

Carrier Reduces Quotation Errors by 50 percent with Cincom CPQ™!

Goals:

- Automate the order-to-cash process
- Reduce the number of configuration errors
- Significantly reduce the time it takes to prepare proposals

Challenges:

- Include all of the research department's requirements – technical, geographical and legal
- Produce rapid solutions and an official pricing structure
- Enable the sales staff to focus more on genuine value-added and customer-oriented activities
- Rapidly update and maintain critical modifications to the product range

Solution: Cincom CPQ

- Guided Selling and Product Configurator
- Quotation and Proposal Management

Key Results:

- Quote time reduced by 50 percent
- €250,000 saved per year thanks to a 50 percent reduction in order-entry errors
- Seven workdays saved every time a product line changes
- Time spent on monthly updates reduced from six days to four, which equals one month's worth of workdays per year

"We have cut our losses due to quotation errors by 50 percent, resulting in a savings of around €250,000 per year".

– Carrier Refrigeration
Management Controller


Situation

Established in 1991, Chief quickly became the leading French supplier of cold-storage units thanks to its high-quality services. Amalgamated with the Linde Group in 1998, Chief caters to the domestic and foreign requirements of all the leading French retail groups (Carrefour, Leclerc, Auchan, Intermarché, etc.).

In 2004, Chief became Carrier Refrigeration, a subsidiary of Carrier, a member of the UTC Group (United Technologies Corporation), which also includes Linde Froide. Given the complexity of the company's operations and the specific nature of its customers' requirements, Carrier Refrigeration decided to deploy Cincom CPQ.

Carrier's Marketing Director, IT Manager and Management Controller explain how Cincom helps them to manage quotations on a daily basis while improving in-house profitability.

Q&A With Carrier Refrigeration

What made you feel that quote management needed to be improved?

Marketing Director: "Cold-storage units are manufactured in order to cater to the specific needs of retail stores. Each retail chain has its own unique requirements for refrigeration or ventilation, lighting and choice of colour. Then, of course, you need to take into consideration size constraints and where they will be located within the store. These kinds of details change for every store. And, the choice of certain elements, such as a regulator for example, will depend on the type of cold air required. We have six product ranges, each comprised of several thousand references. So, there are several hundreds of thousands of possible combinations for each cold-storage unit. That's why we can't standardise production. You can easily see how only a solution like Cincom CPQ can manage all of the rules and generate quotations quickly, enabling us to remain competitive in a highly competitive market".

What advantages does Cincom CPQ provide?

Management Controller: "Given the wide range of our available product options, Cincom CPQ lets us select the right features with unbeatable accuracy, and it provides accurate quotations with precisely calculated margins. Thanks to its flexibility, there's transparent communication between the order-processing system at the factory and the graphic representation system that enables us to view the end product".

IT Manager: "With Cincom technology, it's easy to update data. For example, it only takes 30 seconds to create a new field. What's more, the scroll-down menus are so user-friendly that there's no need for specific training".

Marketing Director: "It's due to our customer service that we can increase our market share. We can deliver within five weeks when our closest competitors take eight. That's a huge competitive advantage, and one to which Cincom's configurator contributes".

What tangible benefits have you gained?

Management Controller: "We've cut our quotation errors by 50 percent. Reducing these errors results in a savings of around €250,000 per year".

Marketing Director: "We've also cut quotation time by 50 percent since using the Cincom solution to generate quotes".

Updating the Carrier Refrigeration product range is a routine and arduous job. How has Cincom CPQ made it easier?

IT Manager: "The multi-language kit saves us considerable time by deploying a single module per product – regardless of the number of languages in which we want to quote. Before, when we changed a complete product range, we needed seven working days to re-create the pages in English, not counting the time spent on translations. Now, it takes less than 30 seconds.

"With all the languages updated simultaneously, everyone has access to the same information in real time. This means fewer errors and less of an impact on our bottom line. The remaining time can be put to more profitable and worthwhile uses".

About Cincom

Since 1968, Cincom's software and services have helped thousands of clients worldwide simplify the management of complex business processes. Cincom serves thousands of clients on six continents including BMW, Boeing, Penn State University, Siemens and Trane.

For more information, send an e-mail to CPQ@cincom.com, or visit the company's website at www.cincom.com.



World Headquarters • Cincinnati, OH USA • US +1 800 224 6266 • info@cincom.com • cincom.com/contact-us

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