



DIGITAL TRANSFORMATION GUIDE

# How to Create an Effective Quote-to-Cash Process

Power your business with a robust QTC process that drives revenue, efficiency, and customer success.



01 QTC Process Overview

02 Why It Matters

03 Warning Signs

04 Key Considerations

05 Business Factors

06 Solution Set

# 01

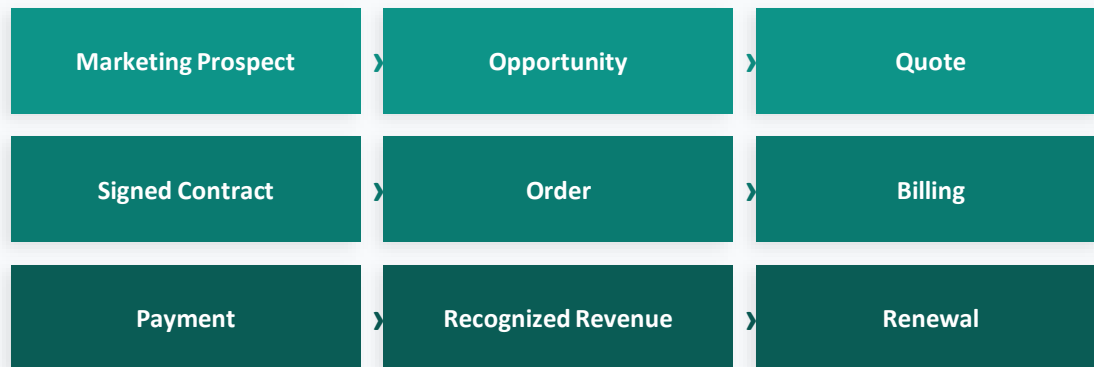
## QTC Process Overview

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Quote-to-Cash describes the customer lifecycle journey from acquisition to attrition.

## What is Quote-to-Cash?

Also known as Lead-to-Cash, Order-to-Revenue, or Lead-to-Revenue-Recognition, QTC encapsulates your entire business across multiple departments, IT systems, and customer touchpoints.



*A strong QTC process must be intentionally architected — siloed departments and disconnected systems create friction that impedes growth.*

LEAD	OPPORTUNITY	QUOTE	CONTRACT	ORDER
Client Acquisition	Sales	Configuration	Contracts	Order Entry
Marketing	Partner	Pricing	Customer Onboarding	Order Submission
Sales Development	Business Dev	Approvals	Customer Success	Fulfillment
Marketing Automation	CRM	Sales / CPQ	CRM / CLM	CRM / ERP / OMS
CRM		E-Signature		

FULLFILLMENT	INVOICING	PAYMENT	REV REC	RENEW/UPSELL
Inventory Delivery	Billing	Payment Methods	Revenue Schedules	Renewal Path
Customer Service	Finance	Processing	Finance	Upsell Path
ERP / CRM	A/R Manager	Finance	CRM / ERP	Sales
		Payment Gateway	RevRec Software	Customer Success

## 02 WHY COMPANIES NEED A STRONG QTC PROCESS

*Having a strong QTC process is an incredible competitive advantage — enabling higher close rates, better collections, more accurate revenue recognition, and better customer data.*



### Improves Sales Conversion

Optimizing the sales process results in higher conversion. Getting accurate quotes out quickly minimizes deal loss from delay.



### Faster Payments

Speeding up the order-to-payment process enables earlier payment receipt, improving cash positions and financial advantage.



### 360° Customer View

Integrated data gives a full view of every customer — identifying your best customers and those in danger of churning.



### Prevents Revenue Leakage

Reduces revenue leakage from incorrectly applied discounts or lost renewal, bundling, and upgrade opportunities.



### Efficiency and Scale

Automation transforms quote generation from days to minutes. Approval thresholds eliminate back-and-forth email cycles.



### Revenue Recognition

Ensures ASC 606 compliance. Revenue can only be recognized when performance obligations are delivered — not just when payment is received.

## 03 7 WARNING SIGNS OF A SUBOPTIMAL QTC PROCESS

1

Siloed systems that require a spreadsheet to pull together a 360° view of the customer

2

Disconnected systems that don't talk to each other seamlessly, requiring manual translation

3

Inefficient (and potentially adversarial) review and approval processes in deal structures

4

Inflexibility of systems to enable new business opportunities (e.g., subscription billing)

5

Process bottlenecks that slow the speed of invoicing and collections

6

Revenue leakage — lost opportunities to prevent churn, renew, and upsell customers

7

Quotes, contracts, billing and invoices that deliver a poor customer experience (errors, poor structure)

*Any single warning sign can indicate systemic issues across the entire QTC chain.*



### Revenue Recognition

Revenue recognition rules (GAAP) define when revenue can actually be counted as valid. Your company cannot recognize revenue until you deliver your performance obligation — even if payment has already been received.

This distinction is critical for accurately measuring business performance and affects company valuation and tax obligations. ASC 606 compliance standards formalize this process.



### Customer Success

One of the most important — and often overlooked — considerations is how to optimize customer experience, because that directly affects retention and collections.

Every interaction with a customer must be identified and considered: from sales quotes and invoices to payment options to how purchased value is delivered. Successful companies optimize this at scale through modern, automated services.



### Customer Metrics

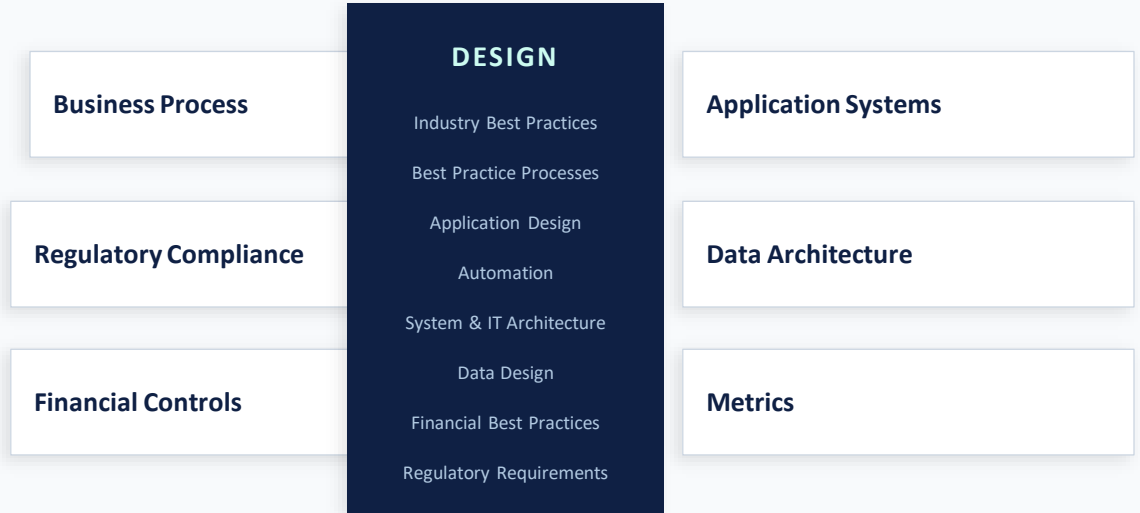
Nearly every organization looks to maximize Total Customer Value (TCV) and Customer Lifetime Value (CLV). Critical parts of the customer lifecycle include minimizing churn, increasing renewal likelihood, and growing the relationship through cross-sell and up-sell.

A successful QTC process plays a critical role in maximizing these metrics. Companies must look at the entire customer journey — siloed views result in disconnected, inefficient processes.

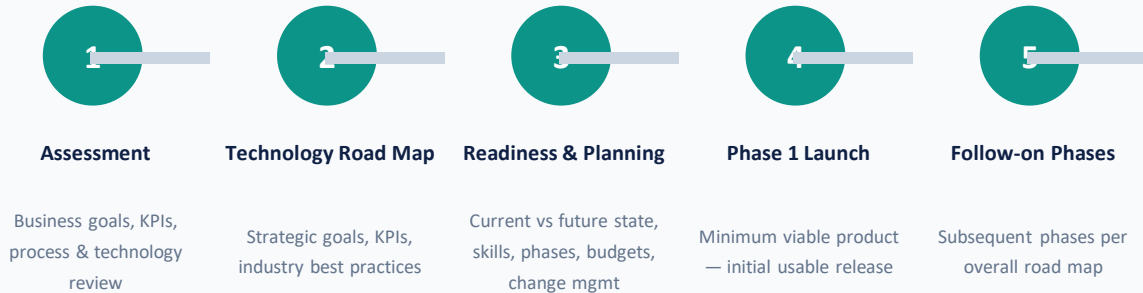
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## Business Factors to Consider

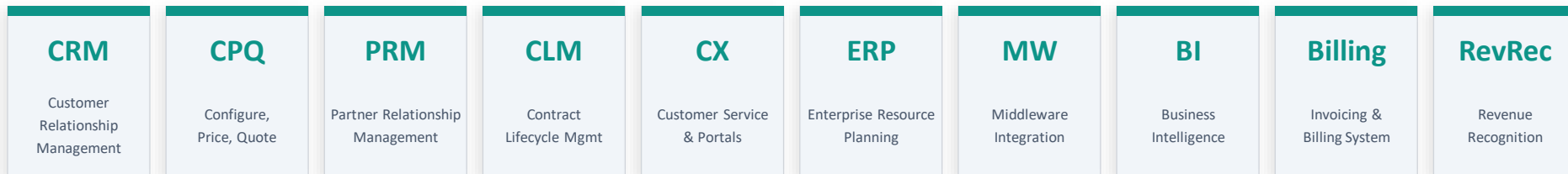
To design an effective QTC process, expertise is required in all applicable areas.



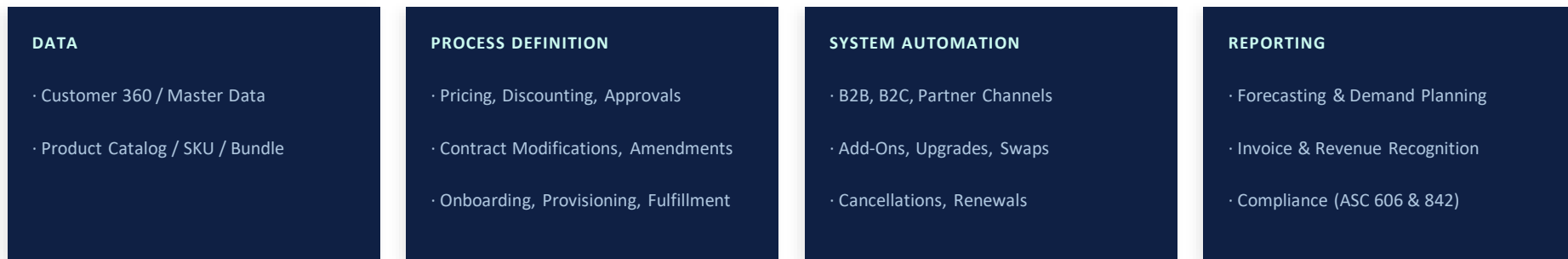
### TYPICAL QTC STRATEGY APPROACH



### Enabling Technologies



### Critical Considerations



*A scalable QTC architecture pays off in easier administration and a flexible, best-practices infrastructure that responds better to planned and unplanned business changes. Cloud-based solutions continuously add industry best-practice capabilities, reducing overall IT costs, investment, and risks.*

# ADVANTAGES OF A STRONG QTC ARCHITECTURE

## 1 Centralized Data — 360° Customer View

Through proper architecture choices, data and process can be seamless and consolidated. Salesforce and ERP solutions like NetSuite provide consolidated views. Integrating best-of-breed technologies creates a full picture of your client base.

## 2 IT Consolidation Reduces Technical Debt

The stronger the platform, the more capabilities it can leverage as needs arise. Most systems have robust APIs, letting customers choose between the convenience of a single platform versus best-of-breed solutions depending on business requirements.

## 3 Suite Solutions — License & Training Benefits

Applications from the same provider provide cost advantages (fewer licenses), single-pane-of-glass opportunities, and seamless interfaces requiring less maintenance and training.

## 4 Cloud-Based Advantage

Modern cloud-based solutions continuously improve with every release. The advantages include reduction in overall IT costs, faster time to market, and continual improvements as part of the subscription — while allowing customization for competitive advantage.

# Key Takeaways

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- QTC spans your entire business — marketing, sales, finance, fulfillment, and customer success
- A poorly architected QTC process creates friction that frustrates customers and impedes growth
- Strong QTC delivers higher close rates, faster payments, and better revenue recognition
- Watch for the 7 warning signs: siloed data, disconnected systems, and revenue leakage
- Design requires expertise across business processes, compliance, IT architecture, and data
- Best-of-breed enabling technologies (CRM, CPQ, ERP, RevRec) make QTC scalable and compliant

**Ready to Transform Your QTC Process?**