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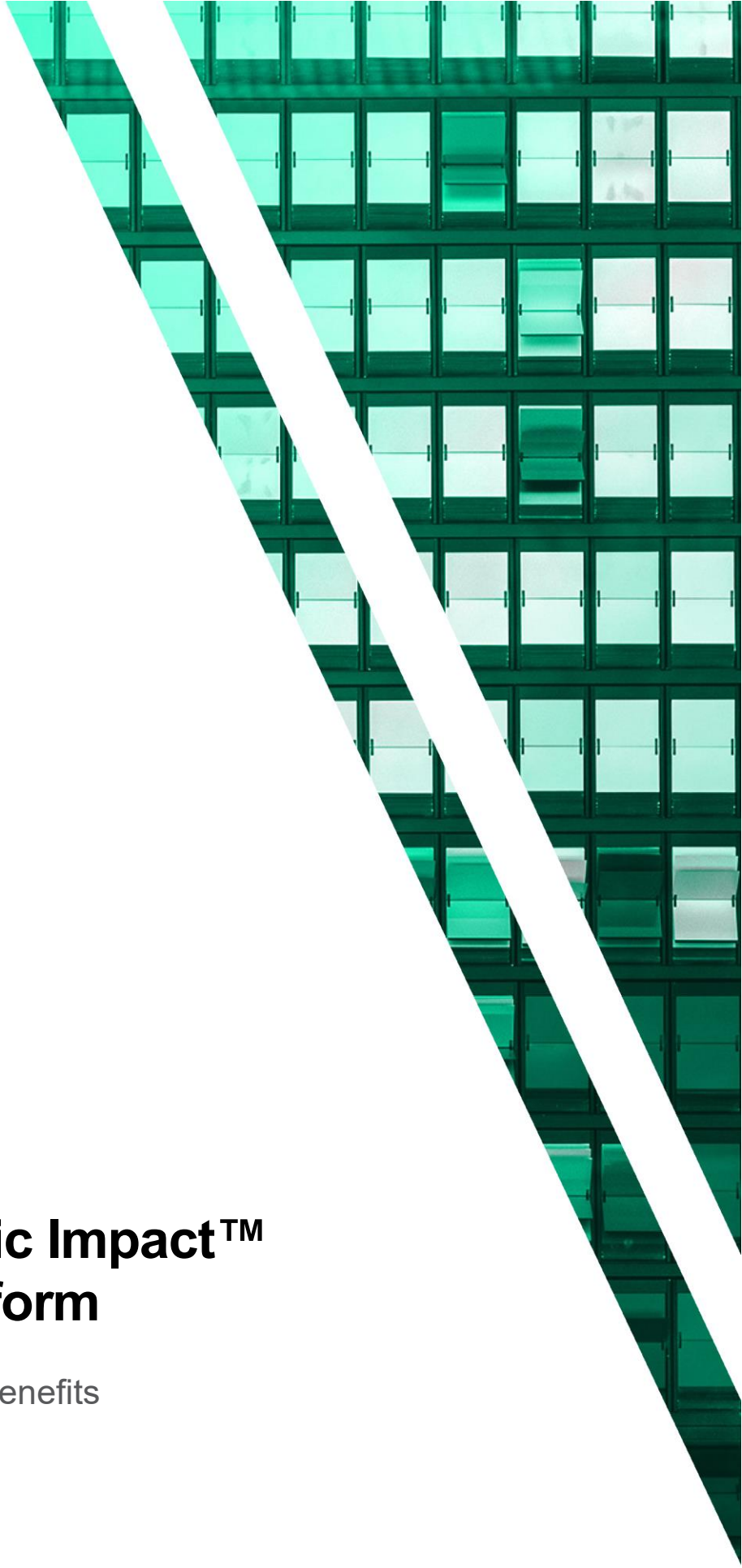

The Total Economic Impact™ Of The Figma Platform

Cost Savings And Business Benefits Enabled By Figma

SEPTEMBER 2021

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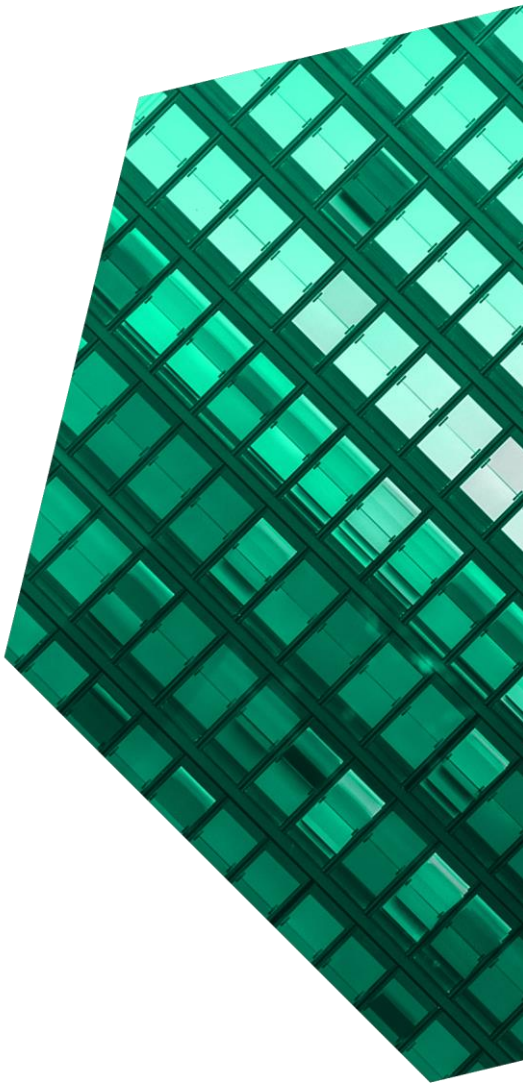


ABOUT FORRESTER CONSULTING

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. For more information, visit forrester.com/consulting.

Executive Summary

The world's most customer-obsessed, innovative, and admired companies commit to and invest in great design. To reap the benefits of design, firms must apply it as a business discipline across the enterprise. Design systems help teams scale good product-design decisions and apply consistent terminology, interactions, and design patterns from product to product to improve the customer experience (CX). Figma provides the toolkit required to create and manage a design system.

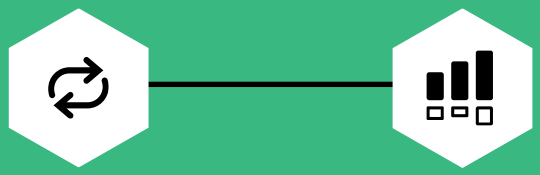
Figma is a web-based design platform that enables companies to deliver better-designed products and bring them to market faster. The platform optimizes collaboration among designers and their cross-functional colleagues. Figma serves as a single source of truth for the design process, giving users the ability to work together in design files that are always up to date. Design systems in Figma allow design teams to standardize and govern the rules for asset creation, ensuring consistency across brands. Finally, Figma uses an open community of plug-ins and allows companies to customize the functionality needed for their unique business.

Figma commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Figma.[1] The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Figma on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed twelve decision-makers at four companies with experience using Figma. For the purposes of this study, Forrester aggregated the experiences of the interviewed customers and combined the results into a single composite organization.

Before using Figma, the customers used a combination of design tools to facilitate collaboration among designers, developers, product managers, and marketers. However, employees had issues with their various design tools, which couldn't communicate seamlessly. Additionally, not all teams had access to the same software and hardware platform, which slowed workflows as designers downloaded, screenshotted, created, and shared PDF files throughout the design lifecycle.

KEY STATISTICS



Return on investment (ROI)
231%

Net present value (NPV)
$2.45M

After investing in Figma, customers saved millions of dollars by creating efficient workflows, design systems, and plug-ins to automate design tasks. One interviewee said that Figma contributed to delivering their work product four times faster than an agency could. A UX engineer added: "Figma has made our collaboration more real-time and dropped some barriers. It means that we can collaborate quicker and move faster on projects. We can get ideas [from concept to market] at a pace which we never had before."

KEY FINDINGS

Quantified benefits. Risk-adjusted present value (PV) quantified benefits include:

- **Vendor license consolidation.** Customers experienced direct cost savings of more than $740,000 over three years by consolidating multiple contracts with vendors they previously leveraged in their design process. Because Figma helps consolidate design processes, companies eliminated products as contracts came up for renewal.
- **Efficiency gains in the problem definition phase.** Teams located in different geographies who couldn't communicate in real time struggled to collaborate effectively. Figma's collaboration features eased the process of cross-team communication and improved the influence design has within an organization, driving 10% efficiency in the problem definition phase.
- **Efficiency gains in the ideate and create phase.** Figma better enables design teams to consistently apply the correct typography, colors, and assets across experiences. The design system saves teams thousands of hours previously spent maintaining asset repositories and performing repetitive yet necessary work. In addition, by creating prebuilt page templates, teams saved more than 50% in their design time. According to interviewees, the business impact of these features is greatest during the ideate and create phase, optimizing the process by 60%. This translates to more than $10 million annual savings, according to one high-tech firm executive.
- **Efficiency gains in the develop and implement phase.** Design teams changed their workflows to include developers earlier, saving time writing lengthy design specs. Now developers can identify technical challenges, understand the

"We think of Figma not just as a tool but more like a platform. It's a sibling of our DevOps platform that allows us to access designs and pull certain elements, styles, and components. It gives us pretty much everything that we need."

— Principal software development lead, high-tech

project history, and see an early prototype. Development teams described their ability to automate functionality by utilizing existing plug-ins or by creating bespoke code that uniquely fits their business. Development teams recognized a 30% productivity gain in the develop and implement phase.

Unquantified benefits. Benefits that are not quantified for this study include:

- **Increased speed-to-market.** One decision-maker at a manufacturing firm described how it delivers projects four times faster internally utilizing Figma versus outsourcing to an agency. The UX team decreased their design cycle time because all the tools and project files are in the same ecosystem.
- **Decreased their agency spend.** Companies that previously relied on creative firms reduced their agency spend between 50% to 90%. Deploying Figma allowed them to optimize employees' time and provided the consistency and governance needed to hire contractors when required.
- **Reduced human error and improved product quality.** Figma streamlines design processes, reducing the number of steps and thus the potential for human error. Organizations described the positive business impact Figma had, allowing them to release well-architected, well-designed software instead of a minimum viable product (MVP).
- **Increased time to innovate and perform high-value work.** Figma afforded designers time to solve customer problems instead of spinning cycles locating files and approved font sizes.
- **Improved employee retention.** Figma transformed how design teams work and collaborate, improving their employee experience. A design ops manager said that Figma helped retain these highly sought-after UX designers.
- **Earlier leadership buy-in.** Figma's collaborative canvas allows leadership to view project files directly and experience the prototype instead of making important decisions based on a PNG or wireframe. Getting leaders involved earlier avoided late-stage changes.

> **"Figma has absolutely impacted our retention. At its core, we're a platform company, but we've got so many different business units that create so many different products — hundreds of products that run on our platform. More and more customers are purchasing multiple products, and they all need to work together seamlessly, not just from a technical standpoint but from a UX standpoint."**
>
> *Senior design program manager, high-tech*

Costs. Risk-adjusted PV costs include:

- **Figma licenses for 300 editors cost $402,000 over three years.** To create the financial model, Forrester based the analysis on a list price of $540 per year for an editor license.
- **Internal costs to deploy Figma totaled $658,000 over three years.** The project lead spent six months planning and deploying the Figma governance and rollout plan. Eight workstream leads worked on the Figma

deployment for 20% of their time for six months. Finally, 300 license holders went through 16 hours of training.

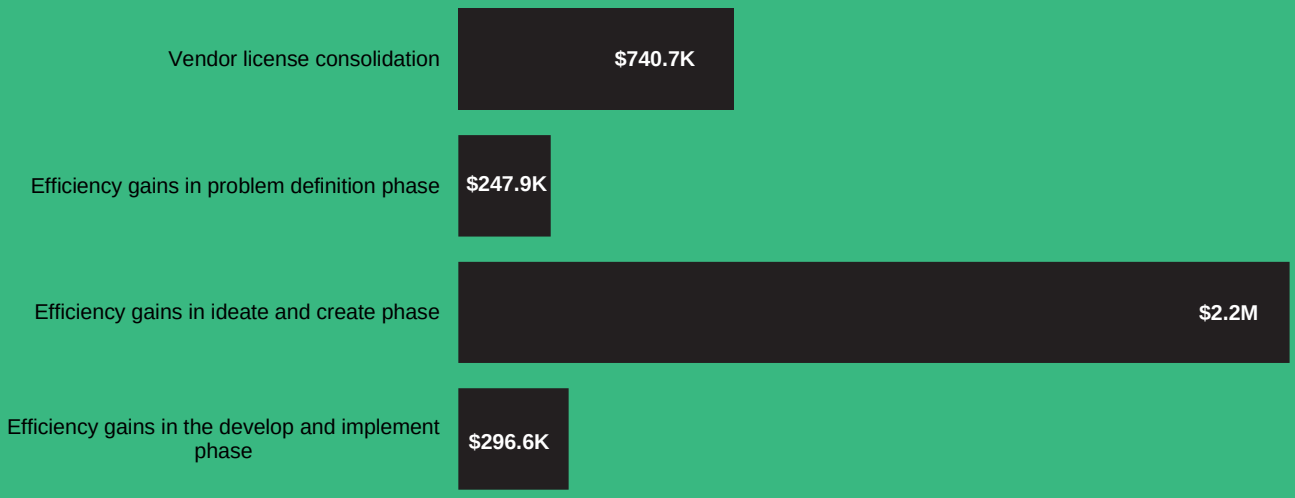
The customer interviews and financial analysis found that the composite organization experiences benefits of $3.51 million over three years versus costs of $1.06 million, adding up to a net present value (NPV) of $2.45 million and an ROI of 231%.

ROI
231%

BENEFITS PV
$3.52M

NPV
$2.46M

Benefits (Three-Year)



“We had four or five different services we paid for just to get our design process and workflow going. Figma provided all of these out of the box, which was a huge win for us.”

— UX designer, high-tech

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 Figma.

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 Figma can have on an organization.

DUE DILIGENCE

Interviewed Figma stakeholders and Forrester analysts to gather data relative to the Figma platform.

CUSTOMER INTERVIEWS

Interviewed twelve decision-makers at four organizations using Figma to obtain data with respect to costs, benefits, and risks.

COMPOSITE ORGANIZATION

Designed a composite organization based on characteristics of the interviewed 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 interviewed organizations.

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.

The Figma Platform Customer Journey

Drivers leading to the Figma investment

Interviewed Organizations

Industry	Revenue	Interviewee	Total Number Of Employees	Total Number Of Paid Users
High-tech	$143 billion	Principal UX designer Senior UX designer Senior designer Principal design manager General manager UX engineer Principal software development lead Principal designer	166,000	3,500
Manufacturing	$19.1 billion	Global head of UX	46,000	50 to 75
Professional services	$4.5 billion	Senior design program manager	12,500	317
Financial services	$4.5 billion	Senior UX designer Principal UX designer	50,000	3,000+

KEY CHALLENGES

The interviewees struggled with common challenges, including:

- **Disparate technology platforms created chaos, resulting in version-control errors.** Not everyone in a design workflow has the same set of software applications, is running the same version, or is even using the same computing platform. As a workaround, employees created their own personal design systems, which included components, libraries, and tools used to help them be efficient. This caused issues when project members shared files because not everyone was working from a single design system. One principal design manager said: "It's almost like being a developer. I got a bunch of code but didn't know what packages were on it, which was a big frustration. The first benefit we experienced was having a single-source-of-truth URL." Figma simplified file sharing by allowing teams to share files as simply as dropping a link into a chat, for example, eliminating the need to run the same technology. The URL link leads teams to the Figma workspace that centrally stores the most recent work, eliminating version-control errors.
- **Legacy product upgrades caused broken plug-ins.** Interviewees repeatedly described issues with their prototyping and design tools "playing nicely together." Designers relied on plug-ins to enable critical functionality like communication between legacy tools. A senior design program manager described the massive effort they undertook to get everyone running the same version of the toolset and the problems the upgrade process caused: "Every time we upgraded our [design tools] things broke, plug-ins stopped working, [and] our design system had issues. It was a huge pain point."
- **Disconnects between design and engineering caused friction.** In describing issues his team experienced, the principal software development lead said, "Design and engineering were two different disciplines speaking a different language, trying to explain how an app is supposed to work or what the UX should look

like. A bunch of things were lost in translation." He continued, "Sometimes teams would throw design specs over the fence expecting that engineers would pick it up and make it right." Figma provided the opportunity to build bridges between designers and developers by bringing them together earlier in the process, allowing both groups to understand history, context, and intention behind the project creation.

- **Security protocols blocked collaboration features from legacy tools.** Designers at the financial services firm described how security protocols flagged cloud-based file-sharing functionality between previous solutions. This forced users to create manual, time-consuming workarounds to download, capture, and share files. The senior UX designer said: "Figma passed all of our security checks with flying colors. Being able to share files internally and externally through the same tool without having to jump through hoops or create watermarked PDFs is a huge benefit to our workflow."

"Before Figma, it was messy. We worked on [design tool files] and flat files. Two or three designers worked on a flat file and passed it around via email or shared server. Files were dependent on [design tool platform] plug-ins that would break. Native features in Figma were so amazing for improving this process."

Principal UX designer, financial services

SOLUTION REQUIREMENTS/INVESTMENT OBJECTIVES

The interviewed organizations searched for a solution that:

- Enabled collaboration natively without having to rely on external plug-ins.
- Worked well regardless of operating system.
- Adhered to the latest security protocols.
- Reduced errors and broken plug-ins due to upgrades.
- Eliminated the need to maintain multiple tools but would provide the majority of functionality that design and development teams need.
- Had the ability to create custom plug-ins to support the individual needs of the business.

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 twelve interviewees from four companies that Forrester interviewed and is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The global, multibillion-dollar business-to-business-to-consumer organization provides products sold through a retail channel targeted to consumers. The company leverages its digital channel to provide best-in-class experiences for consumers to create a sticky relationship with them. The organization manages more than 30 brands and operates globally.

What defines a project? The scope of what defines a project will vary by size and duration. Historically, designers worked on isolated, intensive projects such as a redesign of a website or app. Today, many organizations work in agile product teams and are embedded to continuously evolve the product, which can include fixing UX issues and creating entirely new experiences.

For the purposes of creating a consistent model, Forrester made the following assumptions:

- **Project definition:** The model assumes an average of many small, short projects and two extensive, yearlong major platform redesigns.
- **Design team characteristics:** The design team — which includes roles such as interaction, UX, and visual designers; DesignOps; research; and content strategy — has 300 members who work in smaller project teams. The size and scope of the work will drive how many additional people are needed to staff each project.
- **Project team size:** Each project includes a design lead, product lead, and technical lead heavily involved throughout each project stage. For example, a project like a platform redesign may require a team of 20, while a mobile app code upgrade requires one designer and developer. The model assumes an average of the total sum of yearly projects.

Key assumptions

- **Global B2B2C firm**
- **30 brands managed**
- **Multiple short projects and 2 major projects annually**

"The sheer fact that people are not having to upload things and can jump into files at a moment's notice is a literal night-and-day difference. Previously, they relied on sending an email and hoping a designer could make a change or add a note somewhere. There are so many new processes we've been able to remove, refine, or create because of the connectivity of the tool."

Senior UX designer, financial services

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	Vendor license consolidation	$219,375	$315,563	$373,275	$908,213	$740,674
Btr	Efficiency gains in problem definition phase	$31,104	$124,416	$155,520	$311,040	$247,944
Ctr	Efficiency gains in ideate and create phase	$279,936	$1,119,744	$1,399,680	$2,799,360	$2,231,496
Dtr	Efficiency gains in the develop and implement phase	$46,656	$116,640	$209,952	$373,248	$296,551
	Total benefits (risk-adjusted)	$577,071	$1,676,363	$2,138,427	$4,391,861	$3,516,665

VENDOR LICENSE CONSOLIDATION

Evidence and data. Customers experienced direct cost savings from consolidating multiple contracts with previously used vendors. Interviewees reported buying separate tools for design, file sharing, collaboration, and prototyping. Figma's web-based platform integrated the tools designers need to work through the phases of the project design lifecycle. Customers no longer needed multiple solutions, allowing them to jettison redundant tools to save on licensing costs. A principal UX designer said: "One of the huge bonuses was that we were able to consolidate from multiple products down to one. Being able to consolidate and get everything in one tool and having everything work in that same ecosystem made a ton of sense for us."

Modeling and assumptions. For the composite organization, Forrester assumes:

- The company paid $655 per user for a combination of design and prototyping tools.
- Before Figma, the organization paid for an additional, separate suite of design tools.
- Three hundred users were using the legacy solutions.
- The legacy design tools didn't satisfy the needs for prototyping, forcing the composite to buy another software license for $30,000 each year.
- Two factors play a role in the rate at which organizations can accrue license savings:
  - The duration of legacy contracts and when they come up for renewal.
  - The rate of the adoption of Figma and the use of all the capabilities within the platform.

> **"We had four or five different services we paid for just to get our design process and workflow going. Figma provided all of these out of the box, which was a huge win for us."**
>
> *Senior designer, high-tech*

Risks. Vendor license consolidation will vary with:

- The number of legacy tools previously used at an organization.
- The rate at which the prior tools are decommissioned.
- The number of users.
- The rate at which Figma is adopted and used to its fullest potential.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $741,000.

Vendor License Consolidation

Ref.	Metric	Source	Year 1	Year 2	Year 3
A1	Avoided cost of previous design system (platform) tools	Interview	$655	$655	$655
A2	Avoided cost of previous design system (design-only) tools	Interview	$770	$770	$770
A3	Number of paid users	Assumption	300	300	300
A4	Legacy prototyping solution	Interview	$30,000	$30,000	$30,000
A5	Percentage reduction in licenses	Assumption	50%	75%	90%
At	Vendor license consolidation	((A1+A2)*A3)*A5+A4	$243,750	$350,625	$414,750
	Risk adjustment	↓10%			
Atr	Vendor license consolidation (risk-adjusted)		$219,375	$315,563	$373,275
	Three-year total: $908,213			**Three-year present value: $740,674**	

EFFICIENCY GAINS IN PROBLEM DEFINITION PHASE

Evidence and data. The problem definition phase is the foundation of the design process, where companies discover and define potential customers' needs and motivations. In this phase, teams align on a common understanding of the problem to solve for the rest of the design process. Design researchers, product managers, UX designers, and business stakeholders all play a valuable role in defining customer needs.

Before Figma, firms relied on face-to-face workshops and onerous, inefficient file-sharing processes to share thoughts and ideas. Figma enables effective collaboration between teams located in different geographies who can't communicate in real-time.

Easing the process of cross-team communication has contributed to elevating the role of design within one senior design program manager's professional services firm. They described how design now has a prominent seat at the table: "Design is no longer left out, only to discover things after they happen. Design is very much in the forefront, providing vision-type work and research that's feeding the product roadmap."

Modeling and assumptions. Based on the customer interviews, Forrester assumes:

- An average of 10 team members participate in the problem definition phase, including product, technical, and design leads, plus additional design, product managers, business stakeholders, and design researchers.
- The composite performs a yearly average of 30 short-term upgrades and two long, in-depth projects.
- The average fully burdened salary of each of the 10 team members who participate in this phase is $72 per hour.
- Figma's impact on the problem definition phase resulted in a 10% reduction in team members' time.
- As a best practice, Forrester recognizes that the employees who participate in the problem definition phase convert 50% of the hours saved into productive work time.
- As more employees collaborate using Figma, the time-saving value capture increases from 20% to 90%.

"The magic of Figma is that you can give someone a URL and they can see the work and even feel a prototype of the work. Definitely, Figma has improved the iterative design and research part of the workflow, and that speeds the step around buying or approvals."

Principal designer, high-tech

"Between the user research, conversations and exporting of specs or assets, you're going to get five, 10, 15, or more people involved in the process. By having everyone in one place working together, it speeds things up tremendously."

Principal UX designer, financial services

Risks. Efficiency gains in the problem definition phase will vary with:

- The number of team members involved in each project.
- The number and duration of projects in this phase.
- The rate at which teams adopt Figma.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of nearly $248,000.

Efficiency Gains In Problem Definition Phase					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
B1	Average number of project team members	Assumption	10	10	10
B2	Average number of projects annually	Assumption	30	30	30
B3	Average project duration in problem definition phase (hours)	4 weeks*40 hours per week	160	160	160
B4	Average fully burdened hourly salary of project team members	Assumption	$72	$72	$72
B5	Percentage of time saved due to Figma in problem definition phase	Assumption	10%	10%	10%
B6	Productivity recapture	Forrester best practice	50%	50%	50%
B7	Percentage of value captured per year	Assumption	20%	80%	100%
Bt	Efficiency gains in problem definition phase	(B1*B2*B3*B4)*B5*B6*B7	$34,560	$138,240	$172,800
	Risk adjustment	↓10%			
Btr	Efficiency gains in problem definition phase (risk-adjusted)		$31,104	$124,416	$155,520
	Three-year total: $311,040			**Three-year present value: $247,944**	

EFFICIENCY GAINS IN IDEATE AND CREATE PHASE

Evidence and data. According to interviewees, Figma's greatest business impact accrues during the ideate and create phase. Figma better enables design teams to consistently use the correct typography, colors, and assets when multiple designers collaborate. The design system saves teams thousands of hours previously spent performing repetitive (yet necessary) work. One senior design program manager for a professional services organization explained: "In the past when creating an early-stage design, a designer needed to figure out what components were available and their location. You have a hundred conversations to find the component from another team who may not have a library, only a previous design that contained the desired component. It was a nightmare, and now that all goes away."

Every interviewee provided examples where Figma enabled efficiency gains in the ideate and create phase, such as:

- **Gives teams a head start in asset creation.** Instead of creating icons and page templates from scratch every time, Figma allowed designers to create design systems and page templates. A senior design program manager explained how his team saved more than 50% in their design time: "Instead of taking 10 components and designing a page, we've prebuilt that page using page templates. We can get to the 50-yard line from day one versus starting from the end zone."
- **Provides an operational framework for design ops.** Design operations teams no longer put the onus on creators to pull down the latest file updates. Figma allows design systems teams to automatically publish updated assets and update design systems.

- **Replaces traditional presentation tools.** Interviewees used Figma to present designs directly without using PowerPoint or other presentation applications. Designers can prototype, build high-fidelity screens, hand off designs, and present them to stakeholders, all within the same tool. The principal software development lead, describing how their meetings have become more interactive, said, "Being able to follow a presenter live provides that ability for us to dive into the design quickly rather than just show traditional slides."

"It's almost like working in a sprint when you were all focused on the same thing in the same building. Figma gives the ability to do that on a massive scale."

UX engineer, high-tech

- **Brings distributed teams together in near-real time.** Teams who are not able to work in real time benefit from the ability to collaborate asynchronously. This allows designers to see a project's history and progress, and jump in to comment without fear of damaging the file. The principal designer from the high-tech firm said: "Whether it's research, engineering, or marketing, collaborating earlier in Figma means there are fewer questions about 'Why didn't you think about this?' or 'We forgot about this step,' or 'We didn't think about this engineering challenge.' Because we can bring people in through a URL into the design process earlier, it speeds up the collaboration and approval process."

Modeling and assumptions. Based on the customer interviews, Forrester assumes:

"Previously, we were using three different tools to collaborate, and that's hard to do well. The foundational pillars of Figma are around collaboration. Figma Library sharing is first-class. Everything stays up-to-date and it works better. It's seamless. It just works."

Senior design manager, professional services

- An average of 12 team members participate in the ideate and create phase. Those roles often include product, technical, and design leads as well as additional designers, product managers, business stakeholders, legal, content strategists, and UX writers.
- The average number of projects, which includes both short-term upgrade work and long, in-depth projects, is 30 annually.
- The average fully burdened salary of each of the 12 team members who participate in this phase is $72 per hour.
- Figma's impact on the ideate and create phase resulted in a 60% reduction in team members' time.
- The employees who participate in the ideate and create phase convert 50% of the hours saved into productive work time.
- As more employees adopt Figma, design systems are standardized and plug-ins are used to automate updates, enabling the percentage of value captured to increase from 20% to 90%.

Risks. Efficiency gains in the ideate and create phase will vary with:

- The number of team members involved in each project.
- The number and duration of projects in this phase.
- The rate at which teams adopt Figma.

Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of $2.2 million.

"Our 10,000+ component design system used to cost millions to maintain. With a Figma plug-in, we remove the manual work by translating these icons automatically through scaling, and the different unique features such as strength, fill, and non-fill versions. These tools not only improved our efficiency but helped us save the company money every fiscal year."

UX engineer, high-tech

Efficiency Gains In Ideate And Create Phase

Ref.	Metric	Source	Year 1	Year 2	Year 3
C1	Average number of project team members	Assumption	12	12	12
C2	Average number of annual projects	Assumption	30	30	30
C3	Average project duration in ideate and create phase (hours)	6 weeks*40 hours per week	200	200	200
C4	Average fully burdened hourly salary of project team members	Assumption	$72	$72	$72
C5	Percentage of time saved due to Figma in ideate and create phase	Assumption	60%	60%	60%
C6	Productivity recapture	Forrester best practice	50%	50%	50%
C7	Percentage of value captured by year	Assumption	20%	80%	100%
Ct	Efficiency gains in ideate and create phase	(C1*C2*C3*C4)*C5*C6*C7	$311,040	$1,244,160	$1,555,200
	Risk adjustment	↓10%			
Ctr	Efficiency gains in ideate and create phase (risk-adjusted)		$279,936	$1,119,744	$1,399,680
	Three-year total: $2,799,360			**Three-year present value: $2,231,496**	

“Another Figma win is the plug-in ecosystem. The third-party plug-ins are super-robust. If Figma does not have a feature, there is usually a plug-in from the community that covers that gap.”

Senior design program manager, professional services firm

EFFICIENCY GAINS IN THE DEVELOP AND IMPLEMENT PHASE

Evidence and data. Before Figma, developers were often brought into the design process late or left out altogether. To counter this, design teams spent days and weeks documenting the history of the design versions and detailed specs. However, context and intent were often lost in translation. After deploying Figma, design teams changed their workflows to include developers earlier in the process, saving time that previously had been spent writing lengthy design specs. Developers can now identify technical challenges, understand the project history, and see an early prototype.

The principal software development lead at a professional services firm provided the developer perspective by stating succinctly: “My engineers say the main selling point for them is to be able to click on the link and see the design right away. They don’t care about all the other features designers have; they need the tool that works.”

Development teams also described how they were able to automate functionality by using the plug-in architecture. Teams leverage the community for existing plug-ins or create bespoke code that uniquely fits their business.

Modeling and assumptions. Based on the customer interviews, Forrester assumes:

- An average of five team members participate in the develop and implement phase. Those roles include product, technical and design leads as well as additional developers or engineers.
- The average number of projects, which include both short-term upgrade work and long, in-depth projects, is 30 annually.
- The average fully burdened salary of each of the 10 team members who participate in this phase is $72 per hour.
- Figma’s impact on the develop and implement phase resulted in a 30% reduction in team members’ time.
- As a best practice, Forrester recognizes that the employees who participate in the develop and implement phase convert 50% of the hours saved into productive work time.
- As more employees collaborate using Figma, the time-saving value capture increases from 20% to 90%.

Risks. Efficiency gains in the develop and implement phase will vary with:

- The number of team members involved in each project.
- The number and duration of projects in this phase.
- The rate in which teams adopt Figma.
- Results. To account for these risks, Forrester adjusted this benefit downward by 10%, yielding a three-year, risk-adjusted total PV of $296,551.

Efficiency Gains In The Develop And Implement Phase					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
D1	Average number of project team members	Assumption	5	5	5
D2	Average number of annual projects	Assumption	30	30	30
D3	Average project duration in the develop and implement phase (hours)	4 weeks*40 hours per week	160	160	160
D4	Average fully burdened hourly salary of project team members	Assumption	$72	$72	$72
D5	Percentage of time saved due to Figma in develop and implement phase	Assumption	30%	30%	30%
D6	Productivity recapture	Forrester best practice	50%	50%	50%
D7	Percentage of value captured by year	Assumption	20%	50%	90%
Dt	Efficiency gains in the develop and implement phase	(D1*D2*D3*D4)*D5*D6*D7	$51,840	$129,600	$233,280
	Risk adjustment	↓10%			
Dtr	Efficiency gains in the develop and implement phase (risk-adjusted)		$46,656	$116,640	$209,952
	Three-year total: $373,248			**Three-year present value: $296,551**	

UNQUANTIFIED BENEFITS

Interviewees shared many stories about the value they experienced by using Figma that couldn't be directly quantified. These stories include:

- **Increased speed-to-market.** The global head of UX at a manufacturer described how his team accelerated initiatives: "We're delivering about four times faster doing this in-house versus with an agency. We met with marketing on a Monday about a campaign rollout. A week later, all the design work was complete, and the brand manager's jaw dropped. He said it would have taken at least a month with the agency." The executive continued: "With organizations of this size, speed-to-market is a challenge due to the various layers of bureaucracy that the initiatives typically go through. The fact that we're able to maneuver a lot quicker helps us get to market that much faster."
- **Decreased agency spend.** Companies that previously relied upon agencies to deliver their creative work described saving 50% to 90% of those expenditures. According to the global head of UX at a manufacturing firm, deploying Figma allowed the company to optimize its employees' time as well as provide the consistency needed to hire contractors when needed. The executive said: "We looked at how much time we spent in design to create an experience for one of our flagship brands. Once we made the time investment, deploying this experience in a completely different region, we delivered the design work for a brand-new site for $15,000 — whereas it would have cost over $100,000 through an agency. We do 100 of these throughout the year, and those cost and time efficiencies begin to add up significantly."

“What Figma affords designers is the ability to spend time thinking about the hard problems and the things that they’re trying to solve, as opposed to how big a button is or what size text should be. All of that’s already done.”

Principal UX designer, financial services

- **Reduced human error and positively impacted product quality.** The high-tech principal designer described how Figma’s automation features improved the quality of their products: “There are a lot fewer steps in the flow where a human being has to go in and manually change something, which is a core part of the efficiency. As the system changes, it evolves together automatically, allowing each user to benefit from improvements, rather than employees improving their individual design systems.” The principal software development lead at the same high-tech firm described the major impact Figma has had on their business: “We’ve changed from just releasing an MVP to releasing a well-designed and well-architected interface. The world is changing and the bar keeps going up, but it’s much easier to keep up with the fidelity and the quality.”
- **Increased innovation.** The financial services designer says his team has more time to perform high-value work: **“**What Figma affords designers is the ability to spend time thinking about the hard problems and the things that they’re trying to solve, as opposed to how big a button is or what size text should be. All of that’s already done.”
- **Improved employee retention.** The senior design program manager at a professional services firm raved about the positive impact on employee churn. They received a glowing email from another senior design manager: “I don’t know how to send a message to the whole Figma crew, but I wanted to say that the change to Figma has been transformative for multiple designers on my team. I knew it would be nice, but I had two designers say, ‘I was kind of hating my job before, and now I’m having a good time.’ So great job to the Figma implementation team and thank you for helping me not lose designers.”
- **Streamlined communication with leadership.** The financial services principal UX designer talked about democratizing the design process and looping in leadership: “Before Figma, there was a separation between the designs themselves and then presenting it. We used to turn these files into a PNG and stick them in a presentation tool, losing that closeness to the actual design process. Because Figma’s canvas is collaborative, leadership has been able to jump into the files themselves and experience the prototype you’re creating or provide feedback directly on the design. It's quite meaningful.”

“Figma has done something very hard to do in any other design platform which is to corral everyone to a single source of truth.”

Principal designer, high-tech

FLEXIBILITY

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

- **Improving how teams work.** The high-tech principal designer said, “Many designers like me used to hide behind the curtain before you reveal the big showpiece. Figma changed that because it emphasized the thought process and the workflow. We’re more open to receiving feedback in Figma because it is so much easier.”
- **Providing stable plug-ins, whether custom-built or from the community.** The high-tech UX engineer described the benefits he gets from engaging with the Figma community: “We take our plug-ins in Figma very seriously, both the architecture and the plug-in community. Because the community is open, easy to use, and easy to install means we learn a lot and see many opportunities with using plug-ins. The community on Figma.com means that you don’t have to go searching for this information. They’ve done a very good job at keeping their community centralized.”

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**
Etr	Figma license costs	$0	$162,000	$162,000	$162,000	$486,000	$402,870
Ftr	Internal costs to deploy Figma	$197,683	$448,589	$33,581	$33,581	$713,434	$658,474
	Total costs (risk-adjusted)	$197,683	$610,589	$195,581	$195,581	$1,199,434	$1,061,344

FIGMA LICENSE COSTS

Evidence and data.

- The composite organization paid an annual list price of $540 per user. Editor licenses include:
  - Unlimited projects and version history.
  - Custom file and user permissions.
  - Invite-only private projects.
  - Shareable team libraries and centralized teams
  - Organizationwide design systems and analytics
  - Private plug-ins and plug-in administration.
  - Shared fonts.
  - SSO plus advanced security.
- Paid editor licenses were assigned to a combination of design professionals, researchers, developers, executives, product managers, and marketers.
- In addition, organizations can create an unlimited number of viewer licenses that allow:
  - Unlimited files in drafts.
  - Unlimited viewers and commenters.
  - Unlimited editors on three team files.
  - One team project.
  - 30-day version history.
  - Unlimited cloud storage.

Results. Forrester used list prices and did not risk-adjust this benefit, resulting in a three-year PV total cost (discounted at 10%) of $403,000.

Figma License Costs						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
E1	Cost of Figma license	$540		$540	$540	$540
E2	Number of paid users	300		300	300	300
Et	Figma license costs	E1*E2		162,000	162,000	162,000
	Risk adjustment	0%				
Etr	Figma license costs (risk-adjusted)		$0	$162,000	$162,000	$162,000
	Three-year total: $486,000			**Three-year present value: $402,870**		

INTERNAL COSTS TO DEPLOY FIGMA

Evidence and data. Interviewees described the benefits Figma brought to their organization. They were able to achieve these benefits by investing the time and resources to create a strategic plan for the implementation, rollout, governance, and training for Figma.

Modeling and assumptions. To accomplish this, the composite incurred the following costs:

- The project lead spends six months planning for and implementing Figma. After the initial rollout, the lead spends 8 hours per week on administrative functions.
- To establish a deployment, governance, and training strategy, the composite organization establishes eight workstream leads. They negotiate the allocation of 20% of their assignment.
- Thirty designers conduct a two-day sprint to convert previous design files to Figma formats and build plug-ins. The Figma deployment team spends an additional 40 hours annually building plug-ins after the first year.
- The composite organization requires 16 hours of training for each of its 300 editor license-holders.

“Even before we committed to the tool, Figma helped us plan from both an ops perspective and a literal design system file perspective. We set up training sessions as part of preengagement, which was huge compared to some other companies where we were in a queue for support. That’s a bonus that just came naturally from the Figma team.”

Principal designer, financial services

Risks. This cost can vary from organization to organization due to the following factors:

- Teams may choose to invest more or less time and resources in the planning and deployment process.
- The level of orientation and onboarding will vary based on the team’s familiarity with existing design tools.

Results. To account for these risks, Forrester adjusted this cost upward by 10%, yielding a three-year, risk-adjusted total PV of $658,000.

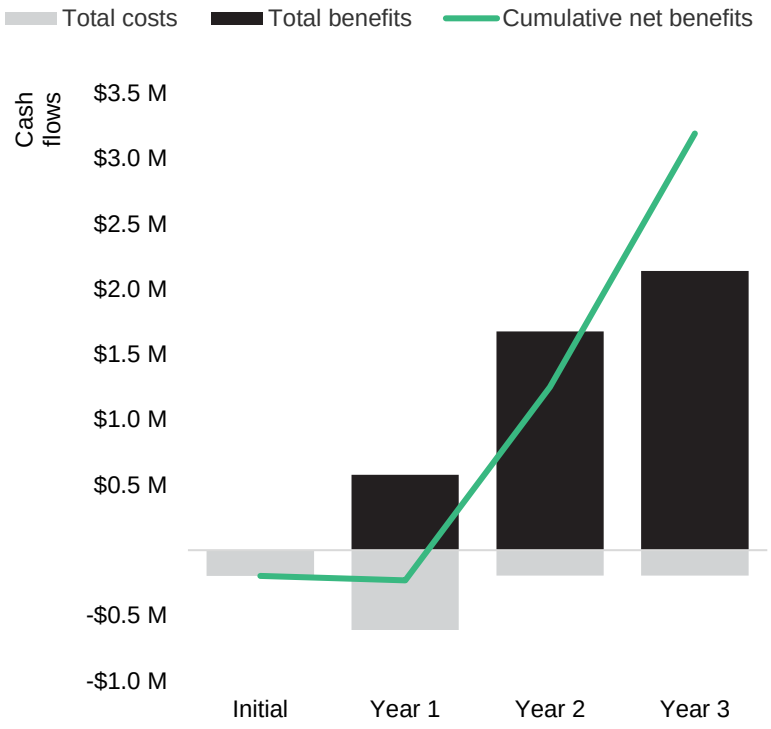
Internal Costs To Deploy Figma

Ref.	Metric	Source	Initial	Year 1	Year 2	Year 3
F1	Employee time for leading deployment	40 hours per week*24 (6 months)	960			
F2	Ongoing management time for Figma	8 hours per week		384	384	384
F3	Employee time for workstream leads	20% of employee hours for 6 months*8 employees	1,536			
F4	Employee time converting files and building plug ins	30 designers in a 2-day sprint		480	40	40
F5	Designer training	16 hours		16		
F6	Number of employees with editor licenses	300	300	300		
F7	Average fully burdened salary of project team member	$72 per hour	$72	$72	$72	$72
Ft	Internal costs to deploy Figma	Initial: (F1*F7)+(F3*F7) Years 1,2,3: (F2*F7)+(F4*F7)+(F5*F6*F7)	$179,712	$407,808	$30,528	$30,528
	Risk adjustment	↑10%				
Ftr	Internal costs to deploy Figma (risk-adjusted)		$197,683	$448,589	$33,581	$33,581
	Three-year total: $713,434			**Three-year present value: $658,474**		

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 and NPV for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI and NPV 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	($197,683)	($610,589)	($195,581)	($195,581)	($1,199,434)	($1,061,344)
Total benefits	$0	$577,071	$1,676,363	$2,138,427	$4,391,861	$3,516,665
Net benefits	($197,683)	($33,518)	$1,480,782	$1,942,846	$3,192,427	$2,455,321
ROI						231%

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 consider the time value of money. Organizations typically use discount rates between 8% and 16%.

Appendix B: Endnotes

[1] 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.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