INTRODUCTION

Customer expectations have changed. Your customers are now hyperconnected, across mobile and social in addition to non-digital channels, changing the way we do business. They’re more informed about products and services, they have more choices, and they’re empowered to seek their own answers to their problems. They’re looking for solutions and experiences that resonate with them personally, from the moment they learn about a company’s products and service, to transitioning into a customer and beyond. The pressure is on for companies to deliver on – and ultimately exceed – these expectations.

It’s a challenge, but it’s also an exciting opportunity. More than ever, businesses can harness the power of data to connect with each customer throughout the entire customer lifecycle. It’s just a matter of leveraging the right technology to help you get there. Keep reading to find out how on-premise legacy solutions are holding you back and why now’s the right time to move to the cloud.
The Connected Experience

By 2020, a person living in a country with heavy mobile phone and Internet usage will have around 60 connected devices. More products will be designed to respond to a user’s personal tastes: think smartphone upgrades, connected cars, and home thermostats that learn your temperature preferences.
Your customers already expect instant gratification and fast response times. They don’t want to stay at home all day waiting for their cable to be installed. They want to deposit a check by taking a picture of it, instead of waiting in line at the bank. When they request a quote on their deal, if they don’t get a quick response, they’ll go with a competitor. Speed is changing the game and we have to work faster and smarter to deliver great sales and service experiences. But many companies are struggling to deliver faster results because they’re stuck with on-premise solutions that aren’t built to be responsive, connected, or agile.

The emergence of the Internet of Things is only accelerating this trend. Imagine your toothbrush detecting a cavity, then relaying a message to your phone prompting you to schedule an appointment with your dentist, all before you finish brushing. That’s the kind of speed and connection that’s possible – and it’s up to companies to adapt and use it as an advantage, or stick with their legacy operations and risk being left behind.
Cut the Cord

It's not sexy, but it's crucial: The time IT has to spend managing infrastructure and upgrades has a direct impact on any company's ability to move quickly and innovate. On-premise systems require a large upfront investment, followed by ongoing maintenance. Meanwhile, your customers are demanding better experiences now.
Here’s what’s behind the bottleneck: With on-premise systems (both built in-house or purchased software), IT departments must implement and build the entire solution – from the server to the application codebase – on their own. It’s expensive, time-consuming and resource-intensive, and often the results fail to meet expectations. At many companies, the Enterprise Resource Planning (ERP) system sits at the center of operations. It drives your business process, how products and services are managed, and dictates the customer experience. This worked in the past, but is a roadblock today because it is centered on a company’s operations, rather than its customers.

When your customer’s needs change, or the market shifts, a company’s business process needs to adapt with it. Upgrades and integrations with on-premise systems are slow, projects pile up, and employees can’t operate the way they want and need to. With new innovations happening every day, IT teams are always playing catch-up – or can’t deliver at all because their hands are tied.
What do customers want?

By 2020, millennials will make up 50 percent of the workforce, and they’re already a hugely influential consumer base. This digitally native generation expects a certain level of customer experience – one that is mobile-first, personalized to their needs, proactive when it comes to resolving issues, and connected across customer touchpoints.

Modern customers don’t care how your infrastructure is set up, or whether your sales and service teams use different systems. All that matters to them is a single, cohesive, and pain-free customer experience that’s relevant to their needs. When they interact with your business, they want:

- **Mobility**: The ability to interact with your business from anywhere, at any time.
- **Personalization**: Sales, service, and marketing that addresses their unique business challenges.
- **Intelligence**: Interactions that anticipate their needs, rather than react to them.
- **Cohesiveness**: A single, connected customer experience, regardless of which channel they use to contact you or which team with which they’re interacting.

And when they have a frustrating, disconnected experience, they’re quick to move on to competitors. 78% of customers don’t buy because of a poor sales experience; 86% leave because of a poor service experience.

On-premise legacy systems prevent delivery of the connected experience modern customers expect. The need for costly infrastructure maintenance and time-consuming upgrades means IT spends less time innovating. Worse, on-premise systems store information in silos, making it impossible to have a complete, real-time customer view across the organization.

This is where the cloud comes in.
The fastest path to success is moving to the cloud

In the past 10 years, cloud computing has been the most important trend in enterprise technology. According to Forbes and a recent Economist Intelligence Unit study, mature companies are increasingly turning to cloud strategies to power growth. With advancements in technology, it’s easy to see why cloud has become a strategic advantage:

Movin’ On Up:

80% of cloud adopters saw improvements within 6 months of moving to the cloud

NSK, Inc.
# ON-PREMISE SYSTEMS vs CLOUD

## Customer Data
- **ON-PREMISE**
  - Siloed
  - No collaboration among teams
- **CLOUD**
  - 360-degree view of customers
  - Collaboration across teams

## Ease of Use
- **ON-PREMISE**
  - Outdated design, difficult to use
  - Low adoption
  - Difficult to integrate with other systems
  - No or little mobile functionality
- **CLOUD**
  - Full mobile functionality
  - Easy to adopt, intuitive to use
  - Natively mobile and social

## Its Role
- **ON-PREMISE**
  - In-house teams maintain and update systems
  - Licensing fees, IT costs
  - Focus on maintenance and upkeep
- **CLOUD**
  - Proactively notifies customers of hardware or infrastructure problems
  - Automatically provisions more hardware when needed
  - Focus on innovation and driving business

## Innovation
- **ON-PREMISE**
  - Slow, not future-ready
- **CLOUD**
  - Flexible and scalable infrastructure
  - Future-proof

## Reporting
- **ON-PREMISE**
  - Dependant on operations
  - Pulled from multiple sources and then combined, not consistent data
  - Old data, not real-time
- **CLOUD**
  - Analytics available to everyone
  - Consistent across all teams
  - Quick insights with centralized data

## User Experience
- **ON-PREMISE**
  - Multiple screens and systems
  - Disconnected from colleagues, customers
  - Too much effort spent importing data vs. getting usable value out
- **CLOUD**
  - Unified desktop, streamlined experience for all departments
  - Single platform connects all users
  - Increased uptime
  - Remote accessibility
Crush the Competition

Cloud computing has made delivering a connected customer experience affordable and instantly available. Resources are there as you need them, without the burden of setup and maintenance costs. With cloud computing, you have everything you need to leave the competition in the dust.
Built for Speed

We all know that the digital world never sleeps. In order to keep pace with changing technology and customer expectations, businesses must harness the power of the cloud. Legacy on-premise systems are built for a different era — and they hamstring your best innovators by tying up IT’s time and resources. By nature, cloud computing is adaptive and agile, designed for development and implementation that matches the speed of digital innovation.

In a single cloud ecosystem, with a common framework, developers and IT organizations can build using their preferred tools. When you have the right technology, you can iterate fast. The days of long IT projects and cycles are gone, with next-generation Platform as a Service (PaaS) architecture. Apps can be built quickly, and then scaled with your company’s success. Once released, you can gather user feedback and make updates to improve apps, over and over.
Unlock Innovation

A common challenge among IT leaders is figuring out how to successfully partner with the rest of the business. In many cases, a history of long, expensive IT projects has produced a strained relationship and hampered IT’s ability to act as a force for innovation. With cloud solutions, IT can focus on value-driving projects that pushes the business forward.

With all of your customer and employee data in a centralized, cloud ecosystem, and your IT organization free to build, there’s no limit to what you can create. Consider the possibilities:

- **Centralized Knowledge Base:** Cloud systems support 24/7 access to your data anywhere, anytime
- **Completely Mobile Sales:** Road warriors stay fully connected to the office with real-time data in the palm of their hand
- **The Perfect Match:** Using shared cloud data, Marketing and Sales team up to close deals faster
- **Smarter Service:** Service teams have complete, detailed information to deliver personalized, tailored interactions
- **Faster Collaboration:** Increase productivity, from HR to Finance to IT, when everyone in your organization connects in the cloud
- **Idea-to-App at Top Speed:** Cloud platforms let you build complete apps quickly
- **Apps Customers Love:** Cloud-built apps that integrate customer data result in richer, more engaging experiences
Connecting with customers

Today’s customers are savvy buyers, and they’ll opt for brands that offer a smarter, more connected customer experience. Cloud solutions connect your entire company across every business function, giving you a complete view of every customer. This level of visibility enables your company to connect with every customer in a whole new way, by making every interaction more mobile, more personalized, and smarter – in other words, to deliver the kind of experience your customers expect.

When you choose the right cloud platform, you can create an agile layer of engagement that unifies your data from any back-end system of record. Switching to the cloud enables you to become a customer company, and makes you smarter and more predictive about your customers. Your customers are more satisfied with the speed and quality of their experiences, and your employees work more productively with flexible tools at their fingertips.

Every kid coming out of Harvard, every kid coming out of school now thinks he can be the next Mark Zuckerberg, and with these new technologies like cloud computing, he actually has a shot.

Marc Andreessen
Cloudspotting: What to look for in your next solution

You need to find a cloud platform that has the flexibility to serve both business and IT interests: both sides are essential to keeping your customers happy. But not all cloud solutions are created equal, so here are a few considerations to keep in mind when shopping around.
Customer Success
When choosing a cloud platform, find one that prioritizes customer success. Your cloud provider should offer robust training, success services, and community resources to ensure you’re making the most of your investment.

Leadership
Cloud computing has gained critical mass in the marketplace, which means it’s easier than ever to find a cloud platform solution. This doesn’t mean you should go with just anyone – choose a cloud provider that’s market-tested and delivers innovation often, future-proofing the technology and your investment.

Trust
As with any technology, security, availability, and performance are essential factors when choosing a cloud provider. Ensure that your cloud solution is built around a robust and flexible security architecture. Speak with providers about how they will protect your data and give you visibility into system performance and security.

Multitenancy
Multitenancy is a fundamental technology that true cloud platforms use to share IT resources cost-efficiently and securely. When every customer’s apps are built on the same code base, it not only leads to massive cost savings, but also allows customizations and new apps to be created at lightning speed.

Ability to Scale Fast
Not all cloud platforms will give you the ability to customize, extend, and scale according to your business needs. Salesforce is the only company that provides three major innovation releases every year, to all customers, without ever losing customizations or integrations.

Fast App Dev
It’s not just about the cloud platform – it’s also about what you can do with it. Find a cloud platform that will empower your team to build apps fast, and you’ll set up your IT department to add value through rapid innovation.

Open Ecosystem
Once you move to the cloud, you’ll realize you’re not alone. Hundreds of thousands of companies use cloud solutions, so your provider should help you connect with a community of experts and partners who can help you extend the power of your platform and innovate faster.

Complete CRM
When it comes to managing customer relationships, the best cloud solutions connect your entire business around the customer, from sales, service, and marketing to communities, IT, and analytics. Choose a cloud provider that sees the big picture and can help you get there.

IDG Enterprise Cloud Computing Study 2014

are the three most common departments funding cloud initiatives outside of IT.
CONCLUSION

Your customers have changed, the business landscape has changed, and your competitors have changed. On-premise systems are no longer the right road to success – either yours or your customers’. In order to succeed in today’s hyperconnected world, you need to connect your entire business and put your customer at the center of it.

Cloud solutions are built for speed, innovation, and connectivity, enabling you to deliver awesome customer experiences that drives success and loyalty. By connecting all of your data and extracting actionable results from it, your company gets to know customers better than ever and can provide seamless interactions across any channel.
Get more than a CRM. Get a strategic partner

Technology is moving quickly, and businesses need a partner to stay ahead of the change and keep innovating. Salesforce matches your vision with our own. We help you adapt to a new landscape, quickly shifting to meet your customer’s expectations and delighting them with new innovations. By investing in innovation, not infrastructure, you free your IT organization to focus on business instead of the back-end. Customize the core CRM platform, or develop your own apps with our full range of tools. Get powerful industry-specific solutions in our open-app ecosystem and extend Salesforce into any department or industry with proven third-party apps. When you work on one platform, where everything works together, you improve all aspects of your business across sales, marketing, customer service, analytics, social communities and more.