

Equity Research Report

Salesforce Inc. (NYSE:CRM)

March 2025



| Current Price | Target Price | Potential Upside | Reccomendation | Industry |
|---------------|--------------|------------------|----------------|----------|
| 288.61 | 375.36 | 30.05% | Buy | Tech |

Investment Thesis

We suggest a Buy recommendation on Salesforce Inc. (CRM) based on a yearly price target of \$375.36, showing an upside potential of 30.05% from its closing price of \$288.61 on 25/03/2025. These key points drive our suggestion:

Market Leadership in CRM Software and Visionary Leadership

Salesforce is a global leader in Customer Relationship Management (CRM) software, offering a comprehensive suite of cloud-based solutions that help businesses manage customer interactions, sales, marketing, and service functions. Its flagship product, Salesforce Customer 360, provides a unified view of customer data, enabling businesses to streamline operations across various industries, including retail, financial services, healthcare, and manufacturing. This leadership in CRM is bolstered by the visionary leadership of Marc Benioff, who has driven the company's growth with a strong focus on innovation, sustainability, and social responsibility. Under his guidance, Salesforce has not only cemented its dominance in the CRM space but also led the way in corporate philanthropy and environmental sustainability, aligning with the growing importance of ESG factors among investors.

Relative Valuation

With a market value of \$267.9 billion and 2024 revenue of \$37.90 billion, Salesforce has demonstrated a solid 7.60% YoY revenue growth, slightly trailing behind SAP's 10.73% and behind Intuit's 17.04%. Salesforce's P/E ratio of 44.10x is much more attractive than SAP's 95.70x and Palantir's 509.21x, signalling a more reasonable valuation than its peers. Additionally, its Price to Sales ratio of 7.35x and EV/EBITDA ratio of 23.90x are lower than SAP's 28.15x, reflecting a favourable valuation based on profitability and EBITDA. Salesforce's strong profitability is reflected in its operating margin of 20.3% and gross margin of 77.3%, though its ROA of 6.11% and ROC of 8.56% fall behind Palantir and Intuit, indicating less efficiency in capital and asset utilisation.

Despite trailing its higher-growth peers in efficiency and revenue growth, Salesforce's position in the CRM market and its strategic focus on AI and automation offer strong long-term growth potential. Its more stable growth rate could be sustainable, especially with the continued shift toward AI-driven solutions, which may drive future expansion and improved efficiency. While macroeconomic risks like interest rates and heightened competition could impact Salesforce's performance, its strong fundamentals and market leadership in CRM make it an appealing investment for those seeking a mix of stability, growth, and value in the tech sector.

Expanding Product Ecosystem and Strategic Acquisitions

Salesforce has built a comprehensive and diverse product ecosystem that extends well beyond its core CRM solutions. Its suite includes tools for marketing (Pardot), customer service (Service Cloud), eCommerce (Commerce Cloud), analytics (Tableau), and artificial intelligence (Einstein AI). Salesforce has been broadening its product offerings and strengthening its position in the market through strategic acquisitions. Notably, in December 2020, Salesforce acquired Slack for \$27.7 billion, significantly enhancing its enterprise collaboration capabilities. This acquisition, along with others like MuleSoft and Tableau, complements and strengthens Salesforce's core CRM offerings. By expanding its ecosystem, Salesforce is able to provide more integrated solutions across various business functions, creating new opportunities for cross-selling and capturing a larger addressable market.

News and Potential Risks

Salesforce, Inc. has recently faced several challenges, including its first single-digit annual growth rate, with a 7.6% YoY revenue increase in Q4 2024. This slowdown has raised concerns about its competitive positioning. To address this, Salesforce launched Agentforce, an AI-driven product aimed at automating customer service tasks. Despite significant investments in AI, the effectiveness of these initiatives remains uncertain, and potential risks include challenges in integrating AI solutions and achieving expected revenue growth. Additionally, while Salesforce has been focusing on streamlining operations, the full impact of these changes on future growth is yet to be seen.



| Salesforce Inc (CRM) | Market Profile |
|------------------------|----------------|
| Closing Price | 279.69 |
| 52-Week High/Low | 212 - 369 |
| Shares Outstanding (B) | 0.961 |
| Market Cap (Billion) | \$267.86 |
| 5Y Dividend Yield | - |
| Beta (5-Year) | 1.35 |
| EV/Revenue | 7.00x |
| EV/EBITDA | 23.90x |
| P/E | 44.10x |
| Revenue (TTM) B | 37,895 |
| Net Income TTM (B) | 6,197 |
| EPS (Latest Quarter) | 1.80 |

| Sensitivity Table | | | | | | |
|-------------------|--------|--------|--------|--------|--------|--------|
| Growth Rate | | | | | | |
| WACC | 221.82 | 4.0% | 3.5% | 3.0% | 2.5% | 2.0% |
| | 8.8% | 250.56 | 249.68 | 248.81 | 247.93 | 247.05 |
| | 9.3% | 236.20 | 235.39 | 234.58 | 233.77 | 232.96 |
| | 9.8% | 223.33 | 222.58 | 221.82 | 221.07 | 220.31 |
| | 10.3% | 211.72 | 211.02 | 210.32 | 209.61 | 208.91 |
| | 10.8% | 201.20 | 200.54 | 199.89 | 199.23 | 198.58 |

| 5Y DCF Valuation | |
|----------------------------|---------|
| Sum of PV of FCF | 61,076 |
| Growth Rate | 3.00% |
| WACC | 9.84% |
| Terminal Value | 233,356 |
| PV of Terminal Value | 149,220 |
| Enterprise Value | 210,295 |
| (+) Cash | 14,030 |
| (-) Debt | 11,154 |
| (-) Minority Interest | 0 |
| Equity Value | 213,171 |
| Diluted Shares Outstanding | 961 |
| Implied Share Price | 221.82 |

Salesforce Inc. (NYSE:CRM)

Company & Industry Overview



Company Overview

Salesforce, Inc. is a CRM pioneer, headquartered in San Francisco, California, established in 1999 and capitalized at more than \$200 billion. Salesforce develops and sells cloud enterprise software that empowers companies with customer interactions, sales, marketing, and analytics management. The company's anchor product, Sales Cloud, and Service Cloud, Marketing Cloud, and Tableau enable industries to undergo digital transformations. Salesforce is the CRM leader with artificial intelligence technology Einstein AI as well as in enterprise collaboration technology Slack. Salesforce believes in making a difference and living sustainably, giving through its 1-1-1 model a portion of 1% equity, product, and employee time to social justice.

Leadership

Salesforce CEO Marc Benioff, visionary entrepreneur and cloud computing pioneer, marries technology innovation with social responsibility. Under his leadership since co-founding Salesforce in 1999, he has developed it into the world's #1 customer relationship management (CRM) platform, driving digital transformation in industries. Benioff is a proponent of AI-powered innovation, with major investments in Einstein AI, data analytics, and automation to revolutionize enterprise solutions. A vocal advocate for stakeholder capitalism, he leads Salesforce's 1-1-1 philanthropic strategy with its emphasis on social responsibility, sustainability, and workplace equality. Under his direction, characterized by intentional acquisition (Slack, Tableau, MuleSoft) and ethical business practice, Salesforce leads in business innovation, responsible AI, and global digital connectivity.

R&D Strategy

Salesforce's R&D strategy focuses on AI-driven CRM, cloud computing, and enterprise automation through innovation and strategic acquisitions. Investments in Einstein AI enhance predictive analytics, while acquisitions like Slack (\$27.7B), Tableau (\$15.7B), and MuleSoft (\$6.5B) expand collaboration, data analysis, and integration. Data Cloud unifies customer data, and Hyperforce ensures scalable, secure multi-cloud operations. Following an "intelligent ecosystem" model, Salesforce collaborates with partners to advance AI-powered automation and business intelligence, keeping its solutions efficient and transformative for digital enterprises.

Recent Performance & Key Developments

Salesforce recorded FY 2023 revenues of \$31.35 billion, up a year-on-year 18.35%, but slowing down compared to previous years. Its strategy of leveraging AI-driven CRM and enterprise automation continued to gain ground through constant development in its Einstein AI and Data Cloud. Other important acquisitions of Slack (\$27.7 billion), Tableau (\$15.7 billion), and MuleSoft (\$6.5 billion) have consolidated its collaboration, data visualization, and integration strengths. Operating income increased 239% to \$1.86 billion with cost-saving efforts like workforce cuts adding to the improved profitability. Salesforce remains committed to AI-driven workflow automation and further innovation.

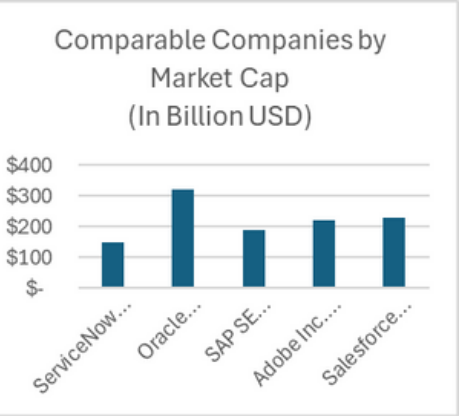
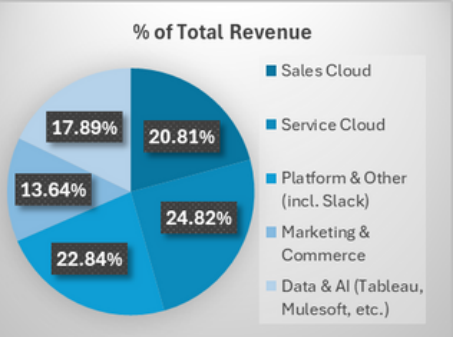
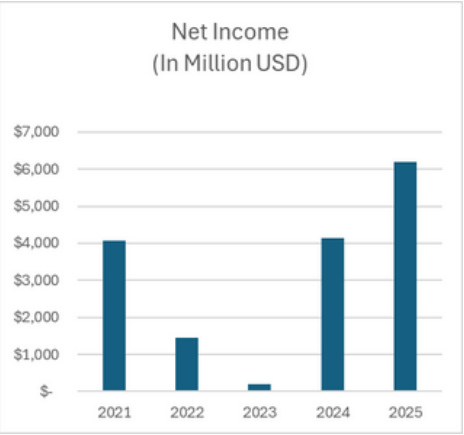
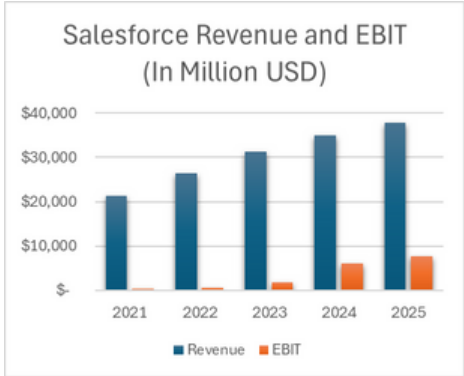
Industry Overview

As of January 2025, Salesforce Inc. (NYSE: CRM) holds a market capitalization of approximately \$267 billion, reaffirming its dominance in the enterprise software and cloud-based customer relationship management (CRM) sector.

The top four competitors in the industry, based on market capitalization, are:

- ServiceNow Inc. (NYSE: NOW) – Market Cap: \$172 billion
- Oracle Corporation (NYSE: ORCL) – Market Cap: \$415 billion
- SAP SE (NYSE: SAP) – Market Cap: \$324 billion
- Adobe Inc. (NYSE: ADBE) – Market Cap: \$170 billion

Salesforce's dominance in its field is a result of its innovation in areas of AI-driven CRM, cloud computing, and business automation. Salesforce continues to widen its reach through strategic acquisitions such as Slack, Tableau, and MuleSoft, becoming a leading enterprise solutions company. With a FY 2023 revenue of \$31.35 billion, Salesforce demonstrates its ability to grow and remain profitable with the help of its cost optimization efforts. Apart from revenue expansion, Salesforce is shaping the digital transformation landscape with its emphasis on AI-driven workflow automation, data unification, and cloud-based business solutions. Its strong ecosystem, customer-centric strategy, and continued technological innovation render Salesforce a focal point in shaping the future of enterprise software.



| Comparables Analysis (In Billions USD) | | | | | | | | | |
|---|--------------|------------------|------------|---------|-----------|-----------|---------|-------------|----------|
| Comparable Companies | Market Data | | Financials | | | Multiples | | | |
| | Equity Value | Enterprise Value | Sales | EBITDA | NetIncome | EV/EBITA | P/E | Price Sales | EV/Sales |
| SALESFORCE, INC. (NYSE:CRM) | \$267.9 | \$265.00 | \$37.90 | \$11.14 | \$6.20 | 23.79x | 43.20x | 7.07x | 6.99x |
| Sup 5x (NTR:SAP) | \$314.21 | \$313.57 | \$34.18 | \$8.91 | \$3.12 | 28.15x | 100.71x | 9.19x | 9.17x |
| PLANTIR TECHNOLOGIES INC. (XNAS:PLTR) | \$196.75 | \$191.76 | \$2.87 | \$0.34 | \$0.46 | 564.00x | 427.72x | 68.55x | 66.82x |
| ADOBE INC. (XNAS:ADBE) | \$170.21 | \$169.33 | \$22.04 | \$8.66 | \$6.75 | 19.55x | 25.22x | 7.72x | 7.68x |
| INTUIT INC. (XNAS:INTU) | \$167.47 | \$171.90 | \$17.17 | \$4.71 | \$3.04 | 36.50x | 55.09x | 9.75x | 10.01x |
| GLOBAL COMPLIANCE APPLICATIONS CORP. (XCNQ:APP) | \$94.79 | \$97.61 | \$4.71 | \$2.32 | \$1.58 | 42.07x | 59.99x | 20.13x | 20.72x |
| CADENCE DESIGN SYSTEMS, INC. (XNAS:CDNS) | \$69.59 | \$69.39 | \$4.64 | \$1.59 | \$1.06 | 43.64x | 65.65x | 15.00x | 14.95x |
| SYNOPSYS, INC. (XNAS:SNPS) | \$69.27 | \$66.12 | \$6.07 | \$1.45 | \$1.30 | 45.60x | 53.28x | 11.41x | 10.89x |
| High | | | | | | 564.00x | 427.72x | 68.55x | 66.82x |
| 75th Percentile | | | | | | 44.13x | 74.42x | 16.28x | 16.40x |
| Average | | | | | | 100.41x | 103.86x | 18.60x | 18.41x |
| Median | | | | | | 39.29x | 57.54x | 10.58x | 10.45x |
| 25th Percentile | | | | | | 27.06x | 50.76x | 8.83x | 8.80x |
| Low | | | | | | 19.55x | 25.22x | 7.07x | 6.99x |

Salesforce Inc. (NYSE:CRM)

Valuation

| | Historicals (TTM) | | | | | Projected | | | | |
|--|-------------------|---------|---------|--------|---------|-----------|---------|---------|---------|---------|
| Salesforce Inc. - Revenue Projections | Jan-21 | Jan-22 | Jan-23 | Jan-24 | Jan-25 | Jan-26 | Jan-27 | Jan-28 | Jan-29 | Jan-30 |
| Revenue: | 21,252 | 26,492 | 31,352 | 34,857 | 37,895 | 44,716 | 52,318 | 61,735 | 72,847 | 85,960 |
| Growth Rate | - | 24.7% | 18.3% | 11.2% | 8.7% | 18.0% | 17.0% | 18.0% | 18.0% | 18.0% |
| Operating Expenses (Including R&D, SG&A, D&A): | 16,240 | 23,428 | 30,342 | 26,083 | 23,319 | 27,724 | 32,437 | 38,276 | 43,708 | 51,576 |
| % of Revenue | 76.4% | 88.4% | 96.8% | 74.8% | 61.5% | 62.0% | 62.0% | 62.0% | 60.0% | 60.0% |
| Interest Expense (Total) | (110) | 0 | (310) | (312) | (300) | (447) | (523) | (617) | (728) | (860) |
| % of Revenue | (0.5%) | 0.0% | (1.0%) | (0.9%) | (0.8%) | (1.0%) | (1.0%) | (1.0%) | (1.0%) | (1.0%) |
| EBT | 2,561 | 1,532 | 660 | 4,136 | 7,438 | 7,602 | 8,894 | 10,495 | 13,113 | 15,473 |
| % of Revenue | 12.1% | 5.8% | 2.1% | 11.9% | 19.6% | 17.0% | 17.0% | 17.0% | 18.0% | 18.0% |
| Taxes | (1,511) | 88 | 452 | 814 | 1,241 | 1,292 | 1,512 | 1,784 | 2,229 | 2,630 |
| % of EBT | (59.0%) | 5.7% | 68.5% | 19.7% | 16.7% | 17.0% | 17.0% | 17.0% | 17.0% | 17.0% |
| Net Income (NOPAT) | 4,072 | 1,444 | 208 | 4,136 | 6,197 | 7,651 | 8,952 | 10,563 | 13,069 | 15,421 |
| % of Revenue | 19.2% | 5.5% | 0.7% | 11.9% | 16.4% | 17.1% | 17.1% | 17.1% | 17.9% | 17.9% |
| (+) Depreciation & Amortization: | 1,746 | 1,698 | 1,835 | 2,090 | 1,826 | 2,683 | 3,139 | 3,704 | 4,371 | 5,158 |
| D&A % of Revenue | 8.2% | 6.4% | 5.9% | 6.0% | 4.8% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |
| (-) Capital Expenditures: | 710 | 717 | 798 | 736 | 658 | 894 | 1,046 | 1,235 | 1,457 | 1,719 |
| % of Revenue | 3.3% | 2.7% | 2.5% | 2.1% | 1.7% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% |
| (-) Change in Working Capital: | (978) | (1,671) | (1,304) | 113 | (1,507) | (1,789) | (2,093) | (2,469) | (2,914) | (3,438) |
| % of Revenue | (4.6%) | (6.3%) | (4.2%) | 0.3% | (4.0%) | (4.0%) | (4.0%) | (4.0%) | (4.0%) | (4.0%) |
| Unlevered Free Cash Flow: | 6,086 | 4,096 | 2,549 | 5,377 | 8,872 | 11,228 | 13,137 | 15,502 | 18,897 | 22,298 |
| % Growth Rate | - | -33% | -38% | 111% | 65% | 26.6% | 17.0% | 18.0% | 21.9% | 18.0% |

WACC

| | |
|---------------------------------------|-------------|
| Equity | 267,860,000 |
| Net Debt | -1,960,000 |
| Cost of Debt | 4.77% |
| Tax Rate | 20.00% |
| Debt Weighting D/(D+E) | 0.00% |
| Cost of Debt | 3.82% |
| Risk Free Rate (10-Yr Treasury Yield) | 4.28% |
| Equity Risk Premium | 4.12% |
| 5 - Year Monthly Beta | 1.35 |
| Equity Weighting E/(D+E) | 100.00% |
| Cost of Equity | 9.84% |
| WACC | 9.84% |

5Y DCF Valuation

| | |
|----------------------------|---------|
| Sum of PV of FCF | 61,076 |
| Growth Rate | 3.00% |
| WACC | 9.84% |
| Terminal Value | 233,356 |
| PV of Terminal Value | 149,220 |
| Enterprise Value | 210,295 |
| (+) Cash | 14,030 |
| (-) Debt | 11,154 |
| (-) Minority Interest | 0 |
| Equity Value | 213,171 |
| Diluted Shares Outstanding | 961 |
| Implied Share Price | 221.82 |

Comparables Analysis (In Billions USD)

| Comparable Companies | Market Data | | Financials | | | Multiples | | | |
|---|--------------|------------------|------------|---------|------------|-----------|---------|-------------|----------|
| | Equity Value | Enterprise Value | Sales | EBITDA | Net Income | EV/EBITDA | P/E | Price Sales | EV/Sales |
| SALESFORCE, INC. (NYSE:CRM) | \$267.9 | \$265.00 | \$37.90 | \$11.14 | \$6.20 | 23.79x | 43.20x | 7.07x | 6.99x |
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| High | | | | | | 564.00x | 427.72x | 68.55x | 66.82x |
| 75th Percentile | | | | | | 44.13x | 74.42x | 16.28x | 16.40x |
| Average | | | | | | 100.41x | 103.86x | 18.60x | 18.41x |
| Median | | | | | | 39.29x | 57.54x | 10.58x | 10.45x |
| 25th Percentile | | | | | | 27.06x | 50.76x | 8.83x | 8.80x |
| Low | | | | | | 19.55x | 25.22x | 7.07x | 6.99x |

Salesforce Inc. (NYSE:CRM)

Price Movement Analysis



Chart Appendix

- April - June:** Between April and June 2024, Salesforce experienced a rollercoaster of stock movements. In April, shares tumbled 7.3% to \$273 as investors reacted negatively to reports of a potential acquisition of Informatica, fearing strategic risks. However, strong Q4 FY2024 earnings, with an 11% revenue jump to \$9.29 billion and improved profitability, provided a solid foundation. May brought stabilization, fueled by investor confidence in Salesforce's AI-driven innovations. However, at the end of May, the stock took a sharp 20% dive to \$218.01 (the worst single-day drop since 2004) after the company projected its slowest quarterly sales growth in history, citing macroeconomic challenges in Europe and weak demand in key sectors. Despite this, by June, the stock rebounded 9.6%, closing at \$256.01, as optimism grew around AI advancements, an upcoming stockholders meeting, and Salesforce's long-term growth potential in the cloud and AI markets.
- July - September:** Between July and September 2024, Salesforce had a mix of ups and downs, with strong financial growth but also stock volatility. In Q2, revenue climbed to \$9.325 billion, and profits doubled compared to the previous year, showing the company's strong performance. Despite this, the stock faced early-month drops due to concerns about slowing demand in Europe, inflation worries, and general market uncertainty. The big highlight of this period was in September when Salesforce announced its \$1.9 billion acquisition of data-security startup Own Co. This move strengthened its position in data privacy and compliance, an area of growing importance in cloud computing. Investors reacted positively, and with increasing optimism around Salesforce's AI and cloud innovations, the stock rebounded, ending September at \$273.40—an 8.5% rise for the month.
- October - November:** Between October and December 2024, Salesforce experienced notable developments in AI innovation, leadership, and market performance. In October, the departure of AI head Clara Shih led to Adam Evans assuming leadership of AI initiatives, coinciding with the launch of Agentforce, Salesforce's autonomous AI agent platform. In November, CEO Marc Benioff announced plans to hire 2,000 salespeople to promote AI products, reflecting the company's commitment to AI expansion. Analyst optimism in December resulted in raised price targets, with Stifel increasing from \$390 to \$425 and Bank of America from \$390 to \$440, citing Salesforce's AI advancements and strong customer base. The stock price mirrored these positive developments, reaching \$335.78 on November 22, approaching its 52-week high of \$348.86 achieved on November 12. These strategic moves and market responses highlighted Salesforce's focus on AI innovation and its impact on financial performance during this period.
- December - February:** Between December 2024 and February 2025, Salesforce made significant strides in AI, workforce management, and financial performance, with notable stock price movement. In December, the launch of Agentforce 2.0, an advanced AI agent program, and a positive analyst outlook—BofA Securities maintaining a "Buy" rating with a price target of \$440—boosted investor confidence, leading to a jump in stock price, nearing its 52-week high of \$348.86. This surge was driven by optimism surrounding Salesforce's AI capabilities and growth potential. However, despite this momentum, the company announced layoffs of over 1,000 employees as part of cost-cutting efforts, while planning to hire 2,000 salespeople. In February 2025, Salesforce reported Q4 earnings of \$9.99 billion in sales and \$2.78 earnings per share. Despite strong results, Salesforce's full-year forecast of \$40.5 to \$40.9 billion in sales fell short of analyst projections, causing a dip in stock price. These movements reflect Salesforce's focus on AI advancements and operational adjustments, with the market balancing growth prospects with a cautious outlook.

Salesforce Inc. (NYSE:CRM) Price Movement Analysis



- **March:** In March 2025, CRM saw its stock price fluctuate within a range of \$284.30 to \$290.39, closing at \$288.70 on March 25, marking a 0.96% increase from the previous close. This moderate rise reflects investor confidence amid positive developments, such as the company's \$1 billion investment in Singapore and the launch of AI initiatives. However, the stock's movement was tempered by concerns over workforce adjustments and broader market volatility. The closing price of \$288.70 can be seen as a result of balancing optimism around Salesforce's growth prospects in AI with caution over its operational restructuring, suggesting the market remains somewhat cautious despite the company's strong potential.

Investment Risks

- Salesforce is a leading cloud-based software company known for its Customer Relationship Management (CRM) solutions, but like any investment, it comes with a variety of risks that investors should consider. These risk factors include market competition from other major players like Microsoft and Oracle, economic sensitivity that could impact IT budgets during downturns, and the challenges posed by its high valuation and growth expectations. Additionally, Salesforce faces integration risks from its acquisitions, such as Slack and Tableau, and more recently, OwnBackup, a company specializing in data protection and backup solutions. The integration of these companies adds complexity in aligning and optimizing Salesforce's product offerings. Governance issues may also arise as the company scales, along with exposure to geopolitical and regulatory changes, particularly around data privacy. Investors must weigh these factors to assess the potential rewards and risks associated with investing in Salesforce.

1. Financial Health

- Salesforce has a strong balance sheet with manageable debt levels relative to equity, supported by high cash flow from operations, which helps cover debts and fund growth. While the company enjoys high gross margins due to its SaaS model, its net income has been inconsistent, as it reinvests heavily into acquisitions and expansion. Despite this, Salesforce generates positive free cash flow, but ongoing investment in acquisitions and R&D could pressure short-term profitability.

2. Industry and Market Risks

- Salesforce faces significant competition in the cloud software and CRM market from major players like Microsoft, Oracle, and SAP, which could challenge its market share. Its business is also sensitive to economic downturns, as companies may cut IT budgets, though Salesforce's positioning as a critical business tool offers some resilience. Additionally, operating globally exposes Salesforce to regulatory risks, particularly around data privacy and security laws like GDPR, which could increase costs and compliance challenges.

3. Management and Corporate Governance

- Salesforce's CEO and co-founder, Marc Benioff, is highly respected for his successful leadership, which has transformed the company into a global leader in cloud computing. However, investor confidence can still be impacted by his strategic decisions. In terms of corporate governance, Salesforce adheres to standard practices, though potential risks such as shareholder activism or concerns over executive compensation should be monitored.

4. Business Model and Competitive Advantage

- Salesforce's business model is built on cloud-based software solutions with recurring subscription revenue, ensuring stable growth as more businesses adopt cloud technology. However, it faces risks if the market shifts or new technologies disrupt the SaaS model. Additionally, Salesforce has diversified its offerings through acquisitions like Tableau, OwnBackup, and Slack, which helps reduce dependence on a single product but also introduces integration risks.

5. External Factors

- Salesforce is affected by macroeconomic conditions, such as economic slowdowns that may lead businesses to cut IT spending and higher interest rates that could impact its capital acquisition. Additionally, its global operations expose the company to geopolitical risks, including changes in trade policies, political instability, or tariffs that could disrupt its international business.

Conclusion

- In conclusion, while Salesforce is a leader in the cloud software space with a strong business model and steady revenue growth, it faces several risks that investors should consider. These include intense competition, economic downturns that could affect IT spending, and potential disruptions from new technologies. Additionally, its global presence exposes it to geopolitical uncertainties, and its acquisitions bring both opportunities and integration challenges. Finally, changes in regulations and interest rates could impact its operations. Overall, while Salesforce has built a solid foundation, investors need to stay aware of these evolving risks.

Equity Research Report

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AP Capital Research is a University of Surrey and EFS-affiliated student-led research group, with the sole purpose of providing greater clarity of financial markets. Accomplished through the creation of weekly market insights, detailing the macroeconomic factors driving global markets and industries

Named after the University of Surrey's Austin Pearce building, we thought it was only right to give credit to the place which truly ignited our immersion into economics and finance, and more specifically, our passion for understanding financial markets.