A Forrester Total Economic Impact™ Study Commissioned By Bizible

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The Total Economic Impact™ Of Bizible

Cost Savings And Business Benefits Enabled By Bizible Marketing Attribution

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Executive Summary

Bizible commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by implementing Bizible. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Bizible on their organizations.

To better understand the benefits, costs, and risks associated with a Bizible implementation, Forrester interviewed several customers with experience using Bizible's multi-touch marketing attribution solution to measure the performance of their cross-channel marketing initiatives and campaigns throughout the sales cycle.

Bizible helps organizations improve decision making and performance using its multi-touch, full-funnel marketing attribution capabilities.

The benefits, costs, and net present value for an illustrative B2B software vendor based on our customer interviews are:

- **Total benefits: $4,737,895.**
- **Total costs: $568,098.**
- **Net present value (NPV): $4,169,797.**

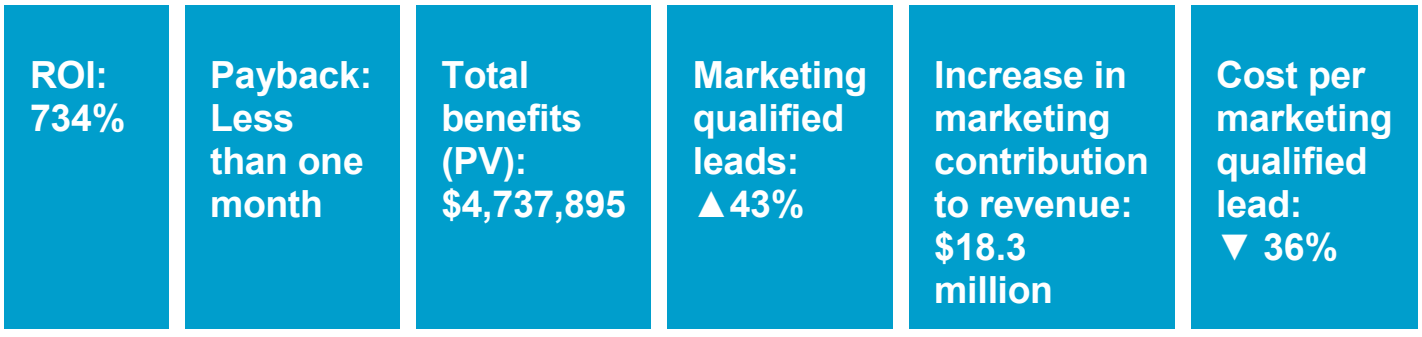
Using Bizible's advanced multi-touch marketing measurement and insights solution, organizations can track and report on real-time campaign and account-level marketing program performance, providing them with the visibility required to understand what drives marketing touches, leads, opportunities, and closed deals, while enabling organizations to proactively improve and optimize marketing's contribution to critical business outcomes. For more details on Bizible, see the section titled: Bizible: Overview.

Prior to Bizible, interviewed customers were using a variety of homegrown, error-prone, and resource-intensive systems and business processes to consolidate and manually analyze the historical data from their fragmented marketing channels and campaigns, leading to reactive and misinformed marketing decision making, labor inefficiencies, and inefficient and ineffective marketing spend. Using Bizible, organizations were able to increase marketing's ability to identify, calculate, track, and report on cross-channel, multi-touch marketing attribution and performance throughout the sales cycle, improving marketing decision making, while better demonstrating marketing's contribution to the organization's key performance indicators (KPIs). More importantly, Bizible enabled these organizations to move away from reactive, backwards-looking analyses of marketing performance to a proactive, forward-looking view of how different marketing initiatives and programs have an impact on their organization's business objectives.

BIZIBLE DRIVES SALES AND PROFIT GROWTH BY DELIVERING REAL-TIME ACTIONABLE MARKETING PERFORMANCE INSIGHTS THAT INCREASE MARKETERS' EFFICIENCY AND EFFECTIVENESS

Our interviews with four existing customers and subsequent financial analysis found that a composite organization based on these interviewed organizations experienced the risk-adjusted ROI, benefits, and costs shown in Figure 1.[1]

FIGURE 1
Financial Summary Showing Three-Year Risk-Adjusted Results



Source: Forrester Research, Inc.

› **Benefits.** The composite organization experienced the following risk-adjusted benefits, totaling a present value of $4,737,895 over the three-year analysis:

- **Grew profit by $2,603,587 by increasing the volume of marketing leads generated from its marketing campaigns.** Using Bizible for multi-touch marketing attribution across its channels and account groupings, the organization was able to improve marketing decision making by increasing its visibility into which initiatives, campaigns, and programs drive revenue growth. Leveraging the actionable insights delivered through real-time visibility into marketing's performance across its channels and campaigns, the organization was able to increase the number of monthly marketing leads it received by 30% year-over-year.
- **Grew profit by $1,054,229 by improving the quality of marketing leads through marketing initiative optimization.** The organization's use of Bizible improved the percentage of marketing qualified leads generated from the marketing leads delivered from its marketing programs and campaigns. By giving the organization's marketing team the visibility and insights needed to optimize its marketing mix, it was able to deliver marketing programs that drive leads, opportunities, and conversions through the sales cycle. By improving the organization's marketing lead quality, the organization improved the percentage of marketing leads that became marketing qualified leads from 35% of all marketing leads to 50% of all marketing leads, which is an improvement of nearly 43%.
- **Avoided marketing program costs of $917,653 by reducing its cost per marketing qualified lead.** In addition to driving sales growth, Bizible enabled the organization to improve the efficiency and effectiveness of its marketing initiatives, reducing its marketing spend on ineffective online and offline marketing programs. By acting on the real-time marketing performance data and insights delivered through the Bizible multi-touch marketing attribution solution, the composite organization reduced its cost per marketing qualified lead by 36%.
- **Reduced marketing operations labor costs by $162,426 through the automation of marketing performance management.** Using Bizible's automated attribution and reporting features available through the full marketing and sales cycle, the organization was able to eliminate its reliance on manual, error-prone marketing data compilation, normalization, and analysis across its siloed marketing platforms. By the third year of our analysis, the composite organization was able to fully repurpose two full-time equivalent (FTE) employees to other value-add activities within the marketing department due to the time and labor saving features of Bizible.

› **Costs.** The composite organization experienced the following risk-adjusted costs, totaling a present value of $568,098 over the three-year analysis:

- **Bizible software licensing and maintenance fees of $149,211.** These are annual fees paid to Bizible each year for a gold tier software license, including software support and maintenance. In addition, this cost category includes Bizible-provided professional services and training, along with customer support.
- **Bizible planning, data configuration, testing, and implementation resource expenses of $43,560.** These are one-time, upfront internal resource costs incurred to plan, configure, integrate, and implement Bizible within the organization's marketing environment. The Bizible implementation team was composed of four internal employees who dedicated approximately a third of their time to working on a diverse set of activities over a four-month period, including campaign enablement, testing and validation of data, CRM system integration, bug fixes, and dashboard setup and configuration.
- **Training, management, administration, and monitoring costs of $375,327.** These are initial costs to develop internal Bizible training and best practices materials and to train its marketing staff on how to use the Bizible marketing attribution solution. In addition, this cost category includes the labor costs for ongoing multi-touch marketing attribution and performance monitoring, management, and reporting across the marketing organization.

Disclosures

The reader should be aware of the following:

- The study is commissioned by Bizible 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 Bizible.
- Bizible 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.
- Bizible 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 Bizible. The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision.

APPROACH AND METHODOLOGY

Forrester employed four fundamental elements of TEI in modeling Bizible's marketing attribution solution: benefits, costs, flexibility, and risks.

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

- Interviewed Bizible marketing, sales, and customer success personnel, along with Forrester analysts, to gather data relative to Bizible and the marketplace for marketing attribution and marketing performance management solutions.
- Interviewed four organizations currently using Bizible to obtain data with respect to costs, benefits, and risks.
- Designed a composite organization based on characteristics of the interviewed organizations (see the Analysis section of this document for a description of the organization).
- 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 composite 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.

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 A for additional information on the TEI methodology.

FIGURE 2
TEI Approach



Source: Forrester Research, Inc.

Analysis

INTERVIEWED ORGANIZATIONS

Forrester interviewed the following four customers for this case study, each of which had used Bizible for marketing performance management:

- **A US-based business-to-business (B2B) software-as-a-service (SaaS) provider with over 2,000 employees serving customers internationally, with annual revenue in excess of $500 million and annual marketing spend of approximately $11 million.** The organization's siloed, channel-specific marketing performance management reporting efforts involved significant manual data manipulation across several marketing teams and data sources, leaving it with an unclear picture of which marketing initiatives contribute to sales. In order to improve its marketing decision making, the organization needed more accurate and reliable multi-touch marketing performance capabilities to gain a better understanding of its entire marketing funnel and customer journey.
- **A US-based B2B software vendor with hundreds of thousands of midmarket and large enterprise users globally, over 100% year-over-year revenue growth, and annual marketing spend of $12 million.** In order to meet the organization's rapid revenue growth, the company's marketing organization had expanded from three channels to 12 channels, with its marketing employee count growing by over 100% in the past year. The organization's manual, backwards-looking, spreadsheet-based process for marketing attribution was impaired by incorrect data sources and marketing attribution data errors, preventing the organization from identifying actionable marketing performance insights. As such, the organization needed a reliable way of consolidating and leveraging its marketing performance data sources into a forward-looking analysis to improve marketing resource allocation and decision making.
- **An Asia Pacific provider of online education, delivering over 150 online courses to 60,000 students, with triple digit year-over-year revenue growth and over $35 million in annual marketing spend.** Prior to adopting Bizible for marketing performance management, the organization lacked visibility into how leads become customers, limiting it to rudimentary marketing performance metrics such as cost per lead. The organization needed a more robust, granular model to track clicks to leads and leads to sales, in order to enable the organization to analyze, reevaluate, and optimize its channel mix and drive both topline and bottom-line growth.
- **A US-based security managed service provider, with double-digit year-over-year revenue growth, over $100 million in annual revenue, and over $5 million in annual marketing spend.** After building a formal demand generation program and launching its first online media budget and paid search campaigns, the organization needed to develop an accurate, reliable way of tracking leads through the sales cycle.

> *"We didn't have a good picture of what was driving revenue, particularly around organic activity on the website and paid search. We realized these were particularly hard to measure, and we needed to be able to identify where we should add budget and provide metrics as rationale for growing our marketing budget."*
>
> ~ Director of analytics, security MSP

COMPOSITE ORGANIZATION

Based on these interviews with current Bizible customers, Forrester constructed a TEI framework, a composite company, and an associated ROI analysis that illustrates the areas financially affected. The composite organization that Forrester synthesized from these results represents an organization with the following characteristics:

- It is a US-based B2B SaaS vendor with 750 employees serving customers across North America, EMEA, and Asia Pacific.
- The company was founded in 2010 and has seen triple-digit year-over-year revenue growth since its inception. In the most current fiscal year, the organization saw annual revenue of $250 million.
- The company has annual marketing spend of $10 million across a number of online and offline marketing channels. Its current channel mix includes:
  - Online display ads.
  - Paid search.
  - Content syndication.
  - Email.
  - Paid social.
  - PR.
  - Webinars.
  - Direct mail.
  - Events and trade shows.
- Prior to adopting Bizible in 2014 as its enterprise marketing attribution and performance management solution, the organization generated 3,000 leads per month, at an average cost per lead of $50.
- The organization boasts a conversion rate of 3% on its marketing qualified leads, and an average transaction value of $20,000 on its closed deals.
- The organization has set up campaign tracking codes within its current CRM deployment. It has historically leveraged its CRM, in conjunction with manual spreadsheet intervention from several marketing operations staff members, to collect, normalize, analyze, and report marketing campaign performance data across its data silos.
- The organization focused exclusively on historic marketing performance data and was limited primarily to high-level, single-touch marketing performance reporting.

INTERVIEW HIGHLIGHTS

B2B marketers responsible for forward-looking planning and budgeting have all too often been prevented from demonstrating the impact of marketing activities on revenue and business outcomes by the backwards-looking nature of traditional marketing measurement techniques and philosophies.[2] Given the manual, time-consuming, and error-prone nature of existing marketing measurement tools, interviewed B2B marketers indicated they needed a better way to demonstrate the impact of their marketing initiatives on critical business KPIs. Interviewed organizations adopted Bizible's cross-channel, multi-touch marketing attribution solution to leverage credible data to proactively understand how their marketing initiatives and channels have an impact on their organization's revenue and business objectives.

One interviewed organization indicated that it was able to increase its marketing return on investment (ROI) from 400% to 700% since adopting Bizible as its marketing attribution and performance management solution. Interviewed organizations also indicated that they invested in Bizible to:

- Increase marketing's ability to identify and calculate cross-channel marketing performance, demonstrate marketing's impact on revenue and business objectives, and improve marketing decision making through cross-channel, multi-touch marketing attribution throughout the sales cycle.

- Move away from backwards-looking analyses by gaining real-time visibility into their marketing program's performance against its stated objectives, and using those actionable insights to make immediate adjustments in campaigns-in-progress.
- Reduce or eliminate error-prone and labor-intensive marketing operations activities needed to aggregate, normalize, analyze, and store marketing performance data using existing systems and legacy business processes.

The interviews revealed that:

- **Bizible enabled organizations to make more strategic marketing investments, allowing them to generate incremental revenue and profit.** By improving visibility into cross-channel marketing attribution and performance using a robust, multi-touch solution that covers the entire marketing funnel, interviewees indicated that they were able to get a better understanding of what was driving marketing touches, leads, opportunities, and revenue. By using the actionable marketing performance insights delivered through Bizible, the interviewed organizations were able to simultaneously grow sales and avoid the cost and distractions of ineffective and inefficient marketing campaigns, initiatives, and channels.

> *"We now have visibility from first click all the way through to the sale, and in fact we now track sales all the way through the customer life cycle."*
>
> ~ Chief operating officer, online education provider

- **Error-prone, manual marketing performance measurement was seen not only as time and labor intensive, but as an inhibitor of effective marketing performance management.** The error-prone, manual, and time-consuming nature of legacy marketing performance measurement systems and business processes required marketing operations professionals to export and consolidate the data from their fragmented marketing platforms and use spreadsheets as centralized repositories for marketing performance results. These archaic systems not only inhibited effective marketing resource allocation and decision making, but led to labor inefficiencies and data inaccuracies.
- **Bizible enabled organizations to better track and communicate marketing ROI.** Legacy marketing attribution measurement systems and functions provided interviewees with an incomplete picture of which marketing campaigns and programs were driving marketing touches, leads, opportunities, and sales. All interviewees indicated that they needed a way to better measure, report, and communicate the impact of their organization's marketing programs and initiatives to key stakeholders, including their finance departments, management teams, boards of directors, and investors.

BENEFITS

The composite organization experienced a number of quantified benefits in this case study:

- Growth in profit from an increase in marketing lead volume.
- Growth in profit from improved marketing lead quality.
- Cost per marketing qualified lead reduction through improved marketing campaign efficiency and effectiveness.
- Marketing operations data ingestion, normalization, analysis, and reporting efficiency improvement.



Growth In Profit From An Increase In Marketing Lead Volume

The composite organization indicated that a key benefit of the Bizible multi-touch marketing attribution solution was the ability to gain an institutional understanding of what marketing programs and initiatives generate marketing leads, opportunities, and closed deals. Prior to adopting Bizible for marketing attribution and marketing performance management, the composite organization dedicated several marketing operations resources to compile and manually analyze historic marketing performance information across its marketing channels and myriad marketing data silos. This inhibited and obscured the marketing department's understanding of its campaign performance by limiting it to tracking the initial marketing touch, and by relying solely on historic, backwards-looking analyses of its marketing program performance.

Leveraging the marketing program performance visibility data and forward-looking actionable insights delivered through its use of Bizible, the composite organization increased the volume of monthly marketing leads it received by 30% annually. As the composite organization scaled its use of Bizible, it scaled the number of marketing leads being tracked using Bizible from 60% in Year 1 to 80% in years 2 and 3. The number of monthly marketing leads following the implementation of Bizible grew from 3,900 per month in Year 1 to nearly 6,600 per month by Year 3, resulting in a net increase in marketing leads attributable to the insights delivered through Bizible of 540; 1,656; and 2,873 in years 1, 2, and 3, respectively. Since Bizible was able to simultaneously increase the percentage of marketing leads that became marketing qualified leads to 50% of all marketing leads, the company was able to increase its profit by $3,649,536 over the three-year forecast period before adjusting for risk and present value. Based on interview feedback and to be more conservative with our analysis, the growth in profit from increased marketing lead volume was calculated using a 20% operating margin.

Organizations vary widely in their monthly marketing lead volumes, conversion rates, average transaction values, and profit margins, and are affected significantly by industry- and company-specific factors. In order to account for these variables, this benefit was risk-adjusted and reduced by 10%. As seen in Table 5, the risk- and present value-adjusted total benefit resulting from an increase in marketing leads over the three years was $2,603,587.

> *"Bizible has given us the ability to make small bets on marketing programs. Now we can track programs as either first-touch programs, lead-create programs, opportunity-create programs, and closed-deal creation programs."*
>
> ~ EVP of marketing and strategy, B2B software vendor

TABLE 1
Growth In Profit From An Increase In Marketing Lead Volume

Ref.	Metric	Calculation	Year 1	Year 2	Year 3
A1	Monthly marketing leads per month before Bizible		3,000	3,000	3,000
A2	Annual percentage increase in monthly marketing leads since implementing Bizible		30%	30%	30%
A3	Monthly marketing leads after implementing Bizible		3,900	5,070	6,591
A4	Percent of marketing leads tracked by Bizible marketing attribution		60%	80%	80%
A5	Increase in monthly marketing leads attributable to Bizible		540	1,656	2,873
A6	Percentage marketing qualified after implementing Bizible		50%	50%	50%
A7	Conversion rate		3%	3%	3%
A8	Average transaction value		$20,000	$20,000	$20,000
A9	Gross profit margin		50%	50%	50%
A10	Operating profit margin		20%	20%	20%
A11	Months per year		12	12	12
At	Growth in profit from an increase in marketing lead volume	A5*A6*A7*A8*A10*A11	$388,800	$1,192,320	$2,068,416
	Risk adjustment	↓10%			
Atr	**Growth in profit from an increase in marketing lead volume (risk-adjusted)**		**$349,920**	**$1,073,088**	**$1,861,574**

Source: Forrester Research, Inc.



Growth In Profit From Improved Marketing Lead Quality

Through the adoption of Bizible for multi-touch marketing measurement and insights across its marketing channels and account groupings, the composite organization significantly improved its visibility into what drives leads and conversions throughout the sales cycle, helping it improve marketing lead quality. Prior to Bizible, the composite organization relied heavily on single-touch marketing attribution and manual marketing data analysis across its marketing data silos, preventing it from optimizing its budget in a manner that drives revenue and profitability.

By giving the organization's marketing team the marketing program performance visibility and forward-looking insights to optimize its marketing mix in real time, Bizible was able to deliver marketing leads that drive marketing qualified leads and conversions through the sales cycle. As one interviewee stated, "Bizible has

> *"[Bizible] has allowed us to see not just where we're getting clicks, but where we're getting clicks that generate leads, opportunities, and closed business."*
>
> ~ Director of analytics, security MSP

allowed us to see not just where we're getting clicks, but where we're getting clicks that generate leads, opportunities, and closed business."

Following the implementation of Bizible, the composite organization increased the percentage of its marketing leads that met its marketing qualified lead criteria from 35% of all marketing leads to 50% of all marketing leads, an increase of nearly 43%. Forrester used the baseline number of monthly marketing leads to calculate this benefit, since the increase in profit from the growth in marketing lead volume already accounts for the improvement in the percentage of marketing leads that became marketing qualified leads. With a baseline monthly marketing lead count of 3,000, and assuming the organization scaled the number of marketing leads being tracked using Bizible from 60% in Year 1 to 80% in years 2 and 3, it was able to generate a net total of 270 in incremental marketing qualified leads on a monthly basis in Year 1, and 360 in incremental marketing qualified leads on a monthly basis in years 2 and 3.

With a conversion rate on marketing qualified leads of 3%, an average transaction size of $20,000, and an operating profit margin of 20%, the composite organization was able to generate $1,425,600 in incremental profit over the three-year forecast period, before adjusting for risk and present value. Since the volume of monthly marketing leads, conversion rates, average transaction values, and profit margins vary widely by industry and company, this benefit was risk-adjusted and reduced by 10%. As seen in Table 5, the risk- and present value-adjusted total benefit resulting from marketing initiative optimization over the three years was $1,054,229.

TABLE 2
Growth In Profit From Improved Marketing Lead Quality

Ref.	Metric	Calculation	Year 1	Year 2	Year 3
B1	Baseline monthly marketing leads		3,000	3,000	3,000
B2	Percentage marketing qualified prior to using Bizible		35%	35%	35%
B3	Percentage marketing qualified after deploying Bizible		50%	50%	50%
B4	Percentage increase in marketing qualified leads attributable to Bizible		15%	15%	15%
B5	Percent of marketing leads tracked by Bizible marketing attribution		60%	80%	80%
B6	Conversion rate		3%	3%	3%
B7	Average transaction value		$20,000	$20,000	$20,000
B8	Gross profit margin		50%	50%	50%
B9	Operating profit margin		20%	20%	20%
B10	Months per year		12	12	12
Bt	Growth in profit from improved marketing lead quality	B1*B4*B5*B6*B7*B9*B10	$388,800	$518,400	$518,400
	Risk adjustment	↓10%			
Btr	**Growth in profit from improved marketing lead quality (risk-adjusted)**		**$349,920**	**$466,560**	**$466,560**

Source: Forrester Research, Inc.

Cost Per Marketing Qualified Lead Reduction Through Improved Campaign Efficiency And Effectiveness

Beyond Bizible's ability to deliver incremental profit for the composite organization through marketing leads, opportunities, and sales growth, it enabled the organization to reduce the cost required to acquire each of its marketing qualified leads. Prior to adopting Bizible, the organization was running at approximately $50 per marketing qualified lead. Following the implementation of Bizible, the organization was able to significantly improve the efficiency and effectiveness of its marketing programs and campaigns, allowing it to better target and reduce its marketing spend on ineffective online and offline marketing initiatives. As a result, the organization was able to reduce its cost per marketing qualified lead by 36%, or $18 per lead.

Using the post-Bizible monthly marketing qualified leads, adjusted for the percentage of marketing leads being tracked using Bizible, the composite organization was able to save a total of $1,260,230 over the three-year forecast period before adjusting for risk and present value.

Monthly marketing qualified lead volumes and cost per lead acquisition metrics varied widely across interviewed organizations. In order to account for regional-, industry-, and company-specific variability in these factors, Forrester risk-adjusted this benefit downward by 10% in Table 3. As seen in Table 5, the risk- and present value-adjusted total benefit resulting from a reduction in the cost per marketing qualified lead over the three years was $917,653.

TABLE 3
Cost Per Marketing Qualified Lead Reduction Through Improved Campaign Efficiency And Effectiveness

Ref.	Metric	Calculation	Year 1	Year 2	Year 3
C1	Monthly marketing leads after implementing Bizible		3,900	5,070	6,591
C2	Percent of marketing leads tracked by Bizible marketing attribution		60%	80%	80%
C3	Percentage marketing qualified after implementing Bizible		50%	50%	50%
C4	Monthly marketing qualified leads using Bizible		1,170	2,028	2,636
C5	Cost per marketing qualified lead reduction attributable to Bizible, in dollars		$18	$18	$18
C6	Months per year		12	12	12
Ct	Cost per marketing qualified lead reduction through improved marketing campaign efficiency and effectiveness	C4*C5*C6	$252,720	$438,048	$569,462
	Risk adjustment	↓10%			
Ctr	**Cost per marketing qualified lead reduction through improved marketing campaign efficiency and effectiveness (risk-adjusted)**		**$227,448**	**$394,243**	**$512,516**

Source: Forrester Research, Inc.

Marketing Operations Data Ingestion, Normalization, Analysis, And Reporting Efficiency Improvement

Prior to adopting Bizible, the organization dedicated two full-time equivalents (FTEs) to perform marketing attribution across its marketing data silos, in order to perform the time- and labor-intensive manual activities needed to measure the performance of its marketing campaigns. Some of these manual activities included the development of business rules; the compilation, normalization, and analysis of data across its marketing

platforms; and the reconciliation of leads, opportunities, and deals that had no lead source. These legacy processes were not only labor intensive but were riddled with data errors that provided a directional sense of the marketing activities that drove revenue growth.

Leveraging Bizible's automated full-funnel attribution and reporting features, the composite organization was able to reduce its reliance on marketing operations personnel to perform manual marketing performance measurement and attribution activities. In Year 2, the organization was able to fully repurpose one FTE to other value-add marketing activities due to the time and labor savings delivered using the Bizible platform for marketing attribution. By Year 3, the composite organization was able to repurpose an additional FTE. Over the three-year forecast period, the composite organization accrued a total of $232,560 in marketing operations efficiency savings, before adjusting for risk and present value.

"Where we lost a lot of time previously was going back through unconverted leads and opportunities that didn't come from leads, and trying to do some reconciliation to understand what drove and influenced each lead. [Before Bizible], it was tough to do this in an exact way, but we did put a lot of time into it, trying at least to get a directional sense."

~ Director of analytics, security MSP

The average salary of marketing operations staff will vary by industry, region, skillset, exact position, and tenure with the company. Furthermore, Forrester recognizes that when you provide staff with time-saving tools, not all the saved time translates into increased productivity. To compensate for these factors, this benefit was risk-adjusted and reduced by 10% in Table 4. The risk- and present value-adjusted total benefit resulting from marketing operations efficiencies was $162,426 over the three-year analysis, as seen in Table 5.

TABLE 4
Marketing Operations Data Ingestion, Normalization, Analysis, And Reporting Efficiency Improvement

Ref.	Metric	Calculation	Year 1	Year 2	Year 3
D1	Number of marketing operations FTEs required for collecting, normalizing, analyzing, and reporting on marketing performance prior to Bizible		2	2	2
D2	Number of marketing operations FTEs reallocated to other value-add marketing initiatives			1	2
D3	Average fully loaded salary		$75,000	$76,500	$78,030
Dt	Marketing operations data collection, analysis, and reporting efficiency improvement	D2*D3	$0	$76,500	$156,060
	Risk adjustment	↓10%			
Dtr	**Marketing operations data collection, analysis, and reporting efficiency improvement (risk-adjusted)**		**$0**	**$68,850**	**$140,454**

Source: Forrester Research, Inc.

Total Benefits

Table 5 shows the total of all benefits across the four areas listed above, as well as present values (PVs) discounted at 10%. Over three years, the composite organization expects risk-adjusted total benefits to be a PV of more than $4.73 million.

TABLE 5
Total Benefits (Risk-Adjusted)

Ref.	Benefit Category	Year 1	Year 2	Year 3	Total	Present Value
Atr	Growth in profit from an increase in marketing lead volume	$349,920	$1,073,088	$1,861,574	$3,284,582	$2,603,587
Btr	Growth in profit from improved marketing lead quality	$349,920	$466,560	$466,560	$1,283,040	$1,054,229
Ctr	Cost per marketing qualified lead reduction through improved marketing campaign efficiency and effectiveness	$227,448	$394,243	$512,516	$1,134,207	$917,653
Dtr	Marketing operations data ingestion, normalization, analysis, and reporting efficiency improvement	$0	$68,850	$140,454	$209,304	$162,426
	Total benefits (risk-adjusted)	**$927,288**	**$2,002,741**	**$2,981,105**	**$5,911,134**	**$4,737,895**

Source: Forrester Research, Inc.

COSTS

In order to adopt Bizible, the composite organization made the following investments:

- Bizible software licensing and maintenance fees.
- Bizible planning, data configuration, testing, and implementation resource expenses.
- Training, management, administration, and monitoring costs.

Bizible Software Licensing And Maintenance Fees

The composite organization paid annual software subscription, support, and maintenance fees for a gold-level Bizible software license. Included in this cost category were Bizible-provided professional services to support the organization in successfully configuring, integrating, and implementing the solution within its marketing environment. In addition, this cost category is inclusive of Bizible-provided user training to supplement any internally developed training and ongoing tier 1 customer support. Bizible software licensing and support costs were $60,000 annually, totaling $180,000 over the three-year forecast period before adjusting for present value.

TABLE 6
Bizible Software Licensing And Maintenance Fees

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
E1	Annual Bizible software licensing and maintenance fees			$60,000	$60,000	$60,000
Et	Bizible software licensing and maintenance fees			$60,000	$60,000	$60,000

Source: Forrester Research, Inc.

Bizible Planning, Data Configuration, Testing, And Implementation Resource Expenses

During the initial setup and implementation of Bizible, the composite organization incurred one-time internal resource costs to plan, configure, and implement Bizible within its marketing technology environment. In order to successfully implement Bizible, the composite organization fielded a multidisciplinary team composed of four employees who dedicated approximately a third of their time to the design, configuration, and implementation of Bizible over the course of four months. In order to get Bizible up and running, the organization's implementation team worked on a diverse set of activities, including enablement of campaigns, testing and validation of data and reports, CRM system integration, bug fixes, and dashboard setup and configuration.

The total internal resource cost to plan, configure, and implement Bizible totaled $39,600, before adjusting for risk. Forrester risk-adjusted the planning, data configuration, testing, and implementation resource expenses upward by 10% to $43,560 to reflect variance in the salaries of internal implementation staff and the time and effort required to fully integrate and successfully implement Bizible.

TABLE 7
Bizible Planning, Data Configuration, Testing, And Implementation Resource Expenses

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
F1	Internal planning, data inventorying and configuration, and Bizible implementation resources, in FTEs		4			
F2	Percentage of FTE bandwidth dedicated to Bizible setup and implementation project		33%			
F3	Length of Bizible setup and implementation project, in months		4			
F4	Average fully loaded salary of multidisciplinary team		$90,000			
Ft	Bizible planning, data configuration, testing, and implementation resource expenses	F1*F2*F3*(F4/12)	$39,600	$0	$0	$0
	Risk adjustment	↑10%				
Ftr	**Bizible planning, data configuration, testing, and implementation resource expenses (risk-adjusted)**		**$43,560**	**$0**	**$0**	**$0**

Source: Forrester Research, Inc.

Training, Management, Administration, And Monitoring Costs

During the initial implementation of Bizible, the composite organization needed to design training materials and a Bizible training curriculum in order to successfully institutionalize multi-touch marketing attribution within the organization's business, and to train users on how to successfully leverage the Bizible solution for ongoing marketing optimization and performance management. The composite organization fielded a multidisciplinary team of marketing, IT, and training staff who spent 80 hours designing and building a Bizible training curriculum and materials and an additional 40 hours conducting training sessions.

In addition, the organization tasked 10 employees on the marketing team to work with the Bizible solution on an ongoing basis. These employees spent 8 hours each in training to familiarize themselves with how to use Bizible and gain mastery over the solution's features and functionalities. Furthermore, each of these employees spent, on average, 7 hours a week on marketing attribution and marketing performance monitoring, management, reporting, and optimization activities.

Forrester risk-adjusted the training, management, administration, and monitoring costs upward by 10% to reflect variance in staff salaries and variations in the amount of time required to train and fully ramp up on the Bizible solution.

TABLE 8
Training, Management, Administration, And Monitoring Costs

Ref.	Metric	Calculation	Initial	Year 1	Year 2	Year 3
G1	Hours to develop Bizible training materials and curriculum		80			
G2	Hours to conduct training sessions		40			
G3	Number of employees providing ongoing marketing attribution monitoring and reporting		10	10	10	10
G4	Number of training hours per Bizible user		8			
G5	Number of hours spent using the Bizible solution each week, per employee			7	7	7
G6	Number of weeks per year			52	52	52
G7	Average fully loaded hourly salary	Initial salary figure assumes a multidisciplinary team needed initial training	$43	$36	$37	$38
Gt	Bizible training, management, administration, and monitoring costs	((G1+G2)*G7) + (G3*G4*G7) + (G3*G5*G6*G7)	$8,653.85	$131,250	$133,875	$136,553
	Risk adjustment	↑10%				
Gtr	**Bizible training, management, administration, and monitoring costs (risk-adjusted)**		**$9,519**	**$144,375**	**$147,263**	**$150,208**

Source: Forrester Research, Inc.

Total Costs

Table 9 shows the total of all costs as well as associated present values (PVs), discounted at 10%. Over three years, the composite organization expects total costs to be a PV of a little more than $568,000.

TABLE 9
Total Costs (Risk-Adjusted)

Ref.	Cost Category	Initial	Year 1	Year 2	Year 3	Total	Present Value
Etr	Bizible software licensing and maintenance fees	$0	$60,000	$60,000	$60,000	$180,000	$149,211
Ftr	Bizible planning, data configuration, testing, and implementation resource expenses	$43,560	$0	$0	$0	$43,560	$43,560
Gtr	Bizible training, management, administration, and monitoring costs	$9,519	$144,375	$147,263	$150,208	$451,364	$375,327
	Total costs (risk-adjusted)	**$53,079**	**$204,375**	**$207,263**	**$210,208**	**$674,924**	**$568,098**

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 Bizible 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 A).

In order to meet the composite organization's aggressive sales and profit growth targets and deliver on the organization's goals of winning, serving, and retaining customers, the composite organization is proactively looking to expand the scope of its Bizible implementation to cover more marketing channels and campaigns, which would result in incremental business benefit. Additionally, since a critical element of the organization's growth strategy is international expansion, the organization is looking to scale its use of Bizible to its burgeoning international marketing team, in order to collect global insights on how to optimize the performance and ROI of its global marketing initiatives and campaigns.

Some of the most promising future flexibility benefits related to the composite organization's use of Bizible lie in the utilization of advanced predictive analytics and insights, artificial intelligence (AI), and Bizible's custom attribution and modeling features. The composite organization expects to use the real-time marketing attribution and performance data generated by Bizible to better predict customer behavior, enabling it to course correct marketing resource spend during campaigns. Additionally, predictive analytics and AI technologies can further bolster the organization's ability to automate and refine the process of marketing performance management, enabling it to optimize its marketing budget and allocation, growing sales and reducing inefficient and ineffective marketing spend. Lastly, future plans to implement custom attribution and modeling will augment the organization's ability to invest in the optimal mix of marketing programs that specifically drive first touches, leads, opportunities, and sales.

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 Bizible 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 Bizible, resulting in lower overall total benefits. The greater the uncertainty, the wider the potential range of outcomes for cost and benefit estimates.

Quantitatively capturing implementation risk and impact risk by directly adjusting the financial estimates results provides 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:

- Industry-, regional-, and company-specific variations in marketing lead volumes, average deal sizes, and conversion rates will have an impact on the magnitude of sales and profit growth figures.
- Operating margins will vary widely across regions, industries, and businesses.
- The degree to which marketing operations productivity savings translate to business benefits depends on how much saved time workers apply to other value-add marketing and business activities.

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

- Planning, data configuration, testing, and implementation resource expenses will vary with the number, title, and tenure of people working on the project, along with the amount of time spent to successfully implement the solution.

› Training, management, administration, and monitoring costs will vary with the number, position, and tenure of people developing and delivering training materials and sessions, along with the number and engagement of employees dedicated to ongoing monitoring, management, and reporting of market attribution and performance data associated with the Bizible solution.

Table 10 shows the values used to adjust for risk and uncertainty in the cost and benefit estimates for the composite organization. Readers are urged to apply their own risk ranges based on their own degree of confidence in the cost and benefit estimates.

TABLE 10
Benefit And Cost Risk Adjustments

Benefits	Adjustment
Growth in profit from an increase in marketing lead volume	↓ 10%
Growth in profit from improved marketing lead quality	↓ 10%
Cost per marketing qualified lead reduction through improved marketing campaign efficiency and effectiveness	↓ 10%
Marketing operations data ingestion, normalization, analysis, and reporting efficiency improvement	↓ 10%

Costs	Adjustment
Bizible software licensing and maintenance fees	↑ 0%
Bizible planning, data configuration, testing, and implementation resource expenses	↑ 10%
Training, management, administration, and monitoring costs	↑ 10%

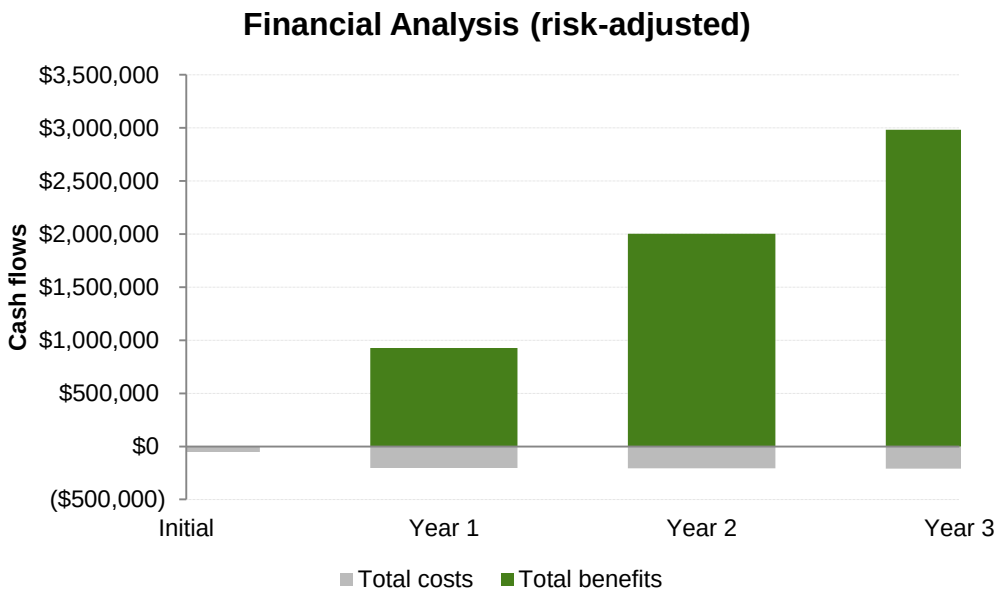
Source: Forrester Research, Inc.

Financial Summary

The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organization's investment in Bizible.

Table 11 below shows the risk-adjusted ROI, NPV, and payback period values. These values are determined by applying the risk-adjustment values from Table 10 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 11
Cash Flow (Risk-Adjusted)

Summary	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	($53,079)	($204,375)	($207,263)	($210,208)	($674,924)	($568,098)
Total benefits	$0	$927,288	$2,002,741	$2,981,105	$5,911,134	$4,737,895
Total	**($53,079)**	**$722,913**	**$1,795,479**	**$2,770,897**	**$5,236,209**	**$4,169,797**
ROI						**734%**
Payback period (months)						**0.9**
Cumulative total	($53,079)	$669,834	$2,465,312	$5,236,209		

Source: Forrester Research, Inc.

Bizible: Overview

The following information is provided by Bizible. Forrester has not validated any claims and does not endorse Bizible or its offerings.



Bizible is the leading B2B marketing measurement and insights solution. By connecting marketing to revenue with multi-touch attribution and the resulting insights, customers are able to make the right decisions at all levels and across all channels.

For more information, visit http://www.bizible.com.

Appendix A: 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 enterprisewide 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 B: 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 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

Source: Forrester Research, Inc.

Appendix C: 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.

[2] Source: “Vendor Landscape: New Technologies Make B2B Marketing Performance Management A Reality,” Forrester Research, Inc., October 18, 2016.