



# CPQ for Financial Services



Configure, Price, and Quote solutions in the era of digital transformation



## Minimize risk and keep up with new technologies to meet shifting consumer priorities and overcome competitive threats.

Running a world-class sales organization is a challenge in any field. However, in the Financial Services arena, the risks and rewards are particularly high. Most financial firms face challenges such as shifting consumer priorities, competitive threats, and a changing marketplace. On top of that, complex regulatory restrictions and compliance requirements make the challenges that financial firms face far more difficult. At the most fundamental level, organizational goals are fundamentally the same...

### Be more **productive**

- Work smarter and respond faster to customer and market needs.
- Offer the right solutions at the right time.

### Be more **profitable**

- Negotiate bigger deals with higher profit margins.
- Leverage the power of all sales teams across all sales channels.

### Be more **compliant**

- Grow faster at scale.
- Remove friction and reduce or eliminate risky errors.

Successful CPQ Customer case studies in the financial services industry include:

#### **Group Life Insurance**

- First workflow to configure and sell the group plan (B2B).
- Second workflow to support the configuration of the individual plans inside of the group plan.

#### **Wealth Management Services**

- Multiple products with specialized sales teams.
- Guided selling offers the proper product for each prospect.
- AI based up-sell & cross-selling recommendations provided by the CPQ platform.
- Structured review and approval process for every deal.

#### **Auto Insurance**

- eCommerce website with embedded CPQ configurator.
- User inputs leveraging Car and Driver details.
- Provides rapid response to potential customers.

## CPQ for Financial Service Organizations

Oracle Configure, Price, and Quote (CPQ) solutions help financial service firms automate much of the opportunity-to-quote-to-order process, including product guidance, order configuration, pricing alignment, quoting, deal negotiation, and approval workflows.

With Oracle CPQ, administrators or sales operations can empower sales teams to spend more time with the customer and less time navigating internal processes. Oracle CPQ provides sales personnel the opportunity to easily configure and price even the most complex products or services, suggest cross-selling opportunities, and review promotions. When working with existing customers, sales reps have all the necessary tools to manage, renew, and offer relevant upsell subscription products and services quickly and easily. AI-driven pricing guidance ensures sales teams present the best price for every customer. Seamless workflows automate the sales approval cycle to provide proper validation compliance and margin control using established rules that apply to the specific details in the opportunity. This assures that each deal passes through the correct safety gates and controls visibility and access to the proper participants at each point in the sales process.

The main goal is always to serve the customer even if the sales process involves complex product configuration, customer-specific pricing, existing contractual agreements, and regional regulatory requirements. Streamline the sales process with CPQ and sales reps will have more time to make their quotas.

## CPQ Reduces Complexity

In global financial services firms, sales teams are typically siloed into specific financial products and instruments. It's common that salespeople will specialize in certain areas such as FX, Custody, Small Business Services, or Capital Markets Origination. Oftentimes, customer needs may call for a variety of products and services. For example, mutual fund providers may offer numerous fund types all sold by different teams. In this selling environment, many opportunities to offer complementary funds get overlooked.

Configure and quote complex financial products including retirement services funds, mutual funds, unified managed accounts, loans or insurance policies using CPQ. Cross-selling and up-selling (i.e. product bundling) are keys to enhancing profitability and improving customer retention.

CPQ allows financial firms to seamlessly enable qualified users with the ability to offer complementary products or services in a controlled fashion. Thus, administrators control which groups of advisors, brokers, channel partners or lines of business representatives can access and sell particular offers. Then, when these users attempt to make a sales offer, the sales guidance features in CPQ help guide them every step of the way.

## CPQ Improves Deal Velocity

In many organizations, the deal approval process was put in place to assure the outcome of specific business goals. The unfortunate end result is that the effort and time it takes to send a deal through the approval process can be lengthy and painful. CPQ's advanced automated approval routing takes advantage of established business rules that govern routing reviews employed by pricing or underwriting desks.

Automating manual processes allows administrators, management, or sales operations to provide discounting guardrails and the resulting pricing approval workflows so that users can make optimal selections quicker - despite how that deal



### Key benefits of an Oracle CPQ

#### Solution:

- Increase deal profitability: Define price parameters, including the discount level to maximize margins.
- Streamline approvals: Automatically bypass approval process by pre-determining quoting restrictions and triggering managerial approval parameters.
- Standardize contracts: Merge contracts, highlight differences in two contract versions, store contracts with accounts.
- Grow with your firm: Easily roll out new products and services as they become available.
- Reduce rep admin time: Give reps the ability to concentrate on selling by offering direct meetings with customers instead of that time spent searching for product information or tracking down approvals.
- Generate renewals: Accept, modify or terminate contracts using a subscription ordering interface.

approval may be impacted by pricing, discounting, external regulations, internal policies, and potential renewal opportunities.

CPQ can also improve the deal velocity by managing partner and customers' lead-to-contract using an e-commerce front-end blending with the company website and branding and using CPQ to handle the complex configuration, pricing and quoting processes in the background. This approach allows for more complex quoting to be done directly by the customer via a common web interface. The benefits are enabling the company to address a much larger market 24/7 and quickly progressing relevant deals to an agent when human interaction is desired.

## CPQ Centralizes Sales Governance

Guided selling in Oracle CPQ reduces training requirements with rules-based intuitive steps that help identify customer needs and identify relevant product offers – helping sellers make compelling offers more efficiently. Guided selling helps equalize the differing skill sets amongst seasoned and new sellers with clear recommendations and compatibility messages that ensure optimal selection of product with relevant options and provide the latest pricing or discounting rules.

Established pricing rules in CPQ handle any method or paradigm – such as discount off list, volume-based, tiered, tiered aggregate, subscription, renewal, multi-year, customer-specific, channel-specific, bundled, and more to provide accurate, pricing on every configuration in real-time.

CPQ also allows financial firms to enable differing levels of qualified users the ability to offer various ranges of products or services in a controlled fashion. This allows operational control over which groups of advisors, brokers, channel partners or lines of business can access and sell particular offers by leveraging simple administration tools that do not require technical skills or involvement of IT staff.

## CPQ Reduces Risk and Improves Compliance

Financial firms of all types are subject to a plethora of regulations, often with overlapping interests based on country, region or financial vehicle. These include regulators and overseers such as the Securities and Exchange Commission, Basel III, Consumer Financial Protection Bureau, Federal Reserve, Federal Deposit Insurance Corporation or other Financial Services Authorities often found in many countries. Regulations in the insurance market relating to risk mitigation, solvency standards, global implications are all addressed with CPQ and the ability to have a central location to enforce and manage changes then and report on them.

CPQ helps improve regulatory compliance throughout the customer-facing interaction stage from product selection, pricing/rating, contracting, through fulfillment. Compliance is assured with hard guide rails enforcing rule parameters, exceptions routed through the approval process, templated output documents that meet regulatory requirements and transparent reporting across all deals and channels.

Rules validation steps prevent fraud by enforcing strict quote-to-cash process to ensure consistent and compliant pricing through automated price calculations and an auditable log of all quoting activity. Rules also help with the staff onboarding process to minimize human errors by strict rules to address the handling, setup and billing of new customers or the augmentation of existing quotes when adding new services or products.

For quotes and the creation of proposals, CPQ enables careful proposal management with the ability to create, one-click, branded proposals for sales reps and channel partners that include all necessary terms and conditions based on the region, product or other specifics in the offer. This eliminates the need for a separate application to create and manage branded proposal documents.



### Customer successes

Customers around the world have experienced significant results with Oracle CPQ Cloud, including:

- 10x increase in quotes per month.
- 3 to 7-day sales process reduced to less than 30 minutes.
- 117% revenue growth.
- Margin increased by 1.5%.
- 20% increase in productivity of inside sales group.
- Faster, 100% accurate quotes.
- Decreased quote-to-cash time – weeks turn into days.
- Time to produce large proposals: Days turn into seconds.
- 0% error rate (down from 70%).
- 400% increase in sales (based on an average 50% increase in support).

## CPQ Streamlines Operations

For the back-office of the organization, CPQ can be used to dramatically streamline the quote-to-cash processes in several key areas, including:

- New products can be configured and launched with minimal requirements on the IT infrastructure.
- Subscription ordering functionality enables saving assets, contracts, and configuration details to enable later updates, adjustments, and contract renewals.
- Automated on-boarding can power institutional clients, commercial clients, and channel partners seamlessly with an intelligent orchestrated onboarding process and auditable workflows for security.
- Seamless, bi-directional, out-of-the-box integration with all major CRM systems enables automatic updates for pipeline and forecasting data.
- Proven, enterprise-grade integration with over 20 different ERP Accounting systems enables rapid customer onboarding and billable opportunity.

## Why Choose Oracle CPQ?

Oracle CPQ provides a flexible, scalable, enterprise-ready configuration, pricing, and quoting (CPQ) solution ideal for companies that sell all varieties of products and services across direct, indirect, and e-commerce sales channels. With it, enterprises optimize selling processes for faster sales cycles, improved margins, improved pricing discipline—and ultimately, improved customer satisfaction. The proven CPQ leader, Oracle invests more in Research and Development (R&D) for its Oracle CPQ products than all other vendors combined, and is backed by the industry's most extensive expertise, training, and support services.

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