

The Total Economic Impact™ Of Adobe Experience Cloud

Cost Savings And Business Benefits Enabled By Adobe Experience Cloud

A Forrester Total Economic Impact™ Study
Commissioned By Adobe, June 2024

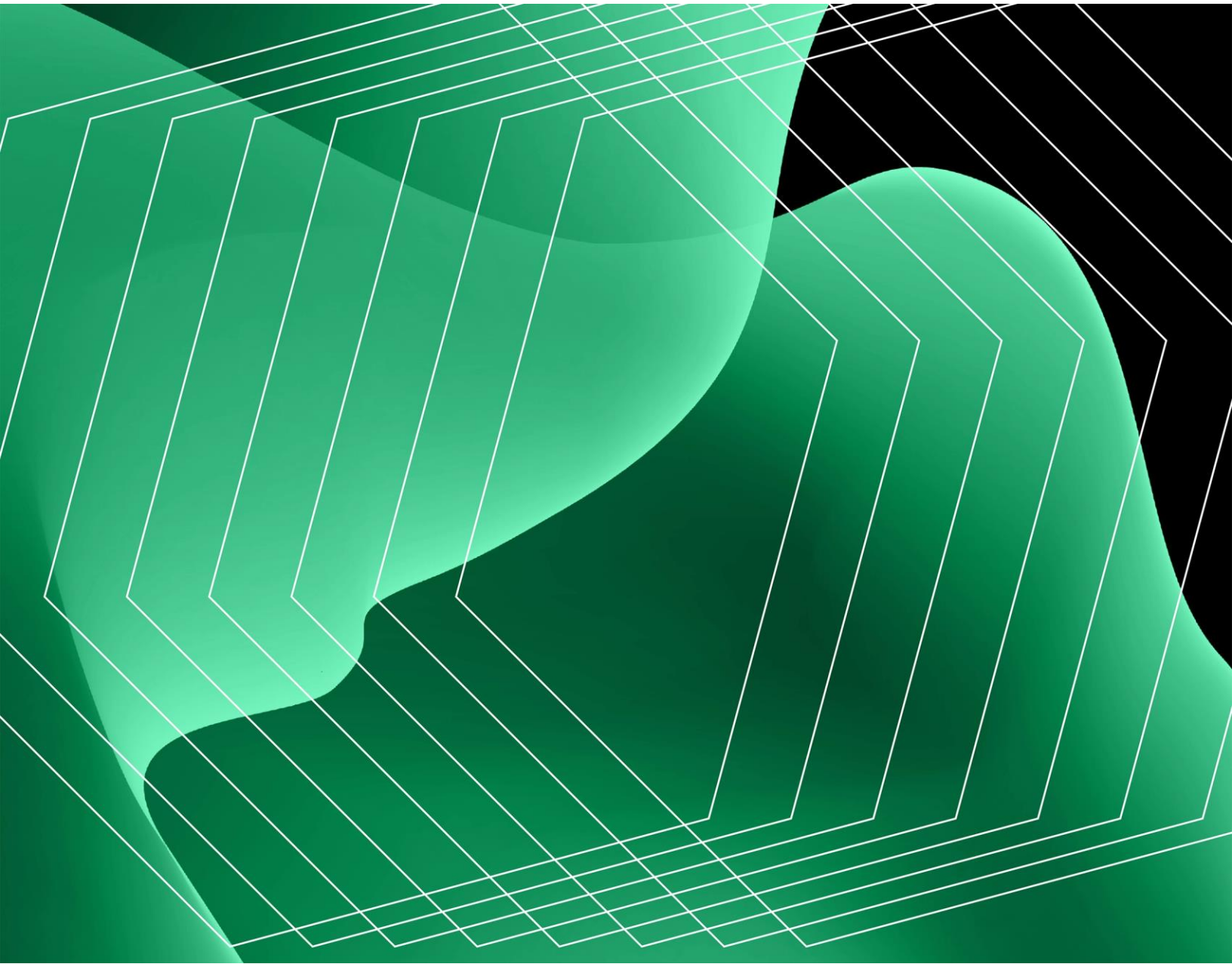


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Executive Summary

B2B and B2C marketers are often operating in a DIY or best-of-breed technology approach, which creates silos across customer data, insights, marketing planning, and marketing execution.¹ These challenges can lead to downstream difficulties in engaging customers and thus limiting potential revenue growth. Adobe Experience Cloud can address these challenges with its end-to-end suite of applications built for supporting personalized customer experiences.

[Adobe Experience Cloud](#) is comprised of a suite of applications that support each step of creating the customer experience, including:

- Adobe Advertising
- Adobe Analytics
- Adobe Audience Manager
- Adobe Campaign
- Adobe Commerce
- Adobe Customer Journey Analytics
- Adobe Experience Manager Assets
- Adobe Experience Manager Forms
- Adobe Experience Manager Sites
- Adobe Experience Platform
- Adobe Journey Optimizer
- Adobe Marketo Engage
- Adobe Mix Modeler
- Adobe Product Analytics
- Adobe Real-Time Customer Data Platform (CDP)
- Adobe Target
- Adobe Workfront



Return on investment (ROI)

333%



Net present value (NPV)

\$41.5M

Adobe commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying applications from Adobe Experience Cloud.² The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Experience Cloud on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed representatives at four organizations and surveyed 116 employees using Adobe Experience Cloud at their organization. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single [composite organization](#) that is a global, industry-agnostic, enterprise-sized company with \$5 billion in annual revenue and 15,000 employees.

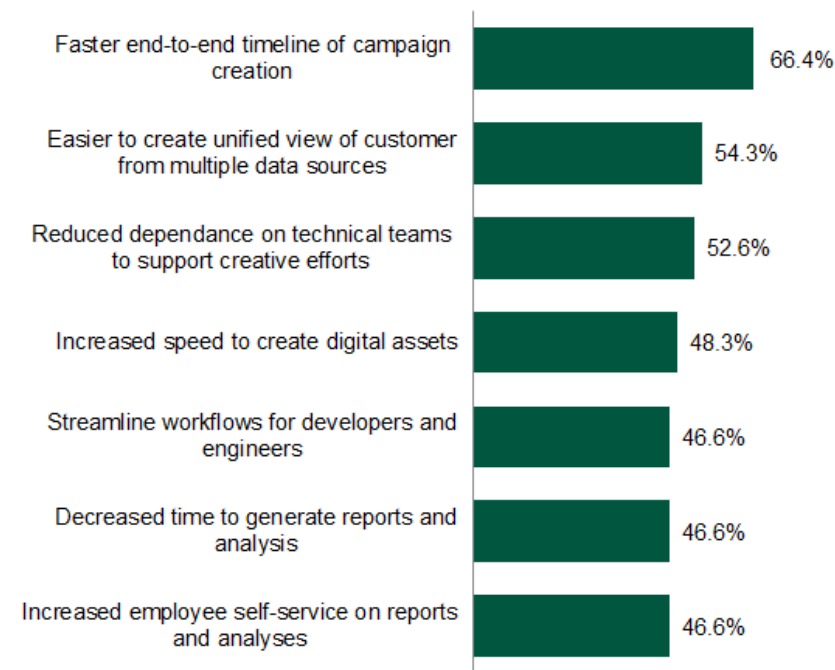
Interviewees and survey respondents said that prior to using Adobe Experience Cloud, their organizations had several analytic, marketing technology (martech), and project management tools in place. Interviewees' organizations also had some solutions built in-house to support performance analysis and content production. However, the variety in technologies used meant every tool did not fully integrate with each other. Teams using these tools frequently faced customer data incorrectly flowing through systems, either going missing, arriving at the wrong destination, or not exporting at all.

As a result, analysts at the interviewees' organizations struggled to conduct deep analysis on campaign performance and create granular customer segments. In turn, marketers had difficulties personalizing customer experiences and ensuring customers received relevant messaging. Interviewees noted that project managers working to fix these issues regularly endured new and reoccurring technical errors, which led to campaign delays. Interviewees recognized these challenges were creating poor customer experiences and placing business opportunities at risk.

After investing in Adobe Experience Cloud, the interviewees were able to align data flows to create accurate customer profiles and segments. Marketers then built more

engaging customer journeys with relevant notifications and content that could be updated in real time. Creation and management of these projects became streamlined and resulted in time savings across teams. Interviewees also saw increased business performance (e.g., higher conversions, increased consumer spending) around campaigns supported by Adobe Experience Cloud.

“Which of the following benefits has your team experienced as a result of your investment in Adobe Experience Cloud solutions?”



Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Note: Showing top seven responses
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 2024

KEY FINDINGS

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

- **Analysts are 30% faster at creating personalized digital customer experiences.** Marketers at the composite organization save time with Adobe Experience Manager's templates and assets enabling self-service to create end-to-end web experiences. Adobe Audience Manager and/or Real-Time CDP streamlines targeting messaging to specific audiences within experiences created with Adobe Campaign or Journey Optimizer. Adobe Workfront ensures project managers have full visibility over the status of projects, mitigating time spent on back-and-forth check-ins on progress. The composite organization recognizes over \$6.5 million of value in productivity time savings over three years.

Increase in speed when iterating and revising in-flight digital customer experiences

45%

- **Analysts are 40% more efficient at analyzing marketing campaigns and content.** Alongside Adobe Analytics, the composite organization uses Customer Journey Analytics and Real-Time CDP to better understand marketing performance drivers like engagement across specific audiences and channel attribution. These tools help analysts avoid manual work that would have been required to uncover similar insights. Adobe Target helps analysts quickly run A/B tests and determine which experiences perform better with audiences. The composite organization saves over 16,600 hours in time spent on analysis by Year 3 when using these tools.
- **Developers spend 20% less time supporting digital experience creation.** At the composite organization, marketers send developer and IT support fewer

requests as a result of increased self-service driven by Adobe Experience Manager's low-code templates and content fragment reuse. Developer and IT recoup over 1,600 hours in bandwidth to reallocate toward more of their day-to-day tasks.

- **Ad spending at the organization is more efficient by 20%.** With analytics tools providing deeper insights on campaign performance and tools to better target customers, marketers are more informed on when and where to allocate ad spending. Every dollar spent by the composite organization is stretched further to ensure relevant advertising reaches customers and spend doesn't go to waste. By Year 3, the composite organization decreases its spending by \$5 million.
- **Millions in costs toward legacy solutions are avoided.** Prior to Adobe Experience Cloud, each of the solutions from the composite organization's approach incurred maintenance and service fees. By Year 3, the composite organization avoids \$1 million in annual fees by offloading those solutions in favor of the end-to-end Adobe Experience Cloud suite.
- **Digital customer conversions grows by 15%.** Adobe Experience Cloud enables the composite organization to create more relevant, personalized content to engage customers. The size of website visitors grows as well as the number of customers making purchases, generating \$300 million in revenue by Year 3.
- **Digital customer retention improves by 6%.** Marketers personalizing messaging and fine-tuning ad spend practices results in customers receiving less repetitive experiences making them more favorable toward the organization and easier to retain. Greater retention of customers produces nearly \$55 million in additional revenue by Year 3.
- **Profit per digital conversion climbs by 5%.** More contextually relevant messaging from the composite organization makes customers feel more compelled to purchase higher-ticket items or take advantage of promotions. At the composite organization, greater spending per conversion results in \$276 million in additional revenue by Year 3.

- **Offline customer conversions grow by 2%.** The composite organization ties together online and offline engagement data into robust customer profiles (through Real-Time CDP) to create highly personalized digital messaging using Journey Optimizer and drive in-person business, which it compare against digital performance with Customer Journey Analytics. These capabilities drive \$12 million in annual revenue by Year 3.

Unquantified benefits. Benefits that provide value for the interviewees' organizations but are not quantified for this study include:

- **Offline revenue generation.** Through the three Adobe applications, interviewees' organizations stitched together offline and online data to deepen customer insights and create richer customer experiences across all channels. Location data helped marketers tailor notifications to regional or local audiences more accurately, driving in-store foot traffic. Meanwhile, the real-time speed with which data was collected helped the interviewees' organizations retarget faster, including follow-up phone calls with customers to close deals.
- **Call center savings.** Interviewees delivered insights directly to call center operators during customer support calls, reducing the time it took operators to sufficiently answer customer questions and reducing call times.
- **Seamless Adobe connectivity and centralization of work.** Interviewees noted that the common workflows of the Adobe applications eliminated technical gaps that could create headaches for employees. Data was correctly pulled through the applications and mitigated the occurrence of lengthy back-and-forth conversations between IT and marketing to address issues. Meanwhile, moving data between Adobe applications without transferring outside of the ecosystem eased concerns around data security.
- **Improved employee work experience.** Interviewees appreciated having Adobe's end-to-end customer journey tools to support their day-to-day work. Managers supervised projects to ensure employees received support so they did not feel overwhelmed with work and ensured projects met deadlines.

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

- **Adobe Experience Cloud software costs.** The composite organization pays an annual cost based on the number and types of Adobe solutions used, the number

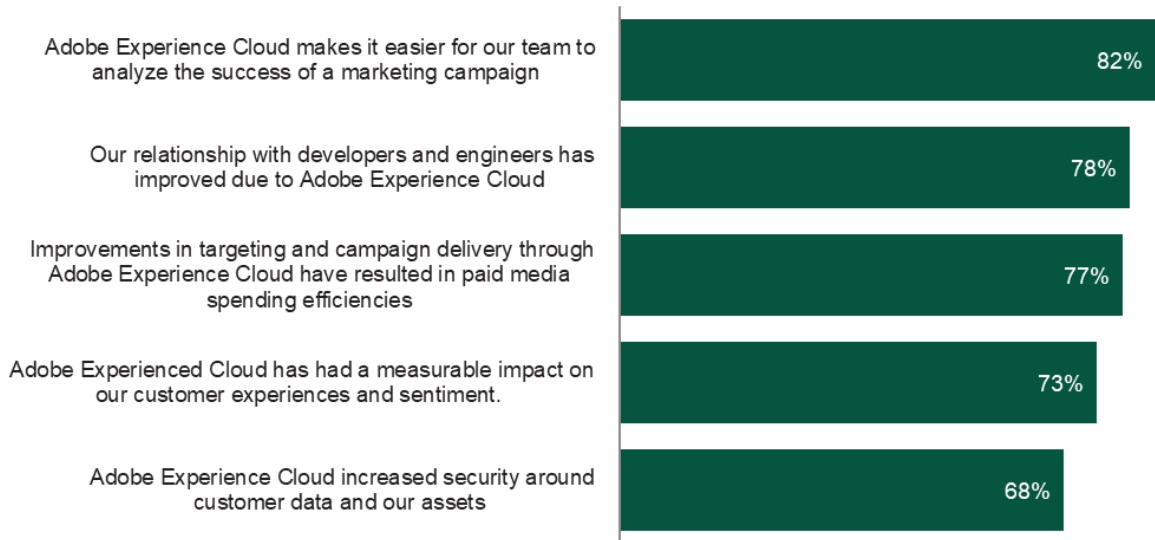
of employees using the solutions, and/or or the scale at which they leverage the solutions.

- **Ongoing professional and managed service costs.** The composite allocates costs to professional service firms to support implementation and ongoing management of Adobe Experience Cloud solutions.
- **Premium costs of new hires.** The composite organization adds new hires that have previous expertise with leveraging solutions from Experience Cloud. It pays a premium for employees with this expertise.
- **Training costs.** Power users of Adobe Experience Cloud solutions take upwards of a week each year to familiarize themselves with new Adobe products or stay current with changes made to existing products. Casual self-service users spend a couple of days taking training courses and educating themselves about the Adobe solution they use.

The financial analysis which is based on the interviews and survey found that a composite organization experiences benefits of \$53.9 million over three years versus costs of \$12.4 million, adding up to a net present value (NPV) of \$41.5 million and an ROI of 333%.

“On a scale of 1 to 5, how much do you agree with the following statements regarding Adobe Experience Cloud’s impact on your organization?”

(Showing “Agree” and “Completely agree”)



Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 2024

Total additional profit from Adobe Experience Cloud use

\$43.8 million

“At Adobe Summit, we saw the significant investment Adobe was making and the benefit of native integration capabilities. It’s ultimately what tipped the scales and pushed us from a best-in-breed strategy to a one solution to rule them all strategy.”

HEAD OF MARTECH PLATFORMS, FINANCIAL SERVICES



Return on investment
(ROI):

333%



Benefits PV:

\$53.9M



Net present value
(NPV):

\$41.5M



Payback:

<6 months

Benefits (Three-Year)



TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews and survey, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Adobe Experience Cloud.

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 Adobe Experience Cloud can have on an organization.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Adobe 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 Adobe Experience Cloud.

Adobe 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.

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

Forrester fielded the double-blind survey using a third-party survey partner.

Due Diligence

Interviewed Adobe stakeholders and Forrester analysts to gather data relative to Adobe Experience Cloud.

Interviews And Survey

Interviewed representatives at four organizations and surveyed 116 respondents at organizations using Adobe Experience Cloud to obtain data about costs, benefits, and risks.

Composite Organization

Designed a composite organization based on characteristics of the interviewees' and survey respondents' organizations.

Financial Model Framework

Constructed a financial model representative of the interviews and survey using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees and survey respondents.

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 Adobe Experience Cloud Customer Journey

Drivers leading to the Adobe Experience Cloud investment

KEY CHALLENGES

Forrester interviewed representatives at four organizations and surveyed 116 respondents with experience using Adobe Experience Cloud at their organizations. For more details on these individuals and the organizations they represent, see [Appendix B](#).

Prior to Adobe Experience Cloud, interviewees and survey respondents said their organizations leveraged several best-of-breed solutions to oversee end-to-end customer experiences, including analysis, content creation and orchestration, project management, and other tools. Some interviewees and survey respondents noted their organizations had also elected to build in-house solutions to support performance analysis and content production.

Both interviewees and survey respondents noted how their organizations struggled with common challenges as a result of this approach, including:

- **Slow and low visibility on marketing performance with customers.**
Interviewees noted that data from their organizations' various tech solutions resided in siloes at their data centers. Collecting customer data to build audience segments was a manual, tedious process that made for inaccurate groupings of customers based on how long it took to complete analysis. Teams struggled to produce granular insights with data sets either requiring formatting to be uploaded to their analytics tools and varying levels of depth in recorded customer data with each marketing tool.
- **Poor alignment across teams in creating customer experiences.**
Interviewees had several teams individually assigned to marketing tools and brought in agency support for analytics tools. There was very little day-to-day collaboration beyond a handful of managers overseeing cross-team initiatives. Customers frequently received similar messaging across channels or after they

had already converted or engaged with marketing material, creating negative customer experiences. Marketers were unable to scale upon positive experiences because they lacked coordination to create a customer journey where channels and messages worked together to create a unified experience.

- **Lack of relevancy of customer experiences.** Marketing teams struggled to personalize customer experiences and target messaging based on slow incoming performance and customer engagement data. As a result, the interviewees and survey respondents' organizations missed opportunities to send relevant messaging to leads who were likely to convert or spend more on their business. The head of martech platforms from a financial services organization cited issues with a lack of unification between platforms and poor data availability for marketers' self-service needs. This prohibited them from making highly targeted campaigns.

INVESTMENT OBJECTIVES

The interviewees and survey respondents searched for a solution that could:

- Drive customer engagement and revenue growth with personalized, more relevant customer experiences.
- Break down data silos to create unified customer profiles with up-to-date information.
- Support end-to-end creation and management of customer experiences.
- Streamline employee self-service of tools and accelerate project development.

“What are some key factors that drove adoption of Adobe Experience Cloud solutions?”



Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 2024

COMPOSITE ORGANIZATION

Based on the interviews and survey, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the interviewees at four organizations and the 116 respondents, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The composite organization is a global, industry-agnostic, enterprise-sized company with \$5 billion in annual revenue and 15,000 employees. Among total revenue, \$2 billion comes from e-commerce business. Before adopting solutions from Adobe Experience Cloud, the composite organization leaned a best-of-breed approach toward building customer journeys. However, this approach yielded limited insights with customer data residing in silos, solutions required regular maintenance to correctly work together, and marketers struggled to personalize customer experiences with relevant messaging.

Deployment characteristics. There is not a single “correct” path to follow in the adoption of applications from Adobe Experience Cloud, nor is there an exact timeline. The path will vary based on company goals.

For the composite organization, Adobe Analytics, Adobe Experience Manager Assets, Forms, and Sites, and Adobe Target are deployed in Year 1. The composite organization adopts these solutions to build out its digital presence with Adobe tools, including its website and marketing material; analyze website performance; and test out responses to newly created content. It also begins migrating customer data over to Adobe Real-Time Customer Data Platform to begin understanding customer behavior across online and offline channels. Adobe Workfront is adopted to oversee work around projects originating from Adobe tools.

In Year 2, the composite organization adopts Adobe Campaign, Adobe Audience Manager, Adobe Customer Journey Optimizer, and Adobe Journey Analytics to begin creating customer journeys and building audience segments and customer profiles at which to target its messaging. By Year 3, the composite becomes more mature with these applications to create more personalized customer journeys and better understand which marketing approaches (e.g., channel, message type) perform best with customers.

Forrester assumes the composite organization continues to adopt additional Adobe Experience Cloud applications after the three-year period of analysis.

At the composite organization, 150 power users begin using Adobe Experience Manager in Year 1 as well as incorporating insights from Analytics and Target to their work. A portion of the users work toward building customer profiles in Real-Time CDP. As adoption of Adobe Experience Cloud applications grows and best practices are shared, the number of power users increases to 175 in Year 2 and 200 in Year 3.

For the analysis tools, there are 10 dedicated analysts to leveraging Adobe Analytics, Real-Time CDP, and Target in Year 1. The number of analysts also grows to 15 in Year 2 and 20 in Year 3 as more teams adopt the tools and begin incorporating Adobe Journey Optimizer into their workflows. Meanwhile, for technical support for Adobe projects there are 20 developers allocating 20% of their time toward these projects.

Key Assumptions

\$5 billion in annual revenue

Industry-agnostic

15,000 employees

200+ Adobe users

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	Employee productivity on customer experience projects	\$1,790,100	\$2,668,575	\$3,580,200	\$8,038,875	\$6,522,655
Btr	Customer experience performance analysis efficiency	\$245,700	\$515,970	\$786,240	\$1,547,910	\$1,240,499
Ctr	Developer productivity on customer experience projects	\$59,904	\$89,856	\$119,808	\$269,568	\$218,733
Dtr	Efficiency in advertising, marketing, and technology costs	\$3,400,000	\$4,300,000	\$5,120,000	\$12,820,000	\$10,491,360
Etr	Profit from additional digital customer conversions	\$6,400,000	\$8,000,000	\$9,600,000	\$24,000,000	\$19,642,374
Ftr	Higher digital profit generation with Adobe Experience Cloud	\$2,112,000	\$5,040,000	\$8,832,000	\$15,984,000	\$12,720,902
Gtr	Profit from improved digital customer retention	\$316,416	\$931,328	\$1,748,992	\$2,996,736	\$2,371,387
Htr	Profit from additional offline conversions with Adobe Experience Cloud	\$192,000	\$288,000	\$384,000	\$864,000	\$701,067
Total benefits (risk-adjusted)		\$14,516,120	\$21,833,729	\$30,171,240	\$66,521,089	\$53,908,977

EMPLOYEE PRODUCTIVITY ON CUSTOMER EXPERIENCE PROJECTS

Evidence and data. Interviewees and survey respondents spoke of accelerated production timelines on creative projects with Adobe Experience Manager providing templates and tools to construct dynamic webpages and engaging pieces of content. Among survey respondents, two-thirds of Adobe Experience Cloud users (66.4%) saw a faster end-to-end timeline of campaign creation, and over half of those respondents (51.4%) identified recommendations on visualizations as a key feature driving efficiencies.

Among interviewees, Experience Manager's core component library and its taxonomy for locating components was easy for users to learn, helping their organizations manage

scale. For example, the tribe architect noted their manufacturing organization manages over 200 different websites from a single component library with Adobe, regularly leveraging headless content fragments across web pages and apps.

Interviewees also appreciated greater visibility of pages in the authoring stage requiring approval from managers or compliance; they were easier to find and receive sign off in quick order. The head of martech platforms at a financial services company cited that a planned 24-week implementation of a site with 40 to 50 pages took four weeks with Adobe in place.

Project timelines at the interviewees' organizations were further accelerated by marketers being more equipped to quickly personalize content. With applications like Adobe Audience Manager and Real-Time Customer Data Platform, marketers found it easier to pull data sets and identify channel engagement around specific audience sets or customers, then quickly make changes in response through Campaign or Journey Optimizer.

The director of customer experience (CX) capabilities at a retailer said: "In the past, you would have to build in expectations around a delay when making a big tweak to a campaign because of the manual pull of customer data. There's a nimbleness now in being able to execute at scale and make changes on the fly. ... It's a key time savings to take a campaign that was targeted around a group of people and pivot to a different group because you don't have to make any changes to data, the campaign iterates [personalized messaging] based on the data source."

Adobe Workfront tied efficiencies for marketers together by providing visibility into the status of projects and what team members were currently working on. Less time was wasted on back-and-forth communication between members on projects, Workfront's self-service functionality made it easy for marketers to broadly adopt across organizations and quickly see time savings.

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- The number of FTEs (both power users and part-time users) working with Adobe Experience Cloud solutions increases from 150 in Year 1 to 200 in Year 3 as the composite organization establishes and shares best practices for each tool

among teams in different departments or regions and as it adds more Adobe tools each year.

- The term “first-run customer experience digital projects” refers to planning and creating projects across either marketing or content creation teams. The FTEs dedicate three-quarters of their time (1,560 working hours each) to these projects. The efficiency recognized in this work climbs incrementally from 20% in Year 1 to 30% in Year 3 as the composite organization becomes more mature with leveraging the solutions and as more employees use them.
- Each FTE dedicates one-quarter of their time (520 working hours each) to iterating on customer experience projects. The FTEs gain 30% efficiency working on these projects in Year 1, which increases to 45% in Year 3. This gain is driven by the creation of low-code templates and reusable assets to start from in Adobe Experience Manager. As the composite organization creates and adds more assets to its content library, it realizes more time savings.
- The average fully burdened hourly rate for each employee using an Adobe Experience Cloud solution is \$60.
- Employees rededicate 50% of their time savings toward additional work, and they use the remaining 50% to take longer lunch breaks or work fewer late nights, which qualitatively improves the employee experience.

Risks. Differences across organizations that may impact the benefits include the following:

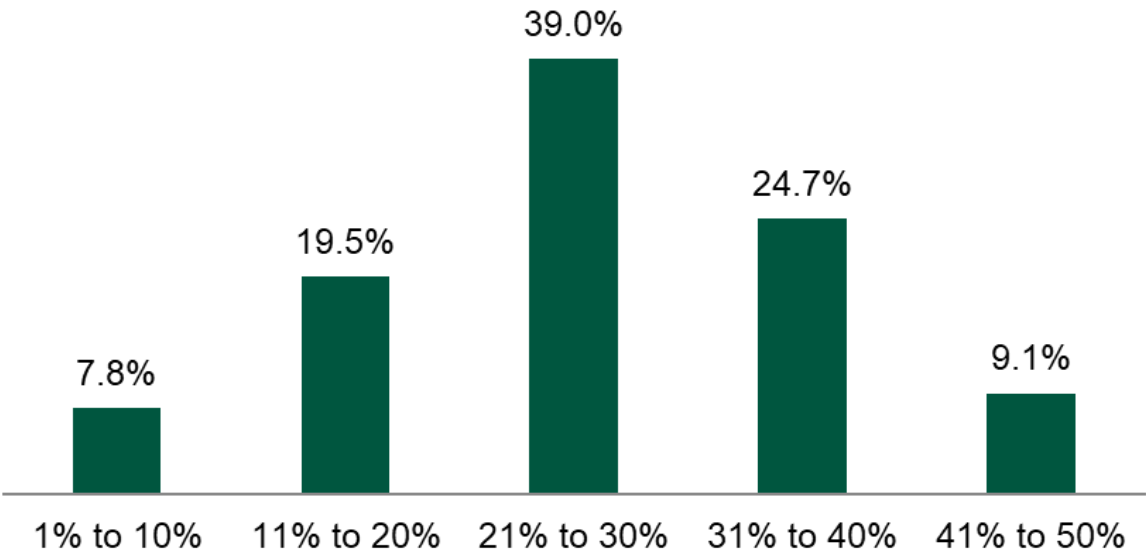
- The types of Adobe Experience Cloud solutions the organization leverages and the internal goals with those products could lead to more complex processes and lower efficiency improvements.
- The number of employees who leverage Adobe Experience Cloud solutions for customer experience projects.
- The hourly rate for employees.

Results. To account for these risks, Forrester adjusted this benefit downward by 15%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$6.5 million.

30%

Percentage efficiency on first-run digital projects with Adobe Experience Cloud solutions

“Using your best estimate, what has been the percentage reduction in time spent for campaign creation since your investment in Adobe Experience Cloud solutions?”



Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 2024

Employee Productivity On Customer Experience Projects					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Number of FTEs (full-time equivalent non-IT) working on digital projects (e.g., content, digital assets, marketing campaigns, etc.)	Composite	150	175	200
A2	Percentage efficiency on first-run digital projects with Adobe Experience Cloud solutions	Survey	20%	25%	30%
A3	Subtotal: Time savings on first-run digital projects	A1*A2*1,560 working hours	46,800	68,250	93,600
A4	Percentage efficiency on digital project iterations with Adobe Experience Cloud solutions	Survey	30%	40%	45%
A5	Subtotal: Time savings on digital projects	A1*A4*520 working hours	23,400	36,400	46,800
A6	Fully burdened hourly rate for an employee	TEI standard	\$60	\$60	\$60
A7	Productivity recapture	TEI standard	50%	50%	50%
At	Employee productivity on customer experience projects	$(A3+A5)*A6*A7$	\$2,106,000	\$3,139,500	\$4,212,000
	Risk adjustment	↓15%			
Atr	Employee productivity on customer experience projects (risk-adjusted)		\$1,790,100	\$2,668,575	\$3,580,200
Three-year total: \$8,038,875			Three-year present value: \$6,522,655		

CUSTOMER EXPERIENCE PERFORMANCE ANALYSIS EFFICIENCY

Evidence and data. Among survey respondents, 82.8% agreed that Adobe Experience Cloud makes it easier for their team to analyze the success of a marketing campaign. This was the most agreed upon statement in the survey. Over half of these respondents (50.2%) found it easier to create a unified view of customer from multiple data sources, and nearly 48% of respondents said it decreased time to generate reports and analysis. Adobe Analytics was one of the most common applications from Adobe Experience Cloud interviewees' and survey respondents' organizations adopted due to the level of insight depth provided and integration flexibility with other solutions. The tribe architect at a manufacturing company shared that they have 450 projects with tags in Adobe Analytics' dashboards, providing immediate access to various teams and agencies with which they work.

Alongside Adobe Analytics, the interviewees noted their organizations were increasingly relying on Customer Journey Analytics and Real-Time CDP for deeper insights on campaign performance. The director of CX capabilities at a retailer said: “We’re using Customer Journey Analytics more than I thought we would because of the attribution we can do on campaigns. It’s a book of record for us to get quick reads on campaigns.” This interviewee’s organization used it alongside Real-Time CDP to analyze customer journeys and segments, extract data points, and make activation points in the customer journey around that data to activate it in shaping personalized experiences. While the process was more involved relative to Adobe Analytics, the tribe architect noted their organization was able to run continued analysis and implementation of those insights at scale.

With the addition of Adobe Target at interviewees’ organizations, there was greater flexibility in identifying how new messages performed with customers and then adjusting messaging based on engagement. The interviewees’ organizations started with a limited number of personalized experiences since building variants of a customer journey could take a lengthy amount of time to test. Adobe Target streamlined A/B testing of personalized experiences for the interviewees’ organizations to quickly see what engaged customers and further scale out the breadth customer journeys.

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- The number of employees who oversee customer experience and marketing analysis increases proportionally with the number of teams and departments using Adobe Experience Cloud products. The number of performance analysts doubled from 10 in Year 1 to 20 in Year 3.
- Percentage efficiency also increases from 25% in Year 1 to 40% in Year 3 as the composite organization connects more systems to Adobe Analytics for data collection.
- The average fully burdened hourly rate for a performance analyst is \$70.
- The composite organization sees 75% in time savings based on the assumption that less manual work allows employees to take more breaks and not overwork themselves.

Risks. Differences across organizations that may impact this benefit include the following:

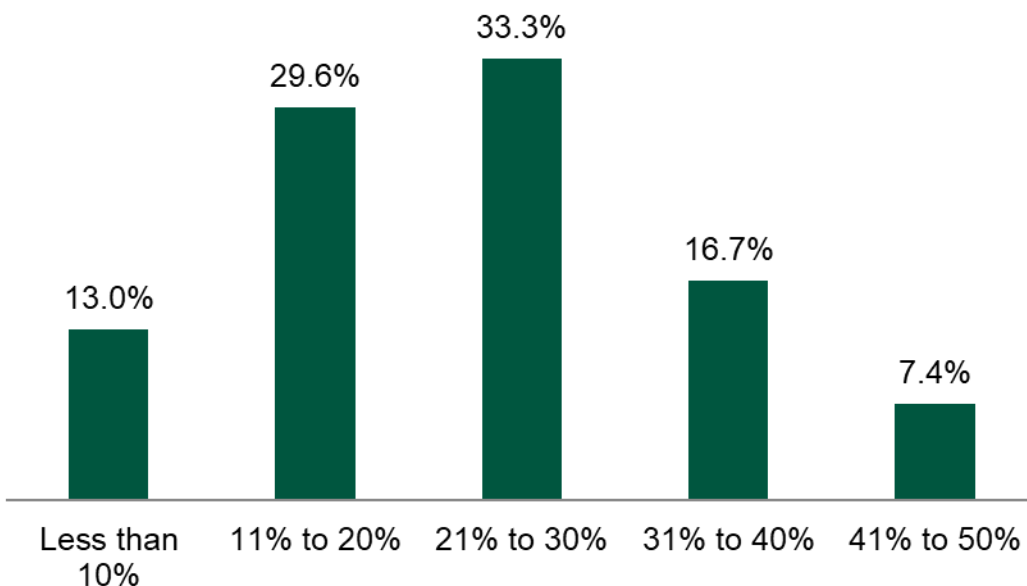
- The scale of data flowing into Adobe Analytics from which to draw insights.
- The number of performance analysts.
- The hourly rate for performance analysts.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$1.2 million.

40%

Percentage efficiency in performance analysis

“With Adobe Experience Cloud, what is the percentage reduction in time you have seen required to create a report or analysis?”



Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 202

Customer Experience Performance Analysis Efficiency					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Number of employees overseeing performance analysis	Composite	10	15	20
B2	Percentage efficiency in performance analysis	Survey	25%	35%	40%
B3	Subtotal: Time savings on performance analysis	A6*2,080 hours*A7	5,200	10,920	16,640
B4	Fully burdened hourly rate for a performance analyst	TEI standard	\$70	\$70	\$70
B5	Productivity recapture	TEI standard	75%	75%	75%
Bt	Customer experience performance analysis efficiency	B3*B4*B5	\$273,000	\$573,300	\$873,600
	Risk adjustment	↓10%			
Btr	Customer experience performance analysis efficiency (risk-adjusted)		\$245,700	\$515,970	\$786,240
Three-year total: \$1,547,910			Three-year present value: \$1,240,499		

DEVELOPER PRODUCTIVITY ON CUSTOMER EXPERIENCE PROJECTS

Evidence and data. Interviewees' creative and marketing teams relied on their organizations' developers and IT employees to support more technically challenging customer journey projects. Typically, these requests related to coding web pages but recently have grown to include incorporating generative AI into personalized content.

Adobe Experience Manager's easy-to-use, low-code templates, alongside growing reuse of content fragments, drove self-service among marketers. Developers received fewer requests for support, primarily around web coding, and were pulled away from their day-to-day work less frequently. This benefit was felt broadly among survey respondents. Over half of Adobe Experience Cloud users (53%) cited reduced dependence on their technical team to support creative efforts as a benefit experienced from using the solution.

The head of martech platforms at the manufacturing organization noted that if a technical issue appeared around a webpage or fragment, it was easy for developers to apply a fix and ensure it carried over across multiple areas that were carrying the same coding or fragment if applicable, saving them more time. The director of martech platforms at the financial services organization moved away from bespoke content

development toward content reuse with Adobe and reallocated a dedicated IT employee in three marketing divisions as they no longer needed their support.

“Component reuse is a big key. Being able to self-service publishing workflows and have business users preview pages before it ever goes through an IT deployment cycle generates efficiency savings for us. It will help us move on from bespoke custom deployments.”

DIRECTOR OF MARTECH PLATFORMS, FINANCIAL SERVICES

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- Twenty developers support customer experience projects. The number of developers does not grow in proportion to the number of Adobe users because developers are not directly involved with Adobe solutions on a daily basis; they are looped in for support when needed and they dedicate one-tenth of their time to these projects.
- The reduction in time spent supporting development on projects starts at 10% in Year 1 and reaches 20% in Year 3 as more employees use Adobe solutions and the composite organization’s reusable asset library grows.
- The average fully burdened hourly rate for a developer is \$80.
- Forrester did not apply a productivity recapture rate to this efficiency because the small scale of the time savings means that nearly all the saved time is reallocated to other work.

Risks. Differences across organizations that may impact this benefit include the following:

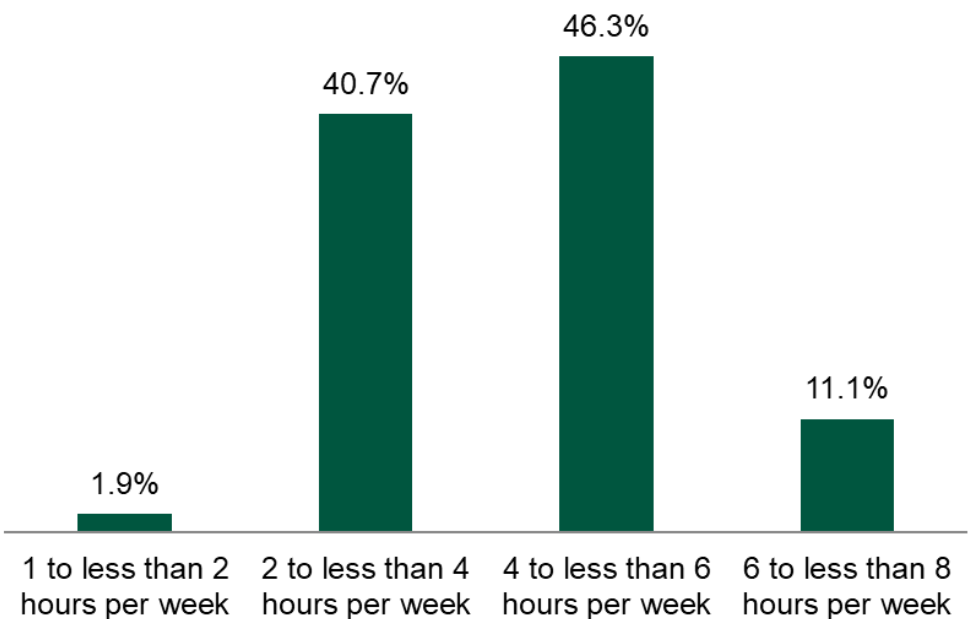
- The number of developers who support customer experience projects and the amount of time each dedicates.
- The number of developers involved in projects.
- The hourly rate of developers, which may vary based on levels of seniority.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$219,000.

20%

Reduction in time spent supporting projects and development

“Using your best estimate, how much time per week do you feel developers and engineers save? ”



Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 2024

Developer Productivity On Customer Experience Projects					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Number of developers supporting projects and development	Composite	20	20	20
C2	Reduction in time spent supporting projects and development	Survey	10%	15%	20%
C3	Subtotal: Time spent supporting projects and development	C1*C2*416 hours	832	1,248	1,664
C4	Fully burdened hourly rate for a developer	TEI standard	\$80	\$80	\$80
Ct	Developer productivity on customer experience projects	C3*C4	\$66,560	\$99,840	\$133,120
	Risk adjustment	↓10%			
Ctr	Developer productivity on customer experience projects (risk-adjusted)		\$59,904	\$89,856	\$119,808
Three-year total: \$269,568			Three-year present value: \$218,733		

EFFICIENCY IN ADVERTISING, MARKETING, AND TECHNOLOGY COSTS

Evidence and data. Survey respondents and interviewees stated their organizations reduced their spending on legacy third-party solutions, internal support costs, third-party services, and advertising costs with Adobe Experience Cloud. Ninety percent of survey respondents were also able to reduce costs on other solutions. Interviewees' organizations that retired redundant point solutions avoided annual licensing or subscriptions costs and, importantly, the IT administrative labor costs and professional service fees for each one. These additive costs were significant because the interviewees' organizations previously used upwards of a dozen products. No longer having to pay these fees to multiple vendors went a long way toward justifying their investments in Adobe Experience Cloud. For example, the head of martech platforms at the financial services company estimated that in the end Adobe Experience Cloud would save their organization between \$7 million and \$10 million in legacy tool licensing and support costs annually.

The same interviewee shared being able to reduce costs by bringing work previously performed by third-party service providers, such as agencies, in-house thanks to automations provided by Adobe Experience Cloud, saving multiple organizational units \$2 million each. Similarly, the head of martech platforms from the pharmaceutical company noted that digital brand experiences associated with their products used to

take between \$500,000 and \$1 million to build out, but that the ability to reuse prior-built content and templates within Adobe Experience Cloud reduced such expenses to tens of thousands of dollars each.

Lastly, interviewees optimized their ad spend utilizing Adobe Experience Cloud. With a better understanding of how different marketing channels and messages performed, interviewees' organizations shifted spend from underperforming tactics to those tactics generating a higher return, resulting in net savings at scale. Interviewees specified that Adobe Audience Manager identified which customers receive advertising and where the organizations need to suppress repeat advertisements. Although the interviewees' organizations reduced the volume and frequency of advertising to their customers, they continued to improve their return on ad spending. Interviewees noted that Adobe Campaign and Adobe Target, as well as Adobe Experience Platform-powered applications, helped advertisers optimize the appropriate number of ads customers receive, improve the cadence and sequencing of campaigns, and refine the relevancy of messaging. The interviewees' organizations' efficiency in ad spending enabled them to further stretch each dollar they spent.

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- Legacy system and support costs avoided increase as the composite organization moves more of its business operations to Adobe Experience Cloud.
- The composite organization identifies that it has \$25 million in digital ad spend that can be optimized and that ads delivered repeatedly to the same audience have little-to-no impact. After leveraging Adobe Experience Cloud, advertisers become more efficient with ad spending. By identifying common areas where it could tighten advertising practices, the composite organization increases its advertising spend efficiency by 15% in Year 1. This efficiency increases incrementally to 17.5% in Year 2 and 20% in Year 3 as the composite organization further refines its approach to advertising.
- After seeing positive results in marketing efforts with Adobe Experience Cloud in Year 1 and with increased self-service on campaign creation, the composite organization reduces its agency spend by \$250,000 in Year 2 and \$400,000 in Year 3.

Risks. Differences across organizations that may impact this benefit include the following:

- The size of the organization.
- The organization's budget for advertising, marketing, and technology.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$10.5 million.

20%

Percentage efficiency in ad spending with Adobe Experience Cloud solutions

Efficiency In Advertising, Marketing, And Technology Costs					
Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Annual avoided costs from offloaded legacy solutions (e.g., legacy system and support costs)	Interviews	\$500,000	\$750,000	\$1,000,000
D2	Annual ad spending that can be optimized	Composite	\$25,000,000	\$25,000,000	\$25,000,000
D3	Percentage efficiency in ad spending with Adobe Experience Cloud solutions	Interviews	15.0%	17.5%	20.0%
D4	Value of efficiency with ad spending	D2*D3	\$3,750,000	\$4,375,000	\$5,000,000
D5	Annual avoided agency spend	Interviews	\$0	\$250,000	\$400,000
Dt	Efficiency in advertising, marketing, and technology costs	D1+D4+D5	\$4,250,000	\$5,375,000	\$6,400,000
	Risk adjustment	↓20%			
Dtr	Efficiency in advertising, marketing, and technology costs (risk-adjusted)		\$3,400,000	\$4,300,000	\$5,120,000
Three-year total: \$12,820,000			Three-year present value: \$10,491,360		

PROFIT FROM ADDITIONAL DIGITAL CUSTOMER CONVERSIONS

Evidence and data. Interviewees and survey respondents agreed that leveraging Adobe Experience Cloud increased the number of conversions happening across digital channels. Almost 92% of survey respondents saw digital conversions increase with Adobe Experience Cloud. Improvements started with performance analysis in Adobe Analytics and Customer Journey Analytics and leveraging Adobe Target for A/B tests on new content or marketing materials. Interviewees organizations' then used Adobe Campaign to construct entire customer journeys and further personalized with Customer Journey Optimizer. Experience builders and marketers then easily filtered out touchpoints that proved to be ineffective. Similarly, the interviewees' organizations easily carried over assets that were effective in previous customer experiences to new journeys through Adobe Experience Manager.

Interviewees said their organizations curated customer experiences around specific audience segments through Adobe Audience Manager and customer types through Real-Time CDP, ensuring greater messaging relevancy. Industry-specific products like Adobe Commerce (for retail) and Marketo Engage (for B2B) helped the interviewees' organizations further target and personalize messaging to push toward conversions. Thanks to this, the tribe architect from the manufacturing company shared those digital sales tripled from Year 1 to Year 2, and they were expected to triple again by Year 3.

The head of martech platforms from a financial services firm attributed additional digital conversions to Adobe Experience Cloud enabling marketers to identify audiences they had not previously been able to engage and to do so without needing to leverage their data professional counterparts or IT partners. They said: "Early on, the marketing team identified an audience of 10,000 to 30,000 people that we hadn't been able to connect with previously. Through this engagement, we got over 1,000 qualified leads that we could talk to from a sales point of view that we'd never even unlocked before."

The director of CX capabilities from a retailer noted that engagement itself was driven by the ability to achieve clear-cut insights via Adobe Experience Cloud. They shared: "We were able to see how far out from different life events customers were engaging with related content and then meet them at those moments. Thanks to this, we consistently saw lifts of between 20% and 27% in campaigns versus controls."

Modeling and assumptions. For the composite organization, Forrester assumes the following:

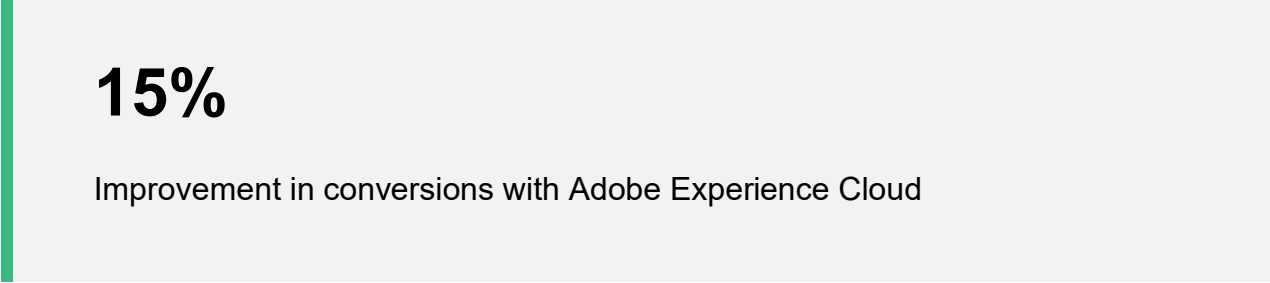
- The size of the digital audience reached is based on the number of individuals who have visited the company site or engaged with any of the composite organization's organic or paid media in the past 12 months. That number is 1 billion people. The size of the audience grows by between 1% and 2% each year as the composite organization becomes more efficient and effective with its marketing and customer journey creation efforts.
- The blended conversion rate before using Adobe Experience Cloud (which reflects the industries considered in this analysis) is 2% across all three years.
- Improvement in conversions is driven by employees optimizing customer experiences with Adobe Experience Cloud and becoming more mature with its solutions and by the composite organization adding more products over time. Conversion rate growth accelerates in Year 1 to hit 2.2%, and this 0.2% gain over the prior rates leads to 2 million additional conversions. By Year 3, the conversion rate reaches 2.3% — or a 0.3% gain over what previously would have been generated — resulting in 3 million more conversions.
- The assumed average order value (AOV) or value of customer conversion (nonpurchase-specific) is \$100 based on the size of the composite organization and number of customers.
- The attribution rate to Adobe Experience Cloud of 40% is based on Forrester's research-based understanding of how people, processes, and technology collaborate to drive conversions. While contributions from Adobe Experience Cloud are strong, Forrester's assumption takes into consideration credit given to creative teams, production work, market factors, and interest in the product itself.
- The 10% profit margin is blended and based on the industries considered for the analysis.

Risks. Differences in organizations that may impact the benefits include the following:

- The size of the digital audience the organization reaches annually, goals in conversions (e.g., customer web page visits, subscriptions, purchases), prior conversion rates, and the value of a conversion.

- The types of Adobe Experience Cloud solutions leveraged early on during adoption and the organization's overall goals with the solution.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$19.6 million.



15%

Improvement in conversions with Adobe Experience Cloud

Profit From Additional Digital Customer Conversions					
Ref.	Metric	Source	Year 1	Year 2	Year 3
E1	Number of visits to websites	Composite	1,000,000,000	1,000,000,000	1,000,000,000
E2	Growth in visits	Interviews	1.0%	1.5%	2.0%
E3	Subtotal: Additional visits with Adobe Experience Cloud annually	Composite	10,000,000	15,000,000	20,000,000
E4	Conversion rate (blended) before Adobe Experience Cloud	Composite	2.0%	2.0%	2.0%
E5	Average order value/customer conversion value	Composite	\$100	\$100	\$100
E6	Subtotal: Value of additional audience reach	E3*E4*E5	\$20,000,000	\$30,000,000	\$40,000,000
E7	Improvement in conversions with Adobe Experience Cloud	Interviews	10.0%	12.5%	15.0%
E8	Conversion rate (blended) with Adobe Experience Cloud	E2+(E2*E3)	2.20%	2.25%	2.30%
E9	Additional converted audience	E1*(E4-E2)	2,000,000	2,500,000	3,000,000
E10	Subtotal: Value of additional conversions	E5*E9	\$200,000,000	\$250,000,000	\$300,000,000
E11	Attribution to Adobe Experience Cloud	TEI standard	40.0%	40.0%	40.0%
E12	Profit margin	TEI standard	10.0%	10.0%	10.0%
Et	Profit from additional digital customer conversions	E10*E11*E12	\$8,000,000	\$10,000,000	\$12,000,000
	Risk adjustment	↓20%			
Etr	Profit from additional digital customer conversions (risk-adjusted)		\$6,400,000	\$8,000,000	\$9,600,000
Three-year total: \$24,000,000			Three-year present value: \$19,642,374		

HIGHER DIGITAL PROFIT GENERATION

Evidence and data. Interviewees and survey respondents also noted Adobe Experience Cloud improved their organizations' average order value, increasing revenues from conversions that were already likely to happen or were not due to lift from the platform. For example, the highest number of survey respondents pointed to Adobe Experience Cloud's influence on average order value/average deal size/customer value to be 'very impactful toward revenue growth.

With Adobe Experience Cloud, interviewees noted their customers were so encouraged by their positive customer journeys that they were compelled to make multiple

purchases, return for more services, or make transactions that carried premium value. For example, the director of CX capabilities from the retailer shared: “We could also do detailed cuts on our campaigns to extract nuanced learnings, comparing performance 16 days back to 30 days back to six months back. This helped us launch a campaign with 5% higher average order value than the control.”

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- The number of customers is based on the conversion rate of the digital audience after using Adobe Experience Cloud.
- The revenue per conversion grows from 3% in Year 1 to 5% in Year 3 as the composite organization continues to optimize customer journeys and improve customers’ favorability toward spending more.
- In Year 1, each of the composite organization’s 22 million customers spend \$3 more than they previously would have, equating to \$66 million in additional value. Additional spend per customer climbs to \$7 in Year 2 and to \$12 in Year 3.
- Assumptions about attribution and profit margin are the same as Benefit E.

Risks. Differences in organizations that may impact the benefits include the following:

- The number of customers who make a purchase annually.
- The organization’s average order or conversion value.
- The organization’s ability to increase the value of each conversion.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$12.7 million.

5%

Percentage gain in revenue per conversion

Higher Digital Profit Generation					
Ref.	Metric	Source	Year 1	Year 2	Year 3
F1	Number of digital customers	E1*E8	22,000,000	22,500,000	23,000,000
F2	Average order value/customer conversion value before Adobe Experience Cloud	Composite	\$100	\$100	\$100
F3	Percentage gain in revenue per conversion	Survey	3%	4%	5%
F4	Average order value/customer conversion value with Adobe Experience Cloud	Y1: F2+(F2*F3) Y2 and Y3: (F3*F4 _{py})+F4 _{py}	\$103	\$107	\$112
F5	Subtotal: Additional value generated with Adobe Experience Cloud	F1*(F4-F2)	\$66,000,000	\$157,500,000	\$276,000,000
F6	Attribution to Adobe Experience Cloud	TEI standard	40%	40%	40%
F7	Profit margin	TEI standard	10%	10%	10%
Ft	Higher digital profit generation	F5*F6*F7	\$2,640,000	\$6,300,000	\$11,040,000
	Risk adjustment	↓20%			
Ftr	Higher digital profit generation (risk-adjusted)		\$2,112,000	\$5,040,000	\$8,832,000
Three-year total: \$15,984,000			Three-year present value: \$12,720,902		

PROFIT FROM IMPROVED DIGITAL CUSTOMER RETENTION

Evidence and data. According to interviewees and survey respondents, the impact of optimizing customer experiences with Adobe Experience Cloud solutions extended beyond driving conversions and greater profit generation; it also helped their organizations mitigate customer attrition. Teams managed customer exposure to content by analyzing the success of their responses to messaging and segmenting audiences based on which customers already interacted with touchpoints. Nearly 19% of survey respondents found that Adobe Experience Cloud's influence on improving retention rate was very impactful.

Previously, interviewees stated that more customers would unsubscribe from emails or become less likely to make a purchase because of repetitive experiences. With Adobe Experience Cloud, marketing teams slowly reversed that effect and recovered lost business. Even with fewer messages delivered, the interviewees' organizations still

grew their business because of the relevance and effectiveness of their constructed customer journeys.

6%

Improved retention with Adobe Experience Cloud

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- In Year 1, there are 16 million returning customers. After factoring in churn and the number of newly added customers from the previous year, there are 17.6 million returning customers in Year 2 and 18 million in Year 3. Forrester did not factor in the additional customers retained after using Adobe for the following year's returning customer base to avoid double-counting their value.
- Before moving on from point solutions, the composite organization's attrition rate was marginally improving because decision-makers recognized there was an issue with over-messaging to customers, but they did not have the ability to improve on it.
- With Adobe Experience Cloud, retention improves by 3% in Year 1 to recapture customers who were mostly on the fence about the composite organization. Retention improves by 6% in Year 3 as the composite organization continues to optimize its approach to customers.
- Each retained customer goes on to make purchases in successive years at a higher AOV rate. The retained customers in Year 1 are converted in Year 2 and Year 3, while retained customers in Year 2 are converted in Year 3 and generate \$112 in value each. Additional customers retained in Year 3 generate value that falls outside the parameters of the analysis.
- Assumptions about attribution and profit margin are the same as Benefit E.

Risks. Differences in organizations that may impact the benefits include the following:

ANALYSIS OF BENEFITS

- The number of customers who make a purchase annually.
- The lifetime value of customers.
- The likelihood of customer churn.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) \$2.4 million.

Profit From Improved Digital Customer Retention					
Ref.	Metric	Source	Year 1	Year 2	Year 3
G1	Attrition rate	Composite	20%	20%	20%
G2	Number of returning digital customers each year with previous attrition rate (excluding already retained customers listed in G4; rounded)	Y1: $(E1 \cdot E4) - (E1 \cdot E4 \cdot G1)$ Y2 and Y3: $(E1 \cdot E8_{PY}) - (E1 \cdot E8_{PY} \cdot G1)$	16,000,000	17,600,000	18,000,000
G3	Improvement with Adobe Experience Cloud	Interviews	3%	5%	6%
G4	Number of additionally retained digital customers (cumulative)	$G1 \cdot G2 \cdot G3 + G4_{PY}$	96,000	272,000	488,000
G5	Incremental annual revenue of retained customers	F4	\$103	\$107	\$112
G6	Subtotal: Revenue from retained customers	$G4 \cdot G5$	\$9,888,000	\$29,104,000	\$54,656,000
G7	Attribution to Adobe Experience Cloud	TEI standard	40%	40%	40%
G8	Profit margin	TEI standard	10%	10%	10%
Gt	Profit from improved digital customer retention	$G6 \cdot G7 \cdot G8$	\$395,520	\$1,164,160	\$2,186,240
	Risk adjustment	↓20%			
Gtr	Profit from improved digital customer retention (risk-adjusted)		\$316,416	\$931,328	\$1,748,992
Three-year total: \$2,996,736			Three-year present value: \$2,371,387		

PROFIT FROM ADDITIONAL OFFLINE CONVERSIONS

Evidence and data. Beyond improved online revenue generation, interviewees whose organizations have physical business and storefronts saw offline revenue gains as well. Users built upon the experiences created in Adobe Campaign and targeted with solutions powered by Adobe Experience Platform, tying together online and offline engagement data into robust customer profiles through Real-Time CDP to create highly personalized digital messaging using Journey Optimizer and drive in-person business, which they could compare against digital performance with Customer Journey Analytics. Over 30% of respondents selected unifying customer data across channels (including digital and offline) as a key factor that drove the adoption of Adobe Experience Cloud.

The director of CX capabilities at a retailer identified high-impact segments of business that regularly engaged with emails and shared this information with local in-store salespeople to reach out to those customers with more personalized templates. The interviewee noted that with Real-Time CDP, it had become easier to identify customers based on past purchases and engagement. They were just starting to use Journey Optimizer for experience orchestration to further personalize engagement with these customers but were already using Customer Journey Analytics often. The interviewee said: “We’re using Customer Journey Analytics more than I thought we would for attribution of particular campaigns. It acts as a book of record to get a quick read on campaigns. If we had the foresight, we would have used more Journey Optimizer capabilities earlier to get a read on those campaigns with Customer Journey Analytics.”

The interviewees at a financial services organization noted they plan to roll out the Real-Time CDP within the year based on the level of segmentation they could achieve from tests with the application. One of the early metrics they identified was an audience of thousands that were qualified leads but fell into a customer gap that was overlooked sales and hadn’t been targeted with a customer experience. The director of martech platforms said, “With the CDP, it puts more power in the hands of people that are closest to trying to reach their core customer group and then taking action to more efficiently engage them than they’ve had the ability to in the past.” The interviewee singled out the application as potentially being the most valuable player from the Adobe stack in driving offline performance in their future plans.

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- Offline accounts for \$3 billion in revenue each year and 20% is impacted by transactions made originating from digital interactions.
- With the personalization capabilities of Adobe driving offline business, the customer conversion rate improves by 1% in Year 1 and grows to 2% by Year 3.
- To account for people and processes influencing conversions, 40% of the value is attributed to Adobe.
- The global profit margin for offline revenue is 10%.

Risks. Differences in organizations that may impact the benefit results include the following:

- The scale of offline business contributing to total revenue.
- Investment and maturity with Adobe Real-Time CDP, Journey Optimizer, Customer Journey Analytics.

Results. To account for these risks, Forrester adjusted this benefit downward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$701,000.

2%

Improvement in offline transactions among customers interacting with digital touchpoints

Profit From Additional Offline Conversions					
Ref.	Metric	Source	Year 1	Year 2	Year 3
H1	Annual offline revenue	Composite	\$3,000,000,000	\$3,000,000,000	\$3,000,000,000
H2	Percentage of revenue impacted by digital interactions	Composite	20.0%	20.0%	20.0%
H3	Improvement in offline transactions with Adobe Experience Cloud	Survey	1.0%	1.5%	2.0%
H4	Subtotal: Additional offline revenue with Adobe Experience Cloud	H1*(H4-H3)	\$6,000,000	\$9,000,000	\$12,000,000
H5	Attribution to Adobe Experience Cloud	TEI standard	40.0%	40.0%	40.0%
H6	Profit margin	TEI standard	10.0%	10.0%	10.0%
Ht	Profit from additional offline conversions	H4*H5*H6	\$240,000	\$360,000	\$480,000
	Risk adjustment	↓20%			
Htr	Profit from additional offline conversions (risk-adjusted)		\$192,000	\$288,000	\$384,000
Three-year total: \$864,000			Three-year present value: \$701,067		

“We’ve started to identify high-impact customer segments where we can reach out with localized offerings for consultations on product offerings. We’re creating templates for that segment, and we’ll do some offline analysis around that.”

DIRECTOR OF CX CAPABILITIES, RETAIL

UNQUANTIFIED BENEFITS

Interviewees and survey respondents mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Offline revenue generation.** Offline revenue has a greater impact on organizations than suggested in the quantified benefits. Interviewees and survey respondents shared enough to quantify the improvement in conversions with offline business; however, they couldn't fully define improvement in order value and customer retention. Those benefits were felt with at least 30% of survey respondents seeing increased offline revenue generation at their organization. As organizations grow in maturity with those use cases for Adobe applications that support offline experiences, the benefit of offline revenue generation will continue to grow and become more defined. The head of martech platforms at the pharmaceutical organization shared: "We have been successful in using all the tools that we have built using Adobe Experience Cloud for customers with the healthcare provider experience. They are content rich with assets frequently reused through AEM [Adobe Experience Manager]. In 2024, we're planning to create more content and load it to a digital tablet they can interact with during health visits, providing information about our products."
- **Call center savings.** Adobe Experience Cloud automations also had an unquantifiable but positive impact on call center operations. For example, the director of CX capabilities at a retailer noted that they planned to deliver personal customer insights, such as order status, directly to call center operators immediately after answering a call, as that is one of the most frequent reasons customers call into the contact center. This erases the need for associates to ask for customer information, search for and find the customer's profile, and then find their order status in that profile all before answering that common and simple question.
- **Seamless Adobe connectivity and centralization of work.** A key factor for interviewees in choosing Adobe Experience Cloud to be their foundational customer data platform was that it helped bring customer data and associated operations into a centralized place. This approach eliminated gaps that previously created headaches for employees, with data being pulled through to platforms incorrectly or lengthy wait times for engineers and IT to deliver

customer data that would shape and deliver marketing messaging. Rather than spending time on maintenance, IT and marketing users became better aligned to effectively use the applications.

- **Improved employee experience work experience.** Interviewees appreciated having Adobe's end-to-end customer journey tools as it empowered their employees to create more engaging experiences. Employees experienced fewer frustrations; for example, they were able to better target customer segments, so they didn't overlap with colleagues messaging potentially matching customers. Collaboration increased between teams sharing asset fragments to build experiences, reducing the workload stress for employees. Meanwhile, managers leaned on Workfront to better supervise projects and ensure employees had a manageable workload, helping employees meet project deadlines.

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement Experience Cloud applications and later realize additional uses and business opportunities, including:

- **Scalability of Adobe Experience Cloud ecosystem.** Adobe continues to add products under the Adobe Experience Cloud umbrella that amplify the value of other solutions in the ecosystem. Interviewees said their organizations are just beginning to realize value from relatively newer products, including:
 - **Adobe Commerce.** Powered by Magento Commerce, Adobe Commerce enables businesses to build out their B2B and/or B2C commerce platforms. Key use cases include managing commerce sites and marketplaces, selling products through to other marketplaces, and managing inventory from orders to shipping and fulfillment. Adobe Commerce Cloud streamlines enterprise resource planning (ERP) and customer relationship management (CRM) integration, and — like other Adobe products — integrates with the rest of Adobe Experience Cloud to better understand customers and further build out personalized experiences.

- **Adobe Experience Platform.** The Adobe Experience Platform is a more recent product within Adobe Experience Cloud that powers Adobe Real-Time Customer Data Platform, Adobe Customer Journey Analytics, and Adobe Journey Optimizer. Its applications provide users with real-time customer profiles, advanced data analysis through machine learning and AI, accelerated experience delivery, and greater data governance. For the Total Economic Impact of benefits of Adobe Experience Platform applications, please see [this study](#).
- **Adobe Marketo Engage.** Marketo Engage helps B2B marketers to enhance their approach to lead nurturing, account-based marketing, and personalization of messaging to potential customers. Similar to Adobe Commerce, it integrates with the rest of Adobe Experience Cloud and streamlines the creation of B2B customer experiences.
- **Adobe Workfront.** Workfront helps businesses oversee their allocation of resources, create budgets, prioritize action items, and ensure their customer experience projects stay on track. The head of martech at the financial services company said: “Marketo and Workfront are welcome additions to the Adobe stack. We were very onboard with those companies before Adobe acquired them and now, they happen to fold into the stack which makes operations more efficient for us.”
- **Greater access and speed to using customer data.** The Adobe applications’ ability to incorporate a large amount of data from across channels, including offline, helped marketers understand their customers and orchestrate multichannel campaigns better. Interviewees shared that they used Adobe’s AI models to create propensity scores for individual customers, predicting the likelihood they would purchase products and then market to those customers accordingly. The speed with which the interviewees’ organizations could apply large sets of customer data enabled them to run and monitor hundreds of messaging use cases. Altogether, scalable usage of data has enabled the interviewees’ organizations to build and continue to improve upon customer experiences.

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
Itr	Adobe software costs	\$0	\$2,200,000	\$2,200,000	\$2,200,000	\$6,600,000	\$5,471,074
Jtr	Ongoing professional and managed services costs	\$2,750,000	\$1,100,000	\$1,100,000	\$1,100,000	\$6,050,000	\$5,485,537
Ktr	Premium cost of new hires	\$0	\$68,640	\$137,280	\$205,920	\$411,840	\$330,565
Ltr	Training costs	\$0	\$316,800	\$475,200	\$633,600	\$1,425,600	\$1,156,760
	Total costs (risk-adjusted)	\$2,750,000	\$3,685,440	\$3,912,480	\$4,139,520	\$14,487,440	\$12,443,936

ADOBE SOFTWARE COSTS

Evidence and data. Interviewees said their organizations paid a software fee based on the number of Adobe solutions leveraged and the scale to which the number of employees leveraged them. The exact amount the organizations paid for Adobe fees and associated costs varied.

Modeling and assumptions. Assumed costs for the composite organization are based on the following:

- The number of Adobe Experience Cloud solutions the composite organization leverages each year.
- The number of active customers in the database and the number of channels through which the composite organization runs campaigns.
- Annual contractual commitments to usage, which are based on the number of employees who access the solutions.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$5.5 million.

Adobe Software Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
I1	Adobe software costs	Composite	\$0	\$2,000,000	\$2,000,000	\$2,000,000
It	Adobe software costs	I1	\$0	\$2,000,000	\$2,000,000	\$2,000,000
	Risk adjustment	↑10%				
Itr	Adobe software costs (risk-adjusted)		\$0	\$2,200,000	\$2,200,000	\$2,200,000
Three-year total: \$6,600,000			Three-year present value: \$5,471,074			

ONGOING PROFESSIONAL AND MANAGED SERVICES COSTS

Evidence and data. Several interviewees said their organizations leveraged Adobe Professional Services or an Adobe partner to assist with proofs of concepts and full implementation of the Adobe Experience Cloud stack. Pilot programs and proofs of concepts took several months to complete, and they required time from internal resources across IT, marketing, and lines of business.

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- The composite organization's initial pilot and proof-of-concept efforts (alongside integrating two Adobe solutions) in Year 1 lead to a heavier financial lift than in later years. The costs total \$2.5 million in Year 1.
- Costs for ongoing services are tied to the composite organization's integration of Adobe platforms with more of its systems and pilot programs and because it adds more solutions from Adobe Experience Cloud to its tech stack.
- With Adobe Experience Cloud and based on the scale of operations, the cost of ongoing professional and managed services is \$1 million annually.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$5.5 million.

Ongoing Professional And Managed Services Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
J1	Ongoing professional and managed services costs	Composite	\$2,500,000	\$1,000,000	\$1,000,000	\$1,000,000
Jt	Ongoing professional and managed services costs	J1	\$2,500,000	\$1,000,000	\$1,000,000	\$1,000,000
	Risk adjustment	↑10%				
Jtr	Ongoing professional and managed services costs (risk-adjusted)		\$2,750,000	\$1,100,000	\$1,100,000	\$1,100,000
Three-year total: \$6,050,000			Three-year present value: \$5,485,537			

PREMIUM COST OF NEW HIRES

Evidence and data. To effectively leverage Adobe Experience Cloud solutions, interviewees said their organizations sought new hires with previous experience using these products. Hiring new employees would have occurred organically with or without Adobe Experience Cloud, but the requirement for employees possessing prior Adobe solution knowledge meant organizations spent a small premium on new hires.

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- The composite organization spends 10% more for employees with expertise in Adobe solutions.
- The number of employees hired annually grows proportionally with expanded usage of Adobe Experience Cloud across the organization.
- The fully burdened annual salary for each of these employees is \$124,800.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$331,000.

Premium Cost Of New Hires						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
K1	Number of employees hired annually where Adobe Experience Cloud experience is required	Composite	0	5	10	15
K2	Fully burdened annual salary for an employee	TEI standard	\$0	\$124,800	\$124,800	\$124,800
K3	Additional cost of employees with Adobe solution expertise	Interviews	0%	10%	10%	10%
Kt	Premium cost of new hires	$K1 * K2 * K3$	\$0	\$62,400	\$124,800	\$187,200
	Risk adjustment	↑10%				
Ktr	Premium cost of new hires (risk-adjusted)		\$0	\$68,640	\$137,280	\$205,920
Three-year total: \$411,840			Three-year present value: \$330,565			

TRAINING COSTS

Evidence and data. Interviewees said employees spent a small amount of time learning to use the Adobe Experience Cloud solutions they leverage. Adobe Experience Cloud users are split into two types: power users who leverage them daily and self-service users who access one solution weekly, monthly, or infrequently.

Modeling and assumptions. For the composite organization, Forrester assumes the following:

- In Year 1, the composite organization has 100 power users who take time to learn about the Adobe solutions over four days.
- The number of power users grows to 150 in Year 2 and 200 in Year 3.
- Each year, new power users take the equivalent of four days to learn the solutions while senior power users take time to learn newly added features and Adobe products that are later added to the composite organization's tech stack.
- In Year 1, the composite organization has 50 self-service users who occasionally leverage Adobe solutions and require only a couple days to familiarize themselves with the functions they need to use.
- Self-service employee training occurs only once, and they learn the basic functions they'll use.
- In Year 2, the composite organization trains 75 new self-service users, and it expands adoption of Adobe solutions across the organization.
- The composite organization trains 100 self-service users in Year 3.
- By the end of the three-year period of analysis, the organization has 225 self-service users of Adobe solutions.

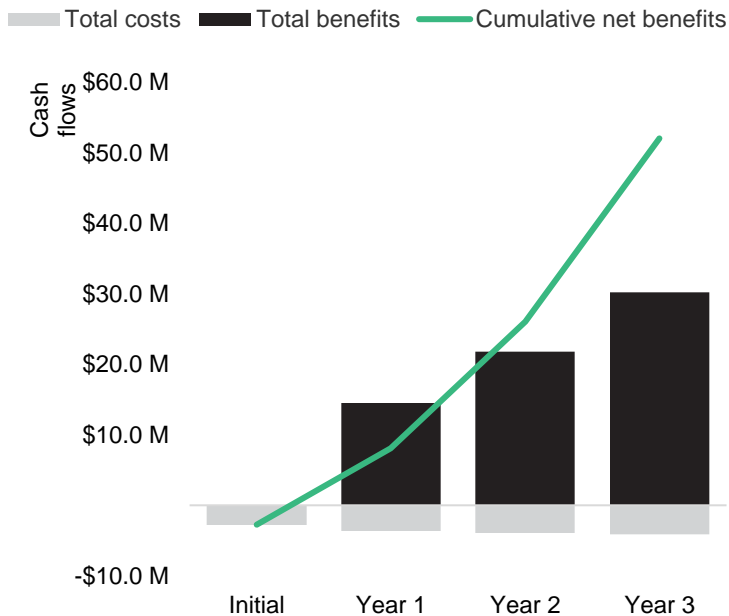
Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of \$1.2 million.

Training Costs						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
L1	Number of annual Adobe power users	Composite	0	100	150	200
L2	Training hours per year for power users	Interviews	0	40	40	40
L3	Number of self-service users added per year	Composite	0	50	75	100
L4	Training hours per year for self-service users	Interviews	0	16	16	16
L5	Fully burdened hourly rate for an employee	TEI standard	\$0	\$60	\$60	\$60
Lt	Training costs	$(L1 \times L2 \times L5) + (L3 \times L4 \times L5)$	\$0	\$288,000	\$432,000	\$576,000
	Risk adjustment	↑10%				
Ltr	Training costs (risk-adjusted)		\$0	\$316,800	\$475,200	\$633,600
Three-year total: \$1,425,600			Three-year present value: \$1,156,760			

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 organization'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)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	(\$2,750,000)	(\$3,685,440)	(\$3,912,480)	(\$4,139,520)	(\$14,487,440)	(\$12,443,936)
Total benefits	\$0	\$14,516,120	\$21,833,729	\$30,171,240	\$66,521,089	\$53,908,977
Net benefits	(\$2,750,000)	\$10,830,680	\$17,921,249	\$26,031,720	\$52,033,649	\$41,465,041
ROI						333%
Payback						<6 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."

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.

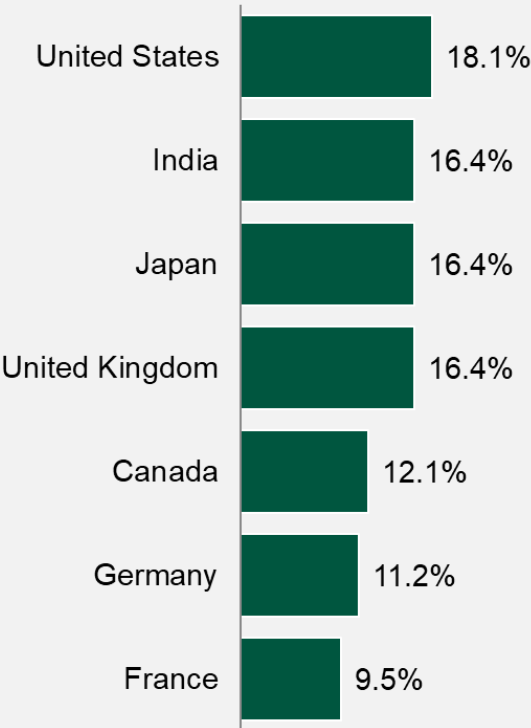
The initial investment column contains costs incurred at “time 0” or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the 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.

APPENDIX B: INTERVIEW AND SURVEY DEMOGRAPHICS

Interviews			
Role	Industry	Region	Annual Revenue
Head of martech platforms Director of martech platforms	Financial services	HQ in North America	\$10+ billion
Tribe architect	Manufacturing	HQ in North America; global operations	\$5+ billion
Head of martech platforms	Pharmaceutical	HQ in North America; global operations	\$50+ billion
Director of customer experience capabilities	Retail	HQ in North America; global operations	\$5+ billion

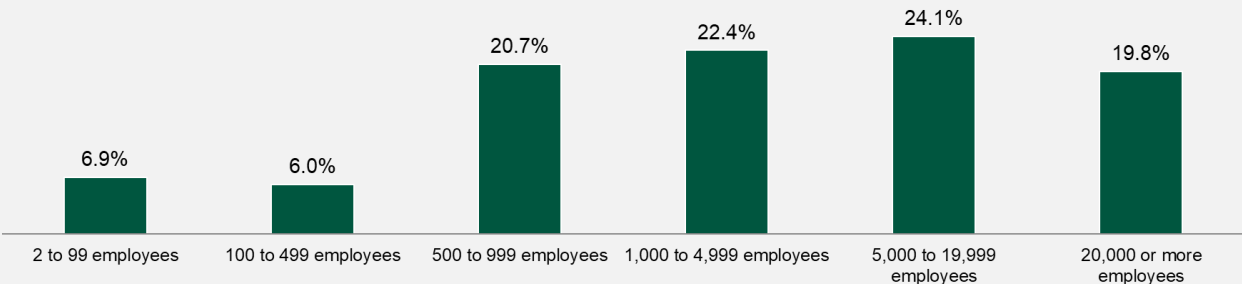
Survey Demographics

“In which country are you located?”



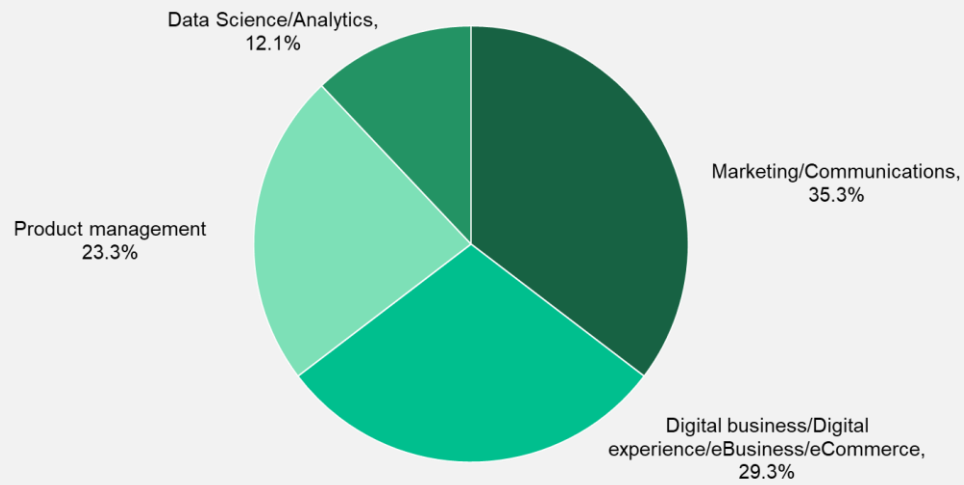
Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 2024

“Using your best estimate, how many employees work for your firm/organization worldwide?”



Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 2024

“Which of the following best describes your role/team within your organization?”



Base: 116 global decision-makers at organizations that use Adobe Experience Cloud
Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, May 2024

APPENDIX C: ENDNOTES

¹ Source: Forrester's Marketing Survey, 2024.

² 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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