

How to Build a Great SaaS Business

salesforce ISV
partner program

Introduction

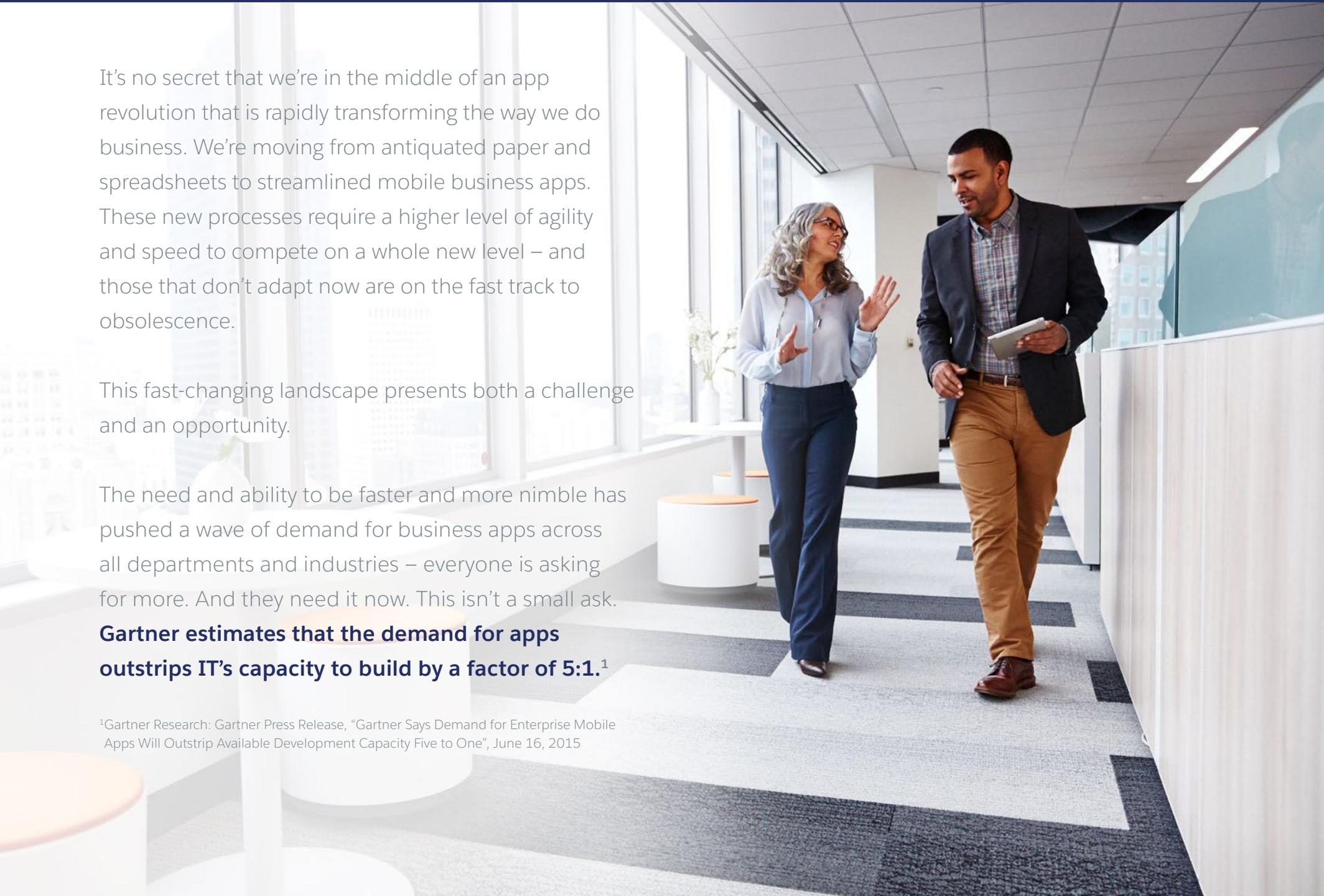
It's no secret that we're in the middle of an app revolution that is rapidly transforming the way we do business. We're moving from antiquated paper and spreadsheets to streamlined mobile business apps. These new processes require a higher level of agility and speed to compete on a whole new level – and those that don't adapt now are on the fast track to obsolescence.

This fast-changing landscape presents both a challenge and an opportunity.

The need and ability to be faster and more nimble has pushed a wave of demand for business apps across all departments and industries – everyone is asking for more. And they need it now. This isn't a small ask.

Gartner estimates that the demand for apps outstrips IT's capacity to build by a factor of 5:1.¹

¹Gartner Research: Gartner Press Release, "Gartner Says Demand for Enterprise Mobile Apps Will Outstrip Available Development Capacity Five to One", June 16, 2015



This means that the business must find new ways to build apps faster, or look for trusted prebuilt apps to buy. Failing to do either is not an option in today's business environment.

This is where you come in. Those who are able to build trusted business apps that satisfy customer demand stand to grow and profit greatly. This is the opportunity and it's time to take advantage of it.

This e-book will help you learn how to build a great software as a service (SaaS) business. It will show you how partnering with Salesforce gives you an unparalleled advantage in the marketplace to build, market, sell, and grow faster.

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Give Customers What They Want

A successful business must address a need in the market. Unfortunately, “need” is not straightforward and goes much deeper than a desire for new technology.

To explore some of the needs of the customer, start by putting yourself in their shoes.

The customer wants to innovate on their old business processes. Their competitors are moving faster and becoming more agile than ever before. Fortunately, technology is also advancing quickly, but the customer needs to be able to install and use the new features without constantly replacing the old system. Innovation and upgrades must be seamless.



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The customer needs apps that are secure, compliant, scalable, and reliable. Less secure apps make headlines and cause executives to get fired, non-compliant apps send executives to court, and apps that can't scale or stay available are worthless to the business and won't be used. The customer must be able to trust your app.

Finally, the customer already has processes and technology in place that will need to work with your app. The customer doesn't want to manage many different logins or open several screens to answer simple questions and perform routine tasks. The customer needs everything in one place and requires that your app fits into their single source of truth.

Therefore, an app must possess three key attributes:



1. It's innovative and can be upgraded without taking the whole system down.



2. It's trustworthy by being secure, scalable, reliable, and available.



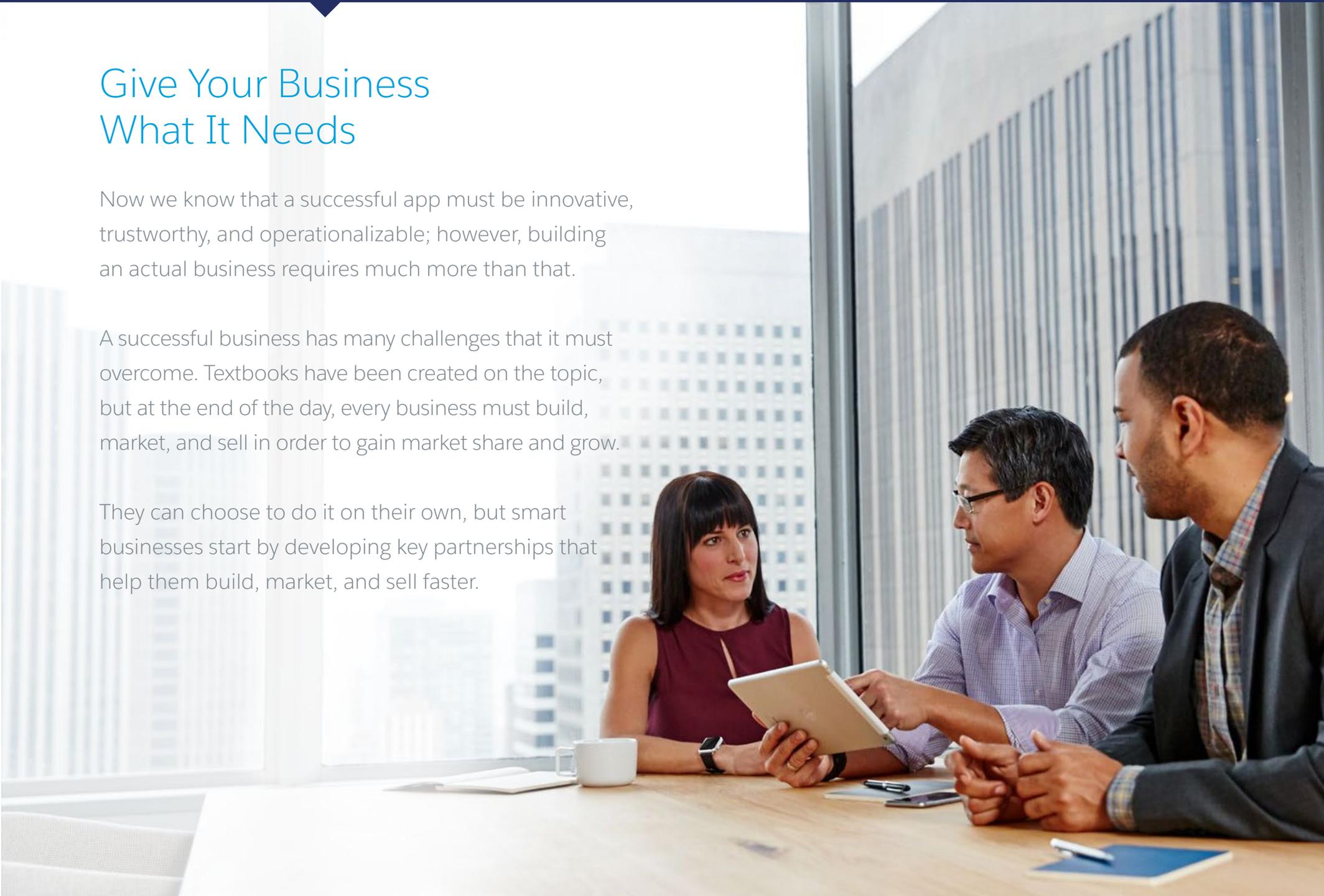
3. It's operationalizable by augmenting existing systems without creating new process silos.

Give Your Business What It Needs

Now we know that a successful app must be innovative, trustworthy, and operationalizable; however, building an actual business requires much more than that.

A successful business has many challenges that it must overcome. Textbooks have been created on the topic, but at the end of the day, every business must build, market, and sell in order to gain market share and grow.

They can choose to do it on their own, but smart businesses start by developing key partnerships that help them build, market, and sell faster.



[Salesforce](#) was the first in the cloud computing space to envision and execute on a business model built on partnerships - [even the name “App Store” was coined and trademarked by our Chairman and CEO Marc Benioff, before being gifted to Apple.](#)

We recognized that our success hinged on building a vibrant ecosystem of apps that were built on, or work seamlessly with, Salesforce App Cloud.

This has driven a rich history of partner success and many of our most successful partners joined for different reasons, ranging from an existing business replatforming to single-person teams growing into huge, successful companies, and everything in between. The one thing that is common across all of these successful businesses is the Salesforce Partner Program for ISV Partners, which helped them build, market, sell, and grow faster.

“Our partnership with Salesforce gave us a huge opportunity to create something disruptive in the cloud and allowed us to build much, much faster, with the customer at the heart of what we do.”

Stephen Kelly
CEO, Sage

Build a Breakthrough Business App

Think about your idea. Say it out loud.

Did you mention a trusted infrastructure? Perhaps you highlighted its amazing core capabilities such as localization, identity, and reporting? You might have, but chances are you talked about what makes it **different**.

This is because product differentiators drive customer value and revenue. They are what make your app special and stand out in the market, however, they likely represent only a fraction of your app-development investment.



A majority of development effort is focused on building and maintaining standard functionality that is required for every business app.

Trusted Infrastructure

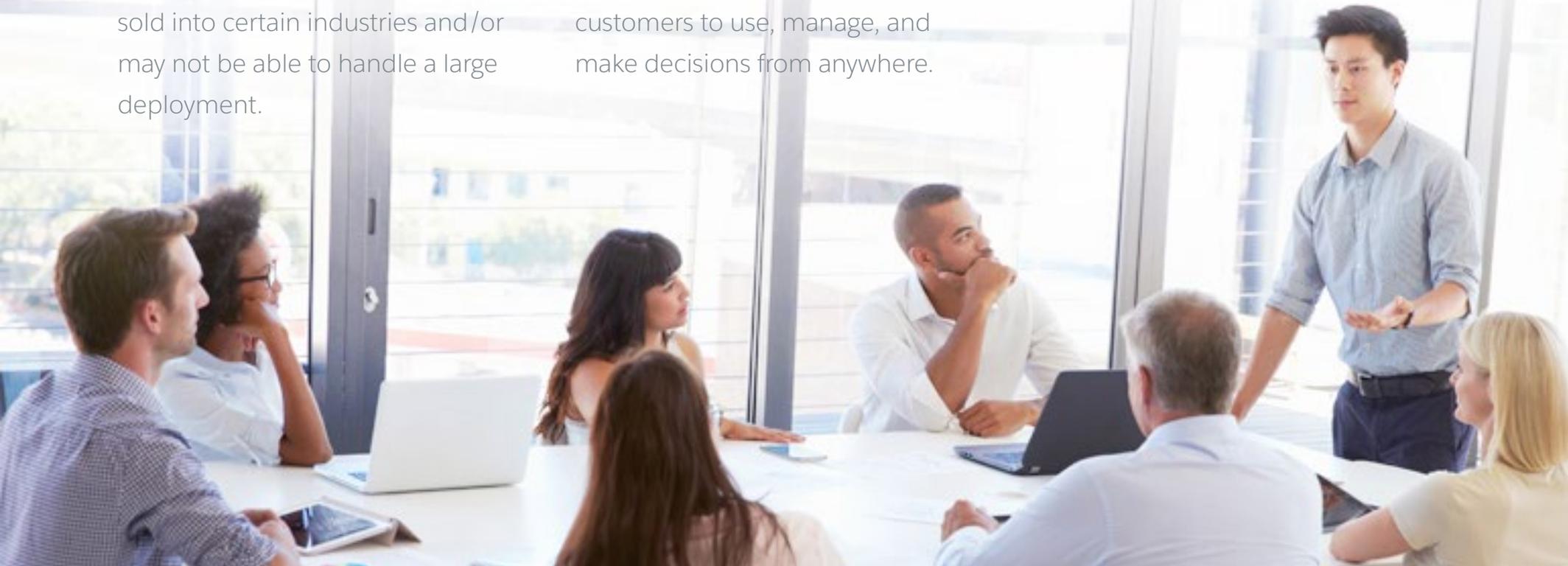
Every app needs a trusted infrastructure that's secure, scalable, and able to support continual innovation. Otherwise, it can't be sold into certain industries and/or may not be able to handle a large deployment.

Core Capabilities

Every app needs critical core capabilities, such as localization, identity services, reporting, and mobile accessibility to allow customers to use, manage, and make decisions from anywhere.

Distribution

Every app needs distribution technologies to get it into the hands of customers and to support a successful customer relationship.



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Standard functionality does not add to your innovation, so is it worth the time and investment needed to develop?

With [App Cloud](#), you get the required agility, security, scale, and speed from day one, which is why it has been a [Gartner](#) platform as a service (PaaS) leader for the last three years in a row.

Best of all, App Cloud is an API-first architecture, so if you need to incorporate external sources to build the absolute best experience for the customer, you have the flexibility to do so.

App Cloud makes it easier to:

- Build apps faster by using both clicks and code.
- Enable customers to run your app on any device, from desktops to mobile phones to smart watches.
- Sell into regulated industries by giving you tools to help make your app secure and compliant.
- Scale your app across all market segments, both domestic and international.
- Distribute your technology through managed packages and have the tools to track licenses and even collect payments.

Partner Spotlight:

CloudCraze accesses Fortune 100 customers with Salesforce.



WHO IS CLOUDCRAZE?

CloudCraze is an e-commerce application built natively on Salesforce. It enables B2C, B2B, and B2B2C companies to deploy mobile storefronts and scale quickly. Comprehensive merchandising, pricing, promotions, and catalog content management have customers generating revenue in weeks.

WHY DID THE COMPANY PARTNER?

CloudCraze execs chose to build on App Cloud because they trusted the platform and knew it would build immediate credibility with prospects. Since the Salesforce platform, development environment, and infrastructure already existed, they could focus all of their investment on the product.

Furthermore, CloudCraze wanted access to the Salesforce community and resources, like the AppExchange Marketing Program, to gain market visibility and collaborate with the Salesforce distribution team. The company's goal was to grow its AppExchange presence as a key lead-generation channel and it's been incredibly successful, generating 200–300 qualified leads per month.

HIGH-LEVEL SUCCESS

By leveraging the Salesforce Partner Program for ISV Partners, CloudCraze has built an impressive set of customers, including Coca-Cola, Adidas, Kellogg's, L'Oréal, and GE Water. To learn more about the CloudCraze success story, check out its [Forbes](#) article and [blog post](#).

“We have instant credibility with customers because we built our application on App Cloud and partnered with Salesforce.”

Chris Dalton
CEO, CloudCraze

Distribute Your App

Once you've built an app and you've transformed your idea into reality, it's time to take it to market. How will you find your customers? How do you know how your customers feel about your product?

To start, you may be evaluating different options, like calling friends and family, building a business development team, or hiring sales resources with rich Rolodexes to get you into accounts. The problem with each of these approaches is that they are time consuming, expensive, and may not give you the product feedback you need early on.

Instead, you should start by going to where potential customers are and list your app on AppExchange.

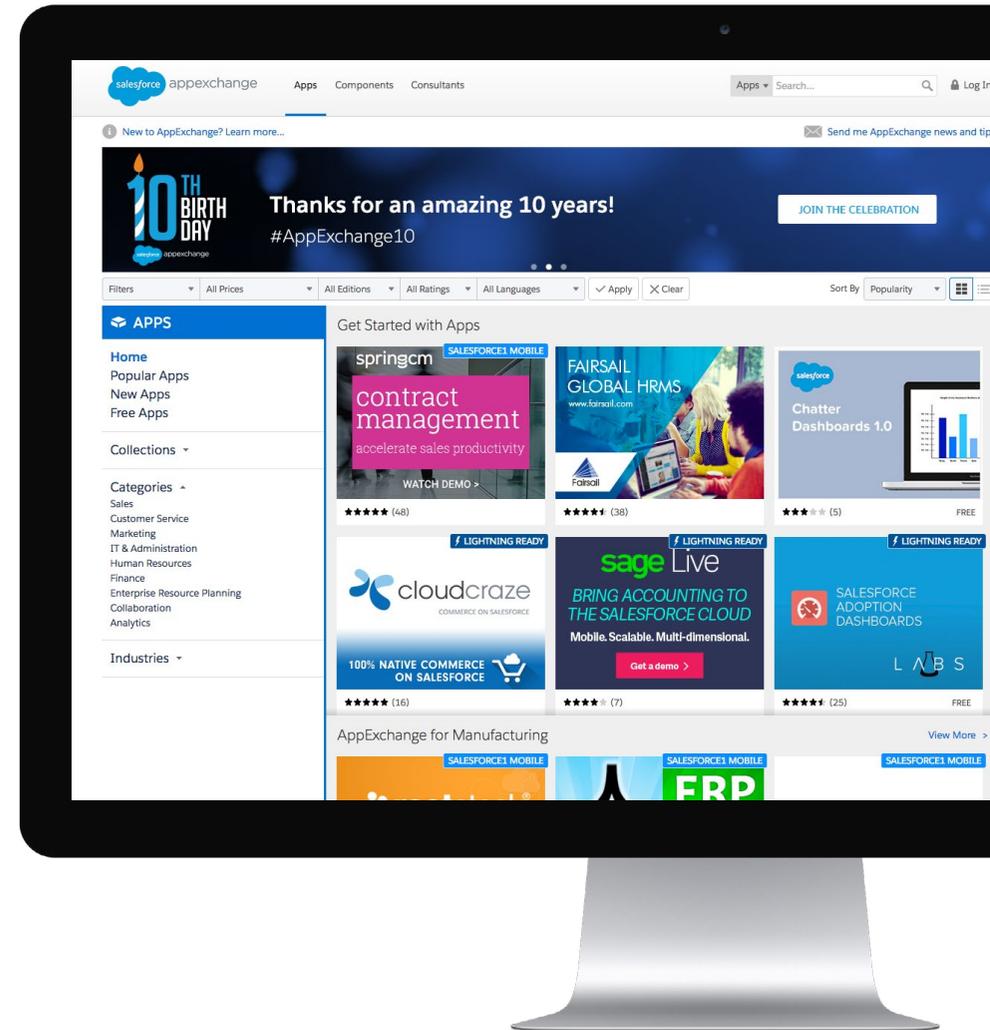


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[AppExchange](#) is the #1 business app marketplace and is the trusted advisor to the Salesforce customer community. More than 79% of Salesforce customers use apps from AppExchange and have installed these apps more than 3 million times into organizations ranging from several to thousands of users. They come to AppExchange because every app is preintegrated and prevetted to work with Salesforce products, and the appetite for these solutions continues to accelerate.

AppExchange customers love their apps and are proud to share their experiences. They have posted over 50,000 reviews, which means you can easily gather customer feedback and engage with them directly within the marketplace.

By creating a listing, you quickly open up a distribution channel where customers can find and provide feedback on your app, without needing to make significant time or capital investments.



Partner Spotlight:

Fairsail delivers explosive 2-year revenue growth of 460%.

WHO IS FAIRSAIL?

Fairsail provides a comprehensive HR system for midsize international businesses that is built on App Cloud. Fairsail is to HR what Salesforce is to CRM: a solution for great workforce and customer experiences, all on the same world-leading cloud platform.

WHY DID THE COMPANY PARTNER?

Fairsail was the first HR company to partner with Salesforce and to build on App Cloud, with the goal of delivering the required trust and resilience needed to store and process its customers' most important and sensitive information. The company didn't want to worry about, or maintain, data centers – instead it doubled down its focus on developing a differentiated product, which has led to a 25%–80% increase in HR productivity for its customers.



HIGH-LEVEL SUCCESS

Fairsail has had spectacular growth, increasing revenue 460% over a two-year period with a focus on the U.K. and U.S., yet the company has customers headquartered in over 20 different countries. Many found Fairsail's global HR management system through AppExchange and the broader Salesforce ecosystem. Fairsail expects this growth to continue as company leaders plan to more than double their revenue again in 2016.

App Cloud gives Fairsail the trust and scale it needs to win deals that the company would not otherwise. Furthermore, with App Cloud's scale and trust, Fairsail delivers amazing customer success by going live in 90 days or fewer, scaling across tens of thousands of end users in over 130 different countries, and delivering great experiences, resulting in a 99.5% license-renewal rate.

“We have customers headquartered in over 20 different countries and AppExchange helps us reach that global audience.”

Adam Hale
CEO, Fairsail

Grow Faster

You've built the product, you've closed your first customer, and you want to do it again, and faster. It's time to scale.

There are many ways you'll want to grow your company and Salesforce can help. As an ISV partner, you can access resources to help optimize your app, get more leads, and build more visibility into the Salesforce ecosystem, which will accelerate your growth. The program is designed to give you what you need when you need it, so as your revenue grows and you graduate through the partnership tiers, you unlock the benefits you need at that stage of your business.



How to Build a Great SaaS Business

In addition to access to the vibrant Partner Community where you can learn from your peers, ISV resources provide value across technology, product development, marketing, and go-to-market functions.



Want to learn more?

[Visit Trailhead](#), a free and fun way to learn at your own pace about all things Salesforce, and take the ISV Basics module.



Technology benefits help you build your product and give you tools to optimize and run your business.



Development benefits help you optimize your product architecture and build more efficiently.



Marketing benefits help you generate more leads and build brand awareness.



Go-to-market benefits help you sell faster, better, and more efficiently.

Partner Spotlight:

By partnering with Salesforce, SpringCM reduces their sales cycles and lowers customer acquisition costs.



WHO IS SPRINGCM?

SpringCM offers contract and sales content management solutions. Customers can track documents through the approval process and use the central repository for managing completed contracts, including automatic renewal reminders and usage analytics.

WHY DID THE COMPANY PARTNER?

SpringCM leaders invested in the Salesforce ecosystem because they estimated a \$900 million opportunity for their company, which would only continue to grow over time. They also knew that Salesforce deals would have significantly less friction because those customers had already invested in cloud technology and customer success.

In addition, SpringCM noticed that, on average, opportunities coming from the Salesforce ecosystem are almost three times the size of other opportunities and have a higher win rate.

HIGH-LEVEL SUCCESS

SpringCM saw immediate results: a 50% improvement in productivity in the first year and a 50% increase in bookings (renewals and new business), even though headcount remained constant. This momentum continues. In Q4 of 2015, the team saw a 400% year-over-year increase in new business, and more importantly, the cost to acquire recurring revenue has decreased by 66% while deal cycles have dramatically shortened, with six-figure deals closing in as little as 23 days.

“We grew 400% year over year after going all in on our partnership with Salesforce. And frankly, it was a simple focus on this ecosystem.”

Greg Buchholz

Founder and CEO, SpringCM

Conclusion

The opportunity to build a SaaS business has never been better. Regardless of your business size, aspirations, or where you are in the process, to be successful you will want to design trusted innovative apps that your customers can install into Salesforce, extending their single source of truth. You have a fun and exciting journey ahead, and the Salesforce Partner Program for ISV Partners may be the perfect fit.



With App Cloud, you can build the application that satisfies the needs of your customers.



With AppExchange, you can reach your market and acquire customers.



With ISV program resources, you can grow faster with technology, development, marketing, and go-to-market benefits.

Think the ISV Partner Program is right for you?
[Join today.](#)

Have more questions about the Partner Program?
Register for our ISV office hours [here](#).



**CONNECT TO YOUR CUSTOMERS
IN A WHOLE NEW WAY**



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