

Informatica Customer 360 for Salesforce: Hierarchy Management

How to benefit from managing multiple hierarchies within
Salesforce for better customer relationships

About Informatica

Digital transformation changes expectations: better service, faster delivery, with less cost. Businesses must transform to stay relevant and data holds the answers.

As the world's leader in Enterprise Cloud Data Management, we're prepared to help you intelligently lead—in any sector, category or niche. Informatica provides you with the foresight to become more agile, realize new growth opportunities or create new inventions. With 100% focus on everything data, we offer the versatility needed to succeed.

We invite you to explore all that Informatica has to offer—and unleash the power of data to drive your next intelligent disruption.

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“Informatica and Salesforce have given us a means to connect our partners across San Diego County with trusted data, enabling better outcomes for more than a million citizens.”

— Peter Battistel, CTO
2-1-1 San Diego

Introduction

At the most fundamental level, hierarchies allow companies to answer a single, critical question which is top of mind for most executives: Who is our top customer? With complex business relationships and ownership models, the ability to manage and maintain multiple hierarchies allows executives the insight to answer that question across a number of different dimensions:

- Who is my top customer?
- Who is my top customer globally?
- Who is my top customer by region?
- Who is my top customer by sales territory?
- Who is my top customer by legal entity?

Each of these dimensions can be a hierarchy that’s managed within Salesforce. And by managing multiple hierarchies dynamically, not only can you realize who the top customer is, but you can also better understand customers and their opportunities, revenues, credit risk, and more.

This paper explains the concept of hierarchies, outlines how to use a variety of hierarchical views of customer data within Salesforce, and presents various approaches you can take to ensure that you benefit from their use.

Hierarchies Defined

There are several types of hierarchies that exist within a business: organizational, functional, brand structures, products, suppliers, location or geographic, standards-based or industry structures (e.g. NAICs and SIC codes), and more.

A common structure is the corporate hierarchy, a multi-tiered information structure where data ultimately rolls up to a parent or top-level entity, inheriting the core elements of the lower levels whether that’s opportunities, revenues, locations, or other important data. The corporate hierarchy typically delineates relationships between a parent and its subsidiaries as well as the lines of business within those subsidiaries. Corporate hierarchies can help us to understand changes in ownership brought about by mergers and acquisitions.

Companies that sell through partners or distributors also use hierarchies to visualize how various entities relate to each other by location or business. For example franchisors often use hierarchies to track and compare performance between different franchise owners, locations and sales data.

Hierarchies are also important in many business-to-consumer (B2C) markets. Retail banking, for example, uses hierarchies to map bank accounts to customers and addresses. Hierarchical mapping clarifies the relationships and helps the bank cross- or up-sell different consumers more efficiently.

In this way, visualizing the hierarchy helps the bank recognize the difference between multiple account holders at a single address (different individuals with distinct accounts) versus account holders with multiple addresses (joint accounts that allow individual consumers to be co-signer on different accounts, at different addresses).

A Complex, Multi-Tiered Hierarchy

In addition to hierarchies of the same data type, different groups within enterprises require hierarchies of different types of data. One group may categorize customers by DUNS numbers, while another group segments customers by specific products. Another group, say partner or distribution program managers, may categorize customers by geographical purchases or the price paid for products. Each viewpoint is equally important and organizations must utilize each one in order to efficiently sell, service, and retain customers.

The Benefits of Data Hierarchies

Mapping—and managing data hierarchies—offers four distinct benefits:

- **Clearer Visibility:** A data hierarchy can help you create a view of your customers and prospects that informs business strategy.
- **Better Reporting:** A data hierarchy allows you to see a connection among accounts that can benefit marketing, sales, legal, and procurement.
- **Smoother Selling:** A data hierarchy makes it easier to identify subsidiaries or branches of established accounts offers the best of both worlds—selling into a business where you have already built a reputation and relationships, while also identifying a new customer to bring on board.
- **Effective Territory Management:** A data hierarchy lets you know who is working with an account can enable you to leverage sales teams more effectively and reduce costs by bringing sales efforts into better alignment.

Implementing data hierarchies provides a complete view of your customer data that can be sliced and diced in many ways, allowing you to see how your customer is positioned relative to other entities. A thorough understanding of interactions and issues can help you take the appropriate action to build and strengthen your customer relationships.

Hierarchy Management With Salesforce

Salesforce offers some native hierarchy functionality—built on a single parent/child structure—that makes it possible for users to visualize relationships within the CRM environment. This functionality can be customized, but it is a manual and complex process. Creating data hierarchies that meet the needs of different Salesforce users can also be difficult and time-consuming, especially if a hierarchy is larger than two or three tiers deep.

Native Salesforce functionality also struggles if various parts of the business interact differently with the data. Because of this, the nature of Salesforce hierarchies tends to be static. However, business environments are dynamic, and as enterprises grow through mergers and acquisitions and/or expand globally, the complex-to-manage solution often produces a data hierarchy that is never quite current.

Salesforce has other limitations. For example, Salesforce limits the structure of a corporate hierarchy to just over 500 relationships, while companies such as Berkshire Hathaway have 700-plus hierarchical relationships.

Hierarchy Management With Salesforce and Informatica Cloud MDM Customer 360 for Salesforce

There are several approaches to creating robust and dynamic data hierarchies with Informatica® Cloud MDM Customer 360 for Salesforce.

Multi-View Hierarchies

Salesforce allows you to view the data hierarchy in context of the Account you have open. However it only provides the ability to see the Contacts, Leads and Opportunity objects associated with the parent Account, and not for any subsidiaries. For example, a Berkshire Hathaway Account object hierarchy might contain BNSF, GEICO, and many others as subsidiaries, but standard Salesforce only show the data associated with the top-level parent—Berkshire Hathaway.

Informatica Cloud MDM Customer 360 for Salesforce when added to Salesforce provides the ability to see all Contact, Lead and Opportunity objects across the entire account hierarchy including subsidiaries. Therefore marketing, sales, and service can use the multi-view hierarchy to track campaign influence, better understand sales forecasts, or identify cross- and up-sell opportunities across an entire organization.

Account	Number of Accounts in Hierarchy : 17	Opportunities of Entire Hierarchy	Total Records : 28
BERKSHIRE HATHAWAY INTERNATIONAL INSURANCE LTD, Birchlin La Birchlin La, London, London, United Kingdom			
MidAmerican Energy, 666 Grand Ave. Ste. 500, Des Moines, IA, United States			
Berkshire Hathaway Homestate Insurance Company, 3333 Farnam St Ste 300, Omaha, NE, United States			
Blue Chip Stamps, 301 E Colorado Blvd Ste 300, Pasadena, CA, United States			
GEICO GENERAL INSURANCE COMPANY, 1 GEICO PLZ, WASHINGTON, DC, United States			
Acme Brick, 3024 ACME BRICK PLZ, FORT WORTH, TX, UNITED STATES	CURRENT		
Johns Manville Canada Inc, 4704 58 St, Innisfail, AB, Canada			
H.H. Brown Shoe Company (Canada) Ltd, 1650 Rue King O Bureau 102, Sherbrooke, QC, Canada			
Berkshire Hathaway Homestates, 50 California St Fl 14, San Francisco, CA, United States			
General Re, 695 E MAIN ST, STAMFORD, CT, United States			

Opportunities	Amount	Close Date	Created Date
NEW - SILVER TRA...	\$450,000.00	Jun 29, 2017	2017-06-14T14:2...
NEW - SILVER TRA...	\$700,000.00	Jun 21, 2017	2017-05-24T00:0...
NEW - SILVER TRA...	\$1,000,000.00	Jul 17, 2017	2016-07-18T18:0...
NEW - SILVER TRA...	\$5,000.00	Aug 24, 2015	2015-08-25T17:2...
NEW - SILVER TRA...	\$4,000,000.00	Jul 17, 2017	2016-07-18T18:0...
NEW - SILVER TRA...	\$54,000.00	Sep 14, 2012	2015-03-31T05:1...
NEW - SILVER TRA...	\$80,000.00	Oct 31, 2011	2015-03-31T05:1...
NEW - SILVER TRA...	\$45,000.00	Sep 16, 2012	2015-03-31T05:1...
NEW - SILVER TRA...	\$54,000.00	Sep 16, 2012	2015-03-31T05:1...
NEW - SILVER TRA...	\$90,000.00	May 31, 2012	2015-03-31T05:1...
RENEWAL - EQUA...	\$65,000.00	Jan 8, 2011	2015-03-31T05:1...

Figure 1. Account hierarchy view containing contact, lead and opportunity data.

Multi-Source Hierarchies

Different applications and data providers, such as Dun and Bradstreet (D&B), Oracle and SAP often define hierarchy relationships within their applications or services.

SAP, for example, often used by companies for financial tracking and ERP, defines hierarchies based on financial segmentation. While D&B creates company hierarchies based on a unique nine-digit identification number, known as a DUNS number, that define a physical location of business. Many other companies have the custom and/or legacy systems that they use to define hierarchies.

Cloud MDM Customer 360 for Salesforce provides the ability to create, edit, compare, manage and view additional hierarchies from multiple-data sources within Salesforce. Therefore, when looking at the parent account object you can view the SAP version of the account hierarchy, the D&B hierarchy, and a custom hierarchy.

Calling upon multiple data sources adds richness to your account view, for example:

- **SAP:** Use the SAP financial hierarchy to view past transactions from your ERP system of record.
- **Dun & Bradstreet:** Use DUNS numbers for the legal view required for compliance, credit worthiness, or contract tracking.
- **Custom Source:** Whether your business is to provide data to a specific industry or vertical or if you have a specific custom way of tracking data.

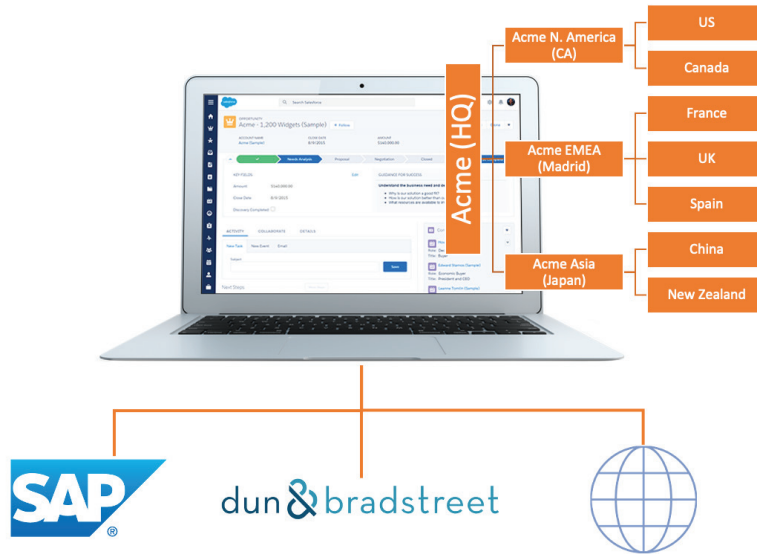


Figure 2. Creating and viewing hierarchies from multiple data sources.

Multi-Type Hierarchies

You might also want to categorize hierarchies based on business unit type or prebuilt legal, franchise or sales type rules. For instance sales might want to track company hierarchies from LinkedIn or product sales. Or if the enterprise sells to franchise organizations, you can leverage a multi-type hierarchy for a dynamic view of how these individual outlets are growing and changing.

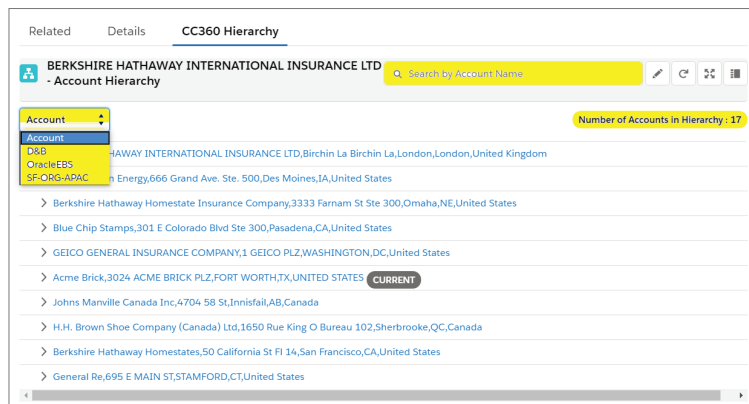


Figure 3. Using a dropdown box to dynamically switch between different hierarchical views.

Informatica Cloud MDM Customer 360 for Salesforce offers users the opportunity to leverage multiple hierarchy types to deliver a single view of the customer. The legal department for example, could use hierarchical data to uncover contract or compliance issues. The sales department could use a different hierarchy to identify cross-sell or up-sell opportunities.

Lastly, the marketing department could use a different hierarchy to tailor messaging to specifically target customers or prospect subsidiaries.

Get Started Now

Managing how you interact with customers or prospects can be a difficult challenge, especially if your data views are static and out-of-date. Without a trusted dynamic view of your customer data and hierarchies, you may not grasp the full story on your customer, partner, and sales relationships, thus limiting your ability to grow sales opportunities or adequately service your customers to sustain your business.

Salesforce offers some limited native help that makes it possible to visualize a hierarchy within a single instance, but it's severely limited. Creating hierarchical views of customer data that meet the needs of different Salesforce users can be difficult, intensely manual, and time-consuming. In addition, creating dynamic hierarchies is virtually impossible with the capabilities which come natively from Salesforce.

Informatica Cloud MDM Customer 360 for Salesforce offers organizations of all sizes, and particularly those with Salesforce at the center of their organizations, the opportunity to leverage many types of hierarchies to create a trusted, dynamic view of customer data in order to help you identify and strengthen the relationships between various entities, increase visibility, and follow a path to smoother selling.

