

# ROI of a headless CMS

## An Enterprise CMS vs ButterCMS

by Jonathan Ames





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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 Enterprise 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, and it was great to see Forrester conservatively quantify these benefits. We believe 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 a large degree. So the report is really a quantitative validation of the ROI of a headless CMS over a traditional CMS in an enterprise application.

At ButterCMS we were curious about what would happen if we plugged our own numbers into these same 4 factors. How would Butter compare with the ROI documented by Forrester? When we plugged Butter's user rated advantages and pricing into these same calculations we got an **ROI of 685%**. We recommend you read the original Forrester report to calculate this for yourself.

## **2** Calculations

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

A headless CMS cuts the average content creation time for a team by allowing the content team to create content without having to involve developers on most projects. If the headless CMS is hosted this also removes the work necessary to update, patch, and maintain the application. Ease of use is key to the amount of dollar amount of this benefit. G2 users rate Butter CMS as 6% easier to use and setup than Kontent.ai as of Summer 2023. We used this to calculate the first factor in the total ROI.

### **Factor #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. Butter's 6% advantage in ease of use will likewise influence the amount of this benefit and your total ROI.





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

A headless CMS can be used power personalization, leading to higher conversion rates, as well as allowing for faster content testing. A headless CMS also allows developers to build much faster loading web pages by eliminating the bloated code that comes from traditional enterprise CMS with templates that control the front-end code of the website. These page load time improvements affect both conversion rate and search engine rankings. We also added in Butter's 6% advantage in ease of use to calculate this advantage in overall ROI.

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

A headless CMS is typically much less expensive than a legacy enterprise CMS. To switch from a legacy CMS to headless typically brings savings of tens of thousands a year. From price comparisons given to us by former Kontent.ai customers and quotes shared by prospects, ButterCMS offers an average price savings of around 38% for most enterprise level customers. This is over the already great savings that Kontent.ai would offer over a traditional enterprise CMS. This savings offered the single largest boost to ROI in our calculations.



### **3 Total Savings and ROI with ButterCMS**

Total savings and increased revenue by switching from a legacy enterprise CMS to Kontent.ai were impressive and we recommend you read Forrester's report to see their numbers and methodology. If you have an existing engineering department supporting your website development then switching to a headless CMS has been shown to bring a tremendous return on your investment from the four factors just listed.

Because Butter CMS is also headless, it will give you similar benefits from these 4 factors as well as even greater efficiencies from a conscious decision to focus on speed and ease of use. ButterCMS also offers consistently better enterprise level pricing.

To help you quantify your organization's individual ROI, ButterCMS offers to document and benchmark your current costs in these four areas and then help your team measure again after you have switched to ButterCMS. This will give you a powerful validation of improvement in these 4 factors and exact ROI for your use case. Reach out to your ButterCMS rep to get started!

