



A Guide for ICT VARs: How to Choose the Right Quoting Solution

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Intro, What's in this guide?

This is an inclusive guide written for ICT reseller professionals who are involved both directly and indirectly in the pricing and quoting process of creating proposals.

In this guide, we'll touch upon the two different types of quoting solutions that are available in the market, and the inherent differences between them.

We'll then walk you through the critical features, functions and characteristics that VARs need in a quoting tool in order to guarantee the optimization of their pricing and quoting operations.

We'll complete the guide with a practical checklist that every ICT reseller can save and use as a quick reference to use during demo calls with quoting vendors.

What can ICT resellers gain from this guide?

As a VAR, the decision to shop around for an automation tool is an excellent step in the right direction.

It's not uncommon for VARs to choose solutions that do not provide the specific, unique functions needed, to solve the pitfalls and complexities involved in the ICT pricing and quoting process. This, unfortunately, can send VARs down a regret-ridden rabbit hole

This guide will give the ICT Reseller the information that is needed to make the right quoting-tool decision for the VAR's business; the tools to understand the differences, the questions to ask when shopping around and finally, a practical checklist to share with your teams, colleagues and fellow stakeholders.

What are the two types of quoting solutions commonly used by various industries, as well as ICT Resellers?

There are two types of software solutions that are inherently different. The quoting solutions available, all fall under one of these 2 categories:

- Horizontal Quoting Solutions
- Vertical Quoting Solutions.

Horizontal solutions are of a generic type. Vertical solutions are industry specific.

These solutions are not named horizontal or vertical because of a specific direction. They are very different business models with significant differences.

Generic Solutions vs Industry-Specific Solutions

What are the characteristics of generic solutions vs industry-specific solutions?

- **Generic, Horizontal Solutions**

are solutions that are generically designed, meant to serve non-specific businesses of non-specific industries. The objective of these software businesses is to sell to as many businesses of as many industries as possible.

An inherent characteristic of generic solutions is that they're not designed to cater to a specific cohort.

They often offer integrations and customizations, yet they're not designed to provide solutions to a specific niche/industry/cohort. Common generic solutions are Salesforce, Microsoft Office, Hubspot, AWS.

- **Industry Specific, Vertical Solutions**

are specific solutions designed for a specific niche, industry or cohort. The providers of vertical solutions are always focused on the specific industry they cater to.

Therefore, they have a profound understanding of the specific people and industry they cater to, have insights into the unique and specific challenges, requirements, work processes and end-goals of specific cohorts of users.

Vertical software vendors develop their solution to satisfy the precise needs of the users within the niche they serve.

Generic Solutions vs Industry-Specific Solutions

Horizontal Software Solutions (Referred to as generic solutions)

Designed for use across industries and businesses

Solve problems that are common to businesses of a variety of sizes and industries

Examples: CRMs, cloud storage services, email marketing tools

Vertical Software Solutions (Referred to as industry-specific solutions)

Designed to address the needs of a specific industry, a specific organization.

Specific technology that solves specific functions and problems of a specific industry.

Examples: Zillow, PIN Terminals, Banking

Horizontal Software Solutions vs Vertical Software Solutions

Why is it critical for ICT resellers professionals to understand the difference?

Understanding the difference of these two inherently different solutions, is critical to ICT VARs whose goal is to optimize their pricing and quoting process.

Quoting solutions come in both variations, horizontal and vertical. The questions VARs should ask themselves, is does this solution that I am considering, solve the key, unique obstacles that complicate the quoting process for VARs.

What are the unique business challenges that VARs of ICT face?

Competition

- Competitive Pricing while offering tiered pricing of packaged products and services vs competition
- Quick quote turn-around rate, quotes that are easy to approve

Configuration, Pricing and Quoting

- Quoting process is long, tedious
- Error riddled quotes, leading to dual processes and missed opportunities
- Reliant on subject matter expertise, who assist in the quoting process instead of performing higher value added work
- Limited visibility and traceability
- No formal, structured process

Maintaining Margins

- Finding the most profitable packages, products & services to quote
- Accurately hit margin forecast



ICT Reseller

Business Process Infrastructure

- Providing the sufficient tools
- Implementing sufficient processes

For achieving optimal deliverables: Quoting, Order fulfillment, Procurement, Customer service

There is a strong correlation between overcoming these challenges to creating a smoother path to achieving the business goals that many VARs have set for themselves.



Choosing the right quoting software for value-added resellers

The following table illustrates the differences and relevance of these differences, within the context of quoting as a VAR of ICT and how each type of solution solves, or does not solve, these quote-related

Generic Quoting Solutions vs ICT Industry Specific Quoting Solutions

	Generic CPQ Quoting Solutions	VS	CPQ Solutions for ICT VARs
Designed for who?	<p>Universal solutions, agnostic to the customers' industry. Designed to target to a mass audience.</p> <p>Non-specific for any segment of users, aren't thoroughly familiar with the in-depth challenges of specific industries' users.</p> <p>Typically serve CRM, payroll, email.</p>		<p>Designed to solve the unique needs & functions that are applied by specific responsibilities and needs of specific people to the ICT VAR's quoting process.</p> <p>For example: Sales Operations, Chief Revenue Officers, Quoting Managers, Chief Technical Officer, Marketing and the many stakeholders who are involved in the many actions and bits and pieces that are part of all stages of the proposal process.</p>
Product Configuration	<p>Product configuration is processed within the vendor's and or Disti's platform, due to the complexity of the configuration. Vendors and Distis then provide ICT VARs with configurations within the Bills of Materials (BoMs).</p> <p>Product selection and sometimes basic configurations are processed within this type of CPQ platform.</p> <p>In most cases, the generic CPQ solutions cannot smoothly integrate the complete and viable configuration of ICT products, the main challenge is maintaining complex hierarchies, preserving each item specifications.</p>		<p>Product configuration is processed within the vendor's platform, due to the complexity of the configuration. Vendors and Distis then provide ICT VARs with configurations within the Bills of Materials (BoMs).</p> <p>The VAR's quoting tool enables the user to automatically transfer the Bill of Materials (BoMs) to one quoting workspace, with a couple of clicks. The transfer of the configuration maintains the structural units and components of the configuration, maintaining all of the specifications and components of the complex hierarchies.</p>

	Generic CPQ Quoting Solutions	VS	CPQ Solutions for ICT VARs
Scalability	Limited with the amount of line items (products) that it can handle, as well as limited in ability to maintain the complex, multi-level product hierarchy as detailed above in the product configuration section.		Designed for easily handling tens of thousands of line items, 30,000+. Maintains the product hierarchy and the complex structure as mentioned above.
Customizations	<p>Generic quoting solutions offer customizations that are usually not industry-specific.</p> <p>Customizations can be very complex, lengthy and expensive. since the customizations are implemented by people who are not deeply familiar with the workflows of specific industries. e.g, unfamiliar with the high complexities of managing ICT projects.</p>		<p>These solutions offer customized solutions that are specific to the VAR's business and workflow.</p> <p>No matter how complex, workflows can be customized, simplified and automated. These implementations are usually easier since the vendors of these solutions are deeply familiar with the industries needs and workflow. Furthermore, the vendors and customers of ICT Industry quoting tools, speak the same language and jargon.</p> <p>This puts everyone on the same page immediately.</p> <p>These solutions offer integration with vendors and Distis such as: Cisco, Ingram Micro, TechData.</p>
Examples of providers of these solutions	<p>Most CPQ vendors serve multiple functions for multiple industries and niches:</p> <p>Banking, healthcare, retail, and others.</p>		<p>Serve multiple functions for one specific industry and niche:</p> <p>StrataVAR (quoting solution for value-added resellers of ICT).</p>

Understanding this fundamental difference, is crucial to understanding the quoting vendors' capability of providing a solution to the unique and complex challenges that VARs face in managing their quotes.

How can choosing an ICT industry specific quoting solution help in resolving these unique challenges?

The features and characteristics of the quoting solution for the ICT Industry offers many of the unique functions that enable automation and acceleration of the quoting process. It also provides a wholesome solution across the board, to these exceptional challenges of the VARs' business.

What are the quoting related challenges that VARs face?

- **Integration**

The complexities of creating quotes in the ICT reseller niche create difficulties in collecting the configurations that need to be quoted, and having one source of truth to rely on for quick processing.

Integrations with other tools, such as CRMs, vendors and Distis, is crucial for gaining one source of truth and helps automating the approval process.

The benefits of integrating all existing data eliminates the error prone operations of cross-checking data manually and also helps VARs maximize the potential of the tools they are currently using.

- **Scalability**

VARs typically quote millions of products, which means that one quote can incorporate tens of thousands of line items in a quote. The enormity of the number of products, along with the detailed data that goes into just one quote, creates a huge problem for VARs, since most quoting solutions aren't able to incorporate such vast, complex data. Creating quotes with tens of thousands of line items is a huge challenge since the generic solutions aren't typically able to incorporate such huge amounts of data. The suitable quoting solution for VARs, enables the incorporation of 30,000+ line items, as a given.

- **Multi-currency Quotes**

For VARs who sell globally, creating quotes from the vendors and/or Distri's bill of materials (or the VAR's currency) into their buyers' currency, is a challenge that's piled onto the rest of the challenges the VARs face. This creates several challenges, yet the most critical is maintaining the integrity of their sales margin and not suffering losses because of fluctuations in the exchange rates. Even slight fluctuations in exchange rates can bite into the VARs margins, not to mention the loss of profit, when deals can be in the hundreds of thousands to millions.

- **Complex product configuration**

A common and painful challenge is retaining the product configuration that's been done with an external tool, while transferring the product configuration data into a quoting tool, while creating the quote.

The adequate quoting tool for VARs, automates a smooth transfer of the product configurations done in external tools, into the quoting tool, without any disruption to the architecture of the configurations.

- **Complex quoting process**

A prolonged quote cycle comes with a price. Spending excess time on administrative tasks and processes, can and often will - cost the VAR deals.

Providing a timely, accurate quote can give a VARs a real advantage over the competition, yet it's a struggle for some VARs to provide a quick turnover. Lengthy quoting process also means that sales teams sell less to new customers, since they spend more time tracking down approvals.

- **What-if scenarios, multiple versions of each quote**

There are 2 dimensions to this challenge. First, the ability to create multiple pricing structures for the same configuration.

Second, providing the customer with numerous solution configuration options to choose from. This is a function that generic solutions offer, however they don't offer the rest of the features package that enable the user to quickly create multiple versions, the complex process becomes a non-issue.

- **Merging Bills of Materials from Multiple Vendors, Distis into one quote**

Most VARs face double or more, since many VARs partners with multiple distributors and vendors.

The functions we've mentioned above; scalability and Complex product configuration address this challenge. Creating quotes with tens of thousands of line items is a huge challenge since most solutions aren't able to incorporate the huge amount of data while also maintaining the architecture and integrity of the bills of materials (BoMs) when they're pulled into one quote.

- **Generating Renewal Quotes for Contracts & Subscriptions**

Having access and visibility into the contracts and subscriptions lifecycle, start date, end date, are extremely time consuming for many VARs.

Efficient management includes avoiding missing deadlines, easy contract and subscription status tracking, easy enablement of creating service bundles, managing and analyzing recurring contracts. These are extremely difficult to maintain without a tool that is designed around the unique management process that VARs face.

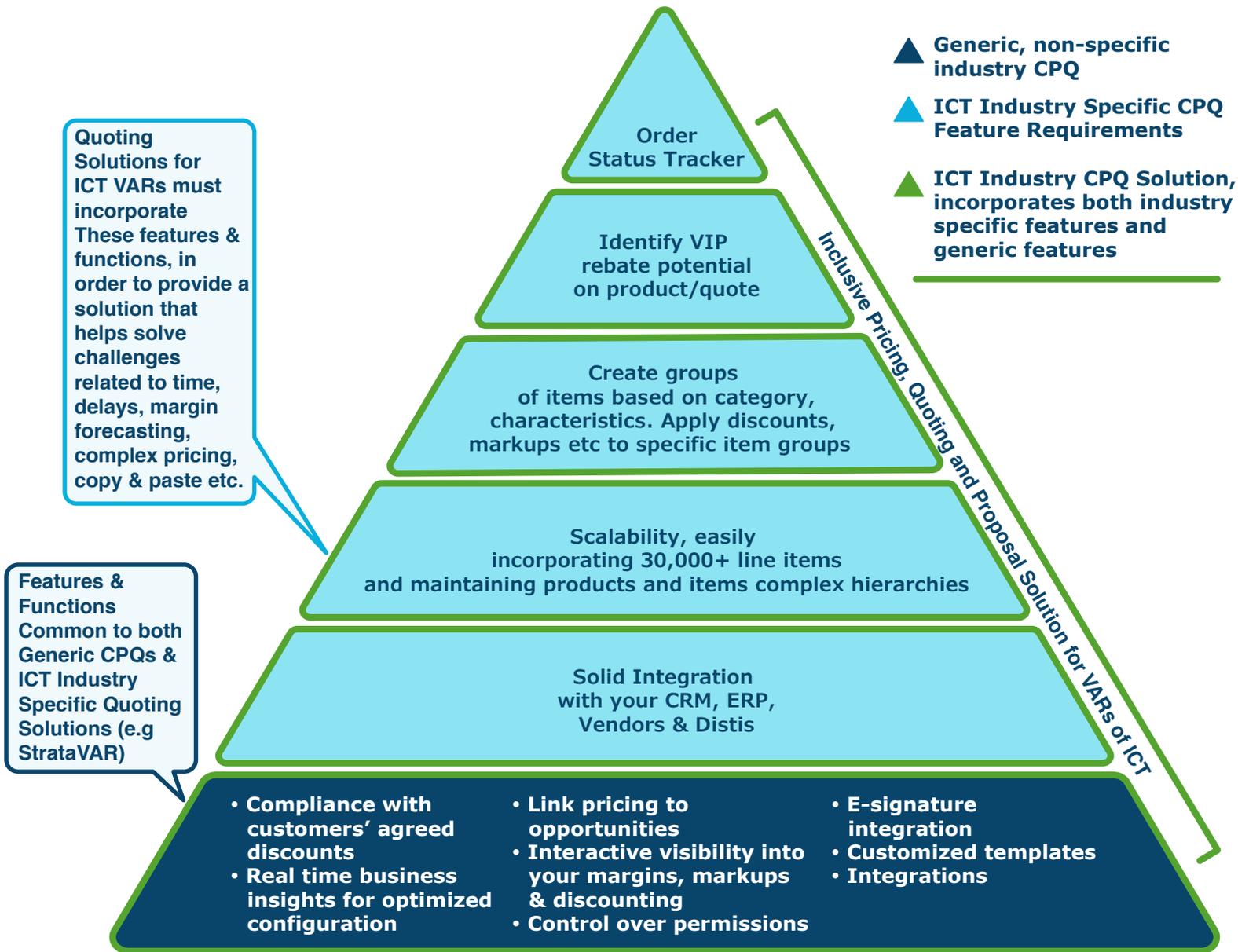
Integration with vendors such as Cisco, for example, enables the user to quickly retrieve data from CCW, CCW-R without having to copy & paste.

Connecting the ICT Value Added Reseller's Challenges to the Right Quoting Platform

Pointing out the specific challenges in processing quotes that are unique to ICT VARs, equips VARs with:

- ✓ A concrete checklist of questions to ask your quoting vendor during a demo
- ✓ Confidence that the chosen solution incorporates features and functions that resolve the time-consuming and resource-wasting obstacles that prevent VARs from achieving a quick quote turnaround rate
- ✓ The critical data you need, to avoid buying a solution that isn't familiar with the ICT industry's quoting challenges and doesn't inherently incorporate the capacity to provide a wholesome solution

Essential Features & Functions of a Quoting and Proposal Tool for ICT VARs



The CPQ Hierarchy for Value Added Resellers of ICT
(Maslow revisited)

The essential features for optimizing your quoting process as a VAR, are those that have been developed to directly solve the unique and specific challenges that we pointed out above.

The following checklist points out the unique features and functions that every VAR of ICT must have, as part of their quoting tool solution. As we've illustrated, many of the CPQ solutions in the market, don't solve the industry-specific quoting challenges.

They do include certain features that are helpful in solving some challenges, although they lack the top features needed, in order to create the perfect quoting solution package for VARs.

The ICT Resellers Checklist: The Must-Have Features In a CPQ Platform

- ❑ Out of the box, full integration with Vendors (e.g. Cisco) and Distis (e.g. TechData, Ingram Micro, Weston Comstor, others)
- ❑ Scalability to incorporate 30,000+ line items
- ❑ Unify BoMs of any format, complexity or currency, integrated into one quote
- ❑ Maintain the smooth integration of multiple bills of materials (BoMs), preserving the complex architecture of the data
- ❑ Easily create multiple versions of a quote for sales
- ❑ Ability to include in a quote, quantity based line items (such as hardware) alongside duration- based line items (Contract and Subscription)
- ❑ Multi-currency management, simple processing of bills of materials (BoMs) of various currencies, into one quote in currency of your choice, with API exchange rate integrated into the quoting platform
- ❑ Grouping items by category, site, vendor, deployment phase, for easy review and approval
- ❑ Evaluate with ease, contracts & subscriptions statuses, accessible for immediate assessment and processing
- ❑ Access catalog of items already used in the past to shorten future quoting
- ❑ Ensure quote compliance with your customers' agreed discounts
- ❑ Real time business insights for optimized pricing and configuration

- ❑ Link pricing to opportunities, ensuring the quick process of opportunities alongside the pricing terms when they come up
- ❑ Interactive visibility & accurate forecast of your margin, while you work on the quote; control discounting, markups
- ❑ Maintain control over which person has access to edit specific fields, restrict editing of fields of your choice
- ❑ Simple approval processing of your quote, enable all stakeholders a quick workflow
- ❑ e-Signature Integration for fast approval flow
- ❑ Customized, personalized, professional templated quotes for quick approval
- ❑ Have access to the VIP rebate percentage that's associated with each SKU at any outstanding opportunity so you can see the latest potential VIP rebates, while creating your quote. This will allow you to react quickly and close more deals
- ❑ Easily customizable to the logic and workflow of your business

These capabilities, on one quoting platform, creates an all-inclusive solution that resolves the challenges of quoting as a VAR of ICT. They can only be provided by an Industry specific quoting solution, designed uniquely for VARs of ICT.

Conclusion & Key Takeaways

Transforming the entire quoting process from time-consuming, complex, and error-prone - into a smooth task, designed specifically to help VARs reach these outcomes:

- Reduce the TTQ (Time to Quote) by 65%
- Eliminate quoting errors, lower the risk of manual processing
- Shorten the sales cycle
- Win more deals, and more customers by increasing the number of quotes you can process
- Enjoy an accurate forecast of margins, and no surprises
- Maximize your margins with intelligent pricing, visibility into partner rebates in real-time
- Minimize the order to approval time with easy workflows and e-Signature
- Automation, end-to-end
- Reduce the time you spend on processing a quote, by at least 65%

A personal note from StrataVAR's Team

At StrataVAR, we've seen just how investing in the right quoting solution can dramatically transform the VARs' business by turning all quote-related tasks and processes into a non-issue.

StrataVAR is an all-inclusive quoting platform & subscription and contract management platform.

It's also where VARs of ICT feel at home. We speak your language. We've developed our platform with the individual people in the VARs organizations who work on the quote, in mind. We serve dozens of happy ICT VAR customers.

Join us for a demo [here](#). We can't wait to meet you & your teams!