

WHITEPAPER

Boost your sales with omnichannel

Configure and sell B2B products across different channels with CPQ

Overview Whitepaper

Machines, plants and other complex products with high investment sums will be procured hybrid and omnichannel in the future as it has been the case for many consumer products for a long time. In fact, 80% of B2B companies rate omnichannel sales as equally effective or more effective than traditional methods. In this white paper you will get to know the most important requirements for for the omnichannel distribution of complex and multi-variant products.

Key-Learnings

- How do product configuration and quotation creation work on the website?
- How do guided selling and 3D configuration support omnichannel sales?
- How is a consistent customer experience possible even though there are different channels?
- Why do CPQ analysts like Frank Sohn see Headless CPQ as an omnichannel enabler?
- How does omnichannel sales work in B2B practice?

Omnichannel as a success factor

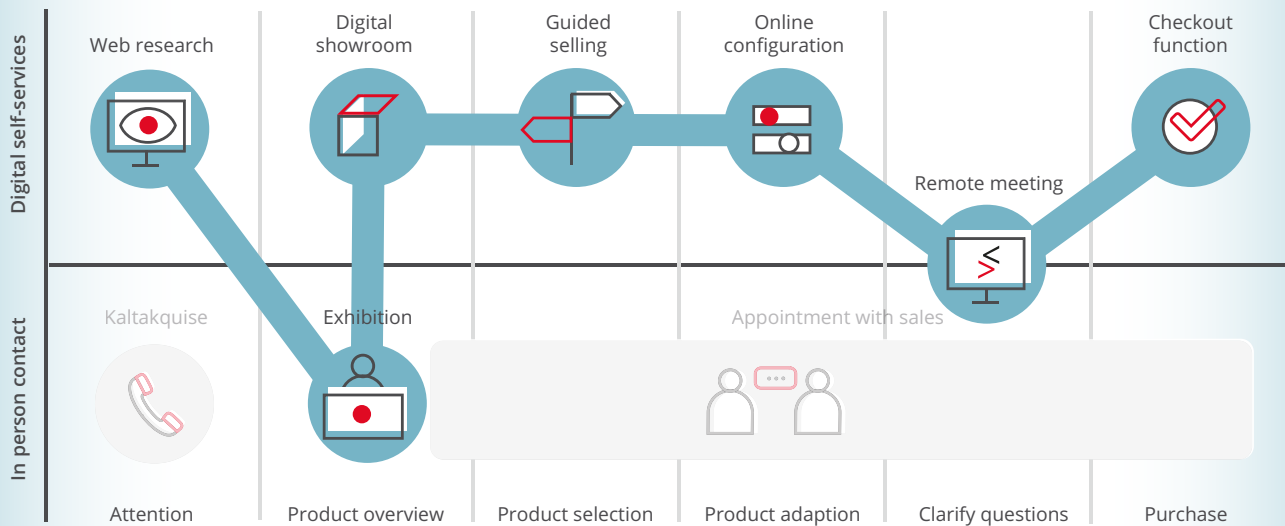
Digital sales channels such as e-commerce or remote selling will increasingly complement the classic B2B sales channels with personal contact. A survey by McKinsey & Company indicates that B2B companies rate omnichannel sales as equally effective or more effective than traditional methods. This opinion increased from 54 percent at the beginning of the Corona pandemic with its contact restrictions to over 80 percent. Even sin-

ce face-to-face interaction has become possible again, buyers are making clear that they prefer a mixed channel approach with digital as well as face-to-face touchpoints. In short, the longer B2B companies wait to offer their customers a similarly comprehensive buying experience across multiple channels as in B2C, the higher the probability of losing them to competitors who already rely on an omnichannel strategy.

Omnichannel Customer Journey

In an exemplary and simplified customer journey across multiple channels, a prospective customer becomes aware of a machine tool manufacturer via a web search and arranges an appointment on the website at an upcoming exhibition. At the exhibition stand, he receives an initial product overview from his sales representative. During the train journey home, he scans the QR code of the sales representative's business card with his smartphone and enters a digital showroom. At this virtual product exhibition, he deepens the product overview away from the hectic of the exhibition. As he is not a product expert and feels unsure which machine best suits his needs, he uses the guided selling function and arrives at a digital customer interview with needs-oriented questions. As a result of the interview, he receives a product suggestion, initial product information

and a budget price. On this basis, he can already assess that it is worth taking a closer look at the proposed machine. At one point in the detailed configuration of the suggested product, he is still unsure whether the presented feature fits his needs. He wants to discuss this with the manufacturer. Using the button provided for this purpose, he arranges a remote appointment with his sales contact, whom he has already met in person at the trade fair. The sales representative can access the current configuration status of the prospective customer and thus already has a very comprehensive information basis to prepare for the appointment. In the remote meeting, only the open questions are clarified and the last uncertainties are removed. The purchase is made the following day by the prospective customer online via the check-out function.



Exemplary illustration of an omnichannel customer journey.

Of course, the procurement of capital goods will still often involve more than one person and sometimes an entire buying centre. The selection and decision-making process will probably extend over a longer period than in B2C, despite the ex-

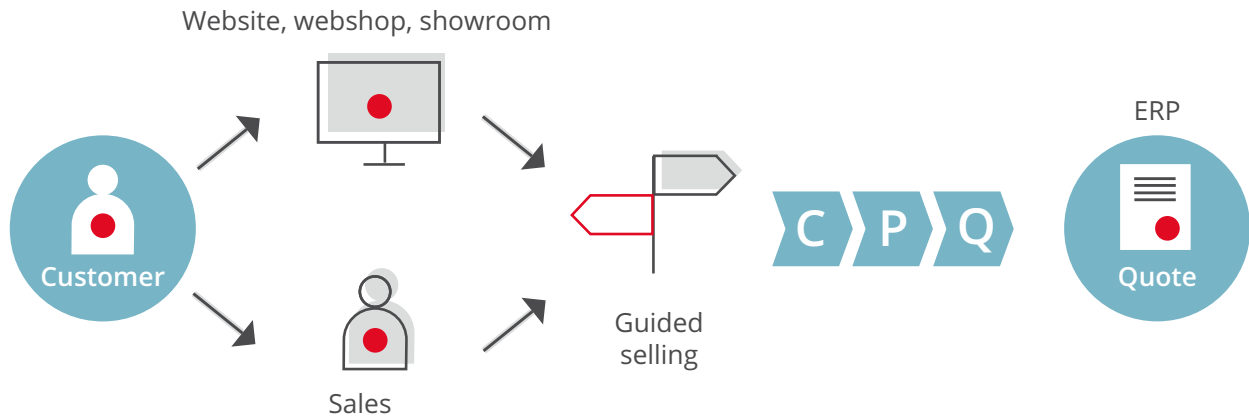
panded, digital information offering. Nevertheless, sales will become more efficient because a large part of the personal appointments will no longer be necessary and time-consuming activities such as travelling to meetings will be eliminated.

Offering efficiently with CPQ

CPQ systems are used to configure technically complex products exactly according to the customer's needs (Configure), to reliably calculate prices (Price) and to create personalised offers (Quote). They are already widely used in the area of complex and multi-variant B2B products: According to a VDMA survey, 40% of machine and plant manufacturers already use a CPQ system to

make their quotation processes efficient. However, the systems have so far mostly been designed for the use of sales staff with extensive product knowledge. They provide detailed configurations based on technical features. Online users who initially want to find a solution to their problem online and on their own find it difficult to carry out a configuration on this basis.

CPQ for the end customer

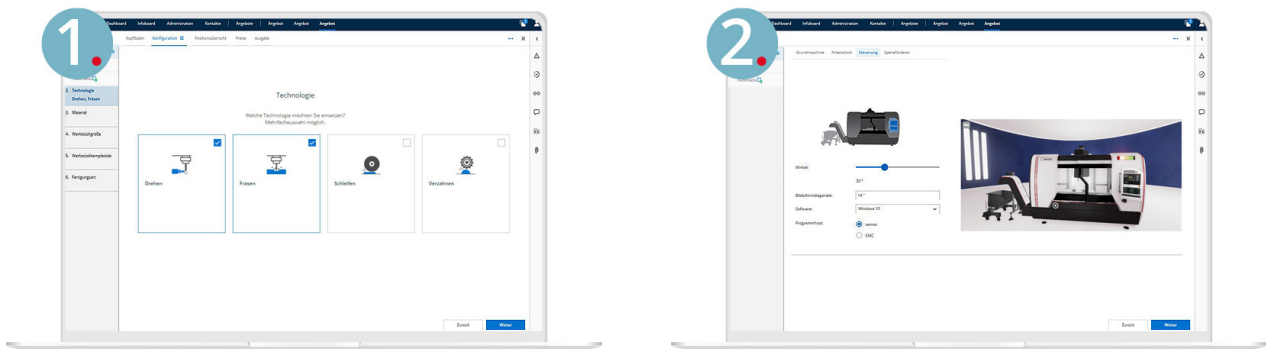


CPQ systems support sales staff, but can also be used by the end customer in the self-service process via the website.

Modern CPQ systems enable the new user group of online users to query their requirements step by step via a guided selling process (digital customer interview) and navigate them through the quotation process. The questions relate directly to the use case. For example, a manufacturer of machine tools is asked what the workpiece looks like that is to be produced with the machine. For a manufacturer of passenger lifts, on the other hand, the focus is on questions about the lift height, the number of floors and the number of people in the building in order to suggest a suitable lift and automatically create an initial budget offer.

The guided process ensures that the online user finds the product that fits his or her requirements. The entire knowledge from sales up to cross- and up-selling suggestions and also the

knowledge from product management on combinatorics is played out digitally and at the right time. This is not the case with the still widely used web product catalogues. Here, a lot of sales is missed because online users are not guided and often do not find the right solution, even though it is available. After the suitable product has been suggested to the user in the guided selling process, he can access more detailed information material. He can change the channel and send an enquiry to the sales department via a contact form in order to carry out the detailed configuration together and ask questions. Or he can individually configure the proposed product himself with the support of the guided selling module and complete the purchase via a check-out functionality.



A guided needs analysis (Guided Selling) guides the user step by step to the appropriate product.

Selling with emotion in online sales

For the group of online users, it is also important to make the product configured online visually visible and the configuration comprehensible – in line with the motto „What you see is what you get“. Even without personal contact, they are addressed on an emotionally-involving level via a 3D visualisation and can better understand complex interrelationships. Plus, the visual inspection can eliminate misunderstandings and false expectations about the product.

Ideally, the camera perspective or the focus on the image section changes when changes are

made within the product configuration, so that every adjustment in the product configuration is also traceable in the 3D model. For example, with the CPQ application from camos, machine doors can be opened and the perspective shifted to the interior. Conversely, a selection in the visualisation ensures that the user navigates to the appropriate position within the configuration. Changing the model in the visualisation by moving elements, adding or removing components via drag and drop automatically adjusts the configuration.

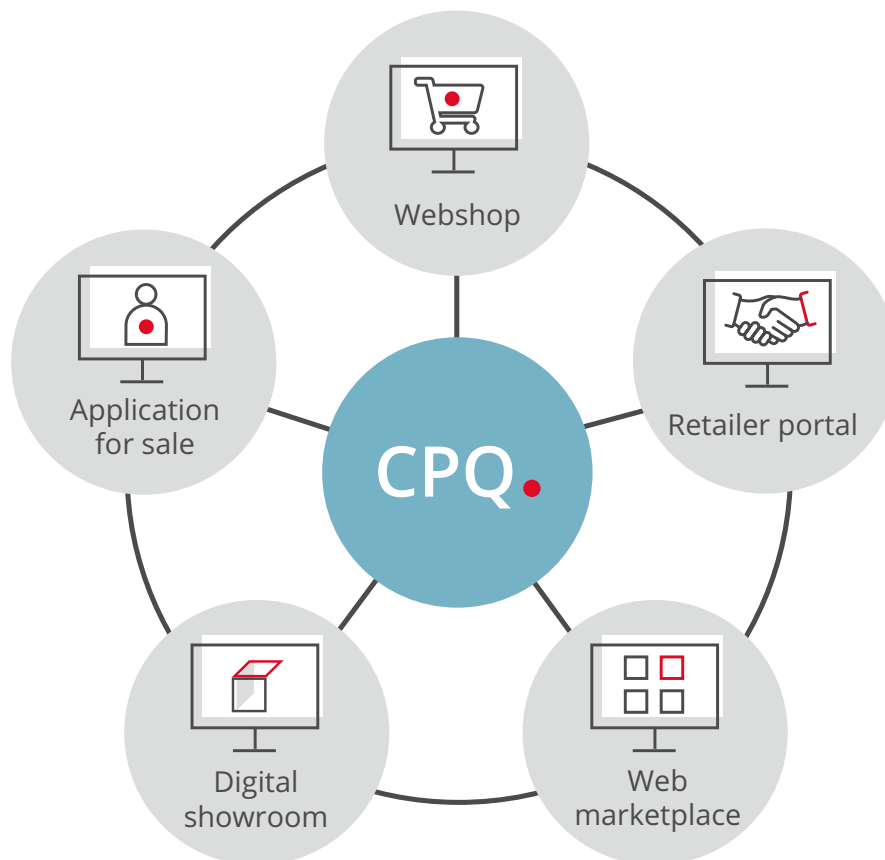


Through 3D visualisation with camos CPQ, interested parties experience how their configured product gradually takes shape. A great advantage is that products can also be displayed that have not yet been manufactured.

End-to-end customer experience with headless CPQ

An important requirement for the success of omnichannel sales activities is to create a consistent experience for the customer: Information must never be requested more than once on different channels. CPQ analyst Frank Sohn, President & CEO at Novus CPQ, has an overview of the global CPQ market and observes in this context that the topic of headless CPQ is rapidly gaining in importance. He defines the term headless CPQ as follows: „It is the separation of a CPQ application into a front-end user experience and a back-end functionality. These two separate systems communicate with each other via APIs. It is through the front-end, also called the presen-

tation layer or head, that the user interacts with the application. This can be a website, an app or a web marketplace and it doesn't matter what device is used to access it. The backend is the engine that provides the logic for the front end, such as product configuration and pricing rules, and possibly features like workflows.“ Frank Sohn sees the benefit of Headless CPQ in its flexibility and adaptability: „The user interface can be set up differently for each CPQ user. A sales team that uses the system every day will see a different front end than a retailer who uses the same system infrequently or the end customer who may only use the website and therefore the system once.“



The CPQ system provides the logic and the consistent information basis in all sales channels and for any front-end.

Omnichannel in practice

With Headless CPQ, the CPQ specialist camos succeeds in creating a consistent user experience along the entire customer journey. The CPQ solution provides the consistent information basis and the functionalities relevant for the quotation process in all sales channels and for any front end. Steffen Lorscheider, Managing Director Development at camos, describes how the camos CPQ solution can be used along the entire customer

journey: „Covering the customer journey with our CPQ solution succeeds with a software architecture that is so modular that it can be adapted for all relevant use cases. It is very important that the individual components are not isolated solutions, but part of a software platform with a consistent database – otherwise omnichannel does not work.“

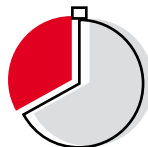
camos CPQ – because everyone involved benefits

- Customer:**
- Orientation on their individual requirements
 - Clear idea of their product's properties
 - Information available ad hoc – offers virtually in real time

- Sales:**
- Faster offer process – higher success rate
 - Cross- and up-selling options for the system
 - Profit increase – rules for complying with discount limits
 - Centrally managed knowledge – sales without technical know-how



18 % less
coordination with
other departments



33 % shorter
processing times for
creating offers

- Marketing:**
- Intelligent evaluation of sales data
 - Data on market and product trends
 - User interfaces and offer templates in the corporate design

- Production:**
- Only technically correct and complete specifications
 - Scale effects through product modularisation reduce costs

- IT:**
- Fewer system disruptions – comprehensive configuration, calculation and sales tool