

A Forrester Total Economic Impact™
Study Commissioned by Blue Bite
January 2017

The Total Economic Impact™ of Blue Bite

Cost Savings and Business Benefits
Enabled by Blue Bite

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

TEI Framework and Methodology

From the information provided in interviews, Forrester has constructed a Total Economic Impact™ (TEI) framework for those organizations considering implementing Blue Bite.

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 Blue Bite can have on an organization. Specifically:



DUE DILIGENCE

Interviewed Blue Bite marketing, sales, and C-suite team to gather data related to Blue Bite's platform.



BRAND INTERVIEW

Interviewed one brand currently using Blue Bite to obtain data with respect to costs, benefits, and risks.



FINANCIAL MODEL FRAMEWORK

Constructed a financial model representative of the interviewed organization using the TEI methodology, and risk-adjusted the financial model based on issues and concerns of the interviewed organization. See Appendix A for additional information on the TEI methodology.



CASE STUDY

Forrester employed four fundamental elements of TEI in modeling Blue Bite's impact: benefits, costs, flexibility, and risks. Given the increasing sophistication that enterprises have regarding ROI analyses related to IT investments, Forrester's TEI methodology serves to provide a complete picture of the total economic impact of purchase decisions.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Blue Bite and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in Blue Bite.

Blue Bite 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.

Blue Bite provided the brand name for the interview but did not participate in the interview.

Executive Summary

Benefits And Costs



Profit enabled by Blue Bite:
\$253,659



Productivity savings:
\$26,858



Implementation costs:
\$69,638

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

Blue Bite enables brands to connect with users through digital experiences triggered by sensors that are integrated into products. With Blue Bite, these experiences and user-brand connections can create a competitive advantage through differentiation.

To better understand the benefits, costs, and risks associated with Blue Bite, Forrester interviewed DYNE, a luxury men's sports apparel company. DYNE wanted to integrate technology into its products to enhance the products' value and provide its users with a better product experience. Working with Blue Bite, DYNE achieved its goals of educating users on product quality, improving user outreach through digital channels, and providing the sales force with a more competitive product. Ultimately, Blue Bite empowered DYNE to elevate its garments by giving users the ability to connect via their mobile device, thereby transforming a traditional physical product into a digitalized product.

Challenges

Prior to Blue Bite, DYNE was using an alternative partner that lacked the capabilities of Blue Bite's platform. The previous partner's digital experiences were difficult to develop and deploy, and hindered DYNE's ability to reach its goals. Working with Blue Bite, DYNE developed custom experiences to allow users to interact digitally with the products on the sales floor and beyond the point of purchase. These experiences included content to inform users about DYNE's products and fabrics, to engage the user with DYNE's company culture and social media, and to suggest new products and provide a path to purchase. For DYNE, it was these experiences — powered by the embedded near field communication (NFC) technology — that enabled it to increase user engagement while growing sales and closing more deals with retailers.

Key Findings — Increased Revenue and Productivity

Quantified benefits. The following risk-adjusted quantified benefits are representative of those experienced by DYNE:

- › **\$400,000 annual sales increase enabled by Blue Bite.** Blue Bite technology created a competitive advantage for the interviewed organization, allowing it to close more deals and land new accounts with retailers. The increase in sales translated into \$102,000 of added profit per year.
- › **\$26,858 of productivity savings when leveraging the Blue Bite platform.** While content creation was still required with Blue Bite, the platform made it is easier to use the content across multiple products. DYNE leveraged this content with retailers and for other purposes, generating, on average, a 40% time savings for the digital content creator.

Additional benefits. DYNE experienced the following benefits which are not quantified for this study:



› **Blue Bite provides users the ability to engage with the brand digitally beyond the point of sale.** With Blue Bite’s platform, DYNE can create unique product experiences, allowing users who purchase garments to stay connected with the brand by utilizing their mobile devices and tapping on the embedded NFC chip or scanning a QR code.

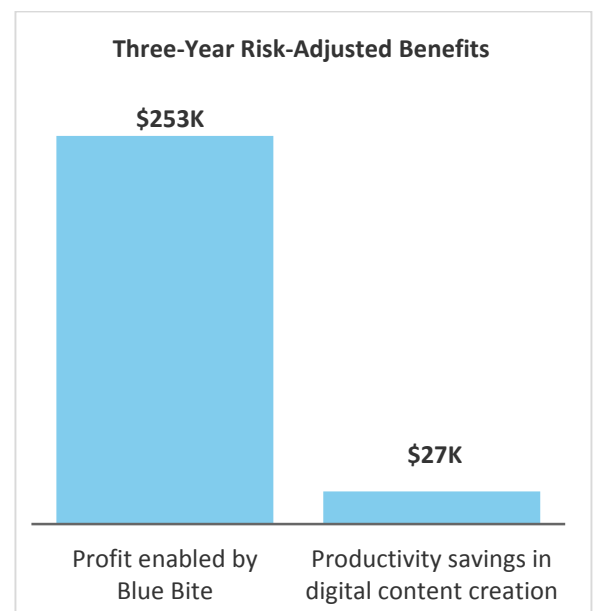
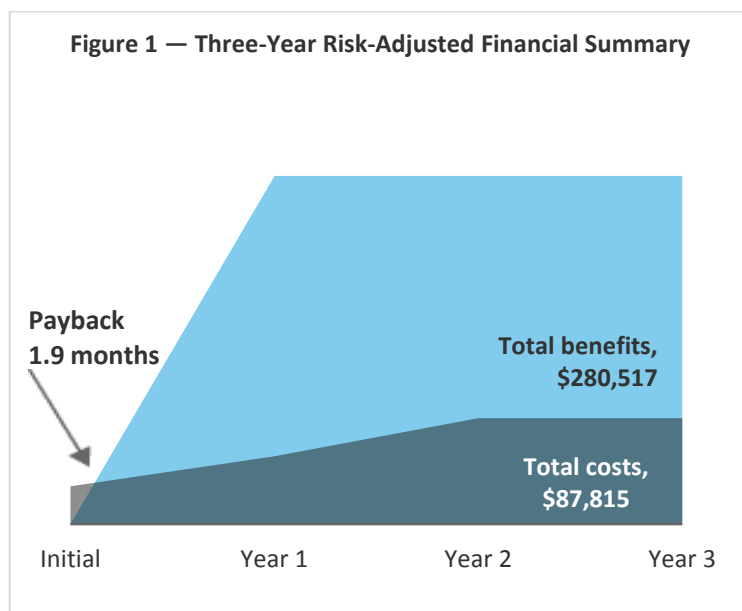
› **Blue Bite helps educate users on specific products and builds brand awareness.** The digital experiences and NFC technology embedded into the garments provide users additional information about the product as well as the brand. This allowed DYNE to share details about the fabric and construction of its products and how to care for them. In addition, Blue Bite gave DYNE the ability to integrate multiple types of digital content to share with its users. Examples include custom-curated music playlists, branded social media updates, and exclusive product promotions.

Costs. DYNE experienced the following risk-adjusted costs:

› **Third-party NFC chip cost of \$0.50 per garment.** NFC chips were integrated into DYNE’s garments as a way for users to connect their phones to the products. DYNE purchased these chips from a third party that partnered with Blue Bite to generate unique IDs for each chip.

› **Initial platform implementation and experience design of \$13,750 per campaign.** Blue Bite experience experts partnered with DYNE to design the experience framework and content for each campaign. This cost represents the professional fee charged by Blue Bite. However, due to the size of DYNE’s organization, most companies should expect a 50% higher cost. Additionally, there are a number of factors that can impact this cost, including, but not limited to, the complexity of the experiences, custom development, the number of products, and the APIs utilized.

Forrester’s interview with DYNE and subsequent financial analysis found that DYNE experienced benefits of \$280,517 over three years versus costs of \$87,815, adding up to a net present value (NPV) of \$192,702 and an ROI of 219% (see Figure 1).



The Blue Bite Brand Journey

BEFORE AND AFTER THE BLUE BITE INVESTMENT

Interviewed Organization

For this study, Forrester conducted interviews with one Blue Bite brand with the following characteristics:

INDUSTRY	REGION	INTERVIEWEE	NUMBER OF PRODUCTS WITH NFC UNITS
Luxury men's sports apparel	Headquartered in USA	Marketing manager	2,500

DYNE, a lifestyle brand focused on luxury men's sports apparel, operates both a wholesale and eCommerce business. It has a design studio headquarter in Portland, Oregon, and showrooms in North America and Asia, where nearly 65% of its business comes from. Founded in 2014, DYNE is a privately held organization with fewer than 50 employees.

DYNE's vision was to transform its garments so consumers could connect digitally with the product and brand through their smartphones. In accomplishing this transformation, DYNE wanted to:

- › **Enhance its marketing initiatives.** Historically, DYNE had been utilizing online marketing and publicity to grow awareness of the brand. While these efforts were useful, the organization was looking to enhance its marketing initiatives to drive greater brand awareness.
- › **Improve user loyalty and engagement.** DYNE's marketing team wanted to engage users in a different way, by connecting physical products to the digital world. The purpose of this connection was to drive higher engagement with the brand, educate users on product quality, and improve repeat purchases and user loyalty.
- › **Identify a partner that understood its needs.** DYNE was in search of a partner that understood its objectives. It wanted a partner that could work alongside its organization and provide solutions and best practices for mobile interactions.

Solution Requirements

By identifying a solution that connects information to a product through mobile devices, Blue Bite offered a unique value proposition that aligned with DYNE's goals. These goals included:

- › Supporting its mission of creating technologically advanced garments while incorporating NFC into the clothing.
- › Creating a unique offering that would produce a competitive advantage for the interviewed organization.

“Blue Bite is an excellent partner — they handle the entire back-end platform, and working with them is seamless.”

Marketing manager, DYNE



- › Providing a new way for users to connect with its brand, further enhancing awareness and loyalty.

Implementation

DYNE's marketing manager explained that after an extensive RFP process evaluating multiple vendors, Blue Bite "hit it on the head immediately," submitting an inspirational board with a mockup and a user interface. DYNE chose Blue Bite and began deployment:

- › Starting with a concept, DYNE undertook an eight-month effort to plan the fall/winter clothing line and incorporate NFC chips into its manufacturing process.
- › Blue Bite partnered with DYNE over a three-month period to help design the digital experiences. DYNE provided the digital assets including photos, media, and copy for the campaign.
- › Blue Bite developed the intelligent experience framework with content provided by DYNE.
- › Blue Bite worked closely with the DYNE team to educate and ensure that the process from start to finish was seamless, with the end results aligning with DYNE's objectives.

Key Results

The interviews revealed that key results from the Blue Bite investment include:

- › **Increases user engagement.** With Blue Bite's platform, users are able to utilize their NFC-equipped smartphones and tap on the embedded chips in the clothing. The phone then brings users to a digital experience, which was powered by Blue Bite's platform. Through the experience, users can learn more about the product, such as its fabric and construction, where it was made, and how to care for it.

In addition, the user can interact with the exclusive product experience that includes a custom music playlist and live feeds from the brand's social media channels (i.e., Twitter and Instagram). Within the first few months of use, DYNE noted that the social media interactions, among other efforts, drove a 250% increase in traffic to their website. Although DYNE selected these particular experiences, it communicated the various ways the Blue Bite platform can be utilized to increase impressions and drive user engagements

- › **Creates a competitive advantage.** DYNE stated that 85% to 90% of its competitors don't have this type of technology. Blue Bite's platform created a competitive advantage that was leveraged by DYNE's sales team. Utilizing the technology in their showrooms, the sales team was able to demo the technology for potential buyers, often closing the deal because of the NFC and user experience. According to the marketing manager, this product differentiator influenced 80% of the deals that would have likely not closed without Blue Bite.

"Blue Bite influenced 80% of our deals to close that may not have before."

Marketing manager, DYNE



› **Provides DYNE with key information about its users.** With Blue Bite's platform software, usage information is captured and stored every time a customer performs an NFC tap or interacts with the exclusive product experiences. This allowed DYNE to geographically track where users were engaging after the sale, giving the company unique insight into new market opportunities.

In addition, Blue Bite provided the capability to look at metrics such as repeat use, product activation percentages, and specific experience interactions. DYNE learned that after three months, 10% of products had been activated, and repeat usage grew by 40%.

› **Improves digital marketing productivity.** The Blue Bite platform is dynamic and scalable. This allows digital marketing teams to customize and edit all product experiences very quickly. In addition, they are able to scale the platform for new products easily, whether there are 2,500 or 2.4 million products. DYNE's digital marketing team leveraged the platform to share dynamic content across all of its products and make changes to that content when needed. This saved them time in production and development, helping to improve productivity within the team.

Financial Analysis

QUANTIFIED BENEFIT AND COST DATA

Figure 2 — Total Benefits

REF.	BENEFIT	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Atr	Profit enabled by Blue Bite	\$102,000	\$102,000	\$102,000	\$306,000	\$253,659
Btr	Productivity savings in digital content creation	\$10,800	\$10,800	\$10,800	\$32,400	\$26,858
	Total Benefits	\$112,800	\$112,800	\$112,800	\$338,400	\$280,517

Profit Enabled By Blue Bite

Blue Bite technology integrated into garments creates a competitive advantage for DYNE, allowing the company to close more deals and land new accounts with retailers.

As a wholesaler, DYNE has showrooms in North America and in Asia where retail buyers can view product lines for upcoming seasons. Salespeople within the showrooms utilized the Blue Bite technology to demonstrate how its products were different from other luxury men’s sports apparel companies. This created a competitive advantage for DYNE, as 85% to 90% of its competition lacked this technology. Furthermore, DYNE estimated that as a point of differentiation, Blue Bite technology helped to close 80% of deals in DYNE’s most recent seasonal line. With 80% of sales being influenced by the Blue Bite technology, the interviewed organization was able to increase annual profits by \$120,000, or \$60,000 per season, as there are two seasonal lines released each year.

The first integration of Blue Bite took place in the release of the fall/winter 2016 line. This line included 2,500 units of clothing with NFC chips built into them. Retailers reported that they were satisfied with the quality and technology of the products, and DYNE was able to retain over 90% of buyers in the following season. DYNE will continue to integrate Blue Bite in the spring/summer 2017 collection and beyond. For this study we’ve assumed the following:

- › 5,000 units sold per year.
- › Average wholesale price per unit of \$100.
- › Operating margin of 30%.

Currently, one of the largest risks in achieving these profit benefits is with utilizing NFC technology, which is equipped, but not supported, on Apple iOS devices. This prevents consumers with iOS devices from interacting with the NFC chip; however, iOS users can utilize QR codes to engage in the Blue Bite product experiences. Additional risks include:

- › Low adoption by end users due to lack of education on using NFC or QR technology.
- › Increased competitor adoption of similar technology.

Total of all benefits across the two areas listed below, as well as present values (PVs) discounted at 10%. Over three years, the interviewed organization expects risk-adjusted total benefits to be a PV of more than \$280,000.

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

To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year risk-adjusted total of \$253,659 (see Figure 2).

Figure 3 — Profit Enabled By Blue Bite

REF.	METRIC	CALCULATION	YEAR 1	YEAR 2	YEAR 3
A1	Units connected to Blue Bite per year	2,500*2	5,000	5,000	5,000
A2	Average sales price per unit	Assumption	\$100	\$100	\$100
A3	Total connected unit sales	A1*A2	\$500,00	\$500,000	\$500,000
A4	Percent of unit sales enabled by Blue Bite		80%	80%	80%
A5	Sales enabled by Blue Bite	A3*A4	\$400,000	\$400,000	\$400,000
A6	Operating margin	Assumption	30%	30%	30%
At	Profit enabled by Blue Bite	A5*A6	\$120,000	\$120,000	\$120,000
	Risk adjustment		↓15%		
Atr	Profit enabled by Blue Bite (risk-adjusted)		\$102,000	\$102,000	\$102,000

Productivity Savings in Digital Content Creation

Another benefit provided by the Blue Bite platform was the ability to leverage content. The platform can manage and use content elements across all experiences, allowing the digital marketing team to create content once and leverage it for other marketing purposes. As content was often requested by retailers, DYNE could quickly use existing content for each product, leading to an estimated 40% increase in digital marketing productivity. Additionally, the data collected on the platform could be used to inform the design and types of content to include in future experiences.

For the interviewed organization, we assume that:

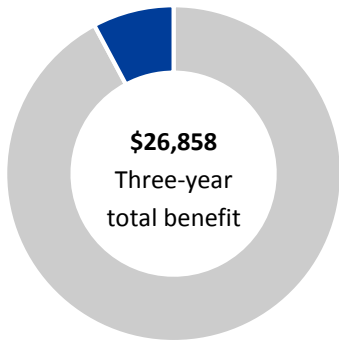
- › 1 full-time equivalent (FTE) is in charge of creating all digital content.
- › Fully loaded FTE salary equals \$60,000.

Only 50% of time saved in content creation is applied to additional work.

The productivity savings for content creation will vary with:

- › The amount of content being requested.
- › The time savings that is applied to additional work.
- › Digital marketer’s fully loaded compensation.

To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year risk-adjusted total of \$26,858 (see Figure 2).



**10% productivity savings
in digital content creation**

Figure 4 — Productivity Savings in Digital Content Creation

REF.	METRIC	CALCULATION	YEAR 1	YEAR 2	YEAR 3
B1	FTEs generating digital content		1	1	1
B2	FTE annual salary	Assumption	\$60,000	\$60,000	\$60,000
B3	Productivity improvements		40%	40%	40%
B4	Percent of time saved applied to additional work	Assumption	50%	50%	50%
Bt	Productivity savings in digital content creation	$B1*B2*B3*B4$	\$12,000	\$12,000	\$12,000
	Risk adjustment		↓10%		
Btr	Productivity savings in digital content creation (risk-adjusted)		\$10,800	\$10,800	\$10,800

Benefits — Connecting Brands with Users

One of the major benefits of Blue Bite is its ability to connect the brand with users beyond the point of sale. At DYNE, the experiences built by Blue Bite give users a way to engage the brand, learn about the products they've purchased, find information on how to care for the products, and connect through social media. For other organizations, Blue Bite can customize platform experiences for their needs and include countless of features and content.

These user connections give DYNE as well as other organizations the ability to track usage metrics by its users. Learning about how users use the products, where they use the products, and their likes and dislikes, can influence new product design and help identify markets with growth opportunities.



With Blue Bite, users can connect with the brand beyond the point of sale, increasing brand awareness and loyalty.

Flexibility

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

- › **Creating exclusivity.** To demonstrate appreciation for brand loyalty and increase repeat-user purchase opportunities, the Blue Bite platform has the capability to create exclusive interactions that cannot be shared or accessed by nonproduct owners. Examples include providing discounts to purchase newer products for users who already own a previous model, or providing a free gift to loyal users. Essentially, there are limitless ways this capability can be used, but the key is that these interactions are exclusive and can be shared on an individual basis and controlled to prevent abuse.
- › **Utilizing different touchpoints.** The interviewed organization discussed plans to leverage Blue Bite's platform beyond the NFC chips embedded in garments by introducing beacons at collection launches and runway shows next spring. This will help attendees engage the brand digitally in real time at the show.
- › **Overcoming language barriers.** The Blue Bite mobile experiences can be equipped with a language selection bar, allowing the ability to easily scale the experiences into new language speaking markets with minimal programming efforts.

Flexibility, as defined by TEI, represents an investment in additional capacity or capability that could be turned into business benefit for a future additional Investment. This provides an organization with the "right" or the ability to engage in future initiatives but not the obligation to do so. Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

Figure 5 — Total Costs

REF.	COST	INITIAL	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Ctr	Third-party hardware costs	\$1,313	\$1,313	\$2,625	\$2,625	\$7,875	\$6,647
Dtr	Implementation costs	\$13,750	\$13,750	\$27,500	\$27,500	\$82,500	\$69,638
Etr	Blue Bite platform license fees*	\$0	\$2,394	\$4,788	\$7,182	\$14,364	\$11,529
	Total costs	\$15,063	\$17,457	\$34,913	\$37,307	\$104,739	\$87,815

*Blue Bite platform license fees are based on active users and grows annually as the number of active users continues to accumulate.

Third-Party Hardware Costs

In DYNE’s case, Blue Bite’s platform used NFC chips that were embedded in the garments to connect users’ phones to the product’s digital experience.

- › DYNE was able to leverage technology and equipment already used in manufacturing to embed the chips into the garments with minimal added costs.
- › Prior to embedding, Blue Bite had to program all chips with a unique identity, ensuring they would be able to deliver the appropriate user experience and track usage of individual products and garments.
- › In total, the NFC chips and integration process cost DYNE \$0.50 per chip.

The implementation risks associated with the cost of the NFC chip and the integration into garments are as follows:

- › Prices of NFC chips may vary based on the vendor and terms of each deal.
- › Cost to integrate NFC chips in the manufacturing process could increase for organizations that do not have the correct existing equipment and tooling.

To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year risk-adjusted total of \$6,647 (see Figure 5).

Total of all costs across the three areas listed below, as well as present values (PVs) discounted at 10%. Over three years, the interviewed organization expects risk-adjusted total costs to be a PV of more than \$87,000.

Implementation risk is the risk that a proposed investment in Blue Bite may deviate from the original or expected requirements, resulting in higher costs than anticipated. The greater the uncertainty, the wider the potential range of outcomes for cost estimates.

Figure 6 — Third-Party Hardware Costs

REF.	METRIC	CALCULATION	INITIAL	YEAR 1	YEAR 2	YEAR 3
C1	NFC device cost per unit		\$0.50	\$0.50	\$0.50	\$0.50
C2	Number of units		2,500	2,500	5,000	5,000
Ct	Third-party hardware costs	C1*C2	\$1,250	\$1,250	\$2,500	\$2,500
	Risk adjustment		↓5%			
Ctr	Third-party hardware costs (risk-adjusted)		\$1,313	\$1,313	\$2,625	\$2,625

Implementation Costs

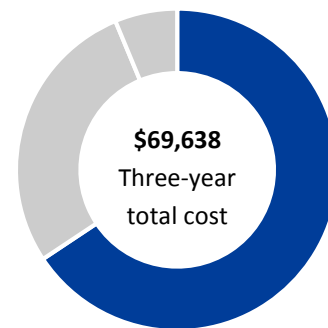
The process to implement Blue Bite from beginning concept and product design to having products in store took approximately eight months. During this time, the following costs were incurred:

- › Blue Bite provides visibility to the back end but owns the build and maintenance processes.
- › Blue Bite experience experts helped design the experiences in partnership with DYNE. This includes design, creative, and engineering development resources.
- › DYNE’s digital marketing team generated the content, which included photographing all garments and writing product descriptions. This effort took two to three months of effort from an FTE’s time that ranged from 10% to 40% of time.

In total it’s assumed that these costs amount to \$12,500 per seasonal collection. Further assumptions include:

- › Content subscriptions, where required, were nonmaterial (i.e., SoundCloud).
- › Over time, Blue Bite experience design would shift to DYNE and be managed by their marketing team, in which case extensive training would be required.

Depending on the number of products in each collection, the amount of initial effort required to develop content could be larger than estimated. To account for this risk, Forrester adjusted this cost upward by 10%, yielding a three-year risk-adjusted total of \$69,638 (see Figure 5).



79%
Implementation costs



8 months
Total implementation and deployment time

Figure 7 — Implementation Costs

REF.	METRIC	CALCULATION	INITIAL	YEAR 1	YEAR 2	YEAR 3
D1	Initial setup and experience development cost per season		\$12,500	\$12,500	\$12,500	\$12,500
D2	Seasons per year		1	1	2	2
Dt	Implementation costs	D1*D2	\$12,500	\$12,500	\$25,000	\$25,000
	Risk adjustment		↓10%			
Dtr	Implementation costs (risk-adjusted)		\$13,750	\$13,750	\$27,500	\$27,500

Blue Bite Platform License Fees

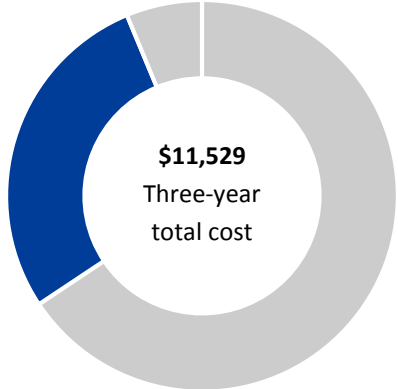
Blue Bite charges an ongoing platform license fee to its brands that includes the use and support of the Blue Bite platform.

Blue Bite platform license cost is based on the number of active units, meaning the number of embedded garments that have been engaged within a current month. However, as the number of active units increases, the fee per unit decreases.

For DYNE, the active monthly units represent 10% of the total units released for the season. However, as new seasons accumulate, we assume this 10% remains constant, and so the number of active units with each passing season grows. As portrayed in Figure 8, the first year active units start at 500 and grow to 1,500 by Year 3.

The implementation risk then equates to more units being engaged than originally predicted.

To account for this risk, Forrester adjusted this cost upward by 5%, yielding a three-year risk-adjusted total of \$11,529 (see Figure 5).



13% Blue Bite license Fees

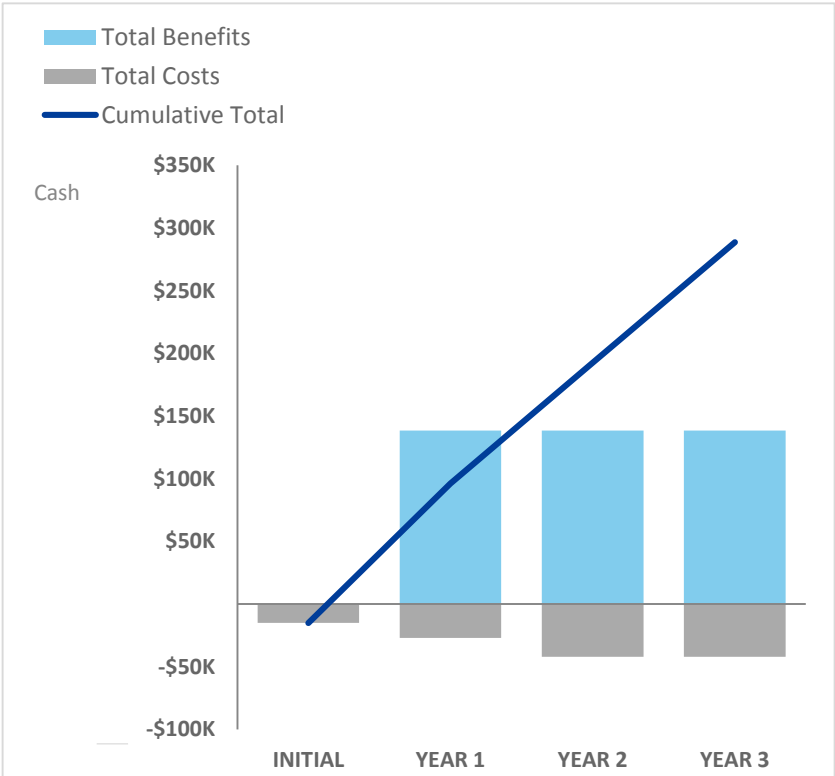
Figure 8 — Blue Bite Platform License Fees

REF.	METRIC	CALCULATION	INITIAL	YEAR 1	YEAR 2	YEAR 3
E1	License fees per active unit per month			\$0.38	\$0.38	\$0.38
E2	Cumulative number of units			5,000	10,000	15,000
E3	Percent of active units			10%	10%	10%
E4	Number of active units	E2*E3		500	1,000	1,500
E5	Months per year			12	12	12
Et	Blue Bite platform license fees	E4*E5	\$0	\$2,280	\$4,560	\$6,840
	Risk adjustment		↓5%			
Etr	Blue Bite platform license fees (risk-adjusted)		\$0	\$2,394	\$4,788	\$7,182

Financial Summary

CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

Figure 9 — Cash Flow Chart (Risk-Adjusted)



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the interviewed organization's investment in Blue Bite. 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.

Figure 10 — Cash Flow Table (Risk-Adjusted)

	INITIAL	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Total costs	(\$15,063)	(\$17,457)	(\$34,913)	(\$37,307)	(\$104,739)	(\$87,815)
Total benefits	\$0	\$112,800	\$112,800	\$112,800	\$338,400	\$280,517
Net benefits	(\$15,063)	\$95,344	\$77,887	\$75,493	\$233,661	\$192,702
ROI						219%
Payback period						1.9 months

Blue Bite: Overview

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

Since 2007, Blue Bite, an IoT company, has enabled firms to deliver engaging and authentic content, to the right audience, at the right time, through smart objects. Utilizing the Blue Bite cloud platform, businesses create personalized and dynamic digital experiences, gaining additional value through constant connectivity. With Blue Bite's proven domain expertise, clients benefit from expanded visibility and compelling engagements, generating real-time product and user insights.

The **Blue Bite platform** centrally manages the interactivity of content, smart objects, and data.

Specific features and benefits include:

Constant connectivity. Provide new channels to promote continuous conversations with users past the point of purchase.

Create better products and services. Insights into individual and product behaviors can enhance future development cycles.

Differentiate among competitors. Harness IoT technology to create experiences that stand out.

Elevate brand perception. Valuable user experiences promote individual lifestyles, enhancing brand awareness.

Engage target audiences. Create personalized and relevant experiences that speak to users through compelling and contextual content.

Expand the sales force. Product specific information at their fingertips equip onsite sales to provide improved customer service and move inventory.

Increase revenue. Utilize real-time analytics to make more informed business decisions and mitigate potential risks.

Maximize marketing dollars. Manage and apply content elements across all experiences, maximizing content marketing ROI.

For more information, please visit www.bluebite.com.

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 in years 1 through 3 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. Forrester assumes a yearly discount rate of 10% for this analysis. 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.