



**11 School Street  
N. Chelmsford, MA 01863-2109  
P: 978-251-5400 F: 978-251-5401  
<http://www.rtr.com>**

## **Web Services – Ten Examples of Real World ROI**

The examples below are representative of a number of companies that applied a variety of tools and equipment from various vendors to dramatically improve their bottom line. The common element used by all, however, was that the projects were based on emerging Web Services standards (conformance to XML, SOAP specifications at a minimum).

### **1. Travelers Insurance Company**

Industry: Property & Casualty Insurance  
Application: Auto glass claim processing  
Result: Cut claim processing by 30%

### **2. Marks & Spencer**

Industry: Retail merchandise  
Application: Fraud detection  
Result: Lowered development costs by 66%; 415%-1st year ROI

### **3. Ingram Micro**

Industry: Technology products wholesale distribution  
Application: eCommerce/B2B integration with product retailer  
Result: Lowered development time by 45%

### **4. Concord EFS, Inc.**

Industry: Electronic payment processing  
Application: Web payment services (EFSnet)  
Result: In first 6 months, number of participating merchants grew at 30% per month and transaction volume grew by 78% per month.

**5. Hewitt Associates LLC**

Industry: Human resource and employee benefits outsource services

Application: Allow client corporate portals to access and retrieve information directly from Hewitt's databases

Result: With 250 clients and over 15 million employees registered, Hewitt was able to dramatically reduce the information retrieved through customer-service representatives via phone or by using automated phone service (exact data not specified).

**6. FedEx**

Industry: Package delivery service

Application: Package tracking inquiry

Result: Cost of inquiry reduced from \$2.14 average to \$0.04 (est. volume > 600K tracking inquiries annually)

**7. Dollar Rent-A-Car**

Industry: Transportation rental

Application: Connect existing mainframe reservation system to access and integration with business partners (e.g. direct link to Southwest Airlines link)

Result: Opened up another sales channel that has yielded millions of additional rate requests and resulted in thousands of new rentals per year, equating to many millions of dollars in additional revenue.

**8. Ceridian**

Industry: Managed Human Resource services

Application: Build front-end to its legacy mainframe payroll processing system in 4 months replacing (6) front-end applications and 200 databases with a single user interface into a single Microsoft SQL Server 2000 database containing all customer data

Result: Greater than \$12M per year savings in mainframe related costs; an additional several million dollars per year in employee productivity; increased customer satisfaction; complete elimination of 100 error-prone, manual processes.

**9. TSYS, subsidiary of Synovus**

Industry: Electronic payment processing and financial services

Application: Workflow management solution

Result: Built in less than six months based on XML and Web Services, TSYS has delivered 80 percent lower software costs, 95 percent lower hardware costs, and a 50 percent reduction in time required to bring customers on-line; in addition, the 600 person call center achieved a 15% increase in productivity or an equivalent of \$2.7M per year; most importantly, the new application allowed access to new market segments of the \$600 billion business process outsourcing space.

**10. Adobe Systems**

Industry: Business application software

Application: Create an efficient image production workflow across enterprise

Result: Adobe developed a product called AlterCast using a Web Service model to create an open-standards server application that speeds image production tasks by generating every file version needed by a company thereby eliminating the tedious manual generation of separate files for print, web, video, wireless and broadband application – saving hours and days of media changes for each job. The total ROI is not estimated and is likely not measurable given the breadth of savings to Adobe customers. NetXposure, an enterprise software firm in Portland, Oregon has integrated AlterCast into its application framework. NetXposure CTO, Jason Wehling says, “Together, AlterCast and Exogen delivery graphical content in real-time that is specific for each user’s handset. In short, the solution saves countless hours of designer time – and that’s real return on investment.”

From IDC White Paper, “IBM and the Strategic Potential of Web Services”, published 2002 and sponsored by IBM:

This white paper was based on in-depth interviews with (7) IBM customers that have or are currently in the early adoption stage of Web Services. Due to the strategic nature of their Web Services initiatives, these companies did not want to be identified by name.

IDC concluded the following: **“On average, major benefits projected over three years include a reduction on costs of \$39.7 million on an investment of \$1.8 million, 22% faster time to deployment of key new applications, and increase of 47% in developer efficiency.”** It should be noted that a formal ROI analysis was not completed given the early state of the development or implementation making it difficult for final evaluation. However, even if not total return is unknown or will vary, a projection of 22 times return on investment through cost reduction is a significant achievement.

For additional information, the IDC White Paper can be found at:

[http://www3.ibm.com/software/solutions/webservices/pdf/May13\\_IBM\\_WebServices.pdf](http://www3.ibm.com/software/solutions/webservices/pdf/May13_IBM_WebServices.pdf)

## **Are You Interested In Making Web Services Work For You?**

*Just Ask Ready-to-Run Software.  
Microsoft Did.*

**Ready-to-Run Software developed .NET Passport authentication service for the following platforms under an agreement with Microsoft Corporation:  
Sun Solaris, Red Hat Linux, IBM AIX, and Hewlett-Packard HP-UX.**

**What Can We Build For You?**