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CASE STUDY

AppFolio User Experience Vision & Strategy

MY ROLE

Head of Design, AppFolio Community Associations BU

SUMMARY

I led the development and implementation of a comprehensive UX Vision & Strategy, transforming a poorly adapted product into a tailored solution for the HOA real estate market.

This strategic initiative resulted in a **25% increase in satisfaction scores**, a **15% reduction in customer churn**, and enabled the sales team to **close a \$125K deal** by addressing key user concerns.

SITUATION

AppFolio, a **B2B SaaS property management software provider**, attempted to enter the HOA market by adapting its residential software. This failed due to insufficient understanding of the industry's unique needs. Customer frustration led AppFolio to establish a dedicated HOA and Community Associations (CA) division.



As Head of Design for the new division, **I led UX design and research, developing and implementing the UX Vision & Strategy**. This strategic leadership was crucial in aligning user needs with business objectives, driving success for both the design team and the broader business unit.

PROBLEM IDENTIFICATION

A Product Market Fit survey revealed **significant shortcomings** in meeting industry expectations.

Customers expressed concerns about AppFolio's understanding of the CA sector and operational challenges posed by our software.

ACTUAL CUSTOMER FEEDBACK

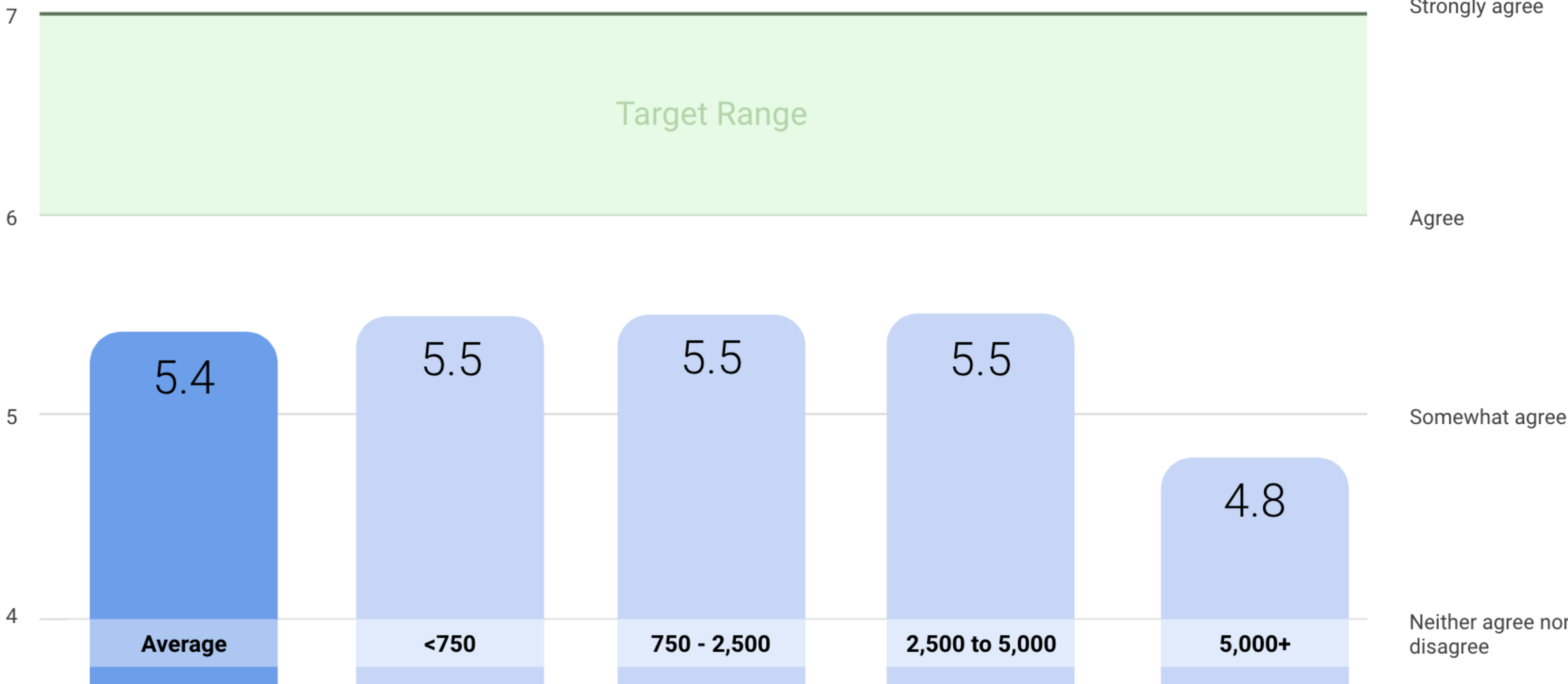
You need to understand the CA industry better. AppFolio just converted residential pages to CA.

We did not realize you were **not CA-based**. That caused us a lot of pain.

ACTUAL CUSTOMER FEEDBACK

PROBLEM IDENTIFICATION

I think AppFolio's community association features...
can support my company's needs if we grow in the future.



Survey results fell **well below benchmarks**, especially regarding our ability to support future growth needs.

This feedback from existing customers highlighted **critical gaps** between our offering and market requirements.

TASK

My primary task was to develop and implement **a comprehensive five-year UX Vision and Strategy**. I aimed to address the following key challenges:

1. Bridge the Gap Between Product and Market Needs:

Develop a deep understanding of the HOA and CA industry to align our software with specific user requirements.

2. Improve User Satisfaction: Address the concerns raised in the PMF survey by enhancing the user experience and demonstrating our commitment to the CA sector.

3. Support Future Growth: Design a scalable UX strategy that would meet current needs and accommodate future industry developments and customer growth.

4. Align UX with Business Objectives: Ensure that the UX vision and strategy supported the broader business unit goals and contributed to AppFolio's success in the CA market.

5. Lead and Empower the Design Team: Guide the UX design and research efforts, fostering a user-centered approach across the team and the business unit.

6. Establish UX Metrics: Develop key performance indicators (KPIs) to measure the success of UX initiatives and demonstrate their impact on business outcomes.

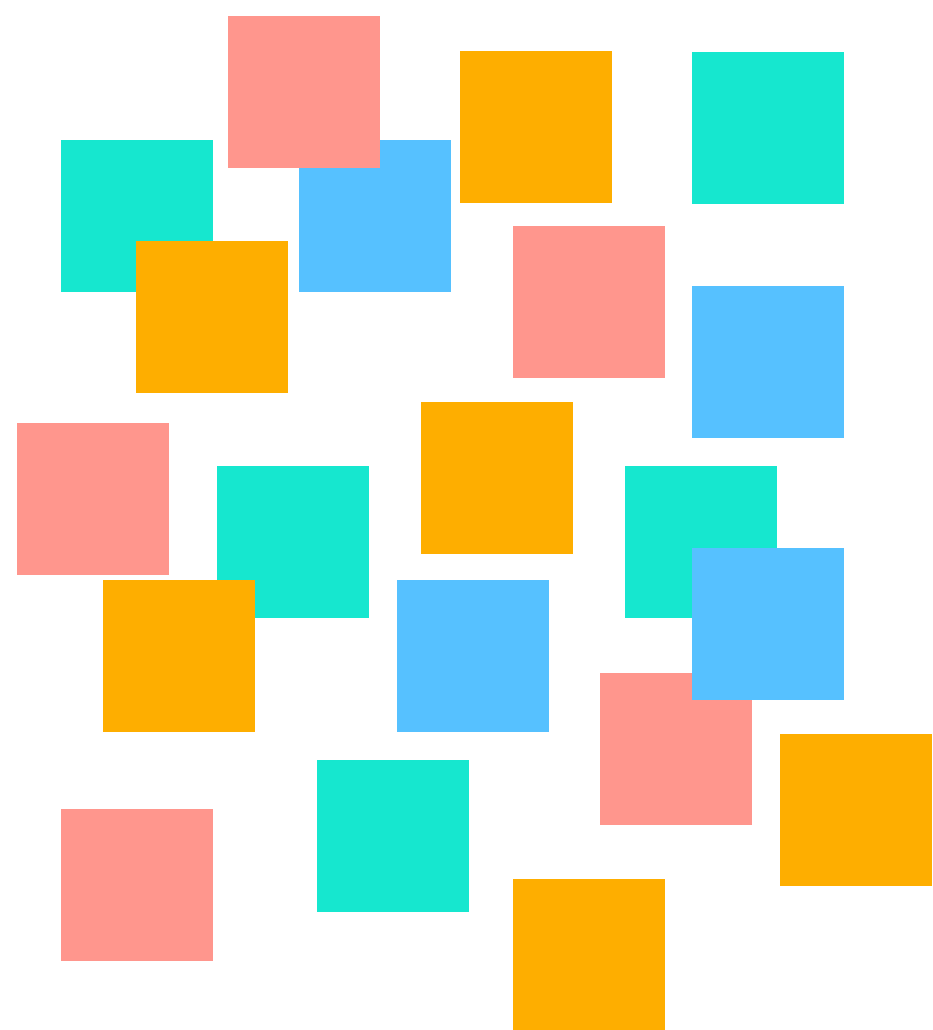
7. Facilitate Cross-Functional Collaboration: Work closely with product management, engineering, and other stakeholders to ensure the UX strategy was integrated into the overall product development process.

ACTIONS

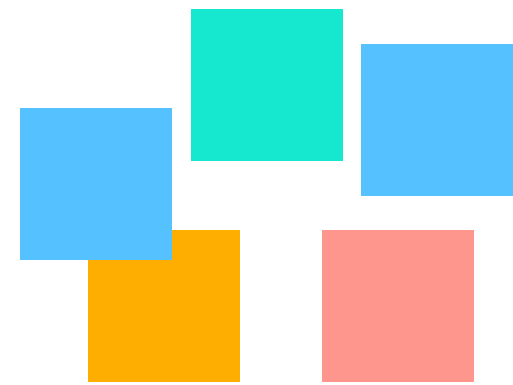
To address the challenges and capitalize on the opportunity in the market, **I led a comprehensive UX Vision & Strategy development process.**

This involved several key actions:

**Leading
“How Might We” Workshops**



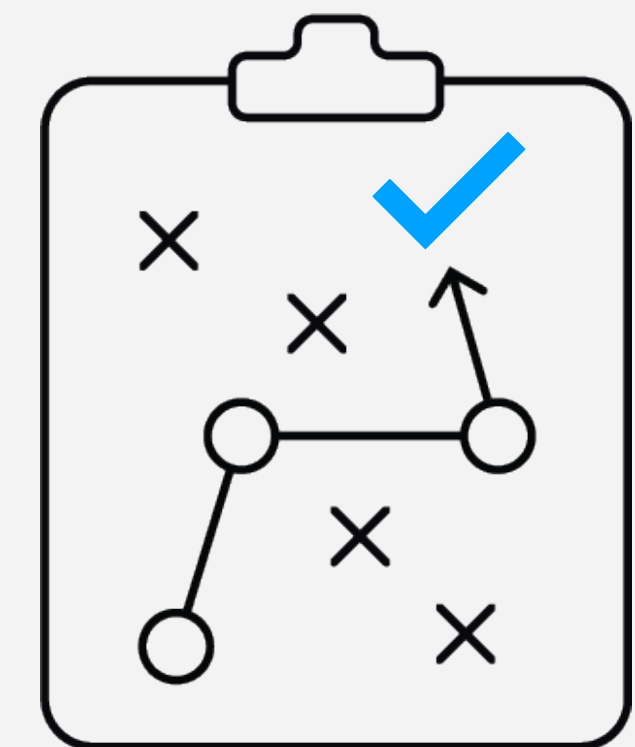
**Defining
Core Themes**



**Developing
Vision Statement**



**Establishing
Strategic Direction**



STEP 1: LEADING HOW MIGHT WE WORKSHOPS

The vision development process started with **facilitating “How Might We” workshops**, which brought together the UX design team and other divisional leaders.

Together we answered critical questions about the **desired user experiences we wanted our customers to have**, goal alignment, and product differentiation.

HMW...allow CAMs to get their jobs done in half the time?

HMW...make CA lead in all NPS scores for the company?

HMW...be the most popular CA software on the market?

HMW...allow CAMs to triple their number of units w/o adding staff?

HMW...make CA the most profitable business segment?

HMW...make it so easy for CAMs that they forget we have a CS team?

STEP 2: DEFINING CORE THEMES

As the workshop progressed, patterns began to emerge among the sticky notes. **We distilled our ideas into five core themes** that would become the pillars of our UX vision: Purpose Built, Our Reputation, Automation, Customer UX, and Ease of Use.

These themes **encapsulated our commitment to creating a product that was true to the needs of our CA customers**, establishing AppFolio as the go-to name in CA software, and significantly improving the homeownership experience.

1. Purpose Built

We tailor everything to our CA customers' needs.

2. Our Reputation

We lead the way in property management software.

3. Automation

AppFolio streamlines tasks, boosting customer efficiency.

4. Customer UX

We help customers enhance homeowner experiences.

5. Ease of Use

Faster onboarding and less support needed for tasks.

STEP 3: DEVELOPING OUR VISION STATEMENT

From these themes, we crafted our UX Vision Statement. After numerous iterations, we finally landed on a statement that resonated. This vision statement became **our North Star, guiding our decisions moving forward.**

As a **CA industry innovator**, AppFolio allows customers to get **more done in less time**. We are a **trusted technology partner** offering **simple solutions** to help our customers create **happy homeowners** everywhere.

Purpose Built

Automation

Reputation

Ease of Use

Customer UX

STEP 4: ESTABLISHING STRATEGIC DIRECTION

With a solid five-year vision in place, we zeroed in on our immediate “Horizon 1” - **the launch of our new CA product**. We focused on being purpose-built, prioritizing ease of use, and positioning ourselves as industry experts.

To sharpen our focus even further, we asked ourselves a critical question:

“What is the single most critical UX goal we must achieve to avoid failure?”





STEP 4: ESTABLISHING STRATEGIC DIRECTION

After much deliberation, we boiled down our key UX challenge to this:

“As we continue to evolve, customers and prospects must see us as an authentic community management platform that is extremely easy to use and exceeds the demands of today's CA professionals.”

This challenge became our rallying cry, uniting our team in a common purpose.

STEP 4: ESTABLISHING STRATEGIC DIRECTION

The final piece of our strategy puzzle was **establishing a set of rigorous UX goals and KPIs.**

We crafted six ambitious goals, each with a clear plan for achievement.

From committing to usability testing everything to aiming for specific System Usability Scale scores, **these goals would serve as our compass, ensuring we stayed on course towards our vision.**

appfolio

Community Associations

UX Goals & KPIs

The following UX Goals and KPIs provide measurable metrics that allow our team and stakeholders to assess the performance and impact of our design decisions. By tracking specific KPIs we will gain valuable insights into user behavior and preferences. This data-driven approach enables iterative improvements, helping to enhance product effectiveness and align business objectives with user needs.

1. We Value Feature-Level Usability

We will understand product usability on a holistic and granular level. We will achieve System Usability Scale (SUS) of 80% or better.

How we will accomplish this:

- SUS scores will be captured and calculated during in-production usability tests
- Scores lower than 80% will be noted and refined until our goal is achieved

Confidential

2. Ease of Use Is Paramount

We will achieve a 6 (out of a possible 7) or greater on Single Ease Question (SEQ) scores as a way to maintain a high level of product usability.

How we will accomplish this:

- SUS We will achieve a score of 6 out of 7 (or better) for all tested product features
- SEQ scores will be captured and calculated during formal (in-production) usability tests
- Average scores lower than 6 will be noted and refined until our goal is achieved

3. We Are a Better Fit

More than 70% of our customers agree that AppFolio CA features can be a good fit: a) For their company; b) For their current role; and, 3) If they grow in the future

How we will accomplish this:

- We will regularly talk with CAMs, homeowners, and boards to understand their needs
- We will include CAMs, homeowners, and boards in discovery and usability testing
- We will regularly survey our customers to better

RESULTS

After implementing our UX Vision & Strategy, **we saw significant improvements** across several areas of our business, from user satisfaction to operational efficiency. In the end, we achieved several notable outcomes:

Unblocked Sales

Unblocked the sales department from **closing a deal worth over \$125K** by addressing key customer concerns through targeted UX improvements.

Improved SUS Scores

Achieved a **25% increase in System Usability Scale (SUS) scores** within the first year of implementing the UX Vision & Strategy, surpassing our goals.

Reduced Churn

Reduced customer churn rate by 15% through enhanced UX and alignment with market needs, directly contributing to improved customer retention

LESSONS LEARNED

Throughout this transformative process of developing and implementing our UX Vision & Strategy, several valuable insights emerged:

- **Cross-functional collaboration is key:** Involving stakeholders from various departments early in the UX strategy led to more holistic solutions and smoother implementation. This approach improved the product and fostered a company-wide culture of user-centricity..
- **Quantitative metrics can overshadow qualitative insights:** Surprisingly, we found that an overemphasis on quantitative UX metrics sometimes led us to overlook crucial qualitative feedback. Balancing data with qualitative research revealed nuanced user needs that numbers alone missed.
- **Flexibility in vision is crucial:** Having a clear long-term vision was essential, but adaptability was equally important. Rapidly evolving needs required strategic adjustments to stay relevant and effective without losing sight of core objectives.