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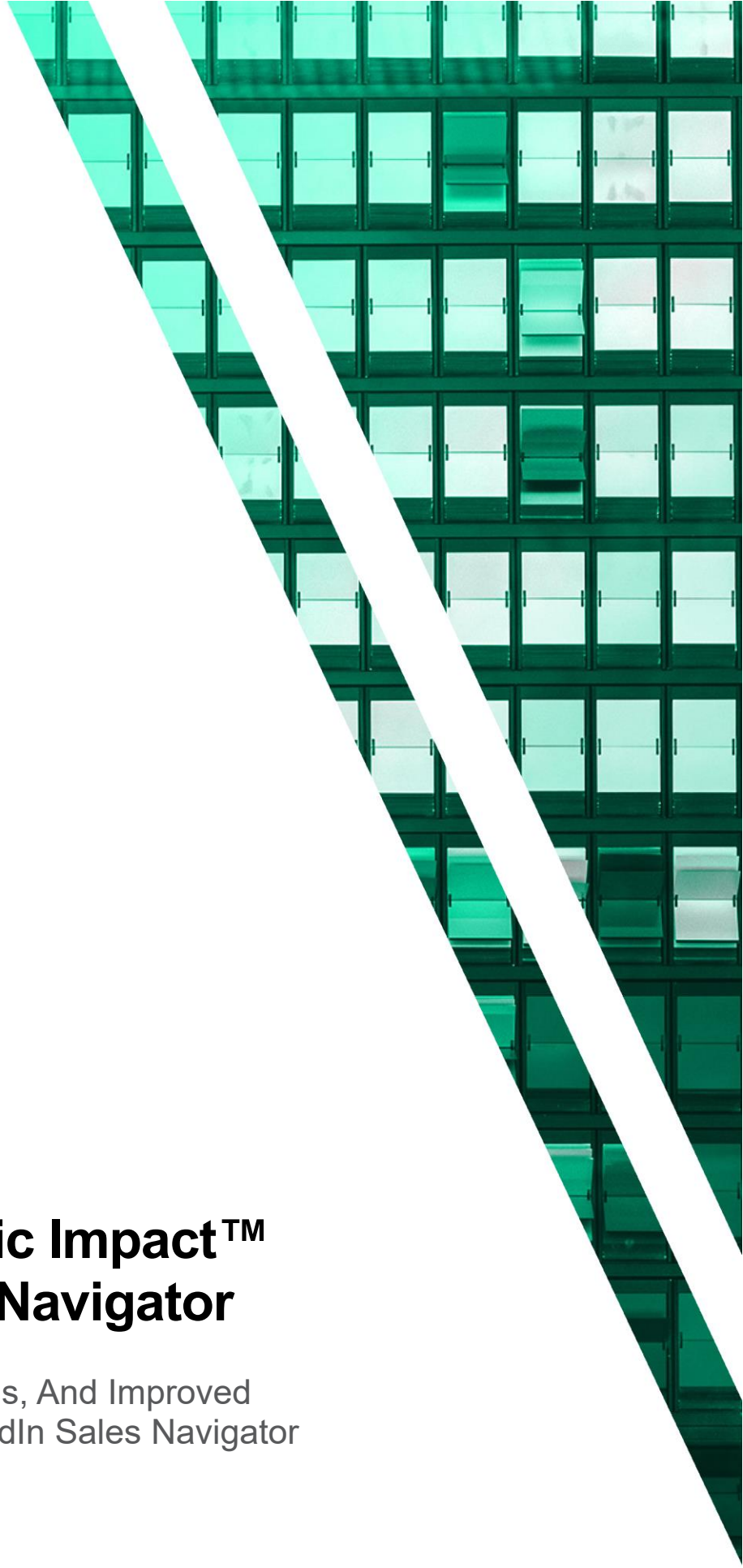

The Total Economic Impact™ Of LinkedIn Sales Navigator

Revenue Impact, Cost Savings, And Improved Efficiencies Enabled By LinkedIn Sales Navigator

OCTOBER 2023

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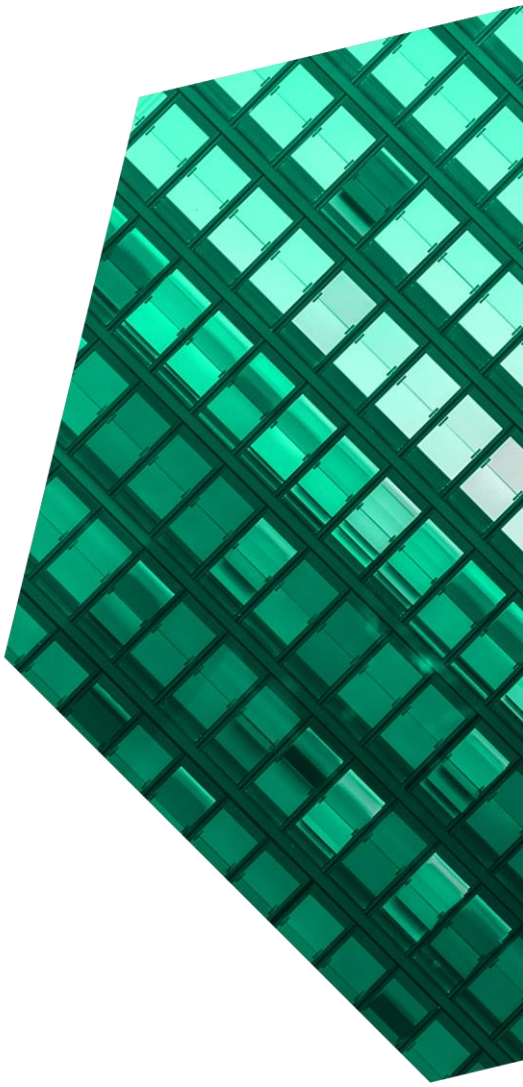

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Executive Summary

If firms want to win, grow, and acquire customers, then sales technologies are increasingly critical.[1] To increase revenue, grow market share, and remain competitive, it is crucial for sales teams to find the right connections, prioritize accounts with intent, and create opportunities to retain and grow existing customers and acquire new customers. LinkedIn Sales Navigator offers a platform that helps sales organizations prospect and engage customers efficiently and effectively, directly leading to revenue growth.

KEY STATISTICS:

$6.3M BENEFITS, $1.5M COSTS OVER 3 YEARS, RESULTING IN $4.7M NPV AND 312% ROI

Return on investment (ROI)

312%

Net present value (NPV)

$4.7M

LinkedIn Sales Navigator Advanced Plus is a B2B, deep sales platform that has features for lead generation, account prioritization, customer engagement, and more. It enables sales teams to prospect and cultivate relationships with high-value customers by leveraging integrated, accurate, and first-party professional data.

LinkedIn commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Sales Navigator.[2] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of LinkedIn Sales Navigator Advanced Plus (Sales Navigator) on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed nine representatives with experience using Sales Navigator. For the purposes of this study, Forrester aggregated the interviewees' experiences and combined the results into a single composite organization that is a software-as-a-service (SaaS) vendor with 250 Sales Navigator users and $250 million in annual revenue.

Efficiencies gained in research tasks

15%

Before adopting Sales Navigator, the interviewees highlighted that their organizations relied on a combination of third-party data sources, such as prospect lists, and other sales tools. However, these tools were found to be limited and inadequate in terms of functionality. The interviewees' organizations faced challenges related to data accuracy, inconsistent prospecting methods, and the inability to integrate existing tools with their customer relationship management (CRM) systems. These issues led to significant inefficiencies in sales research and outreach efforts.

After implementing Sales Navigator, the interviewed decision-makers' teams experienced several benefits. They gained access to a wider pool of

qualified leads based on persona criteria such as title, function, region, and relationships. This resulted in higher response rates, increased meeting rates, and improved pipelines. The tool also allowed users to track and share prospects' updates, including job changes and news mentions, through its search and list capabilities. Additionally, the CRM integration and sync features in Sales Navigator automated the updating and deduplication of profiles, enhancing the quality and accuracy of first-party CRM data. This eliminated the manual tasks of cross-referencing and correcting data from multiple sources, saving valuable time.

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **A gain in net operating profit due to the increase in sales opportunities.** By leveraging higher-quality leads and improved messaging, the composite organization experiences an increase in qualified sales opportunities, leading to more closed/won deals and ultimately generating additional revenue. This increase in revenue directly contributes to a net profit gain of $1.3 million over three years.
- **Efficiencies gained in sales research efforts.** By leveraging accurate and detailed professional data, automated capabilities, and seamless CRM integration, account executives (AEs), sales development representatives (SDRs), business development representatives (BDRs), and relationship managers (RMs) can efficiently identify qualified leads with buying intent. This enables them to craft more effective messages and engage with prospects, resulting in increased opportunities and a positive impact on the bottom line. Efficiencies gained in sales research efforts total $2.6 million over three years for the composite organization.
- **Productivity gains and license cost elimination due to the consolidation of legacy sales tools.** The integration of Sales Navigator with the CRM and other tools eliminates the need for users to toggle between applications, resulting in a time savings of 15 minutes per day for each sales team member. Additionally, the composite organization eliminates one legacy sales tool that used to cost the team $200 per user per year. The productivity gains and the elimination of the legacy sales tool contribute to cost savings of $2.4 million for the composite organization over three years.

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified in this study include:

- **Data accuracy and enrichment.** Since Sales Navigator is built on the established LinkedIn professional platform, the composite organization's sales team benefits from access to real-time, first-party professional data. This ensures data accuracy and empowers the sales team to approach the available information with confidence.
- **Hidden allies resulting in warm leads.** Sales Navigator reveals second- and third-degree LinkedIn connections across the composite organization. Using features like TeamLink, Sales Navigator enables team members to leverage the existing, organizationwide network and request warm introductions to high-value leads. By utilizing these hidden ally relationships, SDRs and AEs can avoid the less successful cold-call approach and establish connections with prospects through trusted referrals.
- **Identification of high-value leads with intent to buy.** Sales Navigator incorporates a feature that identifies and reports buyer intent, enabling the composite organization's sales team to track a prospect's journey, prioritizing those most likely to engage based on intent signals such as

responding to an InMail, visiting the composite organization's LinkedIn page, and interacting with its posts. This functionality empowers the sales team to prioritize their efforts efficiently and concentrate on high-value prospects who are more likely to make a purchase.

- **Employee collaboration and engagement.** Sales Navigator fosters team collaboration and engagement by providing a platform where the composite organization's team members can seamlessly share customer and prospect information. For instance, within Sales Navigator, SDRs can easily hand off qualified leads to AEs. This promotes transparency and facilitates efficient collaboration and productivity within the sales team.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Fees to LinkedIn.** The cost of LinkedIn Sales Navigator features is $1,250 per user per year. With 250 users, the composite organization incurs a total license cost of $777,000 over three years.
- **Initial and ongoing costs.** Initial costs for the composite organization include the allocation of internal resources for testing and implementing Sales Navigator, as well as the expenses related to initial training for 250 users. Additionally, ongoing costs include further training for all users and dedicated management time. The initial and ongoing costs required for the adoption of Sales Navigator total $740,000 over three years for the composite organization.

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The representative interviews and financial analysis found that a composite organization experiences benefits of $6.2 million over three years versus costs of $1.5 million, adding up to a net present value (NPV) of $4.7 million and an ROI of 312%.

ROI
312%

BENEFITS PV
$6.25M

NPV
$4.73M

PAYBACK
<6 months

Benefits (Three-Year)

“LinkedIn Sales Navigator is a table stakes tool for any modern sales team in any modern industry. I simply can’t imagine running my team without it.”

— Director of sales development, software (North America)

TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a Total Economic Impact™ framework for those organizations considering an investment in Sales Navigator.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Sales Navigator can have on an organization.

DUE DILIGENCE

Interviewed LinkedIn stakeholders and Forrester analysts to gather data relative to Sales Navigator.

INTERVIEWS

Interviewed nine representatives at organizations using Sales Navigator to obtain data with respect to costs, benefits, and risks.

COMPOSITE ORGANIZATION

Designed a composite organization based on characteristics of the interviewees' organizations.

FINANCIAL MODEL FRAMEWORK

Constructed a financial model representative of the interviews using the TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.

CASE STUDY

Employed four fundamental elements of TEI in modeling 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.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by LinkedIn 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 organizations 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 Sales Navigator.

LinkedIn 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.

LinkedIn provided the customer names for the interviews but did not participate in the interviews.

The LinkedIn Sales Navigator Customer Journey

Drivers leading to the Sales Navigator investment

Interviews

Role	Industry	Region	Sales Navigator Users
Head of finance	Media retail and services	Europe	66
Senior manager of global GTM and sales enablement	Software	North America	1,500
Sales manager	Software	Europe	50
Head of B2B digital marketing	Telecommunications	Latin America	42
Director of sales development	Software	North America	110
Director of sales development	Software	Asia Pacific	200
Senior revenue operations manager	Software	North America	110
Executive director of GTM strategy	Software	Latin America	59
Business manager	Software	Asia Pacific	61

KEY CHALLENGES

The interviewees expressed a need to replace costly third-party data sources and outdated sales tools with an automated solution that integrated with their CRMs. The primary goal was to boost efficiencies in identifying high-quality leads and conducting outreach. They also aimed to minimize manual tasks associated with data management and enhance collaboration among sales teams across different functions.

The interviewees noted how their organizations struggled with common challenges, including:

- **Inefficient lead generation and sales prospecting.** Before adopting Sales Navigator, the interviewees' sales teams struggled with accurately identifying and engaging high-quality prospects who showed intent to purchase. Their existing tools were limited and lacked essential features such as filter and search capabilities, insights and reporting functionalities, and the ability to create targeted lists. Without these automated functions, teams had to invest excessive time and effort performing manual, sales-related tasks.
- **Poor data quality and accuracy.** Interviewees' organizations faced challenges with data management as their data was scattered across multiple sources. Team members found it difficult

> **"We were working in a very manual environment with no CRM integration and with outdated data living in multiple data sources. We needed to fix that."**
>
> *Head of B2B digital marketing, telecommunications*

to locate, cross-reference, and update accounts when prospects changed jobs or updated their professional profiles. This reliance on unreliable, siloed data — combined with the expense of third-party lists — posed significant challenges to sales management. It hindered their ability to identify, create, and maintain reliable lists of high-quality leads and effectively engage with them.

- **Inability to integrate with the CRM.** The interviewees expressed frustration over the lack of integration between their existing tools with their CRMs. The absence of integration, automation, and sync functionality resulted in manual work processes and inconsistent data management. As a consequence, they were unable to effectively combine and analyze data, leading to a lack of insights into prospects' behaviors and an inability to make data-driven, strategic adjustments when necessary.
- **Lack of collaboration across teams.** The interviewees reported that the storage of customer data and lead lists in various disconnected locations across the sales organizations hindered collaboration and knowledge sharing. This lack of centralized data and information exchange adversely affected efficiencies, response rates, and overall success rates of the team.

SOLUTION REQUIREMENTS

The interviewees' organizations searched for a solution that could:

- Identify champions and decision-makers.
- Increase the volume of meetings and opportunities with high-quality, high-intent leads.
- Improve data quality and accuracy.
- Integrate with the CRM and have the ability to automate updates.
- Enhance the sales team's experience.

> **"Lists are expensive, and you need a lot of them to have any success at prospecting. And sales tools are expensive too, so you need a tool like Sales Navigator to do the heavy lifting."**
>
> *Sales manager, software*

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the nine interviewees, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The composite organization is a SaaS vendor that holds 250 Sales Navigator licenses, has $250 million in annual revenue, and maintains an operating profit margin of 12%. Forrester assumes that SDRs, BDRs, and AEs collectively dedicate 25% of their time to research activities.

Deployment characteristics. The composite organization deploys Sales Navigator to enhance and standardize its prospecting methods using reliable, first-party data. The platform aims to improve sales research efficiencies by effectively identifying high-value leads with features such as buyer intent and a relationship map. Integration with the CRM enables

automated updates to first-party data, streamlining the data management process. Ultimately, the composite organization strives to drive revenue growth by increasing the number of closed/won opportunities.

Key Assumptions

- **SaaS vendor**
- **Advanced Plus plan customer**
- **$250 million annual revenue**
- **250 Sales Navigator users**
- **1,500 to 2,000 total employees**
- **Net operating profit margin of 12%**

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	Gain in net operating profit due to the increase in sales opportunities	$270,000	$540,000	$810,000	$1,620,000	$1,300,301
Btr	Efficiencies gained in sales research efforts	$1,034,280	$1,034,280	$1,034,280	$3,102,840	$2,572,101
Ctr	Productivity gains and license cost elimination due to the consolidation of legacy sales tools	$954,125	$954,125	$954,125	$2,862,375	$2,372,768
	Total benefits (risk-adjusted)	$2,258,405	$2,528,405	$2,798,405	$7,585,215	$6,245,170

GAIN IN NET OPERATING PROFIT DUE TO THE INCREASE IN SALES OPPORTUNITIES

Evidence and data. The interviewees' organizations' sales teams experienced significant benefits from the search filters, list management, analytical capabilities, and accurate, up-to-date profiles provided by Sales Navigator. These features enabled them to efficiently identify and reach out to qualified prospects in less time. As a result, they observed improvements in response rates, increased meeting rates, and an increase in closed/won opportunities. These positive outcomes directly contributed to the enhancement of their operating profits.

- An executive director for go-to-market (GTM) strategy at a software company shared, "More than 75% of our meetings are sourced from Sales Navigator and with an improved 40% conversion rate, meaning meetings to opportunities, that's powerful."
- A sales manager at a software company explained further: "Prospect response rates increased from 5% to 10% once we were contacting the right individuals. We thought we were contacting the right people if the job titles sounded right. But with Sales Navigator, we have search options, good data, and lead activity. We've got evidence [of whether] people have bought in the past, and we can create a really tailored list of all of those buyers and know factually that they're the type of people that buy your software. There's no guesswork. And when you take all the guesswork out of it, they're more likely to be interested in your product and more likely to respond."

Modeling and assumptions. For the financial analysis, Forrester assumes the following:

- The composite organization reports annual revenue of $250 million.
- The percentage growth in annual revenue increases by 5% in Year 1, 8% in Year 2, and 10% in Year 3 due to an increase in sales opportunities.
- The growth attributable to Sales Navigator is 20% in Year 1, increasing to 25% in Year 2 and 30% in Year 3.
- The net operating profit margin is 12%.

Risks. The gain in net operating profit due to the increase in sales opportunities can vary with:

- Annual revenue amount and growth in legacy environment.
- Maturity of organization.
- Additional internal sales efforts to increase opportunities.
- Net operating profit margin, depending on industry and channels.
- Macroeconomic and environmental conditions.

Results. The three-year, risk-adjusted PV gain in net operating profit totals $1.3 million (discounted at 10%). Accounting for the risks described, Forrester applied a 10% risk adjustment.

"We went from a 5% reply rate average across 14,000 emails to 10% with Sales Navigator."

Sales manager, software

Gain In Net Operating Profit Due To The Increase In Sales Opportunities

Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Corporate annual revenue	Composite	$250,000,000	$250,000,000	$250,000,000
A2	Percent increase in annual revenue	Interviews	5%	8%	10%
A3	Increase in total annual revenue	A1*A2	$12,500,000	$20,000,000	$25,000,000
A4	Attribution to Sales Navigator	Interviews	20%	25%	30%
A5	Revenue lift attributable to Sales Navigator	A3*A4	$2,500,000	$5,000,000	$7,500,000
A6	Net operating profit margin	TEI standard	12%	12%	12%
At	Gain in net operating profit due to the increase in sales opportunities	A5*A6	$300,000	$600,000	$900,000
	Risk adjustment	↓10%			
Atr	Gain in net operating profit due to the increase in sales opportunities (risk-adjusted)		$270,000	$540,000	$810,000
	Three-year total: $1,620,000			**Three-year present value: $1,300,301**	

EFFICIENCIES GAINED IN SALES RESEARCH EFFORTS

Evidence and data. By gaining access to more accurate profile data, receiving alerts about prospect organizations, and replacing contact scraping and cold calling practices, the interviewees noted the sales teams at their organizations experienced significant improvements in efficiency. This was achieved through enhanced list management, targeted prospecting, and effective outreach strategies.

- The senior manager of global GTM and sales enablement elaborated: "You have to have a good product and good selling methods, and so forth. But Sales Navigator helps very heavily in the front-end of the funnel, which is creating connections, starting conversations, and helping with the research aspect. For example, our team wasn't creating many meetings before. Then with Sales Navigator, one SDR created five meetings in a week."
- A senior revenue operations manager at a software organization agreed, stating, "If we didn't have Sales Navigator, we would see much more inefficiency at the top-of-funnel pipeline."

Modeling and assumptions. For the financial analysis, Forrester assumes the following:

- The number of Sales Navigator users totals 250, with a ratio of 10 AEs to 3 SDR/BDRs.

"Sales Navigator allows you to come up with creative solutions to make prospecting easier and to get you to the end goal in less time with less thought power."

Sales manager, software

"With LinkedIn Sales Navigator, we spend 50% less time clicking between two systems."

Director of sales development, software (North America)

- The average fully burdened annual cost of an AE is $156,000, and the average fully burdened cost of an SDR/BDR is $78,000.[3]
- The time dedicated to research activities for AEs and SDR/BDRs equals 25% of total time.
- The percentage efficiencies gained across these roles is 15%.

Risks. Efficiencies gained in research activities can vary with:

- The ratio of AEs to SDR/BDRs.
- Amount of time dedicated to research activities in the previous environment.
- Sales tools and methods used in the previous environment.
- Salaries, depending on skill set and geographical location.
- Macroeconomic and environmental conditions.

Results. The efficiencies gained in sales research efforts yield a three-year, risk-adjusted value of $2.6 million (discounted at 10%). Accounting for the risks described, Forrester applied a risk adjustment of 20%.

Efficiencies Gained In Sales Research Efforts

Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Total number of Sales Navigator users	Composite	250	250	250
B2	Number of sales account executives	Composite	192	192	192
B3	Total fully burdened annual cost of a sales account executive	TEI standard	$156,000	$156,000	$156,000
B4	Number of sales and business development representatives	Composite	58	58	58
B5	Total fully burdened annual cost of a sales and business development representative	TEI standard	$78,000	$78,000	$78,000
B6	Percent of week dedicated to research activities	Interviews	25%	25%	25%
B7	Percent efficiency gained across teams	Interviews	15%	15%	15%
Bt	Efficiencies gained in sales research efforts	((B2*B3)+(B4*B5)) *B6*B7	$1,292,850	$1,292,850	$1,292,850
	Risk adjustment	↓20%			
Btr	Efficiencies gained in sales research efforts (risk-adjusted)		$1,034,280	$1,034,280	$1,034,280
	Three-year total: $3,102,840			**Three-year present value: $2,572,101**	

PRODUCTIVITY GAINS AND LICENSE COST ELIMINATION DUE TO THE CONSOLIDATION OF LEGACY SALES TOOLS

Evidence and data. According to the interviewees, the integration capability of Sales Navigator with CRM platforms enabled their sales organizations to synchronize data seamlessly. This ensured that leads, updates, and activities were accurately tracked in real time within their sales pipelines. As a result, the teams experienced increased productivity by eliminating the need to switch between applications to perform similar tasks. Furthermore, the interviewed decision-makers highlighted that they could eliminate legacy tools from their organizations' sales tech stacks, leading to additional cost savings.

- A senior manager of global GTM and sales enablement relayed: "When I think of agility and I think of speed, not having to switch systems is really important. Also being able to do one-click uploads or one-click updates with our CRM saves our team valuable time and allows us to focus on prospecting."
- A director of sales development at an Asia Pacific software company commented: "I think a key feature that really helps us out is the ability to integrate with the CRM. Each individual's list of accounts immediately shows up on LinkedIn, so, for example, I don't have to go search for my accounts, look them up in the CRM, and then come to LinkedIn and cross-reference. This really helps us save time. And in addition, Sales Navigator also tells me which leads I have contacted in the past or which exist in the CRM versus which do not, which, again, tends to be a big time-saver."

"With the LinkedIn CRM integration and data source consolidation, we spend significantly less time clicking between systems."

Director of sales development, software (North America)

"The ability to go ahead, integrate with the CRM, and then update the CRM as we engage with leads … that's really helpful."

Director of sales development, software (Asia Pacific)

Modeling and assumptions. For the financial model, Forrester assumes the following:

- Due to the integration with the CRM, all Sales Navigator users save 15 minutes per day toggling between sales tools, for a total cost savings of 65 hours per year per user.
- The weighted average fully burdened hourly cost of a Sales Navigator user equals $66.
- At least one legacy sales tool is eliminated from the sales tech stack previously costing the organization $200 per year per user.

Risks. Productivity gains and license elimination due to the consolidation of sales tools can vary with:

- Sales methods and tools used in legacy environment.
- Time required to access multiple tools in the tool stack.
- Salaries, depending on skill level and geographical location.
- Macroeconomic and environmental conditions.

Results. The consolidation and integration of sales tools yield a three-year, risk-adjusted PV benefit of $2.4 million (discounted at 10%). Accounting for the risks described, Forrester applied a risk adjustment of 15%.

Productivity Gains And License Cost Elimination Due To The Consolidation Of Legacy Sales Tools					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Total number of Sales Navigator users	B1	250	250	250
C2	Time saved annually due to the consolidation of sales tools (hours per user)	Interviews	65	65	65
C3	Average fully burdened cost of a sales account executive and a sales and business development representative	TEI standard	$66	$66	$66
C4	Subtotal: Productivity gains due to the consolidation of legacy sales tools	C1*C2*C3	$1,072,500	$1,072,500	$1,072,500
C5	Consolidation of legacy tool licenses	Interviews	$50,000	$50,000	$50,000
Ct	Productivity gains and license cost elimination due to the consolidation of legacy sales tools	C4+C5	$1,122,500	$1,122,500	$1,122,500
	Risk adjustment	↓15%			
Ctr	Productivity gains and license cost elimination due to the consolidation of legacy sales tools (risk-adjusted)		$954,125	$954,125	$954,125
	Three-year total: $2,862,375			**Three-year present value: $2,372,768**	

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

- **Data accuracy and enrichment.** According to the interviewees, the ability to leverage reliable, first-party profile data was a powerful value-add and helped drive the efficiencies experienced by their sales teams.

  A sales manager at a software company commented: "I think one of the key benefits to LinkedIn is that its data isn't controlled by a central authority or a central governing data set owner. It's data that's controlled by the individual, so it's accurate. And I think when you don't have access to that, you're essentially running blind on who to target, what account to target, what individual to target."

- **Hidden allies resulting in warm leads.** Sales Navigator revealed colleague relationships at a prospect's company. Current and former coworkers could provide insights, reach out to their connections, and make warm introductions, which were generally more effective than the cold-call approach.

  A senior manager of global GTM and sales enablement at a software company shared: "Sales Navigator uncovers warm leads for us. We find great value in that, and an ideal user would find value in that."

- **Identification of high-value leads with intent to buy.** Interviewees discussed Sales Navigator's feature that tracked lead activity and alerted team members when prospects show interest with an intent to buy. Examples of intent to buy activities included responding to InMail, viewing the seller's profile, or viewing the seller's employees' profiles. The ability to view these actions on an intent-to-buy dashboard helped the interviewees' organizations' sales teams prioritize accounts and focus on those prospects most likely to engage.

  A director for GTM strategy at a software company explained: "With the intent-to-buy dashboard, you can see detailed account activity, the people looking at your profile, account moments, and contact information. You can bring in all of that to build out lists on a granular level in order to reflect personas. The ability to combine all that data allows you to define your addressable market, see the intelligence behind leads, and prioritize those accounts."

- **Employee collaboration and engagement.** Sales Navigator promoted sales team collaboration by allowing the interviewees' team members to share accounts, leads, lists, and best practices to unlock efficiencies.

  To highlight the improved employee experience, a director of sales development at an Asia Pacific software firm mentioned: "Sales Navigator has improved the overall employee experience. It gives everyone the ability to do their tasks more easily and stay in touch with prospects on a professional and social level."

  Another director of sales development at a North American software organization added, "I think for a lot of salespeople, your tech stack is a direct indication of your investment in your people and your team, and I just don't think you can be a good salesperson without this tool — their job would be five times more difficult."

"It's the most accurate data set that you could quite possibly have access to."

Sales manager, software

FLEXIBILITY

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

- **The ability to organize data in creative ways.** With advanced insights, unique search and filter options, and real-time updates, users can improve account data organization and streamline their sales pipeline management. Manipulating organized data helps unlock previously undiscovered opportunities, leading to improved outcomes and increased conversion rates.

  A sales manager for a software organization mentioned: “Sales Navigator gives you a lot more flexibility on how you can organize the accounts and organize the data. And I think it’s the organization piece that enables you to focus on the right areas. So, you’ve got this huge data set, and if you can’t really categorize it and give a focused view of prospects for individuals on your team, then the data becomes a bit useless.”

- **Scalability.** Sales Navigator offers a scalable, flexible, and upgradable product, which allows for an increase in functionality and users according to business needs and direction. A senior manager of global GTM and sales enablement said, “The ability to yield data at scale enables features like intent to buy and insights, which are designed to make us more effective at outreach and research.”

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

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	Total annual license fees to LinkedIn	$0	$312,500	$312,500	$312,500	$937,500	$777,141
Etr	Initial and ongoing costs	$186,900	$222,314	$222,314	$222,314	$853,842	$739,763
	Total costs (risk-adjusted)	$186,900	$534,814	$534,814	$534,814	$1,791,342	$1,516,904

TOTAL ANNUAL LICENSE FEES TO LINKEDIN

Evidence and data. LinkedIn charged the interviewees' organizations an annual per user license fee for the Sales Navigator Advanced Plus plan.

Modeling and assumptions. For the financial analysis, Forrester assumes the following:

- Sales Navigator users total 250.
- The composite organization agrees to a three-year contract.
- As of October 2023, the annual license fee per user per year equals $1,250. Pricing can vary depending on contract length, licenses purchased, and plan type.

Risks. Total annual license fees to LinkedIn may vary with volume, services, and engagement level.

Results. Given LinkedIn's pricing model, Forrester adjusted this cost by 0%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $777,000.

Total Annual License Fees To LinkedIn						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
D1	Number of Sales Navigator users	B1		250	250	250
D2	Licenses per user per year	Interviews		$1,250	$1,250	$1,250
Dt	Total annual license fees to LinkedIn	D1*D2		$312,500	$312,500	$312,500
	Risk adjustment	0%				
Dtr	Total annual license fees to LinkedIn (risk-adjusted)		$0	$312,500	$312,500	$312,500
	Three-year total: $937,500			**Three-year present value: $777,141**		

INITIAL AND ONGOING COSTS

Evidence and data. According to the interviewees, initial and ongoing costs included testing, implementation, initial and ongoing training, and ongoing management.

Modeling and assumptions. For the financial analysis, Forrester assumes the following:

- Implementation requires 20% dedicated time of 20 sales team FTEs for one month. Each team member earns a weighted average fully burdened annual salary of $138,000.
- Initial training of 8 hours is required for all 250 Sales Navigator users.
- Ongoing training of 12 hours per year is expected of all Sales Navigator users.
- The weighted average fully burdened hourly rate of a Sales Navigator user is $66.
- Ongoing management represents four internal stakeholders dedicating 1 hour per week at the weighted average fully burdened hourly rate of $66.

Risks. Initial and ongoing costs can vary with:

- Total number of sales team members requiring training.
- Familiarity and previous experience with Sales Navigator.
- Salaries, depending on skill level and geographical location.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV of $740,000.

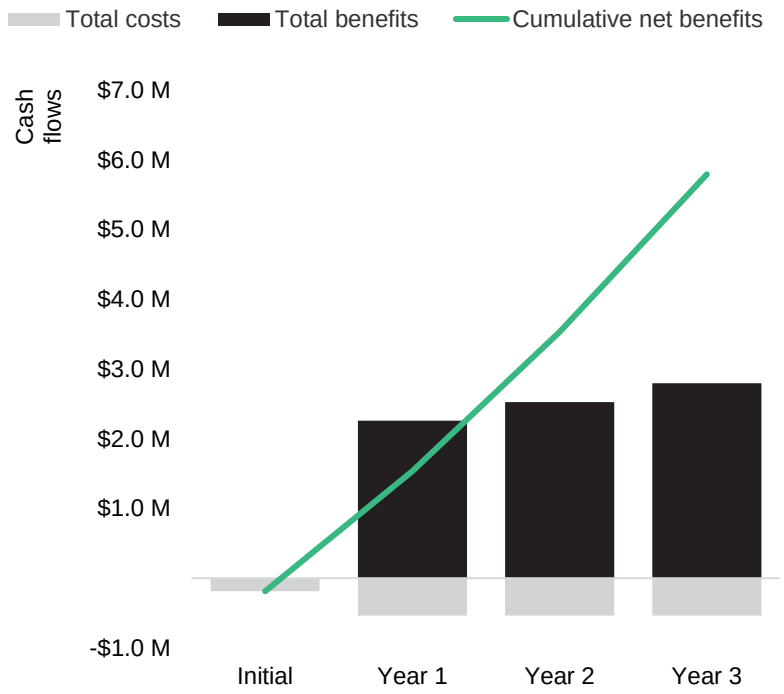
Initial And Ongoing Costs

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
E1	Testing and implementation costs — internal resources	Interviews	$46,000			
E2	Initial and ongoing training hours	Y1: B1*8 hours Y2 and Y3: B1*12 hours	2,000	3,000	3,000	3,000
E3	Average (weighted) fully burdened cost of a sales account executive and a sales and business development representative	B3	$66	$66	$66	$66
E4	Subtotal: Total training costs	E2*E3	$132,000	$198,000	$198,000	$198,000
E5	Ongoing management	Interviews	$0	$13,728	$13,728	$13,728
Et	Initial and ongoing costs	E1+E4+E5	$178,000	$211,728	$211,728	$211,728
	Risk adjustment	↑5%				
Etr	Initial and ongoing costs (risk-adjusted)		$186,900	$222,314	$222,314	$222,314
	Three-year total: $853,842			**Three-year present value: $739,763**		

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 organization'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	($186,900)	($534,814)	($534,814)	($534,814)	($1,791,342)	($1,516,904)
Total benefits	$0	$2,258,405	$2,528,405	$2,798,405	$7,585,215	$6,245,170
Net benefits	($186,900)	$1,723,591	$1,993,591	$2,263,591	$5,793,873	$4,728,266
ROI						312%
Payback						<6 months

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 realize 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 organization.

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 feed 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. Organizations typically use discount rates between 8% and 16%.

PAYBACK PERIOD

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

Appendix B: Supplemental Material

Related Forrester Research
"Using The B2B Sales Tech Tide™ To Design Your Sales Tech Stack," Forrester Research, Inc., August 23, 2023.

Appendix C: Endnotes

[1] "Using The B2B Sales Tech Tide™ To Design Your Sales Tech Stack," Forrester Research, Inc., August 23, 2023.

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

[3] Hourly and annual salaries shown in benefit and cost tables are fully burdened. A fully burdened salary is a worker's pay rate with all the added overhead costs included.

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