

# Configuring the Future of Sustainable Manufacturing

Drive your sustainability goals with CPQ



[www.tacton.com](http://www.tacton.com)

## Retooling for a new future

The state of manufacturing is constantly shifting to meet the needs of the industry, customer requirements and the laws and regulations in the places they operate. One monumental shift for companies today is related to managing challenges are from a quickly changing climate. In the US, manufacturing is responsible for 23% of carbon emissions according to the EPA.

With emissions that large, manufacturers are being driven not only by their own agenda but also by legislation and customer demands to find ways to reduce their environmental impact. Legislation across the globe is requiring manufacturers to be more transparent with investors about their greenhouse gas emissions and how climate change may pose a risk to their business. While there is great risk ahead, there is also tremendous business opportunities that can help manufacturers create sustainable products, and happier more engaged customers.

Customer demands are also driving manufacturers to look for ways to become more sustainable. With customers online more than ever, they are quickly able to do research on how companies produce products, treat employees, and disclose sustainability data. These conscious customers want to work with companies who champion sustainability and are transparent about how they do business.

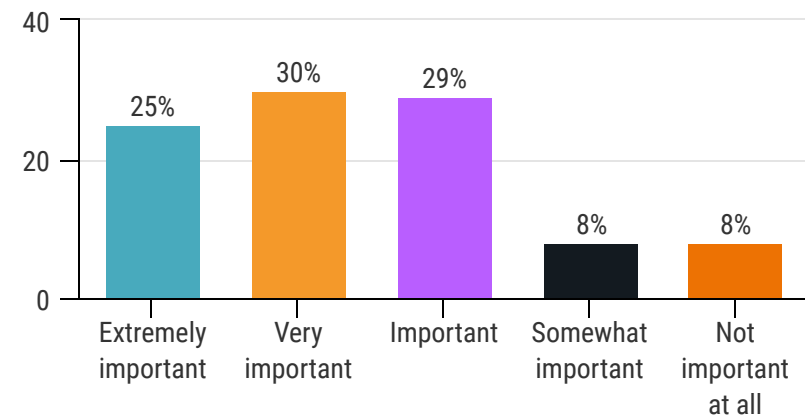
# Manufacturing is at a crossroads

Sustainability has become a new and critical business objective. Companies are hiring sustainability managers, and even tying executive compensation directly with hitting these goals. But the reality is achieving your environmental, social, and governance (ESG) goals as a manufacturer is no easy feat.

Every customer we've spoken with has ESG goals in their corporate objectives. While tactics vary from electrification, reducing waste, becoming carbon neutral, building a circular economy, or others-- the objective remains the same: become sustainable.

These manufacturers are taking the sustainability objectives very seriously. In a recent [Tacton survey](#), **84% of respondents noted that sustainability was important to their 2022 goals.**

**Importance of sustainability initiatives**



Manufacturing will get requirements to support the environment by policy recommendations and tighter regulations and customer demands. These new requirements add even more complexity to an already challenging manufacturing sales process. There will be requirements on companies to declare climate impact from their operations and the products they sell.

# Enable anyone to create sustainable products

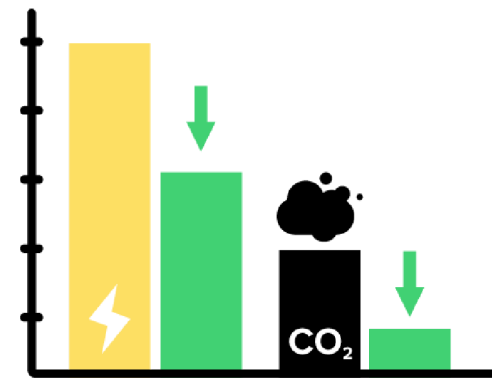
CPQ (Configure, Price, Quote) software empowers anyone to configure highly customizable products and generate an accurate quote in minutes. Traditionally, CPQ has been utilized as a sales tool that connects your sales process from configuration through product delivery, but there are some hidden benefits that are helping manufacturers achieve their sustainability goals.

While any CPQ can help manufacturers sell and operate more efficiently, not all are created equal. At Tacton, our CPQ solution enables you to automate your sales processes and support both you and your customer's journey to sustainability.

Tacton's trusted configuration engine enables anyone to configure an optimized solution by automatically using environmentally sound materials, reducing wasteful components, and oversizing while ensuring operational energy consumption. While other CPQs may deliver some of the efficiency improvements, ours goes a step further ensuring you deliver the optimal solution based on your customers' requirements.

Our technology automatically translates multiple customer needs into an optimal technical solution. With highly customizable equipment like yours, it is impossible for a sales engineer to keep track of all these parameters. With our constraint-based configuration engine, you always ensure that the buyer only gets what they need, optimized for their and your sustainability requirements.

When customers apply Tacton's unique features to manufacturers' sustainability efforts, manufacturers can track certain parameters such as resource consumption and materials to ensure the most sustainable options are provided during the configuration process.



# What are the benefits of CPQ for sustainability

## **Optimize product configurations for sustainability**

Customers buy your products with many different purchasing drivers. As sustainability becomes more and more of a driver, optimizing the offered solution along these lines with a manual sales process or ill-equipped CPQ is way too complex and time consuming.

With our trusted configuration engine, you can add sustainability parameters and use them automatically and instantly in the sales process, such as using environmentally sound materials as well as operational energy consumption. We make it easy to sell and build industrial equipment that meets you and your customers sustainability goals.

## **Reduce Carbon Footprint and save manufacturing costs**

To deliver to your customers, you must offer a great many variants and customizations in your product offerings. In the past, a common solution has been to offer multiple standard products, manufacture them, put them on the warehouse shelf and wait for a customer to buy them. This pick-to-order approach creates excessive waste if those customers fail to appear.

Our CPQ allows you to shift to a configure-to-order approach. This approach allows you to gain control of your product offering across channels, optimize your supply chains, and enable you to define and offer the product but not manufacture it until you have a customer order.

We empower manufacturers to accurately promise functionality and price of product variants that were never designed, manufactured, installed, or serviced before. Tacton CPQ can ensure quotes contains the right-sized product for your customer needs and pick the configuration that has the lowest environmental impact and compare it with other purchasing drivers. CPQ can help guide the buyer to purchase the most environmentally sound option.



# The electrification of manufacturing has started

## **Flip the switch on electrification to reduce greenhouse-gas emissions and save on energy costs**

The time is now for your industry to electrify the manufacturing process and your products. Electrification of the fuel that you use for energy has several benefits. While the equipment may only be slightly more efficient, the initial investment cost is lower, and the cost of maintenance decreases significantly.

By utilizing zero-carbon electricity, your greenhouse-gas emissions lower significantly and help you achieve your ESG goals. While this transition can seem daunting, there are plenty of ways to begin your electrification process using a hybrid model. In fact, **McKinsey estimates that roughly 50% of industrial fuel energy can be electrified with technology available today.**

Tacton enables you to introduce new electric products to your customers faster, more efficiently, and in the most optimal way possible. With Tacton CPQ and guided selling, you enable anyone to configure highly customizable products based on their needs.

Just by answering questions, your customers, partners, or direct sales can configure new electric or hybrid products without any technical knowledge.

This enables you to release products faster and drive adoption by using guard rails to optimize the products and components needed to achieve your customers electrification requirements. Something unique with Tacton CPQ is the constraints solving engine that powers our software.

Due to the constraints-solving engine, our solutions go beyond configuring a just buildable solution into building the optimal solution based on the requirements. In this scenario using Tacton CPQ, you, partners, and customers can configure optimal solutions whether completely electric or the hybrid model.

# Eliminate oversizing and drive faster product adoption

## **Eliminate Excessive waste and oversizing**

Oversizing occurs when the fit between customer needs and the product capabilities fail to match. These examples are obvious, but when selling complex industrial equipment, oversizing is much trickier to detect, especially when the customer needs are multifaceted and change throughout the course of the buying process.

Tacton CPQ detects if and where you can improve your portfolio. For instance, if an elevator manufacturer supplies only one type of shaft rails for all elevator loads, many of their customers requiring smaller loads, will get oversized rails.



Since Tacton keeps track of detailed customer needs and the technical solution offered, such waste can be detected, creating actionable insights for the manufacturer on how to change to a more sustainable portfolio.

## **Drive faster adoption of sustainable products**

Whenever a new product is launched, the adoption is usually slow due to lack of knowledge or heavier reliance on engineering resources. Our solution creates a single-source-of-truth product definition that ensures your teams can sell and your customers adopt more sustainable products faster.

Tacton CPQ makes it possible to automatically choose more sustainable products as they become available, without the sales rep or customer needing to know that it has been released or keep track of which product is the most sustainable.

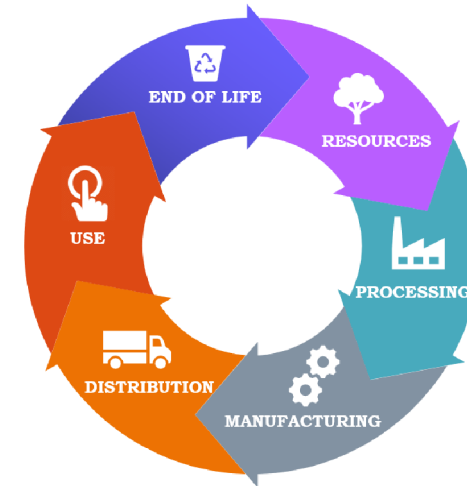
# The circular economy is here to stay

## Actively Participate in the Circular Economy

The circular economy involves sharing, reusing, repairing, remanufacturing, and recycling as many products and materials as possible with a goal of extending product lifecycles and reducing waste

For your industries, there is an urgent interest in the ability to decrease waste and re-use resources. To be successful, each product is viewed as a resource that can be used again and again in a product cycle. In the circular economy, you must prioritize the reuse of manufactured products for as long as possible.

Finding ways to reuse manufactured products can have some lasting positive outcomes. First it breaks the take, make, and dispose that many manufacturers are accustomed to and creates ways to refurbish old products, saving money and time. Second it gives more control over a supply chain that has become prone to disruption.



Additionally, once a product is in use, you can easily use intelligence to monitor and extend the product life cycle by offering predictive maintenance, and end-of-life support or collection for recycling. Let's learn how Plus Pack, a leading manufacturer is using CPQ to drive their sustainability journey



# CPQ and sustainability at Plus Pack

## **Plus Packs quest for sustainability starts with CPQ**

Plus Pack has been on a century-long transformational journey. Founded in 1914, this Danish pioneer in the food packaging industry has been supplying its customers with innovative and sustainable solutions that help them stand out.

## **Partnering with customers to deliver a superior customer experience**

Plus Pack's product line consists of food containers and trays used in the food industry with a focus on convenient meal products, take-away, and ready meals. Its customers are international companies – either food producers, retailers, or distribution companies and each day 4 million meals are served in a packaging solution from Plus Pack.

In recent years, consumer behavior and environmental awareness have driven the demand for sustainable packaging solutions in materials that are easy-to-recycle supporting a circular economy.

As a result, Plus Pack not only needed to deliver quality products but also, needed to collaborate closely with suppliers, customers, and stakeholders to develop sustainable food packaging solutions.

Plus Pack's unique positioning, as both designer and manufacturer, means that they have the expertise to lead their customers through this experience-focused approach to packaging development and -innovation.

## **Partnering with customers to provide customized solutions is nothing new to Plus Pack:**



**"Our most established customers would come to us to revisit the product, and together we would look at what their next move would be, how to lower their costs, improve their sustainability performance and even increase their sales"**

Bastian Fietje, Group Director, Head of Projects, Digitalization & IT, Plus Pack

# Sustainable new standards at Plus Pack

## Customization as a Growth Strategy

For Plus Pack, CPQ was the tool that would enable them to achieve their vision of becoming “The preferred partner for customized and sustainable packaging solutions”. **“For us at Plus Pack, we needed a tool that would not only allow us to implement a partnership strategy with our customers but also that would allow our production to run more efficiently and to ensure that we can deliver exactly what was promised,”** stated Bastian.

Thomas Bangsgaard Vestergaard, Sales Configuration Project Manager overseeing the CPQ implementation says, “We have thousands of products and variables to account for that require highly technical calculations. With CPQ our sales teams could interpret the needs of the customer and quickly identify which solutions within our entire product line best met those needs.”

Plus Pack’s plans to grow within an already competitive market are partly based on their ability to deliver a faster, flexible, more accurate, and superior buying experience for their customers.

**“With CPQ, within a few minutes, we are able to deliver a highly technical quote, with the price and supporting documents for the quote. In the past, this was a process that would take days if not weeks”,** says Thomas.

Plus Pack wanted to deliver 100% recyclable products with zero CO<sub>2</sub>. With CPQ’s needs-based configuration, Plus Pack has made it easier to offer its customers more sustainable packaging solutions supporting a circular economy.

Plus Pack’s sales teams will be able to easily compare different packaging options and to recommend to customers the most sustainable materials that are fit-for-purpose as well as fit-for-future.



**WE MAKE FOOD STAND OUT**

## In closing:

Achieving your sustainability goals can take many forms, but the more aggressively you act the sooner you will achieve your goals and build a sustainable brand for the planet and your customers.

While every CPQ can give you some benefits and value around achieving your ESG goals, Tacton is unique in the market due to its dynamic constraint-based engine that helps end-customers to select the optimal product for sustainability in the configuration process.

This not only allows you to put guard rails around your customized product offering, but it enables your customers to configure the optimal sustainable product to achieve their goals.

At Tacton we can confidently and accurately say that no other CPQ has the engine to translate customer needs into the optimal solution for sustainability.

**Find out how we're helping our customers transform their sales experience**

**Schedule your call!**

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or

[Check out a quick video on CPQ](#)