



**NUCLEUS**  
RESEARCH

# INFOR CPQ CUSTOMER DOUBLES PRODUCT SALES

## ANALYST

Martin Naydenov

## THE BOTTOM LINE

Infor CPQ is a configure, price, quote (CPQ) solution that primarily serves organizations in the manufacturing industries. Nucleus interviewed Infor customers and found significant time and cost savings in product implementation, bill of materials (BOMs) generation, and invoicing. Some of the reported benefits include a 45 percent reduction in labor costs, an estimated \$100,000 per year in savings due to the reduction of erroneous quotes, and increased revenue from competitive wins directly related to the CPQ's 3D visualization capabilities. Infor CPQ's comprehensive product configuration and 3D visualization functionalities are complemented by a transparent administrative system that reduces the complexity behind rule configurations and product implementations. As a result, Infor customers streamlined the order fulfillment process and reduced the number of incorrect quotes, thus reducing the overall time-to-market.

## OVERVIEW

With the prevalence of online shopping, organizations face an imminent challenge to differentiate their products by offering a frictionless sales experience to customers. Manufacturing firms that offer highly customizable products have the most difficulty with this challenge as most customers abandon their shopping process if there are unanswered questions or confusion about product cost and features. The entire sales cycle, from product selection to contract negotiation, can be a cumbersome process for everybody involved. Most organizations that offer complex products and services rely on costly third-party contractors to implement their offerings numerous categories and configuration rules. Custom products can involve millions of permutations of configuration options, which poses a risk to back-end administrators who may set conflicting rules that lead to incorrect purchase orders and wasted resources.

Furthermore, manual processes and lack of communication between functional teams cause outdated quotes, inventory discrepancies, lengthy approval processes, which cost organizations valuable customers and revenue. CPQ solutions, such as Infor CPQ, address these issues by simplifying the product implementation process, streamlining sales approval workflows, and offering a smooth customer self-checkout experience with powerful visualization capabilities. Infor CPQ's platform provides organizations with a great competitive advantage and increases conversion rates and customer satisfaction.

**One company doubled  
the revenue from CPQ-  
supported products.**

## INFOR CPQ

Headquartered in New York, Infor is one of the leading CPQ providers serving primarily companies in the manufacturing industries, such as aerospace, defense, automotive, building products, construction, high technology, and industrial equipment, along with distribution and retail sectors. (Nucleus Research V182 – *CPQ Technology Value Matrix 2021* – November 2021) Infor CPQ is a unified solution that combines Infor Coleman AI (artificial intelligence and Infor Birst (business intelligence) via the CloudSuite ecosystem to provide configuration, quoting, ordering, operations planning, and financial capabilities.

With Infor CPQ's intuitive user interface (UI) and low-code framework, users can implement complex solutions and set configuration rules in a fraction of the time compared to black-

box CPQ products that force reliance on a partner or vendor service providers. With Infor CPQ, back-end administrators can set sophisticated validation and logic rules to provide customers the freedom to customize products to their desire. The platform's comprehensive 3D visualization, augmented reality (AR), and product configuration capabilities provide customers with an interactive purchasing experience and enable them to create engineer-to-order items. Realistic visualizations help customers better understand what they are buying and reduce potential confusion about product features.

Infor CPQ can be connected to a wide range of applications, such as Salesforce, Microsoft Dynamics, and Oracle ERP, to provide further visibility by centralizing pricing, product, service, and customer data. Native integrations enable real-time updates across all sales channels, empowering organizations to launch their offerings faster and drive revenue. Quotes are automatically generated and include details, such as bill of materials (BOMs), routing numbers, shop orders, change orders to the factory floor, accounting, and sales teams. This process streamlines the approval process and provides sales managers the ability and autonomy to close deals effectively.

## KEY BENEFITS

Nucleus interviewed several Infor customers to identify the key benefits realized post-deployment. Users benefitted from increased revenue, reduced operational costs, and improved productivity.

- **Increased Revenue.** Despite the Covid-19 pandemic, Infor CPQ empowered one organization to double its revenue from year-to-year. After the CPQ implementation, the entire customer purchase experience improved with auto-generated quotes, extensive 3D configuration and visualization capabilities. As the customer self-service and direct sales channels was optimized, the organization won more competitive deals, reduced customer churn, and increased sales revenue.
- **Reduced operational costs.** With the sales process streamlined, interviewed customers reduced their operating costs. Automated quote generation and approval processes enabled one organization to cut about 45 percent of its labor costs within its product implementation and customer service departments. This Infor customer also decreased the number of incorrect quotes and saved about \$100,000 per year as a direct result of the improved configuration rules implemented, which prevented erroneous customizations options and rework.
- **Improved productivity.** Infor CPQ streamlines the product implementation and sales process. Due to the low-code framework, new product categories with highly detailed configuration logic can be implemented in a fraction of the time and cost

compared to paying for a specialist. Nucleus found that one organization shortened its product implementation process by 50 percent, from 18 months to 9 months, for their most complex products with over 20,000 configuration options. As the intuitive UI does not require complex coding experience to create sophisticated configuration validation rules, it significantly reduces the time-to-market and false orders. As a result, one company benefited from accelerated product releases, shortening the release process from 10 months to one month.

## CUSTOMER PROFILES

### HVAC MANUFACTURER

This company is one of the largest manufacturers of heating, ventilating, and air conditioning (HVAC) products in the world. With over 30 manufacturing facilities around the globe and an ever-expanding list of configurable product offerings, it became difficult to implement new product categories, generate BOMs, and create accurate quotes. The legacy system could not support sale operations and consist of numerous manual processes, which delayed the entire sales cycle and hindered growth. Generating BOMs, for example, was a cumbersome process, as product information, including customization options, had to be collected from siloed functional departments.

The organization decided to retire its legacy system with a solution that streamlines the sales cycle by automating the BOMs and approval processes. Multiple solution vendors were considered to replace its obsolete platform, such as Salesforce CPQ and Configure One, but the organization ultimately chose Infor CPQ because of its comprehensive product configuration and 3D visualization tools.

With Infor CPQ's product configuration capabilities, the HVAC company can implement new products and services in a fraction of the time and provide customers extensive customization options. The realistic 3D visualization tools and interactive customer experience empowered the organization to outpace its competitors and double its revenue among its configurator-enabled products.

**One organization  
halved its product  
implementation times.**

## DOOR MANUFACTURER

Founded in the early 20<sup>th</sup> century, this company is one of the leading manufacturers of interior and exterior doors for residential and non-residential buildings. The door manufacturer needed to replace its legacy CPQ system, Configure One, as it did not fulfill all the unique requirements of the organization. Configure One's rule's engine was not sophisticated enough to add new products, along with the associated numerous configurations options, without a large amount of labor and sophisticated programming skills. This led to unnecessary delays in new product launches, costing the company precious time and revenue.

In 2014 the organization decided to replace Configure One and considered multiple alternatives, such as Paradigm, Oracle, and a custom proprietary CPQ solution. After careful consideration, the organization decided to implement Infor CPQ as the replacement platform. Previously, it took the organization roughly 18 months and a large team of skilled programmers to implement new product categories and set up all configuration rules.

Infor CPQ's intuitive framework and intelligent rule engine allow users to set up sophisticated configurations logic and reuse rule sets for other products to save time without relying on extensive code. This empowered the organization to cut its product implementation time by 50 percent and increased the frequency of product releases by a factor of 10. With Infor CPQ's powerful configuration and automation capabilities, the organization cut about 45 percent of its labor cost across different departments. The organization also saved \$100,000 a year due to improved quoting functionalities.

## WHY IT MATTERS

Today, companies no longer just compete on price and product. Customers demand a frictionless self-checkout experience with a high level of customization options and realistic visualizations. Organizations who adopt a modern CPQ solution will have a competitive advantage over other businesses and sell products faster by eliminating long approval processes and tedious manual tasks, from product implementation to quote generation. CPQ providers, such as Infor CPQ, address the duality of challenges organizations are facing, from the back-end product configurations to the front-end customer check-out process. Infor CPQ enables companies to strike the right balance between offering extensive configuration options and a smooth customer experience.

Organizations who sell highly customizable products can especially benefit from a CPQ solution, as it streamlines the entire product implementation process and eliminates the need for expensive programmers and third-party contractors. With Infor CPQ's platform,

organizations can increase conversation rates, improve customer satisfaction, and reduce time-to-market. Nucleus expects more CPQ providers will follow in Infor CPQ's footsteps and adopt some version of 3D and AR capabilities to stay competitive. We believe Infor will further improve its platform by enhancing back-end product configuration and automation capabilities with AI/ML models.