# Salesforce CPQ Best Practices

This White Paper documents various concepts aimed at enhancing a company's quoting process through the use of Salesforce CPQ. It presents a comprehensive introduction to Salesforce CPQ, outlining its anticipated advantages, as well as offering recommendations for successful implementation.

# WHAT IS SALESFORCE CPQ?

Salesforce CPQ (Configure, Price, Quote) is a quoting tool designed to help businesses automate and streamline their sales processes. CPQ is used to manage the pricing and quoting of complex products and services. As part of the Salesforce platform, it integrates seamlessly with existing sales and related processes that use Salesforce.

With Salesforce CPQ, sales reps can configure products and services, price them accurately, and generate quotes quickly and efficiently. It provides a centralized platform for managing product catalogs, pricing rules, and discount schedules. CPQ also includes features like guided selling, product bundling, and upselling and cross-selling recommendations, to help sales reps increase revenue and improve customer satisfaction.

Overall, Salesforce CPQ helps businesses reduce quoting errors, improve sales efficiency, and provide a better buying experience for their customers.
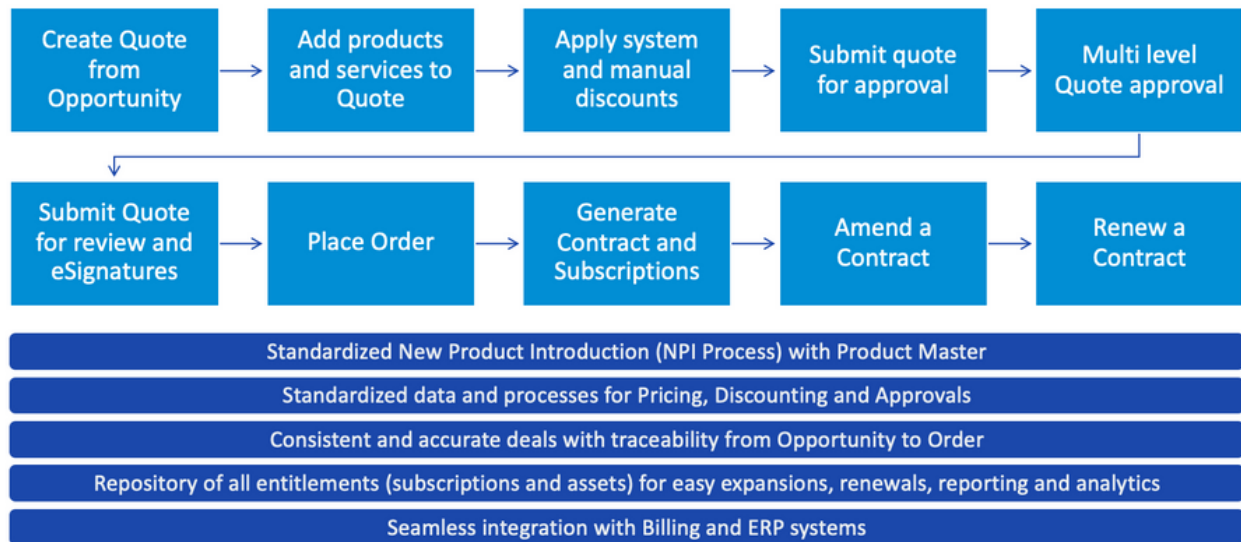
Salesforce CPQ Impact*:

↑ 29% Increase in Forecast Accuracy

↓ 38% Reduction in Configuration Errors

↓ 35% Reduction in Pricing Errors

*SOURCE: "FY18 B2B SALES REPORT" SALESFORCE

# WHAT YOU GET WITH SALESFORCE CPQ

| Create Quote from Opportunity | → | Add products and services to Quote | → | Apply system and manual discounts | → | Submit quote for approval | → | Multi level Quote approval |
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| Submit Quote for review and eSignatures | → | Place Order | → | Generate Contract and Subscriptions | → | Amend a Contract | → | Renew a Contract |
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Standardized New Product Introduction (NPI Process) with Product Master

Standardized data and processes for Pricing, Discounting and Approvals

Consistent and accurate deals with traceability from Opportunity to Order

Repository of all entitlements (subscriptions and assets) for easy expansions, renewals, reporting and analytics

Seamless integration with Billing and ERP systems

## Product Catalog Management:

Salesforce CPQ allows businesses to manage and organize their product catalog, including creating & editing products and product bundles. This is where businesses can set up complex product hierarchies and govern their behavior using product rules (selection, alert, validation rules and lookup filters). All this ensures that you never quote the wrong product and always include what you really want to sell.

## Pricing Rules:

CPQ enables businesses to set up pricing rules and discount schedules based on different criteria such as volume, customer type, and product bundle. There are many ways for setting up pricing in CPQ including Percent of Total, Block Pricing, Bundle Pricing, and Discount Schedules. Additionally, the flexibility that Salesforce provides with its Quote Configurator Plug-in (QCP) allows businesses to define complex pricing mechanisms that would otherwise require calculators and spreadsheets.

## Guided Selling:

CPQ helps sales reps guide customers through the buying process by recommending relevant products and services based on answers provided to specific questions.

## Quote generation:

Salesforce CPQ allows businesses to generate accurate quotes quickly and easily, with complete product details, pricing information, and any applicable discounts. These quotes can in-turn be sent by customers via email for acceptance and e-signature.

## Approval workflows:

CPQ includes workflows for quote approvals, allowing businesses to manage the approval process efficiently. You can set up complex approval workflows with sequential and parallel approvals. You can also set the run time user as approver.

## Contract management:

CPQ offers the Service Contracts package to automate the contract creation and approval process. This is particularly useful for subscription businesses to help manage ongoing amendments and renewals.
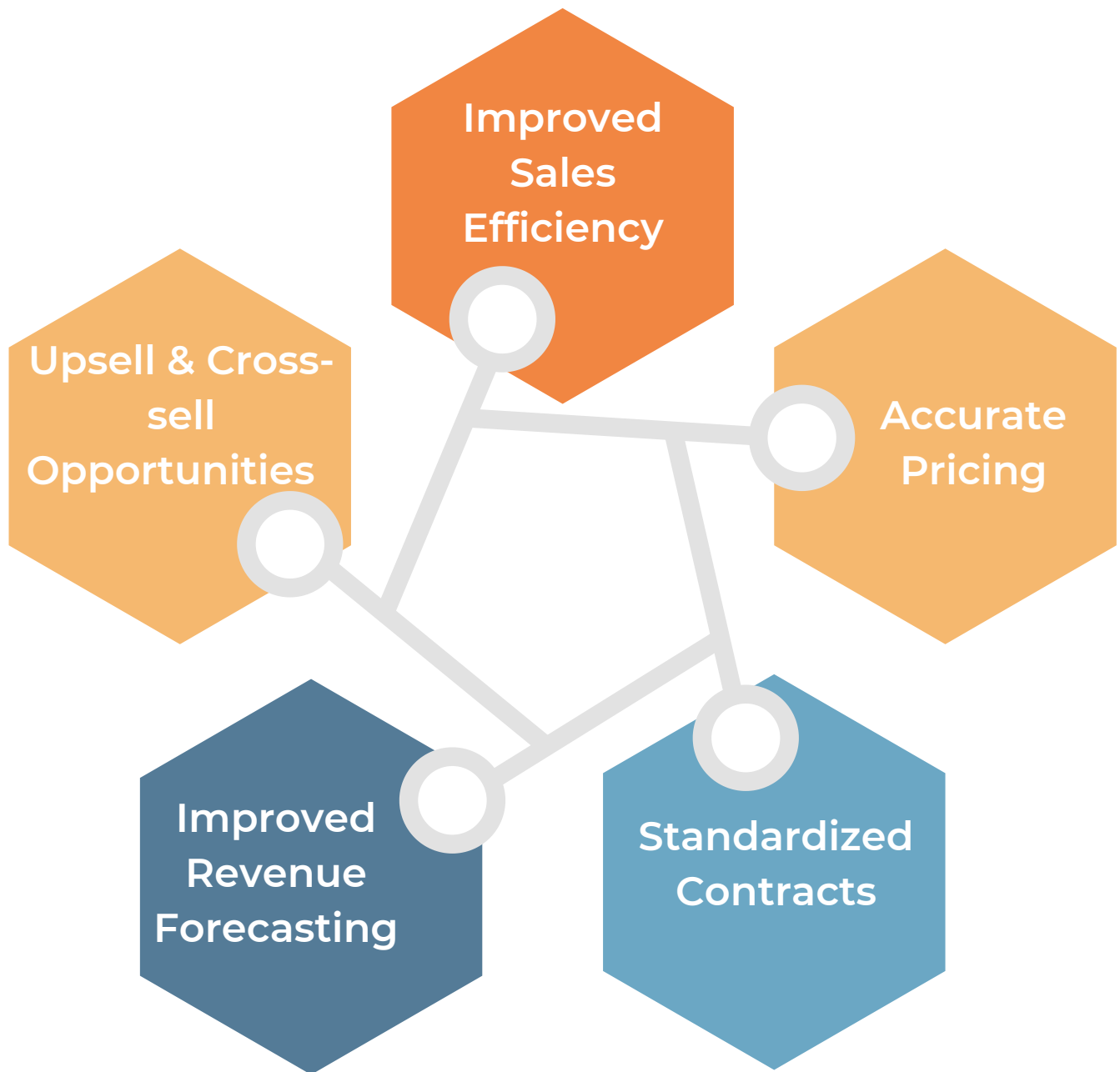
## Reporting and analytics:

CPQ objects are reportable with native reporting features that provide insights into the sales process, enabling businesses to identify areas for improvement.

> *Along with its core features, Salesforce CPQ easily extends into its Billing solution and integrates with downstream ERP and other systems to provide a seamless provisioning, invoicing and revenue reporting experience.*

# IMPACT ACROSS TEAMS

Improved Sales Efficiency

Upsell & Cross-sell Opportunities

Accurate Pricing

Improved Revenue Forecasting

Standardized Contracts

Sales | Deal Desk | Finance | Legal | Executive Leadership

# SALESFORCE CPQ IMPLEMENTATION BEST PRACTICES

## Define clear goals and objectives:

Before implementing Salesforce CPQ, it's important to define clear goals and objectives for the project. This will help ensure that the implementation is focused and aligned with the company's overall strategy.

## Engage stakeholders:

Engage stakeholders from across the organization, including sales, finance, legal, and IT teams. This will help ensure that the implementation is aligned with their needs and requirements.

## Start with a pilot project:

Consider starting with a pilot project, focused on a small subset of the business, before rolling out Salesforce CPQ to the entire organization. This will help identify any issues or challenges before they impact the broader business.

## Keep it simple:

Keep the implementation as simple as possible, focusing on the most important features and capabilities first. This will help ensure that the implementation is successful and can be scaled up over time.

## Configure, don't customize:

Try to configure Salesforce CPQ to meet your business needs, rather than customizing it. Customization can be time-consuming and expensive and can make upgrades more challenging in the future.

# SALESFORCE CPQ IMPLEMENTATION BEST PRACTICES

## Train users:

Provide training and support for users to ensure that they are comfortable using Salesforce CPQ. This will help ensure that the implementation is successful and that users are able to take full advantage of the system.

## Test, test, test:

Test the implementation thoroughly, including all integrations with other systems and processes. This will help identify any issues or challenges before the system goes live.

## Plan for ongoing maintenance:

Plan for ongoing maintenance and support, including upgrades and updates to the system. This will help ensure that Salesforce CPQ continues to meet the needs of the business over time.

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Correct implementation of CPQ has been proven to lead to 10 times faster quote generation, 95 percent reduction in approval time, 2x  faster quote to cash process!*

# TECHNICAL TIPS AND TRICKS

## Twin Field Mapping:
Avoid creating Process Builders and Flows to copy fields- CPQ automatically populates field values when API names match. Fields in CPQ objects have been mapped to pass values from one object to the another seamlessly. The fields should have matching types, in addition to exact API names.

## Leverage Plug-in Feature:
Plugins add customized functionality to features within the CPQ package. Allow the customers to manipulate pricing, show/hide fields based on their job functions, and the ability to control edit functionality on the fields. Use of Plugins over Flows/ Triggers. They are lighter on the system, don't bog it down.

## Product Rules:
Product rules are designed to help sales reps get the right Products on the quote in the first shot. They are predefined logic constraints, to help sales reps stay on course while configuring complex products and services. Product rules can save huge amounts of time and money, by setting the purview within which the Products can be configured. When to consider Option Constraint over Product rule- For Immediate processing scenarios- when instant feedback is needed. The rep doesn't have to wait for a rule calculation sequence to trigger. Whenever they select or deselect an option, the dependency or the exclusion fires immediately. Product rules provide the Administrator with a feature to decide when to give Sales rep a hard stop and when a warning. They can be configured as Alert or Validation constraints. Alert rules give the rep a warning message-highlighting an area they might have missed, while Validation rules don't allow the rep to proceed unless the required changes are made.

# TECHNICAL TIPS AND TRICKS

## Price Rules Best Practice

It is a good practice to have a maximum of 30 price rules on an org. Implement Generic price rules with multiple price actions. Instead of having multiple Price book entries to handle attribute-based variations, create a custom lookup table for pricing variations. Use price rules to match against criteria and populate correct pricing.

## Correct Sequency for Price Rules

The sequence in which Price Rules execute is critical to getting the accurate quote. CPQ can be configured to execute a price rule at Calculator Evaluation Events- On Load, Before Calculate, On Calculate & After Calculate. The execution sequence of the rules should be decided according to the business requirement. It is a good practice to have a different series of ordering sequences for each calculation event. It is important to number them in ascending order sequence of execution. Clean implementation improves understandability. Easier debugging now and uncomplicated maintenance down the line.

## Correct Order of Picklists

As CPQ developers there should be a constant endeavor to optimize small workflows wherever possible, which then come together to improve efficiency considerably. One such improvement is Ordering the Target field picklist right. The number of values this list holds can be significantly high for the required value to get lost. The values should be sequenced based on their usage frequency. The user doesn't need to spend energy searching the appropriate value and can save it for more critical tasks.

# CLIENT TESTIMONIALS

Bluvium Team has provided unparalled service and helped me deliver on multiple projects across Lead to Cash. They are very invested in providing the right support, are extremely responsive, and a true partner as we scale the organization. As an Operations leader, they have allowed me to focus on the strategic deliverables while partnering to build the Salesforce foundation for our sales, marketing and channel teams!

*VP Growth Operations and Technology, High Tech Industry*

Bluvium was an incredible partner and advisor through a very complicated CPQ project. Bluvium was tasked with helping us create a common quoting process for five acquired companies. Although the project scope changed several times, Bluvium was committed to our success and saw the project through to successful completion.

*VP Operations, High Tech Industry*

I have had the best experience with the Bluvium team. This was a very complex implementation - as at Illumio this was our 3rd implementation and 4th attempt at Salesforce CPQ. We have had a variety of partners engaged previously but the implementations have been complex and clunky at best. The Bluvium team came in, took the challenge and redesigned CPQ for self-service! The project was also completed in record time - 3 months from requirements to deployment. They are my go to Salesforce Partner!

*VP, High Tech Industry*

Bluvium's work on our Salesforce instance has been outstanding! They are incredibly thorough and knowledgeable when it comes to Salesforce development and limitations/challenges. Their communication throughout the project has been both transparent and consistent and overall we couldn't be happier with their service.

*VP, High Tech Industry*

# GET IN TOUCH

At Bluvium, we are proud to be a Salesforce partner and experts in Salesforce CPQ (Configure, Price, Quote). We leverage the power of the Salesforce platform to provide our customers with unparalleled sales automation and revenue management capabilities. Our team of certified Salesforce professionals has extensive experience in designing, implementing, and integrating Salesforce solutions that drive business growth and success.



*We are committed to delivering exceptional service and results to our customers. Contact us today to learn how we can help your business succeed with Salesforce.*

# CONTACT

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