

The Forrester Total Economic Impact™ of The Pega 7 Platform

Challenges and objectives

Forrester worked with Pegasystems to analyze the total economic impact of the Pega 7 Platform to understand the **return on investment (ROI)** Pegasystems customers have experienced. The study centered on four Pega customers, who shared their business challenges and objectives:



Public sector organization. “Improve service to citizens while reducing the overall maintenance costs and freeing up budget for new initiatives.”



Leading technology company. “Enhance the service management functions while reducing the costs and bringing visibility into the business processes.”



Large financial services organization. “Move into a new market segment by developing a new multitenant case management and fulfillment platform within a short time frame.”



Leading global insurance company. “Better support customer-facing functions while increasing process transparency and staff efficiency.”

Summary of benefits

Through interviews and data aggregation, Forrester concluded that Pega 7 Platform has the following financial impact on a composite organization as compared to using a more traditional development approach:



ROI
321%



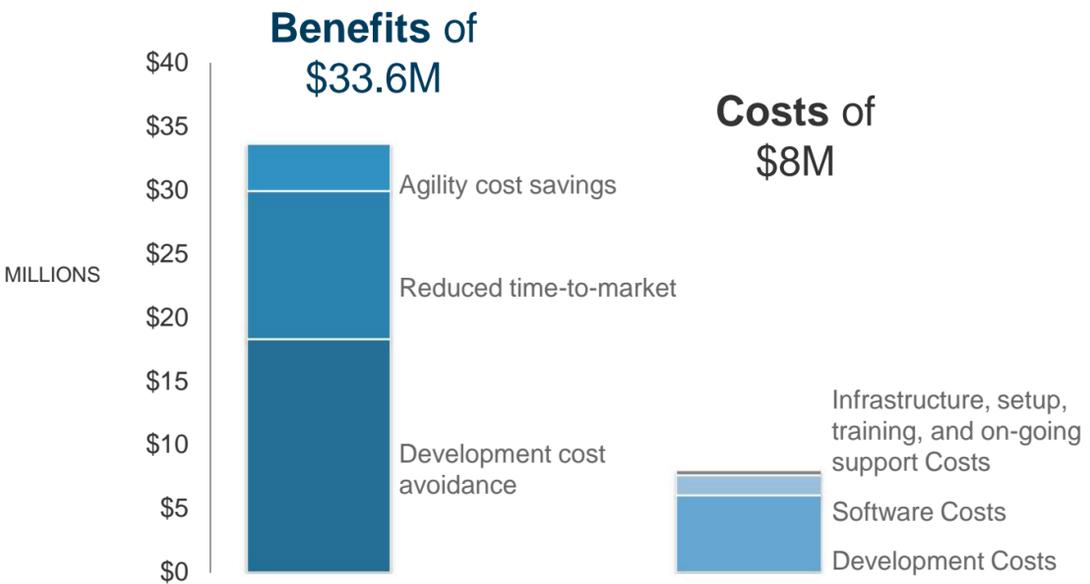
Development Costs
↓ 75%



Time-to-market
↓ 50%

The composite organization achieved a **payback within 12 months**. More importantly, the TEI study quantified these specific benefits and costs for the composite organization*:

THREE YEAR ANALYSIS



Business benefits

Interviewees reported that their initiatives resulted in:



End user **productivity gains** of typically 20% to 50% as compared with their previous, manual processes; in specific cases even **up to 75%**.



Millions of dollars’ worth of increased revenues, reduced cancellation rates, or improved customer engagement.

Insight

A front office program director at a global insurance company shared the following:

“The Pega 7 platform enables us to develop flexible business applications with fewer resources and in only a fraction of the time. It also provides us with analytical capabilities while protecting our existing assets.”

Disclosures

The reader should be aware of the following:

- This document is an abridged version of a full case study: The Total Economic Impact Of The Pega 7 Platform, October 2015. The document can be found at <http://www.pega.com/forrester-tei>.
- The study was commissioned by Pegasystems and delivered by the Forrester Consulting group.
- Forrester makes no assumptions as to the potential return on investment that other organizations will receive.

Please read the full case study for additional disclosures.

TEI Methodology

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company’s technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility. (forrester.com/marketing/product/consulting/tei.html)

*Values of costs and benefits are representative of a composite organization constructed from aggregated feedback based on interviews with four Pega 7 Platform customers.