

# Sales Lightning Drives Productivity Gains And Reduces Development And Support Costs

## *Transition Pattern: Phased Deployment*

Lightning is a collection of tools and technologies that is the next generation of the Salesforce platform. It includes a new user experience, a component-based application framework on the Salesforce platform, and an update of the Salesforce ecosystem to take advantage of the Lightning application framework. To better understand the benefits, costs, and risks associated with a Lightning deployment, Forrester Consulting conducted a Total Economic Impact™ (TEI) study based on interviews with several customers. This summary is based on a full TEI study, which can be downloaded [here](#).

## Phased Deployment Approach

Organizations interviewed that chose a phased deployment of Salesforce Lightning identified the drivers behind their decision:

- › **Deployment by user group based on need and team readiness.** User group readiness was a factor in choosing a phased Lightning deployment. One interviewed organization had an original equipment manufacturer (OEM) and channel business with unique and different needs. It focused Lightning deployment on its OEM sales users first and the channel sales users followed six months later.
- › **New application development on Lightning.** Interviewees who chose a phased transition typically developed new applications on the Lightning platform. This provided the flexibility to migrate legacy applications at a later phase in the project as legacy code and work required to clean up technical debt were concerns for these organizations. One company did choose not to replatform existing applications that were built on Visual Force.

The organizations also provided guidelines to a successful deployment:

- › **Focus on change management.** Organizations chose to focus heavily on change management as part of their Lightning deployments and, in some cases, even provided support for individual sales reps to help with the transition. One global organization first established a change and adoption strategy, then worked on a road map with a cross-section of key leaders across multiple territories.
- › **Use learning from initial deployment phases.** With a phased deployment, organizations could build on what they learned early in the deployment process. One global organization noted that it had key successes in some territories, and teams in other territories could benefit from these experiences in areas like design alignment and regulatory requirements.

## Results

Based on the TEI analysis, a representative organization deploying Salesforce Lightning has the following three-year financial impact: \$3,371,834 in benefits versus costs of \$764,860, resulting in a net present value (NPV) of \$2,606,974 million and an ROI of 341%. The per user benefit for the representative organization is \$1,405.

### SUMMARY

Based on a commissioned study, “The Total Economic Impact Of Salesforce Lightning”

### METHODOLOGY

The objective of the TEI 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 of Salesforce Lightning, including interviews with Forrester analysts, Salesforce stakeholders, and seven current Salesforce Lightning customers. Forrester constructed a financial model representative of the interviews using the TEI methodology.

### COMPOSITE ORGANIZATION

This analysis uses a composite organization, based on the interviewees, to present the aggregate financial analysis.

### RISK ADJUSTMENT

Forrester risk-adjusted the financial model based on issues and concerns of the interviewed organizations to account for uncertainties in benefit and cost estimates.

**Quantified benefits.** The following risk-adjusted quantified benefits reflect the financial analysis associated with the composite organization:

- › **Sales efficiency savings due to improved user experience and increased productivity with Lightning Experience was 47% of total benefits.** With the Lightning deployment, organizations revamped Salesforce processes and optimized user interfaces (UIs) for a better user experience. Average productivity for the sales organization increased by 3%, equivalent to an hour a week.
- › **Time savings for business sponsors and power users with Lightning Experience was 11% of total benefits.** Power users such as business sponsors and project managers also gained additional time savings from improved dashboard capabilities and analytics. These power users saved an additional 2 hours a week, on average.
- › **Lower development and support costs with Lightning Platform was 37% of total benefits.** Lightning's component-based framework also enabled organizations to deploy customizations without writing code, leverage base components for reuse, and deploy applications faster.
- › **Savings from an eighty percent reduction in application developer turnover rates with the Lightning Platform comprised 5% of total benefits.** The deployment of Lightning also increased developer engagement; the composite organization saw an 80% reduction in developer turnover rates, resulting in hiring cost avoidance savings of \$169,106.

“The way to get true adoption is if you give your users a better use case. It’s about refining the processes — cleaning them up to make them more user-friendly, really thinking about the user perspective. That’s the one power of Lightning: It gives you the ability to have a real focus on the user experience.”

— *Salesforce automation architect, software development company*



**ROI 341%**



**Benefits PV  
\$3.37 million**



**Costs PV \$765K**



**Payback 14  
months**

**Unquantified benefits.** Examples of additional benefits that the interviewed organizations mentioned as significant but were not quantified in the study include:

- › **Faster time-to-market with 50% faster application deployment.** Organizations cited faster time-to-market as a benefit, as they could develop and deliver applications faster with the Lightning platform. In certain cases, applications were developed and delivered 50% faster.
- › **Improved process efficiency and application quality.** Lightning allowed IT teams to spend less time on process standardization and developer training. Additionally, developers could reuse application components resulting in fewer errors, less reliance on user experience (UX) and UI resources to deliver applications, and increased application quality.
- › **Increased innovation with ability to quickly bring applications to new channels like mobile.** Organizations could bring applications to previously unreachable channels such as mobile, which will drive future projects for users. Organizations noted that the ability to leverage base components for reuse with Lightning enabled their Salesforce development teams to quickly innovate and deliver needed applications to the business.
- › **Increased collaboration and better business results.** Several organizations saw increased collaboration due to improvements in their reporting capabilities and ability to deliver to clients. Additionally, when coupled with sales transformation, Lightning deployment led to increased adoption and active usage of Salesforce.

# The Salesforce Lightning Customer Journey

For this study, Forrester conducted interviews with seven Salesforce Lightning customers. Interviewed customers include the following:

INDUSTRY	REGION	INTERVIEWEE(S)	NUMBER OF USERS
Network and enterprise security	Headquartered on West Coast	VP of enterprise applications	2,000 Sales Cloud users
Storage	Headquartered on West Coast	IT director for CRM applications	1,000 Sales Cloud users 300 Service Cloud users
Professional services and consulting	Headquartered in U.K.	Engagement director	47,000 Salesforce users
Software development	Headquartered on West Coast	VP enterprise architecture and business applications	1,200 Sales Cloud users 600 Service Cloud users
Professional services and investment management	Headquartered in Midwest	SVP, IT solutions VP, senior Salesforce administrator	400 Salesforce users
IT staffing services	Headquartered in Midwest	President	250 Sales Cloud users 200 Salesforce for Employee Engagement users
Software development	Headquartered on West Coast	Director, sales automation and analytics Sales automation architect	2,000 Sales Cloud users 400 Service Cloud users

## Key Investment Drivers And Results

The interviewed organizations shared the following challenges prior to investing in Salesforce Lightning:

- Need to improve user experience.** Improving user experience was a common driver for the interviewed organizations, as Lightning enabled these organizations to provide a more modern and seamless user experience than their previous Salesforce iteration. One VP of IT enterprise applications noted: “One of the key pain points of our sales organization was the amount of productivity loss from the repeated data entry they had to do. It was very frustrating for them. We had not done cleanup of the Sales object in years.” One SVP of IT solutions added: “User experience is something we really wanted to focus on. As our world changed, we wanted to make sure that our use of the Salesforce platform remained relevant.”
- Need to innovate and access new features and capabilities.** Organizations also highlighted that any future innovation for Salesforce was going to be on the Lightning platform, so it was inevitable that they would transition to Lightning to gain access to new features and capabilities, such as low-code app development, improved dashboards, and mobile framework for app building.

“We have faster app development on the Lightning platform because we are now developing in a simpler, cleaner environment. Before we had to develop around customizations. Now there is less complexity overall.”

— VP, enterprise architecture and business solutions, software company



The interviewed organizations achieved key investment results:

- Improved user experience and better reporting capabilities with Lightning Experience, leading to user productivity savings.** Companies with longstanding Salesforce implementations redefined processes and optimized their UI to facilitate efficiency. Other reported sales efficiency drivers from Lightning deployments included an improved mobile experience and the ability to embed Einstein Analytics directly into the user experience. In addition to general end user productivity savings, power users such as business sponsors and project managers saw time savings from improved dashboard capabilities.

- › **Improved processes, better application quality, and faster application deployment with Lightning Platform, leading to lower development and support costs.** Lightning’s component-based framework also enabled organizations to deploy customizations without writing code, leverage base components for reuse, and deploy applications faster. Several organizations reported increased efficiency for their Salesforce development teams but also cautioned that there was a learning curve before that time was saved.
- › **Innovation and faster time-to-market.** The Lightning Platform enabled development teams to quickly bring applications to new channels, like mobile. One software organization highlighted the new mobile experience that it delivered through Lightning as one of the biggest areas of benefit. This cross-platform flexibility allowed organizations to have a faster time-to-market on all platforms.

## Composite Organization

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected, covered in greater detail in the full study. The composite organization has the following characteristics:

- › **Description of composite:** The composite organization is a multinational organization headquartered in the United States. It has \$3B in annual revenue and 5,000 employees. The organization has 2,000 Sales Cloud users, which include field sales, channel sales, and sales support. The organization also has 400 Service Cloud users. The organization has been using Salesforce for 10 years and has built approximately 100 custom applications on the platform.
- › **Deployment characteristics:** The need to improve the sales user experience drove the composite organization’s Lightning deployment. This conversion was separated into three phases with a deployment of 1,000 field sales personnel in the first year and the full 2,000 sales team members in Year 2. A Lightning deployment for Service Cloud users occurred in Year 3. All new applications will be built on the Lightning platform while the transition projects for current applications are ongoing. The Salesforce Lightning deployment was part of a business transformation initiative for the sales organization.

## Salesforce Lightning Improves User Experience And Reduces Development And Support Costs

The interviewed organizations needed to improve their sales users experience with a platform that provided easy access to new and innovative features and capabilities. Firms sought a solution that could align with their ongoing major business transformation initiatives and provided access to collaborative ways of engaging with customers — leading them to Salesforce. Salesforce Lightning is an enterprise platform for indirect sales. It connects partners, dealers, distributors, brokers, or franchisees directly to the information, apps, and experts that they need to sell. Salesforce Lightning enables organizations to improve the productivity of their sales teams, lower the cost of developing and supporting applications leading to faster deployment, lower the turnover rate of their development team, and increase time savings for power users engaging in the improved dashboard capabilities when compared with their legacy systems.

The benefit impact experienced by the composite organization is based on the past and current experiences of the seven interviewees. Over three years, the composite organization expects risk-adjusted total benefits to be a present value (PV) of \$3.37 million.



### Key assumptions Phased Lightning deployment

2,000 Sales Cloud users  
400 Service Cloud  
users

“We’ve seen better efficiency with Lightning. As an admin with some developer tendencies, the Lightning interface provides me with much more ability to customize, to develop without code or engaging a developer.”

— Head of global tech strategy, real estate and investment firm



## Total Benefits

BENEFIT	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Improved end user productivity — sales	\$249,375	\$748,125	\$997,500	\$1,995,000	\$1,594,426
Time savings for business sponsors/power users	\$90,000	\$180,000	\$180,000	\$450,000	\$365,815
Developer resource efficiency savings	\$0	\$787,500	\$787,500	\$1,575,000	\$1,242,487
Reduction in application developer turnover	\$68,000	\$68,000	\$68,000	\$204,000	\$169,106
<b>Total benefits (risk-adjusted)</b>	<b>\$407,375</b>	<b>\$1,783,625</b>	<b>\$2,033,000</b>	<b>\$4,224,000</b>	<b>\$3,371,834</b>

- Lightning Experience: Improved end user productivity — sales.** By deploying Salesforce Lightning, the sales members of the composite organization saw efficiency improvements of 1 hour per week, equivalent to a 3% productivity improvement. Of these time savings 25% were captured for productive work equating to a total PV of \$1,594,426 over three years.
- Lightning Experience: Time savings for business sponsors/power users.** In addition to general end user productivity savings, project managers using Lightning saw time savings due to its improved reporting capabilities. These savings accounted for an additional 2 hours per week and were fully realized six months after initial Lightning deployment. The savings over three years were \$365,815.
- Lightning Platform: Developer resource efficiency savings.** Interviewed organizations consistently cited low-code app development with the Lightning Platform as one of the most valuable features. The composite organization maintained a team of 25 developers whose fully loaded salary was \$140,000 annually. Improved efficiency allowed developers to reallocate 25% of their time which was fully realized in Year 2. This efficiency is quantified at \$1,242,487 over the three-year modeled period.
- Lightning Platform: Reduction in application developer turnover.** With Salesforce Lightning, the composite organization saw an 80% reduction in turnover rate among its 25-person application development team. Prior to deploying Salesforce Lightning, the organization had a 20% attrition rate, and the average cost of hiring a developer was \$20,000. These factors produced a total reduction in turnover of \$169,106 over the modeled period.

“Lightning has gotten our Salesforce user community excited. [After the Lightning deployment,] Salesforce is now a much more inviting experience — to look at a customer, to look at an opportunity, and consume all that information. Instead of a flat file, sales now has a smarter view into the object.”

— Sales automation architect,  
software company



## Salesforce Lightning Costs Include Implementation Costs, Professional Services, And Ongoing Training

The composite organization experienced three categories of cost associated with the Salesforce Lightning investment. Over three years, the composite organization expects risk-adjusted total costs to be a PV of \$764,860. Based on cost calculations for 2,400 users over a three-year analysis, the total deployment and support cost of a Lightning deployment is \$319 per user for the composite organization.

## Total Costs

COST	INITIAL	YEAR 1	YEAR 2	YEAR 3	TOTAL	PRESENT VALUE
Implementation costs — internal labor	\$171,733	\$128,800	\$128,800	\$64,400	\$493,733	\$443,655
Professional services	\$137,500	\$55,000	\$55,000	\$0	\$247,500	\$232,955
Planning and ongoing training support	\$49,095	\$5,750	\$35,826	\$5,750	\$96,421	\$88,250
<b>Total costs (risk-adjusted)</b>	<b>\$358,328</b>	<b>\$189,550</b>	<b>\$219,626</b>	<b>\$70,150</b>	<b>\$837,654</b>	<b>\$764,860</b>

- › **Implementation costs of \$443,655.** The organization undertook a phased implementation, allocating resources from the Salesforce development and support team during the initial four-month phase and for approximately three months for each subsequent year. Implementation costs over the three-year analysis are estimated at \$443,655.
- › **Professional services fees of \$232,955.** The organization also worked with an SI (systems integrator) to supplement its internal Salesforce team during the implementation process. Total professional services fees over the three-year analysis are estimated at \$232,955 with the bulk of these fees incurred during the initial deployment phase.
- › **Planning and training support costs of \$88,250.** Internal resources were used for planning and user testing prior to the Lightning deployment, in addition to training and ongoing change management support over the three-year analysis. Total planning and training support costs are estimated at \$88,250.

## A Salesforce Lightning Investment Today Can Create Future Opportunities

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

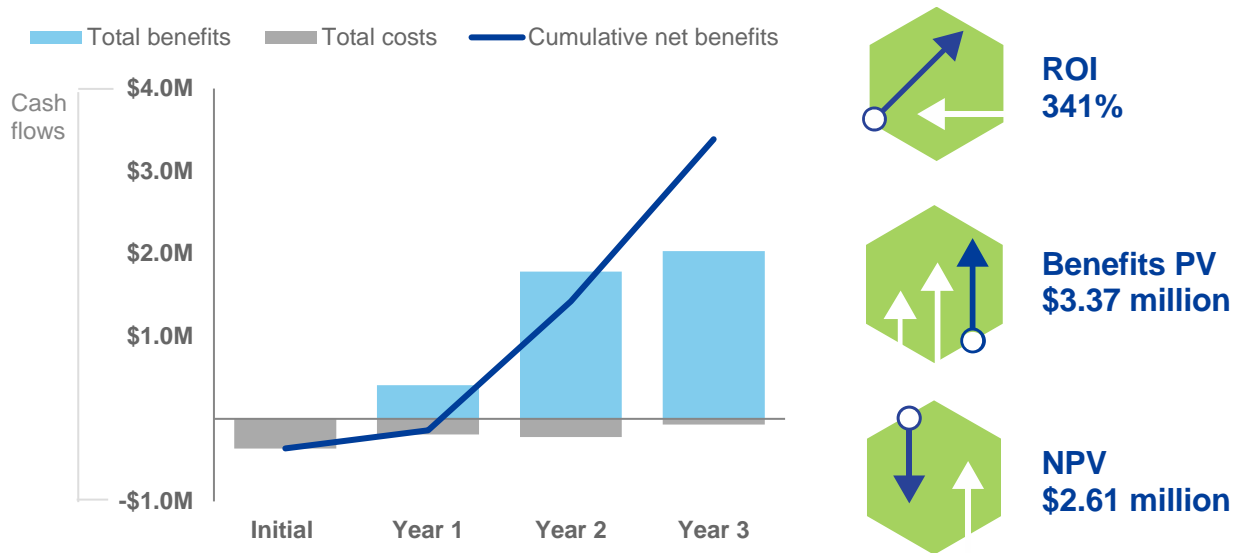
- › **Additional end user productivity savings.** As organizations with phased Lightning deployments expand the number of users on Lightning, organizations can expect to see additional end user productivity savings. Examples of this could include productivity savings for call center agents and help desk personnel.
- › **Revenue from faster time-to-market for revenue-generating, business-focused applications.** As organizations see faster deployment of applications that are customer-facing and focused on revenue generation, these companies will benefit from the additional revenue and incremental profit that getting these projects to market earlier may generate.
- › **Increased access to ongoing innovation.** Organizations gain access to ongoing innovation with Salesforce's three-release schedule each year. New capabilities introduced by Salesforce, such as Einstein, which is a layer of artificial intelligence that delivers predictions and customer data based on an organization's business processes and actions, would benefit these organizations.

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.

- › **Savings from faster onboarding process.** One software organization noted that its Lightning deployment gave it access to a wider set of developers. This company found that it was easier to onboard a managed service provider, and these resources could be more productive in a week versus a month in the pre-Lightning environment. For this organization, faster onboarding of a 10-person team from a managed service provider every year generates \$200,861 in value over a three-year analysis.

## Financial Summary

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 in Salesforce Lightning. Forrester assumes a yearly discount rate of 10% for this analysis.



For more information, you can download the full Salesforce Lightning TEI analysis [here](#).

## Disclosures

The reader should be aware of the following:

- › The study is commissioned by Salesforce and delivered by Forrester Consulting. It is not meant to be 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 Salesforce Lightning.
- › Salesforce reviewed and provided feedback to Forrester. 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.
- › Salesforce provided the customer names for the interviews but did not participate in the interviews.

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### ABOUT TEI

Total Economic Impact™ (TEI) 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. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility. <https://go.forrester.com/consulting/content-marketing-consulting/>

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