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The Total Economic Impact™ Of Webex Suite

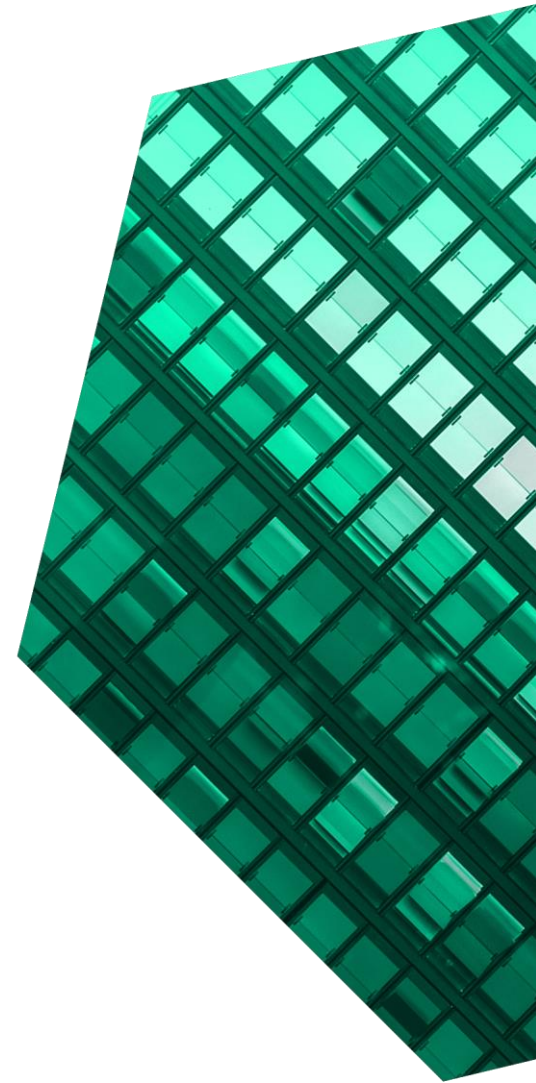
Cost Savings And Business Benefits
Enabled By Webex Suite

OCTOBER 2023

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ABOUT FORRESTER CONSULTING

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Executive Summary

Collaboration and communication tooling are fundamental components of how modern businesses run. Remote workers and global teams require tools and technology to stay connected and be productive while IT and security specialists need to simplify internal environments to effectively manage and secure these solutions.¹ Organizations should look to invest in a cloud-based, globally available UCaaS solution that simplifies the experience for users and IT while fostering easy interactions with clients and prospects.

Webex Suite is a unified-communications-as-a-service (UCaaS) collaboration and communications solution that allows organizations to streamline their communications experiences while reducing management effort, improving reliability and uptime, and reducing costs related to on-premises infrastructure. Having a centralized solution for secure internal and external meetings and events and advanced data and analytics reporting for fine-tuning helps organizations accomplish a variety of goals such as improving meeting productivity, reducing a variety of costs, and operating more efficiently as a whole.

Cisco commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Webex Suite.² The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Webex Suite on their organizations.

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

KEY STATISTICS



Return on investment (ROI)
204%



Net present value (NPV)
\$14.5M

five representatives at four organizations with experience using Webex Suite. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization that is a global organization with 15,000 employees and 100 locations.

Interviewees noted that prior to using Webex Suite, their organizations used expensive and time-consuming legacy solutions that required significant cost and labor to maintain and secure. This led to poor and inefficient meeting experiences with a patchwork of solutions that did not integrate well. Meetings were often delayed, calls were dropped, and voicemails were lost. In addition, these legacy solutions were unreliable and had a lot of unplanned downtime and outages, which disrupted business and negatively impacted customer experience and trust. Furthermore, lack of analytics and data made it difficult to track trends, review performance metrics,

Reduction to IT admin labor
for solution management

60%



and leverage data to improve employee or customer experiences.

After investing in Webex Suite, the interviewees' organizations were able to boost meeting productivity, increase security, provide a simple and consistent experience for end users with a unified solution that is cloud-ready, can scale at ease, and can boost reliability and uptime. Key results from the investment include an increase in efficiency for IT and end users with a more reliable and manageable solution and reduced costs from retiring legacy solutions.

KEY FINDINGS

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

- **A reduction in issues and distractions that impact meetings and phone calls, which saves users 25 minutes per week and a 75% reduction in annual training.** With Webex Suite, the composite's users can log into meetings with one button and join from anywhere on any device. It also easily integrates with the organization's other solutions, which makes both internal and external meetings more secure and reliable. These end-user efficiency gains are worth \$8.5 million to the composite over three years.
- **Efficiency gain of 60% for IT administrators who manage the calling and meeting solution and an 85% improvement to the speed that remote and on-site technicians can resolve issues.** By consolidating many capabilities to a single solution and using Webex Suite's centralized manager, Control Hub, the composite's IT administrators reduce the complexity of their environment and can monitor and manage the calling and meeting solution with less effort. Additionally, with Control Hub and Cisco hardware, the composite's technicians can service remote sites more quickly and effectively without needing to travel or send devices back and forth. These efficiency gains allow the IT admin team to reallocate three FTEs to higher-value tasks, and they represent \$977,100 in salary savings over three years.
- **Avoidance of 12 hours of downtime per year with Webex Suite worth \$2.7 million in avoided costs.** Because Cisco manages all the back-end infrastructure of Webex Suite, it significantly improves the composite's uptime and reliability and removes management and troubleshooting from the internal team.
- **Help desk efficiency gains driven by 40% improved time to resolution, 20% reduced call volume, and 60% reduced help desk interactions for end users.** With a unified solution, the composite's help desk professionals solve users' issues more quickly and easily while a consistent experience and simplified interface helps reduce the volume of help desk tickets. These efficiency gains are worth \$3 million over three years.
- **Cost savings and efficiency gains of \$2.9 million due to Webex Video Messaging.** With Webex Video Messaging, the composite organization no longer needs expensive video production licenses to produce internal videos, and it avoids large production costs associated with large-format internal meetings (e.g., CEO presentations, line-of-business updates, all-hands meetings). Additionally, end users have an easier time finding and consuming the content they need, which saves time and improves internal communication.
- **Avoided costs worth \$2.8 million related to sunsetting legacy solutions.** Because Webex Suite provides a cloud-based solution for calling, meeting, polling, webinars, events, video messaging, whiteboarding, and messaging, the composite organization reduces its on-premises footprint, sunsets and rationalizes legacy

licenses, removes physical phones, and avoids other costs associated with non-voice over internet protocol (VOIP) calling.

- **Webex Suite dedicated customer services worth \$590,600.** Webex-dedicated customer service is included with the Webex Suite license, and it gives the composite organization access to a team of experts that can help with any issue or question, drive adoption, and troubleshoot issues.

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

- Improved organizational security.
- Improved employee and customer experiences.
- Data collection and analytics capabilities including polling for internal and external meetings.
- Increased flexibility to scale quickly and at low cost.

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

- **Webex Suite license costs.** The composite organization purchases Webex Suite licenses for all 15,000 of its employees on a per-user-per-month basis. This costs the composite \$5.6 million over three years.
- **Deployment and ongoing maintenance costs.** Deploying Webex Suite to all of the composite's 15,000 employees requires a small team of internal FTEs as well as some third-party support. Each user receives 1 hour of up-front training, and the solution requires one IT administrator to manage it once deployed. Deployment and maintenance costs total \$1.5 million for the composite over three years.

The representative interviews and financial analysis found that a composite organization experiences

benefits of \$21.6 million over three years versus costs of \$7.1 million, adding up to a net present value (NPV) of \$14.5 million and an ROI of 204%.

Net monthly savings per end user

\$30.13

*Includes Webex Suite license cost



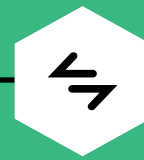
ROI
204%



BENEFITS PV
\$21.6M

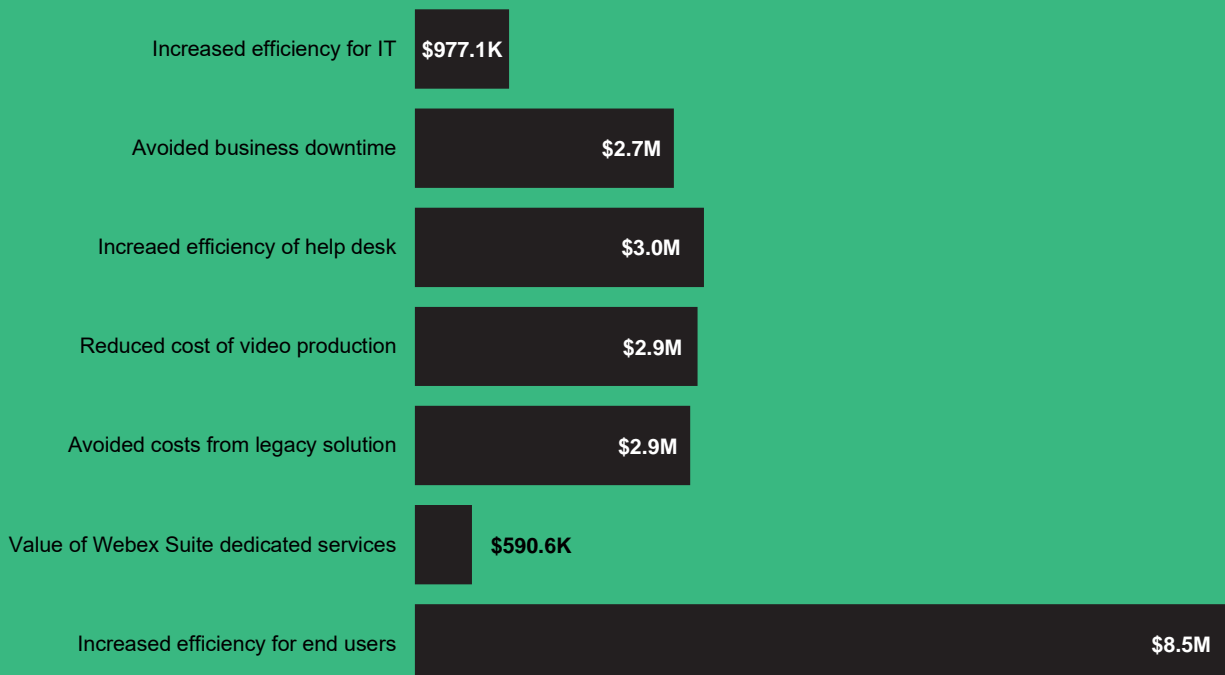


NPV
\$14.5M



PAYBACK
6 months

Benefits (Three-Year)



“Why [use] Webex Suite? Number one, you’re using end-to-end encryption and, for security purposes, that’s huge. Number two, it’s stable. And number three, the quality is excellent.”

— Head of end-user services, technology manufacturing

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 Webex Suite.

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 Webex Suite can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Cisco 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 Webex Suite.

Cisco 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.

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



DUE DILIGENCE

Interviewed Cisco stakeholders and Forrester analysts to gather data relative to Webex Suite.



INTERVIEWS

Interviewed five representatives at four organizations using Webex Suite 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 Webex Suite Customer Journey

■ Drivers leading to the Webex Suite investment

Interviews			
Role	Industry	Region	Webex Suite users
Senior collaborations engineer	Financial services	Region: Global Headquarters: US Sites: 43	17,000
Lead network and Webex administrator	Mental health services	Region: US Headquarters: US Sites: 200 in 5 states	6,000
System director, IT	Mental health services	Region: US Headquarters: US Sites: 200 in 5 states	6,000
Head of end-user services	Technology manufacturing	Region: Global Headquarters: US Sites: 90+	24,000
Senior systems administrator	Telecommunications	Region: Global Headquarters: US Sites: 2,600+	121,000

KEY CHALLENGES

Interviewees' organizations had a variety of prior states before adopting Webex Suite, however the interviewees shared a few key characteristics including on-premises infrastructures, multiple telco vendors for telephony services, limited integrations between solutions, and lack of centralized reporting.

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

- **The legacy solution did not have the necessary capabilities, and it was expensive and time-consuming to manage.** With large on-premises infrastructure footprints and multiple vendors involved with calling, meetings, webinars, and other services, IT administrators were spending significant time and effort keeping legacy systems afloat, and they could not dedicate necessary resources to new or value-adding initiatives.

The lead network and Webex administrator in mental health services explained: “[With our] previous system, our metrics would suffer

because we would still have X amount of stuff in a queue waiting to be resolved, but we also had to prioritize working on projects. So, it made ticket resolution times double or triple.”

- **Poor and inefficient meeting experiences.** Interviewees described challenges connecting to meetings; issues with syncing contact lists, voicemail loss, and reliability; uptime issues; and compatibility with other providers as among the key reasons meetings would be delayed or have other issues.

The senior systems administrator in telecommunications said: “Every time I sat in a conference room, I realized we were taking 4 to 5 minutes — maybe 7 [to] 10 minutes — to get the meeting started. We showed the data to senior leadership and calculated the cost [of] waste per month was somewhere hovering around a \$1 million a month with every meeting wasting roughly a half an hour of company time. It was a pretty staggering number.”

- **The solution was not reliable and frequently resulted in unplanned downtime.** The complexity of the organizations' legacy environments caused frequent lapses and downtime issues that would temporarily impact major services. Additionally, when unplanned downtime happened, IT administrators would have to pull together quickly to resolve the issue, which took them away from their other critical work.

The lead network and Webex administrator in mental health services said: "We would have sporadic outages a couple of times a month, and we would have a couple of longer ones [that lasted] 30 to 45 minutes where we'd have calling problems or the contact center would be down. Then, twice a year, we'd have major events, and those ones were more than 2 hours, and our entire board of directors [would be] freaking out. We handle mental health calls, so any time we're down, it's a very serious problem."

"We operate a crisis hotline, so the product is literally saving people's lives. Reliability and uptime were a big part of the conversation when we committed to Webex Suite, and there is no way we would have been selected for a crisis hub without it."

Lead network and Webex administrator, mental health services

- **Lack of data collection and analytics capabilities.** With disjointed legacy systems, it was extremely difficult to find useful data to inform internal strategy related to employees, technology, and hiring as well as external strategy related to customers and new products.

The lead network and Webex administrator in mental health services explained: "From an organizational standpoint, we have to be able to collect organizational data. We need to be able to make reasonable predictions for six months from now [and] a year from now based on current projections and past projections. We didn't have those capabilities until [using] Webex Suite. Now, we're seeing trends [and] we're seeing call volumes, and it's definitely proven its worth."

WHY WEBEX SUITE?

The interviewees cited the following reasons their organizations invested in Webex Suite:

- **To provide a simple, consistent experience for users and clients.** Interviewees' organizations were looking to provide a single, centralized solution that provides users with a consistent experience and capabilities regardless of where they were connecting from or what device they were using.

The senior systems administrator in telecommunications said: "We couldn't get a consistent experience. We couldn't get a consistent vendor. [We] couldn't get anything. [We] came across Cisco and looked at Webex as part of that job, and [it was] the only vendor at the time that could consistently give us that under-60-second meeting join throughout any of [its] products, whether it be on a laptop, on a phone, in a conference room, [or] no matter what."
- **To provide scalability.** The organizations' legacy solutions made it costly and time-consuming to add capacity or users to the environments, and this created more up-front

work related to capacity planning. If the number of users spiked or fell off steeply, the organization would be forced to disrupt regular workflows to build out more capacity, or it would be stuck wasting money on capacity it didn't need. With Webex Suite, scaling is as simple as contacting Webex.

The senior collaborations engineer in financial services said: "Webex Calling makes scaling up super easy to do. With our legacy solution, it would require a much heavier data-center investment to support that type of footprint, and it would take time to build out the hardware."

- **To improve security, reliability, and uptime.** Interviewees said security, reliability, and uptime were all must-haves for their organizations when considering their next solution. Webex Suite comes with built-in security that leverages Cisco's experience with network security and seamlessly integrates with Cisco's devices and other tools, so interviewees said they are confident their organizations' environments are more secure using Webex Suite compared to legacy solutions. They also said there are fewer interactions with SecOps teams since moving to Webex Suite.

The head of end-user services in technology manufacturing explained: "For security, they are end-to-end encrypted. So, no one can hack in. And then you have to use a single sign-on to come in. Even to join a meeting, you need to use

your single sign-on to come in. Most important [is that] on calling, you can always have phantom callers, and you don't know who is calling in. Sometimes they don't sign in, and we get 'Caller number one' [and] 'Caller number two.' But, in Webex, if you are not a registered user and you don't sign any of your credentials, you will be left in the lobby [and] you cannot even join the call."

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 five 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 is a global organization with predominantly B2C sales and interactions. The organization is headquartered in the US and has 100 locations around the world with 15,000 employees. The organization has 15 help desk employees dedicated to calling and meetings-related tickets and a team of five FTEs that is tasked with managing the legacy calling, meeting, and webinar solution.

Deployment characteristics. The composite organization rolls out Webex Suite to all 15,000 employees and leverages all of the products included in Webex Suite. One-hundred percent of the organization uses Webex Calling and Meetings, and 80% of users leverage Calling and Meetings multiple times per day. Video Messaging is widely used both as a video repository that users can access and by the production team to edit videos and maintain the video library. The organization frequently uses Polling (also known as Slido) for both internal and external (i.e., customer-facing) meetings and events to collect data and drive engagement. It uses Webinars for both internal and external meetings and initially leverages Events for large internal company

"There's a scalability and reduced cost to function benefit with Webex Suite."

Senior collaboration engineer, financial services

meetings. It does not initially utilize Messaging and Whiteboarding, but adoption expands over time as users explore the Webex suite.

The composite organization also leverages Cisco Webex Devices in its conference rooms, but because this study is focused on the benefits of Webex Suite, Forrester did not quantify the benefits of Cisco Devices for the composite organization.

Wider adoption of Messaging and Whiteboarding, and any under-utilized products in the suite, could influence the financial impact and lead to additional benefits as outlined in the Flexibility section.

Key Assumptions

- **15,000 employees**
- **Global organization**
- **US headquarters**
- **100 locations**

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	Increased efficiency for IT	\$392,911	\$392,911	\$392,911	\$1,178,734	\$977,113
Btr	Avoided business downtime	\$1,080,000	\$1,080,000	\$1,080,000	\$3,240,000	\$2,685,800
Ctr	Increased efficiency of help desk	\$1,205,361	\$1,205,361	\$1,205,361	\$3,616,083	\$2,997,554
Dtr	Reduced cost of video production	\$1,178,748	\$1,178,748	\$1,178,748	\$3,536,244	\$2,931,372
Etr	Avoided costs from legacy solution	\$1,147,500	\$1,147,500	\$1,147,500	\$3,442,500	\$2,853,663
Ftr	Value of Webex Suite dedicated services	\$237,500	\$237,500	\$237,500	\$712,500	\$590,627
Gtr	Increased efficiency for end users	\$3,434,000	\$3,434,000	\$3,434,000	\$10,302,000	\$8,539,850
Total benefits (risk-adjusted)		\$8,676,020	\$8,676,020	\$8,676,020	\$26,028,061	\$21,575,979

INCREASED EFFICIENCY FOR IT

Evidence and data. Interviewees said Control Hub gives IT administrators a centralized location to manage the Webex Suite solution including building automation, troubleshooting issues, and collecting data and analytics.

- Prior to using Webex Suite, IT administrators at interviewees' organizations had to deal with multiple technology vendors, telecom providers, and large on-premises infrastructure footprints. This led to challenges and inefficiencies in managing the solutions and made it very challenging to actually make improvements or add value for end users. At remote sites, lack of an interconnected solution made it more difficult for IT administrators to troubleshoot or perform repairs, which led to long wait times and devices being mailed back and forth between offices.
- With Webex Suite and Control Hub, IT administrators at the interviewees' organizations gained a single tool to manage multiple capabilities and significantly reduced the effort for

troubleshooting and general platform management. Remote sites could receive quick and easy support and, with Webex devices, IT administrators could effectively perform device repairs and troubleshoot efficiently.

The senior collaborations engineer in financial services said: "Now, we're freed up to truly engineer and architect. From a Webex Suite collaboration perspective, my team doesn't need to focus too much on managing the solution anymore, and it frees them up to focus on bigger-picture stuff."

The Head of end-user services in technology manufacturing said: "Let's say I'm an R&D engineer and my laptop is down. I'm at a remote site without support, and I need to patch or encrypt my device. With Webex Suite, I don't have to waste time sending my laptop into an IT hub [and] have them send back a loaner or fix and return my laptop. That could take three or four days. Right now, with Webex Suite, I can try to fix that laptop face-to-face through a video call."

Modeling and assumptions. For the composite organization, Forrester assumes:

- Prior to using Webex Suite, the composite organization required five FTEs to manage its legacy system.
- Through centralized management and reduced complexity, Webex Suite reduces management effort by 60% compared to with the legacy solution.
- The composite receives an average of 20 calls per month for remote or on-site technicians to troubleshoot devices, conference rooms, and issues with calling or meetings. With the legacy solution, each call took an average of 6 hours to resolve and often involved shipping devices or lengthy investigations.
- With Webex Suite, remote sites receive support right away through videoconferencing, and IT

administrators easily access and troubleshoot issues remotely. This reduces resolution time by 85%.

- The average fully burdened salary of an IT administrator is \$60 per hour or \$125,550 per year.

Risks. The financial impact of this benefit may vary due to:

- The characteristics of the organization's legacy environment and the size of the team necessary to manage it.
- The frequency and severity of requests for remote support.
- The average salary of IT administrators.

Results. To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$977,100.

Increased Efficiency For IT					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	FTEs responsible for managing legacy solution	Composite	5	5	5
A2	Reduced labor with Webex Suite	Interviews	60%	60%	60%
A3	FTE savings with Webex Suite	A1*A2	3.0	3.0	3.0
A4	Average fully burdened salary of an IT administrator	TEI standard	\$125,550	\$125,550	\$125,550
A5	Subtotal: Efficiency gains for IT administrators	A3*A4	\$376,650	\$376,650	\$376,650
A6	Calls for IT support for remote sites (monthly)	Composite	20	20	20
A7	Average IT labor time spent per call with the legacy solution (hours)	Composite	6	6	6
A8	Efficiency gain in effort related to on-site issues	Interviews	85%	85%	85%
A9	Attribution to Webex Suite (remaining is attributed to Cisco Hardware)	Composite	50%	50%	50%
A10	Subtotal: Efficiency gains for IT support for remote sites	(A6*12)*A7*A8* (A4/2080)*A9	\$36,941	\$36,941	\$36,941
At	Increased efficiency for IT	A5+A10	\$413,591	\$413,591	\$413,591
	Risk adjustment	↓5%			
Atr	Increased efficiency for IT (risk-adjusted)		\$392,911	\$392,911	\$392,911
Three-year total: \$1,178,734			Three-year present value: \$977,113		

AVOIDED BUSINESS DOWNTIME

Evidence and data. Unplanned downtime can be detrimental to any business, especially one that relies on secure, reliable phone and video connections to serve customers and get work done. Outages represent lost revenue and lost opportunity, but they can also have wider-reaching impacts to customer trust and employee experience.

- Interviewees said that prior to using Webex Suite, their organizations saw frequent outages and connectivity issues associated with legacy infrastructures and systems. Although the outages were mostly brief, they would cause significant disruptions that would garner the attention of the organizations' boards.
- Interviewees shared that with Webex Suite, those unplanned outages have stopped and that when a rare issue did arise, Cisco and the Webex team quickly resolved the issue.

The senior collaborations engineer in financial services said: "When you're scaling to thousands of associates and you're doing product demos, that's where the stability piece comes into play. We have SLAs tied to telephony interactions with clients. We can't afford to be fined if a call drops or [if] we have an interruption to service, which Webex Suite is immaculate with."

The system director for IT in mental health services said: "The good thing about Cisco and Webex Suite is [that] even if our infrastructure goes down, all those users can disable VPN and use their existing [connections] to port out to the cloud. From a downtime perspective, this thing pretty much eliminates that altogether. It sounds small on paper, [but] when you're in the middle of a crisis call [and] you're dealing with somebody's very important health matter, that's a big deal."

"The number one benefit is the reliability. You just can't get any more of a benefit than what we currently have, and ... it works anywhere on the planet. Webex doesn't care where you're signing in from, it just works."

Lead network and Webex administrator, mental health services

Modeling and assumptions. For the composite organization, Forrester assumes:

- The cost of downtime is \$100,000 per hour.
- With its legacy solution, the composite organization experienced multiple downtime events per quarter that ranged in severity from a short outage lasting less than 30 minutes to a large-scale event lasting over 2 hours and that garnered the attention of executive leadership.
- With Webex Suite, the composite avoids these unplanned downtime events and the labor associated with resolving them.

Risks. The financial impact of this benefit may vary due to:

- The organization's cost of downtime.
- The frequency of the organization's unplanned downtime.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$2.7 million.

Avoided Business Downtime					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Cost per hour of downtime	Composite	\$100,000	\$100,000	\$100,000
B2	Unplanned downtime/outage time with legacy solution (hours)	Composite	12	12	12
Bt	Avoided business downtime	B1*B2	\$1,200,000	\$1,200,000	\$1,200,000
	Risk adjustment	↓10%			
Btr	Avoided business downtime (risk-adjusted)		\$1,080,000	\$1,080,000	\$1,080,000
Three-year total: \$3,240,000			Three-year present value: \$2,685,800		

INCREASED EFFICIENCY OF HELP DESK

Evidence and data. Interviewees said that with a centralized solution and fewer vendors in their organizations' environments, help desk technicians gained the ability to resolve tickets faster and with less effort than before.

- Prior to using Webex Suite, the organizations' help desk technicians had to sort through multiple systems, applications, and logs to identify and eventually solve most help desk tickets. Seemingly simple tasks like password resets were not always simple, and resolutions would stall in the event of an outage or other disruption.
- With Webex Suite, help desk technicians gained a single source of truth for calling and meeting data along with the ability to quickly connect with end users to troubleshoot issues and leverage Control Hub to build automation and self-service capabilities.

The senior systems administrator in the telecommunications industry highlighted the impact that training has had on their organization's help desk: "When the training is good, and when it answers all the questions, you just get less support issues. Overall, we've done a really good job minimizing that. I run an environment with [more than] 3,000 rooms and over 100,000 employees in Webex with five

support personnel. That's just unheard of. Those are really low numbers."

The lead network and Webex administrator in mental health services said: "With our legacy system, resolution times on tickets could sometimes take up to a week because of all the work that was involved with marinating the calling side. Since Webex has the ability to add people as administrators, the help desk technicians can just pop into the dashboard and edit things as needed. We can do resolution times in literally under a minute if it's not busy. Our SLAs are running 4 hours on standard stuff and 24 hours on a non-escalated ticket, but we're closing most out within a 4-hour window."

Modeling and assumptions. For the composite organization, Forrester assumes:

- Prior to deploying Webex Suite, the help desk had 15 FTEs to support calling and meetings.
- With Webex Suite, help desk technicians resolve tickets 40% faster on average.
- Improved training and the ability to build self-service tools reduces ticket volume by 20%.
- With the legacy solution, end users averaged 2 hours of help desk interactions per year.

- With Webex Suite, these interactions are reduced by 60% from faster resolution times and self-service capabilities.

Risks. The financial impact of this benefit may vary due to:

- The size of the organization's help desk team and average resolution time.

- The impact of self-service capabilities and the having a centralized system.
- The impact of training and having a consistent experience for end users.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$3 million.

Increased Efficiency Of Help Desk					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Internal help desk FTEs related to calling and meetings	Composite	15	15	15
C2	Efficiency gains for help desk tickets related to calling and meetings (faster resolution time)	Interviews	40%	40%	40%
C3	Internal help desk FTE savings with Webex (FTEs)	C1*C2	6.0	6.0	6.0
C4	Reduction in help desk ticket volume	Interviews	20%	20%	20%
C5	Help desk labor reduction with Webex (FTEs)	(C1-C3)*C4	1.8	1.8	1.8
C6	Subtotal: Help desk efficiency gains	(C3+C5)*A4	\$979,290	\$979,290	\$979,290
C7	End user time spent interacting with help desk with legacy solution	Composite	2	2	2
C8	Reduction in help desk interactions	C2+C4	60%	60%	60%
C9	Productivity capture	TEI standard	50%	50%	50%
C10	Average fully burdened hourly salary of an end user	TEI standard	\$40	\$40	\$40
C11	Subtotal: Savings from reduced help desk interactions for end users	C7*C8*C9*C10*H1	\$360,000	\$360,000	\$360,000
Ct	Increased efficiency of help desk	C6+C11	\$1,339,290	\$1,339,290	\$1,339,290
	Risk adjustment	↓10%			
Ctr	Increased efficiency of help desk (risk-adjusted)		\$1,205,361	\$1,205,361	\$1,205,361
Three-year total: \$3,616,083			Three-year present value: \$2,997,554		

REDUCED COST OF VIDEO PRODUCTION

Evidence and data. Video Messaging enabled interviewees' organizations to take control of their video assets by providing a one-stop-shop for video hosting, editing and production, and search. It also

allowed employees to more quickly access the content they needed.

- Prior to using Webex Video Messaging, interviewees organizations' relied on separate solutions for video hosting and video

editing/production. Some even had multiple lines of business using different video editing solutions and a mix of hosting platforms depending on the use cases for the videos. Additionally, hosting large-format events and presentations was costly, time-consuming, and often required presenters to do multiple sessions of the same presentations.

- With Video Messaging and the rest of the Webex Suite, interviewees' organizations gained the ability to produce these same large-format events using just one support FTE and one camera. They could upload the presentations to Video Messaging with chapters and tags for employees to find the content they were most interested in, which allowed them to avoid the need to record multiple sessions and travel to multiple locations each quarter.
- The organizations were also able to consolidate their video production and hosting licenses, which saved costs and reduced the complexity of their environments.
- The Head of end-user services in technology manufacturing said: "Previously, an all-hands type meeting was a very big production. They would set up a stage, cameras, lighting, and everything. We had an external vendor to set things up [and] an internal team running the video and sound and everything. Each meeting was costing between \$20,000 and \$50,000. Now, we have one Cisco 4K camera in our auditorium, and the control panel is actually the same Cisco panel, so it's very easy to use. Video Messaging and webcasting is one of the biggest values [of] Webex Suite."
- The Head of end-user services in technology manufacturing explained: "In IT, we do a lot of 2-minute instructional videos, and before [using] Video Messaging, we [needed] to actually use other software to record and edit the videos. But now with Video Messaging, it's part of the Webex

Suite, so I don't have to use that software anymore. The whole team has access and can help out."

- The senior collaborations engineer in financial services shared: "We have reduced the number of users who have expensive video editing software licenses, and a few business units have sunset their specific video-editing software and now no longer have to worry about specific users sharing access because everyone has access to Webex Suite. There is a true cost takeout. ... And it's very easy to securely share Video Messaging with external customers."

"The power of Video Messaging is really the video editing capabilities. You can make chapters [and] you can have comments. Video Messaging really becomes the go-to enterprise [video-hosting platform]."

Senior collaborations engineer, financial services

Modeling and assumptions. For the composite organization, Forrester assumes:

- Each year, the composite holds 40 large-format meetings led by executives or directors that more than 1,000 employees attend.
- Each of these large-format meetings required a production crew that included equipment, labor, and contingency costs averaging \$15,000 per meeting. Additionally, presenters were often required to run the meetings multiple times for different regions.

- With Webex Suite's Video Messaging capabilities, it only requires one FTE using one Cisco camera to film and produce each meeting.
- With Webex Suite, presenters only need to present once, and overall production time is faster. The composite saves an average of 1.5 hours per meeting.
- The average fully burdened salary of a presenter is \$162 per hour.
- Employees save 4 hours per year with the ability to search for and find the exact content they need.
- The average fully burdened salary for an end user is \$40 per hour.

- End users leverage 25% of their saved time on productive tasks.

Risks. The financial impact of this benefit may vary due to:

- The frequency of the organization's internal, large-format meetings and presentations and the associated costs.
- The extent to which end users consume internal videos.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$2.9 million.

Reduced Cost Of Video Production					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Cost per large-format meeting broadcast with legacy solution	Composite	\$15,000	\$15,000	\$15,000
D2	Large-format meetings	Composite	40	40	40
D3	Time saved per presenter per meeting (hours)	Interviews	1.5	1.5	1.5
D4	Average fully burdened hourly salary of a director/executive	TEI standard	\$162	\$162	\$162
D5	Subtotal: Cost avoidance for midscale live broadcasts	$(D1 \times D2) + (D2 \times D3 \times D4)$	\$609,720	\$609,720	\$609,720
D6	Time gains for employees who can access Video Messaging (hours)	Interviews	4	4	4
D7	Productivity capture	TEI standard	25%	25%	25%
D8	Average fully burdened hourly salary of an end user	TEI standard	\$40	\$40	\$40
D9	Subtotal: End-user efficiency gains from Video Messaging	$D6 \times D8 \times H1 \times D7$	\$600,000	\$600,000	\$600,000
D10	Savings from sunsetting legacy video editing/hosting licenses	Composite	\$100,000	\$100,000	\$100,000
Dt	Reduced cost of video production	$D5 + D9 + D10$	\$1,309,720	\$1,309,720	\$1,309,720
	Risk adjustment	↓10%			
Dtr	Reduced cost of video production (risk-adjusted)		\$1,178,748	\$1,178,748	\$1,178,748
Three-year total: \$3,536,244			Three-year present value: \$2,931,372		

AVOIDED COSTS FROM LEGACY SOLUTION

Evidence and data. Interviewees reported that by deploying Webex Suite, their organizations realized significant cost savings in multiple areas. They said moving to the cloud reduced on-premises footprints and associated costs and that it reduced costs and effort associated with scaling. They also said the various products available in the suite allowed their organizations to sunset disparate legacy solutions and that Control Hub offers a centralized platform for IT and security teams to monitor and manage the solution.

- Prior to using Webex Suite, interviewees' organizations had multiple vendors in their environments. They had different vendor solutions for calling, meetings, messaging, webinars, events, and video editing, and different business units would sometimes use different solutions for the same purpose. Because of these complex environments, IT and security teams spent the majority of their time "keeping the lights on," and they were rarely able to dedicate resources to value-adding projects.
- With Webex Suite, the organizations rationalized redundant legacy software solutions, lowered costs associated with non-VOIP telephony, and reduced on-premises infrastructures.
- Interviewees also mentioned that with Webex Suite, their organizations were not forced to the cloud. They could each move at their own pace while still leveraging the benefits of having a cloud-based calling and meeting solution.
- The lead network and Webex administrator in mental health services said: "Another one of the benefits of [Webex Suite] is you pay per user and it's all-inclusive. Our previous product ... didn't work like that. We had to pay per user for calling. We had to pay per device for every desk phone. We had to pay for pro licenses for every user's meeting solution. [We had] to pay for a separate

conference room license. [We had] to pay for the host accounts. The list goes on. Webex Suite doesn't care."

- The senior systems administrator in telecommunications said: "I can talk about hardware lifecycle. I can talk about the supportability of the product with fewer employees. I also talk about the integration of various teams [and] getting corporate real estate as well as HR and legal collaborating on things like legal holds and how to handle meeting recordings. Everything gets streamlined in a way that [we] just don't need a lot of interaction with the solution. We're saving a lot of money in the cracks in between these things instead of having to do a bunch of work to bring everything together."
- The senior collaborations engineer in financial services said: "Webex events [are] always the interesting [ones] because hosting large-scale virtual hybrid events is not cheap. For internal events like a sales kickoff, because Webex events provides unlimited internal hours for events, [we don't have] to pay for [a large-scale event-hosting platform]. It can be hard for IT leadership to sell this because, in IT, we are just not engaged on this side of the business, so we don't see the value. But talking to marketing and sales leaders, they think it's the best thing ever because they understand the costs involved in client engagement. We're targeting \$200,000 to \$300,000 per year in cost takeouts from those large-scale platforms."

"We easily save half a million dollars a year on calling."

Head of end-user services, technology manufacturing

Modeling and assumptions. For the composite organization, Forrester assumes:

- The prior annual costs of the composite's decommissioned calling, video, and meeting infrastructure totaled \$400,00 per year.
- Removing legacy hardware reduces the costs of telephony services and phone lines by \$200,000 per year.
- Sunsetting these legacy calling and meetings provider licenses saves the composite \$300,000 per year.
- The composite saves \$125,000 per year by avoiding the purchase and replacement of physical phones. It sunsets the use of physical phones over the course of three years at a rate of 5,000 phones per year. Each phone costs \$200 and is amortized over 8 years.
- The composite avoids \$50,000 per year in third-party costs related to managing its legacy environment.

- Because internal use of Webex is free, the reduced license costs for its legacy large-scale event platform for internal events (e.g., sales kickoffs) saves the organization \$200,000 per year in licensing costs.

Risks. The financial impact of this benefit may vary due to:

- The speed at which the organization can decommission its legacy infrastructure.
- The organization's adoption of VOIP for calling.
- The organization's adoption of Webex Suite's tools and ability to sunset or replace legacy tools.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$2.9 million.

Avoided Costs From Legacy Solution					
Ref.	Metric	Source	Year 1	Year 2	Year 3
E1	Cost of legacy infrastructure and physical appliances	Composite	\$400,000	\$400,000	\$400,000
E2	Telephony savings	Composite	\$200,000	\$200,000	\$200,000
E3	Cost of legacy calling/meeting provider licenses	Composite	\$300,000	\$300,000	\$300,000
E4	Avoided physical phone/replacement costs	Composite	\$125,000	\$125,000	\$125,000
E5	Avoided third-party costs to manage legacy environment	Composite	\$50,000	\$50,000	\$50,000
E6	Cost of legacy large-scale event platform for internal use	Composite	\$200,000	\$200,000	\$200,000
Et	Avoided costs from legacy solution	E1+E2+E3+E4+E5+E6	\$1,275,000	\$1,275,000	\$1,275,000
	Risk adjustment	↓10%			
Etr	Avoided costs from legacy solution (risk-adjusted)		\$1,147,500	\$1,147,500	\$1,147,500
Three-year total: \$3,442,500			Three-year present value: \$2,853,663		

VALUE OF WEBEX SUITE DEDICATED SERVICES

Evidence and data. Interviewees' organizations leveraged Webex Suite dedicated services for a variety of use cases including to drive onboarding and adoption, build automation, troubleshoot, and build other enhancements. Interviewees said Webex handles support requests in a timely and professional manner and that their organizations' support representatives are invested in finding creative solutions.

- Interviewees said that with their organizations' legacy solutions, support was disjointed and inconsistent. Cases would often be left open or unresolved for long periods of time, and representatives would often pass cases around without coming up with clear resolutions.
- Interviewees reported that with Webex Suite, their organizations work closely with Cisco Webex support professionals on a wide range of use cases. They said Cisco provides product experts for each capability of Webex Suite and that it also hosts webinars and events to help drive adoption and train users.
- The senior systems administrator in telecommunications said: "Cisco really cares about their customers, and I see that through various things that they do. They have a large advocacy community that puts us professionals together and helps us understand what other people are working on. They also have support structures in place to help make sure everything's

running well. That just shows a level of care and service that's a bit more up there compared to other vendors that I have worked with."

Modeling and assumptions. Forrester assumes the composite organization leverages the Webex Suite dedicated services team frequently and for a variety of topics (e.g., driving user adoption, introducing automation, troubleshooting, road mapping, training, etc.).

Risks. The financial impact of this benefit may vary due to how frequently the organization uses the Webex Suite dedicated services team and the types of requests.

Results. To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV of \$590,600.

"[The Cisco customer success team is] willing to hop on and train [and] run executive- and client-facing webinars. There is an economic impact because adoption resources are not cheap."

Senior collaborations engineer, financial services

Value Of Webex Suite Dedicated Services

Ref.	Metric	Source	Year 1	Year 2	Year 3
F1	Value of access to Webex Suite dedicated services reps	Interviews	\$250,000	\$250,000	\$250,000
Ft	Value of Webex Suite dedicated services	F1	\$250,000	\$250,000	\$250,000
	Risk adjustment	↓5%			
Ftr	Value of Webex Suite dedicated services (risk-adjusted)		\$237,500	\$237,500	\$237,500
Three-year total: \$712,500			Three-year present value: \$590,627		

INCREASED EFFICIENCY FOR END USERS

Evidence and data. Interviewees' organizations were able to streamline their meeting and calling experiences, remove complexity, and give users a consistent experience across devices and locations. With a unified solution, end users required less training and support than before.

- Prior to using Webex Suite, the organizations had a myriad of solutions that covered calling, meetings, conference rooms, video hosting and editing, polling, webinars, events, and more. Beyond needing to support many vendors, some business units used different solutions for the same use cases, further increasing complexity and creating additional security challenges. They did not have unified experiences for scheduling or joining meetings, and end users reported consistent and persistent issues that would create delays ranging from 2 to 10 minutes per meeting. Additionally, with so many different solutions, training was a real challenge, and users relied more on their organization's help desk to resolve questions and issues.
- With Webex Suite, the organizations consolidated many of their legacy solutions right away and looked to consolidate further as users learned about and adopted the suite's different products and capabilities.
- The senior collaborations engineer in financial services said: "That's part of my whole selling point with Webex; it gets out of the way and lets people be productive. People don't have to fight with the technology anymore."

- The Head of end-user services in technology manufacturing said: "With Webex Suite, we have that one button to join. In the olden days, you [joined] the call from your computer or the hardware system [and] then you [had] to connect the call on a phone or some other device. It took 5 to 10 minutes just to get people logged into the meeting, and [it] was not a good experience for our customers. Right now, you press that one button, and you're in. We're saving at least 5 minutes per call, and that's huge when you have 40,000 calls per month."
- The senior systems administrator in telecommunications shared: "We wanted to be able to join any meeting with video, audio, and screen sharing in under 60 seconds, so we realized that one of the key principles of our entire project needed to be having one solution. It needed to be one solution [from] start to finish that I could create training for [so] we could just have that same consistent experience."

Modeling and assumptions. For the composite organization, Forrester assumes:

- 80% of the composite's Webex users frequently attend meetings and leverage calling.
- With its legacy solution, each user experienced some kind of issue or delay in five meetings per week.
- With Webex Suite, users join meetings in 60 seconds or less, which saves an average of 5 minutes per meeting.
- Users spend 25% of their recaptured time on productive tasks.
- With its legacy solution, users received 4 hours of training per year to discuss updates, changes, and new technologies.
- Webex Suite reduces training time by 75%.

Weekly end-user time savings from improved meetings

25 minutes



Risks. The financial impact of this benefit may vary due to:

- The severity and frequency of the organization's delays and issues in meetings.
- The quality and amount of training required for the organization's legacy solution.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV of \$8.5 million.

“That has been the biggest benefit: just having one solution that I hardly even have to train on anymore because it’s so easy and natural to use.”

Senior systems administrator, telecommunications

Increased Efficiency For End Users					
Ref.	Metric	Source	Year 1	Year 2	Year 3
G1	End users who regularly use Webex Suite for meetings	Composite	12,000	12,000	12,000
G2	Meetings with some kind of delay or issue per user per week with legacy solution	Composite	5	5	5
G3	Time saved per meeting through outage/issue avoidance and productivity-enhancing features (minutes)	Interviews	5	5	5
G4	Average hourly salary of an end user	TEI standard	\$40	\$40	\$40
G5	Productivity capture	TEI standard	25%	25%	25%
G6	Subtotal: Savings from reduced meeting disruptions	$G1 \cdot (G2 \cdot 52) \cdot (G3 / 60) \cdot G4 \cdot G5$	\$2,600,000	\$2,600,000	\$2,600,000
G7	Training time with legacy solution (hours)	Composite	4	4	4
G8	Training reduction with Webex Suite	Interviews	75%	75%	75%
G9	Training time avoided per user (hours)	$G7 \cdot G8$	3.0	3.0	3.0
G10	Subtotal: Training time avoided (hours)	$G1 \cdot G4 \cdot G9$	\$1,440,000	\$1,440,000	\$1,440,000
Gt	Increased efficiency for end users	$G6 + G10$	\$4,040,000	\$4,040,000	\$4,040,000
	Risk adjustment	↓15%			
Gtr	Increased efficiency for end users (risk-adjusted)		\$3,434,000	\$3,434,000	\$3,434,000
Three-year total: \$10,302,000			Three-year present value: \$8,539,850		

UNQUANTIFIED BENEFITS

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

- **Improved organizational security.** Interviewees reported that their organizations' security teams were pleased with the investment in Webex Suite because it reduced workloads and improved organizational security compared to legacy solutions.

The senior collaborations engineer in financial services said: "Being in the financial services industry, security is everything. Think about just sharing a video message with a client. It's very easy to revoke that access to the outside world. It's an unlisted link. You can even lock it down to domain so only a specific client from that email domain can view it. You have those types of granular controls."

The interviewee added: "The teams that focus on cloud app security where Webex falls [are] always going to be focused on cloud app security. It's just the Cisco piece that they don't need to focus on as much. They could focus on the other part of cloud apps that we have in the environment that needs to be secured."

- **Improved employee and customer experiences.** Interviewees reported improved satisfaction scores from both internal employees who leverage Webex Suite and customers that have regular interactions through those channels.

The system director for IT in mental health services shared: "The other problem was running off of stale information with our users and our employees having the wrong [extensions] and sending things to the wrong mailboxes and all that mess. That has all been resolved, and we went from having about a 20% approval rate with some of our staff to 95% right now, especially

with nursing. They're not losing things anymore, and it's making differences in people's lives."

The senior systems administrator in telecommunications said the ease-of-use and having the ability to leverage Control Hub has allowed their organization to train power users. They explained: "Control Hub is so easy to use that I actually run a training course for employees who want to learn how to troubleshoot their own meetings. In [1 hour], I run the training, and afterwards, I enable the whole team as support administrators in Control Hub so they have the ability to go in and look at the metrics and analytics of the Control Hub of all the meetings. It's been very empowering to let the users do a certain subset of their own troubleshooting, and it's just really simple."

- **Data collection and analytics capabilities including polling for internal and external meetings.** Interviewees said they are excited and impressed by the data collection and metrics that are accessible through Control Hub, and they shared some interesting use cases and ideas for how to get value from that data.

The senior systems administrator in telecommunications said they were able to prove that one of their organization's conference rooms was being impacted by the building's HVAC system by using Control Hub data collected from Webex Suite to prove to building management that the issue was real and needed to be addressed. The interviewee said: "Just having metrics like that solved an issue that would have been so hard to solve without metrics. It would have been this finger-pointing game between 'children,' but I was able to provide data and eliminate the issue."

- **Increased flexibility to scale quickly and at low cost.** Interviewees said they value the flexibility Webex Suite affords their organizations in scaling up and down their operations. With previous solutions, standing up even a small

remote office would require significant investment in hardware and labor.

The senior collaborations engineer in financial services said: “If we need to, say, spin up a 20-person office or even add remote users, it’s easy to spin them up, get them on Cisco PSTN (public switched telephone network), get them numbers, and then boom: They’re off to the races and they’re making [and] receiving calls. With our prior environment, you’re talking about, ‘Okay, I have to partner with a new telecom vendor. I have to stand up hardware.’ There are data center costs [and] all that stuff. With Webex Suite, you could spin up a new site within 20 to 30 minutes.”

“The metrics and the analytics from Control Hub [are] so amazing. It’s honestly life-changing. And here’s why it’s life-changing: It’s so easy to use, it’s so natural, and it collects so many things that I don’t think I ever would really need them all, but it’s nice to know that they’re there. It’s been able to solve issues that I didn’t know it was going to solve.”

Senior systems administrator, telecommunications

FLEXIBILITY

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

- **Wider adoption of the products in Webex Suite.** Interviewees shared that many users and leaders at their organizations did not initially realize the full scope and capabilities of the products included in Webex Suite. Leaders would submit requests for specific services or capabilities not realizing those capabilities already exist in Webex Suite and can be leveraged at no additional cost. The more that an organization’s users adopt the various products in Webex Suite, the more value the company can realize.

Additionally, Webex Suite includes AI-driven features such as real-time call transcriptions that could represent cost avoidance if an organization previously leveraged a third party for those types of services in the past.

- The senior collaborations engineer in financial services said: “The business leaders that I meet with are already comfortable paying for Webex Suite, so when I explain that the new capability that they are looking for is already included in the suite and for no additional cost, their eyes light up, and they get excited.”
- The head of end-user services in technology manufacturing said: “There are other benefits that some users use quite a lot, like the real-time dictation in meetings. There are a lot of companies out there trying to sell us an AI solution to listen to calls, but [Cisco] is actually putting that into their platform as a feature.”

- **Further use of the Cisco ecosystem including Cisco devices.** Each interviewee said their organization leverages Cisco hardware and devices. They highlighted how easily Cisco devices integrate with the Webex Suite and said Cisco devices are high quality with great longevity.

- The senior collaborations engineer in financial services discussed the value of Webex Webinars and Cisco conference room technology: “Webinars is such a big value-add to us because it integrates natively with the video-enabled conference rooms. We’ll have webinars with executives where they sit in front of our room kit cameras, and they’re broadcasting to 5,000 [or more] people without a problem. Nobody has to set up [a] custom camera or room because we already made the investment in our video-enabled conference rooms.”
- The head of end-user services in technology manufacturing said: “Right now, I can deploy Cisco hardware anywhere in the world. All they need to do is plug the unit into an ethernet connection [and] punch in the 12-digit code and the room is set up, and the administrator can remote in and put in whatever name they want. It takes less than 5 minutes to set up a room device.”
- The senior systems administrator in telecommunications said: “A huge benefit for me is the rock-solid performance of the devices and the [lifespans] of these things. I deployed some of these units five years ago. I still haven’t replaced them. I don’t plan on replacing them for another two years. I’m expecting to get seven years out of the hardware that I purchased for Webex, and [those are] huge cost [savings].”

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
Htr	License costs	\$0	\$2,258,550	\$2,258,550	\$2,258,550	\$6,775,650	\$5,616,680
ltr	Deployment costs	\$1,046,210	\$240,158	\$138,105	\$138,105	\$1,562,578	\$1,482,432
	Total costs (risk-adjusted)	\$1,046,210	\$2,498,708	\$2,396,655	\$2,396,655	\$8,338,228	\$7,099,112

LICENSE COSTS

Evidence and data. Cisco calculated Webex Suite license costs for their organizations based on the number of users per month.

- Interviewees said that prior to using Webex Suite, their organizations paid for expensive on-premises solutions that required significant costs and labor to maintain and secure. They also paid for multiple licenses for calling, host accounts, devices, and rooms. Furthermore, these various solutions had compatibility issues with each another.
- Because Cisco charges per user for Webex Suite, interviewees reported costs were straightforward and predictable. The lead network and Webex administrator in mental health services said: “We pay per person, and that’s that. If you want to use any or all or none of the features, that is totally up to you.”
- Interviewees said Webex Suite combines multiple tools into a single, simplified, and easily manageable platform. The lead network and Webex administrator in mental health services

said: “[With] the reliability [and] the management aspect, there’s a labor reduction because we’re not having to constantly fight this or constantly have to launch cases or constantly have to change our licensing model and do these enterprise agreements that are flexing out. All of that went away.”

Modeling and assumptions. For the composite organization, Forrester assumes:

- The composite pays licensing fees of \$11.95 per user per month.
- The organization has 15,000 employees, and each receives a Webex Suite license.

Risks. Risks that could impact these costs include:

- The size and scope of the organization’s Webex Suite investment.
- The number of employees who host meetings as they are the only ones who require a license.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of \$5.6 million.

License Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
H1	Users	Composite	0	15,000	15,000	15,000
H2	License cost per user	Composite	\$0	\$11.95	\$11.95	\$11.95
Ht	License costs	H1*H2*12	\$0	\$2,151,000	\$2,151,000	\$2,151,000
	Risk adjustment	↑5%				
Htr	License costs (risk-adjusted)		\$0	\$2,258,550	\$2,258,550	\$2,258,550
Three-year total: \$6,775,650			Three-year present value: \$5,616,680			

DEPLOYMENT COSTS

Evidence and data. The interviewees said they worked closely with Cisco to develop and test the UCaaS solution to ensure it met the complex security and business requirements of their organizations.

- Interviewees worked with Cisco and third-party services to deploy Webex Suite across their organizations. They noted that deploying Webex Suite required minimal effort considering the size and scope of the product.
- The organizations also leveraged third-party services for integration, designing, and training.
- Once deployed, the organizations dedicated one FTE to manage Webex Suite.
- The senior collaborations engineer in financial services said: “Once you’re in the cloud, I’m not worried about software deployment updates anymore. That’s fully managed on the Webex side. I’m not worried about expanding the Cisco data center footprint, for example, because we’re using Webex Calling globally. I’m not worried about deploying call managers and unity connection. Now, globally, I’m locked into Cisco’s cloud infrastructure. All I had to do is create the connections in my own data centers to Cisco and split tunnel it at home.”

Modeling and assumptions. For the composite organization, Forrester assumes:

- Four internal FTEs are involved in the initial deployment phase.
- Each of these FTEs spends about 50% of their time on Webex Suite deployment during the initial period.
- The annual fully burdened salary of a deployment FTE is \$125,550.
- Each user requires 1 hour of training.
- The composite dedicates one FTE to manage Webex Suite.
- The average fully loaded annual salary of this FTE is \$125,550.

Risks. Risks that could impact these costs include:

- The amount of time and effort the organization dedicates to planning, deploying, and testing Webex Suite.
- The amount of time employees take to familiarize themselves with the solution.
- The average fully burdened salaries of FTEs.

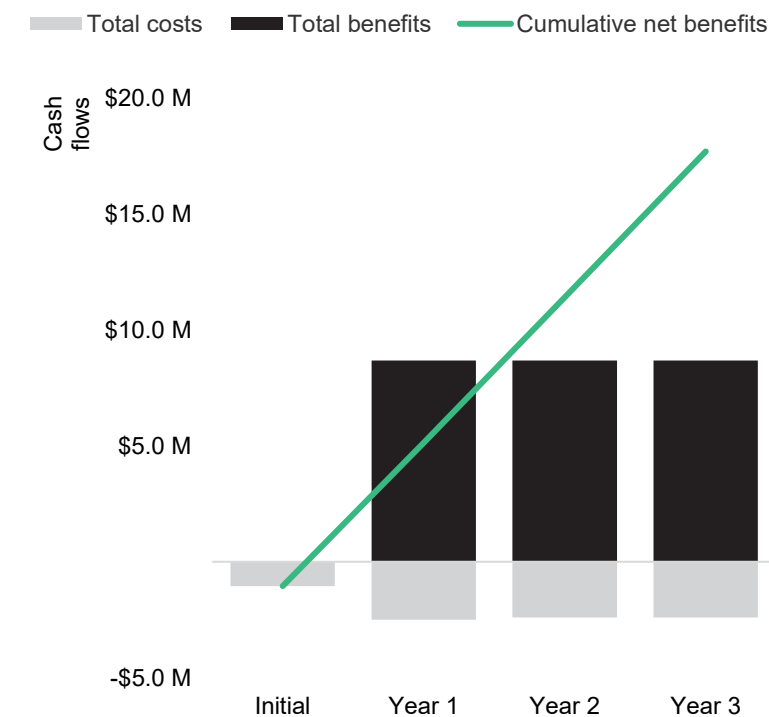
Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of \$1.5 million.

Deployment Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
I1	Internal deployment FTEs	Composite	4	1	0	0
I2	Percent of time spent on deployment	Composite	50%	50%	0%	0%
I3	Average fully burdened annual salary of an IT FTE	A4	\$125,550	\$125,550	\$0	\$0
I4	Subtotal: Internal deployment labor	I1*I2*I3	\$251,100	\$62,775	\$0	\$0
I5	Cost of third-party services	Composite	\$100,000	\$30,000	\$0	\$0
I6	Training time per employee (hours)	Composite	1	0	0	0
I7	Subtotal: Training costs	H1*I6*C10	\$600,000	\$0	\$0	\$0
I8	Average fully burdened annual salary of a management FTE	TEI standard	\$0	\$125,550	\$125,550	\$125,550
It	Deployment costs	I4+I5+I7+I8	\$951,100	\$218,325	\$125,550	\$125,550
	Risk adjustment	↑10%				
ltr	Deployment costs (risk-adjusted)		\$1,046,210	\$240,158	\$138,105	\$138,105
Three-year total: \$1,562,578			Three-year present value: \$1,482,432			

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	(\$1,046,210)	(\$2,498,708)	(\$2,396,655)	(\$2,396,655)	(\$8,338,228)	(\$7,099,112)
Total benefits	\$0	\$8,676,020	\$8,676,020	\$8,676,020	\$26,028,061	\$21,575,979
Net benefits	(\$1,046,210)	\$6,177,313	\$6,279,365	\$6,279,365	\$17,689,834	\$14,476,867
ROI						204%
Payback						6 months

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: Supplemental Material

Related Forrester Research

[“The Future Of UCaaS,”](#) Forrester Research, Inc., January 20, 2023.

[“The State Of Unified Communications As A Service, 2022,”](#) Forrester Research, Inc., August 19, 2022.

[“The Forrester Wave™: Unified Communications As A Service \(UCaaS\), Q3 2023,”](#) Forrester Research, Inc., September 19, 2023.

[“Come Together: Combining UCaaS And CCaaS Unlocks New Customer Value,”](#) Forrester Research, Inc., July 21, 2023.

[“Forrester’s UCaaS RFP Template,”](#) Forrester Research, Inc., June 1, 2023.

Appendix C: Endnotes

¹ Source: [“The Unified Communications As A Service Landscape, Q2 2023,”](#) Forrester Research, Inc., May 25, 2023.

² 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.

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