

THE COST OF POOR PRICING CHANGES

A SURVEY OF THE CHALLENGES SALESFORCE CUSTOMERS FACE WITH CHANGES TO PRICING AND PRODUCT INFORMATION

Propel conducted a survey with Salesforce CRM users to better understand how well companies are rolling out product updates to sales, marketing and channel partners. The survey found that manual and time-consuming processes for managing changes to price books, product data and configuration attributes significantly impact new product introductions, customer quotes and product margins.

REAL LIFE HORROR TALES

Companies experience major issues when they fail to quickly and accurately roll out updates to pricing, product catalogs or quotes.



\$1.6M

A clothing retailer wrote down \$1.6 million after the wrong prices were updated in their product catalog

\$400,000

A 1-month approval delay for a new communications product resulted in \$400,000 lost revenue

40%

Analysts estimate that 40% of customer quotes have incorrect prices or unsupported product configurations

SO-SO COMPANY PERFORMANCE



3.05 out of 5

Salesforce users that were surveyed felt their process for managing changes to pricing, product and CPQ (Configure Price Quote) information was *AVERAGE*, with an overall rating of 3.05 out of 5 stars. Factoring in typical user bias to higher reviews, the survey shows that companies have a lot of room for improvement with updating pricing and product information.

53% of survey respondents felt their processes for making product updates were “compliant,” but felt that it came with major tradeoffs. Slow and error-prone product updates could often result in new product delays, incorrect customer quotes, and lower product revenue.

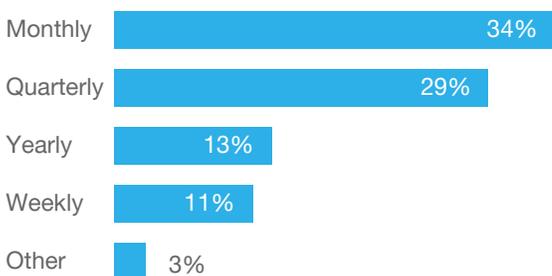
“HOW WOULD YOU DESCRIBE YOUR CHANGE PROCESS?”



A LARGE PROBLEM ...

Updating attributes for prices, products and CPQ is not a trivial task. Survey respondents reported that they were updating thousands of products several times a year. Considering that most respondents felt their change management was “average,” the survey shows that companies face substantial challenges with new product launches, compliance to SOX and other regulations, and incorrect prices and bundles.

FREQUENCY OF PRODUCT UPDATES



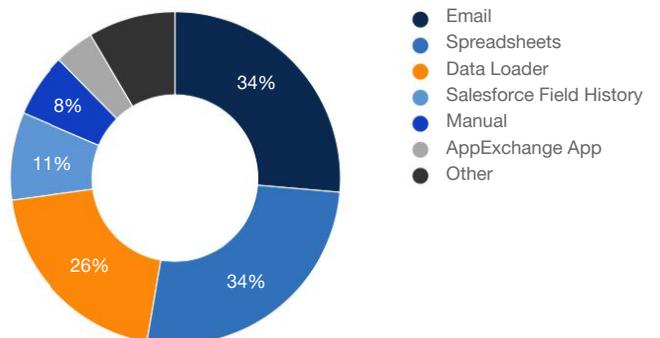
AVERAGE NUMBER OF ITEMS MANAGED IN SALESFORCE



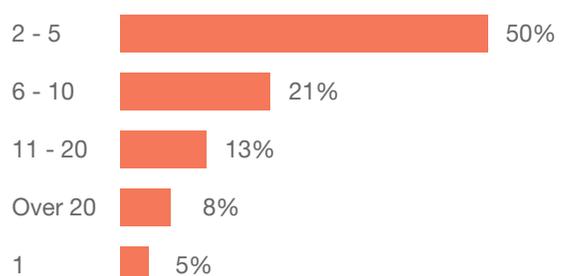
... WITH LIMITED RESOURCES

Despite having a sophisticated CRM system, most respondents relied on ad hoc tools to manage product changes. In addition, this task fell on just a handful of people. With manual tools and limited resources, companies face a substantial risk with quickly getting the right information out to the field.

MOST COMMON TOOLS



NUMBER OF PEOPLE INVOLVED



Propel helps companies redline any component of a Salesforce product catalog, route proposed changes for approval, and capture a complete history of changes. The end result? Faster new product launches, higher margins, more timely communication and easier compliance. Propel’s cloud software helps manage all types of changes to your products, including pricing, bills of materials, files and more. For more information, visit TrackMyPricebook.com.