SAP CRM - OPPORTUNITY MANAGEMENT

An Opportunity is defined as a sales prospect, requested service or product, sales volume and a sales probability. Opportunity can be a possibility of sales of service or product and can result from a bid invitation, sales deal or from a trade fair. Opportunity management is one of the integral part of CRM module and this allows you to control the sales process.

Opportunity management in Sales should be used in the following scenarios –

- When sales cycle in an organization spans for a longer time period.

- When there are many sales representatives working in an organization.

- When there are large sales order values and they are distributed.

Classification in Opportunity Management

You can classify opportunities and related entities in the following categories –

Sources of Opportunity – This allows you to define the source of opportunities in a sales cycle. You can mention expected sales volume from different sources like trade fair, bid invitation, etc.

Opportunity Group – This allows you to perform grouping of opportunities. You can define a group for new customers or existing customers.

Priority – You can also define priority of opportunity if it has a probability to convert to a lead.

You can set the opportunity group, classification and priority in CRM by going to **SPRO → IMG → Customer Relationship Management → Transactions → Setting for Opportunities → Define Opportunity Group, Priority and Origin**.
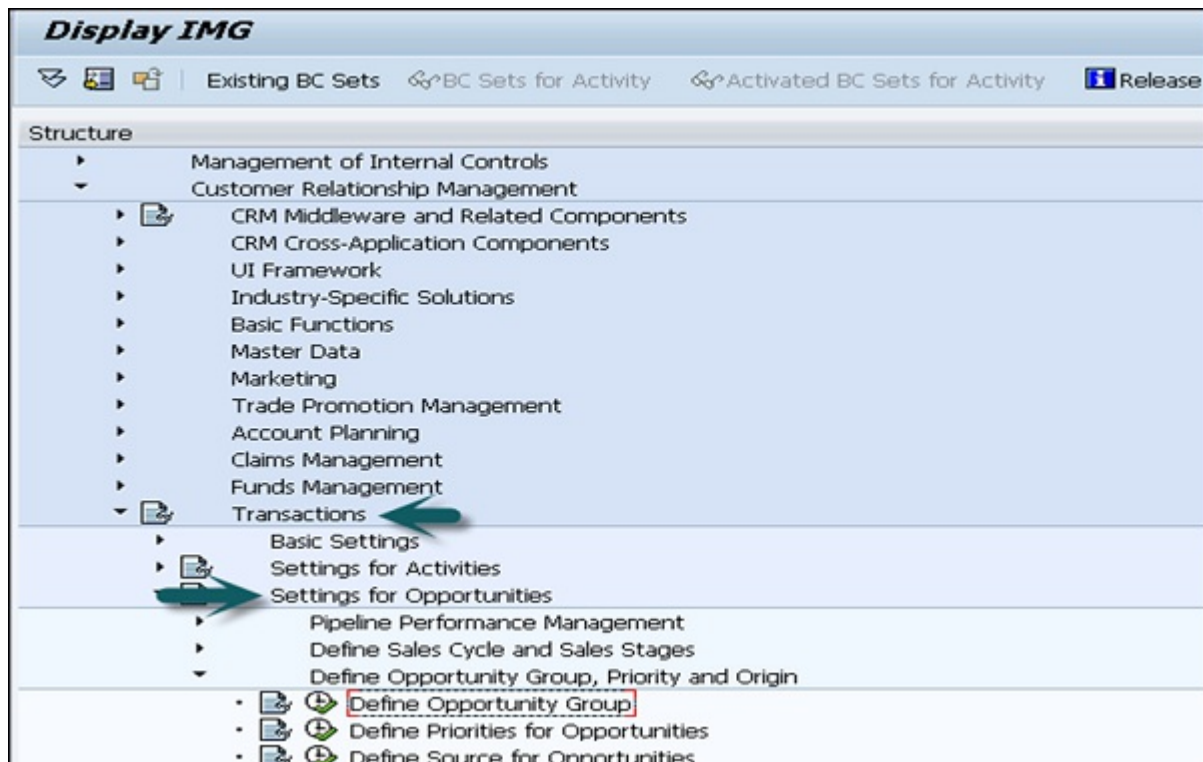
Opportunity Hierarchy

When your sales project is split into multiple subprojects and you want to keep a track of all the subprojects and to link them to a sales project, you can use complex hierarchies. You can connect different opportunities to each other and this

allows you to connect sales projects and subprojects with each other.

Opportunities Hierarchy can be used in the following scenarios –

- To link an opportunity to a sales project.
- To link a sub opportunity to a product.
- Combine several sales project connected with each other.
- Structure those sales projects which consists of several subprojects

What is a Lead in SAP CRM?

A lead can be defined as the first stage of sales process. It represents a person who has shown interest in buying a service or a product.

In a sales cycle, the following order is followed – **Lead → Opportunity → Quote → Order**.

A Lead can be generated from various marketing lead generation processes like trade fairs, advertisement, direct marketing or can be from other personal sales activities like tele-calling or an email.

Leads can be classified into categories – **Cold, Warm and Hot** by the marketing department. If a lead looks promising, then sales department can create an opportunity from this lead.

A Lead is different from an opportunity in a manner that it is a predecessor of an opportunity. Opportunities are used for more complex and longer sales project cycles. The sales representatives use opportunities to control the sales project and maximize the chance of winning customers and minimizing the sales time.