Future of Siebel CRM in 2017

Is it still a choice for building career?

BY TECHONESTOP

Future of Siebel CRM - it is still one of the most debatable subjects in CRM space.

But before we dig deep, let me thank you all for your overwhelming responses!

You may wonder why...

Well,

Last year I published an article about 'Future of Siebel CRM'.

And, believe it nor not,

I have received 79 emails plus good social media responses and few comments as well.

But,

It is the time to rewrite the article with updated data and new statistics.

One question that many readers asked -

'If there is no future of Siebel, why Oracle is still investing and releasing Innovation Pack every year?'

This is quite a valid question, isn't it?

If there is no plan, why **Oracle** is still investing in innovation?

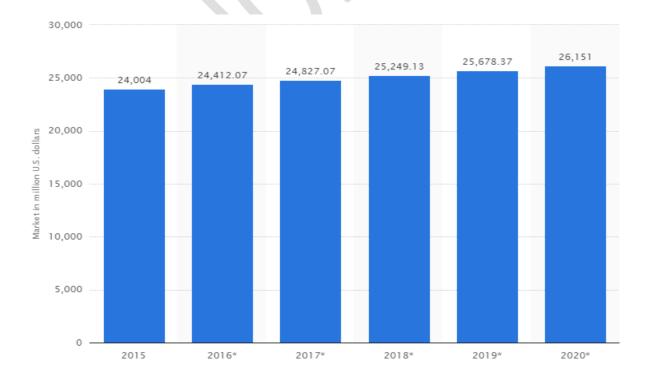
In this article we will go deeper to find answer. Also we will discuss about current CRM market trend, market share and where Siebel stands in 2017.

And yes,

I will answer - *Did Oracle stop selling Siebel to new customers?*

But now,

Take a look - how CRM market looks now and in future.



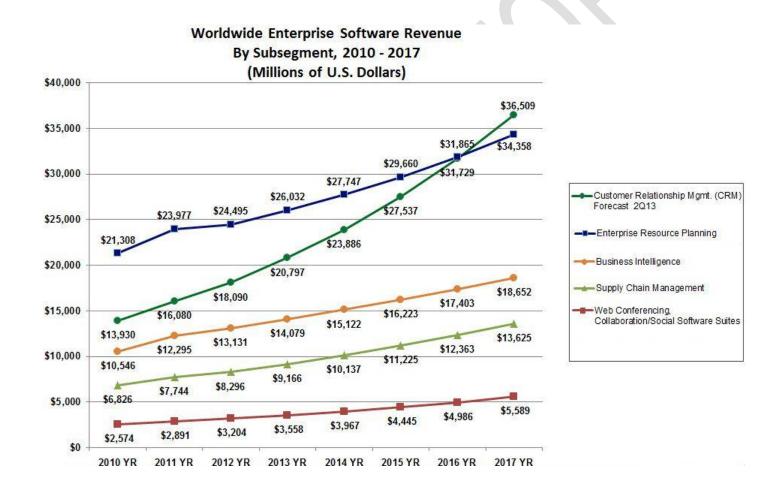
(Source: Statista)

It is expected that by **2020**, CRM market will reach **24 billion U.S. dollars** globally.

However,

We see different prediction by **Gartner**.

As per Gartner's enterprise software forecast, worldwide CRM revenue will touch \$36.5B by 2017, up from \$13.9B in 2010.



Though we see 2 different predictions from 2 different sources, bottom line is that CRM market is growing day by day.

Okay,

Now question is how CRM vendors are sharing this revenue.

| Company | 2013 Market Share (%) | 2014 Market Share (%) | 2015 Market Share (%) |
|------------|--------------------------|--------------------------|--------------------------|
| Salesforce | 16.3 | 18.4 | 19.7 |
| SAP | 12.8 | 12.1 | 10.2 |
| Oracle | 10.1 | 9.1 | 7.8 |
| Microsoft | 5.8 | 6.2 | 4.3 |
| IBM | 3.9 | 3.8 | 3.6 |
| Others | 51.1 | 50.4 | 54.4 |

Source: Gartner (May 2016)

As a standalone vendor, **Salesforce** has maximum market share **19.7%** where Oracle has **7.8%**.

One thing to remember here,

Oracle has many CRM applications and 7.8% is the total market share.

My point is...

If we take only Siebel market share, it is less than 7.8%.

And here is the actual revenue vendor wise...

| Company | 2013 Revenue* | 2014 Revenue* | 2015 Revenue* |
|------------|---------------|---------------|---------------|
| Salesforce | 3,330.20 | 4,268.50 | 5,170.90 |
| SAP | 2,621.30 | 2,809.40 | 2,684.40 |

| Oracle | 2,060.80 | 2,115.20 | 2,046.50 |
|-----------|-----------|-----------|-----------|
| Microsoft | 1,181.80 | 1,438.60 | 1,141.50 |
| IBM | 792.1 | 873.1 | 936.8 |
| Others | 10,474.70 | 11,681.90 | 14,307.70 |
| Total | 20,460.90 | 23,186.70 | 26,287.80 |

^{*} Millions of Dollars

Notice,

Except Salesforce, all other 3 big CRM providers have lost their share.

Now,

Why Siebel market is shrinking day by day?

There are many reasons and we don't want to go into those details in this article.

But,

From above statistics, we can say that market is more inclined to SaaS based CRM application.

That means...

On premise model is one of the many culprits behind Siebel market shrink.

However,

Probably you know that Siebel can be installed in cloud environment also.

To know more about Siebel on Oracle Cloud, read <u>this</u>, published by Oracle or subscribe and wait for our next article. ©

That's not all,

Here are another 2 statistics that also go against Siebel's On Premise model. (Source: Gartner)

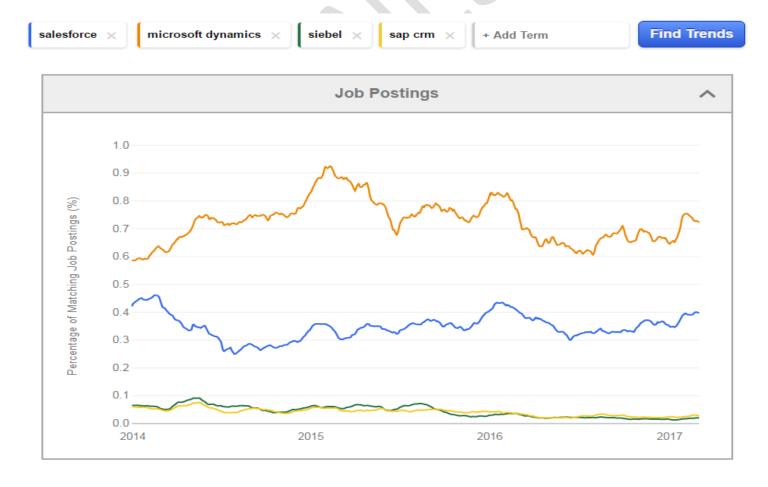
By 2018, 4% — and by 2020, 10% — of \$1 billion-plus organizations will run all their CRM applications on SaaS.

By 2018, salesforce.com will have over 15 million end users.

Well,

That is lot about Siebel architecture.

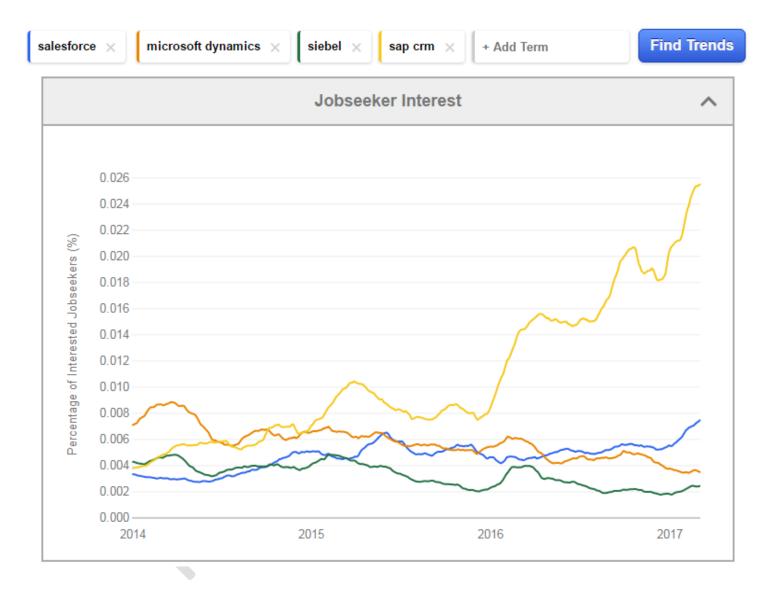
Let's face real situation that we bother most – Siebel job trends.



This is surprising job trend!! Isn't it?

Compare to **Salesforce**, **Microsoft Dynamics** has smaller market share but job posting is quite high.

And,



Source: Indeed.com

Job opportunity in Siebel is much lesser than Salesforce and Microsoft Dynamics.

Also it is not difficult to understand that -

When customer base of any software goes down, job opportunities also go down.

But how far it will go down?

Is Oracle doing enough to improve Siebel customer base?

Answer – Yes / No / May be :)

There is no straight forward answer of this question.

But,

I have answer if you ask -

Did Oracle stop selling Siebel to new customers?

Gartner 2015 Magic Quadrant for Sales Force Automation states that "
Oracle will no longer sell Siebel Sales to new customers".

But here is Oracle's response –

'The report states that Siebel CRM is no longer sold to new, greenfield customers which is not completely accurate. Certain customer requirements may strongly indicate that an on premise solution is necessary, for many customers, in specific industries or geographies, or with specific functional requirements and specific data regulations. We assess customer requirements to determine suitability of Siebel, along with our Oracle CX suite, to ensure we guide customers to the best fit for their needs: where applicable, this does include Siebel, including for new customers.'

(Source: Oracle's Siebel CRM and Cloud CX Suite FAQ 2015)

Oracle answered almost similar kind of question in 2016 also.

Q: Is Siebel CRM still a General Availability product?

A: 'Yes. Oracle does review proposed solutions to ensure they are the best fit for customer needs but we do not believe one application or deployment option fits all enterprises, and we continue to recommend Siebel CRM to all customers for whom it is the right choice.'

Q: Solutions exist for Sales, Marketing, Service etc in both Siebel CRM and Oracle Cloud – should I move to Oracle Cloud?

A: 'Solution choice is largely dependent on IT deployment strategy (on premise or cloud) and business requirements.'

Q: Is Oracle still investing in Siebel CRM?

A: 'Yes, Oracle continues to invest significantly in Siebel CRM. Since the acquisition, Oracle has accelerated Siebel CRM releases and we currently release annual innovation packs and monthly patch sets. These releases include many new features and innovations, since acquisition over 50 new products and 750+ new features have been released. In fact, our investment in Open UI, Mobility, Business Agility and Industry solutions are a testament to significant innovation, and we openly share our roadmap on substantial enhancements going forward.'

(Source: Frequently Asked Questions About Oracle Siebel CRM)

I would suggest you to go through these FAQs.

Now again,

What is future of Siebel CRM?

It is really a BIG UNKNOWN area.

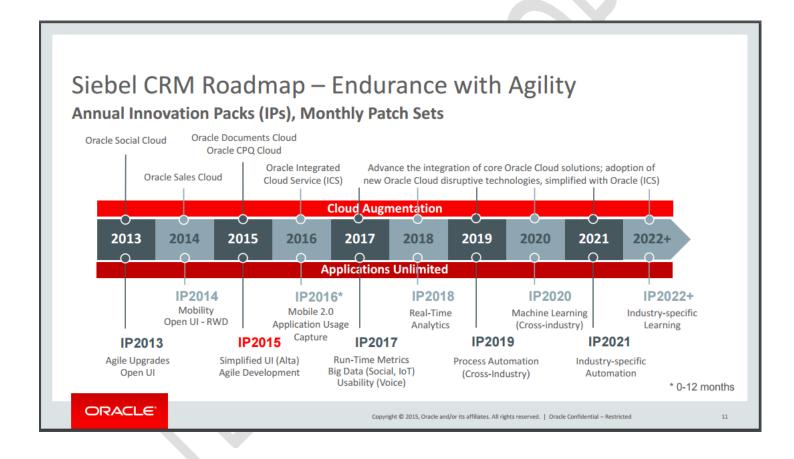
But,

After so many negative talks, few things still go positive for Siebel –

1 Most importantly Oracle is still investing in Siebel.

Siebel Road Map shows Oracle has plan beyond 2022. This is really good news for all Siebel lovers.

Moreover without any future plan, Oracle would not invest in Siebel innovation.



2 2016 was a land mark year for big data and Internet of Things (IoT). We will see same trend in 2017 and beyond. More organizations are storing and processing data to empower end users with most valuable data.

By 2020, the number of Internet-connected things will reach or even exceed 50 billion. (**Source: Forbes**)

Siebel is not far behind...

Roadmap shows that IP2017/18 will focus on Big Data, IoT, real time analytics.

Siebel can be installed on <u>Oracle cloud</u> or any other third party cloud like <u>Amazon AWS</u>. It is cost effective, faster and straight forward compared to physical server setup and maintenance. Already many Siebel CRM customers are taking advantage of private cloud hosting solution to reduce total cost of ownership. **Oracle Managed Cloud**Services provide a solution to manage Siebel as a managed cloud service.

4 Oracle has introduced many new features like IRM (Incremental Repository Merge), <u>Siebel Open UI</u>, <u>Siebel Composer (web tools)</u>, workspace. All these make Siebel development faster and easier.

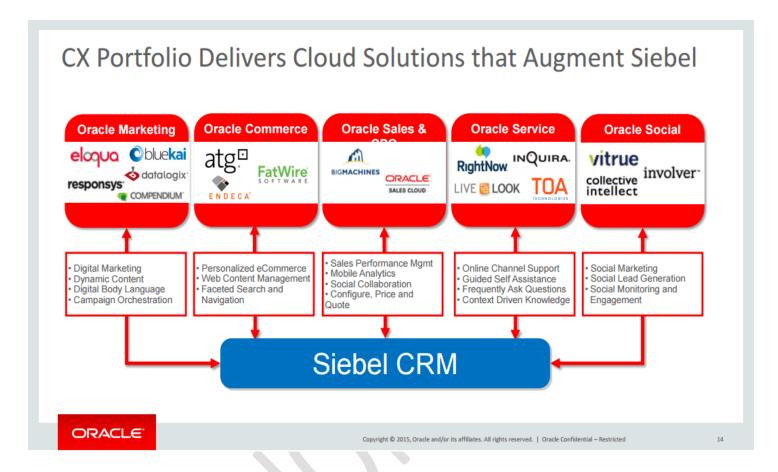
Siebel Composer is the web version of traditional Siebel Tools. It is accessible in any browser using Siebel Open UI client.

Workspace is an alternative of Siebel local database. It gives a sandbox to each developer to configure application and verify changes before delivering to parent or main workspace. It allows multiple developers to work on same repository object in Siebel database simultaneously.

Workspace will be default with **IP17** with enhanced features like full multilevel branching, multi-release development.

Siebel Composer and Workspace will bring better agile development in Siebel.

Siebel is integrated with many other Oracle applications (Like Eloqua, ATG, Sales cloud, Responsys) to deliver world class customer experience.



(Source: Oracle OpenWorld 2015)

So,

Do we have enough opportunities to build career in Siebel?

This is another difficult question to answer. Probably I would like to hear from you.

But,

I would suggest you to diversify <u>CRM knowledge</u>. Instead of knowing Siebel or any other particular CRM, <u>know how CRM works</u>. It will give you more job opportunities than knowing any particular CRM application.

WHAT TO DO NEXT

❖ Keep in touch, follow TECHONESTOP on



We love to hear from you. Please email us to share your feedback – admin@techonestop.com