



EXECUTIVE OVERVIEW

Scale and Performance for Enterprise Monetization: What You Need To Know

Monetization for Enterprises

Throughput, processing power and speed are defining attributes of enterprise-grade information systems.

But the depth and extent of IT challenges to monetize enterprise-scale products and services drives the need to digitally transform their revenue management systems, simplify processes and increase the use of automation in both IT and the business.

So, when we talk about “scale” for enterprise companies with huge volumes, we must go beyond raw processing power and look at business efficiencies gained through automation, data access and in general, superior business productivity tools.

First, let’s address processing power and speed, then focus on business agility – i.e. functional scale.

Processing Power & Speed

In order to talk about this subject, we need to first establish what we mean by “Enterprise”. In general, small businesses have fewer than 100 employees and less than \$50 million in revenue while medium-sized businesses have less than 1,000 employees and less than \$1 billion in revenue. Large enterprise businesses are substantially bigger, both in employee size, annual revenue and customer base.

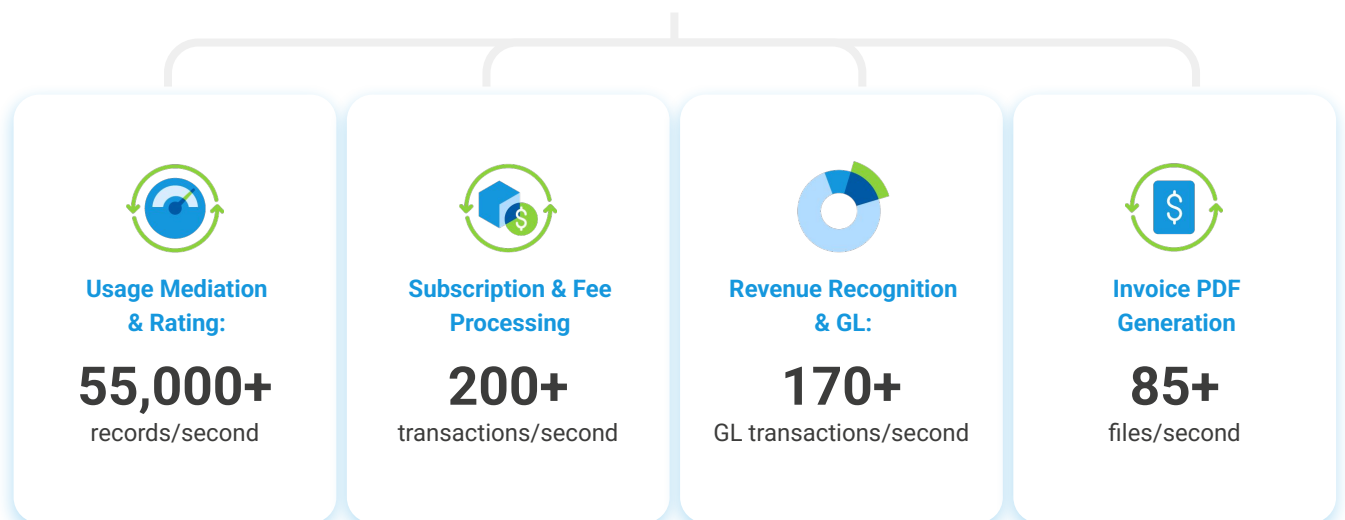
To support this larger employee and customer base, and associated annual revenue, an enterprise system must be able to accommodate the sheer computing power necessary to support simultaneous access (by thousands of users and systems) to user interfaces, APIs and databases while processing billions of records per day related to things like financial transactions, automated subscription charging, usage ingestion and mediation, data processing, automated system workflows, reporting and much more.

This kind of support requires a much different system architecture than those designed for small or medium sized businesses. Further, a system delivered as a multitenant, cloud solution, must consider all of the above, multiplied by the number of enterprises in its tenancy.

To illustrate, let’s focus on the processing power needed to support rating and invoicing for a moderately sized, fortune 1000 enterprise in the Financial Services industry with \$9B in annual revenue.

This company has, on average, 500,000 customers and needs to deliver 500,000 invoices every month. To calculate and sum the details on these invoices, the system must ingest and rate 2B usage transactions and automatically generate over 500,000 subscriptions and other automatically generated charges such as fees and taxation.

In order to complete the invoicing cycle in under 15 hours, the information system must be capable of the following along the invoicing journey

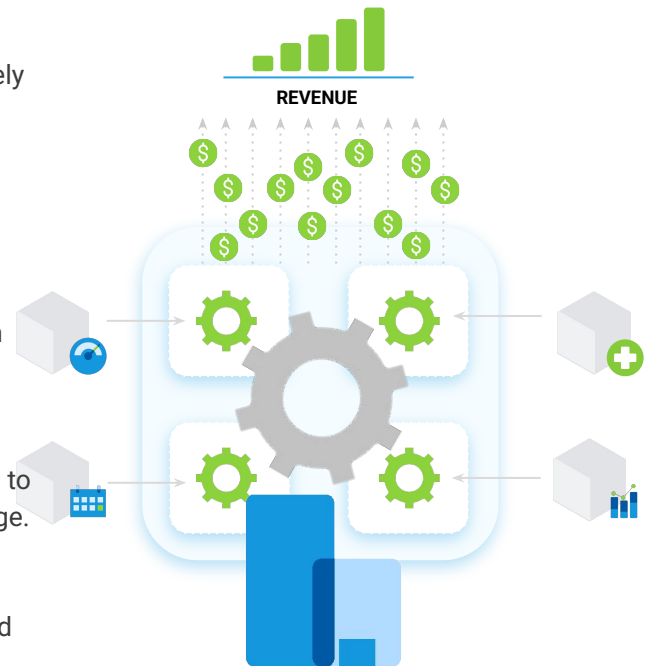


The general assumption is that all this happens in a straight line without variance. **But in life, as in business, almost NOTHING happens in a straight line.**

Business Agility/Functional Scale

Enterprise systems traditionally are built for volume as a priority with flexibility as a secondary feature. In an intensely competitive world with virtually unlimited access to technology this order of priorities is no longer acceptable.

The modern enterprise is forced to be agile, resilient and responsive to market changes. Big mainframe systems, manual processes, limited business productivity tools and limited access to real-time business intelligence stymie an enterprise's ability to compete against smaller, agile incumbents who continue to retain and win new business. When we talk about scale it is impossible to ignore the obvious need for functional scale. Functional scale relates to the way a system can be extended to accommodate change. In the context of a generic business information system, these changes start with the system's data model and extend to the user interface, automated processes, API and reporting.



When it comes to revenue management systems, the pivot point is the business model – the way in which a company can monetize things. Since a revenue management system is a form of business information system, the ability to extend the data model, UI, API, etc. has a direct impact on the ability to extend and grow the business model.

For example, an enterprise company may acquire a new line of business. This new line of business may require different data, have different business processes with different rules and different pricing and monetization structures that require different UIs, APIs, data model and automation components. If the core system cannot be extended functionally, the new business must operate in a silo using a separate system with manual, swivel-chair processes to keep everything aligned. This is expensive, inefficient and slow.

Another simple example is integration. If a company cannot alter its data model and also its API to accommodate an extended ecosystem, then in general, it is forced to operate in a silo with limited access to the outside world.

The Bottom Line

Limitations in a system's ability to scale functionally limits a company's ability to efficiently innovate. All the data processing speed in the world won't make up for this gap and so both dimensions of scale must be considered.

About BillingPlatform

BillingPlatform is an enterprise-grade revenue lifecycle management solution built on a completely configurable, business information system platform. It allows for hyper-scale, enterprise volumes with full control and extension of the applications data model, UI, API and automated processes. Because of this, our customers enjoy the ability to continue the businesses that they thrive in with minimal change given our platform's ability to accommodate and adapt to any business model. In turn, it allows our customers to be agile and innovate in any new direction, increasing efficiency, speed and productivity while lowering the cost of change.