

NUCLEUS
RESEARCH

ROI: 610%
Payback: 2.4 Months

ZOHO ONE RAIN FOR RENT

ANALYST

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THE BOTTOM LINE

Rain for Rent, a provider of temporary liquid handling solutions, deployed Zoho client relationship management (CRM) to replace Dynamics CRM by Microsoft. Zoho CRM required less customization than other vendors reviewed, and its ease of use promoted a high number of in-house user adoptions. With this system, Rain for Rent reduced the average time a salesperson spent finding data about a client or prospect from over 18 minutes to about 10 minutes. This time savings enables the sales team to increase value-producing contacts by three per day, increasing sales productivity by \$750,000 annually. The company realized a 610 percent ROI and recovered its initial investment less than 2.4 months after deployment. The Zoho One deployment was initiated after the success of CRM and proved to be equally valuable with increased productivity and labor cost reductions of more than six percent.

THE COMPANY

Rain for Rent is a provider of temporary liquid handling solutions, including pumps, tanks, filtration, and spill containment. An example of this is flood relief or construction site dewatering and industrial plant turnaround. The company is family-owned and operated since 1934 and is active in the US, Canada, the United Kingdom, and Europe with more than 65 locations. Efficient management of the American sites necessitated a technology platform that the sales teams can, and will use to support the sales process. The value achieved from the Zoho CRM was the motivation for Rain for Rent to add the Zoho One platform to its in-house technology. Nucleus conducted an in-depth interview with Rain for Rent to discuss the costs and benefits of the project.

THE CHALLENGE

The company was previously using Microsoft Dynamics for CRM to manage sales-related activities, including contacts, leads, and opportunities. The software was overly customized, causing a lower adoption rate by users as well as frequent tech problems. Rain for Rent wanted a centralized account and contact information management system with automated lead distribution and activity tracking. Additionally, the company wanted a more functionable and usable mobile application for the sales team than with the Dynamics application. Rain for Rent determined that Zoho had a more flexible and intuitive user interface (UI). Rain for Rent also established that the Zoho One platform would suit its needs and retire existing legacy siloed applications. Zoho One meets the company's requirement for a system that will scale appropriately and deliver improved data management in a unified data format.

**Cost : Benefit
Ratio**

1 : 3.0

THE STRATEGY

After determining that it needed a better suited CRM system, Rain for Rent managers prepared a detailed and comprehensive project charter document that set out specific company goals and objectives, identified existing CRM problems, created a selection matrix to compare other vendors, and precise, measurable targets to achieve. They considered several options such as Pipedrive, HubSpot, Zoho, and Salesforce, and selected Zoho for its usability, flexibility, administrative controls, and low projected cost.

Rain for Rent then developed a detailed project plan before installing any software, and the company initiated a phased deployment. This ensured a smooth implementation with

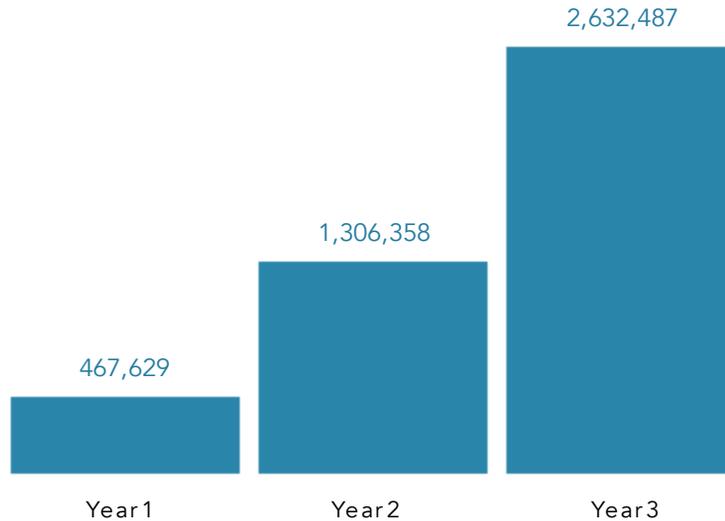
standardized practices with measurable deliverables and a timeline for reaching each goal. Zoho One requires minimal upkeep, and once the system was ready for use, the sales team was easily trained in short sessions of less than three hours, and managers and staff were trained in less than two hours. Any additional follow-up questions were handled one-on-one. Overall, the deployment was smooth, and Zoho One was reported to be intuitive and easy-to-use.

KEY BENEFIT AREAS

Key benefit areas seen because of the Zoho One deployment include direct benefits such as annual savings from the retirement of legacy systems and redeployment of existing employees. Indirect benefits improved sales and employee productivity. lead management, and reduced ad-hoc reporting,

- Annual savings. Rain for Rent retired its Dynamics platform, PowerObjects support for Microsoft Dynamics 365, and Adobe Sign. This saved the company \$34,000 per month or \$408,000 annually. Redeployment of existing staff created additional savings of approximately \$140,000 per year. Additionally, in the first year of deployment, Rain for Rent achieved a 3.7 percent increase of the average invoice.
- Improved sales productivity. Previously, a member of the sales team could expect to spend 18 minutes to find and review client or prospect information from various locations, including manual data extraction. With Zoho CRM, this was reduced to 10 minutes or less, a 45 percent reduction, enabling the sales staff to reach at least three more clients or prospects per day. Zoho automatically connects customers with sales staff and leads that are generated from the system are managed in a timelier manner. The ability to track and standardize customer and prospect contacts produces a better coordinated and successful sales program. This is expected to reduce customer churn and increase sales rates in the future as the more relationship-based approach matures.
- Improved employee productivity. Zoho One automates multiple aspects for a business by eliminating time-intensive, repetitive tasks, and reducing ad-hoc reporting with easy to create standardized reports.

CUMULATIVE NET BENEFIT



KEY COST AREAS

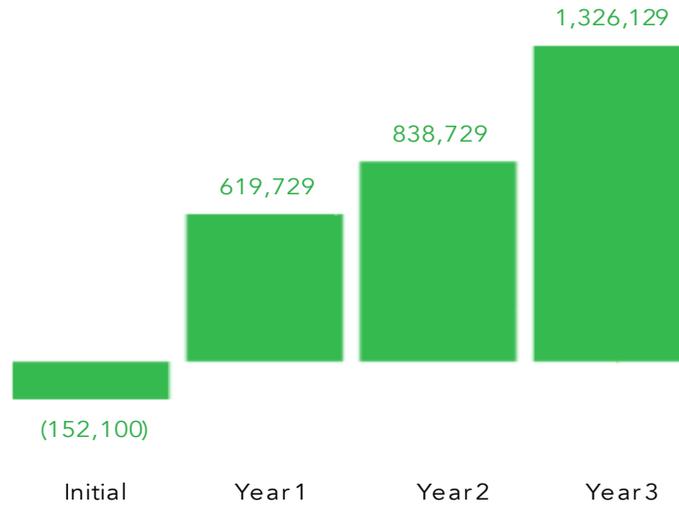
The Zoho One subscription is the primary cost for Rain for Rent. Additional cost areas include personnel time spent on the implementation and the cost of time spent training sales agents, managers, and administrators on the system.

LESSONS LEARNED

Rain for Rent's preparation for the purchase and deployment of a modern technology system was key to the accuracy and efficiency of the implementation. Senior members of the organization not only developed a method to assess each vendor's product and prepared a cost analysis with clearly defined delivery expectations. This level of research, analysis, and preparation ensured a smooth deployment as well as the best choice of technology for the company.

This project identified the need for a modern platform to centralize client information across multiple locations. Rain for Rent was proactive about identifying and addressing these requirements, and the Zoho deployment is an important step forward for the organization's growth. This deployment's efficiency proves that a company can effectively implement and manage a modern technology solution that delivers measurable benefits. As small and medium businesses recognize the need for automation to support and maintain their growth, vendors like Zoho One that offer full capacity functionality in an easy-to-manage package will gain positioning the market.

NET CASH FLOWS



CALCULATING THE ROI

Nucleus Research analyzed the costs of software, personnel, and user training over a three-year period to quantify Rain for Rent's total investment in Zoho technology.

Indirect benefits quantified include the time savings for sales agents from centralized records for streamlined search, triggers, and alerts to coordinate outreach, and other productivity enhancements from using Zoho. The indirect benefit is multiplied by a correction factor to account for the inefficient transfer of time between time saved and additional time spent working. Benefits not quantified include the improved customer satisfaction, increased operational visibility, and enhanced lead management practices.

FINANCIAL ANALYSIS

Rain for Rent

Annual ROI: 610%

Payback period: 0.2 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	549,804	549,804	549,804
Indirect	0	776,325	776,325	776,325
Total per period	0	1,326,129	1,326,129	1,326,129

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - DEPRECIATION	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	66,600	266,400	266,400	0
Hardware	0	0	0	0
Consulting	25,000	219,000	0	0
Personnel	17,000	221,000	221,000	0
Training	43,500	0	0	0
Other	0	0	0	0
Total per period	152,100	706,400	487,400	0

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(152,100)	619,729	838,729	1,326,129
Net cash flow after taxes	(83,655)	340,851	461,301	729,371
Annual ROI - direct and indirect benefits				610%
Annual ROI - direct benefits only				100%
Net Present Value (NPV)				1,233,199
Payback period				0.2 years
Average Annual Cost of Ownership				448,633
3-Year IRR				440%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.