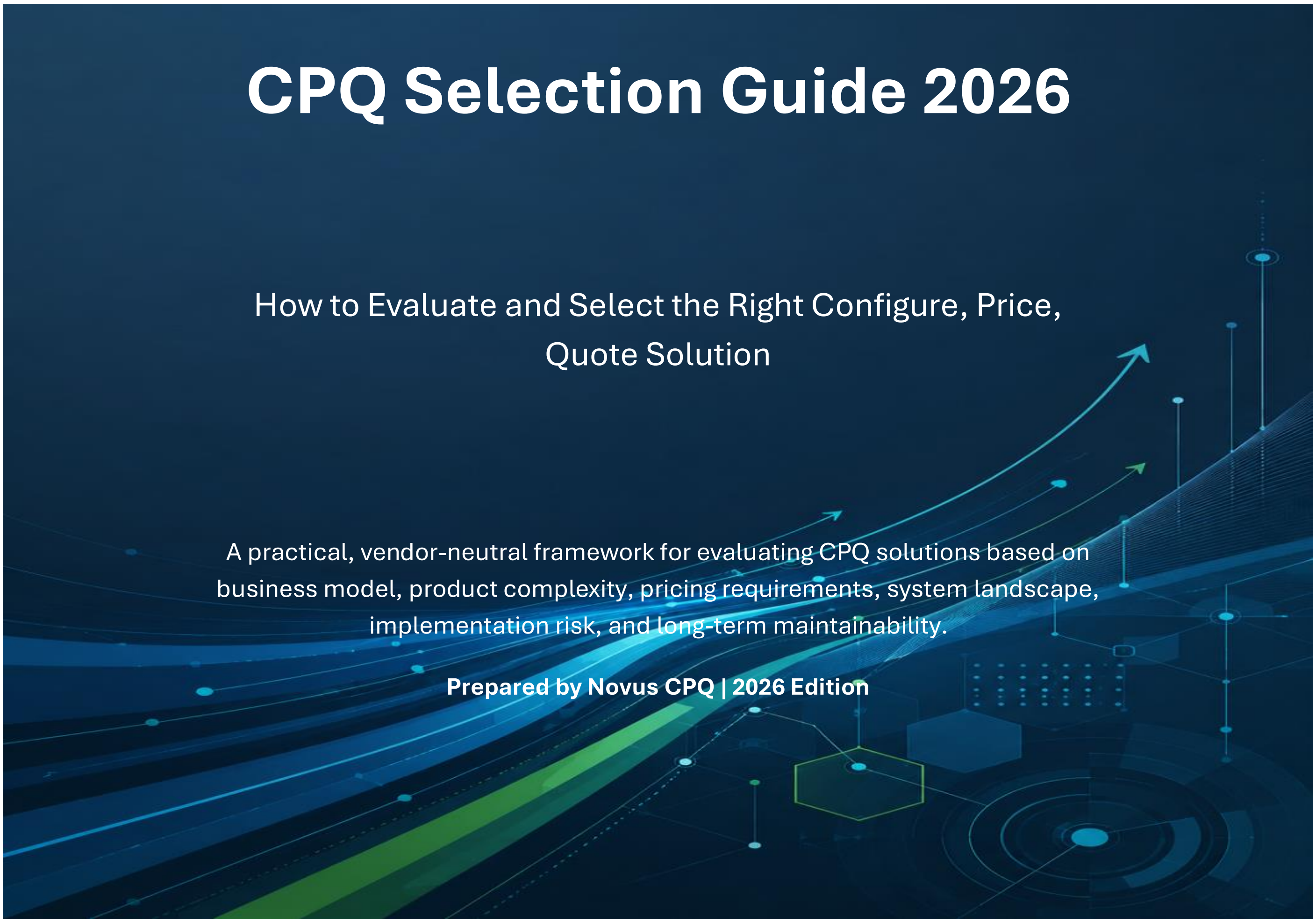

CPQ Selection Guide 2026

How to Evaluate and Select the Right Configure, Price, Quote Solution

A practical, vendor-neutral framework for evaluating CPQ solutions based on business model, product complexity, pricing requirements, system landscape, implementation risk, and long-term maintainability.

Prepared by Novus CPQ | 2026 Edition

CPQ Selection Process at a Glance

This guide provides a structured process for evaluating CPQ solutions. It is designed to help buyers move from early market understanding to a more defensible vendor selection decision.

1 **Define Scope**	**2** **Identify Constraints**	**3** **Build Shortlist**	**4** **Questionnaire**
5 **Scripted Demos**	**6** **Score Vendors**	**7** **Validate Implementation**	**8** **Decide**

How to use this guide: Use the sections in sequence when starting from scratch, or go directly to the sections that match your current selection stage.

01 Why CPQ Selection Is Harder Today

Selecting a Configure, Price, Quote solution has become more complex than it was a decade ago. CPQ is no longer only about helping sales teams configure products, apply pricing, and create quotes. Many organizations now evaluate CPQ together with pricing strategy, approval workflows, quote document generation, subscription management, renewals, billing handoff, eCommerce, partner quoting, visual configuration, AI-assisted workflows, and broader quote-to-cash processes.

The CPQ market has also become more fragmented. Some solutions are designed for complex product configuration. Others are stronger in pricing, sales workflow, subscription lifecycle management, document generation, channel quoting, or digital commerce. In addition, many companies now need to evaluate CPQ in the context of CRM, ERP, PLM, PIM, CAD, billing, tax, CLM, and revenue management systems.

This means that CPQ selection should not begin with a vendor list. It should begin with a clear understanding of the company's business model, product and pricing complexity, sales channels, system landscape, internal ownership model, and implementation readiness.

Some newer solutions also position CPQ as part of a broader revenue architecture, where quoting, pricing, billing, renewals, usage data, and revenue operations are more tightly connected.

Selection Risk: A CPQ solution that works well for one company may not fit another company with different product complexity, pricing logic, sales channels, data ownership, or implementation constraints.

Key takeaway: The goal is not to select the CPQ solution with the most features. The goal is to select the solution that best fits the company's commercial model, operating model, system architecture, and ability to implement and maintain the solution successfully.

02 Start With the Business Model, Not the Vendor List

Before creating a CPQ vendor shortlist, companies should define the business model and selling motion the CPQ solution needs to support. A manufacturer with engineer-to-order requirements, a SaaS company with subscriptions and usage-based pricing, and a distributor with high-volume quoting may all need CPQ. However, they may need very different capabilities.

Business Model / Selling Motion	CPQ Selection Focus
Manufacturing / Industrial	Product rules, configuration accuracy, ERP integration, BOM or item data alignment
Engineer-to-Order / Make-to-Order	Technical validation, engineering handoff, complex rules, CAD or PLM considerations
SaaS / Subscription	Amendments, renewals, ramp deals, committed spend, usage-based pricing, billing integration, revenue lifecycle alignment
Distribution	Fast quoting, catalog pricing, margin controls, discount governance
Professional Services	Scope definition, rate cards, service bundles, approvals, quote documents
Channel / Partner Sales	Partner quoting, deal registration, approval workflows, visibility and governance
eCommerce / Self-Service	Guided buying, catalog exposure, pricing control, integration with digital commerce
Visual Selling	2D/3D visualization, guided configuration, CAD integration, customer-facing experience
Pricing-Led CPQ	Price guidance, discount controls, margin visibility, pricing optimization or governance

Key Question: What type of commercial problem is the company trying to solve: product configuration, pricing control, sales quoting efficiency, approval governance, subscription lifecycle, channel enablement, self-service buying, or quote-to-cash integration?

Key takeaway: A CPQ shortlist should reflect the company's business model and commercial complexity, not only the vendors that are most visible in the market.

03 Define CPQ Scope Before Talking to Vendors

Companies should define the expected CPQ scope before meeting with vendors. The team should understand what business problems the CPQ initiative is expected to address, even if every requirement is not finalized yet.

Question	Purpose
Who will use the CPQ solution?	Internal sales, channel partners, customer service, renewals teams, distributors, end customers, or others
When is the solution needed?	Target go-live, phased rollout expectations, business deadlines, migration timing
Where will the solution be used?	CRM, partner portal, eCommerce site, mobile, internal sales environment, global regions
What capabilities are required?	Configuration, pricing, approvals, quote documents, integrations, reporting, AI-assisted workflows
Why is a new or updated CPQ solution needed now?	Growth, complexity, manual effort, pricing leakage, system replacement, migration, compliance, market change

The scope should include both current requirements and likely future needs, such as partner quoting, renewals, eCommerce, additional regions, or post-sale changes.

CPQ Scope Checklist: Product configuration; guided selling; rules and constraints; pricing and discounting; approvals; quote documents; subscriptions and renewals; usage-based pricing; CRM/ERP/PLM/PIM integration; partner quoting; eCommerce; visual configuration; reporting; AI-assisted workflows; administration and governance.

Practical Tip: Use Briefings for Early Vendor Discovery: Novus CPQ Briefings are concise analyst-style summaries that help buyers understand vendor positioning, core capabilities, potential fit, and areas to validate further. Buyers who are unsure where to start can use the Novus CPQ Briefing Match App to identify potentially relevant briefings faster.

Key Question: Is the company selecting a CPQ tool, a configuration engine, a pricing solution, a quote-to-cash platform, or a broader revenue lifecycle solution?

Key takeaway: CPQ scope should be documented before vendor engagement. Otherwise, vendor demos may shape the requirements instead of the company's business needs shaping the evaluation.

04 Identify Internal Constraints Early

Many CPQ selection efforts focus heavily on capabilities and not enough on constraints. Internal constraints can significantly influence which CPQ solutions are realistic options.

Constraint Area	Questions to Address
CRM Landscape	Is there a required or preferred CRM platform? Does CPQ need to be native, embedded, or integrated?
ERP Landscape	Which ERP system must receive quote, order, product, pricing, or customer data?
Product Data	Where does product master data live? Who owns product rules and configuration logic?

Constraint Area	Questions to Address
Pricing Ownership	Who owns price lists, discount rules, margin thresholds, and approval policies?
Integration Standards	Are there preferred middleware, API, security, or architecture standards?
Budget	What budget range is realistic for software, implementation, internal resources, and ongoing support?
Timeline	Is there a fixed go-live date, migration deadline, or business event driving the timeline?
Internal Resources	Which business and IT resources can support the selection and implementation?
Governance	Who will maintain the CPQ solution after go-live?
Compliance and Security	Are there data privacy, access control, audit, or regulatory requirements?
Global Requirements	Are multiple regions, languages, currencies, tax rules, or local quoting practices involved?

Selection Risk: A solution may look strong in a demo but become difficult to implement if product data, pricing ownership, ERP integration, or internal resource availability are not understood early.

Key takeaway: The best CPQ solution on paper may not be the best solution for a specific company if internal constraints make implementation or long-term maintenance difficult.

05 Build the Right Selection Team

CPQ selection should include both business and technical perspectives. CPQ often affects sales, pricing, product data, approvals, quote documents, contracts, ERP handoff, reporting, and post-sale processes.

Group	Role
Decision Committee	Small group responsible for the final selection decision
Evaluation Team	Stakeholders who participate in requirements, demos, scoring, and risk review
Input Stakeholders	Subject matter experts who provide input but do not need to attend every meeting

Stakeholders to consider: Sales leadership; sales operations or revenue operations; pricing; finance; product management; IT and enterprise architecture; CRM owners; ERP owners; legal or contract operations; channel leaders; eCommerce leaders; customer success or renewals; future CPQ administrators.

Novus CPQ Perspective: CPQ decisions often fail when they are treated only as sales-tool decisions. CPQ usually affects pricing, product data, approvals, quote documents, ERP handoff, reporting, and post-sale processes.

Key takeaway: The final decision committee should be small, but the evaluation process should include enough business and IT input to avoid blind spots.

06 Define Evaluation Criteria and Weighting

Evaluation criteria should be agreed before meeting vendors. This helps ensure that each vendor is evaluated consistently and avoids over-weighting polished demos, brand familiarity, or individual stakeholder preferences.

The sample weighting below is not intended to be a universal scoring model. It is an example of how a company might balance business fit, capability fit, technical fit, implementation effort, and long-term maintainability. The weights intentionally give more emphasis to fit and implementation practicality than to software cost alone because license cost is only one part of the total CPQ decision.

Evaluation Area	Suggested Weight
Business model fit	20%
Product configuration fit	15%
Pricing and discounting fit	15%
CRM / ERP / architecture fit	15%
Implementation complexity	10%
Administration and maintainability	10%
Vendor maturity and roadmap	10%
Commercial model and total cost	5%

Key Question: Which evaluation areas are truly decision-driving, and which are secondary preferences?

Key takeaway: Evaluation criteria should be documented, weighted, and agreed before vendor demos begin. The model should be adjusted based on the company's business model, product complexity, pricing requirements, and internal constraints.

07 Shortlist Vendors Based on Fit, Not Awareness

The CPQ vendor shortlist should be based on fit with the company's business model, product complexity, pricing requirements, system landscape, implementation constraints, and long-term ownership model.

Shortlist Step	Purpose
1. Create an initial longlist	Identify potentially relevant CPQ vendors
2. Remove clear non-fits	Eliminate vendors that do not fit the business model or core use case
3. Validate must-have capabilities	Check critical functional and technical requirements
4. Review system fit	Assess CRM, ERP, pricing, and product data alignment
5. Assess implementation approach	Understand likely delivery model and partner ecosystem
6. Use questionnaire for 8-10 vendors	Filter the broader list before detailed demos
7. Select about 3 demo candidates	Spend deeper demo time with the most likely vendors

A structured vendor questionnaire is useful when the initial market scan produces eight to ten potentially relevant vendors. Running a full demo process with that many vendors usually takes too much time and can create unnecessary internal effort. The questionnaire helps identify which vendors are most likely to fit the business model, technical landscape, pricing needs, and implementation expectations.

Suggested questionnaire areas: business models supported; configuration approach; pricing and discounting; subscriptions and renewals; CRM/ERP/PLM/PIM/billing/tax/CLM integration; partner and eCommerce support; visual configuration; administration model; AI capability availability; implementation timeline; customer examples; commercial model.

Novus CPQ Perspective: A vendor questionnaire is not a replacement for demos. It is a filtering step that helps buyers focus demo time on the vendors most likely to fit the business model, technical landscape, pricing needs, and implementation expectations.

Key takeaway: A questionnaire can help reduce eight to ten plausible vendors to approximately three vendors for deeper scripted demos.

08 Control the Demo Process

Vendor demos should be structured around the buyer's requirements, not around a generic vendor presentation. Each vendor should receive the same demo script, business scenario, evaluation criteria, and expected discussion topics.

Demo Area	What to Validate
Sales User Workflow	How a user creates, modifies, and completes a quote
Product Configuration	How rules, dependencies, constraints, and guidance are handled
Pricing and Discounting	How price lists, discounts, margin controls, and exceptions work
Approval Workflow	How approval rules are triggered, routed, and tracked
Quote Documents	How quote documents, proposals, and customer-facing outputs are generated
Quote Revision	How changes, versions, amendments, or revisions are managed
Integration Flow	How data moves between CRM, CPQ, ERP, billing, CLM, or other systems
Administration	How a business or admin user changes a rule, price, workflow, or template
Reporting	What visibility exists into quote activity, approvals, pricing, and conversion
Exception Handling	How the solution handles non-standard deals, manual overrides, or incomplete data

Demo Preparation Tip: Use CPQ Sales Reports to Ask Better Questions: Novus CPQ Sales Reports can help buyers prepare more focused demo questions by summarizing vendor capabilities, customer feedback themes, strengths, considerations, and areas to validate. They should complement, not replace, the buyer's own requirements and demo script.

Demo Warning: A polished vendor demo does not always show implementation effort, administrative complexity, data readiness, integration risk, or long-term maintenance requirements.

Key takeaway: Buyers should control the demo process. The vendor should show how the solution fits the buyer's scenarios, not only the vendor's preferred story.

09 Score Vendors Immediately After Demos

Each evaluator should complete an individual scorecard immediately after each demo. This helps preserve direct impressions and reduces the risk that details are forgotten or reshaped by later group discussion.

Scorecard categories: business model fit; functional capability fit; product configuration fit; pricing and approval fit; user experience; architecture and integration fit; implementation effort; administration and maintainability; vendor credibility; commercial fit; key risks; open questions.

Selection Risk: If scoring is done only through group discussion, the outcome may reflect stakeholder influence more than structured evaluation.

Key takeaway: Score vendors immediately after demos, capture individual feedback first, and then compare results as a group.

10 Validate Implementation Reality

A CPQ selection decision should not be based only on product functionality. Implementation approach, internal readiness, data quality, integration complexity, and long-term ownership can have a significant impact on project success.

- Who will own product rules and configuration logic?
- Who will own pricing logic, discount policies, and approval rules?
- How clean and complete are the company's product and pricing data?
- Which integrations are required for the first phase, and how will CPQ, billing, renewals, usage data, and revenue operations stay aligned after go-live?
- What custom development or configuration is expected?
- Which internal resources are needed during implementation?
- Who will maintain the solution after go-live?
- What phased rollout approach is realistic?
- What are the most likely causes of delay or scope increase?

Selection Risk: The best product fit may still fail if the company underestimates data preparation, pricing governance, integration work, user adoption, or internal ownership.

Key takeaway: CPQ selection should include both product evaluation and implementation validation.

11 Evaluate AI Capabilities Carefully

AI is becoming more visible in CPQ-related workflows. Current AI use cases include sales and customer communication support, guided selling, product recommendations, pricing and discount support, approvals, workflow automation, rule and model assistance, quote and document generation, testing support, analytics, prediction, and next-best-action recommendations.

At the same time, AI in CPQ is still developing. Buyers should evaluate AI based on specific business use cases, availability, workflow fit, data quality, explainability, security, and measurable impact.

AI Area	What to Validate
Sales Communication	Email drafting, response support, translation, and communication improvement
Guided Selling	Chat-based guidance, product suggestions, configuration recommendations
Pricing and Deal Support	Price recommendations, discount guidance, approval support, upsell and cross-sell suggestions
Process Automation	Automated approvals, workflow steps, and reduced manual effort
Rule and Model Assistance	Help creating or updating product rules, pricing rules, test scenarios, or model documentation
Content and Documentation	Quote documents, product documents, proposal text, and test content generation
Analytics and Prediction	Next-best actions, demand signals, customer needs, and deal-risk indicators
Agentic Workflows	AI agents that combine configuration, pricing, approvals, or related steps into a more automated flow

AI evaluation questions: Is the capability generally available? Which workflow does it support? What data does it use? Can recommendations be explained and overridden? How is sensitive data protected? What business outcomes is the AI expected to support? How is it priced? How does it align with the customer's AI initiatives, data platforms, governance model, and security policies? How is the AI capability priced? How does the vendor's AI approach interact with the customer's own AI initiatives, data platforms, governance model, security policies, and enterprise AI architecture?

Novus CPQ Perspective: AI can improve CPQ workflows, but it does not replace the need for accurate rules, product data, pricing logic, and governance. In many CPQ use cases, AI may suggest options, while rules engines and business logic still ensure accuracy.

Selection Risk: AI messaging can make a solution sound more advanced than it is. Buyers should distinguish between generally available functionality, roadmap concepts, pilot capabilities, and vendor demonstrations that may not reflect production-ready use.

Key takeaway: AI capabilities should be evaluated as part of the CPQ workflow, not as a separate technology story. Buyers should focus on practical value, data readiness, user control, commercial model, AI alignment, and measurable impact.

12 Make the Final Decision

After demos, scoring, implementation validation, commercial review, and stakeholder discussion, the selection committee should make the final decision. The decision should be based on documented evaluation criteria, not only on overall impressions.

- Required capabilities are met or gaps are clearly documented.
- Business model fit has been validated.
- Product and pricing complexity are understood.
- CRM, ERP, and integration approach are documented.
- Implementation responsibilities and internal owners are clear.
- Data readiness has been assessed.
- Administration and maintenance expectations are understood.
- Timeline assumptions are realistic.
- Commercial model and total cost are understood.
- Key risks and dependencies are documented.
- Post-go-live governance is defined.

Key Question: Is the organization prepared not only to buy the CPQ solution, but also to implement, adopt, govern, and maintain it?

Key takeaway: The final CPQ decision should balance product fit, implementation reality, business ownership, technical architecture, cost, and long-term maintainability.

13 Suggested CPQ Selection Timeline

The right selection timeline depends on company size, product complexity, system landscape, urgency, and stakeholder availability. A smaller or more focused CPQ selection can sometimes be completed in two to three weeks. A typical structured selection may take four to eight weeks. Larger enterprise evaluations involving multiple regions, complex integrations, formal procurement, and broad stakeholder alignment may take several months or longer.

The purpose of the timeline is not to force every company into the same schedule. It is to help teams spend enough time on a critical selection decision without allowing the process to become unnecessarily long. Selection costs are usually much lower than the software license, implementation, integration, and internal change-management costs that follow.

Selection Type	Typical Timing	When It May Fit
Focused / smaller selection	2–3 weeks	Limited scope, few stakeholders, clear CRM/ERP landscape, small shortlist
Standard structured selection	4–8 weeks	Moderate complexity, questionnaire plus demos, cross-functional input
Enterprise / complex selection	3–6+ months	Multiple regions, complex integrations, procurement process, broad stakeholder group

Selection Risk: Rushing the selection process can create downstream implementation issues. At the same time, overextending the process can create stakeholder fatigue and decision delays.

Key takeaway: The selection process should be structured enough to support a good decision, but focused enough to maintain momentum.

14 How Novus CPQ Can Support CPQ Selection

Novus CPQ provides independent CPQ-focused research, briefings, reports, and advisory support for companies evaluating CPQ solutions and related quote-to-cash capabilities. These resources can complement internal evaluation work, vendor discussions, implementation partner input, and customer references.

Resource	How It Can Be Used	Link
CPQ Briefing Match App	Identify potentially relevant CPQ vendor briefings based on business model, system landscape, company size, go-live expectations, and CPQ challenges	https://novuscpq.com/cpq-briefing-match-engine-public/
CPQ Briefing Subscription	Access concise analyst-style vendor briefing documents	https://novuscpq.com/cpq-briefing-subscription/
CPQ Sales Reports	Use deeper vendor-specific analysis to support demo preparation, internal education, vendor comparison, and follow-up questions	https://novuscpq.com/cpq-sales-report/
CPQ Circle Subscription	Access CPQ market insight, newsletters, and advisory time for ongoing support	https://novuscpq.com/subscriptions-cpq-circle/
CPQ Podcast	Hear market perspectives from vendors, practitioners, and CPQ industry participants	https://novuscpq.com/cpq-podcast/
CPQ Readiness Check	Determine if your team is ready for a CPQ Project	https://novuscpq.com/cpq-readiness-reality-check/
Contact Novus CPQ	Discuss independent CPQ selection support, criteria definition, demo preparation, and evaluation tradeoffs	info@NovusCPQ.com

Practical Next Step: Readers who are early in the process can start with the CPQ Briefing Match App to identify which vendor briefings may be relevant. Readers preparing for vendor demos can use CPQ Sales Reports to develop more specific questions and validation points.

15 Final Closing Statement

Selecting a CPQ solution is an important business decision. The right solution can improve quoting efficiency, reduce manual work, increase pricing consistency, support better sales execution, and create a stronger foundation for quote-to-cash processes. However, the wrong fit can create implementation complexity, user adoption challenges, data issues, and long-term maintenance problems.

A structured CPQ selection process helps companies make a more informed decision. The process should begin with business model, scope, constraints, stakeholders, and evaluation criteria. Vendor demos should be controlled by the buyer, scoring should be structured, and implementation reality should be validated before the final decision is made.