

# Making your quoting process more efficient:

How KlaroCPQ provides an agile path to mass customization

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## Table of contents

01

**Introduction:** What is this guide about?

02

**Where are you now?** Initial assessment & plan of action

03

**What is the solution?** How can KlaroCPQ help?

04

**Where to begin?** Analyze the initial situation – people, tools, processes

05

**Focus on the customer!** Efficient quoting is part of the customer experience

06

**Practical advice:** an easier path to mass customization

**Appendix:**

Checklist of Baseline Assessment

## What is this guide about?

# Efficient quoting process – a shortcut to mass customization



- Have you thought about ways to make your current quoting process more efficient?
- Or about cutting down on the time spent on quote preparation while minimizing mistakes?
- Would you like to find new ways to improve customer experience and competitiveness?

Perhaps you have already considered mass customization but haven't been sure where to start.

**This guide will help you organize your thoughts and get started on the way to more efficient quoting and mass customization.**

**Hope you will enjoy the journey!**

## Part 01

### Introduction

It is typical in many fields, especially technical solution sales within the manufacturing industry, that solutions are broadly similar, but each customer gets their own individually tailored delivery consisting of parts and devices fitting their particular needs. Sales personnel gather information from several different sources, using several quoting and pricing models. Information about the specific technology sold for each client can be split across several departments and systems within the organization. In some cases, offering a tailored approach instead of mass customization can be a competitive benefit. However, a non-standardized way of working always means less efficient quoting, variable quality and a threat to competitiveness.

Digitalization now offers several ways to improve the situation. Documenting products and processes no longer takes months. A quote configurator provides an agile way to start bringing mass customization into your product and service portfolio. KlaroCPQ is one software that lets you gather information to support mass customization and focus your quoting under one system. The quoting process becomes more efficient and the product offering becomes clearer. The results will soon start to show as a better customer experience and improved competitiveness.

Where are you now?

# Initial assessment and plan of action

Change always starts with mapping out where you are now.  
Do you recognize any of the following within your company?

- Product and service portfolio is broad and lacks focus
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- Creating quotes requires lots of effort and time
- Training new people to create quotes is time-consuming
- Quoting practices vary by department
- Different templates and systems are in use
- The required information must be scraped together from different sources
- Mistakes happen frequently and are difficult to rectify afterwards
- The visual look of the quotes varies and does not support the brand.



## Path towards more efficient quoting and mass customization:

- Assess internal situation within the company
- Find out customers' needs and purchasing motives
- Start introducing mass customization step by step
- Reserve the required personnel
- Remember to communicate regularly about the change

## What is the solution?

# How can KlaroCPQ help?

CPQ stands for Configure-Price-Quote. The KlaroCPQ software package is an agile way to make the quoting process more automatic and efficient. It will also make it easier to make your offering mass customizable by removing the need for extra documentation, directing users' choices and providing an excellent set of tools for sales tracking. Your entire sales team can use the same software anytime and anywhere.

[Watch the video to see how KlaroCPQ works](#)

- ❑ Save time and money – quote process becomes up to 80% faster\*
- ❑ Improved quote management – system saves all quote revisions
- ❑ Less manual mistakes – software guides users through the process
- ❑ More accurate pricing – KlaroCPQ automatically prices the products
- ❑ Protection against currency risks in foreign trade
- ❑ More uniform appearance for quotes
- ❑ Multilingual support for quotes
- ❑ Quotes and all necessary appendices can be printed from the same software

**“KlaroCPQ helps us ensure that we don’t offer the client anything that is either impossible or unprofitable to manufacture.”**

**Joni Kauppinen**  
Application Service Manager, Outotec Plc

[Read more about Outotec’s experience](#)

\* Based on KlaroCPQ client Outotec’s experience of being able to cut down quote preparation time from two weeks to two days

## Where to begin?

# Assess the initial situation – people, tools, processes



Start by analyzing your internal starting point. First you must get to know your internal processes and define a baseline that you can use for comparison as you continue your journey towards mass customization and more efficient quoting. You must also set goals and indicators – where do you want to be and how are the results measured? Remember that this is not a finite project, but a journey of constant improvement.

### People

Find out who creates your quotes. How is the work divided by department, country, product group? What is the technical expertise level of sales personnel? Interview the people who create quotes and ask them for their challenges, concerns and suggestions for improvement.

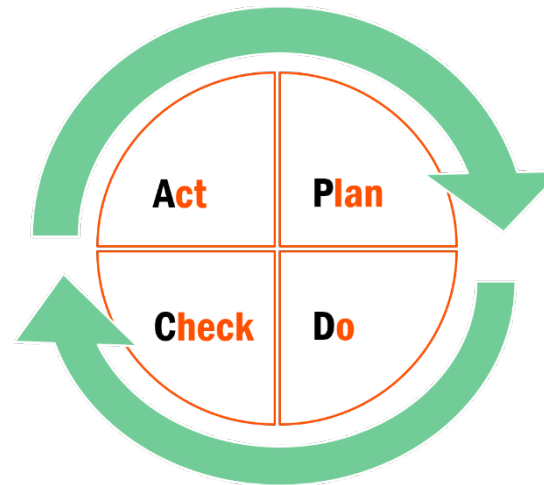


Diagram: The W. Edwards Deming's Continuous Improvement Cycle Diagram PDCA

Take a look at the sales personnel's internal stakeholders. Which information do the sales personnel need, from whom, and how does this information travel? What kind of material and in which format is the most helpful for them? Interview stakeholder representatives.

Interview the CEO as well, unless that happens to be you. How does more efficient quoting support your company's business goals? Secure the management's support and mandate for taking things forward.

## Where to begin?

# Analyze the initial situation – people, tools, processes

### Tools

Find out which programs are used to create quotes within your company at the moment. Are there differences in content and appearance between templates used by different departments? Can they be made more uniform?

Which sources are used for finding out product and pricing information? How are mandatory legal, commercial and technical documents attached to the quote? How is translation handled?

**Build clear indicators of progress with this kind of information, for example: how long does it take to create a quote now and in xx months from now?**

### Processes

You can take a look at for example the following:

- How long does it take to train a new salesperson?
- How long does it take a salesperson to create a single typical quote?
- How many quotes can one salesperson create in a week / month / year?
- What crisis situations have you faced? Salesperson illness, communication breakdown, human error such as forgetting to include important components?
- How are quotes approved and by whom? How long does the approval process take?

## Focus on the customer!

# Efficient quoting is part of the customer experience



A flawlessly compiled and swiftly delivered quote is an important part of the customer experience, which in turn forms the basis for a good customer relationship. More and more companies are making improved customer service a strategic goal. However, developing methodology based on internal views alone without a deep customer understanding is a risk and a waste of time.

**“Without knowing the customers’ needs and purchase motives it’s hard to plan a good customer experience, let alone provide customers with genuine added value.”**

Don’t just think “of course we know our clients”. Ask them about their expectations, the things they value and the things they look for when doing business with your company. 6 to 8 interviews will be enough to provide a good idea of the big picture. Customer data acquired through qualitative methods can have a significant impact on your quote process as well as your product and service portfolio. But to find out what it can be, you need to ask.

### Hint:

**Involve the customer in describing the quote, order and delivery processes. Together you can find room for improvement and create added value.**



## Practical advice

# An easier path to mass customization



### More efficient quoting

The path towards more efficient quoting and mass customization is best taken one step at a time. It's good to start the change with just one department or product line. If you use Excel or a similar commonly used software to create quotes, combine it with a light version of KlaroCPQ to start gathering data to support mass customization while creating quotes at the same time. A product catalogue and price list are enough to provide a strong starting point for using the configurator.

### Data collection to support mass customization

KlaroCPQ will collect data about the types of solutions, configurations and purposes your company is using for quotes. This can vary quite a lot between different departments in a company. Different salespersons can sell the same products for a completely different purpose. Taking a look at this data will already help you better understand the big picture.

### Standardizing deliveries

The collected data will help you for example define what kind of technical solutions fit certain industries best. KlaroCPQ can also control pricing, because the internal logic is based on directives. The software will warn you if the quote includes products that are not optimal from a production standpoint. Contents of each delivery will become increasingly standardized as you learn more about your processes. Once KlaroCPQ has been updated with products and prices, Excel is no longer needed.

## Practical advice

# An easier path to mass customization

### Documentation and supervision

At the start of the guide we recommend documenting the insights gained during the starting point assessment. This helps create the initial specifications. However, KlaroCPQ will not require you to separately document the stages, internal instructions or rules of mass customization, as it is a documentation and supervision platform in itself. All data and quote revisions are saved in the system, and sales management and the quote team have a continuous view of everything that's going on.

KlaroCPQ's strength is rules-based guidance that helps the quote preparer choose components and parts and can also help with e.g. choosing condition parameters for installing the solution. We can help you specify these kinds of directives during the deployment stage.

### Resourcing

Set aside sufficient internal resources for the change. The configurator can be deployed within weeks, but it is good to have at least one person dedicated to the process full-time. Taking ownership is crucial for ensuring genuine adoption and use of the new tool and ways of working.

### Communication

Good communication is essential in any work, especially when developing ways of working. Remember to inform staff of the purpose, goals and progress of your work. One personnel meeting and a single Intranet note aren't enough. Plan a series of articles with regular updates about how the change is progressing. You should also never underestimate face-to-face conversations.

**Good luck with your mass customization journey!**

**Mikko Peltola**

Chief Technical Officer, KlaroCPQ

## Appendix: Checklist

# Baseline assessment

People	Tools	Processes	Products & Services
Find out customers' needs and motives for purchase. What do they value, what are they motivated buy? What kind of suggestions for improvement may they have?	What software is your company currently using for quoting?	How is the quoting organized – by department, by country or by product line?	Products – what are the main products or larger delivery packages? Product lines? Others?
People involved in the quote process – make a list of all internal stakeholders. Find out the level of technical expertise within people involved in the quote process.	How many different templates are in use? Do they have significant differences? Can they be combined?	Where and who from do sales personnel get additional information? How long does this take?	Components and spare parts – How many different components does a quoted solution include? Describe contents of a typical delivery.
Find out what kind of know-how your current quote process requires of the sales personnel.	Which mandatory documents are attached to quotes? Find out and create a list. How many translation versions are required? What are the translation costs?	Quote types and preparation times. How many quotes does one salesperson create in a week / month / year?	Price lists – How many price lists are in use? Can they be combined?  Pricing principles – how is the total price arrived at?
Interview representatives of all stakeholders, at least sales personnel, product managers, management. Interview customers.	How are quotes filed, how long are they kept, how does tracking take place?	How are quotes approved? How long does it take and who is involved?	Which services are offered alongside the quoted technical packages? Have the services been priced beforehand?

# klaroCPQ

KlaroCPQ is a success developed by Sujuwa Ltd..  
Our experienced and skilled software developers  
have been developed this solution in cooperation  
with Outotec Plc since 2004.

**Get in touch and let's work together to make your  
sales more efficient!**

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