Mine the gaps

Extracting more value by integrating Salesforce Clouds across the enterprise

IBM

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Executive summary

Organizations that have integrated Salesforce Clouds reaped 40% more average revenue per Salesforce license than those that have not.

■ **Break free from tactical silos by strategically connecting Salesforce Clouds.**

Organizations that have integrated Salesforce Clouds reaped *40% more* average revenue per Salesforce license than those that have not.

■ **Create a cyclone of continuous improvements.**

Companies that connect multiple Salesforce Clouds report embedding Salesforce in continuous process improvement cycles *33x more* than companies that do not integrate.

■ **Double your transformative strategies and drive differentiation.**

Organizations that connect Salesforce Clouds are planning "broadly inclusive" or "fully comprehensive" enterprise transformations at *2x* the rate of their counterparts operating in silos.

Certain organizations find significant additional value in the connective tissue between Salesforce Cloud solutions.

The Salesforce platform: Connection is power

Salesforce is a force to be reckoned with. Often regarded as the number-one customer relationship management (CRM) organization in the world, its market share was almost a quarter (24%) in 2021—surpassing that of its top four competitors, which had just 19% combined. More than 150,000 customers worldwide use the Salesforce platform.[1] Perhaps most importantly, Salesforce, with its large and growing array of solution clouds, is keeping pace with evolving customer requirements that address rapidly changing market dynamics.[2]

Salesforce is renowned for the performance of its cloud-based software solutions for sales, marketing, commerce, analytics, digital experiences, industries, and more. Each new Salesforce solution has been embraced by a market that demands positive returns on each purchased license. But we have found that certain organizations find significant additional value in the connective tissue *between* Salesforce cloud solutions.

Salesforce customers can look to nature for a strong example of the power of connecting multiple individual Salesforce solutions. Consider this: the largest organism on the planet is not a whale or an elephant; it is an aspen grove. An aspen grove, on the face of it, appears to contain more than 20 disparate trees. Yet in reality, an aspen grove is one organism that has grown from a single seed and shares an underground root system.[3]

Organizations can view Salesforce in a similar fashion. Each individual Salesforce Cloud adds value to its users, the company, and the ecosystem. But Salesforce approaches peak power when those individual Clouds are *connected*—sharing insights that both nourish the individual and support the collective.

Do Salesforce users embrace this concept? Is connecting Salesforce Clouds standard practice? How are organizations actually optimizing their Salesforce implementations? We surveyed more than 1,100 organizations across 11 countries to find out.

Two groups emerged from our respondents— Salesforce Silo Specialists and Enterprise Connectors. *Salesforce Silo Specialists* are typically exploring Salesforce platform expansion across the enterprise but have implemented Salesforce in select functional areas in a siloed manner. They comprise almost half (46%) of the survey population. On average, they use 8.9 Salesforce Clouds, about the same as our Enterprise Connectors, who use 8.5 Salesforce Clouds on average.

Salesforce Enterprise Connectors, at 12% of respondents, is a fraction of our larger population. While their number of Salesforce Clouds is almost identical to Silo Specialists, Enterprise Connectors

have integrated Salesforce solutions enterprise-wide and benefit from the value that comes along with more networked Salesforce capabilities.[4]

The small number of Enterprise Connectors sits in stark contrast to their large-scale results. While Silo Specialists achieve $2.6 million revenue per Salesforce license, on average, Enterprise Connectors have achieved 40% higher average revenue per Salesforce license. In the current economic environment, organizations will also leverage Salesforce best practices and process improvement to drive essential and timely cost reductions. Finally, Enterprise Connectors say they are planning "broadly inclusive" or "fully comprehensive" enterprise transformations at almost twice the rate of Silo Specialists.

Conversely, Silo Specialists—those users of multiple Salesforce Clouds but connectors of none—could well be missing out on revenue gains and transformational opportunities. We will explore the potential benefits that result from connected Salesforce Clouds, as well as concrete actions that will help Silo Specialists evolve into Enterprise Connectors. (Note that 42% of organizations fell between our two identified groups, displaying characteristics of each to various degrees. See "Research methodology" section on page 23.)

Perspective

Two groups emerged from our research

Salesforce Silo Specialists

– 46% of the survey population

– Typically exploring Salesforce platform expansion across the enterprise

– Have implemented Salesforce in select functional areas in a siloed manner

– On average use 8.9 Salesforce Clouds.

Salesforce Enterprise Connectors

– 12% of respondents

– Have integrated Salesforce solutions enterprise-wide

– Benefit from the value that comes along with more networked Salesforce capabilities

– On average use 8.5 Salesforce Clouds.

Silo Specialists—those users of multiple Salesforce Clouds but connectors of none—could well be missing out on revenue gains and transformational opportunities.

Configurable workflows and platform integration help grow revenue

Let's clarify a key point: *integrating* Salesforce Clouds is not *customizing* Salesforce Clouds. Salesforce has invested considerable time and resources in its configurable workflows, intelligence, and automation, crafting widely used "best practices" for its broad client base.[5] To the extent possible, the Salesforce platform is intended to be used as designed, with over-customization resulting in unplanned and expensive obsolescence.[6] But the *integration* of Salesforce Clouds is another matter entirely (see Perspective, "A critical difference" on page 7)—one that intensifies both the power and value of Salesforce investments while optimizing Salesforce platform design.

Here's an example: one global medical device company struggled to influence sales in a critical product category. The company wrestled with disjointed data from multiple Salesforce Clouds, making it challenging to cull high-value customers from a vast array of doctors' offices and hospitals. The scattered data also hampered the accuracy of ROI estimates.

This company has integrated both additional enterprise information sources and Salesforce Cloud data into Salesforce CRM. The strategy has helped it identify customer needs in its target segment, increase marketing efficiency, support integrated ROI tracking, and unify data across clouds.[7]

Let's clarify a key point: integrating Salesforce Clouds is not customizing Salesforce Clouds.

A critical difference—integrating Salesforce Clouds versus integrating external data *into* Salesforce Clouds

It's conventional wisdom: integration is critical to Salesforce success. Salesforce experts have long warned that immature data integration strategies often prevent companies from realizing additional Salesforce Cloud value.[8] For many organizations, integrating data from standalone enterprise systems, ranging from SAP ERP to Outlook, into Salesforce Clouds is a standard and successful practice.

Deploying multiple Salesforce platforms in silos is also common: witness our Silo Specialists, 46% of our respondents. They adopt, on average, 8.9 separate Salesforce Clouds.

But an untapped opportunity—one adopted by all of the Enterprise Connectors—is the *integration between Salesforce Clouds themselves.* According to our research, it's this specific practice that generates impressive results.
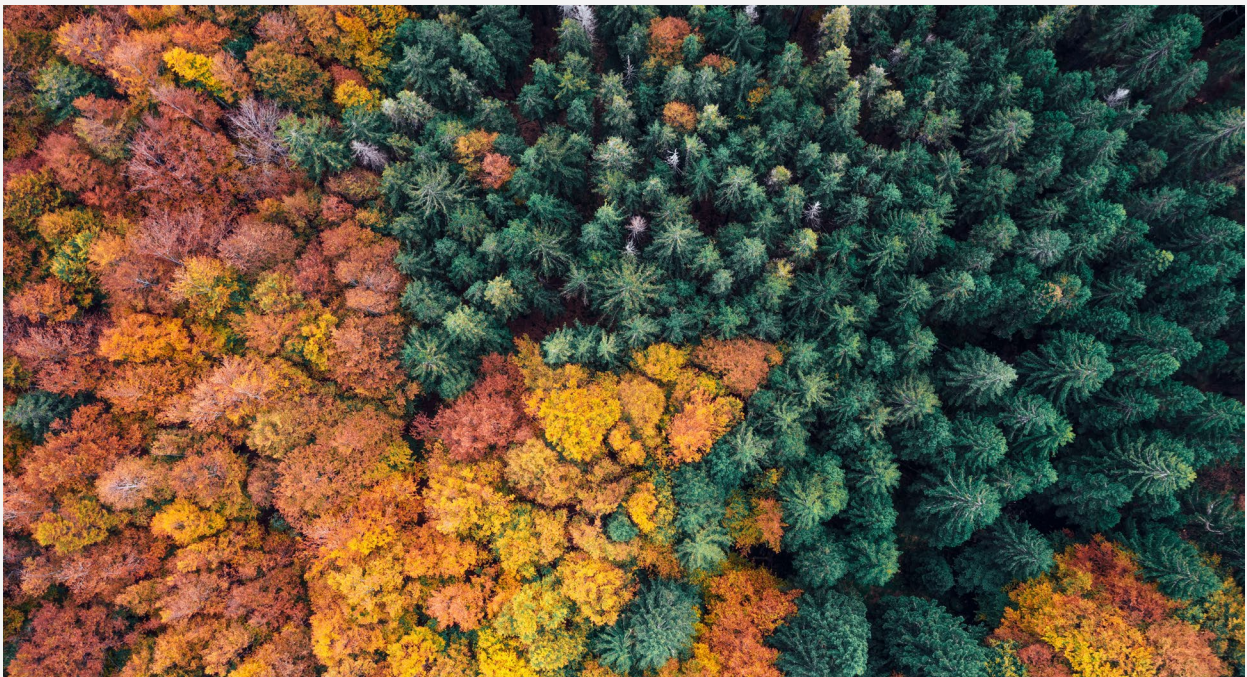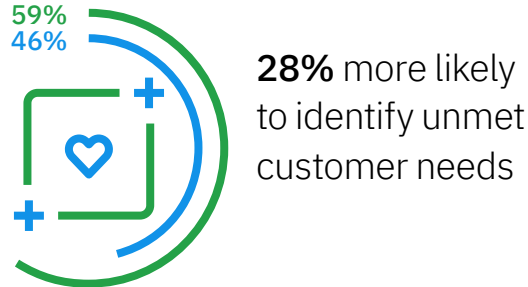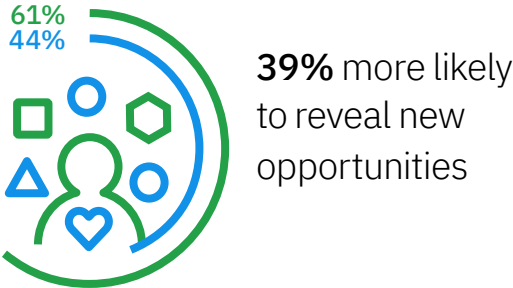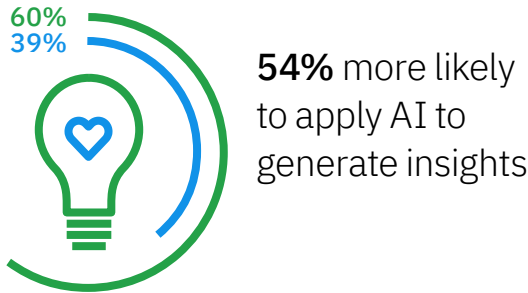
Our research reflects this company's experience: the majority of Enterprise Connectors extract platform insights to forge deeper customer bonds and translate customer needs and insights into action. On the face of it, raw data is raw data. But these Connectors are empowered to use that data more creatively—spotting opportunities, uncovering insights, and identifying unmet needs (see Figure 1). And creativity is not passive: when compared to Silo Specialists, 28% more Connectors than Silo Specialists anticipate turning those revelatory insights into action.

Enterprise Connectors are empowered to use data more creatively

— Salesforce Enterprise Connectors
— Salesforce Silo Specialists

60%
39%

54% more likely to apply AI to generate insights

61%
44%

39% more likely to reveal new opportunities

59%
46%

**28%** more likely to identify unmet customer needs

And consider this: Enterprise Connectors realize 40% more revenue per Salesforce license (see Figure 2). From a top-line perspective, it's our most compelling finding. In an effort to establish a virtuous cycle, this enhanced return on Salesforce investments can be directed toward other transformational efforts, which potentially increases revenue overall.

Enterprise Connectors realize **40% higher** average revenue per Salesforce license
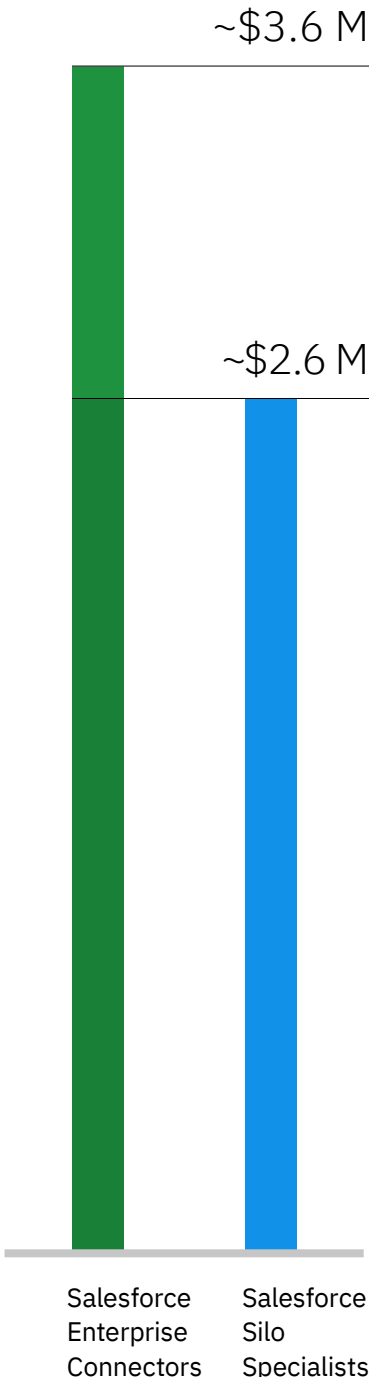
~$3.6 M

~$2.6 M

Salesforce Enterprise Connectors

Salesforce Silo Specialists

*49% more Enterprise Connectors than Silo Specialists
say they plan on accessing Salesforce data in real time.*

Operational integration helps reduce costs by optimizing operational improvements and process efficiencies

Yes, Salesforce is a CRM tool. But *integrating* Salesforce Clouds extends the Salesforce influence, creating a wide-ranging operational impact that transcends CRM. Integration creates a transformational foundation, one that identifies and optimizes operational improvements across the enterprise.

49% more Enterprise Connectors than Silo Specialists say they plan on accessing Salesforce data in real time. Salesforce's newly announced Genie solution has the potential to make this easier and more effective for organizations hoping to bring together real-time data across multiple Salesforce solution areas. For example, a personalized offer on a website could change instantly based on the opening of a marketing email.[9] And access to real-time data bears real-time results: three out of four Connectors agree that Salesforce improves the productivity of their workforce (see Figure 3). And, this research was conducted *before* the release of Genie.

FIGURE 3

3 out of 4 Enterprise Connectors agree: Salesforce improves workforce productivity

In effect, insights are exponentially more powerful when integrated and leveraged *across* Salesforce Clouds. Our research uncovered a stunning benefit to integration: Enterprise Connectors say they embed Salesforce in continuous process improvement cycles *33x more* than Silo Specialists—helping drive a thriving continuous improvement culture across their organizations (see Figure 4). Executives that establish cultures of continuous improvement can potentially set the organization on a course for long-term cost-reduction cycles over time, which may be especially important in the current economic environment.

FIGURE 4

33%

Enterprise Connectors say they embed Salesforce in continuous process improvement cycles **33x more** than Silo Specialists

1%

Salesforce
Enterprise
Connectors

Salesforce
Silo
Specialists
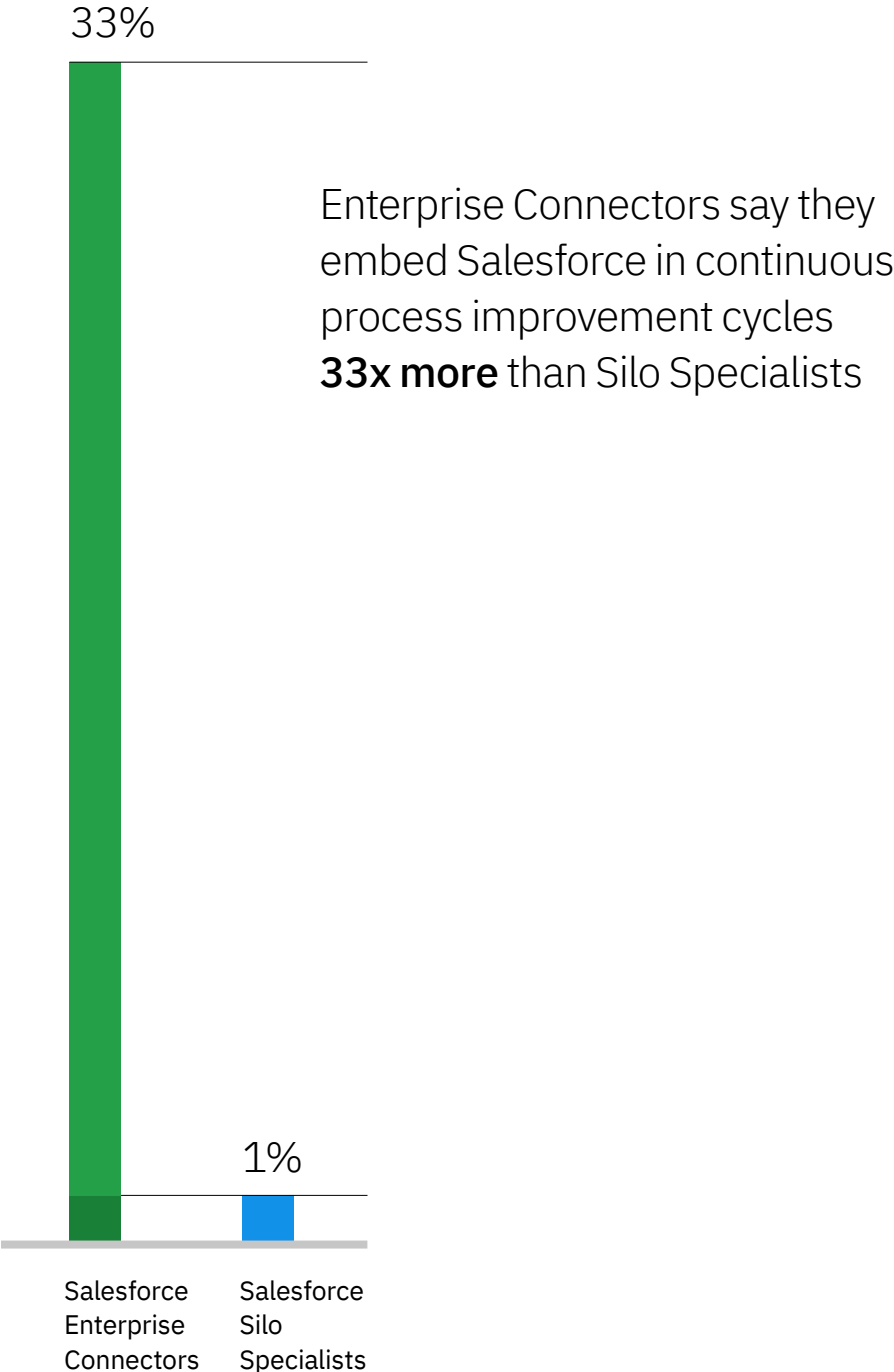
Connecting Salesforce Clouds also spawns healthy partner ecosystems. In recent IBV research, 64% of respondents say it is important for them to integrate business ecosystem partners into their cloud workloads.[10] To benefit from the growth of global partner networks and how these networks drive revenue streams, organizations need to develop relevant, information-sharing relationships with suppliers, resellers, and service providers.[11]

Connecting Salesforce Clouds opens doors to those linkages beyond traditional organizational boundaries. For example, aligning Sales, Service, Marketing, and Experience Clouds creates knowledge, connection, and services to partners—as well as develops rewarding brand experiences. Organizations that prioritize partner relationship management unlock new value for all parties.[12]

Enterprise Connectors engage on this broader playing field: 77% agree that enterprise transformation is important to ecosystem partners, compared to just 49% of Silo Specialists—a 57% percent difference (see Figure 5). In an increasingly interwoven world, integration improves intra-company interactions and transformational exchanges for mutual benefit.

Enterprise Connectors also enjoy the benefits of ongoing cost reductions. Improving process efficiencies not only creates the potential to reduce labor and other direct costs, but also builds a culture of cost awareness in which employees continue to identify future cost reduction opportunities.

FIGURE 5

77%
49%

57% more Enterprise Connectors agree that transformation is important to partners

Salesforce Enterprise Connectors   Salesforce Silo Specialists
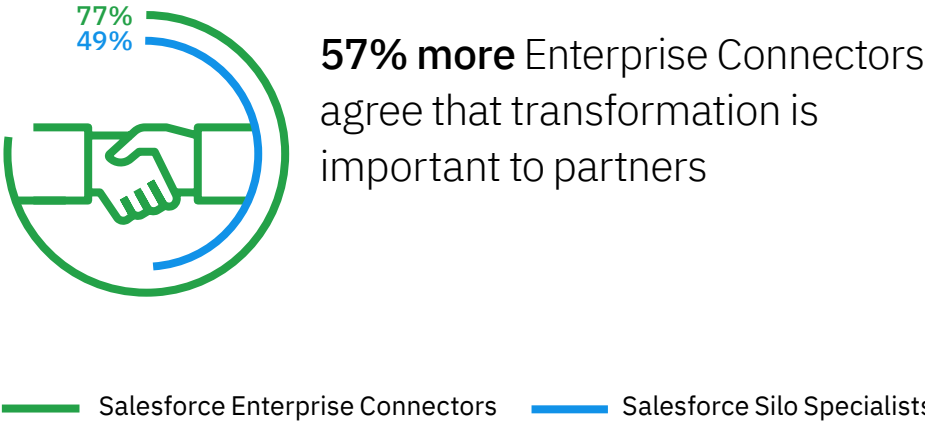
Connecting Salesforce Clouds and transforming guest interactions to create competitive advantage[13]

A global hospitality and leisure company sought to connect multiple brands, platforms, websites, and back-end systems to reduce internal and external points of friction. It was able to deliver a more unified guest experience by:

– Connecting more than 143,000 employees through various Salesforce Clouds

– Increasing user engagement through enterprise-wide promotion, training, and activation of targeted employee communities

– Providing a comprehensive view on guest interactions through Service Cloud

– Deploying performance dashboards and apps with AI-fueled insights

– Improving brand reputation by incorporating customer recognition in all guest interactions and constant awareness of guest loyalty across internal departments and systems

– Growing revenue and enhancing customer satisfaction by aggressively simplifying, streamlining, and digitizing enterprise processes.

*Connecting Salesforce Clouds opens doors to those
linkages beyond traditional organizational boundaries.*

Enabling transformation through strategic Salesforce integration

Big ideas thrive on information—in many cases multiple sources of data that interact, percolate, and incubate. Connected Salesforce Clouds open the doors to those big ideas, according to most Enterprise Connectors. Four in five Enterprise Connectors (33% more than Silo Specialists) say they credit Salesforce with increasing enterprise innovation and three in five (37% more) agree that Salesforce helps discover new business models and new thinking (see Figure 6).

Along those lines, and in contrast to Silo Specialists, 40% more Enterprise Connectors say they are planning transformation to strengthen their brands, and 31% more report planning transformation to increase differentiation.

The magic here is straightforward. The result of Salesforce cloud integration is like updating prescription eyeglass lenses: suddenly, both the executive view of the organization and the details of a business become crisper, clarified. Couple that sharper perspective with more revenue per Salesforce license, and more efficient processes to lower costs, and the result is potent: not only clarity on transformational opportunities, but the financial muscle to tackle those goals.

Connected Salesforce Clouds open the doors to big ideas, according to most Enterprise Connectors.

FIGURE 6

33% more executives agree that Salesforce can **increase enterprise innovation**.

Salesforce Enterprise Connectors	80%
Salesforce Silo Specialists	60%

37% more executives agree that Salesforce can help **discover new business models and new thinking**.

Salesforce Enterprise Connectors	63%
Salesforce Silo Specialists	46%

Salesforce Enterprise Connectors   Salesforce Silo Specialists

Exploring a path forward

That explains how Enterprise Connectors turn traction into action: they're planning "broadly inclusive" or "fully comprehensive" enterprise transformations at almost twice the rate of their Silo Specialist counterparts (see Figure 7).

Overall, connecting Salesforce Clouds creates and excavates knowledge and can also generate the financial means and capabilities to transform that knowledge into action. Yet only 12% of overall respondents—our Enterprise Connectors— report integrating Salesforce Clouds. How can this change? What strategies can your organization undertake to explore this largely untapped opportunity?

FIGURE 7

93%
49%
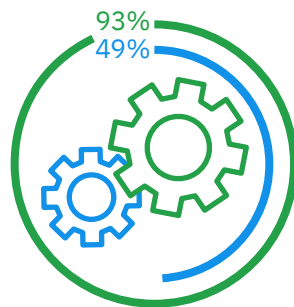
Enterprise Connectors plan comprehensive transformation at **almost twice** the rate of Silo Specialists

———— Salesforce Enterprise Connectors ———— Salesforce Silo Specialists

Action guide

Enterprise results are driven by committed owners. At the executive level, enterprise transformation requires both vision and consistency, which is why organizations that produce the most laudable results often point to a single C-suite champion who is responsible for defining and executing the enterprise transformation. Integration of the Salesforce Clouds across the enterprise should either be contained in the larger enterprise transformation or owned by an executive who has the seniority and resources to drive its execution.

Approaches for connecting and integrating Salesforce Clouds are like fingerprints: no two are exactly alike. But we have identified constructive commonalities that apply across organizations and industries. As well, engaging an external partner that is well versed in cross-Salesforce Cloud integrations is highly beneficial, given the wealth of experience they bring to the table.

Initially, consider the following steps:

Build a comprehensive platform integration strategy that drives transformational benefits—advantages your competitors may already enjoy.

– Define financial objectives, strategic direction, and reasonable timelines. Be clear about motivations and expectations.

– Design an integrated program. Each element— data integration, system integration, security integration, and so forth—deserves its own assessment and unique plan. And of course, these plans must be integrated.

– Prepare the organization to execute. Assign leaders/owners for each element and define lines of authority and accountability. Empower teams to develop plans that accomplish this mission of integrating without being overly prescriptive.

Optimize Salesforce to hear—and act upon— insightful messages.

– Apply AI to extract insights from overlooked customer data.

– Blend operational and customer data to discover complex but unseen relationships.

– Transform data analysts into evangelists by giving them tools to visualize and share insights.

Transform customer experience by empowering the Salesforce platform—and the teams that use it.

– Encourage the creative application of new customer insights.

– Promote experimentation in all aspects of customer interaction and share results to promote group learning.

– Reward even failed attempts to delight customers, as long as they are grounded in sound customer insights.

Embrace process improvement strategically to improve intelligent workflows—and ultimately differentiate the customer experience.

– Dissolve traditional boundaries between business and IT to facilitate open communication about potential improvements.

– Encourage leaders to broaden their enterprise transformation objectives.

– Enable experimentation by creating space and time to develop alternative solutions to existing operational and customer-facing challenges.

Implement best practices for core and non-core processes.

– Recognize the risk in process customization, especially for non-differentiating activities, and seek to perform non-core processes in proven, standard ways.

– Reject the status quo in doing business whenever a more efficient alternative is available, especially when it harmonizes interactions with ecosystem partners.

– Shun costly Salesforce customizations in favor of pre-built Salesforce configurations that take full advantage of optimized processes and best practices.

Pivot from point solutions to continuous transformation.

– Establish reasonable short- and long-term transformation objectives without giving into temptations to create new projects, programs, and teams.

– Define process improvement targets for each department.

– Make sure enterprise transformation is about changing the organizational culture, not just the technology.

Engage "best in breed" ecosystem partners to create differentiated services for your customers.

– Standardize interfaces, data formats, and metrics within and between clouds from competing platforms to surface customer innovation already available in your ecosystem.

– Focus on developing intelligent workflows that facilitate value creation throughout the ecosystem.

– Extend integration efforts to include partners as much as possible to focus your own innovation on differentiation.

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Steve Peterson is a 20-year veteran of the travel and transportation industry and a longtime member of the IBM Institute for Business Value. In his many roles at IBM, Steve helps clients ponder future opportunities, prepare for ongoing challenges, and lead the transformations that can reshape the future.

Research methodology

The IBM Institute for Business Value (IBV) partnered with Oxford Economics to conduct an executive survey in Q2 and Q3 of 2022 on the use of digital platforms. Survey respondents hail from 10 industries and represent a balanced mix of functional areas. 22% of respondents are CxOs and all of them hold titles of director or higher in their respective organizations. In addition to seniority, respondents are knowledgeable about their organization's front-office platforms. The insights in this report come from senior leaders who understand both the possibilities and realities of transformation.

This report explores in detail the differences between Salesforce Enterprise Connectors (12% of respondents) and Salesforce Silo Specialists (46%). Enterprise Connectors have implemented Salesforce solutions enterprise-wide whereas Silo Specialists report that they have deployed Salesforce in functional silos and are currently exploring the possibility of connecting multiple Salesforce solutions. The remaining 42% of respondents were evaluated on all measures reported in this study. However, their responses fell consistently between the Salesforce Silo Specialists and Salesforce Enterprise Connectors, and we did not break them out into their own group.

Our research found that Enterprise Connectors showed 40% more revenue per license than Silo Specialists. Our respondents indicated how many Salesforce licenses their organizations held, as well as their revenue. We benchmarked these numbers against larger organizations to confirm the data on numbers of licenses was directionally correct. We divided the average revenue for each group by the average number of Salesforce licenses to arrive at this result.

1,159 global cross-industry respondents

US	213
France	132
India	122
China	121
Canada	120
Germany	119
Japan	113
UK	98
Brazil	71
Australia/New Zealand	50

Industries selected to mirror Salesforce revenue

Automotive	130
Media	126
Public sector	125
Financial services	121
Transportation and hospitality	116
Retail and consumer goods	115
Healthcare and life sciences	110
Manufacturing	109
Communications	105
Energy and utilities	102

Role distribution

Director 52%

CxO 22%

Vice President 26%

Role distribution
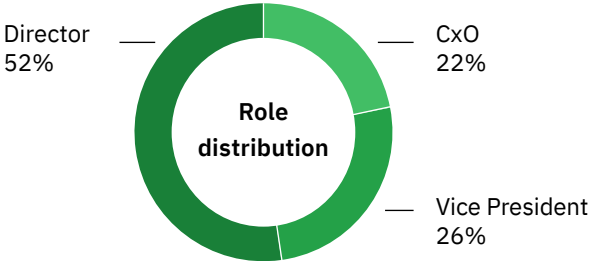
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IBM Consulting. September 2022. https://www.ibm.com/consulting/resources/state-of-salesforce

Crisis and continuity: New ERP strategies to help mitigate geopolitical risk

Coulter, Allan, Garrick Keatts, and Steve Peterson. IBM Institute for Business Value. November 2022. https://ibm.co/business-continuity-erp

A comparative look at enterprise cloud strategy—IBM Transformation Index: State of Cloud

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Endnotes

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