

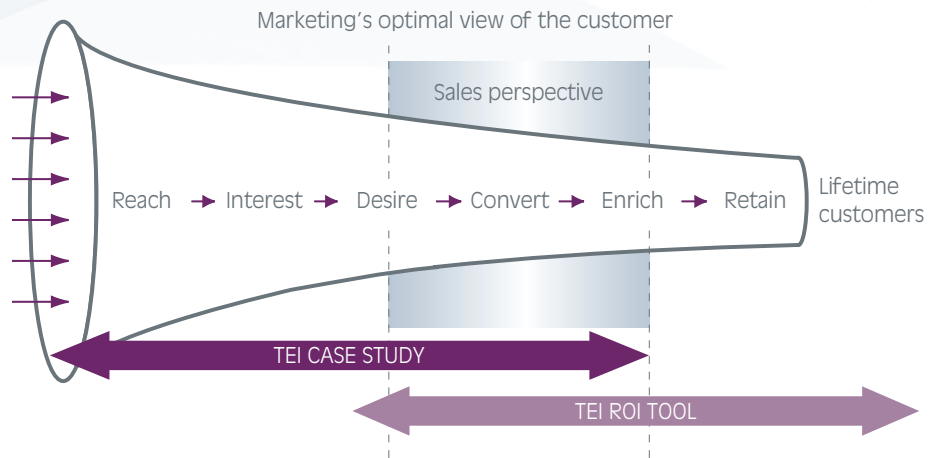
Total Economic Impact™ (TEI) For Technology Providers

MAKING LEADERS SUCCESSFUL EVERY DAY

Few companies worldwide have a meaningful way to measure the value of IT and IT projects before making an investment, driving cost comparisons to the forefront of their decisions among providers. Most technology providers only talk about features and functions when they should be helping potential clients understand benefits. To differentiate the real value of your solution to customers, you must be able to communicate the complete return on your clients' financial investments.

Forrester's Total Economic Impact™ (TEI) is the most comprehensive methodology for determining the value of IT by balancing cost with three other equally significant factors — benefits, flexibility, and risk. Through TEI assessments, you are able to demonstrate the tangible business value and return on investment (ROI) of your products and services, as well as develop compelling sales proposals and marketing messages that are relevant to both IT professionals and business stakeholders.

TEI Helps You Reach, Convert, and Enrich Customers



Reach, Interest, Desire

- Generate more qualified leads
- Improve lead conversion rates
- Reduce business case preparation times

Convert

- Increase requests for proposals
- Improve the success rate of proposals
- Reduce time to close

Enrich, Retain

- Reduce discounting pressure
- Improve key account repeat business

"I have run marketing at three different technology companies and the TEI case study is the most valuable material I have ever developed in that time. I couldn't be happier with the TEI case study results. This is exactly the kind of thing I need as a marketing professional – a third party independently verified case study on iovation's value proposition."

— Scott Olson, Vice President of Marketing, iovation Inc

TEI Delivery Options

TEI case studies display how your current clients benefit from your solution in terms of ROI, costs, and benefits. TEI analysts and technology experts create a business case framework and validate it through interviews with existing clients. The objective third-party case studies serve as powerful sales, too. They allow you to:

- Clearly articulate the business value of your solution
- Justify the purchase of your product or service
- Differentiate your selling approach from your competitors'

TEI ROI tools enable your sales force to quickly and easily generate customized ROI calculators using data and inputs captured via a questionnaire. Specific information about a prospect's IT and business environment is applied against a pre-established model of the financial impact of your offering, giving you the ability to:

- Measure and communicate the overall value of your solution with clarity
- Determine the criteria your prospects assess when evaluating your products and services
- Deliver valuable insights about your prospects' priorities, requirements, and business needs

TEI Industry Experience

Forrester has completed more than 150 TEI assessments for vendor clients in the following areas:

- Application development
- Business intelligence
- Content and collaboration
- Customer experience
- Enterprise applications
- Enterprise mobility
- Information and knowledge management
- IT infrastructure and operations
- IT services and outsourcing
- Networking
- Security

“Tripwire has benefited greatly from the TEI case study. In fact, based on the success of our first TEI project, we have signed up for more. Above and beyond the business benefits of the study itself, what I enjoyed about working with... the team at Forrester is that everyone responds immediately. They challenge and drive me to a goal and they make sure I get the most benefit possible from the time, money, and resources I spend with Forrester.”

— Kim Beasley, PR manager, Tripwire

The TEI Of TEI

Forrester examined the total economic impact and potential return on investment (ROI) organizations may achieve by investing in a Forrester TEI Multicompany Case Study.

To perform the TEI of TEI, Forrester profiled a Fortune 1000 company that specializes in enterprise storage solutions that deliver data management, storage infrastructure, and data protection and access.

- Total risk-adjusted ROI for the vendor company: **427%**
- Break-even point (payback period): **3 months**

Sales increased through improved lead generation. The TEI study generated leads from a Web site posting, email campaigns, prospect handouts, trade show distribution, and Webinars for clients and prospects.

- Leads generated from the TEI Web site posting produced **\$500,000** in sales and **\$305,000** in profit (the net present value of additional profit was **\$277,273**).

Costs decreased from using TEI as a business case during the sales cycle.

Sales teams were able to leverage the TEI methodology and sample calculations to streamline their business case, resulting in a clear justification for investment and a shortened sales cycle.

- Productivity savings for salespeople were estimated at **\$137,931** (net present value: **\$125,392**).

Marketing materials gained credibility with data validation. The vendor used the TEI study to build marketing campaigns for the products that were cited in the study. The TEI study supported its value proposition with concrete data.

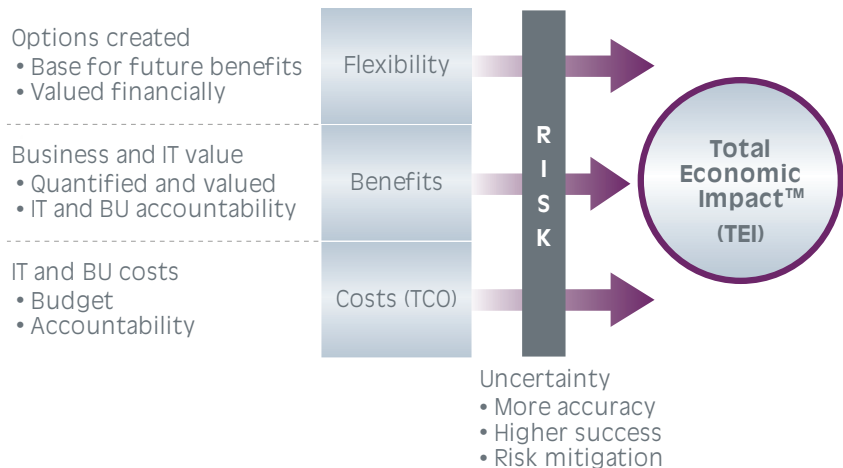
"Forrester's TEI methodology, combined with their field experience, is unique in the market. We worked together in a way that was open and efficient and accomplished a lot in a short time. Our experience with Forrester has been great."

— Lars Drexler, director of market strategy, Software AG

The TEI Value Delivery Process

TEI systematically looks at the potential effects of your technology solution across four dimensions:

- **Cost** — impact on IT
- **Benefits** — impact on business
- **Flexibility** — future options created by the investment
- **Risk** — uncertainty



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For More Information

If you would like to talk directly with us about Forrester's Total Economic Impact methodology and deliverables, please contact your account representative, visit us at www.forrester.com, or email us at tei@forrester.com.

"We chose Forrester because of their industry experience in enterprise reporting tools and Total Economic Impact methodology. The business and financial benefits found in the study helped validate our cost-saving reporting, customer support, and satisfaction"

— Rich Guth, vice president solutions and partner marketing, Actuate