Oracle Configure, Price, and Quote (CPQ) Cloud

Frequently Asked Questions
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Product Overview and Strategy

What is the Oracle Configure, Price, and Quote (CPQ) Cloud offering?

Oracle acquired a company called BigMachines, the leader in the Cloud based CPQ segment. BigMachines has now become Oracle CPQ Cloud.

Oracle CPQ Cloud accelerates the conversion of sales opportunities into revenue by automating the quoting and sales order process with guided selling, dynamic pricing, and an easy-to-use workflow approval process, accessible anywhere, on any device. Oracle offers two products: CPQ for Mid-Market (formerly BigMachines Express, BMX) and CPQ Platform (formerly BigMachines, BMI).

Where does Oracle CPQ Cloud fit into the Oracle portfolio?

The combination of Oracle and BigMachines is expected to drive more sales and increase customer satisfaction with integrated end-to-end processes from marketing and sales, to pricing and quoting, to fulfillment and service.

Companies have a universal need for revenue growth, profitability, and customer satisfaction, which is driving the transformation towards smarter selling. To enable smarter selling, companies need an end-to-end process that connects every interaction their sales teams have with their customers. Oracle CPQ cloud extends sales automation to include the creation of an optimal quote, which enables sales personnel to easily configure and price complex products, select the best options, promotions and deal terms, and include upsell and renewals, all using automated workflows.

Oracle CPQ Cloud creates an end-to-end smarter selling cloud solution so sales personnel are more productive, customers are more satisfied, and companies grow revenue faster.

Oracle CPQ Cloud, combined with Oracle’s Cloud Customer Experience portfolio, provides customers integrated sales, marketing, service and commerce solutions.
As a partner, you can position this as a comprehensive offering, unparalleled in the market, offered only by Oracle.

**Oracle CX + Oracle CPQ Cloud (BigMachines)**

End-to-End Smarter Selling Solution for Better Customer Experience

From the perspective of a partner’s business, Oracle’s CX portfolio offers tremendous opportunity. As an Oracle partner, you are uniquely positioned to deliver exceptional customer experiences, and help companies acquire new customers, retain more customers, and improve efficiencies. From marketing to sales, delivery to support, and initial engagement to rewarding relationship - with Oracle’s customer experience solutions you can broaden offerings, create new revenue streams, capture new business and expand opportunities with existing customers. Visit the Oracle Cloud Services and the Oracle Customer Experience Knowledge Zones to learn about complementary offerings and partner opportunities.

Also consult the Oracle CPQ Cloud Partner Playbook available on the Oracle CPQ Cloud Knowledge Zone. It is an excellent resource for product information, who to target, pain points to look for, how to address them, and how to position CPQ for Mid-Market and CPQ Platform into the right targets.

**What are the capabilities of Oracle CPQ Cloud?**

Oracle CPQ Cloud provides comprehensive sales management capabilities. The solution should be positioned to organizations with more than 500 employees, >$250MM.

- Solution addresses the requirements of companies with complex sales processes and workflows.
- Targeted at larger businesses that need enterprise-grade capabilities and architecture.
- Pre-built integrations to the most popular CRM and ERP applications.
- Runs on Oracle and Java.

- **Workflow Approvals** - route orders for review & approval, ensure 100% accuracy and eliminate approval bottlenecks with automated workflow.
Pricing and Quoting - ensure consistent application of pricing and discounting rules, and automatically generate customer-friendly quotes in multiple formats.

Product Configurator - ensure 100% accurate quotes and orders and eliminate data entry errors.

Guided Selling - guide users to the optimal products and options based on customer needs with guided selling functionality.

Proposal Generator - create, customize and brand proposals for sales reps, channel partners or sales channels, and customers.

Channel Management - standardize and enhance the sales process for channel partners, VARs and distributors.

Contract Execution - automate contracts, route contracts for approvals and signatures, store contracts with accounts or opportunities and analyze trends.

Order Execution - eliminate manual and repeated data entry into multiple systems.

Reporting - improve quote management, forecasting, and product management with better information and insights.

What are the capabilities of Oracle CPQ for Mid-Market?

Oracle CPQ for Mid-Market should be positioned as a simple, familiar, and fast solution for mid-sized companies (<$250M revenue, <500 employees) that have chosen SFDC and need a simple CPQ solution. Oracle CPQ for Mid-Market is easy to support and maintain (simple), 100% native to force.com (familiar) and quick to implement (fast). Capabilities and modules are as follows, and customers can buy what they need:

- **Configuration (Guided Selling)** - ensure 100% accurate quotes and eliminate manual data entry errors. Guide users to optimal product selections.
- **Pricing** - ensure consistent application of pricing and discounting rules, including volume discounts and customer-specific pricing.
- **Quoting (Proposal Generator)** - create, customize and brand proposals for sales reps, channel partners, and customers.
- **Renewals** - easily track the products purchased by customers and the prices at which they were purchased. Dramatically reduce the time required to create a renewal quote.

Partner Opportunities with the Oracle CPQ Cloud Products

How can partners go-to-market with Oracle CPQ Cloud?

Partners in Oracle’s partner program, Oracle PartnerNetwork (OPN), can take immediate advantage of Oracle's Open Market Model, designed to acknowledge and compensate our partners for bringing business to Oracle. Partners can register Oracle CPQ Cloud deals and earn referral fees. Registered leads approved by Oracle are eligible for a referral fee of up to 10% of guaranteed total contract value.

Services partners can co-sell and implement Oracle CPQ Cloud solutions. Oracle will depend on our partners with strong pre and post-sales cycle influence, and implementation skills to perform services work.

Partners can also integrate their applications to Oracle CPQ Cloud, to offer value-added solutions to market.
Note: Resell of the Oracle CPQ Platform product is possible only with Oracle approval, in indirect countries, for non-SFDC CRM. Please work with your Oracle representative.

Where can I learn more about referral fees and how to register opportunities?

Click here to access the following resources and more information:

- Open Market Model Policy
- Deal Registration FAQ
- Deal Registration Instructional Guide
- Online Tutorial: Registering Deals in OPS
- Deal Registration Live Training Schedule

What are the Oracle CPQ Cloud opportunities for a System Integrator?

While the BigMachines products are not generally available to partners for resell, Oracle recognizes the significant role that our partners have in influencing customer buying decisions and throughout the pre- and post-sales cycle. For Systems Integrators, CPQ should be part of any conversation you are having with your customers around simplification and improvement of sales processes; CPQ can also be part of a much larger business transformation discussion leading to significant projects for you.

Oracle will depend on our partners to refer and influence sales cycles and to provide the complex design, configuration and implementation services work. With the combination of CPQ and Oracle’s Cloud Customer Experience portfolio, we anticipate that our partners will be able to offer their customers a comprehensive portfolio of integrated sales, marketing, service and commerce solutions.

What are the Oracle CPQ Cloud opportunities for an ISV/Technology Partner?

ISV/Technology partners can deliver what customers need by joining a community of other influential partners who expand the Oracle CPQ Cloud ecosystem with complementary functionality. Partners can get visibility for their solution through Oracle Cloud Marketplace, or pursue validation of their integration through the Oracle Validated Integration program. Partners can also refer leads to earn referral fees. Leads approved by Oracle are eligible for a fee of up to 10% of guaranteed total contract value. As members in OPN, partners can leverage development benefits including support, certification, validation, access to demo environments & services.

Where can I find Oracle CPQ Cloud resources for partners?

The Oracle CPQ Cloud Knowledge Zone is the one-stop shop for partner go-to-market, training, Specialization, and product resources. Available resources include special Oracle CPQ Cloud partner webcasts including product overviews and partner opportunity discussions; the Oracle CPQ Cloud Partner Playbook (available as a downloadable document and on-demand modules) overviewing the products, who to target with which product, how to spot opportunities, and detailed sales plays; sales presentations, data sheets, white papers, and targeted event information. A Transition Guidelines resource is available for BigMachines partners transitioning to Oracle.

What partner training is available?

Oracle is working to make available BigMachines Cloud CPQ Pre-Sales, Sales and Implementation role-based Guided Learning Paths (GLPs) via the CPQ Cloud Knowledge Zone. We anticipate the Sales and Pre Sales GLPs to become available in the June-August 2014 timeframe, and the Implementation GLP in the September-November
2014 timeframe. Boot Camps will be offered for Sales Representative, Sales Consultant, and Implementation Consultant roles. Boot Camp details will be available on the “Get Trained” tab of the Oracle CPQ Cloud Knowledge Zone.

A company-level Specialization is also planned for the CPQ Cloud Solution. The Oracle CPQ Cloud Specialization will include the GLPs for Sales Representatives, Sales Consultants and Implementation Consultants. Upon completion of the respective GLP, Sales Representatives will be able to position the value of the CPQ Cloud Solution, Sales Consultants will be fully equipped to provide demonstration of specific scenarios, and Implementation Consultants will have the capacity to design, configure and administrate the BigMachines CPQ Cloud application.

Until the Implementation Guided Learning Path is available, the former BigMachines Yellow Belt and Blue Belt trainings are available through Oracle University. OPN Members receive a discount on Oracle University products and services. Oracle BigMachines Yellow Belt provides learners with the basic skills and knowledge necessary to administer an Oracle BigMachines site. BigMachines Blue Belt shows learners how to use the BigMachines application to meet advanced use cases.

**Positioning Oracle CPQ Cloud**

**What are Oracle CPQ Cloud competitive selling strengths?**

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<tr>
<th>Attack Area</th>
<th>Oracle CPQ Cloud Platform Capabilities</th>
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| **Solution Flexibility & Configuration** | • Two offerings: enterprise and mid market.  
  • CPQ Cloud Platform can tailor CPQ pages to meet specific customer requirements & improve ease of use, speed & adoption for your CPQ solution.  
  • Oracle CPQ solutions can be specifically customized to meet the most demanding and complex products, rules, & constraints.  
  • CPQ Cloud Platform has broad product line covering Mobile, Channel, E-Commerce, & soon contract management.  
  • Privately offered SaaS infrastructure allows for private pods. |
| **Administration**          | • Administration tools allow lower skill staff to use powerful tool.  
  • Scripting language not required to configure application.  
  • Scripting eliminates data type management speeding development/deployment.  
  • Standard approvals drag-and-drop workflow administration (capable of setting up and maintaining simple workflow w/out scripting). |
| Proposal generation | • Complex rule and constraints tied to proposal generation possible.  
|                     | • CPQ Cloud Platform Doc. Engine makes output creation accessible to marketing audience tasked w/ building & updating proposal collateral.  
|                     | • Central management to store and manage media for proposal generation.  
|                     | • No limitations on file size transfers.  
| Proven             | • Proven solution with over 11 years expertise and hundreds of customer successes.  
|                    | • We are on version 12 and have included many customer requested enhancements.  
|                    | • Rapid growth, strong leadership.  
| Verticals          | • Oracle CPQ Cloud is well established in the following verticals:  
|                    |   • Industrial/Manufacturing  
|                    |   • Hardware/High tech  
|                    |   • Software  
|                    |   • B2B Telco  
|                    |   • Business Services  
|                    |   • Life Sciences  
|                    |   • Medical  
|                    |   • Media/Advertising  
|                    | • New verticals with established seed customers include:  
|                    |   • Insurance  
|                    |   • Financial Services  
| Integration problems & Implementation expertise | • Presence in many verticals (see above) and industries.  
|                        | • Experience and success with complex products and pricing structures and implementation.  
| Admin                  | • Easy to manage platform.  
|                        | • Custom code is relatively simple and not needed for most customers.  

| Scalability | • Fluid in-between CRM systems.  
• Stand alone capability.  
• 24/7 support available as well as training to help with the scalability of your business and your CPQ tool. |
| Proposals | • Dynamic and specifically generated proposals, not templates. |
| Approval Workflow Automation | • Automated approval process, so as to save time and assure validity. |
| Functionality | • Market Leader and sets the standard for functionality. We are on version 12 of our products and have been able to cater the solution to fix any issues, add common customer requirements. |
| eCommerce | • Combined with Oracle Commerce (ATG) puts purchase power directly in hands of the end user—essentially streamlining entire sales process. |
| Reporting | • Detailed and thorough reporting. |

Is CPQ additive to an existing CRM implementation, or is CPQ normally sold as part of the original CRM sale?

Typically, CPQ is additive to a CRM system or an ERP system. It is a perfect opportunity to continue an engagement as an ERP or CRM implementation winds down.

Is it possible for a customer to start with Oracle CPQ for Mid-Market and then easily migrate to CPQ Platform?

There is no automated migration path. The two products are separate from a technology standpoint, as CPQ for Mid-Market is built on Force.com. That said, the difficult part of CPQ is understanding and outlining your requirements. While the move from CPQ for Mid-Market to CPQ Platform (or vice versa) would be a manual implementation, it would be faster and easier than starting from scratch, because the foundational requirements work will have been completed.

Is there an ETA on the mid-market product that is not on the Force.com platform?

CPQ for Mid-Market on the Oracle Fusion platform is a longer term roadmap item. Currently, we are assessing what to build and how to build it, and go-forward product plans will be communicated.

What is the general positioning with regard to Salesforce.com?

We are continuing to invest in the SFDC relationship and we will also continue to utilize the latest SFDC APIs for CPQ integration. We are also developing integration to Salesforce 1 this year.
Integrations

What is meant by "rich standard integration"? Is it click-and-add or detailed customization-configuration integration?

We have “click-and-add” integration to SFDC and the Oracle Sales Cloud. Oracle CPQ also provides flexible tooling to enable the development of any integration.

Are there any plans to have Oracle CPQ Cloud Platform integrated “out of the box” with Oracle E-Business Suite?

This is targeted for CY 2014. This integration will include sales orders and product data (item master) integration. Later releases will extend to sales order and change orders.

What about integration with AU products, specifically E-Business Suite, PeopleSoft, and JD Edwards? Is the integration to E-Business Suite via distributed order orchestration (DOO) or point to point?

It is possible to configure integration with any fulfillment system that exposes basic order creation APIs. We intend to productize integration with E-Business Suite and DOO in CY 2014. There are not yet plans and timeframes for PeopleSoft and JD Edwards; however, we have many live customers running these ERP systems and the integration is performed using middleware.

What's on the product roadmap for BigMachines and DOO integration?

BigMachines will be the order capture mechanism for DOO. BMI will create the order and send it to DOO using an out of the box integration to be completed at the end of this year.

Will CPQ Cloud mobile be integrated with Oracle Sales Cloud (OSC) mobile?

Yes. However, we are waiting for the OSC mobile application to support an embedded iFrame (possibly in Release10). Mobile is an active part of the roadmap, and we will fully support this functionality. Currently CPQ Cloud is fully supported on mobile devices.

Is there a plan to integrate Oracle CPQ Cloud for Mid-Market with Oracle CRM On Demand?

No, this is currently not on the roadmap. There are several customers running CPQ Platform with CRM On Demand, which is our recommendation.

Is there a standard integration to the Customer Hub?

Yes. We will productize the integration with the Fusion Customer Hub in CY 2014. This can be configured today.

What is the plan to integrate CPQ Cloud with Fusion Applications?

These are all configurable today. Productization is planned as follows:

- Oracle Sales Cloud: Sales Cloud R9, OCPQ 2014 R1
- Oracle SCM Cloud: SCM Cloud R10, OCPQ R2
- Oracle Financials Cloud: Financials Cloud R9, OCPQ R2
Is there any plan to support an out of the box integration with Oracle iSupport?

We are not planning an integration to iSupport at this time.

Industries

Who are Oracle CPQ Cloud customers in key industry segments?

There is a deep reference population across segments. As a partner, your prospects are not limited by vertical – everyone needs to quote. Here is a sampling of customers:

Can Oracle CPQ Platform be used to configure a very complex product as required usually in the Manufacturing industry?

Yes, Oracle CPQ Cloud customers include the most well known manufacturing brands in the world, such as Siemens, Flowserve, and ThyssenKrupp. Our most complex configurations run thousands of options and thousands of complex rules. Additionally, further improvements are planned to continue to simplify this area for customers, e.g. support for re-usable sub-assemblies. CPQ Cloud fully supports configured Bill of Material and Routing generation for manufacturing.

Can this solution be used in the Insurance vertical?

Yes. We are working with the Oracle Financials Services vertical sales team to build demos. Oracle CPQ is very good at flexible applications, approvals workflow and generating an application contract for the customer to sign.

For the telecommunications market, is CPQ Cloud integrated with Back Office applications like order and service management for the fulfillment of the commercial orders?

This is configurable and has already been done at major telcos. We plan to integrate Oracle CPQ into the Rapid Offer Design and Order Delivery (RODOD) reference architecture in the future. Oracle CPQ lacks some advanced features such as asset-based ordering and promotional commitment that are supported by Siebel.
Does CPQ do usage calculations for Telcos?

CPQ Cloud can calculate the usage based pricing on the customer’s contract. You should use a match and rate engine to calculate the monthly charges.

If I wanted to use CPQ for Financial Services, could I develop a module that overlays regulatory rules and guidelines that need to be taken into account when pricing?

Yes. We show this in our financial services demos today.

Functionality

Can you run Oracle CPQ Cloud on an iPad for a guided selling scenario?

CPQ Cloud runs on an iPad today. The configurator has rich support for native widgets (HTML 5). We are improving the transactional side of the application in CY 2014. We regularly demo the application running on an iPad and have live customers doing this.

Does CPQ support “Availability to Promise”?

There is no pre-built functionality for this. It has to be configured. We plan to support this when DOO exposes the necessary APIs (2016+). We do have customers doing this now with our configuration and integration tools.

Can the CPQ Cloud Order Management module run standalone?

Yes, it can. It has no dependency on an SFA or ERP system.

Is there a plan to develop renewals/recurring revenue capabilities in CPQ Cloud?

Oracle CPQ Cloud does this today. It is easily done with one of our pre-built industry templates. Oracle CPQ for Mid-Market already has a renewals module and supports those capabilities. Recurring revenue is coming as part of the Financials Cloud integration in CY 2014. We plan to integrate with subscription contracts and do renewals in the medium term.

Are SSAE reports available for the CPQ Cloud data centers?

We run tier 3 data centers provided by Saavis. We do regular pen test on our infrastructure and we maintain ISO 27001 and SOX/SAS70 Type II compliance on our hosting operations. We have current audit reports for SOC 1 type 2 (replaces SSAE), and summaries are available on a select basis for a prospect.

Quotes must take up a lot of storage. Do customers ever bump up against storage allocation limits and how is this handled?

No, this has not been an issue. We don’t archive at all right now, but there is a manual archive function our customers can perform anytime. Storage is cheap, and we store the quote documents as XML to minimize storage requirements.
How about CPQ and Social Media?

Currently, we do not offer out of the box, but it is an interesting area being explored.

Will Oracle CPQ Cloud be re-tooled with standard Oracle “components” such as reporting tools, etc.?

We plan to adopt Oracle Business Intelligence Suite Enterprise Edition (OBIEE) for analytics and reporting and to move to the standard Oracle Middleware stack (e.g. Web Logic). We do not plan to adopt Application Development Framework (ADF) or the Oracle Solution Center (OSC) applications composers. We are also investigating leveraging components from the Oracle Commerce product line (e.g. catalog and faceted search (Endeca).
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