

FORRESTER®

The Total Economic Impact™ of Adobe Creative Cloud for Teams for SMBs

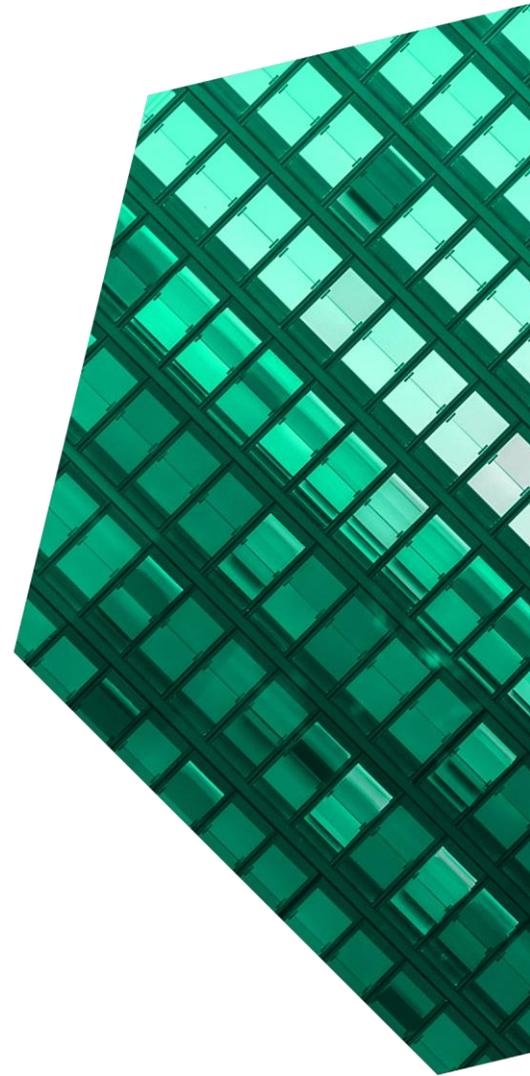
Cost savings and business benefits
enabled by Creative Cloud for Teams

OCTOBER 2021

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Executive summary

Over the past decade there has been a rise in digital creative applications with various features and freemium pricing models. These apps are often targeted towards small and mid-sized businesses operating with modest budgets. Although these apps may appear advantageous, it leads to businesses managing a fragmented toolset. By adopting an integrated creative solution, businesses can streamline their work environment, better predict licensing costs and empower teams to connect and collaborate.

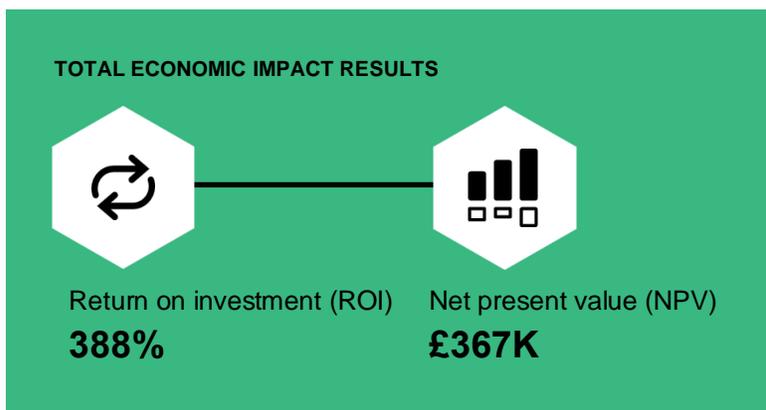
[Adobe Creative Cloud for teams](#) is an integrated creative solution that includes several of the most widely used¹ digital creative tools today. Key apps included are:

- Adobe Photoshop
- Adobe InDesign
- Adobe Illustrator
- Adobe Premiere Pro
- Adobe XD
- Adobe Acrobat

Creative Cloud for teams also includes services that provide access to thousands of Adobe Fonts and millions of free or paid Adobe Stock assets. Plugins and integrations are available to streamline workflows, while Creative Cloud Libraries enables teams to access the same project elements.

Adobe commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) small and mid-sized businesses may achieve by using Adobe Creative Cloud for teams (Creative Cloud for teams).² The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Creative Cloud for teams on their organisation.

To better understand the benefits, costs and risks associated with this investment, Forrester conducted in-depth interviews with seven decision-makers at



five organisations over the phone and surveyed 132 individuals (i.e. directors, managers, product owners and users) at SMB organisations currently using Creative Cloud applications and services. For the purposes of this study, Forrester aggregated the experiences of interviewees and survey respondents and combined the results into a single [composite organisation](#) used as a baseline for financial analysis.

Prior to licensing Creative Cloud for teams, interviewees' organisations leveraged individual Adobe app licences and various third-party creative apps. Apps were often leveraged inconsistently on a team-by-team basis and managers struggled to ensure that updated versions of applications were used. Managers were also challenged with overseeing which users had licence access. Lack of integration between tools led to frequent technical hiccups.

As a result of these obstacles, additional time and/or resource requests were built into project timelines at

the cost of the company. This led the interviewees' organisations to seek out an integrated creative software solution to facilitate consistent production processes and reduce time spent on licence management oversight.

The organisations selected Creative Cloud for teams licences, which provide access to its full line-up of apps and services. A key factor in the decision was Adobe's integrated software suite of apps, fully enabling creatives to complete projects end to end and reducing reliance on third-party apps. Cloud storage also provided seamless interactions between project team members, while supporting remote work through access to shared project files, resulting in improved employee experiences. Since moving to Creative Cloud for teams, the interviewees' organisations accelerated production work through its collaboration capabilities and app integrations (both Adobe and third-party apps).

Predictable costs from managing one contract helped the businesses become more cost efficient with their creative apps and drastically reduced work on licence management.

KEY FINDINGS

Quantified benefits. Risk-adjusted present value (PV) quantified benefits include:

- **Integrated, up-to-date Creative Cloud apps, which streamlined creative app management.** Admins reduced creative app management work by 90%, starting with having only one contract for Creative Cloud for teams' integrated creative platform to handle. Meanwhile, Creative Cloud for teams' subscription model provided team members with access to up-to-date tools, where updates were automatically pushed to them.
- **Empowered teams' creative efforts due to breadth of Creative Cloud apps and integrations.** Creative Cloud for teams accelerated productivity by nearly 5,000 hours on both an individual and teamwork level. The

solution enabled creatives to turn high-quality work round faster. Integrations with various solutions (e.g. Dropbox Paper, Google Workspace apps, Jira Cloud, Microsoft apps, Slack, etc.), including other Adobe applications, facilitated real-time collaboration on projects that helped organise creative efforts. Shared storage of assets through Creative Cloud Libraries provided creatives access to brand assets and creative elements at any time, making it easier for teams to maintain cohesive branding across projects and tools.

“Having a licence that provides access across employees' mobile and desktop devices, as well as integrated applications, is increasing productivity. Why would we use a solution that isn't part of the Cloud and requires additional time and effort to manage?”

IT operations and technical support manager, video games

- **Improved workflow efficiency through one integrated creative platform.** Teams using an integrated set of tools reduced the amount of work that came with third-party creative apps used in projects by over 1,000 hours. Teams no longer had to juggle or learn how to use third-party apps and then reformat or recreate files that did not completely migrate over to different apps. Creative Cloud for teams helped teams maintain project consistency between its apps, ensuring high-quality results.

Unquantified benefits. Benefits that are not quantified for this study include:

- **Enhanced employee experience.** Interviewees said that when they added Creative Cloud for teams licences their workers felt like the

company was investing in them. Positive attitudes resulted in improved quality of work and engagement among employees when collaborating.

- **Secured, remote work with Creative Cloud.** By primarily using Creative Cloud for teams, employees mitigated the risk of file transfers between apps. Remote cloud storage also enabled employees to work remotely, while keeping stored files safe.
- **Expanded skillsets and team members learning.** Access to the entire set of Creative Cloud apps and services encouraged employees to learn and leverage new ones, expanding their skill set.

Costs. Risk-adjusted PV costs include:

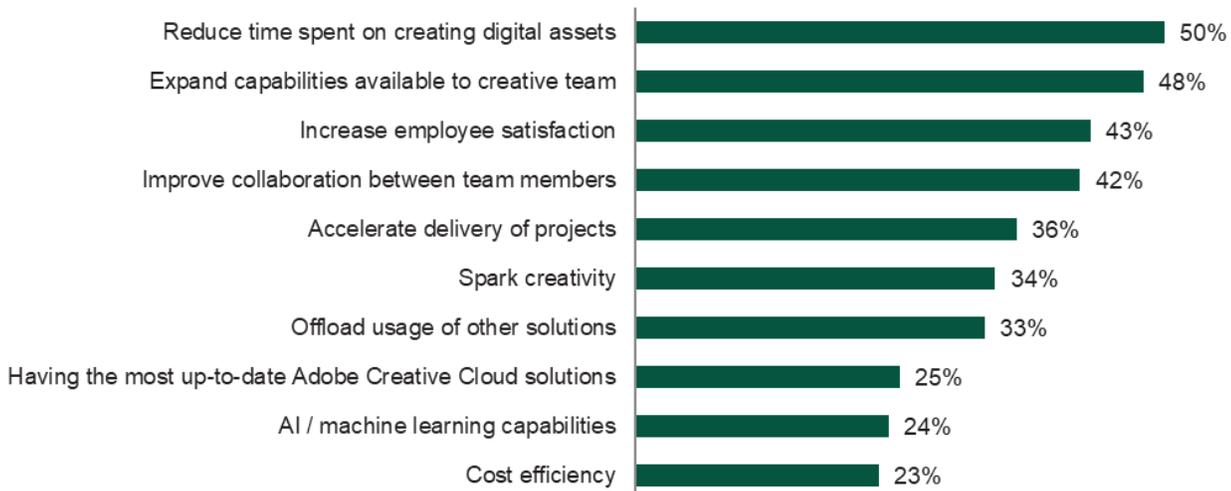
- **Adobe Creative Cloud licence cost.** Interviewees’ organisations paid a monthly fee per Creative Cloud for teams licence for access to all apps and services.
- **Conversion/migration of files over to Creative Cloud.** Interviewees’ organisations dedicated a small team to converting and migrating files from non-Adobe apps to Creative Cloud for teams. These files will be reused and repurposed for future work.

The financial analysis based on the customer interviews and survey found that a composite organisation experiences benefits of £462K over three years versus costs of £95K, adding up to a net present value (NPV) of £367K and an ROI of 388%.

“If we didn’t use Creative Cloud for teams, we’d have to find different software solutions, and that would mean managing more people. It’s nice there’s continuity between programs to help us avoid those additional needs.”

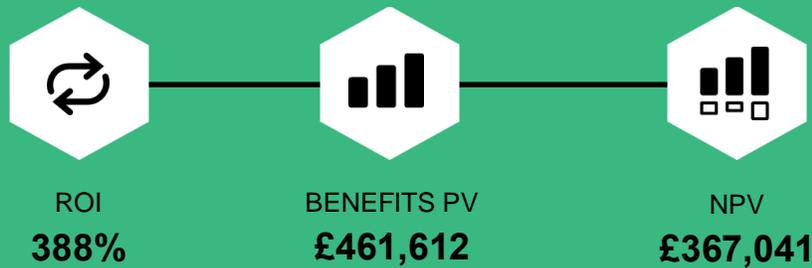
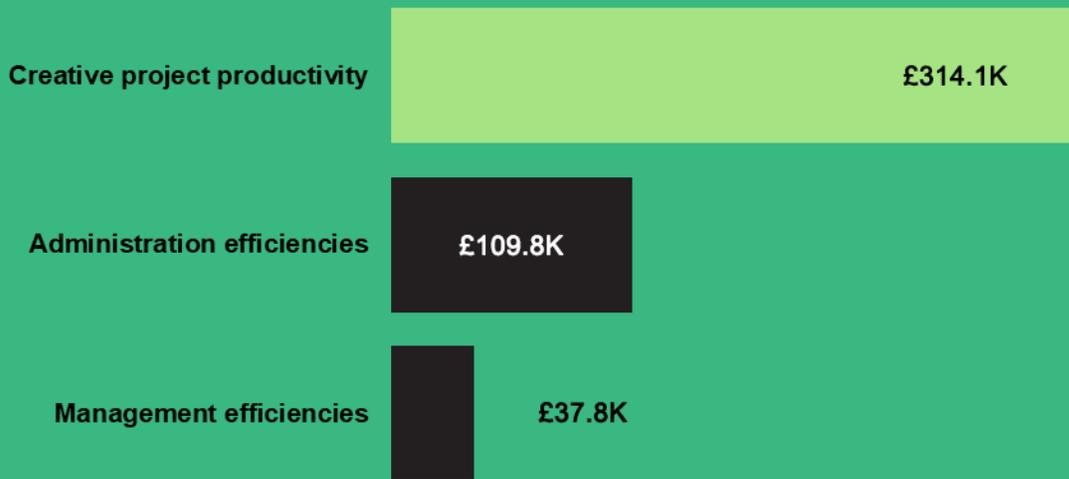
Executive creative director, animation

“What are some key factors that drove adoption of Adobe Creative Cloud for teams?”



Base: 132 users of Adobe Creative Cloud for teams
 Source: A commissioned survey on Adobe Creative Cloud for teams for conducted by Forrester Consulting on behalf of Adobe, April 2021

Benefits of Adobe Creative Cloud for teams (three-year)



There's nothing that really measures up to the features, stability and compatibility of Adobe Creative Cloud software. It sets the standard.

– Creative director, marketing

TEI FRAMEWORK AND METHODOLOGY

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

The objective of the framework is to identify the cost, benefit, flexibility and risk factors that affect the investment decision. Forrester took a multi-step approach to evaluate the impact that Adobe Creative Cloud for teams can have on an organisation.

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 organisations 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 Creative Cloud for teams.

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 Creative Cloud for teams.



INTERVIEWS AND SURVEY

Interviewed seven decision-makers at five organisations over the phone and surveyed 132 individuals at SMB organisations using Adobe Creative Cloud for teams to obtain data with respect to costs, benefits and risks.



COMPOSITE ORGANISATION

Designed a composite organisation based on characteristics of the interviewees' and survey respondents' organisations.



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' organisations.



CASE STUDY

Employed four fundamental elements of TEI in modelling 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 Creative Cloud customer journey

■ Drivers leading to the Creative Cloud investment

KEY CHALLENGES

Forrester interviewed seven decision-makers at five organisations and surveyed 132 SMB individuals with experience using Creative Cloud for teams licences. For more details on the organisations which participated in this study, see [Appendix B](#).

Before signing up for licences to Creative Cloud apps and services, interviewees' organisations leveraged several common Adobe applications like InDesign and Photoshop, alongside various third-party creative apps.

The interviewees noted how their organisations struggled with a lack of integrations between the applications and various licensing agreements, which created challenges, including:

- **Oversight of creative app licences.** The small and mid-sized businesses operated with a limited number of creative app licences to allocate to their staff. For managers, this became a task to manage when assigning teams to a project and ensuring that employees had access to required apps for completion. In addition, contractors brought onto projects were given licences that would be unaccounted for after their work with the company ended. These challenges led to managers signing up for more licences than they wanted and some licences eventually going unused.

- **Additional work and sunk costs from non-integrated creative apps.** Organisations adopted several third-party creative apps with freemium pricing models as a means to be cost efficient. However, these apps often went unused as employees opted for more familiar Adobe apps in lieu of having to learn new creative apps.

When workers did leverage other creative apps, it led to inconsistent work streams and production delays where team members had to sink time into learning these apps to continue work. Compounding matters were transferred files that became compressed or needed to be recreated.

INVESTMENT OBJECTIVES

The interviewees' organisations searched for a set of creative apps that could:

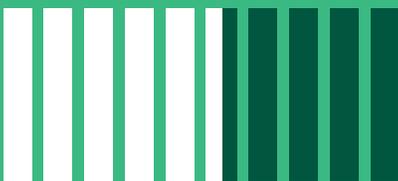
- Provide employees with a comprehensive set of tools to complete projects.
- Integrate with other applications to streamline production work.
- Mitigate confusion over licence management.

COMPOSITE ORGANISATION

Based on the interviews and survey, Forrester constructed a TEI framework, a composite company and a ROI analysis that illustrates the areas financially affected. The composite organisation is representative of interviewees' five companies and the 132 respondents that Forrester surveyed, and is used to present the aggregate financial analysis in the next section. The composite organisation has the following characteristics:

Description of composite. The composite organisation is an industry-agnostic organisation with global operations and primarily remote workers. The

Average number of design and visualisation apps used prior to investment: 5.6



organisation generates £18 million in annual revenue and has 200 employees, including contractors. Prior to Creative Cloud for teams, the organisation pays for licences to individual Adobe Creative Cloud apps. Third-party creative apps are also used on a regular basis. Today, the organisation has 40 Creative Cloud for teams licences and no longer pays for individual Adobe Creative Cloud apps or third-party creative apps.

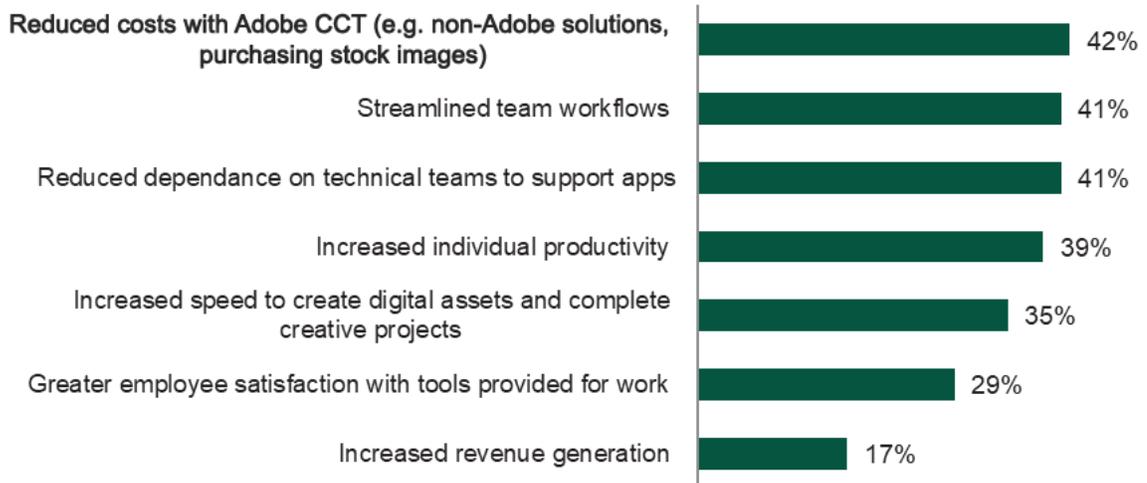
Deployment characteristics. The organisation immediately allocates Creative Cloud for teams licences to its employees and contractors for full access to the products. Employees reformat or recreate project files created with non-Adobe creative apps within the first few months as the third-party apps are phased out of usage.

Composite organisation

key assumptions

- £18 million annual revenues
- 200 employees
- 40 Creative Cloud for teams licences

“Which of the following benefits has your organisation achieved as a result of its investment in Adobe Creative Cloud for teams?”



Base: 132 users of Adobe Creative Cloud for teams

Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, April 2021

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	Management efficiencies with Creative Cloud for teams	£13,458	£16,150	£16,150	£45,758	£37,715
Btr	Creative project productivity with Creative Cloud for teams	£84,114	£134,582	£168,228	£386,924	£314,084
Ctr	Administration efficiencies with Creative Cloud for teams	£36,449	£48,599	£48,599	£133,648	£109,813
	Total benefits (risk-adjusted)	£134,021	£199,331	£232,977	£566,329	£461,612

MANAGEMENT EFFICIENCIES WITH CREATIVE CLOUD FOR TEAMS

Evidence and data. Survey respondents stated that before adopting Creative Cloud for teams they leveraged 5.6 non-Adobe design and visualisation tools on average. Each of those apps came with their own agreements and/or licences to manage and represented additional management work on top of individual licences for Adobe creative apps.

Given the dozens of creatives at each organisation and the mix of contractors brought onto projects, licence management required upwards of a few hours of creative administrators' time on a weekly basis. By moving to Creative Cloud for teams licensing, creative admins were relieved of a majority of this work as they only had one set of licences to allocate and a user-friendly dashboard to manage

IT team members were relieved of maintenance of third-party apps, including overseeing updates and technical errors. With Adobe Creative Cloud for teams, updates were pushed automatically to users, and the integrated set of tools facilitates a smooth technical experience. IT teams no longer allocate resources to creative tool integrations or schedule software outages to avoid potential technical

“The cost now is more predictable and lower as the admin console helps us scale up and down on an ‘as-needed’ basis versus having unallocated licences for the sake of future work.”

Vice president of IT, marketing

“Before Adobe Creative Cloud for teams, we’d have to schedule down time and make sure everyone was up to date on their Adobe software. When you have a three-person operation, that’s asking a lot of time.”

IT operations and technical manager, video games

challenges with the various third-party apps.

According to interviewees, an unplanned benefit was that creative app budgets became more predictable because of minimal maintenance work and the oversight of one set of licences. Given how tight

budgets can sometimes be at SMBs, that benefit carried meaningful weight.

Modelling and assumptions. For the composite organisation, Forrester assumes:

- The creative director spends roughly half a workday per week overseeing creative app licences for employees and contractors, totalling 192 hours over the year.
- The assumed average hourly rate for a creative director is £59.
- The full-time equivalent of one IT employee allocates two days per month to overseeing integrations and maintenance of creative apps.
- The assumed average hourly rate for an IT FTE is £51.
- After adopting Creative Cloud for teams, the organisation achieves 75% efficiency in licence and app management in Year 1 as they transition away from third-party apps. In Year 2, with more

teams relying on Adobe’s apps for work, the efficiency climbs to 90%.

Risks Differences across organisations that may impact the benefits include:

- The amount of time allocated to licence management and/or maintenance of creative apps.
- The hourly rate for employees depends on the industry, region and various demographics of the organisation.

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 £37K.

Management efficiencies with Creative Cloud for teams					
Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Time spent managing licences of creative apps on an annual basis (hours)	Assumption	192	192	192
A2	Average hourly rate for creative director FTE managing licences	Assumption	£59	£59	£59
A3	Total cost of managing licences	A1×A2	£11,259	£11,259	£11,259
A4	Time spent on integrations and maintenance of creative apps on an annual basis (hours)	Assumption	192	192	192
A5	Average hourly rate for IT FTEs	Assumption	£51	£51	£51
A6	Total cost of managing integrations and maintenance	A4×A5	£9,852	£9,852	£9,852
A7	Efficiency with managing creative apps after adopting Creative Cloud for teams	Interviews	75%	90%	90%
At	Management efficiencies with Creative Cloud for teams	(A3+A6)×A7	£15,833	£19,000	£19,000
	Risk adjustment	↓15%			
Atr	Management efficiencies with Creative Cloud for teams (risk-adjusted)		£13,458	£16,150	£16,150
Three-year total: £45,758			Three-year present value: £37,715		

CREATIVE PRODUCTIVITY WITH CREATIVE CLOUD FOR TEAMS

Evidence and data Interviewees reported upticks in productivity and creative quality among creatives and teams leveraging Creative Cloud for teams. While the core functionality of the tools had not changed, additional capabilities enriched the experience.

The combination of cloud storage and using tools all within Creative Cloud for teams enabled users to seamlessly continue work on projects across apps and devices. With assets or files placed in Creative Cloud Libraries, individuals built on previous creative efforts and accelerated their speed of delivery. Meanwhile, users can leverage unused allotted storage from other users. Access to Adobe Stock also helped shorten searches and approvals for images to use in materials.

with fewer emails and reviews as individuals worked through checkpoints together. Weekly time savings among survey respondents increased to 3.6 hours when engaged in teamwork. These time savings freed employee bandwidth to take on additional projects or focus more on projects that required additional attention.

For apps like Adobe InDesign, where layouts are



created and revised, benefits from integrations were critical. Among survey respondents, collaborating in real time on files (64%), having a hub for sharing files (59%) and collecting feedback on files (58%) were cited as key use cases from integrations. Altogether, employees became more capable of effectively leveraging Creative Cloud apps and services.

Modelling and assumptions. For the composite organisation, Forrester assumes:

- It takes on three hundred creative projects in a year or 25 every month. On average, eight creatives are assigned to each project and they dedicate 20 hours to creative processes.
- In Year 1, users with Creative Cloud licences increase productivity by 5%. As users move on from using third-party apps, productivity increases to 8%. User maturity and formulation of best practices with using Creative Cloud apps leads to productivity reaching 10% in Year 3.
- The average blended hourly rate for creatives, including employees and contractors, is £55.
- Of the time saved, 75% is rededicated towards work, while the remaining 25% is reallocated to longer work breaks and fewer late nights or weekends of work.

“It’s nice to have access to the full suite of products and to be able to jump between different apps – it’s seamless. It’s a big benefit to us to know that these tools are the standard for our creatives when we collaborate with each other.”

Creative director, marketing

These resources proved especially beneficial as businesses sought to maintain their level of creative output as remote work increased. A shared library of assets also helped new employees and contributors quickly support projects, while creatives who rotated into projects did not miss a step with access to the same files. On an individual work basis, survey respondents reported 2.9 hours of weekly time savings.

On a team basis, accessibility to shared assets and files fostered collaboration between creatives as they iterated in real time, making for more productive review cycles. Team processes were streamlined

Risks Differences across organisations that may impact the benefits include:

Results To account for these risks, Forrester adjusted this benefit downwards by 15%, yielding

Creative project productivity with Creative Cloud for teams					
Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Number of creative projects per year	Assumption	300	300	300
B2	Average number of creatives working on each project	Assumption	8	8	8
B3	Average amount of time dedicated to creative on each project (hours)	Assumption	20	20	20
B4	Time spent on creative annually	B1xB2xB3	48,000	48,000	48,000
B5	Productivity recognised with Adobe Creative Cloud	Survey	5%	8%	10%
B6	Average hourly blended rate for creatives working on projects	Assumption	£55	£55	£55
B7	Productivity recapture rate	Assumption	75%	75%	75%
Bt	Creative project productivity with Creative Cloud for teams	B4xB5xB6xB7	£98,957	£158,332	£197,915
	Risk adjustment	↓15%			
Btr	Creative project productivity with Creative Cloud for teams (risk-adjusted)		£84,114	£134,582	£168,228
Three-year total: £386,924			Three-year present value: £314,084		

The number of projects a company takes on annually, the number of creatives it allocates to projects and the amount of time dedicated to projects.

a three-year, risk-adjusted total PV of £314K.

- The hourly rate varies based on the seniority of employees and/or usage of contractors.

ADMINISTRATION EFFICIENCIES WITH CREATIVE CLOUD FOR TEAMS

Evidence and data Moving away from third-party creative apps removed work that came with leveraging those apps.

One of the biggest benefits of Adobe creative apps involved work around the migration of files between creative apps. Work on file migration ranged from reformatting compressed files to recreating files that did not retain colours or designs from the previous app. This created headaches for workers. With Adobe's integrated toolset, creatives no longer had to deal with this obstacle.

Using one creative solution allowed better efficiencies, as there was less time spent learning how to use third-party creative apps. From time to time, individuals on projects would leverage third-party apps they were comfortable with and, if other creatives were brought on for support, they would have to play catch-up in learning the app and delay production timelines.

In addition, interviewees shared that they would test out new creative applications to see if they improved productivity. These pilot runs would occur over the course of a month across a small team dedicating themselves to learning and practising using the app. Too often this led to employees taking time to learn an app and then going back to what they were already using because of familiarity.

Avoided sunk time and costs in other apps helped organisations focus on their best practices and maturity with Creative Cloud for teams, leading to stronger creative output.

Modelling and assumptions. For the composite organisation, Forrester assumes:

- There are 40 creatives with access to Creative Cloud for teams who averaged a half hour per week on non-integrated app work.

- These inefficiencies are reduced by 75% in Year 1 as creatives move on from regularly using third-party creative apps. By Year 2, inefficiencies are reduced by 100% as they primarily use Adobe apps for creative projects.
- The average blended hourly rate for creatives, including employees and contractors, is £55.

“We’ve tried using a few third-party apps, but what we’ve seen is we lose user adoption internally.

We lose efficiencies across the team because they’ve spent their whole career working with, for example, Photoshop, where introducing something different slows things down and causes work to take longer.”

Vice president of IT, marketing

Risks Differences across organisations that may impact the benefits include:

- An organisation's benefits will vary based on the number of non-Adobe apps previously leveraged and employees working on projects.
- The hourly rate varies based on the seniority of employees and/or usage of contractors.

Results To account for these risks, Forrester adjusted this benefit downwards by 15%, yielding a three-year, risk-adjusted total PV of £110K.

Administration efficiencies with Creative Cloud for teams					
Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Number of creatives with Creative Cloud for teams licences	Assumption	40	40	40
C2	Average time spent per week with non-integrated apps (hours)	Interviews	0.5	0.5	0.5
C3	Hours spent on non-integrated apps work annually	A1xA2x52 weeks	1,040	1,040	1,040
C4	Improved efficiency with using non-integrated creative apps	Interviews	75%	100%	100%
C5	Average hourly blended rate for creatives working on projects	B6	£55	£55	£55
Ct	Administration efficiencies with Creative Cloud for teams	C3xC4xC5	£42,882	£57,175	£57,175
	Risk adjustment	↓15%			
Ctr	Administration efficiencies with Creative Cloud for teams (risk-adjusted)		£36,449	£48,599	£48,599
Three-year total: £133,648			Three-year present value: £109,813		

UNQUANTIFIED BENEFITS

Additional benefits that customers experienced but were not able to quantify include:

- **Enhanced employee experiences.** Before investing in Creative Cloud for teams, decision-makers would hear complaints from employees about having to work with whatever tools their company had on hand to leverage. Many employees who were recent college graduates or came from large companies that had Creative Cloud for teams licences were expecting the full capabilities of the tools to be available for their work. According to our survey of Creative Cloud for teams users, 84% agreed that it is important to have reputable creative tools available for work.

After the adoption of Creative Cloud for teams, employees recognised the significance of the investment. Among survey respondents, 97% agreed that adoption showed a willingness from their organisation to support the creative team. Interviewees stated that their organisations' employees produced higher-quality content, and complaints on available tools were dropped.

- **Secure, remote work with Creative Cloud.** For employees working remotely, accessing files from cloud storage was easy and secure. Files were stored securely in the cloud and risk was mitigated as fewer files were transferred between third-party apps. With Creative Cloud, organisations maintained creative output levels and increased the onboarding of remote contractors and employees.

“We used to have software on our server that was in the office and we faced the issue of ‘What if something happens to that server?’ If it needs to be manually restarted – that’s a huge problem for us.

Having cloud storage was so much easier for us to leverage than on-premises software.”

Executive creative director, animation

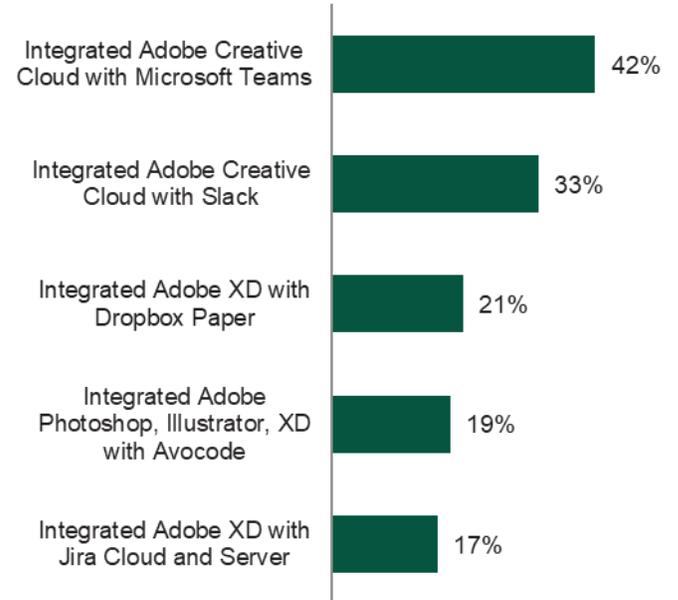
FLEXIBILITY

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

- Users learning and leveraging different apps.**
 Interviewees noted that employees having access to all Creative Cloud apps encouraged them to expand their skill set by leveraging different Adobe apps. For example, tools like Dreamweaver and XD helped creative professionals learn how to build websites and user experiences, respectively. Interviewees also shared plans to integrate apps with other third-party platforms to streamline work processes. Experimentation and integrations with Creative Cloud apps have only increased with the availability of apps across mobile devices, maximising worker bandwidth.

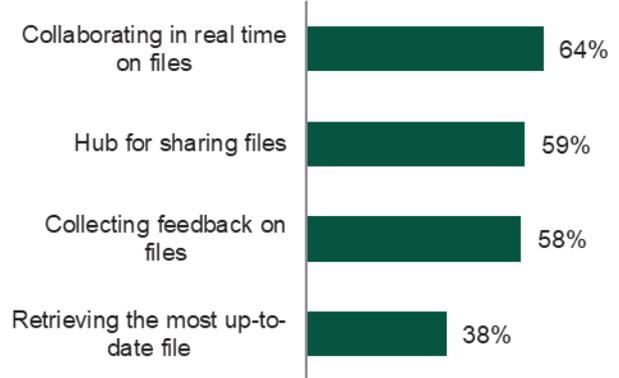
Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in [Appendix A](#)).

“Are Adobe Creative Cloud for teams' applications leveraged with other solutions at your organisation? If so, in what capacity.”



Base: 132 users of Adobe Creative Cloud for teams
 Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, April 2021

“You indicated you integrated Adobe Creative Cloud for teams solutions with apps. Please select use cases for this integration.”



Base: 85 users of Adobe Creative Cloud for teams
 Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, April 2021

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
Dtr	Adobe Creative Cloud for teams cost	£0	£29,186	£29,186	£29,186	£87,558	£72,581
Etr	Cost of converting/migrating files to Creative Cloud for teams	£0	£24,190	£0	£0	£24,190	£21,991
	Total costs (risk-adjusted)	£0	£53,375	£29,186	£29,186	£111,747	£94,571

CREATIVE CLOUD FOR TEAMS LICENCE COST

Evidence and data Organisations pay for Creative Cloud for teams licensing on a per-user basis. The average cost of a licence to all apps for businesses is £58 per month. For the composite organisation, it pays for 40 licences that rotate between employees and contractors.

Results. To account for variability in these costs, Forrester adjusted this cost upwards by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of £73K.

Creative Cloud for teams licence cost						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
D1	Number of Creative Cloud for teams licences	Assumption	0	40	40	40
D2	Monthly cost of licence for access to all 20+ Creative Cloud apps	Interviews	£0	£58	£58	£58
Dt	Creative Cloud for teams licence cost	D1xD2x12 months	£0	£27,796	£27,796	£27,796
	Risk adjustment	↑5%				
Dtr	Creative Cloud for teams licence cost (risk-adjusted)		£0	£29,186	£29,186	£29,186
Three-year total: £87,558			Three-year present value: £72,581			

COST OF CONVERTING/MIGRATING FILES TO CREATIVE CLOUD FOR TEAMS

Evidence and data After adopting Creative Cloud for teams licences, creative teams had to convert or migrate files from non-Adobe apps over to Creative Cloud apps. The volume of work varied based on the volume of files carried over and work required of files (e.g. reformatting files, recreating designs).

Interviewees said that the work took upwards of one week to complete among several employees. After the move was made, they reused assets and rapidly moved forward with work.

Modelling and assumptions. For the composite organisation, Forrester assumes:

- There are 10 employees tasked with migration of assets and files and each spends 40 hours on the project.
- The assumed hourly rate for creative employees is £55.

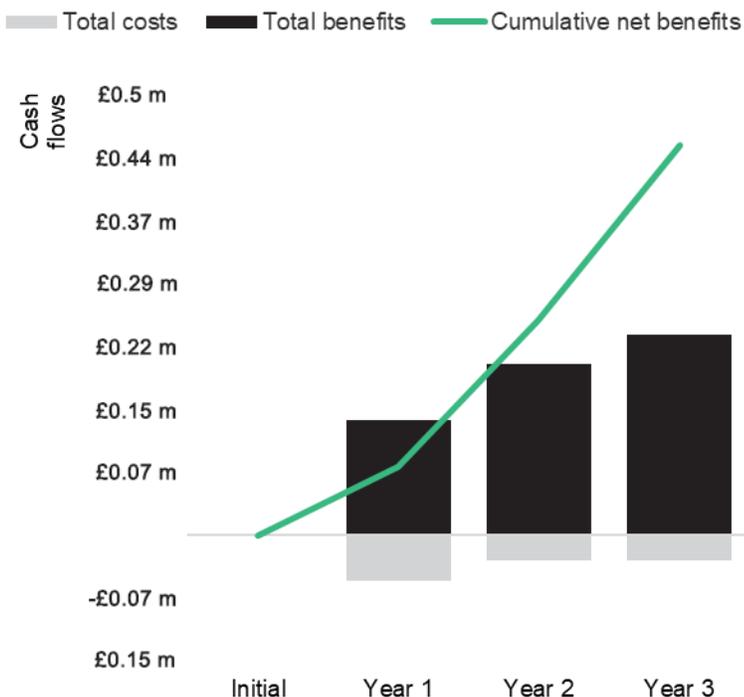
Results To account for variability in these costs, Forrester adjusted this cost upwards by 10%, yielding a three-year, risk-adjusted total PV of £21,991.

Cost of converting/migrating files over to Creative Cloud for teams						
Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Number of employees tasked with migration of assets and files	Interviews	0	10	0	0
E2	Time dedicated by each employee (hours)	Interviews	0	40	0	0
E3	Average hourly rate for creative employees	Assumption	£0	£55	£0	£0
E _t	Cost of converting/migrating files to Creative Cloud for teams	E1×E2×E3	£0	£21,991	£0	£0
	Risk adjustment	↑10%				
E _{tr}	Cost of converting/migrating files to Creative Cloud for teams (risk-adjusted)		£0	£24,190	£0	£0
Three-year total: £24,190			Three-year present value: £21,991			

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 organisation's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash-flow analysis (risk-adjusted estimates)

	Initial	Year 1	Year 2	Year 3	Total	Present value
Total costs	£0	(£53,375)	(£29,186)	(£29,186)	(£111,747)	(£94,571)
Total benefits	£0	£134,021	£199,331	£232,977	£566,329	£461,612
Net benefits	£0	£80,646	£170,145	£203,791	£454,582	£367,041
ROI						388%

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 realise 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 organisation.

Costs consider all expenses necessary to deliver the proposed value or benefits of the product. The cost category within TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on 'triangular distribution'.

The initial investment column contains costs incurred at 'time 0' or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs and Cash Flow tables may not exactly add up, as some rounding may occur.



PRESENT VALUE (PV)

The present or current value of (discounted) cost-and-benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feeds 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. Organisations typically use discount rates between 8% and 16%.



PAYBACK PERIOD

The break-even point for an investment. This is the point in time at which net benefits (benefits minus costs) equal initial investment or cost.

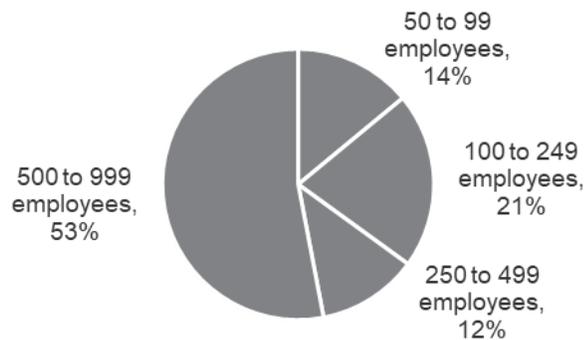
Appendix B: Interview and Survey Demographics

Interviewee Demographics

Interviewee(s)	Industry	Number of employees (including contractors)	Key Adobe Creative Cloud applications
Vice president of IT	Marketing	350+	Adobe Dreamweaver, Adobe Photoshop
Creative director; Manager of finance	Marketing	225+	Adobe Illustrator, Adobe InDesign, Adobe Photoshop, Adobe XD
Assistant creative director; Account director	Marketing	N/A	Adobe Illustrator, Adobe Photoshop
IT ops and technical support manager	Video games	200+	Adobe Illustrator, Adobe InDesign, Adobe Photoshop, Adobe Premiere Pro
Executive creative director	Animation	50+	Adobe After Effects

Survey Demographics

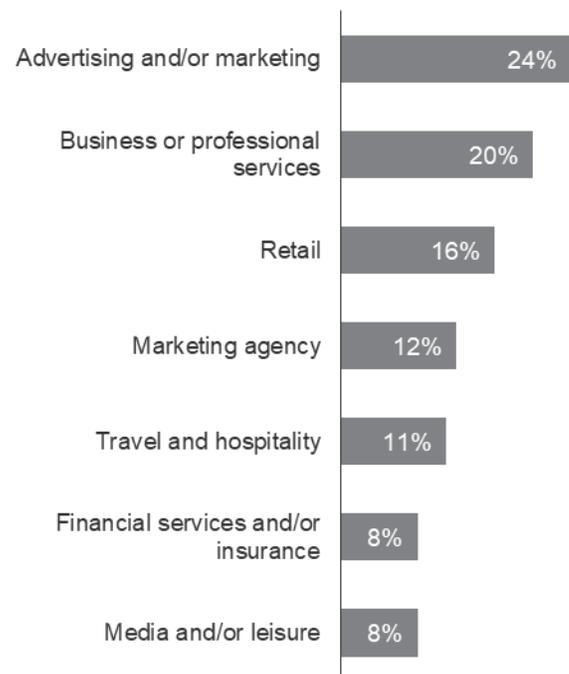
“Using your best estimate, how many employees work for your firm/organisation worldwide?”



“Which title best describes your position at your organisation?”

35%	Director (manage a team of managers and high-level contributors)
52%	Manager (manage a team of marketing and insight practitioners)
11%	Product owner (manage product teams)
3%	Visual design (work within a team or as an individual contributor)

“Which of the following best describes the industry to which your company belongs?”



“In which country are you located?”

42%	United States
16%	Japan
14%	United Kingdom
11%	France
9%	Germany
8%	Canada

Base: 132 users of Adobe Creative Cloud for teams

Note: Percentages may not total 100 because of rounding.

Source: A commissioned study conducted by Forrester Consulting on behalf of Adobe, April 2021

Appendix C: Endnotes

¹ Source: “The Design Industry, 2021”, Forrester Research, Inc. 18 March 2021

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 achieve the tangible value of IT initiatives to both senior management and other key business stakeholders.

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