

WHAT REALLY MATTERS

When Evaluating CPQ Total Cost of Ownership

The price on the proposal is not your total cost. Here's what to add.

CPQ total cost of ownership may not be as obvious to determine as it first seems. It's not just about finding the platform with the lowest licensing fees; It's also important to consider middleware and consultancy needs, scalability and whether or not sales will even use it.

Many organizations approve a CPQ investment based on the immediately visible cost, then absorb the invisible cost through budget overruns, consultant retainers, and quiet operational drag that never gets traced back to the platform.

The Costs That Many Evaluations Miss

Category	What Gets Underestimated	Why It Compounds
Middleware	If your CPQ doesn't integrate natively with your CRM or ERP, you're buying a connector, plus someone to maintain it.	Every system update on either side becomes a connector project. Costs multiply with each integration touchpoint.
Admin Overhead	CPQ requires ongoing rule maintenance. If only a partner can make changes, every update has an invoice attached. If only IT can make changes, the process slows down.	Pricing adjustments, new products, and seasonal rule changes become change requests or get delayed.
Platform Stagnation	If CPQ isn't a vendor's core business, development slows. Features get deprioritized in favor of the broader platform roadmap.	Buyers absorb innovation debt: competitors gain AI-driven quoting, configurator depth, and UX improvements while the other platform fades.
Adoption Failure	If sellers don't use the system, you're paying for CPQ and not getting any benefit.	Different quoting processes mean increased error risk and less consistency in customer experience.
Re-Implementation	Some organizations discover mid-project that the platform can't handle their complexity. Starting over is expensive.	Sunk costs in failed implementations often exceed the original budget. Platform fit is not a detail to resolve after signing.

What a Complete TCO Picture Includes

- ✓ Implementation: All phases, not just kickoff
- ✓ Vendor development priority: is CPQ their core product or a side offering?
- ✓ Data readiness work before go-live
- ✓ Licensing fees and custom development costs
- ✓ Integration architecture: native vs. middleware
- ✓ Partner dependency model: can you make changes yourself?
- ✓ Training investment needed
- ✓ Platform re-implementation risk if business complexity exceeds capability.

Questions to Ask Every Vendor Before Signing

- 1 What happens when I need to change a pricing rule or add a product configuration? Can my team do that, or does it require specialized talent?
- 2 Does your integration with CRM and ERP run natively, or through a third-party connector? Who owns the connector?
- 3 Is CPQ your core product, or part of a broader platform? How much development investment goes into CPQ-specific updates?
- 4 Can you show us a reference customer in our industry with comparable product complexity?

The Bottom Line

Experlogix prioritizes flexibility and scalability so that your quoting process doesn't break down under complexity and your TCO doesn't spiral out of control. Native integration with Microsoft Dynamics 365 and Salesforce eliminates middleware costs, while also allowing for fully automated workflows. Logic-based rule modeling that business users can maintain reduces partner dependency.

We'll admit. We're not the right fit for every organization. On smaller scale and with simpler product catalogs, it's probably more efficient to go with a lightweight CPQ tool. Experlogix CPQ truly shines in high-volume and high-complexity quoting scenarios, where the limitations of other solutions end up increasing TCO.

