



With the abundance of competition in the marketplace, what innovative tactics will companies be taking to differentiate themselves (i.e. price cutting, vertical focus, channel development)?

Innovative Products and Services Need Innovative Billing

Consumers are dynamic. Their preferences, habits, and lifestyles are constantly changing. In addition, the way in which customers are buying products and services has evolved from one-off purchases and simple subscriptions to more complex, activity-based models with greater appeal to businesses and consumers alike. Smart companies will realize that there is a critical touch point between a business and their customers when a purchase is being made and that above all, customers want choices and a personalized experience.

How a company anticipates, recognizes, and responds to changing dynamics and customer preferences is a real competitive differentiator. With a flexible billing system, organizations can respond to shifting preferences by offering customers customized billing plans in real-time to reduce customer turnover, improve efficiency, optimize revenue capture to prevent profit loss, and leverage business intelligence reporting to accrue and analyze vast amounts of valuable customer data.

Billing is the intersection of CRM, finance, marketing and operations. In other words, it touches all aspects of a business. Unfortunately, most companies brush off billing as just a finance issue rather than treating it as a strategic tool across groups. All segments of the business can greatly benefit from this critical juncture, as it provides employees from all aspects of a company with easy and secure access to subscriber data and most importantly, detailed purchase/consumption history. Access to this kind of data can make a significant impact on customer service satisfaction, help improve upon marketing efforts and allows companies to capture additional revenue streams.

Billing can also help improve efficiency and prevent profit loss. A big source of profit loss in many organizations is a lack of accurate and efficient entitlement management. Today, most businesses use costly manual, time-intensive processes to manage billing systems. What they don't realize is that these processes can be automated to ensure efficiency, accuracy, guard against revenue loss, and grow profits. An automated entitlement management system can measure, track, and bill for subscriptions, activities, promotions, and renewals. By implementing an automated activity-based billing system, companies can track user purchasing information in real-time, ensure requested activities are authorized, and offer renewal and upgrade opportunities at critical times to optimize revenue capture and maintain a more loyal base of

customers. Businesses no longer leave money on the table because their systems cannot support complex billing plans.

There is also tremendous opportunity for companies to use business intelligence reporting systems to capture valuable customer purchasing behavior data, which they can leverage to drive revenue growth. By understanding customer analytics, companies get deep views into customer data and gain insights into trends such as what price point typically triggers a purchase from specific customers in real-time. A flexible billing system ensures the customer data is not hidden in a black box; it's open and available for analysis across the business.

Your company is (hopefully) creating innovative products and services. But if you are not also innovating how you monetize your customer base through pricing and billing, you might just have an expensive hobby instead of a competitive business.

This interview was published in [SIIA's Vision from the Top](#) , a Software Division publication released at [All About the Cloud 2013](#)