



Navigating uncertainty: Salesforce ecosystem in 2024

Fluido experts reveal their top three insights within the Salesforce ecosystem this year.

Look ahead

Many of us engage in strategic planning activities to ensure success for the new year. As part of the planning, we tend to make future predictions, some of us using advanced analytics and data, and some just relying on pure intuition.

While predicting the future is inherently uncertain, forecasting efforts contribute remarkably to proactive and strategic decision-making. Predictions allow individuals and organisations to navigate complexities, respond to challenges, and capitalise on opportunities that may arise in the future.

2023 was a year with a steep interest-rate-hiking cycle that has set global economic activity on a course that remains difficult to map. Many experts, however, anticipate a downshift toward stagnation or mild contraction in 2024. And the Salesforce ecosystem is not in isolation.

The Wall Street Journal reported in January 2024 that Salesforce will be laying off 700 workers, roughly 1% of their 70,000 global workforce, in addition to last year's decrease of 10% of employees. While last year's layoffs were in response to "overhiring" during the pandemic, it seems evident that challenging markets require tight profitability and productivity focus from all the players. Thus, Salesforce might be proactively shaping its organisation to meet the future needs of gloomy economics and AI's rise.

We at Fluido asked our experts to use their insights and reveal the secrets of the upcoming months. Our predictions are based on Fluido experts' insights and data concerning customer needs, Salesforce product innovations and launches, market outlooks and competitor activities that are visible to us. As the underlying economic situation in the markets will have an effect on the players in the ecosystem, we aim to highlight more phenomena and technological changes that will reshape the competitive battle.

We clearly see three topics emerging this year. Firstly, AI and Data Cloud are already changing the market dynamics. Secondly, there will be great success stories of companies building competitive advantage by accelerating process efficiency using Salesforce tools. Fascinating cases are made around Marketing Cloud, b2b eCommerce and Industry Clouds. And finally, Salesforce implementation partners will be forced to find new commercial and partnership models to engage with the customers as competition gets more challenging and the maturity of players increases.

If you are working in the Salesforce ecosystem please read about what to expect in the year 2024!

01

AI and Data Cloud are the most important technical innovations

There are no surprises here; AI and Salesforce Data Cloud are the most important technological innovations 2024. Since the launch of ChatGPT, a growing number of organisations have invested in generative artificial intelligence.

Salesforce promises to deliver trusted, extensible AI grounded in the fabric of the Platform. Customers can utilise Salesforce AI in their customer data to create customisable, predictive, and generative AI experiences to fit all business processes. In addition to solid data strategy and governance, companies should build practices and feedback loops for fast innovations and PoCs to test relevant use cases.

Common AI use cases supported by Salesforce platform



Sales - uses AI Insights to identify the next best steps and close deals faster



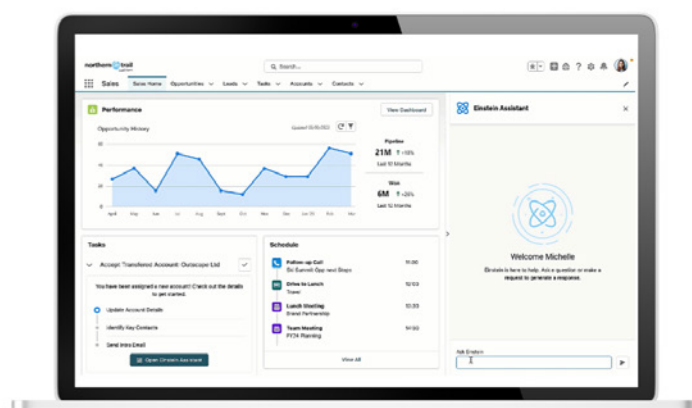
Service - uses AI to deploy human-like chatbot that provide answers to repetitive questions, freeing up agents' time



Marketing - uses AI to understand customer behaviour and personalise targeting and content



Commerce - uses AI to power highly personalised shopping experiences



As the hype stays strong, Salesforce will publish new AI features quickly. For potential customers of these AI features, it is crucial to understand the business benefits of different use cases and map promoted tools and features against technical and cultural fit within the organisation. And establish a transparent process to fast test and approve pilot cases.

Data Cloud will take giant leaps in the number of users

Data Cloud is part of the Salesforce Customer 360 platform. It is designed to help businesses collect, organise, and activate data from various sources to gain insights into customer behaviour and preferences.

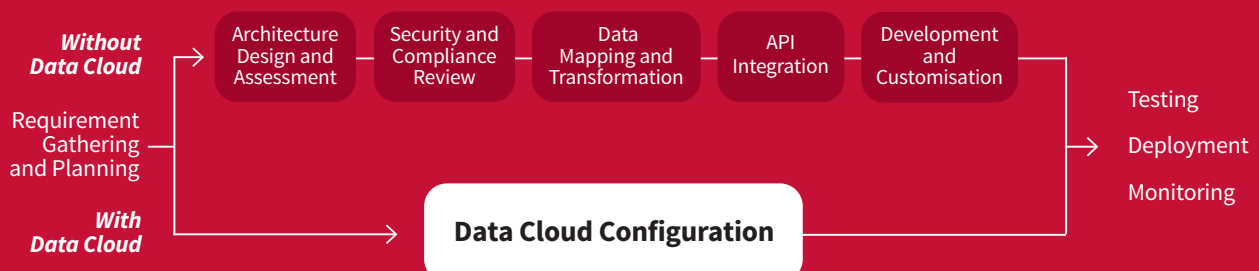
In addition to AI use cases, we predict that in 2024 we will see many more companies proceeding with Data Cloud implementations. What is already inevitable is that companies with agile innovation models will take giant leaps with AI and Data Cloud as the maturity of their operations increases. Those first movers will start to see the actual benefits of their investments and gain competitive advantages based on the intelligent use of AI and data.

As Data Cloud enables advanced and real-time audience segmentation, personalised marketing and advertising optimisation benefits are apparent. In addition to a consolidated and enriched view of customer data, e.g. customer behaviour, preferences, and engagement patterns, companies can also drive communication and customer engagement cross-channel and take customer experience to the next level.

In 2024, companies with the foundation of AI and Data Cloud will start to see business benefits and even competitive advantages in some areas. For many, there is still work to be done to set the initial cornerstones for future success. In practice, this means reliance on a coherent data strategy and governance.

For example, in Financial Services, this comes with the added complexity of rightly stringent regulation, so focusing on compliance and risk management engagement will be critical. There are substantial efficiency gains to be had, which can lead to capacity creation to provide more services to more clients and further support customers in achieving their financial goals and aspirations. At the personal and company levels, data literacy (ability to read, write, and communicate data in context) skills become necessary with AI models when users have to understand what data is fed to the model, especially when analysing the results.

Data Cloud simplifies data accessibility



02

Improved use of Salesforce tools to accelerate process efficiency

AI and improved use of data will provide massive opportunities for companies in all industries to improve productivity, but this will also force companies to change the way they operate to stay competitive. Companies that can leverage AI capabilities will gain competitive advantages in customer-facing operations and internal processes.

But AI and Data Cloud are not the only technical improvements we see accelerating business process improvements this year. There are three topics we especially want to highlight here. They are the major contributors: 1) advanced use of Marketing Cloud, 2) next phase b2b commerce solutions, and 3) digitalisation of industry verticals with Industry Clouds.

Increasing marketing automation effectiveness

Let's look at the Marketing Cloud topic first. As the business outlook for many companies is gloomy, we see more and more need for improved ROI of marketing automation tools. Research results show that companies use fewer capabilities of marketing automation technology than three years ago, which means that they feel that they are not getting the value out of their investment or cannot leverage the platform well enough.

Service providers and consulting companies need to be able to help companies in process enhancements instead of selling more and more new capabilities when the current ones are not even used properly. Also, companies realise they do not have the expertise to leverage marketing automation properly. They need to look for alternatives and solutions to build better internal expertise and stronger teams or outsource marketing automation operations for (technical) consulting companies. There would be room for a "Marketing automation as a service" offering.

Example: Finance companies require solid engagement strategies

In 2024, personalisation will emerge as a vital capability for Financial Services businesses. To effectively connect with the next generation of wealth holders, manage wealth transfer, and achieve positive financial results, FS firms must ensure their engagement is relevant, timely, and easily accessible. This necessitates the deployment of sophisticated marketing strategies and dynamic portals, enabling proactive interaction precisely when it matters most. Customers should feel seamlessly connected to their finances and empowered to engage on their own terms. Achieving this objective demands a focused investment in a cohesive data strategy, fostering connectivity across the business, and transitioning towards a 'buy not build' approach to portals.

Next level b2b eCommerce

In the b2b context, eCommerce is a topic that has been filled with high hopes but surprisingly limited results until now. B2b commerce maturity is low compared to consumer business solutions, especially in traditional industry segments such as manufacturing.

Advanced Commerce mechanisms, such as asset-based buying, white space selling, and headless b2b storefronts, are here to take b2b commerce operations to the next level:

- Asset-based buying is prevalent in industries where large, expensive assets play a crucial role, such as manufacturing, construction, and transportation. It allows businesses to acquire the necessary equipment or resources without the upfront financial burden of purchasing outright, fostering more flexible and strategic business operations. Within Salesforce, asset-based ordering is designed to support asset-based commerce scenarios, allowing businesses to manage complex buying and selling processes related to assets.
- White space selling in the context of eCommerce refers to identifying and capitalising on additional sales opportunities within existing customer accounts. The “white space” represents untapped or underutilised areas where additional products or services could be sold to an existing customer. The goal is to provide customers with relevant offerings that enhance their shopping experience and meet their evolving needs.
- In the Salesforce eCommerce context, a “headless b2b storefront” refers to an architecture where the front-end presentation layer (the “head”) is decoupled or disconnected from the back-end commerce functionality. This approach allows for more flexibility and customisation in the user interface and customer experience while still leveraging the robust commerce capabilities of the Salesforce Commerce Cloud on the backend. By adopting a headless b2b storefront approach in the Salesforce Commerce Cloud, businesses can achieve a balance between the robust commerce capabilities provided by Salesforce and the flexibility to create a customised and innovative user experience. This architecture particularly benefits companies seeking to differentiate their b2b eCommerce offering and adapt to evolving customer expectations.

As the self-service economy will encourage people to utilise digital channels both in private and business contexts, there are fewer hurdles for companies to move forward with the eCommerce space, both in industries providing products and services to other business buyers and service users.

B2b eCommerce provides significant value to businesses by facilitating online transactions and interactions between businesses. The value of b2b eCommerce can be seen across various aspects of business operations and brings benefits such as improved efficiency and convenience in customer operations, 24/7 accessibility, global reach and scalability, reduced manual work and need for workforce, enhanced customer experience and order tracking and management.

In general, there is an increasing need to develop service business digitalisation with intelligent data-driven solutions caused by data economy and sustainability targets. We will start to see the integration of data and simulation-based solutions used in service and the overall end-to-end business processes. The increasing competition and cost of production will force b2b manufacturers to seek new ways to stay competitive. They are pressured to find new innovation and operational efficiency areas, and eCommerce is no exception. This will place pressure on developing a digital service factory from sales to delivery and customer services. Increased pressure will be placed on the management of the assets and install base.



The digitalisation of industry verticals with Industry Clouds

Salesforce Industry Cloud refers to a set of cloud-based solutions and platforms tailored to meet the specific needs and challenges of particular industries. It is an industry-specific approach within the broader Salesforce ecosystem, offering specialised tools, features, and data models designed to enhance business processes within a given sector. Since Salesforce acquired Vlocity, a company specialising in industry-specific cloud and mobile software, we have seen vertical solutions being added to the Salesforce portfolio at an accelerating speed.

Salesforce Industry Cloud

Fast-track for digital transformation

Communication
Cloud

Media
Cloud

Health
Cloud

Energy &
Utilities Cloud

Automotive
Cloud

Nonprofit
Success Pack

Financial
Services Cloud

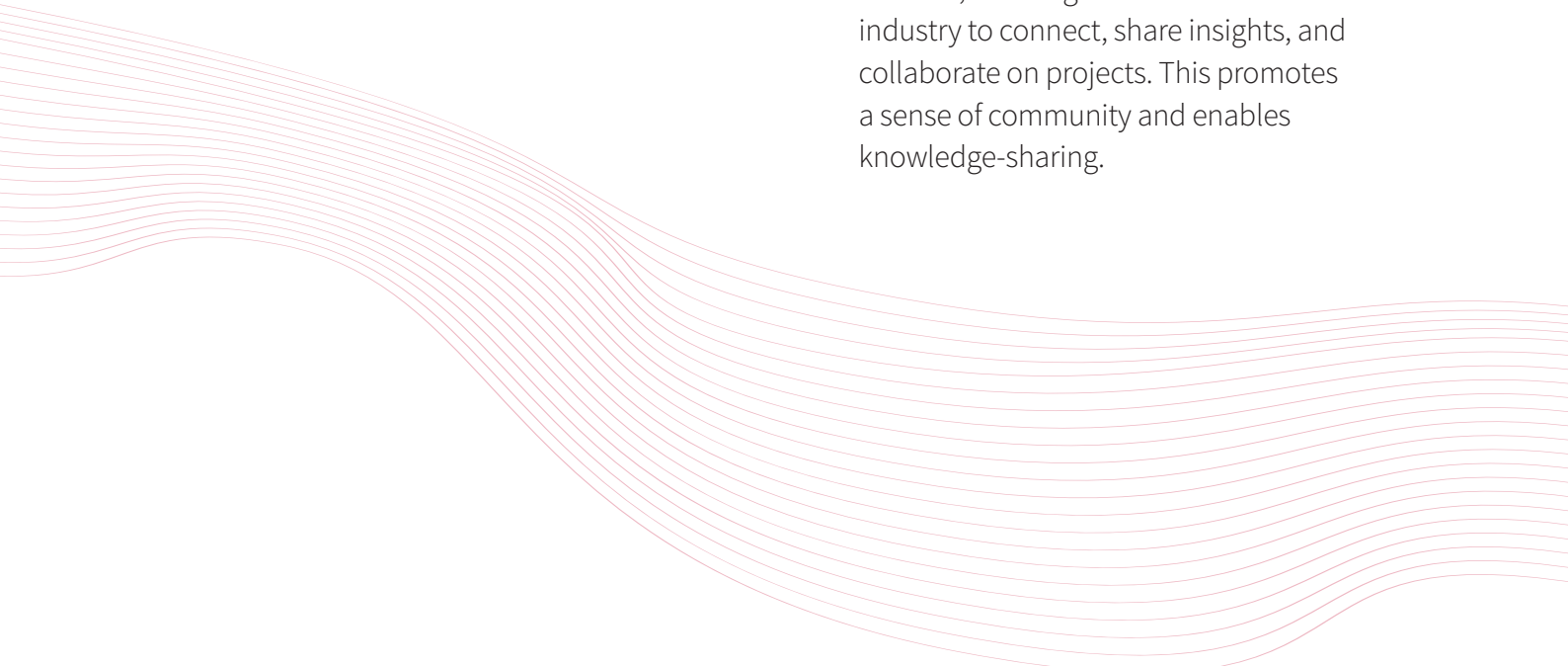
Consumer
Goods Cloud

Education
Cloud

Net Zero
Cloud

Manufacturing
Cloud

Key features and components of Salesforce Industry Cloud include:

- **Pre-built functionality:** Salesforce Industry Clouds come with pre-built functionality and templates specific to the targeted industry. These functionalities include industry-specific workflows, data models, and business processes, providing a foundation that aligns with the unique requirements of each sector. E.g. improved agreement management for run rate business with Manufacturing Cloud or managing retail execution with Consumer Goods Cloud.
 - **Data integration:** Industry Clouds are designed to integrate with various data sources and systems, enabling a unified view of information across different departments and functions. This integrated data approach helps break down data silos and fosters collaboration.
 - **Analytics and reporting:** The Industry Clouds incorporate advanced analytics and reporting tools specific to the targeted industry. These tools empower organisations to derive meaningful insights from their data, enabling informed decision-making and strategic planning.
 - **Mobile accessibility:** Many Industry Cloud solutions are optimised for mobile devices, allowing users to access critical information and perform tasks while on the go. This is particularly beneficial, e.g. for field service workers in the Utilities segment or mobile sales teams in consumer goods and retail.
 - **Industry-specific compliance:** Some industries have stringent regulatory requirements. Salesforce Industry Clouds often include features that help organisations adhere to industry-specific regulations and compliance standards, ensuring data security and legal compliance. Applicable e.g. in Finance Service Cloud and Health Cloud.
 - **Vertical sub-segment solutions:** Salesforce offers vertical solutions within Industry Clouds, addressing specific sub-segments within an industry. For example, within the healthcare industry, there may be specialised solutions for providers, payers, or life sciences companies.
 - **Community Collaboration:** Industry Clouds often include collaboration features, allowing stakeholders within an industry to connect, share insights, and collaborate on projects. This promotes a sense of community and enables knowledge-sharing.
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The finance segment is a good example of a sector which can take huge leaps in process efficiency with the Salesforce platform. Acceleration of digital transformation following on from the momentum of last year. While COVID-19 drove a level of change from an operational perspective, 2023 saw a significant increase in finance businesses looking to rationalise and consolidate technology, improve journeys, and drive efficient, experience-led processes and engagement strategies. Salesforce Industry solutions are now in a prime place to support this continued focus, and we predict a record year for the adoption of Financial Services Cloud in 2024.

Salesforce's product teams are also continuously improving the features and functionalities of the industry clouds and so the benefits of the vertical solutions are in most cases finally outperform the old way of parsing several clouds and customised solutions together. Supported by the improved solution maturity, Salesforce is aggressively promoting and selling these industry-specific clouds for both greenfield implementations and as a replacement for mature solutions. Salesforce implementation partners need skilled experts to sell and leverage verticalised solutions, both locally and globally. Additionally, Salesforce vendors are expected to have pre-built demos and accelerators available to speed up implementations and to support user adoption.



**03**

New partnership models emerging to drive efficiency in Salesforce ecosystem

As highlighted earlier, there are many reasons to believe that the economic environment will remain challenging in Europe also during this year. Thus, companies must look for new ways to cut costs and improve productivity. We assume that due to this development, we will see entirely new partnerships and commercial models emerging in the Salesforce ecosystem. Companies fighting for market share and decreasing development budgets are willing to look for new ways to build capabilities and leverage Salesforce platform capabilities.

Digitalisation as a driver for efficiency

Due to the emphasis on productivity and ROI, we will see fewer investments in growth and market expansions but more initiatives focusing on automation and efficiency improvements through digitalisation. Salesforce vendors that can provide fast and efficient delivery/Salesforce implementation services with competitive prices will be able to gain market share by winning new business. This requires advanced delivery capabilities utilising different types of resources, pricing models, pre-build assets and capabilities.

Successful Salesforce implementation partners will be those who can apply models for characteristics of a downturn economy. Skilled partner is able to operate and support the company to succeed with:

- Decreased development spending
- Increased price sensitivity and cost efficiency
- Tighter credit conditions
- Market consolidation, M&A activity and new partnerships
- Increased innovation and adaptability for changing customer needs
- Increased focus on customer retention and long term agreements
- Market interventions such as government stimulus programs
- Digital transformation to enhance efficiency and automation
- Focus on core competencies
- Resilience planning and low-risk appetite

There is room for different types of Salesforce vendors but the success of the players will be dependent on clear competitive strategy and focus. Customer expectations will also become higher regarding the expertise and service quality level of the Salesforce partners as internal maturity in many companies increases.

AI-boosting businesses

This year we will see an increase in the work being insourced as companies can internally handle many of the basic tasks that previously were outsourced due to limitations of skilled employees and development approaches.

Customers will also be using AI and will expect their partners to be able to advise them on the best uses for AI to turbocharge their business. As described in the first chapter of this eBook, some of the first-runners will be able to gain competitive advantages with AI, but most companies are still laying the foundations and requiring assistance from the service providers to make the first steps.

In the European context, companies will also expect fluency in ethical considerations and data usage, which are hot topics, especially in the public sector domain.

Rise of packaged services

As part of the re-inventing the service delivery market, we expect to see more and more Salesforce partners selling “packaged” solutions. These packages might include ready templates, accelerators and tools to speed up and frame the delivery.

Salesforce Industry Clouds are one form of packaged solutions that Salesforce provides for certain industry verticals. However, the same can be expected of implementation partners with a more detailed scope or extended service elements. For customers, the appealing aspect is related to implementation speed and cost but also risk mitigation. With a templated approach, committing to the scope, budget and estimated value is easier. What are the expected business benefits, and what is the time frame for the investment payback time?

Salesforce is also promoting the Outsourcing Service Provider (OSP) model for vendors and customers where the Salesforce Service Provider buys, owns, and operates Salesforce licenses on behalf of End-Clients, potentially as part of a larger services offering. This will help customers accelerate the speed to outcomes and de-risked success since the vendor will wrap the expertise and IP together.

Flexible commercial terms will give clients options between CapEx and OpEx budgets, providing opportunities to enhance digitalisation during limited investment budgets. For implementation partners, this approach will enable fast market penetration and provide high business benefits as commercials can be aligned with monetary outcomes. As the times are tough for many industries, we expect to see more Salesforce partners investing in OSP models and providing fully packaged services, including licensing commissions to potential clients.



Example of managed services - Fluido Wealth 360

Fluido Wealth360 has been designed to support adviser firms of any size, developing accessible technology that delivers efficiency in day-to-day processes, reduces re-keying and enhances user and client experience. Developed on the Salesforce platform, Fluido Wealth360 leverages and provides core capabilities required by any modern advice business. Features include a single view of the client and connected relationships, consistent processes with a clear and comprehensive audit trail, task allocation and orchestration, automation and enhanced reporting.

fluidogroup.com/fluido-wealth360

Final words

With these predictions and our insights on the implications, we hope that you are better equipped to meet the expectations of 2024! After the predictions, we would also have one more wish for the year. Seeing more companies with bold visions and ambitions for the digital future would be great. Challenging times will trigger many organisations to put their investments on hold and apply very risk-averse innovation strategies. However, amidst these circumstances, technological advancements persist, presenting unprecedented opportunities for those enterprises willing to establish lofty objectives.



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