

# Sofon Delivering Optimal 'Value for Money'

Organizations catering to customer specific products or services have a common agenda—to create a customer specific proposal which has to be accepted by a customer before they can start the production process. An earnestness to optimize the process of preparing and negotiating proposals, and turn them into orders, has challenged organizations catering to customer specific products or services. Multiple systems must be used for quote configuration, quote document generation, contract and order generation—resulting in inefficient back-end processes and a Quote-to-Cash process perplex. With an aim to allow customers to specify their business and product rules themselves and simplify the Quote-to-Cash (QTC) process, Paul Kimmel founded Sofon in 1998. “It all started years before when a system was developed for Holland Heating by integrating it with AUTOCAD and a custom-developed ERP system, bringing their QTC cycle from two years to three months,” says Kimmel, CEO, Sofon. The succeeding years involved Kimmel

building similar solutions for other large industrial companies such as Daf Trucks, Philips Medical Systems, and Stork—marking the beginning of Sofon’s illustrious journey. The standard product developed by Sofon provides customers with a quality system that contains nearly 100 percent of the business and product rules. The system takes much less effort and results in a shorter time-span between the moment a rule needs to be added or changed and the moment it is put in production, lowering the probability of penalties, increased delivery costs, and shrunken bottom lines. A simplified QTC process means reduced failure costs and shortened delivery times for Sofon’s clients.

## Simplifying the Quote-to-Cash Process

Sofon nullifies the complexities in knowledge sharing and quotation creation through its cutting-edge quoting and contracting solution, which takes into account all detailed customer specifications. Clients can automatically generate error-free, clear, precise quotes within a few hours in a simplified way. The expedited quote generation process orchestrates a domino effect that includes faster contract signing, input into ERP systems, and service or product delivery. Sofon’s quoting solution facilitates direct data input into the system and brings down the probability for errors that arise out of human

intervention to an absolute minimum. The firm has developed several products for enabling their customers to capture the product and process knowledge in their software and Sofon Studio is one of them.

The Sofon studio has a graphical UI, which enables product experts to setup wizards for salespeople to create customer specific proposals in accordance with the organization’s approval rules. The release management layer of the product then defines the products, options, and rules for markets and sales channels. The end result is market and channel-specific product catalogs which are distributed to the corresponding sales channels for use with the proposal software.

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Furthermore, organizations have the privilege of customizing Sofon according to their business requirements and defining quote generation rules. Clients can build rules and check whether their instructions are included or not. They can test the process, examine against a complex set of rules, and deduce the response of Sofon. The firm’s rule-based mechanism cautions businesses against signing contracts that cannot be fulfilled. For instance, regulatory restrictions or operational limitations disallow enterprises to sign up contracts with a certain set of clients. “Even if there are 20 exceptions, all exceptions are handled in a pre-defined manner,” states Kimmel. Well-defined rules and automated quote

generation permit sales teams to focus on their core work with a fraction of the traditional learning curve.

## Accurate Quotations to Empower Sales

Not only does Sofon simplify the Quote-to-Cash Process, they also offer the Proposal Organizer for the personnel involved in the direct sales process to automate exception detection and approval routing to the appropriate managers. The Proposal Organizer is linked to a web-based approval portal which reduces the timespan enormously and guarantees that exceptions and approvals are traceable. Thus, the product offering, delivery times, payment conditions, discounts, and special requests are under control, and Proposal Organizer allows maximum flexibility and speed in combination with maximum control.

For indirect sales channels, the firm has developed a web-based instant quote service by which resellers can create proposals 24/7 in their local language. The reseller can work within the rules that are defined in Sofon or can also ask for assistance from the supplier. Finally, a quote can be turned into an order which can be immediately processed since it is already validated. This reduces order entry and delivery time for reseller orders.

In an instance, Sofon’s successful track record in quote and contract management caught the eye of Jensen’s leadership. Jensen—the prominent industrial washing machine makers—had an uphill task at hand. Equipment details, insurance agreements, and delivery schedules had become essential inclusions in quotes and Jensen was exploring means to simplify these data entry intricacies. After implementing Sofon, Jensen’s sales team has been in the driver’s seat conveying product details to global clientele and contributing towards a better bottom line. Even the stock market has shown support to Jensen’s move, as Jensen’s stock price has zoomed.



Paul Kimmel

## Journey to the 'Cloud'

Sofon has had steady and profitable growth since the company started, and today more than 170 companies from different verticals and geographies rely on Sofon to create successful business strategies. Kimmel mentions, “We will continue to grow with the main focus on Europe.”

In the age of agility and precision, Sofon underpins the transformation of companies from conventional to modern in terms of executing business workflows and practices. In order to keep their clients in sync with the advent of technology, the leadership of Sofon looks forward to empowering them with cloud technology. With their cloud products, the firm also plans to extend support to their customers with new services around platform support, catalog maintenance and reporting. “The interest in our cloud solutions we are experiencing at this moment means that the growth rate will be substantial for us in the coming years,” adds Kimmel. “At this moment we have all our products running on Azure and have migrated a large customer to Azure with a global rollout of thousands of users leveraging the system.” CR

