

Salesforce Licensing Guide 2023

Executive Summary

In today's rapidly evolving business landscape, the strategic utilization of technology is a pivotal determinant of organizational success. Salesforce stands as a preeminent player in this arena, offering a suite of customer relationship management (CRM) solutions that empower businesses to drive growth, enhance customer engagement, and streamline operations. However, navigating Salesforce's licensing framework can be a daunting task, given the diverse editions, features, and considerations associated with each licensing option. Especially in expansive and dynamic organizations, mastering this balance in Salesforce licensing is pivotal.

Whether you're new to the Salesforce ecosystem or looking to optimize your current licensing strategy, this comprehensive guide is here to provide you with an understanding of the various Salesforce licensing options, features, and considerations. As one of the most versatile and widely used customer relationship management (CRM) platforms, Salesforce offers a range of licensing editions and add-ons tailored to meet the diverse needs of organizations, from startups to enterprises. In this guide, we'll explore the intricacies of Salesforce licensing, helping you navigate through the complexities, make informed decisions, and align your licensing choices with your business goals. Whether you're seeking to enhance user productivity, integrate with external systems, or extend your Salesforce capabilities to external stakeholders, this guide will serve as a resource for demystifying licensing models, understanding costs, and ensuring that your Salesforce investment aligns perfectly with your organization's needs.

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“Gotchas” of Salesforce Licensing

Salesforce licensing can be complex, and there are several “gotchas” that organizations should be aware of to avoid unexpected costs and limitations. Keep in mind that specific licensing details and terms may change over time, so it’s always essential to consult with Salesforce representatives and review the most up-to-date documentation.

Here are some common gotchas of Salesforce licensing:

Common “Gotchas” of Salesforce Licensing
Per User License Model
Different License Types
Feature Limitations
Add-Ons and Extra Costs
API Calls and Data Storage Limits
Usage Compliance
Contract Terms and Renewal
Usage for Non-Human Users
External User Licenses
Data Privacy and Security Compliance



1. Per User License Model

Salesforce operates on a per-user license model, which means each user needs a separate license. Licenses can be expensive, and costs can quickly add up, especially for large organizations with many users.

Salesforce's Per User License Model is the primary way in which Salesforce licenses its products and services. Under this model, each individual user who needs access to Salesforce or any of its specific products must have a dedicated user license. The license is tied to a unique user login, granting that user permission to access the Salesforce platform and its features.

Here are some key points to understand about Salesforce's Per User License Model:

Important Considerations of Salesforce's Per User License Model

- a. Individual Licensing** - Each user is considered an individual licensee, and a separate license is required for each person who will use Salesforce. Each license provides a specific set of permissions and access to features based on the chosen license type.
- b. License Types** - Salesforce offers various license types tailored to different roles and needs within an organization. Examples include Salesforce Enterprise Edition, Salesforce Professional Edition, and Salesforce Platform licenses. Each license type comes with its own set of functionalities and limitations.
- c. Feature Set** - The features available to a user depend on the type of license assigned to them. Higher-tier licenses generally provide more functionalities, such as advanced reporting, automation capabilities, and customization options. Lower-tier licenses may have limitations on certain features or capabilities.
- d. Subscription Basis** - Salesforce licenses are typically sold on a subscription basis, and organizations pay a recurring fee for each user license. Subscription terms can vary, such as monthly or annual billing.
- e. Scalability** - The Per User License Model allows organizations to easily scale their usage based on their workforce size. As the number of users grows or decreases, organizations can adjust their license count accordingly.
- f. Named User Basis** - Each license is associated with a named user, meaning it is non-transferable and can only be used by the designated individual. Users cannot share their licenses or login credentials with others.



Important Considerations of Salesforce's Per User License Model (cont.)

- g. Deactivating Users** – To prevent paying for unused licenses, it's essential to deactivate licenses when users no longer need access to Salesforce. Deactivated users free up licenses for reassignment to new or active users.
- h. External Users** – For external partners, customers, or vendors who need access to Salesforce, there are specific external user licenses available. These licenses may have different pricing and feature sets compared to internal user licenses.
- i. Compliance** – It's crucial for organizations to stay compliant with Salesforce's licensing terms and agreements. Unauthorized or unlicensed users could lead to legal and financial consequences.

Understanding the Per User License Model is essential for organizations to effectively plan and budget their Salesforce implementations. It ensures that each user has the appropriate level of access and functionality required for their role, and it helps organizations maintain control over their Salesforce usage and costs.



2. Different License Types

Salesforce offers various license types with different levels of functionality and access to features. It's essential to understand the differences between each license type and choose the most appropriate one for each user's role and requirements.

Salesforce offers a range of license types, each tailored to specific roles and requirements within an organization. Here's an overview of some common Salesforce license types:

Common Salesforce License Types

- a. Salesforce Enterprise Edition** - This is one of the most comprehensive and widely used license types. It provides access to a broad range of Salesforce features, including advanced reporting, workflow automation, customizations, and integrations. It is suitable for sales, service, and marketing teams with more complex needs.
- b. Salesforce Professional Edition** - This license type is designed for small to medium-sized businesses with more straightforward requirements. While it offers many core functionalities, it may have some limitations compared to the Enterprise Edition, such as limited API access and customization options.
- c. Salesforce Lightning Platform** - This license type focuses on providing app development capabilities. Users can create custom applications on the Salesforce Lightning Platform using low-code or no-code tools. It is suitable for businesses that need custom applications but don't require all the features of the Enterprise Edition.
- d. Salesforce Essentials** - This is a simplified and cost-effective license type aimed at small businesses and startups. It provides essential sales and service features to help small teams manage their customer relationships effectively.
- e. Salesforce Community Cloud** - This license is for external users such as customers, partners, and vendors who need limited access to specific parts of the Salesforce instance. It allows organizations to build branded communities for collaboration and support.
- f. Salesforce Service Cloud** - This license type is designed specifically for customer service teams. It provides access to service-related features like case management, knowledge base, and omnichannel support.



Common Salesforce License Types (cont.)

- g. Salesforce Marketing Cloud** – This license focuses on marketing automation and enables businesses to create and manage marketing campaigns across various channels, such as email, social media, and advertising.
- h. Salesforce Sales Cloud** – This license is tailored for sales teams and provides tools for lead management, opportunity tracking, sales forecasting, and more.
- i. Salesforce Pardot** – Pardot is Salesforce’s marketing automation platform designed for B2B marketing teams. It offers features like lead nurturing, lead scoring, and marketing analytics.
- j. Salesforce Health Cloud** – This license is specifically designed for healthcare organizations, providing tools to manage patient data, care coordination, and patient engagement.
- k. Salesforce Financial Services Cloud** – This license is tailored for financial services companies, offering tools to manage client relationships, financial planning, and compliance.
- l. Salesforce Nonprofit Cloud** – This license type caters to nonprofit organizations, providing features for donor management, fundraising, volunteer tracking, and program management.

Keep in mind that Salesforce may introduce new license types or modify existing ones over time, so it’s essential to check with Salesforce or their representatives for the most up-to-date information regarding available license types and their features.



3. Feature Limitations

Some lower-tier license types may have feature limitations, preventing users from accessing specific functionalities. Ensure that the chosen license type provides all the necessary features required for each user's role.

Salesforce offers a wide range of features and functionalities to cater to different business needs. However, certain license types may have feature limitations that restrict access to specific capabilities. These feature limitations are typically designed to differentiate between various license tiers and encourage organizations to choose the most appropriate license based on their requirements and budget. Here are some common examples of Salesforce feature limitations:

Common Salesforce Feature Limitations

- a. Customization Limits** – Lower-tier license types may have restrictions on customization options, such as limited access to custom objects, fields, and page layouts. Higher-tier licenses often provide more flexibility for organizations to tailor Salesforce to their specific processes and workflows.
- b. API Access** – Some licenses may have limitations on the number of API calls allowed per day or month. This can impact integrations with external systems and other third-party applications.
- c. Storage Limits** – Each license type comes with a specific data storage allocation. If an organization exceeds the allotted storage, they may need to purchase additional storage capacity.
- d. Reporting and Analytics** – Advanced reporting and analytics features, such as customizable dashboards and dynamic reports, may be limited in lower-tier license types.
- e. Workflow Automation** – Lower-tier licenses may have fewer workflow automation options, restricting the ability to automate certain business processes.
- f. Sandbox Access** – Sandboxes are essential for testing and development purposes. However, some license types may not include full access to sandboxes or limit the number of sandboxes available.
- g. Mobile Access** – Certain license types may have limitations on mobile app access or the level of functionality available through mobile devices.



Common Salesforce Feature Limitations (cont.)

- h. API Integration Features** – Advanced API integration options, such as real-time data synchronization, may be limited to higher-tier licenses.
- i. Knowledge Base and Content Management** – Some license types may not include access to Salesforce’s knowledge base or content management features.
- j. Multi-Currency Support** – Certain license types may not support multi-currency functionality, which could be a limitation for organizations operating in multiple countries.
- k. Email and Marketing Limits** – Lower-tier licenses may have restrictions on the number of emails that can be sent per day or month through Salesforce’s marketing automation tools.

It’s crucial for organizations to carefully evaluate their requirements and choose the right Salesforce license type that aligns with their needs. As business needs evolve, it may be necessary to reevaluate license types to ensure users have access to the required features and capabilities. Salesforce representatives can provide detailed information about feature limitations and help organizations make informed decisions when selecting license types.



4. Add-Ons and Extra Costs

Some advanced features, integrations, and add-ons may come with additional costs on top of the standard license fees. Make sure to consider these extra expenses when budgeting for Salesforce implementation.

Add-ons and extra costs in the context of Salesforce refer to additional features, functionalities, services, or licenses that go beyond the standard offerings included in your chosen Salesforce edition. These options allow organizations to tailor their Salesforce experience to better suit their specific business needs. While add-ons can provide valuable enhancements, they also come with associated costs that need to be carefully considered. Here's a closer look at add-ons and extra costs in Salesforce:

Important Considerations of Salesforce's Add-Ons and Extra Costs

- a. Third-Party Apps** – Salesforce has a vibrant ecosystem of third-party applications available on the Salesforce AppExchange. These apps can add specialized features and integrations to your Salesforce instance. While some apps are free or offer basic functionality at no cost, others require paid licenses or subscriptions. Organizations need to assess the compatibility, functionality, and cost of third-party apps before integrating them into their Salesforce environment.
- b. Lightning Bolt Solutions** – Lightning Bolt solutions are industry-specific templates and solutions designed to accelerate the implementation of certain use cases. They can include pre-built components, processes, and integrations. While Lightning Bolt solutions can save time and effort in setting up certain functionalities, they might come with additional costs depending on the complexity and scope of your requirements.
- c. Additional User Licenses** – If your organization's user count increases, you'll need to purchase additional user licenses. Whether you're adding new employees, partners, or customers who require access to your Salesforce instance, each user will typically need a corresponding license, which comes with its own cost.
- d. Storage and Data Limits** – Many Salesforce editions come with a specific amount of data storage included. If your organization exceeds these limits due to increased data volume, you might incur extra charges. It's important to monitor your data usage and consider upgrading your storage capacity if needed.



Important Considerations of Salesforce's Add-Ons and Extra Costs (cont.)

- e. **Custom Development and Integrations** – If you require custom development or integrations with other systems, there could be additional costs associated with hiring developers, consultants, or purchasing licenses for middleware or integration tools.
- f. **Enhanced Support Plans** – While Salesforce provides standard support as part of its offerings, there are enhanced support plans available for organizations that require higher levels of technical assistance, faster response times, and dedicated support resources. These premium support plans often come at an additional cost.
- g. **Pardot and Marketing Cloud** – If you need advanced marketing automation and email marketing capabilities, Salesforce offers Pardot (for B2B marketing) and Marketing Cloud (for B2C marketing). These platforms provide sophisticated tools for lead generation, nurturing, and campaign management, but they come with their own licensing fees.
- h. **Einstein Analytics**– Einstein Analytics (now part of Tableau) offers advanced data visualization and business intelligence capabilities that can help organizations derive insights from their Salesforce data. Depending on your needs, this might require additional licensing.
- i. **Additional Sandboxes** – Sandboxes are isolated environments used for development, testing, and training. While Salesforce provides a certain number of sandboxes with each edition, you might need more for complex development or testing scenarios, which could lead to extra costs.
- j. **Consulting and Implementation Services** – While not directly tied to Salesforce licensing, organizations often engage Salesforce consulting partners to assist with implementation, customization, and optimization. These services come with their own fees and should be factored into your overall budget.

To effectively manage add-ons and extra costs, it's important to carefully evaluate your organization's requirements, prioritize the functionalities you truly need, and work closely with Salesforce representatives or experts to understand the potential costs associated with each enhancement. Regularly reviewing your Salesforce usage and associated costs can help ensure that you're optimizing your investment while avoiding unnecessary expenses.



5. API Calls and Data Storage Limits

Salesforce imposes limits on the number of API calls and data storage for each license type. If your organization heavily relies on integrations or has extensive data storage needs, you may need to purchase additional resources.

API Calls and Data Storage Limits are important considerations when using Salesforce, as they impact how your organization interacts with the platform and stores its data. Let's delve into each concept:

API Calls

An API (Application Programming Interface) is a set of protocols and tools that allow different software applications to communicate and interact with each other. In the context of Salesforce, APIs enable external applications or systems to connect with and manipulate Salesforce data.

Salesforce imposes limits on the number of API calls your organization can make within a certain timeframe. These limits are in place to ensure fair usage of system resources and to maintain system performance for all users. API calls can be categorized into various types, such as:

- a. REST API Calls** – These are used for accessing and manipulating Salesforce data using standard HTTP methods like GET, POST, PUT, and DELETE.
- b. SOAP API Calls** – These use the Simple Object Access Protocol (SOAP) to perform functions like querying, creating, updating, and deleting records.
- c. Bulk API Calls** – Used for bulk data operations, such as loading or deleting large sets of records.
- d. Streaming API Call** – Used for real-time updates, where you can subscribe to changes in Salesforce data.

Note: The specific limits for API calls vary depending on your Salesforce edition and the number of user licenses you have. If your organization exceeds these limits, you may need to upgrade your edition or consider optimizing your API usage.



Data Storage Limits

Salesforce provides data storage for storing your organization's records, including accounts, contacts, opportunities, cases, and custom objects. The amount of data storage allocated depends on your Salesforce edition and the number of user licenses.

Data storage includes both standard objects (provided by Salesforce) and custom objects (created by your organization). Each object, along with its fields and attachments, contributes to the overall data storage usage. External objects that connect to data sources outside of Salesforce also count towards data storage.

If your organization reaches its allocated data storage limit, you will need to either purchase additional storage or delete unnecessary or outdated records to free up space. It's essential to regularly monitor your data storage usage to avoid unexpected costs and performance issues.

Considerations

- a. Optimization** – Efficient use of API calls and data storage is crucial. Design your processes to minimize unnecessary API calls, and regularly clean up data to stay within storage limits.
- b. Integration** – Be mindful of third-party applications and integrations that might increase API usage. Some integrations might generate more API calls than others.
- c. Archiving and Deletion** – Develop archiving and data retention strategies to manage data growth. Identify records that can be archived or deleted to free up data storage.
- d. Monitoring and Alerts** – Implement monitoring and alerts to notify administrators when API usage or data storage is approaching limits.
- e. Upgrading** – If your organization's needs grow beyond the limits of your current edition, upgrading to a higher Salesforce edition might be necessary.

By understanding API calls and data storage limits, your organization can make informed decisions about its Salesforce usage, ensure optimal performance, and avoid unexpected costs.



6. Usage Compliance

It's crucial to monitor and manage user licenses actively. Failure to deactivate unused licenses can result in paying for unused subscriptions.

Usage compliance in the context of Salesforce refers to adhering to the terms, conditions, and policies outlined in your Salesforce subscription agreement and licensing. It involves ensuring that your organization uses Salesforce services, features, and resources within the bounds defined by your subscription, and that you comply with the platform's acceptable use policies and guidelines. Failing to maintain usage compliance can lead to various consequences, including additional costs, service disruptions, or even termination of your Salesforce subscription. Here are key aspects of usage compliance:

Important Considerations of Usage Compliance with Salesforce

- a. Licensing and Editions** - Ensure that you are using the appropriate Salesforce edition and the corresponding number of user licenses. Using more licenses than you have purchased or accessing features not included in your edition can result in compliance violations.
- b. API Usage** - Adhere to the API usage limits associated with your Salesforce edition. Excessive or improper use of APIs can lead to performance issues, and violating API limits could incur additional costs or service interruptions.
- c. Data Storage Limits** - Monitor your data storage usage and stay within the allocated limits for your edition. Exceeding data storage limits might necessitate purchasing additional storage or deleting unnecessary records.
- d. User Access and Authentication** - Ensure that user access and authentication mechanisms are properly configured. Unauthorized users or lax security practices could lead to data breaches or compliance violations.
- e. Customization and Development** - Customize and develop within the guidelines set by Salesforce. Avoid any modifications that violate Salesforce's terms of use or could compromise system integrity.
- f. Acceptable Use Policies** - Follow Salesforce's acceptable use policies and guidelines. This includes using the platform for legitimate business purposes and refraining from engaging in any activities that violate laws or regulations.



Important Considerations of Usage Compliance with Salesforce (cont.)

- g. Third-Party Apps and Integrations** – If using third-party apps or integrations, ensure they are compliant with Salesforce policies and security standards. Be cautious of granting excessive permissions to external applications.
- h. User Training and Adoption** – Promote user training and adoption to ensure that your organization’s users understand how to use Salesforce effectively and in compliance with established policies.
- i. Regular Audits and Reviews** – Conduct periodic audits of your Salesforce usage to identify any potential compliance issues. Regularly review and update your Salesforce configuration to align with changing business needs.
- j. Communication with Salesforce** – Maintain open communication with Salesforce representatives. If you anticipate changes in usage, such as increased API calls or data storage needs, it’s advisable to communicate with Salesforce to avoid unexpected issues.

Failure to maintain usage compliance not only poses financial and operational risks but could also impact your organization’s relationship with Salesforce. It’s essential to have a comprehensive understanding of your Salesforce agreement, continuously monitor your usage, and implement proper governance practices to ensure compliance and maximize the value of your Salesforce investment.



7. Contract Terms and Renewal

Pay close attention to the contract terms and renewal conditions. Some contracts may auto-renew, and the price may increase during renewal. Negotiating favorable terms during initial contract discussions can be beneficial in the long run.

Contract terms and renewal in the context of Salesforce refer to the legally binding agreement between your organization and Salesforce regarding the subscription to Salesforce services. These terms outline the rights, responsibilities, obligations, and conditions under which your organization can access and use the Salesforce platform. Understanding contract terms and renewal is essential for managing your Salesforce relationship effectively. Here's a breakdown of the key aspects:

Salesforce Contract Terms

- a. Duration** - The contract specifies the duration of the subscription, which could be annually or for multiple years. It defines the start and end dates of the subscription period.
- b. Scope of Services** - The contract outlines the specific Salesforce services, features, and functionalities included in your subscription. It clarifies what your organization is entitled to access and use.
- c. License Count and Edition** - The contract specifies the number of user licenses and the Salesforce edition you have subscribed to. It's crucial to ensure that you have the right number of licenses for your users and the required features for your business needs.
- d. Pricing and Payment Terms** - The contract details the pricing structure, including the subscription fees, any one-time setup or implementation costs, and payment schedule. Make sure you understand the payment terms and any potential price increases.
- e. Support and Maintenance** - The contract outlines the level of support and maintenance services provided by Salesforce, including response times, support channels, and availability of technical assistance.
- f. Data Security and Privacy** - Contracts typically include provisions related to data security, privacy, and compliance with relevant data protection regulations. Ensure that your organization's data is handled and stored in accordance with your requirements and applicable laws.



Salesforce Contract Terms (cont.)

- g. Service Level Agreements (SLAs)** – Some contracts may include SLAs that define the guaranteed uptime and performance standards for the Salesforce services. SLAs provide a framework for measuring service quality and availability.
- h. Termination and Exit Clauses** – The contract outlines the conditions under which either party can terminate the agreement. It's important to understand the notice periods, termination reasons, and any associated costs.

Salesforce Renewal

- a. Optimization** – Efficient use of API calls and data storage is crucial. Design your processes to minimize unnecessary API calls, and regularly clean up data to stay within storage limits.
- b. Renewal Process** – As your contract expiration date approaches, Salesforce will typically initiate a renewal process. This may involve reviewing and updating the terms, pricing, and subscription details for the upcoming period.
- c. Renewal Terms** – During the renewal process, you have the opportunity to negotiate any changes to the contract terms, such as license counts, pricing, or services. It's a chance to align the contract with your evolving business needs.
- d. Review and Evaluation** – Before renewing, evaluate whether your current Salesforce setup meets your organization's requirements. Consider factors like user adoption, new features, changing business processes, and the potential need for additional licenses or services.
- e. Negotiation** – If you have concerns or require modifications, engage in negotiations with Salesforce representatives. This could involve discussions about pricing adjustments, new features, or support improvements.
- f. Contract Signing** – Once both parties agree on the renewal terms, a new contract is typically signed, outlining the terms and conditions for the upcoming subscription period.

Understanding your contract terms and renewal options allows you to effectively manage your Salesforce subscription, optimize costs, and ensure that your organization continues to benefit from the platform's features and services. It's advisable to proactively initiate renewal discussions and review your Salesforce usage before the contract expiration to make informed decisions.



8. Usage for Non-Human Users

Licensing can get tricky if you plan to integrate Salesforce with automated systems or use it for non-human users like bots. Salesforce might require specific types of licenses or charge differently for these scenarios.

Usage for non-human users in the context of Salesforce refers to the interaction and utilization of the Salesforce platform by automated processes, integrations, applications, and other systems that do not represent actual human users. These non-human users are often referred to as “system users” or “integration users.” They perform tasks, retrieve data, and trigger actions within Salesforce without direct human intervention. Here’s an explanation of non-human user usage in Salesforce:

Non-Human User Usage in Salesforce

a. Integrations – Integrations involve connecting Salesforce with other software applications, systems, or services to facilitate data exchange and streamline business processes. These integrations can be set up to automatically sync data between Salesforce and external systems, trigger workflows, and perform various actions based on predefined rules.

Examples:

- *An e-commerce website sending customer order information to Salesforce for processing.*
- *A marketing automation tool syncing leads and campaign data with Salesforce.*

b. Automated Processes – Salesforce provides automation capabilities through tools like Process Builder, Workflow Rules, and Flow. These tools enable you to define rules and actions that are automatically executed when specific conditions are met, without manual intervention.

Examples:

- *Automatically assigning leads to sales representatives based on specific criteria.*
- *Sending automated email notifications when a case status changes.*



Non-Human User Usage in Salesforce (cont.)

c. Data Migration and Import – During data migration or import processes, non-human users may be used to transfer large volumes of data from external sources into Salesforce databases.

Examples:

- *Importing historical customer data from a legacy CRM system into Salesforce.*
- *Migrating contact and account information from an Excel spreadsheet to Salesforce.*

d. Reporting and Analytics – Automated reporting processes can generate and distribute reports and dashboards to designated recipients on a scheduled basis.

Examples:

- *Automatically assigning leads to sales representatives based on specific criteria.*
- *Sending automated email notifications when a case status changes.*

e. API Integrations – APIs (Application Programming Interfaces) allow external systems to interact with Salesforce programmatically. Non-human users can make API calls to retrieve, update, or manipulate data in Salesforce.

Examples:

- *Automatically assigning leads to sales representatives based on specific criteria.*
- *Sending automated email notifications when a case status changes.*



Other Considerations for Non-Human User Usage in Salesforce

When designing and managing non-human user usage in Salesforce, consider the following:

- a. Security** - Ensure that non-human users have appropriate access permissions and that sensitive data is protected.
- b. API Limits** - Be mindful of API usage limits to prevent performance issues. Monitor and optimize API calls to stay within the allowed limits.
- c. Governance** - Establish clear ownership and oversight of non-human user processes to avoid unauthorized or uncontrolled access.
- d. Documentation** - Maintain documentation of integrations, automation processes, and non-human user configurations for reference and troubleshooting.
- e. Testing** - Thoroughly test integrations and automated processes to ensure they function as intended and don't lead to data inconsistencies or errors.

Non-human user usage can greatly enhance efficiency and data accuracy within Salesforce, but it requires careful planning, configuration, and monitoring to ensure smooth operation and compliance with your organization's needs and policies.



9. External User Licenses

If you have external partners, customers, or vendors who need access to your Salesforce instance, there are specific licenses available for them. These licenses may have different pricing and feature sets compared to internal user licenses.

External User Licenses in Salesforce refer to licenses that allow individuals who are not part of your organization (external users) to access and interact with your Salesforce instance. These licenses are designed to extend the reach of your Salesforce implementation to customers, partners, suppliers, and other external stakeholders, enabling them to engage with specific functionalities and data within your Salesforce environment. Here are some key points to understand about external user licenses:

Important Considerations of External User Licenses

a. Types of External User Licenses – Salesforce offers several types of external user licenses, each with different features and capabilities. The most common types include:

- ***Customer Community Licenses*** - Designed for customers, these licenses allow external users to access a designated Salesforce Community. Customers can collaborate, submit cases, view their account information, and participate in discussions.
- ***Partner Community Licenses*** - Geared towards partners, these licenses enable external users to collaborate with your organization on joint opportunities, leads, and other business processes. Partners can access shared data and collaborate within a community.
- ***High Volume Customer Portal (HVCP) Licenses*** - These licenses are designed for scenarios involving a high volume of external users who primarily need read-only access to specific data.



Important Considerations of External User Licenses (cont.)

b. Features and Permissions – External user licenses come with specific features and permissions that determine what external users can do within your Salesforce instance. These permissions can be configured to provide appropriate access to records, objects, and functionalities. For example, you can grant external users access to accounts and cases while restricting access to more sensitive data.

c. Sharing and Security – Salesforce provides mechanisms for sharing data securely with external users. Record sharing rules, manual sharing, and sharing sets can be configured to control which records external users can access.

d. Customization and Branding – You can customize the appearance and branding of your Salesforce Community to provide a consistent user experience for external users. This includes customizing the layout, themes, and colors to align with your organization's branding.

e. Licensing Costs – External user licenses come at a cost, which can vary based on the type of license, the features included, and the number of licenses you require. It's important to consider the licensing costs when planning to extend Salesforce access to external users.

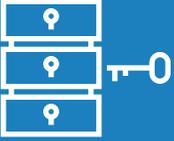
f. Use Cases – External user licenses have a wide range of use cases, including:

- *Allowing customers to log in and view their order history, track cases, and update their contact information.*
- *Enabling partners to collaborate on joint sales opportunities, share leads, and register deals.*
- *Providing suppliers with access to inventory levels, order status, and purchase history.*
- *Creating a self-service portal for community members to engage in discussions and access resources.*

g. Limitations – External user licenses have certain limitations compared to internal user licenses. For example, external users might have restricted access to certain objects or functionalities, and they might not be able to perform administrative tasks.



When considering the use of external user licenses, it's important to carefully plan and design your Salesforce Community to ensure it meets the needs of your external users while maintaining data security and compliance. Additionally, understanding the licensing costs and limitations will help you make informed decisions about the best approach for extending your Salesforce instance to external stakeholders.



10. Data Privacy and Security Compliance

Different Salesforce license types may have varying levels of data access and security features. Ensure that the chosen licenses align with your organization's data privacy and security compliance requirements.

Data privacy and security compliance in the context of Salesforce refers to the measures, practices, and regulations that organizations must adhere to in order to protect the privacy of personal and sensitive data stored and processed within their Salesforce instance. This includes complying with relevant data protection laws, industry standards, and best practices to ensure the confidentiality, integrity, and availability of data. Here's an overview of data privacy and security compliance considerations in Salesforce:

Important Considerations of Data Privacy and Security Compliance

a. Data Protection Laws

- **General Data Protection Regulation (GDPR)** – *If your organization operates in the European Union or handles data of EU citizens, you need to comply with GDPR regulations, which include obtaining consent for data processing, providing data subjects with rights to access and control their data, and ensuring secure data handling.*
- **California Consumer Privacy Act (CCPA)** – *If you collect or process personal information of California residents, you must comply with CCPA requirements, which grant consumers certain rights over their data and require transparency in data practices.*

b. Data Classification and Encryption – Classify data based on its sensitivity and apply appropriate encryption mechanisms. Salesforce provides encryption at rest and in transit to safeguard data against unauthorized access.

c. Access Controls and Permissions – Implement strict access controls to ensure that users, including internal and external users, only have access to the data necessary for their roles. Use profiles, permission sets, and role hierarchies to manage access.



Important Considerations of Data Privacy and Security Compliance (cont.)

- d. Authentication and Identity Management** – Use strong authentication methods such as multi-factor authentication (MFA) to ensure that only authorized individuals can access Salesforce. Federated identity solutions can enhance security and streamline user management.
- e. Auditing and Monitoring** – Set up auditing and monitoring mechanisms to track user activity, changes to data, and system access. Regularly review logs and reports to detect and respond to potential security incidents.
- f. Data Retention and Deletion** – Establish data retention and deletion policies to ensure that data is retained only for as long as necessary. Salesforce allows you to define data retention settings and automate data deletion processes.
- g. Secure Integrations** – If integrating Salesforce with other systems, ensure that data is exchanged securely. Use secure APIs, enforce authentication, and encrypt data during transmission.
- h. Employee Training and Awareness** – Train employees on data privacy and security practices to ensure they understand their roles in safeguarding data and preventing breaches.
- i. Vendor Management** – If using third-party applications or services within Salesforce, assess their data privacy and security practices to ensure they align with your organization's standards.
- j. Incident Response Plan** – Develop a robust incident response plan to address and mitigate data breaches or security incidents promptly. Define roles and responsibilities for handling breaches and communicating with affected parties.
- k. Data Subject Rights** – Comply with data subject rights, such as the right to access, rectify, and delete personal data. Implement processes to handle data subject requests effectively.
- l. Data Impact Assessments** – Conduct data protection impact assessments (DPIAs) to assess and mitigate risks associated with data processing activities, particularly those that involve high risks to data subjects.

Salesforce provides tools and features to help organizations meet data privacy and security compliance requirements, but it's the responsibility of the organization to configure and use these features appropriately. Regular assessments, audits, and ongoing monitoring are essential to maintain a secure and compliant Salesforce environment.



Conclusion

To avoid any licensing surprises, it's crucial to work closely with Salesforce representatives, understand your organization's needs, and carefully review the license agreements and terms before making any commitments. This guide assists in those endeavors by equipping you with an understanding of Salesforce licensing, compliance, integration, and contracts.

Integrating technology and licensing is key for business success. This guide aims to spotlight Salesforce's potential for streamlined operations, user experience, and data security. These desired outcomes and the licensing factors that drive them warrant your attention.

However, it is often still difficult to navigate Salesforce while understanding how best to fit its potential to your specific business needs. Miro's Salesforce License Review can help you manage the Salesforce environment and reduce your overall Salesforce investment significantly. Miro's expertise is driven by proven licensing expertise, in addition to real-world technical and business experience administering Salesforce installations at organizations of all scales.

About Miro Consulting

Miro Consulting specializes in Oracle, Microsoft, IBM, Salesforce, AWS and Adobe audit defense, contract negotiation as well as license optimization and management. The depth and breadth of Miro's enterprise software licensing experience has served its clients through vendor audits, migrations, procurement, and contract negotiations as well as generate unprecedented value from existing software obligations. Since 2000, Miro has helped hundreds of organizations optimize their total cost of ownership by saving companies millions of dollars. Miro offers its expertise in the form of industry education through a variety of resources – from white papers to live webinars.

Performance Guarantee

Miro's no risk **Performance Guarantee** is that the amount of cost savings that we uncover will be more than our fees.

More Information

After reading this guide, if you feel that you need more information, please call or email us. The contact information is on this page. If you are not sure what makes sense for your business, we would be happy to send more information so you can make the best possible decision.

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