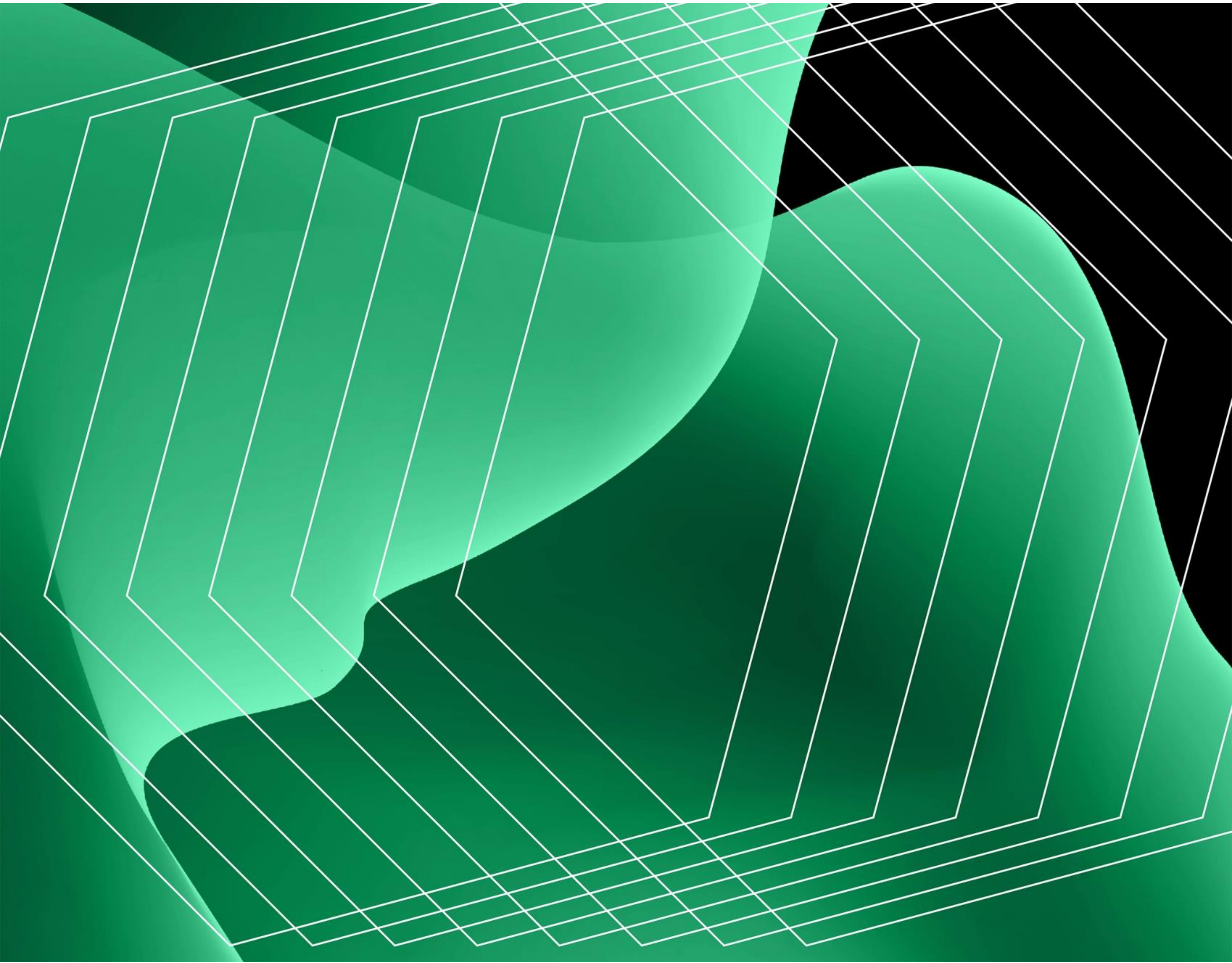
FORRESTER

The Total Economic Impact™ Of Coconut Software

Cost Savings And Business Benefits Enabled By Coconut Software

A Forrester Total Economic Impact™ Study
Commissioned By Coconut Software, April 2024



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ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key outcomes. Fueled by our customer-obsessed research, Forrester's seasoned consultants partner with leaders to execute their specific priorities using a unique engagement model that ensures lasting impact. For more information, visit forrester.com/consulting.

Executive Summary

For financial institutions, delivering great customer experiences (CX) is essential to driving loyalty and revenue.[1] Coconut Software helps banks and credit unions ensure staff are equipped to deliver exceptional experiences at every stage of the customer journey to drive satisfaction and business growth.

Return on investment (ROI)

325%

Net present value (NPV)

$1.69M

Coconut Software offers appointment scheduling, queue management, and video banking solutions built for financial institutions. Coconut's suite enables banks and credit unions to bring customers and qualified staff together for productive conversations around high-value products including new accounts, loans, mortgages, and financial advice. With Coconut, financial institutions can improve revenue, growth, operational efficiency, and customer satisfaction.

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

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed five representatives from four financial institutions with experience using Coconut Software. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization that is a financial institution with several physical branches.

Interviewees said that prior to using Coconut Software, their organizations lacked any formal appointment scheduling or queue management system. They explained this made it challenging for customers to connect for financial advice, which limited the ability of staff to adequately prepare for conversations with customers and didn't offer leadership any insights into branch traffic patterns. These limitations led to poor CX, long handle times, and missed opportunities for business growth.

Interviewees said that after the investment in Coconut Software, their organizations gained capabilities that enabled customers to conveniently book time with qualified staff to address their needs. The organizations were also able to provide staff with more time and better access to important customer information that allowed them to prepare for conversations around high-value products. Key results from the investment include increased revenue, productivity gains, and improved CX.

KEY FINDINGS

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

- **Improved pull-through rate of 8.5% for loans and 1% for mortgages.** With Coconut Software, the composite organization's customers and staff are better prepared for appointments, leading to more productive engagements and improved close rates for loans and mortgages. Automated reminders and pre-appointment communications ensure that the composite's customers are well-informed and bring necessary documentation to their appointments. Additionally, the organization's staff gains visibility into customer information, which helps them deliver personalized and efficient service. For the composite organization, the incremental revenue driven by additional loans and mortgages sold totals $1.6 million over three years.
- **Increased new account growth by 2.5%.** Coconut Software enables the composite to connect customers with staff to answer questions about new account options, which increases customer acquisition. In addition, staff members are more prepared to discuss rates and offers, which leads to more personalized experiences for customers. For the composite organization, the incremental revenue driven by new accounts totals $331,000 over three years.
- **Time savings of 10 minutes per appointment for appointment-takers.** With a better view of which customers are visiting along with when and what their needs are, staff have more control over their days. Because the composite is able to provide staff with more time to prepare and offers improved access to customer

information ahead of appointments, it reduces its overall handle time and limits the number of follow-ups required to complete product sales. Over three years, the recaptured productivity is worth $295,000 for the composite organization.

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

- **Improved CX.** By offering more convenience, streamlined processes, and improved communication with customers, the composite organization enjoys higher customer satisfaction scores.

- **Enhanced employee experience (EX).** By empowering both scheduling and appointment-taking staff with tools to do their work more effectively and efficiently, the composite improves its EX.

- **More convenience through self-service booking.** With Coconut Software, the composite offers self-service scheduling capabilities to its customers through various channels. This provides greater convenience, reduces call volumes, and allows the financial institution to capture customer interest around specific products.

- **Reduction in no-show appointments.** Automated email and text reminders ensure that the composite's customers are aware of their upcoming appointments, which makes them less likely to miss them. This results in a reduction in no-show appointments.

- **Better tracking, decision-making, and schedule management.** Managers and leadership gain better insight into branch traffic, the types of services customers come in for, and how staff spend their time. This helps them improve reporting, decision-making, and staffing.

- **Increased cross-sell opportunities.** By improving efficiency, the composite's staff has more time to foster relationships and to cross-sell to customers during and after appointments.

- **Strong vendor support and partnership.** Coconut Software maintains a strong partnership with the composite to ensure success with the solution by providing responsive support and being attentive to the organization's feedback and needs.

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

- **Coconut Software fees.** The composite organization pays $428,200 in fees to Coconut Software over three years.
- **Internal implementation, training, and ongoing management costs.** The composite organization incurs $93,000 in costs associated with internal implementation labor, user training, and ongoing management labor over three years.

The representative interviews and financial analysis found that a composite organization experiences benefits of $2.21 million over three years versus total costs of $521,000, adding up to a net present value (NPV) of $1.69 million and an ROI of 325%.

> "The better our team members are prepared, feel like they can do their best every day, [and] have the tools and resources to do what they need to do, the better experience our customers get."
>
> EVP AND CHIEF COMMUNITY BANKING OFFICER, BANK

> "Coconut has allowed our teams to manage increasing traffic flows. It's given our teams the ability to really manage their day instead of the day managing them."
>
> AVP OF MEMBER EXPERIENCE, CREDIT UNION

Return on investment (ROI)

325%

Benefits PV

$2.21M

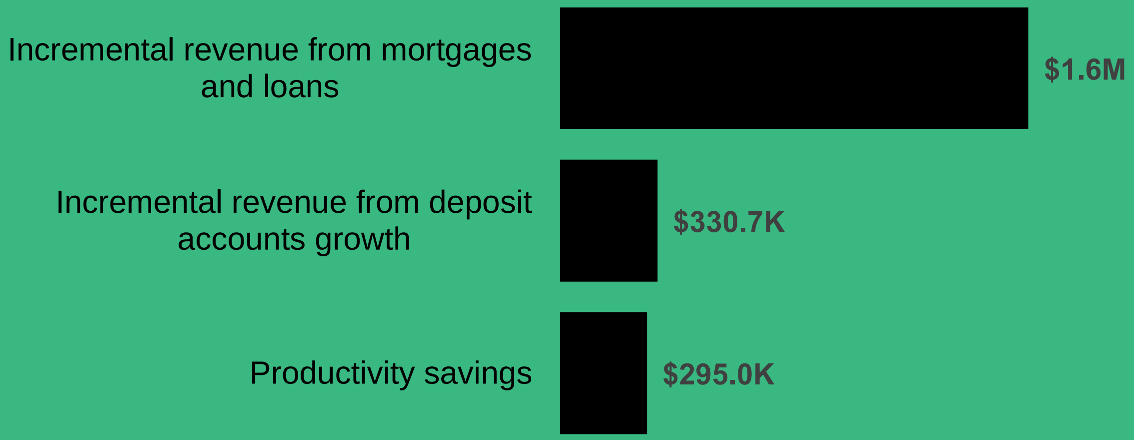
Net present value (NPV)

$1.69M

Payback

<6 months

Benefits (Three-Year)



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 Coconut Software.

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 Coconut Software can have on an organization.

DISCLOSURES
Readers should be aware of the following:

This study is commissioned by Coconut Software 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 Coconut Software.

Coconut Software 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.

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

Due Diligence
Interviewed Coconut Software stakeholders and Forrester analysts to gather data relative to Coconut Software.

Interviews
Interviewed five representatives at four financial institutions using Coconut Software to obtain data about costs, benefits, and risks.

Composite Organization
Designed a composite financial institution based on characteristics of the interviewees' financial institutions.

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 Coconut Software Customer Journey

Drivers leading to the Coconut Software investment

Interviews			
Role	**Financial institution type**	**Assets under management**	**Annual engagements**
Contact center manager	Credit union	$7.4B	32,805
EVP and chief community banking officer	Bank	$6.2B	6,204
SVP of retail operations	Credit union	$3B	18,000
AVP of member experience Member delivery administrator	Credit union	$3B	46,000

KEY CHALLENGES

Before adopting Coconut software, the interviewees' financial institutions lacked any formal appointment scheduling system. Two handled appointment scheduling manually using [a web-based email service and calendar]. The other two did not offer pre-booked appointments at all, which required customers to visit branches to be served on a first come, first served basis. Several interviewees said their financial institution also lacked queue management systems to effectively manage walk-in branch traffic.

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

- **Scheduling challenges.** The interviewees whose financial institutions offered pre-booked appointments shared that prior manual approaches reduced efficiency and provided limited visibility into how branch resources were being utilized. The contact center manager at a credit union shared that call center agents struggled to see which staff members were appropriate for a customer's needs along with their availability. These limitations led to long call times for both agents and customers, booking errors, and frustration for agents as call volumes rose. The interviewee said: "The agents were booking appointments with bankers using [another tool] and just checking availability and blocking off time in their calendars. It was not working for us. We would often have to call people back or the branch would reach out to us because we booked the wrong staff member for a loan appointment."

- **Staff lacked visibility into customer information.** Interviewees noted that staff did not have visibility into key appointment details, including who they would be meeting with, the service or request the customer was coming in for, and historical customer information. This lack of visibility impacted the ability of staff to effectively prepare for appointments, which oftentimes required them to spend large amounts of time confirming background information and customer needs before they could begin addressing them.

- **Difficulty preparing customers for appointments.** Interviewees said that customers often came unprepared to appointments because staff could not communicate with them in advance. Oftentimes, this meant customers did not bring necessary paperwork or documentation with them, requiring them to leave and come back for a second appointment. The SVP of retail operations at a credit union shared that this not only impacted productivity, but that it also increased the risk of customers not returning.

- **Poor customer experiences**. Interviewees noted that prior approaches created friction for customers who engaged with their financial institutions, ultimately leading to poor customer experiences. Interviewees from organizations that did not offer pre-booked appointments shared that all customers were required to walk in to branches to wait and be seen on a first come, first served basis. In some cases, the right staff member wasn't available, which required customers to come back another time. Interviewees shared that this approach was really inconvenient for their customers.

  Those from organizations that did offer pre-booked appointments said that lack of scheduling tools and an inability to easily identify the right staff members to serve a customer based on their needs or location often led to scheduling errors. Additionally, they noted that it was difficult to capture customer information during the scheduling process and to send pre-appointment reminders to prepare customers for appointments. This resulted in inefficient experiences.

> "If a customer called the branch and made an appointment, you threw it on your … calendar, or maybe it was a sticky note on the calendar in the back. It was not any formal appointment-setting system or tracking or anything like that."
>
> EVP AND CHIEF COMMUNITY BANKING OFFICER, BANK
>
> "When people show up missing documentation like pay stubs, it means they have to come back for another meeting. Most times, when someone can't complete something 100% when they engage, they explore other alternatives and don't always come back."
>
> SVP OF RETAIL OPERATIONS, CREDIT UNION

WHY COCONUT SOFTWARE?

The interviewees shared the following reasons their financial institutions selected Coconut Software:

- **Ease of use.** Interviewees highlighted that Coconut Software provided a simple, easy, and intuitive user experience for internal users and customers, which was a key consideration for the investment. The SVP of retail operations at a credit union said: "[Coconut Software's] UI and UX is just really simple and easy to use. I spoke with members and team members to check that it was easy to navigate and intuitive to use on their own. That was one of the determinants that helped us choose Coconut."
- **Features.** Interviewees said Coconut Software offered a rich feature set of scheduling, queue management, communication, and integration tools that fit the their organizations' needs. The EVP and chief community banking officer at a

bank noted that integration with other tools, the ability to communicate with customers, informational dashboards, and the ability to invite other business partners to appointments were essential capabilities that Coconut Software offered.

- **Vendor partnership.** Several interviewees noted that the Coconut Software team demonstrated a strong cultural alignment and commitment to their financial institutions' success during the buying journey. The AVP of member experience at a credit union said: "Coconut had a culture fit in terms of a focus on providing exceptional member experiences. That was important to [my company,] and it was easy to see from that start that they were very focused on their members — which was us — and creating that exceptional relationship with us — which is the vendor partnership we have today."
- **Cost.** The AVP of member experience at a credit union noted that licensing costs for Coconut Software were lower in comparison to those for similar solutions they considered during the evaluation period.

INVESTMENT OBJECTIVES

The interviewees' financial institutions searched for a solution that could:

- Streamline appointment scheduling processes.
- Improve visibility into appointment and customer information.
- Increase visibility into branch traffic patterns.
- Enhance customer and employee experiences.
- Provide staff with tools to better manage their workdays.

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite financial institution, 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 organization is a financial institution that offers a range of financial products and services to customers. It has $4.5 billion in total assets under management and several physical branches customers visit to conduct transactions, receive advice, and access services.

Before adopting Coconut Software, the composite had no formal appointment scheduling system. Administrative staff manually handled pre-booked appointments. Customers without pre-scheduled appointments were required to wait and be seen on a first come, first served basis.

Deployment characteristics. The composite financial institution adopts Coconut Software to streamline its appointment scheduling processes and to empower staff to better serve customers. It books 30,000 total appointments (including pre-scheduled and walk-in appointments) through Coconut Software in Year 1 of the investment, and the number of appointments grows by 5% each following year. Three-hundred staff members are users of Coconut Software, and this includes appointment-taking individuals, administrative staff who schedule appointments, and managers or other leaders that access Coconut's data.

Key Assumptions

Financial institution

$4.5 billion assets under management

30,000 appointments with 5% YoY growth

300 Coconut Software users

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	Incremental revenue from mortgages and loans	$318,314	$656,642	$1,006,918	$1,981,874	$1,588,568
Btr	Incremental revenue from deposit account growth	$66,697	$136,345	$209,535	$412,577	$330,742
Ctr	Productivity savings	$113,230	$118,892	$124,836	$356,958	$294,985
	Total benefits (risk-adjusted)	$498,241	$911,879	$1,341,289	$2,751,410	$2,214,295

INCREMENTAL REVENUE FROM MORTGAGES AND LOANS

Evidence and data. Interviewees told Forrester that Coconut Software helped their financial institutions increase pull-through rates and complete more product sales by improving customer and staff preparedness for appointments. With automated reminders and communications, customers arrived to appointments better informed and were more likely to have all the necessary documentation required to complete a product purchase. Additionally, staff gained access to key customer information, enabling them to effectively serve customers and provide personalized product recommendations. Interviewees shared that Coconut Software helped their financial institutions in the following ways:

- **Improved customer preparedness.** Coconut Software enabled the interviewees' financial institutions to send automated pre-appointment reminders and communications directly from staff to prepare customers for appointments and to instruct them about the necessary documents or information to bring. Interviewees said that by better preparing customers for appointments, their financial institutions improved pull-through rates for loans and other products. The SVP of retail operations at a credit union explained: "It allows staff to close those services a lot better because members don't have to go back and provide something different after the fact. Most times when someone can't complete something 100% when they engage, they find explore other alternatives and don't always come back."

- **Better insight into customer context.** Interviewees said that before their financial institutions used Coconut Software, staff either only took walk-in appointments or lacked key information about pre-booked appointments, which reduced their preparedness to serve customers. With Coconut Software, staff gained easy access to customer information, including previous engagements with the financial institution, the reason for the appointment, and other account details. With this insight, staff members were better prepared to have more personalized and effective conversations with customers and to close opportunities.
- **Better close rates and business growth from improved appointment processes.** Interviewees shared that both customers and staff were better positioned to have efficient and productive appointments, which improved close rates and sales for various products and services that customers were seeking. The contact center manager at a credit union estimated that Coconut increased their organization's sales by 5% to 10% by making it easier for staff to serve members effectively. Similarly, the SVP of retail operations at a credit union noted that their organization's loan pull-through rate increased from 48% to 60% after adopting the solution, and they attributed 5% to 8% of the improvement to the impact of Coconut Software.

8.5%

Increase in loan pull-through rate

> “Team members have the precursor. So, when the member arrives, we have a good idea of why they need that loan, and we’ve calculated the numbers. It’s a better experience, and we’re giving the member everything they need when they sit down. Again, Coconut just provided that entry point, and then after that, the team member skill is kicking in.”
>
> SVP OF RETAIL OPERATIONS, CREDIT UNION
>
> “[During the past several years,] we’ve seen exponential growth, and [we’ve] basically doubled our sales. It’s due to having tools like Coconut, for sure, because it allowed for time to have deeper conversations.”
>
> CONTACT CENTER MANAGER, CREDIT UNION

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The financial institution books 30,000 appointments in Year 1, 31,500 in Year 2, and 33,075 in Year 3.
- The percentage of appointments related to loan transactions is 15%.
- Coconut Software increases the composite’s pull-through rate for loan transactions by 8.5%.
- The term of the loans is three years. In years 2 and 3, the organization generates interest income from loans sold in prior years of the investment.
- The average size of each loan is $7,700.[3]
- The composite’s net interest margin is 3%.[4]

- The percentage of appointments related to mortgage transactions is 10%.
- Coconut Software increases the composite's pull-through rate for mortgage transactions by 1%.
- The term of the mortgage is 30 years. In years 2 and 3, the organization generates interest income from mortgages sold in prior years of the investment.
- The average size of a mortgage is $309,420.

Risks. Forrester recognizes these results may not be representative of all experiences. The impact of this benefit will vary depending on:

- The number of appointments booked and the percentage of appointments related to loan or mortgage transactions.
- The actual sizes and terms of loans and mortgages.
- The financial institution's net interest margin.
- Market factors that may influence borrowing decisions as it relates to loans and mortgages, including interest rates, housing market conditions, and financial market conditions.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $1.6 million.

Incremental Revenue From Mortgages And Loans					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Appointments booked through Coconut Software	Composite	30,000	31,500	33,075
A2	Portion of appointments related to loans	Composite	15%	15%	15%
A3	Loan appointments	A1*A2	4,500	4,725	4,961
A4	Percent increase in loan pull-through rate attributed to Coconut Software	Interviews	8.5%	8.5%	8.5%
A5	Additional loans sold due to Coconut Software (rounded)	A3*A4	383	402	422
A6	Cumulative additional loans sold due to Coconut Software	Year 1: A5 Years 2 & 3: $A5+A5_{PY}$	383	785	1,207
A7	Average loan size	TransUnion	$7,700	$7,700	$7,700
A8	Net interest margin	FDIC	3%	3%	3%
A9	**Subtotal: Incremental revenue from loans**	**A6*A7*A8**	**$88,473**	**$181,335**	**$278,817**
A10	Portion of appointments related to mortgages	Composite	10%	10%	10%
A11	Mortgage appointments	A1*A10	3,000	3,150	3,308
A12	Percent increase in mortgage pull-through rate attributed to Coconut Software	Interviews	1%	1%	1%
A13	Additional mortgages sold due to Coconut Software	A11*A12	30	32	33
A14	Cumulative additional mortgages sold due to Coconut Software	Year 1: A13 Years 2 & 3: $A13+A13_{PY}$	30	62	95
A15	Average mortgage size	Composite	$343,800	$343,800	$343,800
A16	**Subtotal: Incremental revenue from mortgages**	**A8*A14*A15**	**$309,420**	**$639,468**	**$979,830**
At	Incremental revenue from mortgages and loans	A9+A16	$397,893	$820,803	$1,258,647
	Risk adjustment	↓20%			
Atr	Incremental revenue from mortgages and loans (risk-adjusted)		$318,314	$656,642	$1,006,918
	Three-year total: $1,981,874			**Three-year present value: $1,588,568**	

INCREMENTAL REVENUE FROM DEPOSIT ACCOUNTS GROWTH

Evidence and data. Interviewees noted that Coconut Software made it easier for customers to connect with staff to discuss new account options that were best suited to them, which drove new customer acquisition. By providing convenient and flexible scheduling options, the interviewees' financial institutions reduced barriers to engage with their institutions, which helped drive new customer growth and improved the efficiency and outcomes of account-related appointments. Interviewees shared that Coconut Software helped their financial institutions in the following ways:

- **Ease of engagement.** Interviewees shared that Coconut Software enabled customers to engage with their financial institutions on their own terms — whether in person, virtually, or in branch — which drove customer acquisition. The SVP of retail operations at a credit union said Coconut Software enabled their financial institution to provide members with more personalized, concierge-type experiences by giving them the flexibility to connect with relevant staff during times that were most convenient to them. They noted this was an expereince enhancer that helped fuel member growth.
- **Efficient service delivery.** Interviewees noted that Coconut Software enabled their financial institutions to more efficiently serve and open new accounts with potential customers. They said it enabled pre-appointment communications to prepare prospects for their appointments and equipped staff with relevant information and context before each appointment, which helped staff to understand prospects' needs in advance. As a result, potential customers and staff at the interviewees' financial institutions had more efficient and productive appointments, improving the likelihood of customer acquisition.
- **Brand perception and lead generation.** The EVP and chief community banking officer at a bank shared that offering a modern appointment booking experience that includes convenient self-serve scheduling tools helped portray the bank as an appealing financial institution to online prospects.

  Additionally, other interviewees highlighted how Coconut Software supported lead generation. The AVP of member experience at a credit union said: "Coconut allows us to create awareness around a particular product or promotion. With the ability to manage our appointment offerings and customize our content, it allows us to highlight offerings and drive additional success."

- **Account and membership growth.** Several interviewees reported increases in membership and account growth due in part to adopting Coconut Software. The SVP of retail operations at a credit union reported their organization saw a 10% increase in membership growth in the first year of using Coconut Software, and they attributed 5% of the growth to the solution. The EVP and chief community banking officer at a bank shared that their financial institution doubled new accounts in 2023, and they attributed 2% of the growth to Coconut Software.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The organization books 30,000 appointments in Year 1, 31,500 in Year 2, and 33,075 in Year 3.
- The percent of appointments related to new deposit account openings is 15%.
- Coconut Software increases the composite's new account growth by 2.5%.
- The composite's average account size is $62,000.[5]
- The composite's return on average assets is 1.12%.[6]

Risks. Forrester recognizes these results may not be representative of all experiences. The impact of this benefit will vary depending on:

- The number of appointments booked and the percent that relate to new deposit account openings.
- Actual deposit account sizes, including removal and/or addition of funds over time.
- Economic factors (e.g., interest rates, inflation) that can impact consumer demand.
- The organization's actual return on assets, which can vary based on several factors including net interest margin, loan portfolios, operating efficiency, interest rate environments, and more.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $331,000.

Incremental Revenue From Deposit Account Growth					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Total appointments	Composite	30,000	31,500	33,075
B2	Percent of appointments related to new deposit accounts	Composite	15%	15%	15%
B3	Appointments related to new deposit accounts	B1*B2	4,500	4,725	4,961
B4	Account growth attributed to Coconut Software	Interviews	2.5%	2.5%	2.5%
B5	Additional account openings due to Coconut Software	B3*B4	113	118	124
B6	Cumulative new accounts due to Coconut Software	Year 1: B5 Years 2 & 3: $B5+B5_{PY}$	113	231	355
B7	Average account size	Federal Research Board	$62,000	$62,000	$62,000
B8	Return on average assets	FDIC	1.12%	1.12%	1.12%
Bt	Incremental revenue from deposit account growth	B6*B7*B8	$78,467	$160,406	$246,512
	Risk adjustment	↓15%			
Btr	Incremental revenue from deposit account growth (risk-adjusted)		$66,697	$136,345	$209,535
	Three-year total: $412,577		**Three-year present value: $330,742**		

PRODUCTIVITY SAVINGS

Evidence and data. Interviewees shared that Coconut Software helped both appointment-scheduling staff and appointment-taking staff save time. They said that with scheduling tools and real-time calendar visibility, administrative staff and call-center agents reduced effort to schedule appointments. For bankers, advisors, and other appointment-takers, improved access to information ahead of appointments and pre-appointment communications reduced administrative work, handle times, and redundant conversations with customers. With Coconut Software, staff gained productivity in the following ways:

- **Reduced scheduling effort.** Interviewees shared that Coconut Software provided scheduling tools and real-time calendar visibility, streamlining the process of booking appointments. They said that it provides intuitive scheduling workflows and calendar integrations that allowed administrative resources and contact center agents to gain real-time visibility into the availability of staff across multiple locations. This has helped their organizations more easily identify the right staff member to serve a customer's specific needs. The contact center manager at a credit union shared that it previously had taken 10 to 15 minutes to schedule an appointment, but that the process only takes 1 minute with Coconut Software. Further, they noted that Coconut Software reduced scheduling errors by making it intuitive to schedule with the right staff member who is qualified to deliver type of service a member was requesting.
- **Avoided administrative work.** Interviewees noted that Coconut Software provided staff at their financial institutions with a unified view of appointment details, customer history, and documents, which reduced efforts to manually collate these items when serving customers. For example, the EVP and chief community banking officer at a bank shared that by adopting Coconut Software, their organization's bankers typically saved 5 to 10 minutes of administrative work per appointment and that time savings could range up to 30 minutes for more complex products or transactions, such as business accounts.
- **Improved appointment efficiency.** Interviewees reported that by having context in advance, bankers and advisors spent less time during appointments confirming customer information and figuring out customer needs. Several interviewees said this led to a decrease in appointment length for their financial institution. For example, the SVP of retail operations at a credit union reported a 38% decrease in appointment length as a result of adopting Coconut Software.

10 minutes

Time savings per appointment

> "Before using Coconut Software, when a customer would walk in and sit down, there was probably 5 to 10 minutes of conversation on why they chose the credit union and what they were looking to accomplish. Now, that information is taken up front when the appointment is scheduled."
>
> SVP OF RETAIL OPERATIONS, CREDIT UNION

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The organization books 30,000 appointments in Year 1, 31,500 in Year 2, and 33,075 in Year 3.
- Before using Coconut Software, it took the composite 5 minutes of effort to schedule an appointment.
- Coconut Software reduces the composite's scheduling effort by 50%, resulting in 2.5 minutes of avoided scheduling effort per appointment.
- The annual burdened cost for a scheduling resource is $54,300.
- Scheduling resources recapture 50% of their time savings into other productive tasks.
- With Coconut Software, appointment-taking staff save 10 minutes per appointment.
- The annual burdened cost for an appointment-taking staff member is $91,100.
- Appointment-taking staff recapture 50% of their time savings into other productive tasks.

Risks. Forrester recognizes these results may not be representative of all experiences. The impact of this benefit will vary depending on:

- The number of appointments booked.
- Whether or not the financial institution offered pre-booked appointments before using Coconut Software.
- Any scheduling tools the organization previously utilized.
- The burdened salaries of scheduling and appointment-taking staff.
- The organization's productivity recapture.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $295,000.

Productivity Savings

Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Appointments booked	Composite	30,000	31,500	33,075
C2	Average scheduling effort per appointment before using Coconut Software (minutes)	Interviews	5	5	5
C3	Reduction in scheduling effort with Coconut Software	Interviews	50%	50%	50%
C4	Scheduling time saved per appointment (minutes)	C2*C3	2.5	2.5	2.5
C5	Annual burdened cost for a scheduling resource	TEI standard	$54,300	$54,300	$54,300
C6	Productivity recapture	TEI standard	50%	50%	50%
C7	**Subtotal: Productivity savings for appointment schedulers**	**C1*C4*(C5/2,080/60)*C6**	**$16,316**	**$17,132**	**$17,989**
C8	Time savings per appointment due to Coconut Software (minutes)	Interviews	10	10	10
C9	Annual burdened cost for an appointment-taker	TEI standard	$91,100	$91,100	$91,100
C10	Productivity recapture	TEI standard	50%	50%	50%
C11	**Subtotal: Productivity savings for appointment-takers**	**C1*C8*C9/2,080/60*C10**	**$109,495**	**$114,970**	**$120,718**
Ct	Productivity savings	C7+C11	$125,811	$132,102	$138,707
	Risk adjustment	↓10%			
Ctr	Productivity savings (risk-adjusted)		$113,230	$118,892	$124,836
	Three-year total: $356,958		**Three-year present value: $294,985**		

UNQUANTIFIED BENEFITS

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

- **Improved CX.** Customer experience transformation efforts bring benefits like increased customer retention and greater cross-sell opportunities.[7] In fact, Forrester research found that a 1-point improvement in Customer Experience Index (CX Index™) score translates to $7.65 in annual incremental revenue per customer for multichannel banks.[8] Interviewees shared that Coconut Software enhanced their CX by improving convenience, streamlining processes, improving communication with customers, and driving more personalized and productive appointments. Interviewees highlighted improvements to customer satisfaction scores as a result. The SVP of retail operations at a credit union shared that their organization's Net Promoter Score[SM] (NPS) for new members increased from 77 to 85. The AVP of member expereince at a credit union shared that with Coconut Software, their organization was able to offer pre-scheduled appointments, which had a higher NPS than walk-in appointments. The contact center manager at a credit union also shared that their organization's CX scores are at an all-time high.

Forrester's Perspective: The Business Impact Of CX

Forrester research found that a 1-point improvement in CX Index score translates to $7.65 in annual incremental revenue per customer for multichannel banks.[9]

- **Enhanced EX.** Interviewees said Coconut Software helped improve employee experiences by empowering staff with tools to do their work more efficiently and effectively. The contact center manager at a credit union noted how Coconut Software reduced frustration for contact center staff by enabling faster access to their real-time availability and providing scheduling capabilities. This was especially helpful during periods of high call volumes. For appointment-taking staff, Coconut Software enabled better visibility into customer information, which ultimately helped them be more prepared and effective during appointments.

> "It has been a positive for the employee experience. People are saying that this is really helpful. One of the things that can stress out customer-facing staff is wondering what's going to walk in the door next. With Coconut, they know what's going to walk in the door next, which is a nice thing."
>
> EVP AND CHIEF COMMUNITY BANKING OFFICER, BANK

- **More convenience through self-service booking.** Two interviewees said their financial institution uses Coconut Software to offer self-service scheduling capabilities to customers through their websites, which drives greater convenience and helps capture interest around specific products. The contact center manager at a credit union explained that this enabled greater flexibility for members looking to schedule appointments outside of call-center hours and that it has the potential to reduce call-center costs by deflecting calls.
- **Reduction in no-show appointments.** Interviewees noted that automated email and text reminders ensured customers were aware of their upcoming appointments and were less likely to miss them. Both the contact center manager at a credit union and the SVP of retail operations at another credit union highlighted that the number of no-show appointments had reduced as a result.
- **Better tracking, decision-making, and schedule management.** Interviewees said Coconut Software gave managers and leadership better insight into branch traffic, the types of services customers were coming in for, and team activity, and they explained this helped them improve reporting, decision-making, and staff planning. For example, the contact center manager at a credit union said: "From a branch perspective, they have gained visibility to easily look at the day or the week. They can deal with absences quickly, which they didn't have a good way to

deal with before. If someone called in sick, they would scramble to deal with it. Whereas, now, this manager has the view and can see who's free."

> "Prior to using Coconut, we didn't have visibility of what our teams were doing unless it hit the core. So, this has allowed us to be able to quantify and justify FTE counts. It has shown that they've done this many appointments and how we're spending our time. So, it's really added value to being able to understand our staffing."
>
> AVP OF MEMBER EXPERIENCE, CREDIT UNION

- **Increased cross-sell opportunities.** Interviewees said that Coconut Software enabled their staff to cross-sell more. By improving efficiency, staff gained time during appointments to cross-sell additional products. The SVP of retail operations at a credit union also shared that when appointments end early, staff are able to reallocate their time by cross-selling and fostering relationships with other members.

> "There's an opportunity now to not only make the member's experience better, but also to do more business with them. It gives bankers the time to do that. The perfect time to sell something is when you've just fixed somebody's problem."
>
> EVP AND CHIEF COMMUNITY BANKING OFFICER, BANK

- **Strong vendor support and partnership.** Interviewees mentioned that Coconut Software maintains a strong partnership and commitment to their financial institution's success by providing responsive support and being receptive to feedback and needs. The contact center manager at a credit union said: "This is probably the best vendor relationship I've ever had in my working career. I feel very supported by Coconut Software."

> "They're responsive, act like partners, and are not afraid to jump in. It's been a good partnership, and the software is bulletproof."
>
> EVP AND CHIEF COMMUNITY BANKING OFFICER, BANK

FLEXIBILITY

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

- **Feature enhancements.** Interviewees shared that their financial institutions looked to expand their use of Coconut Software and gain additional value through adopting additional features. Two interviewees said their financial institution is planning to implement Coconut Connect, which would allow them to offer video meetings to customers with enhanced privacy control and document co-browsing features. The EVP and chief community banking officer at a bank noted that their financial institution was in the process of adopting Coconut's advanced analytics solution to gain additional business insights.

- **Enabling transformation.** Interviewees said Coconut Software helps their financial institutions continuously transform and adapt to changing customer needs and preferences. With Coconut Software, the institutions have the flexibility to engage with customers through the channels and methods that suit them best. They also gain insights on customer behavior, preferences, and trends to adapt services and operations accordingly, and have tools to digitize manual processes. The EVP and chief community banking officer at a bank shared: "From a customer experience perspective, I think that's a foundational strategy we always keep. And for me, it's just that gateway to ensure that our experiences are what we want them to be."

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

> "Coconut has allowed us to also be adaptable and flexible to meet customer needs. So, if we need to change the way that we're serving them, we can adapt quickly."
>
> AVP OF MEMBER EXPERIENCE, CREDIT UNION
>
> "Coconut helps us from a strategy standpoint to transform our branches from providing transactional interactions to advice interactions. It helps us tee up our services in a way that enables customers to easily connect with the right person and get the help they need."
>
> EVP AND CHIEF COMMUNITY BANKING OFFICER, BANK

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**
Dtr	Coconut Software fees	$22,000	$163,350	$163,350	$163,350	$512,050	$428,227
Etr	Internal implementation, training, and ongoing management	$71,430	$8,704	$8,704	$8,704	$97,543	$93,076
	Total costs (risk-adjusted)	$93,430	$172,054	$172,054	$172,054	$609,593	$521,303

COCONUT SOFTWARE FEES

Evidence and data. Interviewees said their financial institutions paid Coconut Software one-time implementation services fees and pay annual licensing costs. Licensing costs were based on price per user, and they varied depending on the number of users, licensing tiers, add-on features, and other contract terms/agreements.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization pays $20,000 during the initial period of the investment and $148,500 annually during years 1 through 3.
- Pricing may vary. Contact Coconut Software for additional details.

Risks. Forrester recognizes that these results may not be representative of all experiences. The impact of this benefit will vary depending on:

- The number of licensed users.
- The organization’s licensing types.
- Fees for add-on features.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $428,000.

Coconut Software Fees						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
D1	Coconut Software fees	Composite	$20,000	$148,500	$148,500	$148,500
Dt	Coconut Software fees	D1	$20,000	$148,500	$148,500	$148,500
	Risk adjustment	↑10%				
Dtr	Coconut Software fees (risk-adjusted)		$22,000	$163,350	$163,350	$163,350
	Three-year total: $512,050		**Three-year present value: $428,227**			

INTERNAL IMPLEMENTATION, TRAINING, AND ONGOING MANAGEMENT

Evidence and data. The interviewees' financial institutions incurred costs in the following areas:

- **Internal implementation labor.** Interviewees cited implementation timelines ranging from two to five months. Typical roles involved during the implementation period included project managers and personnel from operations, marketing, and IT. The EVP and chief community banking officer at a bank shared that champions at each of their organization's branches aided in change-management processes.

> "It was about a five-month project, so it went by pretty fast, which was nice. The process itself was very easy. Coconut walked us through the setup, the usage, and everything. It just made it so much easier."
>
> EVP AND CHIEF COMMUNITY BANKING OFFICER, BANK

- **Training.** Interviewees noted that managers, appointment-taking staff, and scheduling staff participated in training on Coconut Software that ranged from 1 to 3 hours in total.
- **Ongoing management.** Interviewees noted ongoing management for Coconut Software was minimal and typically involved 5% of the time of one admin resource. Ongoing management tasks included adding or removing employees from the system and updating service descriptions.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite organization implements Coconut Software over four months.
- One project manager resource dedicates 60% of their time to implementation. The annual burdened salary for this project manager is $108,000.
- One IT resource dedicates 20% of their time to implementation. The annual burdened salary for this IT resource is $114,750.
- One operations resource dedicates 20% of their time to implementation. The annual burdened salary for this operations resource is $94,500.
- Twenty employees each spend 2 hours per month during the implementation period on change-management activities. The annual burdened salary for one of these resources is $72,000.
- Three-hundred Coconut users participate in 2 hours of training during the initial period. Accounting for turnover, 60 new users participate in training each subsequent year. The average annual salary for a Coconut Software user is $72,700.
- One administrative resource dedicates 5% of their workload to ongoing management. The annual burdened salary for this resource is $67,500.

Risks. Forrester recognizes that these results may not be representative of all experiences. The impact of this benefit will vary depending on:

- The length of the implementation period.

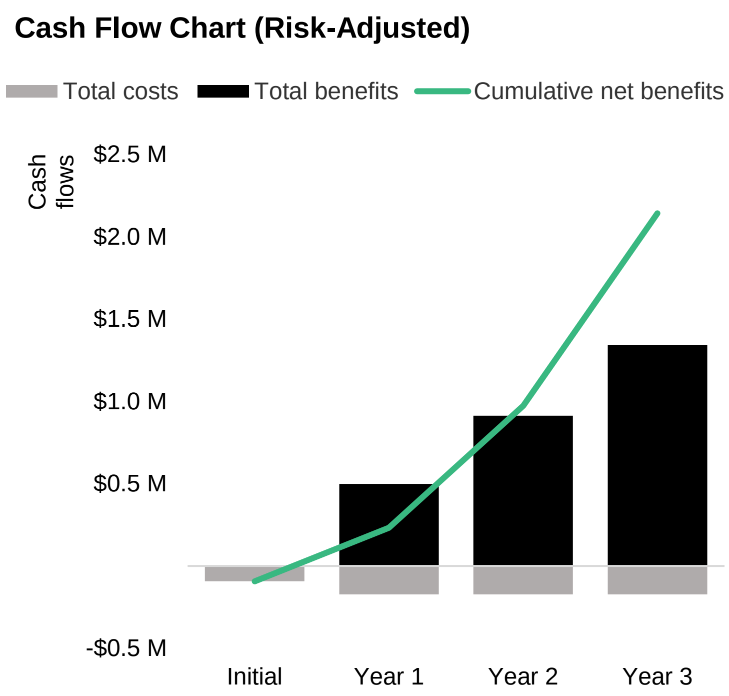
- The internal resources involved in the implementation, how much time each resource dedicates to implementation, and the burdened salary of each.
- The number of users who participate in training and the time required.
- Ongoing management requirements and the burdened cost of resources involved.

Results. To account for these risks, Forrester adjusted this cost upward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $93,000.

Internal Implementation, Training, And Ongoing Management						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
E1	Implementation time (months)	Interviews	4			
E2	Project manager resource FTEs	Interviews	0.6			
E3	Annual burdened salary for a project manager	TEI standard	$108,000			
E4	IT resource FTEs	Interviews	0.2			
E5	Annual burdened salary for an IT resource	TEI standard	$114,750			
E6	Operations resource FTEs	Interviews	0.2			
E7	Annual burdened salary for an operations resource	TEI standard	$94,500			
E8	Change management champions	Composite	20			
E9	Time each champion spends per month on change-management activity (hours)	Interviews	2			
E10	Annual salary for a change-management champion	TEI standard	$72,700			
E11	**Subtotal: Implementation costs**	**E1*((E2*E3+E4*E5+E6*E7)/12)+(E8*E9*E10/2,080))**	**$41,142**			
E12	Coconut users who participate in training	Composite	300	60	60	60
E13	Training time required (hours)	Composite	2	2	2	2
E14	Blended annual burdened cost for users	TEI standard	$72,700	$72,700	$72,700	$72,700
E15	**Subtotal: Training costs**	**E12*E13*E14/2,080**	**$20,971**	**$4,194**	**$4,194**	**$4,194**
E16	Ongoing admin labor FTEs	Interviews		0.05	0.05	0.05
E17	Annual burdened cost for an admin resource	TEI standard		$67,500	$67,500	$67,500
E18	**Subtotal: Ongoing management**	**E16*E17**		**$3,375**	**$3,375**	**$3,375**
Et	Internal implementation, training, and ongoing management	E11+E15+E18	$62,113	$7,569	$7,569	$7,569
	Risk adjustment	↑15%				
Etr	Internal implementation, training, and ongoing management (risk-adjusted)		$71,430	$8,704	$8,704	$8,704
	Three-year total: $97,543			**Three-year present value: $93,076**		

Financial Summary

Consolidated Three-Year Risk-Adjusted Metrics



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	($93,430)	($172,054)	($172,054)	($172,054)	($609,593)	($521,303)
Total benefits	$0	$498,241	$911,879	$1,341,289	$2,751,410	$2,214,295
Net benefits	($93,430)	$326,187	$739,825	$1,169,235	$2,141,817	$1,692,992
ROI						325%
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."

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.

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.

APPENDIX B: ENDNOTES

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[1] Source: Consumer Banking Trends, 2024, Forrester Research, Inc., January 17, 2024.

[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.

[3] Source: TransUnion Unsecured Personal Lending Industry Insights Report, Q3 2023, TransUnion.

[4] Source: FDIC Quarterly, Volume 17, Number 2, Federal Deposit Insurance Corporation, 2023.

[5] Source: Survey of Consumer Finances, 1989 - 2022, Board of Governors of the Federal Reserve System, 2023.

[6] Source: FDIC Quarterly, Volume 17, Number 1, Federal Deposit Insurance Corporation, 2023.

[7] Source: The ROI Of CX Transformation, Forrester Research, Inc., February 7, 2024.

[8] Source: How Customer Experience Drives Business Growth, 2023, Forrester Research, Inc., October 13, 2023.

[9] Ibid.

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