![conga]

Conga and Wipro power Equipment-as-a-Service transformation for the new manufacturing economy

Delivering Equipment as a Service (EaaS) is now a strategic imperative for manufacturing companies

EaaS, where customers purchase a desired result or output of a product rather than the product itself, is forcing manufacturers to redefine the way they do business and requires both culture and process changes across their entire organisation.

Often referred to as servitization, this new model is being driven by:

Independent aftermarket

An independent, commoditized aftermarket now captures significant revenue from original equipment manufacturers (OEMs). Many industry segments have seen a decline in asset margins as well as annual sales volumes and OEMs are actively seeking new opportunities to gain market share with offerings other than pure asset sales.

Customer demand

Customers are starting to explicitly demand EaaS models. They're increasingly looking for ways to share more risk with asset manufacturers and move capital expenditure (CapEx) to operating expenditure (OpEx) to increase flexibility.

Internet of Things (IoT) technology advances

Solutions like IoT, artificial intelligence (AI), 5G, etc. enable sharing of asset performance data and provide transparency on asset usage, allowing manufacturers to reduce risk and ensure higher customer service levels.

There are very compelling benefits to EaaS

EaaS allows manufacturers to integrate distinct products and services to provide far greater value than the individual products can deliver independently. OEMs are on a constant quest to achieve the real value of their products and EaaS provides that platform.

Growth

EaaS significantly increases lifecycle revenue per unit through greater customer penetration and duration.

Sustainability

EaaS is a key catalyst to adoption of electrification and other sustainability initiatives such as the circular economy.

Resilience

EaaS improves business resilience by reducing exposure of revenue, earnings, and cash-flow-to-market volatility.

But it's not easy...

Despite the clear benefits, moving to an EaaS model is a significant step for most organisations. It requires a fundamental change in approach—moving from a focus on product unit sales to a focus on lifecycle value.

Manufacturers cannot simply switch from one operating model to another—they can't simply redesign their customers' journeys from scratch. Revenue operations must be able to support a hybrid product/service/outcome model where a customer can reliably order one or all offerings within a single configuration or quote and be confident that billing and fulfillment will reflect their one-time and/or subscription order.

As a result, manufacturers will require a single, flexible revenue lifecycle platform that empowers sales to offer the right solution to the right customer at the right margin, confident that whatever solution is sold, the customer will enjoy a frictionless and successful experience.
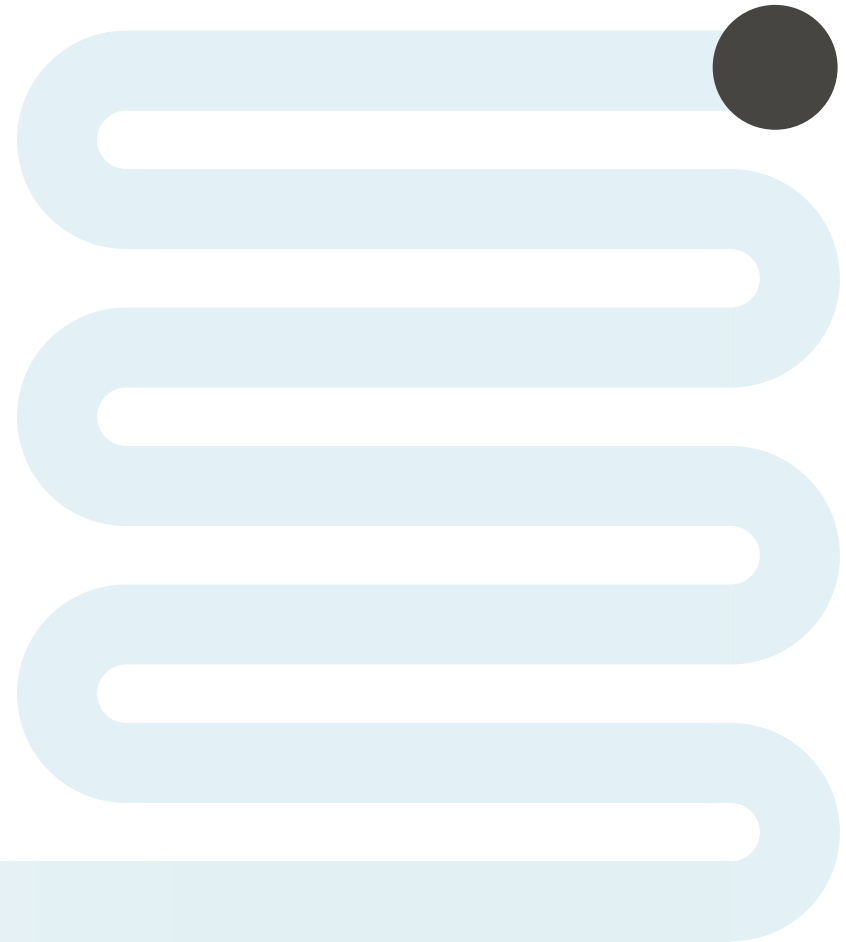
There are some fundamental challenges

The number of organisations that have been able to successfully deploy and scale their EaaS business is still limited. Why is that and how can manufacturers navigate these potential roadblocks?

Commercial risk

Manufacturers typically assume full responsibility for guaranteeing a specified service level as part of an EaaS model. This means that contracts with a service level, an outcome, or overall equipment effectiveness (OEE) guarantee could become very expensive if contractual obligations or guardrails are not in place to ensure appropriate equipment or service use. It's therefore critical that manufacturers can:

- Ensure all service cost and risk parameters are clearly understood and pricing is set accordingly
- Tailor service-level agreements during the quoting process to ensure transparency and minimal risk for both parties
- Monitor customer use and contractual obligations
- Ensure equipment is not misused, abused, or operated in detrimental environmental conditions
- Capture and measure customer and service profitability throughout the service lifecycle

Adoption risk

It's critical that the wider selling team (dealers, internal sellers, etc.) are willing and comfortable adopters of an EaaS offering. Selling EaaS requires a mindset change—so it's essential that sales teams feel comfortable and can confidently configure, quote, and then contract EaaS offers.

This requires a single easy-to-use, integrated pricing/quoting/contracting platform that allows sellers to quickly configure, contract, and close profitable outcomes or usage-based solutions without having to change systems or undertake manual processes to do so.
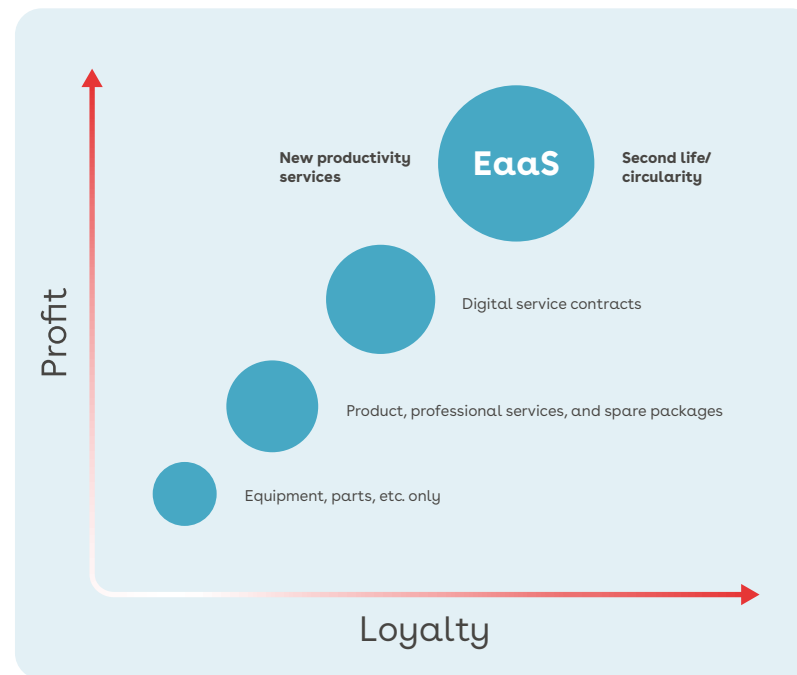
If OEM are unable to provide a single flexible platform for sellers to offer hybrid, product, or subscription-based solutions, there's a high likelihood that they will fail to adopt and sell the new EaaS offerings.

Complexity risk

Managing revenue lifecycle processes, teams, and systems is becoming more challenging and highly complex. The result is often a complicated, disjointed, and frequently manual revenue process.

EaaS brings an even greater dimension of complexity to this already significant challenge. EaaS models typically work end-to-end right across an OEM's set of capabilities and products — from equipment to spare parts to maintenance services to finance. Successful transformation requires breaking down long-established functional silos and integrating disparate processes, data, and systems to create a single revenue lifecycle platform.

Conga and Wipro

Conga and Wipro have formed a joint partnership to help EMEA and customer outcome-centric manufacturers transition their businesses to a service-oriented model.

Together, Conga and Wipro have deep experience in enabling manufacturing EaaS transformations by providing both the enabling technology and the strategy and implementation skills needed to ensure success. We understand the complex challenges of delivering for the future whilst at the same time ensuring today's critical sales and customer success needs are met.

Conga's Revenue Lifecycle Solution

Conga's Revenue Lifecycle Management solution is designed to power B2B manufacturing transformation to EaaS.

From quoting a single piece of equipment to contracting and delivering a complex multi-year EaaS subscription, Conga's unified data model activates the entire revenue lifecycle, no matter what the mix of product, service, or outcome offering.

The open, API-first architecture seamlessly integrates with existing enterprise resource planning (ERP), customer relationship management (CRM), and pricing systems — and consumes key data from connected equipment so that manufacturers can quickly deploy, manage risk, and achieve value.

Conga's end-to-end revenue lifecycle solution
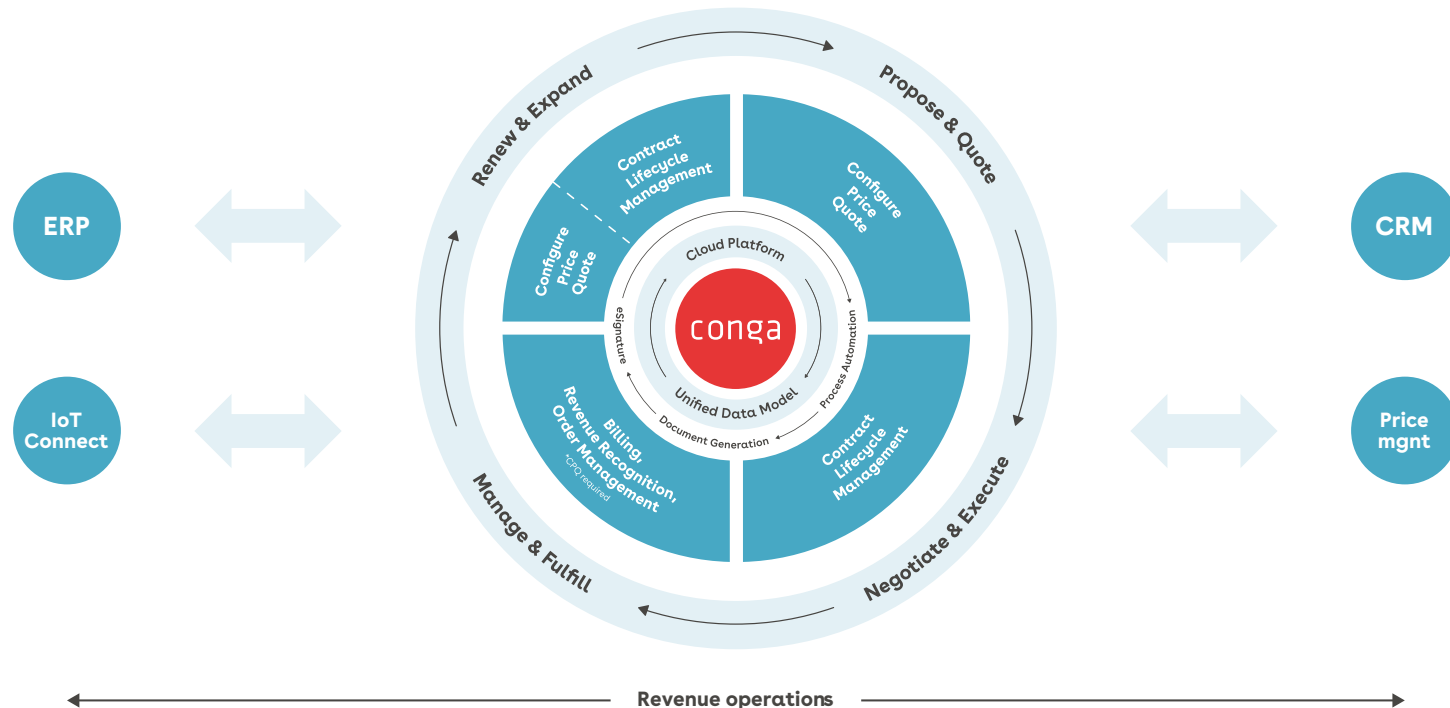
The high-level architecture shows how Conga's revenue product suite fits seamlessly with the EaaS infrastructure to support the business' various key performance indicators (KPIs)

IOT and Analytical framework

Connect & Collect

Gateway

Network
Enterprise/Public Network

Backend Services
Remote Server (Cloud/DC)
Business Data Analysis

- Collect data from all connected assets
- Analysis abnormality (Outlier) and pattern
- Establish predictive model
- Trigger meaningful information to Conga systems

Products

Sensors

Connect with physical asset & gather the vital information as

- Asset status
- Operating parameters (efficiency, utilization) environmental conditions and asset health parameters

conga — Configure Price Quote
- First time right quotes
- Customer intelligence driven pricing
- Service products for predictive maintenance
- Predictive alerts

conga — Contract Lifecycle Management
- Increase in compliance
- Real time contract breach alerts
- Obligation management
- Decrease in contract cycle time.

conga — Revenue and Billing
- Predictive revenue forecast
- Supports different business models
- Reduction in downtime

Continuous Monitoring of Connected Assets

Trend Analysis and Predictive Modeling

Right Quote & Tracked Compliance

Accurate Forecasting

Wipro's holistic capabilities in consulting, design, engineering, and operations

Wipro is a leading technology service and consulting company focused on building innovative solutions that address clients' most complex digital transformation needs.

Wipro provides a holistic set of capabilities that will encompass EaaS maturity assessment, EaaS design and pricing (including modelling and simulation), service contract design, IOT, and connected equipment data expertise.

Learn more

Key business takeaways

1. Increase sales and service velocity and reduce time to quote leading to greater efficiency

2. Remove stress and reduce waiting time for end customers

3. Enjoy pricing support for one-time sale, services based, subscription based and usage based models

4. Receive real time contract breach alerts

5. Customise product recommendations to quickly engage with the consumer and assist in cross-sell & up-sell

Accelerated by Wipro's...

Industry best practices and process templates, wireframes, and predefined data collecting templates

In-depth domain knowledge base and technical acumen to support the EaaS journey across the landscape

Design blueprints and roadmaps for solution implementation

Data migration to the new platform using templatized approach

EaaS readiness diagnostic

To support manufacturers on their servitization journey, Wipro and Conga have jointly developed the EaaS readiness diagnostic service to rapidly determine an organisation's readiness for EaaS transformation.

We use a well-defined outcomes-oriented engagement process that follows a step-by-step, value-based discovery and alignment methodology. Ultimately, the process leads to a clear understanding and agreement on project value, KPIs, and outcomes—which will be subsequently used to measure success.

We start with a half day Fit and Value Workshop that brings together multiple stakeholders to explore the possible fit and value of an EaaS transformation. Wipro and Conga work together using demonstrations and customer use cases as a catalyst to understanding fit and value.

The workshop will quickly uncover EaaS possibilities and lead to a better-informed decision on further evaluation.

Subsequent steps explore possible value more deeply and more specifically to each key stakeholder, department or organisation and finally we will work with you to agree and validate the total value and KPIs for the transformation; setting out the key steps, resources, and timelines to realise and measure value.

'EaaS Readiness': Customer outcomes oriented approach to understanding maturity, fit and value of an Eaas business model

Fit & Value discovery

Value alignment

Value validation

Value capture
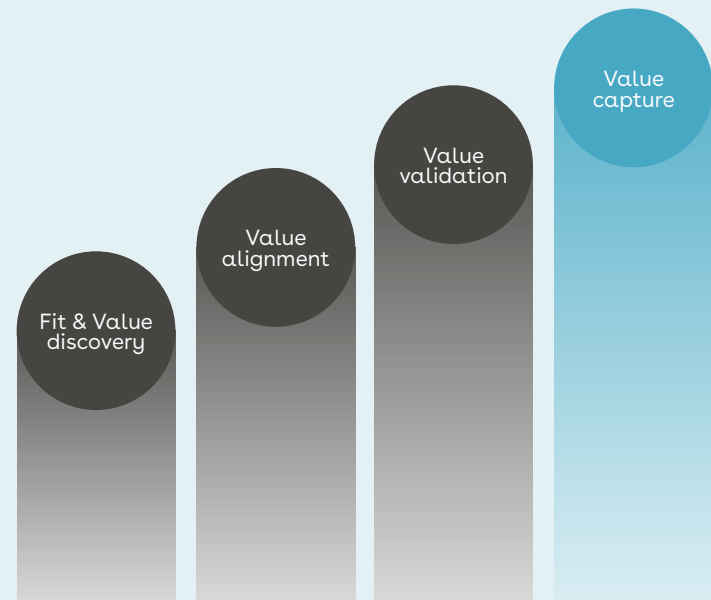
Conclusion

The benefits of subscription models are becoming clear and compelling. Manufacturers are aware of the significant growth, sustainability, and business resilience advantages that an EaaS model brings. But they are also aware that they face significant challenges and risks as they evolve their businesses.

To succeed, manufacturers must take a new approach to their revenue operations. Adding new systems and processes to already complex IT and operations infrastructure will likely result in poor adoption by both internal teams and customers, and ultimately a failure to capitalise on the EaaS opportunity.

Instead of a bolt-on approach to EaaS deployment, manufacturers should consider putting in place an end-to-end, unified revenue lifecycle solution that will allow the business to address all their customers' engagement lifecycle needs—no matter what the product or service purchase.

Together, Wipro and Conga can help facilitate this evolution. Our unique combination of technology, skills, and deep experience will support and power your revenue lifecycle transformation.
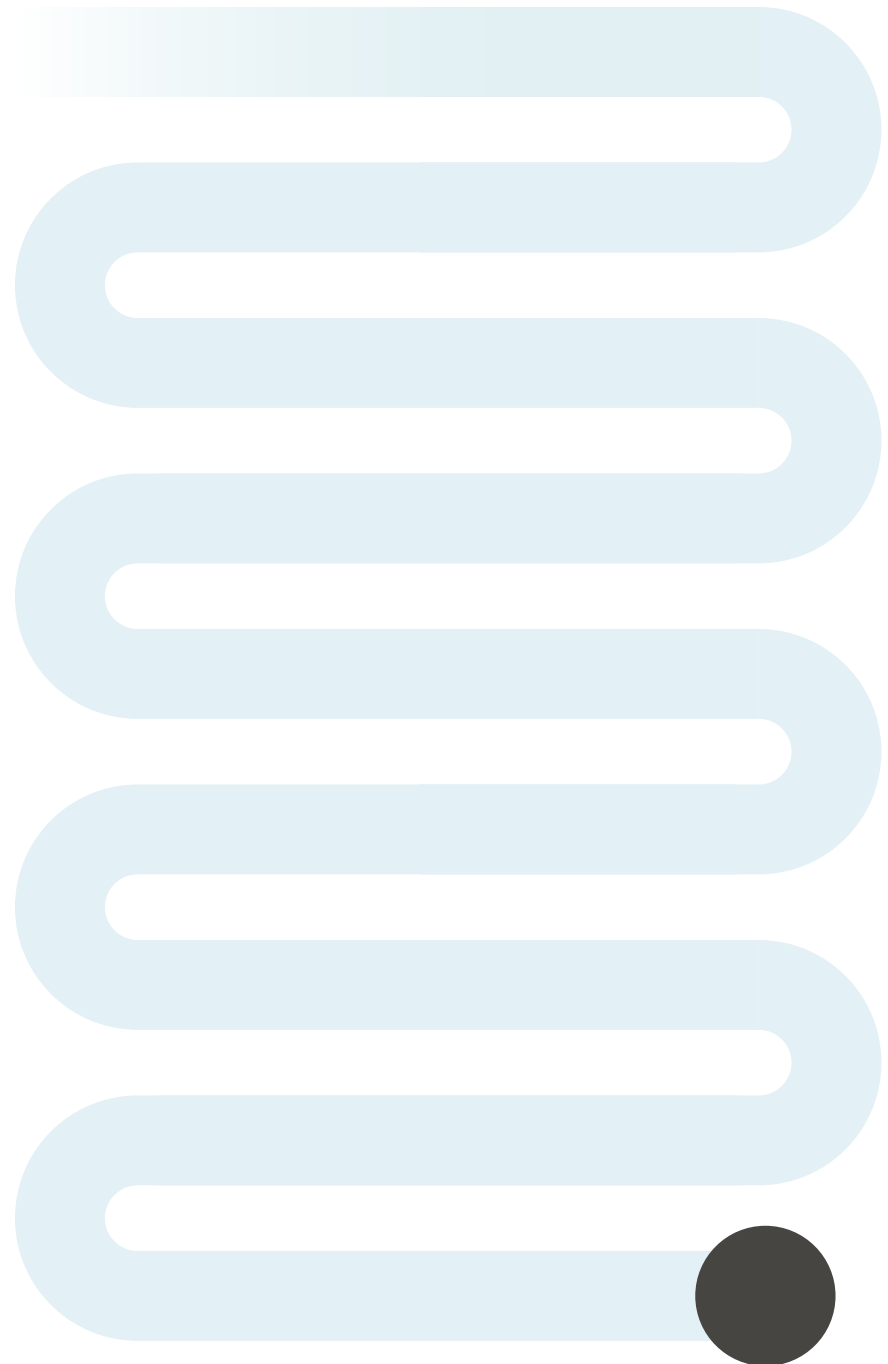
About Conga

Conga, the Revenue Company, is the pioneer and market leader in Revenue Lifecycle Management. Its platform is chosen by the world's growth champions to accelerate the end-to-end revenue lifecycle and achieve a Revenue Advantage. Conga brings Configure, Price, Quote, Contract Lifecycle Management, and Document Automation capabilities together on a single open platform that works with any ERP, any CRM, and any Cloud. Conga is born for the top line—powered by a unified revenue data model, complete revenue intelligence, and purpose-built AI—to help companies grow, protect, and expand their revenue.

Conga delivers a Revenue Advantage to over 10,000 customers and 6.4 million users around the world. More than 7 million contracts and 46 million quotes are generated annually with Conga. Founded in 2006, the company is headquartered in Broomfield, CO and has offices across the United States, India, and Ireland. Visit conga.com for more information.

Learn more at conga.com or follow Conga on LinkedIn.

For more information

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