True ROI
of RELAYTO

Executive Summary:

Cloud Ratings True ROI Reports quantify and provide 3rd party validation of a software product's business value.

RELAYTO engaged Cloud Ratings to complete a True ROI evaluation process.

RELAYTO/ | ☁ True ROI

True ROI Key Findings:

- ROI (3-Year Period): 4,748% (47x)
    - Fully Ramped (Post Implementation) Annual ROI: 5,361% (54x)
- Payback: 2.0 Months
- Drivers of Benefits:
    - Improved Pipeline Conversion Rates *(93% of total)*
    - Reduced Micro-Site + Content Production Costs *(4%)*
    - Pipeline Expansion Via Shareable Account-Based Marketing (ABM) *(2%)*
    - Sales Representative Time Savings Via Analytics *(1%)*
- Representative Customer Assumption: $100m Revenue Software Company[1]

3-YEAR ROI: 4,748%   **PAYBACK: 2.0 MONTHS**   **BENEFIT: $5,360,907**

☁ True ROI

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[1] See report section "ROI At Other Customer Sizes" for alternative ROI model returns:
- $25m Revenue with Lower Margins: 1,653% (17x) 3-Year ROI
- $50m Revenue with Lower Margins: 3,299% (33x) 3-Year ROI

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Solution Overview:

RELAYTO's Official Description: *"RELAYTO engages advanced algorithms to automatically revamp static content into interactive micro-sites that boost viewer engagement 24/7 - no coding required."*

While the RELAYTO Context Experience Platform serves multiple functions and product categories[2], this True ROI report focuses exclusively on RELAYTO's ROI for the sales function.

From a sales enablement perspective, RELAYTO provides an immersive, interactive, and secure environment for sales teams, clients, and stakeholders to collaborate, share information, and close deals remotely. It also provides a centralized location for storing and organizing all sales-related materials, such as proposals and marketing collateral.

ROI Driver #1: Improved Pipeline Conversion

Digital sales rooms can improve pipeline conversion and deal win rates for multiple reasons, including elevating the buying experience and increasing the number of buyer stakeholders engaged, greater buyer consumption of vendor collateral, and sellers' greater ability to tailor messaging based on buyer interactivity insights.

Cloud Ratings customer interviews focused on changes in win rates after adopting RELAYTO.

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[2] Software categories served by RELAYTO include: Content Experience, Content Distribution, Content Analytics, Account Based Marketing, Flipbook, Presentation, Content Creation, Proposal, Sales Enablement, and Digital Sales Room

A RELAYTO customer experienced a 750 basis point increase in their win rate solely from deals that skipped the RFP process altogether. Relative to their pre-RELAYTO win rate (which was modestly above industry medians), this represented a 29% increase.

Another customer attributed 35% (or half) of their 70% post-RELAYTO revenue improvement due to improved pipeline conversion rates.

Driver of ROI Calculations:

	Metric	Ref	Comment
Revenue	$100,000,000		
Revenue Growth	20.0%		
New Sales Per Year	$20,000,000	a	
Win Rate (Industry Median)	18.0%	b	Winning By Design benchmarks
Implied Pipeline	$111,111,111	c = a/b	
RELAYTO Impact:			
Win Rate Improvement	7.5%	d	Customer interviews
New Win Rate	25.5%	b+d	
Sales from Improved Win Rate	$8,333,333	e = c*d	
New Sale Contribution Margin	60.0%	f	
Incremental Profit	**$5,000,000**	g = e*f	

RELAYTO Customer Quote:

"Our competitors may be using Brainshark, which is very prevalent in my industry, but it's a very antiquated technology. They launched in 2010 and haven't really made many updates in the last 13 years.

When we see that from a **sales perspective, we already know that we're going to look very good from a communication and sophistication aspect.**"

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ROI Driver #2: Reduced Micro-Site + Content Production Costs

Instead of using digital sales room software, creating a "microsite" - or small website or a small cluster of pages meant to function as a discrete entity within an existing website - requires web development personnel to program. This web development personnel can be internal or external.

Challenges of developing microsites include securing web developers' time, ensuring compatibility with other systems, quality assurance to ensure a user experience (UX) to brand standards, and ensuring a responsive user experience across various devices (i.e., mobile vs desktop vs iPad) and browsers.

RELAYTO Customer Quotes:

"It was a nightmare.

We managed it internally, but we had to sacrifice other activities because of lost time.

Spinning up a new prospect hub with **RELAYTO takes me 10-15 minutes.**

Setting up a microsite would have been 8x-10x that amount of time."

"**We were very limited before** and shared most of our custom content in PDFs uploaded to the microsites instead of easily available, digestible content we have today."

We can now put together more holistic, specific content than we could achieve using microsites because we no longer have web development skill set limitations. **With RELAYTO we can do it much faster.**"

Driver of ROI Calculations:

	Metric	Ref	Comment
Customer Pipeline	$111,111,111	a	Via ROI Driver #1
Average Deal Size	$50,000	b	
# of Deals In Pipeline	2,222	c = a/b	
% Deals With Micro-sites Prepared	10%	d	Before using RELAYTO
Micro-Sites Made	222	e = c*d	Equates to 6 sites per sales rep
RELAYTO Impact:			
Prior Time Spent Per Micro-site	3 hours	f	
Salary Of Web / Content Producer	$80,257	g	Web Designer Level II - Salary.com
Overhead Burden	30%	h	Bureau of Labor Statistics (BLS): 41%
Fully Loaded Annual Cost	$104,334	i	
Cost Per Hour	$53	j	At 49 weeks/year at 40 hrs/week
Cost Per Micro-Site	$160	k = f*j	
Time Savings With RELAYTO	90%	l	Customer interviews
New Time Per Micro-Site	0.3 hours	m = l*d	
New Cost Per Micro-Site	$16	n = k*(1-l)	
Savings Per Micro-Site	$144	o = k-n	
Total Savings At Prior Volume	$31,939	p = e*n	
% Deals With RELAYTO Micro-sites	60%	q	
Micro-Sites Made With RELAYTO	1,333	r = c*q*	
Additional Sites With RELAYTO	1,111	s = r-e	Compared to prior baseline
Total Savings For Extra Sites	$159,695	t = s*o	
Total Cost Savings	**$191,634**	u = p+t	

ROI Driver #3: Shareable Account-Based Marketing (ABM) Pipeline Expansion

Using RELAYTO earlier in the customer buying process via account-based marketing techniques can increase sales pipeline.

For example, one customer shared how a buying group member forwarded a sales presentation link, including an email-gated implementation plan, to a colleague who became interested. Despite being late in the sales cycle, the observable interactive features helped their salesperson expand the deal size.

Notably, one RELAYTO customer interviewed as part of this True ROI study implemented a tactic to drive new buyer stakeholders to the sales process. Specifically, the customer included an interactive slide for a buyer to envision - and even type in - additional stakeholders that the product post-implementation would impact. This led to a more customized presentation that engaged a broader universe of buyer stakeholders and picked up deal expansion momentum as the buyer stakeholder group expanded.

Given the size of B2B buying groups, this can be a particularly impactful tactic:
- Gartner: The average buying team size is between 14 and 23 people
- Forrester: 66% of B2B buying groups are more than six people

"The biggest benefit for us has been **efficiency in the whole process**, from top-of-the-funnel level content to a personalized experience in the proposal negotiation stage.

RELAYTO has taken us through the whole gamut of the funnel and provides a more enriching experience for the viewers."

For conservatism, this True ROI models pipeline expansion treating new RELAYTO content viewers like general website traffic in the following ROI calculations:

Driver of ROI Calculations:

	Metric	Ref	Comment
Customer Pipeline	$111,111,111	a	Via ROI Driver #1
Web Traffic Conversion Rates:			Defined as "Web traffic to prospect"
Gartner	6.10%		Industry: Software
Wordstream	2.23%		Industry: All B2B
First Page Sage	1.10%		Industry: B2B SaaS
Average	3.14%	b	
Prospect to MQL Conversion	20.0%	c	Winning By Design benchmarks
Web Traffic To MQL Conversion	0.63%	d = b*c	
RELAYTO Impact:			
Increased Pipeline Via ABM	$698,519	e = a*d	Additional impressions via ABM
Win Rate With RELAYTO	25.5%	f	Via ROI Driver #1
Sales from Pipeline Expansion	$178,122	g = e*f	
Contribution Margin For New Sales	60%	h	Software gross margin less sales cost
Incremental Profit	$106,873	i =h*g	

ROI Driver #4: Sales Representative Time Savings Via Analytics

RELAYTO's engagement analytics provide real-time insights into how users interact with each document, page, and asset in the Digital Sales Room.

At the beginning of a sales cycle, analytics can save valuable time by helping to identify prospects who show little or no interest in the presented materials. Avoiding "digital ghost prospects" enables sales reps to focus their efforts on more promising leads.

As the sales cycle progresses, the involvement of key Subject Matter Experts (SMEs) like CISOs, CFOs, CTOs, and CEOs becomes crucial. Analytics can streamline this phase by pinpointing the exact content that SMEs need to review, facilitating faster and more efficient decision-making.

Moreover, RELAYTO's analytics features act as a 'digital fly on the wall,' quietly observing how prospects interact with the information provided. This insight allows for tactical and strategic outreach that is based on data, rather than assumptions.

One example from Cloud Ratings interview with a RELAYTO customer in the insurance brokerage industry: by sharing trackable assets with client employees, the brokerage was able to identify benefit areas - specifically a telemedicine program - employees showed deep engagement. Using those analytics, the insurance brokerage and employer were able to design an improved employee benefit package that aligned with what employees actually valued.

In other scenarios, analytics can identify buyer concern areas. For example, repeated opens of a "Security Overview" document would highlight security as a key buyer issue.

For modeling these time savings, Cloud Ratings assumed 1.0% of all SQLs show minimal-to-zero content engagement and are therefore avoided. Account executives referred to these unengaged prospects as "ghosts" in Cloud Ratings research interviews to set this assumption.

Driver of ROI Calculations:

	Metric	Ref	Comment
Revenue	$100,000,000		
Revenue Growth	20.0%		
New Sales Per Year	$20,000,000	a	
Sales Per Year Per Sales Rep	$673,000	b	Key Bank SaaS Survey 2022
Number of Sales Reps	30	c = a/b	
Sales Rep On Target Earnings (OTE)	$160,000	d	RepVue Middle Market AE data
Overhead Burden	30%	e	Bureau of Labor Statistics (BLS): 41%
Fully Loaded Annual Cost	$208,000	f = d*(1+e)	

RELAYTO Impact:

	Metric	Ref	Comment
Unengaged Prospects	1.0%	g	Assumption + sales rep interviews
Avoiding Unengaged Rep Savings	$2,080	h = f*g	Per sales rep
Total Cost Savings	**$62,400**	i = h*c	

ROI At Other Customer Sizes:

$100m Representative Customer

All detailed ROI Driver analyses presented above used a representative RELAYTO customer with the following key characteristics:

- Revenue: $100m, growing at 20%
- Industry: Software
- Contribution Margin On Incremental Sales: 60% (75% gross margin less 15% sales costs/commissions)

Below, we summarize the ROI of RELAYTO at alternative customer sizes:

Other Customer Size ROI Comparison:

	$25m	$50m	$100m
Customer Revenue	$25,000,000	$50,000,000	$100,000,000
Industry	Services	Services	Software
Contribution Margin on New Sales	25%	25%	60%
RELAYTO Costs:			
RELAYTO Annual License	$30,000	$30,000	$100,000
Implementation (Over 2 Months)	$15,000	$15,000	$20,000
RELAYTO Impact:			
3-Year ROI	**1,653% (17x)**	**3,299% (33x)**	**4,748% (47x)**
Payback In Months	**2.3**	**2.1**	**2.0**
Annual Benefit	**$612,100**	**$1,222,120**	**$5,360,907**

TrueROI Methodology Summary:

Product Due Diligence

Cloud Ratings conducted interviews with RELAYTO representatives and reviewed vendor informational resources to inform our customer due diligence process. Cloud Ratings also trialed RELAYTO to directly understand functionalities like creating a digital sales room. Furthermore, Cloud Ratings independently reviewed publicly available RELAYTO customer user reviews to better understand customer experiences and use cases.

Customer Interviews

Cloud Ratings conducted interviews with 3 RELAYTO customers to verify the quantitative and qualitative impact of RELAYTO within their organizations. All customer interviews were conducted independently and without participation from RELAYTO.

Customer Industry	Customer Notes	Interviewee
Marketing Software	300+ employees	Director of Marketing
Insurance Brokerage	30+ employees	Managing Director
Predictive Analytics	15 employees	Head of Marketing

True ROI Financial Modeling

Customer interview results were translated into quantitative benefit and cost estimates for a representative RELAYTO customer. Industry benchmarks are employed in model calculations to reflect industry norms.

True ROI Report

Based on verified customer information, the Cloud Ratings True ROI report estimates the financial impact of adopting RELAYTO. For purposes of conservatism, qualitative benefits are not included in Cloud Ratings' estimates of ROI or payback period.

Cloud Ratings

True ROI Report Authors:

Accountability and accessibility are core values of Cloud Ratings.

Please do not hesitate to contact us if you have <u>any</u> questions, concerns, or feedback regarding our RELAYTO report.

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About Us:

Cloud Ratings is a customer outcomes-focused, data-driven software research analyst firm. We exist to allow organizations to make more confident, lower-risk software purchasing decisions.

Built upon investigative customer interviews, our True ROI Reports quantify and provide 3rd party validation of a software product's business value.

Our Cloud Ratings Category Reports combine user reviews with verified vendor data to impartially identify leading software products.

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While RELAYTO provided a list of customers to interview, all interviews were conducted without any participation by RELAYTO.

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