



salesforce



## Moving to the Cloud and Reaping the Rewards

### A Help Guide for SMEs

Many of the UK's SMEs have to fight hard to survive in their early years and the economic downturn has only made the challenges they face more difficult. Research shows that around 270,000 small businesses are registered annually in the UK, yet almost the same number close down every year.

Many of those managing to keep afloat are recording large falls in revenue. A recent survey carried out by salesforce.com into the views and opinions of SMEs across the UK found that the recession has had a severe impact, with 23% of respondents recording a fall in annual revenues of 20-50% and 22% indicating a 10-20% fall. Increasingly, SMEs are looking to information technology to provide the solution to their problems

As an SME yourself, you will be well aware of the scale of the challenge caused by today's tough economic environment. You are likely to have hundreds of contacts and interactions to track and manage, new deals to pursue and close and existing customer relationships to cultivate and maintain. How do you overcome these complex problems while maintaining a positive focus on your core business?

It may be difficult to find the answer in traditional server-based IT infrastructures. Many SMEs have been promised systems that will drive revenue generation and competitive edge but instead find themselves lumbered with solutions that are expensive and difficult to manage and that fail to deliver expected value and return on investment (ROI).

An alternative approach you may not have considered is cloud computing. 'Moving to the cloud' has become a much used industry buzz term over recent months. A first wave of SMEs are now beginning to reap the rewards of this new IT methodology (please see mini case studies linked to this article). Others, though, remain lost in a cloud of confusion as to what the new technology is all about.

By way of explanation, cloud computing is based on the concept that IT should largely be delivered as a service over the Internet. Documents, emails, applications and other business data will be accessed online or 'in the cloud', making them available from any PC, laptop or mobile device, and importantly, in real-time.

Cloud computing offers attractive benefits to SMEs especially at a time when many are looking to do more for less. To run business applications, SMEs would previously have needed high-spec PCs and servers in-house. Internal networks would also have required investment and management.

Cloud applications, in contrast, require no more infrastructure than an internet connection and can even work wirelessly on a range of mobile devices. This capability will enable your organisation to greatly reduce upfront capital expense - a key consideration in the current economic downturn.

By switching to cloud computing, you can also cut maintenance costs because services and applications run from inside a web server. Equally, unlike other more traditional client-server approaches, cloud applications do not consume your valuable internal resources. Instead, your IT person or team can now focus on deploying more applications or delivering new projects that drive business benefits and innovation.

Speed of implementation and seamless upgrades are another key benefit. For SMEs, the ability to respond quickly to opportunity or threat can be a key differentiator. Cloud computing helps facilitate this agility.

Cloud-based applications can be operational in a few days. In addition, migrating to this approach allows you to scale up or down immediately, safe in the knowledge that your applications are receiving security and performance enhancements automatically at no additional cost.

This instant scalability means companies can grow and shrink in line with the market. In today's difficult economic conditions, that constitutes a compelling benefit, especially for SMEs, who as we have already noted are particularly vulnerable when times are tough.

Software tools delivered via the internet also enable you to be more mobile. You are not tied to particular desktop PCs where specific software is installed. As long as you can get online, you can access all the data and tools you need.

Cloud computing offers scalable services that let you select your own level of engagement and upgrade easily at any future point. Salesforce.com's solutions offer you an entry-level service for a single licence and then allow you to expand seamlessly from there.

Many new businesses may choose to use all their applications in the cloud. If you are starting from scratch, for example, you will want to be up and running as quickly as you can. In contrast, more established businesses might opt to move gradually to cloud computing as the on-premise software they have bought comes up for renewal. And in the most common scenario for business today, cloud computing often co-exists with other software systems used in house. In fact, using a cloud service that is open, standards-based, secure and can be easily integrated with existing systems through a powerful API (application programming interface) and standard middleware packages, will ensure continued success and rapid application deployment and collaboration between business users and IT.

Once you are fully convinced of the benefits of cloud computing and clear about how your particular business will gain from using it, you will be ready to start putting in place an implementation programme.

## Starting with CRM

For many SMEs looking to migrate to the cloud, the most logical place to start is customer relationship management (CRM). CRM is a key focus for most SMEs as they look to drive rapid business growth. With small businesses coming in so many varieties, sales automation solutions span the spectrum from contact management software capabilities all the way to full-featured small business CRM.

Switching to cloud-based contact management software means that users can have full access to customised small business CRM solutions anytime and anywhere. This gives them the peace of mind of knowing that they don't have to buy software or spend money on special hardware to run it. And they never have to deal with the headache and expense of maintaining and upgrading both. In short, all an organisation's small business CRM needs are fulfilled without them having to get into the IT business themselves.

Unlike conventional small business CRM solutions, the best cloud-based CRM solutions work with the ease of a consumer-style Web site. And starting up is equally fast and simple. You can easily import data from systems like Gmail, ACT!, or Outlook, and get started in practically no time. Other typical benefits of CRM in the cloud include the ability to customise without code. Typically, you do not have to be a programmer to tailor your small business CRM to your company's needs and your own preferences. A few mouse-clicks and you're there.

Cloud-based CRM also helps small businesses to avoid the need to handle time-consuming upgrades in-house. With cloud-based CRM, the provider handles upgrades. Everything happens automatically so you can stay focused on your business.

In addition, it is worth underlining that this kind of approach is extremely secure. Small business CRM data and interactions can be kept safe with multiple levels of the industry's best and most proven safeguards, including firewalls, encryption, authentication, intrusion detection, rich application sharing model and much more.

## Focus on Sales

Cloud computing applications branch out well beyond CRM and customer service, however. Many SMEs choose to build their entire sales methodology in the cloud. Cloud-based sales systems are available that allow you to automatically manage all sales processes related to customers and prospects – from tracking the request when a prospect registers their interest on the company's website to managing customer evaluations, order processing and booking and invoicing. And you can also use these tools for reporting purposes, encompassing everything from forecasting and in-depth analysis of business critical sales information to contact, opportunity and lead management.

For hard-pressed SMEs, the best aspect of conducting sales in the cloud is that it is easy and convenient. Running a sales strategy in the cloud is as straightforward as interacting with your favourite consumer websites. Cloud-based sales systems typically incorporate features giving quick visibility into direct and indirect sales channels, analytics and forecasting capabilities and easy-to-access content libraries. Suddenly, sales success is not only possible, it's easy.

## Collaborating for Success

Having moved both sales and service into the cloud, the next step for the forward-looking SME is to build in real-time business collaboration. Time is at a premium for most SMEs in today's highly competitive business environment. Historically, senior management has struggled to stay in touch with everything going on within their organisation. You are likely to be familiar with the frustration of constantly missing out on critical internal information because existing collaboration tools are expensive and complicated and put the onus on users to do most of the work searching out information relevant to their daily needs.

Today, however, with the advent of tools like Chatter from salesforce.com, we are entering a new era of cloud-based real-time business collaboration, which will allow SMEs to break free of the cost and complexity of legacy software systems. This new generation of real-time tools is easy to use and delivers relevant information to each individual user based on the people, documents and applications they have decided to follow.

Critically, the emergence of real-time business collaboration provides a solution to many of the key challenges that will be familiar to SMEs as they go about their daily business. This approach, as enshrined within solutions like Salesforce Chatter, will empower your employees to 'know it now': to have instant access to all the key information that they need to do their jobs most effectively.

In the past, managers have often found it difficult to pinpoint those individuals within the company with the most relevant experience and expertise for a particular project. Today, however, employees can create business profiles, based on professional information such as contact details, areas of expertise, previous employers and projects, to quickly identify the most appropriate selection of employees for a given business activity.

In today's age of information overload, SMEs often struggle to keep on top of the vital information they need to close a deal or resolve a critical customer care issue. With real-time business collaboration in the cloud, they can break the cycle of incessantly chasing important information. Status updates enable employees to automatically keep colleagues informed with dynamic alerts, while allowing them to prevent duplication of effort. Through such features, staff can even share files and links to provide additional context around a project, sales deal or customer support case.

Real-time feeds also allow employees to stay abreast of everything that matters to them, with personalised updates from people, applications and documents. Teams can work together on fast-moving issues, such as sales leads, customer projects and marketing campaigns, with greater efficiency.

Status updates from key applications can be represented in the feed. These applications can even flag time-sensitive developments like a new sales opportunity, expiring contract or change in customer contact, which in turn, enable employees to do better business.

In addition, real-time business collaboration enables your staff to reduce the time they would previously have wasted searching through in-boxes or on file servers for important business documents or content. With tools like Chatter, they can instantly and securely search the relevant feed to access, share and even download the material via an Internet browser.

## Creating Your Own Applications

Another key feature of the best real-time business collaboration tools is that they allow developers to create applications and integrate them with the solution. SME customers today are building more apps, and better apps with less cost and less hassle, thanks to the latest application development platforms available in the cloud. Developers everywhere are using these platforms for business application development, creating cloud computing applications like enterprise resource planning (ERP), human resource management (HRM), and supply chain management (SCM).

Force.com can be particularly beneficial for SMEs in helping them to deliver speed and agility in the way they operate. In particular, it can help you to get to market quickly, delivering a rapid, initial build of key applications and then rapidly adding more and more functionality, helping to further drive customer engagement and success.

In fact, according to industry analyst IDC, it is possible for SMEs to build applications about five times as quickly and at half the cost of using traditional software platforms. This will potentially enable you to innovate and stay well ahead of your competitors in terms of their development curve.

## Making the Most of Life in the Cloud

We have examined some of the ways SMEs can migrate to the cloud. As they make their move, however, they should consider the following key tips.

### 1. Grow at Your Own Pace

Cloud computing offers scalable services that let users select their own level of engagement and upgrade easily at any future point. Salesforce.com's solutions offer users an entry-level service for a single licence and then allow them to expand seamlessly from there. Many new businesses may choose to use all their applications in the cloud. If they are starting from scratch, they will want to be up and running as quickly as they can. In contrast, more established businesses might opt to move gradually to cloud computing as the on-premise software they have bought becomes due for renewal.

## **2. Learn from the experience of others**

Cloud computing services have a strong and loyal community following. While software has previously been developed in a silo, cloud services are often improved through user feedback. Companies should find out if anyone else in their business community has implemented cloud computing and look to learn from their experiences and emulate their successes.

## **3. Leverage the subscription model**

Cloud computing employs a subscription model. This allows users to have much greater control over their IT budgets. They can forget about buying servers and software. When applications run in the cloud, services are 'rolled up' into a predictable monthly subscription, so customers only pay for what they actually use. This makes it easier for businesses to work out exactly how much they have saved and to calculate their return on investment.

## **4. Think Long Term**

SMEs are currently investing too much in upfront cost for IT infrastructure. They often incur huge costs managing IT, when they could be saving cash and re-investing it in their business. Cloud computing significantly reduces the need for costly infrastructure associated with traditional, on-premise software and the additional management overheads. SMEs need technology that is scalable to their requirements – especially in these uncertain times. IT should be seen as an investment, which can deliver long-term efficiency and success, rather than a quick fix to satisfy short-term goals.

## **5. Put applications first**

Organisations need to consider which cloud applications will deliver the best ROI. Cloud computing is as much about having the power and flexibility to meet particular needs as and when they arise as it is about ongoing business success and efficiency. So businesses need to think carefully about how the technology could help to meet their strategic objectives.

## **Foundation for Success**

For SMEs across the UK, there has never been a better time to make the switch to cloud computing. The technology is low-cost; easy to implement and use; flexible and scalable. Such is its flexibility that it can be used at the heart of business strategy helping to drive cost efficiencies, company wide collaboration, operational effectiveness and ultimately competitive edge. For SMEs, life in the cloud is a compelling prospect

## The Sky is the Limit for Cloud-based SMEs - Some Customer Success Stories

### **Amor Group Builds Sales Strategy on the Sales Cloud**

Scotland's largest independent business technology company, Amor Group, has chosen to implement the Sales Cloud from salesforce.com to drive a structured program of systematic sales improvement.

Amor Group will automatically manage all sales processes related to customers and prospects – from tracking the request when a prospect registers their interest on the company's website to managing customer evaluations, order processing and revenue declaration. The Sales Cloud, the world's leading sales force automation application, provides a powerful set of tools for managing sales processes, including forecasts and in-depth analysis of business critical sales information to be used in contact, opportunity and lead management.

Amor Group's decision to implement the Sales Cloud was prompted by its focus on rapid sales-driven growth. The company has made a commitment to investors to double its revenues from £30 million at management buyout (MBO) in 2009 to £60 million by 2012.

Amor Group plans to achieve this growth through an aggressive sales-driven business strategy, based around a group sales improvement plan, one of the central components of which is the introduction of tools, techniques and methodologies for structured, systematic sales improvement.

### **Remote Media Improves Customer Service and Sales with Salesforce CRM**

Remote Media, a digital signage company, has implemented the Sales Cloud and Service Cloud from salesforce.com enabling it to boost sales productivity and enhance customer service delivery. Since migrating to the new solution, the company has experienced a 100% increase in sales productivity and a ten-fold increase in digital signage trial requests. Following a roll out of Salesforce CRM in just two months, Remote Media now has drill-down, at-a-glance insight into the most lucrative sales opportunities, ensuring effective targeting and immediate follow-up.

Working in the cloud provides the entire organisation – together with a global network of channel partners – with a shared, real-time view of each digital signage customer and prospect as well as a completely integrated, end-to-end system for managing each relationship. For SME organisations like Remote Media, this is key in driving business growth.

### **Force.com Powers CloudApps Carbon Growth**

Carbon solutions provider CloudApps enables enterprises, including several FTSE100 companies, to measure, monitor and engage with their employees to dramatically reduce carbon emissions, CloudApps' chances of success in its early years have been significantly enhanced by not needing to worry about the underlying technology it relies on.

The company has benefited from the ability to use Force.com, an enterprise cloud computing platform from salesforce.com, developing its applications on the platform and so dramatically reducing the upfront capital required to get the business 'on its feet', delivering early customer successes much faster than with a traditional on-premise platform.

In fact, CloudApps estimates that, with the help of Force.com, it can build applications about five times as quickly and at half the cost of traditional software platforms. This has enabled the company to innovate and stay well ahead of its competitors in terms of its development curve. Having delivered the salesforce.com Winter '10 release of its Cloud Apps Carbon solution in January 2010, the company has already iterated rapidly through two additional releases in Spring and Summer.

The platform has also enabled CloudApps to achieve high levels of business agility, allowing it to rapidly adapt its solution to reflect recent changes in the UK Carbon Reduction Commitment (CRC) legislation, for example.

CloudApps clearly benefits extensively from Force.com's ability to support rapid yet cost-effective growth; in addition to tremendous business gains due to the innovation that the platform delivers. While CloudApps is focused on guiding its customers through the carbon journey - helping them comply with global climate change legislation, reduce operating costs and enhance their brand value - it has the peace of mind of knowing that salesforce.com is tirelessly delivering continuous platform innovation.

Social collaboration and online community innovations such as Salesforce Ideas and Chatter are helping CloudApps to deliver a unique emission management solution to its customers. Salesforce Ideas allows companies to tap their community of employees, customers and partners to crowdsource, identify, rank, iterate and implement unique carbon reduction ideas.

Salesforce Chatter is a new platform capability that drives collaboration and effective teamwork. Through social networking capabilities, such as feeds, status updates, user preferences for following key team members, documents and applications, expertise is identified in real-time and projects are matured more quickly and efficiently. With Chatter, CloudApps customers can connect internally and collaborate on information securely to promote the common goal of reducing overall carbon emissions.



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