

A Forrester Total Economic Impact™
Study Commissioned By SAS
July 2020

The Total Economic Impact™ Of SAS Customer Intelligence 360

Cost Savings And Business Benefits
Enabled By SAS's Multichannel Marketing
Hub

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Executive Summary

Benefits



Improved conversion rate:
\$2M



Improved marketing campaign
efficiency:
\$570K+



Consolidation of marketing
automation tools:
\$360K+

SAS provides a multichannel marketing hub for B2C marketers that supports the delivery of individualized, contextually relevant brand experiences to their customers. SAS commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Customer Intelligence 360. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Customer Intelligence 360 on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed one current Customer Intelligence 360 client with several years of experience using the solution. Customer Intelligence 360 provides the interviewee with the advanced analytic capabilities needed to quickly transform digital data into predictive, customer-focused insights. The offering also provides insights that guide the development and delivery of real-time customer interactions, resulting in personalized, relevant offers to customers across a range of channels.

Prior to deploying Customer Intelligence 360, the interviewed organization struggled to gain the attention of its customers who were flooded with product offers from systems that produced an incomplete view of the customer and an inability to understand and predict customer behavior. The lack of agility and individual-level targeting led to abandonment, as well as problems with new customer acquisition and current customer churn.

Key Findings

Quantified benefits. The interviewed organization experienced the following risk-adjusted present value (PV) quantified benefits:

- › **Increased conversion rate on personalized web page offers by six time to eight times.** Armed with more accurate customer data across all channels, past and present, the organization built retention, cross-sell/upsell, and response models to support the development of highly targeted market segments. Over three years, the personalized offers tailored to the web, or to the mobile app behavior of each unique customer, were worth more than \$2.0 million to the organization.
- › **Increased the speed of the marketing campaign process by 10x.** Previously, campaigns required coordinating input from six people with different roles, and the elapsed time from idea to execution was six to eight weeks. Equipped with the Customer Intelligence 360 easy-to-use decision helpers that aid in the activity setup, execution, and optimization process, the organization generated campaigns with just two people in three days. Over three years, the increased efficiency and agility of the marketing campaign process resulted in savings of \$570K.
- › **Conserved resources by streamlining marketing operations.** Investing in a multichannel marketing hub enabled the interviewee to consolidate multiple resource-intensive legacy marketing automation solutions that were slow, inflexible, and focused on marketing campaigns rather than on individual engagement. With Customer Intelligence 360, marketers were able to map a customer's journey across channels, devices, and points in time within an integrated solution.



ROI
201%



Benefits PV
\$3M



NPV
\$2M



Payback
3 months

Unquantified benefits. The interviewed organization experienced the following benefits, which are not quantified for this study:

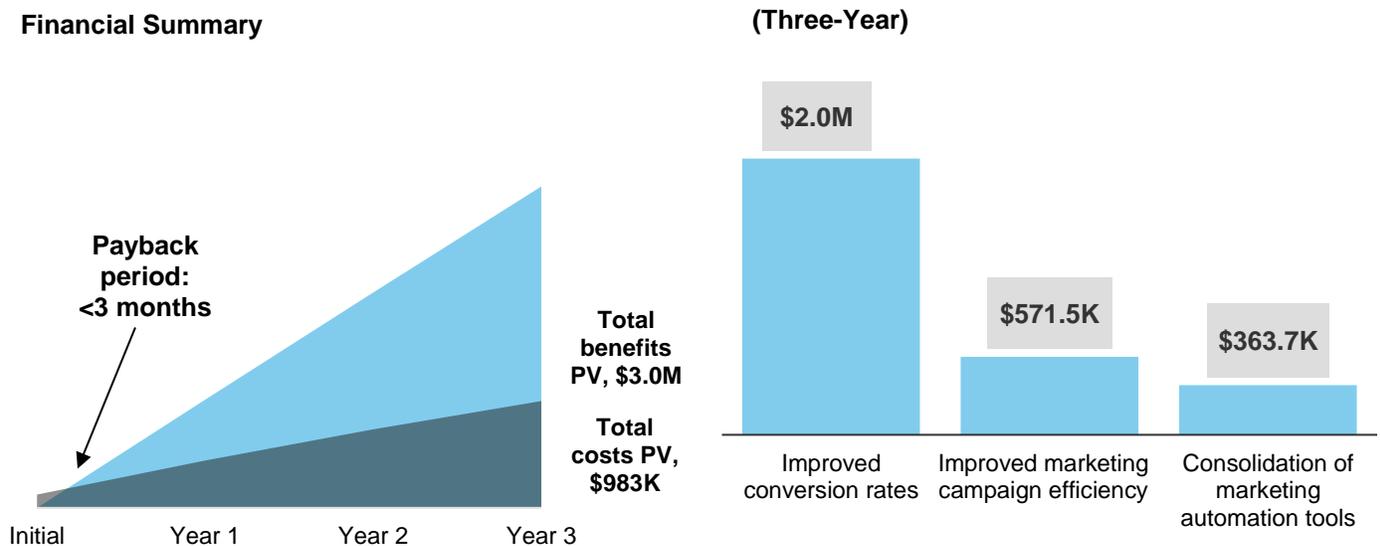
- › **Ease of hiring, training, and retaining marketing professionals.** SAS Consumer Intelligence 360 provides the same easy-to-use user interface for unparalleled reporting, analytics, predictive modeling, and optimization with functionality for power users and through features embedded in applications for marketers. The single solution eliminates the need to hire individuals with specialized skills in coding or data science to improve customer engagement and marketing performance.
- › **Hybrid marketing architecture helps coordinate cloud and on-site computing environments to provide the advantages of both.** The data and services in the on-site part of a hybrid computing environment can provide secure, direct, and low-latency access to enterprise and customer data. The cloud portion of the hybrid system can provide scalability and is typically easier to integrate with other cloud services, such as those that manage customer interactions.

Costs. The interviewed organization experienced the following risk-adjusted PV costs:

- › **SAS Customer Intelligence 360 ongoing fees of \$861,694 over three years.** This fee encompasses an enterprise-level subscription plus a SAS consulting services retainer for 20 hours per month.
- › **Implementation costs of \$121,002.** This cost includes the effort of three marketing analytics professionals applying 50% of their time to the project for three months. In addition, the organization engaged SAS Implementation Services to establish some of the integration with on-site computing environment.

Forrester’s interview with an existing customer and subsequent financial analysis found that the interviewed organization experienced benefits of \$3M versus costs of \$983K, adding up to a net present value (NPV) of \$2M and an ROI of 201% over three years.

Financial Summary



The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

TEI Framework And Methodology

From the information provided in the interview, Forrester has constructed a Total Economic Impact™ (TEI) framework for those organizations considering implementing SAS Customer Intelligence 360.

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 SAS Customer Intelligence 360 can have on an organization:



DUE DILIGENCE

Interviewed SAS stakeholders and Forrester analysts to gather data relative to Customer Intelligence 360.



CUSTOMER INTERVIEW

Interviewed one organization using Customer Intelligence 360 to obtain data with respect to costs, benefits, and risks.



FINANCIAL MODEL FRAMEWORK

Constructed a financial model representative of the interview using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewed organization.



CASE STUDY

Employed four fundamental elements of TEI in modeling SAS Customer Intelligence 360'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 SAS 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 SAS Customer Intelligence 360.

SAS 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.

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

The Customer Intelligence 360 Customer Journey

BEFORE AND AFTER THE CUSTOMER INTELLIGENCE 360 INVESTMENT

Interviewed Organization

For this study, Forrester interviewed a SAS Customer Intelligence 360 customer:

- › The customer is a financial services company headquartered in western Europe.
- › The organization has over 800,000 customers and provides mortgages, private loans, debit and credit cards, savings accounts, and insurance products.
- › The organization has nearly five million interactions or sessions with its customers every month and all customer interactions are through the organization's web page, mobile app, or call center.
- › The interviewee — analytics manager, CRM department — manages a team of six people actively working with Customer Intelligence 360 to personalize offers over its web page, mobile app, email, and direct mail.
- › The strategic focus of the company is to broaden the level of engagement and upsell its existing customers.

Key Challenges

The interviewed organization highlighted the following challenges prior to investing in the SAS Customer Intelligence 360 solution:

- › **Limited understanding of digital interactions.** Traditional web analytic tools are geared towards IT users and web analysts. The reporting tends to focus on technology, rather than on consumer insights. The analytics manager said: "We were using a web analytics platform, but we could only measure overall conversion rates and the number of visitors, etc. We couldn't identify the customers."
- › **Lack of cross-channel tracking eliminated the possibility of implementing an effective customer-focused strategy.** When organizations are unable to perform cross-channel customer targeting, there is an increased likelihood of abandonment, as well as problems with acquisition and churn. The analytics manager shared, "We wanted more consistency in our customer targeting so they get exactly the same offers in their direct mail as they do when they visit our web page or app."
- › **Inability to act quickly on customer insights.** The financial services company maintained a large data warehouse with transactional data, CRM activities, and data from campaigns, but had no data on a customer's web or app behavior. This incomplete view of the customer made it difficult to understand and predict consumer behavior, encumbering decision-making. The analytics manager said, "It took us six to eight weeks to go from an idea to creating the final campaign, because we needed to coordinate across a lot of different roles."

"We were using a web analytics platform, but we could only measure overall conversion rates and the number of visitors, etc. We couldn't identify the customers."

Analytics manager, financial services



"It took us six to eight weeks to go from an idea to creating the final campaign, because we needed to coordinate across a lot of different roles."

Analytics manager, financial services



Solution Requirements

The interviewed organization searched for a solution that could:

- › Identify each unique customer from the moment they log in for the first time, tracking all of the subsequent web or app behavior of that customer.
- › Provide personalization on the web, based upon a combination of transactional data and digital data.
- › Eliminate the need for implementing an on-premises solution that would be costly to build and maintain.

Key Results

The interview revealed that key results from the Customer Intelligence 360 investment include:

- › **Improved customer engagement.** The analytics manager said: “By bringing the transactional data and digital data together we built true customer personalization on our web page and app. Now we are seeing on average six to eight times higher click-through rate or conversion rate.”
- › **Accelerate marketing execution.** The combination of insights from real-time data with advanced analytics and campaign management speeds up marketing execution. The analytics manager shared, “Now sometimes we have the idea in the morning and in the afternoon, we have produced it on our web page.”
- › **Streamlined marketing spend.** The analytics manager told Forrester: “Because Customer Intelligence 360 is a cloud solution, you don’t have to install a very expensive system in your home environment. When there is a new release, everything is updated and there is no infrastructure to maintain.”
- › **Expanded use of customer intelligence.** As a cloud-based solution, Customer Intelligence 360, gave the company the ability to scale up its marketing operations, building a library of personalized offers that can be deployed when triggered by customer behavior. The analytics manager said: “The customer insights and analytics provided by the solution can be utilized by other departments such as credit risk and product development. So, I think the solution will be even more of a central customer hub for us in the future.”

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Analytics manager, financial services



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Analytics manager, financial services



Analysis Of Benefits

QUANTIFIED BENEFIT DATA

Total Benefits

REF.	BENEFIT	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Atr	Improved conversion rates	\$756,000	\$816,480	\$881,798	\$2,454,278	\$2,024,558
Btr	Improved marketing campaign efficiency	\$193,539	\$232,247	\$270,954	\$696,740	\$571,456
Ctr	Consolidation of marketing automation tools	\$146,250	\$146,250	\$146,250	\$438,750	\$363,702
	Total benefits (risk-adjusted)	\$1,095,789	\$1,194,977	\$1,299,003	\$3,589,768	\$2,959,716

Improved Conversion Rates

Today's consumers have higher expectations for the interactions they'll have with a company's products or services. Consumers desire contextually relevant interactions rather than the static and generic content that originates from scheduled and channel-specific marketing campaigns. This means receiving the appropriate interaction that is personalized to their interests, at the right time, and on their preferred channels.

To successfully meet these expectations, marketers require a solution that provides customer data management, advanced analytics, and cross-channel orchestration. Forrester's research on cross-channel campaign marketing solutions found that SAS Customer Intelligence 360 is a market leader offering rich functionality for marketing resource management, campaign design and workflows, and a real-time decision engine — all fueled by powerful customer analytics and AI capabilities.¹

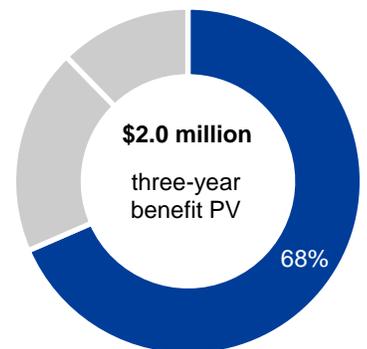
Prior to deploying Customer Intelligence 360, the interviewed organization was unable to obtain the digital data that is necessary to personalize its web page offers. The solution's data hub enabled the firm to integrate its offline transactional data with digital data to gain more robust customer insights. The analytics team then built predictive models to support more relevant, targeted, and individualized communications. The impact on marketing performance was significant:

- › The analytics manager said, "Since we started making personalized offers, our average click-through or conversion rate is six to eight times higher."
- › The analytics manager also shared, "When we published non-personalized offers before on our web page, we had an average conversion rate around 0.3%."

Forrester modeled the impact of improved customer engagement based upon the stated improvement in conversion rates the organization experienced after deploying Customer Intelligence 360. The key assumptions are as follows:

- › The number of customers targeted for promotions is 800,000 in year 1 and the customer base grows by 8% a year thereafter.

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 interviewed organization expects risk-adjusted total benefits to be a PV of nearly \$3.0 million.



Improved conversion rates: **68%** of total benefits

"Since we started making personalized offers, our average click-through or conversion rate is six to eight times higher."

Analytics manager, financial services



- › Conversion rates for non-personalized offers under the prior solution average 0.3%.
- › Conversion rates for personalized web page offers based upon Customer Intelligence 360 average 1.8%.
- › The net profit (revenue less credit costs, bad debt, etc.) of a one-year conversion averages \$70.

The incremental profit from the deployment of Customer Intelligence 360 will vary with:

- › The organization's commitment to leveraging the full capabilities of the solution.
- › The number of customers and customer segments targeted.
- › The average conversion rate on customer engagements in the prior environment.

To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$2.0 million.

Impact risk is the risk that the business or technology needs of the organization may not be met by the investment, resulting in lower overall total benefits. The greater the uncertainty, the wider the potential range of outcomes for benefit estimates.

Improved Conversion Rates: Calculation Table

REF.	METRIC	CALC.	YEAR 1	YEAR 2	YEAR 3
A1	Number of customers targeted for promotions	Prior year*1.08	800,000	864,000	933,120
A2	Average conversion rate on web page with non-personalized offers	Composite	0.3%	0.3%	0.3%
A3	Average conversion rate with SAS CI 360 personalized web page offers	Composite	1.8%	1.8%	1.8%
A4	Net profit per new customer	Composite	\$70	\$70	\$70
At	Improved conversion rates	$A1*(A3-A2)*A4$	\$840,000	\$907,200	\$979,776
	Risk adjustment	↓10%			
Atr	Improved conversion rates (risk-adjusted)		\$756,000	\$816,480	\$881,798

Improved Marketing Campaign Efficiency

Today's marketers require solutions for customer engagement that span across offline and digital channels, planning, customer analysis, and optimization. Consolidating a full range of customer data and analytics and engagement functionality to a single solution helps to ensure that the best offer is made to the customer at the right time.

SAS Customer Intelligence 360 is designed to optimize marketing with components that provide planning and financial management, creative production management, reporting and analytics, integrated campaign calendars, and marketing asset management. There are two primary solution modules in use at this organization: SAS 360 Discover, which dynamically captures customer interaction data, integrates the data with offline data sources, and generates customer insights. And SAS Engage, which activates insights from SAS Discover 360 to target and deliver offers to customers over various channels, including direct channels(mail/catalog), email, mobile app, or the web.

The firm's analytics manager told Forrester: "The best thing about Customer Intelligence 360 is that you can build personalization that is

"The best thing about Customer Intelligence 360 is that you can build personalization that is 100% driven by data analytics. And the solution is very user-friendly, so you can create campaigns and activities, and the execution is very fast."

Analytics manager, financial



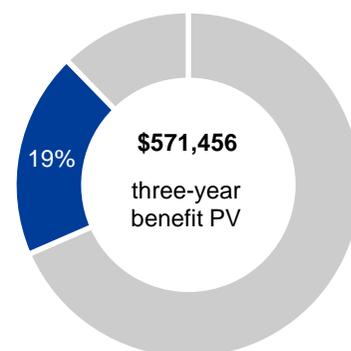
100% driven by data analytics. And solution is very user-friendly, so you can create campaigns and activities, and the execution is very fast.”

Forrester modeled the improvement in marketing campaign efficiency based upon the interviewed organization’s experience building and executing its campaigns before and after implementing Customer Intelligence 360. The key assumptions are as follows:

- › In the prior environment, campaigns required the coordination of six people in different roles working 20% of their time over six weeks.
- › With Customer Intelligence 360, campaigns required two people working 15% of their time over three days.
- › The number of new campaigns developed using Consumer Intelligence 360 starts at 25 in Year 1 and increases by five each year as knowledge of the solution’s capabilities increases.
- › The fully loaded average hourly compensation for marketing and analytics professionals is \$58.
- › The company captures 50% of the gain in productivity.

The improvement in marketing campaign efficiency will vary with an enterprise’s commitment to utilizing the full set of capabilities in the solution, the existing tools and practices in place for executing marketing campaigns, and level of compensation for marketing and analytics professionals.

To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV of \$571K.



Improved marketing campaign efficiency: 19% of total benefits

Improved Marketing Campaign Efficiency: Calculation Table

REF.	METRIC	CALC.	YEAR 1	YEAR 2	YEAR 3
B1	Prior number of hours required to create a campaign	6 FTEs*30 days* 8 hours* 20% of time	288	288	288
B2	Number of hours required to create a campaign with SAS CI 360	2 FTEs*3 days* 8 hours* 15% of time	7	7	7
B3	Number of new campaigns built over the year	Composite	25	30	35
B4	Fully loaded average hourly compensation for marketing and analytics professionals		\$58	\$58	\$58
B5	Percent of productivity gain captured		50%	50%	50%
Bt	Improved marketing campaign efficiency	(B1-B2)* B3*B4*B5	\$203,725	\$244,470	\$285,215
	Risk adjustment	↓5%			
Btr	Improved marketing campaign efficiency (risk-adjusted)		\$193,539	\$232,247	\$270,954

Consolidation of Marketing Automation Tools

Customer Intelligence 360 fuses marketing and data science at all stages of customer intelligence and engagement to improve marketing performance. Analytical decision helpers are embedded into the solution to enable marketing and business analysts to push offers, messaging, and content into mobile, web, and email channels — all while testing, tracking, and measuring performance along the way.

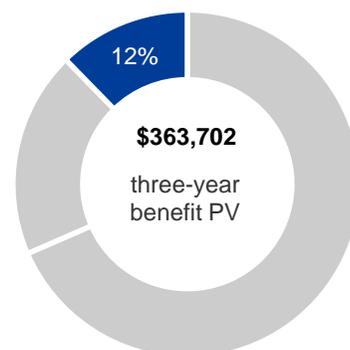
The interviewed organization utilized Customer Intelligence 360 to expand upon and in some cases replace existing marketing tools. The analytics manager said: “With our previous web analytics platform we could only measure the overall conversion rate or number of visitors. We couldn’t identify the customers.”

The model for consolidation of marketing automation tools is based upon Customer Intelligence 360’s ability to supplant the marketing tools in the organizations prior environment. The key assumptions are as follows:

- › Elimination of the prior email marketing solution saved \$12,500 per year.
- › The sum of prior tools used for analytics and building campaigns totaled \$150,000.

The consolidation of marketing automation tools will vary with an organization’s prior environment and willingness to embrace the full capabilities of Customer Intelligence 360.

To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$364K.



Consolidation of marketing automation tools: **12%** of total benefits

Consolidation Of Marketing Automation Tools: Calculation Table

REF.	METRIC	CALC.	YEAR 1	YEAR 2	YEAR 3
C1	Prior email solution		\$12,500	\$12,500	\$12,500
C2	Prior marketing tools for web analytics and building campaigns		\$150,000	\$150,000	\$150,000
Ct	Consolidation of marketing automation tools	C1+C2	\$162,500	\$162,500	\$162,500
	Risk adjustment	↓10%			
Ctr	Consolidation of marketing automation tools (risk-adjusted)		\$146,250	\$146,250	\$146,250

Unquantified Benefits

While there were strong and quantifiable benefits the interviewed organization observed using the Customer Intelligence 360, additional realized benefits were not quantified for this study due to their qualitative nature or lack of available data and metrics.

- › **Ease of hiring, training, and retaining marketing professionals.**
The analytics manager shared: “We’re a small bank and we can’t hire all kinds of specialized expertise, so we thought it was better to purchase the SAS retainer service. We treat it as an ongoing training cost and a way to get the expertise needed to take us to the next level. Now SAS guides us to the right people depending on what type of help we need. This retainer service has been very valuable for us and we are extremely satisfied with the help we get from SAS.”

“This retainer service has been very valuable for us and we are extremely satisfied with the help we get from SAS.”

Analytics manager, financial services



- › **Hybrid marketing architecture helps to coordinate cloud and on-site computing environments to provide the advantages of both.** The analytics manager shared: “SAS is great about taking customer feedback and directing it to product development. With a cloud-based solution that is very good, because you always have the latest version. If you have a customer engagement system installed in your own environment, you need to know if the updates are installed. Now, when there is a new release and it is updated, they do all that maintenance, so we don’t need to bother with it.”



SAS Customer Intelligence 360 operates in an integrated hybrid cloud environment.

Flexibility

The value of flexibility is clearly unique to each situation, and the measure of its value varies from organization to organization. There are multiple scenarios in which a firm might choose to implement Customer Intelligence 360 and later realize additional uses and business opportunities, including:

- › **Potential to create new campaigns and customer engagements in response to changing conditions.** The analytics manager told Forrester: “Our CRM team has the flexibility to create its own customer interactions, but we can also assist our product owners who use Customer Intelligence 360 for more traditional product marketing. Now we can create new campaigns and activities very fast and, on the margin, it doesn’t cost us anything.”
- › **Applicability analytics and customer behavior insights to other business units.** The analytics manager shared: “We are planning to use Customer Intelligence more widely in the future, because we see its potential to support credit risk management in the detection of fraud. The solution can also be used to gain insights to inform product development and long-term strategic planning. So, I think the Customer Intelligence 360 solution can become an even more substantial hub for us.”

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

Flexibility, as defined by TEI, represents an investment in additional capacity or capability that could be turned into business benefit for a future additional investment. This provides an organization with the “right” or the ability to engage in future initiatives but not the obligation to do so.

Analysis Of Costs

QUANTIFIED COST DATA

Total Costs

REF.	COST	INITIAL	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Dtr	Ongoing fees	\$0	\$346,500	\$346,500	\$346,500	\$1,039,500	\$861,694
Etr	Implementation costs	\$121,002	\$0	\$0	\$0	\$121,002	\$121,002
	Total costs (risk-adjusted)	\$121,002	\$346,500	\$346,500	\$346,500	\$1,160,502	\$982,696

Ongoing Fees

The interviewed organization incurs ongoing subscription fees of \$280,000 per year, which is based upon a combination of the number of customers tracked and the volume of customer marketing and session interactions. In the case of a financial services firm, the volume of these interactions can be substantial. The interviewed organization has approximately five million interactions every month, as customers frequently log in to check their accounts or pay bills.

In addition to the subscription fee, the organization purchases an annual SAS consulting services retainer for 20 hours per month at a cost of \$50,000 annually.

Subscription fees will vary depending upon the customer engagement needs of each organization. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of \$861,694

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 interviewed organization expects risk-adjusted total costs to be a PV of more than \$982K.

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.

Ongoing Fees: Calculation Table

REF.	METRIC	CALC.	INITIAL	YEAR 1	YEAR 2	YEAR 3
D1	Subscription fees			\$280,000	\$280,000	\$280,000
D2	SAS consulting services retainer (20 hours/month)			\$50,000	\$50,000	\$50,000
Dt	Ongoing fees	D1+D2		\$330,000	\$330,000	\$330,000
	Risk adjustment	↑5%				
Dtr	Ongoing fees (risk-adjusted)		\$0	\$346,500	\$346,500	\$346,500

Implementation Costs

The analytics manager described the Customer Intelligence 360 implementation as a relatively quick process:

- › “We generated our first offers and personalization in less than three months.”
- › “We found the learning curve to be extremely fast and this is due in part to Customer Intelligence 360’s user-friendly interface.”

The total time and cost to implement the multichannel marketing hub and build customer interactions was influenced by the following inputs:

- › Three marketing analytics professionals devote 50% of their time over three months for the implementation, which included training.
- › The organization opts to utilize SAS Implementation Services to speed the deployment.

The cost of the implementation will vary based on:

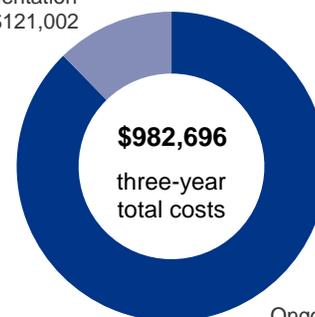
- › The complexity of the offline customer database system.
- › The size of the team and number of stakeholders working most closely with the solution.

To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of \$121,002.



Three months
Total implementation
and deployment time

Implementation costs, \$121,002



Ongoing Fees,
\$861,694

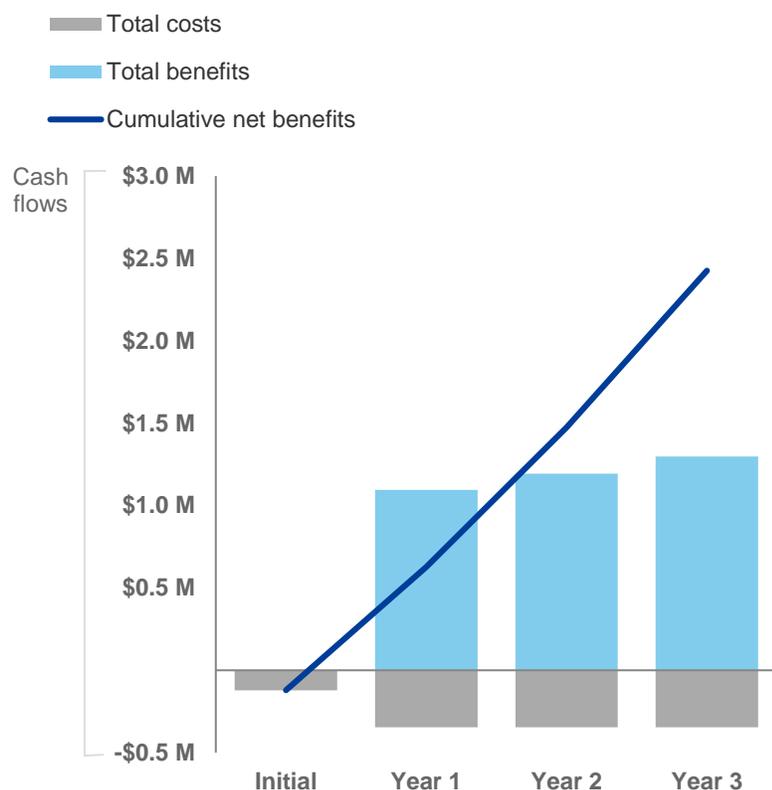
Implementation Costs: Calculation Table

REF.	METRIC	CALC.	INITIAL	YEAR 1	YEAR 2	YEAR 3
E1	Number of marketing analytics professionals (FTEs)	Composite	3			
E2	Hourly rate per person		\$58			
E3	Hours	2,080*25% of year* 50% of time	260			
E4	SAS Implementation Services	Composite	\$70,000			
Et	Implementation costs	(E1*E2*E3)+E4	\$115,240	\$0	\$0	\$0
	Risk adjustment	↑5%				
Etr	Implementation costs (risk-adjusted)		\$121,002	\$0	\$0	\$0

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 interviewed 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)

	INITIAL	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Total costs	(\$121,002)	(\$346,500)	(\$346,500)	(\$346,500)	(\$1,160,502)	(\$982,696)
Total benefits	\$0	\$1,095,789	\$1,194,977	\$1,299,003	\$3,589,768	\$2,959,716
Net benefits	(\$121,002)	\$749,289	\$848,477	\$952,503	\$2,429,266	\$1,977,020
ROI						201%
Payback period						<3 months

SAS Customer Intelligence 360: Overview

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

Overview

Today's consumers are flooded with more information and offers than ever before. Standing out from the crowd and getting your customers' attention often means the difference between success and failure. Can you deliver? What if every time customers interacted with you, they got exactly what they needed or wanted, with minimal effort? What if your marketing campaigns became more targeted and yielded better response rates based on analytically based segmentation capabilities? SAS Customer Intelligence 360 is designed to do all that and more. Whether it's reaching out via digital channels or directly to your customers, SAS offers a multichannel marketing hub for the modern marketing organization.

The SAS® Customer Intelligence 360 Difference

- **A true multichannel marketing hub.** Combines both direct campaign management and digital into one solution. By combining detailed online customer behavior data with customer data from other offline channels, you get a complete view of the customer and a better understanding of customer behavior, which translates into more successful offers and campaigns.
- **Streamlined marketing operations.** Integrate and manage all marketing processes across your business for greater consistency, efficiency, and effectiveness — from marketing strategy development and planning to content creation, campaign execution, and post-campaign analysis.
- **Real-time marketing that's actually real time.** Only SAS combines the customer insight derived from real-time data collection with advanced analytics and business logic to ensure that the best offer is made to the customer at the right time — in real time.
- **Meaningful customer insight — not just page hits.** SAS Customer Intelligence 360 links all website activity to a customer entity and combines it with existing offline data for a complete picture of the customer that goes well beyond page hits.
- **An evolutionary growth path.** With SAS Customer Intelligence 360, you can start small and add on at your own pace, following a natural growth path.

Components

SAS® 360 Discover

Gain a more complete view of your customers by using SAS 360 Discover to dynamically capture interactions, transform those individual interactions into customer-centric knowledge and then integrate this knowledge with customer insight from other channel views.

SAS® 360 Engage

Effectively target and deliver offers to customers who have interacted with your organization over various channels, including email, mobile apps, or the web. Take insights from SAS 360 Discover, as well as other analytical information, and interact with customers across all their various channels.

SAS® 360 Engage: Direct

Create segments and run campaigns in a workflow style format. Apply analytics throughout the campaign process to make more intelligent business decisions. Engage with customers over direct channels to boost acquisition, retention, and loyalty efforts.

SAS® 360 Engage: Digital

Extract analytical insights from online data and orchestrate meaningful customer interactions across digital channels (web, mobile, social, etc.). Merge digital customer behavior insights for more confident marketing attribution. Tie digital intelligence to traditional data sources and test creative along the way to determine ideal interaction methods.

SAS® 360 Engage: Email

Create, manage, test, and personalize emails to prospects and customers. Preview email content across devices and platforms while understanding deliverability rates and iteratively improving your email efforts.

SAS® 360 Engage: Optimize

Perform analytics-based marketing and campaign optimization that finds the sweet spot between volume and margin. Alter what-if scenario constraints to determine the best business tradeoffs. This can be done in a hybrid manner, keeping PII data safe.

SAS® 360 Plan

Helps marketing departments operate more efficiently and demonstrate greater accountability. SAS 360 Plan optimizes marketing operations from end to end, including strategic planning and budgeting, resource and marketing content management, global marketing execution and analysis, and more.

SAS® 360 Match

Manage the monetization of your advertising efforts with flexibility and transparency with SAS 360 Match. This solution allows retailers, banks, publishers, and broadcasters to adapt quickly to market changes and customers' needs through advertising agility and experimentation. The solution allows stories to be derived from advertising data — reducing friction and ensuring success via narrow and accurate ad forecasting.

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.

Appendix B: Endnotes

¹ Source: “The Forrester Wave™: Cross-Channel Campaign Management (EMSS Modules), Q3 2019,” Forrester Research, Inc., September 25, 2019.