

BPM'ONLINE QUINT WELLINGTON REDWOOD

ANALYST

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THE BOTTOM LINE

Quint Wellington Redwood Group replaced its on-premise solution with Bpm'online Marketing and Sales, driving growth with more complex marketing campaigns. Nucleus found that implementing Bpm'online enabled Quint to increase the productivity and effectiveness of marketing and sales, and reduce licensing costs by 46 percent.

ROI: **1566%**

Payback: **1.2 months**

Average annual benefit: **€1,116,782**

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THE COMPANY

Quint Wellington Redwood Group is an independent, global consultancy firm with operations in the United States, Europe, and Asia. Quint provides consultancy and training products and services aimed at optimizing IT processes and training IT professionals.

THE CHALLENGE

Until 2013, Quint Wellington Redwood Group's marketing initiatives were conducted by its business development department, which utilized Microsoft Dynamics CRM for customer relationship management (CRM) and Clickdimensions for basic e-mail marketing. As an on-premise solution, Microsoft Dynamics CRM required continuous involvement from IT to maintain and update it, and

Clickdimensions charged based on the total number of contacts. As Quint began to experience rapid growth and its database grew, Clickdimensions became increasingly costly. Quint recognized that it could no longer rely on its legacy marketing software infrastructure to run marketing operations and support growth. Quint founded a distinct marketing department, which quickly tripled in size and output. In 2014, the marketing department recognized that – in order to manage its growing customer database, improve e-mail and Web marketing capabilities, and run more complex nurture campaigns – it would need a more agile, cost-effective solution.

**Cost : Benefit
Ratio | 1 : 11.7**

THE STRATEGY

Quint Wellington Redwood Group's marketing department began looking for a cloud-based solution in 2015. It enlisted a third-party consulting firm, Evoquia, that recommended considering Microsoft Dynamics 365, Salesforce, SugarCRM, Zoho CRM, and PerfectView CRM. Quint ultimately chose Bpm'online in late 2015 for its ease-of-use and cost-effectiveness.

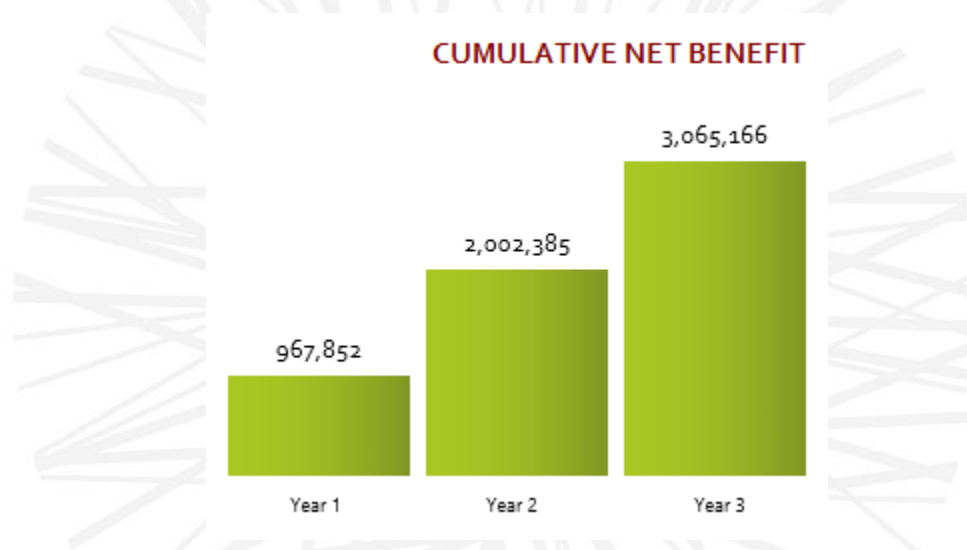
- **Usability.** Quint needed a solution that did not require a highly technical user base or frequent involvement from IT. Quint's marketing and sales users found Bpm'online to be easy to use and intuitive, and adopted it with minimal training. Marketers underwent eight hours of training, and salespeople underwent two.
- **Cost effectiveness.** Bpm'online charges based on the number of active contacts as opposed to the total number of contacts in a company's database, which was important to Quint as its customer database grew. In addition, Bpm'online's relatively low license cost enabled Quint to equip its entire marketing and sales departments with individual licenses, unifying and spreading benefits across the organization.

The implementation was managed by the Head of Marketing and the sales team. Bpm'online provided implementation support free of cost, and Evoquia provided integration support and user training. Involvement from Quint's upper management was limited, which kept implementation costs lower. Quint launched its first marketing campaign through Bpm'online in January 2016, the rollout of Bpm'online taking about two months in total.

KEY BENEFIT AREAS

Nucleus assessed the direct and indirect benefits associated with Quint Wellington Redwood Group's implementation of Bpm'online, and found that the following benefits contributed to its positive return on investment (ROI):

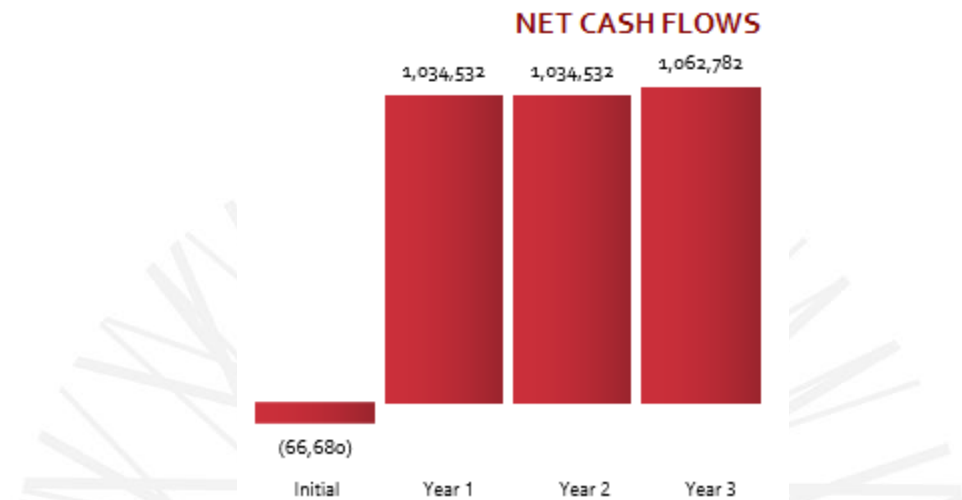
- **Cost savings.** Quint experienced cost savings by decommissioning legacy solutions and avoiding the need to hire additional employees. By transitioning to Bpm'online Marketing and Sales products from Microsoft Dynamics and Clicktools, Quint saved over €20k annually in licensing costs; a 46 percent reduction. Also, to achieve the same results that it does with Bpm'online, Quint estimates it would need to hire three additional full-time marketing employees. Avoiding these additional hires saved Quint over €160k on an annualized basis.



- **Increased employee productivity.** Bpm'online increased the productivity of marketers and salespeople, enabling them to accomplish in-program tasks approximately twice as fast as they could through Microsoft Dynamics CRM and Clicktools. This resulted in over €130k annual savings for the marketing department, and over €800k annual savings for sales.
- **Improved effectiveness of marketing and sales.** The key performance indicator (KPI) by which Quint's marketing department measures its effectiveness is the number of leads it generates that are accepted by sales as qualified opportunities – i.e. the number of sales qualified leads (SQLs). Since implementing Bpm'online, the number of SQLs has increased by 300 percent. The sales department has also become more effective since Bpm'online was implemented, increasing the number of closed deals by 100 percent.

KEY COST AREAS

Costs of the project included initial and ongoing personnel costs, software costs, consulting costs, and training costs. The greatest cost of the project was personnel, amounting to 63 percent of the total costs.



BEST PRACTICES

Two practices were key to Quint Wellington Redwood Group's successful implementation of Bpm'online Marketing and Sales. Quint focused on deploying and mastering Bpm'online's core capabilities before seeking additional customizations – which led to a faster, cheaper implementation – and invested in change management, helping its employees adopt new practices. Companies that take a similar approach are more likely to experience short payback periods than those that do not.

CALCULATING THE ROI

To calculate the total investment made in Bpm'online, Nucleus quantified, over a three-year period, the initial and ongoing costs of software subscriptions, consulting, initial and ongoing personnel costs, and employee training. Direct benefits quantified included cost savings. Indirect benefits quantified included increased employee productivity and effectiveness, calculated based on the average annual fully loaded cost of the employees using a correction factor to account for the inefficient transfer between time saved and additional time worked.

FINANCIAL ANALYSIS

Bpm'online

Annual ROI: 1566%

Payback period: 0.1 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	182,750	182,750	182,750
Indirect	0	934,031	934,031	934,031
Total per period	0	1,116,782	1,116,782	1,116,782

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - DEPRECIATION SCHEDULE	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	24,250	24,250	24,250	0
Hardware	0	0	0	0
Consulting	15,000	4,000	4,000	0
Personnel	16,429	54,000	54,000	54,000
Training	11,001	0	0	0
Other	0	0	0	0
Total per period	66,680	82,250	82,250	54,000

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(66,680)	1,034,532	1,034,532	1,062,782
Net cash flow after taxes	(36,674)	568,993	568,993	584,530
Annual ROI - direct and indirect benefits				1566%
Annual ROI - direct benefits only				165%
Net Present Value (NPV)				1,469,226
Payback period				0.1 years
Average Annual Cost of Ownership				95,060
3-Year IRR				1551%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.