

Return on Investment Analysis (ROI) - PPTminimizer™

Initial Situation / Problem

The following calculation shows the advantages of a corporate licensing of PPTminimizer in a corporation with 2,500 PC work places. In this model company PowerPoint is regularly used for Support Marketing and Sales as well as for internal presentations. Even if single costs for storing data (Total Cost of Ownership - TCO) continue to fall, the company has increasing storage costs due t the higher volume of stored data (primarily multimedia presentations and documents). Also sending and receiving documents becomes increasingly difficult, as such big documents do not pass firewall and “zipping” results ineffective. In the analysis we calculate with a TCO of \$ 0.10 per Megabyte of storage per month.

Solution

PPTminimizer small company license	\$ 8,900.00
Software Development Kit (SDK)	\$ 8,900.00
Total investment	\$ 17,800.00

This solution allows PPTminimizer to be installed on the company’s file servers. Each time before a presentation or document is saved on a file server, it will be automatically compressed by up to 96%. Also every employee can freely use PPTminimizer to compress documents before sending them to clients or colleagues. On average the company stores 15,000 documents per month (i.e. 6 files per employee and month). The average file size is 8 Megabyte and the average compression rate is 70%.

Return on Investment – Calculation

15,000 presentations x 8 Megabytes	120,000.00 MB	(120 GB)
70% compression rate	-84,000.00 MB	(84 GB)
occupied storage with PPTminimizer	36,000.00 MB	(36 GB)
saved storage space	84,000.00 MB	(84 GB)

Total storage cost of ownership (TCO) \$ 0.10 per MB/month per 84,000 MB
= cost savings per month \$ 8,400.00

Return on investment nach:	Year 0	Year 1	Year 2	Year 3
Investment	-\$17.800,00			
savings per year		\$100.800,00	\$100.800,00	\$100.800,00
interest (est. cost of capital)		10%	10%	10%
Net present value (NPV)		73.836	157.142	232.875
Return on Investment (RoI):		415%	883%	1308%

After 2 months and 1 week, the initial investment of US \$ 17,800 has been paid off !

Final comment:

The calculation shows, that an investment in PPTminimizer (company license & SDK) pays off in less than 11 months. The Net Present Value (NPV) is positive from the beginning and Return on Investment (RoI) is as high as 1308% after 3 years. However, this is a conservative calculation as the average compression rate and the number of compressed documents will probably be much higher. Also, this investment allows to compress all documents created so far on the company’s servers, an effect which has not been taken into account in this analysis.

Please consider that this is a model case whose basic assumptions might not apply to your organization. If you let us know the details of your organization we would be pleased to calculate your personal RoI for an investment in PPTminimizer. Please contact: cs@balesio.com.

THIS WORD FILE HAS BEEN COMPRESSED BY 91,5% USING PPTminimizer!