



A COMPARISON OF PEGA SALES AUTOMATION & THE SALESFORCE.COM SALES CLOUD

How to make every rep your best rep and automate the end to end sales process

**A PEGA SALES AUTOMATION
WHITEPAPER**

This paper is intended for sales and sales operations professionals who are considering the next SFA application for their enterprise. It compares two popular applications, Pega Sales Automation and Salesforce's Sales Cloud ("Sales Cloud") which is a highly adopted SFA application in the mid-and SMB market. We will evaluate across three areas of functionality essential to meeting the complex sales needs of large, global enterprises.

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Introduction

As a sales or sales operations professional, you understand the challenges of managing a sales team and the inherent pressures of the business. You need to accelerate opportunities, generate more revenue, forecast accurately, and connect with the rest of the business to ensure every customer experience is the best it can be. Meanwhile, you also need to manage sellers and the sales process, improve their productivity, and support the ever changing landscape of your business. Bottom line: predictable growth depends on enabling more reps to sell like your top performers.

Setting competition aside, you are probably facing significant roadblocks inside your company. There are typically significant gaps between your best practice sales methodologies and your sales execution. There is the very real issue of identifying and prioritizing the best customers and products to sell. And let's not forget that your SFA system is probably disconnected from the rest of your enterprise and only supports manual processing, making it hard to transition from sale to order. All of this is preventing you from increasing sales effectiveness and accelerating leads to cash.

Consider these statistics:

- **52% Of sales reps didn't make quota last year¹**
- **68% Of sales reps' time is spent researching, not calling leads²**
- **86% Of CSOs are concerned with their ability to achieve their quotas³**

Clearly, sales managers and reps are spending too much of their time on non-sales-related activities — entering data in multiple systems, managing lengthy email strings among departments, looking for information in multiple places, and managing what should be a controlled process, in an ad hoc manner.

So what's wrong here? What's all the market hoopla around sales force automation if the facts point to a continued lack of confidence, adoption and success? How should sales organizations be thinking about technology, KPIs and sales processes to achieve their sales objectives? Are these sales applications really that useful if they are merely record-keeping systems for contacts, leads, accounts and pipeline and forecasts? Sure SFA systems have attractive dashboards and email/social components, but do they have what it takes to enable success in complex, global sales situations? Can they really drive your sales processes, put the right products in front of your customers, and connect sales with the rest of your operations?

At Pega, we believe that sales automation is fundamentally about enabling seamless customer engagement and managing the end-to-end execution of a sale through the fulfillment of a commitment to a customer. Customers experience your company horizontally, not in silos of sales, marketing, service, or support, so it is important to use more than a basic sales contact and lead management system to orchestrate the end-to-end sales and customer fulfillment experience.

Inherently, the SFA market needs to evolve past first generation applications that may have a long 'checklist' of features, but are essentially conforming apps that don't allow you to differentiate your company. Sales can be a tremendous source of competitive advantage. Enterprises want to continuously innovate and differentiate their sales processes and systems to deliver strategic value to customers and across the enterprise. But can you do that with a subscription-only service that is not engineered for evolution, and where all roads lead to expensive coding?

¹ 2014 CSO Insights Sales Management optimization Study

² Gartner

³ 2014 Accenture Sales Performance Optimization Study

This paper examines three areas to compare Pega Sales Automation and Sales Cloud's ability to deliver in a complex environment. The key areas that we will explore include:

1. Anticipating sales rep and customer needs and delivering real-time actions and offers
2. Connecting the end-to-end sales process, seamlessly and consistently
3. Delivering long-term value by keeping up with changing market and sales needs

Pegasystems has helped complex, global enterprises deliver better sales automation solutions. Buyers and independent analysts suggest, however, that Sales Cloud lacks many of the core capabilities required to meet the sales needs of these larger enterprises. For example, Sales Cloud cannot deliver on-premises or in a hybrid fashion. Sales Cloud cannot orchestrate multiple disparate systems, or provide real-time analytics, automated decisions and intelligent guidance of sales. Sure, Sales Cloud may address the simple needs of getting customer contacts into a single place and managing a forecast, but your enterprise complexities cannot be easily supported, and a conforming SFA system approach will drive a higher-than-predicted total cost of ownership.⁴

ANTICIPATING SALES REP AND CUSTOMER NEEDS

A sales rep's job largely mirrors the full lifecycle of a customer's interactions with a company over the course of their relationship — from marketing through to enrollment, fulfillment or onboarding. Ensuring the sales rep stays relevant and offers value at every moment, is the key to making every customer feel valued. To earn customer loyalty, sales reps must deliver the right message, the right offer, and take the right action at each moment of truth — when a customer may choose to make a purchase, remain loyal, or select a competitor.

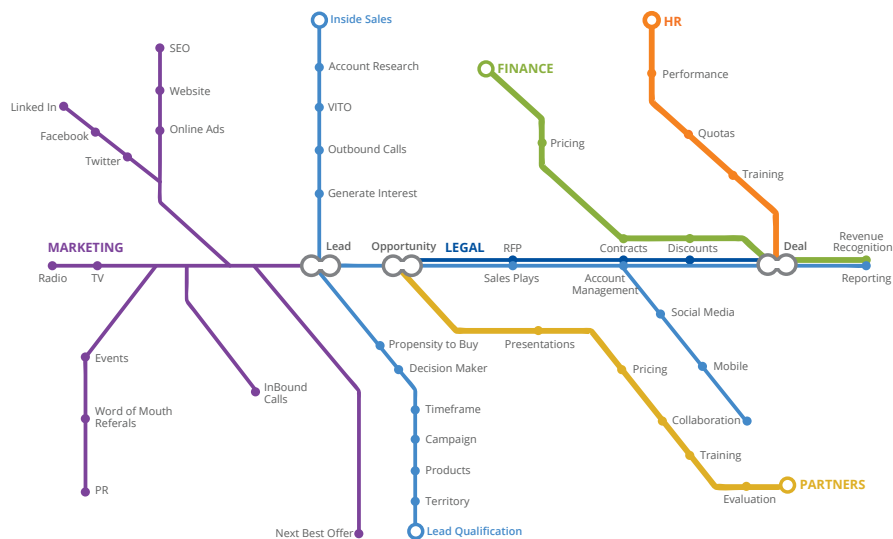


Figure 1: Understanding your customer's context and anticipating what the best next sales step should be is critical.

Pega Sales Automation has two capabilities that ensure reps can intelligently anticipate and fulfill customer needs:

- Real-time, personalized offers that understand customer context and can anticipate their needs
- Automation of routine sales tasks and process guidance based on rules and analytical models

⁴ *Magic Quadrant for the CRM Customer Engagement Center*, Michael Maoz; Gartner, 2014.

Real Time Offers and Intelligent Guidance: Imagine A System Sales Reps Actually Want To Use!

The only way to deliver a real-time, personalized sales interaction is to understand the customer's context and anticipate their needs. Sometimes this means knowing a customer already has a product, or has declined a previous offer, or is actively being marketed to and is ready to buy. Other times it may be recognizing that a retention or upsell offer perfectly suits a particular customer's profile and current situation. But sales reps are tired of entering data and getting little value back. No wonder it's entirely commonplace for traditional SFA deployments to start with a 75% utilization rate "and drop to 20% or less in the first year..."⁵

- Pega Sales Automation anticipates customer needs in real-time, based on continuously evolving customer data and business context. It intelligently provides the right sales offer, tasks and knowledge, at the right time by providing contextually-driven content. Pega gives sales and marketing managers the ability to design and execute these optimized Next Best Action and Next Best Offer strategies, so customer interactions are instantly adapted to account for changing interests, needs and objectives. A rich set of business rule types, including decision trees, declarative rules, and decision tables can be leveraged in concert with predictive analytics, automated actions, and fulfillment activities. Pega Sales Automation can even leverage big data to gather or store customer interaction history and analytically determine the most likely customer behavior. These real-time interactions are self-adapting based on machine-learning algorithms to ensure an organization is constantly adapting to change and improving performance.
- Pega Sales Automation not only provides Next Best Offer capabilities, it also intelligently guides the flow of work after that offer is accepted or declined. For example, if an offer is declined, this information is logged and the offer mix recalculated. Once an offer is accepted Pega Sales Automation will queue up relevant tasks, screens, scripts and data for the representative to leverage. This capability has helped a leading Japanese Automobile Insurer to deploy the system to more than 200,000 independent agents at 1,500 agencies with little to no training, and improve the revenue productivity of their agents, thanks to an automated process for cross-and-up sell.⁶
- Salesforce has capabilities for predictive intelligence, but those capabilities are "native to the Salesforce Marketing Cloud's messaging platform"⁷ built from a separately acquired technology stack designed originally for web recommendations.⁸ While the promise of Salesforce's Analytics Cloud may address gaps in time, Salesforce currently lacks sophisticated predictive analytics without the need to procure third-party solutions from AppExchange or elsewhere.⁹

⁵[CRMSearch](#)

⁶*Pegasystems Internal Case Study. By June 2015 this client will have 200,000 users on Pega Sales Automation.*

⁷<http://www.salesforce.com/marketing-cloud/features/predictive-internet-intelligence> retrieved February, 2015

⁸*"Salesforce.com Signs Definitive Agreement to Acquire ExactTarget,"* June 2013.

⁹*"Salesforce.com Product Review,"* CRMSearch.com

Sales Process Automation: Better Predict Results And Improve Visibility

In most large organizations closing a sale means navigating a complex web of data, business system and people. Successfully moving a large volume of sales opportunities across many touch points and hand offs requires an enterprise class application to automate the process, reduce waste and inconsistencies.



Figure 2: Improved sales velocity and close rates requires automation and end to end visibility.



Pega Sales Automation automates routine tasks to limit unnecessary human intervention. For example, it can automatically create opportunities from accepted offers, manage quoting and proposal generation, prompt reps to include pertinent and required information, execute complex matching of prospect information to product/service capabilities, and integrate with back-office systems to fulfill activities in real time. These examples remove the burden on the sales rep — and manager — to remember tasks, processes, and allow the flow of business to execute with speed and accuracy.

- Singapore-based OCBC is ranked by Bloomberg as one of the world's strongest banks with a global network of more than 500 branches.¹⁰ Using Pega Sales Automation and Client Onboarding applications, the bank was able to embed and automate its 150 account opening tasks into a seamless onboarding experience that enables OCBC staff to focus on the customer, and not on filling out forms. As a result, the bank has seen a 40% increase in customer satisfaction versus its competitors.¹¹
- Sales Cloud provides some limited support for automation through the use of configurable triggers capable of handling simple workflows and reminders,¹² which industry analysts do not regard as best of breed for Business Process Management or Dynamic Case Management. Sales Cloud is basically a database with no guided, contextual service as its processes can only sequence steps to a single user and without case tracking, back end integration, and rules/analytics, you will be left with an abundance of brittle code that is costly and difficult to implement.

¹⁰ "World's Strongest Banks," Bloomberg.com.

¹¹ OCBC Bank Pegasystems Case Study.

¹² "Examples of Workflow Rules," Salesforce.com documentation.

- When it comes to meeting these complex requirements, Sales Cloud requires you to either look for untested solutions in the app exchange, or manually code business logic. Since process or logic changes must often be managed by programmers or IT, one can assume that the delivery of fast-changing requirements lags behind business needs resulting in more manual activities. Also, to preserve cloud resources, Salesforce's "governors" place numerous limits on the number and type of workflows and process management, many of which fall well within the range of what large enterprises require to manage their complex needs.¹³
- While sales of Sales and Service Cloud have been strong, especially in the small to medium business market, some larger enterprises that initially deployed Salesforce have turned to Pega to replace or augment¹⁴ Salesforce's solution after discovering the lack of automation capabilities. In one example, a European wealth and brokerage firm needed to handle client service requests of high-value investors, such as trade resolutions and trade splits. Despite trying to extend Sales Cloud with a team of developers, the company was still relying upon emails, spreadsheets, other back-end systems, and manual work to manage client incidents. They switched to Pega to better map their processes and ensure each customer inquiry was routed and owned appropriately by their employees.¹⁵ Bottom line: Sales Cloud lacks the ability and tools for meeting the strategic application needs of the enterprise.

CONNECTING THE END-TO-END SALES PROCESS

Connecting and streamlining the functions responsible for fulfilling your promise to the customer is entirely expected in this digital age. But this is not going to happen using traditional SFA systems that are lacking real-time offers and next-best actions, sales process management that provides real time KPIs and monitoring, and enterprise class capabilities for the most demanding B2B and B2B2C sales models.

What is needed is a means of quickly converting leads to revenue and fulfilling and satisfying customer needs with confidence. Pega Sales Automation accomplishes this with industry-leading applications that leverage business process management (BPM) and dynamic case management (DCM) capabilities to connect all the people and systems required to configure, quote, process, and monitor customer orders, as well as to ensure compliance with global and local regulations.

Only Pega provides the most advanced and automated sales automation and industry applications for improving rep productivity, client onboarding, and product configuration, ordering, fulfillment, and enrollment processes in the Financial Services, Healthcare, Insurance, and Communications/Media industries.

¹³[Process Limits](#), "Salesforce.com documentation.

¹⁴[Pega ProcessExtender](#) AppExchange listing for Salesforce.com

¹⁵Customer interviews and win-loss analyses conducted by Pega in November, 2014.



For example, at AIG Japan, the business challenge was assisting its tied agents in cross-selling to its current policy holder base. Pega Sales Automation provided a 360-degree view of client information to its agents that included basic contact and lead information, as well as context for how the lead was created and the next-best offer to make. The system also transmitted leads to agents, ensured that agents followed up on those leads, and ensured compliant matching of carrier capabilities to policyholder needs while integrating with back office underwriting systems to fulfill activities in real time.

- Salesforce products, including the Sales Cloud, are not recognized in analyst reports for BPM or DCM.¹⁶ Without these capabilities, it is safe to assume that complex business processes related to fulfillment, back-office order management, and exceptions must be manually coded. By not supporting these processes that connect front and back office, Salesforce limits a sales rep's ability to be a trusted advisor, confidently guiding the client to the right solution, resolving requests and questions, and making the first and next sale.

Let's face it, in large sales organizations even the simplest request requires the orchestration of complex processes and decisions. An enterprise-grade sales automation application will scale to handle millions of transactions per month and take into account regional variances and exceptions. And it will integrate easily into an already burgeoning technology ecosystem with multiple vendors and legacy systems.

DELIVERING LONG-TERM VALUE

Change is constant. So the requirements for a sales automation application are not limited to immediate challenges of adoption, ease of use, and simplified, need-it-now functionality. The question is how will organizations adapt and differentiate their sales processes to drive revenue? How can sales application strategies reimagine and enhance the customer experience?

The core Pega platform contains the capabilities and architecture to help businesses manage this complexity. It is the platform on which Pega Sales Automation is built. Pega emphasized the importance of business rules processing, direct model-driven development, and predictive analytics well before competitors.¹⁷ Our platform and applications support a wide range of business behaviors, from orchestrating prescriptive and controlled processes to managing very dynamic and ad hoc knowledge work.¹⁸

Pega's patented architecture¹⁹ is designed to enable the re-use and specialization of common policies and procedures into multiple business units, channels, geographies, and customer segments. Pegasystems and its clients call this a "Situational Layer Cake."²⁰ At insurer AIG, Pega manages the global complexities of end-to-end claim processes in a single application, enabling more than 100,000 claims professionals across 250+ contact centers in 80 countries. Despite handling more than 40 million claims each year, they've achieved a 20-30% reduction in cycle times for higher frequency claims since implementing Pega applications.²¹

¹⁶ *Magic Quadrant for Intelligent Business Process Management Suites, 2014*, Gartner, and *The Forrester Wave™: Dynamic Case Management, Q1 2014*, Forrester.

¹⁷ *Magic Quadrant for Intelligent Business Process Management Suites*, Teresa Jones, W. Roy Schulte, Michele Cantara; Gartner, 2014.

¹⁸ *Critical Capabilities for Case Management Frameworks*, Janelle B. Hill, Kenneth Chin, Rob Dunie; Gartner, 2014.

¹⁹ *Method and apparatus for digital data processing with mutable inheritance*, Justia Patents.

²⁰ *Pega Insights video*.

²¹ *AIG Pegasystems Case Study*.



At ING, they wanted to modernize their sales force and expand into new territories in Eastern Europe. Before Pega Sales Automation, agents used to track and manage opportunities using handwritten notes, or track their activities using numerous spreadsheets. Now the entire sales process is standardized and consolidated to adhere to ING's best practices. In addition, Pega's unified architecture has enabled ING to rapidly expand into new sales and distribution channels such as banks, independent brokers and third parties. Pega's flexible technology makes it easy for ING to reuse 80% of the sales process and assets across a variety of different countries and business partners.²²

- This focus on managing the complexity of global organizations reflects Pegasystems' well-publicized commitment to exclusive support of large enterprises.²³ Pega offers cloud and on-premises deployments, and provides customers a mix of licensing models including term, perpetual and subscription-based models. Pega lets clients extract business logic and proprietary data from their deployments at any time, whether in the cloud or on premises.
- In contrast, Salesforce splits its focus between the enterprise and SMB markets²⁴ and is a cloud-only offering licensed via subscription-based pricing. Salesforce lacks some of the architecture capabilities that are essential to managing the complexity of a global enterprise. Extracting business logic and customer data from Sales Cloud requires additional services and fees. As such, while Salesforce has steadily taken market share away from legacy CRM vendors, it has not always been successful in large, complex deployments.²⁵
- And Salesforce becomes more expensive over time. Like most B2B pure SaaS companies, Salesforce typically increases its subscription prices annually by as much as 7% for each renewal, or higher if a promotional price was offered.²⁶ And because business logic changes require manual programming, rather than re-using common policies and modeled procedures, clients report that the total costs of ownership continues to add up, especially when accounting for the frequent changes that are an inevitable part of today's operating environments.

Your CRM Application needs to...	PEGA® CAN	CAN SALESFORCE®?
Anticipate what's right for customers & reps	• Anticipating sales rep & customer needs and deliver real-time actions & offers	?
Connect customers to the people who can get things done	• Connecting the end-to-end sales process, seamlessly & consistently	?
Deliver truly global sales automation	• Automation of routine sales tasks & process guidance based on rules & analytical models.	?
Evolve as fast as your customers do	• Delivering long-term value by keeping up with changing market & sales needs • Run on the cloud and in your data centers	?

²²ING Pegasystems Case Study.

²³Pegasystems 2013 Annual Report

²⁴SalesForce Analyst Day Presentation, October 13, 2014

²⁵Magic Quadrant for the CRM Customer Engagement Center, Michael Maoz; Gartner, 2014.

²⁶Salesforce.com Master Service Agreement, §12.2

²⁷"Why Salesforce.com Has Passed Its Prime", Peter Cohan; Forbes, Feb 2015.

CONCLUSION

This comparison presented three areas critical to any decision-maker who must choose sales automation software to power their large organization.

To remain competitive, organizations need to move at the speed of customers, and they need systems and software to support that flexibility. Pega has proven itself capable of delivering the business agility required to evolve your CRM. Meanwhile, as industry observers have noted: "Salesforce.com was founded by an Oracle sales guy who set out to fix the ills of expensive, inflexible corporate software and is now becoming the very thing that it battled."

If you're a large enterprise considering your next sales automation application for your sales organization, make sure you ask these questions:

- How does the application help connect customers to the back-office operations needed to get things done on their behalf?
- What is the specific improvement in rep productivity that you would estimate being able to deliver by automating repetitive manual tasks, integrating with other systems and suggesting actions to take for customers?
- Does your current provider offer flexible perpetual, term, and usage-based pricing models?
- To what extent does the application provide support for industry-specialized operations such as order configuration and fulfillment, and client onboarding?
- How will you evolve your existing application, to meet the needs of your customers tomorrow? Does your current solution provide support for complex event processing and a patented layered architecture for reuse and specialization?
- May we speak to a customer reference who can talk about how your application has connected multiple, disparate systems, across multiple countries and geographies, and created a seamless integration?

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ABOUT PEGASYSTEMS

Pegasystems develops strategic applications for sales, marketing, service and operations. Pega's applications streamline critical business operations, connect enterprises to their customers seamlessly in real-time across channels, and adapt to meet rapidly changing requirements. Pega's Global 500 customers include the world's largest and most sophisticated enterprises. Pega's applications, available in the cloud or on-premises, are built on its unified Pega 7 platform, which uses visual tools to easily extend and change applications to meet clients' strategic business needs. Pega's clients report that Pega gives them the fastest time to value, extremely rapid deployment, efficient re-use and global scale.

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