

FORRESTER®

# The Total Economic Impact™ Of Salesforce For Education

Cost Savings And Business Benefits  
Enabled By Salesforce For Education

APRIL 2023

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### ABOUT FORRESTER CONSULTING

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## Executive Summary

As the higher-education vertical recovers from the aftermath of the COVID-19 pandemic and economic turmoil, institutions are experiencing lower enrollment and student retention rates. With Salesforce, institutions can move away from disparate point solutions across campus to a centralized, enterprise-level CRM that equips the institution to improve the entire student experience, from prospects to alumni.

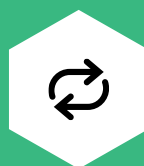
Salesforce provides educational institutions with an enterprise-level CRM platform to capture 360-degree views of constituents across prospective and current students, faculty and staff, alumni, and partnerships, which encompasses the entire constituent lifecycle.

Salesforce commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) educational institutions may realize by deploying [Salesforce for Education](#).<sup>1</sup> The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Salesforce for Education on their higher-education institutions.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed 10 representatives with experience using Salesforce for Education at seven higher-education institutions in the United States, the United Kingdom, and Australia.

For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single [composite institution](#) that is a public, four-year university with 7,000 faculty and

### KEY STATISTICS



Return on investment (ROI)  
**153%**



Net present value (NPV)  
**\$6.1M**

staff members, 40,000 students, and annual operating revenues of \$1 billion per year.

Before using Salesforce, interviewees' educational institutions lacked a centralized, enterprise-level platform and relied on point solutions and homegrown databases to track student data, which drove a lack of data visibility and consistency across departments. As a result of using disparate tools and manual processes, interviewees' institutions could not access and trust data for insights across departments. Staff and faculty experienced incomplete recruitment-related tasks and struggled to gauge applicant and donor interest or preserve and use valuable alumni information. Students struggled to receive holistic student support with timely and clear messaging. These factors contributed to time-consuming administrative and process inefficiencies, and they negatively impacted enrollment rates, retention rates, and donor relationships.

After investing in Salesforce, the higher-education institutions automated manual processes to help

Increase to fundraising contributions

**10%**



recruiting teams more effectively execute recruiting and enrollment tasks. Staff and faculty were able to access newly democratized data-driven insights such as conversion rates and student journey maps. Students were better able to self-serve and get more informative and timely responses to inquiries, which boosted retention. And interviewees from institutions with fundraising use cases measured improvements to alumni management and fundraising contributions.

## KEY FINDINGS

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

- **Improved student experience, driving a 15% increase in retention rates.** With Salesforce for Education, the composite institution provides clearer and more consistent communications to students on topics like financial assistance and enrollment. It also builds digital-resource centers to promote academic health for students, provides a single point of entry for student inquiries, and improves end-to-end usability across the applicant to alumni lifecycle, which correlates with student retention. As a result, the composite experiences an increase in retention translating to \$654,600 over three years.
- **Increased post-pandemic return-to-school enrollment by 5.5%.** Salesforce enables the composite institution to follow up promptly with prospective students, gain visibility into conversion rates, assess prospect interest through email engagements and records of on-campus visits, increase enrollment in hybrid and online learning, and better guide students through the application process. As a result, the composite institution experiences a cumulative total of 550 additional students enrolled over three years, leading to a bottom-line impact of \$890,200.
- **Empowered administrative and academic teams to lift productivity by 12%.** Centralized

information, data visibility into conversion rates, email automation for drip campaigns, and easier queue navigation translates to productivity lifts for administrative and academic teams across each use case. Over three years, the productivity lift drives \$6.8 million in productivity gains to the composite institution.

- **Consolidated technology tools and solutions to drive legacy environment license and support savings.** Now equipped with a centralized CRM solution, the composite institution decommissions a variety of redundant point solutions across departments. Tech stack consolidation drives savings through avoided licensing and reallocation of IT resource efforts to maintain the old systems. Over three years, the composite saves \$1.6 million in its legacy environment.
- **Improved alumni and donor engagement, driving a 10% increase to fundraising contributions.** In Year 2, the composite initiates deployment of its fundraising use case with Salesforce, which it launches in Year 3 of its investment. As a result, the composite preserves alumni information, optimizes relationship management, gauges donor interest, and audits for effective fundraising approaches to guide its campaigns toward greater success. In Year 3, that success translates to \$179,000 in additional funds raised, or a 10% increase.

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

- **Students connect with peers and mentors through meaningful digital interactions.** Interviewees said Salesforce's capabilities equipped their institutions to execute new strategies. This included creating opportunities for students to engage with a network of peers, faculty, and mentors on personal experiences with classes or internships. Through Salesforce,

students also accessed university-generated course recommendations based on demonstrated or desired competencies.

- **Staff align long-term strategic goals against capabilities and roadmaps.** Interviewees gained insight into longer-term institutional objectives across different focus areas with Salesforce by creating value maps and scorecards. Interviewees noted overall uplifts in engagement across core campaigns.
- **Targeted marketing efforts fuel budgeting efficiencies.** With AI and intelligent reporting, data analyses unlocked new insights and better segmentation. This enabled interviewees' institutions to target their efforts based on the levels of interest from prospective students and led to efficiencies in advertising and marketing spending.
- **Process standardization enables cross-team collaboration.** Using a centralized platform provided standardized forms and templates across teams, promoted cross-team collaboration through data sharing and alignment on goals and objectives, and reduced counterproductive friction.

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

- **Salesforce licensing fees totaling \$1.9 million over three years.** The composite institution begins its Salesforce deployment with student recruitment and experience use cases, then it extends to a fundraising use case. As the composite expands its use of Salesforce across use cases and university departments, it adds additional users and products to the Salesforce investment.
- **Implementation costs totaling \$1.5 million over three years.** Professional-service fees for consulting and outsourced efforts and for internal IT resources factor into implementation costs as

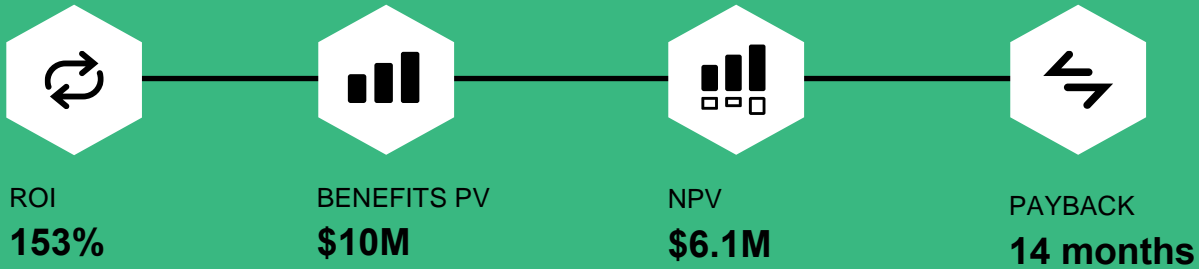
the composite deploys Salesforce for initial and additional use cases.

- **Change management and training costs totaling \$980,000 over three years.** As the institution adopts Salesforce widely across departments, change managers who each earn a burdened annual salary of \$100,000 provide 40 hours of training to power users over the course of three years.

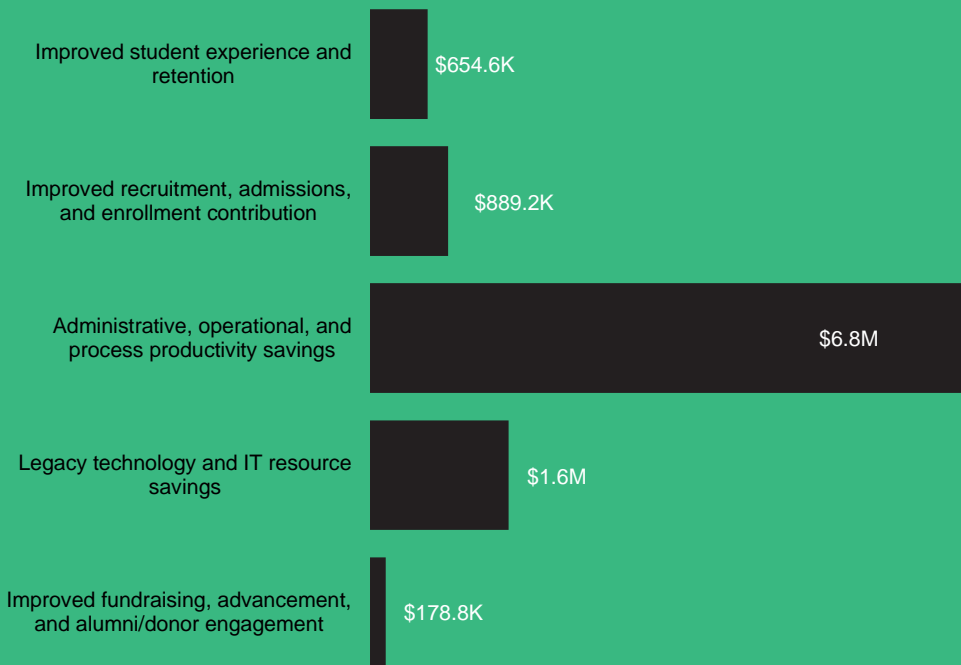
**“Salesforce is incredible, and it’s allowed us to become more future-proof. What I really like about Salesforce is [that] you can do anything once you get the data structure and architecture right. [Salesforce] can evolve to meet any challenge very quickly.”**

*Associate vice president of enterprise systems, private university*

**Results.** The representative interviews and financial analysis found that a composite institution experiences benefits of \$10 million over three years versus costs of \$4 million, adding up to a net present value (NPV) of \$6 million and an ROI of 153%.



**Benefits (Three-Year)**



**“Salesforce can be leveraged across the university. In the higher-ed vertical, Salesforce is critical to managing and growing the constituent base. We’ve adopted a multi-org strategy to provide constituent service and track constituent engagement to facilitate a 360-degree view throughout the constituent lifecycle.”**

— Senior product manager IT, public university

## TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those institutions considering an investment in Salesforce for Education.

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 Salesforce for Education can have on an institution.

### DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Salesforce 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 Salesforce for Education.

Salesforce 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.

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



### DUE DILIGENCE

Interviewed Salesforce stakeholders and Forrester analysts to gather data relative to Salesforce for Education.



### INTERVIEWS

Interviewed 10 representatives at seven educational institutions using Salesforce for Education to obtain data with respect to costs, benefits, and risks.



### COMPOSITE INSTITUTION

Designed a composite institution based on characteristics of the interviewees' 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 Salesforce For Education Customer Journey

## Drivers leading to the Salesforce for Education investment

Interviews			
Role(s)	Institution details	Region	Salesforce use cases
Head of digital solutions CRM manager	Description: 4-year public university Faculty and staff members: 3,500 Students: 29,000 Operating revenue: \$354 million	United Kingdom	<ul style="list-style-type: none"> <li>Recruitment, admissions, and enrollment</li> <li>Advancement and fundraising</li> </ul>
Head of data systems and applicant engagement Head of digital and marketing automation	Description: 4-year public university Faculty and staff members: 3,700 Students: 17,000 Operating revenue: \$396 million	United Kingdom	<ul style="list-style-type: none"> <li>Recruitment, admissions, and enrollment</li> </ul>
Vice president of planning, research, and institutional effectiveness Director of CRM	Description: Community college district with 3 public 2-year colleges Faculty and staff members: 2,500 Students: 30,000 Operating revenue: \$22.6 million	United States	<ul style="list-style-type: none"> <li>Recruitment, admissions, and enrollment</li> <li>Student experience</li> </ul>
Associate vice president of enterprise systems	Description: 4-year private university Faculty and staff members: 2,600 Students: 9,700 Operating revenue: \$1.6 billion	United States	<ul style="list-style-type: none"> <li>Student experience</li> <li>Advancement and fundraising</li> </ul>
Senior product manager IT	Description: 4-year public university Faculty and staff members: 23,500 Students: 137,000 Operating revenue: \$2.5 billion	United States	<ul style="list-style-type: none"> <li>Recruitment, admissions, and enrollment</li> <li>Student experience</li> <li>Advancement and fundraising</li> </ul>
President and chief executive officer	Description: 4-year private college Faculty and staff members: 200 Students: 2,900 Operating revenue: \$55 million	United States	<ul style="list-style-type: none"> <li>Recruitment, admissions, and enrollment</li> </ul>
Chief digital officer	Description: 4-year public university Faculty and staff members: 5,000 Students: 62,000 Operating revenue: \$901 million	Australia	<ul style="list-style-type: none"> <li>Recruitment, admissions, and enrollment</li> </ul>



## KEY CHALLENGES

Before investing in Salesforce for Education, interviewees' educational institutions used many disparate tools and point solutions across departments and budget centers. These dispersed tool sets created disjointed experiences for all constituents, including students, partners, alumni, faculty, and staff. The prior environments did not facilitate cross-departmental access to data, which compelled business and technical leaders to identify opportunities to improve operational efficiencies across their institutions with a centralized, enterprise-level solution.

The interviewees noted how their institutions struggled with common challenges in their legacy environments, including:

- **Point solutions offered poor visibility across systems and departments.** Several interviewees described disparate technology environments that obstructed the creation of 360-views of student journeys and impeded transparency between departments. These limitations created siloes that resulted in suppressed communication and cross-collaboration and ultimately eroded student experiences.

The chief digital officer at a public university noted that their institution's legacy environment consisted of dozens of unintegrated, bespoke tools and a heavy reliance on spreadsheets and manual processes. They shared, "We had very little visibility across the different budget centers of the university. ... We wouldn't know if a separate department of the university was having a conversation with the same partner. We might have current or prospective students talking to different parts of the university, as well."

Each interviewee said their institution's prior environment fostered a less-than-optimal experience for all parties including partners,

students, and university service agents and support staff.

- **Lack of data transparency created friction and a less-than-ideal environment for collaboration.** Instead of sharing a single source of truth to form a comprehensive narrative inclusive of all relevant constituent data, departments operated on fragmented information. The associate vice president of enterprise systems at a private university said: "There were not any good and easy ways to share [information], so any information was used as a sword and a shield [as if to say]: 'This is my data, and I hold onto it, and my data makes me look good and you look bad.' We battled towards creating the narrative about what's actually happening at the university."

**"Our goal was to replace manual intervention with automated processes where we could in order to promote efficiencies and effectiveness, and to free up staff time to spend the time on one-to-one interactions."**

*Head of data systems and applicant engagement, public university*

- **Legacy tools required heavy customization but still did not meet all needs.** Interviewees across the board shared the sentiment that most solutions created for higher education do not generally meet or understand user needs. The president and chief executive officer of a private college emphasized the inability of point solutions and legacy CRMs to cater to the unique needs of

his own educational institution, noting: “Anything that we wanted to do that expanded outside of the traditional residential four-year program required a level of customization, end runs, and exceptions that made the system quite difficult to use outside of its primary function of a four-year residential semester program.”

This posed a challenge for the college to execute long-term goals and leverage data analysis to develop a future-state vision and roadmap. The president and chief executive officer shared: “We were using something designed for one product and trying to launch it as multiproduct software. It was very difficult, as you can imagine, and [it] led us into having many ancillary databases all connected through poor integrations. We did not have any data integrity long-term for any sort of analysis.”

**“Like many small, private institutions, we had aspirations to be something more. The legacy SIS (student information system) and CRM just weren’t working.”**

*President and chief executive officer, private college*

- **Inefficient use of staff time led to incomplete execution of student-recruitment campaigns amid falling enrollment after the pandemic.** Before investing in Salesforce, manual processes consumed a significant amount of time that ideally could be allocated to higher-value tasks. Particularly as the pandemic’s effects continued to be an impactful background character in the recruitment process, formalizing and streamlining processes was a key focus area for Salesforce to

solve. The vice president of planning, research, and institutional effectiveness at a community college district shared: “There were a lot of manual processes, a lot of paper, pencils, [and] spreadsheets. That created inefficiency in the time to get us to our task or to accomplish goals. Everything took a lot longer than needed.”

The interviewee also said: “[Due to the manual nature of tasks and limited number of resources,] some recruitment tasks didn’t even get done. Our college recruiters would go out to the high schools or to community events, and they might have a paper contact card and write down the name and the phone number [of a prospective student]. And then, if the recruiters had time, they’d enter it into a spreadsheet. And, if they had time, they would follow up with the student. That time just never happened.”

- **Confusing messaging and disorganized information led to poor student experiences, which impacted topline revenue.** Interviewees said disjointed tools and processes created poor student experiences in their legacy environments. The processes by which a student would apply, enroll, seek academic advisors, or learn about career and professional opportunities were fraught with confusion and uncertainty for students without any clear resources to ask for solutions.

The senior product manager IT at a public university said a marked lack of student satisfaction singularly drove their institution’s Salesforce investment. They said: “Our implementation and our scope were driven by a survey from our students relative to service. We were servicing our students across the university by leveraging multiple tools and technologies. We did not have a one-stop shop to provide service to our students. In order to provide a singular, cohesive service, we needed a CRM to be able to provide a single point of service for our

enrolled students and our prospective students, all driven by service.”

- **Evolving compliance rules and regulations compelled the institutions to seek technology that met updated security standards.** Two interviewees touched on their concerns around security and compliance in their institutions’ prior environments. The head of data systems and applicant engagement at a public university remarked that the major catalysts for implementing Salesforce were to create a better student experience, to drive constituent engagement, and to improve compliance to keep up with changing rules and regulations. They shared: “In the EU, GDPR (General Data Protection Regulation) and new UK data bills were coming, which meant that we needed to be much more on it in terms of our preference centers. The old system just didn’t allow for that

compliance. Obviously, Salesforce gives us a plethora of that.”

**“Salesforce allows us to change much faster than we could with traditional software. In that sense, Salesforce has been a key partner in helping us scale.”**

*President and chief executive officer, private college*

- **Aging tech stacks raised security concerns.** The associate vice president of enterprise systems at a private university said: “There were security issues all over the place because many of the [legacy environment] solutions were on-

**“We want to do more and be more clever, so we are focused on the additional insights that we can get from Salesforce’s artificial intelligence, automation, and analytics. With limited resources, that automation capability is really important because if we haven’t got more people, we can rely on that [automation] to fill the gaps.”**

— Head of digital and marketing automation, public university

prem. They didn't have proper security and maintenance applied to them, so there were vulnerabilities on the server side, there were vulnerabilities on software side, and this put critical university data at risk." Aging tech stacks can also expose institutions to noncompliance fees in the case of a data breach.

## INVESTMENT OBJECTIVES

Business and technical leaders at the interviewees' institutions searched for a solution that could:

- Provide the institution with one source of truth for constituent data.
- Drive better experiences for students and staff by creating constituent journeys and more personalized communications.
- Promote operational efficiencies by automating time-consuming manual processes.
- Promote security and compliance.
- Reduce technical debt and optimize system adoption.

## WHY SALESFORCE?

Interviewees cited the following reasons for selecting Salesforce:

- **Ease of use and availability of training.** For any enterprise, one difficulty of implementing a new system is ensuring that staff develop the skills to use it. The head of data systems and applicant engagement at a public university noted: "With the training that's available from Trailhead, you don't have to be a coder to deliver good content. The back-end user experience is much better than some other widely used CRM platforms."
- **Ability to deploy out-of-the-box features that meet unique requirements.** The president and chief executive officer at a private college recounted that their institution reached out to Salesforce to create a unique and innovative

structure that allows it to run as a service provider for its internal-revenue-generating subsidiaries, which allows each subsidiary to have a level of autonomy with differentiated calendars, tuitions, and governance. They said, "Most of the [alternatives to Salesforce we evaluated] were designed around just one single institution. I wanted to build something from the ground up that was very proprietary for our own private affiliation. Salesforce seemed to have the building blocks to allow us to build that from the ground up instead of just buying something off the shelf and then picking different lanes. That was one of the primary motivators for going with something like Salesforce in lieu of a legacy CRM or SIS."

**"There's certainly an aspect of technical debt reduction that's a driver, but [another is] improving business capability to drive a better experience for the constituents."**

*Chief digital officer, public university*

- **Enterprise-level, omnichannel solution.** The head of digital and marketing automation at a public university noted the importance of thinking of the connected, omnichannel experience, especially for long-term strategies. They said: "I think it's important when we start looking at the wider marketing uses that logic continues across other touch points. So, [we're] getting out of the mindset of CRM is just email. We can use data to think about all those touchpoints and seamlessly blend them."

The interviewee continued to describe the role of Salesforce in their institution's greater goals and direction. They said: "We're now considering [using] Salesforce on our website. We're looking at WhatsApp, we're looking at Google, we're looking at all sorts of aspects of touchpoints from display ads, as well. We use the data to follow the customer [and] to provide a better solution, and then that's how you can build the bonds. There's nothing worse than having a jarring, disconnected experience. We have to think increasingly mobile first [and] omnichannel. Salesforce thinks like that already."

- **A reputable market leader.** Several interviewees pointed to Salesforce as an established leader in marketing, sales, and customer relationships. The head of digital solutions at a public university remarked, "I think Salesforce was seen as a market leader." The associate vice president of enterprise systems at a private university summed up many of the interviewees' sentiments toward Salesforce. They said: "Salesforce, in particular, offered a commercial solution. A lot of times, what we were finding [was] tech built for higher education or tech built for nonprofits was far inferior tech. But tech built for commerce and for the marketplace had a level of ease of use, sustainability, scalability, and UX/UI that we were really looking for. So, we were one of the early adopters in the higher-education space of Salesforce at the enterprisewide level."

## COMPOSITE INSTITUTION

Based on the interviews, Forrester constructed a TEI framework, a composite institution, and an ROI analysis that illustrates the areas financially affected. The composite institution is representative of the 10 interviewees, and it is used to present the aggregate financial analysis in the next section. The composite has the following characteristics:

**Description of composite.** The public, four-year university is based in the United States, and it has annual operating revenues of \$1 billion, 7,000 faculty and staff members, and a total of 40,000 students. Thirty thousand are undergraduate students and 10,000 are graduate students. The university offers both virtual and in-person learning, and it earns \$600 million per year from fundraising income. In its prior state, the composite institution operated in a disparate environment, in which each department used different point solutions for its operations. The composite's goal in implementing Salesforce is to provide a single source of truth to better track and enhance the student journey, improve constituent experience, and reduce technical debt.

**Deployment characteristics.** The composite institution begins Year 1 with a recruitment, admissions, and enrollment use case as well as a student experience use case. In Year 2, it expands its use of Salesforce for its advancement and alumni engagement efforts, which launch fully in Year 3.

### Key Assumptions

- **Public, 4-year university**
- **\$1 billion operating revenues**
- **7,000 faculty and staff**
- **40,000 students**

# 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	Improved student experience and retention	\$126,563	\$267,246	\$424,171	\$817,980	\$654,608
Btr	Improved recruitment, admissions, and enrollment contribution	\$320,625	\$359,813	\$399,765	\$1,080,203	\$889,193
Ctr	Administrative, operational, and process productivity savings	\$1,117,200	\$2,660,000	\$4,788,000	\$8,565,200	\$6,811,279
Dtr	Legacy technology and IT resource savings	\$367,200	\$612,000	\$979,200	\$1,958,400	\$1,575,291
Etr	Improved fundraising, advancement, and alumni/donor engagement	\$0	\$0	\$238,000	\$238,000	\$178,813
Total benefits (risk-adjusted)		\$1,931,588	\$3,899,059	\$6,829,136	\$12,659,783	\$10,109,184

## IMPROVED STUDENT EXPERIENCE AND RETENTION

**Evidence and data.** Prior to investing in Salesforce, interviewees’ institutions struggled to create seamless, integrated, and informative digital student experiences. Students navigated through disconnected and confusing websites, were challenged to locate answers to inquiries, and found inconsistent messaging caused by institutional silos. With Salesforce, the interviewees’ institutions developed and modified digital experiences based on an enterprise approach with decision splits and personalization, interconnectivity across institutional silos, and a focus on enabling students to self-serve. These efforts improved access to information and better equipped students to find important resources and receive timely responses to their inquiries. By reducing friction in day-to-day interactions with the universities, the institutions created environments that students were less likely to choose to leave. Interviewees cited the following ways that Salesforce contributed to better retention:

**“Leveraging Salesforce has facilitated our increase in retention rates, graduation rates, enrollment rates, conversion rates, [and] service. It’s not the only thing, but it definitely has impacted all the success rates that we measure here.”**

*Senior product manager IT, public university*

- **Interviewees’ institutions leveraged the power of personalization and clearer data to build student journeys.** Better understanding the student lifecycle, identifying points of friction, and applying a data-driven approach to managing student journeys gave interviewees and their institutions the power to actively and purposefully improve student journeys and ultimately impacted student retention.

The head of data systems and applicant engagement at a public university explained that Salesforce’s ability to provide a data-relational database was key, because manually distinguishing between entries with similar details to determine whether those details related to the same or different students proved time-consuming and exhausted resources in the prior environment. The interviewee shared: “I don’t want there to be five students of the same name in the system and to not understand which journey applies to each of them. I want to understand and start to build that 360-view of our constituents.”

- **Visibility into the student lifecycle empowered better service to students.** Salesforce introduced the opportunity to increase cross-departmental collaboration when serving students. In the institutions’ prior environments, it was difficult for student advisors and study-abroad advisors to collaborate and strategize for a student because the advisors lacked a connected, 360-degree view of the student. With Salesforce, the unified data allowed more holistic interactions between students and advisors. With each interaction, the institutions collected more robust information on interactions to better inform next steps and advise students. The head of data systems and applicant engagement at a public university shared: “Now that we have them as current students, we can continue to build on the [views] of [those students]. Other teams across

campus can utilize that data in order to advise [students] better.”

- **Quality and consistent communications reduced student inquiries related to enrollment processes.** The two interviewees from the community college district noted a distinct shift in the types of questions students asked before and after the Salesforce implementation. They said that before using Salesforce, students asked questions pertaining to enrollment steps, which should have been available to them online and in email communications. These questions comprised the entirety of the emails students sent to the community colleges of the district in this period. After the Salesforce implementation, this question type decreased to a third of its previous volume.
- **Student-centric digital experiences and sites helped the institutions nurture academic health.** The associate vice president of enterprise systems at a private university shared examples of how their institution used Salesforce to create a functional one-stop shop organized in content areas to support academic wellness. In the university’s legacy environment, students needed a proactive academic team or to be a dedicated self-starter to find information. Salesforce took the guesswork out of the experience.

The interviewee said: “We ask ourselves how to help our students become the best versions of themselves. ... [Before using Salesforce, students navigated] a billion webpages organized by division, office, [and] webmaster. But students aren’t organized like that. If they’re having academic troubles, they don’t know to look at the academic research pages buried under student affairs and then look at the chemistry department — which is buried under the college page — and then look at the school nursing health studies.

They just know [they need help with] their academic health.”

- **Decreased response time to student inquiries ensured new and returning students were equipped to enroll.** A major cause of enrollment leakage for interviewees’ institutions was tied to financial aid for students. If a student could not readily access forms and get their questions answered quickly, it could have significant consequences. The senior product manager IT noted that with Salesforce, their institution responded to student inquiries related to financial aid and enrollment in 24 hours rather than seven days. They shared: “We’ve been able to increase our response rate from a service perspective; therefore, better customer service leads to retention. We can get students engaged. We can get them get their financial aid questions answered so that they can then finalize their financial aid, get their money, and then know that they can afford tuition for the university and enroll.”

**Modeling and assumptions.** Based on interviewee results, Forrester assumes the following for the financial model:

- The composite institution focuses on retaining and measuring retention of its undergrad first-year students. The number of students represented in row A1 includes 75% of the incremental new enrolled students calculated in this benefit, because 75% of students at the composite institution are undergraduates.
- The composite’s average retention rate of first year students was 80% before using Salesforce.
- After the Salesforce investment, retention of first-year undergraduate students rises to 85%, 90%, and 95% in Years 1, 2, and 3, respectively. This translates to 2,391 more students retained over three years.

- The average net revenue per student is \$15,000 in Year 1, and it increases by 1% each year.
- Socioeconomic climates, institutional cultures, resource availability, and other factors also influence the benefit alongside technological investments. Therefore, 50% of the benefit is attributed to Salesforce.
- Forrester applied a net position margin of 5% to capture the bottom-line impact of incremental student retention.

**Risks.** Results may not be representative of all experiences and the benefit will vary based on the following variables:

- Macroeconomic and microeconomic factors.
- The institution’s net position margin.
- The institution’s average revenue per student.
- The institution’s effective use of Salesforce in a student experience and retention use case, as well as its strategic vision for its CRM.

## End-To-End System Usability Correlated With Increased Retention Rates

The chief digital officer at a public university reported that their system’s usability score across different applicant environments was 50/100 before using Salesforce. After the Salesforce implementation, the score improved to 78/100. The interviewee said 82 is the highest competitor benchmark and shared, “We’ve really moved significantly into using Salesforce best practices around system usability through the focus on end-to-end user experience.” With Salesforce for Education, the university improved its retention rate from 79% to 81%.



**Results.** To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of \$654,600.

Improved Student Experience And Retention					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Number of first-year undergraduate students (rounded)	Composite	7,500	7,838	8,213
A2	Average retention rate of first-year students	Composite	80%	80%	80%
A3	Percentage point improvement to first-year retention rate with Salesforce	Interviews	5%	10%	15%
A4	First-year retention rates with Salesforce investment	A2+A3	85%	90%	95%
A5	Incremental students retained (rounded)	A1*A3	375	784	1,232
A6	Average revenue per student (including tuition and fees, net of allowances)	Composite	\$15,000	\$15,150	\$15,302
A7	Attribution to Salesforce	Interviews	50%	50%	50%
A8	Institute net position margin	Composite	5%	5%	5%
At	Improved student experience and retention	A5*A6*A7*A8	\$140,625	\$296,940	\$471,302
	Risk adjustment	↓10%			
Atr	Improved student experience and retention (risk-adjusted)		\$126,563	\$267,246	\$424,171
<b>Three-year total: \$817,980</b>			<b>Three-year present value: \$654,608</b>		

## IMPROVED RECRUITMENT, ADMISSIONS, AND ENROLLMENT CONTRIBUTION

**Evidence and data.** Interviewees said Salesforce empowered their institutions' student recruitment efforts, which enabled follow-ups with prospects and equipped recruiting and admissions teams to track conversions through a single centralized platform. As a result, several interviewees' institutions exceeded enrollment goals with Salesforce. Interviewees cited the following ways that Salesforce contributed to increased enrollment:

- **Automated processes executed communication campaigns with clear, personalized, and timely messages for prospective students.** The director of CRM at the community college district reported that in their institutions' prior environment, recruiters did not have time to follow up with prospective students after collecting contact information with pen and paper at high schools or community events. Instead, prospective students searched for information themselves. This approach created a higher potential for a leaky funnel and lower conversion rates. The interviewee relayed that through the Salesforce implementation and process automation, prospects now enter contact information directly into Salesforce on a mobile device, which reduces duplicative efforts and risks of error. This enables the system to automate messages along the student journey to encourage prospects to apply for admissions, find relevant information, and cultivate greater interest in the institution. Recruiters became more effective and saved time by automating manual tasks.
- **Gained visibility into previously untracked metrics (e.g., conversion rates) that serve as indicators to adjust and modify campaigns for success.** The same interviewee also pointed out that their institution did not track conversion rates from these recruitment efforts prior to implementing Salesforce, and that Salesforce

enabled the recruiting team to track student progression through the journey. They shared: “[The] COVID-19 [pandemic] put us into a tailspin. With Salesforce, the ability to follow up and get students to apply exceeded our expectations. We are looking at around a 24% to 26% conversion rate from an inquiry to an applicant, which is really good.”

The CRM manager at a public university explained that their institution ran a number of large-scale open days each year, during which prospective students visited campus. The institution used Salesforce campaigns and check-in process flow to register students upon arrival. The CRM manager shared: “That didn’t happen previously. Essentially, we’re using Salesforce immediately in [student] interactions. We now know they’ve engaged and expressed interest, and it changes our messaging in the communication journey. There’s a big difference between somebody who might be thinking of attending [and] who hasn’t been to campus and visits versus someone who has [visited] because there’s a tangible difference in their [experiences] and, therefore, we want to communicate and work [with those experiences].”

**“Our online programs leveraged Salesforce for recruitment. They have definitely grown their enrollments for online students. There’s been significant growth in our online student population.”**

*Senior product manager IT, public university*

- **Salesforce equipped interviewees to increase enrollment in online learning.** The COVID-19 pandemic catalyzed investments in hybrid learning environments and online classrooms, and this compelled schools to adapt to these new market demands in order to offer classes and stay in session. Interviewees' institutions needed a tool that could support enrollment for both in-person, hybrid, and entirely online options.
- **Interviewees' institutions saw increased prospect engagement rates at the top of funnel.** Recruiting and admissions teams rendered better outcomes due to personalization, prompt timing, clearer messaging, and visibility into marketing metrics. For example, the head of digital and marketing automation at a public university reported open rates for prospect emails increased six points in the first year after Salesforce adoption.

Furthermore, the interviewee said: "If we take our undergraduate inquiry journey, which is the top of our funnel, we've now shown over 100% improvement to engagement, which is significant for us. That metric gives us confidence that we're connecting with more prospects considering us at an early stage. We have a hypothesis that the earlier we can build relationships with people, the better we can connect, maintain stickiness, and lose fewer people to the funnel. Salesforce is at the heart of that."

The chief digital officer at a public university said, "Once the students enter the application process stage, there's no reason to lose them as a student, and certainly not because of a poor IT or digital experience."

- **Consistent experiences through the application process reduced applicant dropout rates.** An effective user experience builds on the user's learned expectations for how the system functions. Disparate user interfaces can thwart the formation of user familiarity with

the system, which increases the user's cognitive load and negatively impacts the overall experience. The chief digital officer at a public university said: "We use a single admissions system across domestic and international students. Now, we've got a single view of recruitment and admissions [and] similar handling of the student experience all within the Salesforce platform. In the past, students might have seen different systems at play, different messages, different user interfaces. Now, there's so much more commonality. [Prior to using Salesforce], we had 70% of applicants drop out in the application process. Now, that's down to under 1%."

**Modeling and assumptions.** Based on interviewee results, Forrester assumes the following for the financial model:

- The composite institution has enrollment goals of 10,000 new students each year in both its grad and undergrad programs. This is 25% of the total student population of 40,000. Following the effects of the COVID-19 pandemic and downturns in enrollment during those years, the student enrollment goals for the composite institution remain flat during the three years after deploying Salesforce.
- As a result of its Salesforce investment, the composite institution experiences better-than-expected return-to-school enrollment activity of 4.5%, 5.0%, and 5.5% in Years 1, 2, and 3, respectively.
- The average net revenue per student is \$15,000 in Year 1, and it increases by 1% each year.
- Forrester applies a net position margin of 5% to capture the bottom-line impact of incremental enrollment.

**Risks.** Results may not be representative of all experiences and the benefit will vary based on the following variables:

- The institution’s prior state, applicant engagement, and enrollment goals.
- The institution’s net position margin.
- The institution’s net tuition per student.
- The institution’s effective use of Salesforce in a recruitment use case.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$889,200.

<b>Improved Recruitment, Admissions, And Enrollment Contribution</b>					
<b>Ref.</b>	<b>Metric</b>	<b>Source</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
B1	New-graduate and undergraduate student enrollment goals before Salesforce	Composite	10,000	10,000	10,000
B2	Post-pandemic return-to-school enrollment driven by Salesforce	Interviews	4.5%	5.0%	5.5%
B3	Incremental number of students enrolled (rounded)	B1*B2	450	500	550
B4	Average revenue per student (including tuition and fees, net of allowances)	Composite	\$15,000	\$15,150	\$15,302
B5	Institute net position margin	Composite	5%	5%	5%
Bt	Improved recruitment, admissions, and enrollment contribution	B3*B4*B5	\$337,500	\$378,750	\$420,805
	Risk adjustment	↓5%			
Btr	Improved recruitment, admissions, and enrollment contribution (risk-adjusted)		\$320,625	\$359,813	\$399,765
<b>Three-year total: \$1,080,203</b>			<b>Three-year present value: \$889,193</b>		

## ADMINISTRATIVE, OPERATIONAL, AND PROCESS PRODUCTIVITY SAVINGS

**Evidence and data.** Across operational and administrative teams, all interviewees' institutions saw productivity improvements with Salesforce compared to the time-consuming, manual processes that plagued their legacy environments. After deploying Salesforce, the process automations and productivity improvements ranged from contract management efficiencies to increased levels of interdepartmental collaboration. Interviewees cited the following ways that Salesforce contributed to productivity improvements:

- **Workflow automations eliminated manual importing and deduping of data, which improved speed and data quality.** Interviewees said that in their institutions' prior environments, disparate tools necessitated first identifying potential duplicates of data sets across exports and then manually combing through them to compare for differences. One entry could provide pertinent context about a student that was missing from another, and advisors may need that context to guide the student.

The head of data systems and applicant engagement at a public university reported: "The manual importing of that data takes a third of the time through the Salesforce-native import wizards. But the thing that's really good about that is it dedupes the data automatically. In our old systems, it would be quite difficult to find every instance [of a constituent], whereas [Salesforce] gets us to those unique constituents much quicker and makes sure that we're getting the right content to the right people at the right time."

- **Data quality improvements fostered new-formed trust and reliability in Salesforce platform insights.** In addition to time savings from process automation, interviewees reported that Salesforce bolstered their trust of insights

and data that previously were at risk of inaccuracy.

The associate vice president of enterprise systems at a private university explained that in their institution's prior environment, deans of individual departments kept their own sub-databases and relied on their own data sets, then cross-referenced reports. Planning efforts consumed a week per dean and about 1.5 months across the institution. Now, the university uses dashboards that are based on the same data regardless of department. The interviewee shared, "What would take a week now takes 10 to 15 minutes." Furthermore, they added that they can trust the Salesforce dashboards.

The chief digital officer at a public university reported freeing up 10 to 15 people on a team of 100 to nurture prospects and turn them into applicants. They said, "The automation has not only given us the benefit of freeing hours from the people, but then [we] can process things more accurately by removing human error."

- **Smarter communication strategies facilitated more effective use of marketing funds and effort.** Interviewees said Salesforce enabled teams to identify and manage student interest in more strategic ways. The head of digital and marketing automation at a public university said: "We use [Einstein GPT] to put our constituents into four different segments depending on how engaged they are: the loyalists, selective subscribers, window shoppers, and win-back [constituents]. We know that the dormant win-back ones are the least engaged. By identifying that with Salesforce, we're better able to deliver different follow-up communications, so we focus our resources in different ways." They also explained that AI and automation combined with this approach enabled their institution to preserve human capacity and free up human resources to focus on added value pieces and future-thinking

or otherwise place efforts on constituents who are most at risk to disengage.

The associate vice president of enterprise systems at a private university said: “Introducing Salesforce has allowed us to facilitate changes in work behavior that are very different than the traditional siloed behaviors that you see in higher education. Salesforce has changed the way we work, and it gave our people the ability to see and use data in a much more egalitarian way than before.”

- **Data-driven decision-making shortened planning cycles.** The same interviewee noted that their institution’s departmental deans are able to view conversions and the lifecycles of students in real time, which enables them to plan for what courses to offer in an informed way. They shared: “[Deans] can see the lifecycle of a student from prospect to matriculation without needing to wait until the end of the semester and then look at how we did in the rear-view mirror to adjust. We have reduced what colleges do over 12 months to six weeks because every six weeks we bring in 600 new students.” The interviewee added this cadence would not have been achievable without access to this data.
- **Interdepartmental access to student-360 accelerated response times and saved time for staff.** Because Salesforce made student information available in a centralized platform, staff needed to spend less time transferring students to the correct contact person to address their needs. The senior product manager IT at a public university said: “Because we have an integrated solution with Salesforce that has relevant data about [each student], we are able to speak to that student relevantly in context because we know everything about that student. We were able to minimize the transferring and be more effective in our responses to that student.” The interviewee also mentioned that more

students are able to submit inquiries rather than leave questions unasked and unanswered because of the convenience of a single point of entry.

**“We were in a multi-system environment. The systems were all doing a good job, but they didn’t interact. It meant the resource placed in the small online advancement area handled a lot of manual data and manual processes. By moving to one system and using integrations with the CRM, the resource could focus on other things.”**

*CRM manager, public university*

**Modeling and assumptions.** Based on interviewee results, Forrester assumes the following for the financial model:

- The composite institution has 7,000 faculty and staff members.
- In Year 1, 840 faculty and staff members (predominantly administrative staff members) are given access to Salesforce. In Years 2 and 3, that number increases to 1,400 and 2,100, respectively.
- Staff members using Salesforce spend an average of approximately 50% of their time on tasks that involve Salesforce.
- The staff experiences an average productivity lift of 7%, 10%, and 12% in Years 1, 2, and 3,

respectively. The increasing number of use cases, increasing number of workflows automated, and staff adoption spur increased productivity.

- The burdened annual cost of an administrative staff member is \$80,000.
- Technology investments have impact alongside people and processes. Therefore, 50% of the benefit is attributed to Salesforce.

- The number of Salesforce users impacted by automation and other efficiencies.
- Use cases and workflow automations deployed at the institution.
- The institution’s effective use of Salesforce across its selected use cases.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 5%, yielding a three-year, risk-adjusted total PV of \$6.8 million.

**Risks.** Results may not be representative of all experiences and the benefit will vary based on the following variables:

<b>Administrative, Operational, And Process Productivity Savings</b>					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Total staff members and faculty	Composite	7,000	7,000	7,000
C2	Percent of staff members and faculty who use Salesforce regularly	Composite	12%	20%	30%
C3	Number of staff members with administrative roles impacted by Salesforce	C1*C2	840	1,400	2,100
C4	Average percent of time spent on tasks that are Salesforce-related	Interviews	50%	50%	50%
C5	Productivity improvement	Interviews	7%	10%	12%
C6	Burdened annual cost of an administrative resource	Composite	\$80,000	\$80,000	\$80,000
C7	Productivity recapture	Assumption	50%	50%	50%
Ct	Administrative, operational, and process productivity savings	C3*C4*C5*C6*C7	\$1,176,000	\$2,800,000	\$5,040,000
	Risk adjustment	↓5%			
Ctr	Administrative, operational, and process productivity savings (risk-adjusted)		\$1,117,200	\$2,660,000	\$4,788,000
<b>Three-year total: \$8,565,200</b>			<b>Three-year present value: \$6,811,279</b>		

## LEGACY TECHNOLOGY AND IT RESOURCE SAVINGS

**Evidence and data.** Interviewees said higher-education-siloed purchasing behaviors and procurement practices tended to create extensive and repetitious tech stacks across their institutions and reliance on point solutions that were purpose-built and heavily customized to the needs of a particular department.

Across multiple departments, the institutions were able to decommission whole swaths of their tech stacks as they took a more enterprise approach through their Salesforce investments. This consolidation drove savings in both licensing fees and supporting IT resource labor. Interviewees cited the following impacts related to decommissioning their institution's legacy technology stacks:

- **Salesforce enabled previously siloed data in homegrown systems to be integrated holistically.** The chief digital officer at a public university noted that Salesforce helped tackle the issue of inaccessible data over several systems. They shared: "We identified that everybody had spreadsheets, and we had 15, 16, [or] 17 different types of CRM [tools], case management tools, and marketing tools. We needed a one-stop shop. We needed a 360-view. We concluded we're going to use Salesforce to make that happen."
- **Tech stack consolidation led to significant savings.** The same interviewee noted that their institution decommissioned three tools that cost \$1 million per year, and the Associate vice president, enterprise systems explained his institution retired a faculty directory and an advancement tool, saving around \$100,000 a year and also replaced a mass marketing communication tool, saving \$50,000-\$80,000 a year.
- **Multiple users' knowledge of a centralized solution helped avoid downtime caused by absent staff.** By having a single enterprise CRM, interviewees avoided the need to keep knowledgeable resources for each individual tool. Tool-specific knowledge required additional headcount, increased the risk of downtime, and created challenges around hiring and retaining necessary skillsets for those roles.

**“All of our data lived in the SIS and a lot of other tools too. What Salesforce really did was bring a lot of it together and allow us a chance to integrate these systems. [We moved] from the homegrown systems into a more holistic system, which Salesforce provided.”**

*Director of CRM, community college district*

**Modeling and assumptions.** Based on interviewee results, Forrester assumes the following for the financial model:

- The composite institution consolidates and decommissions three, five, and eight tools across departments in Years 1, 2, and 3, respectively.
- The average annual operations and servicing costs of these tools are \$100,000 each.
- With the consolidation of each tool, 0.3 FTEs are reallocated to other areas of the institution.
- The burdened annual cost of an IT resource is \$120,000.



**Risks.** Results may not be representative of all experiences and the benefit will vary based on the following variables:

- The number of tools and technology solutions in the legacy environment.
- Annual licensing and maintenance or servicing costs of the legacy tools.

- The number of resources required to maintain the legacy solutions.
- The number of tools decommissioned and the speed with which the tools are decommissioned.

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

Legacy Technology And IT Resource Savings					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Number of legacy tools retired as a result of the Salesforce investment	Interviews	3	5	8
D2	Average licensing and service costs	Interviews	\$100,000	\$100,000	\$100,000
D3	Number of IT resources per legacy tool support and maintenance	Composite	0.3	0.3	0.3
D4	Burdened cost of IT resource	TEI standard	\$120,000	\$120,000	\$120,000
Dt	Legacy technology and IT resource savings	$(D1 \cdot D2) + (D1 \cdot D3 \cdot D4)$	\$408,000	\$680,000	\$1,088,000
	Risk adjustment	↓10%			
Dtr	Legacy technology and IT resource savings (risk-adjusted)		\$367,200	\$612,000	\$979,200
<b>Three-year total: \$1,958,400</b>			<b>Three-year present value: \$1,575,291</b>		

## IMPROVED FUNDRAISING, ADVANCEMENT, AND ALUMNI/DONOR ENGAGEMENT

**Evidence and data.** Three interviewees said their institutions used Salesforce to support fundraising efforts and that it gave their institutions an organized and data-driven approach to alumni relations and fundraising. The interviewees cited the following examples of Salesforce-driven impact on fundraising, advancement, and alumni/donor engagement:

- **The institutions leveraged Salesforce to exceed ambitious goals driven by access to more robust data.** The associate vice president of enterprise systems recounted that in the prior environment, the university was not raising money at the same level as peer institutions. The institution's board of directors set a goal of doubling the yield of the last capital campaign, which equated to billions over several years. Advancement leaders concluded that the tools in place did not offer the capacity to achieve that goal. The associate vice president of enterprise systems shared, "We needed new tools, and with those new tools, we needed new and better information." In the silent phase of the capital campaign, the institution expected to achieve 25-33% of its goal. With Salesforce, the institution was at 50% of its goal in the silent phase and projects to exceed the goal over the multi-year fundraising period.
- **Salesforce helped the institutions preserve donor information that was being lost.** In the prior state, the interviewees' institutions did not have a complete view of constituents from prospect to student to alumni. This meant fundraising staff lacked the environment to track and nurture relationships with alumni. The associate vice president of enterprise systems said: "There was so much that was being lost with a student's experience that wasn't ever carried forward. In the past, we spent so much time and energy trying to figure out exactly who

these alumni are, what degree they had, what school they attended. We were spinning our wheels in the administrative overhead, to prepare for a visit, to send an officer out on the road, or for the president to travel. And now all that information automatically is at our fingertips."

**"We built dashboards in Salesforce [for alumni info]. Now, there's no pulling reports, combining data in different databases, making pivot tables, adding them, checking them, [and] getting it approved. All the data is there and it's accurate and adaptive."**

*Associate vice president of enterprise systems, private university*

- **Use of Salesforce facilitated pipeline development for future donations.** The CRM manager explained that the use of Salesforce enabled consistency in conversations with donors and lent visibility into how the institution progressed conversations through each gift. They shared: "The pipeline development for fundraising is really important. We've got great visibility of that pipeline development from say, [contacts] volunteering that they will potentially be your future donors. That means it's a consistent approach and process, which means in the longer term we can really see the benefit of that relationship management. It lends rigor and consistency to the way we work using the system, such as guidance for success or just the stages within the opportunity. We can ensure that

from an audit point of view, we're doing the right things.”

- **The institutions gained the ability to unlock and enable a variety of fundraising campaign approaches.** In addition to helping with large capital campaigns, institutions can tap into Salesforce to track and enable small gift programs and deepen relationships with alums to drive more engagement and donations. The associate vice president of enterprise systems remarked on expanding the institution’s fundraising campaign approaches, saying, “Salesforce gives us the tools to shift more towards a model in which if everyone gives \$5, you have just as much money as three or four big donors. If we can have a little bit of your time, a little bit of your attention, a little bit of your decision making, we can automate a lot of the campaign in order to raise significant funds, \$5 at a time.”

**Modeling and assumptions.** Based on interviewee results, Forrester assumes the following for the financial model:

- The composite institution begins to implement a fundraising use case with Salesforce in Year 2 and deploys the use case fully in Year 3.
- The operating revenue of the composite institution is \$1 billion, and 1.4% of this is derived from donor gifts and contributions. The composite institution’s fundraising budget is \$14 million.
- The composite institution sees a 10% increase to donations with Salesforce and raises \$1.4 million incremental funds.
- The cost of fundraising for the composite is 20% of the funds raised.

**Risks.** Results may not be representative of all experiences and the benefit will vary based on the following variables:

- The institution’s fundraising income and goals.
- The institution’s costs of fundraising.
- The institution’s effective use of Salesforce in a fundraising use case.

**Results.** To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV of \$178,800.

Improved Fundraising, Advancement, And Alumni/Donor Engagement					
Ref.	Metric	Source	Year 1	Year 2	Year 3
E1	Operating revenue	Composite			\$1,000,000,000
E2	Percent of operating revenue derived from gifts and contributions	Composite			1.4%
E3	Budget for gifts and contributions	E1*E2			\$14,000,000
E4	Increase to gifts and contributions after the Salesforce investment	Interviews			10%
E5	Incremental funds raised with Salesforce	E3*E4			\$1,400,000
E6	Cost of fundraising	Composite			20%
Et	Improved fundraising, advancement, and alumni/donor engagement	E4*E5			\$280,000
	Risk adjustment	↓15%			
Etr	Improved fundraising, advancement, and alumni/donor engagement (risk-adjusted)		\$0	\$0	\$238,000
<b>Three-year total: \$238,000</b>			<b>Three-year present value: \$178, 813</b>		

## UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their institutions experienced but were not quantified for this study:

- **Students connect with peers and mentors through meaningful digital interactions.** The associate vice president of enterprise systems at a private university described working toward larger goals with Salesforce. They shared: “We created a prototype on Salesforce that allows students to go in and reflect upon a meaningful experience at the university. That could be anything from an internship they had to a day in a lab. It could be a paper they wrote in a class. It could be the class itself. It could be a conversation they had with their mentor. They write about the experience and tag learning competencies to that experience, and then they can track their growth in those learning competencies.” The interviewee said students can also choose fellow students or mentors and faculty across the university to review the self-reflection and give feedback. They said: “The skill is being built if the external feedback matches their internal focus. Then we built a rudimentary recommendation engine based on those competencies to suggest other courses and opportunities that the student might consider to build skills based on their reflection.”
- **Staff align long-term strategic goals against capabilities and roadmaps.** Interviewees said that because the Salesforce implementation frees resources and enhances data visibility, their institutions seized new opportunities to refocus on strategic goals and identify the concrete steps to achieve them. Interviewees reported early indicators of progress. The head of digital and marketing automation at a public university reported: “We worked with Salesforce to create a values map where we outlined the goals that we want to achieve: everything from empowering our

people to building personalized relationships to [saving] time. Then, we mapped the goals against our capabilities. We created a balanced scorecard values map, [and we’ve seen an] overall uplift in engagement across our core campaigns.”

- **Targeted marketing fuels budgeting efficiencies.** Interviewees said Salesforce enabled their teams to gauge levels of interest across prospective students and form different campaigns appropriate to each level. With more relevant messaging to targeted audiences, teams created effective advertisements and reduced costs. The head of digital and marketing automation at a public university said: “We’ve also had efficiencies in advertising budget savings, so if we’re spending £100,000, we might only have to spend £70,000 because it’s more efficient with our targeted audiences.”
- **Process standardization enables cross-team collaboration.** Several interviewees described increased cross-collaboration driven by their institution’s Salesforce investment. The CRM manager at a public university pointed specifically to the standardization of processes that Salesforce enabled. They shared, “Within different teams, we’re generating the same forms [and] we’re using the same systems across teams, which means we can support each other and work together more collaboratively.”

Interviewees said cross-departmental support and collaboration countered challenges in the prior states in which teams expressed suspicion of data they could not access or data that contradicted their own, which stalled progress. By eliminating this friction, teams moved forward to planning and execution.

## FLEXIBILITY

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

- **Creating a seamless, connected campus.** Several interviewees said their institution intends to expand the use of Salesforce to additional users and use cases to realize new opportunities. The head of digital and marketing automation at a public university in the United Kingdom said: “Our longer-term ambition is to create a connected campus similar to what a lot of the American universities have implemented to unite the early stages of marketing, prospecting, and inquiring all the way through to their student lives while they’re here and then beyond alumni. So, we want to create a seamless connected campus with that in mind.”
- **Expanding touchpoints beyond the student journey to the alumni journey.** Interviewees emphasized the importance of maintaining a connection to their institutions’ students after graduation. While following the interests and careers of alumni plays an important role in fundraising efforts, the interviewees expressed that a relationship of mutual support has community benefits and builds strong connections with the role of learning in a larger ecosystem.

The CRM manager at a public university said: “Marketing would benefit massively from a full university CRM that has the affiliations of our alumni. [Alumni] could have studied courses at undergrad or postgrad levels, participated in a number of clubs, and lived in different accommodation areas. They might [have] then [left] the university to work for local companies that we might engage for placements. The initial student relationship could evolve over time. The

student lifecycle might only be three years or so. But the reality is, their relationship is a lifetime relationship.”

This lifetime relationship results in career development and new opportunities for future students gained from the institution’s alumni network.

- **Supporting the lifelong learner.** Interviewees expressed interest in the way today’s students consider alternative paths to education or enroll in bootcamps or non-degree training to continue their education. Interviewees’ educational institutions were inspired to respond to these interests. The senior product manager IT at a public university said: “Our long-term strategy is to leverage Salesforce technologies for communication supporting all constituents at the university who are lifelong learners. We started with degree programs. Now, we’re moving into the lifelong learner and leveraging Salesforce to support, recruit, [and] communicate for extended education programs [and] non-degree programs for our alumni who want to come back.”

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

# 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
Ftr	Salesforce licensing	\$0	\$539,700	\$621,600	\$693,000	\$1,854,300	\$1,525,017
Gtr	Implementation costs	\$930,613	\$372,245	\$265,333	\$0	\$1,568,191	\$1,488,301
Htr	Change management and training	\$84,480	\$262,240	\$372,240	\$461,120	\$1,180,080	\$976,963
	Total costs (risk adjusted)	\$1,015,093	\$1,174,185	\$1,259,173	\$1,154,120	\$4,602,571	\$3,990,281

## SALESFORCE LICENSING

**Evidence and data.** The interviewees' institutions licensed user seats or community licenses, depending on the use case and the size of the institution. The institutions also licensed various add-on products from the Salesforce product set and AppExchange.

**Modeling and assumptions.** Based on interview results, Forrester assumes the following for the financial model:

- The composite institution increases the number of user seats each year, with licensing costs totaling \$504,000, \$567,000, and \$630,000 in Years 1, 2, and 3, respectively.
- The costs of add-on products from the Salesforce AppExchange total \$10,000, \$25,000, and \$30,000 in Years 1, 2, and 3, respectively.

- Pricing may vary. Contact Salesforce for additional details.

**Risks.** An institution's expected investment is subject to risks and variation based on several factors that may increase costs, including:

- The number and type of Salesforce Clouds in use, as well as the number of user seats needed to support institution use cases.
- The type and number of add-on AppExchange products purchased.
- Contract length.
- Discounts applied.

**Results.** To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$1.5 million.

Salesforce Licensing							
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3	
F1	Education cloud licensing	Composite	\$0	\$504,000	\$567,000	\$630,000	
F2	Add-on products licenses	Composite	\$0	\$10,000	\$25,000	\$30,000	
Ft	Salesforce licensing	F1+F2	\$0	\$514,000	\$592,000	\$660,000	
	Risk adjustment	↑5%					
Ftr	Salesforce licensing (risk-adjusted)		\$0	\$539,700	\$621,600	\$693,000	
<b>Three-year total: \$1,854,300</b>				<b>Three-year present value: \$1,525,017</b>			

## IMPLEMENTATION COSTS

**Evidence and data.** Interviewees' institutions began their Salesforce investments by deploying different use cases (most frequently deploying recruitment, student experience, or fundraising use cases) before expanding their adoption of Salesforce into other focus areas and departments. Interviewees reported that their institutions largely relied on contractors and outsourced efforts in the early implementation phase, and several renewed professional service contracts in subsequent years to assist with additional deployments.

- The vice president of planning, research, and institutional effectiveness and the director of CRM at a community college district initially deployed a recruiting use case at their institution and connected with consulting partners to help them achieve success. The director of CRM noted: "We had two implementation partners for about a year and a half. We have an additional implementation partner meeting with them about once a week to work on other integration-related issues for additional data. Our total for implementation was \$638,000 for implementation partner costs."
- The chief digital officer at a public university emphasized the importance of finding a partner with demonstrated Salesforce expertise. They said: "I expect we spend at least a million dollars with professional services each year. We worked very hard to match up with a systems integrator institution to help us with our Salesforce implementation, and it was really important that we brought in an institution that matched our values, but also [that it was] an institution that Salesforce respected."

The interviewee said their institution used a team of six people (including two contractors) over three months who applied 50% of their time to

learning the platform and then spent 80% of their time managing the platform. The interviewee also said administrators spent time in an induction program: For three months, they spent 50% of their time on this program, and they continuously spend 2 hours per week for advanced development. The interviewee said: "The absolute key to success for implementation is [that] everyone has to bring some love to the party. And that means from time to time, we have to have some difficult conversations if we hit a speed bump and [have to decide] how to negotiate it. Thus far, I really say it's an exemplar of one of our best partnerships between the systems integrated, Salesforce, [and the university]. It's working really well."

- The associate vice president of enterprise systems at a private university said their institution began with three concurrent workstreams with a team of 12 on each workstream. They said: "It was about between a \$10 [million] and \$12 million project [over four years] once the dust settles: two years [for] planning and launch, then two years [for] stabilization." Since the private university had started with a capital campaign, the Salesforce implementation was a board-funded project.
- The president and chief executive officer at a private college explained that the IT department at their institution is outsourced for scalability. The interviewee said: "[The partner] provides everything from network architecture to servers to programmers, including finding programmers that have Salesforce experience in lieu of hiring. Right now, it is about including help desk and strategy. We have about 15 IT people, but depending on the amount of IT projects we have, they increase and decrease hours based on our needs. [They work] 40 to 50 hours a week, minimum."

**Modeling and assumptions.** Based on interviewee results, Forrester assumes the following for the financial model:

- The composite institution relies heavily on a professional services partner for two separate Salesforce deployments. This begins with a recruitment and student experience use case in Year 1 and expands to a fundraising and advancement use case in Year 2. The initial cost of the partner is \$756,000. With success using the platform, the institution dedicates internal resources to additional use-case deployments, which decreases the reliance on system integrators/consulting partners. Professional services total \$302,400 and \$151,200 in Years 1 and 2, respectively.
- Three internal resources support use-case deployments for 13 weeks in the initial deployment and five weeks in Year 1 for the recruitment and student-experience use cases and 13 weeks in Year 2 for the fundraising and advancement use case.

- The burdened weekly cost of a technical resource who performs additional deployments is \$2,308.

**Risks.** An institution’s expected investment is subject to risks and variation based on several factors that may increase costs or extend deployment, including:

- The institution’s system requirements, integrations, and security requirements.
- The institution’s ability to dedicate internal resources and the burdened cost of internal resources.
- The costs, capabilities, and effectiveness of the professional services purchased.

**Results.** To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of \$1.5 million.

Implementation Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
G1	Professional services fees for implementation and consulting	Composite	\$756,000	\$302,400	\$151,200	
G2	Technical IT resources who work on implementation	Composite	3	3	3	
G3	Weeks of internal implementation efforts	Composite	13	5	13	
G4	Weekly burdened cost of an IT resource (rounded)	TEI standard	\$2,308	\$2,308	\$2,308	
Gt	Implementation costs	G1+ (G2*G3*G4)	\$846,012	\$338,405	\$241,212	
	Risk adjustment	↑10%				
Gtr	Implementation costs (risk-adjusted)		\$930,613	\$372,245	\$265,333	\$0
<b>Three-year total: \$1,568,191</b>			<b>Three-year present value: \$1,488,301</b>			



## CHANGE MANAGEMENT AND TRAINING

**Evidence and data.** Several interviewees emphasized the importance of change management in higher education and described finding success through collaboration, stakeholder buy-in, change-management advocacy, and strategic focus in use cases that demonstrated early successes as they deployed Salesforce across distributed institutions.

- The senior product manager IT at a public university said their institution began with an experience center to provide service to all constituents — specifically students. The interviewee said: “Once we did that, then there [were] departments to expand to. Salesforce is the application that will be used universitywide to address student service. Then, we looked at the critical student service areas — registrar, financial aid, [and] recruitment — to leverage the technology to provide student service. As a result of that, we grew it to the colleges and the administrative departments.”
- The chief digital officer at a public university said their institution spent three to six months capturing requirements from across the university and emphasizing the importance of collegiality. They said: “Universities thrive on collegiality and an enormous amount of collegiality is the best way to start an initiative. Salesforce [representatives] were in the room to help with understanding what people needed and where that fit in with the enterprise needs.” The institution then completed a three-month exercise for creating the data architecture. The chief digital officer estimated that the total implementation time for Salesforce was two years.
- The same interviewee said that to train internal resources how to use the platform, their institution required administrators to spend 50% of their time for three months in a full administrator education program and that they continuously spend 2 hours per week for in the

program for advanced development. The institution also incurred third-party license costs of \$300 per year for 4,000 staff members and provided a 1-hour session every year for about 500 staff members across the university to refresh the knowledge on new releases and capabilities.

The president and chief executive officer at a private college said continuous training takes a minimum of 4 hours every two weeks for all staff members, with the next 18 weeks earmarked for Salesforce.

And the associate vice president of enterprise systems at a private university estimated that it takes approximately 20 hours of training to become a power user.

**Modeling and assumptions.** Based on interviewee results, Forrester assumes the following for the financial model:

- Two, three, and four FTEs actively advocate for change management and adoption in Years 1, 2, and 3, respectively.
- The burdened annual cost of a resource performing change management and adoption advocacy is \$100,000.
- The institution provides an initial 40 hours of training: 20 hours of training in both Years 1 and 2, and 10 hours of training in Year 3 to power users.
- Forty power users participate in training in the initial period. Twenty power users participate in training in both Years 1 and 2. Ten power users participate in training in Year 3.
- The average hourly cost of a resource who participates in training is \$48.

**Risks.** An institution’s expected investment is subject to risks and variation based on several factors that may increase costs or extend deployment, including:

- The number of Salesforce power users at the institution.
- The number and type of resources that the institution dedicates to change management.
- Formal Salesforce training opportunities that the institution provides.

**Results.** To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of \$977,000.

Change Management And Training						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
H1	FTE Salesforce administrators and adoption advocate/change managers	Composite	0	2	3	4
H2	Burdened cost of a Salesforce administrator	Composite	\$0	\$100,000	\$100,000	\$100,000
H3	Number of power users who participate in training	Composite	40	20	20	10
H4	Training hours	Composite	40	40	40	40
H5	Burdened cost of trained resources (rounded)	Composite	\$48	\$48	\$48	\$48
Ht	Change management and training	(H1*H2)+ (H3*H4*H5)	\$76,800	\$238,400	\$338,400	\$419,200
	Risk adjustment	↑10%				
Htr	Change management and training (risk-adjusted)		\$84,480	\$262,240	\$372,240	\$461,120
<b>Three-year total: \$1,180,080</b>			<b>Three-year present value: \$976,963</b>			

# Voice of the Customer

## Change Management for Higher Education

Several interviewees emphasized the importance of change management for a successful technology deployment in higher education and provided advice to other institutions deploying Salesforce.

“We do lots of communication and discovery. We have people walk through processes early. We have the stakeholder group and the cheerleaders. That’s key: having the stakeholders communicate [to the institution] versus the technical staff.”

— *Vice president of planning, research, and institutional effectiveness, community college district*

“Do your homework. Make sure that you have a champion with authority and experience in understanding both the technology side and the business side. I think a lot of [institutions] put their CIO in charge of [the Salesforce investment], and the CIO is great at the technology but [they don’t] necessarily understand the cadence of the business. If you are a small nonprofit, you can’t take a process that works and transform it for a multifaceted institution without having somebody in charge who understands both the technology and the business processes. Make sure that you are very clear in your desired outcomes and expected deliverables.”

— *President and chief executive officer, private college*

“I often say there’s not many bad software products, but there’s tons of bad software implementations. Sometimes it’s due to not bringing the right partners to the table. Sometimes we get too smart and try to do the wrong things with a piece of software. ... Years ago, we did lots of customization, and now we’ve learned that we have to implement as much out of the box as we possibly can to make future upgrades easy. We’ve gotten smarter over the years, which is great. ... [My advice is to] learn from everyone you possibly can about the ways to get [implementation] done right. [Salesforce for Education] is a big platform. There’s good advice to be had from Salesforce [representatives]. There’s good advice to be had from partner organizations like systems integrators. But there’s great advice to get from other institutions that have already implemented and done it well. So, just talk, seek knowledge, and utilize the best of it.”

— *Chief digital officer, public university*

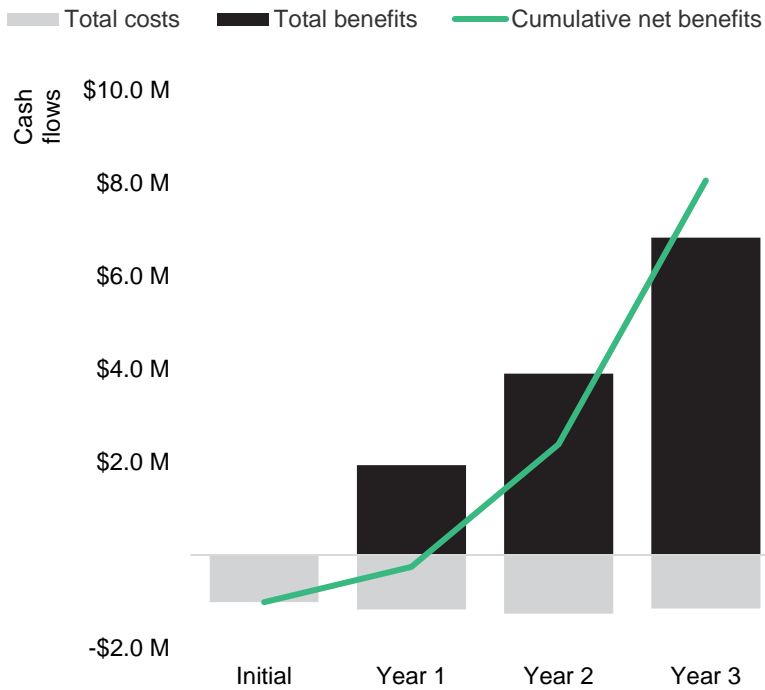
“Change management in higher [education] is hard. We saw more success when one system replaced another system. We then had slower adoption for enhancements to core processes and not replacements of their day-to-day work. So, in those cases, we really tried to find one critical area that the Salesforce system would do that the old system wouldn’t do and then try to win them over with carrots based on that new feature.”

— *Associate vice president of enterprise systems, private university*

# Financial Summary

## CONSOLIDATED THREE-YEAR RISK-ADJUSTED METRICS

### 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 composite institution'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	(\$1,015,093)	(\$1,174,185)	(\$1,259,173)	(\$1,154,120)	(\$4,602,571)	(\$3,990,281)
Total benefits	\$0	\$1,931,588	\$3,899,059	\$6,829,136	\$12,659,783	\$10,109,184
Net benefits	(\$1,015,093)	\$757,403	\$2,639,886	\$5,675,016	\$8,057,212	\$6,118,903
ROI						153%
Payback						14 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."

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.



### 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.

## Appendix B: Endnotes

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<sup>1</sup> 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.

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