

Cloud services go mainstream

[Technology](#)



Case Study 3.4 - Salesforce.com: Cloud Services Go Mainstream

1. How does Salesforce.com use cloud computing? Salesforce.com provides customer relationship management and other software applications using the software-as-a-service business model over the Internet. Cloud computing, also known as on-demand computing, eliminates the need for a business to make large up-front hardware and software investments and reduces the time to implement new programs. Subscribers to Salesforce.com don't have to purchase or maintain any hardware (albeit personal computing devices) nor do they have to install any special operating systems, database servers, or application servers. Other than the monthly user subscription fee, businesses reduce their licensing and maintenance fees. Users access the Salesforce.com cloud through a standard Web browser or a mobile handheld device. Businesses using the Salesforce.com's cloud have an easier time scaling their system as they increase or decrease their workforce - they adjust the number of subscriptions to the cloud.

Salesforce.com offers some customization of its software so a business can adjust the software to unique business processes. It offers three types of clouds: Sales cloud, service cloud, and the custom cloud. The sales and service clouds help businesses improve sales and customer service. The custom cloud provides a venue for customers to develop their own applications for use within the broader Salesforce network.

2. What are some of the challenges facing Salesforce as it continues its growth? How well will it be able to meet those challenges? Challenges include: Increased competition both from traditional industry leaders and new challengers hoping to replicate Salesforce's success -Expanding its business model into other areas

-Ensuring the system is available 24/7 with no outages -Defending the system against security breaches Salesforce is answering the first two challenges by partnering with Google and combining its services with Gmail, GoogleDocs, Google Talk, and Google Calendar to allow its customers to accomplish more tasks via the Web . Salesforce. com and Google both hope that their Salesforce. com for Google Apps initiative will galvanize further growth in on-demand software. By partnering with Apple, Salesforce. com can expand its applications to iPhone users who will have access to their data anywhere any time. Through its partnership with Amazon. com, Force customers can tap into Amazon. com's cloud computing services that can handle " cloud burst computing" tasks that require extra processing power or storage capacity. Salesforce opened up its Custom Cloud (also known as Force. com) application development platform to other independent software developers and listed their programs on its AppExchange.

The company introduced a development tool for integrating with Facebook's social network that allows customers to build applications that call functions at the Facebook site. Small businesses can go online and download software applications, some add-ons to Salesforce. com and others that are unrelated. In order to grow its revenues to levels that industry observers and Wall Street eventually expects, Salesforce will need to change its focus from selling a suite of software applications to providing a broader cloud computing " platform" on which many software companies can deliver applications.

To ensure system availability, Salesforce. com provides tools to assure customers about its system reliability and also offers PC applications that tie

into their services so users can work offline. 3. What kinds of businesses could benefit from switching to Salesforce and why? Small to medium-size businesses are probably the most likely ones to switch to Salesforce. com because of cost factors and the lack of having in-house resources to provide the same level of computing capacity.

Businesses that are trying to increase the sophistication of their computing capabilities could also benefit from switching to Salesforce as long as the two are compatible. Businesses that rely on smart customer management would benefit greatly from using the tools available at Salesforce. com. Also companies that have small sales and marketing teams can benefit from the software-as-a-service business model. 4. What factors would you take into account in deciding whether to use Salesforce. com for your business?

Businesses should assess the costs and benefits of the service, weighing all people, organization, and technology issues. Does the software-as-a-service application integrate well with the existing systems? Does it deliver a level of service and performance that's acceptable for the business? Does the SaaS fit with the business' overall competitive strategy and allow the company to focus on core business issues instead of technology challenges? 5. Could a company run its entire business using Salesforce. com, Force. com, and App Exchange?

Explain your answer. Depending on the type of business, a company probably could run its entire operations using Salesforce. com, Force. com, and App Exchange. All four major functional areas of a business are supported: Sales and Marketing, Manufacturing and Production, Finance, and Human Resources. There are dozens of applications available to fully support <https://assignbuster.com/cloud-services-go-mainstream/>

all of these areas. It would be a matter of integrating the software from Salesforce. com and App Exchange with any existing legacy systems within the business.