

HANDOUT

# Best Practises: Successful Quoting in B2B Manufacturing

How precision, speed, and an amazing customer experience are all key ingredients for creating successful quotes in the industrial business.



**Spryker**





In the B2B manufacturing world, quotes are king. In some companies, up to 90% of all business comes through quotes, so it goes without saying that if you're not at the top of your quoting game, your success is going to suffer. Therefore, an efficient quoting process should be a top priority for any industrial company.

#### **What are the best practices for successful quoting, you ask?**

- ✓ Precision - no sloppy mistakes,
- ✓ Speed - a slow turnaround means your competitors get a look-in, and
- ✓ An incredible customer experience - digitizing for a smooth, convenient process

In this blog post, we'll outline some of the challenges facing B2B manufacturing when it comes to successful quoting, and how to master the holy trinity described above.



## Where to take your intrapreneurial spirit from (identifying the problem)

Put simply, a sales quote is a price list of goods and services created by the seller in order to help the buyer make a purchase decision. A good (or bad) sales quote can literally make or break your business, so it's vital that when potential customers show interest, your team can supply a professional and accurate quote as quickly as possible.

In an industry like manufacturing where a large majority of business is still conducted through sales reps and

relationship building, your reputation as a company that can supply precise, fast, and convenient quotes is an essential part of your business success.

On the flip side, if your customers submit a Request for Quote/Proposal (RFQ/P) and it comes back littered with errors, takes several weeks, or involves a lot of manual input, you better believe that your customer is going to start looking elsewhere.

## What are the Quoting Challenges Facing B2B Manufacturers?

There are several hurdles in the industrial space that can get in the way of an efficient quoting process. Here, we outline just three of the most common.

- Lack of automation and digitization

Manually creating quotes and inputting data is time-consuming and costly, leading to longer waiting times for the customer and more room for human error.

- Approvals, processes & interactions on both sides

Managing multiple people on both the buying and selling sides who need to sign off on quotes or get them through the process can be difficult and messy to manage, often leading to delays or mistakes.

- Changing customer expectations

The Covid-19 pandemic changed a great deal in the world of business, and some might argue, no more so in the way that customer's expectations have changed - and not just in the B2C sphere. While your B2B buyers might have previously been happy to conduct business over the phone, increasingly, they expect a sleek, 'Amazon-like' user experience.

Now that we've got a better understanding of the status quo(ting) in B2B manufacturing, let's dive into those best practices.





## Best Practice #1: A+ Accuracy

Quoting precision is paramount if you want your B2B manufacturing business to be successful. Mistakes and errors look unprofessional and will ultimately harm your reputation, and future sales potential, so make sure you have water-tight accuracy on all your quotes.

Be careful of overpromising or overestimating your capabilities, as that will only lead to unhappy customers in the long run. Instead, carefully consider every element that impacts the cost of your product or service, including logistics, labor, packing, etc.

Costing errors can come from multiple sources, such as the raw material costs, or unclear bid specifications. Ensure that you're not relying on historical pricing data but always getting the most up-to-date figures. Most importantly, ensure that the RFQ is absolutely clear and there

are no ambiguous specs. It's better to go back and clarify with the customer than to submit a quote with errors.

Never forget about taxes and VAT on your invoices, especially if you work globally where laws might differ from region to region.

All of this is often easier said than done, especially if you're still doing the majority of the work manually.

In order to achieve A+ accuracy, automation is your friend. By digitizing quotation management and the order management process, your business will be able to benefit from automated quotes that do most of the heavy lifting for you. Using technology to generate price lists will also reduce the impact of human error, and improve your accuracy overall.



## Best Practice #2: Up to Speed

Your profit margins are impacted heavily by your time-to-quote. There are many factors that can speed up (or slow down) an RFQ, from seeking input from multiple stakeholders to customer requests for discounts or changes. The more hurdles you need to pass to get the final quote in your customer's hand, the longer the sales cycle, and the higher the probability of them going to a competitor.

A [McKinsey](#) study reported that **a slow response time is B2B Buyers' biggest complaint**. This highlights that speedy service is one of the best ways your business can differentiate from the competition.

Buyers interpret a quick and efficient quoting process as an indication of the quality of service they will receive once they sign on the dotted line, illustrating how vital an efficient quoting process is. Slow response times will

not only hurt current deals but also negatively impact future business.

One of the most effective ways of reducing time-to-quote is automating the approval processes. As previously mentioned, the various levels and individuals involved with approval on both the buying and selling sides can act as a giant hurdle for B2B manufacturers. Technology that integrates workflows into quote approval can help to solve this.

Each individual that is required to give approval can be assigned a particular role and permissions within the system, and give the sign-off with a click of a button. This is going to significantly streamline the approval process, save time, and give your customers the impression that you are an efficient, professional business.



## Best Practice #3: Killer Customer Experience

The importance of customer experience is often underestimated, especially in the B2B world. With buyers across industries now expecting sleek, convenient, and quick experiences, it's never been more important for manufacturing businesses to consider how they are adapting to an increasingly digital-first environment.

Part of that is enabling customers to get in the driving seat and make their own decisions. [Gartner](#) illustrates how important it is for B2B organizations to deliver a seller-assisted digital buyer experience if they want to succeed - especially as 43% of B2B customers prefer not to interact with a sales rep at all.

In order to create a killer customer experience when requesting quotes, manufacturers should consider how digitizing will make an impact. With a quote management system, customers can track the process of the quote, request changes, speed up approvals, and communicate easily with the seller.

All of the above contributes to a more convenient and streamlined customer experience, which in turn is going to more likely lead to repeat business or referrals down the line.



## Successful Quoting in B2B Manufacturing: The Bottom Line

You might have noticed a common theme throughout these quoting best practices - that they can all be achieved much more efficiently by **leveraging technology** with a quotation offer or offer management system as part of a **digital commerce platform**.

A study reported by Supply Chain Quarterly highlighted that 90% of B2B buyers would turn to a competitor if a supplier's digital channel couldn't keep up with their needs.

While there are certainly ways to ensure accuracy, generate a fast time-to-quote, and offer exemplary customer service without digitizing, it's becoming harder and harder to achieve. Today's buyers are only getting younger, and they expect a state-of-the-art digital experience, whether they're buying DNA sequencing machines or tonight's take-out.



To learn more about exactly what you might face in the process of digitization, check out our handout on the **Benefits of Digital Quoting** in B2B manufacturing.





## About Spryker

Spryker Systems GmbH is a privately held technology company headquartered in Berlin, Germany and New York, USA. Founded in 2014, Spryker enables companies to build sophisticated transactional business models in unified commerce including B2B, B2C, and Enterprise Marketplaces. Spryker is the most modern, fully composable platform-as-a-service (PaaS) solution with headless & API-based architecture that is cloud and enterprise-ready and loved by developers and business users worldwide. Spryker customers extend their sales reach and grow revenue with a system that allows them to increase operational efficiency, lower the total cost of ownership, expand to new markets and business models faster than ever before: Spryker solutions have empowered 150+ companies to manage transactions in more than 200 countries worldwide and is trusted by brands such as Aldi, Siemens, Hilti, and Ricoh. Gartner® recognized Spryker as a Visionary in the 2021 Magic Quadrant™ for Digital Commerce, just one year after it first appeared (2020), and has also been named as a major player in B2B e-Commerce by IDC. Finally, it is the only commerce platform to provide full B2B, B2C, D2C, and Marketplace capabilities out of one stack. Find out more at [spryker.com](https://spryker.com)



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