

Siemens Reduces Certified Quotation Times from 4-6 Weeks to One Hour

Goals:

- Reduce quotation times
- Decrease timelines for certified motor performance data generation
- Maintain product and pricing consistency

Challenges:

- Remove manual, time-consuming processes
- Shorten overall product lead times

Solution: Cincom CPQ[™]

- Guided Selling and Product Configurator
- Quotation and Proposal Management

Key Results:

- Reduced quotation times from 3-5 days to just minutes
- Increased quote volumes (now ranging from 300 to 500 monthly)
- Cut motor performance data generation time from 4-6 weeks to less than one hour
- Maintains product and pricing consistency throughout the entire organization
- Escalated higher-margin product sales

"In terms of productivity, this product has proven itself."

Sr. Product Specialist

**Medium and High Voltage Induction Motors**

As the world's leading provider of large motors, Siemens sells and manufactures a complete line of large AC 3-phase induction motors at its ISO-9001 Certified Norwood, Ohio, plant. This 350,000-square-foot facility has produced more than 150,000 high voltage motors continuously since 1898. The Norwood plant produces horizontal AC induction motors up to 18,000 horsepower and voltage ranges from 460 to 13,200 volts. The plant also manufactures a complete line of large AC vertical motors up to 6,000 horsepower.

Although quotation times of 3-5 days are common for this market, Siemens was striving for higher levels of customer satisfaction. Cincom CPQ was chosen to help Siemens automate processes that would decrease customer response time, maintain consistency and increase productivity levels.

Siemens Automates Manual Processes and Gains a Competitive Advantage

Emails and faxes are examples of manual processes that can slow quotation times and leave margins for error. The Siemens salesforce needed to automate these processes and guide the customer through thousands of possible configurations and pricing, without the risk of choosing an invalid selection. They also desired higher levels of consistency across the organization.

Bottom line: Siemens evaluated nearly every interactive selling and product-configuration solution on the market, and Cincom was the only system that could meet these business challenges.

Quoting and Performance Data Generation Times Reduced from Weeks and Days to Hours and Minutes

For Siemens, manual processes translated into a customer-quotation turnaround time of 3-5 days. Cincom CPQ reduced this timeline to a matter of minutes.

Certified motor performance data ensures that the motor will conform to industry standards and is a key customer requirement. Now, Cincom CPQ generates this critical sales element in a fraction of the time, for a true competitive advantage. This new quotation and proposal system includes performance data and CAD drawings, alleviating the need for engineers and freeing resources to help sales channels sell higher-margin products.

"Cincom CPQ actually creates the design, which helps sell higher-margin products."

Higher Levels of Productivity in the Face of Volatility

Varying timelines and volatile pricing structures for product materials in the electric-motor marketplace presented a dilemma. To maintain customer satisfaction, promises need to be kept and misunderstandings eliminated. Cincom CPQ now brings current price lines and timelines directly to the point of sale. The Siemens salesforce delivers product knowledge to customers with new levels of accuracy and consistency. They respond more effectively to customer demand and achieve higher levels of productivity.

"Cincom CPQ can consistently handle pricing data while keeping up with upgrades, service for obsolete products, as well as other changes."

Since using Cincom CPQ, Siemens has also benefited from higher levels of productivity due to increased quoting volumes of 300 to 500 quotes a month for their configured products (3,600 to 6,000 per year). It was also important that the solution be easily used and maintained by individuals with product knowledge that could write and maintain the rules, with very limited IT support. With Cincom CPQ, it's "mission accomplished."

"Outside resources are not necessary. We can develop and maintain the applications in-house."

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, Eaton, REV (formerly ASV), Trane, Wabash and Xylem.

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 • International 1-513-612-2769 • info@cincom.com • cincom.com/contact-us

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