

Oracle CPQ Cloud for Channel Sales

Streamline the Sales Process for Channel Partners



Oracle Configure, Price, and Quote (CPQ) Cloud helps companies standardize the sales process for resellers and distributors.

Key Challenges for Organizations

Maintaining quote and order accuracy for configurable products is a big challenge. Facilitating quote accuracy and efficiency among channel partners is an even bigger challenge. Sales channel inaccuracies and inconsistencies, and general confusion resulting from the misunderstanding of customer requirements, lead to reduced sales effectiveness and lost business opportunities. According to an Aberdeen Group survey, companies are most concerned with the following regarding their channel partners¹:

- » External selling partners fail to occupy a sufficient mind share. (56 percent of respondents)
- » Extended selling organizations do not generate enough top-line revenue. (42 percent of respondents)
- » Decentralized selling inhibits business health comprehension and forecast accuracy. (27 percent of respondents)
- » Channel partners erode margins by competing with each other on price alone. (23 percent of respondents)

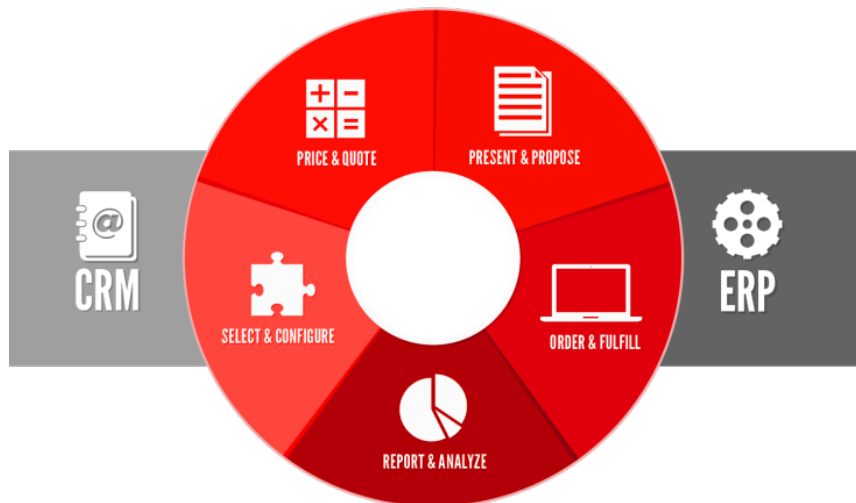


Figure 1. A streamlined channel sales process begins with the reseller or distributor selecting the best product fit, configuring the total solution, and generating an accurate price quote. A robust CPQ tool can automatically generate a detailed proposal, with little work from the channel partner. The sales data seamlessly feeds into the order and fulfillment system, and ultimately into a reporting system for visibility across the organization.

ORACLE[®] CONFIGURE, PRICE, AND QUOTE CLOUD

ORACLE CPQ CLOUD SERVICE

Oracle's cloud-based solutions enable both enterprise and midsize companies to streamline the entire opportunity-to-quote-to-order process, including product selection, configuration, pricing, quoting, ordering, and approval workflows.

KEY FEATURES

- Guided selling
- Product configurator
- Pricing and quoting
- Proposal generator
- Workflow approvals
- Reporting
- Channel management
- Contract execution
- Order execution

KEY BENEFITS

- Delegates user management
- Ensures accurate product quotes
- Partner pricing
- Accommodates special pricing requests in workflow
- Generates rich, cobranded sales documents in seconds

¹ Aberdeen Group, Peter Ostrow, "Partner Relationship Management: Channeling Better Sales Results," March 2012.

Keeping Up With the Market

Channel partners appreciate a vendor that provides great products and is also easy to do business with. To build sales momentum and grow market share, companies must help channel partners serve customers quickly, utilizing professional documents that show accurate products and compelling pricing. Oracle CPQ Cloud for channel sales provides distributors and resellers with this power. If a channel partner requires special pricing, automated approval workflow accelerates these requests through both organizations. As Figure 1 shows, Oracle CPQ Cloud can enhance your partners' ability to compete.

Effective Solutions for Channel Partners

Aberdeen Group found that a strong CPQ tool, combined with a company's partner relationship management (PRM) system, yielded the best results; 50 percent of companies that are considered best in class utilized PRM solutions to complement their sales infrastructure, compared with only 22 percent of companies considered laggards. The deployment of an effective PRM system and the ability for channel sales partners or customers to self-quote via automation enables best-in-class companies to have an advantage. Aberdeen Group notes that "automating this bottom-of-funnel activity and reducing approval-oriented friction helps channel partners close more deals, more quickly, and on the OEM's behalf — thus everyone in the relationship wins."

This tool benefits both the vendor and the channel partner. It gives the vendor control over pricing scenarios while reducing the training requirement for channel partners. The vendor can delegate user management to its partners, dedicating its own resources to maintaining changing product catalogs and promotions. When a partner requests special pricing, the application appropriately routes the request to efficiently serve the customer. Streamlining the sales process by applying Oracle CPQ Cloud has helped many vendors significantly improve their quote-to-cash speed and accuracy. It has enabled them to extend a coordinated presence to customers, despite complex product lines or sales channels.

Oracle CPQ Cloud Success Stories

A leading vendor of fluid-handling systems for industrial applications realized a 50 to 70 percent reduction in quote generation time and application engineering resource utilization, while achieving 100 percent quote accuracy. Leveraging the channel management component of its streamlined sales solution to encourage online orders, the company now receives more than 80 percent of channel orders via the web, because its vendors' representatives can configure, price, quote, and order mixers and parts completely online. These orders flow directly into the company's enterprise system and onto the shop floor without manual processing.





A global network security provider replaced its "homegrown" quoting and configuration tool with a robust, web-based sales platform, enabling its sales teams and channel partners to generate quotes and service contract renewals, manage product configurations, and enter orders. Prior to Oracle CPQ Cloud, this company had identified 20 point solutions in its quoting, pricing, and configuration process. With Oracle CPQ Cloud, the new system consolidated all those critical tools into one integrated system. The streamlined solution enables the sales team to quote renewals, products, and services on the same quote, creating additional cross-sell and up-sell opportunities.

ORACLE CPQ CLOUD CUSTOMER RESULTS

Customers around the world have experienced significant results.

- 10x increase in quotes per month
- 3–7 day process fell to less than 30 minutes
- 117 percent revenue growth
- 1.5 percent margin increase
- 100 percent accurate quotes
- Quote-to-cash time decrease—from weeks to days
- Large proposal production time decrease—from days to seconds
- 0 percent error rate (down from 70 percent)
- 400 percent increase in sales (with only 50 percent increase in support)
- 93 percent reduction in order processing time
- 3 percent increase in market share within the first year

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