



CUSTOMER FINANCIALS MANAGEMENT FOR TELECOMMUNICATIONS

SAP® for Telecommunications solutions support integrated, end-to-end financials processes, helping your business gain secure financial footing in a shifting market. The software increases your control and enables you to focus your attention, from a financial perspective, on the most important party in your business – your customer. Ultimately, this enhances your financial performance.

The Most Important Party: Your Customer

You know that it is important to have your financial processes in order. And you know that customer-centricity is not only a buzzword, but also the key strategy to improving the profitability of your enterprise – especially in a changing economy. Building, retaining, and enhancing profitable customer relationships are essential for your business. By the same token, new technologies such as voice-over IP, mobile communications, and broadband, as well as business trends such as telecom and media-content convergence, place serious demands on your existing financial systems and processes. You need solutions that enable you to respond effectively to all these challenges.

The SAP for Telecommunications set of solutions provides the software you need to run a customer-focused telecom business effectively and profitably. The software combines SAP's industry expertise with the best technology available today, giving you the functionality to control end-to-end financials processes. Better-managed financial processes, in turn, enable you to provide better service to your customers.

The Key to Spectacular Performance

The software provides you with the comprehensive features you need to coordinate, monitor, and optimize all your financial activities. Based on the leading enterprise financial software on the market today – the mySAP™ ERP Financials solution – it allows you to turn administrative tasks into value-added initiatives for you, your customers, and ultimately, your shareholders. You can manage your entire revenue chain including invoicing, receivables management, collections, analytics, and financial reporting. And because it is integrated with the SAP NetWeaver™ platform, you get the end-to-end revenue management functionality you need in a demanding market.

Here is a look at the fundamental financial tools and functions provided by SAP for Telecommunications:

Accounting

Financial accounting functions record quantities and values from financially relevant transactions. You can maintain a consistent, reconciled, auditable set of books for statutory reporting and management support. At the same time, data is gathered for analytic applications.

Financial Operations

With this software, your company and your partners can collaborate efficiently on all customer- and supply-chain-related financial processes, which are increasingly important in today's content-driven telecommunications environment. The software supports defined business policies and shared services. And it uses the Web and electronic service models to automate your financial supply chain.

Business Analytics

Business analytics help managers and knowledge workers identify and create additional value within day-to-day business operations. You can optimize operational performance, conduct accurate forecasting and business planning, and find ways to create additional value through better administration of tangible and intangible assets.

Customer Financials Management: State-of-the-Art Industry-Specific Functions

Companies like yours face a special set of financial challenges. Meeting the demands of large numbers of subscribers who all expect the very best service requires powerful financial functions. With this software, you get the industry-specific functions you need for receivables and collections management, convergent invoicing, financial customer care and dispute management, credit management, and electronic bill presentment and payment. It brings together customer-facing activities and solid financial capabilities that comply with legal requirements for the telecommunications industry.

Receivables and Collections Management

SAP for Telecommunications provides you with powerful accounts receivable and collections management capabilities. You can integrate many different types of payments, and tailor the functions precisely to your organization's needs. You get support for installment plans, interest calculation, deferrals, returned items, third-party revenue handling, and dunning. And you get support for correspondence, for example, account statements and outbound collection activities, such as the processing of call lists that have been created out of a dunning run. The software can handle large numbers of customer accounts, and support many customer-related transactions – such as posting, payments, and dunning – automatically and in parallel.

The software also has interfaces to non-SAP billing systems, and integrates both upstream – for example, with mySAP Customer Relationship Management – and downstream – for example, with the general ledger – so your implementation time is drastically reduced. When you use large-scale parallel processing in mass data processing and have efficient processing architecture, the software will perform at many times the level of conventional accounts receivable solutions. This technical feature of drastically reduced processing times provides you with tangible business benefits. For example, you can perform dunning on a daily rather than a weekly basis, resulting in faster collection of fees and improved cash flow. Because the software is integrated with SAP® Business Intelligence, a component of SAP NetWeaver that provides data warehousing and analytics functionality, you can use accounts receivable information for comprehensive and detailed reporting.

Convergent Invoicing

You can easily enhance your existing billing systems with convergent invoicing functionality in SAP for Telecommunications. You can create a single invoice that includes all products and services provided to customers, including fixed-line and wireless services, pay TV, Internet access, equipment rental, hardware sales, installation, and maintenance – everything. You can also include products and services that are provided by third parties

on your bill. These charges not only appear on the invoice presented to the subscriber, but they are also transferred to accounts receivable, so you can always differentiate between your own claims and open third-party items – a must if you do not want to end up paying for someone else. Tight integration of convergent invoicing functions with SAP Business Intelligence gives you powerful reporting capabilities to help you make the right decisions when planning future activities.

Credit Management

Reducing the risk of bad-debt loss and customer-payment delays has become more important in your industry. In times of decreasing margins it is vital to know your customers from a credit perspective, and for that you need to have up-to-date and comprehensive information. SAP for Telecommunications has credit management capabilities that help speed up your credit process and improve the consistency, efficiency, and flexibility of your credit operations. You can assign and monitor customer credit limits. And you can manage receivables and collections to assess credit worthiness based on events that have occurred in the system, such as dunning and payment returns.

Financial Customer Care and Dispute Management

Customer convenience is becoming a crucial issue. If a customer is dissatisfied with your services, he or she expects to get competent and targeted support. SAP for Telecommunications gives you the financial customer care and dispute management capabilities you need to meet these customer expectations. It allows agents to respond directly to customer requirements, which saves time, increases efficiency, and improves data consistency.

Customer-care agents can:

- Access, manage, and amend master data
- Check account balances and invoices
- Set and remove locks that prevent unwanted processing of certain items or accounts, such as payment locks and dunning locks
- Apply credit notes to resolve disputes
- Create or change installment plans

- Defer open items and reverse dunning notices
- Accept payments, for example, by credit card or bank transfer, and reactivate or reconnect service, where appropriate
- Initiate a dispute case and view previous ones: objects such as invoice documents can be linked to a dispute case to provide the person who is resolving the case with quick access to the related data
- Have integrated access to receivables and collections management for employees in charge of creating or resolving dispute cases

Biller Direct: Electronic Bill Presentment and Payment

Electronic bill presentment and payment offers great potential to benefit both billers and bill recipients. It enables you to cut costs by replacing paper invoices and helps customers reduce the amount of paper they receive every month. And if you combine electronic bill presentment and payment with the software's revenue management and contract accounting functions, you can provide customers and employees with self-service capability on the Web.

Benefits of Integrating End-to-End Industry-Specific Financial Processes

SAP for Telecommunications supports end-to-end financial processes, bringing you tangible benefits across the board. For your industry, there is simply no comparable software.

You can use the integrated financials software to:

- Reduce operating costs
- Increase liquidity
- Streamline financial processes including collection, financing, payment, and settlement
- Comply with legal requirements today and in the future
- Accelerate your response to the market changes that drive profitability and create value
- Empower managers and knowledge workers through state-of-the-art self-service features and Web-based portals and workplaces

- Enhance access to accurate, real-time financial and performance information – even across enterprise boundaries and third-party systems
- Increase customer satisfaction by using competent and professional dispute-handling methods

The software also helps you with accounts receivable, payments, and collections:

- Highly efficient automated processes cut costs.
- Powerful functions give you a firm grip on the revenue stream and unparalleled flexibility in collecting revenue.
- Better claims tracking means fewer write-offs.
- A consistent view of customer and account information enhances your customer relationship management strategy.
- Customer self-service scenarios based on electronic bill presentment and payment help you reduce costs and increase customer loyalty.
- Rock-solid integration with general ledger accounting ensures postings that you can count on to be correct.
- Thorough support of third-party billing scenarios ensures that you do not end up paying for partner companies' outstanding receivables.

With the software, you have the flexibility to enhance invoicing processes. For example, you can:

- Create convergent bills without replacing your existing prebilling and billing systems
- Rapidly implement third-party billing as your convergent service offerings grow
- Cut costs by reducing the number of invoices sent, using the software's unified architecture for output processing systems and electronic bill presentment and payment solutions
- Reduce implementation costs from out-of-the-box integration

Put Your Business on a Secure Footing

SAP for Telecommunications is the world's leading software for your industry. No other industry solution allows you to utilize the Internet to support so many business processes. No other solution includes so many state-of-the-art, industry-specific features.

SAP for Telecommunications puts you ahead of the competition, giving you the powerful, flexible financial solutions that you need to be successful. The software puts you in control and allows you to make a difference where it really counts – the bottom line.

SAP for Telecommunications builds on SAP's extensive industry and financials expertise to deliver powerful SAP software for managing customer financials. SAP for Telecommunications solutions are powered by the SAP NetWeaver platform – the open integration and application platform that provides the best way to integrate all systems running SAP or non-SAP software. SAP NetWeaver unifies integration technologies into a single platform and is preintegrated with business applications, enabling change and reducing the need for custom integration.

For more information on the financial aspects of SAP for Telecommunications, please visit our Web site at:

www.sap.com/telecommunications