Workplace

The Total Economic Impact of Workplace from Facebook

Study by Forrester Consulting

Sales Playbook | July 2019
INTERNAL USE ONLY

Content

Using This Guide

We commissioned Forrester Consulting to conduct their Total Economic Impact study for Workplace to quantify the value Workplace delivers to our customers. This guide will provide you with key results and messages from the report, along with background information on research methodology. It will also give you guidance on how to use the data and handle any questions from customers/prospects.

Objectives for conducting this study

• Prove the tangible value that Workplace delivers to customers to support the new Workplace Pricing & Packaging launch

• Provide you with tangible metrics to support your conversations with prospects

• Support value assessments with clients as part of the renewal process and beyond

Actions

Note for everyone

Please make sure you read the guidance to use the report and findings before using the stats. Forrester bans vendors from using their report if the citation and positioning of results are inappropriate. All marketing materials have been approved by them. They require 48-hrs to review any usage outside of these materials.

CP

- Use the slides with metrics in your pitches as you see fit to prove the tangible value of Workplace including ROI and quantified benefits for various use cases

- Share the link to the report for prospects to download

- Share the link to the summary report in meetings or as a follow-up

- Use the Talking Points per audience to support your conversations. You can take them verbatim or use in verbal correspondence

SDR/MarketStar

- Include the messaging and relevant metrics in your correspondence with prospects, depending on their job function. You can use the wording and stats in Talking Points section

- Direct prospects to the report landing page. Add the link to your emails or LinkedIn messages

- Share the link to the summary report with senior decision makers during your conversation or as a follow-up via email. Link to Brandfolder

CSM

- Use the data in your conversations with existing customers to support the renewals and P&P process as you see fit

- Use the metric calculations in the report to provide guidance for customers on how to calculate the value themselves, give them inspiration of use cases and secure further internal buy-in

- Use the Talking Points per audience to support your conversations. You can take them verbatim or use in verbal correspondence

Please refer to the guidelines before quoting any stats from this study. Forrester bans companies from using the TEI report if they see inappropriate usage of data and citations.

The Audience and Challenges Targeted with This Report

Target Audience

• Existing customers: CWOs, sponsors and decision makers

• Prospects: CxO, Internal Comms, HR and IT professionals

Key Challenges

Organizations interviewed and surveyed implemented Workplace because of the need to overcome these challenges:

• Break down decentralized structures and siloes

• Engage disconnected employees

• Make leaders open and accessible

• Enable and drive collaboration

"There were lots of mergers a few years ago. We wanted to bring the different parts of the business together."

Head of Internal Communications, **Oil and Gas**

All quotes are from the report. Feel free to use them in your discussions.

Please refer to the guidelines before quoting any stats from this study. Forrester bans companies from using the TEI report if they see inappropriate usage of data and citations.

Stats on a Page

Companies perform better when people are connected. But how much better? We commissioned Forrester Consulting to conduct a Total Economic Impact study to help us find out.

Overall, over 3 years an organization using Workplace can achieve:

3.9x ROI over 3 years
4.98 USD for every 1 USD spent

<3 months Payback period

"It's an excellent tool for frontline staff for crowdsourcing in order to quickly find information and responses to questions."

Head of Cultural and Internal Communications, **Hospitality**

Workplace brings employees closer
Organization-wide communication is more effective, leading to better customer outcomes - revenue per customer can increase by **10%**, leadership communication costs can reduce about **25%** and efficiency in training and development can increase by **18%**.

Workplace makes teamwork faster
Productivity is higher as collaboration can be more efficient among knowledge workers by **8%**, more efficient to work with external parties with MCGs by **11%**, time to decision can be **20%** faster and cloud opex for legacy tools can be reduced by **80%**.

Workplace makes company culture stronger
Companies build a connected culture using Workplace as a result onboarding can be **24%** more efficient, employee retention can go up by **10%** and there can be **32%** more product innovation.

Connecting frontline employees delivers tangible business impact. Frontline employees can be on average, **20%** more task efficient with Workplace. It's:

18% quicker to train and develop frontline staff with Workplace

25% faster for them to collaborate with their peers

21% quicker for them to provide feedback to their management

19% faster for them to swap shifts

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Talking Points

CxO

- Organizations can see a **3.9x return on investment** from Workplace over 3 years

- Businesses can see payback **within 3 months**

- Companies using Workplace can see, on average, a **10% increase in revenue per customer**: Employees have faster access to information on the latest product offers and can easily share tips and best practices with their colleagues

- Connected companies with Workplace can see **32% more product innovation**: Any employee might have an idea on how to fix a customer complaint or improve a product or service. Now they have a platform to surface them. It's also easier to see and manage all these new ideas

"We used Workplace as a tool to train for the new mobile eCommerce app, driving $250K additional sales in two weeks!"

CMO, **Technology Services**

Talking Points

Internal Communications

- Organizations using Workplace can save about **25% on leadership communications costs**: It's never been so easy to bring everyone together with the leadership team. Especially with Live streaming, no more exec road shows to multiple offices or the need to bring everyone to one place. It saves time and costs and also provides a chance for real time feedback

- It can be **20% faster to make a decision** since the message gets to the right people so employees can take action faster because they have access to information they need

- Workplace makes it much easier to connect with frontline employees. It can be **34% quicker for them to receive company updates** as they have access to a tool that is familiar and easy to use, regardless of being deskless and emailless. No more posters, flyers or long meetings to keep them in-the-know

"We were able to make £24K savings in audio line rental for events. Also, we no longer use video agencies, which cost £1,900 per half day."

Digital Lead, Business Communications, **Financial Services**

Out of 226 survey respondents, Forrester also found that:

91%
agree that Workplace helps create more engaging communications and interactions

85%
agree that Workplace increases engagement with office and remote workers

78%
agree that Workplace creates better cross-cultural working across multiple languages, locations and functions

77%
agree that Workplace improves clarity for collaboration and communication

69%
agree that Workplace improves engagement and satisfaction

68%
agree that Workplace allows better communication and transparency on leadership decisions

83%
agree that Workplace enabled more virtual leadership communication

72%
agree that Workplace has reduced reliance on email for organization and group communication

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Talking Points

HR

- Organizations using Workplace can see **an increase in employee retention up to 10%**. Companies can give everyone a voice with Workplace. Workplace provides employees an easy-to-use, familiar platform where they can express themselves, and leaders a platform to easily recognize and reward achievements. When employees feel more included and valued, they are satisfied and more loyal to their company

- It can be **24% more efficient to onboard a new employee** with Workplace. A stronger and more identifiable culture impacts new employee experience. Recruiters can engage with potential recruits through a group or departments can welcome their new hires with videos and guides. It's also easier to access all past project information to catch up

- **Training and development can be 18% more efficient** for both frontline and knowledge workers with Workplace. Ready to access files, videos, links and other resources makes it easier to find information. Employees can also easily share tips and best practices

"Everyone feels they are on the same team, it now feels like one company."

IT Technical Coordinator, **Telecommunications**

Out of 226 survey respondents, Forrester also found that:

88%
agree that Workplace allows employees to feel closer to their teams and organization

84%
agree that Workplace encourages employees to express themselves

82%
agree that Workplace helps their culture become stronger

81%
agree that Workplace allowed more diverse views to be heard across the organization

82%
agree that Workplace enables leadership to better recognize and share employee achievements

72%
agree that Workplace strengthens the company's core mission and values

72%
agree that Workplace demonstrates their organization values employee feedback

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Talking Points

IT

- Workplace can help reduce **cloud opex for legacy tools by 80%**. Organizations using Workplace get more out of their existing platforms whilst reducing reliance on intranets or legacy communications tools

- It can be **11% more efficient to collaborate with external parties** using Workplace with MCGs instead of using email and phone calls. Familiar interface makes it intuitive to adopt and collaborate easier

- **Frontline employees can be 20% more task efficient**. They can easily collaborate with their peers and provide feedback to their management through a familiar and mobile-first tool

- **Knowledge workers can collaborate 8% more efficiently** with Workplace. Collaboration is easier when everyone is on the same page. Meetings are more efficient and effective when you have easy access to information. Employees also enjoy collaborating more with a tool that they love to use

- Workplace **helps reduce the use of shadow IT**. Some organizations eliminated shadow communication tools

- Workplace provides the flexibility to **add integrations and bots**. This helps with further employee engagement, additional productivity gains and cost savings

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"I'm an intranet killer! You can quote me on that!"

Head of Internal Communications, **Oil and Gas**

Out of 226 survey respondents, Forrester also found that:

84%	**78%**	**76%**	**76%**
agree that Workplace enables employees to find information and get answers faster	agree that Workplace creates better remote worker engagement through easy mobile use	agree that Workplace is easy to launch and deploy	agree that Workplace requires less training/ on-boarding than other applications

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Objection Handling

Best practices in handling questions about competitor reports:

- Avoid engaging in a direct comparison with clients, only use the talking points in the FAQs if pressed
- Highlight benefits that Workplace is uniquely positioned to deliver; we have avoided calculating ROI based on the same metrics that Teams and Yammers's TEI report have included in their financial model
- Avoid comparing non-Forrester TEI reports - methodology can be very different
- When comparing with other TEI reports - look specifically for differences in composite organisation and how exactly each benefit is calculated - they're often very different from Workplace report

We've not heard of Forrester or TEI method - can we trust this report?

Forrester is a leading, global technology advisory company (www.forrester.com). For over 35 years, they have independently advised organizations as to how to be prepared for technology change and disruption. Forrester's Total Economic Impact (TEI) analysis is an objective methodology that has been used for over 20 years to measure financial impact of technology investments.

This is a commissioned study, the results are biased

While Facebook provided funding for this research, Forrester maintained strict editorial control over the analysis and findings. Facebook was given access to review the report but could not influence the final findings. The analysis contained in any TEI report is driven by customer data. Forrester did not involve Facebook in the customers interviews or survey data. Any TEI analysis leverages existing Forrester research and cannot contradict any existing published Forrester analysis.

398% ROI / Payback period <3 months sounds too good to be true.

ROI is a single number and it would be a mistake to just measure the analysis on a single data point. While the ROI figure and payback are favorable, it is important to look all of the top line metrics in the report. The ROI figure is in line with other cloud based SaaS solutions that Forrester has modeled with the TEI methodology.

Both Teams and Workplace ROI figures were measured by Forrester, it should be directly comparable and Teams' ROI is higher.

That is not an accurate comparison, and it's suggesting that there is no difference in terms of functionality between Workplace and Teams. Obviously, the two products are different and the customer use cases and assumptions are each based on the customers interviewed and surveyed. Also, it is a mistake to just focus on ROI as a measure of success. The Workplace analysis highlights many impacts that are not found in the Teams study.

My organisation is very different from the composite organisation; this report is not a good reference for me.

All mileage may vary. The primary goal of a TEI analysis is to highlight how to evaluate the impact of a given technology. Forrester lets the customer data guide them as to the common areas of benefits to model and analyze. Not every organization adopting Workplace will see similar benefits or realize the same magnitude of benefit from adoption. As a result, readers should use the analysis as a starting point as they are thinking about impact. Some benefits may apply, others may not. That is expected, however, this analysis allows one to frame the discussion around impact and value.

How do you measure XX abstract metrics (eg. 34% faster for Frontline workers to receive company updates)?

Part of the data intake process with TEI is both to survey and interview existing Workplace customers. This two step process is necessary for Forrester to understand the context and ways organizations are measuring impact and provide the richness of a large data set. For abstract metrics, a lot of the information came from the customer interviews where they were able to describe their pre-Workplace state and the impact that they have seen from the investment.

I have not seen any of these benefits in my organization (and I participated in the interview survey)?

That is expected. For the economic model, the primary focus is to identify areas of common benefit and cost that were realized across the contacted organizations. Many benefits were unique to a specific organization or vertical and Forrester chose not to include that in the quantitative financial model. Where possible, Forrester did include examples of unique benefits in the narrative.

The full list of FAQs including details on competitor reports and how to handle questions specific to those are here.

Background on Forrester and TEI

Who are Forrester Consulting

Forrester Consulting, a part of leading market research firm Forrester, provides independent and objective research-based consulting. Forrester Research is a first-tier analyst and highly recognized brand in the B2B technology market. Their third party opinion is sought after by our customers and prospects on a variety of matters regarding buying and implementing technology products. Forrester produces Forrester Wave reports to evaluate vendors in different product categories, similar to Gartner and their Magic Quadrant.

What is Total Economic Impact (TEI) Study?

Forrester TEI is a well-known and highly credible study in the market which a lot of B2B technology vendors commission to quantify the impact of their product.

What is Total Economic Impact (TEI) Study?

Total Economic Impact (TEI) is Forrester's methodology for measuring the comprehensive impact of investments, technologies, projects, and initiatives. TEI reports are holistic business cases that include:

1. Decision drivers for organizations to implement the technology solution in question.
2. The 'before and after' customer journey.
3. Qualitative and quantitative impacts of the technology solution that is implemented.
4. Those impacts culminating in a sample financial model that shows an estimated return on investment (ROI).

They are meant to help readers who are considering a similar investment to understand the experience and outcomes achieved by other customers.

Study details

Forrester conducted 19 interviews with Workplace customers. Interviewees were selected with CSMs and personally invited to take part by their CSM. Selected companies are:

- Using Workplace for at least 6 months
- Seeing business impact
- Above 1K MAP

Ideally from one of the industries with a high proportion of frontline workers: Retail, Financial Services, Transportation, Hospitality.

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Background on Forrester and TEI

The list of interviewed organizations : **(please do not share this information externally)**

Region	Company	Name	Position
NA	Stanley Black & Decker	Kristin Tetreault	VP, Internal & Executive Communications
NA	Delta	Michael Rambus	Program Manager, Global Employee Engagement
NA	Valet Living	Nikita Bhappu	Director Of Public Relations and Social Media
NA	SunLife Financial	Sarah Birdsell	AVP, Productivity & Collaboration Technologies
NA	Echo Global Logistics	Jimmy Dyer	Director of IT Org. Communication & Change Management
NA	Farmers Insurance	Rehan Ashroff	Director Innovation Lab & New Ventures
EMEA	Discovery	Irene Scardia	Innovation & Internal Comm Manager
EMEA	Brunswick	Ben Burkill	Knowledge manager
EMEA	Oxfam	Morgane Bradley	Digital Workplace Communications Lead
EMEA	Aker BP	Jan Erik Edvardsen	IT Analyst - Infrastructure
EMEA	IFS	Oliver Pilgerstorfer	Chief Marketing Officer
EMEA	Telefonica	Yamil Salinas Martinez	Global Internal Communications Manager
EMEA	A1 Telekom	Armin Moayad	Workplace Administrator
EMEA	Virgin Atlantic	Steven N Clarke	Senior Manager, Communication Channels
EMEA	Ennismore	Marcos Eleftheriou	Head of Cultural and Internal Communications
EMEA	RBS	Craig Hoey	Digital Lead, Business Communications
LATAM	AFS	Rodrigo Cararejos	CEO, AFS Chile
LATAM	Pernambucanas	Maria Fernanda	Head of Communications
LATAM	Banco Davivienda	Mónica Andrea Díaz Pinzón	Jefe de Transformación

Background on Forrester and TEI

The ROI is calculated compared with the total costs incurred with licencing, change management, and on-going administration costs.

**ROI = Net monetary benefits(Present Value)/
total costs(Present Value).**

In addition to the interviews, Forrester surveyed 226 people from companies using Workplace. Our objective was to have one respondent from each function (CxO, HR, Comms, IT) from the respondent company. The respondents were recruited through:

- MCGs

- Email campaign to genesis admins from selected companies from a healthy company list (list of companies less likely to churn)

- Email campaign to Admins of companies of 5K+ MAP

- Personal invites from CSMs

Interview and survey responses are anonymous. We have only been delivered aggregate results to maintain the research objectivity.

ROI Calculation
Based on the interviews, Forrester built 'a composite organization' that is representative of the companies they spoke to:

- Number of employees: **15K**
- Industry: **SERVICE**
- Revenue: **$2.6 BILLION**
- Average employee growth: **5%**
- Employee turnover: **5%**
- **40%** knowledge workers, **55%** frontline workers
- Hiring cost as a % of salary: **150%**
- Annual Revenue Growth: **6%**
- Workplace adoption rate: **75% Y1, 80% Y2, 80% Y3**

The case study shows how much monetary gain this composite organization would have achieved within three years of implementing Workplace based on data from the research.

Guidelines to Use the Report and Findings

Are you in doubt? Contact Melis Partington for guidance on how to cite the results and report. If you need a different citation and wording, Forrester has a 48-hr SLA for citation review.

Lead the conversation with percentages above rather than the $ values as the latter were calculated based on a composite organization with specific characteristics (unless the organization you are pitching to is very similar to the composite organization)

- Don't promise that the organization you speak to will get the same benefits or set the expectation that these are the 'typical outcomes'

- Don't directly compare our results with the competitors'

- Say 'Forrester's study found that organizations using Workplace can achieve 'xyz'' rather than 'organizations achieve' or 'organizations will achieve'

- Always reference data. You can use this verbatim in your slide decks: 'Data is from the The Total Economic Impact™ study of Workplace by Facebook conducted by Forrester Consulting and commissioned by Workplace, based on 19 interviews and 226 surveys with Workplace customers in May/June 2019."

- Don't make it sound like Forrester is endorsing our product. They are an independent 3rd party and aren't here to promote Workplace

- Don't co-brand

Forrester is very strict in terms of how the study and its results are cited and ban companies from using the report if they see inappropriate mentions or over promising statements. Please adhere to the guidelines above and use the provided materials (for ex. slides) as much as you can. **The materials provided by marketing are pre-approved by Forrester for usage.** If you need to create your own content and use data from the report, Forrester requires to review the asset before publishing. Their SLA is 48-hrs.

Guidelines to Use the Report and Findings

Table of Benefits

There are more stats in the Appendix B of the full report. Read the report to see the story behind each metric and how they have been calculated.

Benefit	% metric used	Total Value (NPV over 3 Yrs)
Increased revenue per customer	10%	$777,589
Reduced cost of leadership communication	25%	$1,143,035
Increased efficiency in training and development (both frontline and knowledge worker)	18%	$1,354,718
Higher efficiency in knowledge worker collaboration	8%	$3,885,081
Reduced time to decision	20%	
Increased task efficiency of frontline workers	20%	$429,713
Increased efficiency in working with external parties	11%	$520,069
Reduced Opex spend	80%	$445,644
Increased efficiency in employee onboarding	24%	$1,994,146
Higher employee retention	10%	$1,261,490
Increased product innovation	32%	$1,244,718

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Any Questions

Contact - **Melis Partington (BPMC)** and **Yuxi Wang (PMM)** or your Workplace representative