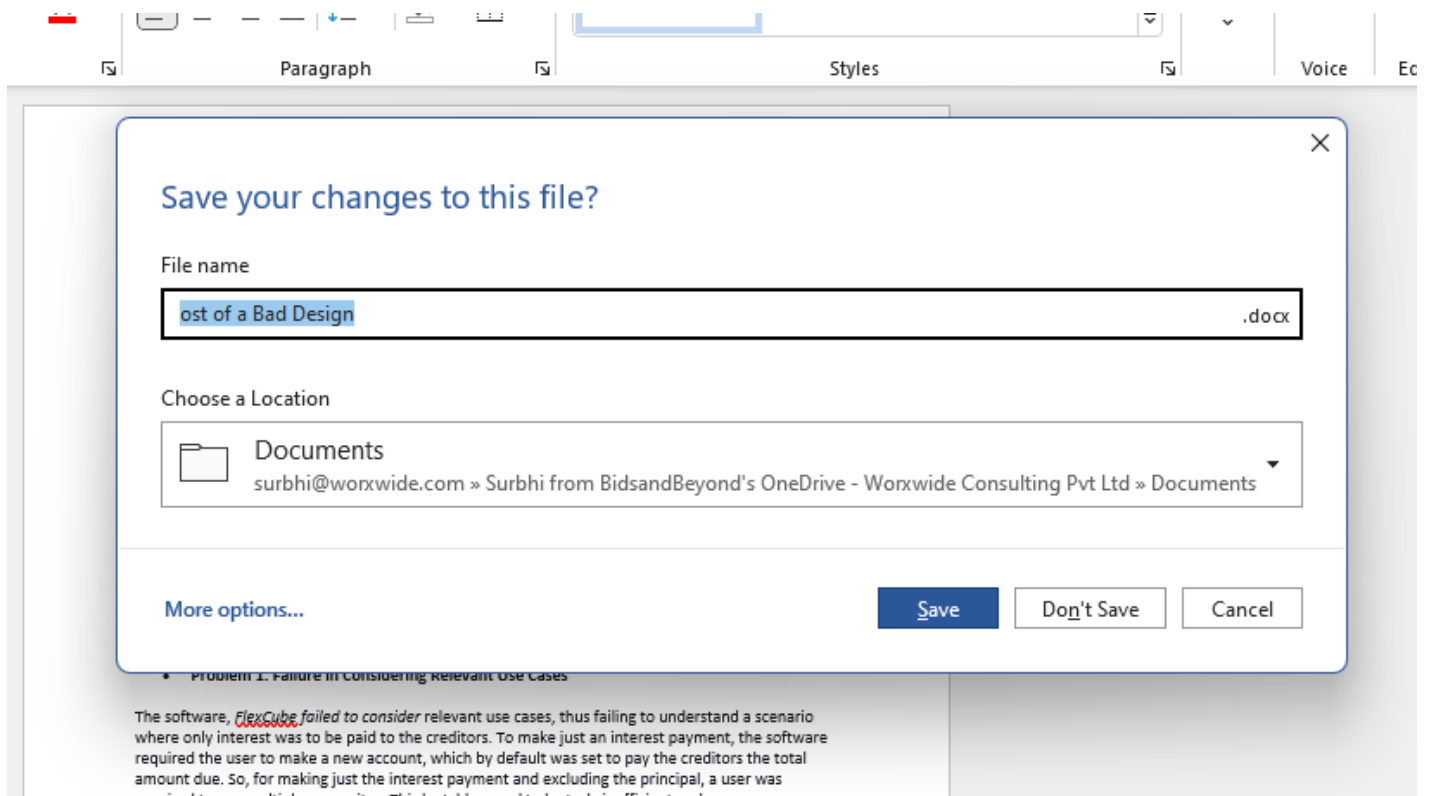
But this software lacked any proper error prevention in its UI, thus violating this principle.

One of the better examples of error prevention is MS Word . When a user edits a document in Microsoft Word and hits the Close button, Word asks the user something like , **"Are you sure you want to quit without saving?"**

In the case of this leading U.S bank, had the UI summarized in detail what would happen before finalizing the transaction and asked for an explicit confirmation, the whole scenario could have been different.

As a part of error prevention, the software should have shown all amounts (interests and principles) per creditor and the sum of all outbound transfers as \$900 million. The design could have included special formatting for high sums, such as big, red, and bold font to draw a user's attention. In such a case, users would have seen and realized their mistake and hit the cancel button rather than finalizing the transaction.

All these problems clearly show that the software was built without UX considerations, both in terms of its UI and the process. Though one may think,



"if there were so many issues,  
why was the software never  
fixed?"

Because until the incident, the software worked. But the one time it didn't work as planned, the outcome turned out to be catastrophic, making the bank *suffer* a whopping \$500M loss.

Following a user-centred process that systematically includes future users when designing and building interactive software is the key to preventing events like this. From a UI/UX perspective, humans are as much a part of the system as technology. Therefore, the software needs to consider the human perspective-

These are some of the questions you must ask yourself before finalizing a UI design.

The need is to engage with future users to learn their perspectives. The use cases covered by the software need to be tested with real users for proper usability.

It is essential to invest in UX initially to avoid a fate like the leading U.S.-based Bank mentioned above. Initially, you might think that you don't have the budget to spend more on a good UX or that you don't have that much time, but as has been found on numerous occasions,



it is better to spend and invest on UX initially rather than regretting not doing it later and ending up spending 10x-100x on UX after meeting a tragic situation.

*Not investing in UX can cost you dearly in the future.*



"What are people good at? What are they bad at? How do users think about accomplishing their workflows? What are their mental models?"

There are several examples that prove how bad UX negatively impacts human life:

[How Bad UX Killed Jenny by Jonathan Shariat](#) shows how this led to the death of a patient, as her nurses were unable to easily operate an interface that informed the patient's treatment. In another case, a pilot accidentally plotted the wrong course for his flight, and in another, an ebola patient was sent home accidentally.

# 03

## Difference Between a Good and a Bad Design

To understand the difference between good design and bad design, one can say that

"a bad design is like smoke while a good design is like a mirror."

A bad design is one that misleads the user, just like smoke can mislead someone. It obscures the user from going in the right direction. Whereas a good design is reflective, just like a mirror, and it displays the clear truth as a mirror displays the actual image of everything.

A poorly designed product is something no user is interested in since there's no clarity as to where one must go or what to do to achieve their objectives. It acts like a room full of smoke one wants to get out of as soon as possible.

On the other hand, a good design makes things transparent and clear and works like a mirror. It makes a user's life easy by making their tasks simpler and providing better product interaction. By laying down all the provided features clearly along with a well-detailed path to follow, a good design helps the users achieve their objectives in the easiest way possible.

## GOOD DESIGN



- ✓ Transparent and visible to its users
- ✓ Simple
- ✓ Relevant
- ✓ Usable
- ✓ Problem solver
- ✓ Easy to understand
- ✓ Effective in meeting the goals
- ✓ Fresh with a pleasant color scheme

VS

## BAD DESIGN



- ✗ Cluttered interface
- ✗ Poor navigation
- ✗ Confusing layout
- ✗ Complex tasks
- ✗ Irrelevant user feedback
- ✗ Inconsistent experience
- ✗ Difficult content
- ✗ Unpleasant color scheme

A product with good design makes users feel satisfied by providing all the necessary information they need at that point to decide what to do next. It should be as transparent and clear as a mirror. It should not be a struggle for the user to find out where to go next to achieve their goal, just like smoke obscures everything.

The difference between a good and a bad design is significant, and a bad design can cost you much more than you think, while a good one can make you much more money than you had anticipated.





# 04

## Investing in UX



"Investment in UX is often the difference between businesses that grow and those that sputter." - Roman Nurik, designer and design advocate, Google

## Investing in UX leads to improvement in ROI in broadly five ways:

### 1. Improved Conversion Rate

Better UX leads to greater ease of use and allows users to better connect with the brand, thus, resulting in brand loyalty, in turn improving the conversion rate.

### 2. Improved User Satisfaction

A good UX provides the users with what they need and want along with other features that they didn't even know they needed, thus, leading to improved user satisfaction.

### 3. Reduced Support Costs

A good UX means lesser user problems in the future, thus, reducing the company's costs in terms of UX up-gradation and maintenance.

### 4. Increased Savings

By reducing the development waste, a good UX design increases development efficiency and thus helps save money in the development phase.

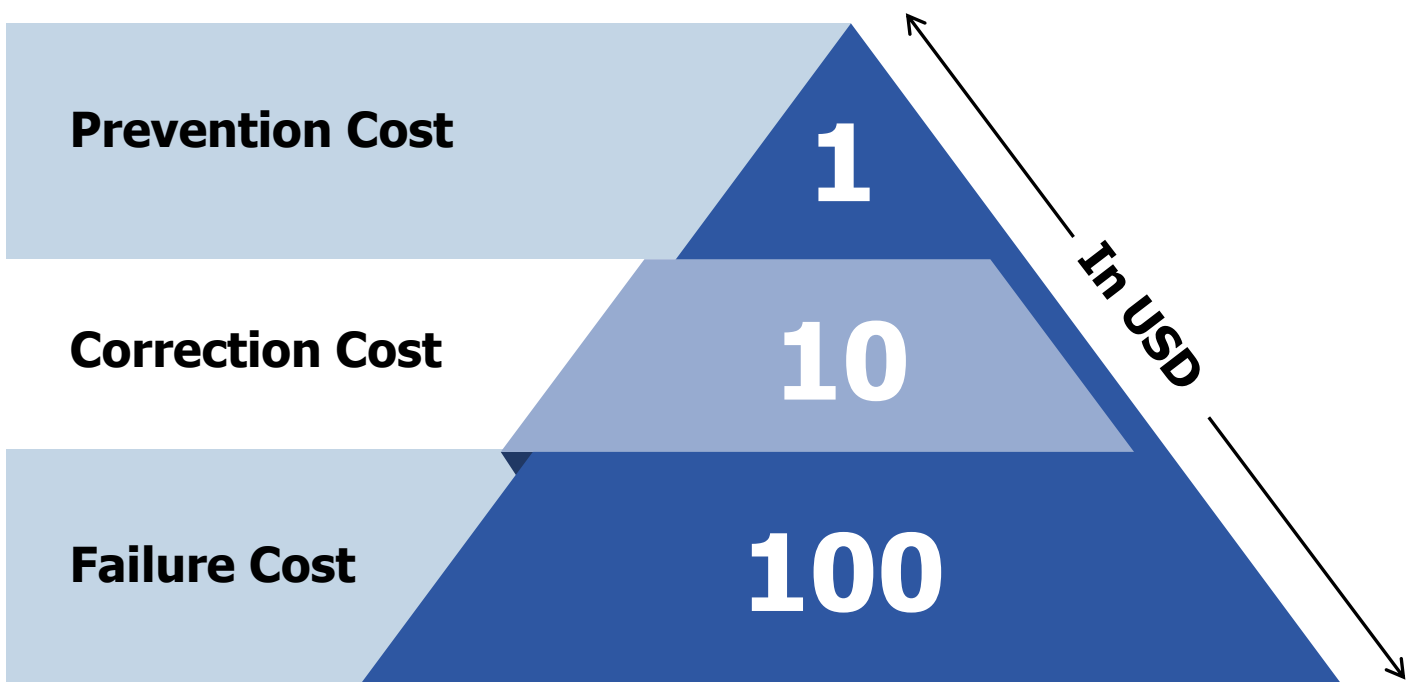
### 5. Reduced risk of building the wrong thing

User research is a tool to determine what your customers will find most suited to their needs. With a good UX, you can be sure of creating something that your users will find usable and valuable, thus, reducing the risk of building something wrong or useless.



According to the 1:10:100 rule, a change during initial research will cost you \$1, \$10 to change your design during development, and \$100 to change your product post-release maintenance.

Hence, it is much less expensive to avoid designing a product that is problematic in the first place than to fix it later on. Organizations can reduce their product development cycles by 33-50% by investing in UX during the project's concept phase.



# 05

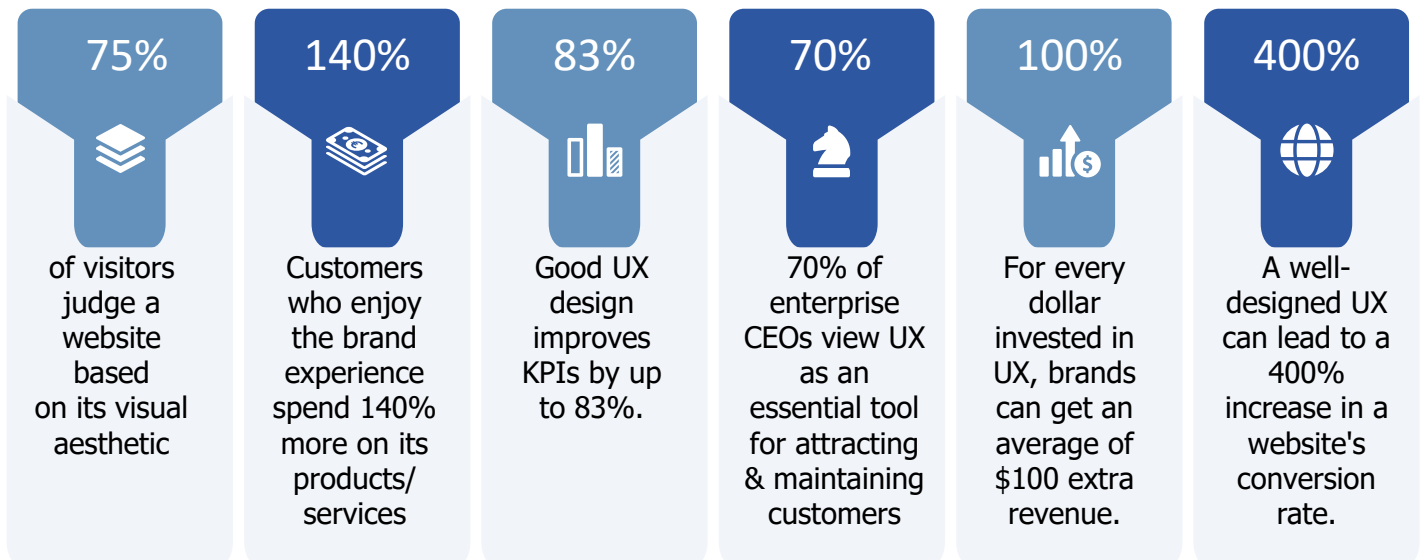
## Bottom line

# UX Design Isn't a One-time Effort

Products evolve, and without an incessant approach to your UX design, your application risks looking outdated and antiquated. Like any other important business tool, your web applications and interfaces must be intuitive, easy to use, adaptable, flexible, and most importantly, capable of keeping up with the changing technologies, behaviors, and expectations.

A good UX acts as a value add to any software dev process by providing clear, tangible benefits. Better user experience in customer-facing applications leads to increased customer satisfaction, enhanced user retention, and improved market share. For internal enterprise apps, a good UI/UX leads to higher employee engagement and interaction and improved productivity.

In all these cases, improving the usability of a product cuts down the development and the support costs significantly.

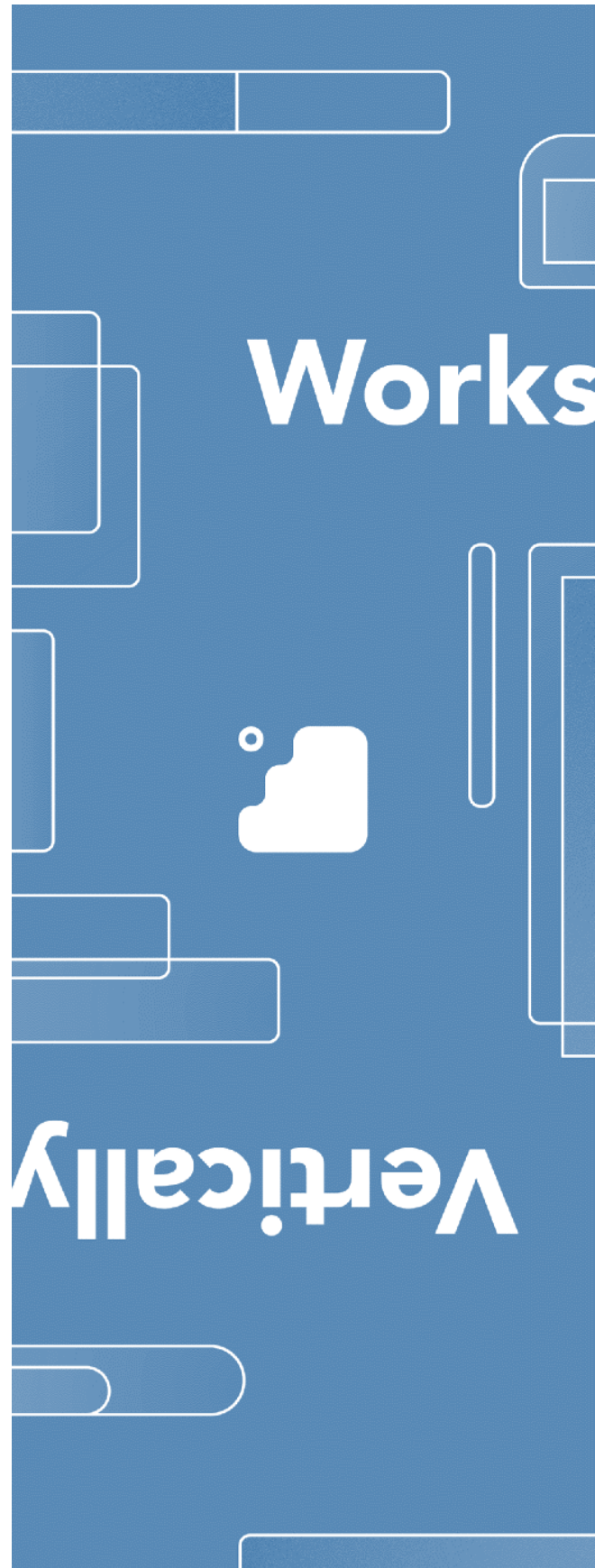


## Better UX = Better Business.

The above statement can be easily justified with the help of the below-mentioned research-based evidence:

To further prove the point as to why better UX means better business, let us look at an industry use case from the advertising industry. Designer Michael Sueoka from Lucidity - an online advertising firm, shared his hands-on experience as to how he and his firm helped a client reduce their business process time significantly, making the entire process much more effective and efficient with the help of UX.

Lucidity's UX team studied the process of some account managers of their client's organization as to how they launch new ad campaigns for their clients. The UX team, through their detailed research project, identified several bottlenecks that were slowing down some of the crucial parts of the launch process.



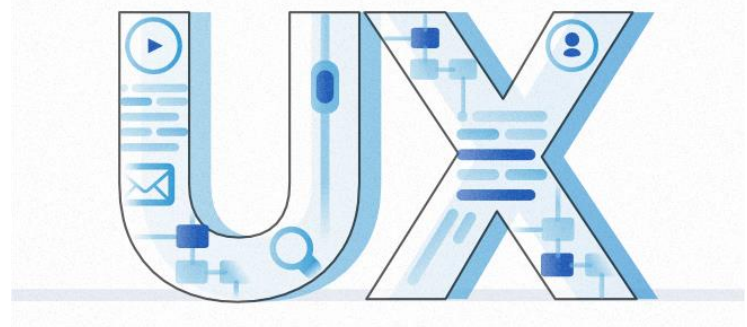
Using UX design, the team of designers was able to create a new process that reduced the time per launch by over 70%, in turn allowing the company to earn extra 60% revenue with additional time savings.

This clearly underscores the transformative role that UX design can play in making processes, products, and services more efficient, both internally and externally.



"Design-driven businesses have outperformed the S&P by a whopping 228% over the past ten years. The bottom line, good design = good business."- Joanna Ngai, UX designer, Microsoft

So, what are you waiting for? Improve your business by improving your UI/UX. Connect with our UI/UX experts at **Worxwide Consulting** and take the first step towards success and enhanced ROI.





# How Worxwide can help you?

Connect with us

Worxwide will handhold you from ideation to design to market; including business and technical brainstorming. We have a dedicated team of digital innovators, growth consultants and UI UX designers to help you build long-term relationships beyond revenues with your clientele.

**Book your  
Free Consultation with our  
experts Right Now**

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