

Paper vs. Digital Signature Costs

When closing a sale that requires a contract to be signed, many companies are still stuck in the 20th century: they print out the contracts so that they can be signed with a pen. What these companies don't realize is that this process is a massive waste of time and resources. Switching to digital signatures can significantly cut costs and boost efficiency, while still providing a secure environment with high levels of trust between both involved parties.

But just how significant is this price difference? How much could you save by switching to digital signatures? Here's the breakdown:

Per sheet US avg. cost of ink alone¹:

\$0.064 Black & White

\$0.159 Color

Average paper price²:

\$40.00 per 5,000 sheets=\$0.008 per sheet

Per sheet total price:

\$0.072 Black & White

\$0.167 Color

This estimate doesn't include the per-page costs of printer maintenance, which—depending on what printer you use—can be significant.

Per 20 page document:

\$1.44 Black & White

\$3.34 Color

These estimates also leave out the time and effort that employees expend during the process of printing, arranging a meeting for a signature, traveling to that meeting, or sending the documents by mail. All of this wasted time could be spent in more productive ways, such as closing additional sales.

Say a customer wants to sign a contract after a sale has been closed in your store. It might take the salesperson 10 minutes to find, arrange, and print the contract to be signed, an additional 10 minutes for the customer to read through the contract and sign in the necessary places, and then 5 more minutes for the salesperson to copy the signed contract for customer's records.

That salesperson has just lost 15 minutes solely from the paper signing process that could have been spent recruiting additional customers. If the process of making the sale itself takes 15 minutes per customer, paper signatures have just cut your potential sales in half.

Digital signatures, on the other hand, take less than 5 minutes, freeing your salespeople to increase your customer base in a way they never could before. They automatically and securely store both the customer's copy and the company's record. On top of that, your company only has to pay an up front fee of \$2400 for unlimited transactions. 5,000 sales would cost you the same as 10,000: it would remain at \$2400 no matter how successfully your business performed.

If you've printed out each document in black and white with 5,000 sales, you've paid \$7,200. By switching to digital signatures you could easily cut your contract-based costs by two thirds. The more sales you bring in, the more you save. If your company makes 250,000 sales, your cost per contract is literally less than a penny. And you'd be allowing your employees to increase their efficiency and bring in more revenue as well.

The choice is clear. Digital signatures are an efficient and secure alternative to the classic paper format. And they're environmentally friendly, too. Make the switch today, and your company will benefit massively.

Sources:

1. http://www.qualitylogic.com/tuneup/uploads/docfiles/QualityLogic-Cost-of-Ink-Per-Page-Analysis_US_1-Jun-2012.pdf
2. <http://www.quepublishing.com/articles/article.aspx?p=1393497>