

# MGI 360 Ratings™

## The CPQ Top 25: Buyer's Guide



DECEMBER 10, 2024



# MGI 360 RATINGS™

## MARKET RATING REPORT (MRR)

### The Configure Price Quote (CPQ) Top 25 Buyer's Guide

MGI  
Research

Dec 10, 2024

## Executive Summary

Approximately 50% of first-time Configure Price Quote (CPQ) software buyers experience implementation time and cost overruns due to poor preparation, lack of data integrity, and **making the wrong vendor choice**.

The CPQ Top 25 Buyer's Guide aims to help CPQ software selection and negotiation teams (e.g., Chief Revenue Officers, Heads of Sales Ops, CFOs, CIOs, and IT teams) make better, more effective, and more efficient CPQ software decisions. Whether evaluating a new set of potential CPQ suppliers or reassessing an existing relationship, this guide contains essential elements to understand the capability range and benefits of modern CPQ solutions.

This Buyer's Guide highlights current and future CPQ market dynamics and provides analysis and MGI 360 Ratings™ of the 25 most consequential vendors in this space. This report also includes four MGI MarketLens™ charts: a set of proprietary lenses highlighting how solutions compare in terms of their agility, ability to handle business complexity, and support for volume, go-to-market strength, and solution strength. The MGI MarketLens helps buyers construct a shortlist of potential suppliers, compare an existing CPQ implementation with potential alternatives, and understand the relative strengths and weaknesses of solutions; it also gives vendors a tool for benchmarking their performance in these key areas.

## CPQ Vendors Under Coverage

The CPQ Top 25 Buyer's Guide provides ratings and analysis of the 25 most significant suppliers of CPQ solutions. It includes MGI 360 Ratings™ of 15 suppliers and analysis of 10 honorable mention vendors. According to MGI Research, these are the most significant solutions and suppliers in the market today. Only the top vendors are included in this report. MGI 360 Ratings are calculated via a rigorous quantitative rating (scored 0-100). MGI 360 Rated™ suppliers are also given a letter grade based on quartile rating results, as well as a qualitative analyst outlook (positive, neutral, or negative). The 15 vendors receiving full 360 Ratings, letter grades, and analyst outlooks are: CloudSense, Conga, DealHub, Epicor, Experlogix, Logik.io, Oracle, PROS, Revalize, Salesforce, SAP, servicePath, Tacton, Workday, and Zuora. The 10 suppliers receiving honorable mention, but not rated for this report, are: Cincom, Expedite Commerce, Infor, Oracle NetSuite, Pricefx, Salesbricks, Subskrbe, Veloce, Vendavo, and Zilliant. MGI Research tracks approximately 30 more vendors in this space and reserves the right to publish ratings and analyses on select vendors as deemed worthy and appropriate.



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## Introduction

Configure Price Quote (CPQ) software solutions promise to uplevel sales motions and enable mass product customization at scale. When deployed successfully, CPQ tools deliver a host of very real business benefits and are among the most compelling business application software investments a company can make. But the way software products are bought and sold is changing rapidly. To remain competitive, sellers must meet and exceed rising buyer expectations. This typically entails delivery of a frictionless, automated buying process that provides the buyer with agency, offers a differentiated solution, and is priced to win. The good news: the market for CPQ solutions is deep – there is a tool for nearly every type of requirement, and impressive innovation is taking place. The bad news: CPQ is a highly fragmented market, and the risk of making the wrong choice is high.

### Today's Sales Challenges

Sellers today are faced with multiple, often conflicting, business challenges. First, prospects and customers don't necessarily want to talk to sellers, even in complex B2B scenarios. Survey data indicate that nearly 50% of buyers never want to interact with a salesperson. Second, in commodity markets that lack clear product differentiation, the sales process and its attributes – like speed, convenience, transparency, flexibility – are the only ways to differentiate a brand and can spell the difference between leading the market or struggling to survive. Third, sales talent is difficult to attract and retain; most companies have sales teams made up of largely average sales performers.

To address these challenges, sellers need a tool to automate the sale of custom offers and product/service configurations at scale. In fiercely competitive markets where winning and retaining accounts is a battle, organizations need to be confident that promises can be produced, delivered, and implemented on time, as specified, and at or above the buyer's expectations. This starts by giving the sales organization, including channel partners, a modern set of tools to improve the performance of the average salesperson. The only way to manage increasingly complex product, services, and pricing configurations is via intelligent automation, and delivering a custom, differentiated customer experience is quickly becoming table stakes. In slow-growth markets, revenue growth comes from existing customers. And earning the right to sell more into the existing customer base requires a delightful – or at least frictionless – buying experience.

### Key Issues for CPQ

- What is the business case for CPQ?
- What are the emerging CPQ requirements?
- What are the best practices for improving the automation of configure, price, quote tools?
- What is the role of CPQ in an Agile Monetization Platform and an organization's ability to monetize?
- What is driving demand for CPQ solutions?
- What are the best practices for selecting a CPQ tools vendor and achieving implementation success?
- How is the market for CPQ evolving?
- How will AI impact CPQ solutions?
- Which suppliers will emerge as the leaders in CPQ?



In the B2B context, providing channel partners (resellers, distributors, solution partners) with the ability to price, package, service, and finance solutions how they see fit (i.e., to create differentiated experiences) is the objective. It also means ensuring a consistent, predictable, high-quality order fulfillment journey – managing lead times and providing customers with information along the way to manage expectations and ensure on-time, as-promised order fulfillment.

Talent supply is also adding friction to the buying and selling process. Employee turnover is over 30% in many industries. Finding competent sales talent requires time and resource. And once talent is onboarded, time and investment are required to make new sellers productive. By definition, market leaders have lower involuntary employee churn, longer-tenured sales organizations, and higher customer satisfaction. This can be achieved, in part, by 1) providing the sales organization with productivity tools that increase the effectiveness of new hires, and 2) automating the tasks that distract sales teams from actually selling, thus increasing the overall sales capacity. The sales team that can quote faster has more time to sell. Shortening sales cycles also lowers the risk of an individual on the buyer's side leaving before the deal is closed. **Time kills deals.**

## What is CPQ?

Configure Price Quote is a software discipline that enables companies to automate complex sales processes. It is typically packaged as a mini-suite of related capabilities enabling precise product configuration, accurate pricing, and rapid quote presentation across all types of channels – direct, indirect, partner/reseller, self-service, guided e-commerce, and OEMs. A very basic example of CPQ capability is checking prerequisites and anti-requisites for an offering, e.g., if someone signs up for a cable service subscription, delivery of the service requires a cable box.

CPQ solutions promise a smooth end-to-end customer experience, reduced friction in the sales process, and improved precision and accuracy of product combinations, pricing, terms, and conditions. When properly implemented, CPQ reduces the possibility of quote rejection due to human error. It makes the sales channel smarter and faster, and makes the sales process and downstream outcomes more predictable.

CPQ allows mass customization of relatively complex product lineups, enabling channels to sell complex products at scale. This applies to a broad range of product types – from digital subscriptions and financial services to cars and wind turbines. CPQ has applications in a broad spectrum of industries and business models across a range of stages of maturity: B2B and B2C, physical, digital, and hybrid combinations of goods and services, across myriad channel combinations.

The market for CPQ solutions is highly fragmented. MGI Research has identified over 250 providers of CPQ software and actively tracks more than 50. This Buyer's Guide is focused on the most important providers of CPQ software in the market today. It is exhaustive in terms of its analysis of the vendors covered, but it does not attempt to analyze every single provider. Further, this report intentionally does not go into depth on the pricing-first solutions. Several are



covered in the Honorable Mention section (pp. 41-47), and a small number of MGI 360 Rated™ vendors have robust pricing capabilities in addition to their quoting and configuration functionality.

All vendors rated in this Buyer's Guide received a **neutral analyst outlook**. CPQ solutions are still in relatively early stages of product maturity evolution. Despite a nearly 50-year history, the CPQ market lacks a proven implementation methodology, beyond simple configuration of a CPQ software component, that touches key business processes for pricing, product catalog, and quoting best practices.

To understand this market, buyers must consider the specific CPQ application(s) their organization requires – does the use case call for a highly-agile, mass-market solution? Or do their specifications and use cases necessitate a vertically-oriented solution that requires highly skilled implementation and administration resources? **CPQ is not a single market, but three distinct submarkets: C, P, and Q.** MGI Research will publish an in-depth analysis of pricing-focused solutions in 2025.

**CONFIGURE:** At the core of CPQ is the configuration capability – the ability to check if order components fit with one other, fit against the installed product base, and can work within constraints of cost, time, availability, export regimes, manufacturing plans, and more. As one might expect, product configurators first gained traction in industries with highly complex product configurations – e.g., manufacturing and insurance. Nearly every industry has since increased in product complexity and most attempt to create custom solutions for each customer. As a result, demand for configurators has grown significantly.

**PRICE:** The Price element of CPQ is often thought of as Price Optimization. But in MGI's view, this component supports several functions, including but not limited to accuracy, margin enhancement, revenue management, demand sensing, and price optimization. Just getting an accurate set of price books and ensuring that prices are consistently based on policies and established rules and contracts is a huge step forward for most companies. This reduces custom, one-off deals, reduces unnecessary discounting, and prevents revenue leakage. **Getting pricing right can help companies improve revenues from 3% to 7%.** Consistent margin improvement positively impacts shareholder value. Price optimization has real applications for commodity industries and products, and it is a gamechanger when executed correctly. The key is: 1) identifying a solution with capabilities that match the use case, and 2) the relative quality of the data on hand. Price optimization promises and expectations don't always match with the initial results at the time of go-live. It is crucial to square expectations with reality and recognize that price optimization is a continuous process.

**QUOTE:** Quoting solutions aim to transform the quality and speed of the quotation process – namely, capturing the elements a customer needs to make a decision and presenting them in a way that makes it easy to say yes. Today's state of the art has progressed far beyond the concept of a paper quote and now includes interactive, clickable, and trackable quotes with embedded data analytics, visual quote representations, animations, and quote portals. There is significant opportunity for creativity and innovations to come.



Beyond breaking CPQ into its component letters, MGI has identified three major CPQ product groups:

1. **Mass-market, horizontal CPQ solutions:** These have relatively rapid deployments that can be done with in-house or outsourced talent. They provide basic CPQ capability with high agility for deployment and change management, good user ergonomics, and have moderate costs that enable broad adoption. These tools are typically average across all three CPQ dimensions and undistinguished in any single area. They handle basic product bundling, guided selling, upsells, cross-sells, and more. Although they are low-functionality, they offer very high benefit. Being easy to use, they are quick to implement and will deliver consistent ROI.
2. **Capability-focused CPQ solutions:** These have average-to-above-average capability in at least one or two CPQ dimensions, and often have particular strength in a single dimension. This class of CPQ products can manage complex dependencies and pricing combinations, and may even have vertical-specific product features and domain expertise.
3. **Vertical, industry-focused CPQ solutions:** These solutions have deep product capability in one – maybe two – CPQ dimensions. They are typically purpose-built for specific verticals, e.g., commercial building products, pharmaceuticals, aerospace and defense, or automotive.

CPQ tools have become a necessity for companies of all sizes. They are no longer specialized configurators for the most complex manufacturers or exceptionally large sales organizations. To win the business of today's fickle, often overserved customers, companies need CPQ tools to differentiate their offers, increase the efficiency and efficacy of their sales channels, and grow margins while retaining existing customers. With a plethora of CPQ tools in the market, buyers are overwhelmed by choice. But these are often false choices, as not all CPQ tools are alike or even serve the same types of use cases. Deeper analysis and understanding of the relative strengths and weaknesses of each supplier is critical.

## CPQ Top 25 – Why These Companies?

This report focuses on the top 25 vendors in CPQ and provides comprehensive MGI 360 Ratings™ on the top 15. These vendors are among the most consequential CPQ suppliers in the market and merit the attention of buyers, partners, and investors. The MGI 360 Rating methodology is quantitative in nature with a tough, nonlinear grading scale (see **Appendix D** for more detail). Any vendor among the 15 rated suppliers is, in our view, important and impactful, regardless of the absolute score. The 10 companies receiving honorable mention also merit user attention and may or may not receive full 360 Ratings in future evaluation cycles. The criteria for inclusion include one or more of the following:

- **Market visibility:** The company meets one or more of the following characteristics: above-average growth, often included in longlists and shortlists of buyer evaluations, large installed base, and/or most MGI clients express interest in the company or mention them in analyst calls.
- **Innovation:** The product has unique capabilities and the potential to disrupt the market – buyers should be aware of this product/company, even if it is not a fit for them today.



- **Solution strength:** Breadth and depth of solution, support for various business models and use cases, and the supplier's ability to help customers implement and gain value from the solution.
- **Demonstrated success:** Most, but not all, vendors covered are able to provide MGI with reference customers and partners to interview. Independent of the provision (or lack thereof) of vendor references, MGI conducts its own interviews and field research on customers, partners, and investors.

There are hundreds of CPQ software providers offering products that range from basic sales quoting tools to highly sophisticated product configurators and AI-driven price optimization engines. Vendors are not excluded uniquely based on size (e.g., revenue or customer count below any threshold) or willingness to participate in the research process.

Inclusion in the CPQ Top 25 Buyer's Guide does not represent an endorsement or an outright recommendation to purchase a product. Conversely, exclusion of a supplier from this report is not a recommendation to exempt it from consideration. Organizations should evaluate potential suppliers both on merit and with consideration to its fit for their specific use case. Buyers should refer to Ideal Customer Profile (ICP) Notes™ and MGI MarketLens™ charts for help determining a shortlist of suppliers to evaluate.

## How to Use This Report

This report is intended to help organizations understand the business case for CPQ solutions and make more informed, cost-effective, and lower-risk decisions when it comes to evaluating suppliers and aligning business requirements with market offerings. It outlines evaluation criteria, how to justify making a new or upgraded investment in CPQ, what it takes to make a CPQ implementation successful, and analysis of the relative strengths and weaknesses of the top 25 CPQ suppliers. The research contained in this report is not a replacement for a full due diligence effort. By utilizing this Buyer's Guide, organizations can dramatically cut the time and investment needed to evaluate, source, and implement CPQ solutions.

The report utilizes structured research constructs and attributes, namely MGI 360 Ratings™ and MGI MarketLens™ charts. This helps buyers understand where each solution fits in terms of its applicability by use case, company/project size, and ability to serve the needs of a given buyer. MarketLens charts map various strengths and capabilities among leading CPQ vendors to help organizations narrow their selection to suppliers with the most expertise in a specific use case. Four types of MarketLens charts are included in this report:

- **Go-to-Market Strength vs. Solution Strength:** How does a supplier's functional breadth and depth compare to its ability to successfully bring the product to market, scale up its adoption, and grow the customer base?
- **Agility vs. Complexity:** How does a CPQ product's agility compare to its ability to handle complex quoting, configurations, and pricing scenarios?
- **Agility vs. Volume:** How does a CPQ product's agility compare to its ability to handle large volumes of quotes?
- **Complexity vs. Volume:** How does a CPQ product's ability to handle complex scenarios compare to its ability to handle high quoting volumes?



## About MGI 360 Ratings™

MGI 360 Ratings™ are the result of a comprehensive structured system for evaluating technology companies. The MGI 360 scores reflect analyst opinions based on a scale from 0 to 100, combined with an analyst outlook (Positive, Negative, or Neutral), across five key pillar scores:

- **PRODUCT:** How strong is the product's competitive position?
- **MANAGEMENT:** How competent and experienced is the management team?
- **CHANNELS:** Does the company have the sales capability and channels needed to bring products to market?
- **STRATEGY:** Does the company have a realistic view of the opportunity and a compelling strategy for success?
- **FINANCE:** Is the company growing and profitable?

Each of the five equally weighted pillar scores ranges from 0 to 20 points. Each pillar score is subdivided into numerous sub-categories – in total, over 150 criteria are combined to generate a single MGI 360 Rating. MGI analysts emphasize that the MGI 360 scale is very demanding; companies need to be exceptional in every aspect of their business to command higher scores.

MGI Research assigns a letter grade of **A**, **B+**, **B**, or **B-** to all 360 Rated suppliers. Letter grades are assigned by dividing the 15 overall 360 Rating scores into four quartiles. The top-performing quartile receives an **A** grade, the second-highest rated quartile receives a **B+**, the third quartile receives a **B**, and the lowest-rated quartile of CPQ suppliers receives a **B-**.

**SPEAK TO AN ANALYST:** Organizations looking for additional support in crafting an evaluation strategy and conducting an independent assessment of potential suppliers should contact MGI Research at [info@mgiresearch.com](mailto:info@mgiresearch.com).

More information about MGI 360 Ratings™ is available in **Appendix D**.



Fig. 1 – MGI 360 Ratings are composed of five pillars.

	Conga	Oracle	Salesforce	SAP
<b>A</b>				
<b>B+</b>	PROS	Tacton	Workday	
<b>B</b>	Epicor	Experlogix	servicePath	Zuora
<b>B-</b>	CloudSense	DealHub	Logik.io	Revalize
Honorable Mention	<ul style="list-style-type: none"> <li>• Cincom</li> <li>• Expedite Commerce</li> <li>• Infor</li> <li>• Oracle NetSuite</li> </ul>	<ul style="list-style-type: none"> <li>• Pricefx</li> <li>• Salesbricks</li> <li>• Subskribre</li> </ul>	<ul style="list-style-type: none"> <li>• Veloce</li> <li>• Vendavo</li> <li>• Zilliant</li> </ul>	

Fig. 2 – Rated suppliers are assigned letter grades by quartile



## CPQ Solution Selection Strategies & Best Practices

Consider CPQ in its piece parts – there is no single vendor that excels equally at C, P, and Q. The market for CPQ solutions is highly fragmented, and suppliers typically are strong in only one or one and a half of “CPQ.” The market can be further distilled into segments based on agility, complexity, and volumes. Highly agile, easy to implement and maintain CPQ tools are gaining widespread adoption among small companies and within businesses that have very modest-to-low product configuration complexity. Several startups are focused on providing mass-market CPQ solutions focused on sellers of digital goods who need basic product pricing, bundling, guided selling, and integration with a contract repository. As complexity and volumes grow, these low-end tools struggle to keep pace. Conversely, sophisticated product configurators or price optimization tools are best suited for buyers with high product and pricing complexity.

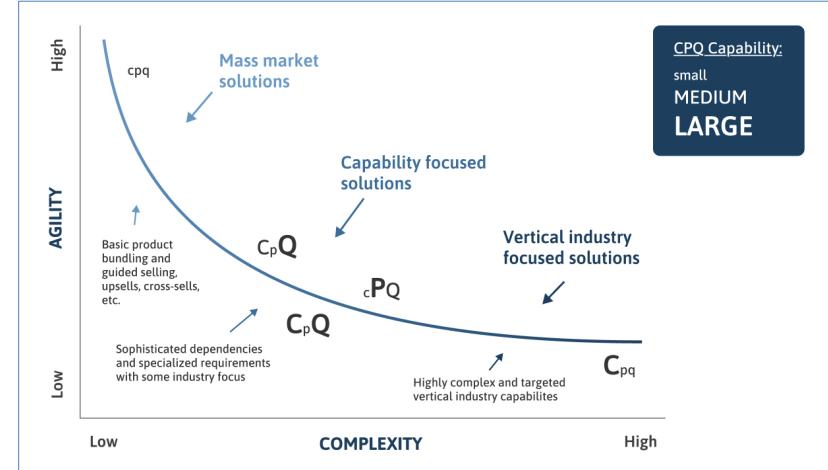


Fig. 3 – The CPQ Market Landscape

**Match suppliers' ideal use case with yours.** Given the diversity of solutions and the domain expertise of the suppliers, it is critical to identify suppliers whose ideal use cases and experience are a match with yours. Some solutions/vendors excel at services CPQ (e.g., Workday), while others are a fit for manufacturing companies. A solution like Salesforce is ideally suited for broad, simple quoting needs. On the other hand, highly agile quoting solutions (e.g., DealHub, Subskrib, Veloce, Salesbricks, et al.) are appropriate for smaller organizations in need of a lightweight solution that can be implemented and managed without external resources or specialized technical skills. Each supplier brings domain expertise from their respective area of strength. Buyers should not expect the supplier to add value beyond their core – e.g., a manufacturing-oriented configurator vendor may be unlikely to bring value-add in price optimization. Implementation and consulting firms should be viewed through a similar lens. If the buyer is a young, inexperienced sales organization looking for quote automation and upselling/cross-selling capabilities, with a relatively small product catalog and modest business complexity, their best fit is most likely a mass-market, high-agility CPQ product. Conversely, a buyer looking to minimize discounting, put more guardrails around one-off sales deals, and inject margin uplifts in deals should shortlist suppliers with domain expertise in price optimization.

**Caveat Emptor.** If vendors are unable to articulate their ideal use case or make broad claims about serving the needs of very simple to extremely complex businesses, buyers need to conduct deep due diligence before engaging or risk making a costly mistake.

**A surge of innovation is taking place – take advantage.** The past 24 months have witnessed significant innovation in the CPQ market. Vendors like Subskrib, Logik.io, and DealHub (among others) are bringing fresh ideas and a broader vision for integrated capabilities across the quote-to-cash process functional



approaches (e.g., headless, API-first solutions and tighter integration with quoting, contracts, billing, and revenue recognition). Buyers should engage with these innovators, even if the startup's ability to service the buyer is in question. Sales, operations, and finance teams can learn a lot – and bring new ideas into their organizations – by understanding the state of the art in terms of innovation. Buyers can apply these concepts and improve their overall sales and customer experience processes.

**A lack of current, strong references is a yellow flag.** CPQ products and vendors with good customer relationships can provide references on demand. Solutions that are incomplete, oversold, or lack strong implementation methodologies are unable to produce references in a timely manner. Vendors unwilling to provide references at any point in the evaluation or implementation should be considered suspect.

**A healthy supplier relationship is vital.** Not only in negotiating price but, more importantly, when negotiating functional requests, buyers should be wary of pushing suppliers too far. In the case of price, “free” implementations or heavily discounted fees can impact the ability of a supplier to invest in R&D (and can even impact the supplier’s ability to raise investment capital). Clearly, for established software vendors, this is not necessarily the case. Particularly when it comes to requesting functional enhancements, buyers should be realistic about requests. Some enhancements may be capabilities that every customer will need. Others may be one-offs unique to the buyer – and will end up costing both the buyer and the supplier dearly as time goes by. A healthy supplier community is in everyone’s best interest.

## CPQ Success vs. Failure

**“Vendors say ‘CPQ.’ Users hear ‘root canal.’” – CEO of a leading CPQ vendor**

CPQ projects have an above-average failure rate. MGI field research indicates that well over 50% of Salesforce CPQ customers experienced implementation time and cost overruns. This is due to a) lack of preparedness, b) wrong vendor selection, c) lack of a well-defined business process and implementation black book, and d) mismanaged implementations that fail to invest adequately in data cleanup, change management, or ongoing system admin.

**Flag project problems early.** Surprisingly many users blame themselves, rather than the solution, when projects encounter time and cost overruns. When an implementation project status goes from green to yellow, it’s time to reassess the situation. If a product is the wrong fit, it may be time to validate the vendor’s claims and double-check to see if the product can handle the requisite use cases, volumes, and complexity – without considerable customization. All too often, buyers double down and end up writing custom scripts and code when the vendor and/or systems integrator tell the customer it’s their fault the CPQ system can’t handle their “unique” requirements. While this is true in some cases, it is also true that some vendors will shift problems associated with their product’s shortcomings onto the buyer. If a project encounters unexpected product customization



work, it may be time to bring in an independent expert to assess the situation. Course corrections early in a CPQ project, while unpleasant, often avoid major disappointments that are both expensive and damaging to the business.

**Clean up data and price books.** Every day of data cleansing can result in two to three days' reduction in implementation time. More importantly, it increases the probability of project success. When describing CPQ implementation delays and cost overruns, customers cite dirty data, SKU sprawl, and lack of data and pricing governance as the primary causes. Investing time and resources in a detailed vendor evaluation process can save millions, literally. Sharply defining use cases and identifying the appropriate suppliers are invaluable exercises. Across dozens of reference calls, users frequently blamed their own organizations for misfit solutions and cost and time overruns.

**Vendor review sites can be dangerous and misleading.** Customer feedback can be very mixed – even for a single vendor. User success with CPQ is a function of aligning specific use cases to the appropriate solution. When customer requirements are a fit for a given CPQ tool and users invest in implementation and ongoing operational success, feedback on the vendor and product tend to be very strong. Conversely, users who selected the wrong tool in the first place and who failed to adequately resource the implementation and ongoing administration describe a highly disappointing customer experience. Review sites may be free or inexpensive. The damage they can cause in a CPQ project is anything but inexpensive.

## Key Market Trends

CPQ receives continuous investment from institutional funds and strategic buyers. Not only are early-stage startups attracting capital, some of the more mature and captive products within mega-vendors are inspiring renewed attention. The total addressable market (TAM) for CPQ is large and growing, and the core business problems being addressed are massive.

**Consolidation and changes in ownership:** Revalize has emerged as a major consolidator of niche and legacy CPQ products and is among the handful of vendors now in the hands of private equity ownership. The attention of private equity investors on the CPQ space is a positive indicator of a) the size of the overall opportunity, and b) the reality that many older CPQ vendors could benefit from an infusion of upgraded, fresh talent and investment capital. MGI expects more CPQ vendors will change hands in the next 12 months, as slower-moving and smaller suppliers attach themselves to more vibrant AMP vendors with productive sales channels and the ability to bring innovation to market faster.

**Price optimization increasingly looks like a distinct market:** This report specifically focuses on the C and Q parts of the CPQ market. Price optimization, with a distinct group of suppliers and specialized consultancies, appears more and more as a separate market with a value proposition and capabilities of its own.



**CPQ is heading towards AMP:** A growing number of CPQ vendors are now offering expanding agile monetization platform (AMP) functionality. CPQ solutions are fully embracing areas like commerce, billing, contract lifecycle management, and revenue recognition, and some CPQ suppliers are even marketing themselves as broader, AMP-like platforms. Conga's Revenue Lifecycle Management is an example of this marketecture. DealHub, Expedite Commerce, Subskribe, Zuora, and others share this expanded view of reaching beyond the traditional concepts of CPQ and incorporating more core quote-to-cash elements into their offerings.

**Visualization is becoming table stakes:** One area of product capability that received considerable attention several years ago is product visualization. Companies like Threkit burst onto the CPQ scene, bringing powerful visualization tools to commerce and selling sites, along with integrations into CPQ tools. Over time, established CPQ vendors have largely caught up with the visualization-only tools, at least as far as CPQ needs are concerned.

## The Business Case For CPQ

The business case for investing in CPQ tools is based on growing the top and/or bottom line, improving sales productivity, increasing customer satisfaction, and making the business more competitive overall through a combination of the above. Selecting an appropriate solution and managing the implementation and ongoing operations can result in above-average outcomes. However, results can vary based on the starting point and selection of the right tool. The business outcomes most impacted by a CPQ tool include:

**Revenue growth:** CPQ tools can help with increasing the average order size and reducing the friction associated with repeat orders.

**Margin improvements:** Modern CPQ tools' guardrails and automated recommendations enable stronger pricing and margin discipline.

**Reduced revenue leakage:** The average company leaks 2-5% of revenue. Ensuring strong connective tissue from sales quoting to contracts, billing, and operations can significantly reduce revenue leakage.

**Sales productivity and effectiveness improvements:** The right CPQ tool can increase sales productivity, giving sellers more time for selling and reducing the time it takes to generate and process a sales quote or order. An average or even slightly below-average salesperson can become more effective, even when selling a complex product or mix of products and services. Automation of repeat orders and ability to provide customers with self-service improves sales capacity without the need for additional headcount.



**Time kills deals:** CPQ makes it easier and faster to provide accurate quotes. In markets with increasing product parity, the time it takes to respond to customer requests can make the difference between a won or lost deal. The fastest quote (which may be the most competitive or cheapest) often wins. Every hour/day/week it takes to generate a quote increases the probability of a lost deal.

**Improve service level attainment:** Maintaining accurate data across quotes, signed contracts, and outcomes significantly improves service delivery.

**Quoting precision and zero configuration errors increase trust with customers, employees, and suppliers:** Improving quote accuracy and reducing configuration errors improves trust with prospects and existing customers, raises the confidence of the entire organization, and makes it easier to attract good talent and partners. People want to work for and buy from companies that are easy to do business with.

**More precise data to manage the business:** CPQ automation enables insight into basic data (e.g., characteristics of churned accounts, better renewal management, et al.) as well as more detailed insights (e.g., how the bill of materials (BOM) evolves from sales quote to delivery/installation to ongoing post-sales services).

**Enable the average sales organization to outperform:** In the typical company, the top 20% of quota-carrying sales representatives outperform their objectives and produce the bulk of revenues. Getting the other 80% of sellers to attain quota consistently is the challenge. CPQ tools hold the promise of making an average or below-average sales rep more productive. As a result, sales goals are more likely to be achieved, there is less turnover in the salesforce, and overall business friction is reduced considerably. Further, by automating sales for smaller accounts, low-complexity orders, and reorders by existing customers, the sales organization has more time to dedicate to larger, more lucrative accounts.

**Maintain/increase competitiveness:** Giving customers and partners agency increases competitiveness – and reduces sales costs and improves NPS scores in the process. It makes it easier to sell into new accounts and harder for competitors to steal existing accounts.

**Enable AI:** In practical terms, an organization must have a certain level of sales automation maturity to take advantage of AI tools. If pricing is done in spreadsheets, it will be nearly impossible to apply AI to your business. Maintaining price books in a modern, digitally accessible tool makes it possible to apply a variety of AI approaches (e.g., neural networks, generative AI, and machine learning) to optimize margins, create more profitable bundles, and provide sellers with pricing that is more attractive to both the buyer and the seller.



## Total Addressable Market for CPQ Software

The CPQ software market is growing rapidly. Between 2024 and 2026, the global market for cloud-based CPQ software within publicly-trading companies is expected to grow from **\$4.3 billion** in 2024 to approximately **\$5.8 billion** in 2026, representing a CAGR of nearly **16%** per year.

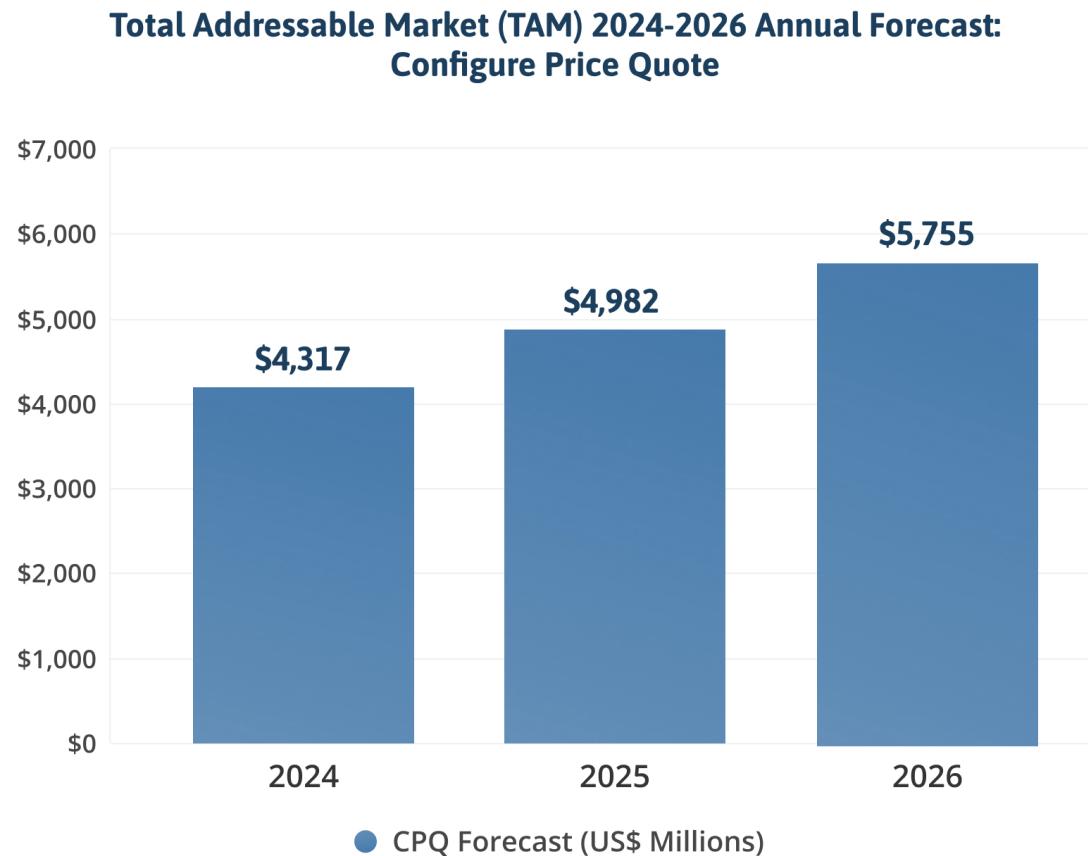


Fig. 4 – CPQ Total Addressable Market 2022-2026



## MGI MarketLens™: Go-to-Market vs. Solution Strength

This MarketLens measures **go-to-market strength** (a composite of the management, channel, strategy, and finance scores) on the y-axis against **solution strength** (product score) on the x-axis:

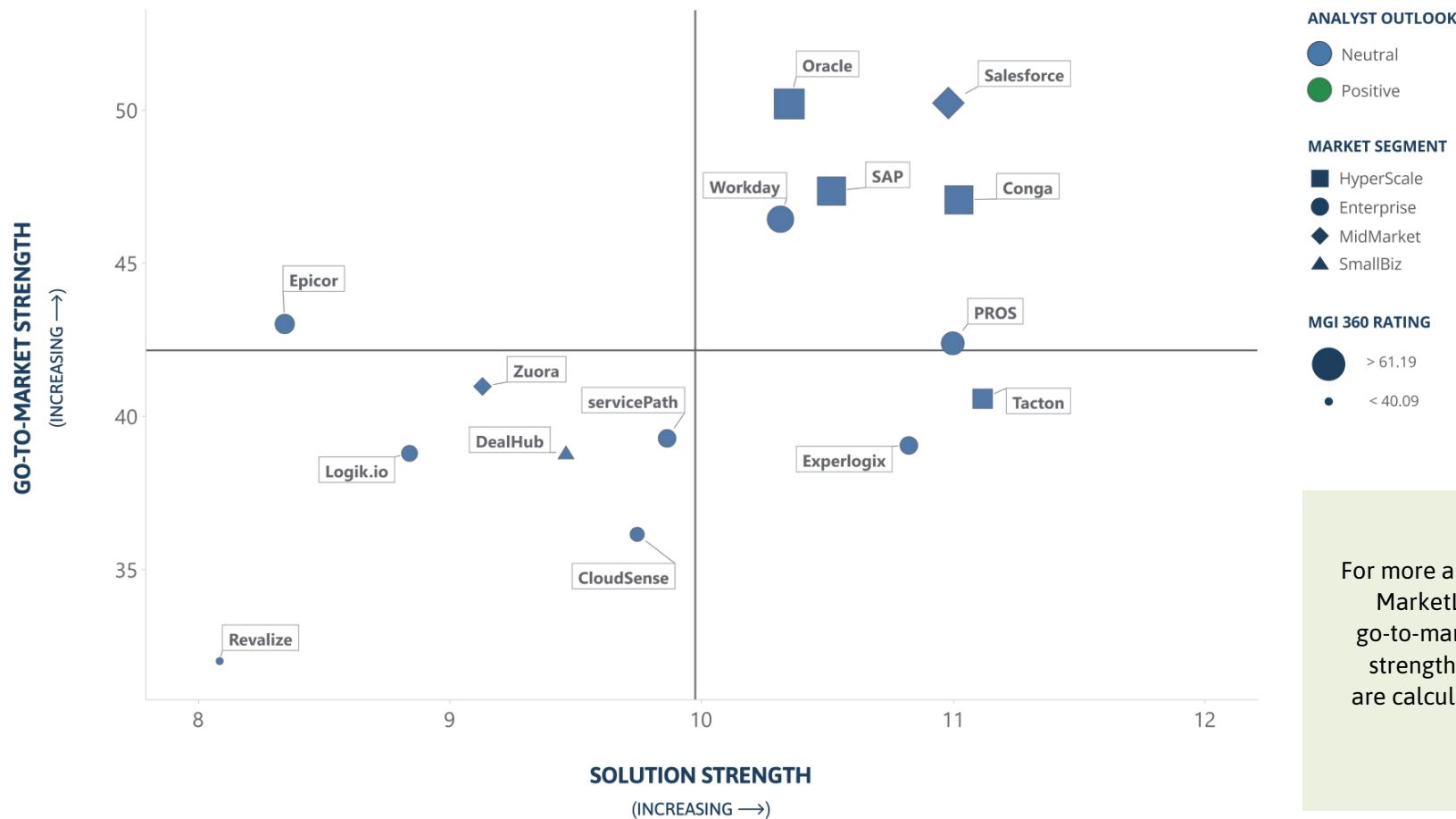


Fig. 5 – CPQ Go-to-Market vs. Solution Strength

For more about how to read MGI MarketLens™ charts and how go-to-market strength, solution strength, and market segment are calculated, visit **Appendix E** on pp. 54-58.



## MGI MarketLens™: Agility vs. Complexity

A two-dimensional chart that measures **agility** (y-axis) against a solution's ability to handle **complexity** (x-axis) can be helpful when selecting a CPQ supplier:

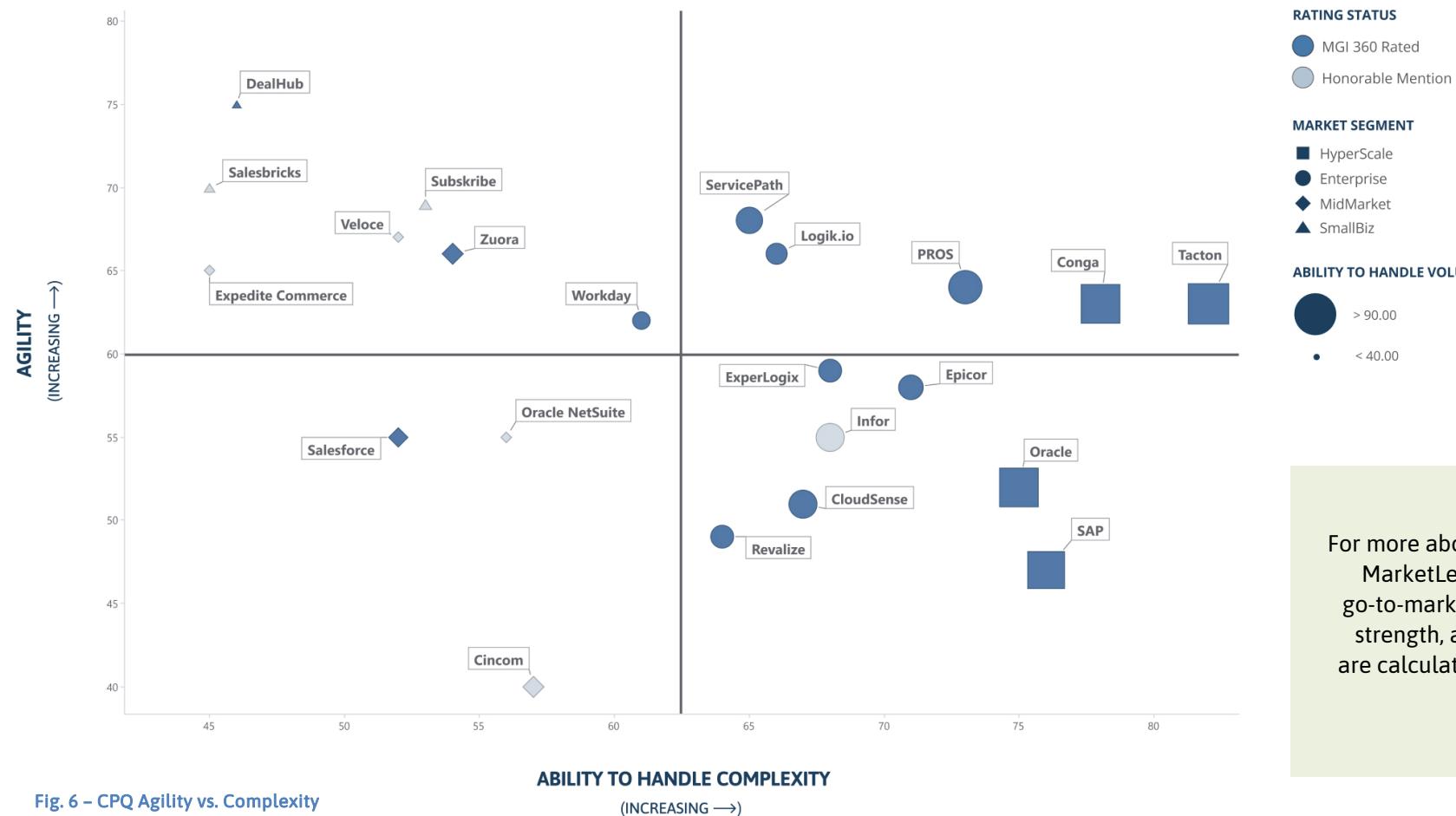


Fig. 6 – CPQ Agility vs. Complexity

For more about how to read MGI MarketLens™ charts and how go-to-market strength, solution strength, and market segment are calculated, visit **Appendix E** on pp. 54-58.

*Disclaimer: Information and opinion furnished on an as-is basis. No warranty, written or implied, as to the accuracy of the data. Not responsible for typographical or reproduction errors. Not an offering to buy or sell securities of any kind. Does not represent investment advice in any form.*



## MGI MarketLens™: Agility vs. Volume

A two-dimensional chart that measures a solution's **agility** (y-axis) against its ability to handle **volume** (x-axis) can be helpful when selecting a CPQ supplier:



Fig. 7 – CPQ Agility vs. Volume

For more about how to read MGI MarketLens™ charts and how go-to-market strength, solution strength, and market segment are calculated, visit **Appendix E** on pp. 54-58.



## MGI MarketLens™: Complexity vs. Volume

A two-dimensional chart that measures a solution's ability to handle **complexity** (y-axis) against its ability to handle **volume** (x-axis) can be helpful when selecting a CPQ supplier:



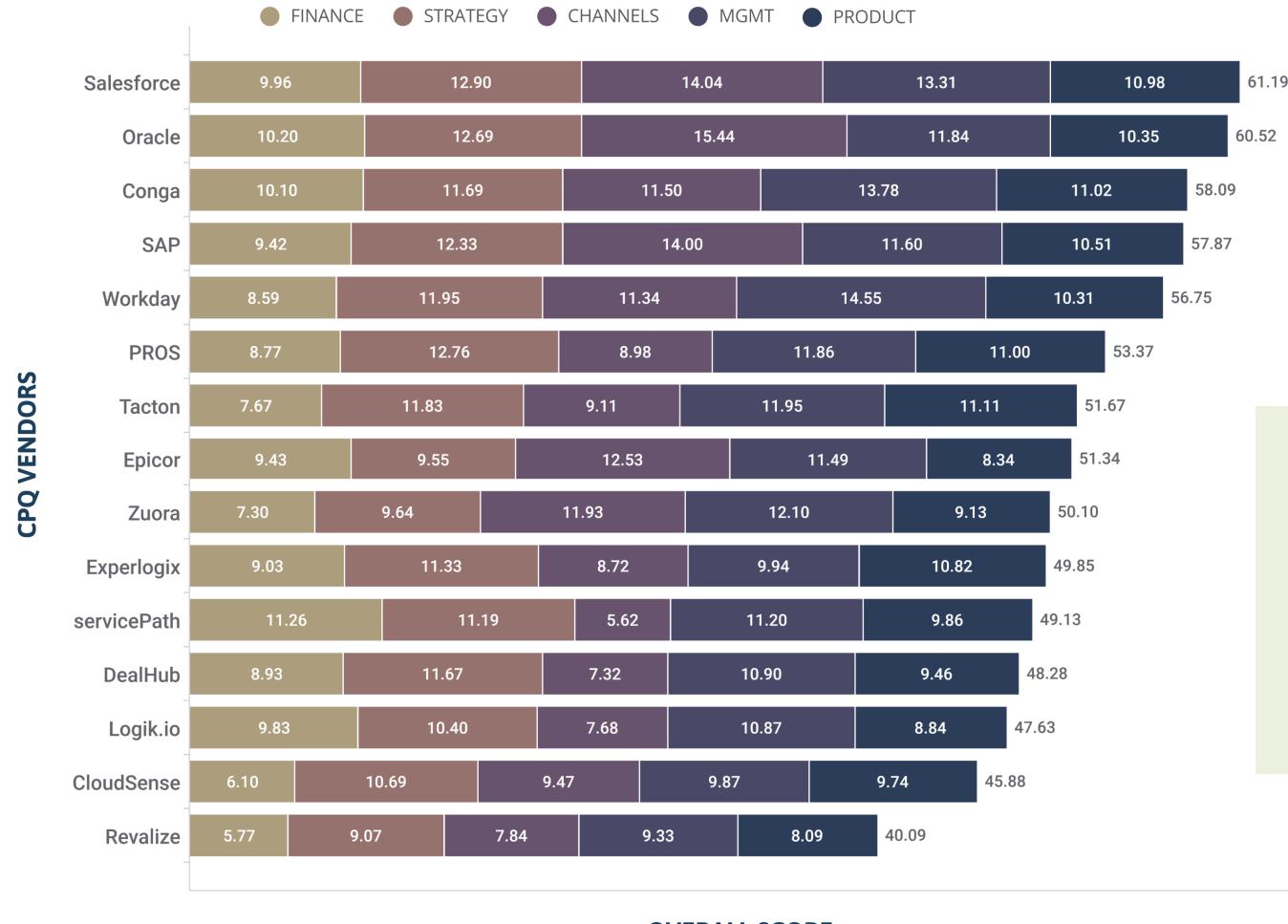
Fig. 8 – CPQ Complexity vs. Volume

For more about how to read MGI MarketLens™ charts and how go-to-market strength, solution strength, and market segment are calculated, visit **Appendix E** on pp. 54-58.



## Overall MGI 360 Ratings for CPQ

The 15 MGI 360 Rated™ CPQ suppliers are listed below from highest to lowest **overall** score. The scale is from 0 to 100.



### Top 5 Overall Ratings:

1. Salesforce
2. Oracle
3. Conga
4. SAP
5. Workday

Fig. 9 – MGI 360 Ratings by Highest to Lowest Overall Score



## Product Scores

The 15 MGI 360 Rated™ CPQ suppliers are listed below from highest to lowest **product** score. The scale is from 0 to 20.

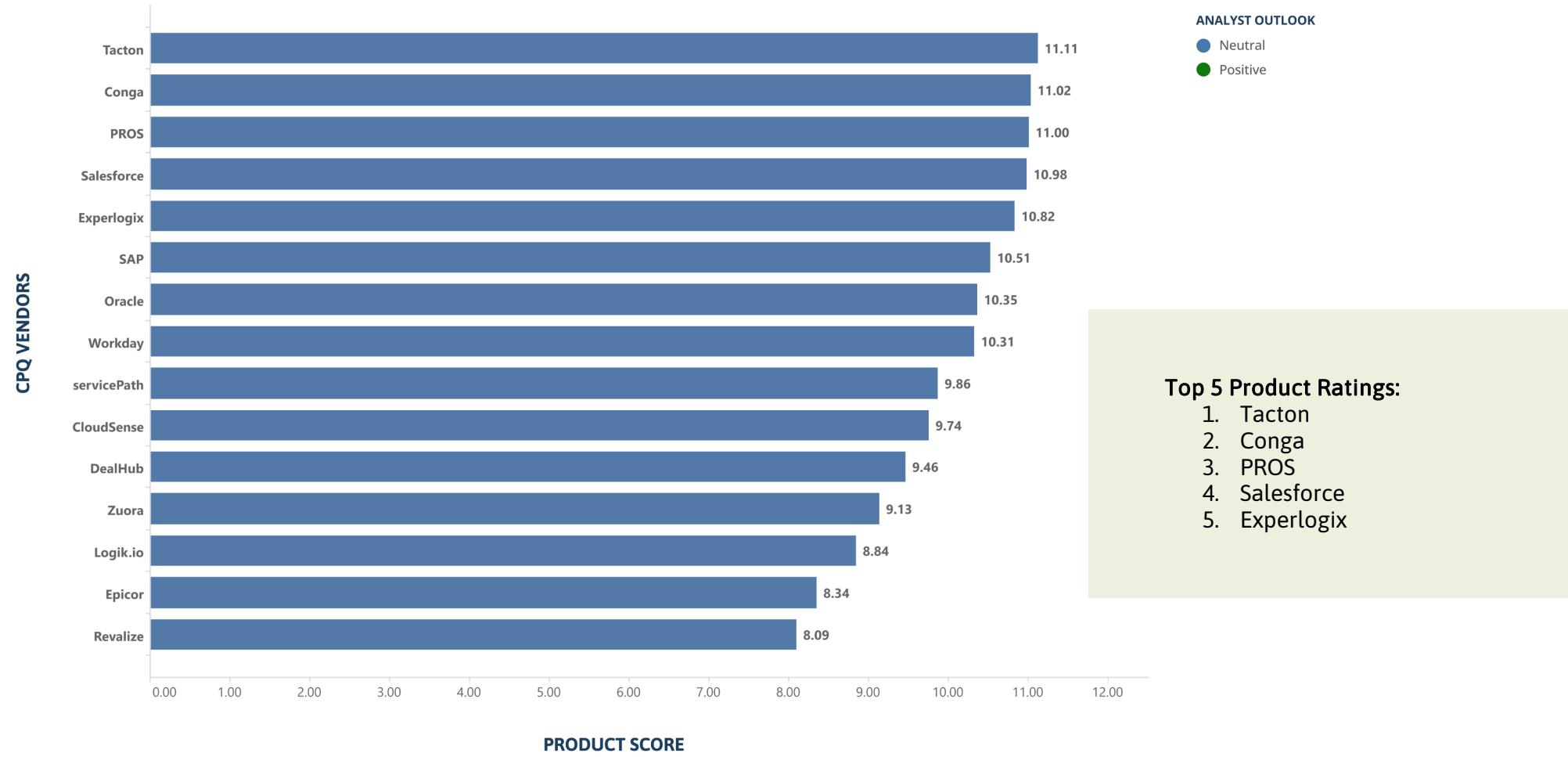


Fig. 10 - MGI 360 Product Scores



## Management Scores

The 15 MGI 360 Rated™ CPQ suppliers are listed below from highest to lowest **management** score. The scale is from 0 to 20.

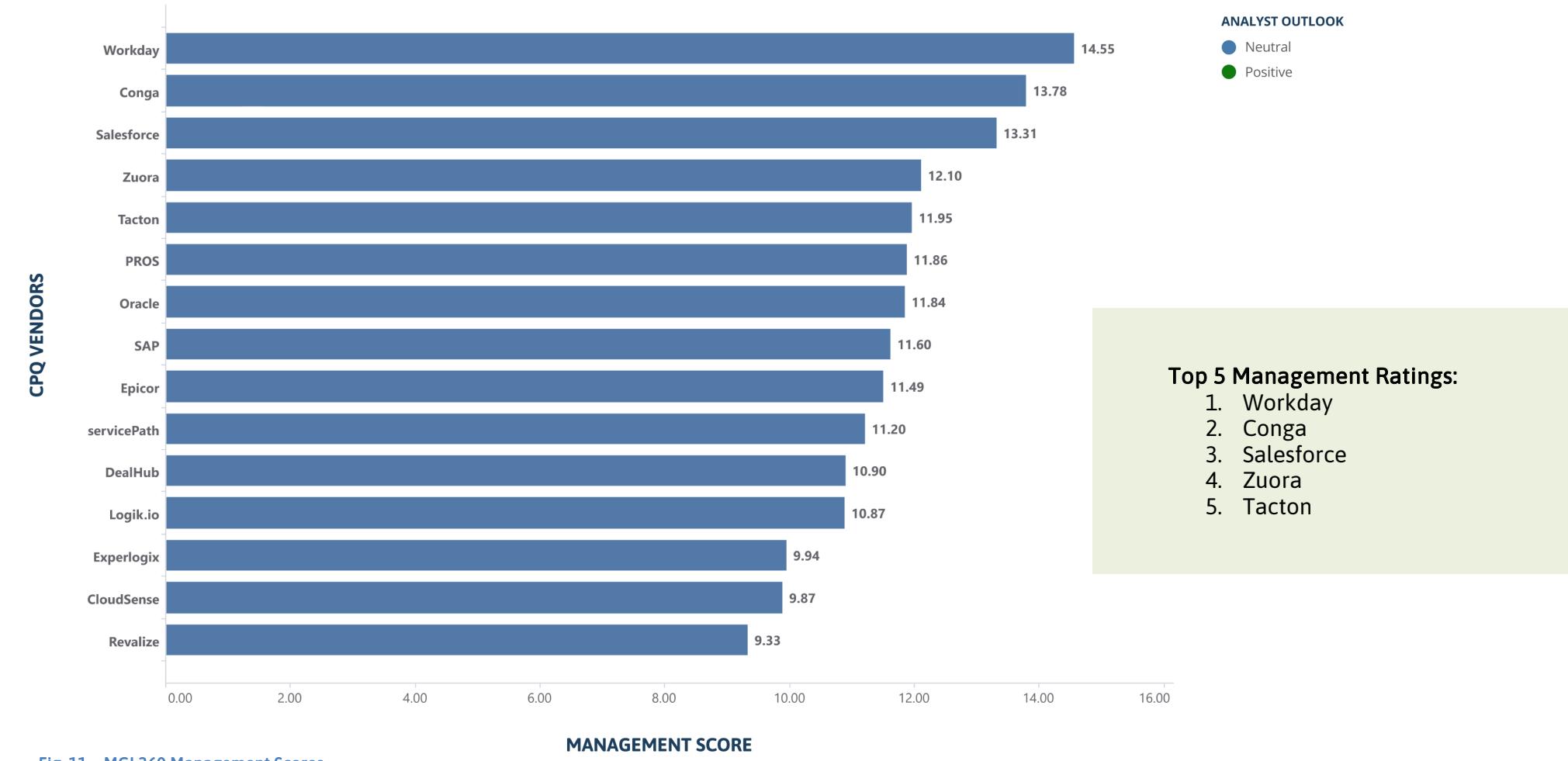


Fig. 11 – MGI 360 Management Scores



## Channel Scores

The 15 MGI 360 Rated™ CPQ suppliers are listed below from highest to lowest **channel** score. The scale is from 0 to 20.

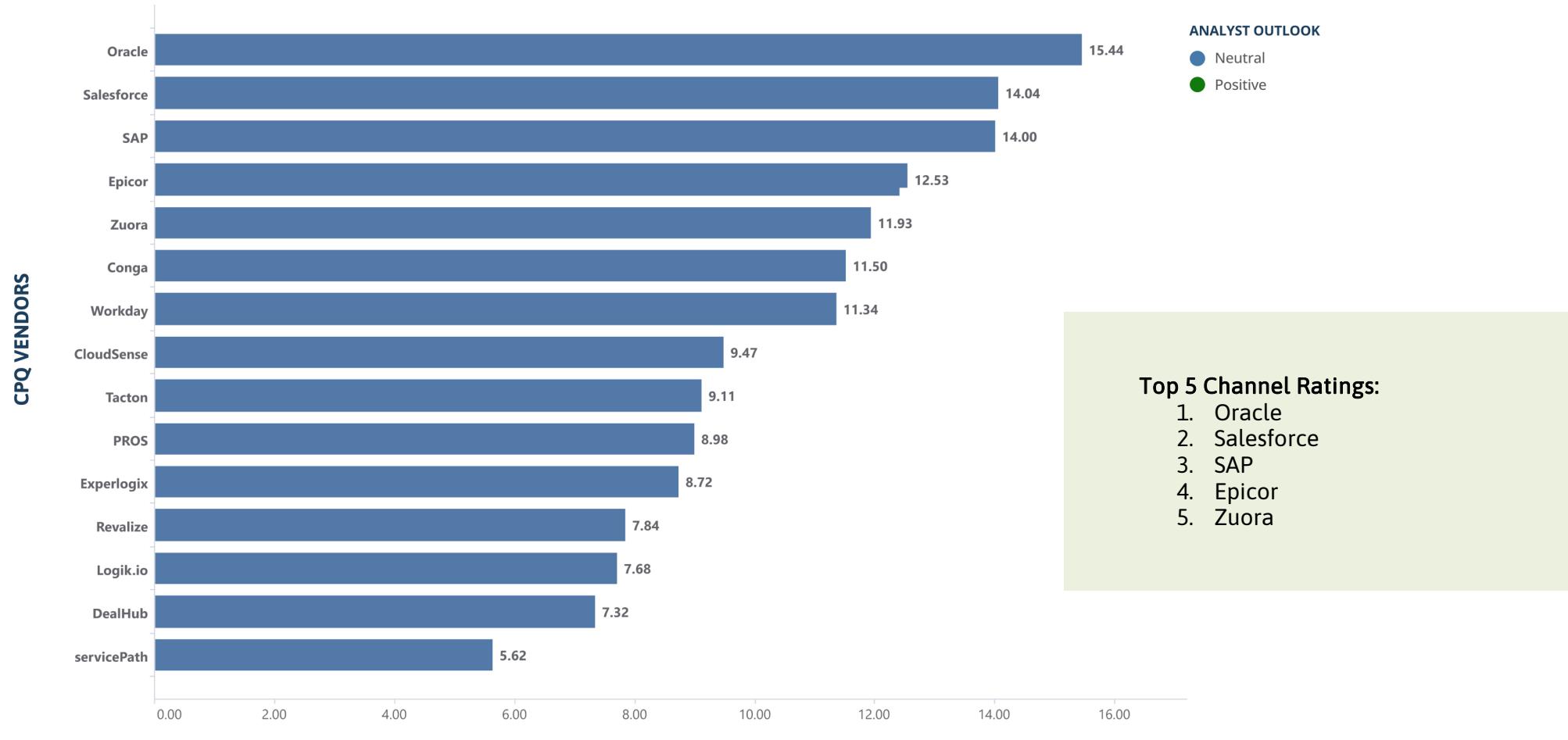


Fig. 12 – MGI 360 Channel Scores



## Strategy Scores

The 15 MGI 360 Rated™ CPQ suppliers are listed below from highest to lowest **strategy** score. The scale is from 0 to 20.

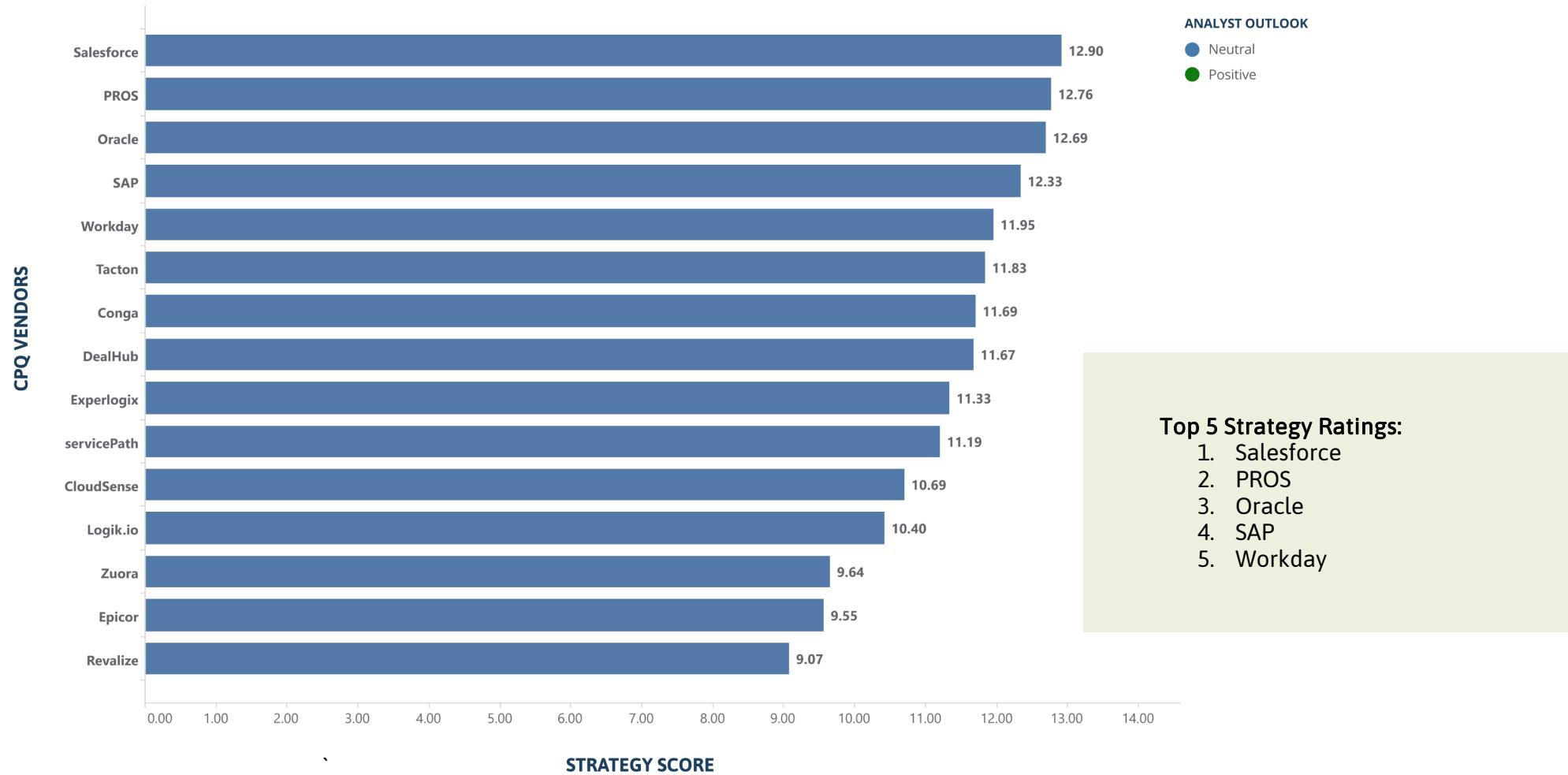


Fig. 13 – MGI 360 Strategy Scores



## Finance Scores

The 15 MGI 360 Rated™ CPQ suppliers are listed below from highest to lowest **finance** score. The scale is from 0 to 20.

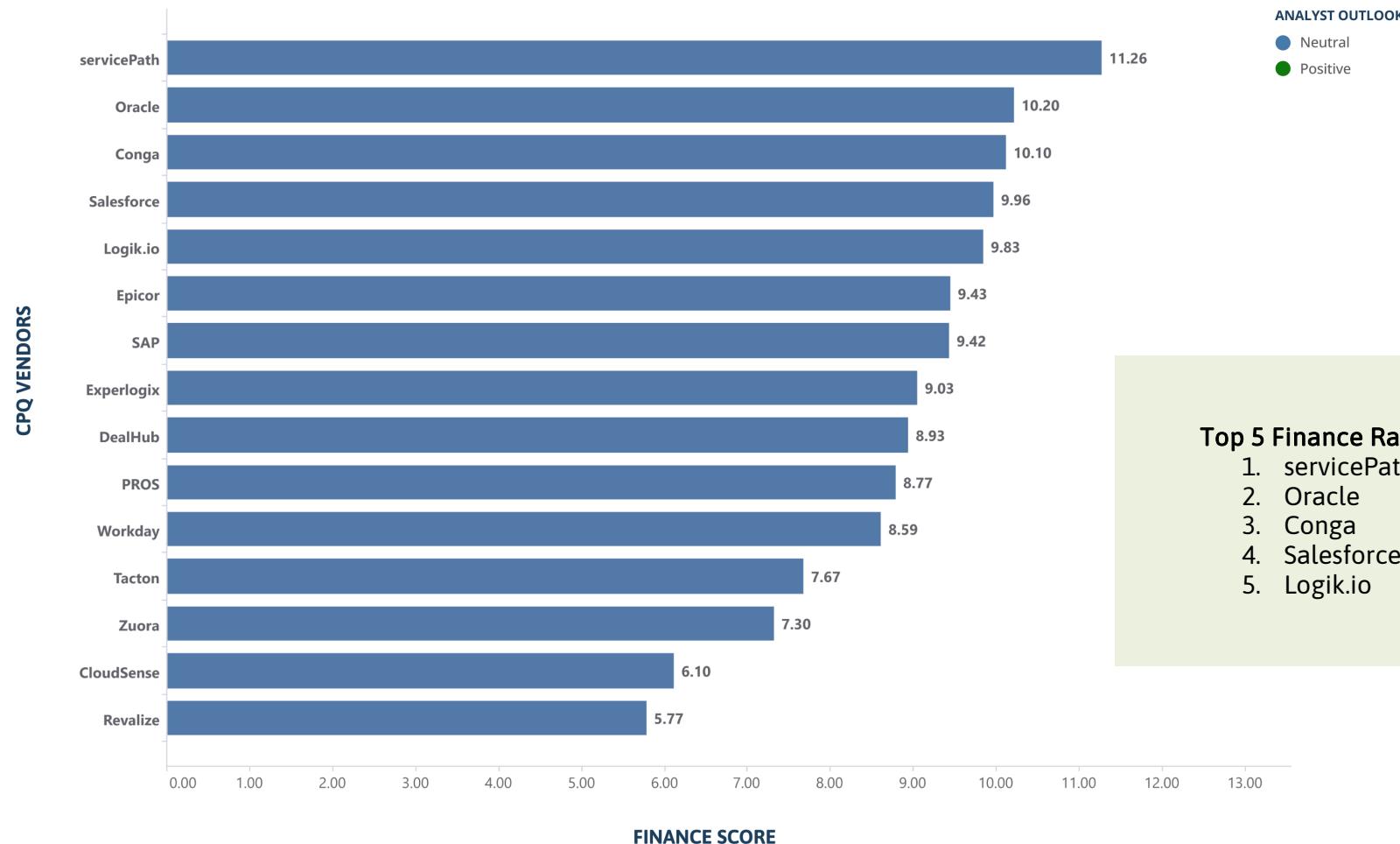


Fig. 14 – MGI 360 Finance Scores

**SUMMARY:** CloudSense receives an MGI 360 Rating of 46 in the Configure Price Quote (CPQ) market and a Neutral analyst outlook. Native to the Salesforce platform, the CloudSense product stands out for its integrated CPQ and order management capabilities and industry-specific functionality. With over 100 customer implementations, the company is controlled by Vector Capital, which is known for improving the operational performance of its investments. Despite richer functionality and capabilities, the company's size and relatively small channel are challenged to rise above the din of its most direct competitors. Salesforce-centric prospects within CloudSense target verticals with mid-to-high levels of complexity and quoting sophistication should evaluate CloudSense to gain a deeper perspective on the art of the possible in quoting and order management.

**IDEAL USE CASE:** Salesforce-centric companies selling digital goods/services in B2B media/digital advertising, telecom/CSP, and data center sectors..

**SPEAK TO AN ANALYST:** Clients are encouraged to reach out to MGI to have this research applied to their situation. Send inquiries to [support@mgiresearch.com](mailto:support@mgiresearch.com) or visit our website at [mgiresearch.com](http://mgiresearch.com)

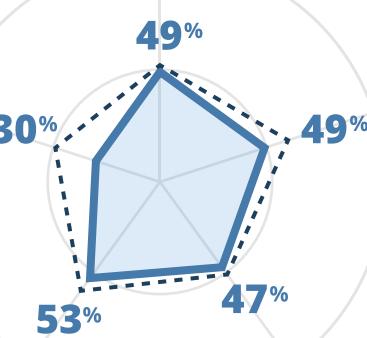
### CloudSense 5-Pillar Breakdown

— CLOUDSENSE    - - - PEER AVERAGE (PA)

#### PRODUCT

(PA = 52%)

FINANCE  
(PA = 49%)



MGMT  
(PA = 60%)

STRATEGY  
(PA = 60%)

CHANNEL  
(PA = 51%)

### Go-To-Market vs Solution Strength

GO-TO-MARKET STRENGTH

SOLUTION STRENGTH

**SOLUTION STRENGTH:**  
Product Score

**GO-TO-MARKET STRENGTH:**  
Composite of Finance, Strategy, Channels & Mgmt Scores

**DIRECT COMPETITORS:**  
Conga  
Oracle  
Salesforce  
SAP



### About MGI 360 Ratings

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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average

— CLOUDSENSE    — PEER AVERAGE

PRODUCT

9.74

10.41

MGMT

9.87

12.10

CHANNEL

9.47

10.24

STRATEGY

10.69

12.04

FINANCE

6.10

9.79

0.00    5.00    10.00    15.00

### Company Profile

FOUNDED/HQ → 2009 | London, United Kingdom

REVENUE → \$35M (MGI est)

PROFITABLE → Yes

GROWTH RATE → 5% (MGI est)

OWNERSHIP → Private

SAMPLE CUSTOMERS → Vodafone, Ziggo, Telefonica, O2, Spotify, Sky, British Gas, elisa, Informa, Coresite, Newsday, Telstra

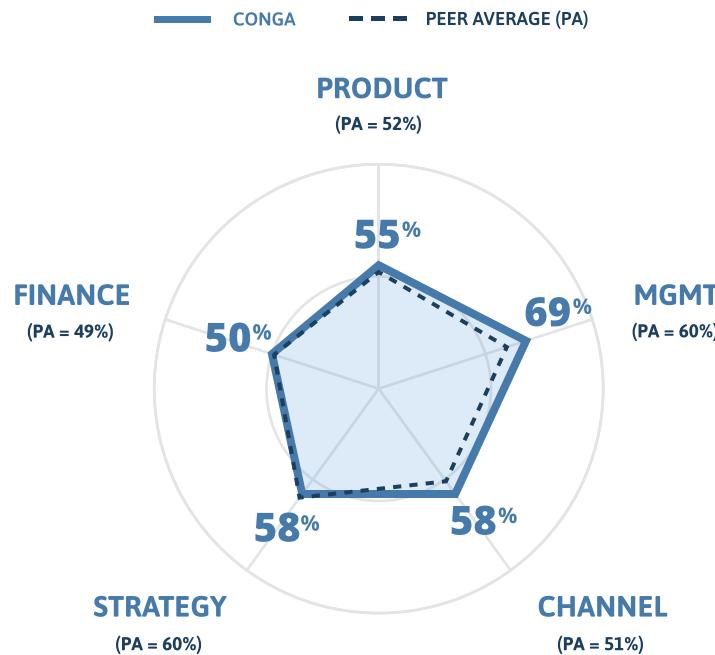
**Company Description:** With offices in the US, UK, Europe, India, Singapore, and Australia, CloudSense is a profitable provider of CPQ, contract management, and order management solutions built on the Salesforce platform (APEX and Heroku). CloudSense sells to telecom/CSP, digital media, and utilities sectors and is backed by private equity.

**SUMMARY:** Conga receives an MGI 360 Rating of 58 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. In the past 36 months, Conga has developed a completely new platform, transformed company culture, and remains one of the few CPQ vendors capable of delivering large-scale, complex implementations. The new, API-first CPQ solution runs on the Conga RLM platform, Salesforce. Support for Microsoft Azure and Dynamics is coming. After an intense period of platform investment, R&D emphasis is now on functionality and infusing AI into the product.

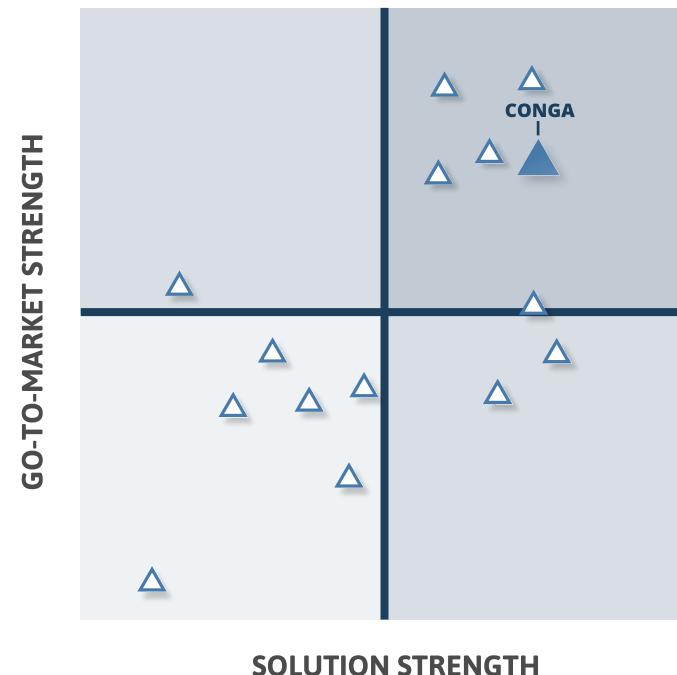
**IDEAL USE CASE:** Companies with a variety of business models (physical, digital, hybrid) with revenues above \$500 million with medium-to-very-high complexity in configuration and pricing. Salesforce CPQ customers seeking advanced capabilities, scalability, and speed.

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### Conga 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



### About MGI 360 Ratings

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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

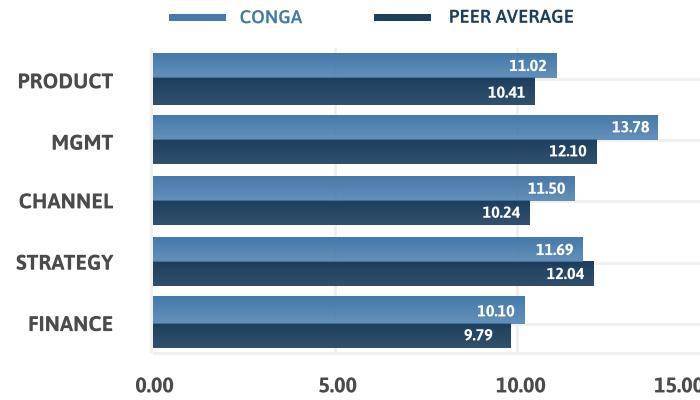
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ	→ 2006   Broomfield, CO
REVENUE	→ \$450 M (MGI est)
PROFITABLE	→ Yes
GROWTH RATE	→ 13% (MGI est)
OWNERSHIP	→ Private
SAMPLE CUSTOMERS	→ Twilio, Hitachi Energy, Vaisala, ABB, GE Healthcare

**Company Description:** Conga is a profitable, growing provider of CPQ, CLM, document automation, and an expanding suite of quote-to-cash-oriented applications. Since inception, the firm has raised hundreds of millions in financing and achieved a unicorn valuation. In 2018, the predecessor company (Apttus) was acquired by Thoma Bravo, and in 2020 Apttus merged with Conga and retained the Conga brand.

**SUMMARY:** DealHub receives an MGI 360 Rating of 48 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. DealHub CPQ is part of a suite of products across the AMP framework. At its core are quoting and contract management, as well as an emerging billing capability with the recent acquisition of Subzee. Company execution is above average. Its agile marketing, sales, and product development have resulted in rapid customer adoption and increasing product functionality. The DealHub platform is designed to be implemented and managed by sales and rev operations teams without the need for IT support. DealHub offers a user-friendly UX/UI, with feature limitations typical of lightweight, low-complexity and high-agility offerings.

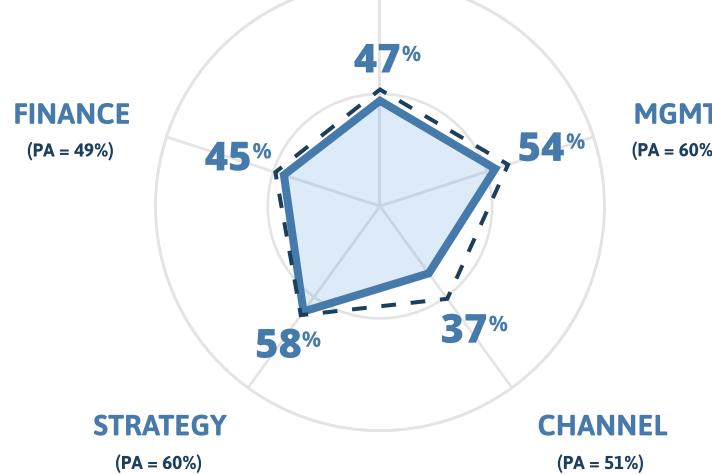
**IDEAL USE CASE:** DealHub is a good fit for small-to-midsize digital goods (e.g., software) companies based in North America, Israel, and English-speaking countries looking for a lightweight, cost-effective sales quoting solution with a built-in contract repository. The typical buying center is sales, rev ops, and deal desk teams.

**SPEAK TO AN ANALYST:** Clients are encouraged to reach out to MGI to have this research applied to their situation. Send inquiries to [support@mgiresearch.com](mailto:support@mgiresearch.com) or visit our website at [mgiresearch.com](http://mgiresearch.com)

### DealHub 5-Pillar Breakdown

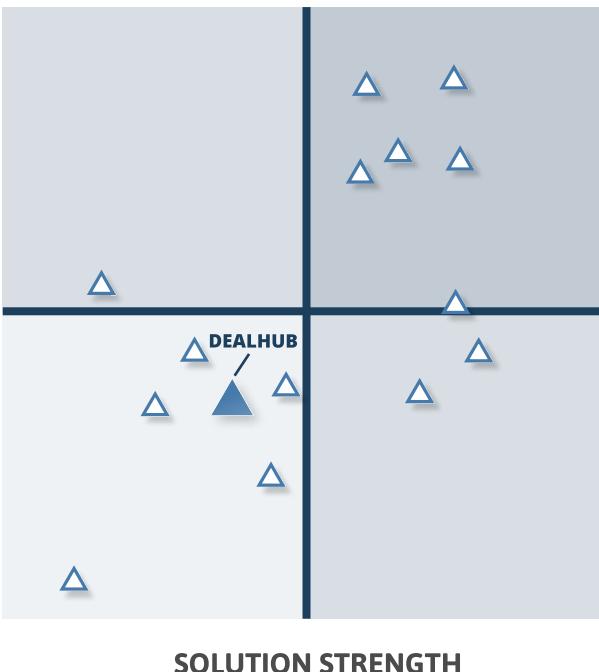
— DEALHUB    - - - PEER AVERAGE (PA)

#### PRODUCT (PA = 52%)



### Go-To-Market vs Solution Strength

GO-TO-MARKET STRENGTH



**SOLUTION STRENGTH:**  
Product Score

**GO-TO-MARKET STRENGTH:**  
Composite of Finance, Strategy, Channels & Mgmt Scores

**DIRECT COMPETITORS:**  
MonetizeNow  
Nue  
Salesforce  
Subskrbe  
Zuora

### About MGI 360 Ratings

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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

**CHANNELS:** Does the company have a sales capability to bring products to market?

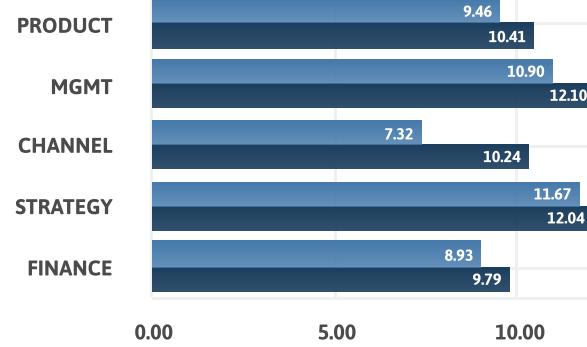
**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average

— DEALHUB    — PEER AVERAGE



### Company Profile

FOUNDED/HQ → 2014 | Austin, TX

REVENUE → \$40 mil (MGI est)

PROFITABLE → No

GROWTH RATE → 35% (MGI est)

OWNERSHIP → Private

SAMPLE CUSTOMERS → SpotOn, Braze, Gong, Deel, Tripleseat, Sisense, Bob, Freshworks, Bitdefender, Walkme

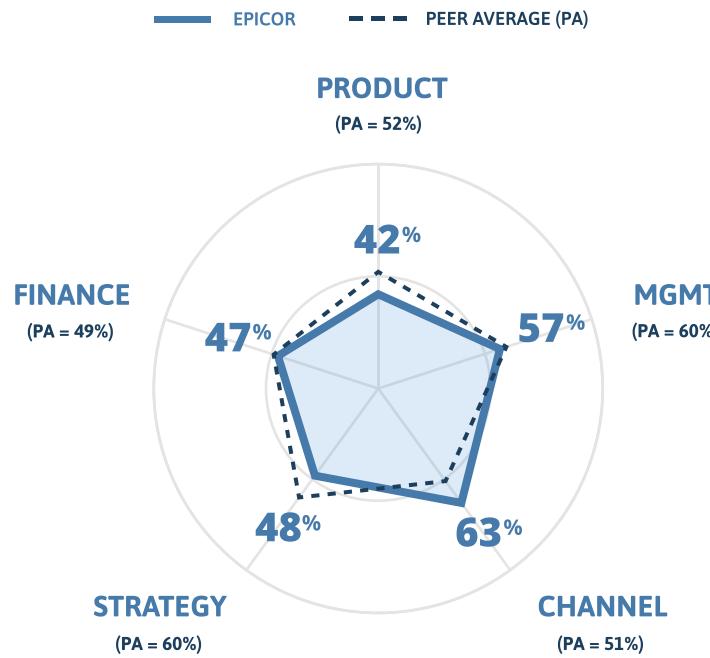
**Company Description:** Founded in 2014, DealHub is a lightweight, cloud-native CPQ tool with contract management functionality. In 2023, DealHub acquired billing startup Subzee, a step toward a broader quote-to-revenue suite. Its Revenue Hub aims to connect digital sales quoting, contract management, billing, and deal room functionality.

**SUMMARY:** Epicor receives an MGI 360 Ratings of 51 and a neutral analyst outlook in the Configure Price Quote (CPQ) market. The core CPQ product is native to Microsoft Azure, can support headless deployment, has a fresh, native 3D visual capability, and a visual coding environment. Epicor has a long history with embedded configurators and acquired KBMax in 2021, which is now at the center of Epicor's CPQ offering. The solution gets high usability marks from customers, has above-average CAD integrations, and is native to Microsoft Azure and integrates with a range of CRM solutions. The product stands out for its visual configurator and industry specific functionality. Manufacturers and industries within Epicor's target markets should shortlist this solution for its ability to handle complex manufacturing configurations, ease of use, and support for omnichannel visual buying experience.

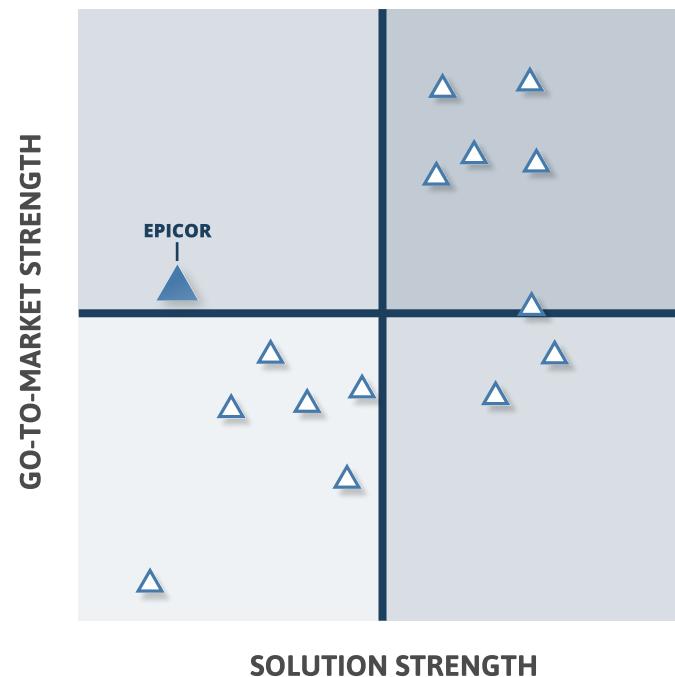
**IDEAL USE CASE:** Midsize companies headquartered in North America or English-speaking countries with revenues between \$100 million to \$2 billion+. The product is sold on a standalone and an integrated basis and available in 15 languages.

**SPEAK TO AN ANALYST:** Clients are encouraged to reach out to MGI to have this research applied to their situation. Send inquiries to [support@mgiresearch.com](mailto:support@mgiresearch.com) or visit our website at [mgiresearch.com](http://mgiresearch.com)

### Epicor 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



### About MGI 360 Ratings

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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

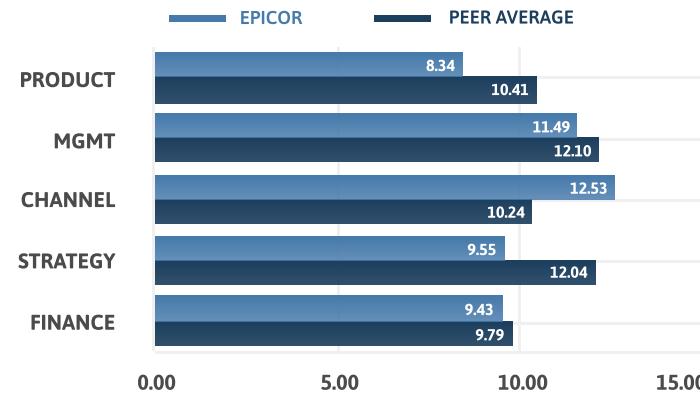
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ	→ 1972   Austin, TX
REVENUE	→ \$1.13 Bil (MGI est)
PROFITABLE	→ Yes
GROWTH RATE	→ 8% (MGI est)
OWNERSHIP	→ Private
SAMPLE CUSTOMERS	→ CMTP, Frameless Hardware, School of Specialty

**Company Description:** Founded in 1972, PE-backed Epicor has developed and acquired a deep portfolio of enterprise applications focused on manufacturing, distribution, building supply, automotive, and retail industries. Profitable and growing in the high single digits, the company has over 23,000 customers, of which about 13,000 are running cloud-based applications, and is served by 4500 employees. Epicor completed three acquisitions in the past 12 months, including the PIM, ecommerce product Kyklo in June 2024. The CPQ product is growing substantially faster than the rest of Epicor.

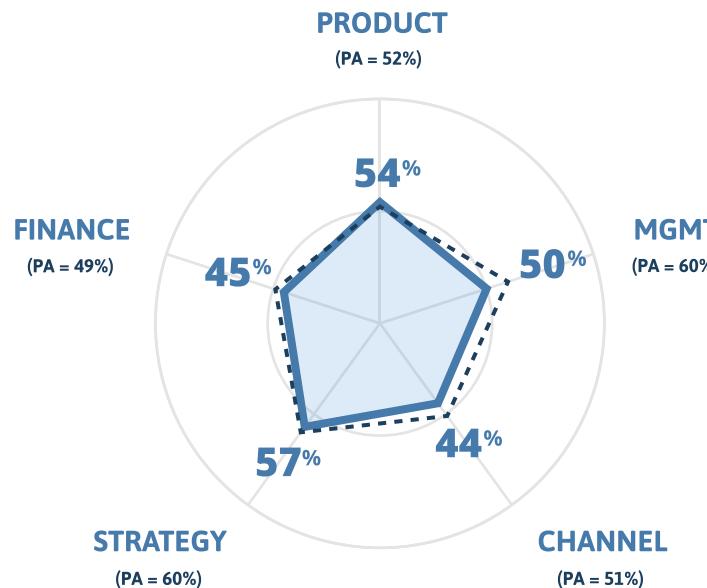
**SUMMARY:** ExperLogix receives an MGI 360 Rating of 50 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. This is a proven Microsoft-centric product configurator and quoting tool with a clearly defined target market. Customers express overall satisfaction with the company and product, although larger, higher-volume/complexity quoting performance could be improved and support for subscription price models is lacking. For customers within the target base, the company brings deep domain and product configuration experience that is consistently viewed as very good value for money. Recognized as a Microsoft-oriented company, ExperLogix also has reference customers running SAP PLM/ERP and/or Salesforce CRM with integrations into its CPQ. Experlogix sales and marketing is under-resourced compared to the capability of product and maturity of the company. This product requires minimal external resources to implement and has an attractive overall TCO.

**IDEAL USE CASE:** Mid-to-large-sized, budget-conscious companies within the heavy equipment, industrials, high tech, manufacturing, and services (for complex configured products, like elevators) verticals, particularly those sold via channel/dealer network and with a Microsoft CRM and ERP tech stack, should consider Experlogix.

**SPEAK TO AN ANALYST:** Clients are encouraged to reach out to MGI to have this research applied to their situation. Send inquiries to [support@mgiresearch.com](mailto:support@mgiresearch.com) or visit our website at [mgiresearch.com](http://mgiresearch.com)

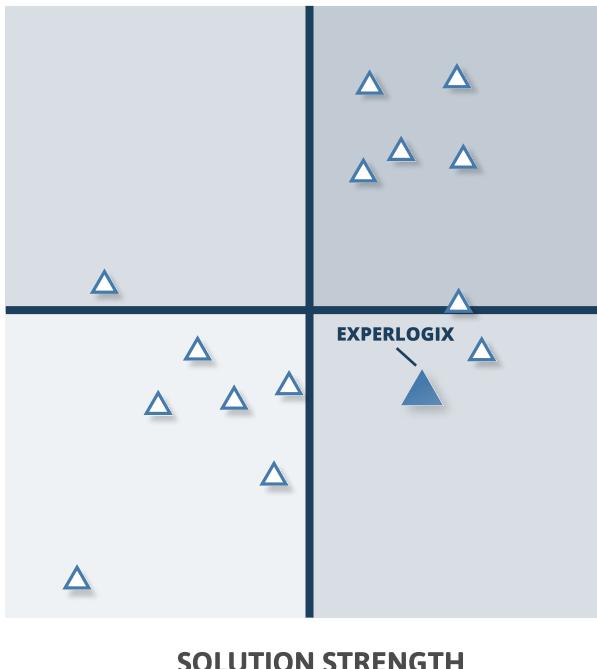
### Experlogix 5-Pillar Breakdown

— EXPLERLOGIX    - - - PEER AVERAGE (PA)



### Go-To-Market vs Solution Strength

GO-TO-MARKET STRENGTH



**SOLUTION STRENGTH:**  
Product Score

**GO-TO-MARKET STRENGTH:**  
Composite of  
Finance, Strategy,  
Channels & Mgmt  
Scores

**DIRECT COMPETITORS:**  
Cincom  
DealHub  
Elfsquad  
Insightworks  
PROS  
Salesforce  
Tacton

### About MGI 360 Ratings

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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

**CHANNELS:** Does the company have a sales capability to bring products to market?

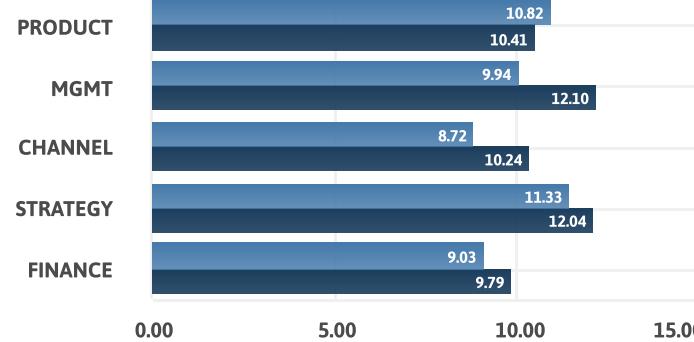
**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average

— EXPLERLOGIX    — PEER AVERAGE



### Company Profile

FOUNDED/HQ → 2002 | South Jordan, UT

REVENUE → \$45 Mil (MGI est)

PROFITABLE → Yes

GROWTH RATE → 23% (MGI est)

OWNERSHIP → Private

SAMPLE CUSTOMERS → Hitachi, Sharp, Nikon, Subzero Wolf, Otis

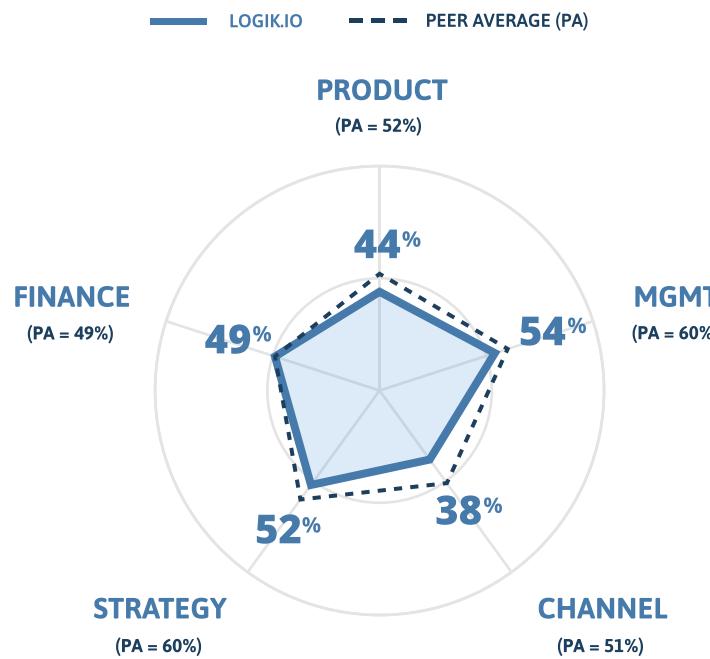
**Company Description:** Launched in 2004 as a browser-based product configurator, in 2019 Experlogix sold a majority ownership interest to Featheringhill Capital. Since then, the company made a series of acquisitions to expand its product and geographic footprint: e-Con Solutions (acquired 2020) to add product depth and sales reach in EMEA, Xpertdoc brought document automation and workflow, and in 2023 it acquired the Aphix Digital eCommerce platform (now Experlogix Digital Commerce).

**SUMMARY:** Logik.io receives an MGI 360 Rating of 50 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. Logik.io is a headless rules engine designed for omnichannel selling with a fresh approach to product configuration. It integrates with a range of e-commerce solutions and pulls data from existing product catalogs and price books to configure and quote variable and complex, physical and digital, products and services. The company shares founders and investors with Threkit, but the two entities are run independently. Logik integrates with kBridge for CAD automation and visualization. Logik scores reflect the relative youth of the company as it works towards profitable growth.

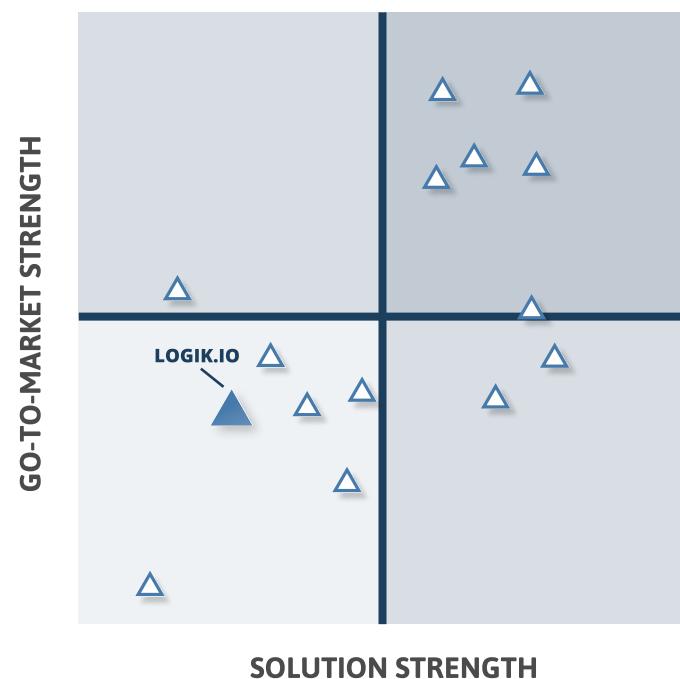
**IDEAL USE CASE:** B2X companies ranging in size from \$100 million to \$1 billion+ in revenues with complex product and services configurations, typically with omnichannel sales (direct, indirect, and online) and needing a more advanced configuration engine within a Salesforce CRM and heterogeneous ERP/eCommerce infrastructure. The solution is hosted on Google Cloud and is one of the few to provide tools and a methodology for migrating off Salesforce CPQ.

**SPEAK TO AN ANALYST:** Clients are encouraged to reach out to MGI to have this research applied to their situation. Send inquiries to [support@mgiresearch.com](mailto:support@mgiresearch.com) or visit our website at [mgiresearch.com](http://mgiresearch.com)

### Logik.io 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



### About MGI 360 Ratings

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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

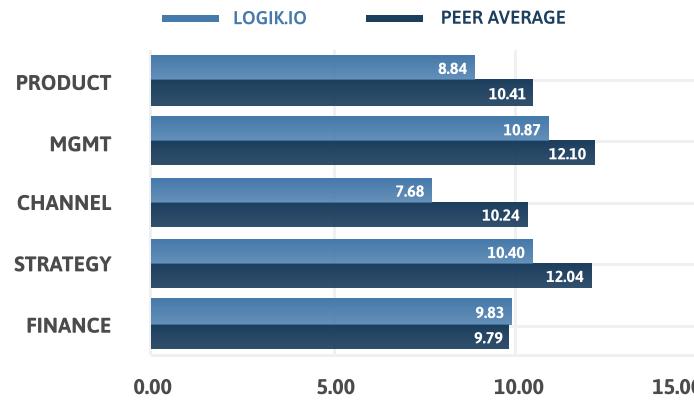
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ	→ 2021   Deerfield, IL
REVENUE	→ \$15 mil (MGI est)
PROFITABLE	→ No
GROWTH RATE	→ 30% (MGI est)
OWNERSHIP	→ Private
SAMPLE CUSTOMERS	→ Palo Alto Networks, Cummins, Oldcastle, Club Car, Keysight Technologies, Regal Rexnord

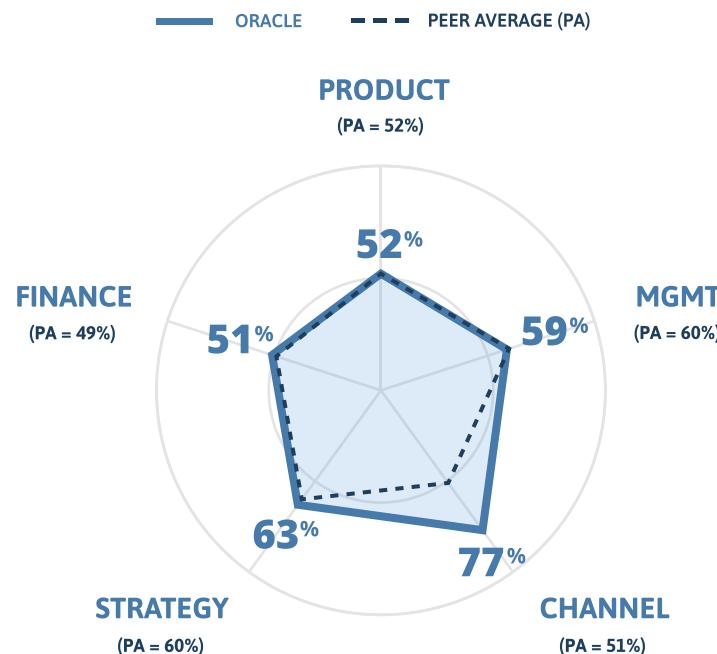
**Company Description:** Founded by some of the founders and team members of Big Machines (acquired by Oracle) and Steelbrick (acquired by Salesforce), Logik.io is one of the most modern CPQ companies in the market today. It raised \$25 million in Series B funding in October 2024, bringing the total equity investment to more than \$41 million. With about 75 customers, the company has found particular success selling into the Salesforce customer base.

**SUMMARY:** Oracle receives an MGI 360 Rating of 61 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. Oracle CPQ offers broad functional capabilities and a proven ability to deliver for customers. Best suited for physical goods, the solution serves the needs of mid-to-large, complex enterprises in high tech, manufacturing, industrials, and construction. Capabilities such as visualization and advanced pricing are covered via partners. The product is cited as complex to implement, relatively expensive to deploy, and with a mixed end-user experience. We estimate a customer base of 600+ CPQ accounts. When combined with the subscription management solution, it can handle physical and digital goods, typically with some customization.

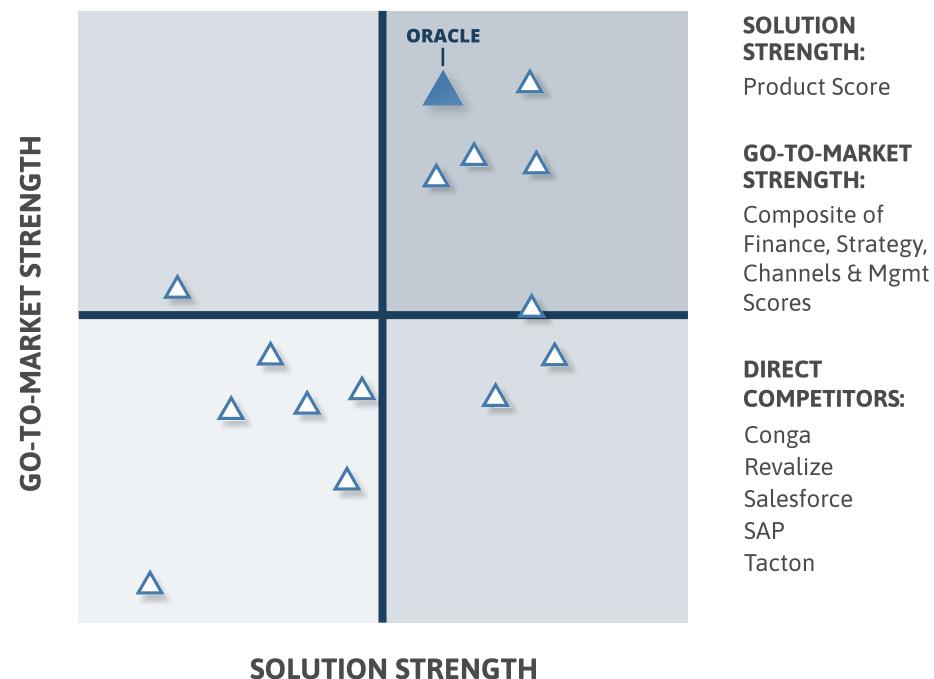
**IDEAL USE CASE:** Current full-suite Oracle customers (especially those using Fusion Cloud ERP and Subscription Management Cloud) with small-to-midsize product catalogs with mid-to-high configuration complexity

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### Oracle 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



### About MGI 360 Ratings

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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

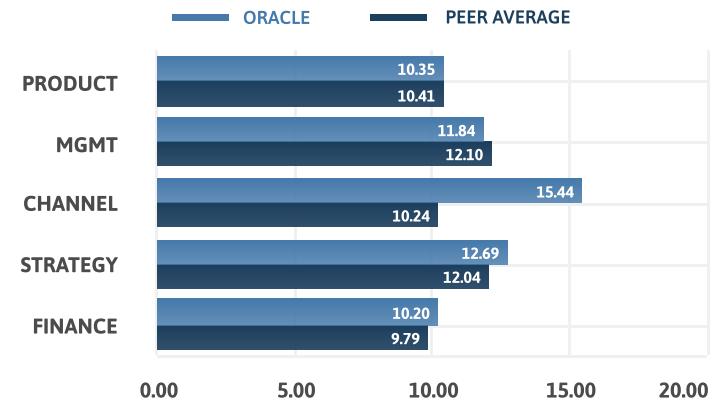
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ	→ 1977   Austin, TX
REVENUE	→ \$53.8 Bil (consolidated)
PROFITABLE	→ Yes
GROWTH RATE	→ 6.9% (consolidated)
OWNERSHIP	→ Public   Market Cap = \$465.52 Bil
SAMPLE CUSTOMERS	→ AirBorn, Avery Dennison, Broadcom, Cohu, Duraflame, McNeilus, StepStone, Vertiv

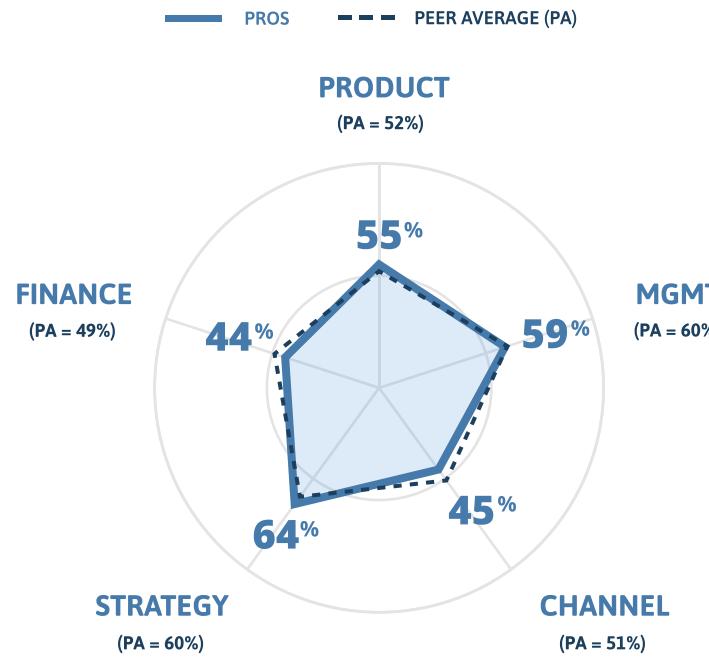
**Company Description:** Oracle Corp is a dominant supplier of software, hardware, and services to Global 2000 organizations. The company entered the CPQ market through an acquisition and continues to invest and advance the solution often via use of core Oracle innovation. Oracle CPQ releases are delivered four times a year.

**SUMMARY:** PROS receives an MGI 360 Rating of 53 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. PROS Smart CPQ is well-suited for medium and large size businesses (\$500 million+) with complex business and pricing models. The product stands out for its ability to handle high quote volumes and complex quoting use cases with strong support for deal desk requirements. PROS is well positioned in key verticals and has a growing number of partnerships. PROS often leads with price optimization, a strong set of technical capabilities, a deep bench of AI/data science experience, and a loyal customer base. PROS Smart CPQ is a core investment focus. Company recently added CRO and CMO and search is underway for new CEO. Company is gaining traction with several partnerships, Microsoft in particular.

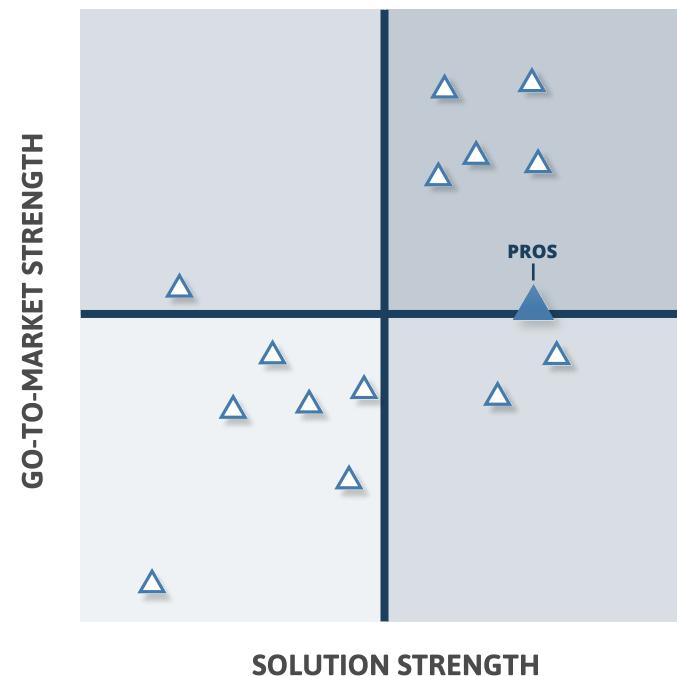
**IDEAL USE CASE:** Medium-to-large organizations (\$500 million+) with a Microsoft tech stack and seeking to support complex pricing optimization and CPQ requirements, especially in discrete manufacturing, transportation/logistics, commodities, and energy. Particularly well suited for companies with requirements to support quotes with a large number of line items (10K+) and sizeable product catalogs.

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### PROS 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

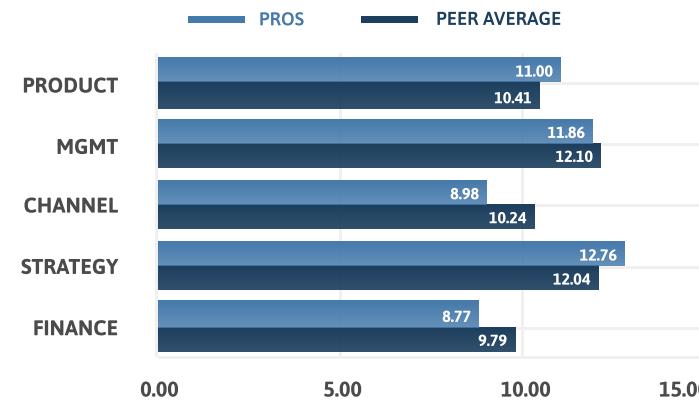
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ → 1985 | Houston, TX

REVENUE → \$317 Mil (consolidated)

PROFITABLE → No

GROWTH RATE → 10% (consolidated)

OWNERSHIP → Public | Market Cap = \$1.73 Bil

SAMPLE CUSTOMERS → Air Canada, Leroy Merlin, Cargill, GE Energy, HP, Honeywell, British Petroleum, Holcim, United Airlines

**Company Description:** PROS Holdings, Inc. (NYSE: PRO) is a provider of SaaS pricing, CPQ, revenue management, and digital offer marketing solutions. With nearly 40 years of industry expertise and a proven track record of success, PROS helps B2B and B2C companies across the globe, in a variety of industries, including airlines, manufacturing, distribution, and services, drive profitable growth. PROS has 1,400 employees primarily based in the US, UK, and Australia.

**SUMMARY:** Revalize receives an MGI 360 Rating of 40 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. Revalize is a rollup of seven CPQ, PLM, and CAD companies in North America and Europe. This rating applies to the aggregated Revalize product lineup. Product depth, breadth, and future relevance is quite uneven across the portfolio, and the vertical industries Revalize sells into are diverse (from fluid handling to food manufacturing, facilities management, and medical devices). Several of the solutions have very deep capabilities within niche industries (e.g., fluid handling). With a leveraged balance sheet and a diverse set of software code bases, the company will be challenged to simultaneously invest in all products, retain key talent, deliver internal operational efficiencies, and maintain a competitive edge across all its markets. Prospective buyers should evaluate Revalize solutions on an as-is basis and ensure critical roadmap functionality is contractually assured.

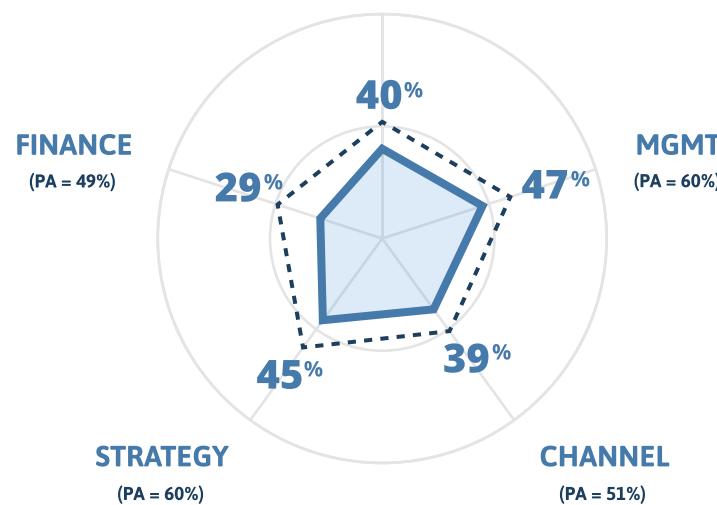
**IDEAL USE CASE:** Revalize CPQ solutions address a range of use cases, industries, and customers. In general, the products tend to be stronger in the configuration and quoting areas and weaker in price optimization.

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### Revalize 5-Pillar Breakdown

— REVALIZE    - - - PEER AVERAGE (PA)

#### PRODUCT (PA = 52%)



### Go-To-Market vs Solution Strength

GO-TO-MARKET STRENGTH

SOLUTION STRENGTH

**SOLUTION STRENGTH:**  
Product Score

**GO-TO-MARKET STRENGTH:**  
Composite of Finance, Strategy, Channels & Mgmt Scores

**DIRECT COMPETITORS:**  
Conga  
Epicor  
Experlogix  
Infor  
Oracle  
PROS  
Salesforce  
SAP

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**MANAGEMENT:** How competent and experienced is the management team?

**CHANNELS:** Does the company have a sales capability to bring products to market?

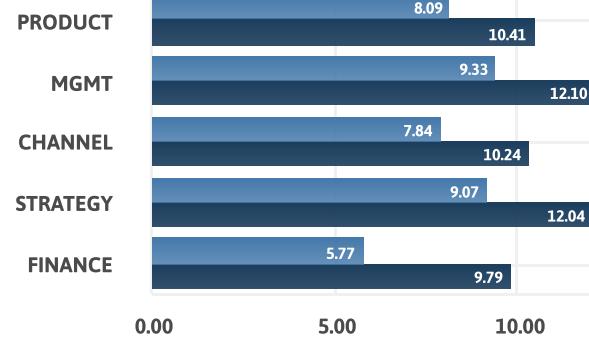
**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

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### 5-Pillars vs Peer Average

— REVALIZE    — PEER AVERAGE



### Company Profile

FOUNDED/HQ → 2021 | Jacksonville, FL

REVENUE → \$56 Mil (MGI est)

PROFITABLE → Yes

GROWTH RATE → 5% (MGI est)

OWNERSHIP → Private

SAMPLE CUSTOMERS → Pro.file, SpecPage, Wilfley, The University of Iowa, Tommy Car Wash Systems

**Company Description:** A portfolio of acquired products in the CAD, PLM, and CPQ software categories, Revalize serves a range of industries and manufacturing styles. The company received debt and equity financing from several institutional investors.

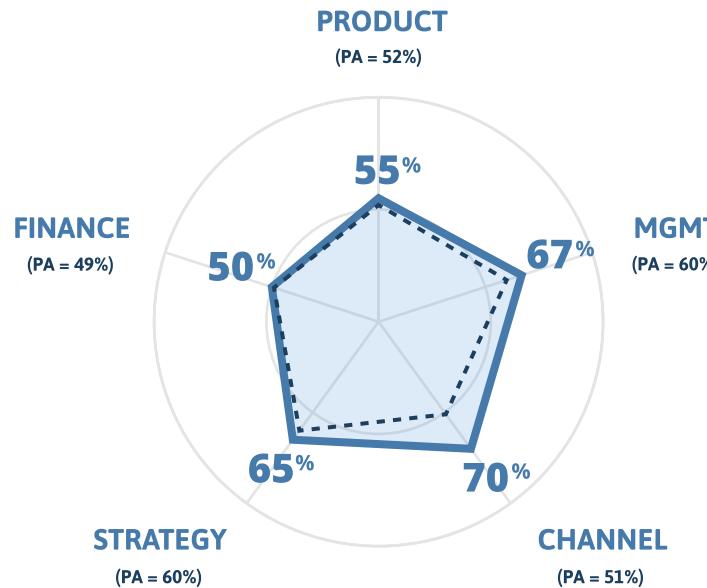
**SUMMARY:** Salesforce receives an MGI 360 Rating of 61 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. With over 6,000 customers, Salesforce CPQ is the most widely sold CPQ solution in the market. In the past decade, Salesforce effectively brought CPQ to the masses and transformed sales quoting in the process. Functionally, the product is average and best suited for organizations with low-to-moderate sales complexity and modest volumes. While customer satisfaction is mixed, the product outcompetes others in its breadth and depth of integration, ecosystem, and brand visibility. In 2024, the company rebranded Revenue Lifecycle Management (RLM) to Revenue Cloud. This announcement marks the latest attempt to revitalize the CPQ brand and increase growth. While there is some market skepticism at the rate of customer adoption in RLM/Revenue Cloud, Salesforce has the resources and brand equity to significantly impact the industry. The current CPQ offerings (there are several variations) are in transition, and a newly architected version of Salesforce CPQ is being launched. Current and prospective customers should prepare for a re-implementation of Salesforce CPQ, with the associated time/expense of such endeavors. Revenue Cloud, as described today, is broad and aspirational in its functional reach.

**IDEAL USE CASE:** Digital services-oriented, small and midsize organizations seeking to add structure and speed to quote generation and basic discipline to price management with light configuration complexity and modest volumes.

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### Salesforce 5-Pillar Breakdown

— SALESFORCE — — PEER AVERAGE (PA)



### Go-To-Market vs Solution Strength



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**MANAGEMENT:** How competent and experienced is the management team?

**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

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### 5-Pillars vs Peer Average

— SALESFORCE — — PEER AVERAGE



### Company Profile

FOUNDED/HQ → 1999 | San Francisco, CA

REVENUE → \$36.5 Bil (consolidated)

PROFITABLE → Yes

GROWTH RATE → 8% (consolidated)

OWNERSHIP → Public | Market Cap = \$278 Bil

SAMPLE CUSTOMERS → NISC, UserTesting, ServiceTitan, Infinera, Phreesia, Flexi-Van

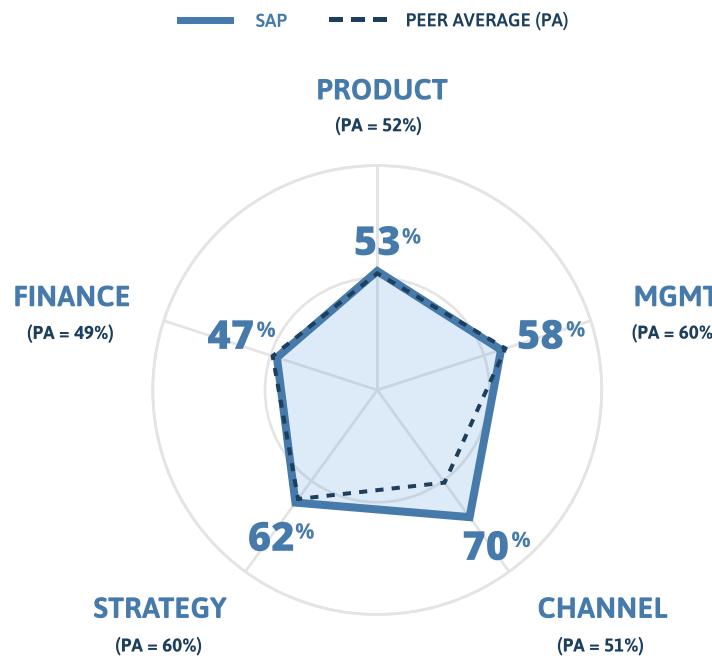
**Company Description:** Salesforce is a leading provider of sales and marketing automation applications. The company entered the CPQ market in 2015 and now has the largest installed base of CPQ software.

**SUMMARY:** SAP receives an MGI 360 Rating of 58 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. SAP has decades of experience connecting large product catalogs and complex sales orders with manufacturing systems. Today, the company has multiple CPQ-oriented products and partnerships and is no longer at the cutting edge of CPQ innovation. Organizations that prioritize a single-vendor architecture and are willing to invest in integrating across SAP products will find success. The overall 360 Rating reflects SAP's deep industry expertise, ability to serve global accounts, and its large channel and partner ecosystem. Over the past five years, SAP CPQ roadmap focus and marketing strategy have been uneven. Prospective customers are cautioned against buying futures and should evaluate the solution and integrations on an as-is basis.

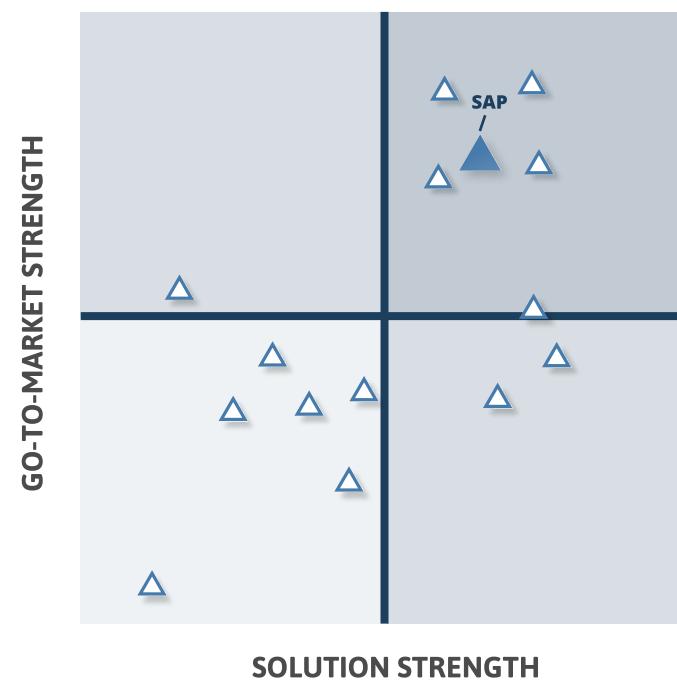
**IDEAL USE CASE:** SAP CPQ is best suited for SAP-centric companies who are running core ERP, CRM, and commerce on SAP. A typical implementation stack is SAP CPQ, Variant Configuration and Pricing, and Sales Cloud – combined with core SAP ERP. SAP partners with various providers for select functionality (e.g., Pricefx for price optimization and Expivi for 3D configuration).

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### SAP 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



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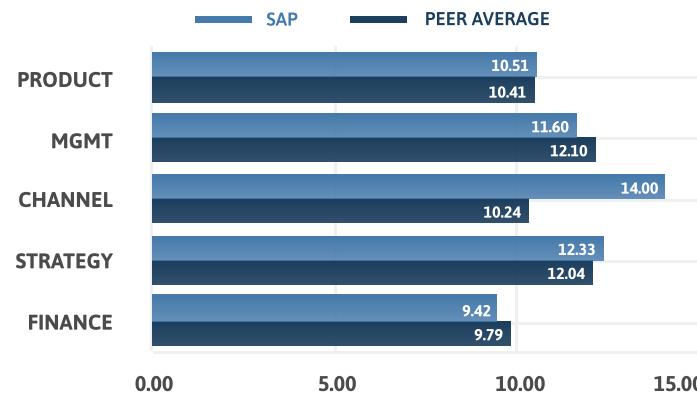
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

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### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ	→ 1972   Walldorf, Germany
REVENUE	→ \$32.54 Bil (consolidated)
PROFITABLE	→ Yes
GROWTH RATE	→ 9.8% (consolidated)
OWNERSHIP	→ Public   Market Cap = \$269.28 Bil
SAMPLE CUSTOMERS	→ Lucifer Lighting, Atlas Copco, EXFO, MVV Enamic, Neuroth

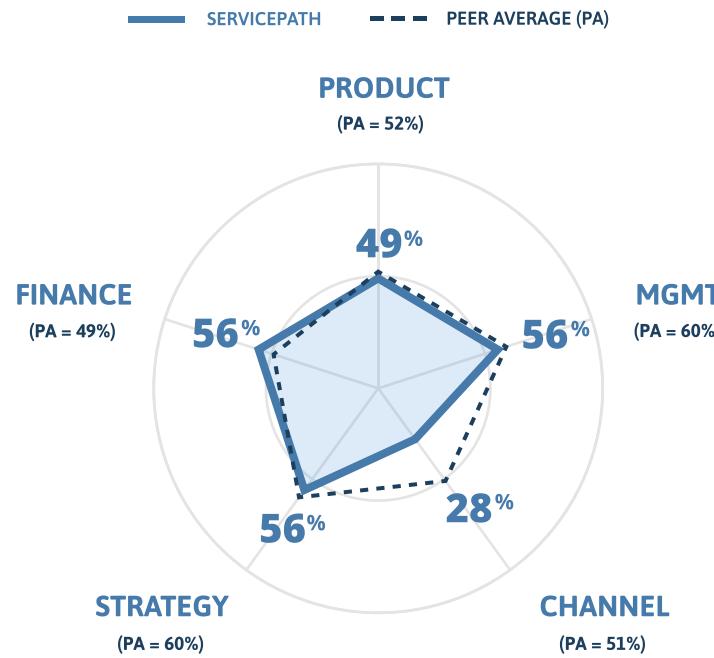
**Company Description:** SAP SE [NYSE: SAP] is a leading global provider of enterprise software solutions. The company maintains a global sales and marketing presence, and one of the largest partner ecosystems in the world. Its core financials, manufacturing, and monetization capabilities are used by over 400,000 companies around the world.

**SUMMARY:** servicePath receives an MGI 360 Rating of 49 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. servicePath addresses medium-to-high complexity product/services quoting and configuration use cases, primarily for communications and technology services providers. The solution excels at managing complex pricing and intricate, high-complexity hardware, software, and services (implementation, provisioning, ongoing maintenance/support) configurations in multi-channel sales environments. Its ability to identify the "cost to serve" is unique, and the combination of its implementation methodology and ease of use make it possible for nontechnical users to configure and run the system with little to no external resource. The ability to pull product, pricing, specs, and marketing data from external sources is particularly valuable for resellers and MSPs generating quotes with many products/services from third-party suppliers.

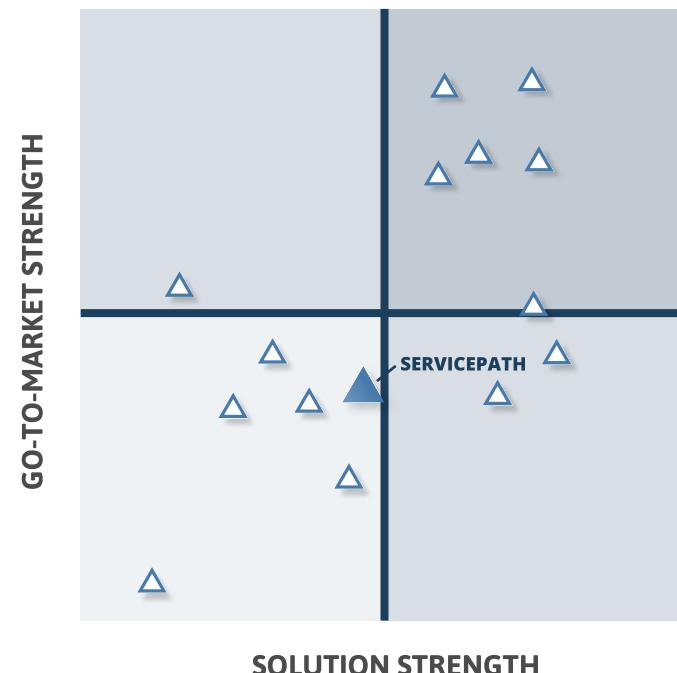
**IDEAL USE CASE:** Tech service providers (TSPs, as well as MSPs and CSPs) with medium-to-high complexity and volume requirements with sophisticated, heterogeneous environments are an ideal fit. Most of its customers are using Salesforce or Microsoft Dynamics for core CRM, and a variety of ERP solutions on the back end. Some use it for quoting across a federated environment of multiple CRM instances.

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### servicePath 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



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**MANAGEMENT:** How competent and experienced is the management team?

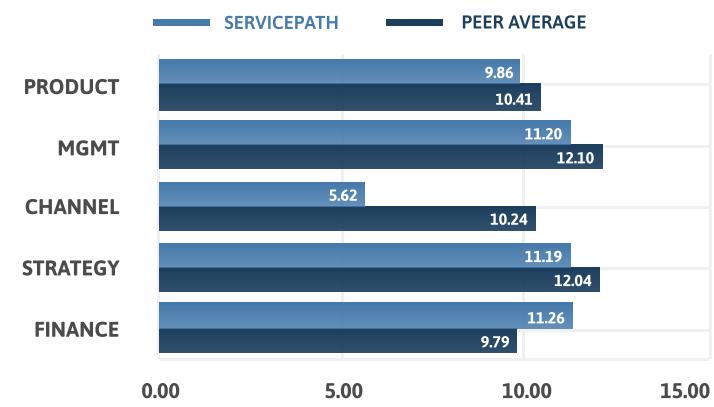
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

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### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ	→ 2010   Ontario, Canada
REVENUE	→ \$6 Mil (MGI est)
PROFITABLE	→ Yes
GROWTH RATE	→ 35% (MGI est)
OWNERSHIP	→ Private
SAMPLE CUSTOMERS	→ Dell/EMC, VMware, DXE Technology, Ensono, ATOS, ParkPlace, AC3, CharterHouse, Telefonica, Tarkett

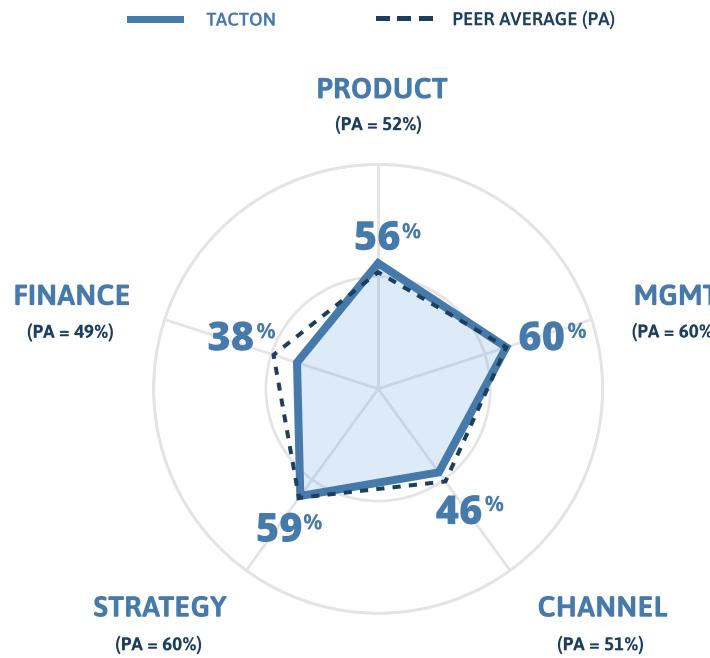
**Company Description:** servicePath is a growing, profitable company with high customer retention. The company gets high customer marks for exceptional value for the money. Company serves customers primarily in North America, EU, UK, and Australia/New Zealand. It has people in Canada, Philippines, Dubai, UK, and Australia/NZ.

**SUMMARY:** Tacton receives an MGI 360 Rating of 52 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. The company and product excel as a configurator for engineer-to-order and configure-to-order manufacturing/industrial companies. Tacton has deep experience integrating with complex SAP engineering and manufacturing environments. It has fresh 3D and AR visual configuration and strong integration with CAD and PLM systems. Inline BOM edits, delta pricing, and pre-built integrations via Workato are notable innovations. Tacton recently launched CPQ Service Sales, enabling management of as-installed configurations. The product has a lightweight CRM built in and also integrates to Salesforce and Microsoft Dynamics. The system has a flexible pricing engine, but typically base prices are mastered outside of Tacton. The product has progressed in its ease of use and manageability. User satisfaction overall is high, although some accounts have expressed interest in deeper post-sales business consulting. Tacton's partner network is quantitatively modest but qualitatively competent.

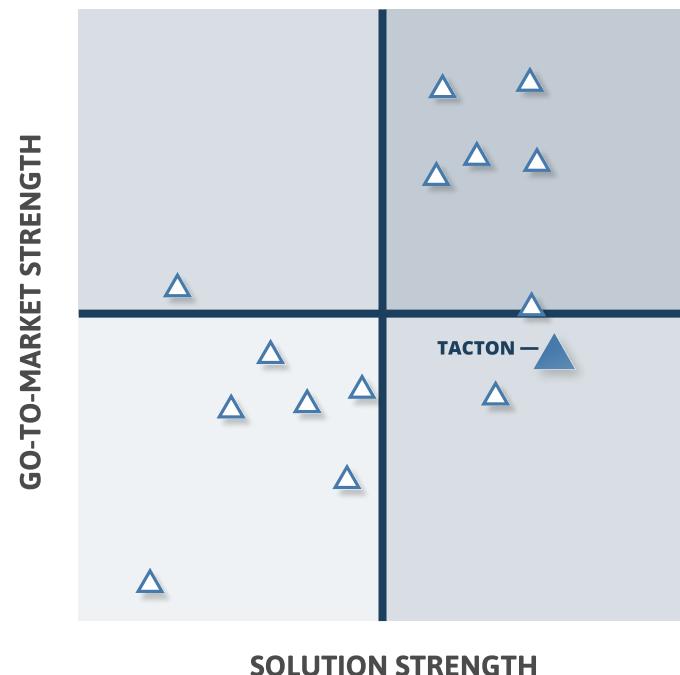
**IDEAL USE CASE:** Configure and engineer-to-order manufacturers with complex product requirements/variants and a primary need for a sophisticated product configurator.

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### Tacton 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



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**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

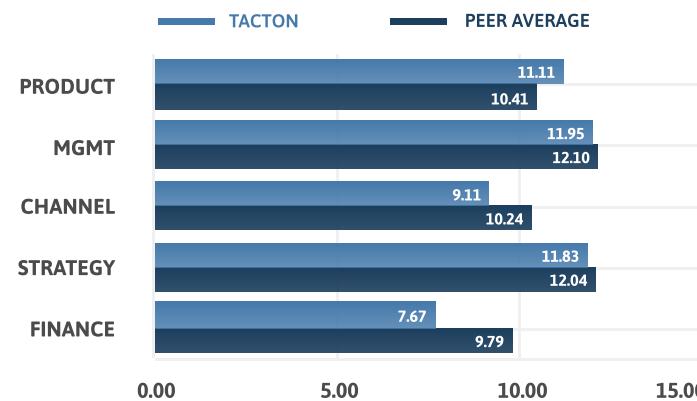
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

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### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ	→ 1998   Stockholm, Sweden; Chicago, IL
REVENUE	→ \$42 Mil (MGI est)
PROFITABLE	→ Yes
GROWTH RATE	→ 5% (MGI est)
OWNERSHIP	→ Private
SAMPLE CUSTOMERS	→ ABB, Metso, Bromma, MAN, Hyster-Yale, Healthineers, Daimler, Toshiba, Tetra Pak, Atlas Copco, Xylem

**Company Description:** Tacton Systems AB sells an omnichannel CPQ Solution aimed at medium-to-large global manufacturing companies. Tacton leads with a product configurator that handles highly complex configure-to-order and make-to-order use cases combined with visual configuration capabilities (2D, 3D, AR). Tacton launched in 1998 with an on-prem product and now sells cloud-based solutions. With a product-driven culture, the company is now backed by private equity and has strengthened its sales and marketing capacity in the past three years. The company has over 250 employees, with headquarters in Sweden and the US and regional offices in Germany, Poland, and Japan.

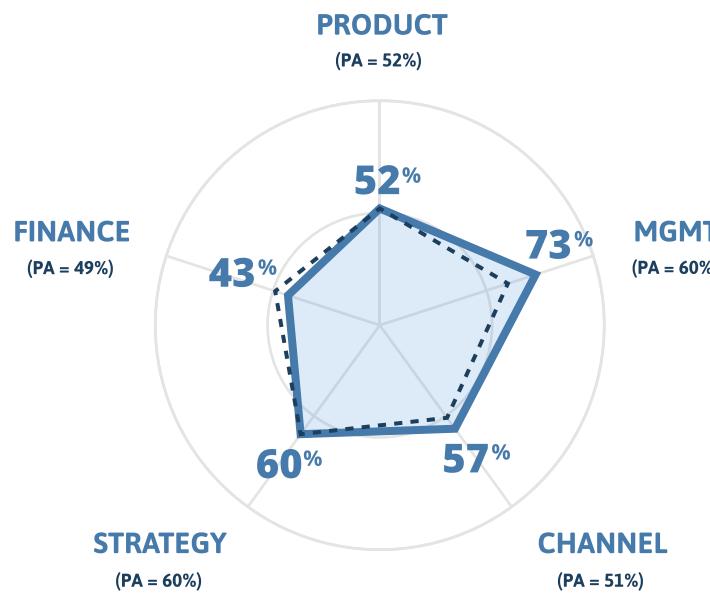
**SUMMARY:** Workday receives an MGI 360 Rating of 57 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. Workday's Services CPQ product, currently in the early adopter stage with approximately 20+ customers, is specifically designed to address the quoting needs of professional services organizations. The advantage of Workday's CPQ solution is its ability to abstract key elements of service delivery and its integration into Workday's PSA, HCM, and Financials offerings. The product today handles low-to-medium complexity and volumes of quotes. While it is still in an early stage of maturity, initial customers report surprisingly high satisfaction with the product due to its ability to shorten and automate the quote process, as well as improved access to more granular, relevant project data. Workday CPQ receives exceptional praise for customer attentiveness and support. Even with a young product, the customer base is already a quarter of the size of many CPQ vendors. The roadmap is ambitious; Workday is investing heavily (talent, money, and channels) to make this a strong option for pure service businesses (e.g., professional services) today, and broader use cases (e.g., tech companies selling a combination of services, physical, and digital products) in the near future.

**IDEAL USE CASE:** Mid-to-large size services organizations seeking a light-to-midweight quoting tool that integrates with financials, PSA, and HCM functionality.

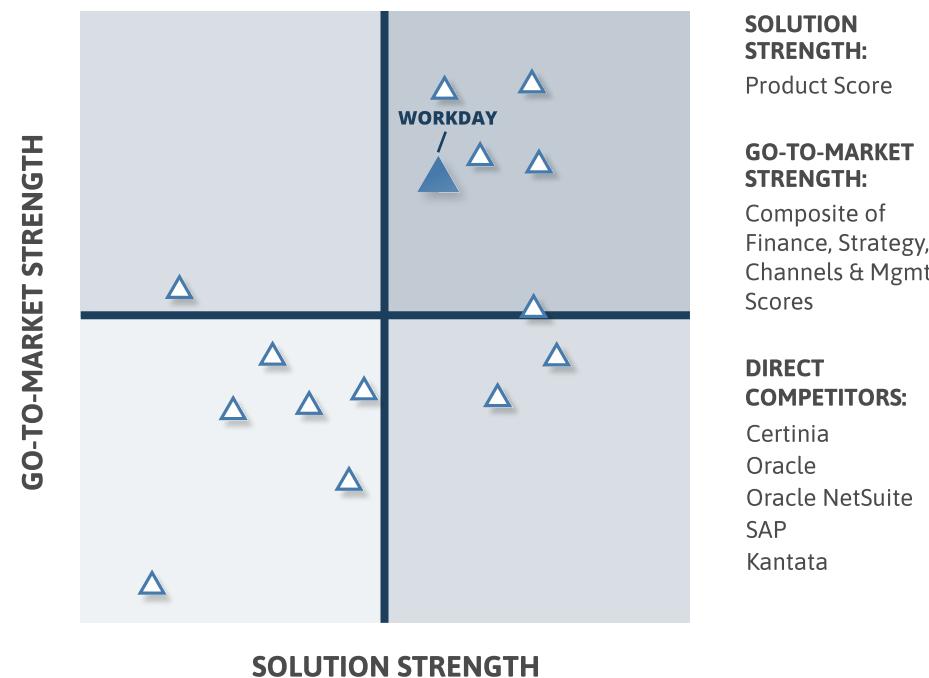
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### Workday 5-Pillar Breakdown

— WORKDAY — PEER AVERAGE (PA)



### Go-To-Market vs Solution Strength



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Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

**CHANNELS:** Does the company have a sales capability to bring products to market?

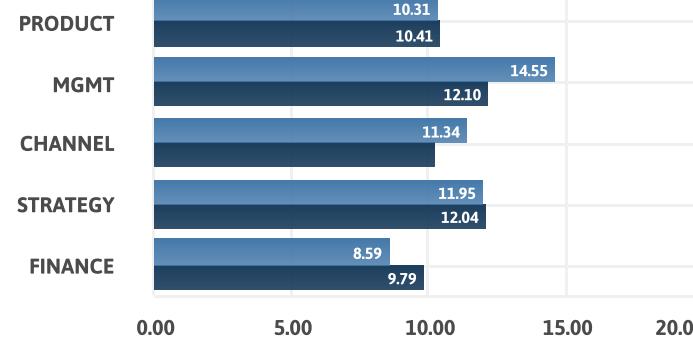
**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average

— WORKDAY — PEER AVERAGE



### Company Profile

FOUNDED/HQ	→ 2005   Pleasanton, CA
REVENUE	→ \$7.86 Bil (consolidated)
PROFITABLE	→ Yes
GROWTH RATE	→ 16.7% (consolidated)
OWNERSHIP	→ Public   Market Cap = \$64.79 Bil
SAMPLE CUSTOMERS	→ Logic 20/20, OneMagnify, DataOne, Evoila

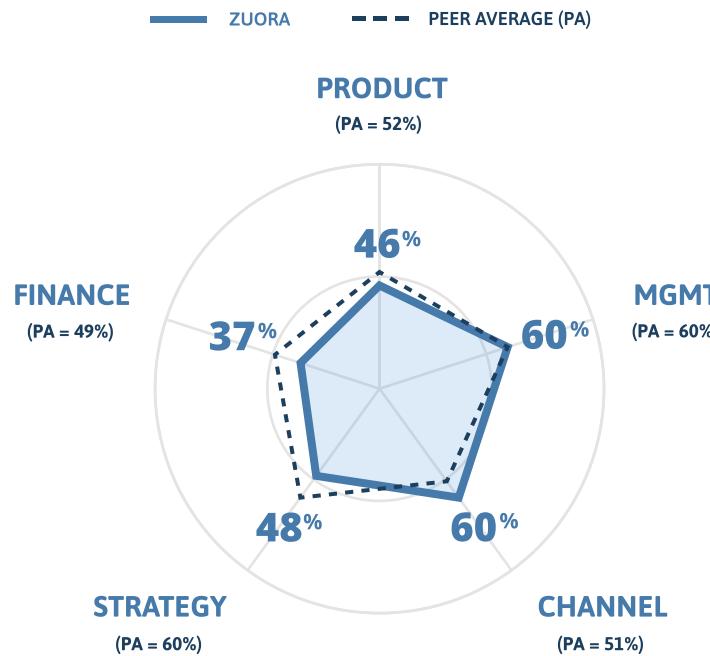
**Company Description:** Workday (Nasdaq: WDAY) is a mega enterprise software vendor with an expanding set of integrated applications in human capital management (HCM), financials, planning, and select vertical industry solutions (e.g., PSA and higher education). Workday adheres to a unique hierarchy of priorities focused on employee, customer, and shareholder. The firm consistently receives high customer satisfaction scores and strong customer retention. Workday has over 19,900+ employees in key global economic areas.

**SUMMARY:** Zuora receives an MGI 360 Rating of 50 and a Neutral analyst outlook in the Configure Price Quote (CPQ) market. Zuora, best known for its subscription billing and revenue recognition software, offers a monetization suite that also includes payments, metering, subscriber management, and analytics built around a common monetization platform. Zuora CPQ is primarily aimed at quoting in the recurring arena and is sold exclusively as an add-on to new and existing Zuora Billing customers who rely on Salesforce for sales automation. Compared to other Zuora solutions, the CPQ product is aimed more at the basics and has gotten relatively less attention and innovation investment than other parts of the platform. Zuora CPQ can handle a long-enough list of requirements, including ramp deals, product bundles, and complex mid-cycle amendments, capabilities that many other basic quoting products struggle to support. The product is best suited for medium-to-large size enterprises who need a basic quoting tool that integrates well with subscription management tools within a Salesforce.com ecosystem.

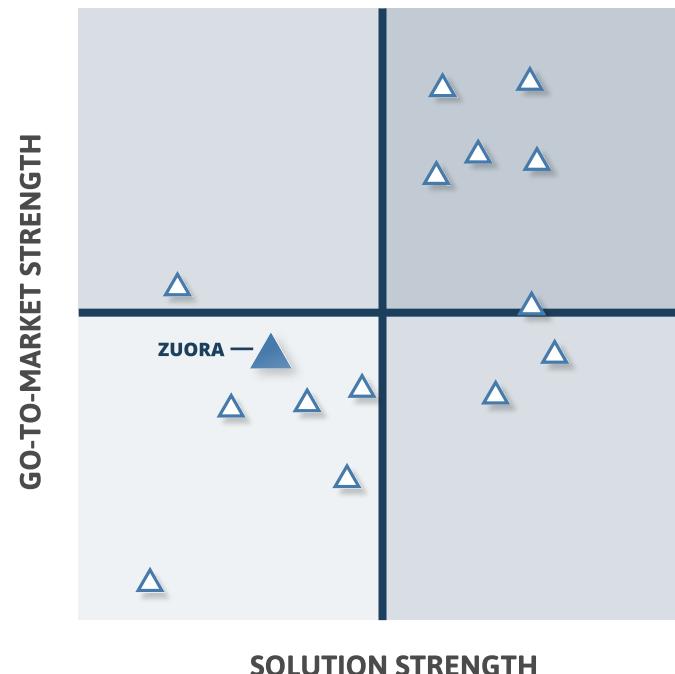
**IDEAL USE CASE:** Mid-to-large size enterprises (\$100 million to \$1 billion+) seeking a simplified one-page quoting tool that integrates with full-spectrum subscription management. The product can handle medium transaction volumes and low-to-moderate quoting complexity with capabilities like ramp pricing, multi-year deals, bundles, midcycle amendments, change management, et al.

**SPEAK TO AN ANALYST:** Clients are encouraged to reach out to MGI to have this research applied to their situation. Send inquiries to [support@mgiresearch.com](mailto:support@mgiresearch.com) or visit our website at [mgiresearch.com](http://mgiresearch.com)

### Zuora 5-Pillar Breakdown



### Go-To-Market vs Solution Strength



### About MGI 360 Ratings

MGI 360 Ratings provide independent scoring of technology suppliers on a scale of 0-100. Letter grades are assigned based on scoring quartiles for the most recent ratings in any given market: **A** (4th quartile), **B+** (3rd quartile), **B** (2nd quartile), and **B-** (1st quartile).

Each rating is comprised of five equally weighted pillar scores:

**PRODUCT:** How strong is the product competitive position?

**MANAGEMENT:** How competent and experienced is the management team?

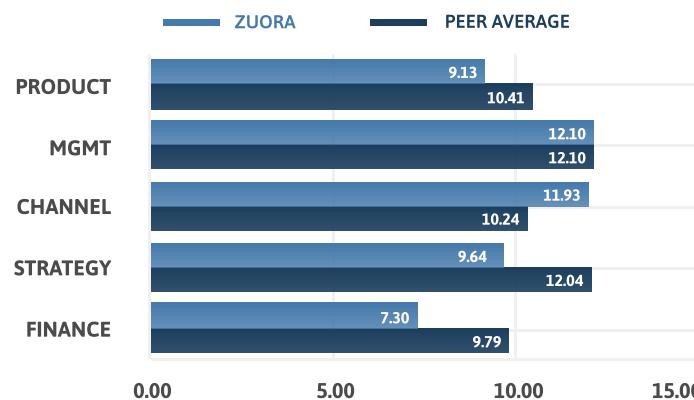
**CHANNELS:** Does the company have a sales capability to bring products to market?

**STRATEGY:** Does the company have a realistic plan for success?

**FINANCE:** Is the company growing and profitable?

Each of the pillar scores is further subdivided into subcategories. For additional information, please visit <https://mgiresearch.com/mgi-360-ratings/>.

### 5-Pillars vs Peer Average



### Company Profile

FOUNDED/HQ	→ 2007   Redwood City, CA
REVENUE	→ \$438.34 Mil (consolidated)
PROFITABLE	→ No
GROWTH RATE	→ 6.5% (consolidated)
OWNERSHIP	→ Public   Market Cap = \$1.37 Bil
SAMPLE CUSTOMERS	→ Zoom, Avalara, Yext, DocuSign, Qlik, Vivint, eMoney

**Company Description:** Founded in 2007 by former Webex and Salesforce execs K.V. Rao, Cheng Zou, and Tien Tzuo, Zuora is widely credited with naming the subscription economy. It is the most visible and discussed company in the Agile Monetization market and has raised nearly \$650 million in combined private and public funding. Zuora sells its solutions via a direct salesforce and leveraging partnerships with companies such as Salesforce, Accenture, Deloitte, Cognizant, and PwC. Zuora's brand visibility, breadth of offering, funding, subscription billing heritage, and channel reach distinguish it from the rest of the next-generation subscription billing solutions. Zuora is in the process of once again becoming a private company as it is being acquired by private equity firm Silver Lake and Singapore investment fund GIC. The transaction is aimed at gaining management flexibility in repositioning and restructuring the company for its next stage of growth.



## Honorable Mention

This section covers ten suppliers who are covered, but not rated, by MGI Research. These suppliers either have an CPQ solution or are actively working on one: Cincom, Expedite Commerce, Infor, Oracle NetSuite, Pricefx, Salesbricks, Subskribe, Veloce, Vendavo, and Zilliant. Depending on the ICP, use case, and customer need, these suppliers merit consideration.

### Cincom / PartnerOne

With roots as a database and manufacturing systems software developer, Cincom brings decades of manufacturing and complex product sales and services experience to the CPQ market. The CPQ solution has a wide range of integrations, particularly into midmarket ERP solutions like Microsoft Dynamics, Infor, and Oracle, and notably into PLM providers like PTC, Autodesk, and SolidWorks. Cincom serves clients across Australia, France, Japan, UK, Italy, and North America, with a CPQ focus on industrial equipment manufacturing, med equipment and device manufacturing, commercial and managed services providers, and specialty vehicle manufacturers. Cincom was acquired in June 2024 by PartnerOne, a serial acquirer of enterprise software tools and applications companies. Cincom had approximately 400 employees and total revenues around \$50 million (MGI estimate) at the time of acquisition, with CPQ representing a small portion of total sales. Given the range of tools and applications maintained by PartnerOne, Cincom CPQ's innovation roadmap is unclear. As such, prospects should evaluate Cincom CPQ on an as-is basis.

**Product Name:** Cincom CPQ

**Founded:** 1968

**HQ:** Cincinnati, Ohio

**Sample Customers:** Fassi, E-One, ATC, Carrier, Spirax Sarco

**Primary Competitors:** Epicor, Experlogix, Conga, Oracle, SAP, Tacton

### Expedite Commerce

With roots in systems integration and sales automation, Expedite Commerce has evolved into a provider of CPQ and broader agile monetization functionality, including e-commerce, billing, contract management, and more. The primary focus is on streamlining sales quoting/contracting and sales ops with a mix of direct, indirect, and online sales motions for B2B, small-to-midsize companies and divisions of larger enterprises. The CPQ product is strongly oriented toward sales and used by business, marketing, and finance users. The company has about 60 employees, is privately held and profitable, with offices in the US, EU, and India. Expedite Commerce is a fit for budget-conscious companies with modest-to-moderate levels of business and product complexity in the US, Europe,



and Australia. Companies running core financials ranging from QuickBooks, Microsoft Dynamics, and Oracle NetSuite, and/or CRM solutions like D365, HubSpot, and Zoho should consider Expedite Commerce.

**Product Name:** Expedite CPQ

**Founded:** 2008

**HQ:** Plano, TX

**Sample Customers:** Brinks, Core Health & Fitness, TNS, Aditum

**Primary Competitors:** DealHub, Salesbricks, Salesforce, Subskrbe

## Infor

Infor CPQ is a cloud-based product configurator aimed at moderate-to-complex manufacturing, industrial, and distribution companies. The product distinguishes itself with its visualization capabilities and integration with manufacturing systems. CPQ is a product area that has received sustained investment and received notice for its continuous improvement over the past three years.

**Ideal Use Case:** This solution is best-suited for existing Infor customers, particularly midsize-to-large B2B companies operating in the distribution and manufacturing verticals. The company has introduced select industry-specific packaging of its CPQ offering for automotive and ETO manufacturing.

**Company Description:** Privately held and profitable, Infor is the agglomeration of 50+ acquisitions in enterprise applications. Owned by Koch Equity Development, a subsidiary of Koch, Inc., Infor is doing about \$3 billion in revenues and serves 90K+ customers around the world.

**Product Name:** Infor CPQ

**Founded:** 2002

**HQ:** New York, NY

**Sample Customers:** Daikin, Riverhead Building Supply, Lippert

**Primary Competitors:** Epicor, Oracle, Oracle NetSuite, Revalize, SAP, Tacton

## Oracle NetSuite

The Oracle NetSuite CPQ solution is based on an acquired product, Verenia, that developed a product configurator and guided selling solution written natively on NetSuite. Today, NetSuite CPQ is a viable option for manufacturing or assembly companies selling complex products/services, moving from a



legacy or homegrown quoting system, and looking for a single supplier of quoting, financials, and broader ERP capabilities. The product is integrated with NetSuite's commerce module, as well as Shopify and Adobe Commerce, to enable guided selling. For companies with high product/sales complexity and/or selling digital goods or a mix of physical products, professional services, and digital services with a subscription component, additional customization and specialized resources are typically required. In these scenarios, prospects are advised to seek alternative solutions.

**Ideal Use Case:** NetSuite CPQ is best-suited for committed Oracle NetSuite ERP customers selling complex physical goods with low-to-moderate sales volumes and modest business complexity.

**Company Description:** NetSuite (a division of Oracle) is the market share leader in cloud-based financials for midmarket companies. NetSuite CPQ is an add-on module.

**Product Name:** NetSuite CPQ

**Founded:** 1977 (Oracle) and 2011 (Verenia)

**HQ:** Austin, TX

**Sample Customers:** Depatie Fluid Power, Mobile Communications America, Trinity Packaging Supply

**Primary Competitors:** Epicor, Experlogix, Revalize, Zuora

## Pricefx

Pricefx is a global SaaS pricing software company that offers AI-powered solutions to optimize pricing strategies. Its CPQ product enables sales teams to create custom, profitable quotes by learning from historical deals and individualized customer rules. Seamlessly integrated into existing CRM and ERP systems, Pricefx enhances efficiency in the quotation process. With support in regions including the Czech Republic, Germany, the US, Switzerland, France, and the UK, and backed by investors like Bain & Company, Yttrium, and Credo, Pricefx is poised for continued growth and expansion. Pricefx has a cloud-native pricing platform and represent the P in CPQ.

**Ideal Use Case:** The solution targets both B2B and B2C customers across SME and Enterprise segments. The Pricefx platform offers advanced price management capabilities, accommodating use cases ranging from basic to medium complexity. Company excels in trade and promotions management – the product is aimed at a pricing team.

**Company Description:** The Pricefx solution combines an advanced price management capability with a core cloud-based CPQ product. The solution is aimed at B2B and B2C customers in SME and Enterprise segments. Pricefx has raised three rounds of funding from institutional and strategic investors



(including Bain & Co.). The Pricefx platform supports advanced price management capabilities for a spectrum from basic to medium-complexity use cases. The company has around 300 employees, with headquarters outside of Munich, Germany and regional offices in the Czech Republic, Switzerland, and US.

**Product Name:** Pricefx Quoting Software

**Founded:** 2011

**HQ:** Pfaffenhofen, Germany

**Sample Customers:** Avery Dennison, Bosch, Corteco, Firth, Michelin, Schneider Electric, Toyo Tires

**Primary Competitors:** PROS, Vendavo, Zilliant

## Salesbricks

Salesbricks is an early-stage, integrated quote-to-cash solution aimed at software vendors. The company vision is to provide an all-in-one solution, including CPQ, billing, order management, subscription management, and analytics. Early customers praise the solution for ease of use and agility. The Salesbricks team of approximately 30 employees is led by company founders John Louis Swaine and Jonathan Festejo.

**Ideal Use Case:** SMBs with subscription-based, digital, self-service sales motion, looking for a low-cost, easy-to-use, all-in-one quote-to-cash platform.

**Company Description:** Salesbricks has raised a total of \$8.5 million in seed funding. Investors include Surface Ventures, Long Journey Ventures, Batchery, and Stage 2 Capital.

**Product Name:** Salesbricks

**Founded:** 2021

**HQ:** San Mateo, CA

**Sample Customers:** Atlas, Trustero, Tether Data, ScreenSpace

**Primary Competitors:** Chargebee, DealHub, HubSpot, MonetizeNow, Salesforce, Subskrib, Zuora

## Subskrib

Subskrib's vision is to provide an integrated billing, CPQ, and revenue recognition (automated revenue management) solution aimed at emerging-growth (Series B and larger) tech companies. Subskrib's solution aims to unite CPQ, subscription billing, revenue recognition, and analytics into a unified system, allowing businesses to rapidly model and implement core elements of their quote-to-cash processes. Subskrib customers cite relatively quick deployment,



modern UX, ease of use, and agility. Subskribe founders Durga Pandey, Yibin Guo, and Prakash Raina are experienced enterprise software executives with backgrounds in Palo Alto Networks, Google, Zuora, Salesforce, Okta, AWS, and Netflix.

**Ideal Use Case:** Fast-growing SaaS companies with early enterprise needs, looking for an agile solution from a flexible provider that is quick to translate customer needs into product.

**Company Description:** Subskribe has raised a total of \$18.4 million in seed and Series A funding and has a team of about 50 employees. Institutional investors include 8VC, Artiman Ventures, and Slow Ventures. The company also counts a group of seasoned tech-industry executives as investors.

**Product Name:** Subskribe CPQ

**Founded:** 2020

**HQ:** San Ramon, CA

**Sample Customers:** Beamery, BigID, Chainguard, Lob, Zip

**Primary Competitors:** Chargebee, DealHub, HubSpot, Salesbricks, Salesforce, Zuora

## Veloce

Veloce CPQ is largely a technology development organization with a focus on complex, high-volume CPQ use cases. With a team of just under 30, including development teams in Latvia and Belarus, Veloce CPQ aims to address the needs of Salesforce ecosystem accounts with complex, edge-case requirements for complex quoting. The company claims a level of compatibility with the emerging Salesforce Revenue Cloud next-generation CPQ offering. With minimal sales capacity, it would not be surprising to see this company subsumed into the broader Salesforce Revenue Cloud development effort.

**Ideal Use Case:** Salesforce customers with larger quote generation volumes and more complex, edge-case CPQ use cases than Salesforce CPQ can address.

**Company Description:** Veloce CPQ has raised a total of \$3 million in seed funding.

**Product Name:** Veloce CPQ

**Founded:** 2016

**HQ:** San Francisco, CA

**Sample Customers:** Nevro, TCI, Instor, HealthJoy, GlobalPayments, Cato Networks

**Primary Competitors:** DealHub, Logik.io, Salesforce, Subskribe, Vendavo



## Vendavo

Vendavo is one of only a few CPQ suppliers offering advanced pricing capabilities as well as configuration and quoting tools. The Vendavo CPQ Cloud is built on Microsoft Azure and offers omnichannel capabilities, price optimization capabilities, and limited product configuration capabilities for the Manufacturing (discrete and process), High Tech, Chemicals, and Distribution industries. This solution also offers some limited subscription capabilities and a mobile optimized UI. Vendavo CPQ Cloud is integrated with SAP Variant Configurator, DocuSign, Avalara, Oracle, and Infor, and can support advanced visualization via Partners like CDS and ThreeKit. It further integrates with various Customer Relationship Management (CRM) Systems like Salesforce (over 50% of customers use this), Microsoft Dynamics, Infor, and Sugar CRM. While Vendavo has only a small number of pricing competitors, their relatively weak partner network is a potential concern for continued growth.

**Ideal Use Case:** Companies with revenues above \$500 million, with medium-to-high complexity in pricing and low-to-medium complexity in configuration.

**Company Description:** Vendavo aims at markets with medium-to-large customers and calls its product the "Commercial Excellence Solution." The solution combines advanced pricing capabilities with product configuration in the discrete manufacturing, process manufacturing, and distribution industries. Besides Configuration, Price, Quote, and Contract/Renewal capabilities, the Commercial Excellence Solution also provides Deal Price Guidance, Deal Intelligence, and Commercial Analytics. Vendavo started as a pricing-focused company in 1998 and acquired Endeavour CPQ in July 2017 to add CPQ capabilities. The company acquired Navetti in 2018, deepening its pricing capabilities. Vendavo is backed by Francisco Partners, a private equity firm, and led by CEO Bruno Slosse. MGI estimates the company has around 200 customers and approximately 420 employees.

**Product Name:** Vendavo Intelligent CPQ

**Founded:** 1998

**HQ:** Denver, CO

**Sample Customers:** Ball Corp, Dow, Yokogawa, Mettler Toledo, GAF, Syngenta, Colfax Corp

**Primary Competitors:** Conga, Oracle, Pricefx, PROS, Tacton, Salesforce, Zilliant

## Zilliant

Zilliant is a provider of pricing-focused CPQ, AI-powered price optimization, price management, agreements management, and revenue intelligence software. The company offers a suite of tools designed to help businesses set optimal prices, manage pricing policies, and manage growth and profitability. While the company overall is aimed at the manufacturing, distribution, industrial services, and high-tech sectors, the CPQ solution is purpose-built for manufacturing use cases. The CPQ solution enables complex configuration based on dependencies, conditions, BOM, and pricing, and it offers key capabilities like self-



service purchasing, interactive visualizations, guided selling, integration with SAP, Salesforce, and Microsoft ERP and CRM platforms, and more. The company has approximately 255 employees. In 2023, the company acquired In Mind Cloud, a manufacturing-focused CPQ solution.

**Ideal Use Case:** Zilliant's CPQ solution is best-suited for B2B companies in the manufacturing sector with complex, real-time or quick-time price optimization, pricing intelligence, and advanced analytics requirements.

**Company Description:** Zilliant has raised more than \$125 million in funding over 10+ rounds. Madison Dearborn Partners (MDP) acquired Zilliant from Goldman Sachs in 2021.

**Product Name:** Zilliant CPQ

**Founded:** 1998

**HQ:** Austin, TX

**Sample Customers:** Arvedi, DAC Vision, EnerSys, Sunningdale Tech, UCT, Wild & Küpfer AG

**Primary Competitors:** Pricefx, PROS, Vendavo



## APPENDIX A – Glossary

**AGILE MONETIZATION PLATFORM:** MGI Research is credited with having created the concept of an Agile Monetization Platform. This concept is comprised of processes, tools, and human resources and describes the business enablement of monetization. Monetization is defined as how market demand is created and then translated into revenues, profits, and business differentiation. A core process that is supported by the AMP concept is P2D – Prospect to Disclosure. Historically, the Quote to Cash process was viewed as the essential element of monetization. Today, the serial notion of Quote to Cash no longer accurately captures the continuous and multi-faceted nature of how an enterprise monetizes. Within AMP, there are twelve areas that are commonly supported by business applications. Configure Price Quote is one of these product areas. As packaged solutions mature, it is expected that software vendors will evolve towards offering more comprehensive packages that encompass more than one AMP product discipline, a trend that has already begun.

**CONFIGURE PRICE QUOTE:** Configure Price Quote is a software discipline that enables companies to automate complex sales processes. It is typically packaged as a mini-suite of related capabilities enabling precise product configuration, accurate pricing, and rapid quote presentation across all types of channels – direct, indirect, partner/reseller, self-service, guided e-commerce, and OEMs.

**GICS®:** Global Industry Classification Standard: an industry taxonomy created by MSCI and S&P; it organizes all major public companies into 11 sectors, 24 industry groups, 69 industries and 158 sub-industries; this is the taxonomy used in this TAM report

**ICB:** Industry Classification Benchmark: an industry taxonomy developed by Dow Jones and FTSE; it organizes markets into 11 industries, divided into 20 super-sectors, further divided into 45 sectors, which then contain 173 subsectors

**NAICS:** North American Industry Classification Standard: an industry taxonomy used in the United States, Canada, and Mexico; it organizes businesses by type of economic activity

**TRBC:** The Refinitiv Business Classification: an industry taxonomy created by Thomson Reuters; it organizes businesses according to their market impact



## APPENDIX B – Key Functional Requirements for CPQ

Category	Capability	Capability Description
Approvals Management	Workflow automation	Automate quote approval workflows to streamline processes
Configuration Capabilities	Anti-Requisites	What components cannot be included in the current quote
	Compatibility and dependency checks	Ensure products and services are compatible and meet dependencies
	Co-Requisites	What components must be included in the current quote
	Dynamic product bundling	Create and manage bundles of products and services dynamically
	Guided selling	Step-by-step guidance to help sales reps configure products and services
	Integration with Asset Tracking	Track what is installed at a customer site to match with new components
	Pre-Requisites	What components must be already installed and/or included for this new quote
	Product and service configuration	Ability to configure both products and services based on customer requirements
	Rules-based configuration	Apply rules to ensure valid product configurations
	Quoting and co-termining against an existing contract	Ability to add changes to an existing contract -new seats, components, capacity and optionally co-term new items
Discount Management	Approval workflows for discounts	Implement approval workflows for discounts
	Automated discount calculations	Calculate discounts automatically
	Discount rules and policies	Define rules and policies for discounts
	Discount visibility and tracking	Track and provide visibility into discounts
	Promotional pricing	Manage promotional pricing
	Volume and bundle discounts	Apply discounts based on volume and bundles
Pricing & Price Book Management	Centralized price book management	Manage pricing information in a centralized price book
	Cost +	Pricing based on cost plus methodology
	Multi-currency support	Support for multiple currencies
	Target Margin	Pricing based on target margin methodology
	Tiered pricing	Implement tiered pricing structures
	Usage Pricing - Post-Paid	Support for post-paid usage pricing models
	Usage Pricing - Pre-Paid	Support for pre-paid usage pricing models
	Volume-based pricing	Apply pricing based on volume
Product Catalog	Centralized product library	Maintain a centralized library of products
	Digital asset management	Manage digital assets related to products
	Product attributes and specifications	Define flexible attributes and specifications for products



Product Catalog Management	Product categorization and grouping	Categorize and group products for easy access
	Product Hierarchies	Capability to organize product catalog entries in a managed hierarchy, e.g. system, sub-system, module, rack, assembly, etc.
	Product lifecycle management	Manage the lifecycle of products
	SKU management	Manage stock-keeping units (SKUs)
Quoting	Import and access existing product catalogs	Import and access existing product catalogs
	Option to set CPQ or ERP system as the master product catalog	Choose whether CPQ or ERP system serves as the master product catalog
	Support for multiple product catalog formats	Support different product catalog formats
	Synchronization with ERP systems	Synchronize with ERP systems
Analytics and Reporting	E-signature integration	Integrate with e-signature solutions
	Interactive Quotes	Generate hyperlinked quotes that can be tracked upon customer receipt and generate analytics
	Multi-language and multi-currency quotes	Support for quotes in multiple languages and currencies
	Quote generation and amendments	Generate and amend quotes
	Quote templates and customization	Use and customize quote templates
	Quote to order conversion	Convert quotes to orders
Business Rules	Quote versioning and history	Maintain versioning and history of quotes
	Core Analytics	Capability to generate basic metrics from the system - stats on number of quotes drafted, sent, accepted, converted. Exceptions stats. Quote productivity per sales exec and team, etc.
Go-to-Market Sales Models	Business Rules Management and Enforcement	Ability to create and manage business rules within the organizational hierarchy and apply these rules to quoting process based on product type, geography, pricing, customer, et al.
	Assisted Selling	Guided selling tools, interactive product demos, real-time collaboration with sales agents
	Direct Selling	Support for sales representatives, CRM Integration, Lead and Opportunity Management
	Other Models	Support for hybrid sales models, integration with marketing automation tools, customer engagement analytics
	Reseller Channels	Partner portals, channel management, commission tracking, multi-tier pricing
Pricing Recommendations	Self-Service E-commerce	Online product configurators, real-time pricing, automated quote generation, integration with e-commerce platforms
	Competitive pricing analysis	Analyze competitor pricing
	Dynamic pricing adjustments	Adjust pricing dynamically based on various factors
	Margin and profitability analysis	Analyze margins and profitability



## APPENDIX C – About MGI Research

MGI Research is a vendor agnostic research and advisory firm serving business, finance, and IT executives, technology leaders, and institutional investors. The firm was founded in 2008 by a group of senior analysts and executives from Gartner, Soundview, and Morgan Stanley. MGI Research analysts bring with them over 25 years of tech industry experience as IT and/or supplier executives, Wall Street professionals, management consultants, or academics. Through its research, ratings, advisory engagements, industry studies, and conferences, MGI Research helps clients make informed and timely strategy choices, optimize core business processes, manage supplier evaluations, and improve monetization capabilities.

MGI Research pioneered the concept of an Agile Monetization Platform (AMP)™ and hosts the Monetize forums and Monetize conferences. MGI also leads Best Practices groups for finance, business, and IT executives. MGI's sister company, [MGI Verified](#), is an independent entity that helps accelerate B2B sales by digitizing the reference check process.

MGI Research emphasizes application of highly quantitative and structured methods in creating decision-support frameworks for its clients. MGI produces a number of proprietary industry metrics, benchmarks, and indices such as the [MGI MarketLens™](#), [MGI ICP Notes™](#), [MGI Cloud30 Index™](#), and [MGI 360 Ratings™](#). MGI Research also maintains a proprietary market forecasting analytics model and publishes bottom-up [Total Addressable Market \(TAM\) Forecasts](#).

**MGI MarketLens™** reports dissect a given universe of suppliers and plot how a select group of suppliers compare using a pair of key coordinates. They shed light on the variations among solutions in each market and help prospective buyers, investors, and partners see where products align relative to core requirements.

**MGI 360 Ratings™** are comprehensive, quantitative analysis of a vendor/solution. Using a scale of 0-100, suppliers and solutions are assessed in five areas – Product, Management, Channels, Strategy, and Finance – and assigned an analyst outlook (Positive, Neutral, or Negative).

The best ideas happen at *The Margin* – sign up for the MGI Research newsletter [here](#).

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For additional information, call +1 888 801-3644 or visit [www.mgiresearch.com](#).



## APPENDIX D – About MGI 360 Ratings™

MGI 360 Ratings™ are calculated via a comprehensive company evaluation and rating methodology that scores companies on a scale of 1 to 100 (100 = Best) in a specific market. Additionally, analysts assign an outlook for each company:

- Positive - we expect company prospects to improve
- Negative - we expect company prospects to decline
- Neutral - we expect company prospects to remain unchanged
- Under Review – no opinion is formed yet

MGI 360 Ratings and analyst outlook are compiled for a specific market. When we rate a sufficient number of companies in a given market, we publish a Market Rating Report to reflect peer group average scores.

MGI 360 Ratings impose the same evaluation standard on each rated company - public or private, large or small; all are held to the same exact standard. Although ratings are comparable across markets to an extent, the numerical scores provided by MGI 360 are the most applicable within a given market. The overall score is comprised of five equally weighted major categories that account for up to 20 points in the following areas:

- **Product** – Product Breadth and Depth / Implementation/Support
- **Management** – Management Team / Board of Directors / Overall Company Talent
- **Strategy** – Strategy and Marketing
- **Channel** – Sales and Distribution Channels
- **Finance** – Financial Health

A company with a high score in each category will be a firm whose products are positioned to dominate their sector, whose management has the relevant experience and track record for success, whose strategy is scalable and realistic, that has the sales channels with the right focus and size to generate success in the marketplace, and which is sufficiently healthy financially to support its customers, invest into products, and withstand economic adversity.



Each of five major categories is divided into five to seven subcategories and then into three to 10 inputs. In total, over 147 unique data points comprise the overall MGI 360 Rating score. In addition to referencing the overall rating, users should consider the individual category ratings as well. For example, users making a tactical purchase may be less concerned with the Finance score and more interested in comparing Product scores. Conversely, for a strategic purchase in which considerable internal resources will be dedicated, users may place more emphasis on the financial viability and management team with the understanding that the user will be working collaboratively with the supplier to craft a unique solution, thereby rendering the current product rating less meaningful to the decision criteria.

The ratings process is highly structured and curated by MGI Research senior analysts. The MGI 360 Rating team typically interviews supplier company management and, in some cases, reaches board members and/or key investors as part of the process. During these interviews, MGI analysts follow a highly structured set of standard questions, with the answers then translated into specific scores in each evaluation area. The ratings team also interviews customers and partners and solicits input from a variety of industry sources not provided by the supplier. The MGI 360 Ratings teams are comprised of analysts with a high level of experience in technology business and typically with a prior track record of at least 20+ years as an IT practitioner, industry analyst, or an IT executive.

The 360 Ratings process is continuous, and we update the results on an ongoing basis as new information about a supplier company becomes available. A company that operates in several markets is likely to have individual ratings for each market covered by MGI Research. Companies can have multiple scores – one for each market, as well as a history of scores.

MGI 360 Ratings help organizations make more informed purchasing and strategy decisions for new and existing technology suppliers, minimize risks, save money, and save time. MGI 360 provides concrete scores that clearly demonstrate differences among suppliers.

MGI 360 rating system is comprehensive but is not meant to be a predictor of company solvency, liquidity, absence of accounting fraud, or stock performance. It is not under any circumstances a recommendation or an offering to buy any securities of any supplier reviewed, nor is it an endorsement. Rating research includes but is not limited to interviews with company executives, customers, investors, partners, competitors, product demos, site visits, etc. All MGI 360 Ratings undergo highly critical internal peer reviews.



## APPENDIX E – About MGI MarketLens™ Charts

The CPQ market is highly fragmented – while some solutions look similar on the surface, they address completely different use cases and buyer personas. MGI MarketLens™ charts plot suppliers using a pair of key coordinates to shed light on the variations among solutions in each market. They help prospective buyers, investors, and partners see where products align relative to core requirements. There are four types of MGI MarketLens charts:

### Solution Strength vs. Go-to-Market Strength (p. 16)

- Solution Strength represents a supplier's Product score, while Go-to-Market Strength is a composite of the supplier's Management, Channels, Strategy, and Finance scores.
- Solution strength is measured on a scale of 0 to 20, while the go-to-market strength is on a scale of 0-80.
- The color of the marker corresponds to the MGI analyst outlook, with green representing a positive outlook and blue representing a neutral outlook.
- The size of the marker corresponds to the overall MGI 360 Rating, and shape represents the market segment (Hyperscale, Enterprise, MidMarket, or SmallBiz) each solution can address.

### Complexity vs. Agility (p. 17)

- How does a CPQ product's agility compare to its ability to handle complex quoting, configurations, and pricing scenarios?
- Both complexity and agility are measured against a scale of 0 to 100, with average lines separating the chart into four major quadrants.
- The shape of the marker corresponds to the market segment, with square representing Hyperscale, circle representing Enterprise, diamond representing MidMarket, and triangle representing SmallBiz.
- The size of the marker corresponds to the MGI 360 Rating, and shade of blue represents volume, with darker blue indicating a solution can process higher volumes.

### Agility vs. Volume (p. 18)

- How does a CPQ product's agility compare to its ability to handle large volumes of quotes and transactions?
- Both volume and agility are measured against a scale of 0 to 100, with average lines separating the chart into four major quadrants.
- The shape of the marker corresponds to the market segment, with square representing Hyperscale, circle representing Enterprise, diamond representing MidMarket, and triangle representing SmallBiz.
- The size of the marker corresponds to the MGI 360 Rating, and shade of blue represents complexity, with darker blue indicating a solution that can handle higher complexity use cases.



## Complexity vs. Volume (p. 19)

- How does a CPQ product's ability to handle complex scenarios compare to its ability to handle high volumes of transactions?
- Both complexity and volume are measured against a scale of 0 to 100, with average lines separating the chart into four major quadrants.
- The shape of the marker corresponds to the market segment, with square representing Hyperscale, circle representing Enterprise, diamond representing MidMarket, and triangle representing SmallBiz.
- The size of the marker corresponds to the MGI 360 Rating, and shade of blue represents agility, with darker blue indicating a solution that can process changes and implementations more quickly.

MGI Research defines **agility**, **complexity**, and **volume** as follows:

**AGILITY:** CPQ Agility describes the flexibility to quickly configure and change the CPQ system to handle new product and/or services configuration rules, pricing models, and quote presentation parameters and formats. For example, a CPQ administrator may decide to introduce a new product bundle but only make it available to existing customers in North America within a short period of time. Agility is key to ensuring the complexity of setup, maintenance, and change management do not overwhelm sales operations teams and defeat the original goals of gaining efficiency, accuracy, and efficacy. User Experience (UX) is a key element of CPQ Agility. CPQ Agility is also measured by the ability to effect most changes through configuration steps undertaken by sales, finance, and business professionals, rather than relying on outside contractors or expensive corporate IT resources. Lack of agility results in long product launch and change management cycles, increase in quoting error rate, and lower sales productivity. CPQ Agility is measured by analyzing the answers to questions such as:

- How fast are changes in business practices reflected within the CPQ system?
- Is the CPQ system capable of incorporating handling of new types of business and pricing models without reliance on IT resources?
- How does the CPQ system handle change?
- Is the CPQ deployment cycle measured in hours, days, weeks, months, or years?
- Does the CPQ system integrate with billing, contract and order management systems, PLM solutions, and revenue recognition, or does it necessitate manual loading and processing of batch data?

**COMPLEXITY:** MGI assigns a relative score of CPQ Complexity on a scale of 0 to 100 based on the most likely (not necessarily the most complex) use case a supplier can tackle with ease. The CPQ Complexity measurement is synthesized based on numerous factors including, but not limited to, the following requirements:



- **Configuration Complexity**
  - How complex are the typical sales quotes?
  - How complex are the business rules for quote construction?
  - How complex are the rules for recurring revenue renewal quotes?
  - Are PLM and Inventory Management Interfaces needed for most quotes?
  - Is the product mix largely standard, subject to detailed configuration, or very custom?
  - Are there multiple incompatible systems for sales management, CPQ, contract management, order management, billing, revenue recognition, and general ledger?
  - Is the data feed sourced from disparate systems with variance in data syntax and semantics?
  - Is workflow and complex API-driven processing required?
- **Pricing Complexity**
  - How complex are the pricing models – e.g., how many variables, data sources, and prerequisite, corequisite, and anti-requisite conditions?
- **Quoting Complexity**
  - How complex are the quote formats?
  - Is visualization needed for most quotes?
  - Do the quotes have to follow a strict business rule protocol?
- **Product Complexity**
  - Does the product catalog rely on complex product hierarchy?
  - Does the business sell a complex mix of physical and digital products and services, including financing?
- **Organizational Complexity**
  - Does the business have a complex organizational structure?
- **Customer Complexity**
  - Are most customers large enterprises with complex organizational hierarchy?
- **Channel Complexity**
  - Does the business sell its products through a variety of channel types: direct, assisted, self-service, multi-tier channel partners and resellers, OEM partners, and marketplaces?
- **Manufacturing Model Complexity**
  - Are there requirements to support a specific manufacturing model? (See CPQ Requirements in Appendix B)



- **Business Rate of Change (BRC) Complexity**
  - How much systemic change is present in the business – how often do packaging and pricing models get modified, extensions added, etc.?
  - How important are database extensibility requirements for supporting quoting?
- **Regulatory & Compliance Complexity**
  - Does the CPQ system need to be able to handle complex compliance and product safety and environmental rules?
- **Data Complexity**
  - Are there multiple, often incompatible data sources with varying syntax and semantics?
  - Is source data quality a concern?
  - Is some of the data (e.g., pricing) subject to change in real time or near real time?
- **Geographic Complexity**
  - Is multi-currency handling a requirement?
  - Is support for local languages mandatory?

**VOLUME:** MGI measures CPQ Volume in terms of a typical number of quotes handled per month and quotes with numerous line items. The vast majority of CPQ Implementations today still have a relatively modest set of volume requirements (< a few thousand quotes per month and <100 lines per quote). But a significant and growing number of use cases require CPQ systems to handle numerous quotes with complex calculation rules, data integration, and support upwards of several thousand line items per quote.

MGI classifies CPQ Volume in terms of four major categories of quote and transaction volume:

- **HyperScale:** >1 million quotes (or quote line items) per month – this is the domain of very few organizations with large sales organizations and channel networks, and/or companies with highly complex product and quote structures
- **Enterprise:** 100K – 1 million quotes (or quote line items) per month
- **MidMarket:** 1K – 100K quotes (or quote line items) per month
- **SmallBiz:** <1K quotes (or quote line items) per month

The **SmallBiz Segment** represents CPQ solutions aimed specifically at the needs of small, usually rapidly-growing organizations that emphasize low initial investment, a pay-as-you-go pricing model to support scaling, rapid deployment, and maintenance agility without having to rely on expensive IT resources, either internally or through systems integrators.



The **MidMarket Segment** reflects solutions aimed at the needs of a larger number of midsize organizations with a variety of use cases and a strong balance of agility, out-of-the-box CPQ experience, revenue recognition, ERP and order management interfaces, and modest implementation complexity.

The **Enterprise Segment** describes mainstream, enterprise CPQ solutions that can handle a relatively sophisticated combination of complexity and volume with significant level of change in the underlying business. While complex manufacturing (e.g., machinery, energy, aerospace and defense, computer hardware, etc.) is the most oft-cited example of enterprise requirements, numerous industries (e.g., logistics, transportation, advertising, and others) now have the same level of requirements.

The **Hyperscale Segment** represents solutions that deal with very high complexity and very high volumes.

For more information about MGI MarketLens charts, visit [mgiresearch.com/tag/marketlens](http://mgiresearch.com/tag/marketlens).