

WHITEPAPER

How Salesforce Can Help Increase Business ROI



salesforce

1) How Salesforce Can Help Increase Business ROI

With customers at the centre, the Salesforce Customer Relationship Management (CRM) is designed to empower organisations and help them resolve customer issues. It helps provide better solutions to customers by offering them value. If you are looking for a tool to leverage the performance of your business and multiply your revenues or increase your ROI, look no further than Salesforce CRM, which offers you the optimum solution. Investment in Salesforce CRM will not only aid your business to connect with customers better but also enable swifter growth of your business.



CRM doesn't have to be complex. If you are using a cloud-based tool such as Salesforce, you may be pondering how to measure the efficacy of your lead generation efforts. As a marketer, we are always asking ourselves how to get more ROI out of our leads.

Using Salesforce and allied tools such as Pardot, you can indeed measure the ROI of your leads, no matter which campaign they came from. Not just that, with Salesforce's AppExchange, you can also unearth some buried gems that will simplify and streamline the process even more.

2) Why Use Salesforce: A Marketing Automation System?



Salesforce and its multitude of allied products and complementary software are just one of several marketing automation tools designed to aid marketing and sales more effectively capture and develop their prospects. According to a study by Salesforce and Pardot, organisations who use automation have 53% higher conversion rates resulting from their response to qualified leads, and achieve a 9.3% higher sales quota.

A lot of capital is invested into converting a start-up into a profit-making business with high returns. The 'leading cause of small business failure' (about 46%) has been attributed to incompetence. However, with the current technology, it is now possible to embrace certain sales and marketing techniques to ensure that a start-up produces favourable turnover swiftly. This comes as great news to start-up owners, as they can now maximise their ROI with Salesforce. The use of automated sales and marketing solutions makes it possible to scale-up conversions and produce high sales volumes without spending huge sums of money on campaigns.

3) How to Calculate the ROI for Salesforce

When evaluating technology solutions that may benefit your company, the management would be keen to understand the answer to at least three questions:

1. What are we getting back for our money?
2. What is the ROI?
3. What is the adoption rate for each system?



Probably, you have come across at least one of these questions sometime or the other. Successful organisations perform a cost-benefit analysis on all significant uses of money, and the greater a particular use of funds, the more stringent the cost-benefit analysis should be. Although, in most cases, costs and benefits are complex to determine, don't let perfection be an impediment to obtaining valuable information.

4) Metrics for Determining Salesforce ROI



1. For sales related products of Salesforce, increase in profit is the key metric you should consider. Profit is the difference between increased revenue from sales and all related costs.
2. Net savings is another key metric you should consider. Net savings is the difference between the costs associated with the new system and related cost reductions.

5) Estimating ROI Based on Profit Gains

You can determine profit by estimating the increase sales for a specific period of time from the date of implementation of Salesforce, multiplied by your gross profit margin, and divided by the total cost of the platform (including administrative and development costs as well as Salesforce partners). The time period taken should be long enough to view the impact.



Profit Estimation: $(\text{Rise in Sales} \times \text{Profit Margin}) / \text{Total Cost of Salesforce}$

ROI can be calculated over different time periods and overseen accordingly. This estimation often needs to be revised constantly as the ROI profit and rise in sales may be caused by several other factors, apart from Salesforce, such as:

- New marketing investments
- New sales personnel
- New products and pricing
- New relationships

One probable method is to estimate the impact each major initiative has on the increased revenue and define this impact as a percentage. For instance, if Salesforce impacted the revenue increase by 30 percent, multiply 30 percent by the ROI estimated to find the profit pertaining to Salesforce.

For instance, if Salesforce impacted the revenue by 30 percent, multiply 30 percent by the rise in sales for the relevant period, multiplied by the gross profit percentage, and divided by total costs of Salesforce.

6) Calculating ROI Based on Net Savings from Process Improvement



For simplification purposes, Salesforce and associated benefits from process improvements are considered same.

You can take the combined total of the cost reductions for the specific period pertaining to Salesforce process improvements, subtract the total cost of the platform (including administrative costs and Salesforce partners) for the same time period. In this case, too, the time period should be long enough to view the impact.

However, real situations may be much more complicated. For instance, in a specific operational area, new managers, new employees, and new processes can create cost savings. In that case, the same approach can be used by multiplying the net savings by the percentage of improvement attributed to Salesforce.

7) Increase User Adoption and Increase ROI with Salesforce

It is absolutely critical to increase user adoption for Salesforce, and adoption rates must be computed and monitored to ensure you consistently attain high levels. Low adoption rates suggest existence of issues that require immediate attention.



Furthermore, if parallel systems – such as Excel – and legacy systems are used even after implementation of the new system, then the parallel system should be discarded.

Apart from increasing user adoption, a business can also have qualitative ROI considerations such as enhanced morale, attracting better talent, turning more green, consistent legal compliance, etc. Attainment of these objectives also plays a significant role in ROI considerations.

8) What is Salesforce CRM and How it Can Aid Improve ROI?



Salesforce is the pioneer in the CRM industry and this is quite logical for companies to choose the leading CRM for their businesses. But bear in mind that you can take advantage of most of the benefits from the platform only by hiring a certified Salesforce Consultant.

For instance, if you want to use the Salesforce marketing cloud or Sales cloud for campaign management, then its functionality is limited not just to

marketing area, but the CRM can be tailor-made according to your business needs. It has the capability to leverage the overall sales of your business by creating new opportunities, optimising conversion, and analysing data through Report or the Dashboards. A June 2014 report by Nucleus Research mentions that CRM gives back \$8.71 for every dollar spent.

A random customer survey of 6,200 customers of Salesforce CRM by an independent third-party, Market Tools Inc., revealed that 90 days after implementation of Salesforce, the improvement in sales profit margin as well as the sales revenue was 30 per cent each. The survey also showed that Salesforce implementation resulted in an increase in overall ROI over a period of 12 months by 100 per cent, while the increase in finding information quickly was 76 per cent. It also led to an increase in idea generation and sharing of ideas by 50 per cent. Apart from this, the increase in total volume of sales leads was 50 per cent and the increase in number of leads converted to sales opportunities was also 50 per cent.

The report generation is simple with Salesforce based on several criteria and filters that enhance the overall efficacy of your business processes. Similarly, there are a host of benefits that can be enjoyed by the right utilisation of Salesforce CRM. For timely deliveries, you can make use of case management, determine the priorities, and assign them one after the other to the person concerned. So, whenever there is a problem, the Salesforce implementation partner has a solution for it.

9) Ways in Which Salesforce Can Help Increase Your Business ROI

Following are some of the primary ways in which Salesforce CRM helps increase your business ROI:

1. Helps Generate More Sales Leads

Generating as well as managing new sales leads is paramount for every business. In order to achieve success for your company, targeting your lead helps in improving the profitability index. While managing several tasks, there is a probability that your employees may miss out on some vital information leading to loss of sales opportunity. But with the aid of Salesforce CRM, such mistakes can be avoided. It aids you in providing information on all opportunities and keeps you updated about all prospective leads for increased productivity.

2. Helps Maintain Effective Sales Pipeline

It is crucial for every organisation to not only find the right leads but also guide them towards total commitment. Salesforce CRM helps you to effortlessly keep track of all the individual prospects. It helps in garnering critical information such as expectations, their pain points, and more that can help in guiding and converting your potential customers towards a sale. By identifying where exactly your lead is in the sales pipeline, you can have a good idea about their next step. Eventually, Salesforce CRM helps increase the sales of your business and enhances your ROI.

3. Helps Enhance Customer Engagement

The greater number of customers you engage with your brand, the more successful your business will be. It is important that you offer your customers a positive experience every time to enhance the customer engagement level. Salesforce CRM helps you make this possible. By providing elaborate information about each of your customers, it helps engage with them effectively. With hassle-free and prompt service, gaining satisfied customers becomes easy. It helps improve customer engagement, leading to repeat purchase, which ultimately ensures better ROI for your business.

4. Helps Improve Efficiency and Productivity

By automating all the tedious and unproductive tasks, Salesforce CRM eliminates all the wasteful processes and unnecessary efforts. It helps create a super-efficient system that ensures better value to customers, resulting in cumulative increase in sales productivity and overall productivity of your business, leading to better outcomes.

5. Helps Fulfil Customer Expectations Better

Fulfilling customer expectations is one of the fundamental aims of every business. While the expectations of customers are dynamic, fulfilling their needs becomes difficult. Customers usually expect proactive services, dependable support, and a user-friendly interface to fulfil their specific needs. Salesforce CRM serves as the best way to connect with your customers and fulfil their unique needs. By offering a proactive approach, easy customisation, data protection, and a connected journey, Salesforce CRM helps in fulfilling all customer needs and leveraging your business growth.

6. Helps Increase Sales

Most customers shift brands due to the unavailability of bespoke services. Offering a customised approach helps in better retention of customers. Salesforce CRM can help in providing a tailor-made approach to customers. Apart from keeping all the critical customer-related information in one place for easy and swift access, it helps in enhancing the accuracy of the sales forecast. It also helps in easy follow-up by managing your sales tasks, tracking performance, and setting reminders. Increasing your sales becomes easy with the help of Salesforce CRM. The CRM system also helps in identifying all the issues or problems of your sales process and resolving them at the earliest.

7. Helps Increase Customer Retention

Salesforce CRM makes it easy and simple to know your customers. It furnishes you with details about the profiles of each customer along with their purchase history, which helps you in better retention. It also provides information about the response of customers to various marketing campaigns that you launched. Having such vital data can help your business find better solutions to retain your valuable customers. With useful information about what customers want, retaining a greater number of customers, and ultimately multiplying your revenues becomes easier.

8. Helps Improve the Credibility of Your Brand

Maintaining consistency in all your business operations ensures better credibility for your brand. By investing in Salesforce CRM, you can offer your customers consistent services without any hassles. Apart from enhancing improving your brand's credibility, you can also increase your customer base and boost the overall ROI of your business.

Salesforce CRM can help increase your business ROI in multiple ways. With valuable business insights, stimulating the growth of your business becomes simple and easy.

9. Helps Launch Low-cost and Effective Marketing Campaigns

The best way for a start-up to get returns is by running effective marketing campaigns at the least possible cost. You can maximise your ROI with Salesforce by using the automated tool to design campaigns that use fewer human and financial resources, with short implementation time, to create high conversion rates and turnover. Automated software engages with customers and generates valuable marketing data. With this data, a start-up can run specific campaigns targeting smaller groups of potential customers that have high probabilities of conversion. The result is increased sales with less money used in the campaign and less time spent on campaigns by the sales and marketing teams. Automate routine processes with smart process rules that are easy to create using Salesforce for start-ups.

10. Helps in Market Analytics and Adaptation

Another way to optimise your ROI with Salesforce is to use the analytics and data reports provided by the automation tool to align your products and service delivery according to customer preferences. Automation tools engage with customers and collect important data that can be used to vary the way you deliver a service or product. Salesforce reveals that attracting a new customer is 6-7 times more expensive than retaining an existing one. By adapting to customer needs, a start-up can easily improve sales, and develop reliable and permanent relations with customers. Salesforce for start-ups generates practical client data that increases as your business and client portfolio expands. It enables you to analyse and report on this data so that you can gain insights into relevant client information.

11. Helps Increase Team Efficiency and Competency

Every start-up has a limited staff and as a result, most team members perform multi-tasking and often have to divide their time to cover other areas of the emerging business. You can optimise your ROI with Salesforce by limiting the workload on your team members and free their time to perform other tasks. Salesforce automation tools can be utilised to manage a host of activities such as marketing, sales, administration, and communication, thereby enabling team members to perform other tasks with greater efficacy. For instance, automated tools can be used to manage and run email campaigns, while the marketing team focuses on other aspects of the campaign.

10) Conclusion



Automation tools are becoming increasingly popular with organisations, be it big corporates or start-ups. Salesforce has proved its efficacy in improving conversions and increasing ROI. If you have a start-up, you can maximise your ROI with Salesforce and get swift returns to grow your business.

Need help with deciding if Salesforce is right for your company? Contact our consultants and we will work with you to devise the perfect integration strategy, approach, and plan that will work within your budget and existing infrastructure.