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Simplify Software as a Service (SaaS) Integration

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Introduction

Fueled by a fiercely competitive business environment that requires the pace of business and technology to accelerate, companies need to adapt to change faster, and their IT departments must deliver innovative technology solutions rapidly and at a lower cost. As a result, companies are adopting Software as a Service (SaaS) applications to address these challenges, in particular for reducing costs of Customer Relationship Management (CRM) solutions.

SaaS CRM solutions are an attractive alternative to traditional on-premise complex CRM applications because they allow organizations to rapidly meet the changing needs of the business. They appeal to IT because of the lower number of resources needed for deployment and to business users because they're able to start using these new systems quickly. Further, everybody likes subscription pricing because it means fewer budgetary issues get in the way of procuring the new application. It's no surprise then that SaaS solutions or on demand applications, as they are often known, are spreading rapidly within companies today.

Deploying SaaS applications does not come without its challenges however, and SaaS CRM solutions are no different. Many IT departments tend to become frustrated soon after they start using a SaaS application because the critical business information they need is not accessible from the new system. This information exists in highly customized on-premise back-end systems such as Enterprise Resource Planning (ERP) and financial applications. In order to realize the full benefit of SaaS CRM solutions, this challenge must be addressed, and it often becomes a bigger hurdle than anybody anticipated.

The fact is application integration has become the Achilles heel in getting the most from SaaS adoption. This paper highlights the integration issues specific to SaaS applications, in particular, SaaS CRM solutions and explores three integration approaches to solving these problems.

CRM and the Growth of SaaS

Moving to SaaS applications minimizes the pain of "owned and operated" applications. The complexities, time and costs associated with implementing these solutions, in particular CRM solutions are well known. Most mid-size companies would prefer a simpler, faster and lower-cost solution to managing customer interactions and are attracted to SaaS CRM solutions due to their ability to provide advantages for IT departments and business users including:

- **Rapid implementations.** Since there is no software to install or deploy with SaaS CRM solutions, there is less demand on IT resources and this enables faster implementations. Adding users to the application is as simple as assigning a user ID and password for each person, so they can be up and running quickly.

- **Ease-of-use.** By delivering comprehensive functionality within a simple, familiar browser-based interface, SaaS CRM solutions are intuitive for users and require minimal training.
- **Low IT impact.** SaaS CRM solutions are less of a burden for IT but still deliver high business impact. The solution doesn't require new IT infrastructure to get started and ongoing management and maintenance requires fewer IT resources than with traditional "owned and operated" CRM and packaged applications.
- **Subscription pricing.** SaaS CRM solutions have a much lower upfront cost because companies subscribe to the service by paying a monthly fee based on the number of users. This also makes the solution very easy to scale as a company grows.
- **Easy to change.** Customizations, workflows and preferences in SaaS CRM solutions are performed through configuration, not coding. Changes are easy as well because the application just needs to be reconfigured whenever business needs or processes change.

Despite these attractive benefits, SaaS CRM implementations will deliver limited value if the associated integration issues are not considered and resolved upfront. Getting SaaS CRM solutions up and running is so easy that users tend to expect instant access to all of their business information—about customers, contacts, leads, opportunities, and more. If this doesn't happen, they get frustrated. Although these applications are simple to see immediate results, their integration with other systems in a company is critical to realizing the full value they offer.

Integration: The Last Barrier to SaaS

As the success of SaaS CRM solutions grow, what was once a department-level strategy to reduce cost and increase the effectiveness of sales teams, may now face hurdles when growing to support enterprise wide scale. Users now require access to critical systems throughout the organization and may have a plethora of existing applications, including other on-demand applications in addition to on premise systems which they must integrate with on a daily basis. The result is that integration becomes more critical to the continued success and adoption of such a solution.

Since SaaS applications offer the same benefits to all customers, any advantages gained at one company are just as easily available to its competitors. SaaS applications by themselves provide little differentiation unless they are integrated with highly customized back-end applications that are core to a company's operations. Retaining this differentiation and making the enormous quantity of corporate data available to the newer, more cost-effective SaaS systems brings the issue of application integration to the forefront. This is especially important in relation to CRM systems which are often the primary source of information for tracking sales contacts, leads, pipeline data and quarterly forecasts.

While companies of all sizes anticipate easy deployments of SaaS applications, they are overwhelmed by the unexpected complexities of integrating these to their existing systems.

There are three key issues to consider:

- ❑ **Getting information into SaaS CRM solutions.** Back-end systems contain some of the most valuable corporate assets in a company as they often represent many decades of business knowledge and operational experience. For a SaaS CRM solution to be useful from the start, the information, such as order history, opportunities and contacts contained in back-end systems must be migrated to the new solution.
- ❑ **Synchronizing information between the SaaS CRM and back-end systems.** Back-end systems are most likely to be the systems of record for critical corporate information about customers, products, orders and more. SaaS CRM solutions need to synchronize information with the particular systems of record so the company can have a single, accurate and real-time view of customers and products. While dealing with different data formats and complex workflows is challenging, these integrations also must be secure, reliable and provide complete visibility.
- ❑ **Extracting information from SaaS CRM solutions.** Most companies generate a wide variety of operational and business intelligence (BI) reports based on data from multiple systems. While most leading SaaS CRM solutions offer rich reporting capability, this functionality is limited to what is contained within the application in isolation. Therefore, information from SaaS CRM solutions must be easily transferable into existing reporting and BI applications to provide holistic dashboards for increased visibility.

Given these issues, application integration becomes critical to the success of SaaS CRM solution.

Traditional Integration Approaches: A Poor Fit for SaaS CRM solutions

Traditionally, companies had just two choices for solving application integration problems—use complex software platforms or write custom code. The platform approach evolved to meet the needs of large enterprises and provides complex functionality to solve BPM, BAM and EAI problems. But this rich functionality makes these platforms very expensive to procure, install, deploy and maintain.

As a consequence, most companies opted to develop custom code for integration, which has become the most widely used integration solution. While custom code provides an immediate fix at a seemingly lower cost, companies quickly realize that maintaining custom code is a labor-intensive and time-consuming process and that their “hidden costs” go well beyond the initial coding. Custom code also requires specialized skills that most IT organizations lack or cannot find easily. Finally, custom code requires upfront investments in time and resources that will delay the benefits of using a SaaS CRM solution.

Solving integration problems with either of these software-based approaches produces results that contradict the benefits expected by companies when they choose a SaaS CRM. These integration solutions substantially undermine the value of choosing a particular vendor, and frustrate users who expect quick results. The poor fit between traditional integration approaches and the requirements of a SaaS environment have created the need for a new type of integration solution.

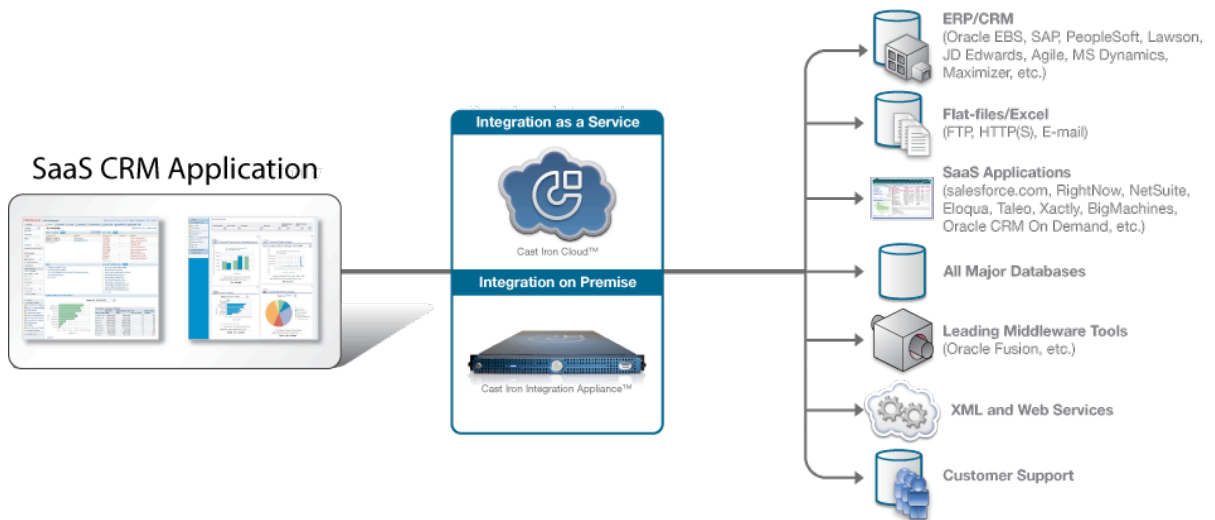
Integration as a Service : A Better Choice for SaaS CRM

Integration as a Service, or IaaS, offers the ability to remove the complexity and the overhead associated with traditional integration solutions. This approach to rapid integration is gaining in popularity because it results in greater efficiency and lower costs when used to solve integration problems, particularly with SaaS CRM solutions.

Integration as a Service can be provided in a number of ways depending on customer requirements, including whether the majority of integration is for on-premise applications or those provided on demand. Integration as a Service *reduces complexity* by doing only what's needed—connectivity, transformation, workflow and management—to rapidly integrate two or more applications. By distilling application integration problems into these four steps, Integration as a Service delivers simplicity and eliminates the need to write any code to implement integration projects.

Integration as a Service requires that the integration solution is completely *self-contained* and includes everything needed to complete integrations in one place. This progressive approach to integration makes no distinction between local and remote applications because they establish connectivity to the end points via native application protocols. The advantage of this approach is that no adapters are required and there is nothing to install or change at the end points. The only choice necessary is whether organizations require connectivity to on-premise applications, which can be solved by the use of a physical or virtual appliance managed within a local data center, or SaaS to SaaS integration, which can be provided as an on demand cloud-based service. The advantage to SaaS customers is the ability to choose the right solution for their needs rather than being limited by vendor offerings that often take a *'one size fits all approach'*.

Integration as a Service is *flexible, scalable and reusable*. It can be used for multiple integration projects for solving problems between any combination of SaaS or on-premise applications and other on-demand solutions. Orchestrations and transformations created for one project can be easily reused for another project. Integration as a Service, whether offered via an on premise appliance or via an on demand cloud maintains the benefits of SaaS solutions while providing the robust integrations needed by larger organizations.



Cast Iron Integration: Integrate SaaS CRM with your enterprise in days

Integration as a Service: Aligned with SaaS CRM

The ease of using an Integration as a Service matches the simplicity delivered by a SaaS CRM solution. Both eliminate the need to write any code, do not require installation or deployment of software and provide configuration capability. The benefits of Integration as a Service line up well with companies' expectations of a SaaS environment:

- ❑ **Data migration & cleansing.** Often the first step in introducing a SaaS application into an organization includes migrating legacy information such as contacts, leads, opportunities and deal history. The effort of migrating and cleansing data should be in alignment with the rapid provisioning of a SaaS CRM solution. Integration as a Service enables a configuration approach to easily migrate this information in batch or real time without the need for dedicated specialists.
- ❑ **Integration in days.** Integration as a Service provides rapid provisioning that enables companies to integrate in days, instead of weeks or months. This aligns with the on-demand nature of SaaS CRM solutions, as users can access critical business information quickly.
- ❑ **Ease-of-use through configuration, not coding.** Integration as a Service is designed to complete integrations without the need to write any code. Simply plug in the appliance or configure the cloud and begin designing the integrations. This mirrors the “no coding” experience of SaaS CRM solutions.
- ❑ **Low IT impact.** Integration as a Service provides completely self-contained services delivered either via an on-premise appliance or via the cloud with nothing else for IT to add or buy. Both approaches do not require complex coordination or specialized IT skills for deployment. Ongoing management and maintenance of an appliance or cloud-based services imposes minimal to no requirements on IT.
- ❑ **Subscription pricing.** Integration as a Service can be offered with monthly subscription pricing plans. By eliminating upfront costs, the Integration as a Service model delivers the same type of economic benefit that leads companies to choose SaaS CRM solutions.
- ❑ **Easy to change.** Integration as a Service allows IT to change connectivity, revise transformations and modify workflows using point-and-click functions in a visual user interface. Easy changes enable integrations to better serve the evolving needs of the business.

Since Integration as a Service can connect equally well to local and remote applications, customers can choose between an on-premise integration appliance and a cloud-based integration solution. A local physical appliance provides secure, on-premise integration that does not need to be located near the applications it is connecting to. Or, if the requirements include SaaS-to-SaaS connectivity, the service can be provided on demand from the cloud with the same level of quality as local appliances. With the *remote management* capability of Integration as a Service, customers can monitor, maintain and upgrade services in distributed geographic locations regardless of whether they are on premise or provided through the cloud.

Conclusion

Unlike traditional on-premise CRM applications, SaaS CRM solutions offer tremendous benefits including rapid implementations, ease-of-use, low IT requirements, subscription pricing and ease of change. As SaaS adoption increases, the need to integrate between such products and back-end applications is critical to rapidly realizing the full benefits of the solution.

Back-end systems that companies have made significant investments in over time provide key differentiation advantages. It is not practical to replicate all of this investment—in time and money—in a new application. It is far simpler to provide a way for SaaS CRM solutions to access the information in existing back-end systems and further leverage the investments made in those systems.

It's clear that IT environments in the future will include a mix of SaaS and on-premise applications. Different companies will select various combinations of these systems to maintain true differentiation and be responsive to the needs of the business.

To realize the full benefit of a SaaS CRM solution, integration must be dramatically simplified. Companies need a solution that can run anywhere, connect applications anywhere, be managed from anywhere and require no specialist integration skills or IT infrastructure. These solutions must be easily configurable, flexible and scalable—which means no coding. And, the integration solution must implement projects within days, not weeks or months.

Fortunately, Integration as a Service, and in particular the Cast Iron Integration Solution for SaaS applications provide these benefits today. By taking advantage of the simplicity of Integration as a Service, companies can obtain the full benefits of SaaS CRM solutions in just days.

About the Author

Simon Peel is SVP of Marketing and Strategy at Cast Iron Systems. He has more than 16 years experience in strategy, product management and marketing of enterprise-level solutions. Before joining Cast Iron Systems, Peel was Vice President of Marketing at Peakstone Corporation, where he devised the company's go-to-market strategy, trained and re-tooled the sales team and led the company to surpass its ambitious new customer pipeline goals. Prior to Peakstone, Peel was Vice President of Marketing at Mainsoft Corporation. There, he directed all marketing and product management efforts, defining and implementing a new corporate and product strategy that dramatically increased the Mainsoft customer base. He also positioned and launched what became the company's flagship product line and successfully re-branded the company. Prior to Mainsoft, Peel held senior marketing positions at Vitria Technology and MERANT/Micro Focus and held other executive marketing and operational management roles at leading Bay Area and European companies. He is a co-founder of the Silicon Valley Product Management Association (SVPMA).

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