



Combeeneration

This is how I plan a
configurator!

CONTENT & STRUCTURE

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1. Introduction

Are you interested in a 3D product configurator and have you recognised the importance of configurators? Congratulations, you are on the right track. The creation of a 3D product configurator is a complex topic and requires sufficient thought in advance and a professional for the implementation. The more precise the preparations, the more precise the result.

These documents will help you get started in the world of product configurators. Here you will find tips & tricks on how to achieve your customised 3D product configurator as quickly as possible!



2. Markt analysis

2.1 Goal definition

Clearly formulated goals are often underestimated, because the success of a project stands and falls with a clear definition of goals. A precise target definition is crucial for the decisive function and structure of the configurator.

Comparison from practice: You can compare this with buying a bicycle. Both a mountain bike and a racing bike are called bicycles. With one you ride mainly off-road, with the other on the road. It makes no sense to buy a bike without thinking about where you want to ride it. It is more or less the same with 3D product configurators: the more concrete the formulation of the goal, the more successful the project and the greater the benefit.

At the beginning, the sales-economic goals that are to be achieved through the use of a product configurator must be defined. Typically these are:

- Increasing turnover („Sell more“)
 - Gaining market share
 - Increasing the conversion rate
 - Upselling through additional services
 - Increasing customer loyalty
- Improving the sales process („Be more efficient“)
 - Direct sales channel
 - Reduction of sales costs per order
 - Reduction of return rate/missing orders
 - Reduction of standard customer requests (What fits together?
Which elements are compatible? ...)
- Showing product variety and details („Teach the Customer“)
 - Simplification of product presentation
 - Faster understanding of the product
 - Bundling of selection options

2.2 Sales process

The second step in configurator planning is to analyse the existing sales process.

Key questions:

- Is the product only sold stationary or is it already listed in an online shop?
- How do customers find out about the product?
- At what point and how often do customers need (personal) advice?

Depending on the desired degree of digitalisation of the sales process, the configurator can take over the following sales functions:

- Product visualisation and presentation
- Technically correct, complete product specification
- Configuration and design of the product
- Lead generation
- Price calculation
- Offer preparation
- Conclusion of purchase

The more concretely one knows about the sales function, the easier it is to optimally align the configurator.

2.3 Competitor analysis

We also recommend taking a look at the competition. This will give you a picture of the current market situation. Possible benchmarks should not be ignored either.

Key questions in the competitor analysis:

- Which configurator solutions can be found in my industry?
- Can the configurator help to create a USP?
If so, how should it be structured?
- Does the digitalisation of sales even result in a new/adapted business model?
- Are there configurators that are particularly great?

2.4 Target group

When creating the configurator, it is advisable to take a closer look at the target group in particular. However, the focus should not be on the target group to be bought, but rather on the users. The people who operate the configurator. In some cases, buyers and users are the same person - but not always. Why is this so important? Depending on the user, there are different configurator goals.

Essentially, a distinction can be made between three users:

- Endcustomers
- Sales staff
- Internal employees

End customers

This type of configurator is characterised by the fact that it is used directly by the customers, without the support of the sales department. It must therefore be intuitive and easy to use without explanation.

Sales staff

Characteristic for this type of configurator is that the product is too complex, high-priced or incompletely representable to use the configurator as a direct sales tool. The sales and dealer network is supported by the configurator, but not replaced. Salespeople and customers benefit from the information provided by the configurator. In addition, the sales team benefits from the reduction of internal training efforts. Information from brochures and catalogues, which sales staff always have to have at hand are displayed in the configurator and are therefore always available.

Internal employees

Should the configurator be used as an internal tool so that the manufacturer can automate the order processing? The characteristic feature of this type of configurator is that it is not a customer acquisition tool, but is intended to support internal processes. These configurators are developed to optimise the interaction between sales and production for the industry. Configurators also serve as a knowledge database. After all, employees with many years of experience know numerous contexts that are not written down. By means of a configurator, this unique knowledge can be recorded before it is too late. Knowledge that can be easily accessed by new colleagues at any time.

2.5 Economic efficiency calculation

We recommend the preparation of a profitability calculation in advance, which shows the economic potential of the product configurator on the basis of existing key figures and envisaged goals.

There are key figures that can be measured directly, such as:

- Reach
- Turnover
- Conversion rate
- Contribution margin

We also look at key figures that are not directly measurable in the configurator, but are measurable in the operational context, e.g:

- Costs due to incorrect orders
- Return rate
- General selling expenses (per order)

The third category only becomes measurable on closer examination and results from long-term developments. Examples are:

- improved customer loyalty
- advertising effects
- data gained

Calculation example from practice:

Kennzahlen			Anmerkungen
	ohne Konfigurator	mit Konfigurator	
jährliche Website-Besucher	72000	72000	6000/Monat
Anzahl Verkäufe pro Jahr	500	1000	Ziel: 1500
Conversion Rate	0.69%	1.39%	
pro Tausend Besucher kaufen	-7	-14	
durchschnittl. DB / Conversion	200 €	220 €	DB = 50%
DB jährlich	100,000 €	220,000 €	
direkt messbare jährliche Fixkostendeckung		120,000 €	
weitere Faktoren	weniger Fehlbestellungen	3,000 €	2% -> 1%; 300€
	weniger Personalaufwand	20,000 €	2,5h -> 1,5h; 20€
zusätzliche "weiche Faktoren"	höhere Kundenbindung	€	
	Werbung durch USP/WoM	€	
	gewonnene Daten	€	
erweiterte jährl. Fixkostendeckung des Konfigurators		143,000 €	

3. Product analysis

The heart of every configurator is the product or the product range. In this context, one also speaks of a technical solution space. It represents the underlying logic of the product („product intelligence“).

All features, characteristics, rules and thus possible and excludable combinations of a product must be taken into account. At the end of this process, a closed technical solution space results, which defines the number of possible combinations and thus configuration possibilities.

If one wants to carry out further calculations in the background (price, weight, maximum performance,...), this must also be taken into account already in the planning. It is important to define the logic behind the calculation and to ensure the availability of all initial values.

3.1 Product features

Practical example roof:

- Basic shape
 - Floor plan
 - Roof type
 - Interior walls
 - Wall system
 - Roof overhang
 - Foundation type
- Dimensions
 - Width
 - Depth
 - Wall thickness
 - Ridge height
 - Eaves wall height
 - Roof pith
- Materials
 - Wood type
 - Wall colour
 - Soffit
 - Shutter
 - Roofing
 - Corner trim

3.2 Characteristics

Examples:

Floor plan

- Rectangle
- L-shape left
- L-shape right

Roof type

- Gable roof uninsulated
- Gable roof insulated
- Pent roof uninsulated
- Pent roof insulated

3.3 Rules

Each product characteristic can contain a list of rules.

For example (for basic shape):

- Minimum dimensions for type „rectangle“: 5000mm width, 6000mm depth
- Maximum dimensions for type „Rectangle“: 9000mm width, 9000mm depth
- Roof types for type „Terrace“: Pent roof uninsulated, Pent roof insulated
- Max. number of windows per side: 3
- Max. number of doors per side: front: 2; left/right side: 1; rear: 0;

4. Visualisation

What does a 3D graphic say when a simple picture already says more than 1000 words? As the above quotation makes clear, a good 3D product configurator stands and falls with a unique 3D visualisation. Besides the product logic, visualisation is the be-all and end-all of any configurator. Customers must have the feeling that they are holding the real product in their hands.

4.1 Types of configurators

Depending on the requirements and the product, a distinction can essentially be made between three different configurations.

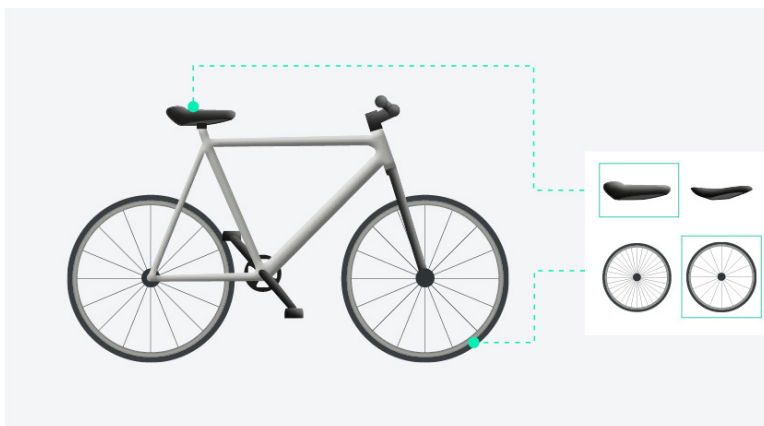
Cosmetic configuration

The individualisation of a product only happens when the actual product has already been manufactured. Example: imprint, embroidery



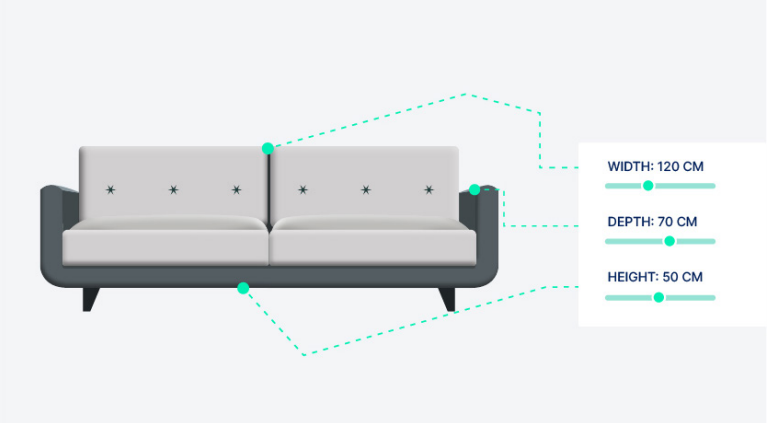
Functional configuration

Functional configuration, on the other hand, is somewhat more demanding. Here, the product is customised in such a way that no final production is possible in advance, because parts and components have to be assembled depending on the configuration. Example: bicycle, car,...



Parametric configuration

Parametric configuration is the most complex. Parametric in this context means that dimensions can be freely defined. Example: Front door,...



5. User Interface

The user interface (UI) is the surface of the configurator and at the same time the interface between users and product. In order to make the UI as user-friendly as possible, we first cast the technical solution space we have developed into a user interface. In doing so, we pay attention to the sensible subdivision of the product parameters into individual areas, simple navigation between the areas as well as clarity. Some very important points to consider are:

Open Choice Navigation

Successful configurators follow the principle of so-called „open choice“. This means that users can move freely through the configurator without having to follow a fixed sequence („configuration tunnel“).

Dependencies

Another principle is to have a valid configuration at any time. This means that only orderable and producible variants can be configured.

Presets

Products can be pre-configured (e.g. for special marketing campaigns) so that users do not have to start from scratch.

Screendesign

In order to integrate the configurator seamlessly into the existing brand world, it must match the corporate identities or corporate designs (CI/CD). This way, the configurator is not only technically but also visually seamlessly integrated into the website or webshop and the users do not notice that the configurator is obtained from an external source.

Target devices

The adaptation of the display to the respective end device (responsive optimisation) is possible for every configurator.

The determining success factor of a good UI is the minimisation of the bounce rate, i.e. the number of aborted configurations. Various psychological factors such as the „paradox of choice“, „fear of missing out“ or „anticipated regret“ play a role here. These factors lead to the fact, that the user is overtaxed in the configuration process to make decisions. And thus does not reach a conclusion of the configuration. Both in the design of the UI and in live operation, it is crucial to strive for maximum user acceptance and to continuously validate. Further building blocks of UI development are, for example, multilingualism or info areas.

6. System, implementation, integration

6.1 Onpremise vs. SaaS

Configurators can be offered on premise or as a cloud solution. On-Premise is understood to be a server-based solutions. The required software or the configurator is installed on a company-internal or rented server. If you decide for this solution, you are also responsible for the hardware and subsequent updates, maintenance, etc.

With cloud-based solutions, the software is made available via the Internet - without the need for software to be installed locally. With the help of a cloud, you can save storage space on computers and smartphones. This is because companies do not have to purchase special hardware or software, they can easily rent external storage space and computing power.

We recommend a cloud-based solution. With this implementation, the software remains in the Combeeneration data centre. You are not responsible for installations, licences, updates or maintenance - this is taken care of by Combeeneration.

6.2 Input interfaces, output interfaces & checkout

In order to integrate the configurator as seamlessly as possible into the existing IT landscape, it is advisable to think about interfaces with other systems in advance. To integrate data from third-party systems into the configurator (e.g. ERP, PIM, shop system) an input interface is required.

Output interfaces, in turn, transfer data from the configurator to third-party systems. For example, to the shopping cart of an online shop or back to the leading ERP system. In addition, a checkout is defined for the completion of the configuration. This can be done by sending an e-mail enquiry, creating an order or saving the configuration.

6.3 Implementation

70% of configurator projects that are started fail and are not completed. We recommend choosing an experienced partner. Because not all configurators are the same. Excellent configurators are not immediately recognisable at first glance. Often only, when you dare to take a look behind the scenes.

7. Marketing

Tip: Think through the entire „customer journey“ - i.e. all points of contact between the potential customer and the product and bring the configurator into play right from the start.

Regardless of whether the company offering a configurator is established or not, customers must be made aware of the advantages of a customised product. Brands should not expect people to use their configurator or buy a customised product just because they offer it.

If a company decides to start a configuration project, it is important that marketing strategy and that employees or a team feel responsible for the project. The commitment to this strategy should be embedded throughout the company.

Do you have a potential configurator project or questions about the topic?

info@combeeneration.com

Combeeneration, founded in 2009, is today considered „The sales boosting configurator“, mainly thanks to its innovative technology. Its customers include not only companies from Austria, Germany and Switzerland, but also from overseas. In addition, Combeeneration was named „Mass Customizing Innovator of The Year“ in 2020.



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> 10 years of
experience



~ 2 mio.
configurations



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in B2B & B2C