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Glossary » CPQ for Dynamics 365

CPQ for Dynamics 365

By DealHub Experts, Updated December 11, 2022

What is CPQ for Microsoft Dynamics 365 for Sales?

CPQ for Dynamics 365 is a comprehensive solution that helps you manage product configuration, pricing, and quoting all in one place. Integrating CPQ with Microsoft Dynamics CRM provides a single, centralized repository for product information and a guided selling workflow so sales teams can create accurate price quotes fast. It includes everything you need to streamline and automate the quoting process.

What is CPQ?

CPQ is Configure Price Quote – a sales software that helps organizations configure the pricing of their products and generate quotes and proposals to be presented to their buyers. A CPQ can be configured using pricing models, discounting, product dependencies and other attributes, and typically includes contingencies for approvals. The software then prepares the quote or proposal and tracks receipt of the document and e-signature.

Configuration ensures that products or services are available, meet buyer specs, and deliverable within agreed-upon terms.

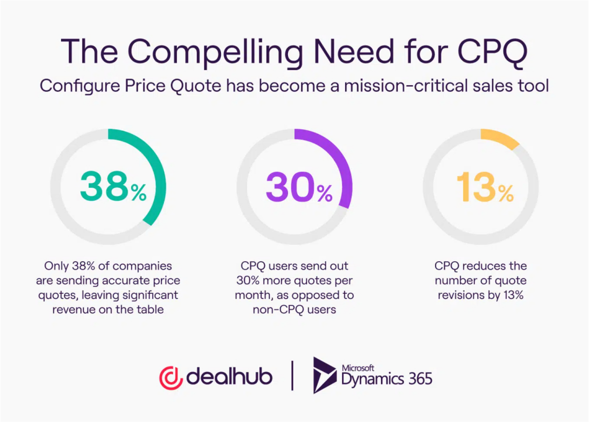
Price management allows sellers to choose between products, packages, and services, and offer discounts that are mutually beneficial.

Quote generation ensures everything comes together in a way that is on-brand, legally compliant, and contains all necessary collateral to help close the deal.

Why do Microsoft Dynamics 365 Users Need CPQ?

CPQ drives the B2B sales process by enabling sales teams to generate accurate sales quotes in minutes, not hours, based on up-to-date product configurations and pricing rules. CPQ extends the value of Microsoft Dynamics 365 for Sales by giving sales teams the power to send customized, accurate, legally compliant quotes to buyers while tracking their engagement and interest.

CPQ solutions deliver ROI when your products or services feature a certain degree of complexity and the need for quoting accuracy is magnified through the prism of multiple choices or considerations. This is often the case with buyers in the Financial, Services, and Manufacturing industries.



The Compelling Need for CPQ

Configure Price Quote has become a mission-critical sales tool

Only 38% of companies are sending accurate price quotes, leaving significant revenue on the table

CPQ users send out 30% more quotes per month, as opposed to non-CPQ users

CPQ reduces the number of quote revisions by 13%

Close Deals Faster with CPQ for Dynamics 365

Research by Aberdeen Group shows that “best-in-class sales teams are 2.2 times as effective at minimizing the number of people, functions, systems required to generate a quote or proposal.”

CPQ software integrated with Microsoft Dynamics 365 for Sales streamlines the price quotation process and enables sales reps to generate error-free quotes from within their CRM, using templates and pricing that is updated in real-time. In a highly competitive global market, CPQ is considered a mission-critical sales technology to enable sales teams to respond to buyer requests for quotes quickly while reducing administrative tasks.

Putting Your Customer at the Center of Your Price Quote Process

Aligned with the Microsoft Dynamics mission to put the customer at the center of the sales process, a CPQ helps your sales team focus on their customers’ needs by responding faster with the right pricing, the right messaging, and the right content to help them make a decision.

The Sales Playbook tool within the CPQ guided selling workflows to keep deals focused on buyer needs and drive deals forward. Sales reps can select the right configurations for each customer to ensure consistency in pricing, discounting and approvals. A master CPQ template that simplifies multiple SKU variations into a guided question and answer process eliminates complexities and produces quotes that are easy for buyers to understand.

Benefits of CPQ for Microsoft Dynamics 365

Beyond providing an excellent buying experience, optimizing time to quote, and shortening the sales cycle, CPQ has other benefits:

- Streamline Sale Process
- Simplify sizing, configuration & pricing
- Automate renewals
- Ensure adherence to pricing & legal policies
- Facilitate internal collaboration
- Standardize proposals

For companies with complex pricing or variable product configurations, CPQ software is essential because it can automate and streamline creating accurate quotes for products with multiple variations. This saves time and improves accuracy while also providing valuable insights into which product configurations are most popular. CPQ software can also help sales reps to prevent errors by automatically checking for compatibility between products and configurations.

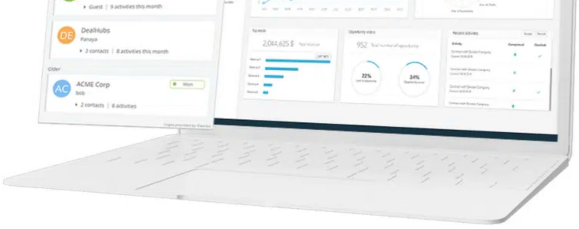
What to Look for in CPQ for Microsoft Dynamics

A CPQ that accurately generates quotes and includes document generation, versioning, and approval workflows will help streamline the entire sales process. However, while several standard CPQ features are universally available, your sales organization may require some customizations. Make sure that CPQ vendors understand your exact requirements and that they can scale up to meet them as your business grows.

Additionally, when integrating CPQ with Microsoft Dynamics, evaluate potential CPQ solutions on these factors: ease of setup, ease of use, ease of administration, and ongoing support. When choosing a CPQ, ensure the implementation will cause limited disruption to your sales team. A no-code solution is easiest to set up and seamlessly integrate with your Microsoft Dynamics CRM. You'll also want assurance that your CPQ vendor will be available for ongoing support during implementation and beyond. They should be able to customize the software for your use and help train your sales team to administer and use the CPQ.

DealHub CPQ Provides Actionable Insights to Improve Buyer Relationships

45
3
345
150%
This Month
Argon Systems
Displacement of current system



Armed with a better understanding of the power of CPQ to help your sales teams succeed, we encourage you to consider a solution that puts the power of data to work developing better relationships with buyers. DealHub CPQ is part of our Sales Engagement Platform that gathers insights on customer engagements and delivers real-time notifications of buyer interest in a browser-based activity stream. Sales reps gain visibility into buyer intent and stakeholder interest. These actionable insights help sales teams build deeper relationships with buyers and develop repeatable processes for success.

DealHub CPQ integrates perfectly with Microsoft Dynamics, not only in functionality but in our vision for the value that a CPQ offers for today's companies and their customers. Microsoft Dynamics CRM users enjoy our easy-to-use platform and elevated buyer experience. Every Price Quote is sent to buyers in a personalized, content-rich digital DealRoom. Having all sales collateral, such as videos, case studies, and sales decks centralized in one place aids stakeholders in decision-making. You will be adding value to the customer relationship while differentiating yourself from competitors.

The problems CPQ solves for Microsoft Dynamics 365 users (Video)

4 Challenges CPQ Solves for Microsoft Dynamics 365 for Sales
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Synonyms

- CPQ for Microsoft Dynamics 365 Sales

- CPQ for Microsoft Dynamics
- CPQ for Microsoft Dynamics CRM

People Also Ask

Does Dynamics 365 have CPQ?

Dynamics 365 for Sales doesn’t include CPQ functionality. However, Microsoft partners with CPQ solution providers to integrate their products with Dynamics 365. With CPQ integration, businesses can enable their salespeople to quickly identify the right product configurations for their customers’ needs and accurately create quotations and contracts with the right prices, considering all the variables, including discounts.

Why is CPQ important for Dynamics 365?

CPQ software is important for Dynamics 365 because it streamlines the process of creating quotes and proposals for customers. CPQ can help businesses close deals faster, improve customer satisfaction, and grow revenue by automating repetitive tasks and providing a centralized repository for pricing information.

In addition, CPQ can help businesses to maintain consistent pricing across multiple channels and geographies, and to manage pricing changes and discounts better. By automating the

What is the difference between CRM and CPQ?

There are a few key ways in which CRM and CPQ software differ. CRM software is used to manage customer relationships. This can include tasks such as keeping track of customer contact information, managing customer interactions, and tracking sales opportunities. CPQ software, on the other hand, is focused on automating the quoting and pricing process. This includes features such as configuring products and services to meet customer requirements, generating quotes based on those configurations, and managing discount and pricing rules. CRM software is typically used by sales and marketing teams, while CPQ software is mostly used by sales teams.