

The Decade When Enterprise Software Died

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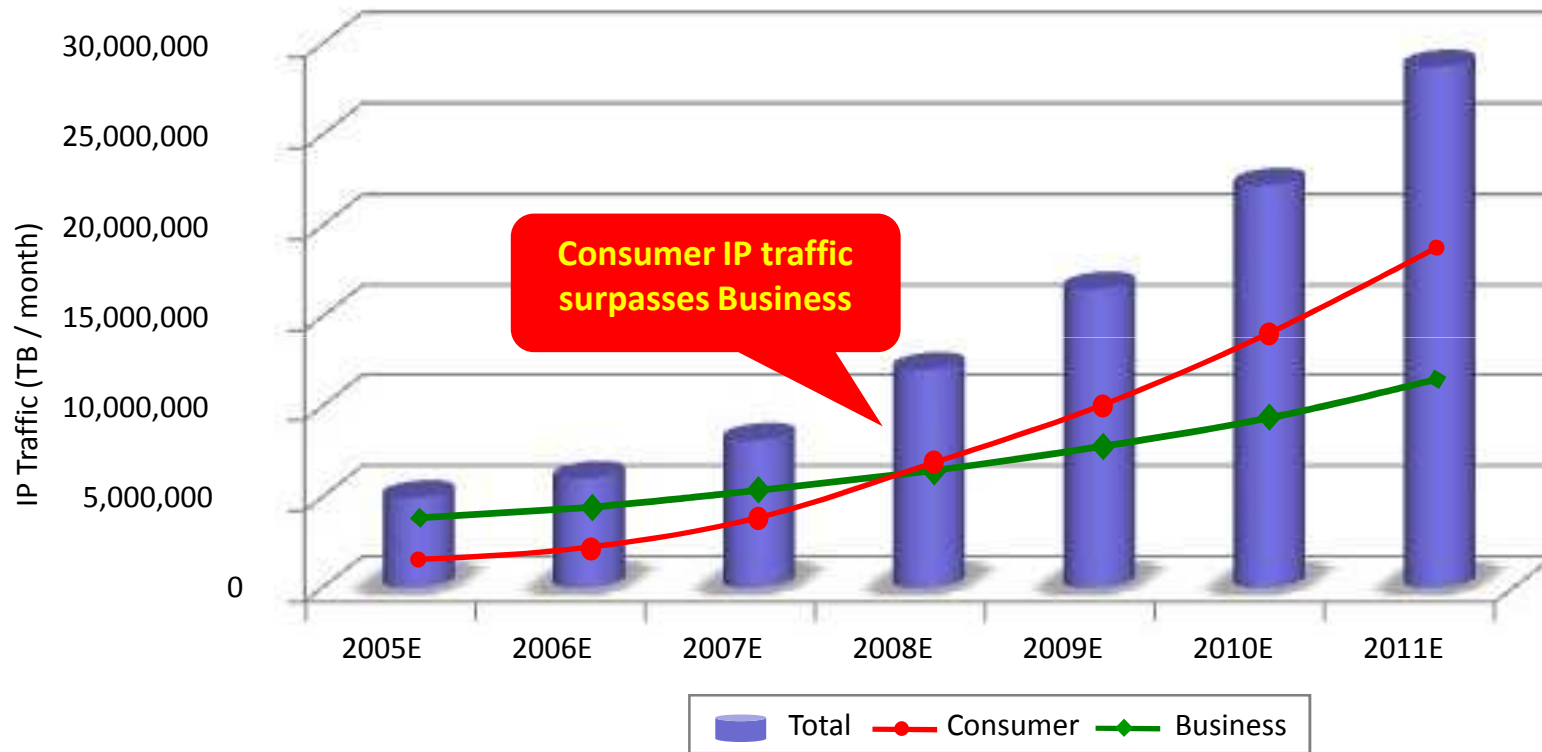
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Expectations of business technology now driven by consumer experiences

Global IP Traffic



Source: Cisco Systems, Global IP Traffic and Methodology: Mobility segment (0.1% of traffic in 2007) not displayed



The Consumer Web Redefined the Internet



Innovative
frequent releases
continuous improvement

Easy
no training
no maintenance
interoperable

Real-time
access-anywhere
scale



Companies Of All Sizes Are Leading The Way

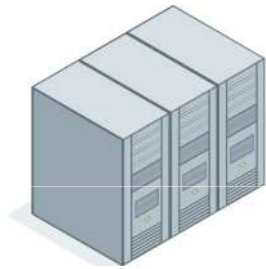


“On average, \$8 out of every \$10 spent in IT is "dead money" - not contributing directly to business change and growth.”

Gartner



Applications Moving to the Cloud



1960's
Mainframe



1980's
Client/server


ORACLE
SAP
PeopleSoft.
SIEBEL
Microsoft



Today
**Cloud Computing
Applications**



Understanding Cloud Platforms




amazon web services™ S3 & EC2 Windows Azure

Servers as a Service

VM VM VM VM

Infrastructure as a Service

General purpose, lower level machine images that you manage



Google


Cloud Platform for Consumer Apps

Python or Java Server

Non-Relational Database

Infrastructure as a Service

Optimized for consumer and social networking apps



force.com™ cloud platform

Cloud Platform for Business Apps

UI as a Service

Logic as a Service

Integration as a Service

Full Relational Database

Infrastructure as a Service

Optimized for rapid development of business apps



The Real-Time Cloud



The Cloud Computing Model

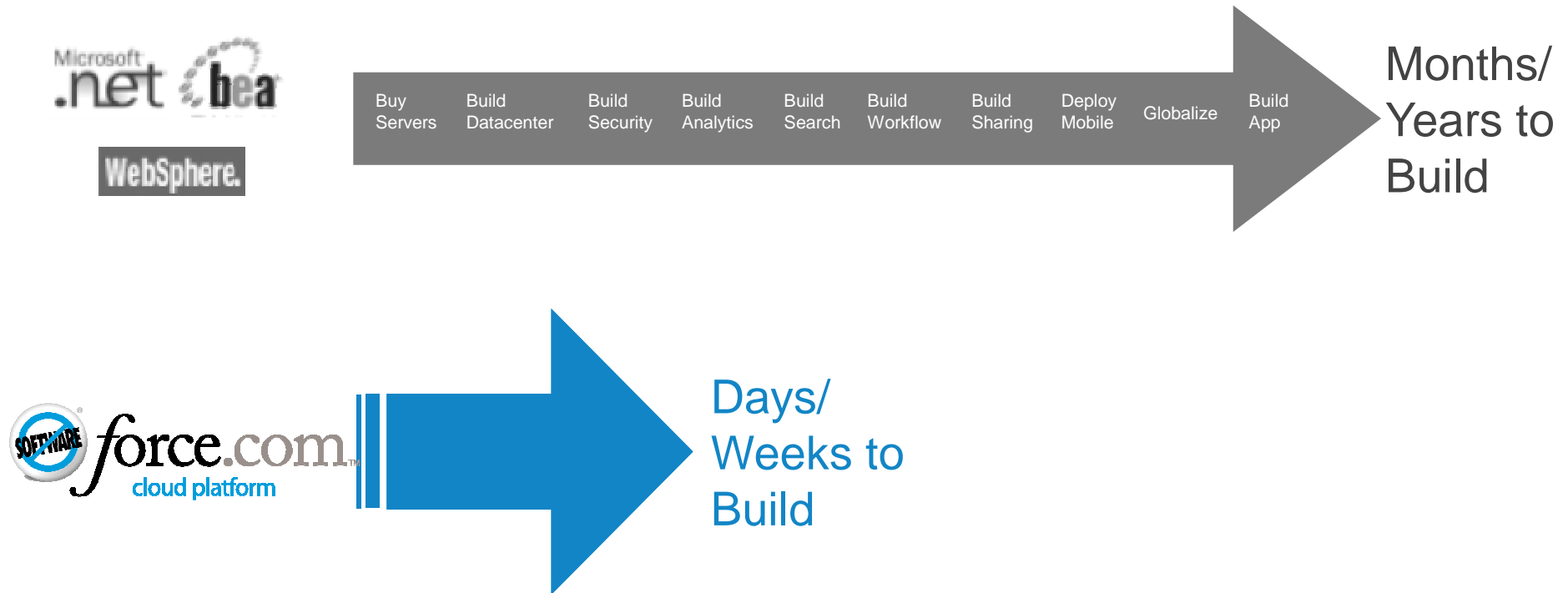


Multi-tenant
Automatic Upgrades
Pay-as-you-go
Real-time

“Companies were able to **reduce their three year TCO by 54%, saving \$560,000 per application.**”



IT Can Move at the Speed of Business



“Companies were able to reduce their 3-year TCO by 54%, saving \$560,000 per application.”



The cloud ... doing more for less

Talent

Infrastructure Services

- Network
- Storage
- Operating System
- Database
- App Server
- Web Server
- Data Center
- Disaster Recovery

Application Services

- Security
- Sharing
- Integration
- Customization
- Web Services
- API
- Multi-Language
- Multi-Currency
- Workflow
- Analytics
- Multi-Device
- Messaging
- Search

Operations Services

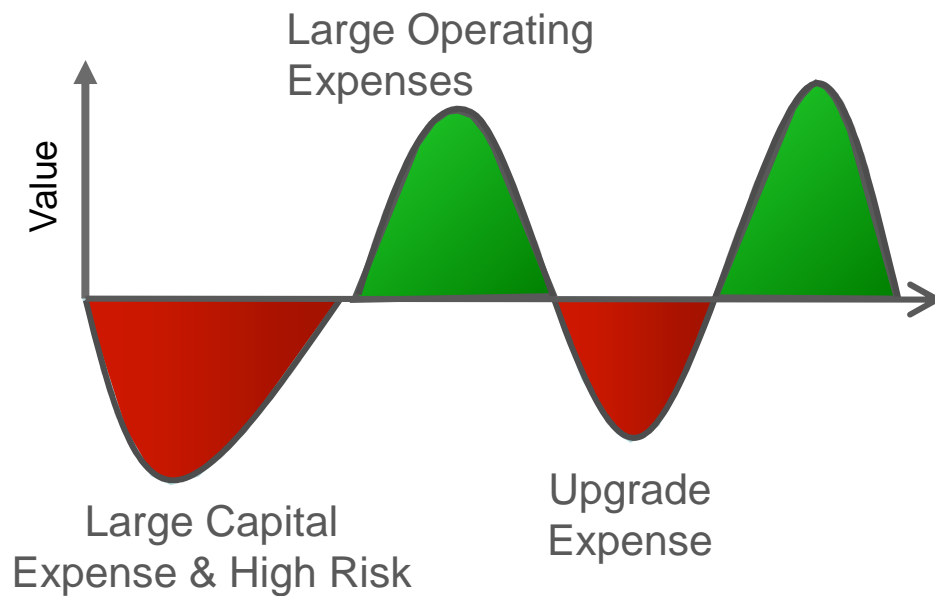
- Authentication
- Availability
- Monitoring
- Patch Mgmt
- Upgrades
- Backup
- NOC
- Capacity Planning

Innovation



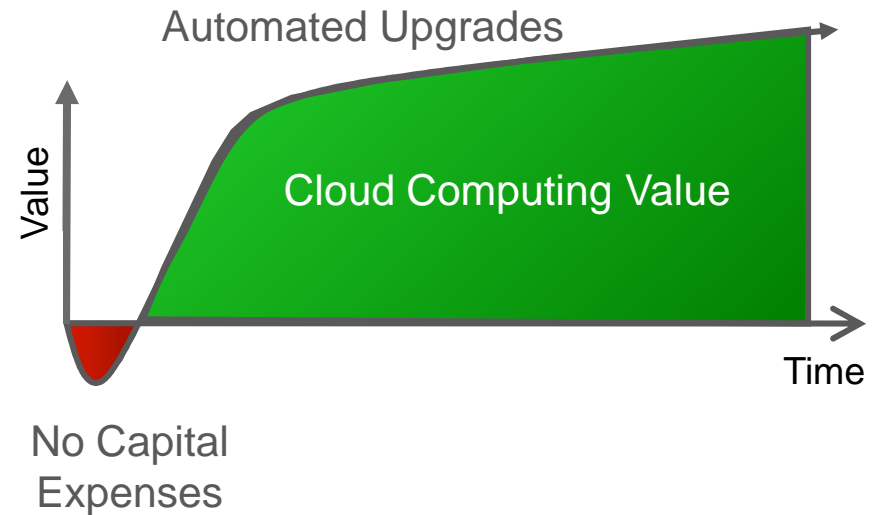
The Cloud Delivers Fast **Time to Value**

Software



53% of software projects cost **189% of original estimate**¹

Cloud Computing



Average **51% ROI** within 12 Months²

¹ Standish Group, Chaos Report 2006

² Third-Party CustomerSat Research on 3,500 Salesforce.com customers, December 2008



Large Enterprises Are Leading The Way

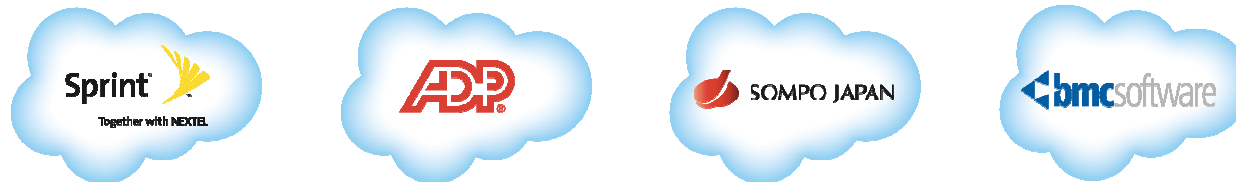
> 30,000 Subscribers



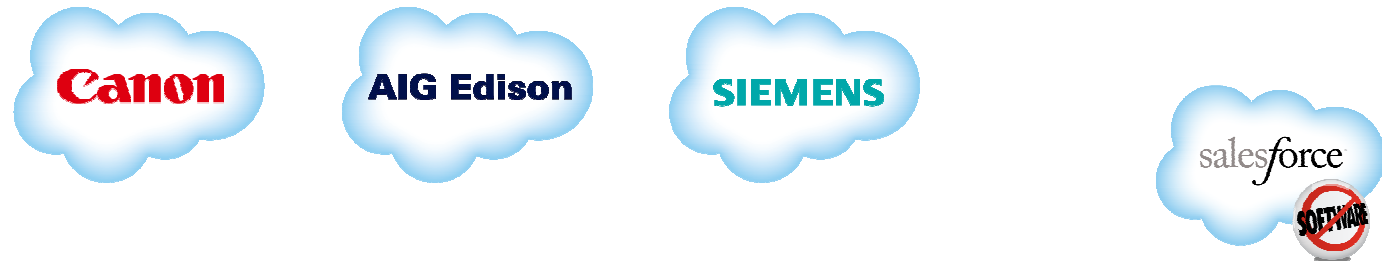
> 10,000 Subscribers



> 7,000 Subscribers



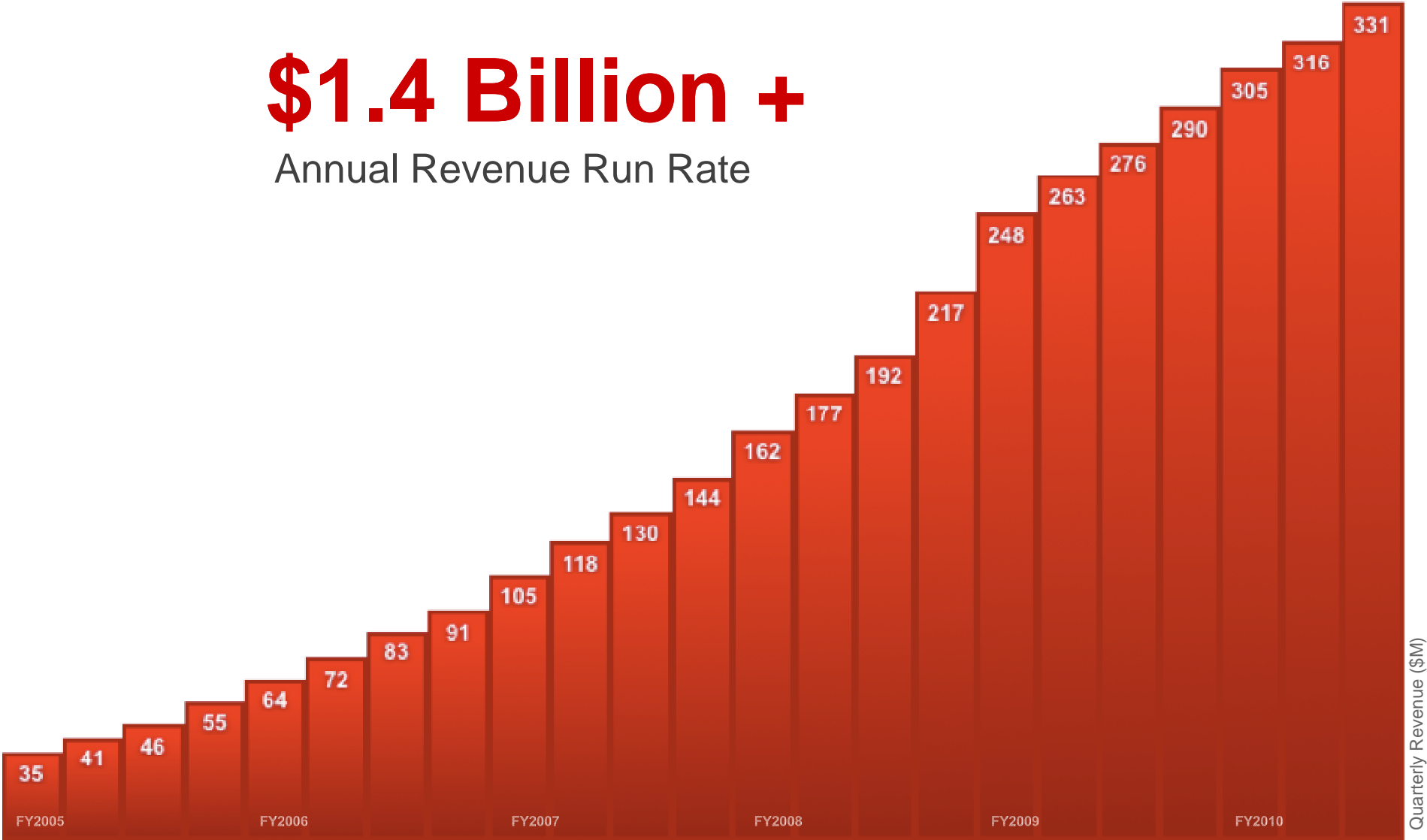
> 5,000 Subscribers



First Cloud Company to Exceed:

\$1.4 Billion +

Annual Revenue Run Rate

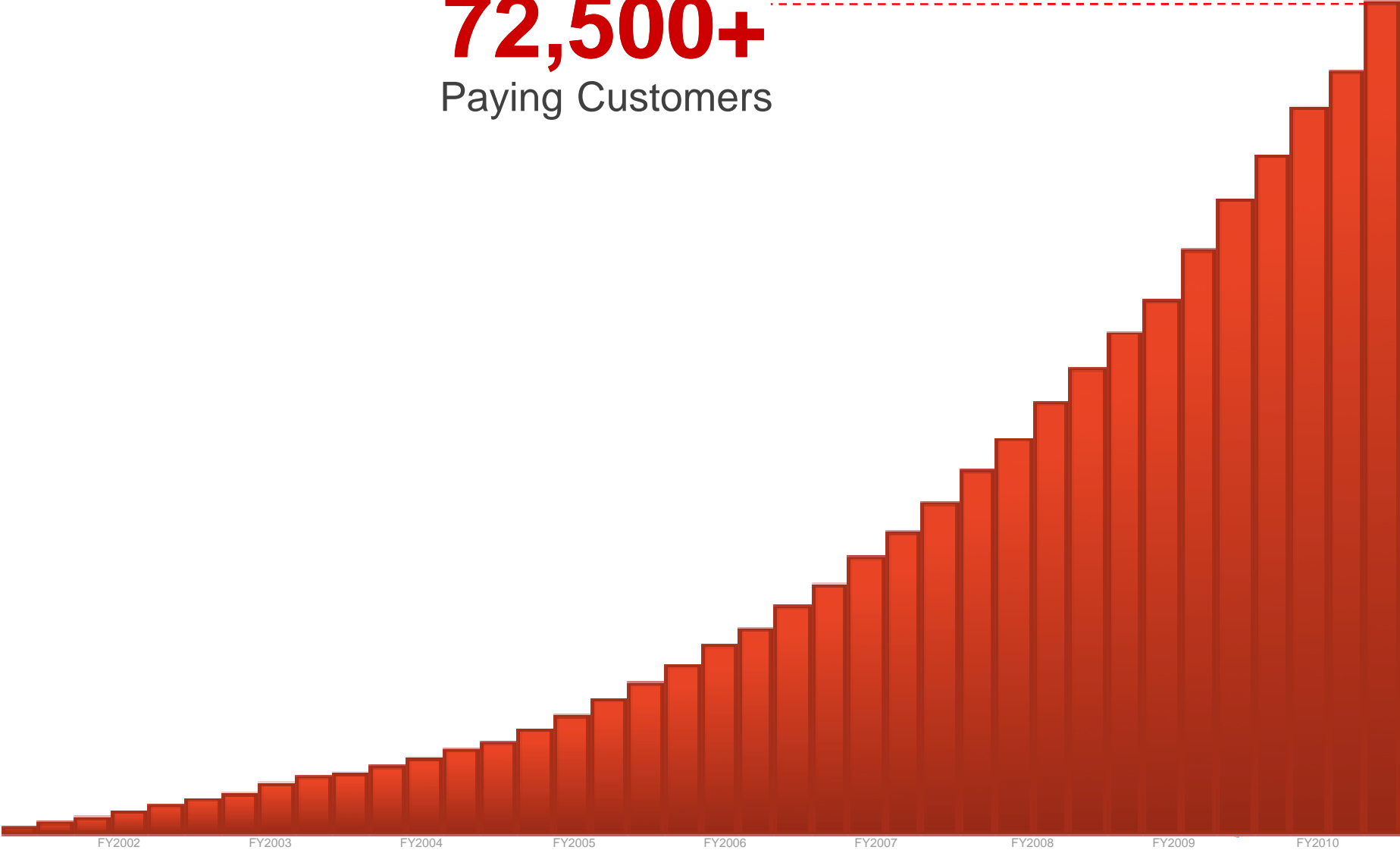


Revenue through fiscal quarter ended 10/31/09

Strong Growth In New Customers

72,500+

Paying Customers



Significant Barriers to Becoming Cloud Provider

Multi-tenancy, service delivery and subscription model are barriers for legacy software companies



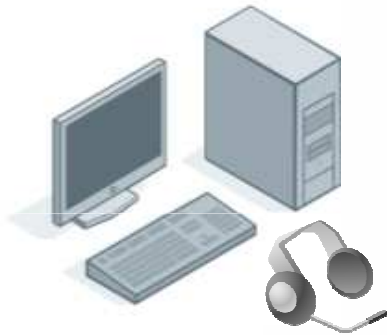
**What will enterprise
applications look like in the
coming decade?**



Can't Connect With Today's Customers

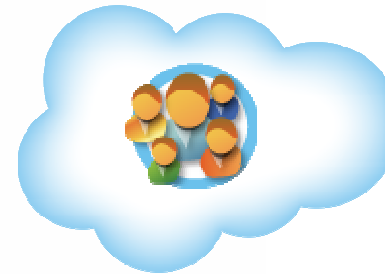
Built for This:

Contact Center

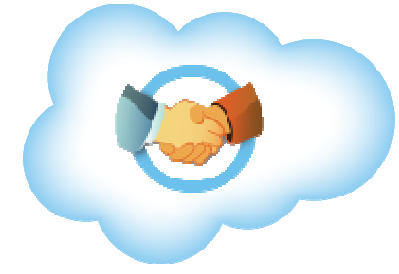


ORACLE[®]
vantive
CLARIFY
SIEBEL
Microsoft[®]

But Can't Connect Here:



Discussion Forums



Partner Websites



The Cloud Community

140,000+ Custom Apps and Counting...

IT Governance/Project Mgmt



IT Governance and Change Control
Built in 6 weeks



Project Management
Less than 10 Weeks

Human Resources



Recruiting and Training Application
Less than 6 months



Performance & Time Off
Less than 5 weeks

Franchise Management



Franchise & Training Management
Less than 6 months



Franchise Management
60 days

Shipping & Fulfillment



Sample Management
Less than 6 months



Distribution & Shipping
Less than 3 months

ERP/Accounting



Commercial Accounting
Built in 6 months



Custom ERP and Shipping System
Built in 7 months

Billing



Custom Billing
Less than 6 weeks



Quoting, Licensing & Billing
Less than 10 weeks

B2C Websites/eCommerce



Pledge 5
Less than 22 days



Public Train Website
Less than 3 months

Distribution



Inventory and Distribution
Built in 6 months



Inventory and Shipping System
Built in 7 months

Legal



Digital Rights Mgt
Less than 6 weeks



Contract Mgt
Less than 10 weeks

We Need a New Paradigm for Enterprise Collaboration

At Home we know about what matters in real-time



Friends and Family



Photos and Events



Latest Updates

At Work we're in the dark about what matters most

Colleagues / Expertise



Updated Documents



Our Top Customers



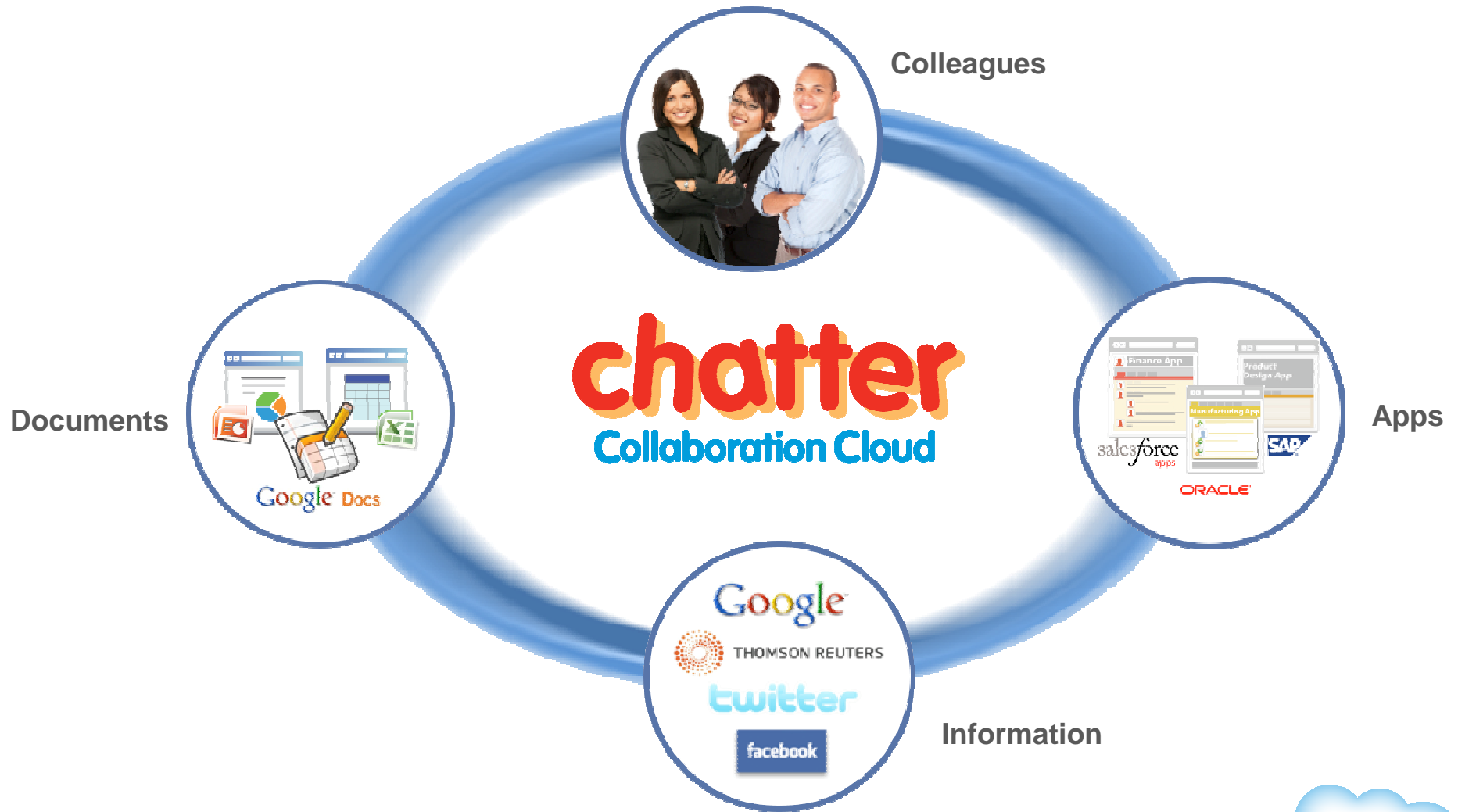
facebook

twitter

Microsoft
Sharepoint

Lotus
Notes

Know More About What Matters Across Your Company



“Chatter will be precisely the app to force a cultural change.”



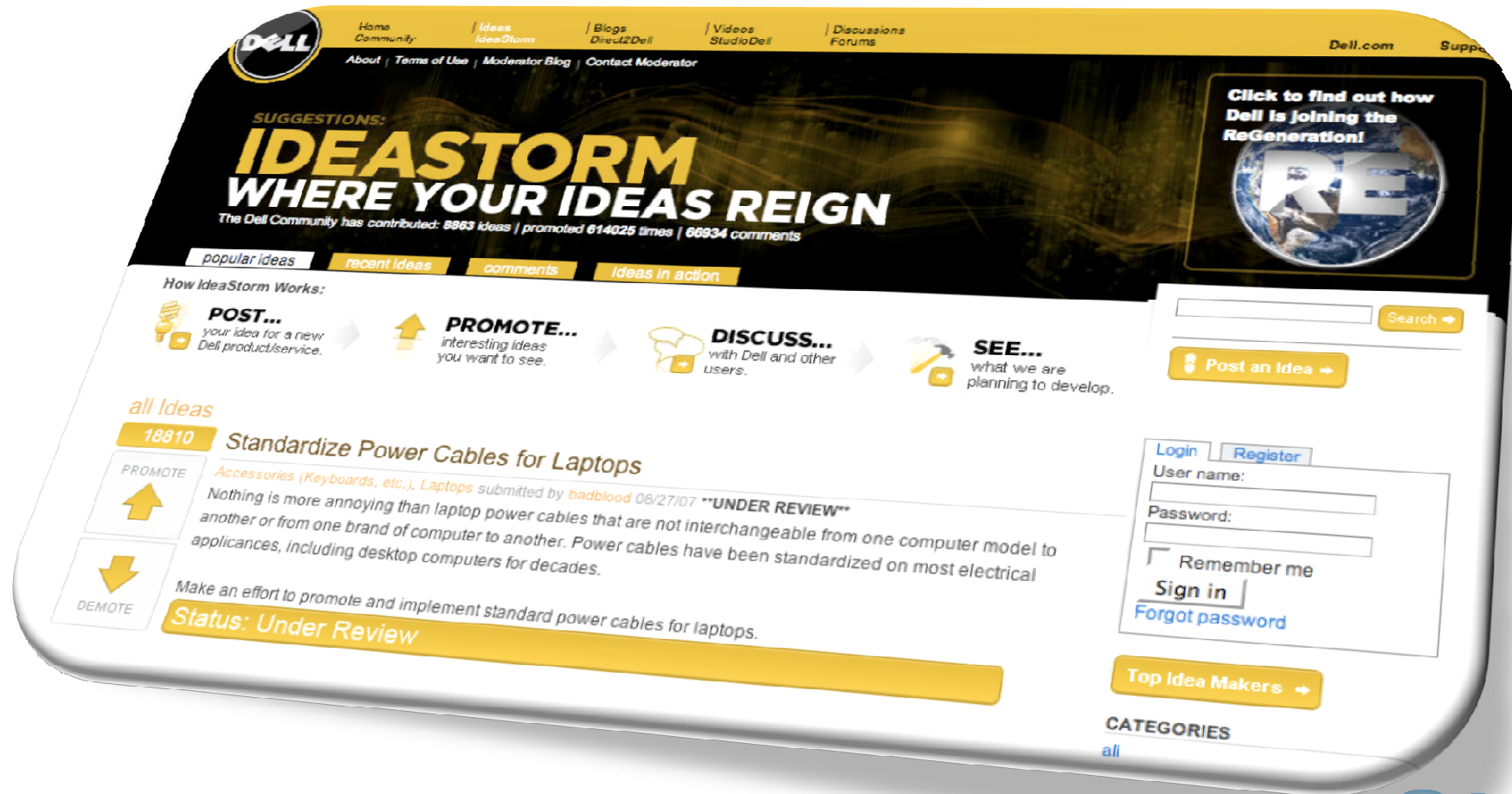
More and faster product and service innovation



How can you compete against a company that uses thousands of users for cost-free development advice?



Dell started a storm that's reinventing the company



Starbucks decided to listen too

my STARBUCKS IDEA | SHARE. VOTE. DISCUSS. SEE.

Share Your Idea | View All Ideas | Ideas In Action | About This Site

WELCOME TO STARBUCKS COFFEE

Welcome, Guest

Sign In to share, vote & discuss

SIGN IN

Check out the latest ideas now!

Help shape the future of Starbucks—with your ideas

You know better than anyone else what you want from Starbucks. So tell us. What's your Starbucks Idea? Revolutionary or simple—we want to hear it. Share your ideas, tell us what you think of other people's ideas and join the discussion. We're here, and we're ready to make ideas happen. Let's get started.

- share**
Post your Starbucks Idea—from ways we could improve to things we've never even thought of.
- vote**
Check out other people's ideas and vote on the ones you like best. The community votes. The
- discuss**
Talk about ideas with other customers and our Starbucks Idea Partners and help make them even
- see**
This is the proof. See which of your ideas were the most popular and watch as we take action.



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