



NUCLEUS
RESEARCH

SALESFORCE, DREAM VERSUS REALITY

ANALYST

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THE BOTTOM LINE

Although it is considered a leader in the CRM space, Salesforce seems to have a difficult time keeping its customers satisfied. Nucleus found 51 percent of Salesforce customers would switch to another CRM solution if given the opportunity. Users Nucleus interviewed over the past two years cited poor usability, complex integrations, and lack of support as primary concerns behind this sentiment. Additionally, the majority of customers interviewed noted that the price of Salesforce steadily increased relative to its value. With little differentiation in the CRM space, Salesforce needs to reassess its priorities to ensure it maintains an ROI for its customers in an increasingly competitive environment.

OVERVIEW

Salesforce has been among the top vendors in the CRM space for over a decade and has established a clear distinction as the most widely used CRM platform. However, since 2019, Nucleus has seen a trend in growing Salesforce customer dissatisfaction. These users cited usability issues, frustration from lack of support, and growing concerns about the cost relative to value delivered. As a result of increased noise in the market, Nucleus conducted a survey to examine if these claims represented a growing trend or mere vocal musings of a small, disgruntled group.

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KEY SURVEY FINDINGS

Nucleus independently interviewed Salesforce customers and surveyed 137 additional users to examine the value the solution delivers. Respondents include US-based sales and service professionals working across a variety of industries.

WOULD THEY STAY?

The combination of poor usability, lack of support, and comparatively high prices have undoubtedly had an impact on the overall satisfaction of Salesforce users. Nucleus found 51 percent of Salesforce customers would switch to another vendor if given the opportunity. For companies that did switch to another CRM solution, Nucleus found that on average, they achieved a positive ROI within 12 months, making the cost of switching from Salesforce far lower than most customers anticipated.

USABILITY

Nucleus found that adoption is the most significant determining factor to the success and ROI of CRM implementation. In analyzing the results from the survey, Nucleus found Salesforce customers reported the lowest usability scores among all other leaders in the market, making it one of the most difficult solutions to adopt. Nucleus interviewed Salesforce customers to better understand the reasoning for the comparatively lower rating and found that the primary contributing factors were unnecessary complexity that increased the cost of user training and integration issues that increased the cost to manage the application.

Complexity

A significant percentage of Salesforce customers rely on adding third-party applications to gain needed functionality. While the vendor touts the value of AppExchange, haphazard integrations can add complexity to otherwise simple processes. Comparatively, Oracle's CRM solution is linked to core ERP functions, and Zoho offers customers fully integrated native functionality covering a multitude of business use cases. Salesforce's out-of-the-box functionality is limited, and customers that successfully deploy Salesforce must dedicate resources to set up and manage the system. Where functionality is available in Salesforce, many customers noted that it was only available at a higher tier. One user said: "In order to gain access to a couple of specific capabilities, our organization needed to move up to a different tier. We now have everything we need to support all of our operations, but our workspace has become overly crowded and can be overwhelming at times."

Integration

Salesforce has taken a piecemeal approach to growing its CRM capabilities, having done so primarily through company acquisition and a third-party ecosystem on AppExchange rather than organic product development. This strategy can result in data integration issues across these multiple applications, leading to duplicate or incorrect data sources. Ultimately, these challenges increase frustrations for the end-user.

Many customers Nucleus spoke to reported that Salesforce got in the way of completing daily operations. One customer that switched from Salesforce to HubSpot mentioned: "With Salesforce, there's always friction to making changes. Either we need to hire someone who has specialized knowledge, we need to send an email to support and we get back a technically accurate but generally unhelpful response, or the implementation requires all sorts of specialized knowledge and wiring. We loved Outreach, but being tied to Salesforce was a nightmare."

VALUE DELIVERED

The value of Salesforce has not kept pace with its increasing costs over the past several years and has fallen behind relative to its competitors. Nucleus found 23 percent of Salesforce customers believe the value being delivered was diminishing relative to its cost and has fallen behind compared to the value delivered by its competitors. While this number may seem insignificant, it scored the lowest in this category. Comparatively, fewer than 12 percent of Oracle users shared this same sentiment. While Salesforce has peddled a robust, third-party application marketplace, the higher price and complexity relative to competitors reveals the reality that the vendor is technically offloading developer costs onto the customer. Salesforce customers interviewed reported feeling a lack of guidance and

assistance from the vendor and expressed concerns over the increasing cost of the solution relative to its value, and their ability to justify renewal.

Lack of Support

Salesforce is known for its aggressive growth initiatives, 20 percent per year, but customers feel that the support has not kept pace. Often, questions go unanswered for weeks or months, and assistance is relatively limited. Users are left to navigate pain points on their own or pay an external consulting group a considerable fee to set up or manage Salesforce for them. One user said: "Our sales team does all of our own prospecting, and duplicate or incorrect data routinely causes issues when trying to generate quotes and we end up manually entering all of the data anyway. Our Salesforce admins have spent hours with Salesforce support, but we have not yet found a way to resolve this seemingly simple issue."

Increasing Cost

Compared to other leading vendors, the cost to implement Salesforce is notably higher, and Nucleus estimates that greater than 95 percent of Salesforce functionality is achievable through alternative vendors at fractions of the cost. In addition, Salesforce customers must regularly resort to purchasing higher subscription tiers just to access one or two additional features and end up paying a high cost for capabilities that go unused. One customer Nucleus interviewed reported, "our company has been using Salesforce for years, but we rarely take advantage of the additional features and capabilities. We just don't need the added complexity and have found it to be inefficient and expensive to try and implement." A majority of customers interviewed cited increasing subscription costs and stagnating functionality as primary drivers of diminished value.

43% of customers felt that Salesforce is more concerned with its own success.

CUSTOMER COMMITMENT

Almost every customer views technology vendors as partners in a long-term commitment, and the selection has as much to do with the quality of the company as the quality of the product. As the company that should be setting the standard in customer relationship management, Salesforce scored particularly poorly in actual customer relationships. Nucleus found that 43 percent of Salesforce customers felt Salesforce is more concerned with its own success as a company than the success of its customers. Comparatively, less than 15 percent of Oracle customers had similar feelings.

CONCLUSION

Leaders in the CRM space currently face little differentiation in terms of functionality, making usability and customer support vital to vendor survival. While Salesforce had traditionally been a reliable vendor, this was at a time that customers were moving off of on-premises systems and onto the cloud. Now that others in the space have caught up, Salesforce has been trading on its reputation while its competitors have been delivering measurable value. Salesforce needs to recognize that the market that was once all theirs is now all theirs to lose.