WHITE PAPER

Developing a Compelling Business Case for Technology Investment in Membership and Non-Profit Organisations

Expected areas of return on investment (ROI) for CRM & digital projects

In an era where digital engagement defines member satisfaction and operational resilience, technology investment is no longer an optional line item for membership-based and non-profit organisations, it is mission-critical infrastructure. Yet many boards and leadership teams still struggle to articulate, in concrete financial and strategic terms, why scarce resources should be channelled into new platforms, data tools, or automation initiatives.

This white paper outlines a practical framework for building a business case that resonates with both mission-driven and fiscally conservative stakeholders, translating member experience, impact metrics, and long-term sustainability into clear return-on-investment language.

The ROI business case framework

Your business case will be based on financial, reputational and risk management benefits. These can be “protective” benefits, for example, risks that will increase if you do not invest in technology, such as security vulnerabilities, or they can be direct benefits such as increased income resulting from the recruitment of more members. The table below provides some typical areas of ROI and indicates which categories they align with.

ROI: Increased sales revenue/revenue growth

How?

Reaching more target audiences with targeted marketing generates more leads

Delivering marketing personalisation increases lead generation

Reducing time to market of new products/services increases revenue

Marketing automation increases marketing activity overall, thereby increasing leads

Increased efficiency of business development resources leads to reduced time to sale and better conversion rates

Better view of account profiles leads to higher success rates for upsell/cross sell opportunities

Self-service to fulfil B2C leads increases sales productivity

Benefits:

Income Generation

Improved Brand Perception

Cost Control

ROI: Decreased operational costs

How?

Reduced customer acquisition costs due to customer self-service

Self-service for customer service delivery

Reduced cost per MQL (marketing qualified lead)

Reduced cost per SQL (sales qualified lead)

Benefits:

Income Generation

Improved Brand Perception

Cost Control

ROI: Improved internal collaboration and productivity

How?

Easier to track leads which results in better sales channel performance

Removes internal silos with collaboration tools and single customer view

Benefits:

Income Generation

Cost Control

Risk Mitigation

ROI: Improved customer experience

How?

Personalisation improves customer perception

Customer is empowered to pull services they want and need, when they want them, how they want them

Benefits:

Income Generation

Improved Brand Perception

Cost Control

ROI: Improved business decision making

How?

Accuracy of data

Availability of data

Real time analytics

Provides infrastructure to take advantage of AI technologies

On time, automated reports production

Benefits:

Income Generation

Improved Brand Perception

Cost Control

Risk Mitigation

ROI	How?	Benefits
Increased sales revenue/revenue growth	Reaching more target audiences with targeted marketing generates more leads Delivering marketing personalisation increases lead generation Reducing time to market of new products/services increases revenue Marketing automation increases marketing activity overall, thereby increasing leads Increased efficiency of business development resources leads to reduced time to sale and better conversion rates Better view of account profiles leads to higher success rates for upsell/cross sell opportunities Self-service to fulfil B2C leads increases sales productivity	Income Generation Improved Brand Perception Cost Control
Decreased operational costs	Reduced customer acquisition costs due to customer self-service Self-service for customer service delivery Reduced cost per MQL (marketing qualified lead) Reduced cost per SQL (sales qualified lead)	Income Generation Improved Brand Perception Cost Control
Improved internal collaboration and productivity	Easier to track leads which results in better sales channel performance Removes internal silos with collaboration tools and single customer view	Income Generation Cost Control Risk Mitigation
Improved customer experience	Personalisation improves customer perception Customer is empowered to pull services they want and need, when they want them, how they want them	Income Generation Improved Brand Perception Cost Control
Improved business decision making	Accuracy of data Availability of data Real time analytics	Income Generation Improved Brand Perception Cost Control

ROI	How?	Benefits
	Provides infrastructure to take advantage of AI technologies On time, automated reports production	Risk Mitigation

Key Areas of Return on Investment

Intercloud9 research shows the following opportunities can be capitalised on as a result of investing in CRM and digital technologies:

Increased sales revenue/revenue growth

- Maximise efficiency of business development resources.
- Know what and who is performing and not performing.
- Generate marketing qualified leads through marketing automation.
- Increasing the quality, cleanliness and completeness of data.

Maximised internal collaboration and productivity

- Automated workflows for reducing or removing process steps, hence reducing overall resources.
- Providing employees with reliable, actionable information to perform their jobs.
- Task management capabilities provide more control to ensure everyone stays on track. Accountability leads to increased productivity.
- A flexible way to track and view all your relationships. Linking records together is especially useful to serve existing customers and identify connections that could generate further leads.

Decreased operational costs

- Simplify the technology stack to reduce overlapping software and training costs, including removing multiple technologies capable of performing similar tasks (e.g., a separate case management system when this could be performed in CRM).
- Eliminate inefficiencies and bottlenecks by automatically creating tasks and generating follow up activities.

- Marketing automation tools significantly accelerate and extend marketing reach through sustainable automated customer journeys.
- Customer acquisition costs significantly reduced due to targeted, personalised marketing campaign activities and automation of customer onboarding journey.

Businesses can earn up to £8.71* for every £1 spent, according to research. If businesses take this one step further and integrate CRM with other applications, then they can expect to see around a 20%* uplift in overall productivity as a result.

*Source: https://nucleusresearch.com

Intercloud9 has identified the following seven key areas of consideration that it believes to be crucial in determining ROI that can be achieved through CRM & digital technological investment:

ROI factor #1 - maximise use of process automation

- Leveraging automation to the fullest potential is essential for optimising the ROI of CRM systems.
- Elevating CRM usage beyond data input and processing.
- Integrate automation effectively, across multiple platforms, so users can extract more value from their CRM.

ROI factor #2 – deliver e-mail integration

- A critical factor in benefit realisation of ROI is both e-mail automation and e-mail integration, increasing productivity by as much as 21%.

ROI factor #3 - onboard the right way

- Amplify the importance of aligning onboarding strategies with the proposed vision to enhance success rates.
- Faster go-live time translates into shorter time to ROI.

ROI factor #4 - deliver a rapid response to leads and opportunities

- Automated follow-ups, coupled with ready-to-go templates and collateral, enhances responsiveness.

- Ability to scale up in response to increased customer demand without increasing staffing, especially in B2C.

ROI factor #5 – relationships are key

- Understanding the connections between people, and between people and organisations, opens up the potential to leverage connections to generate new leads and opportunities. This is a key feature of CRM systems and can be further optimised by tracking connections between customers in the digital world. For example, where members are connecting with each other in your community platform.

ROI factor #6 – drive business critical insights

- Accurate, timely and automated reporting and insights increases productivity by removing time spent collating scattered data, correcting data and manually producing reports.
- With data driven insights and management information, decision makers are freed up to lead the business rather than produce reports.

ROI factor #7 – automate marketing campaigns

- Deliver a minimum 22% increase in revenue, compared with no automation.
- Aligns sales and marketing activities, quickly demonstrating what works and does not work.
- Dramatically reduces the time intensive nature of omni channel marketing campaign delivery.

Cost Protection ROI

Many not-for-profit organisations would have to invest in more resources if it is to attract new audiences, given current technological limitations. This is what is known as a "cost protection" ROI. It is true that, with the majority of not-for-profit organisations that are yet to fully leverage the benefits of their technological investment, their "as is" organisational design does not scale.

What we often see are:

- A significant proportion of the workforce is engaged in handling and processing waste work and dealing with demand from customers that could be eliminated through self-service, coupled with removing the problems that lead to customers having to contact your organisation (e.g., problems paying online, confusion around how to access products).
- There is limited capacity for proactive, outbound marketing activity, sub optimising your organisation's ability to grow its audiences.
- There is limited understanding of what audiences value and their engagement with your organisation.
- Increasing membership would necessitate increasing headcount a) to deliver the growth (demand generation) and b) to service the demand.
- Poor customer experiences leading to higher levels of attrition amongst the membership.

Essentially, cost-protection ROI considers the additional headcount your organisation would need to add in order to a) generate more income – typically through increased sales and marketing resources and b) service the resulting increase in customer demand – typically through more operational employees.

Your business case calculates the cost of this additional resource and then considers the extent to which this additional cost could be reduced, or even eliminated, through investing in CRM and digital technologies.

The "target state" (the people, processes and technology that exist post transformation) yields significant opportunity. These include:

- Post-digital transformation, your organisation can implement a structure that supports growth and income diversification, supported by technology.
- Roles previously deployed in handling waste can be removed to make way for new roles or can be re-purposed/re-directed towards value-add, income-generating activities.
- A focus shift toward delivering services that members value, rather than fulfilling customer demand to solve problems.
- Marketing automation offers significant potential to grow the membership, as well as offering broader "product" sales to new audiences.

- Customer acquisition costs reduce significantly through highly personalised, targeted marketing campaigns, underpinned by automated customer onboarding and, where appropriate, self-service product delivery.

Finally, the post transformation target state can be useful to reflect on what is happening worldwide in terms of digital transformation and investment in such technologies.

According to a study* of 1,500 global C-level executives with digital transformation and technology decision-making responsibility across industries worldwide, conducted from January to March 2022:

- Executives plan to allocate 5.8% of their income to digital improvement.
- Of the 41% who are measuring returns, a 7.6% average return on investment was reported for digital investment.
- 69% of spending has shifted to ongoing digital platform running costs, in comparison to 36% and 64%, respectively, in 2020.
- 42% of executives say customer acquisition, retention and experience will be one of the top priorities for digital investment during the next two years.
- More than half (55%) of executives indicate “improved customer experience” as an area where they have seen a positive impact from their digital investments.
- More than half of leaders (55%) say they have seen a positive impact from their 2021 digital investments in terms of improved customer experiences, and 58% around successfully launching new digital products and services. Going forward, 48% say launching new products and services is a top goal for their investments.

*Source: Improve returns with your digital investment strategy | EY – UK