

The State of Salesforce 2023–24

*Who is creating
more value from the
Salesforce platform—
and how?*

Foreword



Al Jenkins

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Over the past year, Salesforce’s business solutions have continued to evolve to meet the needs of its 150,000 global customers. But to me, as the leader of IBM’s global Salesforce business, the real power of Salesforce is the ecosystem providers, partners, and customers. Simply put: the value of Salesforce is more than the sum of its parts. We are proud to partner with Salesforce, helping to influence the direction of future innovations and deliver incredible value to our collective customers.

As part of the consulting ecosystem, we welcome the opportunity to give back. The annual IBM State of Salesforce is chief among our contributions to the Salesforce community. IBM has a unique perspective as a top Salesforce customer, systems integrator, technology partner, and market researcher, and we highly value our special role in the ecosystem. Each year, and especially during more challenging times, State of Salesforce is our version of a thank-you note to the broader Salesforce ecosystem.

Our world-class thought leadership think tank, the IBM Institute for Business Value, drove the research and insights you’ll find in this report. Its mission this year was straightforward: find and engage a broad cohort of Salesforce customers, focusing heavily on those that are trailblazing and reinventing through good times and bad. Then learn more about how they uncover value for their customers and their shareholders, year after year.

What you will find inside is the result of a year’s worth of research, engaging 3,459 executives, to determine what the leading Salesforce customers are doing to deliver, not chase, enterprise value.

So, our giveback to the Salesforce community this year is to illustrate what your business can do to emulate—and eventually become—a Salesforce trailblazer.

Of course, it all starts with generative AI. The power to augment human intelligence will soon become commonplace and an undisputed game changer in business. How to do it ethically and responsibly, but also profitably, is a challenge nearly every organization is grappling with right now.

Leaders are also focusing on industry clouds—in a way others might not be.

Data is taking center stage—from consistency, to sharing, to silo-busting, to the hybrid architectures that allow all of the above to happen with more ease and agility. This year, though, data entered a new level of optimization and sophistication as Salesforce launched new AI tools and Data Cloud.

And let’s not forget culture. A change-ready culture is more than just a catchphrase—it’s something leaders are building. And among leading Salesforce users, those efforts are paying off.

Leaders in this space are seeing 40% higher revenue per Salesforce license.¹ That’s in a world that hasn’t stopped changing, hasn’t slowed down, hasn’t become less complex. That comfort with continuous change allows leaders to expand the way the platform is used, finding new methods to extract even more value from Salesforce.

IBM is proud to bring you these new insights, and I hope you use this report within your organizations to help make a business case for new forms of Salesforce-fueled innovation.

As always, I invite your feedback and encourage you to engage with me and the rest of #teamibm on these insights.



Here's to trailblazing

When economic times feel less than certain, as they do now, blazing a trail can be more challenging than usual. It takes a strong constitution to invest in the new and innovative when the tried-and-true seems like the safe option.

Digital Darwinism, though, would dictate that the tried-and-true is never a safe route for long; it centers on the idea that only businesses that adapt to technological change survive. This theory holds true throughout a business but perhaps nowhere more than in the customer experience arena, where consumers expect experiences that are increasingly speedy, efficient, and cutting-edge.

As Mark Wakelin, executive vice president of Global Professional Services for Salesforce, put it: “The speed of change has surpassed our individual capacity to keep up. Embracing new technologies like AI is essential for success and staying ahead. Rather than seeking stability, we must embrace the opposite and harness the power of data, AI, and real-time feedback loops to enhance our strategic decision-making.”²

“The best” deliver consistently

Of the roughly 150,000 companies around the globe that rely on the Salesforce CRM platform, a select cohort of Salesforce customers are trailblazing and adapting through good times and bad—posting numbers that put them on top, year after year. Leaders’ 40% higher revenue per Salesforce license is a testament to their CRM and business savvy. While the “best” actions may change over time, these organizations trailblaze into the future, identifying the best course of action and adapting so they can deliver it in a variety of economic circumstances.

The IBM Institute for Business Value (IBM IBV) conducted market research over the past year, including surveys of 3,459 Salesforce users, to determine not only what the leaders are doing differently, but also how other companies are using the Salesforce platform.

The results from this analysis point clearly to a leading group, Pioneers, as well as several groups that reap value from the Salesforce platform but don’t optimize their investments in it: the Prepared, the Prudent, and the Pensives.

In short, Pioneers optimize value on all fronts. The Prepared experience bursts of value but because they’re not thinking across programs—at an enterprise level—they don’t achieve more than those sporadic bursts. The Prudent are stuck in silos, so they limit the value they achieve. And Pensives are truly not getting their money out of the investments they’re making for a variety of reasons that we’ll detail, but all are addressable with the right course of action.

Comparisons among the groups point to actions all enterprises can take to make the most of their Salesforce-related CRM efforts.

Where does my
organization stand?

The Pioneers

Is your organization poised to extend its competitive advantage by leveraging its Salesforce investments?

These organizations have integrated multiple generative AI use cases and are looking to scale. They’re leaders in using industry solutions, are highly integrated, and are keeping pace with Salesforce change and innovation.

The Prepared

Does your organization have an enterprise roadmap to continually optimize its Salesforce investments?

These organizations have a defined AI strategy and have piloted a few use cases in isolation. They have invested in industry solutions and cloud integration to positive effect, are sometimes good at managing change, and are somewhat effective at innovation.

The Prudent

Is your organization eager to explore but reluctant to commit?

These organizations are dabbling in Salesforce AI and industry solutions. They’ve connected a few clouds but are inconsistent with change management. They are lagging in innovation.

The Pensive

Is your organization chasing value but never really catching up?

These organizations have not yet acted on generative AI or Salesforce industry solutions. They are waiting for innovation to happen, rather than creating it. Highly siloed and under-investing in change management, they are making no tangible progress on transformation.

Our research surfaces five key insights organizations can use to move from simply reaping value from the Salesforce platform to generating transformation value from it—potentially leading to higher ROI.

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Insight 4

Invest in a change-ready culture

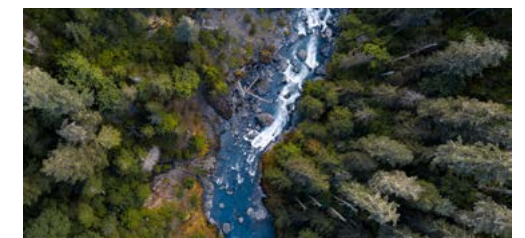
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Insight 5

Overcome enterprise inertia with innovation

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Insight 1:

Shape the future of generative AI

How are top performers standing out?

Experimenting

Pioneers are forging ahead; they are experimenting with generative AI use cases to increase overall profitability.

Standing up to unpredictability

Pioneers face the same unpredictability as everyone else, but they don't let it become a barrier to the potential value of integrated generative AI.

Developing solutions to support specific functions

Many Pioneers have big plans for the next two years in developing generative AI solutions to support their sales, IT, and service organizations.

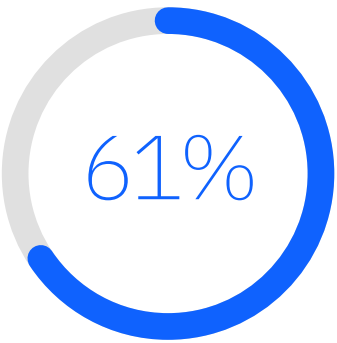
Moving beyond out-of-the-box capabilities

Most Pioneers are looking beyond out-of-the-box generative AI capabilities to support their long-term goals.

Investing like they mean it

Budget allocations for generative AI capabilities are expected to grow two to three times more in sales, service, and marketing functions.

Think big: Beyond incremental gains



61% of Pioneers are looking beyond out-of-the-box generative AI capabilities to support their long-term goals.

From boardrooms to product development team meetings, generative AI is the topic *du jour* the world over. It ranks high on CEO agendas, with 75% of CEOs believing competitive advantage will depend on who has the most advanced generative AI.³ Half (50%) are now integrating generative AI into products and services, while 43% are using generative AI to inform their strategic decisions.⁴

AI budgets are up

Generative AI sales budgets are expected to triple by 2025, with marketing and service budgets expected to more than double. Given the inflow of funds, hitting “pause” is less likely for any organization.

Given that many organizations, however, are still on a learning curve for predictive AI, generative AI presents an even more daunting set of challenges. Not since Moore’s Law have we seen a pace of change so exponential, which means that Salesforce users keeping pace with AI (in all its forms) is essential not only to keep up but to survive.

Use cases focused on overall profitability

Leading organizations have big plans for generative AI but are strategically focused, selective, and pragmatic about how they move forward. They aren’t settling for incremental gains. Instead, they are experimenting with use cases specifically to increase overall profitability and with an eye to freeing up their people for the higher-value, customer-focused tasks that can help drive it.

Leaders are thinking outside of the box

Embracing the power of generative AI within the Salesforce platform has become easier with the introduction of generative AI versions of Einstein, Slack, and Tableau, all of which now fall within the scope of the Salesforce AI Cloud. But that’s not enough for strategic Pioneers—61% of them are looking beyond out-of-the-box generative AI capabilities to support their long-term goals. They want additional capabilities and more integration to gain clear competitive advantage. In short, Pioneers are more focused on using generative AI capabilities as a tool that’s part of a larger strategy rather than as a final product.

External versus internal focus makes a difference

In the even faster-paced customer environment of tomorrow, a compelling customer experience is essential to optimizing AI—and AI is often essential to creating a compelling customer experience. Generative AI expands the scope of automation, particularly in administrative and service areas, as well as marketing. User-friendly interfaces such as chat or voice have lowered and, in some cases, eliminated the friction companies can experience during adoption.⁵

Pioneers connect generative AI and topline revenue growth

Pioneers recognize using generative AI solutions to generate customer value creates the most impact right now; as a result, they are more bullish on generative AI than Pensives, with 34% more Pioneers believing it will increase topline revenue growth. Pioneering leaders are embracing generative AI to drive topline growth, such as customer service, sales, and marketing—a bolder move than most Pensives, who are cautiously focused primarily on internal use cases. Pioneers also augment customer-facing operations with AI at a rate 134% higher than Pensives, with a strong focus on using AI for middle-and back-office connections.

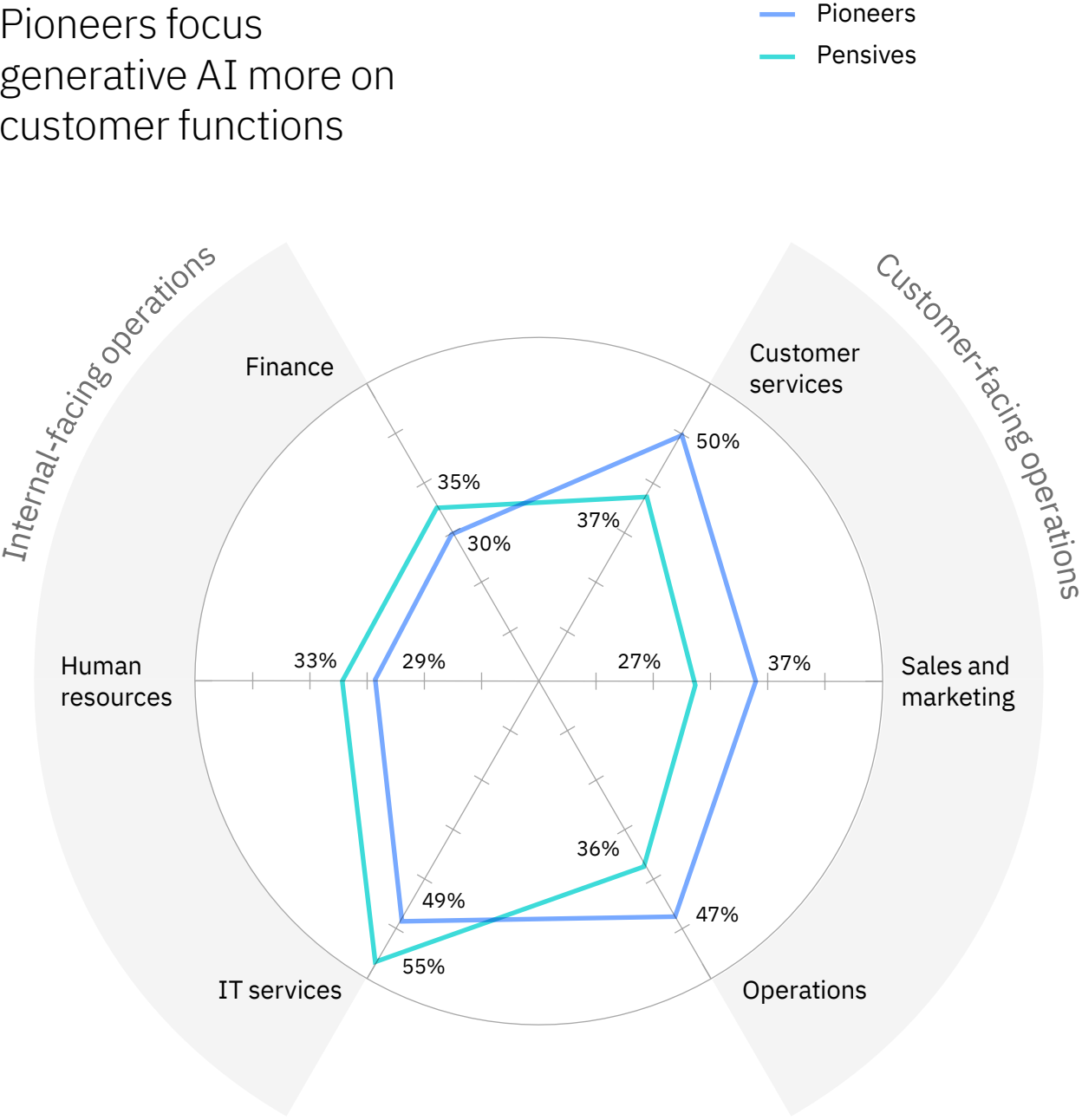
Starting with AI versus adding AI

By changing mindsets from “adding AI” to “starting with AI,” enterprises are creating huge transformations. In early 2023, we cited adding AI-first intelligent workflows as one of the “seven bets” every organization should make this year.⁶ Why? Because for years we have known that AI would transform business in most industries, but adoption—while accelerating—was slow and expensive. Foundation models have changed that; pre-trained AI can easily be used almost “out of the box” for automatable tasks, and its user-friendly interface makes it highly accessible for customers and employees.

Pioneers augment customer-facing operations with AI 134% more than Pensives.

Figure 1

Pioneers focus generative AI more on customer functions



Source: State of Salesforce 2023. Q: Within the next year, what percentage of your organization's workforce will be using generative AI to augment their daily tasks? Q: In which areas is your organization already using generative AI? n=2,000

Case study

Using AI to drive a reimagined customer experience

Since 1966, Camping World has specialized in products and services for vehicle owners and campers. It has grown into the nation's largest retailer of RVs and recreation camping products and services.⁷

Following the COVID-19 pandemic, a surge in customers revealed some issues in the existing infrastructure of the company's contact centers. As the volume and traffic increased, gaps within agent management and response times became more prominent. When customers could not reach a human agent, their queries went unnoticed, were pushed off until the next day when a rep could respond, or were accidentally dropped entirely. To address these issues, the retailer modernized its contact centers and invested in a new infrastructure to improve processes and workflow automation.

AI augmentation of the call center along with flexibility to adapt new workflows resulted in great success for Camping World's service centers. "We were looking to create more free time for our agents to build meaningful and impactful conversations with our clients," explains Saurabh Shah, chief digital officer and chief information officer for the company. "That meant removing noisy, quick, simple queries that could be answered faster with automation." Of the 13,999 chat conversations for the retail area, only 6,000 needed to be transferred to a live agent.

Customers now can switch from voice to SMS messaging when they are calling. In addition:

- Agent efficiency increased by 33% and wait times decreased to 33 seconds overall.
- AI and live agents can work simultaneously, with AI proactively collecting customer data while fielding web and SMS messaging, and live agents handling multiple simultaneous chats.
- Customer engagement increased 40% on all platforms, and agent efficiency increased by 33%.

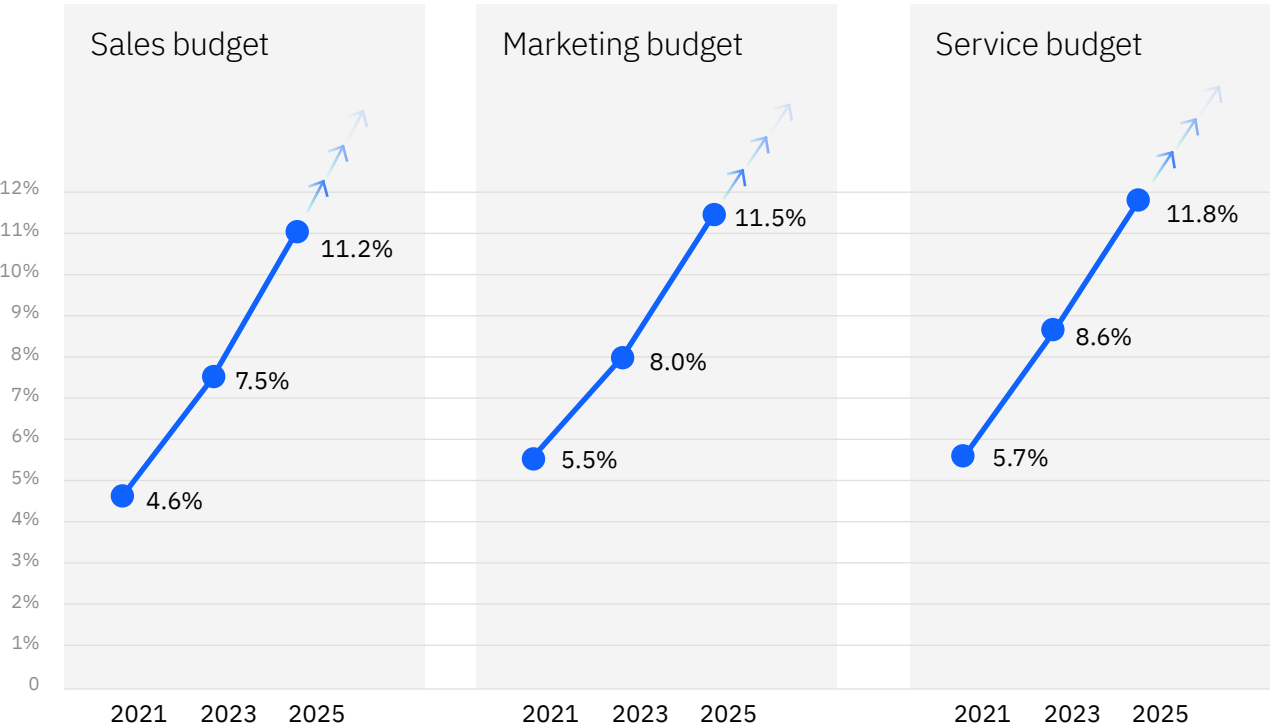
A better, stronger, faster workforce with generative AI

The introduction of generative AI brings workforce issues to the foreground; Pioneers see high potential in workforce augmentation. They expect nearly 15% of their workforce will be augmented with generative AI tools within the next year as more employees are trained and gain hands-on experience. While this impacts the way they use their Salesforce platform, it goes beyond it.

Most Pioneers are looking beyond Salesforce to build and strengthen their generative AI capabilities, likely because 13% more expect targeted generative AI to provide a significant competitive advantage.

Figure 2

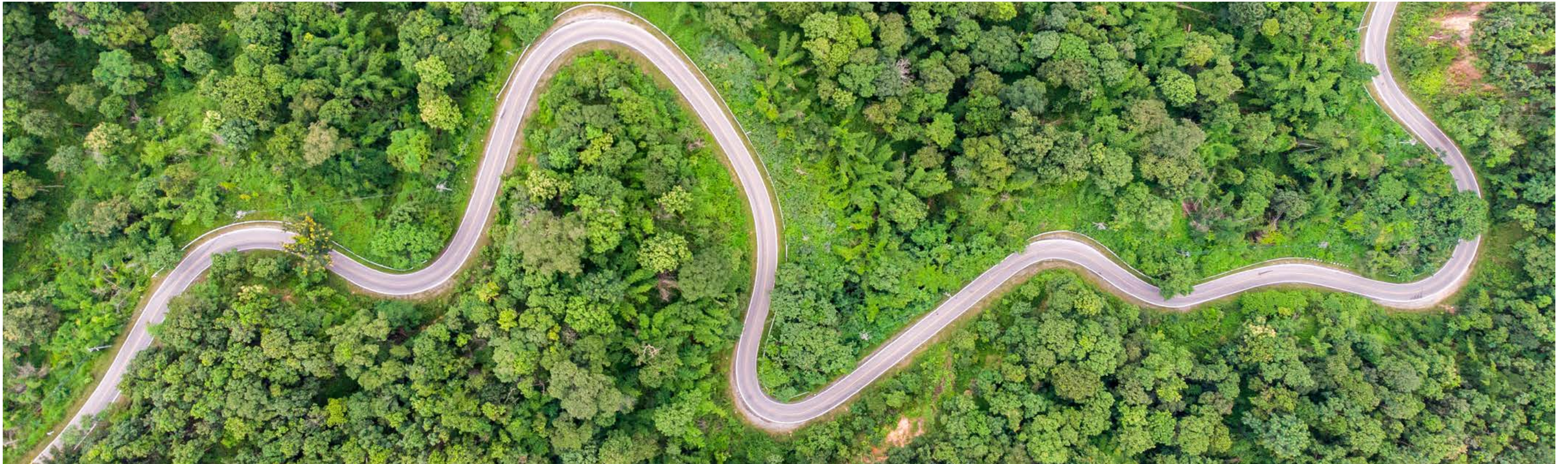
Generative AI budgets are rapidly increasing



Source: Generative AI State of the Market. Q: For each of the following time periods, what percentage of each of the following budgets was, is, or will be allocated to building generative AI capabilities for Salesforce solutions? n=300

One size doesn't fit all: The benefits of an open approach

Pioneers are working rapidly to prepare for broader generative AI deployment. With multiple methods to approach generative AI, Pioneers are strategically considering an open approach—one that fuses elements of open-source and commercial platforms with proprietary modeling. But, to achieve true competitive advantage, they need to build out proprietary data further to stay ahead. They have a head-start on enterprise readiness with Salesforce data preparation but need to focus on untapped data sources to keep that lead.



Action guide:

Generative AI

Approach generative AI as a team sport

Executives are under increasing pressure to do something about generative AI, rather than on generative AI; 55% of stakeholders such as customers, boards of directors, investors, and more are urging CEOs to accelerate adoption of generative AI, according to our most recent CEO study. Pioneers are diving in head-first, using generative AI to secure competitive advantage, and are more likely to succeed when they empower teams with relevant skills building, tools training, and solution-sharing incentives to help the organization thrive with generative AI.

Focus generative AI on high-priority workflows

Develop a vision for how generative AI can have a holistic impact across the enterprise and devise an approach that establishes clear generative use cases for each business area. Resist the temptation to apply generative AI on an ad-hoc basis by selecting just a few use cases for each business domain. Then encourage innovation within that established high-priority focus area.

Be pragmatic but don't settle for small-scale improvements

Generative AI is worth the effort, but organizations that limit their ambition to process improvements that simply improve current processes are limiting the power of AI. Full-scale enterprise-level AI, which has been around long before generative AI, has transformational potential that extends well beyond current use cases and will last long after the generative AI hype cycle cools down. Realizing these more significant gains will take time, so set a reasonable pace and get started.



Insight 2:

Gain altitude with industry clouds

How are top performers standing out?

Gaining real-world experience

Pioneers have figured out how to succeed with industry clouds—81% more are using them well versus Pensives.

Keeping their eye on ROI

Pioneers achieve industry cloud ROI that is 1.5 times what Pensives achieve.

Expanding capabilities

Pioneers are honing in on customer experience with industry cloud capabilities—56% more than Pensives.

Exploring the future now

While some Pioneers require more ecosystem support, they see the potential in industry clouds for their future—74% more than Pensives.

Pioneers use industry clouds as a growth driver

Among all the things that differentiate Pioneers from Pensives, industry Salesforce solutions could be the major growth driver that sets the first group exponentially apart. Each industry cluster we studied has at least a few organizations that fall into the Pioneer group, showing that Salesforce industry solutions are no longer confined to just a few industries or sectors; successful take-up is happening across the board.

Figure 3

Pioneers are trailblazing in all industries

Pioneers comprise 14-24% of industries



Source: State of Salesforce 2023. Q: Which industry best describes your organization? (Pioneers) n=397

Salesforce industry clouds are the leading investment Pioneers make—
150% more
than Pensives.

These Pioneers are deriving high ROI from Salesforce industry clouds, making these clouds the leading Salesforce investment Pioneers make (150% more than Pensives).

On average, our research shows 81% more strategic Pioneers are using industry clouds well and 74% more see increased future potential in industry clouds through positive impact on their business.

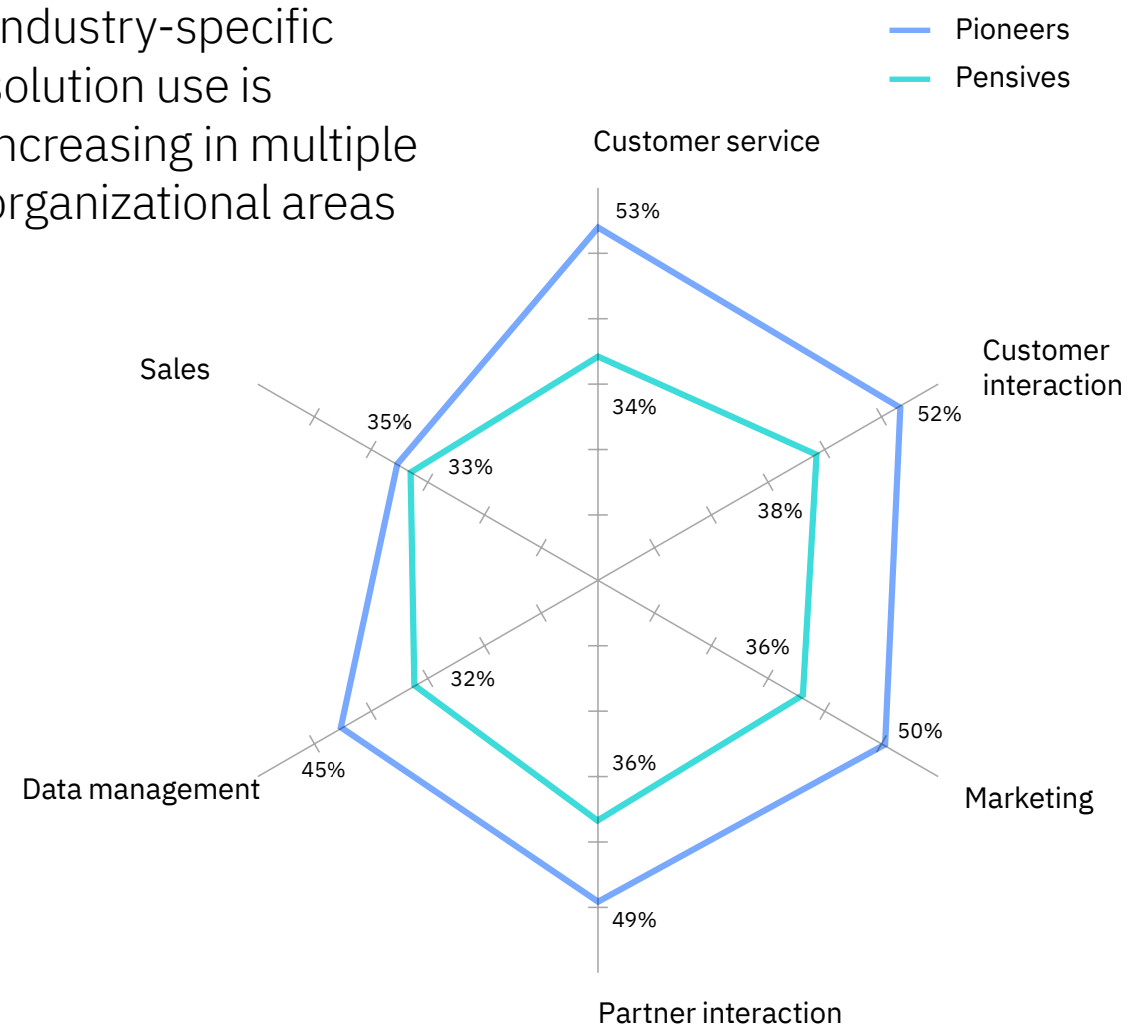
Why are industry clouds so impactful?

Industry clouds allow Pioneers to accelerate how quickly they get to value, using more specific, customer-centric solutions tailored for their industry. They allow organizations to serve customers better without having to start from the ground up.

Industry clouds are making the greatest impact in customer service and ecommerce, but over the next three years, enterprise leaders say they will either completely or significantly implement a wide range of industry-specific Salesforce solutions for customer-facing use cases.

Figure 4

Industry-specific solution use is increasing in multiple organizational areas



Source: State of Salesforce 2023. Q: How likely are you to implement industry-specific Salesforce solutions over the next three years in the following areas? n=2,000

Case study

Redesigning the customer experience in utilities

A large energy and utilities organization with more than 5.7 million electricity customers set out to improve its ability to support those customers.⁸

To do so, they replaced existing CRM systems and tools with Salesforce Industry Energy & Utilities, Service, and Sales Clouds. They provided a unified desktop, sourcing data from multiple systems.

The utility took a prudent approach in this transformation, facilitating a designated data mapping workstream to define data requirements for the central data repository used to populate Salesforce.

Its transformation delivered:

- 31 newly designed customer service processes
- The first implementation of an advisor solution utilizing Salesforce's Energy & Utilities Cloud
- Integration across 7 applications



Action guide:

Industry clouds

Reimagine customer journeys

Identify key points in your customers’ journey where industry cloud modules can make the most impact. Focus on these areas. As a seamless customer experience becomes table stakes, establishing industry clouds can effortlessly meet customer needs, while quickly driving cost savings and speed to value. Define and track key performance indicators and adjust as necessary.

Harness the right ecosystem partners

Take advantage of the modular approach of industry clouds and grow your industry cloud ecosystem. Evaluate the ability of ecosystem partners to deliver additional value-adding capabilities. Consider which partners will enable a long-term, resilient partnership.

Fortify security operations

Make security considerations a critical part of all cloud implementation efforts and strategic planning. Establish a strong foundation of security measures to enable ecosystem partners to share resources, expertise and information.



Insight 3:

Integrate data to dismantle silos

How are top performers standing out?



Integration intensifies the power of your investment

Organizations run better when everything works together. Integrating data across enterprise silos helps optimize Salesforce platform value by creating a trusted single source of truth. Being able to connect data from virtually any system to generate real-time insights for personalized customer experiences is essential to creating the kind of value that is transformational across the enterprise.

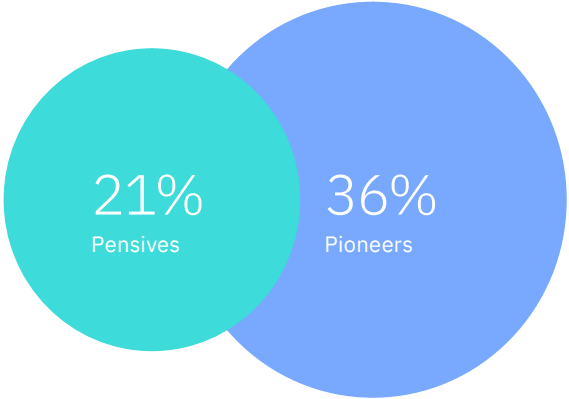
Here again, Pioneers lead the way in integration, with 24% more of them taking active steps to eliminate silos and improve interoperability—leading to better performance and access to better insights. Integrating multiple Salesforce clouds can lead to higher revenue per license, which generates even more value from Salesforce investments. Previous research shows that only 12% of Salesforce users reported exploring Salesforce Cloud integration. Pioneers, however, are generating 40% higher revenue per license than Pensives, in part because of their integration efforts.

Keep in mind that integrating Salesforce clouds is not *customizing* Salesforce clouds. Salesforce has invested significantly in its configurable workflows, intelligence, and automation, crafting widely used best practices for a broad range of clients. But the integration of Salesforce clouds intensifies the power and value of Salesforce investments while optimizing Salesforce platform design.

The Pioneers
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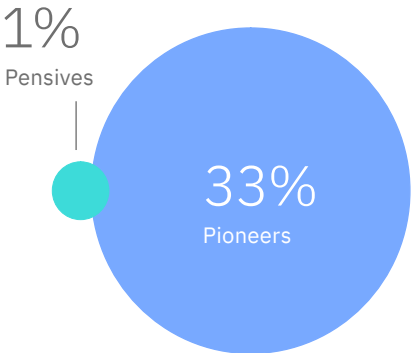
Figure 5

Using Salesforce to
orchestrate business
outcomes



Salesforce is deeply
integrated into core
processes

Organizations that connect multiple Salesforce platforms also have more comprehensive enterprise transformation plans, moving beyond silos to integrated action. Pioneers embed Salesforce in a continuous process improvement cycle—33% more than Pensives—that contributes to ongoing transformation. It's working because Pioneers are twice as likely as Pensives to execute transformation that brings change to the entire enterprise.



Salesforce is embedded
in a continuous process
improvement cycle

Pioneers execute
transformation that
brings change to the
entire enterprise
2x more
than Pensives.

Source: Mine the Gaps 2022. Q: How do your organizations business processes support your digital platform? Q: How extensive will your enterprise transformation be by 2026? n=1,159

Delivering for customers through platform integration

CaixaBank is the leading financial group for retail banking in Spain. For CaixaBank, creating reliable and accessible digital channels for customers is a critical part of delivering a high standard of trust and compliance.⁹

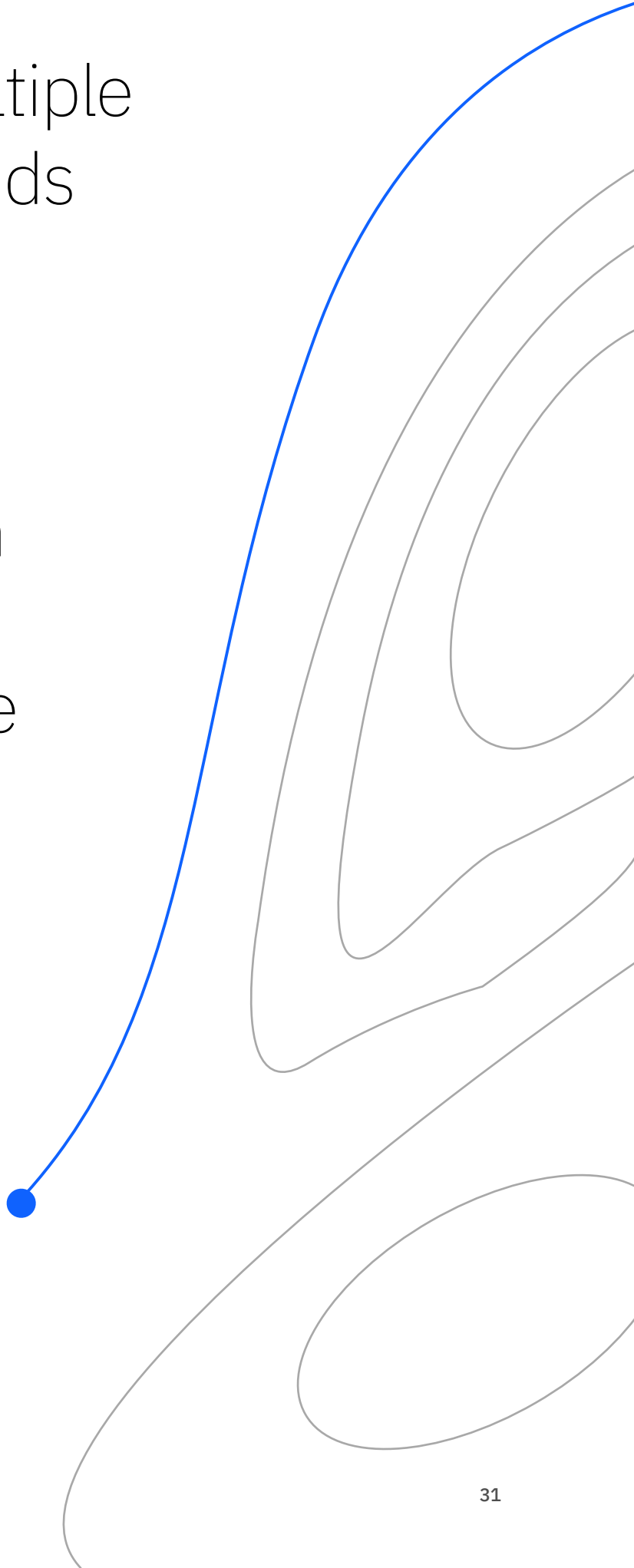
As its customer base grew, the bank saw a large increase in support requests, and needed to build a system that could effectively scale and route inquiries. For example, prior to transformation efforts, CaixaBank had over 10 teams managing its contact center services and over 50 different customer support phone numbers. It knew that finding a way to unify its systems on a single platform would enhance both the customer and the agent experience.

CaixaBank's transformation needed to accomplish three things: efficiently manage the contact center, unify customer service channels, and unify its technology platform—all with a focus on improving user experience for customers and agents.

The bank incorporated AI, including agent-facing chatbots. These chatbots offset basic inquiries, escalate to live agents when appropriate, and surface answers during customer interactions to reduce time to resolution. To improve back-office productivity, automated workflow processes create consistent customer journeys while reducing redundant workload for agents.

Through unification of Salesforce platforms and incorporation of IBM Watson AI, CaixaBank was able to consolidate 50-plus service numbers into one service number. It provides over two million answers to inquiries each month via IBM Watson.

Integrating multiple Salesforce clouds leads to higher revenue per license, which generates even more value from Salesforce investments.





Action guide:

Integration

Drain the moats separating organizational entities

Facilitate transformation by setting a bold agenda and empowering operating units and teams to innovate toward common goals. The Salesforce platform helps top performers achieve these ambitions by unleashing transformational potential hidden away in partner ecosystems, employees’ ideas, and unmet customer needs.

Optimize processes while retaining differentiation

Salesforce and its vast ecosystem work hard to provide and continuously improve on best-practice processes so organizations should avoid the temptation to over-customize non-core processes. But by focusing employee energy on improving differentiated processes that add unique value, organizations can get even more value from their Salesforce investments.

De-risk with interoperable data

Develop a comprehensive platform integration strategy to consolidate, understand, and act on meaningful insights. By joining operational, back-office, and customer data into a coherent core, organizations can leverage generative AI to help employees teams—from identifying improvements to experimenting with new solutions to reduce costs and increase customer satisfaction.



Insight 4:

Invest in a change-ready culture

How are top performers standing out?

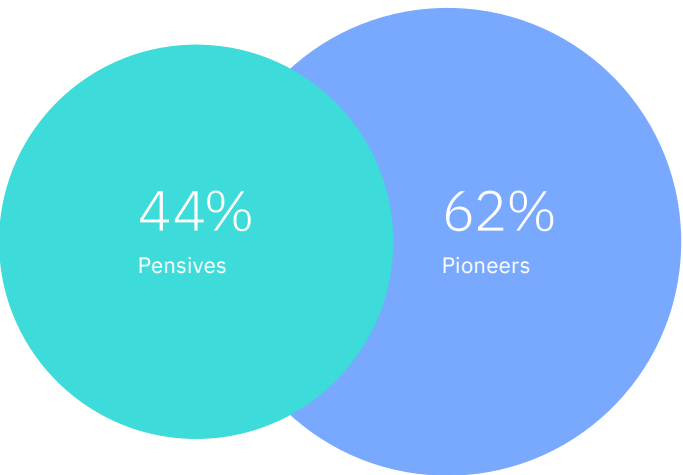


Pioneers invest more in change management

Pioneers are 59% more confident than Pensives that Salesforce will drive innovation, and they back that belief up with action. They invest 41% more in change management and are 89% more willing to adapt business modification efforts. Why? Because Pioneers understand that simply implementing Salesforce is not enough. Without creating a culture of adaptability, resiliency, and innovation—a culture that embraces change on all levels—true transformation cannot occur no matter how good the technology tool. Here, Pioneers have a secret weapon: effective change management.

Figure 6

Pioneers excel at change management



Source: State of Salesforce 2023. Q: How effective has your organization been at change management around Salesforce implementations since 2020? N=2,000

Crowdsourcing innovation from within is a cost-effective way to explore new ideas and ways of doing things. Pioneers do so 38% more than Pensives. Modernizing work so employees stay productive and connected now means embracing cross-cloud experiences and operations that make their work easier, faster, and more insightful. Salesforce technology becomes an engagement layer, facilitating connections and experiences for the network of employees, partners, and customers—which leads to more innovation across the entire system.

More Pioneers than Pensives say they have been effective at change management over the last 3 years

Case study

Modernizing the GRAMMY Awards experience

Besides hosting the GRAMMY Awards ceremony that recognizes top achievers in the music industry, the Recording Academy is hard at work year-round ensuring the recording arts remain a thriving part of the world’s shared cultural heritage.¹⁰ As a member-based society of music professionals, the not-for-profit represents the voices of performers, songwriters, producers, engineers, and all music professionals.

A call for modernization

Ever since its founding in 1956, members have been the lifeblood of the Academy. But engaging these more than 22,000 members—including the Recording Academy; the Latin Recording Academy; and voting, nonvoting, student, lifetime, and online members—is a growing challenge in today’s fast-paced digital environment.

To better engage its members and attract new ones, the Recording Academy needed to modernize. To migrate its legacy CRM database to a cloud-based solution, the Academy turned to IBM.

IBM Consulting™ is helping the Academy optimize its implementation of Salesforce Experience Cloud and Salesforce Marketing Cloud platforms as part of the Academy’s overall digital transformation based on hybrid cloud and AI.

Phase one

Shortly after the Recording Academy embarked on its Salesforce journey this past year, the music organization realized it did not have enough time or sufficient resources to unlock the full value of the Experience and Marketing platforms.

In the first phase of engagement, IBM Consulting teams helped the Academy develop a roadmap focused on nominations, ticketing, and membership renewal journeys.

With just weeks left to send out nominee email notifications, IBM teams began conducting IBM Garage™ workshops with the Recording Academy that included mockups of what the journey might look like. Through this process, the Academy revamped its email journey in time for the 65th GRAMMY® nominations.

During this phase, IBM Consulting was able to help the Academy speed the development of Salesforce functionality using pre-built accelerators that saved 1,000 development hours and allowed the Recording Academy to customize the experience.

Now from the moment a GRAMMY nominee receives their first email notification, they’re taken on an engaging and easy-to-follow journey, where they can access all the exciting GRAMMY-related information such as events leading up to the ceremony and how to buy tickets. Where the marketing team previously handled all communications manually, now they can create an automated journey.

Phase two

For the Recording Academy, a critical part of this new journey includes retaining and recruiting members. With the previous legacy system, it was difficult for members and nonmembers to navigate renewals and signups through email journeys. Now nominees who are already members of the Academy can quickly access the renewal portal, and nominees who are not members can easily sign up, through a fully automated process.

“IBM is dramatically accelerating our digital transformation, enhancing the user experience of our members and bringing the GRAMMYS digital experience to life for music fans around the world,” said Panos Paney, president of the Recording Academy.



Action guide:

Culture of innovation

De-risk with interoperable data systems

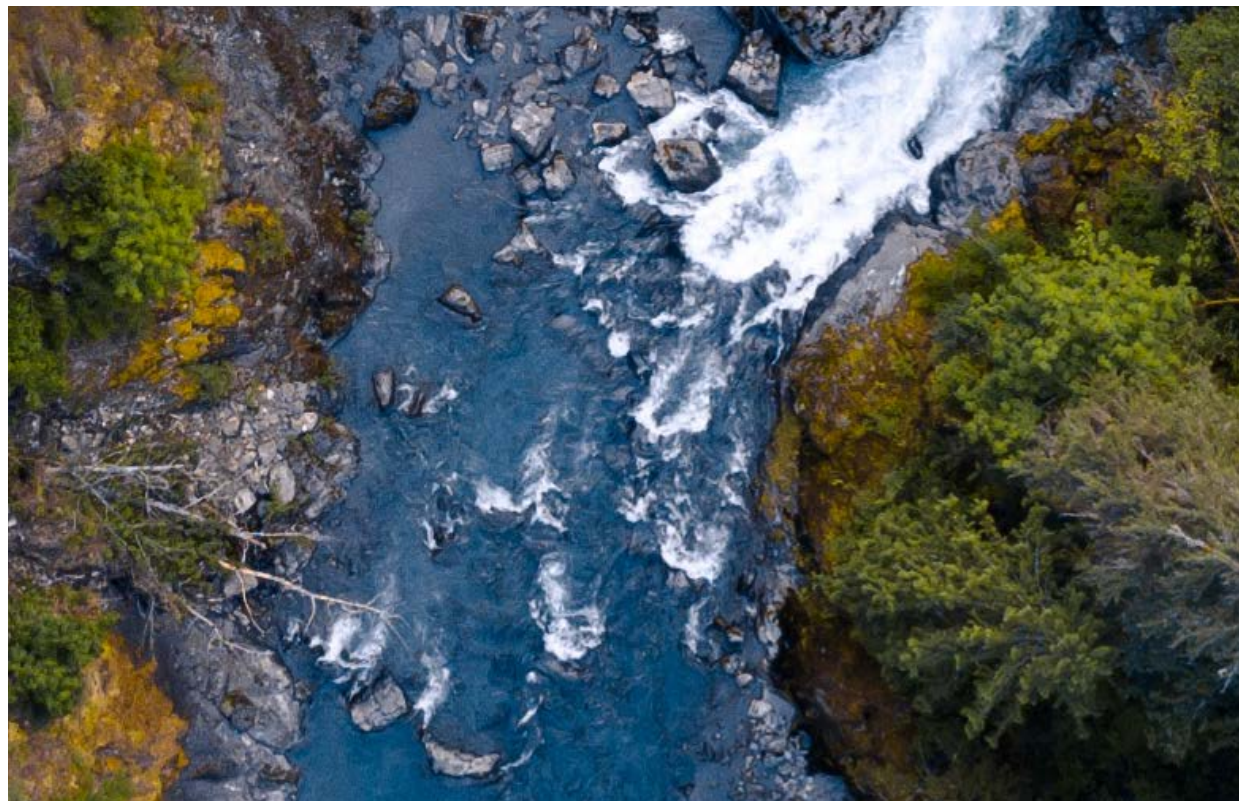
The longer data exists in disparate systems, the greater the risk of low quality or inaccurate data and ineffective workflows. Maintaining high quality, interoperable data systems will accelerate organizations' ability to respond to disruption and change.

Crowdsource innovation from within

Unlock the innovation potential of Salesforce by giving employees more access and freedom to innovate with Salesforce data. Organizations that focus on how their employee experience is impacted by new Salesforce integrations can mitigate potential risks for the customer. Empower and incentivize employees to do more with existing data and to identify new, value-adding integrations.

Measurement is essential

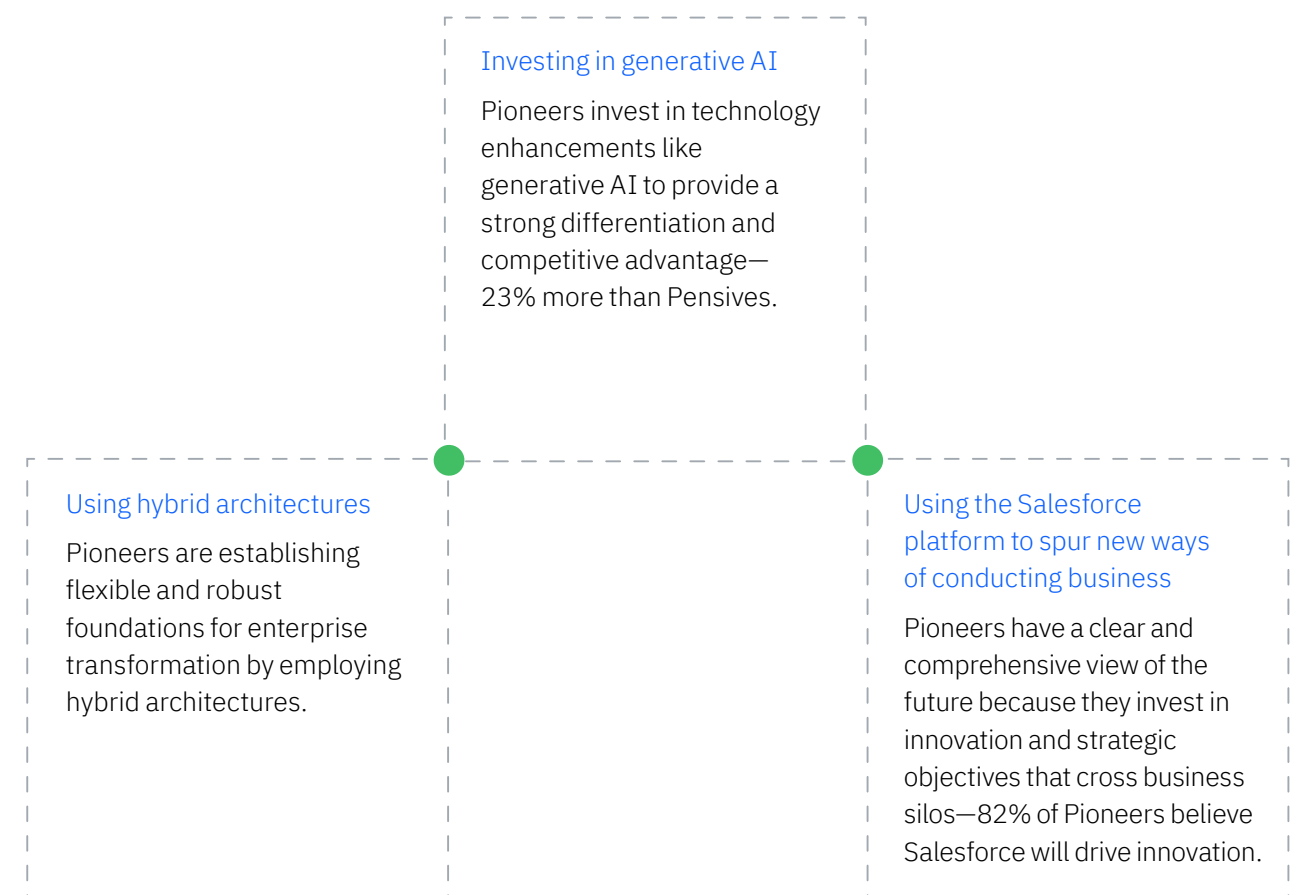
Accurate and frequent measurement is essential to assess current and future investments in Salesforce, particularly innovative investments. Prioritize ROI measurement and allow it to guide frequent assessments and decisions.



Insight 5:

Overcome enterprise inertia with innovation

How are
top performers
standing out?



Innovation can soar with shared data

Enterprises can fuel transformation using many inputs, but generative AI is among the most powerful at the moment. However, optimizing value from generative AI ROI—or any new technology—hinges on continual enterprise readiness. And enterprise readiness hinges on the agility to move in any one of a multitude of directions, with the ability to shift to another quickly and efficiently as circumstances change.

This kind of agility comes from a variety of sources but increasingly, in a digital world, it hinges on data. Data consistency, data sharing, and the hybrid architectures that fuel speed and adaptability are essential for agility in any large organization.

Roughly 8 out of 10 Pioneers (82%) believe that Salesforce drives enterprise innovation, but they also recognize that innovation has the most revenue potential when data is consistently and widely shared. Pioneers have a clear, comprehensive view of the future partly because they invest in innovation and strategic business objectives that cross business areas; they’ve eliminated the silos that would prohibit the bird’s eye view. They are benefiting from their organizations’ use of Salesforce 360, which bridges data consistency gaps across platforms and builds a more comprehensive view of customer needs, preferences, and desires.

Pioneers buy Salesforce for the best practices but then invest in differentiation. This is where open architectures bring value because they allow for that differentiation. It’s about more than just the data and architectures, however. It’s about how proactively organizations use the data insights and transformation power Salesforce can fuel. Pioneers, for instance, use Salesforce to discover new business models 37% more than Pensives. It follows, then, that Pioneers are twice as likely as Pensives to execute transformation that brings change to the entire enterprise.

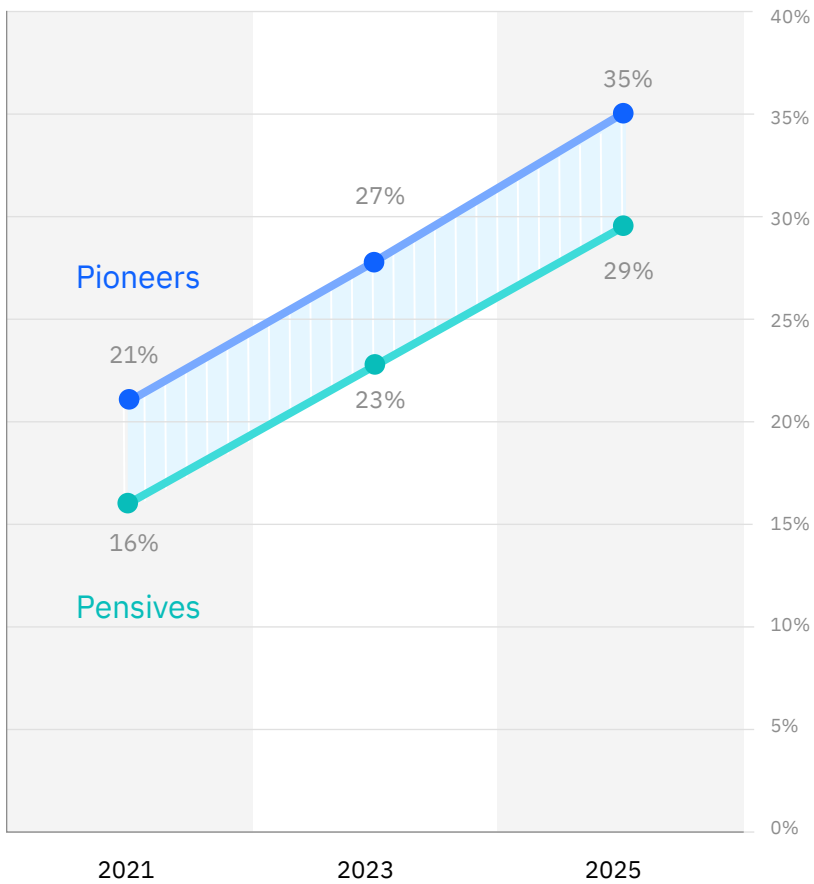
Pioneers are creating a virtuous cycle in which they continue to generate strong business results that help fund further technology investments and even greater future returns.

Pioneers use
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37% more
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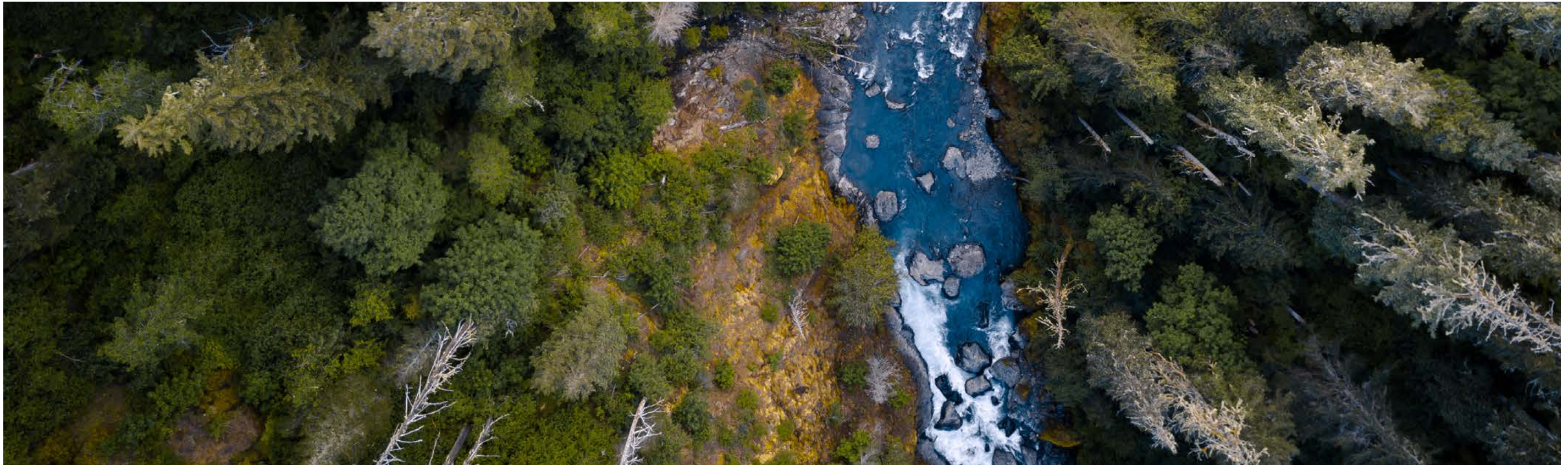
Figure 7

Pioneers use strong results to invest in growth

Expected return on
Salesforce investments



Source: State of Salesforce 2023. Q: In total, across all Salesforce solutions your organization uses, what ROI from Salesforce do you expect for the next three years?



Action guide:

Readiness for transformation

Align technology to the business objectives, not the other way around

Unify business operations through data by using Salesforce tools to drive consistency in front- and back-office processes. Adapt open architecture that drives an open-source partner-enabled innovation model to create the foundation on which technology-led innovations can flourish.

Fund enterprise transformation with ongoing business success

Business transformation demands multi-period commitment and directional consistency, even as new developments occur and even as enterprise priorities evolve. Continue to fuel transformation programs with deliberate investment.

Build hybrid data models and exploit untapped data

Data is often hidden between enterprise silos, within applications, and on the hard drives of enterprise managers. Bringing it into play contributes to the insights that fuel transformation.



Moving forward:

Blazing a trail

Pioneers see the path forward as a value-filled journey.

They ultimately want the transformational value of the Salesforce platform, but they optimize every opportunity to achieve incremental value along the way.

Businesses are realizing that to achieve ongoing innovation and drive real value, they must approach optimizing their Salesforce investments from multiple angles.

Whether incorporating transformative technologies such as AI, integrating to dismantle silos, or any of the other actions our research shows leaders are taking, organizations have an array of choices for improving their Salesforce ROI.

Blazing a trail isn't always easy, but our leaders show it doesn't have to be excessively difficult either. Capitalizing on the transformational value of the Salesforce platform can help your organization evolve toward the best customer, employee, and partner experiences.

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Research methodology

The IBM Institute for Business Value (IBV) partnered with Oxford Economics to conduct executive surveys between Q4 of 2022 and Q3 of 2023 on the use of Salesforce, extent of Salesforce integration, and overall approach to generative AI. The 3,459 respondents from 23 industries represent a balanced mix of functional areas from a wide range of countries and regions (although the generative AI survey covered U.S. respondents only). All respondents hold titles of director or higher in their respective organizations and report being knowledgeable about their organization’s use of Salesforce solutions.

This report explores in detail the differences between the 584 Pioneers and 967 Pensives, representing 17% and 28%, respectively, of the total survey population. Pioneers have implemented Salesforce solutions enterprise-wide, report having higher returns on their Salesforce investments relative to other IT investments in their organizations, and are integrating multiple generative AI use cases. Pensives have deployed Salesforce in functional silos (and are just exploring the possibility of connecting multiple Salesforce solutions), tend to buy and deploy Salesforce on a point-to-point basis across the enterprise, and were not using generative AI at the time of the survey.

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Notes and sources

- 1 All data in this report is from research from the IBM Institute for Business Value (IBV) and Oxford Economics, specifically executive surveys conducted between Q4 of 2022 and Q3 of 2023. See research methodology for further detail.
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