

The Total Economic Impact™ Of Ometria's Customer Data And Experience Platform

Cost Savings And Business Benefits
Enabled By Ometria

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Executive Summary

In today's fast-paced consumer environment, retail enterprises require a solution beyond traditional customer relationship management (CRM). To remain competitive and drive revenue, retailers must personalize customer journeys across multiple digital channels to increase customer engagement. Developed specifically for retail, Ometria consolidates multiple sources of consumer data into a single interface that provides analytics and the ability to deliver effective strategic marketing campaigns.

Ometria's customer data and experience platform (CDXP) offers retail organizations the ability to engage customers and personalize their journeys across multiple digital channels, including email, mobile, SMS, and social media touchpoints. With AI-driven insights, segmentation capabilities, and a centralized dashboard, retail organizations have real-time access to valuable insights needed to create and deliver impactful and efficient campaigns, leading to stronger customer relationships and increased revenue.

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

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed

KEY STATISTICS



Return on investment (ROI)
430%



Net present value (NPV)
\$3.50M

four representatives with experience using Ometria. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization that is a retail organization with 3 million customers and revenue of \$300 million per year.

Prior to using Ometria, the retail interviewees noted how their organizations relied on outside agencies and outdated software that focused solely on email communications to manage customer relationships. Their legacy CRM solutions lacked the ability to segment customer groups and provide intuitive, AI-driven consumer insights. These limitations created inefficient workflows for CRM teams and required excessive time for composing, proofing, and approving emails that were then sent to customers without an optimized strategy for content, audience, and timing. The lack of automated tools and analytics limited the ability to create and deliver strategic, intuitive, and personalized messaging in return for

CRM team efficiency
gained

25%



customer loyalty, engagement, and associated revenue.

After the investment in Ometria, the interviewees noted a significant increase in customer engagement, as evidenced by growth in repurchase rates, reactivation rates, average order values (AOV), and customer lifetime values (CLTV). In addition to sunsetting legacy solutions, the interviewees also attributed a 25% efficiency gain for the CRM team to Ometria, as it eliminated most of the manual, labor-intensive, and time-consuming tasks previously required to market to their customers.

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **Net operating revenue from increased personalization and engagement.** With more effective, automated, and segment-specific marketing campaigns, the composite organization is able to personalize and better target its messaging, which leads to an enhanced customer experience and a subsequent increase in engagement and related revenue. Over three years, the net operating revenue from increased personalization and engagement is worth more than \$3.5 million to the composite organization.
- **Consolidation of legacy tools.** Ometria's comprehensive, retail-specific platform allows the composite organization to consolidate its legacy tools, replacing them with Ometria's more automated solution. The three-year, risk-adjusted savings from sunsetting legacy tools totals \$354,400.
- **CRM team efficiencies.** Ometria integrates automation into every step of creating and delivering customer communications across multiple channels. Content is easily customized, and relevant team members can quickly access a campaign in progress for edits and approvals.

Additionally, Ometria offers insights and segmentation capabilities, reducing the need to outsource these tasks or perform this research and analysis manually in-house, thereby saving significant resources for the composite organization's CRM team. The three-year, risk-adjusted value due to increased team efficiencies is \$307,700.

- **Marketing staff reassignments.** With Ometria, the CRM team is able to perform more tasks with fewer resources. That enables the composite to reassign one marketing specialist within the organization and save the team \$189,000 over three years.

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified in this study include:

- **Improved targeting and time to market.** Ometria's real-time insights and customer segmentation builder allow the CRM team to tailor its digital messaging and target specific customer groups, which enhances the customer journey and reduces time to conversions. Rather than launching a mass email campaign with generic messaging, the team can now deliver fewer, yet more effective and personalized, campaigns to targeted groups and can quickly synchronize these efforts across a number of digital touchpoints.
- **Improved insights and tracking of customer behavior.** The data collected and housed by Ometria enhances the CRM team's ability to strategize and create more successful marketing campaigns. Team members can access behaviors — such as number of visits, number of purchases, and channel usage — that allow the team to continuously improve customer communication and experience.
- **Enhanced employee experience.** The Ometria platform is easy to use and requires minimal

training. The automation features allow CRM team members to focus more time on fulfilling tasks, such as data analysis and campaign strategy development, and less time on redundant, manual tasks.

- **Elimination of silos and improved collaboration.** Marketing team members across the organization are able to collaborate within the Ometria platform. Campaign managers, copywriters, customer care representatives, and data engineers can access the same customer information and make their contributions in a centralized location, improving communication across the organization and creating efficiencies by eliminating steps from the previous environment.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Annual subscription cost.** While based on several variables, the number of campaigns and messages is the largest driver of the annual subscription cost. For the composite organization, the subscription totals \$662,000 over three years.
- **Initial and ongoing costs.** Initial costs include internal resources required to implement Ometria, a one-time implementation fee, and minimal training costs. Ongoing costs represent future training and time required to maintain the platform and the Ometria relationship. The total risk-adjusted, three-year PV of initial and ongoing costs is \$151,000.

The representative interviews and financial analysis found that a composite organization experiences benefits of \$4.3 million over three years versus costs of \$813,000, adding up to a net present value (NPV) of \$3.5 million and an ROI of 430%.

“Ometria is heavily invested in tech and very transparent with its road map. It listens to customers, and I feel the things it adds are very much based on customer feedback. Its teams respond fast to customer needs.”

Manager marketing and digital channels, retail gifting marketplace



ROI
430%



BENEFITS PV
\$4.31M



NPV
\$3.50M



PAYBACK
<6 months

Benefits (Three-Year)

Net operating revenue from increased personalization and engagement

\$3.5M

Consolidation of legacy tools

\$354.4K

CRM team efficiencies gained

\$307.7K

Marketing specialists reassigned

\$189.0K

“I genuinely love Ometria because of the number of things I can do. I’m no longer just building emails, copying and pasting content and images. I am actually now a CRM expert. I can delve into real data.”

— CRM executive, luxury chocolate and confectionary retailer

TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Ometria's customer data and experience platform.

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 Ometria can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Ometria 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 study to determine the appropriateness of an investment in Ometria.

Ometria 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.

Ometria provided the customer names for the interviews but did not participate in the interviews.



DUE DILIGENCE

Interviewed Ometria stakeholders and Forrester analysts to gather data relative to its customer data and experience platform.



INTERVIEWS

Interviewed four representatives at organizations using Ometria to obtain data with respect to costs, benefits, and risks.



COMPOSITE ORGANIZATION

Designed a composite organization based on characteristics of the interviewees' 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 interviewees.



CASE STUDY

Employed four fundamental elements of TEI in modeling the investment impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

The Ometria Customer Journey

■ Drivers leading to the Ometria investment

Interviews			
Role	Industry	Region	Relevant Metric
Digital brand manager	Discount retailer	UK	\$250 million annual revenue
CRM executive	Luxury chocolate and confectionary retailer	Global	2,300 employees
Manager, marketing and digital channels	Retail gifting marketplace	UK	CRM team of 3 FTEs
VP marketing	Online retail bedding	EU	1,000 employees

KEY CHALLENGES

Before deploying Ometria, the interviewees' organizations used traditional CRM software that was not specific to retail, was limited in functionality, and lacked automation and insights. Due to absent visibility into customer behavior and integration across digital channels, CRM tasks were manual and time-consuming. CRM teams spent excessive time building and delivering email messages that lacked personalization and targeted communication to specific customer groups. The organizations needed a solution that was fully automated, easily accessible, and able to improve customer engagement within the changing landscape of consumer relationship management.

The interviewees noted how their organizations struggled with common challenges, including:

- **A lack of automation.** CRM teams spent considerable time manually composing, editing, proofing, approving, and finally delivering email communications. They often required input from other departments. Additionally, this time-consuming, inefficient process was limited to email only and did not span other marketing channels. This resulted in missed opportunities for engagement and lost profits.

- **A need for more advanced marketing tools.** The interviewees' organizations required more robust features to maximize efficiencies and campaign success. Lacking customer insights and segmentation to help drive strategic, personalized campaign efforts, the organizations feared losing their existing competitive advantages.

“With Ometria, we have a better understanding of what our subscribers need, and we have improved the conversion rate by providing more relevant content.”

VP marketing, online retail bedding

- **Insufficient data and analytics.** The CRM teams lacked visibility and access to the real-time customer behavior data they needed to create successful, strategic campaigns. Without access to analytics, teams were unable to assess and

redirect a campaign that an automated CDXP would show to be ineffective.

“Ometria gives us a segmentation capability as well as the knowledge of who is purchasing what and who is showing intent online. [This allows us] to send tailored communications and inspire channel growth.”

Digital brand manager, discount retailer

four interviewees, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The composite organization is a global B2C online retailer with a strong brand and a large customer base of three million customers, and an AOV of \$136 in Year 1.

Deployment characteristics. The composite organization, with annual revenue of \$300 million, seeks to replace manual CRM processes with a cloud-based, automated, AI-driven CDXP, enabling team efficiencies, enhanced customer engagement, and increased profits.

SOLUTION REQUIREMENTS/INVESTMENT OBJECTIVES

The interviewees' organizations searched for a solution that could:

- Automate digital communications.
- Aggregate data sources and offer a single customer view.
- Deliver communications across various channels and touchpoints.
- Customize customer journeys with segmentation capabilities and push notifications.
- Provide enhanced data collection and analytics.
- Offer a retail-focused, easy-to-use, cloud-based solution.

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the

Key Assumptions

- **B2C online retailer**
- **3 million customers**
- **\$300 million annual revenue**
- **AOV of \$136 in Year 1**

Analysis Of Benefits

■ Quantified benefit data as applied to the composite

Total Benefits						
Ref.	Benefit	Year 1	Year 2	Year 3	Total	Present Value
Atr	Net operating revenue from increased personalization and engagement	\$517,018	\$1,125,306	\$2,745,027	\$4,387,350	\$3,462,400
Btr	Consolidation of legacy tools	\$142,500	\$142,500	\$142,500	\$427,500	\$354,376
Ctr	CRM team efficiencies gained	\$123,750	\$123,750	\$123,750	\$371,250	\$307,748
Dtr	Marketing specialists reassigned	\$76,000	\$76,000	\$76,000	\$228,000	\$189,001
Total benefits (risk-adjusted)		\$859,268	\$1,467,556	\$3,087,277	\$5,414,100	\$4,313,525

NET OPERATING REVENUE FROM INCREASED PERSONALIZATION AND ENGAGEMENT

Evidence and data. Interviewees reported the following:

- Upon deploying Ometria's CDEX, the interviewees' organizations realized an increase in net operating revenue directly related to growth in customer repurchase and reactivation rates that resulted in increased conversions. A manager of marketing and digital channels for a

retail gifting marketplace stated, "We have seen a 10% increase in customer reactivation, and a 23% increase in our online CRM revenue overall."

- Commenting on the increase in conversions due to Ometria, A VP of marketing at an online retail bedding company noted, "Revenue has grown significantly in the last two years, and Ometria is the enabler."
- The interviewees reported that AOV and CLTV numbers also increased annually following the adoption of Ometria. A digital brand manager at a discount retailer relayed: "Our reactivation rate is up, customer acquisition is up, e-commerce revenue is up, and average order value is up." A VP of marketing for online retail bedding said, "We have more customers, more email responses, more conversions that directly lead to higher order values." A manager of marketing and digital channels at a retail gifting marketplace noted: "We are looking at a 15% increase in customer lifetime value."

Modeling and assumptions. For the composite organization, Forrester makes the following assumptions:

"We've had 56% growth in email contributions to online revenue over three years. The amount of revenue that we make overall, and the percentage attributed to campaigns with Ometria, is just constantly growing."

CRM executive, luxury chocolate and confectionary retailer

- The repurchase rate is 22% in Year 1, 23% in Year 2, and 26% in Year 3, due to growth of 6%, 10%, and 18%, respectively.
- The increase in the customer reactivation rate is 12% per year.
- The number of customers is three million in Year 1 and grows by the increase in reactivation rate.
- The average order value is \$136 in Year 1 and grows by 10% per year.
- The operating profit margin is 12%.

Risks. Net operating revenue from increased personalization and engagement will vary depending on:

- The size of the existing customer base.
- The existing repurchase and reactivation rates.
- The existing operating profit margin.
- Order values, depending on product type.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$3.5 million.

Net Operating Revenue From Increased Personalization And Engagement					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Repurchase rate	Composite	22%	23%	26%
A2	Repurchase rate increase	Interviews	6%	10%	18%
A3	Increased reactivation rate due to deployment of Ometria	Composite	12%	12%	12%
A4	Number of customers	Composite	3,000,000	3,360,000	3,763,200
A5	AOV with 10% annual increase due to deployment of Ometria	Composite	\$136	\$150	\$165
A6	Gross revenue due to increase in repurchase, reactivation, AOV, and CLTV rates	$A1 \times A2 \times A4 \times A5$	\$5,385,600	\$11,721,938	\$28,594,026
A7	Operating profit margin	Industry standard	12%	12%	12%
At	Net operating revenue from increased personalization and engagement	$A6 \times A7$	\$646,272	\$1,406,633	\$3,431,283
	Risk adjustment	↓20%			
Atr	Net operating revenue from increased personalization and engagement (risk-adjusted)		\$517,018	\$1,125,306	\$2,745,027
Three-year total: \$4,387,350			Three-year present value: \$3,462,400		

CONSOLIDATION OF LEGACY TOOLS

Evidence and data. Interviewees reported that they were able to replace or consolidate existing legacy CRM solutions with Ometria's streamlined, comprehensive CDXP.

Modeling and assumptions. For the composite organization, Forrester makes the following assumptions:

- The composite organization's annual legacy CRM tool cost is \$150,000 per year.
- The legacy solution is replaced with Ometria.

Risks. The consolidation of legacy tools will vary depending on:

- Existing CRM tools and solution and their associated annual costs.
- Any insights or outsourcing costs incurred in the previous environment.

Results. To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV of \$354,400.

Consolidation Of Legacy Tools					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Previous cost of legacy solution	Interviews	\$150,000	\$150,000	\$150,000
Bt	Consolidation of legacy tools	B1	\$150,000	\$150,000	\$150,000
	Risk adjustment	↓5%			
Btr	Consolidation of legacy tools (risk-adjusted)		\$142,500	\$142,500	\$142,500
Three-year total: \$427,500			Three-year present value: \$354,376		

CRM TEAM EFFICIENCIES GAINED

Evidence and data. Interviewees reported the following:

- Ometria enabled the marketing teams to accomplish more tasks in less time. The automation features allowed for the quick creation of digital messaging. The integration between internal departments saved time in editing and proofing, while the digital channel integration streamlined the delivery of push notifications to various customer groups. The manager of marketing and digital channels for a retail gifting marketplace stated: “The features we now have with Ometria make things a lot easier. We can be more proactive in general and use a mix of many different emails and content. We can also push our various audience segments to other third-party vendors. We’ve saved a lot of time in that area because before it was a lot more manual, with people handling spreadsheets and documents.”

“Ometria plays in the retail space. The fact that what they build is very much in line for our industry and not a one-size-fits-all across all verticals is a huge advantage for us.”

Manager marketing and digital channels, retail gifting marketplace

- The interviewees also noted that emails were more personalized and effective with better insights and targeting. Additionally, teams could change course quickly if real-time data from early campaign results did not meet expectations. A CRM executive for a luxury chocolate and confectionary retailer said: “With Ometria, we can plan seasonally but also monitor in real time since we have all the information at hand. We can quickly make changes to a campaign based off insights and data.”

Modeling and assumptions. For the composite organization, Forrester makes the following assumptions:

- The CRM team includes five team members earning a fully burdened annual salary of \$110,000.
- The percent efficiency gained due to Ometria is 25%.

Risks. CRM team efficiencies gain will vary depending on:

- The size of the CRM team and existing efficiencies, due to skill level and experience.
- Salary levels, which are typically associated with geographical location and skill levels.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$307,700.

CRM Team Efficiencies Gained					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Number of CRM team members	Composite	5	5	5
C2	Percent efficiency gained due to Ometria	Interviews	25%	25%	25%
C3	Average fully burdened salary of a CRM team member	TEI standard	\$110,000	\$110,000	\$110,000
Ct	CRM team efficiencies gained	$C1 \times C2 \times C3$	\$137,500	\$137,500	\$137,500
	Risk adjustment	↓10%			
Ctr	CRM team efficiencies gained (risk-adjusted)		\$123,750	\$123,750	\$123,750
Three-year total: \$371,250			Three-year present value: \$307,748		

MARKETING SPECIALISTS REASSIGNED

Evidence and data. Interviewees reported the following:

- Ometria offered features that streamlined and simplified the campaign creation and delivery process. Marketing team members no longer needed to spend time coding, as content could be created directly in the platform and was available to other departments. This time savings allowed resources to be reassigned to more value-added tasks.
- Additionally, copyediting and approvals required less time after deploying Ometria. A digital brand manager for a discount retailer stated: "Designers can now create emails and marketing teams can check links, prices, languages, within the platform. This is saving us time overall for each campaign."

Modeling and assumptions. For the composite organization, Forrester makes the following assumptions:

- One marketing specialist is reassigned.
- The fully burdened annual salary of a marketing specialist is \$80,000.

Risks. The reassignment of marketing specialists will vary depending on:

- The size and duties of the marketing teams.
- Salary levels, which are typically associated with geographical location and skill levels.

Results. To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV of \$189,000.

"Since implementing Ometria, we are realizing significant improvement in terms of the efficiency of the team members."

VP marketing, online retail bedding

Marketing Specialists Reassigned

Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Number of marketing specialists reassigned	Interviews	1	1	1
D2	Fully burdened salary of a marketing specialist	TEI standard	\$80,000	\$80,000	\$80,000
Dt	Marketing specialists reassigned	D1*D2	\$80,000	\$80,000	\$80,000
	Risk adjustment	↓5%			
Dtr	Marketing specialists reassigned (risk-adjusted)		\$76,000	\$76,000	\$76,000
Three-year total: \$228,000			Three-year present value: \$189,001		

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Improved targeting and time to market.**

Improved targeting through the incorporation of analytics and insights allows for fewer, yet more effective, marketing campaigns. This results in faster conversion rates. A digital brand manager for a discount retailer stated, “Sending fewer emails equals more engagement because the content is more tailored.” They added, “Ometria syncs within the system with social media platforms and other third-party applications so we can effectively target customers within a journey.”

Through the solution’s automation and seamless integration with other digital platforms, a VP of marketing for an online retail bedding organization commented: “Ometria is easier and faster. It integrates well with online shopping platforms, improving our time to market.”

- **Improved insights and tracking of customer behavior.** The insights available within Ometria allow organizations to learn more about their customers and fine-tune their campaigns for better results. A manager of marketing and digital channels at a retail gifting marketplace relayed:

“We are looking at engagement, conversion, and revenue. Beyond that, we are able to access quite a lot of customer insights. We are looking at customer retention, acquisition, and how those figures split by channel. Then we are leveraging Ometria data to look at our recency, frequency, and monetary segmentation.”

- **Enhanced employee experience.** Ometria offers an easy-to-use platform that allows CRM teams to accomplish more in less time and with less effort, which leads to increased job satisfaction. A VP of marketing at an online retail bedding organization commented: “Ometria is quite easy to use and understand. There are never any complaints from the people using the tool.” A digital brand manager for a discount retail organization added, “Job satisfaction has definitely improved with more exposure to career enhancing skills through a truer CRM instead of from just email marketing.”
- **Elimination of silos and improved collaboration.** Ometria unifies the various departments involved in achieving the CRM goals of an organization. All groups have access to the same centralized customer data and campaign content. Manually tracking separate email iterations during copywriting, editing, and approval is no longer required, as the process is

now streamlined and consolidated in one central location. A CRM executive for a luxury chocolate and confectionary retailer stated: “Ometria makes working on large scale campaigns really easy. The insights team, the campaign manager, and the copywriters all have direct access to our templates and can provide the information we need or make the necessary edits.” They added: “Even the customer relations department has access to that information because they may need it to handle queries or complaints. Screens can also be shared among the various departments. In fact, the brand center for the customer care team doesn’t need to send us an email and wait for our reply. They can delve straight into the platform, see a customer profile, and get the information they need. If they need our help, we can easily jump in and see exactly what they see. It’s that sort of access that the other teams have that really helps us to be more collaborative.”

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Ometria and later realize additional uses and business opportunities, including:

- **Dynamic problem solving and strategizing.** Ometria offers customers guidance so they can optimize the benefits of the CDXP. A manager of marketing and digital channels for a retail gifting marketplace noted: “Ometria does training and helps with strategy. We have been able to work with them on a few things like data ingestions and automation and using data science and AI to support our activities.” A CRM executive for a luxury chocolate and confectionary retailer added: “I really love that Ometria comes to us with lots of ideas and advice, making sure we are always evolving and always implementing new things. We see new ways of looking at customers that we would have never even considered before. For example, we have created tiers within

the model for people that spend loads of money but buy once a year versus people that only spend three pounds at a time but that on a weekly basis. There are so many ways of segmenting customers in different groups that we would have never thought about.”

- **Direct mail cost savings.** The interviewees noted how they are able to leverage the capabilities of Ometria to create and send digital, rather than printed, catalogs. They can apply their existing segmentation data to optimize the efficacy of the new online catalog, resulting in revenue growth while saving significant production, material, and mailing costs.

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Appendix A](#)).

Analysis Of Costs

■ Quantified cost data as applied to the composite

Total Costs							
Ref.	Cost	Initial	Year 1	Year 2	Year 3	Total	Present Value
Etr	Annual subscription cost	\$0	\$243,100	\$255,255	\$306,306	\$804,661	\$662,087
Ftr	Initial and ongoing costs	\$137,251	\$5,553	\$5,553	\$5,553	\$153,908	\$151,059
	Total costs (risk-adjusted)	\$137,251	\$248,653	\$260,808	\$311,859	\$958,569	\$813,146

ANNUAL SUBSCRIPTION COST

Evidence and data. The interviewees' organizations pay an annual subscription cost commensurate with their usage. While not linear, pricing is typically driven by the number of campaigns created.

Modeling and assumptions. For the composite organization, Forrester makes the following assumptions:

- Its annual subscription cost for the Ometria platform is \$221,000 and grows 5% annually.
- Pricing will vary. Contact Ometria for details.

Risks. Annual subscription costs will vary depending on:

- The size of the organization.
- The type and extent of use.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$662,000.

Annual Subscription Cost						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Subscription cost	Interviews		\$221,000	\$232,050	\$278,460
Et	Annual subscription cost	E1	\$0	\$221,000	\$232,050	\$278,460
	Risk adjustment	↑10%				
Etr	Annual subscription cost (risk-adjusted)		\$0	\$243,100	\$255,255	\$306,306
Three-year total: \$804,661			Three-year present value: \$662,087			

INITIAL AND ONGOING COSTS

Evidence and data. Interviewees reported the following:

- Initial implementation required data engineering and CRM team resources.
- The CRM team performed ongoing maintenance and management.

Modeling and assumptions. For the composite organization, Forrester makes the following assumptions:

- The required internal resources to implement Ometria totals \$92,000.
- The composite organization pays Ometria a \$28,000 implementation fee.
- Initial training represents one week per CRM team member, and one day of ongoing training is required per team member per year.
- Ongoing management requires one hour per CRM team member per month.

Risks. Initial and ongoing costs will vary depending on:

- The size of the organization and the nature and scope of its marketing strategy.
- The size of the customer base.
- Salary levels, which are typically associated with geographical location and skill levels.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of \$151,000.

“The price of Ometria in relation to the tech investment and current capabilities makes it a good value for the money.”

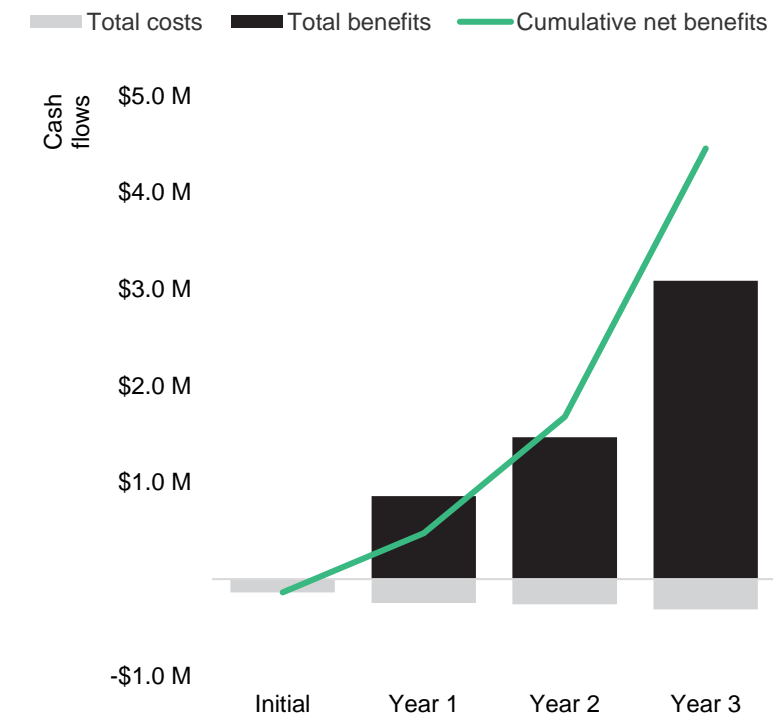
Manager marketing and digital channels, retail gifting marketplace

Initial And Ongoing Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
F1	Implementation costs-internal resources	Interviews	\$92,138			
F2	Implementation fee to Ometria	Interviews	\$28,000			
F3	Initial training	Composite	\$10,577			
F4	Ongoing management	Composite		\$3,173	\$3,173	\$3,173
F5	Ongoing training	Composite		\$2,115	\$2,115	\$2,115
Ft	Initial and ongoing costs	F1+F2+F3+F4+F5	\$130,715	\$5,288	\$5,288	\$5,288
	Risk adjustment	↑5%				
Ftr	Initial and ongoing costs (risk-adjusted)		\$137,251	\$5,552	\$5,552	\$5,552
Three-year total: \$153,908			Three-year present value: \$151,059			

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 Analysis (Risk-Adjusted Estimates)						
	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$137,251)	(\$248,653)	(\$260,808)	(\$311,859)	(\$958,569)	(\$813,146)
Total benefits	\$0	\$859,268	\$1,467,556	\$3,087,277	\$5,414,100	\$4,313,525
Net benefits	(\$137,251)	\$610,615	\$1,206,749	\$2,775,418	\$4,455,531	\$3,500,379
ROI						430%
Payback period (months)						<6

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.

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