The Total Economic Impact™ Of Customer Community For Customer Portals

Cost Savings And Business Benefits In A Buy Versus Build Scenario
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**ABOUT FORRESTER CONSULTING**

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester’s Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

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Executive Summary

Customer Community is a platform that enables companies to build branded customer portals connected to business data and process. Customer Community connects customers directly to the tools and information they need most to be successful — whether they want to find an answer fast or complete a business transaction. Customer Community is built on the Salesforce platform, seamlessly embedding business data and process from Salesforce and third-party systems. With Lightning, companies can quickly and easily build branded experiences specific to their industry and use case.

Salesforce commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential value enterprises may realize by deploying Customer Community instead of developing their own customer portal. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Customer Community on their organizations when considering a buy versus build scenario.

Forrester interviewed five customers with experience using Customer Community to better understand the benefits, costs, and risks associated with this investment.

Prior to using Customer Community, the interviewed customers had either considered building their own customer portal or were planning to enhance their existing legacy customer portals with additional development. These customers were shifting to more customer-centric strategies and service models that required increased customer communication, more integrated customer interaction, and a rebuild of their customer portals.

However, after considering the costs of an internally developed portal and the need to quickly deliver a solution for their customers, these organizations chose a software-as-a-service approach with Customer Community. With Salesforce, interviewed customers looked to build a customer success platform that was easy to implement and maintain and could scale with their organization’s long-term needs.

Forrester developed a composite organization based on data gathered from the customer interviews to reflect the total economic impact that investing in Customer Community could have on an organization versus building its own community portal solution. The composite organization is representative of the organizations that Forrester interviewed and is used to present the aggregate financial analysis in this study. All values are reported in risk-adjusted three-year present value (PV) unless otherwise indicated.

Key Findings

Quantified benefits. The following benefits reflect the financial analysis associated with the composite organization.

› Front-end development cost avoidance savings of $412,076. By using Customer Community, the composite organization avoided the initial front-end development costs to upgrade its legacy solution. Development of ongoing services for its Customer Community was also one-third of the cost of development in its previous environment.
System integration cost avoidance savings of $570,000. The composite organization also avoided the IT cost of integrating the legacy portal with Sales Cloud, Service Cloud, and internal systems to bring parity to the functionality gained with its deployment of Customer Community.

Software cost avoidance savings of $415,802. Other cost avoidance savings for the composite organization include software costs for identity and access management, as well as software maintenance fees for the legacy customer portal.

Infrastructure cost avoidance savings of $693,987. By using Customer Community, the organization also saved the cost of maintenance and support for its legacy customer portal. This includes hardware costs and labor.

Faster time-to-market benefits of $409,248. The composite organization launched Customer Community within three months. This represents a 75% reduction in time-to-market when compared to upgrading the legacy customer portal, giving the composite organization an additional nine months of business value from Customer Community.

Unquantified benefits. The interviewed organizations experienced additional benefits that were not quantified for this study but were mentioned as significant benefits by customers:

- Improved agility.
- Increased access to ongoing innovation.
- Improved ability to provide personalized customer experience.

Costs. The following costs reflect the financial analysis associated with the composite organization.

- Customer Community fees of $208,896. The composite organization had 10,000 customer members using Customer Community.
- Professional services fees of $231,000. These fees comprised development and integration costs with a Salesforce partner systems integrator (SI).
- Implementation and ongoing development costs of $113,213. Internal resources were allocated to implementation and ongoing development of Customer Community.
- Administration costs of $261,119. The composite organization maintained one full-time equivalent (FTE) for community management and ongoing administration of Customer Community.

Forrester’s interviews with five customers and subsequent financial analysis found that a representative composite organization experienced financial benefits of $2,501,113 versus costs of $814,229, adding up to a net present value (NPV) of $1,686,884 and an ROI of 207%.
The Total Economic Impact™ Of Customer Community For Customer Community

Costs To Buy Customer Community

- Administration, $261,119
- Professional services, $231,000
- Implementation and ongoing development costs, $113,213
- Customer Community fees, $208,896

Total costs PV: $814K

Benefits

- Faster time-to-market, $409,248
- Development cost avoidance savings, $412,076
- Integration cost avoidance savings, $570,000
- Software cost avoidance savings, $415,802
- Infrastructure cost avoidance savings, $693,987

Total benefits PV: $2.5 million
TEI Framework And Methodology

From the information provided in the interviews, Forrester has constructed a Total Economic Impact™ (TEI) framework for those organizations considering implementing Customer Community.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Customer Community can have on an organization:

- **DUE DILIGENCE**
  Interviewed Salesforce stakeholders and Forrester analysts to gather data relative to Customer Community.

- **CUSTOMER INTERVIEWS**
  Interviewed five organizations using Customer Community to obtain data with respect to costs, benefits, and risks.

- **COMPOSITE ORGANIZATION**
  Designed a composite organization based on characteristics of the interviewed organizations.

- **FINANCIAL MODEL FRAMEWORK**
  Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewed organizations.

- **CASE STUDY**
  Employed four fundamental elements of TEI in modeling Customer Community's impact: 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 A for additional information on the TEI methodology.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Salesforce 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 Customer Community.

Salesforce 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.

Salesforce provided the customer names for the interviews but did not participate in the interviews.
Buy Versus Build Overview

Delivering digital experiences demands outside-in thinking married to practical constraints. Online self-service experiences often straddle organizational silos and therefore suffer from splintered budgets and responsibilities. Self-service web portals for customers and partners routinely fall victim to this organizational dysfunction, resulting in a limited or outdated portals experience. And that’s just the siloed nature of many enterprise organizations’ practical constraint, so how does that manifest when deciding how to invest: prebuilt versus custom? Capex versus opex? On-premises versus cloud? Many decisions impact your build versus buy strategy.

Key Challenges

Digital experience decision makers across enterprise organizations struggle to overcome three key challenges for customer portals:

- **Demand for self-service is rising, even in B2B.** Many organizations are scrambling to react to rising client demand for self-service. Forrester saw an 18% year-over-year rise in prioritization of digital service (see Figure 1). In combination, buyers even in B2B increasingly want to self-serve (e.g. research) before making a transaction, and many recurring transactions should be self-driven or even automatic.

*Figure 1: Digital Service Priorities Jump 18% YoY*

“Which technology and implementation investments are the highest priority for your customer-facing digital experience initiatives? (Select up to five)

- Redesign the user experience across touchpoints: 68%
- Build and deliver contextually relevant (aka personalized) CX: 65%
- Add or improve digital customer service: 64%
- Improve integration with back-end systems: 48%
- Embrace agile development methodologies: 44%
- Explore new touchpoints for digital experience: 27%
- Optimize contextual relevance: 25%
- Migrate strategically to cloud (PaaS, SaaS) solutions: 24%
- Improve tools for business practitioners: 23%
- Enhance our customer data privacy and digital security: 23%
- Increase our use of rich media (e.g. video): 16%
- Pursue more open source software: 4%
- Other (please specify): 3%

Source: Forrester’s Q1 2017 Digital Experience Delivery Online Survey
Base: 294 digital experience decision makers

- **Integration is a must-have, yet architecture is rare.** Ease of integration has been the number one selection criterion for digital experience software for the past few years (see Figure 2). Connecting systems is the lynchpin to achieving self-service for needs such as order status or customer onboarding. Yet, historically each business unit had its own freedom to choose, producing the number one barrier to digital experience success: legacy technology.
**Figure 2: Ease Of Integration Is Most Sought-After Software Characteristic**

“What are the most important characteristics when selecting a solution?”

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy to integrate among front-end components</td>
<td>69%</td>
</tr>
<tr>
<td>Using best-of-breed applications</td>
<td>39%</td>
</tr>
<tr>
<td>Being able to deploy in the cloud</td>
<td>34%</td>
</tr>
<tr>
<td>Vendor with a significant market presence in my industry and region</td>
<td>32%</td>
</tr>
<tr>
<td>Prebuilt capabilities for my industry (e.g., blueprint, accelerator)</td>
<td>30%</td>
</tr>
<tr>
<td>Low cost relative to other solutions</td>
<td>29%</td>
</tr>
<tr>
<td>Availability of service provider partners (e.g., agencies, systems integrators)</td>
<td>29%</td>
</tr>
<tr>
<td>Easy to find developers for the products</td>
<td>17%</td>
</tr>
<tr>
<td>Getting all components from a single vendor (suites)</td>
<td>11%</td>
</tr>
<tr>
<td>Vendor I’ve worked with before</td>
<td>8%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: Forrester's Q1 2017 Digital Experience Delivery Online Survey
Base: 294 digital experience decision makers

› **Many flavors of build versus buy confuse decision making.** Build versus buy is not a black and white decision. More flavors of software development and deployment beyond the traditional “build” and “buy” blur into a spectrum (see Figure 3). Given variability across departmental or business-unit appetites for risk, speed-to-market, budget, and even procurement processes, build versus buy often fails to facilitate discussions of “Who will be responsible for xyz?”

**Figure 3: Spectrum Of Build Versus Buy Is Confusing**
Recommendations

Customers considering Customer Community had many diverse reasons to explore the product. The major learnings cited by the interviewees included:

› **Buy commodities, build brand differentiation.** When evaluating customer touchpoints, ask, “Will this set us apart in our customers’ eyes?” If the answer is not a clear “yes,” then shift gears toward “faster and cheaper” solutions rather than “better.” Then, identify those customer experiences that will set your brand apart. Use the time and money you saved buying commodities, and build your own digital intellectual property.

› **Reusable elements are essential to scale up personalization.** When designing and developing customer portals, look for elements that stitch them together. Reusable web components and containers to inherit pre-existing marketing content will generate this continuity across experiences. Also, given many customer self-service scenarios are similar to those of partners (e.g. outside-sales), the experience foundations can be reused across journeys and audiences.

› **Let aggregation complexity guide integration investments.** More integration points, more problems. Right? Not always. If the integration includes several calls from the same system, you’re probably OK to use the packaged web services. If it’s the inverse — a small number of objects from a relatively large number of back-end systems — then a standalone solution for identity access management (IAM) and API management may be necessary to handle the complex aggregation.
The Customer Community Customer Journey

BEFORE AND AFTER THE CUSTOMER COMMUNITY INVESTMENT

Interviewed Organizations

For this study, Forrester conducted interviews with five Customer Community customers. Interviewed customers include the following:

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>INTERVIEWEE/S</th>
<th>ANNUAL REVENUE</th>
<th>COMMUNITY SIZE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marine and energy manufacturing</td>
<td>GM, customer operations services</td>
<td>$5 billion</td>
<td>9,000</td>
</tr>
<tr>
<td>Event management</td>
<td>Director, digital product management</td>
<td>$1 billion</td>
<td>5,000</td>
</tr>
<tr>
<td>Healthcare</td>
<td>Chief operations officer Director of IT</td>
<td>$6 million</td>
<td>25,000</td>
</tr>
<tr>
<td>Oil and energy trading</td>
<td>Manager, trading operations</td>
<td>$600 million</td>
<td>1,000</td>
</tr>
<tr>
<td>Property insurance</td>
<td>Chief information officer Senior business partner</td>
<td>$17 million</td>
<td>36,000</td>
</tr>
</tbody>
</table>

Key Challenges

The interviewed organizations highlighted the following challenges that drove their decision to invest in Customer Community:

› **Maintenance costs and availability challenges of legacy portal.** Several organizations wanted to replace their legacy customer portal solutions that were difficult to maintain. One executive remarked: “Any changes were laborious. Everything was a patch; everything was a code deployment. It took years to get to barebones with our legacy portal. The new portal [with Customer Community] was developed in six months.”

› **Scalability.** Interviewees also highlighted the need for better scalability compared to their legacy solutions. One organization wanted the task of adding new users to be a lot easier than in its current environment. Another organization was growing through mergers and acquisitions and needed to easily integrate these new companies into its internal systems. One executive observed, “We needed solutions that were built for growth, that could scale and be with us for the long haul.”

“We needed a customer success platform, where customers can see their data and update their own data in the same tool. There’s a lot of benefit for sales activities, such as buying spare parts, logistics tracking visibility, that our customers are on the same platform as internal users. The old portal, it really was like a black box.”

*GM, customer operations services, marine and energy manufacturer*
A need to provide personalized experiences for customers while managing costs. As organizations shifted to a more customer-centered strategy, providing personalized customer experiences was key. The need to provide customizations to control what services customers have access to at a reasonable development cost was a major driver in the decision to deploy Customer Community for a majority of the organizations interviewed. One insurance firm noted that its customers demanded “white glove service” and access to policies; transparency to the claims process and payments was part of this service. Personalization was also a key feature for one trading firm, as it provided custom views to market data, balances, cases, and billing.

Shift toward 360-degree view of the customer driving system integration. As customer strategy shifted, organizations found that they needed to make existing systems more engaging and accessible to the customer. These organizations’ legacy customer portals were standalone systems. As these organizations were running Sales Cloud and Service Cloud, they found it valuable to have customer information and interactions with customers through the customer portal integrated with Sales Cloud and Service Cloud as well. One general manager said: “These standalone systems no longer worked for us. We needed that integration to stay relevant in the market.” He also commented on the operational efficiency gained by this integration, noting, “It was also an advantage for an account manager to not need to log into 25 different systems to do their job.”

Security. Organizations interviewed were also particularly concerned about the security capabilities that needed to be built into customer portals as they expanded the scope of what their current legacy systems could do. One healthcare organization needed a customer portal that was compliant with the Health Insurance Portability and Accountability Act (HIPAA) and other healthcare-related regulations. One insurance company executive said the company needed a well-vetted security model for any solution it chose.

Key Results
The interviews revealed key results from the Customer Community investment, including:

Lower overall costs when compared to building or enhancing existing legacy customer portals. By deploying Customer Community, organizations did not have to allocate IT resources or work with third-party contractors to undertake the significant front-end development work to update their legacy customer portals and build a new customer portal that met their requirements. These development savings would also carry through to any projects built in subsequent years for the customer portal. Apart from front-end development savings, organizations also saved on integration costs with Sales Cloud, Service Cloud, and other internal systems, such as enterprise resource planning (ERP) applications. Organizations also saved on software costs for process management, identity and access management, and existing legacy ongoing maintenance costs as well as hardware and labor costs to maintain their existing legacy customer portal infrastructure.
Faster time-to-market benefits leading to additional business value. Organizations also reported that it was faster to deploy Customer Community than to build their own solutions. One organization reported that an anticipated one-year project only took three months with Customer Community. This faster time-to-value also extended to subsequent enhancements. For example, feature changes that took a month would now be completed in 2 hours. Organizations that launched custom portals for each major customer greatly benefited from the faster time-to-market gains through their subsequent years of Customer Community deployment.

Increased agility and access to ongoing innovation. By choosing Customer Community instead of building their own solution, organizations also gained access to ongoing innovation with Salesforce’s three releases every year and new capabilities, such as Salesforce Einstein. Interviewees also noted that one of the advantages of using Customer Community was the innovation generated by the Salesforce ecosystem, which includes AppExchange and access to Customer Community experts.

Quantifiable benefits are discussed in more detail starting below. The interviews also revealed several significant but unquantified results, which are detailed in the Unquantified Benefits section.

Composite Organization

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an associated ROI analysis that illustrates the areas of the business financially impacted. The composite organization is representative of the five companies that Forrester interviewed and is used to present the aggregate financial analysis in the next section. The composite organization that Forrester synthesized from the customer interviews has the following characteristics:

Description of composite. The composite organization is a large enterprise with $1 billion in revenue. The composite organization had a legacy on-premises customer portal for customer communication, basic reporting, and maintenance contracts. As part of a change in strategy around customer service models and a goal to get a 360-degree view of the customer, the organization decided to enhance or rebuild its portal presence. The organization wanted to create a customer success platform where customers could view and update their own data in the same tool. The composite needed a solution that was integrated with its internal systems, so customers could see data and make changes in real time, on the same platform used by its internal users.

Deployment characteristics. The composite organization had used Sales Cloud and Service Cloud for several years before it decided to make an investment in Customer Community. For the initial implementation, the organization worked with an SI for three months. Additional services were developed and launched each year.

The composite organization now uses Customer Community as the main gateway for all customer communication and engagement, including such functions as customer onboarding, document collaboration, claims, maintenance contracts, field service reports, product documentation, market intelligence, account management, and delivery tracking. The composite organization currently has 10,000 members in its Customer Community.
Financial Analysis

**QUANTIFIED BENEFIT AND COST DATA AS APPLIED TO THE COMPOSITE**

### Total Benefits

<table>
<thead>
<tr>
<th>REF.</th>
<th>BENEFIT</th>
<th>INITIAL</th>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
<th>TOTAL</th>
<th>PRESENT VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atr</td>
<td>Development cost avoidance savings</td>
<td>$190,000</td>
<td>$89,300</td>
<td>$89,300</td>
<td>$89,300</td>
<td>$457,900</td>
<td>$412,076</td>
</tr>
<tr>
<td>Btr</td>
<td>Integration cost avoidance savings</td>
<td>$570,000</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$570,000</td>
<td>$570,000</td>
</tr>
<tr>
<td>Ctr</td>
<td>Software cost avoidance savings</td>
<td>$0</td>
<td>$167,200</td>
<td>$167,200</td>
<td>$167,200</td>
<td>$501,600</td>
<td>$415,802</td>
</tr>
<tr>
<td>Dtr</td>
<td>Infrastructure cost avoidance savings</td>
<td>$0</td>
<td>$279,063</td>
<td>$279,063</td>
<td>$279,063</td>
<td>$837,188</td>
<td>$693,987</td>
</tr>
<tr>
<td>Etr</td>
<td>Faster time-to-market</td>
<td>$0</td>
<td>$450,173</td>
<td>$0</td>
<td>$0</td>
<td>$450,173</td>
<td>$409,248</td>
</tr>
<tr>
<td></td>
<td><strong>Total benefits (risk-adjusted)</strong></td>
<td><strong>$760,000</strong></td>
<td><strong>$985,736</strong></td>
<td><strong>$535,563</strong></td>
<td><strong>$535,563</strong></td>
<td><strong>$2,816,861</strong></td>
<td><strong>$2,501,113</strong></td>
</tr>
</tbody>
</table>

**Development Cost Avoidance Savings**

By choosing to deploy Customer Community for their customer portals instead of enhancing their legacy customer portals or building their own solutions, the interviewed organizations noted that they spent less IT resource time and effort on development. These organizations described the following benefits:

- Interviewees reported that they would incur significant front-end web development costs to upgrade their legacy customer portals to provide the level of functionality of their current Customer Community. One CIO noted: "It became obvious that this [Customer Community] was a simpler solution. Without it, we would have to find people to build websites with responsive design, do a security model that was well-vetted. Since all our data sits in Salesforce, it makes it tremendously easier [to choose Customer Community]."

- These organizations also took into consideration the cost of development and support for features, such as the social forum platform, knowledge base, case submissions forms, ATI, and branding with code, that came with their Customer Community implementations.

- Organizations that continued to develop applications on Customer Community after their initial implementations also estimated that this additional development would have cost three times as much in their previous environment. One IT director noted, "We have nine or 10 projects [with Customer Community] that if we were trying to build this ourselves or with a partner, it would have been three times as expensive." Another organization estimated that it was two to three times less work to build custom applications with Salesforce’s model-driven development.

For the composite organization, Forrester assumes that:

The table above shows the total of all benefits across the areas listed below, as well as present values (PVs) discounted at 10%. Over three years, the composite organization expects risk-adjusted total benefits to have a PV greater than $2.5 million.
The initial front-end development costs to upgrade its legacy customer portal to provide Customer Community-parity functionality was $200,000.

Application development work was required to offer additional services to customers, such as a maintenance planning tools and field service reports. The organization provides two new service offerings a year on Customer Community. The average cost to develop each new application in its previous legacy environment was $47,000. This is three times as expensive when compared to additional development using Salesforce.

Avoided costs for front-end development and custom applications can vary with:

- Previous environments and the complexity of development required for legacy customer portals.
- Ongoing development effort required, depending on the organization’s appetite for providing additional applications on Customer Community.

To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year risk-adjusted total PV of $412,076.

### Development Cost Avoidance Savings: Calculation Table

<table>
<thead>
<tr>
<th>REF.</th>
<th>METRIC</th>
<th>CALC.</th>
<th>INITIAL</th>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>Initial front-end development costs to upgrade legacy solution</td>
<td>$200,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A2</td>
<td>Ongoing development costs</td>
<td></td>
<td>$94,000</td>
<td>$94,000</td>
<td>$94,000</td>
<td></td>
</tr>
<tr>
<td>At</td>
<td>Development cost avoidance savings A1+A2</td>
<td></td>
<td>$200,000</td>
<td>$94,000</td>
<td>$94,000</td>
<td>$94,000</td>
</tr>
<tr>
<td></td>
<td>Risk adjustment</td>
<td></td>
<td>↓5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Atr</td>
<td>Development cost avoidance savings (risk-adjusted)</td>
<td></td>
<td>$190,000</td>
<td>$89,300</td>
<td>$89,300</td>
<td>$89,300</td>
</tr>
</tbody>
</table>

### Integration Cost Avoidance Savings

Interviewed organizations described the following benefits related to cost avoidance savings for system integration:

- By choosing to implement Customer Community for their customer portals instead of building their own or enhancing existing portals, organizations saved on labor costs for data integration with Sales Cloud and Service Cloud. These integrations are currently prebuilt into Customer Community. One interviewee conservatively estimated that it would take at least 200 days of consultant time to build the necessary integrations into the legacy portal that would give the legacy portal the same visibility into Salesforce as that of Customer Community.
Interviewed organizations also noted that it was easier and less expensive to integrate their internal systems with Customer Community than their legacy customer portal. One interviewee noted that the organization spent $150,000 on integrating Customer Community with its trading system but would have spent $600,000 to integrate the legacy portal application with this trading system and Salesforce. Integration costs in this case would have been four times more.

For the composite organization, Forrester assumes that:

- The labor costs to integrate the legacy customer portal with internal systems such as ERP applications was $364,000.
- The labor costs to integrate the legacy customer portal with Sales Cloud and Service Cloud was $236,000.

The analysis considers several impact risks that could potentially reduce anticipated savings. These include:

- Variability in integration labor costs required depending on an organization’s pre-Customer Community environment and the state of its customer portal.
- Variability in the number of internal systems required to integrate with Customer Community.

To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year risk-adjusted total PV of $570,000.

### Integration Cost Avoidance Savings: Calculation Table

<table>
<thead>
<tr>
<th>REF.</th>
<th>METRIC</th>
<th>CALC.</th>
<th>INITIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1</td>
<td>Integration costs of legacy portal with internal systems</td>
<td>$364,000</td>
<td></td>
</tr>
<tr>
<td>B2</td>
<td>Integration costs of legacy portal with Sales Cloud and Service Cloud</td>
<td>$236,000</td>
<td></td>
</tr>
<tr>
<td>Bt</td>
<td>Integration cost avoidance savings</td>
<td>B1+B2</td>
<td>$600,000</td>
</tr>
<tr>
<td></td>
<td>Risk adjustment</td>
<td>↓5%</td>
<td></td>
</tr>
<tr>
<td>Btr</td>
<td>Integration cost avoidance savings (risk-adjusted)</td>
<td></td>
<td>$570,000</td>
</tr>
</tbody>
</table>

### Software Cost Avoidance Savings

Interviewed organizations described the following benefits related to software cost avoidance savings:

- When considering building their own customer portal or enhancing their stand-alone legacy applications, the interviewees recognized that they would have had to incur additional software costs. These would have included software costs for process management, identity and access management, and other custom software.

- By moving to Customer Community, organizations with legacy customer portals built on other platforms also saved on the corresponding software maintenance costs.
One company with a legacy customer portal estimated that it saved $150,000 a year on software maintenance and fees for their legacy customer portal and identity product software. Another organization estimated that it saved $75,000 in security software fees by using Customer Community instead of building its own solution.

For the composite organization, Forrester assumes that:

- The company saves $176,000 a year in software costs, which includes legacy portal software license maintenance fees, as well as identity and access management software fees, with its deployment of Customer Community.

Software cost savings can vary with:

- Additional software costs for other services if organizations choose to build their solution in the cloud.
- Existing software costs pre-Customer Community and size and scope of the planned implementation.

To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year risk-adjusted total PV of nearly $415,802.

### Software Cost Avoidance Savings: Calculation Table

<table>
<thead>
<tr>
<th>REF.</th>
<th>METRIC</th>
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<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1</td>
<td>Software (identity and access management, etc.) costs</td>
<td></td>
<td>$176,000</td>
<td>$176,000</td>
<td>$176,000</td>
</tr>
<tr>
<td>Ct</td>
<td>Software cost avoidance savings C1</td>
<td></td>
<td>$176,000</td>
<td>$176,000</td>
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<tr>
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<td>Risk adjustment</td>
<td></td>
<td>↓5%</td>
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</tr>
<tr>
<td>Ctr</td>
<td>Software cost avoidance savings (risk-adjusted)</td>
<td></td>
<td>$167,200</td>
<td>$167,200</td>
<td>$167,200</td>
</tr>
</tbody>
</table>

### Infrastructure Cost Avoidance Savings

Interviewed organizations described the following benefits related to cost savings on infrastructure and associated support costs:

- By deploying Customer Community for their customer portals instead of building their own solutions or undertaking additional development on their legacy portal, these organizations saved on infrastructure and associated labor costs to support this platform.

- One product manager stated that infrastructure costs represented 10% of the company’s overall estimated cost of $350,000 for its build scenario for a customer portal. Another organization estimated that it spent $100,000 a year on infrastructure costs for its legacy portal. The organization did note that it would not incur this level of server costs if it chose a build scenario, as it would rebuild its customer portal on a cheaper platform.
Apart from hardware savings, the interviewed organizations also saved on the labor costs to maintain the customer portal and associated infrastructure. One interviewee noted that the company’s legacy portal required the support of anywhere between two to three FTE resources while the current deployment of Customer Community requires only one support FTE. This interviewee stated, “With Salesforce, we are working with one single vendor versus [in our previous environment] a load-balancing vendor, an infrastructure vendor, plus application support. With Customer Community, we need less people to make changes and operate the portal.”

For the composite organization, Forrester assumes that:

- By implementing Customer Community for its customer portals instead of rebuilding its legacy portal, the organization saves $35,000 a year in infrastructure costs.

- The costs to support its legacy portal was 0.5 FTEs for infrastructure support, 0.25 FTEs for managing licenses, and 1.5 FTEs for applications and portal support. By deploying Customer Community, the organization saves 2.25 FTEs in portal and infrastructure support resources.

- The average fully loaded compensation for these support resources is $110,000 per person.

The infrastructure and support cost savings can vary with:

- Existing infrastructure and support costs in an organization’s pre-Customer Community and size and scope of the planned implementation.

- Fully burdened salaries for IT professionals and outside consultants.

To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year risk-adjusted total PV of nearly $693,987.

<table>
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<tr>
<th>REF.</th>
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<th>YEAR 2</th>
<th>YEAR 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>D1</td>
<td>Infrastructure cost for legacy portal</td>
<td>$35,000</td>
<td>$35,000</td>
<td>$35,000</td>
<td></td>
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<tr>
<td>D2</td>
<td>Number of FTEs to maintain legacy portal</td>
<td>2.25</td>
<td>2.25</td>
<td>2.25</td>
<td></td>
</tr>
<tr>
<td>D3</td>
<td>Average annual rate per person (per year)</td>
<td>$115,000</td>
<td>$115,000</td>
<td>$115,000</td>
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<tr>
<td>D4</td>
<td>Maintenance cost of portal</td>
<td>D2*D3</td>
<td>$258,750</td>
<td>$258,750</td>
<td>$258,750</td>
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<td>Dt</td>
<td>Infrastructure cost avoidance savings</td>
<td>D1+D4</td>
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<td>$293,750</td>
<td>$293,750</td>
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<td></td>
<td>Risk adjustment</td>
<td>↓5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dtr</td>
<td>Infrastructure cost avoidance savings (risk-adjusted)</td>
<td>$279,063</td>
<td>$279,063</td>
<td>$279,063</td>
<td></td>
</tr>
</tbody>
</table>
Faster Time-To-Market

Interviewed organizations could launch their customer portals faster because they chose to implement Customer Community instead of building comparable customer portals or enhancing their existing legacy portals. This faster time-to-market for their customer portals also helped organizations to benefit from the business value generated by Customer Community earlier than if they had decided to choose a build scenario.

Business value from Customer Community could include reduced service costs from case reduction/deflection, increased sales from upsell with increased customer engagement, improved customer retention, better customer service, and operational efficiency savings, among others. Interviewed organizations described the following benefits around faster time-to-market:

- When comparing build scenarios versus buying and deploying Customer Community, these organizations estimated reduction in time-to-market ranging from 50% to 75%.
- One organization that creates custom portals for major customers noted: “Customer Community is twice as fast and 2.5 times cheaper to implement, even with all our customizations. One customer portal took exactly 240 hours to complete. Some other tools, that same portal would have been 1,000 hours.”
- Another organization also noted that in its previous legacy portal environment, a “regular” change would take, at minimum, a month to implement. In the new customer portal using Customer Community, this executive noted, “We can roll out a change in an hour or two.”

For the composite organization, Forrester assumes that:

- By choosing to deploy Customer Community for its customer portal, the organization could go to market within three months. If it had chosen a build scenario, it would have taken one year for the organization to launch a comparable customer portal. This faster time-to-market meant that the organization gained nine additional months of value from Customer Community.
- The business value gained from Customer Community is measured in terms of operational efficiency. The company saved 255 account managers in the sales organization an average of 80 hours a year.
- The average fully loaded compensation per salesperson is $72,000 per year.
- Business value to an organization from a Customer Community implementation may be defined in many ways. Organizations may choose to define business value through operational efficiency in terms of reduced service costs. To calculate this, the hours saved by each service agent is multiplied by the average fully loaded hourly rate per agent and the total number of agents.
- Business value from Customer Community may also be measured in terms of incremental profit from increased upsell or increased customer retention. Readers of this study are encouraged to evaluate the values specific to their organizations when quantifying the benefit of faster time-to-market.

Benefits from faster time-to-market can vary by:

- An organization’s pre-Customer Community environment.
The use cases for Customer Community and corresponding business value gained from the implementation.

To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year risk-adjusted total PV of $409,248.

### Faster Time-To-Market: Calculation Table

<table>
<thead>
<tr>
<th>REF.</th>
<th>METRIC</th>
<th>CALC.</th>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1</td>
<td>Number of man-hours saved per year due to Customer Community</td>
<td>$20,400</td>
<td>20,400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E2</td>
<td>Salesperson rate per hour</td>
<td>$72,000/2,080 hours</td>
<td>$34.62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E3</td>
<td>Total value of sales labor saved per month/value gained from Customer Community</td>
<td>(E1*E2)/12</td>
<td>$58,846</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E4</td>
<td>Number of months gained with faster Customer Community launch</td>
<td>9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E5</td>
<td>Business value from faster time-to-market with Customer Community</td>
<td>E3*E4</td>
<td>$529,615</td>
<td></td>
<td></td>
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<tr>
<td>Etr</td>
<td>Business value from faster time-to-market with Customer Community (risk-adjusted)</td>
<td>$450,173</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please note that numbers in the table may not align due to rounding.

### Unquantified Benefits

While there were strong and quantifiable benefits the interviewed organizations observed by using Customer Community, there were significant other benefits experienced that were not quantified for this study due to lack of available data and metrics. These include:

- **Improved agility.** Organizations interviewed were able to increase their agility in delivering new capabilities and service offerings to their customers through Customer Community, as they were able to quickly deliver new features and projects at a manageable cost. One healthcare organization implemented Customer Community with a goal of creating a portal for each new client group, such as a site for the city of Chicago, where members could sign up. Customer Community gave the organization the agility to reach that goal, with the COO remarking: “We can stand up a community for a new client very quickly. They can even have a custom URL to create a new website each time.”

  “The main thing I love about the Customer Community setup is the agility. Features are automatically taken care of. Take site permissions that had to be manually maintained in the old portal. It’s also easier to access analytics and see engagement metrics.”

  Manager, trading operations, oil and energy trading
Seamless access to information in Salesforce also meant that organizations could easily leverage capabilities of the Salesforce platform to improve their customer experience. One executive noted: “Take Chatter — that would have been a totally separate development in the old portal. With Customer Community, we can use any framework enhancements that Salesforce provides. In the legacy system, that would have been a plug-in to integrate that would have cost us $200,000. That's at least a 10 to 1 effort compared to what it would cost us now.” Another organization noted the benefit of working in one environment for changes in member information as “Customer Community instantly talks to Service Cloud, so if an address changes, that information automatically flows downstream.”

**Increased access to ongoing innovation.** Organizations gain access to ongoing innovation with Salesforce’s three-release schedule each year. New capabilities introduced by Salesforce, such as Einstein, which is a layer of artificial intelligence that delivers predictions and customer data based on an organization’s business processes and actions, would benefit these organizations at no additional cost, compared to the alternative of building their own solution. One organization that had deployed Customer Community noted, “We are looking at potentially going to a Lightning theme, which will help us become even better, on the back end, and things will become even easier for clients.”

The ability to access the innovation from the Salesforce ecosystem, which includes AppExchange, other SI solutions, and Customer Community experts, was also considered a significant benefit. “There are so many plug-ins that we can add into the customer portal,” one digital product management director said. One engineering firm tapped a document indexing solution on AppExchange for its Customer Community deployment. Another company tapped into the Ideas module to crowdsource development ideas from its customers for productization.

**Improved ability to provide personalized customer experience.** Organizations found that they could increase their customer responsiveness and provide better personalized experiences for their customers through Customer Community capabilities. Several of the companies interviewed offered this personalization as a differentiation strategy when selling to their clients.

**Flexibility**

The value of flexibility is clearly unique to each customer, and the measure of its value varies from organization to organization. There are multiple scenarios in which a customer might choose to implement Customer Community for its customer portal and later realize additional uses and business opportunities. Flexibility factors to consider include the following:

- Organizations will see additional benefits and cost avoidance savings as they deploy Customer Community to other product lines or business units.

“Since Customer Community can be interfaced with different applications available on AppExchange, there is a wealth of ideas and a certain richness to the platform. With Salesforce, we do have a platform that makes it easy to get good ideas to ensure your back end, internal resources, and Customer Community users work in good concert with one another. I think that's great.”

GM, customer operations services, marine and energy manufacturer
Several of the organizations interviewed were considering a future deployment of applications from the AppExchange. This would bring additional benefits around improved productivity, process efficiency, and improved customer experience.

Expanding to other use cases would bring additional benefits to these organizations. For example, one firm that provides market intelligence and account information through Customer Community was also considering adding capabilities around pricing requests that would improve its level of service to its customers.

Flexibility would also be quantified when evaluated as part of a specific TEI project (described in more detail in Appendix A).
The Total Economic Impact™ Of Customer Community For Customer Community

The table above shows the total of all costs across the areas listed below, as well as present values (PVs) discounted at 10%. Over three years, the composite organization expects risk-adjusted total costs to have a PV of more than $810,000.

Implementation risk is the risk that a proposed investment may deviate from the original or expected requirements, resulting in higher costs than anticipated. The greater the uncertainty, the wider the potential range of outcomes for cost estimates.

Customer Community Fees

Customer Community fees are based on the number of users or monthly logins as per contract. The composite organization implemented Customer Community after it had deployed Service Cloud and Sales Cloud, so fees for Service Cloud and Sales Cloud are not included in this analysis. The composite organization’s Customer Community implementation supports 10,000 users. Total licensing fees for Customer Community for the composite organization are $80,000 per year. This cost was risk-adjusted up by 5% to $84,000 per year. This yields a three-year risk-adjusted total PV of $208,896.

Salesforce fees will vary according to each organization’s use case and implementation. Consult with Salesforce when estimating total software and support fees for your organization.

Customer Community Fees: Calculation Table

<table>
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<tr>
<th>REF.</th>
<th>METRIC</th>
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<th>INITIAL</th>
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<th>YEAR 2</th>
<th>YEAR 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>F1</td>
<td>Customer Community fees</td>
<td></td>
<td>$80,000</td>
<td>$80,000</td>
<td>$80,000</td>
<td></td>
</tr>
<tr>
<td>Ft</td>
<td>Customer Community fees</td>
<td>F1</td>
<td>$0</td>
<td>$80,000</td>
<td>$80,000</td>
<td>$80,000</td>
</tr>
<tr>
<td></td>
<td>Risk adjustment</td>
<td></td>
<td>↑5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ftr</td>
<td>Customer Community fees (risk-adjusted)</td>
<td></td>
<td>$0</td>
<td>$84,000</td>
<td>$84,000</td>
<td>$84,000</td>
</tr>
</tbody>
</table>

Professional Services

Organizations may choose to either use the services of a systems integrator and Salesforce partner in their Customer Community implementation or deploy Customer Community with internal resources. For the organizations interviewed in this study, 60% chose to work with an SI to deploy Customer Community. The composite organization worked with an SI and spent professional fees of $60,000 for front-end development and $150,000 for integration of Customer Community with its internal systems. The extent of professional services required may vary with the size and scope of each Customer Community.
These fees will also vary if an organization decides to implement using Lightning, which the composite organization in the analysis did not use. Forrester risk-adjusted this cost up by 10%. This yields a three-year risk-adjusted total PV of $231,000.

---

### Professional Services: Calculation Table

<table>
<thead>
<tr>
<th>REF.</th>
<th>METRIC</th>
<th>CALC.</th>
<th>INITIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>G1</td>
<td>Front-end development</td>
<td></td>
<td>$60,000</td>
</tr>
<tr>
<td>G2</td>
<td>Integration costs with internal systems</td>
<td></td>
<td>$150,000</td>
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<tr>
<td>Gt</td>
<td>Professional services</td>
<td>G1+G2</td>
<td>$210,000</td>
</tr>
<tr>
<td></td>
<td>Risk adjustment</td>
<td></td>
<td>↑10%</td>
</tr>
<tr>
<td>Gtr</td>
<td>Professional services (risk-adjusted)</td>
<td></td>
<td>$231,000</td>
</tr>
</tbody>
</table>

---

### Implementation And Ongoing Development Costs

Interviewed organizations discussed the following internal costs associated with implementation of Customer Community:

- Internal resources were also used throughout the internal planning, development, and integration, as well as deployment of Customer Community.

- Organizations also incurred ongoing development costs every year as they introduced and launched new services to their customers or expanded Customer Community to other lines of business. One director of digital product management noted that the company planned to embed tools for analytics, proofing, and other third-party applications into its Customer Community in the future.

- One organization required a customized Customer Community user experience for each major account. This company spent approximately $230,000 a year on Customer Community ongoing development.

For the composite organization, Forrester assumes:

- Apart from relying on SI implementation resources, the composite organization also had one internal FTE work on the Customer Community implementation for 13 weeks.

- Ongoing development for new customer services ran to approximately $31,333 each year. This represents a third of development costs if the organization had chosen the build scenario for its legacy customer portal environment.

Implementation and ongoing costs can vary by:

- The choice to use Lightning Bolt for Customer Community implementation. Organizations that use Lightning Bolt will see shorter implementation times and lower implementation costs. These organizations would also incur corresponding license fees for Lightning Bolt.

---

“When we look at what it cost to build this customer portal, it was a drop in the bucket. Because of Customer Community, we were able to build an environment at a relatively low cost to give our members all the information at their fingertips, more information than any other insurance company. This is a huge win from my perspective.”

CIO, property insurance company
Use of any applications from the AppExchange, which may also shorten implementation timelines. Depending on the application, organizations may also incur additional licensing fees.

The appetite of an organization to provide additional services on Customer Community and other ongoing development requirements.

To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year risk-adjusted total PV of nearly $113,213.

### Implementation And Ongoing Development Costs: Calculation Table

<table>
<thead>
<tr>
<th>REF.</th>
<th>METRIC</th>
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<th>INITIAL</th>
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<th>YEAR 2</th>
<th>YEAR 3</th>
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</thead>
<tbody>
<tr>
<td>H1</td>
<td>Number of people</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H2</td>
<td>Hourly rate per IT resource</td>
<td>$100,000/2,080 hours</td>
<td>48.08</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>H3</td>
<td>Weeks</td>
<td></td>
<td>13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H4</td>
<td>Ongoing development costs</td>
<td></td>
<td>$31,333</td>
<td>$31,333</td>
<td>$31,333</td>
<td>$31,333</td>
</tr>
<tr>
<td>Ht</td>
<td>Implementation and ongoing development costs</td>
<td>H1<em>H2</em>40 hours/week*H3 + H4</td>
<td>$25,000</td>
<td>$31,333</td>
<td>$31,333</td>
<td>$31,333</td>
</tr>
<tr>
<td>Htr</td>
<td>Implementation and ongoing development costs (risk-adjusted)</td>
<td></td>
<td>$27,500</td>
<td>$34,467</td>
<td>$34,467</td>
<td>$34,467</td>
</tr>
</tbody>
</table>

*Please note that numbers in the table may not align due to rounding.*

### Administration

Organizations will also incur additional costs for their implementation of Customer Community. Some of the interviewed organizations had one FTE allocated to Customer Community while others had a combination of internal resources and external offshore development support for their deployment. The composite organization has, in total, one FTE for administration of Customer Community. At a fully loaded annual compensation of $100,000, the administration cost of Customer Community is $100,000 per year.

The administration costs will vary for each organization depending on the use case for its Customer Community implementation and particular compensation structure. These administration costs may increase with the number of communities, products, and services offered. To account for this variability, the ongoing administration cost was risk-adjusted and raised by 5% in this analysis. The total cost of ongoing administration for Customer Community is $105,000 per year.
## Administration: Calculation Table

<table>
<thead>
<tr>
<th>REF.</th>
<th>METRIC</th>
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<th>INITIAL</th>
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<th>YEAR 2</th>
<th>YEAR 3</th>
</tr>
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<tbody>
<tr>
<td>I1</td>
<td>Number of resources required for</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Customer Community solution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I2</td>
<td>Annual rate per person</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>It</td>
<td>Administration</td>
<td>I1*I2</td>
<td>$0</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
<tr>
<td></td>
<td>Risk adjustment</td>
<td></td>
<td>↑5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Itr</td>
<td>Administration (risk-adjusted)</td>
<td></td>
<td>$0</td>
<td>$105,000</td>
<td>$105,000</td>
<td>$105,000</td>
</tr>
</tbody>
</table>
Financial Summary

CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

Cash Flow Chart (Risk-Adjusted)

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. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Table (Risk-Adjusted)

<table>
<thead>
<tr>
<th></th>
<th>INITIAL</th>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
<th>TOTAL</th>
<th>PRESENT VALUE</th>
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<tbody>
<tr>
<td>Total costs</td>
<td>($258,500)</td>
<td>($223,467)</td>
<td>($223,467)</td>
<td>($223,467)</td>
<td>($928,900)</td>
<td>($814,229)</td>
</tr>
<tr>
<td>Total benefits</td>
<td>$760,000</td>
<td>$985,736</td>
<td>$535,563</td>
<td>$535,563</td>
<td>$2,816,861</td>
<td>$2,501,113</td>
</tr>
<tr>
<td>Net benefits</td>
<td>$501,500</td>
<td>$762,269</td>
<td>$312,096</td>
<td>$312,096</td>
<td>$1,887,961</td>
<td>$1,686,884</td>
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<td>ROI</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>207%</td>
</tr>
<tr>
<td>Payback period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Almost immediate</td>
</tr>
</tbody>
</table>
Customer Community: Overview

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

The Power Of Customer Portals

In today’s connected world, customers expect the ability to access tools and information at any time, from any device. These shifting demands require a new platform for managing customer relationships.

Customer Community transforms the customer experience with portals seamlessly connected to business data and process. Customers can complete business transactions and access knowledge articles, integrated from multiple back-end systems. So they can log in anywhere, access account information, pay a bill, make an appointment, and find the answers they need instantly, all on their own.

Customers can find the information and resources they need without a call, so your service agents can spend less time answering redundant questions, and more time concentrating on more complex issues. And higher case deflection for agents results in a better bottom line for your business.

It’s easy to build a secure, reliable, and scalable customer portal with Customer Community. It’s designed to incorporate third-party or custom apps and integrate data from any system for fast deployment. And it’s accessible on any mobile device, tablet, or desktop, so you can deliver seamless self-service across channels, and your customers can connect with your business anywhere, anytime.

**Customer Community Delivers:**

› Seamless self-service by connecting to business data and process.

› Quick access to answers, articles, and FAQs.

› AI-powered content recommendations.

› Quick and easy deployment with Lightning.

For more information on Customer Community, visit https://www.salesforce.com/products/community-cloud/customer-community/.
Appendix A: Total Economic Impact

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.

Total Economic Impact Approach

**Benefits** represent the value delivered to the business by the product. The TEI methodology places 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.

**Costs** consider all expenses necessary to deliver the proposed value, or benefits, of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

**Flexibility** represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

**Risks** measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on “triangular distribution.”

The initial investment column contains costs incurred at “time 0” or at the beginning of Year 1 that are not discounted. All other cash flows 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 in 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.

**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.

**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.

**RETURN ON INVESTMENT (ROI)**

A project’s expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

**DISCOUNT RATE**

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

**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.