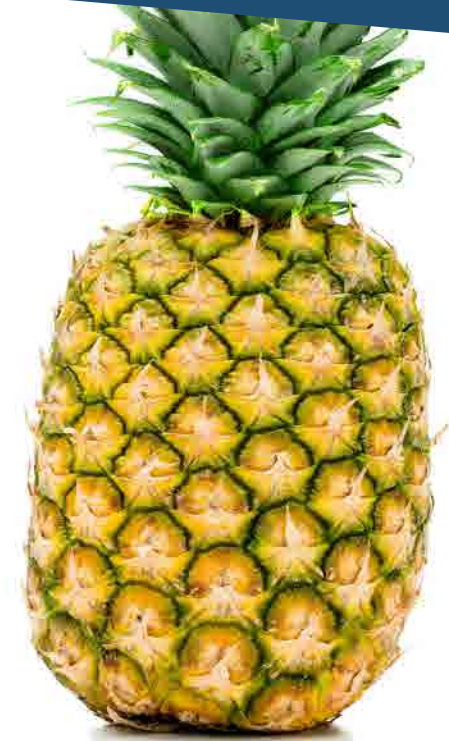


# ROI of a headless CMS

Enterprise CMS vs Kontent vs ButterCMS

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Forrester released a report on the ROI of a headless CMS in July of 2023. In this report Forrester calculates the savings that four large enterprises got over 3 years by switching from previous CMS platforms to Kontent.ai, a headless CMS. At ButterCMS we've heard our clients talk about the savings they experienced by switching to Butter, but it was great to see it conservatively quantified by Forrester.

The 4 factors that Forrester used to calculate the savings are not specific to the unique feature of any one headless CMS, but are common across all headless CMS to some degree. So the report is really a quantitative validation of the ROI of all headless CMS over a traditional CMS.

At ButterCMS we were curious what would happen if we plugged our own numbers into Forrester's formula. How would Butter compare with the 320% ROI documented by Forrester?

When you plug Butter's advantages into Forrester's formula you get an **ROI of 685%**. Yes, that's more than double the ROI! Here is how Forrester calculated their ROI and how Butter input our advantages into Forrester's formula to calculate these results.



## **2** Calculations based on the Forrester modeling

### **Benefit #1: Improved efficiency in new content deployment.**

A headless CMS cuts the average content creation time for a team from 10 days to 1 because it is easier to use. Forrester calculated a 3 year savings of \$159,000 through this improved efficiency.

G2 users rate ButterCMS as 6% better on ease of use and ease of setup than Kontent.ai. Using Forrester's \$159,000 savings as a baseline multiplied by ButterCMS's 6% advantage gives us a savings of \$168,540.

### **Benefit #2: Increased efficiency in daily content operations.**

A headless CMS speeds up the time it takes for the content team to find the latest content. This translates to time that can be used elsewhere, leading Forrester to calculate a \$491,000 savings over 3 years.

Butter CMS's advantage of 6% according to G2 user ratings equals an extra \$29,460 which added to the baseline equals a \$520,460 savings over 3 years.





**Benefit #3: Increased revenue due to enhanced content management.**

A headless CMS can power personalization, leading to higher conversion rates, as well as faster content testing which in Forrester's research lead to an average increase in sales revenue of \$1.47 million over 3 years.

Butter CMS's advantage of 6% in ease of use according to G2 user ratings spurs an extra \$90,000 in revenue which added to the baseline equals an extra \$1.56 million in revenue over 3 years.

**Benefit #4: Reduced ongoing operational expenses.**

A headless CMS can be much less expensive than many legacy enterprise CMS, and Forrester calculated an average savings of \$962,000 in licensing and infrastructure costs over 3 years.

Here, ButterCMS's advantage in pricing over Kontent.ai average to a 38% savings. This means an extra \$365,560 savings over the baseline savings. Adding this to the average savings gives a total savings of \$1,327,560 over 3 years.





### 3 Total Savings and ROI with ButterCMS

Total savings and increased revenue with ButterCMS over 3 years would be \$3,576,560 based on Forrester's formula and Butter's higher ease of use and lower licensing and training costs. This represents more than a half million dollars savings over the already impressive savings generated by Kontent.ai. Forrester calculates the total present value of the costs for Kontent.ai over 3 years to be \$734,599. ButterCMS calculates its total costs as 38% less for a total of \$455,451.

Forrester calculated ROI by dividing net benefits (benefits less costs) by costs and expressing the results as a percentage. ButterCMS's benefits are \$3,576,560 less costs of \$455,451 equal net benefits of \$3,121,109. These net benefits divided by the costs give an ROI of 685%. This is an ROI benefit over 3 years when switching from a traditional enterprise level CMS to ButterCMS.

