



## ***CPQ & Commerce***

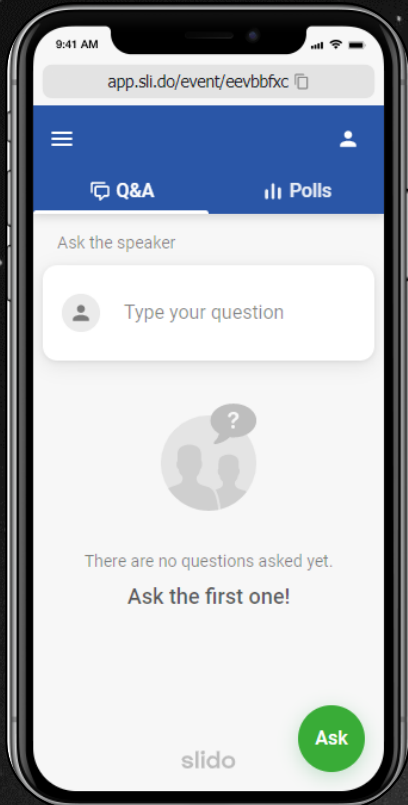
Configure Price Quote for easier, faster and more organized sales processes

# LET US ANSWER YOUR QUESTIONS

Feel free to ask us anything

Ask questions and vote on [sli.do](https://sli.do) - use code  
**163065**

Or use QR code



# INTRODUCTIONS

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## VIDEO: Elevate the Human Experience

Watch the [session recording](#) to view this video.



# WE WANT TO GET YOUR INPUT

Which CPQ solution do you use today?

Answer on [sli.do](https://sli.do) - use code  
**163 065**

Or use QR code



# Poll results

## Which CPQ solution do you use today?

0 1 2

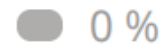
SAP



Salesforce



Oracle



Conga



Other (incl. homegrown solutions)



Do not have one

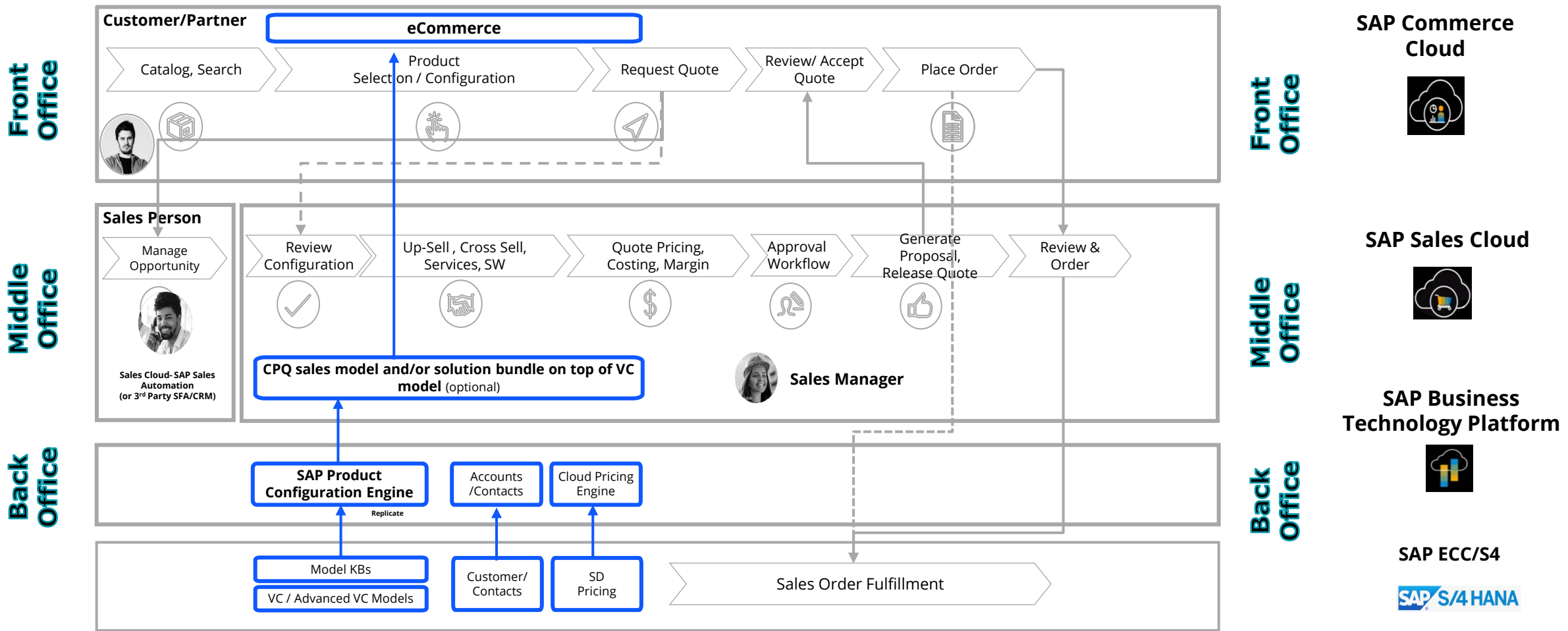


# WHAT IS CPQ?

- CPQ stands for **Configure, Price, Quote**
- It's an enterprise capability that is process & technology driven and integrates with basic product information including ERP, and incorporates all the other information, such as pricing, promotions, bundles, configuration rules, and proposal content.
- Guides salespeople to quote the right product for the customer, at the right price to win the deal, and generate a proposal that drives the customer to buy.
- Typically pulls opportunity data from CRM and pushes the completed quote and product info back into CRM/ERP for long-term analytics and business insight.
- Supports all channels, including direct sales, partners, distributors, eCommerce, and Internet of Things transactions.

# Low Touch Low- assistance Selling

Commerce Cloud + SAP CPQ, edition for variant configuration (SAP CPQ + SAP Variant Configuration & Pricing)





# WE WANT TO GET YOUR INPUT

Where and how do you think the value of CPQ impacts Revenue?

Answer on [sli.do](https://sli.do) - use code  
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# Poll results

## Where and how do you think the value of CPQ impacts revenue?

0 1 2

(1/2)

Missed opportunities because customer could not find what they want

33 %

Poor customer experience in finding the right product

33 %

Customer-specific pricing

83 %

Error-prone quoting

58 %

Scalability when volume increases

50 %

# MISSED OPPORTUNITIES

*MISSED REVENUE*

*TIME TO ON-BOARD*

*POOR CUSTOMER EXPERIENCE*

*ERROR PRONE QUOTING*

*MULTI-NATIONAL*

*EXCESSIVE DISCOUNTING*

*SCALABILITY*

*MULTI-CURRENCY*

*TIME CONSUMING*

*OMNI-CHANNEL*

*MARGIN EROSION*

*CUSTOMER SPECIFIC PRICING*

*TIME TO MARKET*

**DON'T LEAVE MONEY ON THE TABLE...**



# WE WANT TO GET YOUR INPUT

What Industry are you in?

Answer on [sli.do](https://sli.do) - use code  
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# Poll results

## What Industry are you in?

0 1 2

Consumer (incl. Auto, Transport, Hospitality)



Energy, Resources & Industrials (incl. Construction, Mining, Renewables)



Life Sciences & Healthcare



Technology, Media & Telecommunications



Financial Services (incl. Insurance)



Government & Public Sector (incl. Defense, Justice, Education)



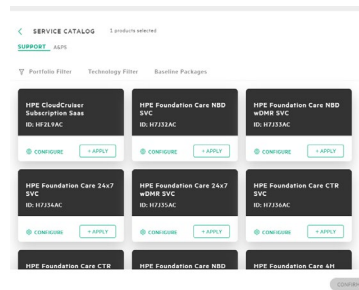
# THE BUYING SPECTRUM (EXAMPLES OF CPQ)

Complex Product Configurations and variants

## CONSUMER



## SERVICES IN ALL OF THESE INDUSTRIES



## LIFE SCIENCES & HEALTH CARE;



## ENERGY, RESOURCES & INDUSTRIALS

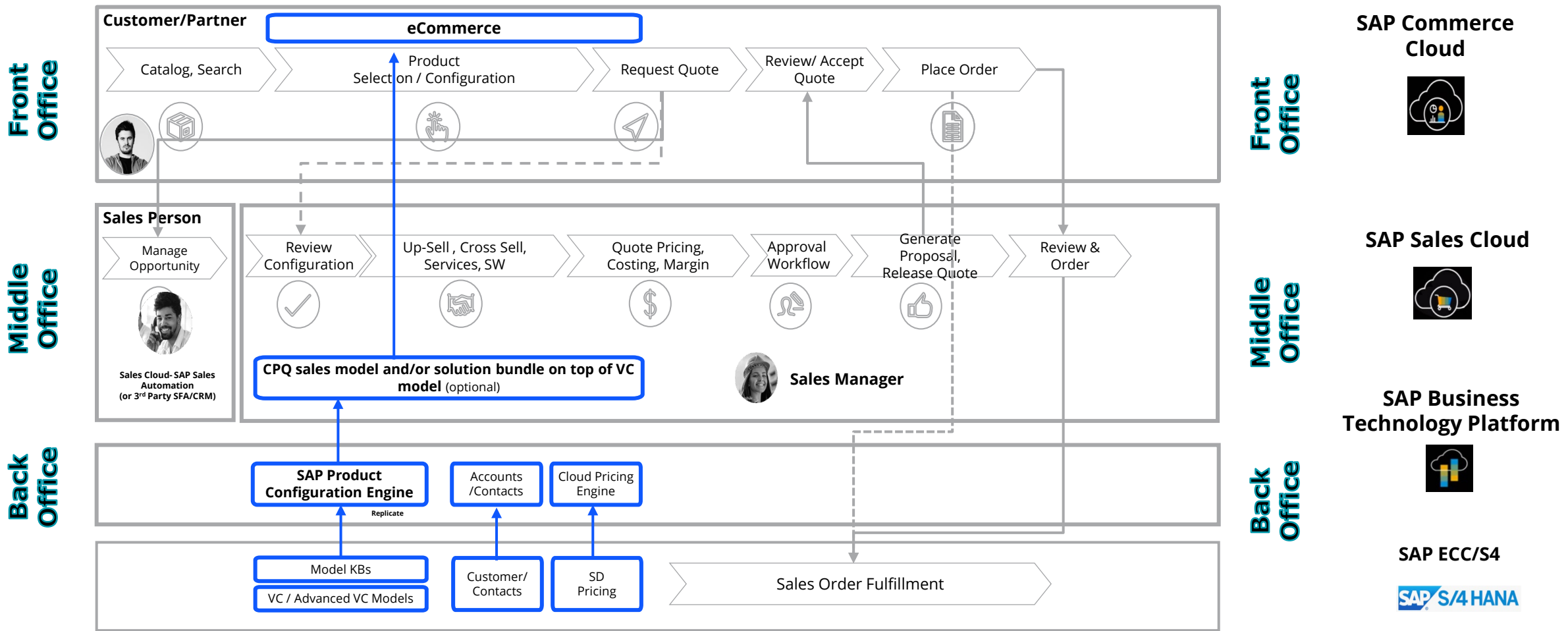


## TECHNOLOGY, MEDIA & TELECOMMUNICATIONS;



# Low Touch Low- assistance Selling

Commerce Cloud + SAP CPQ, edition for variant configuration (SAP CPQ + SAP Variant Configuration & Pricing)



## VIDEO: Low-Touch Low-Assistance selling demo on SAP

Watch the [session recording](#) to view this video.



# TOP CPQ APPLICATIONS & VENDORS



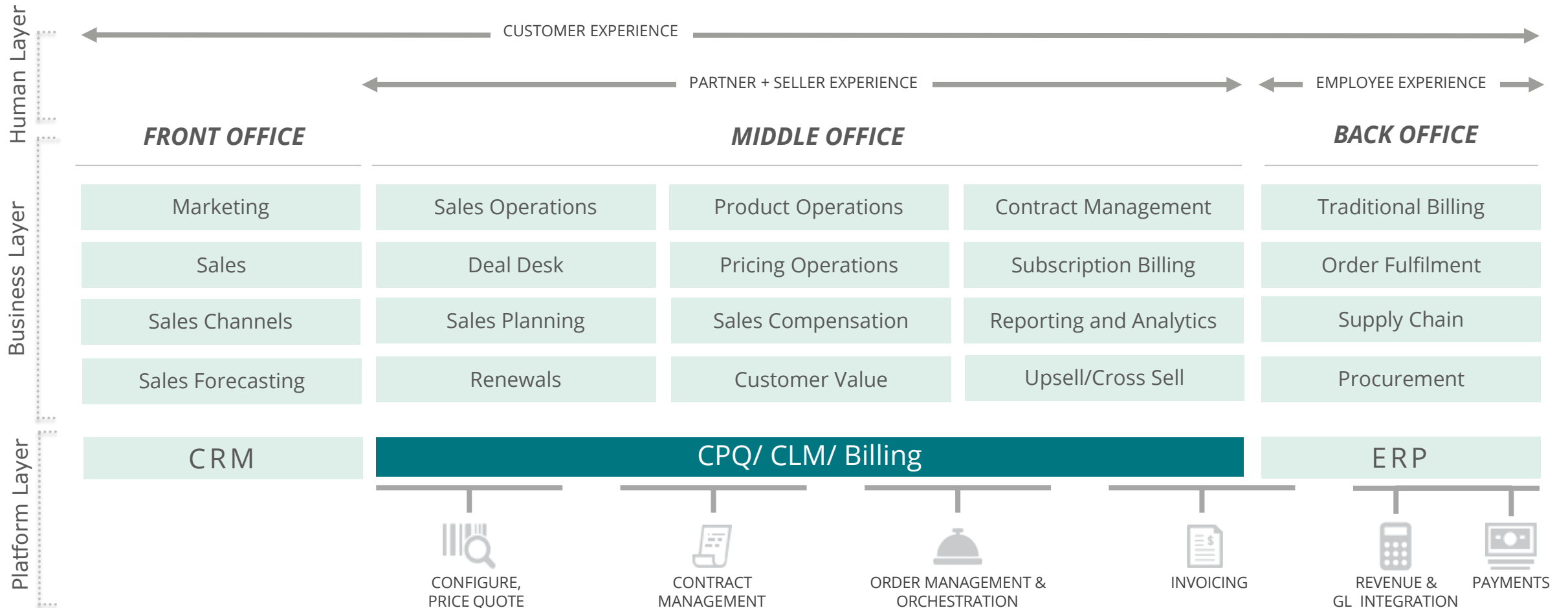
Figure 1. Magic Quadrant for Configure, Price and Quote Application Suites



Source: Gartner (September 2020)

# LEAD-TO-CASH FRAMEWORK

Companies often view CPQ as a technology platform initiative without recognizing that it resides at the core of their business operations and their customer experience...



# DELOITTE'S MIDDLE OFFICE ENTERPRISE CPQ FRAMEWORK

Successful Enterprise CPQ programs begin with a CPQ capability-led mindset, followed by the technology and organization transformation required to enable the capabilities with the most value...

0. PRICE SETTING AND ANALYTICS	1. CONFIGURE		2. PRICE REALIZATION		3. QUOTE	4. REQUESTS & APPROVALS	5. OUTPUT DOCUMENTS	6. ORDER
0.01 Product manager new price setting / updating	1.01 Price incentives to influence demand	1.08 Configuration import / export	2.01 Pricing guidance	2.08 Multi-currency with regional pricing rules	3.01 Promotions and concessions	4.01 Special pricing requests for configured items	5.01 Internal document comparison view	6.01 Configured product line order submission
0.02 Pricing & profitability analytics	1.02 Upsell / cross-sell / guided configuration and selling based on customer needs	1.09 Configuration copied from previous quote	2.02 Price quotes for multiple, valid configurations	2.09 Subscription-based pricing	3.02 Discount threshold matrix guidelines by PL	4.02 Email notifications for requests and approvals	5.02 Standardized quote for customer (w/ details, images)	6.02 Quote details transferred to the order
0.03 Product and Deal Lifecycle Analytics	1.03 Product options for configuration	1.10 Configuration comparison	2.03 Appropriate list price application	2.10 Price exceptions	3.03 Bundled and packaged pricing	4.03 Internal view to request queue and approvals	5.03 Valid (printable) options on a proposal	6.03 Order status visibility
0.04 Price Optimization	1.04 Support for multiple product segments, lines of business	1.11 Configuration contextual reference material	2.04 Appropriate pricing rules for configuration	2.11 Automated / manual discounts or markups	3.04 Customer / contract specific pricing	4.04 Automated customer follow-up / updates throughout process	5.04 Partner-specific branding	
0.05 Customer Segmentation	1.05 Customer-specific product options	1.12 Lead time visibility	2.05 Selling price calculation	2.12 Deal profitability and scoring	3.05 Partner-specific pricing	4.05 Include third-party approval	5.05 Ability to include/exclude content and options	
0.06 Bundling & Configuration 1,2	1.06 Partner-specific product options	1.13 Configuration validation	2.06 Attribute-based pricing	2.13 Quote-level summary pricing	3.06 Quote validation, cancellation, and archiving	4.06 Dynamic workflow structure	5.06 Output in HTML, pdf and word format	
0.07 Competitive Response	1.07 Configuration sharing		2.07 Self service price books		3.07 Quote status visibility for reps and customer	4.07 Visibility of approval levels	5.07 eSignature and digital document management	
0.08 List price publish / import / load					3.08 Create quote for prospect	4.08 Margin, calculation, deal profitability and scoring		

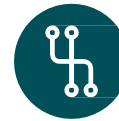
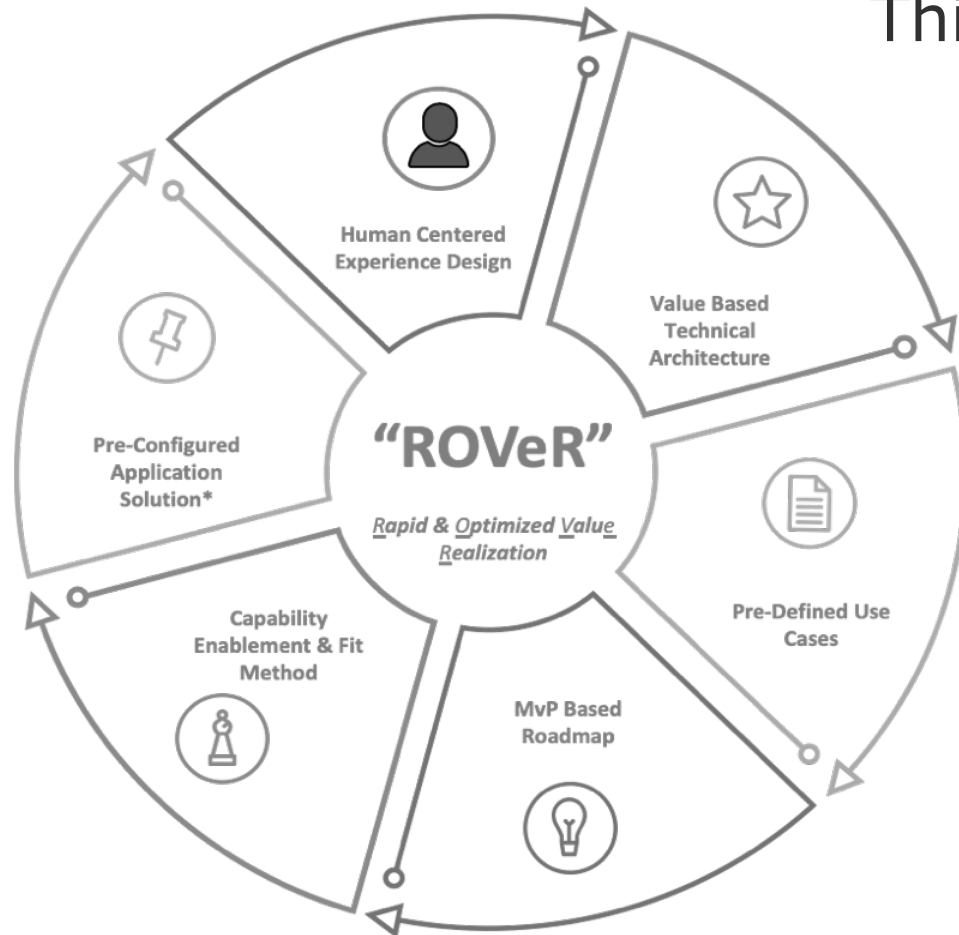
## 7. FOUNDATIONAL CAPABILITIES

7.01 Standardized Process and Compliance	7.02 Customer Management	7.03 Central Data Management	7.04 Integration through centralized, common tool	7.05 User Experience anytime/anywhere 2,3	7.06 Role-based visibility / functionality	7.07 Solution Value	7.08 Digital Capabilities 2,3
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# Use methodologies that incrementally deliver value

Example : The “Ready to Execute” Middle Office Framework that delivers Speed – to - Value

## Things to look for in a framework



### **DROP-IN**

Complete with ready to deploy foundational elements around business & technology design & deployment



### **INCREMENTAL BUILD, SPEED-TO-VALUE/MARKET & LOWER COST**

Delivering future state process, solution design & roadmap in 4 – 6 Weeks; followed by MVP delivery model



### **LOOKS FORWARD AND BE FUTURE READY**

Industry specific approach focused on enabling continuous improvements & value enrichment



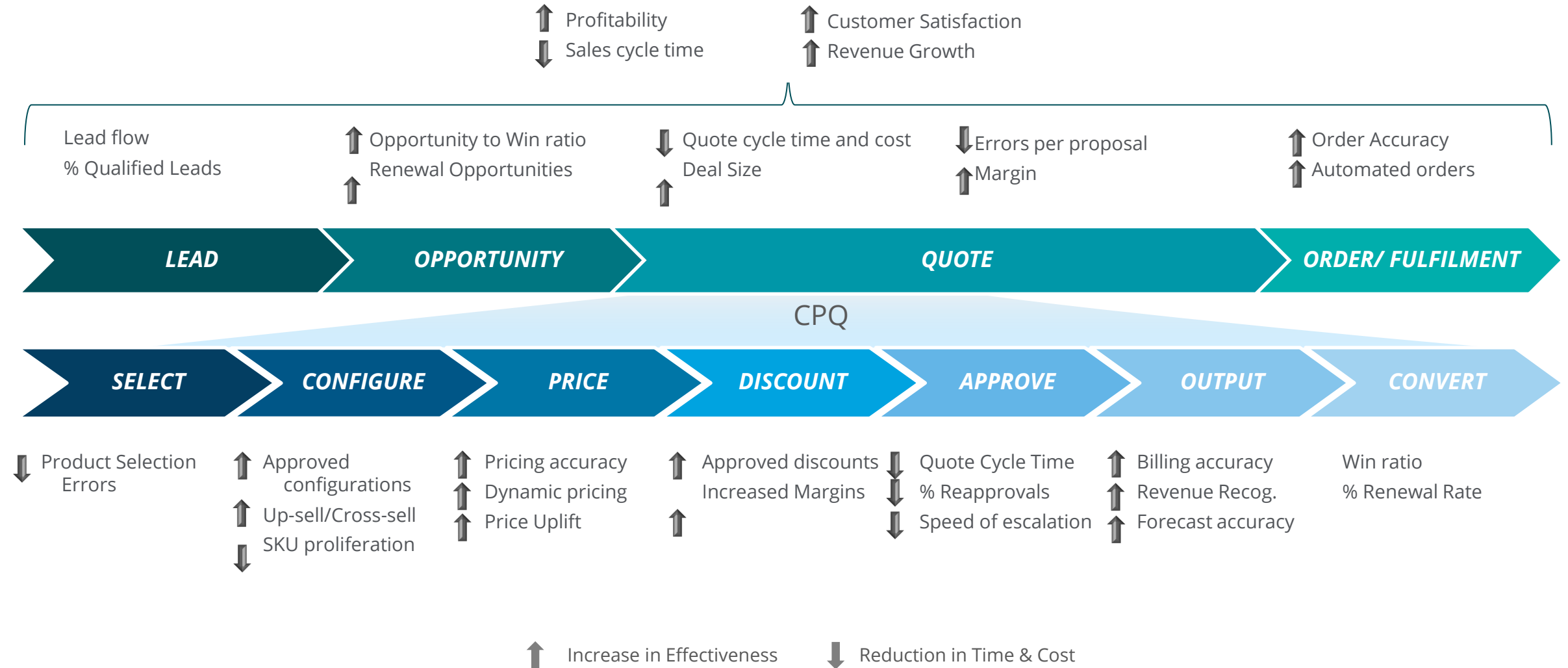
### **SCALABLE & FLEXIBLE**

Delivering for the “NOW” while designed for future, disproportionate growth



# LEAD-TO-CASH KPIs – A VALUE-LED APPROACH

Successful investments in CPQ programs are realized when the program management is founded on measurable value....



# THE RETURN ON INVESTMENT ON A MODERN, FULL FLEDGED CPQ CAPABILITY\*



**5%**

increase in  
total revenue



**19%**

higher lead  
conversion rate



**26%**

more reps  
achieving  
quota



**27%**

shorter  
sales cycle



**49%**

more quotes sent  
per rep



**33%**

increase in quote  
productivity



**13%**

reduction in  
quote versions



**105%**

Increase in  
average deal  
size

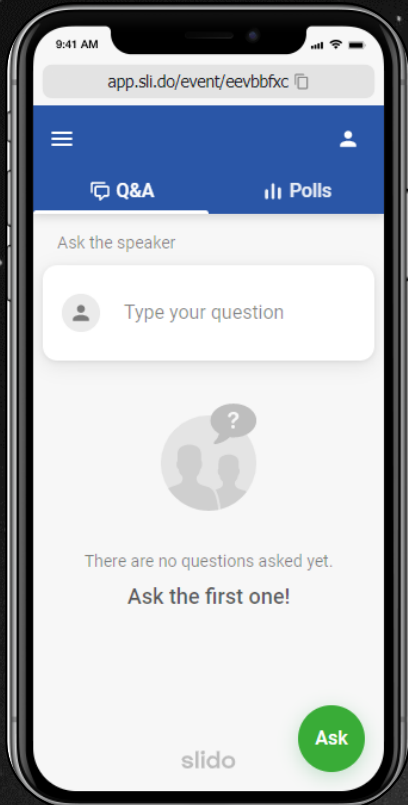
\* illustrative figures from various sources including SAP, Axonom, Salesforce, and Aberdeen Group

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**Deloitte.**

# Thank You

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