

Oracle Financial Services Revenue Management and Billing

The financial services industry is in the midst of a hyper-digital transformation. In this rapidly changing marketplace, where competition, new reforms, globalization, commoditization of services, market saturation and disintermediation meet, it's not enough for financial institutions to maintain the status quo. The winners of today and tomorrow not only have to think differently and make the shift in their pricing and billing strategies but also upgrade legacy practices and deploy new technologies.

Putting the spotlight on the customer and also making revenue management a top priority is a great way to stay in the game. As the leading provider of pricing and billing solutions, Oracle is committed to help financial institutions optimize value of customers, enable business agility and maximize profitability.



Key Benefits

- Drive dynamic pricing and fee structures
- Reduce processing errors
- Demonstrate a higher degree of transparency
- Boost billing accuracy
- Predict the impact on revenue and profitability

DIFFERENT PRICING AND REVENUE MANAGEMENT STRATEGIES FOR BETTER OUTCOMES

Fee based services form an important part of any financial institution's profits. Financial institutions have to ensure they adopt better revenue management and pricing strategies, have the best and most effective method to calculate fees, make the right pricing decisions, efficiently invoice customers and track balances. A 'one-size-fits-all' pricing and billing strategy no longer works since each customer's buying pattern is different. For example in B2B negotiations, it's quite common to have a click-buy-buy pattern (continuous purchase). Whereas, in retail banking scenarios, a click-buy-bye pattern (one-time purchase) is generally followed. 'One-and-done' customers are a lost opportunity for ongoing revenue. The ultimate goal, of course, is to turn any singular purchase into subsequent purchases and increase customer lifetime value.

Financial institutions must employ different pricing and billing principles that not only match the customer's buying pattern and circumstances but also maximize revenue, and thereby optimize profits. It's all about the right price for the right person at the right time, which results in exploring the untapped revenue potential in each transaction. Adopting the right pricing strategy can help reduce the risk of revenue leakage and avoid leaving money on the table.

Oracle Revenue Management and Billing enables financial institutions to determine the optimal pricing decision associated with each buying scenario and adjust the end price accordingly. To help financial institutions not only set prices in line with the expected scenario but also align prices if the opposite scenario occurs, Oracle Revenue Management and Billing empowers financial institutions to tactically and dynamically adjust the price level. The right pricing decisions are only as good as the underlying enablers.

Oracle's solution provides the capability to effectively use relevant data such as customer and account level data, recognize the value of customer relationship and lifetime value, identify the relevant events such as milestones and change in customer behavior, to correctly assess their combined effect and use them as the basis to make real-time dynamic decisions on price and models. Pricing must not only fit the customer's point of view but also the financial institutions pricing and revenue management strategy.

With revenue and profits being the key objective for any pricing strategy, Oracle Revenue Management and Billing gives financial institutions the flexibility to adopt multiple approaches depending on the context and needs - optimize revenue (adjust prices either to increase the value of sale or sale opportunity), maximize profits (maximize sale opportunities in each buying session) or maximize profit margin (increase profit margin for each unit sold rather than total unit sales).

CONVERGENT PRICING AND BILLING PLATFORM

Oracle provides a complete convergent platform with the business agility to manage pricing and billing across any customer type, diverse product portfolio and multiple legal entities and line of business. This not only allows financial institutions to gain a unified view of customers but also supports global operations and different geographical nuances with a single application. The solution is functionally rich and supports key processes across the revenue management lifecycle from customer set-up through pricing, billing, invoicing, payments, tracking customer balances to managing delinquency.

Oracle Financial Services Revenue Management and Billing offers complete pricing flexibility enabling financial institutions to set pricing based on various criteria such as product and product parameters, eligibility criteria and tiering, promotional pricelists,

Key Features

- Perform 'what-if' analysis to see how changes will affect outcomes
- Calculate revenue and create invoices based on customer agreements
- Integrate custom billing and pricing packages
- Manage the entire lifecycle of a product from inception to service and then to retirement
- Two-dimensional pricing(2 pricing axes) to unearth the full revenue potential
- Consolidate all charges related to a customer's activities
- Manage the end to end lifecycle of deal with capability to create deals at different hierarchies, simulate for optimum price points, approval workflows, easy navigation, deal monitoring and orchestration.
- No additional technology footprint needed for deal management – eliminating licensing needs of GG,ODI, OBIEE
- Seamless Integration (UX,SSO, Access control) with core ORMB Pricing and Billing system
- Browser support for Chrome, IE

and account-level exceptions. It helps financial institutions use customer traits, product or service parameters, channel characteristics, and transaction parameters to deliver customer-centric pricing. It empowers business users to quickly create pricing elements regardless of complexity, including mass price updates, price locking, grandfathering, packages, bundles, promotions and discounts.

Oracle Financial Services Revenue Management and Billing includes a robust billing calculation engine that is designed to maximize the efficiency of the billing process and provides unmatched flexibility in supporting diverse billing requirements such as drill from summary to detailed views and segment bills by event based fees, rebates, interest calculations and recurring fees.

The solution enables users to create bills in real-time, batch, ad-hoc or defined basis, giving financial institutions greater control over revenue by enabling proactive billing approaches. It also supports complex transactions such as rebates, earnings credits, adjustments and corrections

INFORMED DECISION-MAKING TO INCREASE OVERALL PROFITABILITY

Oracle Financial Services Revenue Management and Billing is designed to help financial institutions increase profit by enabling relationship managers to optimize the deal process, control price erosion and consistently make better pricing decisions on every negotiation. It delivers end-to-end deal pricing functionality from creating multi-parameter based pricing models through running simulations, performing 'what-if' comparisons, structuring deals, getting approvals, constructing pricing proposals to real-time tracking of customer commitments. With access to more than 450 graphs, decision-support dashboards, metrics and charts, users can achieve a more predictable and profitable outcome.

Oracle's solution provides financial institutions with a rules-based pricing strategy and execution engine to make managed, automated decisions, thereby, making processes simpler and agile. It allows business users to define rules for charges and also map transactions under a variety of situations such as one-to-one, one-to-many, many-to-one and many-to-many.

Oracle Financial Services Revenue Management and Billing comes with a built-in configurable workflow that can be used for pricing/invoice proposal review and approvals. It supports several levels of approval and exceptions can be triggered based on defined criteria.

RELATIONSHIP AND HIERARCHY MANAGEMENT TO GET CUSTOMER CENTRIC

Oracle Financial Services Revenue Management and Billing enables financial institutions to deliver relationship-based pricing, allowing them to determine appropriate price points and tailor rates based on the customer's current or potential value to the institution.

Oracle's solution is designed to provide significant flexibility to define, create and manage multi-dimensional customer hierarchies and apply pricing and billing rules at any level of the hierarchy rules at any level of the hierarchy

SEAMLESS INTEGRATION TO ENSURE SINGLE VERSION OF TRUTH

Oracle provides pre-built integrations for Oracle Financial Services Revenue Management and Billing with other Oracle applications as well as third party industry applications like CRM systems, core banking applications and financial systems to

Related Products

- Oracle FLEXCUBE Universal Banking
- Oracle Banking Digital Experience

support end-to-end business processes and also ensure one version of the truth throughout the enterprise

PLATFORM FOR GROWTH WITH DEPLOYMENT FLEXIBILITY

Oracle Financial Services Revenue Management and Billing is easily scalable to handle the inevitable increases in data and transactions through acquisitions, international expansion, and/or the addition of new business models and product assortments. It can be deployed on premise or on the cloud

MANAGE END TO END LIFECYCLE OF A DEAL

Oracle provides a complete functionality to manage entire lifecycle of a deal for a prospect or an existing customer through streamlined workflows. The deal creation component provides ability to support multi-currency and multi-divisional deals at any level of hierarchy of customer/accounts. Deal can be saved as a template, different versions can be created, with ability to capture terms and conditions. While creating a deal, user can simulate to arrive at the optimum volume/values of transaction commitments or arrive at optimum price points to increase the profitability. Moreover, the user can simulate the pricing points by changing the offer price method (like from flat to tier), merge/add tiers, redefine tiers to arrive at desired profitability. The system provides the workflow capability for approvals, auto-approvals at different hierarchies- deal level, price item level and division level. User can orchestrate the deals, based upon the customer acceptance deal can be accepted or rejected within the system. Additionally, comments or reference to any documents can be captured by the user as needed. After deal acceptance, system supports the ability to change the pricing of the existing customer or converting a prospect to a customer as part of orchestration. The user can monitor deals, setup review frequency and send notifications. Easy navigation with deal dashboard is introduced for the deal managers to have a holistic view of the deals or for the approvers to approve the deals and check status.



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