Penlon

XaitCPQ Enables the Sales Team to Become More Self-Sufficient and Get More Quotations Out the Door

Who is Penlon?

Penlon is a world-class British medical device company, established in Oxford in 1943. Penlon develops, manufactures, and exports anesthesia and other medical products to over ninety countries worldwide, including China, Japan, and the USA.

In this case study, Tony Serratore, Penlon's Head of IT, discusses how adopting XaitCPQ has helped them achieve an enhanced ROI by empowering their sales team, thus increasing their quoting capacity.

The Challenge: Approval and Visibility Issues + Duplication of Effort

Penlon's quoting process presented a variety of challenges to both sales and admin teams, as well as management.
Sales Team Challenges
Historically, Penlon's sales team created quotes using Excel spreadsheets. This posed multiple challenges, including...

- Availability / access to Excel
- Compatibility rules
- Changes
- Revisions
- Forecasting
- Discount approval time

– Getting quotes approved, and approved on time, was quite challenging, says Serratore.

Admin Team Challenges

As soon as the sales team had created quotations in Excel, a new challenge emerged: Duplication of effort. In essence, quoting was done twice.

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Tony Serratore - Head of IT

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First, they had to check the original quote for errors – errors in pricing, errors in the actual configuration, and so on. Next, they had to take that quote and re-key it into the CRM system. This would bring about rekeying mistakes.

– In addition, we had to wait for the Part Number to be entered in the CRM before quoting.

Management Challenges

Management challenges included pipeline visibility and end-user visibility (via Channel Partners), margin management, the potential for up-selling (different options, different services they could supply, finance, etc.).
For the entire organization, quoting was a cumbersome process requiring a lot of time and double effort.

Serratore elaborates:
– As a last resort, we considered trying to make the spreadsheet method work for us, but we realized that there's only so much you can do within Excel. It could potentially break, people have different copies, it's very difficult to manage, especially if you're doing revision changes, or uploading new pricing or configurations. And then you have to send out multiple Excel spreadsheets to the RSMs.

The Solution: XaitCPQ Enables RSMs to Become More Self-Sufficient

Penlon came to the realization that they needed a highly available quoting system that would allow them to transfer their Excel spreadsheets – as a first phase – into a more intuitive, easy-to-use, and accessible system.

Their goal was to find a solution that would speed up the quoting process, eliminate errors and omissions, and ensure control and consistency in funnel management.

XaitCPQ stood out as the best quoting system that fit their unique requirements.

– The way we could configure our products seemed to be better suited to Xait, continues Serratore.

In addition, Penlon looked for a solution that would allow them to increase their quoting capacity. They wanted their Regional Sales Managers to actually produce the quotations. That meant they needed a mechanism where they could quickly produce quotes. By doing so, hopefully, more quotes would be produced.

– Our main reason for choosing XaitCPQ was so our RSMs and BDMs could become more self-sufficient. Our RSMs are far and wide, covering Latin America, the Middle East, Africa, Asia, and the UK. For us, it was important that the RSMs could do quotes themselves, in a much simpler way, instead of the backend office producing them.

The Adoption Process Was Smooth

A good CPQ vendor should have a proven methodology that enables companies to introduce the system incrementally to ease the impact on an organization while gaining some quick wins. In Penlon's case, deployment and training went smoothly.

As Serratore explains:
– Basically, phase 1 was to replace spreadsheets. So we gathered up all the spreadsheet configurators that we had, and we passed that on to the support team and the deployment teams within XaitCPQ. With little difficulty, they were able to extract that information, look at the compatibility, and start building our first configuration for one of our machines.

Penlon then ran a series of tests to make sure that the options were correct, and that the pricing information was coming through (there were some particular margins). Once they were happy and had a number of configurations that met the initial phase 1 approach, they – in collaboration with Xait – came up with a training script that they could give to the users.

– I then produced a short video, just going through the screens, to compliment the actual script. We got all the RSMs together via video conferencing, and we went through that onboarding with them.

Serratore says that they set up the menu structure in a very quick, intuitive way.

– We designed it to take them to a country list that only shows their countries. From there, they can then go to opportunities, create the quotes, and then produce the actualquote.

The system continues to evolve and training is ongoing, but the rewards far outweigh the effort:

– The great thing is that whatever the sales team can see in terms of the quote, I can see as well. Rather than trying to share the same spreadsheet, it just makes the support a lot simpler.

Results: Operational Improvement Across the Sales Cycle

How has Penlon's quoting process fared so far after adopting XaitCPQ? As mentioned before, the company needed a quoting system that would help them empower their sales team and eliminate errors and emissions, ultimately increasing their quoting capacity.

Here are the seven key results XaitCPQ has provided Penlon:

1. Quoting Capacity Increased

Have Penlon's Regional Sales Managers been able to create quotes themselves in a much simpler manner? Absolutely. XaitCPQ is browser-based, allowing salespeople to access and use the system from any Internet-enabled location to increase both sales effectiveness and productivity.

– With XaitCPQ, our RSMs only need Internet access; no VPN connection is required to let them access our network. They've got full pricing, full configuration. It kind of makes our sales team 24/7 operational, really. They can create a quote anytime, in any place, on any device.

Serratore highlights an advantage Penlon's RSMs have found valuable – the potential to configure a quote with a customer while sharing the screen and going through the configuration.

– At the end of the day, faster quoting means one thing: More quotes can be produced per employee, without losing quality.

This productivity gain is in line with what other Medical

Device/Tech companies experience when using CPQ solutions: By eliminating manual quoting processes and easing business complexity, CPQ software frees up time, enabling sales teams to sell more and focus on building relationships with customers.

2. Quotes Have a Consistent, Professional Look

XaitCPQ allows Penlon to produce great-looking quotes. Templates can be modified to fit specific sectors or Regional Sales Managers' preferences while remaining consistent with the Penlon brand.

With greater consistency of presentation can also come enhanced market image, which can often lead to a justification of higher prices with buyers.

3. Errors and Omissions Are Eliminated

XaitCPQ allows users to confidently build and price tailored solutions without the necessity for anyone to check these. This, in turn, reduces the cost of correcting errors later in the process.

As a result of using XaitCPQ, Penlon quotes only sellable products and feature combinations:

– This mitigates any technical error on a configuration. We can rest assured that quotes include everything that should be included. So when it goes down into production, they know that this configuration is correct, for that particular region or country's specific requirements.

4. Funnel Management is Improved

Before using a CPQ system, Penlon faced visibility challenges. With XaitCPQ, they got a "mini CRM" for the salesperson to keep track of quotations and win or loss information along with forecasting:

– Our RSMs could manage the customers more efficiently, putting notes against it. We were able to configure that RSMs could only see their actual regions and customers, so they don't get confused with the 'noise' of other customers. They only see what's within their regions.

As a result, security is improved, since data leakage is minimized.

5. RSMs/BDMs Have Become More Self-Sufficient

Well implemented CPQ solutions can empower and motivate the sales organization as a whole. It can give confidence to a wider group of individuals within a team to discuss product details with clients and prospects, and to build quotes tailored to their needs at the time and in the manner that users choose to engage.

Penlon also achieved these results:

– We were able to empower the RSMs and BDMs to become more self-sufficient, so that they're not relying on the back office. Penlon is primarily a 9 to 5 business. Our worldwide RSMs work on the sun's schedule, so rather than having to wait for the next day, they can pretty much cut the quotation and look at pricing information. Moreover, as there are various pricing strategies, we were able to provide better selling price strategies across channels.

6. The Quoting Process Is Automated and Simplified

With XaitCPQ, Penlon has been able to automate its quoting and approval processes.

– RSMs create quotes, and if they fall below a margin threshold that we set in the CPQ system, the system does a lookup. If it's below margin, it triggers an email alert to the approval team. That way, the approval team can automatically approve it or question it, get on to the RSM, have a little discussion around the price in the deal, find out why it's below margin, and ask those kinds of questions to the RSMs.

By approving quotes fast and easily, Penlon ensures that they get the maximum margin on their deals, and that they have full visibility before they issue a quotation to a customer. Hence, they are able to capture and ensure that it falls in line with their margin strategies.

7. Changes and Enhancements Can Be Incrementally Introduced

As Penlon takes on new products, XaitCPQ ensures that they are available within the CPQ system. The products may not always be configured; they could very well be accessories or ancillary devices that do not require configuration. They will get added to the quotation:

– We've ensured that for the RSMs, not only can they run a quotation for a configured machine, they can also add in accessories for it, that are just single items, no configuration, and then start to actually build a full quotation for the customer or the distributor as well.

Related: XaitCPQ® Announces MedTech Solution That Delivers Automation Benefits to Health and Life Sciences Organization

Revolutionizing the Quoting Process From A to Z
To sum up, how has XaitCPQ affected Penlon's quoting process overall? When asked to describe it, Tony Serratore doesn't hesitate.

– Having the CPQ system has revolutionized the whole quoting process. It's allowed us to empower the RSMs to do their own quotations, making them more efficient. There's no delay. Now that we've got XaitCPQ, we've got full visibility of quotations and deals that are out there.

This has also helped Penlon with the forecasting:

– With some additional functionality that Xait has added in for us, we are now able to take an opportunity and put a probability around it. That allows us to take those opportunities where there may be above 75 percent probability, and then push them through the funnel.

From a production point of view, this ensures that Penlon can meet the needs of that quotation. They can use the information in their capacity planning meetings, so they can see what could be coming up in terms of orders.

– In this way, we can make sure that products and their components are ordered in a timely manner, enabling us to meet that requirement. So it's really helped us achieve an operational improvement across the sales cycle.

For more information about Penlon's products and services, visit their website.

Want to learn more about how XaitCPQ can help the medical device industry? This site contains information you may find useful. Or better yet, get in touch with us.

Become easier to buy from

Quickly and accurately price combinations of interdependent products and services.

Xait helps organizations with complex pricing options maximize revenue and drive cost and risk from their sales process.
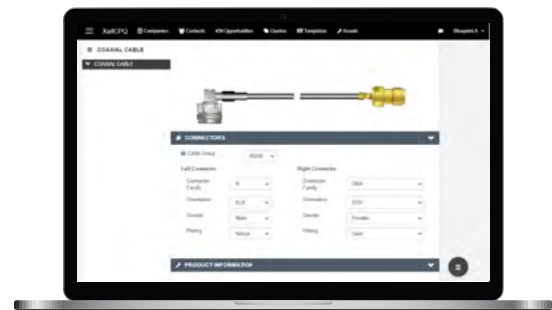
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