



6 KPIs to Measure CPQ Performance



Are you getting maximum value out of your configure, price, quote (CPQ) selling system? Here are the best KPIs to properly assess ROI and user adoption of your CPQ tool, regardless of your industry.

1 Percent of Quotes Created via the New Quoting Tool

This is the percentage of quotes generated through CPQ software versus those created manually.

If your CPQ solution does not match your business needs, your sales team may be switching to manual quoting for greater control and flexibility over product and price selection, even though manual is less efficient and less profitable.

To achieve a 90+% usage rate, your CPQ solution must consistently provide a positive user experience. High adoption rates come from building the right quotes with less effort: easier product navigation, target price availability, and precise configurations in simple to complex orders. Your CPQ should reflect your selling motions and customer expectations.

2 Elapsed Time to Respond to Customer

This is the number of business days from when a customer requests a quote to when they receive it.

Quicker responses to requests keep customers happy and make them less likely to look at competitors. The right CPQ solution enables your sales team to quickly create accurate and competitive quotes for your customers.

Typically, we have seen time reduction rates of 60-85% by using the right CPQ. For one of our customers, Manitou, this KPI went from 30 days to 1 day.

3 Revenue from Existing Customers

This is your total sales revenue per month from existing customers.

The easier it is to do business with you, the better the customer experience will be. This means less churn, more repeat sales, and increased revenue. This is a great indicator of the overall health of your relationship with your customer base.

This area tends to rise by about 2-5% with the right CPQ, but we've seen as much as a 20% increase for some PROS customers.

4 Price Realization Rate

This is the percentage of planned target increase in selling price that is actually realized. For example, if you planned a 5% increase in selling price, but only achieved 1%, this is a price realization rate of 20%.

The more accurate, targeted, and quick you are with your pricing, the better your price realization rate will be. Having an agile and controlled process means hitting your sales targets—or exceeding them.

We commonly begin working with price realization rates of 20% or lower. With the right CPQ, however, these rates often climb to 35-55%.

5 Time to Market for Price Changes

This is the percentage of quotes generated through CPQ software versus those created manually.

If your CPQ solution does not match your business needs, your sales team may be switching to manual quoting for greater control and flexibility over product and price selection, even though manual is less efficient and less profitable.

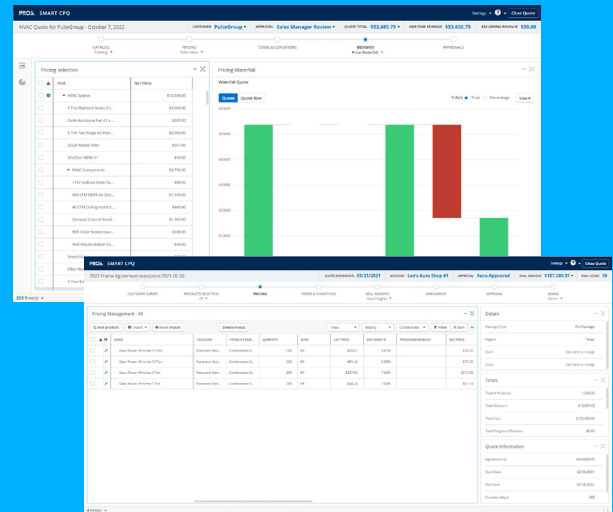
To achieve a 90+% usage rate, your CPQ solution must consistently provide a positive user experience. High adoption rates come from building the right quotes with less effort: easier product navigation, target price availability, and precise configurations in simple to complex orders. Your CPQ should reflect your selling motions and customer expectations.

6 Percent of Quotes with Errors

This is your percentage of quotes sent to customers with an error, for example outdated information, wrong product, wrong pricing, or typos vs. the total number of quotes issued.

A CPQ solution with rules and constraints ensures the end user selects compatible products to build viable complex solutions.

Often, a staggering 10-25% of quotes issued have at least one error. PROS customer, Manitou, eliminated configuration and pricing errors with the right CPQ solution.



Quote-to-win with PROS Smart Configure Price Quote

PROS Smart CPQ helps businesses maximize sales and engage customers by accelerating their selling workflows with AI-powered precision and insights. As a result, your customers get the most relevant, personalized offers in real time. Learn how PROS can help your business succeed in the dynamic world of digital commerce, where agility and precision are key to staying ahead of the competition.



**Scan to learn about
PROS Smart CPQ**

All customer results presented in this document are based on customer-approved testimonials and case studies conducted by PROS from 2020 to 2024. Individual results may vary. These testimonials and case studies are provided for informational purposes only and do not guarantee similar outcomes. For more information, please visit pros.com.