



The role of Generative AI in the
XaaS lead-to-quote process

Transforming the marketing and sales experience

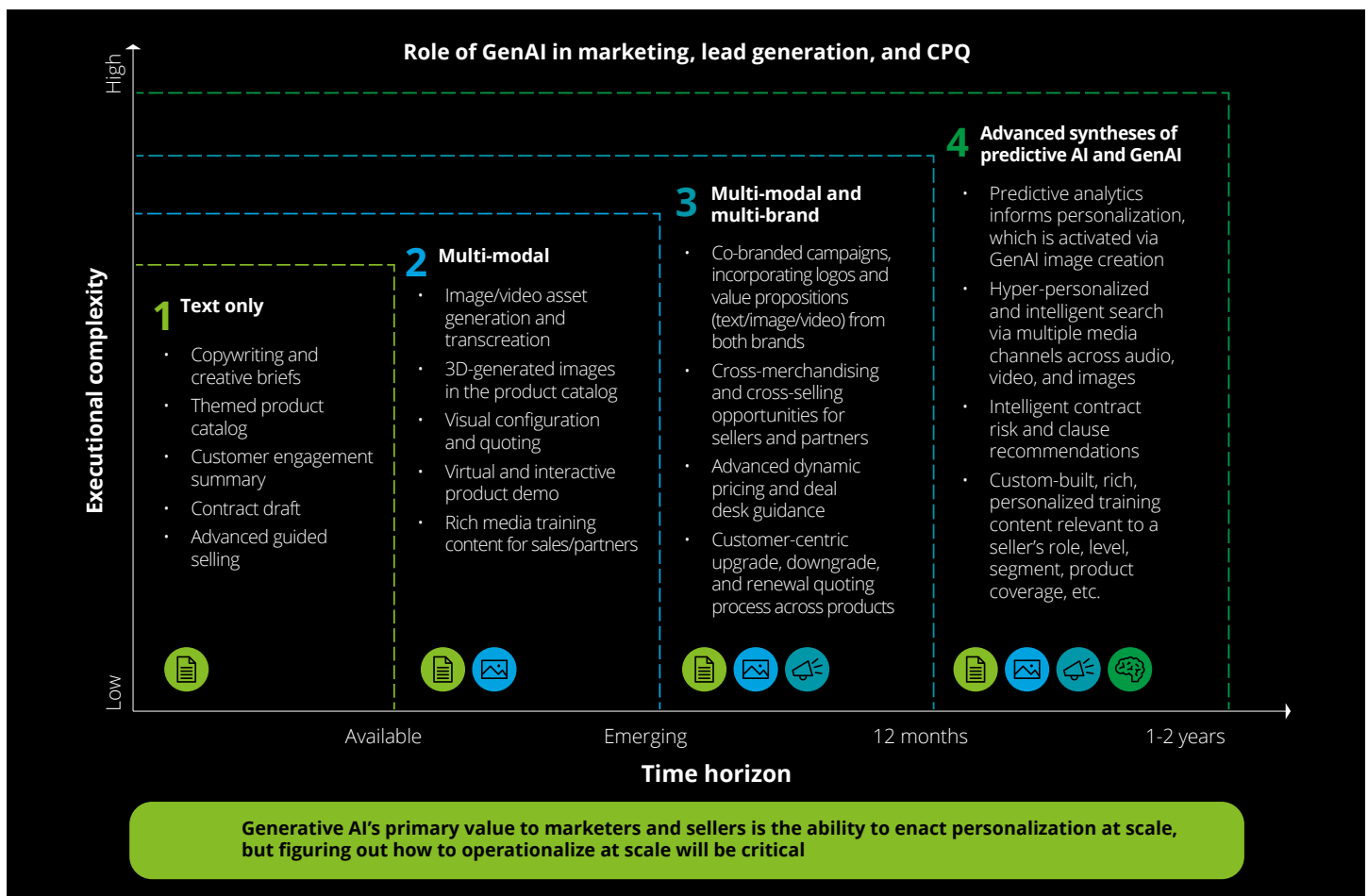
Introduction

One of the most profound disruptions in the technology, media, and telecommunications (TMT) industry in the recent past has been the shift toward everything-as-a-service (XaaS) models, in which customers pay for offers and services based on usage. This shift provides the opportunity for organizations to realize substantial benefits including [predictable recurring revenue streams, higher customer retention, and improved margins](#).

While companies have perfected the selling journey associated with more traditional products, work still needs to be done to streamline the lead-to-quote process associated with XaaS. For example, [CPQ](#) (configure, price, and quote) processes provide the capabilities to support a more diverse set of products with complex pricing structures. With expanding customer channels and partners, and the increasing complexity of product structures and pricing strategies in consumption-based models, CPQ needs to be transformed for more efficient sales operations. And that's where artificial intelligence (AI) comes in.

Deploying Generative AI (GenAI) across the lead-to-quote process can improve personalization, accelerate lead conversion, reduce sales cycle time, improve sales/channel productivity, and provide revenue growth opportunities. Creating these more automated and streamlined lead-to-quote capabilities won't be easy, but they're important for technology companies to successfully scale consumption-based models.

The graphic below highlights select lead-to-quote GenAI use cases at different maturity levels.



Use cases across the lead-to-quote process

Outlined below are four key use cases highlighting how GenAI can help create personalized marketing campaigns, tailored price plans to meet customers' needs through guided selling, enhanced product discovery, and real-time system-generated suggestions for cross-sell and up-sell opportunities.

Personalized and tailored omnichannel marketing

Lack of real-time insights and limited visibility into conversion metrics and choke points across the sales funnel make it difficult for marketing teams to quickly adjust their campaigns. This absence of an end-to-end customer view creates challenges in developing hyper-relevant content tailored for specific channels and customers. Generative AI can be leveraged to develop personalized marketing content across different channels to deliver the right message. By tapping into insights from near real-time campaign performance reports, customer data, current funnel status, and seller feedback, GenAI can help identify customer intent, model look-a-like patterns, create personalized campaign strategies, and test offers. Marketing teams can continuously adjust the marketing strategy based on feedback on sales outcomes for improved customer outreach based on channel categorization.

Potential benefits include:

Revenue growth

- Increased customer conversion through analytics and insights-driven, targeted campaigns

Operational efficiency/cost savings

- Refined discovery and content delivery through customer engagement data
- Reduced sales and marketing cycle time

Customer experience

- Improved customer experience with personalized marketing campaigns
- Tailored content across channel of preference

Employee experience

- 360-degree view of campaign effectiveness reports
- AI-enabled lead scoring and prioritization based on historical data and predictive modeling



Improved product discovery

Customers might experience challenges navigating extensive product catalogs to explore products or solutions that best fit their needs. Specific challenges include finding products that are compatible with existing technologies, meet required specifications, and fit pricing and geographic requirements.

A chatbot or a conversational virtual assistant powered by Generative AI can be leveraged as a self-discovery tool to capture customer requirements. Based on customer responses to a series of questions, the virtual assistant can identify products that best fit the customer's needs. It can provide real-time solution recommendations along with product specifications and pricing details. It can also share links to relevant product collaterals, webcasts, rich media content, product demos, and industry-specific solution pages to help the customer learn more about the product by providing them a clear path to reach relevant information.

Potential benefits include:

Revenue growth

- Increased conversion rates enabled by a seamless customer experience
- Improved retargeting for registered visitors or nonpaying customers

Operational efficiency/cost savings

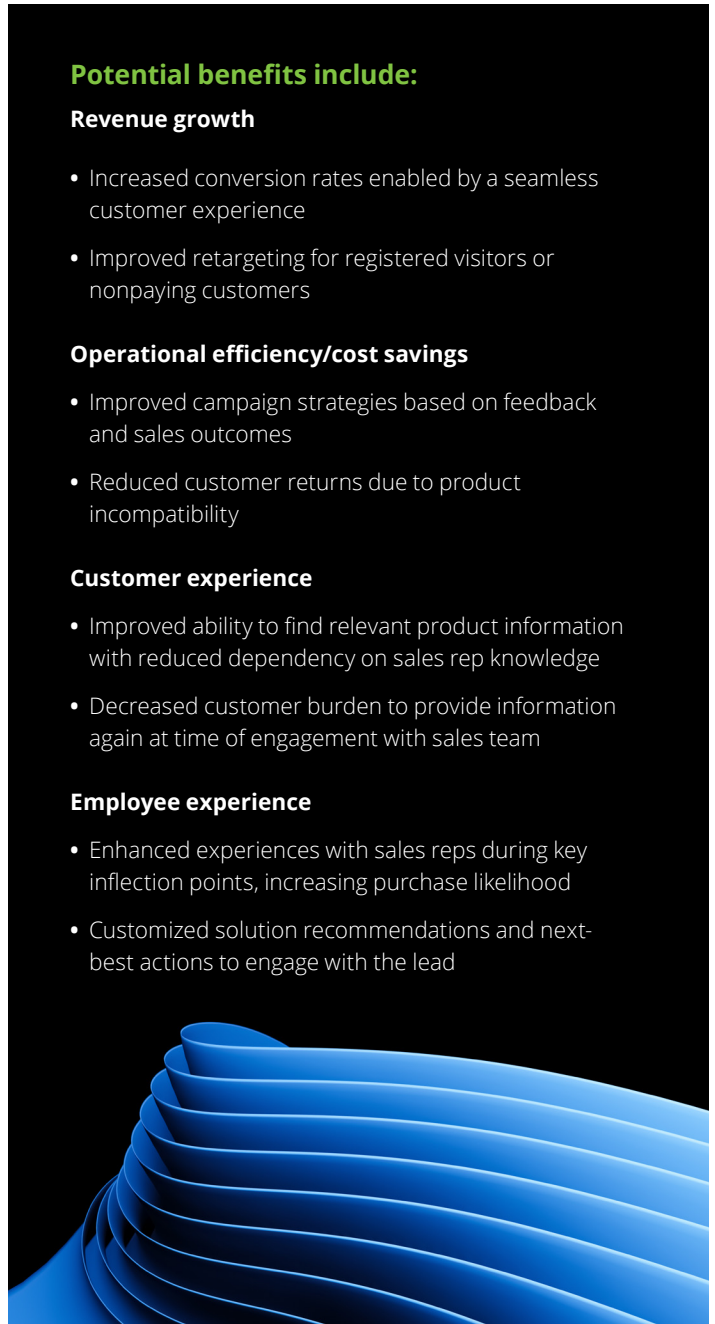
- Improved campaign strategies based on feedback and sales outcomes
- Reduced customer returns due to product incompatibility

Customer experience

- Improved ability to find relevant product information with reduced dependency on sales rep knowledge
- Decreased customer burden to provide information again at time of engagement with sales team

Employee experience

- Enhanced experiences with sales reps during key inflection points, increasing purchase likelihood
- Customized solution recommendations and next-best actions to engage with the lead



Guided selling for complex XaaS offers

Customers need self-service or low-touch capabilities for a frictionless buying experience. However, providers often lack insight-driven CPQ capabilities to make proactive, tailored, and timely decisions to meet customer needs. This absence of standardized processes results in delays and missed opportunities.

A guided selling solution powered by GenAI can be leveraged to capture customer-specific requirements. The solution can parse through the product catalog, customer data, details of preexisting contractual relationship, support tickets, previous interaction history, etc. to identify fit-for-purpose solution recommendations.

The guided selling solution can help facilitate refinement of product configuration requirements in collaboration with customers/partners via chat capabilities. It can also help price the solutions dynamically based on historic pricing and customer data, including contract eligibility, credit history, customer-specific contract plans, and pricing. Then, additional promotions and discounts can be applied to make the deal more appealing to the customer and arrive at the best contract price. Based on the solution and pricing configuration selected, contract terms can then be defined with a complete ruleset—including customer eligibility, credit threshold, discounting/promotion rules, tax rules, etc.

Potential benefits include:

Revenue growth

- Reduced speed to market enabled by accelerated solutioning and a seamless customer experience
- Increased conversion rates enabled by customer-centric guided selling process

Operational efficiency/cost savings

- Streamlined sales process at scale through automated configuration of diverse offerings
- Standardized processes enabled through preconfigured workflows and templates driving efficient sales operations

Customer experience

- Improved self-service capabilities with a high degree of personalization
- More collaborative solutioning via chat-enabled features

Employee experience

- Single source of truth with customer insights
- Reduced human error and increased sales productivity



Predictive cross-sell and up-sell recommendations

Lack of a comprehensive 360-degree customer view—containing insights into customer behavior, buying history, and service usage patterns, along with a complex web of customer communication across different channels—results in missed cross-sell and up-sell opportunities.

For XaaS, a significant portion of recurring revenue is driven by renewals and retaining customers. Generative AI can be leveraged to understand key trends in customer subscription behavior, interaction history, and usage patterns to anticipate customer preferences and propose better-suited products and services. This could include complementary products and services, new or upgraded product versions with enhanced features, and suggestions for upcoming renewals based on usage of key features.

Potential benefits include:

Revenue growth

- Expanded opportunities through better targeting of complementary products
- Reduced churn rate
- Increased renewal rates by proactively recommending best-fit solutions and services

Operational efficiency/cost savings

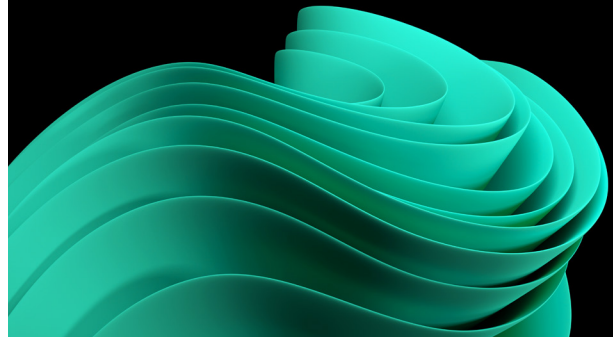
- Targeted cross-sell and up-sell recommendations based on insights from customer data
- Reduced time spent on unqualified leads

Customer experience

- Personalized recommendations for complementary products
- Proactive suggestions for upcoming renewals and upgraded versions

Employee experience

- Real-time insights and next-best actions for future sales
- Reduced swivel across multiple systems and reduced administrative burden



Improving sales and marketing with Generative AI

By leveraging Generative AI across the lead-to-quote process, tech companies can streamline the sales process, empower both consumers and sellers, and create more personalized offerings.

To enhance their marketing and lead-generation capabilities, companies should start by developing a GenAI strategy that integrates with their organization's existing AI strategy—and implementing the right use cases to meet their needs. Tech companies can not only realize operational efficiencies through reduced sales and marketing cycle times but can also experience revenue growth through increased customer conversion.

Deploying GenAI can also help ensure a seamless customer experience by tailoring marketing campaigns to their needs and providing quicker access to the product and solution information.

As customers move through the sales cycle, GenAI can help empower sellers with insight-driven, intelligent systems and provide better self-serve capabilities to the customers—creating a more frictionless buying experience and accelerating deal conversion. Ultimately, Generative AI can provide revenue growth opportunities through increased customer conversion and improved cross-sell and up-sell opportunities.

Contacts



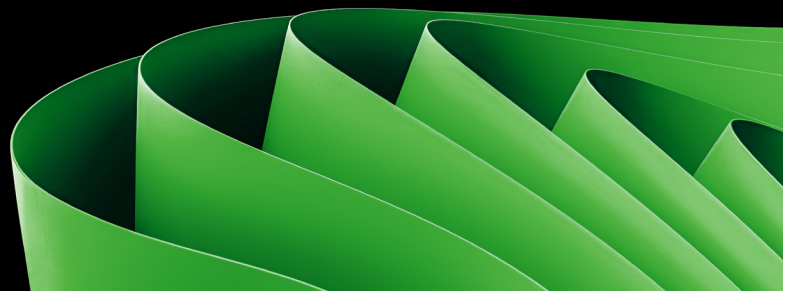
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