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CRM at a Glance: Salesforce.com vs. Siebel

Description	This white paper provides a detailed comparison between two CRM best practice software solutions – Salesforce.com and Siebel.
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Contact

To obtain more information regarding an assessment of these CRM solutions as a best practice for your business needs, please contact crm@tsgonestop.com and reference this paper authored by Temeko Richardson.

Background

Customer Relationship Management (CRM) software enables businesses to manage and track the relationships, activity, and history of all interactions with its partners, vendors, contacts, leads, customers and accounts. Thorough reporting and analysis of these relationships can foster crucial decision making surrounding the actual and projected revenue, marketing initiatives, lead conversion, spending constraints for accounts, and customer service quality. There are many off-the-shelf CRM solutions offered by vendors. However, Salesforce.com and Siebel are the two most prevalent solutions for midsize to enterprise businesses.

This white paper will analyze the noticeable key benefits and shortcomings of both solutions in order to help guide the decision process in terms of budget, resources, and time. Furthermore, this paper will help any business map a cost-benefit analysis of specific functionality in one solution over the other as it relates to the robustness and maintainability of a system.

What Are The Solutions?

Salesforce.com is an on-demand, web-based, user-friendly, off-premise solution that does not require any software to be loaded on users' computers. It is a pay-per-license/month solution, operational with existing Internet access, rapidly configured and deployed to best fit a company's business needs. Salesforce.com offers a company the benefit of enabling users to modify the system without grossly incurred consulting and IT support expenses.

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Siebel is a web-based, user-friendly, on-premise solution (not including On Demand solutions) that requires server, database, and component systems, support, and implementation and routine maintenance. Over the course of the last 10 years, Siebel has created several versions and verticals (industry-specific Siebel solution) that can be used to fit a company's business model. Siebel, additionally, requires annual support contracts and on-premise personnel to support any potential upgrades, enhancements, server maintenance changes, and end-user changes.

Resources.

The biggest bonus of salesforce.com is its minimal resource requirement. The system is hosted at the salesforce.com offices and therefore does not require the Information Technology (IT) support or other resources necessary for a Siebel implementation. At minimal, a Siebel implementation requires a Database Administration (maintenance), Database Administration (developer and report writer), Technical Administrator, Siebel Tools Developer, Integration Developer, Workflow/Assignment Manager Developer, Application Administrator, Siebel Administrator, and at least two strong Systems Business Analysts. Successful Siebel projects will have the aforementioned resources in addition to a Technical Project Manager, Business Project Manager, and Technical Architect. Salesforce.com implementations require a Business Project Manager, Systems Analyst and Business Analyst (number depends on the divisions being implemented and requirements), configurator, developer to create special integrations and functionality for the business, and a support administrator to make enhancements to the system.

Salesforce.com has no software or hardware requirements as they follow the NO SOFTWARE model. Salesforce.com does not require any software installations, server setups, report server setup and maintenance, or database setup and maintenance and administration (except for the purposes of backup). Siebel, on the other hand, requires software, multiple servers for each environment (development, test, QA, training, production, failover, database, and Actuate), and of course, resources to install, maintain, upgrade, and continuously support each of them. In addition, there is a bigger risk to not having consultants from discovery to post-production support for Siebel implementations due to all of the components and potential failure points.

Time.

Salesforce.com is charged at the time of contract procurement for the per month or per year licenses. The solution is easy-to-implement without any customizations, thereby requiring less time from discovery to implementation than a Siebel implementation. Most customers initially sign up for 10 – 50 licenses before deploying to the remaining users to minimize initial deployment costs and ensure successful discovery, development, and user acceptance. The Salesforce.com model fosters a rapid application deployment methodology that allows easy prototyping that can be delivered expeditiously to end user champions to determine whether the solutions offered integrate with well-defined business processes.

Siebel implementations can take anywhere between three to six months for discovery, thereby forcing longer implementation times upward of a year in most cases. While Salesforce.com implementations can last at maximum four to six months, Siebel implementations can be viewed as "never-ending" because of the complexity of changes that can be required if a company does not have adequate executive sponsorship, well-defined and steady business requirements, end-user buy-in, or incorrect business users or decision

makers as it relates to system functionality. If all the aforementioned problems are involved in a salesforce.com implementation, it is straightforward to monitor and modify with the quick prototyping ability. Hence, the investment dollars spent on a Salesforce.com solution can be considerably less than a Siebel solution.

Costs.

Salesforce.com and Siebel offer a variety of pricing structures that should be resolved with the respective Sales Representatives. The costs addressed in this white paper results from a basic comparison of the implementation of the two solutions.

Siebel requires minimal consulting resources to fill the positions of Project Manager, Business Analyst, Technical Architect, Integration Specialist, Tools Developer, Scripting Developer, Workflow Developer, Assignment Manager Configurator, Administrator, and Actuate Developer. Salesforce.com requires at least a Technical Project Manager, Business Analyst and two developers (one for customizations and integrations and another for scripting/programming), and an Administrator. The Administrator can configure the Workflows, Assignment Rules, Routing Rules, and Approvals without difficulty in Salesforce.com. Based on the minimal scenario required to be successful for a Siebel implementation, the costs can be exorbitant given the time frames involved.

Siebel requires expensive mentoring and training for companies to learn how to support the system post go-live. This requires online, instructor-led, and hands-on sessions where the personnel must spend quality time with consultants that have implemented the system. There will be a timely learning curve involved in this process. Salesforce.com offers a variety of training solutions as well. However, the ease of customizations for end users takes the complexity and learning curve away from the process. This reduces the amount of money spent on consulting resources.

It is highly recommended to purchase separate servers for the Web Server, Siebel Servers, and Database Servers for a Siebel implementation. There are no costs for a Salesforce.com solution because everything is hosted by Salesforce.com. In addition to the costs of the servers, software, licenses for third-party software, there are incurred expenses for IT staff to support the database, servers, and software. The advantage of the Salesforce.com solution is the empowerment of the Business Users to control their solution without the need of an IT staff, thereby reducing tremendous overhead costs for implementation, maintenance, and other support duties.

Editions.

Siebel is extremely "verticalized" for a number of industries, providing out-of-the-box (vanilla) functionality that mirrors the terminology and needs of a company within the particular industry. Siebel also provides Mid-market and Enterprise Editions that offer add-on capabilities similar to salesforce.com Team, Professional, Enterprise, Unlimited, and Developer Editions. Salesforce.com covers all spectrums of business needs and sizes as the Team Edition is perfect for former ACT-based businesses. The Professional Edition is perfect for small-to mid-size businesses and all other editions are great for midsize to large businesses. Siebel should not be considered as a solution for small businesses that track contacts only with no holistic view into the customer experience as the return on investment (ROI) will not be realized.

Functionality.

The following identifies the most prominent benefits and drawbacks in functionality in both solutions.

SFDC Benefits.

While Salesforce.com is similar to Siebel in the most common modules, there are some huge benefits of using Salesforce.com rather than Siebel in the following areas:

- 1) Customizations and enhancements can be made with click and drag-and-drop ability without any massive training, mentoring, and deployment coordination and downtime. Siebel has its own development tool (Siebel Tools) and requires extensive training and support for enhancements, downtime, and specialized resources.
- 2) Web Service and AJAX integration is extremely robust and easy to develop and include additional services and functionality to salesforce.com solution. The configuration of inbound and outbound web services in Siebel is time-consuming to develop and deploy. Additionally, external toolkits are not supported as timely for use in Siebel implementations.
- 3) Incorporating well-defined business processes for validation and approvals is straightforward, intuitive, and user-friendly. While there are some limitations in regards to running workflows in batch mode (i.e. send one mass email rather than several emails regarding records that match a criteria), Salesforce.com has an extremely rapid turnaround for development, testing, and deployment of workflow validation and approvals. Although no time-dependencies can be implemented at the time of this writing in the approval process in salesforce.com, it is Sarbane-Oxley compliant with its history tracking of the approval processes and many other trackable processes.
- 4) Record ownership and mass ownership transfer is configurable and maintainable by the least computer-savvy end user. Salesforce.com makes reassignment of Leads, Contacts, and Accounts seem effortless compared to the configuration and deployment of Siebel's Assignment Manager. Salesforce.com allows Division Sales Managers to quickly reassign ownership of customers to sales reps without the assistance of Administrators and Developers.
- 5) Permission settings are intuitive and easy to deploy and test in Salesforce.com with the roles, profiles, public groups, org-wide defaults, field-level security, and page layouts. Siebel requires personalization setup, Tools configuration, administration modifications, and oftentimes scripting to accomplish similar permission settings. These revisions require downtime to test and deploy as well.
- 6) Record types are a huge bonus as it allows an organization to determine the type of entity they want to create. For example, an individual lead is a person that is being marketed to buy a product. Whereas, a company or account lead is a company that is being marketed to purchase a product. Each lead type requires different information that is determined at record creation via a jump-page or default driven by a user's profile. Siebel requires Tools development, scripting, and downtime to test and deploy this functionality.
- 7) Business-to-Consumer (B2C) model. There are businesses that market to people rather than other businesses. For example, insurance is sold both to people and companies. The B2C model sets up people as the resulting account.

Salesforce.com is the leader in providing client/account management to businesses because it allows both the B2C model and the B2B model for a company with its data integration and use.

- 8) The Salesforce.com Data Loader allows the Administrator to view and correct errors instantaneously and reload data with ease. Siebel requires mapping to intermediary tables (EIM tables) which will map directly to base tables. The Data Wizard and the APEX Data loader in Salesforce.com does not require intermediate layers as mapping is directed towards base salesforce.com tables. Siebel's EIM process requires in-depth knowledge of mapping, performance tuning hints, restrictions on tables, and understanding potential loading errors on the process. The Salesforce.com APEX Data Loader GUI is graphical and intuitive with point-and-click usability. In addition, it can be used with Informatica for advanced mapping, data warehousing, or other sophisticated data integration/migration needs.
- 9) Salesforce.com allows end users to search and filter and enter criteria with case insensitivity. While this can be incorporated in the Siebel configuration file (.cfg) or in the database settings, it does impede performance across the end user's experience. Salesforce.com has mastered this in that it does not impede performance and it allows end users to check all scenarios when searching for information in the object.
- 10) Salesforce.com does not require separate Reporting servers or software to provide reports to the end users because ninety percent of the reports can be created inside of the solution. The Salesforce.com tabular, matrix, and summary reports coupled with the charts should be extremely familiar to Excel users. The standard reports are great starting points for any organization to use or modify for custom use. Siebel requires Actuate development or other reporting software that takes time, extensive knowledge, training and costs to maintain and enhance to keep reports accessible within the Siebel implementation.
- 11) Salesforce.com Analytics makes reporting, creating dashboards, and providing analysis for leadership extremely user-friendly and quick to implement. Siebel is relatively easy in the business analysis and implementation of Siebel Answers but requires more extensive work on the data warehousing side to create similar dashboards.
- 12) From a marketing perspective, Web-to-Lead imports, lead promotion, and campaign management are easy to implement and use in both solutions. However, Salesforce.com is more user-friendly for the non-technical marketing professional. Its GUI lends to the marketing professional that wants to see quick results based on marketing initiatives and conversion ratios. Salesforce.com provides a means to promote the prospect with visible tracking of the progress of the lead promoted to a contact and later to an account. Salesforce.com provides the more clear-cut solution for lead conversion since the potential errors encountered during the lead promotion process in Siebel can be overwhelming for non-technical Marketing users and leadership.
- 13) Salesforce.com provides each user with a Recycle Bin, similar to that in the Windows environment. When a user deletes a record, a record remains in the Recycle Bin until cleared manually or a specific amount of days are reached. The Administrator can clear this out as well for any user. If a record is deleted in Siebel, a rollback transaction on the database, downtime of the database and the Siebel functionality, and time of the Siebel Administrator and DBA is required to retrieve erroneously deleted data. Salesforce.com has implemented the deletion-proof tactic to eliminate the need of downtime and DBA assistance if a user makes this typical error.

As noted above, Salesforce.com is a phenomenal solution that offers benefits over implementing Siebel as the CRM solution in some key areas. However there is specific functionality offered in Siebel that is lacking in the Salesforce.com solution. The following areas of Siebel functionality can be key benefits to a company based on the type of customer interaction that needs to be tracked along with services and products offered.

Siebel Benefits.

- 1) Salesforce.com does not move target-selling through the entire process of prospecting to acquisition because there is no Quoting or Ordering capability to associate the proposed product or service. Siebel is more robust in Quote and Order implementations. The Quote is a necessary component to track the versions of what the prospect is being offered by the company. Siebel enables the user to draft proposals or presentations based on the Quote within the application. All of this automatically associates to the prospect so the user can view the entire interaction through the time of procurement.

The Quote is converted to an Order with the same details provided in the Quote with the option to customize and track payment. Salesforce.com does not offer this functionality out-of-the-box without implementing a solution from AppExchange (not supported by Salesforce.com). Salesforce.com does have a connector to integrate with accounting software like QuickBooks, Quicken and Peachtree that will actually enable tracking of the resulting order. However in its entirety regarding this functionality, Salesforce.com is far behind this proven Siebel functionality.

- 2) Pricing configuration in Salesforce.com is limited to a Standard Price, List Price, Sales Price on the Opportunity only, and Total Price on the Opportunity Only. Siebel allows customers to set up a price list, volume discounts, price matrices, pricing/display configurations, product component pricing and discounts, and discount matrices. Prices are associated only to the products/services input in Siebel. The Quote drives the pricing based on the aforementioned model setup in Siebel. If a company does not have a very basic pricing model, Salesforce.com will require customizations and programming.
- 3) Product Configuration is limited to the Opportunity object in Salesforce.com while a product can be configured on a Quote or Order in Siebel. Product configuration in Siebel can be as complex as having components to a product and selling each component separately or as a bundle. Salesforce.com confines the user to associate the Product only to the Opportunity which does not effectively demonstrate how the product, quantity, or discounted measure was derived. It further requires each component to be separately set up as unique products for tracking purposes against the Opportunity.
- 4) Siebel enables field service representative assignment and tracking through a scheduling mechanism called the Dispatch Board. Salesforce.com does not offer a comprehensive scheduling mechanism that enables users to track schedule inventories, block unavailable times for representatives through drag-and-drop functionality, and schedule employees for assignment in one interface that integrates with the company calendar and a service calendar. Siebel has worked out performance issues with the Dispatch Board in the previous versions and it is robust and deployable with color-coding, service identification, and manual or automatic assignment.

- 5) Salesforce.com allows audit trails on specific fields on specific objects. Siebel allows audit trails to be placed on any field on any object. Siebel enables an Administrator to view the Audit Trail through an Administration view to quickly identify the modifications of specific fields and the user that made the modification. Siebel is Sarbane-Oxley compliant with this functionality as it stores the data in a table that can drive reports to provide a detailed view of any changes made in the system.
- 6) Activity management in Salesforce.com has extremely basic functionality as it allows the tracking of calls, emails, correspondence, and faxes. The ability to customize the Activity object is limited in Salesforce.com whereas the customization in Siebel can be quite extensive for the Activity Business Component.
- 7) Siebel is more flexible in cross-object functionality as it allows customizations in Siebel Tools to update a field on one object based on a value in another object. For example, it is possible to update a field in the header of an Order with a particular value in a field of an Order line item (change in value of the sales rep on the first line item automatically updates the sales rep on the order). Calculated fields or default values for fields in Siebel Tools can be derived from values based on the same business component or parent/child business component relationship. Salesforce.com requires scripting and S-control development to accomplish this functionality.
- 8) Siebel has been implemented in many different industries and has many “verticals” geared to the business needs of these industries. Salesforce.com is on its way to “verticalize” the solutions based on specific industry’s standard business processes. It is more likely that a Siebel vertical exists and has a proven implementation in a company’s industry. This oftentimes leads to user group communities that can foster best practices for implementation, use, end user acceptance, and support in these specialized areas.
- 9) Backups in Siebel can be done at anytime because control is in-house to the IT Department. Salesforce.com requires a request for a backup to be sent at specific intervals. Salesforce.com does not require a company to have disaster recovery plans because all Salesforce.com hosted solutions automatically have this in place. Siebel requires extensive database and server disaster recovery plans but the implementation demands in-house control over all aspects of the system. If a company does not want to provide control to another company of their system, Siebel is the recommended solution.

Conclusion.

CRM provides a holistic view for a company’s interactions with its prospects, contacts, and accounts. The accurate data entry of multiple aspects of the customer experience can provide reports and analytics to help Executive Leadership to better qualify leads, identify patterns among sales reps, spending, marketing initiatives, lead conversions, customer service, product acquisition, discounting, and customer retention. The solution a company chooses should be one that encapsulates functionality that best fits the business needs within time and resource constraints. Salesforce.com and Siebel offer varied functionality and extreme differences in the assessment of time, money, and resources. A careful evaluation of the items presented in this white paper should help a company to begin the assessment of which solution better fits its needs.

For an assessment, contact TSG One Stop at 310-860-4795 or send a request to crm@tsgonestop.com.