

Transform your business by implementing the VIDsigner digital signature service



ROI on a digital signature service

The purpose of this white paper is to provide you with an overview of the Return on Investment (ROI) your organization can achieve through the implementation of a digital signature service.

In order to get a clear picture of the current costs incurred by the use of paper documents, we will first calculate the amount of documents to be signed per year, printing, scanning, courier costs etc. and finally compare those with the costs of deployment and use of an electronic signature service.

This tool will allow you to easily calculate your total cost savings based on your estimated numbers and gives you a clear vision of what your company can achieve by implementing electronic signatures.



The costs of paper-based signatures

The following example is based on a company with 100 employees that sign 25,000 documents (an average of 1 document every two working days) annually. The average document consists of 3 pages and requires a minimum of 2 signatures, which results in 75,000 sheets of paper per year.

As these documents need to be printed and signed manually, the associated costs include:



Printing

The average cost of printing amounts to 0.02 € per page. Thus, printing 75,000 sheets of paper costs the company 1,500 € per year.



Scanning

The average cost of scanning amounts to 0.03 € cents per page. Assuming that 100% of the documents are required to be scanned, we get 75,000 sheets of paper x 0.03 € = 2,250 €.



Courier

To make it simple, we will only consider the cost of standard mail delivery. If we estimate that 10% of signed documents require some form of external routing, and standard mail costs 0.63 cents per service, the total cost amounts to 1,575 € per year. If 0.10% of the documents are required to be sent with express service in no more than 48h, and 0.05% need to be sent in no more than 24h, that amounts a 2,487.50 € cost per year.



Paper Archiving

We assume that 100% of the signed documents need to be archived in paper form. The storage in a physical facility costs on average 42 cents per document. Thus, the company pays 10,500 € for archiving their documentation per year. To this amount we must add an additional 0.08 € per document for indexing information and 0.01 cent per document / square meter, tallying a total of 16,875 €. Moving those documents costs 0.92 € in terms of salaries per document, bringing us to a total of 85,875 €.



Document and Reproduction

Looking at it from an optimistic point of view, we assume that only a 0,001% of documents end up lost, and that 20% need to be replaced because they are not found. This means a loss of 2,500 documents every year, costing 37.50 € per year for the search and 75 € per year for reproducing those that are never found. Obviously, for accounting purposes, we cannot estimate the cost of losing an irreplaceable document.

The costs listed above do not include additional indirect costs such as salaries, workflow delays, reputation, or carbon emissions per year.

The summary of the above (50.000 signatures and 25.000 signed documents per year) results in an average cost of 92,225 € for paper-based signatures annually.

→ **Printing:** 1,500 €

→ **Scanning:** 2,250 €

→ **Archiving:** 85,875 €

→ **Courier:** 2,487.50 €

→ **Lost documents:** 112,50 €

→ **Total annual cost of paper-based signatures:** 92,225 €

→ **Total cost for a 4-year period:** 368,900 €



The ROI of electronic signatures

Implementing a digital signature service like VIDsigner, the organization is given the possibility of combining different signature methods in order to maximize revenue and reduce costs. The purpose of this calculation is to compare the cost of deployment and use, as well as any additional costs that are directly related to the digital signature solution.

For a solution like the Remote Signature of VIDsigner, the costs would entail:

→ **Initial deployment** (with unlimited users and up to 50,000 signatures per year): 2,100 €

→ **Annual use and support:** 15,000 €

→ No costs are attributable to printing, scanning, sending or archiving, since the documents are being handled completely electronically.

→ **Total cost of electronic signatures (first year): 17,100 € (includes deployment).**

→ **Total annual cost of electronic signatures (2nd-4th year): 15,000 €**

→ **Total cost for a 4-year period: 62,100 €**

That makes 0.34 € per signature during the first year and 0.30 € per signature during the following three years. Over a 4-year period, the savings amount to 306,800 €, which is - 83 % compared to traditional paper-based signatures. After the first year, an organization this size, can already register savings of 75,125 €.

Paper based signatures

→ **Printing** (1,500 € x 4) = 6,000 €

→ **Scanning** (2,250 € x 4) = 9,000 €

→ **Courier** (2,487,50 € x 4) = 9,950 €

→ **Archiving** (85,875 € x 4) = 343,500 €

→ **Finding and reproducing lost documents** (112.50 € x 4) = 450 €

→ **Total cost 4y** (92,225 € x 4) = 368,900 €

Digital signature service

→ **Deployment** (2,100 € x 1) = 2,100 €

→ **Annual use** (15,000 € x 4) = 60,000 €

→ **Total cost 4y** (2,100 € + 15,000 € x 4) = 62,100 €

Due to the high ROI, organizations of all sizes decide to streamline their processes by adopting electronic signatures. With a detailed ROI calculation, it becomes clear why the implementation of electronic signatures should become a priority for every organization dealing with documents, which need to be signed. In addition to high cost savings, this solution also reflects their responsibility towards the environment by saving large amounts of paper.

To get started, download our ROI calculator tool and find out how much your organization can save with electronic signatures.

Need more information? Consult with one of our experts at sales@validatedid.com.

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