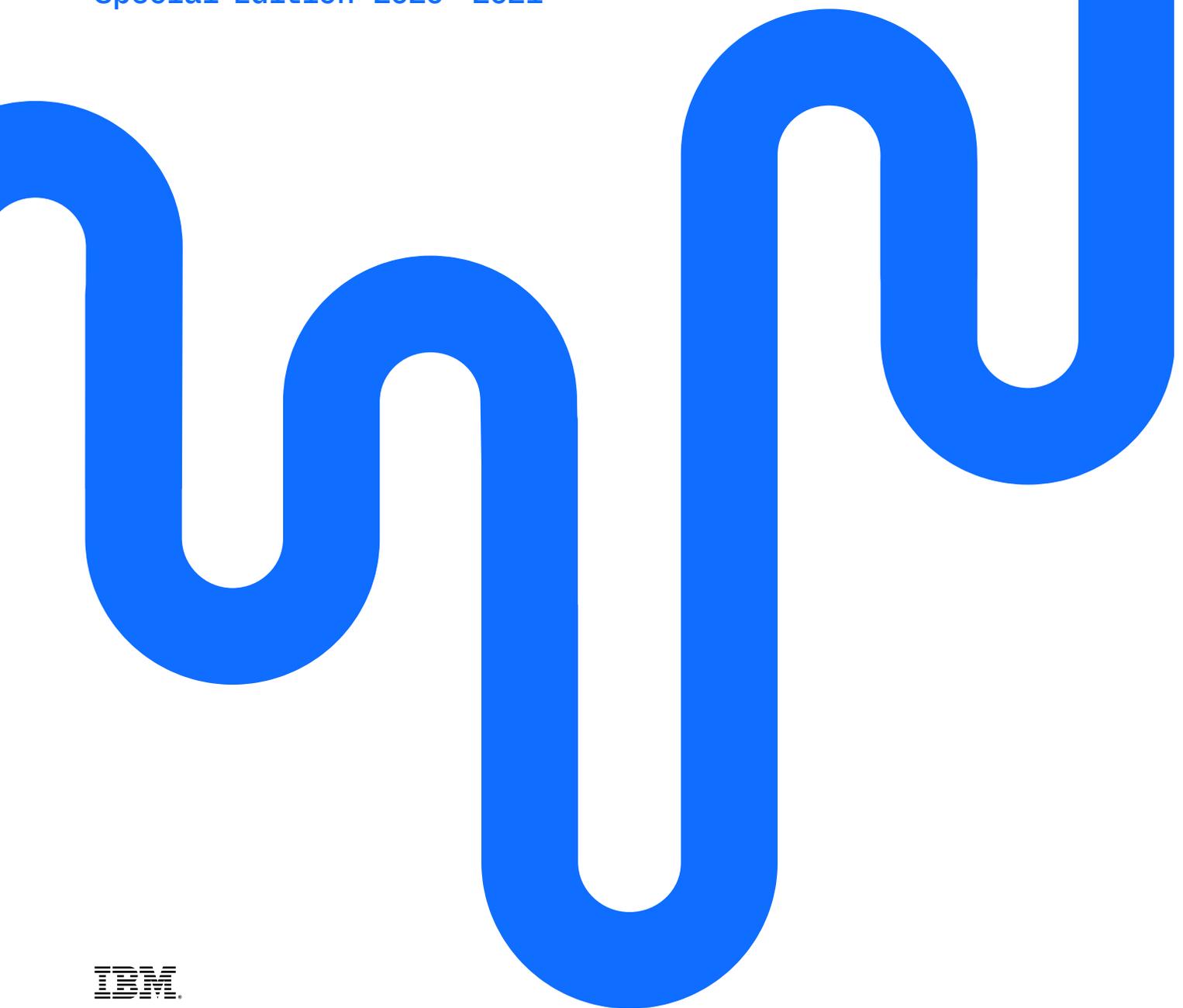


The State *of* Salesforce

Special Edition 2020 - 2021



The State of Salesforce is our annual report on how the best companies use Salesforce to drive business outcomes.

Based on +107,000 data points collected from +1,300 global respondents and +15 hours of interviews with global enterprise executives, this special edition revisits last year's trends and explores how they have evolved or shifted in response to the COVID-19 pandemic.

How do we define the best companies*?

Last year, we defined the best companies as those who understand that customer experience (CX) is a direct reflection of employee experience (EX) and redesign their business and operations accordingly.

COVID-19 has amplified this concept, and Salesforce continues to play a critical role in companies' digital transformations as they adapt to the conditions created by the pandemic.

This year, the best companies are experimenting with agile, creative solutions made possible by their earlier investments in flexible technology, multi-cloud, and

Salesforce management best practices. They're deepening investments in emerging technologies like Artificial Intelligence (AI) to unify people, process, and technology to emerge from the pandemic smarter and more resilient. They're also embracing new ways of working to adapt to rapid changes in their employee and customer cultures.

Ultimately, the best companies focus on moving beyond stabilization. They design and deploy responsive processes and platforms to improve the employee and customer experience, which builds resilient businesses.

* Find the methodology that determines the "best companies" on page 39 of this report.

What's *inside*

03 Executive summary

COVID-19 special edition

07 Trend one

Trust is the new currency
of customer engagement

16 Trend two

Human-centered AI creates
new business value

24 Trend three

Employee safety and well-being
build resilient businesses

31 Trend four

COVID-19 widens the gap between
digital “haves” and “have-nots”

39 Methods

Recruitment, methodology,
and by the numbers

Recovery, ingenuity, and resilience

In early 2020, COVID-19 upended every business strategy established for the year ahead. Almost overnight, customers and employees around the world retreated to their homes while businesses scrambled to adjust priorities and investments around digital.

The pandemic became an unexpected litmus test, exposing the maturity of every organization's digital transformation—or, in many cases, the lack thereof. Thankfully, Salesforce customers had an established advantage from the start, critical customer data already accessible in the cloud, and flexible business processes ready to handle the tectonic shift to remote work.

This cloud advantage has proven to be a powerful competitive edge. For those that are making the shift, it's clear that there's no going back. The only way forward is to accelerate innovation and build smarter, safer, more resilient businesses—the kind of businesses powered by Salesforce.

In a year unlike any other, our research for this report focuses specifically on how Salesforce is enabling organizations to navigate and respond to COVID-19 effectively. Even with the uncertainty of a global pandemic, nearly one-third of businesses surveyed increased their Salesforce investments.

In our special COVID-19 edition of *The State of Salesforce* report, we revisit last year's key trends and trace how they've evolved or shifted in response to the pandemic. We explore how businesses are responding to the uncertainty and disruption in their segments and look at how they're realigning business priorities and investments to adapt, survive, and thrive now and in the future.

The best companies meet increasingly complex employee and customer needs with investments in:



Artificial intelligence



Industry innovation



Workforce recovery solutions



Risk management systems



End-to-end Salesforce integration

Overall, we see the best Salesforce companies continue to prioritize employee and customer engagement. But this year, we see safety and trust emerge as new, essential dimensions of these relationships. Organizations, of all sizes and industries, are embracing initiatives that enable them to meet complex human needs with investments in several key areas: AI, industry innovation, workforce recovery solutions, risk management systems, and end-to-end Salesforce integration. They are using business design to build a unique path to resilience, productivity, and growth.

As you might expect, what's emerging is a divide in the market—one where organizations further along their Salesforce journey at the start of the year continue to pull ahead and build advantages for their business. Others, those slower to adapt and invest in their digital reinventions, continue to lag behind.

To gain a deeper understanding of Salesforce customers and their pandemic response, we expanded our research in partnership with Oxford Economics. Together, we interviewed global enterprise executives to capture real, candid stories of business recovery. You will read their stories, in their own words, of how Salesforce accelerates innovation and improves employee and client relationships to move their companies forward.

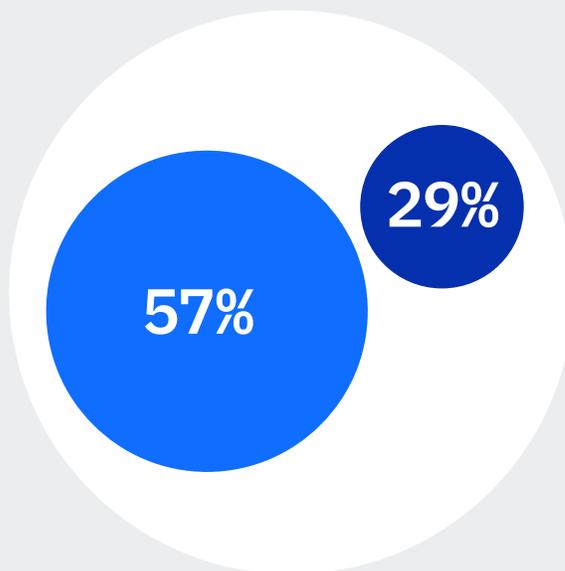
The road to recovery is uneven, but every leader has the opportunity to build a better business and a better world—and it starts with reimagining what's possible in a post-pandemic future.

I hope you enjoy our COVID-19 special edition of *The State of Salesforce*.



Al Jenkins
Managing Partner & Global Leader
[IBM Services, Salesforce](#)

Salesforce delivers business impact during uncertain times.



● Customers who have increased Salesforce investments in 2020 as a direct result of COVID-19

● Customers who say Salesforce has made it easier to make necessary business pivots

COVID-19 transforms business priorities

Trend one



Trust is the new currency of customer engagement.

In response to the pandemic, businesses are embracing new values and prioritizing initiatives in Salesforce that build customer trust and loyalty. Top initiatives include designing personalized customer journeys and improving data privacy and security, which demonstrates a company's ability to both know their customers and protect sensitive information.

Trend two



Human-centric AI creates new business value.

Companies are rapidly investing in enterprise AI—from AI assistants and automation to predictive analytics and intelligent workflows—to build human connection and keep up with changing customer and employee needs and expectations.

Trend three



Employee safety and well-being build resilient businesses.

Employee safety and well-being have become a top priority. Businesses are using Salesforce to build a resilient workforce by ensuring that employees have the tools and processes they need to feel empowered and safe in the new remote, digital-first culture.

Trend four



COVID-19 widens the gap between digital "haves" and "have-nots."

The best companies are accelerating their investments in end-to-end Salesforce integration to take advantage of opportunities for deeper digital engagement and innovation. This shift increases their competitive advantage and secures their position as digital "haves" vs "have-nots."

Trust is the new *currency of* customer engagement

The pandemic pushed most touchpoints to digital channels; stores and restaurants have largely moved online, healthcare has gone virtual, and millions of employees are working from home. While people's most immediate concerns are health and safety, they also want to do business with companies they can trust to support and protect them in radically new ways.

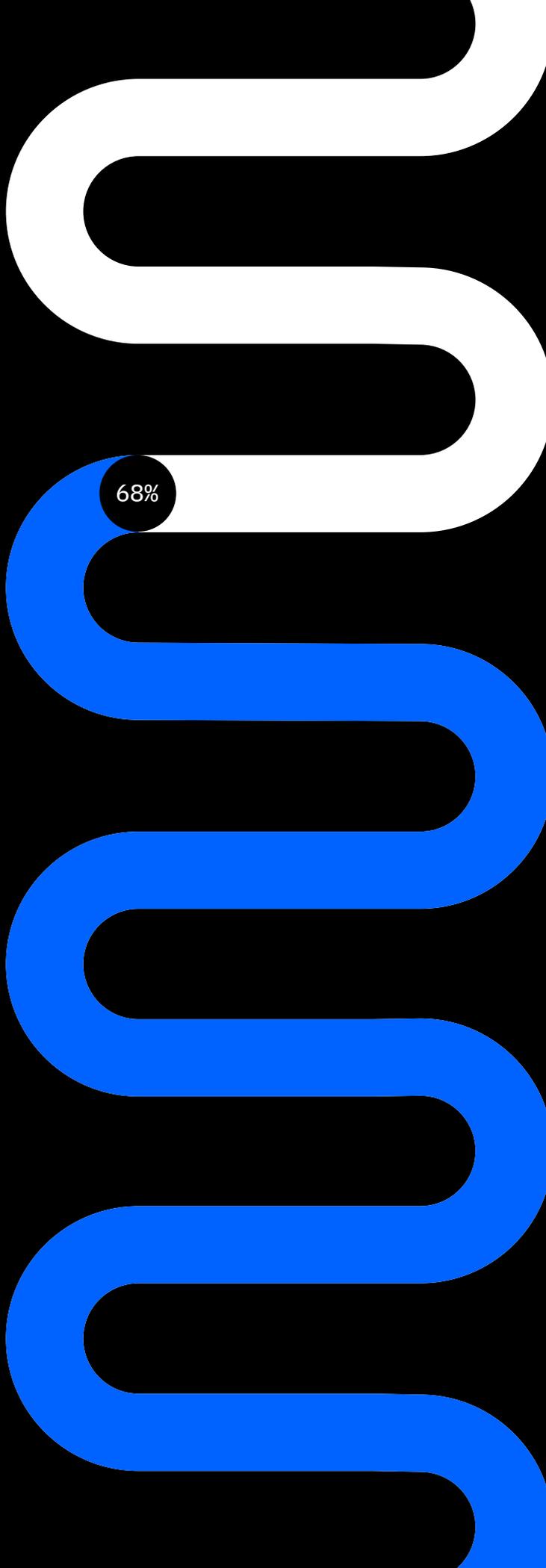


Then

Last year's top priority was building a 360-degree view of the customer by integrating data to create a unified customer profile.

Now

Trust is critical for customer loyalty and retention. If customers don't trust a company's ability to serve their evolving digital, physical, mental, and emotional needs, they'll leave. While every company is pursuing stability and growth, the best prioritize digital transformation initiatives in Salesforce that will help them get closer to their customers and employees to grow, protect, and maintain trusted relationships.



IT and business alignment is the top priority for organizations

*Due to COVID-19's impact, **68%** of companies say their top Salesforce priority is improving IT collaboration with the business to build customer loyalty and trust.*

Business transformation using Salesforce is most successful when IT and line of business leaders are aligned from the start and are able to satisfy both of their needs and wants.

Line of business needs

- Business outcomes
- Happy customers
- Engaged employees
- Ease of collaboration
- Data-driven insights
- Automation and productivity
- Innovation speed

IT needs

- Business outcomes
- Less complexity to manage
- Data and privacy
- Scale functionality with ease
- Technical flexibility
- Future-proof solutions
- Focus on innovation over maintenance

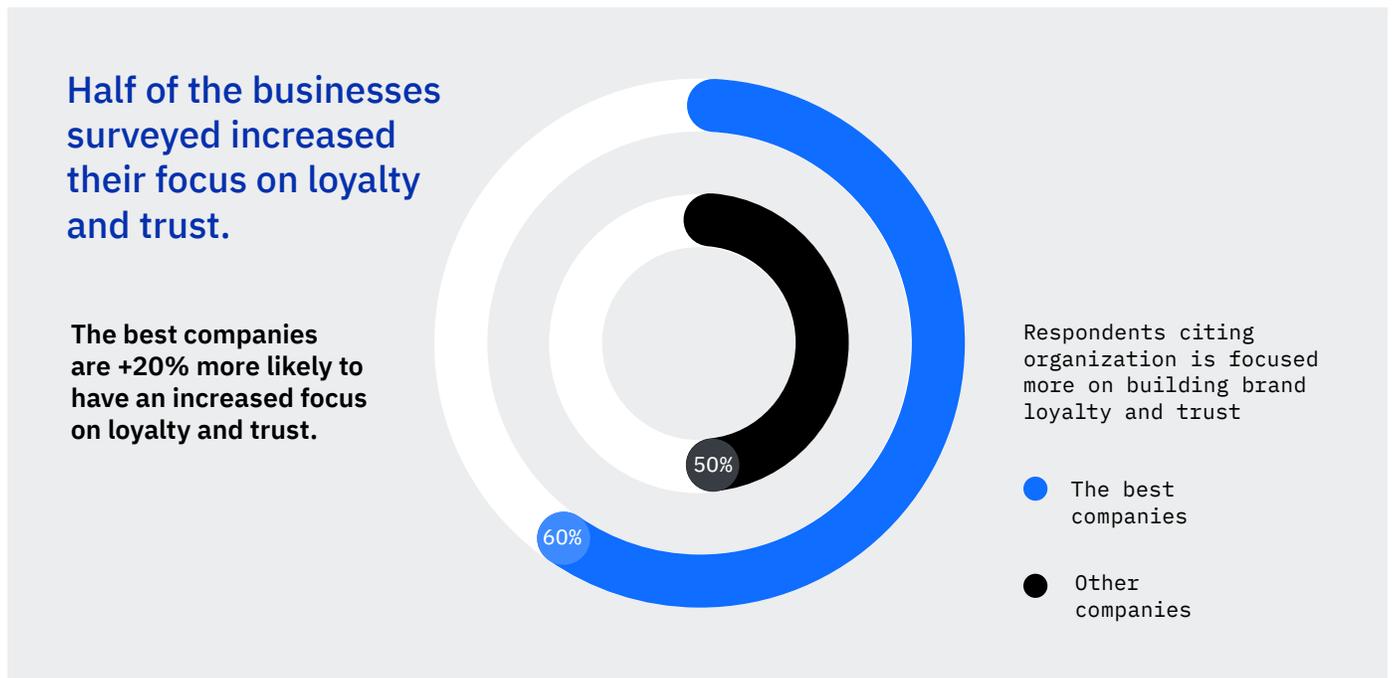
IT and business alignment builds customer loyalty and trust

COVID-19 has reprioritized every organization's Salesforce roadmap. Companies who were slower to embrace digital transformation before the pandemic are exposed and vulnerable to continued disruption, but even the most advanced companies have discovered new digital-first needs and opportunities. To get ahead, IT and business leadership need to be in lockstep, balancing customer experience and business value creation with data privacy and security.

Privacy laws, such as General Data Protection Regulation (GDPR) in Europe, have impacted the global customer relationship management (CRM) landscape. These

regulations—and customers' desire for more security and control over how companies use their data—require businesses to redesign processes, workflows, and how they market. With a deep understanding of the system complexity needed to protect sensitive data (e.g. blockchain, encryption, and compliance), IT leaders are looking to sync business priorities with security requirements for maximum results and ROI.

The best companies unite IT and business leadership behind initiatives that deliver value and security to bring trustworthy experiences to market faster, increasing customer loyalty, retention, and growth.



Salesforce's dedicated [trust and security website](#) provides transparency into the security of the platform and its ability to keep data private and safe.

85%

of IT respondents trust Salesforce to meet the **changing needs of customers.**

86%

of IT respondents trust Salesforce to meet the **changing needs of employees.**

Salesforce Industries comes of age

To retain customers during the pandemic, companies have to communicate and deliver services in the right context. This strategy requires an industry-informed approach to quickly identify customers—as patients, customers, or citizens—to provide relevant, personal, and trustworthy experiences.

Salesforce Industries (which encompasses prior Vlocity solutions and new industry clouds) provides industry-specific data models and pre-built business processes to help organizations remain competitive and

Top industry sectors using Salesforce Industries

Communications and telco

Communications Cloud embeds industry-specific functionality, best practices, and processes, such as commercial cataloging and contract lifecycle management, to increase revenue and speed up time to market.

Banking and insurance

Insurance companies using Salesforce Industries have access to a process library filled with pre-configured transactions that help them easily design and deploy solutions to expedite claims processing, increase renewals, and improve quote-to-bind ratios.

Healthcare and government

COVID-19 continues to strain public health and human services organizations. Organizations using Salesforce Industries Public Sector Solutions can centralize management of licenses and permits, inspections, and emergency programs in the cloud to serve constituents faster and more effectively.

adapt to the challenges introduced by the pandemic. The best companies are using Salesforce Industries to quickly identify and jumpstart high-value customer experience initiatives.

Implementing industry solutions that connect critical customer experience and lifecycle components end-to-end (across front and back office applications) is the future of business and Salesforce.

The best companies are overcoming industry disruption using Salesforce Industries to get solutions to market faster.

The best companies are +2x more likely to overcome industry disruption.

41%

18%

Respondents citing disruption as an insignificant factor keeping company from moving to next recovery phase

● The best companies

● Other companies

“Gathering data
at critical
customer touch
points is very
valuable,
especially now...”

A visit to a retail store, an online order, email communications—all those touchpoints are opportunities to optimize the journey and personalize that process using Salesforce.”



TAGHeuer
SWISS AVANT-GARDE SINCE 1860

Alexandre Regard
IT Digital Manager,
TAG Heuer

Enhance the customer journey with AI and Salesforce Customer 360

In-person interactions with customers are severely restricted. Customers are engaging via digital channels and creating rich data profiles that could benefit the entire business—if companies are set up to use them. Every department is pursuing enterprise AI and data-driven decision-making tools to improve personalization and inspire confidence in the company’s ability to meet customer needs.

As a company, Salesforce is doubling down on customer journey solutions, expanding their capabilities with acquisitions like Datorama, Krux, and Tableau.

These acquisitions expand Salesforce’s AI and reporting capabilities by integrating internal and external data sources to crosstab and visualize complex, real-time data. Companies need this level of intelligence to create deeper, more robust, and more secure customer profiles to develop end-to-end customer journeys and improve ROI.

Companies who want to use their newly enriched data to gain a competitive advantage are moving swiftly to adopt Customer 360 data profiles. They’re investing in enterprise AI solutions like Salesforce Einstein and IBM Watson and data visualization tools like Tableau to generate the customer insights needed to support end-to-end customer journeys that drive retention and growth.

COVID-19 has increased the demand for data, insights, and AI across the business.



Service

69% have an increased demand for AI-driven next-best action and knowledge assistance



Marketers

65% have an increased demand for AI for analytics & reporting on customer behavior and target markets



IT and DevOps

64% have an increased demand for data-driven decision-making tools



Sellers

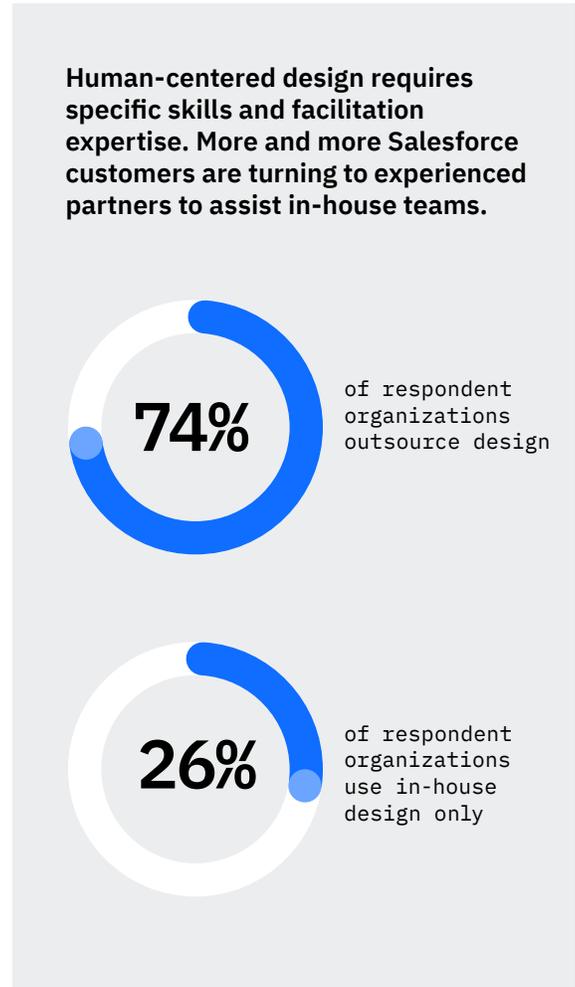
52% have an increased demand for data insights of customers’ propensity to buy

Design is critical to achieving customer success with Salesforce

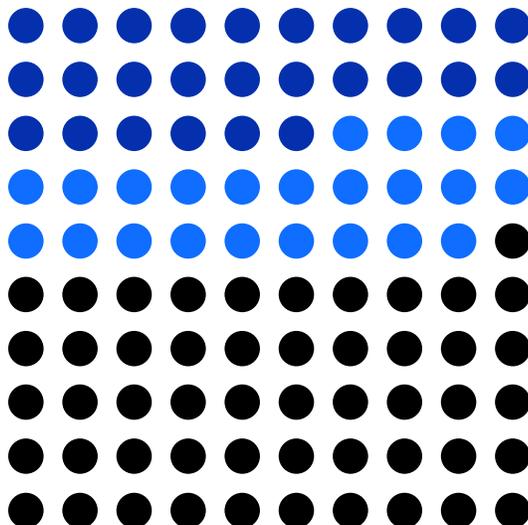
Design is more than visual—it’s about experience. And how companies design their digital and in-person experiences affects crucial outcomes like revenue, performance, and loyalty. COVID-19 has put pressure on organizations to develop new experiences (e.g., telehealth, buy online, pick up in-store) and Salesforce customers are embracing human-centered design to deliver solutions that meet evolving employee and customer needs.

Human-centered design comprises two critical, complementary functions: graphic design (UI/UX) and business design (using design thinking methodology to reinvent processes around the end-user). It maps out users’ needs and pain points to create solutions that are easy to use and understand. In 2015 Salesforce launched the Lightning Design System to support design at scale and last year Salesforce launched a Design Relations program to help organizations implement design at scale with the end-user in mind.

The best companies use human-centered design in Salesforce and across their business to meet users’ needs, simplify problems, reduce complexity, and align goals and vision across teams.



Among all companies who apply design methods to Salesforce:



- 26% focus primarily on designing customer experiences (CX)
- 23% focus primarily on designing employee experiences (EX)
- 51% focus on both

The best companies are

+34%

more likely to use design methods to create a synergy between EX and CX.

“One of the key things we are doing is focusing on user-centric design...”

We interview employees, gather candid and critical insights, and then incorporate that feedback into how we design our business processes in Salesforce.”



Shoba Ganesan
Director IT Sales Transformation,
FritoLay North America

What's *next?*

COVID-19 has accelerated the transition to a digital-first world. Business recovery and success are tied to how well companies can earn customer loyalty and trust by meeting customers' needs for personal connection, safety, and convenience.

The best companies speed up their transformation by aligning IT and business needs using Salesforce Industries to develop vertical customer experience solutions, invest in data analytics and Customer 360 to deliver relevant customer journeys, and innovate through a design-first lens to create better employee and customer experiences.

"Salesforce is our entry point for building personal customer relationships. Conversations through chat, e-commerce, customer portals, phone, email, and even fax, are all integrated within Salesforce, allowing us to build robust customer profiles."



Devetta James
Senior Vice President, Customer Operations,
AmerisourceBergen Drug Corporation

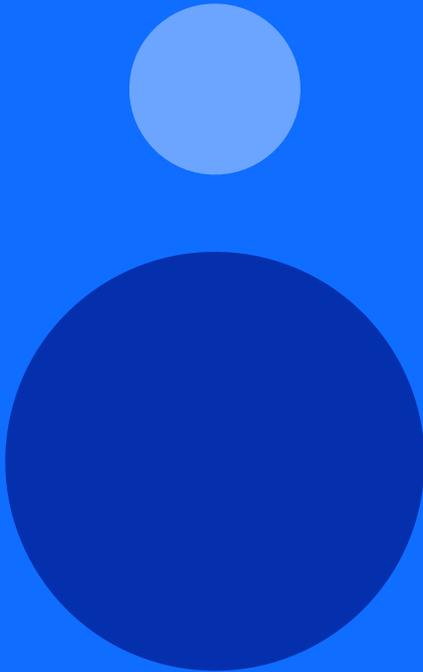
"Salesforce has helped our business deliver more value to our customers, which at the end of the day is what it's all about. It's not strictly about selling more, it's also important for us to ensure that we're providing all that customers require in a trusted way."



Jim Dundas
CIO,
SaskTel

Human-centered *AI creates new* business value

COVID-19 has pushed enterprise AI front-and-center as we search for ways to remain connected and supported while apart. Salesforce customers are no longer dabbling in AI and testing the waters. To survive and grow beyond the pandemic, they're implementing a full spectrum of AI solutions, from AI assistants and Salesforce Einstein to conversational AI platforms.



Then

Last year we talked about the continuing promise of AI and how organizations were moving from pilot projects to fully scaled solutions.

Now

AI demonstrates immense value for businesses, helping them grow and gain a competitive advantage during COVID-19. The best organizations invest in enterprise AI platforms that can keep employees and customers informed and connected in their remote, digital-first lives.

19%

48%

+150%

The promise of AI continues to become a reality

Last year 19% of respondents were using enterprise AI

This year 48% of respondents are using enterprise AI

*Over the last year, the number of organizations using enterprise AI in Salesforce has increased by more than **150%**.*

Top AI use cases across Salesforce:

Service Cloud:

AI assistants, next-best action, and social media listening

Sales Cloud:

Market intelligence, next-best action, and key opportunity alerts

Marketing Cloud:

Analytics and reporting, social media listening, and email personalization

Commerce Cloud:

Product recommendations, personalized product assortments, and demand forecasting

Working smarter with AI

Companies are expanding AI use in Salesforce to help their teams work smarter to overcome pandemic challenges and seize new opportunities.

Sales teams

use intelligent lead scoring and next-best action to create target customer lists.

HR teams

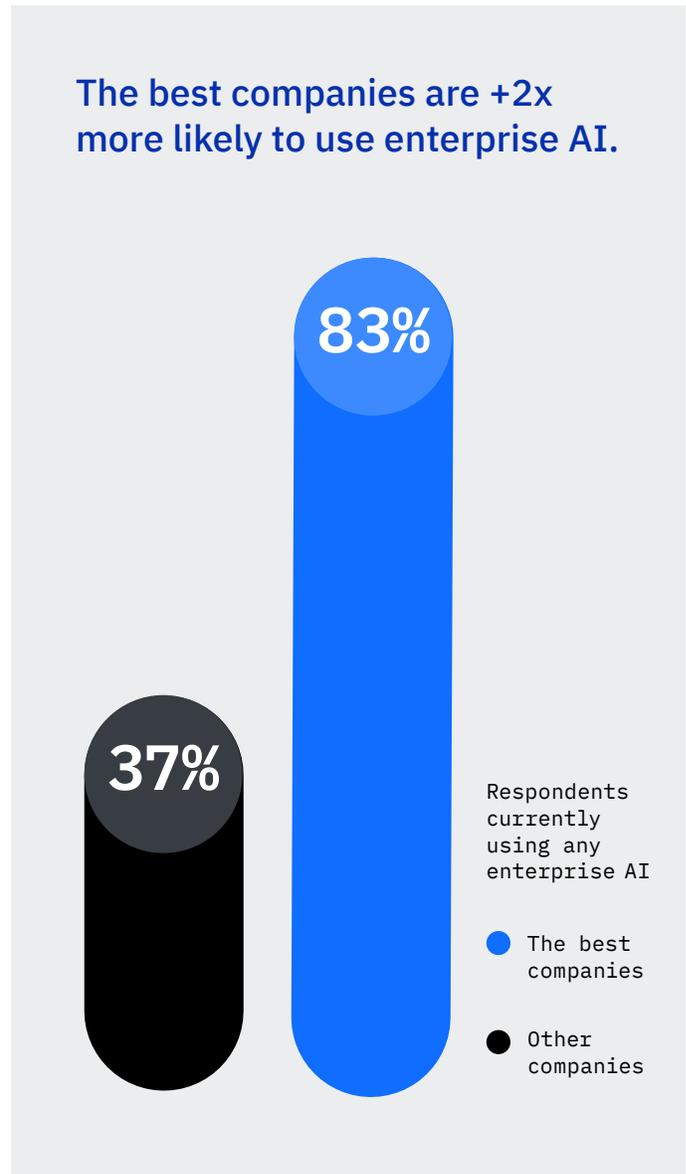
use AI solutions like Tableau's COVID-19 Data Hub and [IBM's Disruption Recovery Insights](#) to predict risks and manage employee and customer safety.

Service teams

in every industry—but especially healthcare, retail, and finance—are launching AI assistants in 1 or 2 days and then scaling them throughout their organizations to improve customer response times and free up agents for more complex tasks.

Marketers

use AI insights to recommend relevant products and services at the right time to increase customer engagement and satisfaction.



"We want to use Salesforce and AI to guide our seniors to the right Medicare products. By knowing their behaviors, claims history, doctors and prescription information we can confidently say, 'Based on what we know about you, this is what we recommend, and here's why.'"

Senior Director of IT,
US national insurance company

Demand for AI capabilities has increased due to COVID-19.

75% of service professionals cite an increased demand for AI assistants

69% of service professionals cite an increased demand for next-best action or knowledge help

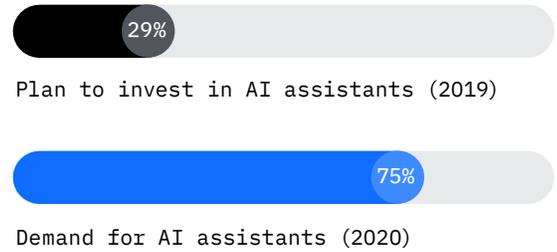
65% of commerce professionals cite an increased demand for personalized product recommendations

Not all AI assistants are created equal

When customer inquiries started flooding in after stay-at-home orders were announced, demand for AI assistants (i.e. chatbots) skyrocketed. Public sector organizations set up AI assistants like [IBM Watson Assistant for Citizens](#) within hours to respond to citizens' urgent questions and needs, about everything from health and safety resources to information about ongoing business regulations at local, state, and federal levels.

But contact centers in every industry are using solutions like Salesforce Einstein and IBM Watson to create AI assistants that guide both employees' and customers' actions. AI assistants deflect routine, repeatable inquiries (reset my password, change my service) while also surfacing the right information faster to agents or other employees. More mature AI assistants use natural language processing to determine customer intent, handle multiple languages, and facilitate seamless hand offs and escalations when a human touch is required in Service Cloud. This teamwork between people and AI assistants provides better, faster, and more personalized service, that lowers costs while increasing customer confidence and use.

In response to COVID-19, demand for AI assistants is exceeding organizations' planned investments.



Service professionals' AI use is +28% higher on average than all other functional areas.



Service

61% use AI



IT + DevOps

49% use AI



Marketers

48% use AI



Sellers

46% use AI

Three pillars for successful AI assistant implementation



Start small

Start with use case categories to find intent clusters you want to address first.

You don't need to paint a perfect picture and roadmap to get started.



Launch early

Choose one area or use case where you think you can make an impact and launch before you think you're ready.

Customers interact with AI assistants in very different ways than with humans or web self-service; the only way to gather this data is to launch and learn.



Fix continuously

Once you gather data you can evolve your AI assistant accordingly.

See what kinds of intents, questions are asked and how.

As you evolve an AI assistant's capability, its personality can evolve and align with your brand.

Intelligent workflows deliver insights and business productivity

Working across disconnected systems strains employee productivity and engagement. And now, both are more crucial and more at risk as millions of employees work from home using systems designed for the corporate office.

Companies are starting to recognize the value of redesigning their systems and building [intelligent workflows](#) that pair data with emerging technology like AI to streamline and automate business processes.

The best companies are integrating Salesforce with other systems and designing intelligent, human-centered workflows. When core customer lifecycle processes connect beyond Salesforce, intelligence flows across the business end-to-end, making employees' jobs easier, faster, and more productive—benefits that cascade to a company's bottom line and enhance both the employee and customer experience.

How Salesforce customers are using intelligent workflows across their business:

Sales Cloud

Prospect targeting and lead management workflows to attract customers faster and lower costs.

Marketing & Commerce Cloud

Order management, inventory tracking, product recommendation, and next-best action workflows to improve conversions and increase operational efficiency.

Service Cloud

Incident routing, case deflection, and self-service workflows to improve service and lower costs.

IT Cross-cloud

Risk management and system performance workflows to improve operations, maintain security, and align work to business priorities.

Top business outcomes among companies using intelligent workflows in Salesforce:

86% have increased customer service satisfaction

83% have increased employee satisfaction

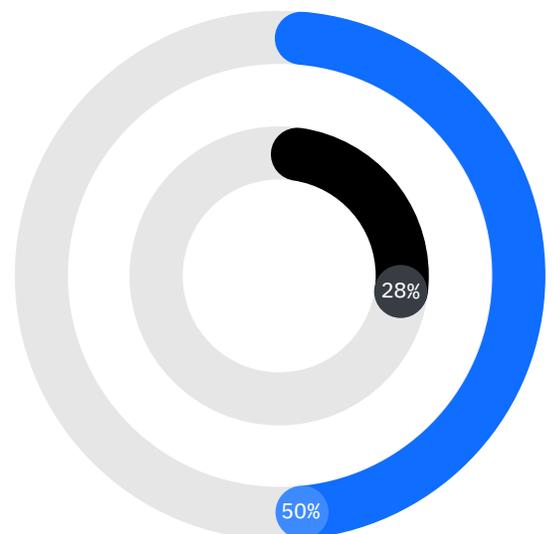
76% have increased business productivity

The best companies are **+76%** more likely to have established intelligent workflows in Salesforce.

Respondents citing organization is currently using intelligent workflows

● The best companies

● Other companies



“Intelligent
workflow
automation
is hugely
important...”

We have new dashboards in Salesforce that help our customer-facing teams understand what customers want as soon as they call. Relevant information is categorized and available to serve customers quickly and efficiently.”



AmerisourceBergen®

Devetta James
Senior Vice President, Customer Operations,
AmerisourceBergen Drug Corporation

Business design is the foundation of successful AI

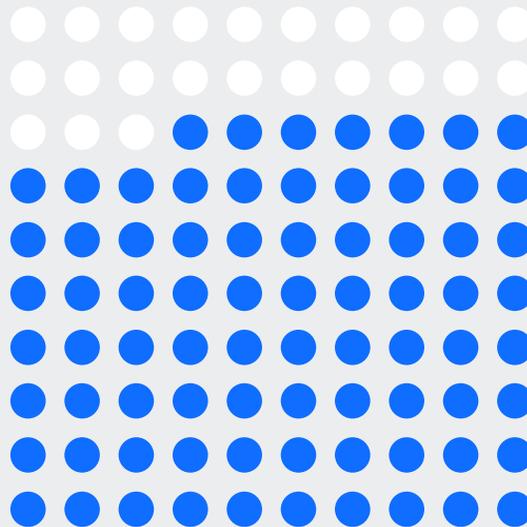
Business design is critical for developing successful enterprise AI solutions. It considers how and where data is augmented to serve users with insights at the right moment—no hunting required. Well-designed AI facilitates better decision-making and creates more profound connections between employees and customers.

To create those effortless experiences, organizations need to envision the right fields and automated touchpoints so AI insights come through when and how employees and customers will take action.

Business design puts the human (employee or customer) path into context and highlights where AI will have the greatest impact – such as positioning a service upgrade, identifying an at-risk customer, triggering product recommendations, or adjusting pricing.

The best organizations are applying business design in Salesforce to deliver AI insights, automation, and personalization to employees and customers in every moment. Companies that use business design to implement their AI solutions are creating an optimized, differentiated path for growth.

Effective AI solutions require business design.



77%

who currently use any AI also apply design methods to Salesforce.

The best companies are +29% more likely to apply design methods to Salesforce.



Respondents citing organization applies any design methods to their Salesforce implementations

- The best companies
- Other companies

What's next?

The shift to digital-first has propelled us faster and further along the road to AI. Keeping employees and customers connected requires increasingly complex systems, workflows, and data loads. Businesses are embracing enterprise AI solutions to improve those connections, drive new growth, and emerge smarter and stronger than ever.

The best organizations rapidly scale AI insights, automation, and personalization to enhance customer and employee experiences across the enterprise. They implement a platform approach by combining Salesforce Einstein with other solutions like Work.com and IBM Watson to understand the far-reaching impact of COVID-19 and put customer intelligence and speed into every decision. And lastly, they use business design to create intelligent workflows, adding new value for businesses, employees, and customers.

"AI tools are the future, but without effective end user engagement, they are just a science project. You need to dedicate time and resources to test, gather feedback and build appropriate processes around the tools to ensure insights are actionable and lead to successful outcomes."



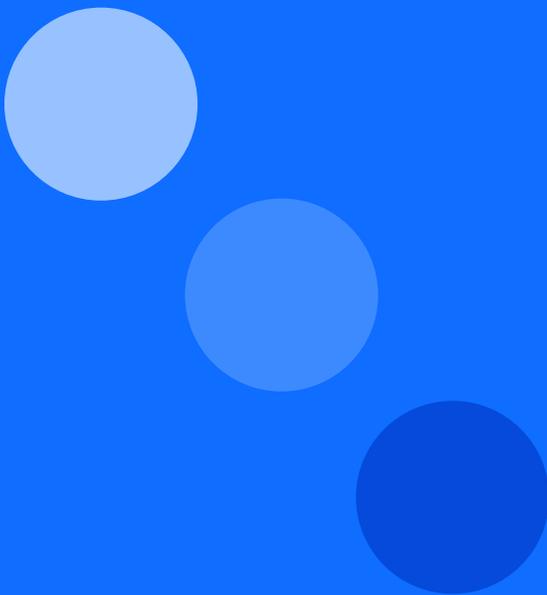
Steve Kozek
Senior Vice President, Commercial Banking,
Citizens Bank

"We're looking at Einstein to help us manage the IoT data that comes from our machines. The rich oil sample data our machines generate can be used proactively in Salesforce to alert customers about a problem before it even happens—and that's powerful."

Brandon Acosta
Vice President, Enterprise Operations,
HoltCat

Employee safety and well-being build *resilient businesses*

Before the pandemic, farsighted businesses were already leaning deeper into every aspect of employee experience and well-being. 2020 has made this a business imperative for every company. Today, companies are integrating Salesforce across their business to create resilient workplaces. These can workplaces predict and adapt to the business impacts of COVID-19, prepare for employees to safely return to work, and protect the health of employees and customers.



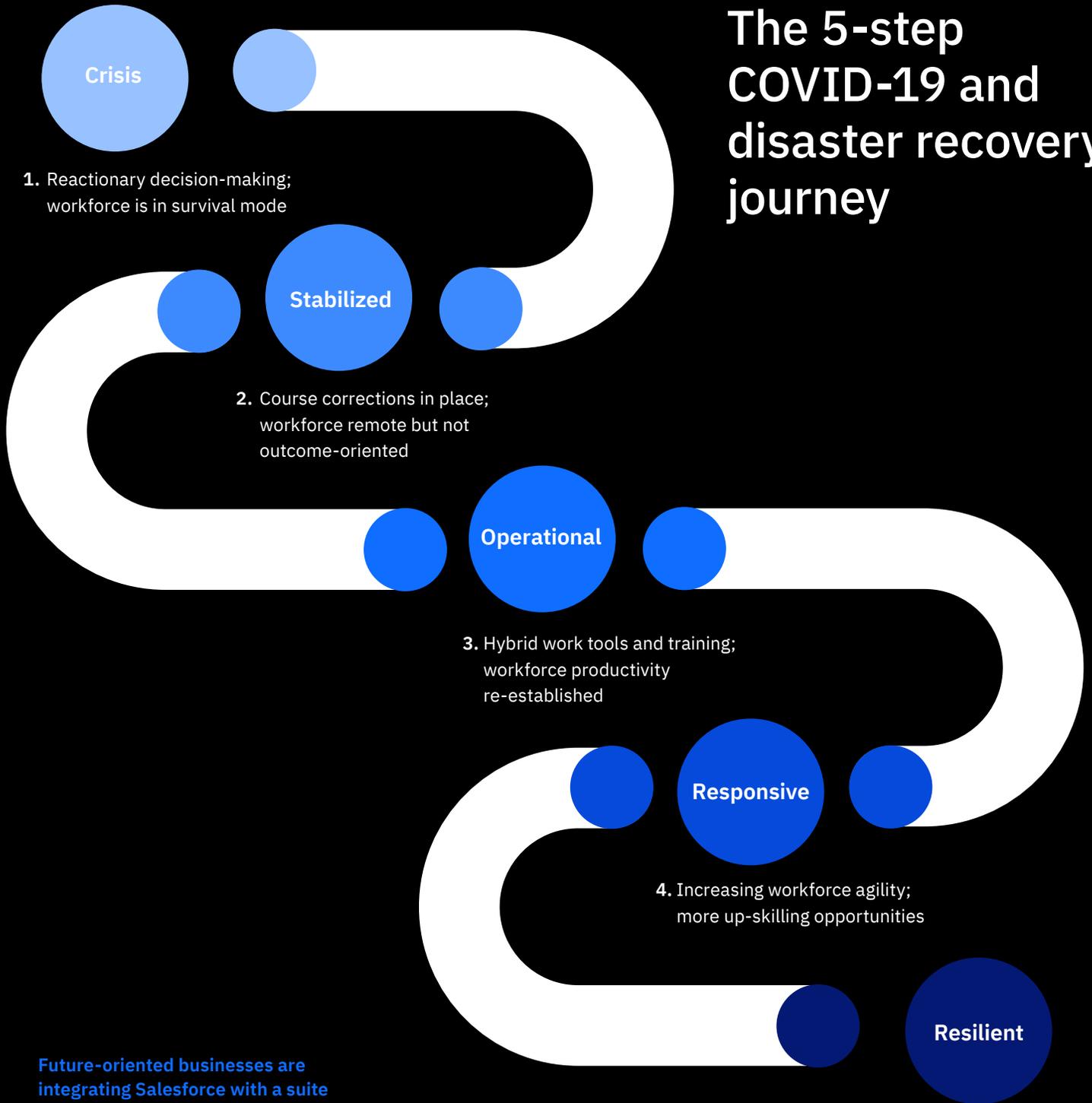
Then

Last year, we talked about the rising need for mobile applications to enable employees to work productively outside of the office with remote access to Salesforce.

Now

Employees need more than mobile capabilities as COVID-19 has shifted the majority of the global workforce from the corporate office to the remote office. This switch has put pressure on every business function, but especially digital marketing, commerce, and customer service. Essential workers and field service employees also require unique support, protection, and data to safely do their jobs. The best companies use Salesforce to help protect and support employees and their business, advancing further along the path of stabilization, growth, and resilience.

The 5-step COVID-19 and disaster recovery journey



Future-oriented businesses are integrating Salesforce with a suite of workforce recovery solutions.

Salesforce's Work.com
Workplace command center

IBM Disruption Recovery Insights
Predictive insights

Watson Health
External health data

IBM TRIRIGA
Facilities management and scheduling

IBM Digital Health Pass
Contact tracing and health status

IBM Covid-19 Vaccine Supply Chain
Vaccine distribution

5. Workforce can quickly adapt in another crisis

Safeguarding employee and customer health

Companies need a complete picture of COVID-19's risks and the actions required to open or close business locations. Businesses must combine insights from internal and external data sources to safeguard employee and customer health and find a path to effective operational execution and growth.

Organizations face many barriers starting with their own disaster preparedness and risk management systems. Companies need to be able to predict the ongoing impact of COVID-19 months in advance and build the control systems to manage workforce disruption.

Many are turning to solutions like Salesforce's Work.com and IBM's Disruption Recovery Insights to create a health and safety operations command center. A command center allows companies to track their employee wellness measures, like contract tracing, and provides companies with AI-powered insights about risks, regulations, and behaviors that affect their business. Solutions like this allow companies to pivot quickly in the face of both internal and external challenges and predict situations outside of their direct control. This level of preparedness and proactive risk management can positively affect employees' readiness—and willingness—to return to work.

"We're using Work.com to develop our "Return to Office" initiative. We're building out a mechanism to be sure employees are tested for COVID-19 and approved before returning to the office. Using case management within Salesforce, we'll track and monitor the health and well-being of our employees."

Senior Director, IT,
US national health insurance company

Top barriers to creating a resilient, safeguarded workplace:



Employee well-being impacts business stability and growth

In response to the stress and turmoil of COVID-19, companies are introducing and expanding employee wellness initiatives. To retain employees and inspire productivity, connection, and growth, organizations need to care for their teams holistically, including employees' mental and emotional well-being.

Salesforce has launched Work.com to bring the same transparency and insight into companies' employee data that their cloud platforms bring to customer data. They're providing organizations with a way to understand and respond to their employees' needs based on dynamic life events. This approach supports employees' mental health, which affects individual and team morale and productivity.

By putting employee well-being first, organizations will position themselves to take advantage of the domino effect: **higher employee engagement creates higher customer engagement, which leads to business stabilization and growth.**

The best companies are doing what's right to support employees on the path to safe, resilient workplaces. Examples of those initiatives from Salesforce and IBM include:

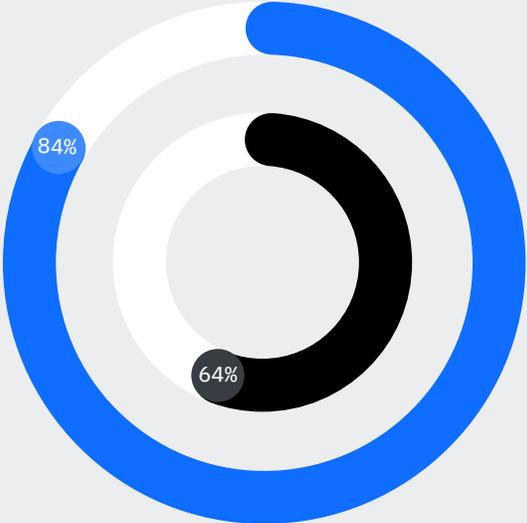
- Paid emergency care leave
- Skills training
- Increased transparency and communication from leadership
- Expanded childcare benefits

In response to COVID-19, organizations are prioritizing employee and customer well-being as a way to build trust that will lead to stability and growth.

The best companies are +33% more likely to focus on employee and customer well-being.

Respondents citing organization is more focused on employee and customer well-being

- The best companies
- Other companies



In the US, only **one in four employees** say they trust their employers to make informed and ethical decisions about returning to the workplace that balance economic implications with individual health and well-being. The best companies are working to close that gap.

Results of an internal IBM Institute for Business Value Market Research Insights Survey of 6,121 U.S. adults. Data was collected from 1-22 April 2020.

Relationships go digital

Everyday business interactions like face-to-face meetings, going to lunch, or attending an industry conference simply aren't possible in most global locations right now. But relationship building and human connection are still crucial for business productivity, engagement, and growth.

Salesforce enables deeper employee engagement with customers—and each other—digitally. More employees are tracking their customer engagement activities in Salesforce which means better data and transparency across the organization for increased internal collaboration and productivity.

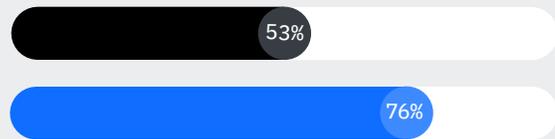
The best organizations are capitalizing on those behaviors by accelerating their Salesforce innovation roadmaps and investments to outpace competitors who have been slower to adopt a digital transformation strategy and mindset.

“COVID-19 forced our commercial teams to shift their reliance on in-person customer interactions to adopt broader, digital outreach. We utilized Salesforce’s tracking capabilities and advanced analytics to listen to clients’ needs, track our client engagement data year-over-year, and discover new ways to scale our team in this environment.”

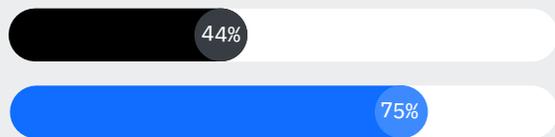
Managing Director,
International financial services company

The best companies are investing more heavily in the following:

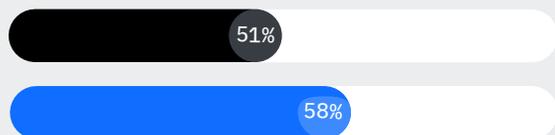
Data-driven decision-making solutions like Salesforce Einstein and Tableau



Deployment of collaborative capabilities like Quip and Community Cloud



Customer data privacy and security solutions like Salesforce Shield and Salesforce Blockchain



● The best companies ● Other companies

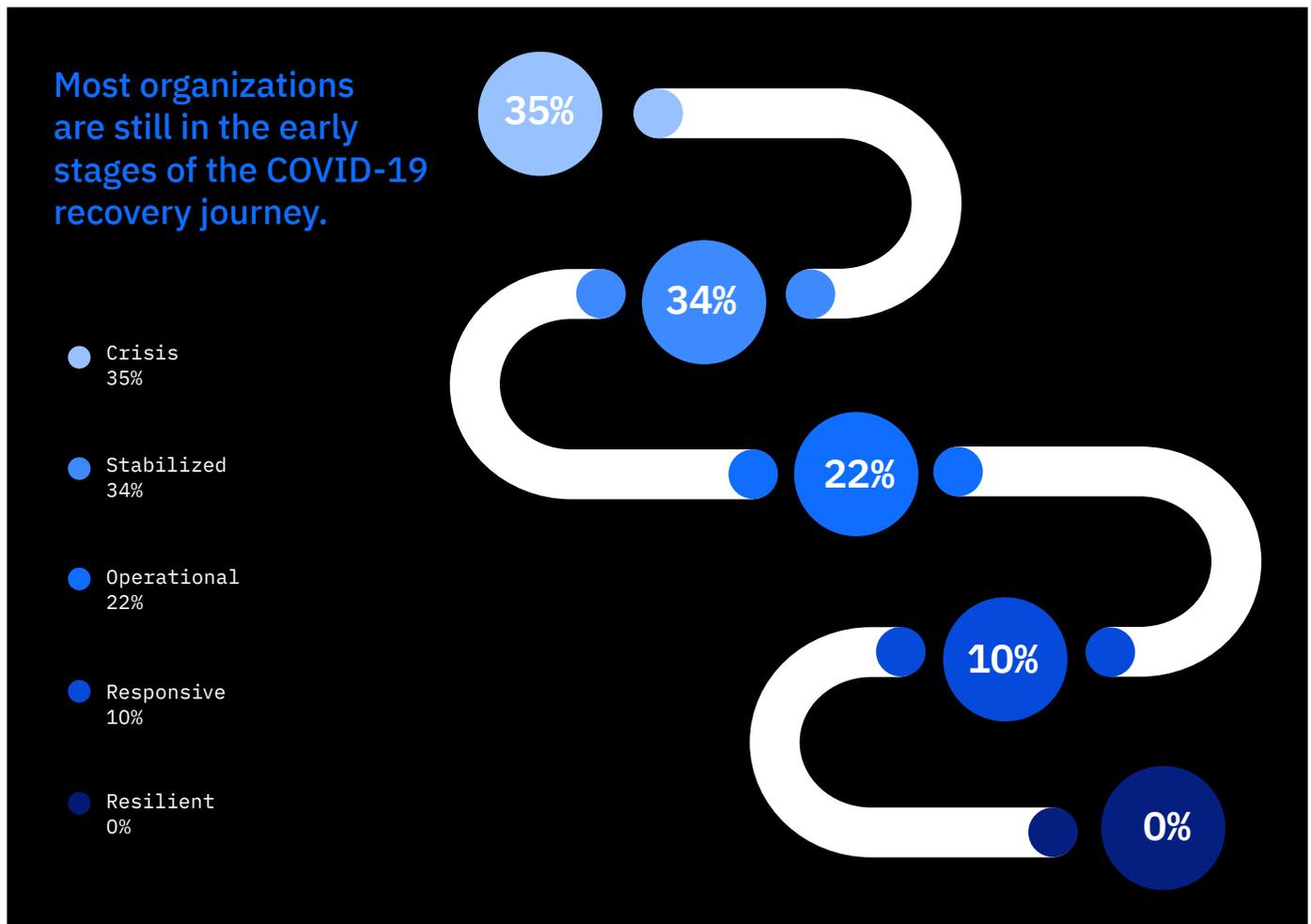
Workplace resilience is essential for growth

Workplace resilience defines a company's ability to recover quickly in the face of adversity. This outcome both supersedes and supports all others, namely growth, productivity, cost reduction, and retention. But achieving true resilience depends on whether organizations empower their employees with the right systems and tools to emerge smarter through crisis.

The pandemic has made the employee experience vastly more complex through changes like remote work, social distancing, school closures, and health mandates, to name a few. To be successful, employees need advanced digital tools, a connected, well-designed cloud infrastructure, and workflows that support their physical, mental, and emotional well-being.

Few, if any, have reached true resilience, and the majority of organizations are still in the beginning stages of recovery. The path to resilience begins with survival but requires a focus on end-to-end transformation to enable the workforce to handle future crises.

Organizations deeper in their Salesforce digital transformation journeys are closer to this goal. Their digital engagement capabilities enable them to assess, respond, and pivot more quickly to the external forces affecting their employees' needs, capabilities, and experiences.



What's next?

Companies that create better employee experiences in the evolving business landscape can accelerate their stabilization journey and put themselves on a faster path to growth and resilience.

The best organizations prioritize employee well-being by investing in Salesforce to provide critical support across their entire business. From health and safety to AI, intelligent workflows, and thoughtfully designed business processes, an end-to-end approach helps teams move their digital transformation initiatives full speed ahead.

"COVID-19 has given us new opportunities to, quite frankly, do the right thing. We've been able to extend our care capabilities to out-of-work customers unable to pay their bills, and bring our remote and field employees additional care, communications, and enablement solutions to help them during this trying time."

LUMEN®

Shawn Draper
VP Global Enterprise Platforms,
Lumen

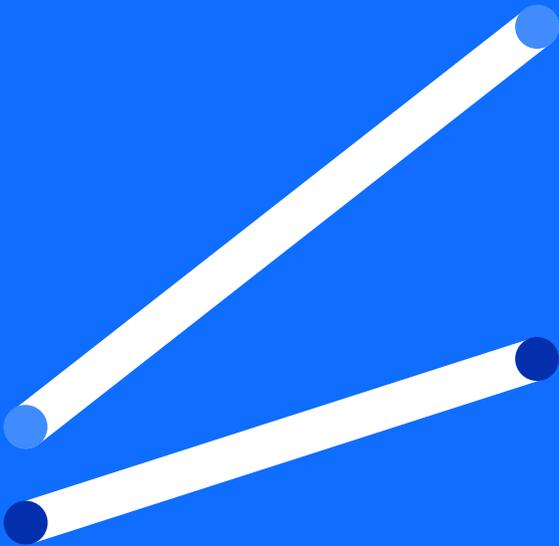
"The pandemic has accelerated the need to communicate digitally with our customers and colleagues across the business. Salesforce is a key platform in enabling us to communicate with employees in the personalized manner we need. We've seen our adoption of Salesforce increase as a result."

ABB

Marco Cornelli
Head of Information Systems,
Global Markets Electrification, ABB
Head of Global Salesforce Practice, ABB

COVID-19 widens the gap between *digital* “haves” and “have-nots”

COVID-19 lit a fire under every company’s digital transformation plan. However, those further along in their journey can move faster, using the advantages of their existing cloud solutions to widen the gap between the digital “haves” and “have-nots.” The only way to avoid ending up on the wrong side of this developing market divide is end-to-end integration between Salesforce and the rest of the business to adapt quickly and capitalize on new opportunities.



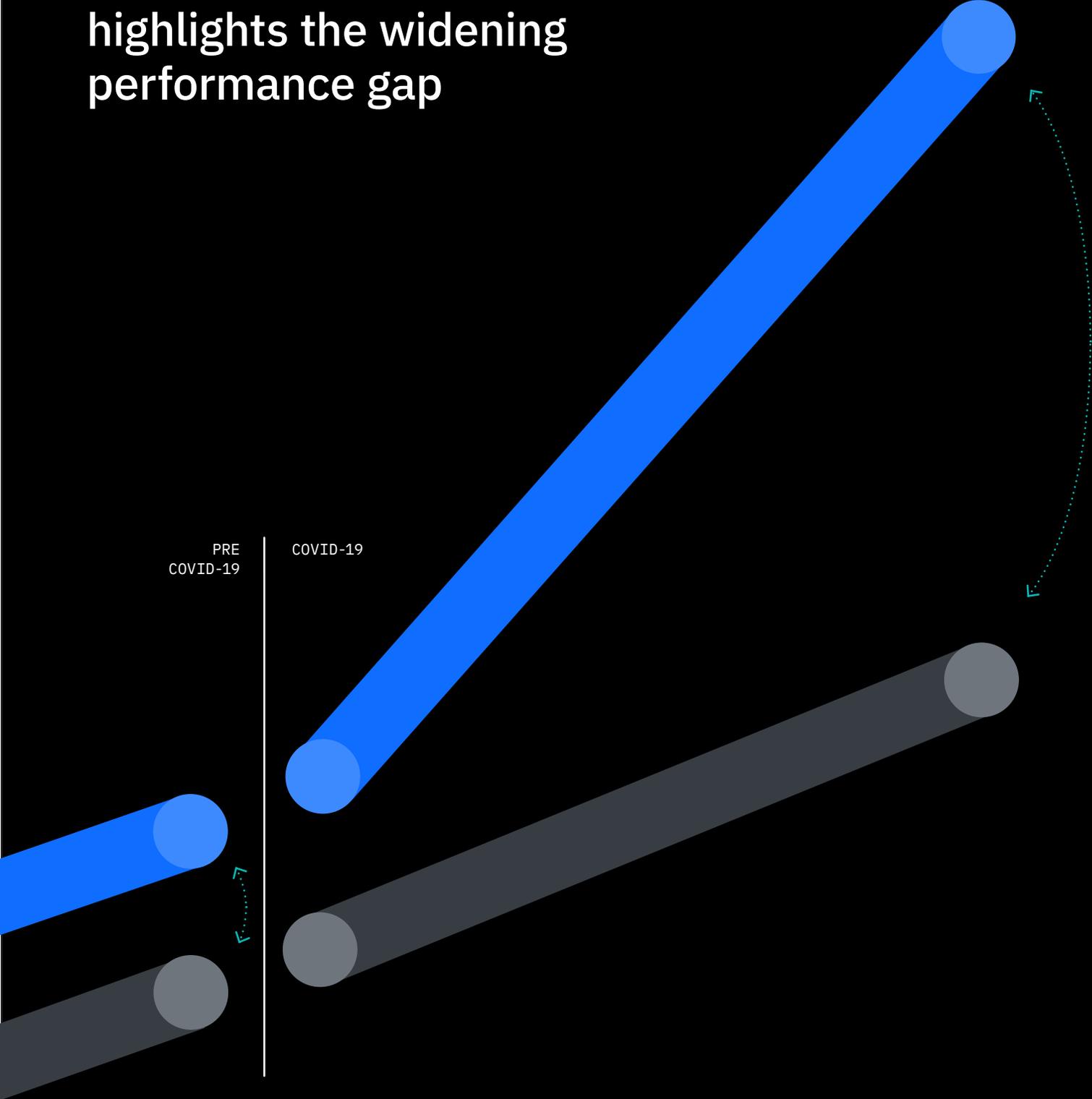
Then

Last year, we talked about how Salesforce has become a mission-critical business application requiring full-time management to respond to ongoing changes and stay relevant to the business.

Now

Salesforce has never been more critical for businesses in this new digital-first world. Our research shows that companies are accelerating their investments in Salesforce to respond to current needs and gain a competitive advantage to emerge smarter from this crisis. Spurred by the ongoing effects of COVID-19, they’re integrating Salesforce with front- and back-end systems. This adds customer intelligence and speed to their decisions to deliver connected, human experiences and get ahead of competitors in the market.

Uneven business recovery in the face of COVID-19 highlights the widening performance gap



● Companies with mature Salesforce foundations prior to COVID-19

● Companies in the early stages of Salesforce digital transformation journeys prior to COVID-19

Consolidation in Salesforce drives recovery and business outcomes

Companies that were ahead of the digital transformation curve before COVID-19 have been better able to stabilize, pivot, and begin their recovery. And as Salesforce’s strategic importance to businesses increases—heightened by COVID-19—organizations are reconciling and rearchitecting Salesforce to meet their expanding cross-departmental needs. Companies that initially implemented Salesforce within individual business units are now working with IT to consolidate and rearchitect their Salesforce org structure to balance data visibility and collaboration with permission-based security and compliance.

By architecting the right Salesforce org structure, companies can simplify integrations and achieve a more streamlined business view. This type of consolidation makes communication and collaboration easier, driving faster recovery and better outcomes.

25% of respondents had a mature Salesforce foundation prior to COVID-19

29% of respondents increased their investment in Salesforce as a direct result of COVID-19

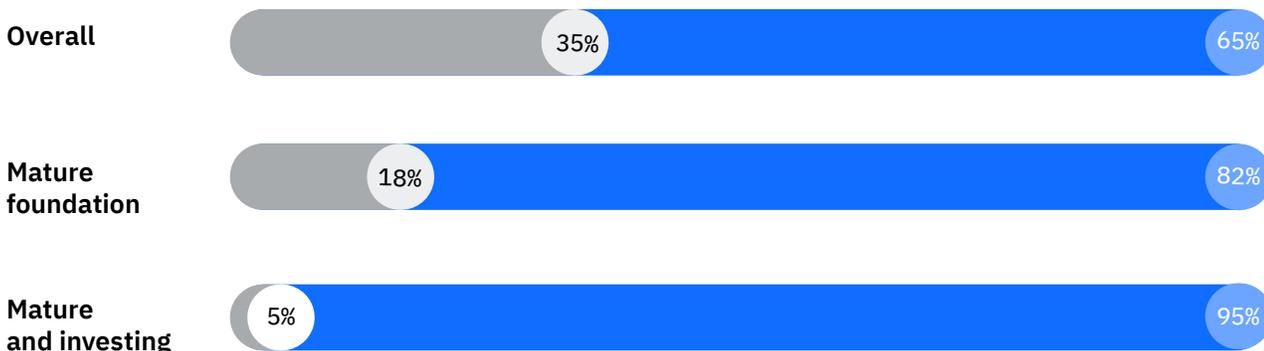
12% of respondents had a mature Salesforce foundation prior to COVID-19 **and** increased their investment as a direct result of COVID-19

The companies that increased both their Salesforce investments and had a mature Salesforce foundation are

+47%

more likely to be further along in their business recovery.

Companies with a mature Salesforce foundation prior to COVID-19 are ahead of the recovery curve.



COVID-19 recovery stage*



Crisis



Stabilized or beyond

*See recovery stages on page 25

Data-driven cultures demand front and back-office integration

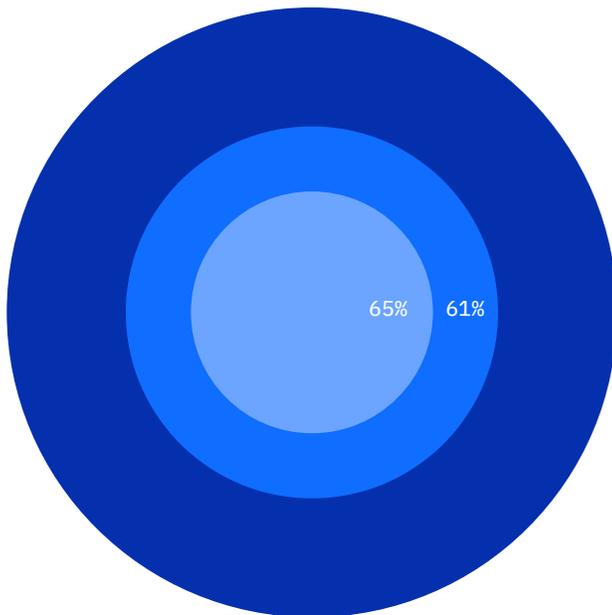
Whether they're at home or at work, people want better, easier access to information. COVID-19's push to digital channels and the connected, smart devices at our fingertips have conditioned people to expect immediate service and insight from every business—not just tech giants. To meet the needs of this global data-driven culture, organizations need to transform the back-office and unlock the next phase of AI-powered, intelligent CRM.

The best companies integrate siloed, back-office systems and data with Salesforce to enrich and power deeper front-office insights. For example, retail companies and manufacturers are integrating management data from

[IBM Sterling Supply Chain](#) with Salesforce Commerce and Marketing Clouds to increase sales, supply, and marketing efficiency. Financial institutions are using MuleSoft's Accelerator for Banking—a set of API designs and implementations for identification, account aggregation, and payments initiation—to securely modernize legacy systems and unlock enterprise data to deliver digital initiatives faster.

By using integration solutions like MuleSoft, companies can design flexible end-to-end systems and processes that provide real-time insights across the entire business.

Deep integration is critical for end-to-end digital transformation.



● MuleSoft customers

● 61% of MuleSoft customers are planning to expand its use across Salesforce

● of those 61% of customers expanding MuleSoft, 65% are also increasing integration of additional data sources (due to COVID-19)

MuleSoft integration best practices

Develop a governance process to vet system changes, operational impacts, and technical feasibility.

Use short sprint cycles that prioritize end-user requirements through frequent code releases while reducing risk and costs.

Standardize and reuse code and integration design to support and speed up future projects.

End-to-end business automation improves agility and strengthens crisis response

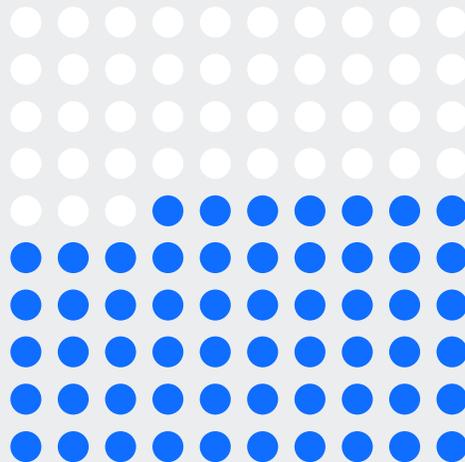
The pandemic brought business-as-usual to a halt. Organizations already automating their business processes in Salesforce were better able to weather the early storm, stabilize, and adapt to new ways of working to get back on track for growth.

Business automation makes it easier to serve customers in virtually any industry, whether it's connecting service agents to inventory visibility to track orders or providing healthcare professionals with patient insurance details to create appropriate care plans. Salesforce customers

are using products like Lightning Flow to make workflow creation easier, faster, and more agile. These flows can execute logic, guide users through complex processes, and recommend next steps.

Crisis and risk management projections—especially related to natural disasters and climate change—indicate COVID-19 won't be our only disaster this decade. Forward-thinking organizations are figuring out how to transform business automation end-to-end with Salesforce to handle the current crisis and become more resilient for the future.

Salesforce customers that automate end-to-end workflows in Salesforce find it easier to make business pivots.



57%

are better able to pivot because of their investments in Salesforce

The best companies are connecting workflows inside Salesforce with other systems, to help transform their business processes end-to-end.

Percentage of the best companies who have automated the following workflows in Salesforce:

88%

Workforce planning (HR, procurement)

78%

Customer growth (marketing, commerce)

75%

Customer care (customer service, field service support)

60%

Customer acquisition (pricing, quoting, finance)

“By using Field Service Lightning, we have optimized the schedules for our front-line staff...

This ensures that we are getting the right person, to the right store with the right product in the fastest possible way.”



Shoba Ganesan
Director, IT Sales Transformation,
FritoLay, North America

Always-on digital experiences require always-on management

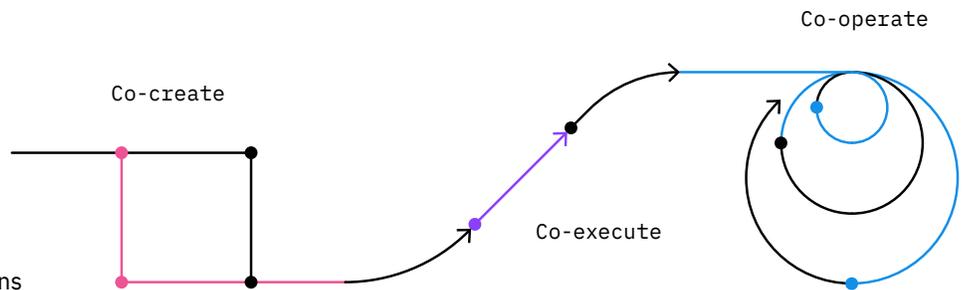
The stakes for digital transformation have never been higher. Companies' systems, processes, data, and infrastructure are becoming increasingly powerful and complex. And now COVID-19 has introduced yet another layer of responsibility and management. Salesforce customers no longer operate on a single cloud model. With more clouds, ongoing feature releases, products, and integrations, maintaining Salesforce and innovating it in lockstep with your business requires constant, hands-on management to get true ROI.

As discussed throughout this report, optimizing Salesforce today requires specialized skills, including human-centered design, data management, system integration, and business process automation. When you consider how to apply those skills in the context of business strategy, industry disruption, talent management, and employee culture, a more complete picture of the expertise needed to truly optimize Salesforce emerges.

Few companies, if any, have the capacity to manage this level of orchestration in-house. The best organizations are investing in Salesforce partners to augment their ability to build responsive, resilient systems while remaining focused on their core business—a fast-moving trend that's increasing the divide between the digital “haves” and “have-nots.”

The [IBM Garage methodology](#) delivers the always-on Salesforce innovation that the best companies demand.

- Enterprise Design Thinking
- Agile teams and skills
- Co-created, human-centered solutions
- Rapid scale to increase global impact

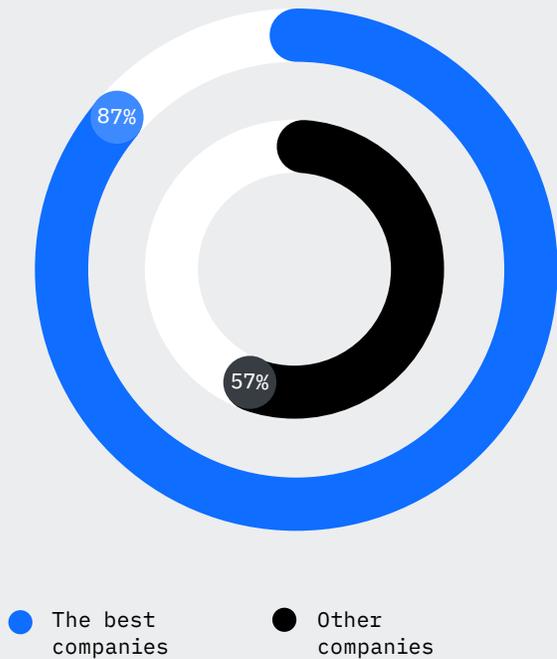


Businesses' complex Salesforce and technology infrastructure requires expert, always-on management.

63%

of companies deploy outsourced, always-on management and ongoing innovation of their Salesforce implementations

The best companies are +52% more likely to use outsourced Salesforce management services.



What's *next*?

Digital transformation has reached the next stage in its evolution. It's advancing from customer-facing channels to the back office, unlocking data to power the next phase of intelligent CRM. Today, it's not just customers who require intelligent solutions; employees rely on increasingly complex systems and processes to stay connected and productive. Organizations that can improve the employee experience via end-to-end integration and experience design across every system and platform will establish a significant competitive advantage.

The best companies are deepening their investments across the Salesforce Platform. They're prioritizing integrated solutions like MuleSoft to connect Salesforce with the entire business while redesigning processes and putting data-driven decision making at the core. Businesses who embrace hybrid cloud systems place themselves on the path to true resilience, a self-rewarding cycle of improvement that continues to elevate and define the digital "haves" vs "have-nots."

"We use Salesforce to help us offer our bankers insights that can improve their effectiveness and ultimately benefit their clients. We are continuing to develop more advanced features, such as leveraging push alerts and next best actions for our bankers and clients."



Steve Kozek
Senior Vice President, Commercial Banking,
Citizens Bank

Recruitment and methodology

This year's *The State of Salesforce* special edition report is based on two elements: a quantitative online survey of Salesforce customers and qualitative interviews with executives from organizations using Salesforce.

The survey was fielded between July and August 2020 and resulted in 1,332 qualified completes spanning 23 countries. Fifteen executive interviews, each approximately 60 minutes in length, were conducted between August and September 2020 from organizations across North America, Europe, Latin America, and Australia.

IBM collaborated with [Oxford Economics](#) for both the quantitative survey recruitment and qualitative executive interviews.

Survey recruitment was divided between IBM and Oxford Economics.

Executive interviews were conducted by Oxford Economics, with interviewees secured by IBM.

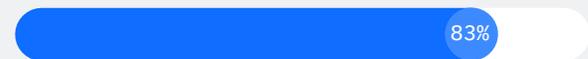
Defining the best companies

This year, the best companies represented 23% of our report sample. The following statistics represent overall survey respondents. The best companies are those that agree with all of the following attributes.

They're focused on their customers and able to meet their needs.



agree they can proactively understand customer needs.



agree they can meet customer expectations.

They're focused on employee safety and well-being, and their ability to provide the tools employees need to succeed.



agree they provide effective collaboration tools demanded from a distributed workplace environment.



agree they provide offline and remote access to their knowledge base.

They're investing in emerging technologies to anticipate change and increase resilience.



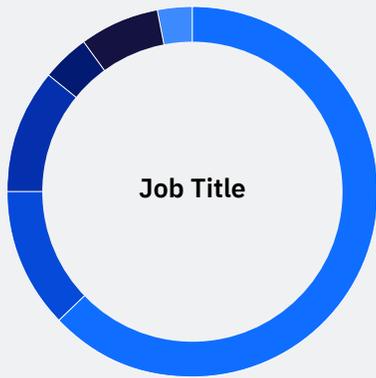
agree they increase productivity via use of AI and other cognitive abilities.



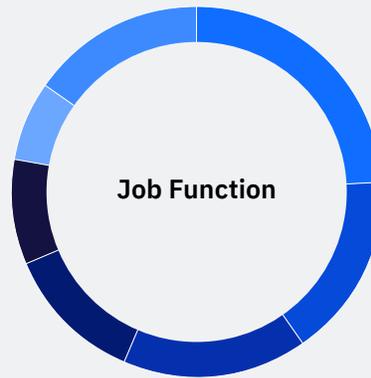
agree they are investing in IoT, RPA, and other emerging technologies.

All comparisons between "the best companies" and "other companies" in this report are statistically significant (at 95% confidence).

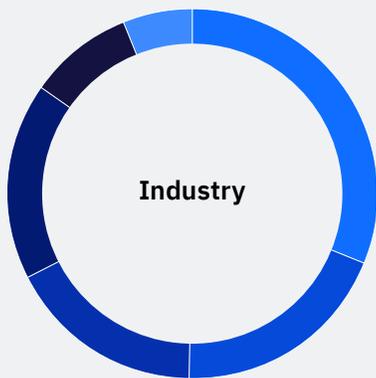
The State of Salesforce 2020-2021 by the numbers



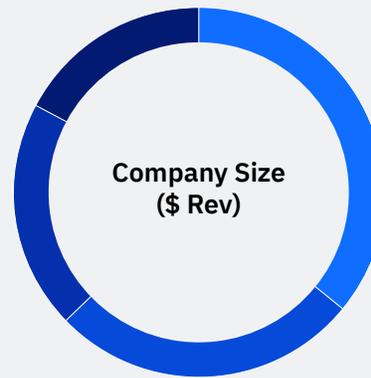
- 63% C-Level
- 12% Director
- 11% VP
- 4% Manager
- 7% SF Admin
- 3% Other



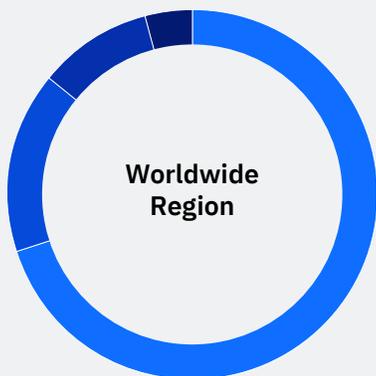
- 24% IT
- 16% Operations
- 16% Marketing
- 12% Sales
- 9% Service & Support
- 7% Finance
- 15% Other



- 31% Manufacturing
- 19% Financial Services
- 17% CPG-Retail
- 17% HLS-Public Markets
- 9% Comms, Telco, Media
- 6% Other



- 20% \$10 billion or more
- 36% \$1B-\$9.9B
- 27% \$500M-\$999M
- 17% <\$500M



- 70% North America
- 16% EMEA
- 10% Asia-Pacific
- 4% LATAM

Thank you

Al Jenkins

Managing Partner & Global Leader,
IBM Services, Salesforce

Saul Berman

Senior Partner & Global Alliance Lead,
IBM Services, Salesforce

Kelly Jessop

Senior Partner & North American Lead,
IBM Services, Salesforce

Matt Francis

Partner, Chief Technology Officer,
IBM Services, Salesforce

David Trinh

Associate Partner & Industry Solutions Lead
IBM Services, Salesforce

Steve Faris

Chief Platform Officer, IBM Services, Salesforce

Joahna Kuiper

Enablement & Offerings Lead,
IBM Services, Salesforce

John Hope

Analytics Lead, IBM Services, Salesforce

Simon Shaw

Customer Service Director, IBM Services, Salesforce

Corinne Sklar

Chief Marketing Officer, IBM iX

Kristil Roberts

Marketing Strategy Lead, IBM Services, Salesforce

Additional contributors

Jon Walheim, Silke Meixner, Renata Kuchembuck,
Betina Wunderlich, Luis Chiang-Carbonell, Carolyn
Baird, Jeffrey Riozzi, Josselain Prost, Jamie Contonio,
Glenn Hackemer, Manish Yadav, Andy Thoe, Kathy
Kolwyck, Matt Brown, Don Hummer



OXFORD
ECONOMICS

© Copyright IBM Corporation 2020

IBM Corporation
New Orchard Road
Armonk, NY 10504

Produced in the United States of America
October 2020

IBM, the IBM logo, ibm.com, IBM Cloud, IBM Garage, IBM iX and IBM Services are trademarks of International Business Machines Corp., registered in many jurisdictions worldwide. Other product and service names might be trademarks of IBM or other companies. A current list of IBM trademarks is available on the web at "Copyright and trademark information" at www.ibm.com/legal/copytrade.shtml.

This document is current as of the initial date of publication and may be changed by IBM at any time. Not all offerings are available in every country in which IBM operates.

THE INFORMATION IN THIS DOCUMENT IS PROVIDED "AS IS" WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING WITHOUT ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY OR CONDITION OF NON-INFRINGEMENT. IBM PRODUCTS ARE WARRANTED ACCORDING TO THE TERMS AND CONDITIONS OF THE AGREEMENTS UNDER WHICH THEY ARE PROVIDED.

Salesforce, Sales Cloud, Service Cloud, Marketing Cloud, Commerce Cloud, Community Cloud, Analytics Cloud, Salesforce Platform, Salesforce Mobile App, Heroku, IoT Cloud, Pardot, Salesforce CPQ, Lightning Experience, MuleSoft, Tableau, Field Service Lightning, Salesforce Einstein, and Einstein Analytics, Vlocity, Quip, Salesforce Industries, AppExchange, Datorama, Krux, Work.com, Salesforce Shield, Salesforce Flow are all registered trademarks of Salesforce.com. Survey powered by SurveyGizmo. Watson is a registered trademark of IBM. All trademarks are held by their respective owners.

