

On a Smoother Road to Faster Proposals and Higher Margins



Dynapac, headquartered in Wardenburg, Germany, is a worldwide leader in high-tech soil compaction and paving equipment. A major objective has been to centrally manage pricing and reduce unnecessary discounts for its aftermarket parts and capital equipment, with Vendavo's Pricepoint and Intelligent CPQ solutions. Special one-off pricing approvals have decreased by 90 percent, leaving more time for customer service and selling.

Highways, roads, and airports are vital connectors for commerce, communications, and everyday travel. Streets and runways are essential infrastructure for economies and communities.

Dynapac, a leading supplier of soil compaction and paving equipment, enables the construction of these roadways and even likes to say it is a "committed partner on the road ahead" for highway, road, and airport constructors worldwide.

Stephan Fessner is Head of Commercial Management and Processes at Dynapac and it's his job to make sure that products and pricing are optimized to drive sales. When Fessner first took on the role two years ago, he found that Vendavo® Pricepoint was already being used

to manage pricing for the Dynapac aftermarket line of business and was seeing good results. But he knew they could do better.

Working with Vendavo pricing consultants, Fessner immediately embarked on a plan to optimize Vendavo Pricepoint, and make it ready to roll out for Dynapac's capital equipment lines as well. They also determined Vendavo Intelligent CPQ for configuring, pricing, and quoting its capital equipment lines would be a benefit in the long-term.

"We got comfortable with Vendavo very quickly during our optimization of Vendavo Pricepoint by sharing our most important sales and pricing requirements and then letting them apply their best practices in these areas," Fessner said.

"Before Vendavo, we were wasting hours and days just trying to get special pricing approved, not to mention the lost revenue and margins associated with discount variations," he continued. "And then they showed us how to properly set pricing strategies, manage pricing policies, and ensure compliance. The software, the structure, and the professional services have been wonderful for our business, and we continuously build on our results."

Action: Building Momentum with Small Wins

Fessner and the Vendavo optimization team started with the basics in the aftermarket optimization engagement by setting target and floor prices by country, region, and customer type, making it easier to set policies by segment. Pricing models were analyzed and tested to validate new policies.

"As with any change, people resisted at first, but once we could prove to them the value of more standardized pricing and fewer special approvals, adoption and acceptance grew quickly," Fessner said. "We learned we could trust the data and pricing guidance to help us win more sales with fewer special approvals and delays."

With more than 70,000 Dynapac SKUs tracked and managed in Vendavo Pricepoint, Fessner said having master pricing control all in one place is key.

"All pricing edits, proofing and propagating happen in Pricepoint which cuts down on mistakes and guarantees consistency across our product lines around the world," Fessner said.

Outcomes: Small Wins Turn Into Big Returns and Brighter Future

Fessner said the business case for Vendavo Pricepoint is proving out as planned.

"Since implementing Vendavo Pricepoint, we're working to improve margins on average across all product lines,"

Fessner explained. Additionally, Vendavo Pricepoint fine-tuning will continue across all countries, markets, and product lines. In the meantime, CPQ Cloud is coming online to help with configuration, pricing and quoting for the soil compaction and road paving capital equipment lines.

"Our road construction equipment is expensive and complicated to spec and quote," Fessner said. "CPQ Cloud puts all options and pricing in one central location that our sales and account management teams can access. Speed and accuracy are the primary drivers for this case, and we estimate we can cut quote times in half at least."

Overall, Fessner said the implementation experience has been excellent. The Vendavo team has been responsive and accountable. The most important result, however, is Dynapac's readiness to respond to competitors and marketplace dynamics.

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With Pricepoint and CPQ Cloud, we've found we can keep pricing and quoting more current and competitive, and still improve margins. We're making better pricing decisions and streamlining the sales process for our teams, and our customers."

Stephan Fessner, Head of Commercial Management and Processes



Industry

- Road Construction Equipment

Solution

- Vendavo® Pricepoint
- Vendavo® Intelligent CPQ

Challenges

- Modernize the worldwide pricing and quoting functions for capital equipment and aftermarket parts.
- Design a solution that meets the complexity and selling needs, as well as the margin goals of the company.

Results

- Reduced time-consuming special pricing approvals by 90 percent.
- Gained central control of all pricing and discount terms for better accuracy and margins.
- Focused on improving margins across aftermarket and capital equipment product lines.

Pricing and Quoting Made Easier: Control, Competitive Intelligence and Speed in One Place

1. Aftermarket and Capital Equipment Pricing Simplified:

Vendavo Pricepoint eliminates spreadsheets and puts all pricing variables into one centrally managed platform.

2. Streamlined Quoting:

Vendavo Intelligent CPQ enables faster, more accurate, and more attractive quotes.

3. Dynamic Pricing Improves Margins:

Data-driven pricing provides deal guidance that prevents unnecessary discounts and boosts margins.



About Vendavo

Vendavo provides leading-edge pricing and sales solutions with embedded AI to empower global manufacturers and distributors to digitally transform their commercial operations in order to unlock value, grow margins and accelerate revenue. These Commercial Excellence solutions, combined with its award-winning value consulting services, enable Vendavo to deliver outcomes that are not only predictable, but unrivaled. That enables the most demanding B2B organizations to develop dynamic customer insights and optimal pricing strategies that maximize margin, boost sales effectiveness and improve customer experience.

Vendavo has headquarters in Denver, with offices in the UK, Germany and Sweden.
For more information, please visit <http://www.vendavo.com>