

**SAP Solution Brief  
SAP for Telecommunications**



By using SAP® for Telecommunications solutions to implement convergent invoicing, your company can consolidate billing data across a multitude of service offerings. You can reduce the time and cost required to bring new services to market and achieve a single view of the customer by centralizing billing information. You can also increase customer satisfaction by generating easy-to-understand invoices that include an overview of all charges across all provided services.

## **CONVERGENT INVOICING**

### **Retain Customers, Speed Time to Market, and Streamline the Invoicing Process**

Few industries are as competitive as telecommunications. Costs are high, margins are low, and long-term customer loyalty is difficult to develop. To maintain competitive differentiation and increase average revenue per user, telecommunications companies like yours are constantly seeking ways to identify their most profitable customers and offer the services they demand. This has led to such trends as service bundling, fixed-mobile convergence, and an increase of partnerships with third-party businesses to deliver a full range of services.

Keeping pace with these trends, however, is hindered by the complex, heterogeneous system landscapes common throughout the telecommunications industry. The fact is, many of the services in demand today involve complex relationships with multiple outsourcing partners and intricate pricing schemes that are seldom supported by existing billing systems. This lack of support slows your time to market, increases the cost of new services, and ultimately leads to a costly proliferation of rating engines and customer invoices. IT inadequacies also severely limit your visibility into critical customer information. Limited visibility adversely impacts customer loyalty, impedes your efforts to differentiate yourself against the competition, and even makes it difficult to comply with regulations, such as the Sarbanes-Oxley Act.

The SAP for Telecommunications solution portfolio can help. With support for convergent invoicing, SAP for Telecommunications allows you to generate a single invoice for each customer that includes all the products and services you provide. Not only do all charges for each customer appear on the invoice, pertinent data is also coordinated with accounts receivable for up-to-date account management. You can even differentiate between your

own claims and open third-party items to avoid confusion on who owns what. By consolidating invoicing across multiple billing engines and by tightly integrating invoicing with accounts receivable, you have a consolidated view of each customer, increased transparency to meet your financial regulatory obligations, and improved abilities to bring new services to market at a cost that satisfies your customers.

### Consolidate Your Billing Streams

SAP for Telecommunications enables you to pull information from several billing streams and consolidate the information into a single invoice. It also gives you the flexibility to group billing stream data on an individual basis to meet customer or corporate requirements. For example, these requirements might be charges for network services, hardware sales, installation and maintenance, or third-party charges. Billing items from other SAP® solutions, such as mySAP™ Customer Relationship Management (mySAP CRM), are also integrated out of the box.

Ultimately, both you and your customers benefit. Your customers receive a single invoice with a quick, easy-to-understand overview of all charges. This leads to greater customer satisfaction. You get greater visibility and a consolidated view of each

customer, which facilitates your efforts to deliver higher, more personalized levels of service. In addition, the software easily accommodates new billing streams as you develop new services. This speeds your time to market by greatly simplifying an otherwise complex process.

### Integrate with Receivables Management

With the SAP Revenue Management and Contract Accounting (SAP RM-CA) application, SAP for Telecommunications enables you to create consistent invoices that combine new charges from multiple billing systems with historical items stored in accounts receivable. Historical data might include overdue open items, disputed charges, or payments made. You can easily manage all of this information and include it in the final invoice in an easy-to-understand format.

During the actual invoicing run, the software automatically triggers functions in SAP RM-CA to coordinate information as required. For example, the software can calculate interest, trigger dunning, update accounts receivable, and include the relevant information on the final invoice. The software also supports integrated posting of account documents and integrated account maintenance activities, such as settling existing credits

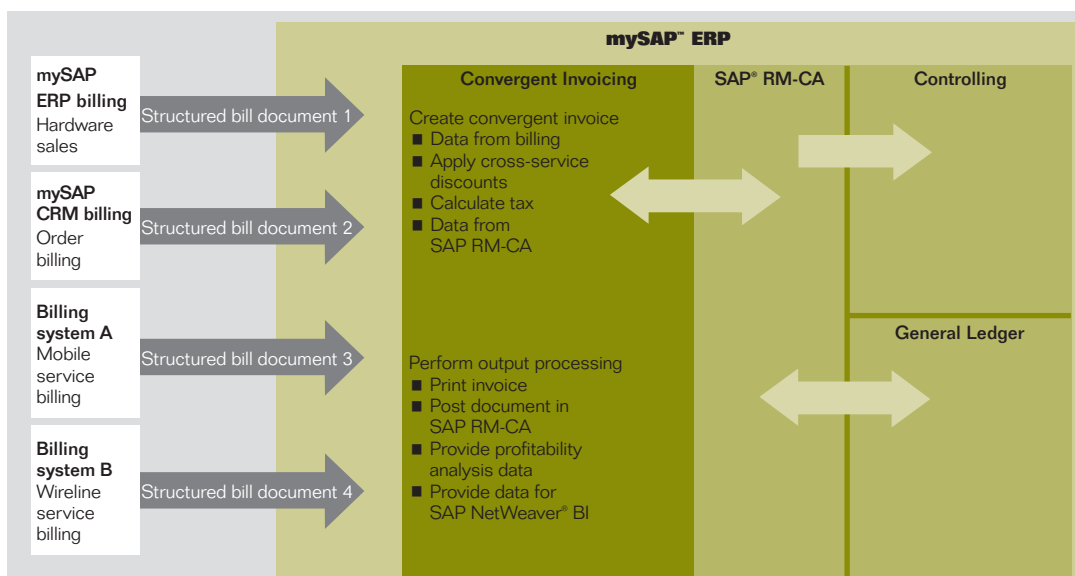


Figure 1: Convergent Invoicing for Telecommunications Companies

against new receivables. All information appearing on the invoice is perfectly aligned with accounts receivable, and all information in accounts receivable is fully transparent and auditable to meet the requirements of corporate governance regulations, such as the Sarbanes-Oxley Act.

### **Manage Third-Party Charges**

Telecommunications companies like yours are increasingly partnering with third-party organizations to deliver an ever-wider range of services. To accommodate such arrangements and ramp up with new services efficiently, you need flexible billing and invoicing functions that can easily integrate charges for services delivered by third-party providers. With SAP for Telecommunications, you can clearly delineate which party is responsible for any given charge. You can treat third-party charges differently than claims attributed to your own organization. For example, you can configure the software so that revenues belonging to a specific third-party provider are only distributed to that provider if the end customer has actually paid the corresponding charges. This makes new partnerships easier to take on and easier to manage as you seek to deliver the services customers demand.

### **Support Discount Programs**

Discounting is one of the primary methods your company can use to entice subscribers to adopt new services and remain loyal customers. Actually executing a discount program, however, can be daunting – especially when you operate in a disaggregated IT environment that limits your visibility into customer activity and charges. Providing greater integration and improved functions for monitoring each customer's invoice, SAP for Telecommunications makes it easier to initiate and manage the details associated with running discount programs. Convergent invoicing functions allow you to define flexible rules that automatically trigger a discount. For example, discounts could be calculated and applied to invoices when total invoice charges exceed a threshold value or when the subtotal across certain services or products exceeds a defined limit. All discount information is fully accounted for in SAP RM-CA, and it appears on the final invoice that is sent out to your customers.

### **Streamline All Invoicing Tasks**

Not only does SAP for Telecommunications help you consolidate billing streams, manage third-party charges, and execute on discounting initiatives, it also helps you streamline all tasks typically associated with the invoicing process – increasing your efficiency and saving you money. Consider the following:

- You can significantly reduce the time required to run invoices using mass processing functions.
- You can generate invoices in paper or electronic form and deliver them via mail or e-mail. You can also send copies of invoices to additional recipients as needed.
- You can increase overall efficiency and customer visibility by taking advantage of out-of-the-box support for such processes as electronic bill presentment and payment, dispute management, and data warehousing.
- You can create informal invoices that serve as the basis for distinguishing between charges attributed to your company and your partners.
- You can reverse individual invoices or entire invoice runs as circumstances demand.
- You can support multiple clients, languages, and currencies within one instance of convergent invoicing.

### **The Benefits of Convergence**

Fragmented invoicing leads to a fragmented view of the customer – as well as an incomplete view of your business. In a disconnected environment, it's difficult to service your customers in a way that generates loyalty. It's also difficult to introduce new services in a way that minimizes time and resources – a critical requirement if you want to stay ahead of the competition.

SAP for Telecommunications addresses all of these issues.

You can:

#### **Accelerate your time to market**

With SAP for Telecommunications, you can add new services and the corresponding rating engines without adversely affecting the creation of invoices. You can also accommodate the billing and accounting requirements that are unique to third-party relationships. This helps you bring new services to market faster than the competition.

■ **Reduce operational costs**

SAP for Telecommunications helps you reduce administrative overhead by minimizing the overall number of invoices you need to generate and send to your customers. You can also cut costs by centralizing your invoicing function.

■ **Increase customer satisfaction**

SAP for Telecommunications supports your efforts to achieve a single view of the customer. When customers call with billing questions, your agents have all the information they need at their fingertips. You are also in a better position to manage discounting details to help ensure customer loyalty. As for your customers, convergent invoicing ensures that all charges are clearly displayed on a single invoice for a quick, easy-to-understand overview of all relevant billing information.

With its powerful support for convergent invoicing, SAP for Telecommunications ultimately delivers a competitive advantage. You can bring products to market in a faster, more cost-effective manner, and you can keep your customers satisfied in the process. And because of its modular architecture and out-of-the-box integration with existing SAP solutions, the software can be implemented quickly without disrupting your day-to-day business.

**Powered by SAP NetWeaver®**

SAP for Telecommunications is powered by the SAP NetWeaver® platform, the open integration and application platform that enables change. SAP NetWeaver helps companies align IT with their business. It allows companies to obtain more business value from existing IT investments and to deploy a service-oriented architecture. SAP NetWeaver reduces total cost of ownership and complexity across the entire IT landscape.

SAP NetWeaver powers mySAP Business Suite, SAP xApps™ packaged composite applications, and partner solutions. It 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, reducing the need for custom integration.

**Find out More**

Want to learn more about how SAP for Telecommunications can help you reap the benefits of convergent invoicing?

Contact your SAP representative today or visit us at [www.sap.com/telecommunications](http://www.sap.com/telecommunications).