

A Forrester Total Economic
Impact™ Study
Commissioned By
Seismic

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May 2016

The Total Economic Impact™ Of The Seismic Sales Enablement Platform

Cost Savings And Business Benefits
Enabled By The Seismic Sales
Enablement Platform

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ABOUT FORRESTER CONSULTING

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Executive Summary

Seismic commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Seismic sales enablement platform. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Seismic on their organizations, to leverage sales content management to win, serve, and retain customers.

To better understand the benefits, costs, and risks associated with a Seismic implementation, Forrester interviewed four customers who have multiple years of experience using Seismic. Seismic offers companies of all sizes a secure sales enablement and content management platform that acts as a central hub for all sales materials. With Seismic, sales teams can easily access automatically updated marketing materials and presentations that are targeted and on-brand. Seismic enables sales employees to spend less time customizing presentations while providing marketers with the ability to get real-time analytics to see which materials are working with prospects and customers. This helps organizations increase productivity within their sales and marketing teams, uncover new sales opportunities with existing customers, and increase customer satisfaction.

Prior to Seismic, interviewed customers faced the challenge of their sales and account management reps spending a considerable amount of time searching for and customizing material rather than focusing on revenue-generating activities. In addition, organizations housed sales content across many different locations, which led to issues with version control, branding, and compliance, along with a reduction in the quality of prospect and customer interactions. The VP of sales operations at a leading insurance software provider claimed: “Before Seismic, we had 11 different access points across SharePoint sites, company intranet, employee desktops, and our digital asset management platform. Sales reps were using outdated materials and messaging with our prospects and customers, and we had no visibility to track and monitor the environment. Seismic’s platform has radically improved our sales enablement process and has given us a central repository for marketing and sales teams to develop, update, and access materials easily.”

SEISMIC IMPROVES SALES EFFICIENCY, MARKETING EFFECTIVENESS, AND CUSTOMER SATISFACTION

Our interviews with four existing customers and a subsequent financial analysis found that a representative organization based on these organizations experienced the risk-adjusted ROI, benefits, and costs shown in Figure 1.¹ See Appendix A for a description of the representative organization.

The representative organization analysis points to three-year benefits of over \$24 million versus implementation and license costs of \$3.5 million, adding up to a net present value (NPV) of \$20.7 million.

Seismic’s sales enablement platform can help boost sales team productivity, drive new revenue through higher-quality customer touchpoints, and increase marketing efficiency.

The costs and benefits for a US-based representative organization with 1,000 sales employees, based on customer interviews, are:

- **Implementation costs: \$697,703.**
- **Annual license costs: \$1,028,500.**
- **Total three-year benefits: over \$24 million.**

FIGURE 1

Financial Summary Showing Three-Year Risk-Adjusted Results

ROI: 578%	Annual license costs: \$1.02 million	Total three-year benefits: \$24.2 million	NPV: \$20.7 million
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Source: Forrester Research, Inc.

› **Benefits.** The representative organization experienced the following risk-adjusted present value benefits that represent those experienced by the interviewed companies:

- **Sales teams realize 85% productivity gains in time spent on finding and developing materials for customer touchpoints.** Prior to the investment in Seismic, sales teams at the representative organization were spending an average of 8 hours a week or 20% of their time trying to find and develop materials for their prospect meetings. Seismic's platform increases the sales team's productivity by automatically creating customized and targeted sales material with the most current data and brand messaging. Additionally, Seismic provides a central repository for sales reps to easily access materials on any device. The representative organization's sales teams were able to reduce their time by 85%, or from 8 hours a week to 1 hour a week, on these time-intensive and non-revenue-generating activities.

Seismic's platform includes unique features and functionality that help sales teams quickly develop targeted materials with the right message, in order to help accelerate the sales cycle with higher-quality discussions with prospects and customers. LiveDoc™ is a feature that allows businesses to automatically update materials with real-time data from both internal and external data sources. Seismic's LiveSend and LiveShare features give the organization visibility into and reporting on how leads and customers are interacting with the sales material. This allows for real-time optimization in messaging across the sales cycle based on ongoing results.

- **Account/sales reps can achieve an additional 15% in revenue from existing customers.** Seismic allows account or sales reps to have more informed and targeted touchpoints with their customers. The seamless integration with internal systems like Microsoft Office, Salesforce.com, and other real-time external data sources like Morningstar allows reps to develop more meaningful insights to have more informed reviews and proactive discussions with their customers based on their current needs. Prior to Seismic, reps were having more generic conversations and using outdated materials, which hurt their ability to realize the full potential of their customers. With Seismic, the materials are well formatted and incorporate the current customer branding attributes, which leads to higher satisfaction and engagement of existing customers.

The representative organization estimated that customer-facing reps were able to generate an additional 15% of revenue from upselling and cross-selling products utilizing Seismic's platform. For the representative organization, this resulted in an additional \$3.2 million of revenue over three years.

- **Sales teams are able to deliver an additional 15% in new business revenue due to better prospect touchpoints.** Seismic has helped organizations be more effective during prospect meetings and touchpoints. Sales teams have the ability to quickly pull in real-time data and gain valuable insights on competitive landscapes, regional trends, and a company profile on a particular prospect. This allows sales reps to be more informed and effective in communicating the value of their solution to potential prospects.

The representative organization's average yearly revenue quota for its sales reps is \$800,000. Due to both sales team productivity and effectiveness, the representative organization is able to generate a 5% lift in sales performance. Fifteen percent of this lift in revenue can be attributable to the sales team's effectiveness in having more robust and targeted discussions with its prospects. As a result, the representative organization was able to realize an additional \$12 million of revenue over three years.

“Seismic’s platform has radically improved our sales enablement process and has given us a central repository for marketing and sales teams to develop, update, and access materials easily.”

~ VP sales operations, leading insurance software provider

- **Marketing full-time equivalents (FTEs) improve productivity by 30%.** Seismic provides an enterprise content management platform that links sales materials to real-time internal and external sources, ensuring that sales teams are using the most up-to-date documents that are easily accessible. Additionally, Seismic includes powerful analytics, giving marketers full visibility into how sales materials are working with both prospects and customers. This drives efficiency, as marketers can quickly optimize messaging across customer-facing materials.

The representative organization estimated that its marketing team experienced a 30% increase in productivity from developing and managing sales materials, which results in a three-year benefit of over \$870,000.

- **Other benefits.** The interviewed organizations experienced additional benefits, including stronger collaboration between marketing and sales teams, higher customer NPS scores, shortened sales cycles, and increased employee satisfaction.

› **Costs.** The representative organization experienced the following three-year risk-adjusted costs:

- **Seismic licensing costs for 1,000 sales/account reps and 50 marketers of \$3,085,500.** These are based on annual fees paid to Seismic for using its solution.
- **Professional services costs of \$154,275.** These include costs for data migration, tagging documents, integration requirements, and testing for the Seismic implementation. For the representative organization, this equated to 15% of its annual license cost.
- **Implementation costs of \$480,000.** The full implementation process for the representative organization took eight months. However, in six to eight weeks, the representative organization was able to integrate basic functionality of Seismic and start realizing its benefits. Full integration, training, and rollout of Seismic took about eight months. The representative organization estimated a total of six internal FTE requirements from Salesforce.com specialists, marketers, project managers, developers, and sales teams to fully integrate and launch the solution in its environment. These costs capture the internal labor spent on this transition as well as the rollout of Seismic.
- **Ongoing internal labor costs of \$120,000 each year.** Ongoing administration, training, maintenance, and support of Seismic required one FTE annually for the representative organization.

“Seismic’s platform has dramatically improved our sales process. We are able to generate targeted customer presentations on the fly. We now have customer logos and demographic metadata stored by geographic location and size, so our sales teams can pull in relevant data quickly and identify and present solutions that are more meaningful and impactful.”

~ President, healthcare information and technology provider

Disclosures

The reader should be aware of the following:

- › The study is commissioned by Seismic and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.
- › Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in Seismic for enterprise content collaboration.
- › Seismic reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.
- › Seismic provided the customer names for the interviews but did not participate in the interviews.

TEI Framework And Methodology

INTRODUCTION

From the information provided in the interviews, Forrester has constructed a Total Economic Impact (TEI) framework for those organizations considering implementing Seismic's sales enablement platform. The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision, to help organizations understand how to take advantage of specific benefits, reduce costs, and improve the overall business goals of winning, serving, and retaining customers.

APPROACH AND METHODOLOGY

Forrester took a multistep approach to evaluate the impact that Seismic can have on an organization (see Figure 2). Specifically, we:

- › Interviewed Seismic marketing and sales professionals, along with Forrester analysts, to gather data relative to the Seismic platform and the marketplace for collaboration solutions.
- › Interviewed four organizations currently using Seismic to obtain data with respect to costs, benefits, and risks.
- › Designed a representative organization based on characteristics of the interviewed organizations (see Appendix A).
- › Constructed a financial model representative of the interviews using the TEI methodology. The financial model is populated with the cost and benefit data obtained from the interviews (as applied to the representative organization).
- › Risk-adjusted the financial model based on issues and concerns the interviewed organizations highlighted in interviews. Risk adjustment is a key part of the TEI methodology. While interviewed organizations provided cost and benefit estimates, some categories included a broad range of responses or had a number of outside forces that might have affected the results. For that reason, some cost and benefit totals have been risk-adjusted and are detailed in each relevant section.

Forrester employed four fundamental elements of TEI in modeling the Seismic product: benefits, costs, flexibility, and risks.

Given the increasing sophistication that enterprises have regarding ROI analyses related to IT investments, Forrester's TEI methodology serves to provide a complete picture of the total economic impact of purchase decisions. Please see Appendix B for additional information on the TEI methodology.

FIGURE 2

TEI Approach



Source: Forrester Research, Inc.

Analysis

REPRESENTATIVE ORGANIZATION

For this study, Forrester conducted a total of four interviews with representatives from the following companies, which are Seismic customers:

- › A US-based technology company that provides agency management systems and data exchange between agencies, carriers, and their clients.
- › A leading financing and credit services company based in the US that works directly with customers, businesses, and healthcare providers across industries to provide tools, technology, and services to help meet their financing needs.
- › A US healthcare information and technology company that serves over 50 million healthcare requests through its customer base of over 18,000 healthcare providers.
- › A leading Fortune 500 financial services institution headquartered in the US that is the leader retirement provider across a broad range of industries.

Organizations of all types benefit from Seismic, including technology, financial services, healthcare, insurance, and manufacturing companies looking to increase sales productivity and marketing effectiveness by delivering the right content, at the right time, and on any device.

Based on customer interviews with four existing Seismic customers, Forrester constructed a representative organization that highlights the financial benefits, costs, and the associated ROI experienced from implementing Seismic. The representative organization used for our analysis is described below:

- › It is a US-based organization with 12,000 employees.
- › Sales (inside, field, and corporate) represents approximately 7% of the company, or 800 employees, to drive new business.
- › It has 200 account reps to manage existing relationships with targets to upsell/cross-sell customers.
- › It has 50 marketing (or sales enablement) FTEs dedicated to developing and managing sales content for both sales teams and account reps.

Seismic enables sales and marketing professionals to customize content automatically and use analytics to optimize materials that lead to higher-value engagements with customers and prospects. The representative organization and the interviewed customers shared the following goals and objectives for an investment in Seismic:

- › Improve sales productivity and reduce time spent on non-revenue-generating activities.
- › Improve account management effectiveness.
- › Improve collaboration between marketing and sales teams.

“Prior to Seismic, our sales teams had a tendency to go rogue and develop their own materials. Now we have much tighter control over content and branding, which has resulted in significant more output.”

~ Head of publishing, leading financial services company

- › Integrate with both existing in-house systems (e.g., Salesforce.com and Microsoft Office) and external data sources (e.g., Morningstar).

After evaluating multiple vendors, the representative organization chose Seismic and began deployment. Implementation started three years ago, with 1,000 licenses for the organization's sales and account reps and 50 administrative licenses for its marketing team.

INTERVIEW HIGHLIGHTS

Situation

The organizations interviewed were searching for a sales enablement solution that would reduce the time their sales teams spend on non-revenue-generating activities. The representative organization faced the challenge of having limited control over the materials and documents that sales and account teams were using with their prospects and customers. The representative organization needed a flexible integrated platform that provided an end-to-end solution to the organization's sales enablement needs, allowing for better visibility and consistency and delivering the right message with real-time data to drive business value in a much more efficient and effective manner.

The representative organization was also experiencing pressure on marketing resources to constantly update materials across many different systems, track document usage, and ensure that sales teams were using the right materials. The representative organization realized that both sales and marketing productivity were not utilized efficiently, leading to nonoptimal customer and prospect touchpoints.

Highlights from discussions with the companies interviewed include:

- › Sales and account teams were spending far too much time customizing presentations for their customer meetings. They were cutting and pasting information manually, using outdated versions, and developing ad hoc materials, which both took a lot of time and did not always reflect the most updated information that marketing teams would create.
- › There was increased pressure on sales teams to shorten the sales cycle and increase conversion rates, and increased pressure on account reps to meet higher revenue targets.
- › Many of the interviewed organizations had multiple places that stored sales materials in a static format across digital asset management systems, SharePoint sites, Google Drives, and employee desktops. Organizations wanted to have a central repository and content management solution to store and manage all their sales materials, including marketing pitch books, fact sheets, sales presentations, and account review templates under one comprehensive system.
- › Organizations had moved toward an iPad/mobile device-based model for their sales teams and other field personnel. They were searching for a solution that would improve collaboration for their distributed teams and provide an easy way to access information over mobile/iPad devices.
- › Organizations were looking for a solution that allowed marketers to track usage and responses to different sales materials. This way they could optimize based on real-time feedback.

“Thanks to Seismic, we went from an unorganized way of doing things to an organized way of doing things.”

~ VP sales operations, leading insurance software provider

Solution

The representative organization selected Seismic for its comprehensive platform that allows sales and account teams to access and customize materials for their customer touchpoints in a much more efficient manner.

Additionally, Seismic provides usage analytics and great features and functionality for users to get information through mobile/iPad devices. It also integrates with existing systems and improves sales and marketing productivity.

Results

The interviews with Seismic customers revealed the following benefits:

- › **Sales team productivity gains.** The most significant benefit experienced by the interviewed organizations was the time savings of accessing and developing materials for prospect and customer meetings.
- › **Improved marketing efficiency.** Seismic customers reported that they were able to improve productivity within their marketing teams to develop and update sales materials with messaging based on analytics and reporting. Organizations reported that marketing teams were able to develop almost twice as much content with the same amount of marketing resources.
- › **Improved upsell and cross-sell opportunities.** Account reps with revenue targets were able to get more revenue from their existing customers by having better and more targeted presentations and reviews.
- › **Increased new business revenue.** Sales reps were able to increase their yearly revenue targets; they won more business by having more targeted touchpoints with prospects.
- › **Reduced time for legal and compliance reviews.** Seismic brought consistency and control within the interviewed organizations. There was less pressure on the organization to ensure that the customer-facing materials and data were compliant and on-brand.
- › **Increased scalability.** Another benefit noted by the interviewed organizations was their increased scalability and flexibility with Seismic's platform. Interviewees observed that they could easily add new users to the platform without any disruption.
- › **Improved collaboration.** With Seismic, companies found that sales and marketing could now easily collaborate. One organization noted that prior to Seismic, its marketing and sales teams were working in silos with minimal interaction. With Seismic, organizations have seen much more collaboration between marketing and sales teams to discuss what is working and optimize accordingly.
- › **Increased credibility.** One interviewed company noted that an interesting byproduct of its Seismic implementation was the increase in credibility of the organization. This stemmed from having professional and on-brand documents that were tailored and customized based on each customer and prospect profile.

“The ability to build presentations in a fraction of the time is a game changer for our sales organization.”

~ Head of publishing, financial services company

“The proof is in the pudding. Our sales teams went from 8 hours a week on preparing materials for a prospect meeting to less than 1 hour.”

~ President, healthcare information and technology provider

BENEFITS

The representative organization experienced a number of quantified benefits in this case study.

- › Increase in sales team productivity (efficiency).
- › Increase in upsell and cross-sell opportunities.
- › Increase in new business revenue.
- › Increase in marketing (sales enablement) efficiency.



Increase In Sales Team Productivity (Efficiency)

One of the key benefits of Seismic cited by the interviewed organizations was the ability to dramatically reduce the time sales teams spend in accessing and developing materials for their customer-facing meetings. Additionally, Seismic's sales enablement platform provides sales teams with the right content that they can present through any device. This flexibility and efficiency significantly improved productivity for the representative organization. In order to quantify the impact of this benefit for the representative organization, we looked at the 800 inside, field, and corporate sales employees using Seismic.

The representative organization estimated that 20% of a sales employee's time was dedicated to developing materials for customer meetings. With Seismic, the representative organization was able to gain 85% efficiency in the time spent by the sales team on getting materials ready for a customer touchpoint. During the first year, the representative organization achieved 40% efficiency while it was implementing the solution. To be conservative, Forrester assumes that only half of this saved time is captured for productive use and affects the organization's bottom line. This results in \$3.3 million in productivity in Year 1 and \$7.07 million in productivity value in years 2 and 3 for the representative organization (see Table 1). Due to the inherent uncertainty in estimating productivity benefits, we applied a risk-adjustment of 15%, lowering the productivity value to \$2.8 million in Year 1 and \$6.01 million in years 2 and 3.

TABLE 1

Increase In Sales Team Productivity (Efficiency)

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
A1	Number of sales FTEs			800	800	800
A2	Hourly fully burdened cost of an FTE			\$50	\$50	\$50
A3	Number of yearly working hours			2,080	2,080	2,080
A4	Percent of hours dedicated to developing sales materials			20%	20%	20%
A5	Percent of hours saved dedicated to developing sales materials			40%	85%	85%
A6	Percent productivity captured			50%	50%	50%
At	Increase in sales team productivity (efficiency)	$A1 \times A2 \times A3 \times A4 \times A5 \times A6$	\$0	\$3,328,000	\$7,072,000	\$7,072,000
	Risk adjustment	↓15%				
Atr	Increase in sales team productivity (efficiency) (risk-adjusted)		\$0	\$2,828,800	\$6,011,200	\$6,011,200

Source: Forrester Research, Inc.



Increase In Upsell And Cross-Sell Opportunities

Another key benefit cited by Seismic customers was around the ability to increase upsell and cross-sell activities by their account management teams. With real-time updates on materials, account and sales reps were able to gain more insights into their customers and have more targeted reviews and discussions with them. This led to account teams uncovering more opportunities to further sell into their existing customer base.

To include this benefit in the financial model, the representative organization estimated that each account or sales rep was responsible for driving an additional \$50,000 in revenue from the customer base. The representative organization claimed that 15% of this revenue generated through upsell and cross-sell activities could be attributed to Seismic once the solution was fully implemented. In the first year, the representative organization was able to achieve an additional 7.5% in revenue as it ramped up its account and sales reps. This results in an incremental yearly benefit of \$1.5 million for the representative organization after Year 1. We risk-adjusted this calculation by 15% to account for the uncertainty inherent in attributing revenue to a platform, to arrive at a total benefit of \$637,500 in Year 1 and \$1.28 million in years 2 and 3 (see Table 2).

TABLE 2
Increase In Upsell And Cross-Sell Opportunities

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
B1	Number of account reps			200	200	200
B2	Increase in revenue from existing clients			\$50,000	\$50,000	\$50,000
B3	Revenue attributable to Seismic			7.5%	15%	15%
Bt	Increase in account management productivity	$B1*B2*B3$	\$0	\$750,000	\$1,500,000	\$1,500,000
	Risk adjustment	↓15%				
Btr	Increase in account management productivity (risk-adjusted)		\$0	\$637,500	\$1,275,000	\$1,275,000

Source: Forrester Research, Inc.



Increase In New Business Revenue

In addition to driving more revenue from existing customers, Seismic helps organizations win new business from prospects. Sales reps are able to get real-time data and pull in insights on the prospects they are engaging with to have more targeted touchpoints and win more business for their organization.

The representative organization has 800 quota-carrying sales reps who, on average, are responsible for delivering \$800,000 of revenue each year. Due to Seismic, the representative organization was able to see a 5% lift in sales performance across its sales team. Similar to the revenue lift from existing customers, the representative organization was able to attribute 15% of the additional revenue to having more informed and effective touchpoints with prospects. This results in an additional \$2.4 million of new business revenue in Year 1 and \$4.8 million of new business revenue in years 2 and 3. We risk-adjusted this calculation by 15% to account for the uncertainty inherent in attributing revenue to a platform, to arrive at additional revenue of \$2.04 million in Year 1 and \$4.08 million in years 2 and 3 (see Table 3).

TABLE 3
Increase In New Business Revenue

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
C1	Number of sales (inside and outside) FTEs			800	800	800
C2	Average revenue generated per sales FTE (yearly quota)			\$800,000	\$800,000	\$800,000
C3	Lift in sales performance due to Seismic			5%	5%	5%
C4	Revenue attributable to sales team effectiveness			15%	15%	15%
C5	Percent revenue captured			50%	100%	100%
Ct	Increase in sales team effectiveness	$C1 \cdot C2 \cdot C3 \cdot C4 \cdot C5$		\$2,400,000	\$4,800,000	\$4,800,000
	Risk adjustment	↓15%	\$0			
Ctr	Increase in sales team effectiveness (risk-adjusted)			\$2,040,000	\$4,080,000	\$4,080,000

Source: Forrester Research, Inc.



Increase In Marketing Productivity

The representative organization reported that its marketing and sales enablement teams that were responsible for developing, updating, and maintaining sales material saw a sizable productivity gain through its investment in Seismic. Seismic's LiveDoc technology automatically pulls in the most relevant data from internal and external systems, which saves marketing teams from manually updating sales materials. Seismic's platform also provides real-time usage data on which documents and materials are working with prospects and customers. This provides powerful insights for marketers to ensure that the right message is being delivered at the right time. In addition, Seismic has workflow features that allow templates and presentations to go quickly through legal, compliance, and brand reviews, which were time-intensive processes previously.

The representative organization has 50 marketing employees who spend about 50% of their time developing and managing sales materials. The interviewed companies indicated that their investment in Seismic increased productivity of these employees by 30%. To be conservative, Forrester assumes that only half of this saved time is captured for productive use in Year 1 before getting to a steady state in years 2 and 3. This results in \$390,000 in productivity value for the representative organization in Year 1 and \$780,000 in productivity value in years 2 and 3 (see Table 4). Due to the inherent uncertainty in estimating productivity benefits, we applied a risk-adjustment of 15%, lowering the steady state productivity value to \$663,000 per year.

TABLE 4
Increase In Marketing (Sales Enablement) Productivity

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
D1	Number of marketing FTEs (responsible for developing and managing sales content)			50	50	50
D2	Hourly fully burdened cost of FTE			\$50	\$50	\$50
D3	Number of yearly working hours			2,080	2,080	2,080
D4	Percent of time developing, managing, and reviewing sales content			50%	50%	50%
D5	Percent of hours saved dedicated to developing sales materials			30%	30%	30%
D6	Percent marketing productivity captured			50%	100%	100%
Dt	Incremental output per worker	$D1 \cdot D2 \cdot D3 \cdot D4 \cdot D5 \cdot D6$	\$0	\$390,000	\$780,000	\$780,000
	Risk adjustment	↓15%				
Dtr	Incremental output per worker (risk-adjusted)		\$0	\$331,500	\$663,000	\$663,000

Source: Forrester Research, Inc.

Total Benefits

Table 5 shows the total of all benefits across the three areas listed above, as well as present values (PVs) discounted at 10%. Over three years, the representative organization expects risk-adjusted total benefits to be a PV of more than \$24 million.

TABLE 5
Total Benefits (Risk-Adjusted)

Ref.	Benefit Category	Initial	Year 1	Year 2	Year 3	Total	Present Value
Atr	Increase in sales team productivity (efficiency)	\$0	\$2,828,800	\$6,011,200	\$6,011,200	\$14,851,200	\$12,055,874
Btr	Increase in customer upsell/cross-sell revenue	\$0	\$637,500	\$1,275,000	\$1,275,000	\$3,187,500	\$2,591,191
Ctr	Increase in new business revenue from improving sales team effectiveness	\$0	\$2,040,000	\$4,080,000	\$4,080,000	\$10,200,000	\$8,291,811
Dtr	Increase in marketing (sales enablement) efficiency	\$0	\$331,500	\$663,000	\$663,000	\$1,657,500	\$1,347,419
	Total benefits (risk-adjusted)	\$0	\$5,837,800	\$12,029,200	\$12,029,200	\$29,896,200	\$24,286,295

Source: Forrester Research, Inc.

COSTS

The representative organization experienced a number of costs associated with the enterprise content collaboration solution:

- › Seismic license costs.
- › Internal support costs.
- › Professional services.

These represent the mix of internal and external costs experienced by the representative organization for initial planning, implementation, and ongoing support associated with the solution.



Seismic License Costs

Seismic license costs are charged based on sales users who can access the platform and marketing users who also have administrative capabilities to create and develop documents. The license cost per user remained constant over three years, with sales licenses at \$800 per user and marketing licenses at \$2,700 per user per year. The representative organization has 1,000 sales licenses and 50 marketing licenses, which results in \$935,000 per year (see Table 6). This yields a total risk-adjusted cost of approximately \$1.02 million per year for the representative organization.

TABLE 6
Seismic License Costs

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
E1	Seismic sales/account management licenses			1,000	1,000	1,000
E2	Yearly license cost per sales/account management users			\$800	\$800	\$800
E3	Seismic marketing licenses			50	50	50
E4	License yearly license cost per marketing user			\$2,700	\$2,700	\$2,700
Et	Seismic software license costs	$(E1 * E2) + (E3 * E4)$	\$0	\$935,000	\$935,000	\$935,000
	Risk adjustment	↑10%				
Etr	Seismic software license costs (risk-adjusted)		\$0	\$1,028,500	\$1,028,500	\$1,028,500

Source: Forrester Research, Inc.



Internal Support Costs

The representative organization contributed internal resources to support the rollout of Seismic's solution as well as the ongoing management. Over the first eight months, six FTEs were involved in the project, at an annual fully loaded rate of an average of \$10,000 a month. These resources included IT resources to integrate internal and external data sources to the platform; marketing employees to identify and gather requirements and documents; project managers; and business analysts.

Also, the use of Seismic requires approximately a full-time FTE on an ongoing basis for recurring tasks. As with other labor calculations, we risk-adjusted this total; however, as implementation times and ongoing needs can vary, we increased the risk adjustment to 10%, leading to initial labor costs of \$480,000 over 8 months and ongoing labor costs of \$132,000 (see Table 7).



Professional Services

Professional services were used primarily for data migration, implementation, change management, and the training and onboarding of employees to use Seismic. The representative organization paid Seismic a professional services fee, resulting in about \$154,000 in costs (see Table 7).

Organizations can also purchase Seismic professional services to maximize user adoption and effectiveness of the Seismic deployment.

Due to the variability across organizations in the amount and type of professional services required, we have risk-adjusted the total cost up by 10%.

TABLE 7

Seismic Internal Support And Implementation Costs

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
F1	Internal FTEs requirements		6	1	1	1
F2	Number of months		8	12	12	12
F3	Average monthly cost of internal FTE		\$10,000	\$10,000	\$10,000	\$10,000
F4	Seismic professional services (training and implementation)		\$154,275			
Ft	Seismic implementation costs	$(F1 \cdot F2 \cdot F3) + F4$	\$634,275	\$120,000	\$120,000	\$120,000
	Risk adjustment	↑10%				
Ftr	Seismic implementation costs (risk-adjusted)		\$697,703	\$132,000	\$132,000	\$132,000

Source: Forrester Research, Inc.

Total Costs

Table 8 shows the total of all costs as well as associated present values, discounted at 10%. Over three years, the representative organization expects costs to total a net present value of just over \$3.5 million.

TABLE 8
Total Costs (Risk-Adjusted)

Ref.	Cost Category	Initial	Year 1	Year 2	Year 3	Total	Present Value
Etr	Seismic software license costs	\$0	\$1,028,500	\$1,028,500	\$1,028,500	\$3,085,500	\$2,557,727
Ftr	Seismic implementation and ongoing costs	\$697,703	\$132,000	\$132,000	\$132,000	\$1,093,703	\$1,025,967
Total costs (risk-adjusted)		\$697,703	\$1,160,500	\$1,160,500	\$1,160,500	\$4,179,203	\$3,583,694

Source: Forrester Research, Inc.

FLEXIBILITY

Flexibility, as defined by TEI, represents an investment in additional capacity or capability that could be turned into business benefit for some future additional investment. This provides an organization with the “right” or the ability to engage in future initiatives but not the obligation to do so. There are multiple scenarios in which a customer might choose to implement Seismic’s sales enablement content management platform and later realize additional uses and business opportunities. Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix B).

Organizations in the early stages of their Seismic implementation would see additional productivity gains and cost savings as they expand the use of Seismic within their organization. Apart from savings from increased user adoption, these companies would benefit from savings from reduced printing costs, higher customer loyalty, and increased sales conversion rates. As an increasing number of sales users shift to mobile devices for collaboration, productivity gains from Seismic will also increase.

The value of flexibility is unique to each organization, and the willingness to measure its value varies from company to company.

RISKS

Forrester defines two types of risk associated with this analysis: “implementation risk” and “impact risk.” Implementation risk is the risk that a proposed investment in Seismic enterprise content collaboration may deviate from the original or expected requirements, resulting in higher costs than anticipated. Impact risk refers to the risk that the business or technology needs of the organization may not be met by the investment in Seismic enterprise content collaboration, resulting in lower overall total benefits. The greater the uncertainty, the wider the potential range of outcomes for cost and benefit estimates.

TABLE 9

Benefit And Cost Risk Adjustments

Benefits	Adjustment
Increase in sales team productivity (efficiency)	↓ 15%
Increase in upsell and cross-sell opportunities	↓ 15%
Increase in new business revenue	↓ 15%
Increase in marketing (sales enablement) productivity	↓ 15%
Costs	Adjustment
Seismic software license costs	↑ 10%
Seismic implementation and ongoing costs	↑ 10%

Source: Forrester Research, Inc.

Quantitatively capturing implementation risk and impact risk by directly adjusting the financial estimate results provides more meaningful and accurate estimates and a more accurate projection of the ROI. In general, risks affect costs by raising the original estimates, and they affect benefits by reducing the original estimates. The risk-adjusted numbers should be taken as “realistic” expectations since they represent the expected values considering risk.

The following impact risks that affect benefits are identified as part of the analysis:

- › Customer benefits could vary depending on their pre-Seismic environment, number of sales users, as well as the number of sources maintaining sales materials.
- › Productivity savings are dependent on the size and structure of the organizations as well as the number of internal and external end users of Seismic.

The following implementation risks that affect costs are identified as part of this analysis:

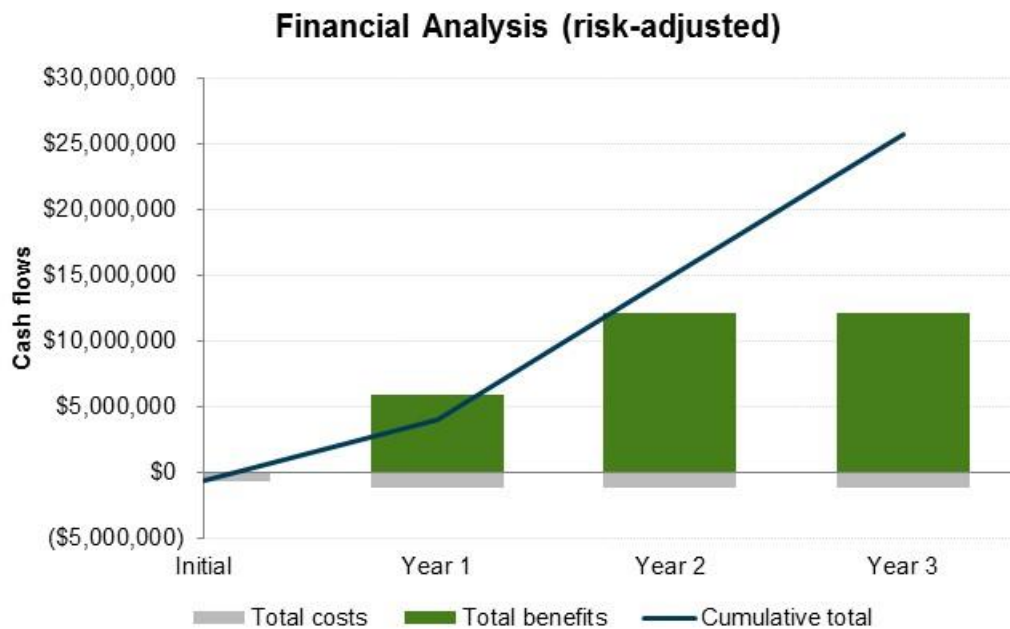
- › Seismic fees may vary depending on the number of end users.
- › Organizations may have varying requirements for professional services and internal labor at implementation depending on the size and complexity of the deployments. Organizations moving from legacy systems or integrating with other applications might need more support and services for areas such as data migration. Organizations may also not adequately anticipate the level of internal resources needed for configuration, deployment, and the change management required to get employees to fully utilize the benefits of Seismic.

Financial Summary

The financial results calculated in the Benefits and Costs sections can be used to determine the ROI and NPV for the representative organization's investment in Seismic's enterprise content collaboration.

Table 10 below shows the risk-adjusted ROI and NPV values. These values are determined by applying the risk-adjustment values from Table 9 in the Risks section to the unadjusted results in each relevant cost and benefit section.

FIGURE 3
Cash Flow Chart (Risk-Adjusted)



Source: Forrester Research, Inc.

TABLE 10
Cash Flow (Risk-Adjusted)

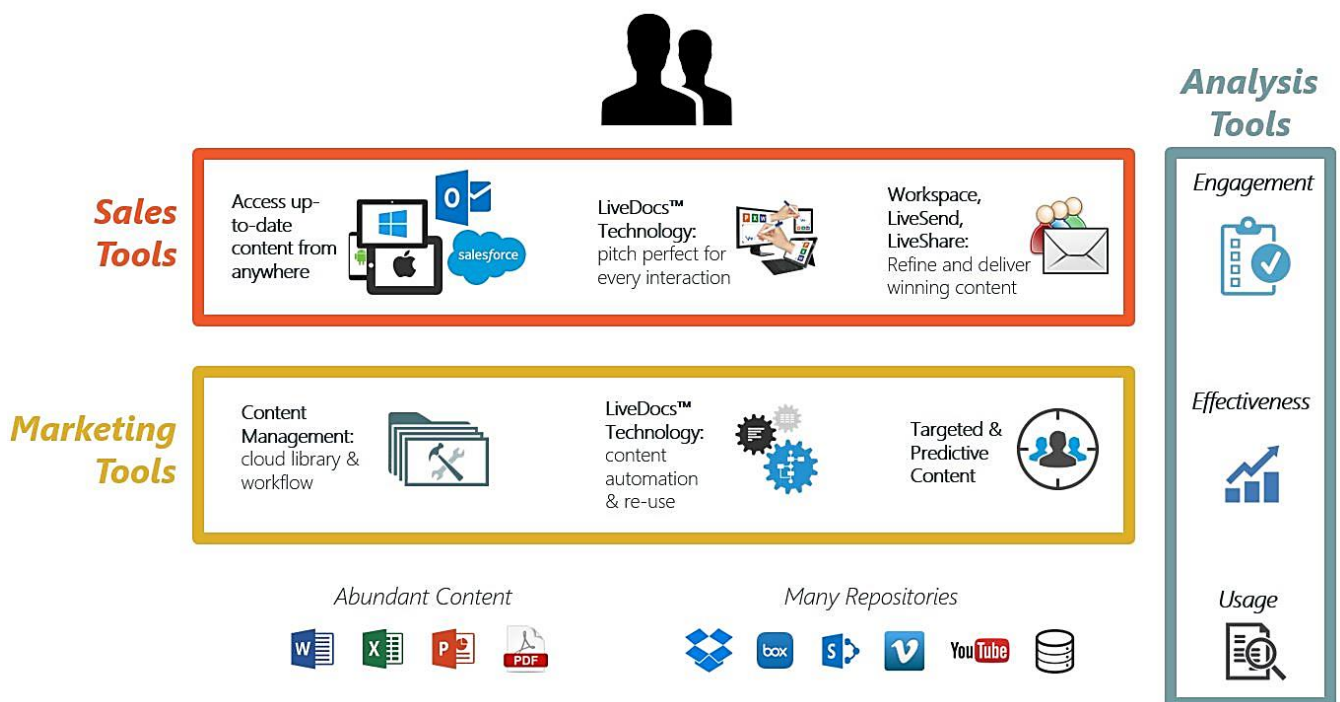
	Initial	Year 1	Year 2	Year 3	Total	Present Value
Costs	(\$697,703)	(\$1,160,500)	(\$1,160,500)	(\$1,160,500)	(\$4,179,203)	(\$3,583,694)
Benefits	\$0	\$5,837,800	\$12,029,200	\$12,029,200	\$29,896,200	\$24,286,295
Net benefits	(\$697,703)	\$4,677,300	\$10,868,700	\$10,868,700	\$25,716,997	\$20,702,601
ROI						578%

Source: Forrester Research, Inc.

Seismic Sales Enablement Platform: Overview

Seismic is the leading end-to-end sales enablement solution that increases sales productivity and marketing effectiveness with sales content that finds reps and personalizes itself. By creating, customizing, and analyzing sales materials with Seismic, customers dramatically increase their time spent selling and improve win rates.

Built from the ground up, Seismic makes marketers more efficient and scalable while ensuring sales teams have everything they need at their fingertips. From designing materials to delivering content, Seismic improves entire sales and marketing organizations' performance. Platform capabilities include tools to create and organize, distribute, personalize, collaborate and engage, and analyze and succeed.



Source: Seismic

With offices in San Diego, Boston, New York, Melbourne, and Chicago, Seismic is privately held by its three-time serial entrepreneur executive team and leading venture capital firms JMI Equity and Jackson Square Ventures.

Appendix A: Representative Organization Description

Organizations of all types benefit from Seismic, including technology, financial services, healthcare, insurance, and manufacturing companies looking to increase sales productivity and marketing effectiveness by delivering the right content, at the right time, and on any device.

For this TEI study, Forrester has created a representative organization to illustrate the quantifiable benefits and costs of implementing Seismic. The representative company is intended to represent a US-based company with 12,000 employees and is based on characteristics of the interviewed customers.

Based on the interviews with four existing Seismic customers, Forrester constructed a representative organization that highlights the financial benefits, costs, and the associated ROI experienced from implementing Seismic. The representative organization for our analysis is described below:

- › It is a US-based organization with 12,000 employees.
- › Sales (inside, field, and corporate) represents approximately 7% of the company, or 800 employees, to drive new business.
- › It has 200 account reps to manage existing relationships with targets to upsell/cross-sell customers.
- › It has 50 marketing (or sales enablement) FTEs dedicated to developing and managing sales content for both sales teams and account reps.

The representative organization and interviewed customers shared the following goals and objectives for an investment in Seismic that enables marketers and sales professionals to customize content and analyze that content, leading to higher value engagements with prospects:

- › Improve sales productivity and reduce time spent on non-revenue-generating activities.
- › Improve account management effectiveness and drive upsell and cross-sell of existing customers.
- › Increase new business revenue.
- › Improve collaboration between marketing and sales teams.
- › Integrate with both existing in-house systems (e.g., Salesforce.com and Microsoft Office) and external data sources (e.g., Morningstar).

After evaluating multiple vendors, the representative organization chose Seismic and began deployment. Implementation started three years ago, with 1,000 licenses for its sales and account teams and 50 administrative licenses for its marketing team. Based on the customer interviews and data collected, the organization realized the following quantifiable benefits:

- › **Benefit No. 1: increase in sales team productivity.** The sales teams had 85% productivity gains and time savings for developing presentations for prospects.
- › **Benefit No. 2: increase upsell and cross-sell opportunities.** Fifteen percent of upsell/cross-sell revenue of existing clients can be attributed to Seismic's platform.
- › **Benefit No. 3: increase in new business revenue.** Fifteen percent of new business revenue from sales lift from new prospects can be attributed to Seismic's platform.
- › **Benefit 4: increase in marketing team productivity.** There was a 30% increase in marketing (sales enablement) productivity for 50 FTEs who are responsible for developing and managing sales materials.

FRAMEWORK ASSUMPTIONS

Table 11 provides the model assumptions that Forrester used in this analysis.

The discount rate used in the PV and NPV calculations is 10%, and the time horizon used for the financial modeling is three years. Organizations typically use discount rates between 8% and 16% based on their current environment. Readers are urged to consult with their respective company's finance department to determine the most appropriate discount rate to use within their own organizations.

TABLE 11
Model Assumptions

Ref.	Metric	Calculation	Value
G1	Hours per week		40
G2	Weeks per year		52
G3	Hours per year (M-F, 9-5)		2,080
G4	Sales and marketing FTE hourly burdened rate		\$50
G5	Internal implementation and support FTE monthly burdened rate		\$10,000

Source: Forrester Research, Inc.

Appendix B: Total Economic Impact™ Overview

Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. TEI assists technology vendors in winning, serving, and retaining customers.

The TEI methodology consists of four components to evaluate investment value: benefits, costs, flexibility, and risks.

BENEFITS

Benefits represent the value delivered to the user organization — IT and/or business units — by the proposed product or project. Often, product or project justification exercises focus just on IT cost and cost reduction, leaving little room to analyze the effect of the technology on the entire organization. The TEI methodology and the resulting financial model place equal weight on the measure of benefits and the measure of costs, allowing for a full examination of the effect of the technology on the entire organization. Calculation of benefit estimates involves a clear dialogue with the user organization to understand the specific value that is created. In addition, Forrester also requires that there be a clear line of accountability established between the measurement and justification of benefit estimates after the project has been completed. This ensures that benefit estimates tie back directly to the bottom line.

COSTS

Costs represent the investment necessary to capture the value, or benefits, of the proposed project. IT or the business units may incur costs in the form of fully burdened labor, subcontractors, or materials. Costs consider all the investments and expenses necessary to deliver the proposed value. In addition, the cost category within TEI captures any incremental costs over the existing environment for ongoing costs associated with the solution. All costs must be tied to the benefits that are created.

FLEXIBILITY

Within the TEI methodology, direct benefits represent one part of the investment value. While direct benefits can typically be the primary way to justify a project, Forrester believes that organizations should be able to measure the strategic value of an investment. Flexibility represents the value that can be obtained for some future additional investment building on top of the initial investment already made. For instance, an investment in an enterprise wide upgrade of an office productivity suite can potentially increase standardization (to increase efficiency) and reduce licensing costs. However, an embedded collaboration feature may translate to greater worker productivity if activated. The collaboration can only be used with additional investment in training at some future point. However, having the ability to capture that benefit has a PV that can be estimated. The flexibility component of TEI captures that value.

RISKS

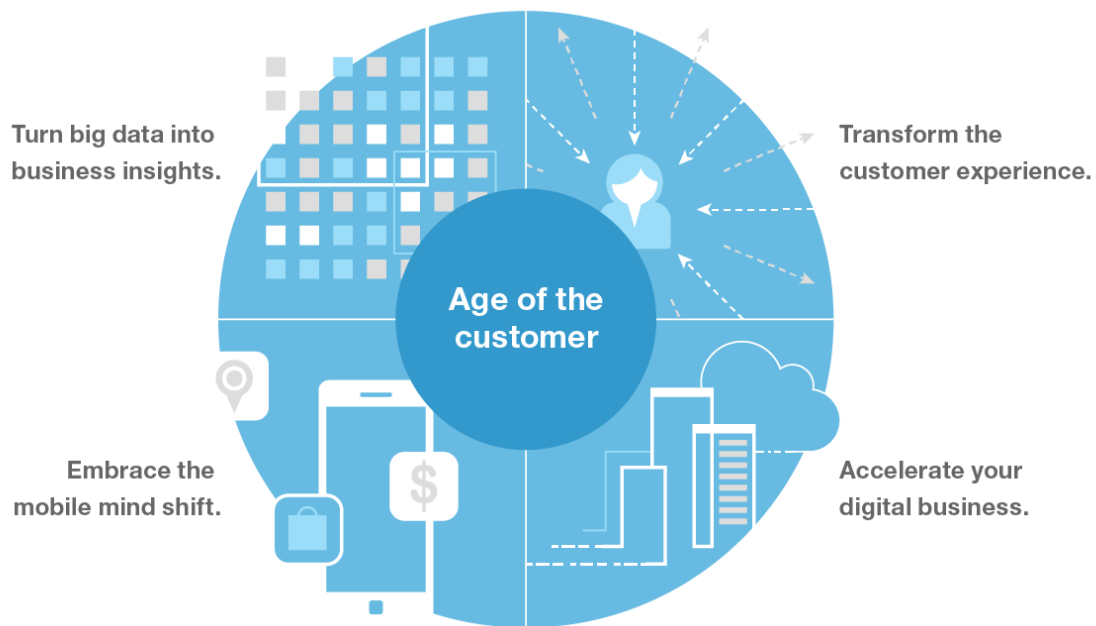
Risks measure the uncertainty of benefit and cost estimates contained within the investment. Uncertainty is measured in two ways: 1) the likelihood that the cost and benefit estimates will meet the original projections and 2) the likelihood that the estimates will be measured and tracked over time. TEI risk factors are based on a probability density function known as "triangular distribution" to the values entered. At a minimum, three values are calculated to estimate the risk factor around each cost and benefit.

Appendix C: Forrester And The Age Of The Customer

Your technology-empowered customers now know more than you do about your products and services, pricing, and reputation. Your competitors can copy or undermine the moves you take to compete. The only way to win, serve, and retain customers is to become customer-obsessed.

A customer-obsessed enterprise focuses its strategy, energy, and budget on processes that enhance knowledge of and engagement with customers and prioritizes these over maintaining traditional competitive barriers.

CMOs and CIOs must work together to create this companywide transformation.



Forrester has a four-part blueprint for strategy in the age of the customer, including the following imperatives to help establish new competitive advantages:



Transform the customer experience to gain sustainable competitive advantage.



Accelerate your digital business with new technology strategies that fuel business growth.



Embrace the mobile mind shift by giving customers what they want, when they want it.



Turn (big) data into business insights through innovative analytics.

Appendix D: Glossary

Discount rate: The interest rate used in cash flow analysis to take into account the time value of money. Companies set their own discount rate based on their business and investment environment. Forrester assumes a yearly discount rate of 10% for this analysis. Organizations typically use discount rates between 8% and 16% based on their current environment. Readers are urged to consult their respective organizations to determine the most appropriate discount rate to use in their own environment.

Net present value (NPV): The present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made, unless other projects have higher NPVs.

Present value (PV): The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

Payback period: The breakeven point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

Return on investment (ROI): A measure of a project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits minus costs) by costs.

A NOTE ON CASH FLOW TABLES

The following is a note on the cash flow tables used in this study (see the example table below). The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1. Those costs are not discounted. All other cash flows in years 1 through 3 are discounted using the discount rate (shown in the Framework Assumptions section) at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations are not calculated until the summary tables are the sum of the initial investment and the discounted cash flows in each year.

Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

TABLE [EXAMPLE]

Example Table

Ref.	Metric	Calculation	Year 1	Year 2	Year 3
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Source: Forrester Research, Inc.

Appendix E: Endnotes

¹ Forrester risk-adjusts the summary financial metrics to take into account the potential uncertainty of the cost and benefit estimates. For more information, see the section on Risks.