

The Conga logo is a red circle with the word "conga" written in white lowercase letters inside it.

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EBOOK

CPQ evaluation guide

How to choose the best configure, price, quote (CPQ) tool for your business

INTRO

Choosing the right CPQ software can be daunting. These tools require seamless integrations into your business operations, so selecting the right solution is key to a successful return on your investment. This guide will help you determine your needs and evaluate vendor capabilities to find the best product for your organization.

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Determine your CPQ software requirements

Before you select a CPQ tool, it's important to nail down your unique business requirements. **One of the biggest mistakes organizations make today is the lack of business-outcome consideration when selecting a new technology.**

Since a CPQ tool has a widespread impact on your business processes, it's important to identify the stakeholders within your organization who would benefit from such a solution. CPQ tools benefit all participants of the sales cycle, from the sales teams, revenue operations, legal, marketing, finance, and IT.

Once you know which teams will be affected, the next step is to understand their pain points and how a CPQ tool can solve them.

Maybe Sales needs to reduce errors in the sales cycle, IT is trying to unify data and processes, and Marketing wants to create a self-service platform. These discovery sessions will lead to a list of requirements that should be used to assess CPQ product features.

Gathering this information from your teams can take time, but it's arguably the most important step in determining which CPQ solutions meets your needs.



Challenges CPQ can solve

Common challenges that lead businesses to CPQ solutions are:

- Inefficient manual sales processes that result in incorrect order configurations, delays in quoting, costly warranty fulfillment, and dissatisfied customers
- Complex product and service configurations make it difficult to provide the correct offering without time-consuming manual processes, reviews, and corrections
- Disjointed systems cause poor customer and seller experiences
- Different CPQ instances across internal sales, self-service, partner portal resulting in different sales experiences and confusion
- Inconsistent pricing and rogue discounting erode margins
- Inability to duplicate the sales processes of top salespeople within the company
- Data in multiple systems results in slower response times as well as incorrect quoting and product configurations

Outline business requirements

Now that you know the issues plaguing your teams in the absence of a robust tool, you're ready to craft your unique business requirements for your potential CPQ vendors. Knowing what each element of CPQ should accomplish will help you determine which vendors have the best solution fit to meet your business requirements.

Determine where you want to focus your requirements based on your discovery sessions with each team and how you can integrate those needs into your overarching cross-functional business requirements. Examples may include a tool that:



Increases win rates



Decreases margin erosion



Supports complex pricing



Enables solution selling



Supports guided selling



Manages promotions



Eliminates inadvertent quoting errors



Houses business rules that guide configurations



Process large carts quickly



Evaluate vendor capabilities

The three core areas of CPQ are obvious but knowing what each element should accomplish will help you determine which vendors can meet the needs of your business



Configure

Within a configuration engine, CPQ solutions should give you:

- Rule-based configurations
- Guided selling & deal scoring
- Nested bundles
- Product search catalog
- Cross-sell & upsell insights

FEATURE HIGHLIGHT

Nested bundles

A nested bundle lets users select from a subset of options within a single product option.



Price

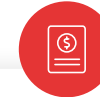
The pricing function within the tool should have:

- Discounting guardrails
- Simplified solution selling
- Promotion management
- Automated subscription management

FEATURE HIGHLIGHT

Solution selling

Assign pricing rules at the line level, enabling pricing hardware, software, and services (like maintenance and installation) on the same quote and contract.



Quote

To generate quotes, ensure the tool provides:

- Quote collaboration capabilities
- Approval workflows
- Quote templates & generation

FEATURE HIGHLIGHT

Approval workflows

Control margin erosion or rogue product discounting by creating advanced approval features.

Further considerations that impact your ROI

Beyond the feature analysis, investigate other ways bringing new software into your business can impact your day-to-day. Use the following items below to evaluate each tool under consideration.

1 Implementation process

CPQ solutions tend to take more time during implementation because they're so integrated into your business processes. Be wary of systems that have a fast implementation—these providers might miss key components or not go as deep as a CPQ tool should. Also, look for CPQ solutions that enables implementation of separate components. Having the ability to start with a configuration or pricing engine allows you to realize the benefits before implementing the next component.

CPQ is a solution that is designed to layer on top of already optimized processes. If you don't take the time to optimize those processes, like SKU rationalization, cleaning data, and creating a pricing and product management plan, before implementation, a CPQ tool won't be as effective. For more on the CPQ implementation process, check out our [guide](#).



TIP:

Fresh eyes such as tech providers or partner consultants can help you sort out these processes to ensure the long-term success of CPQ.





2 Usability

CPQ solutions should be simple to use. Issues can occur if teams must manage different pricing and product setups in different applications or separate channels, delaying team buy-in and causing frustration.

A single user interface that manages all aspects of the product, attributes, and rules within the CPQ application is necessary.

Also, determine how fast each tool can process large orders—a slow processing time could lead to massive delays for your customers.

Additionally, ensure you evaluate how well the tool integrates with other systems to determine how many of your processes a CPQ tool can automate. The ability to configure, price, and quote throughout the entire revenue operations ecosystem, no matter the CRM, provides greater flexibility and improved performance and efficiencies.



TIP:

Consider a CPQ tool that leverages APIs so that configuration, pricing, or quoting capabilities can be embedded into any eCommerce, Direct Sales, or Partner Portal, helping streamline configuration and pricing.

3 Support

Evaluate how easy each vendor is to do business with by talking about the scope, duration, and quality of support available. A robust and responsive support team could mean the difference between a great transition with lots of buy-in and a transition plagued with delays, low adoption, and unsatisfied customers.

**TIP:**

Ask vendors if they can provide a system admin for their CPQ system if ever needed.

4 ROI

A product that can grow with you is essential for not only recouping your investment, but also for long-term success. Find a CPQ solution that connects your customer relationship management (CRM) program and your enterprise resource planning (ERP) software to create a larger revenue lifecycle ecosystem.

**TIP:**

Pricing and CPQ software solutions typically pay for themselves in 3-6 months of their implementation—and provide recurring benefits year-on-year thereafter.



Select the vendor that meets your needs

It's time to select the right vendor for your business but keep these key considerations in mind during this process.

Avoid this data pitfall

Not considering CPQ as a piece of a larger puzzle in the revenue lifecycle can leave you with a solution that does not support your organization's vision. Collection of point systems may not be able to scale as your business grows. As a result, you may encounter complexity when getting data from one system to another.

Look for opportunities for multiple applications to use the same data set. This will help you avoid risk by keeping data in sync between applications. Having a single source of data will also lower the risk of inconsistency and the cost of ownership. As you move up the maturity curve, a single data platform means that when you add new products, you do not have to worry about new databases or integrating databases between existing and new products. This will also allow for seamless transition from a customer agreement to a properly configured item with the correct pricing.

Consider Conga CPQ

Performance

Conga CPQ supports the configuration and pricing of products and services with unlimited product complexity up to 10x faster—and it doesn't slow down, even when your cart reaches 10,000 line items. Conga CPQ is part of Conga Revenue Lifecycle Cloud making it easy to share files, storage, data, and more across any organization regardless of the systems individual teams leverage, ensuring customer information is consistent, accurate, and seamless.

Streamlining complexity

Utilizing a sophisticated pricing engine, users can define multiple price types (one-time, recurring, usage-based, etc.) for any product. Also, dimensional or formula pricing can be defined based on quantity, customer rating, region, etc. All types of offerings can be combined into a single quote—hardware products, software products, services, and subscriptions can be configured and sold in the same order.

End-to-end solution

Conga CPQ is integrated out-of-the-box with Conga CLM on a single data platform, with order, billing, and revenue all at your fingertips. Implementing a robust CPQ solution is the foundation to establishing a healthy revenue lifecycle, where your pipeline, contracts, orders, and invoices all tell the same story—leaving you with less questions and empowered to grow your business.

Ease of use

With an API-first approach, Conga CPQ capabilities can be embedded into our customer's eCommerce, Direct Sales, and Partner Portals, helping streamline configuration and pricing across the revenue lifecycle. With one set of APIs and a single data model improve the accuracy of data and provides a better user experience for both employees and customers. Conga's CPQ solution is CRM-agnostic, and the same catalog and pricing information can be utilized across the entire organization, providing faster scale and performance.

Conga Revenue Lifecycle Cloud

We are amid a global transition that is changing the way we do business. The buying experience is becoming more complex, and customers expect the ability to purchase across channels. Businesses also seek new ways to unlock revenue growth and know the art of the possible. An omnichannel marketplace is the future of business and will create a seamless customer experience throughout the revenue lifecycle—not several, fragmented ones.

The Conga Revenue Lifecycle Cloud helps unify and automate all revenue-generating processes to help you increase customer lifetime value. Conga can transform the way you do business by reimagining the art of the possible and implementing new solutions to achieve your revenue growth goals.

Open platform

Grow and scale with Conga's API-first architecture that integrates easily with your CRM, ERP, and other enterprise apps.

Single data model

Eliminate silos and inform insight-driven, executive decision-making from a single source of truth with trusted analytics of the entire revenue lifecycle.



**Revenue
Lifecycle
Cloud**

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Conclusion

The right (or wrong) CPQ solution can make (or break) your road map to success. Selecting the best tool for your organization takes careful consideration and enough time to evaluate the needs of your teams. Remember to take each factor of CPQ implementation into account during your evaluation process.

Conga CPQ can enable you to sell easily and more effectively, increase sales, and drive higher margins, while helping maintain a healthy revenue lifecycle. Enable your teams to configure pricing, discounting, carts, and more to build out complex proposals, contracts, renewals, and other critical business documents. Confidently fulfill business faster with the most scalable CPQ solution in the market.

Request a demo of Conga's CPQ software to get an expert's analysis on where CPQ would have the biggest impact in your business.

[Get a demo](#)

About Conga

Conga crushes complexity in an increasingly complex world. With our Revenue Lifecycle Management solution, we transform each company's unique complexities for order configuration, execution, fulfillment, and contract renewal processes with a unified data model that adapts to ever-changing business requirements and aligns the understanding and efforts of every team.

Our approach is grounded in the Conga Way, a framework of entrepreneurial spirit and achieving together to champion our 11,000+ customers. We're committed to our customers and to removing complexity in an increasingly complex world. Our solutions quickly adapt to changing business models so you can normalize your revenue management processes.

Learn more at conga.com or follow Conga on [LinkedIn](#).



For more information

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