

Accenture Communications Solutions for Billing and Revenue Management

Achieving high performance through
next-generation billing



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The challenges of billing in the IP world

Around the world, telecommunications service providers are in various stages of their journey toward IP services and 3G. To succeed, new pricing and business models will be required and, with them, new ways of handling partnerships, revenue distribution and risk. To achieve high performance in the competitive IP world, companies must have world-class, next-generation billing and revenue management processes and systems.

Billing migration and development strategies adopted by service providers over the next few years will fundamentally affect their ability to compete. Telecommunications companies must be ready to support billing for the multi-service offerings that will be enabled by broadband IP network capabilities and devices. Customers are beginning to demand these offerings, and the stakes are being raised even higher as new competitors start to compete with traditional service providers based on IP.

The problem: legacy billing systems do not have the functionality required to support broadband IP-based multi-service offers. The IP world presents a variety of complexities when it comes to billing functionality: for example, companies will need to offer real-time rating and balance management as part of interaction authorization.

Other capabilities required include customer-identity-based billing, cross-product bundling, customer hierarchies, contract management and compliance. In addition, supporting a customer/user identity requires a single system with a consolidated view of the customers' or users' information. This single system must also be able to calculate relevant prices and discounts and maintain real-time balances.

Although broadband IP multi-service products and services are being refined and are growing, companies must begin now to develop and implement billing and revenue management solutions that will allow flexibility and speed to market, without the risk of negatively affecting current revenue streams.

Subscribers and content developers will migrate to service providers with superior service pricing models, content portfolios and the best customer-facing capabilities. Convergent billing, a goal of service providers for many years, will become a necessity. Customers will want to be treated holistically, not service by service, with attractive bundles and discounts. They will want a single point of contact, and the ability to structure their bills in the ways they want.

The stakes are high. If service providers are to become high-performance companies, they need immediate strategies for acquiring IP billing and rating capabilities. They must also develop content settlement and partner relationship management functionalities in the near term.



Advanced billing and revenue management capabilities from Accenture

Moving to next-generation IP-based billing is challenging, but Accenture has the experience, assets and tools to help. Leveraging years of experience in telecommunications customer care and billing, Accenture has developed Accenture Communications Solutions for Billing and Revenue Management.

This rating and billing solution provides an integrated view of all customers and services across the network and is comprised of:

- A set of pre-configured rules for the rating engine in support of IP-based products and services, as well as traditional services.
- A set of application modules that provide functionalities over and above those in standard application packages.
- Reusable discount and taxation rules for the billing system.
- Easily customizable bill layouts.
- Standard processes and base configurations for accounts receivable.
- Connectors to the enterprise application integration layer.
- Rules for billing integrity and revenue assurance.

Part of the Accenture Communications Solutions suite

The Accenture billing and revenue management solution gains even more power because it is part of Accenture Communications Solutions, a suite of the best business solutions from Accenture that deliver high-performance capabilities to communications companies. Accenture Communications Solutions meet today's most pressing business challenges, and create new business opportunities, with ready-to-

use components, pre-packaged within a robust common integration framework. These components are aligned with industry standards to enable cost savings and improved, innovative business capabilities for communications companies of all types and sizes. Our assets have allowed us to deliver award-winning billing work with our communications clients.

Benefits

Accenture Communications Solutions for Billing and Revenue Management can help telecommunications companies achieve high performance by:

- **Increasing flexibility.** The Accenture solution provides telecommunications companies with many added capabilities and functionalities for their billing systems, such as online bill presentment, complex discount schemes, device management and the rating on content services, dunning, accounts receivable and prepaid scenarios.
- **Streamlining operations.** With a foundation of proven technology and techniques, a billing solution from Accenture increases the efficiency of billing activities so that companies can meet their business objectives as simply and quickly as possible.

- **Reducing costs.** Because of the integration framework at the heart of Accenture Communications Solutions, Accenture has already addressed the key integration challenges of using best-of-breed packages and products. By reducing time and effort, Accenture helps you lower your overall implementation costs.
- **Speeding implementation.** Because this billing solution is based on proven and pre-configured components, telecommunications companies can begin to reap billing and revenue management benefits quickly. With the billing solution from Accenture in place, transactions can be processed in real time or in high-speed batches.
- **Providing more scalable solutions.** The Accenture billing and revenue management solution has proven global-class scalability. Companies can achieve business growth or consolidation faster and more easily, without the need for new or re-designed systems.

Companies can pass these benefits on to customers in the form of enhanced customer service capabilities, as well as better pricing and contract flexibility.

Next-generation billing capabilities from Accenture

Accenture Communications Solutions for Billing and Revenue Management can help companies achieve high performance in four critical areas of IP-based billing:

- Billing for content
- Real-time rating, which requires closer integration of billing to the network
- Pre-paid and post-paid convergence
- Advanced revenue settlement capabilities

Billing for content

In the IP world, traditional billing based on standard access charges and flat rates puts the long-term viability of a service provider at risk. What's needed is an efficient way to bill for content: billing based on the type and amount of data flowing across the network. Accenture, working with a broad range of alliance partners in the billing space, can help your company succeed in this new environment, from determining the type of data moving across the network to capturing revenue from that data. Our solutions provide advanced event collection and mediation solutions with a focus on IP billing models that enable capturing information from multiple devices and content providers.

Billing across multiple content providers is both an opportunity and a challenge. To enable an effective capability to bill for content, Accenture helps service providers answer the tough questions: How can companies determine value and capture revenue generated by content provided by others? How should companies most efficiently deliver the content bundled by third parties, and how can they best deal with third-party settlement?

The advanced, next-generation integration framework provided by Accenture Communications Solutions can jumpstart your company toward advanced capabilities to bill for content. We can help you:

- Partner more efficiently with content developers and content providers.
- Manage partners with a full suite of partner relationship management (PRM) capabilities.

- Bill the customer as part of the billing arrangement for your content, as well as that provided by others.
- Develop seamless and automated settlement with the content provider.

Enabling usage-based billing for a European service provider

A major convergent European service provider decided to launch a new IP service offering for its corporate customers, and planned to differentiate the offering with a usage-based billing capability.

The company's network division recognized the need to implement a new IP collection and mediation system. They determined that an integrated approach was critical to analyze and solve the key issues: defining an IP usage data collection strategy, identifying collection and mediation solutions and plans aligned with the

marketing strategy, and defining the integration with billing systems including flexible accounting data formats.

Accenture worked with the company to define and implement an IP usage collection strategy and implement a new IP usage collection and mediation system. The new system will support the billing of all IP services that the company will offer in the future to both corporate and consumer customers, starting with ISP and mobile Internet services. The system will collect data from several sources including IP network components, the OSS, server farms and other sources. It will also feed other systems for network performance and usage analysis.

Real-time rating

In the traditional communications world, with its monthly billing cycles, companies could more easily calculate charges and establish credit limits and authorizations based on historical calling patterns. Today, companies must have rapid access to information—ideally, in real time. Customers can accrue charges quickly from third parties. If customers have purchased a pre-paid wireless plan, companies must have the capability to monitor actual usage to determine when customers have reached their pre-paid limit. Accenture gives service providers real-time rating capabilities by providing a closer integration with the network, enabling real-time rating and transaction processing.

Thanks to Accenture Communications Solutions for Billing and Revenue Management, we can help you:

- Capture all billable events from any source.
- Perform, in real time, rating, balance monitoring and service control credit management.
- Perform event and threshold-based billing.

As a pre-integrated suite of best-of-breed solutions, Accenture Communications Solutions also help resolve the integration challenge in having multiple third-party packages working together. We help you make the difficult build-vs.-buy decisions when comparing custom-built solutions and best-of-breed third-party packages. We can also help you determine clear road maps between Intelligent Network (IN) based real-time rating and traditional billing packages that are evolving towards real-time rating capabilities.

A real-time rating success story

One large wireless provider in Europe has been moving rapidly toward third-generation wireless products, but its legacy billing system was proving to be a constraint. With an aggressive strategy to seize the potential of value-added services, the company needed an appropriate IT solution to rate and bill these significant revenue producers.

The company turned to Accenture to help develop a flexible, IP-based, real-time rating engine. Accenture worked with the provider to deliver business value rapidly. The new billing and rating platform has enabled the company to:

- Add new products without experiencing delays caused by the definition and implementation of new interfaces.
- Reduce the complexity of price maintenance and provide all services with basic mechanisms for pricing models.

- Launch new value-added services for pre-paid customers with a common platform for rating and billing.
- Provide a single invoice to the customer along with comprehensive information to customer service representatives.
- Enable customer care channels to maintain all customer information in one place.

Pre-paid and post-paid convergence

For about a decade now, pre-paid plans for wireless services have attracted large numbers of new customers. Pre-paid plans are a way to reach that part of the customer base that may be too young to have established credit, or that may otherwise not qualify for credit. Other customers enjoy the freedom of not entering into long contractual arrangements, avoiding large bills and gaining more control over their budgeting.

In the IP world, advanced communications companies will be seeking to converge both pre-paid and post-paid approaches, viewing them simply as different approaches for paying for service. Accenture can help you deal with the technical challenges posed by the convergence of pre-paid and post-paid billing. We help you create the capabilities to:

- Vary pre- and post-paid information by type of service and service number within an account.
- Provide a unified balance view of all pre-paid services of a subscriber.
- Leverage rich post-paid rating capabilities.
- Utilize the same CRM solution to manage both pre- and post-paid services.

Greater customer billing flexibility for a European wireless provider

This major European company needed to redesign the rating and billing architecture of its data services in order to offer greater flexibility to its customers. The company also sought to improve overall processes to launch and bill new data services. Accenture worked with the company to centralize all the data traffic rating on a single platform. This required defining a simplified and complete architecture leveraging the billing package and

integrating it with most of the company's existing OSS capabilities. The new system now manages approximately nine million contracts (including six million pre-paid and three million post-paid contracts) and more than 20 million service instances. The system rates local and roaming traffic, including consolidated categories of pre-paid and post-paid services. Thanks to this work, the company has realized significant benefits in terms of lower total cost of ownership and more revenue control.

Revenue settlement

Revenue settlement becomes a greater challenge in the IP world. With new capabilities to bill from different models and components, and with different settlement sides, it is vital that companies manage revenue settlement properly to avoid revenue leakage. The applications and technologies at the heart of IP-based services are no longer owned completely by the operators; everyone must leverage teaming and interconnect agreements. Making this work requires a true enterprise view of what we call "contact to cash": the ability to book, bill and collect in a complex services environment. With Accenture Communications Solutions, we help you:

- Tightly integrate billing with your revenue management solutions.
- Support accurate and reliable revenue recognition.
- Support timely financial period "close" processing.
- Create the capability for active credit / cash flow measurement and management.
- Automatically monitor adherence to contracts.

Rapid delivery of new billing capabilities for an Australian service provider

In order to maintain the highest quality customer service and technology, this Australian-based service provider sought a technologically advanced Internet billing system to support its Internet services and products. Accenture partnered with the company, using a leading, best-of-breed software package as the core bill

presentation and payment application within the total billing solution. The project team delivered value quickly, with three major releases of capability within the first twelve months of the product launch. The new solution now supports more than 70,000 business and consumer customers and the company forecasts more than 500,000 customers receiving bills online within the year.



Contact

For more information about how Accenture Communications Solutions can propel your company on the road to high performance, call us at: +1 312 737 8290 (United States) and mention reference code "Billing," or send an e-mail to: comms.and.high.tech@accenture.com.

About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills and technologies to help clients improve their performance. With approximately 95,000 people in 48 countries, the company generated net revenues of US\$11.8 billion for the fiscal year ended August 31, 2003. Its home page is www.accenture.com.

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