

QUOTE-TO-CASH ACCELERATION

Winning the last mile of your sales process.





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1

Increasing Success during the Last Mile

Two out of every three sales quotes you submit are likely to result in a loss. Why? Because they take too long to create, include errors or mismatched items, or get bogged down in your own internal processes.

Don't lose everything you've worked so hard for by hitting speed bumps in the last mile of your sales process.

In this e-book, you'll see all of the potential roadblocks of failure in the typical quote-to-cash process, and learn how effective quote-to-cash automation can eliminate them all.

*According to research from
BidSketch, two-thirds of all sales
quotes result in a loss.*

Rethink the last, and only, manual mile in your sales process.

Think about all of the automation you've put into your sales process. You used marketing automation to generate leads and nurture opportunities. You used CRM to track opportunities and better forecast and support deals.

But when the customer is finally ready to see your offer, you're left struggling with a mess of manual and uncontrolled processes. It's surprising when you stop to think about it: Why would you rely on such manual and error-prone methods to manage the most critical, risky, and detail-oriented portion of the sales process?

Break down the quote-to-cash process

Quote-to-cash covers everything from the configuration of your initial offer through the actual order, billing, revenue recognition and renewals, plus analytics along the entire path. What automation does is turn your risky tangle of uncontrolled documents and manual approvals into a streamlined, transparent, and manageable process that actually helps you close more deals faster.



Quote-to-cash guides your sales reps through the configuration, pricing, and quoting processes, eliminating mistakes by giving them only the choices that matter. As they make selections, like choosing a particular item, subsequent choices adjust based on that selection. Reps can easily create a quote, and even tweak pricing based on their approval levels without getting a manager involved. As products and services are added to your mix, as prices change, or as approval processes are adjusted, your quote-to-cash system takes it all into account and keeps it simple for sales reps.

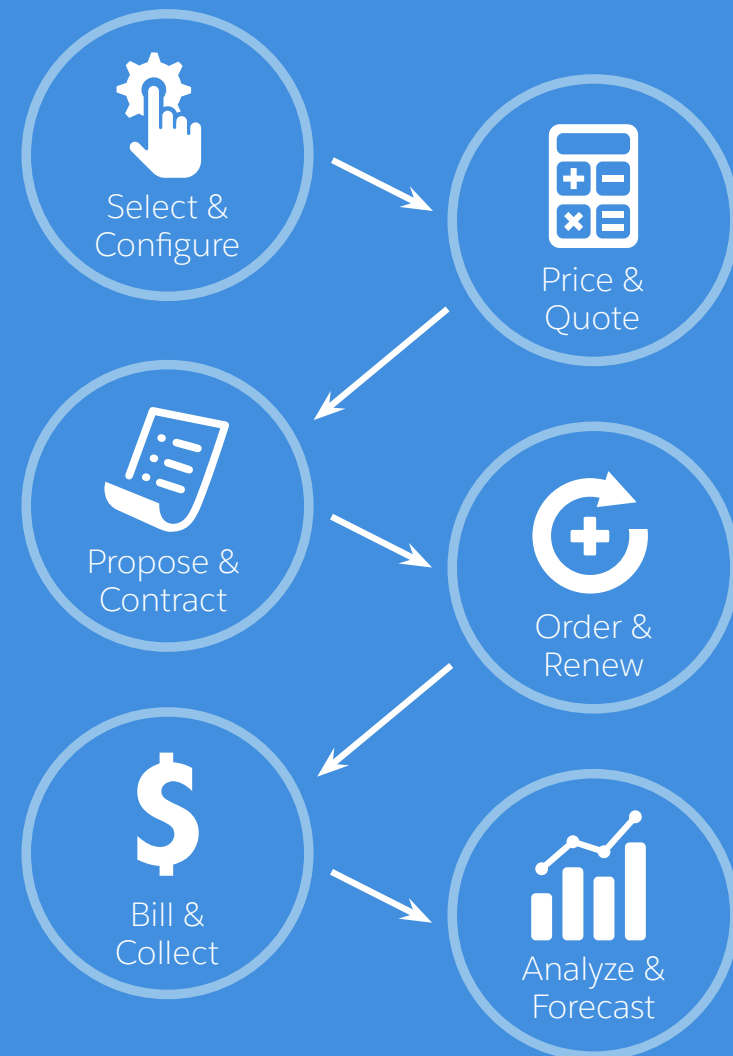
Behind the scenes, finance and legal can control their part of the process without getting in the way. Quote-to-cash gives them the confidence to let reps build quotes, adjust prices, and compose contracts without requiring a minute of their own time. Product and services leaders can further ensure the required items and SKUs are included with every deal so there are no surprises later. And when a nonstandard deal comes along, approval workflows ensure that the deal remains compliant and the right decisionmakers get involved.

After the deal is won, it's not over. Quote-to-cash helps finance with billing and collection, and helps reps when it's time to renew a contract or look for upsell or cross-sell opportunities.

Along the entire process, quote-to-cash also helps executives see what's happening with insights and analytics. Risk levels and pipeline forecasts are clear, as are breakdowns of deal sizes, margins, payment terms, and other attributes.

Let's walk through each step of the typical sales process to learn how automation can help.

Quote-to-Cash



2 Build a Foundation of Your Best Quote

In many companies, building a quote is a manual process where spreadsheets are consulted, documents are gathered, and reviews are patched together. All the while, you're never really sure the information is current, the items are complementary, or if you've included the correct SKUs or add-ons.

More importantly, mistakes and delays at this "select and configure" stage of the process can undermine the entire deal by creating a weak foundation for what should be a valuable relationship built on trust.

Errors and delays are cracks in the foundation.

At this early stage of the last mile, even minor errors can create ripples that derail a deal later in the cycle. Using static sources of information, like pulling pricing from a spreadsheet on your laptop, just adds to the risk.

Regardless of the complexity in your offerings, potential error points start to appear. Does the volume discount kick in at 100 units or was that changed to 75? Is the best up-sell offer the plastic pallets or the metal ones?





Everyone who relies on manual processes has seen these potential errors, and just knowing the high likelihood of errors causes delays. Instead of emailing your initial offer to a customer, it has to be reviewed by your manager, and then her manager, and then legal, and then finance—but she’s on vacation, so who should review it in her place?

These delays allow competitors to act faster and decrease sales productivity because, instead of selling, salespeople are buying time, making excuses, and chasing approvals. Furthermore, with a manual process, the risks actually increase as more people review and approve. All of this creates cracks in the very foundation you’re trying to build with your customer.

A guided process ensures consistency and conformity.

Automated quote-to-cash guides the process and limits the options to only those that are relevant and approved, giving more power to your sales team. It also eliminates the chance of error and helps reps make the right choices, use the right information, and include the right add-ons. You can also automatically suggest upsell offers or highlight cross-sell opportunities that a rep might miss. The combination of faster configurations and more time for reps to actually sell all adds up to revenue growth.

*According to research from
InsideSales.com, up to 50%
of sales go to the vendor
that responds first.*

3 Add Price Controls while Unleashing Sales

Pricing is traditionally a difficult, tense, and error-prone portion of any sales cycle. The weak links are the unmanaged price lists, which are often in spreadsheets, floating throughout the sales organization. The risk here is obvious: working from a price list that is out of date. But ensuring accuracy in the actual price—the dollar value—is just the tip of the iceberg.

Discount authority, and policies on things such as volume discounts, are difficult to control even on a small team with simple offerings. Complexity increases when you add prenegotiated contract pricing, channel and partner pricing, and one-off terms for specific customers. Even simple pricing rules quickly become difficult to manage.

Companies usually enforce these rules with more approvals. While that adds control, it does little to empower the sales rep, streamline or speed up the process, or even prevent errors.

Automation provides a fast track to easy quotes.

Giving your reps the power to create their own pricing is the goal. Giving reps the power to build a price quote that they know is pre-approved and won't be delayed waiting for reviews, empowers them to drive their own deals.

Once the stress and complexity of pricing is complete, it has to be packaged for presentation to the customer in a formal quote. But first impressions matter. Manually creating quotes adds the risk of them looking sloppy, which will reflect poorly on your company and brand. Automation eliminates this risk.

Automated quote-to-cash ensures all of the required documentation, legal terms and conditions, product information, cover letters, and other elements of a quote are included. Quotes are dynamically assembled so that the elements are based on the offerings included in it. The customer gets an accurate proposal in a timely manner and sales can get back to selling.

Pricing has twice as much power to impact B2B profits than market share.

-Bain & Company



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Automated Proposals and Contracts Let Your Offer Shine

Even with automation up to this point, relying on manual proposal creation adds unnecessary risks and room for mistakes by reintroducing error-prone, time-consuming, and review-intensive steps that result in delays without ensuring better results. We've all manually assembled proposals that we later found to have an incorrect attachment, out-of-date terms, or some other human error. It just happens.

The risks related to the look and professionalism of your proposal can be just as damaging as completeness and accuracy can be beneficial. We've all seen – and cringed at – proposals where the logo looks squashed or has fonts that change from paragraph to paragraph. Then there are alignment issues, wrong page numbers, or any of the hundreds of frustrating Word issues that seem to multiply when you're in a rush to get a document out the door.

When you read a document with those types of formatting and design errors, you've probably thought, "Couldn't they have taken the time to clean this up?"

Regardless of the content of your proposal, these sloppy mistakes undermine the customer's view of your company. If a vendor is this sloppy before the contract is signed, what will happen after? It's the likely reaction, and in a competitive deal, it could be the difference between winning and losing.

Contracts are customized for every deal.

While the look of your proposal is important, the accompanying legal contract is even more so. With a manual process, you're risking incorrect or incomplete terms and conditions, and you're adding days (if not weeks) of delays for contract assembly and approvals.

Automated quote-to-cash dynamically creates terms and conditions based on how your team configured the offering and structured the pricing. It also automatically incorporates existing contractual pricing and discounts. In the event of a nonstandard request, there are built-in workflows to streamline approval cycles, and even automated amendment workflows.

Sales reps, don't need to understand the rules or go through lengthy legal approvals. They can instantly move forward knowing that the contract is appropriate for the deal. For legal and management, it means less workload and faster deals.

Automation makes you look better and win faster.

Automated quote-to-cash generates branded proposals and contracts at the click of a button. You define the customizable templates ahead of time, ensuring that proposals meet your company's branding standards. It takes the layout, formatting, and design time off of the sales reps' plates so they can focus on the deal, not document formatting.

When they're ready to generate the proposal, it can be created in PDF to lock down the content for easy distribution or in Word for further tweaks. They can even include electronic signatures, allowing for fast turnaround using your choice of e-signature applications.

According to Docurated's State of Sales Productivity 2015 report, sales reps only spend one-third of their time selling.

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Accelerate How Orders and Renewals Get into Your Financial Systems

You've won the deal and now you need to turn that quote into an order that your back-end financial and billing systems can easily accept. Not only does automation streamline the conversion of quotes into valid orders, it also enables you to include workflows and approvals based on your policies or the parameters of an individual deal.

Automation also eases reporting, which helps you to ease requirements, alert others, and record delivery or service activations. Plus, it gives a window into monthly recurring revenue (MRR) and total contract value (TCV) when subscription billing is involved.

Subscription billing can include items such as setup charges, one-time transactions, complex or time-dependent discounts, and time-based renewals. Complexity increases with "freemium" plans or evergreen plans that never expire, customer upgrades and downgrades, prorated terms, and auto-renewals.

However, no matter how you structure your quotes, you should expect your quote-to-cash system to quickly convert them into clean orders regardless of your finance policies or the technical requirements of your financial systems. The order should easily flow into your back-end tools, even if you need to split orders across systems or have other requirements due to multiple or legacy back-end software.

Automation also enables a fast and accurate view into your business, providing better forecasting, planning, compensation management, and more.





Look toward renewals from day one.

Another benefit of automated quote-to-cash is the ability to remove manual activities from the renewal process. It automatically generates renewal opportunities and creates quotes at the right time, eliminating manual efforts and creating accurate renewal quotes based on the specifics of each deal. When there are add-ons, deal-specific requirements, or contractual obligations, automation ensures that renewal orders are instant, accurate, and complete.

Forcing your team to manually create renewal orders not only introduces the potential for human error (and the potential to miss renewals altogether), it adds workload and time burdens to already busy schedules.

Automation keeps the revenue flowing.

Automating orders and proposals pushes your approved and accepted quotes to your back-end financial, accounting, and other systems. It eliminates the risk and time of manual data entry and re-entry, it provides faster and more accurate visibility into revenue streams, and it helps to ensure timely, accurate, and complete renewals.

Automation also provides a complete picture of your current revenue streams, more accurate forecasts, improved customer loyalty, increased employee productivity and no more missed renewals!

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Taking the Complexity Out of Invoicing

Billing and collection is complex, with many components, from order management to subscription billing to taxes to reporting, each with its own layers of additional complexity. In most companies, these activities are handled through back-end financial systems that are disconnected from the front-end CRM, quote, proposal, and order systems. It makes for yet another patch of potholes in the last mile of your quote-to-cash process.

Room for error means opportunity for automation.

Generating the invoice is usually the first step in the billing process. If you have complex terms or schedules, having the ability to configure and schedule different billing cycles could be important. You'll also want instant reconciliation of invoices for visibility, and to be notified of failed or missing invoices.

As payments come in, avoiding complications is key to maintaining customer satisfaction and sound financials. You may get partial payments, payments in other currencies, or a single payment allocated against multiple invoices. Customers also miss payments; their checks can bounce or they can overpay. Managing disputes, refunds, and the dunning process can cause nightmares if not handled properly.

Customers sometimes need to pay with credit cards, so facilitating those transactions, as well as managing expiration dates, is not to be overlooked. On the other hand, notifying customers of looming credit card expiration dates can be an opportunity for an upsell offer.

With financials comes reporting and taxes. If you're global, that adds a layer of complexity with currencies and VAT. It's imperative that any billing and collection system can manage your global business, or your plans to become one.

There is also the tangled web of reporting requirements related to being in business, not to mention the reporting visibility you need to run a business. Having the right tools improves speed and accuracy, and can help you stay on the right course, or quickly make changes.

Automation is the solution.

Automated quote-to-cash converts orders into invoices based on the exact parameters of the deal as entered by sales and accepted by the customer. There's no reworking, no copying and pasting, and no data entry. It makes life easy for finance and accounting and accounts receivable, because new orders flow directly into their existing systems.

Automated quote-to-cash offers a one-stop solution for your invoicing, collections, taxes, and reporting needs. In addition, automation can help manage revenue and billing for subscriptions, one-time billing, and usage-based billing scenarios.

It all adds up to time and money saved for your company, as well as a better experience for your customers.



7 Squeeze the Most Value Out of Quote-to-Cash

When looking at just your sales process, it's not difficult to see how building upon a single platform makes everything easier. Data flows, insights happen, and business accelerates. When your quote-to-cash process is built on the same system as your CRM, deals aren't given the chance to be bogged down by data issues or manual steps.

Visibility leads to intelligence.

The easiest way to be smarter about any process is to gain visibility into it. If you can't see what's happening, you're not able to know where you're doing well and not so well. For a constantly improving sales process you need visibility and insights across the customer lifecycle, from the moment a quote is prepared through the collection of cash from the customer.

Quote-to-cash analytics gives you a better understanding of your sales and revenue processes, and highlights how you can find areas for improvement. When you're working from a common platform, your data is already in a "single source of truth," eliminating frustrating data transfers and inevitable questions about the data quality and its impact on your results.

*Visibility helps you sell more
sell smarter, and sell faster.*



Get intelligence you can use.

Visibility into your customer lifecycle opens up opportunities for you to look deeply into the factors that drive your business. For example, can you currently track close rates by product family? Can you determine which regions are offering higher discounts (and therefore less profitability)? Or track which reps are more likely to up-sell add-ons or services?

Analytics doesn't just mean end-of-the month reports and sales rep leaderboards. True analytics gives you insights into the levers you can use to improve your business: with average profit margins by offering, contract length by region, contract terms by how often they are overridden, and mostsold items and combinations.

And it's not just sales who can benefit from this visibility. Legal, finance, sales ops, customer service, operations, and product and service teams can all benefit from better visibility into what's selling, what's not, and what's blocking growth. Visibility helps you sell more, sell smarter, and sell faster.

Squeeze out more value with deeper visibility.

Analytics extends the value of quote-to-cash by providing full visibility into the customer lifecycle. When it all happens within

Salesforce, it's cheaper, easier, and faster all around, from implementation to integration to intelligence.

Quote-to-cash analytics benefits executives across sales, finance, product management, and legal. Sales can track close rates and average discounts by region and product family. Finance can look into average margins, payment terms, and contract length by region and product family. Product can get realtime visibility into most-often-quoted products and combinations. Legal can see which standard terms are overridden.



8

Turn Your Last Mile Slog into a Last Mile Sprint

Automated quote-to-cash guides sales reps through the deal process, speeding your time from creating the quote to collecting the cash. It also keeps executives happy throughout the process.

- For sales executives, reps can't select incompatible products. Pricing is complete, accurate, and up to date, even if a customer has unique contract pricing. Discounts are controlled. Everything is tracked, yet reps are empowered.
- For product and service executives, required SKUs are always included. Incompatible items aren't allowed. Matching documentation is added every time.
- For finance executives, volume discounts are automatically applied. Payment terms match the terms of the deal. Renewals are automatically enabled. When the deal is won, it speeds billing and collection.
- For legal executives, the audit trail is constantly monitored. Safeguards are in place. Contract terms and conditions match the deal and are built using current language. When a non-standard deal comes along, approval workflows ensure that it remains compliant.
- For C-level executives, forecasts are more accurate. Productivity rises. Mistakes are eliminated. Growth is accelerated.

Along the entire process, quote-to-cash provides visibility that just isn't possible with manual processes. Risk levels and pipelines are transparent, as are current breakdowns of deal sizes, margins, payment terms, and other metrics that help you guide your business.



9 | Your Quote-to-Cash Checklist

Now that you're ready to realize the value of quote-to-cash, here are six things to consider as you look for and evaluate a quote-to-cash solution.

1. It guides your team.

Look for quote-to-cash that eliminates mistakes by guiding your team and giving it only the choices that matter to its current opportunity. It should also guide managers, finance, legal, services, and who ever else might be involved.

2. It handles your offerings and pricing, no matter how simple or complex.

Look for quote-to-cash that gives you the power to configure and price confidently and correctly. Manual calculations and uncontrolled price lists should be eliminated, and approvals should be added where necessary.

3. It takes Word and Excel out of the process.

Look for quote-to-cash that includes enough capabilities to cover your entire process and eliminate manual steps and out-of-control documents. You're looking for speed and accuracy, and that means taking file management out of your path.

4. It increases your upsells and renewal rates.

Look for quote-to-cash that suggests upsell options during quoting. On the back end of a contract, renewals should automatically appear in Salesforce and quotes should be created at the right time and be based on the specifics of the customer's deal.

5. It is ready in weeks, not quarters.

Look for quote-to-cash that has nearly everything you need the moment you sign up, and has the flexibility to easily and quickly conform to your unique and specific needs. It shouldn't require a team of consultants and developers to build it for you over the next few quarters.

6. It scales with you.

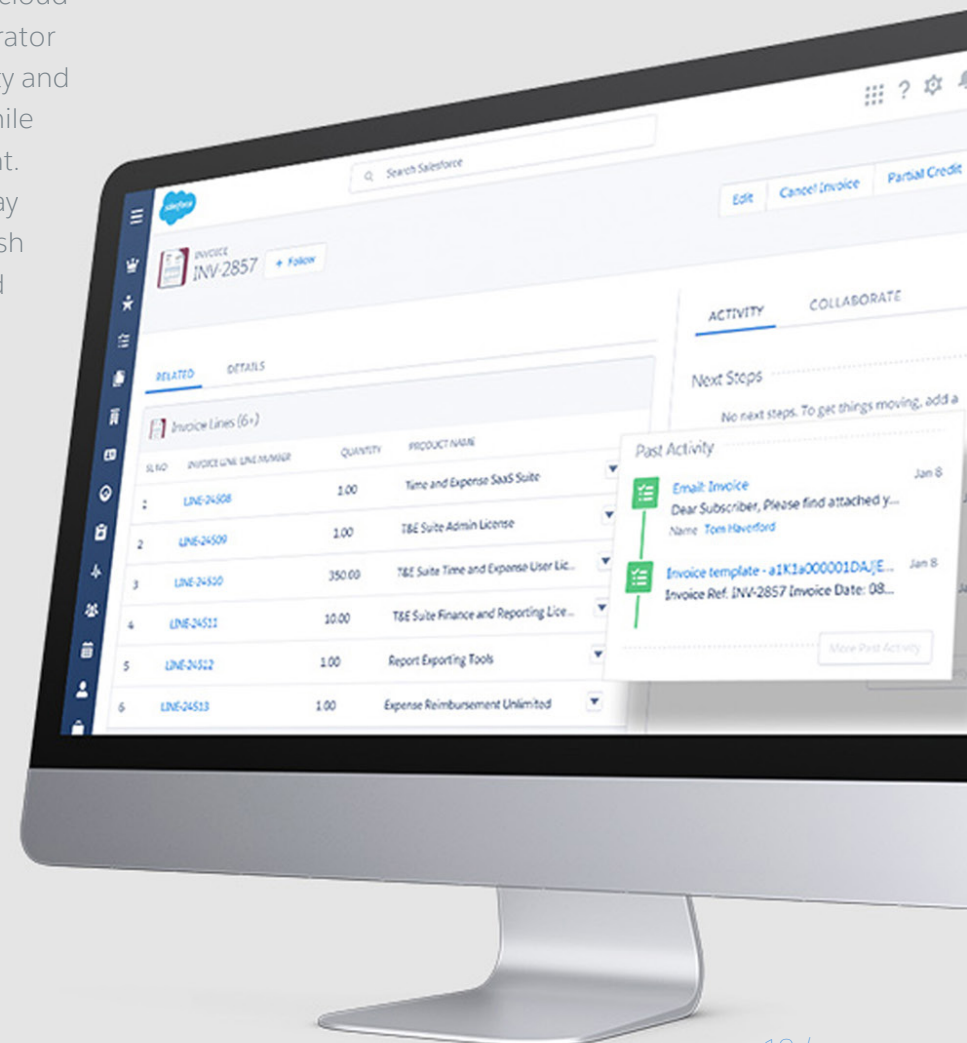
Look for quote-to-cash that is flexible and scalable enough to manage your processes, no matter the size and complexity of your business today, or what you want it to become tomorrow.

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About Salesforce CPQ

A manual quoting, pricing, and billing process is no longer cost-effective. Salesforce CPQ is Web-based CPQ Software (Configure Price Quote), billing software, and invoicing software that reduces errors, accelerates sales deals, and streamlines invoicing and subscription billing processes with easy-to-use software in the cloud that works on any device. Our product configurator and online quoting tool increase sales productivity and improve pricing and sales process compliance while giving you deep visibility for revenue management. Salesforce CPQ is the affordable-yet-powerful way to automate even the most complex quote-to-cash process, from accurate item configurations and professional proposals to transparent audit trails and more insightful forecasts—all within Salesforce Sales Cloud.

[Learn More](#)





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IN A WHOLE NEW WAY**



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