White Paper: Salesforce.com Versus Veeva CRM

StratusG LLC – Updated January 2022

About StratusG:

Since our inception, we have developed methodologies that aim at rapidly understanding what is at the heart of a project, identifying the issues and root causes associated with the underlying business drivers, and finding solutions that address the root causes. Our guiding principles are simplicity and transparency – to eliminate "consultese" and focus on results.

Our approaches have not only been widely accepted by our clientele, but also often adopted by them. We actively support the transfer and adoption of our methods to our clients to leverage their value beyond our direct involvement.

Salesforce.com Versus Veeva CRM

Ever since information technology was widely adopted by life science companies, business leaders and IT departments have been struggling with the build versus buy question.

To meet the approximately 20% of requirements that are specific to each individual life science company the purchased IT system still need to be configured and/or customized.

Since Veeva CRM has been making a name for itself in the life sciences customer relationship management (CRM) space, StratusG has been asked to describe the differences between using Salesforce.com (SFDC) to build a custom CRM solution versus buying Veeva CRM. The key words in this conversation are "build" versus "buy".

It is important to note, that ever since information technology was widely adopted by life science companies, business leaders and IT departments have been struggling with the "build" versus "buy" question. Initially, when client server based software companies still needed to figure out exactly what features are required to support the business processes of life sciences companies, many IT departments hired armies of business analysts and programmers, to build custom IT solutions. This was true for everything from electronic document management systems, clinical trial management systems, laboratory information management systems, patient data management systems, customer relationship management systems, and so on.

Later, life sciences companies (primarily big Pharma) started asking a new question: "Are we in the drug making business or the software business?" Fortunately, at about this time the larger software makers started smartening up, and began to build systems that actually catered to the specific needs of the life sciences industry. But there was still a problem. Most life sciences companies have about 80% of the same basic requirements for the IT systems they employ. Many of those requirements are due to regulations; others are due to the basic nature of the business model for research, development, and commercialization of pharmaceuticals, biologics, and medical devices.

To meet the approximately 20% of requirements that are specific to each individual life science company the purchased IT system still needed to be configured and/or customized. We have come full circle back to the now classic question of "build" versus "buy". The difference now is the widespread availability of platform as a service (PaaS) and software as a service (SaaS) providers who are chomping at the bit for life science business.

When deciding between SFDC or Veeva CRM to meet the needs of your life science organization, the "build" versus "buy" question boils down to the value proposition between a platform, on which you can build a CRM to meet your specific needs, versus a software application that is purchased and its ability to meet you CRM needs.

ABOUT SFDC AND VEEVA CRM

SFDC is a platform, which allows for the development of a CRM solution, or most any other business application that the organization needs/desires. Customers can access the administration environment to configure and develop custom solutions that meet the needs of the business upon purchase of user licenses.

Similar to the idea of "out of the box" client server software, Veeva CRM is pre-built SaaS application built on the SFDC platform. Veeva Systems has essentially researched what the most common CRM requirements for life sciences and has built an industry specific CRM application. In doing so, they have also pre-purchased the user licenses from Salesfoce.com, and they resell those to customers who buy their CRM.

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CONFIGURATION AND DEVELOPMENT

Veeva customers are in essence using SFDC, but with limited access to the custom configuration and development tools that are inherent to SFDC. Veeva CRM administrators (whether in-house or outsourced) only have access to some of the basic configuration tools that are very similar to the configuration tools in SFDC. They do not however have the ability to build custom objects, add new tabs, or develop new workflows. Veeva administrators are also restricted in their ability to develop custom solutions using Apex Code and Visualforce. Veeva Systems retains the ability to develop enhancements and release them to all Veeva CRM users 3 times per year in alignment with the typical SFDC upgrade schedule.

SFDC administrators have access to 100% of configuration utilities, and can freely develop custom solutions using administrator tools, Apex Code and Visualforce.

> **Veeva CRM is an "out of the cloud" SaaS application built on the SFDC platform.**

LICENSING COST

Both Veeva CRM and SFDC are priced based on a per user subscription model. By getting in touch with your account manager, you can scale up or down the number of users rather simply. Depending on the version purchased, SFDC licenses range from about $500-2000 per year. Sales Cloud licenses are on the lower end of the price range, and are adequate for most users. Service Cloud licenses are at the higher end, and are for call center/customer support roles. StratusG has a special relationship with SFDC, and can negotiate license costs, often with great savings.

Veeva CRM cost per user license is not available publicly for comparison, however based on StratusG experience, the typical cost of a Veeva CRM license significantly higher than a SFDC service cloud license.

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VALUE PROPOSITION

Ultimately, the question of "build" versus "buy" comes down to deciding if Veeva CRM provides the functionality needed to meet the majority of your business requirements or are your organization's requirements unique enough to warrant building out a solution on the SFDC platform.