ZUORA

Journey To Usership
Solution Design Series

Refresh Pricing & Packaging

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Applicable Journey to Usership Initiatives

Focus Area: Offering Design

Business Initiative: Refresh Pricing and Packaging

Focus Area	J2U Business Initiative	Applicability?
Offering Design	Monetize New Offering	1. Product Catalog Design 2. Account Hierarchy 3. Invoice/Subscription Owner
	Adopt Usage Pricing	1. Usage file loading 2. Account Hierarchy 3. Invoice/Subscription Owner
Business Operations	Maximize Collections	1. Lockbox file loading 2. Regional requirements

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Preface - What Do You Need to Know

The primary goal of this J2U Execution Guide will provide an architect (or equally technical role) a point of view on the key Quote to Revenue design considerations when it comes to Refreshing Pricing and Packaging.

The design considerations will encompass a general holistic approach to a well architected Zuora platform incorporating as many of these considerations into a customer's solution design will give the best chance of successfully achieving their desired business outcomes. A general knowledge of the Zuora Platform, its functions, and its features is recommended.

The document is structured in the following manner:

- Checklist - comprised of general prerequisites that lead into a requirements gathering session
- Key Customer Questions - common J2U Initiative related questions that a client may ask. Each question categorized by the primary Q2R Processes (L2) and Q2R Capabilities (L3)
- Common Zuora Design Patterns - based on architectural solutions focused on the J2U Initiative and Zuora platform capabilities. The patterns are a reusable solution to commonly occurring designs and does not represent a finished product but rather a template to how to solve a customer problem within and across J2U initiatives

Solution Design Considerations

For the four processes identified above it's now important to think through all the most important design considerations that typically come up with customers.

Price to Offer

Nailing the price to offer design upfront is your best chance to avoid issues that can snowball through the rest of your customer's quote-to-revenue processes. Depending on the architecture and business policies, the product catalog influences taxation through revenue recognition.

Checklist to Get Started

1. List of current products that need to be refreshed
2. List of new products/offerings
3. List of products that are getting retired and dates they should no longer be offered
4. Business model or use cases defined for refreshing the catalog and designated products

5. Base charging attributes defined - pricing, units of measure, currencies, custom fields
6. New product naming conventions established & agreed upon if changing
7. Sales offers/bundles use case examples
8. Revenue bundling use case examples
9. High level end to end application architecture focused on the key Q2R domains if updated offerings impact existing integrations and sales channels
10. Sample invoices related to the sales offers/bundles of refreshed products/offerings (refreshing products/offerings might drive different billing document presentment!)

Design Considerations

Question: When should I update an existing product offering or create a new one in Zuora ?		
Key Capabilities	**Design Consideration**	**Guidelines**
Product & Offer Catalog Setup	Determine the key components of the new offering/refresh	Changes to existing offerings may require a new rate plan and charge or simply an update to the existing offering. Pricing changes to existing offerings within their existing charge model can be completed with a simple configuration update of the charge within the product catalog. If the refresh is adding an automatic price lift to a charge then this is also a configuration option available in the product catalog and/or at the tenant level (only available if customers are on termed subscriptions) However, if the change is the charge model itself (per unit to tiered for example), then this cannot be changed once a charge has been used on a subscription. This requires a new rate plan charge to be created. A key driver for refreshing pricing and packaging can be to take advantage of new Zuora product features such as Order Line Items, Multi Attribute Pricing, or Prepaid drawdowns. In the past it may have been required to create workarounds to handle unique pricing and packaging scenarios. With new features in Zuora you can create the offering using out of box configuration and

Question: When should I update an existing product offering or create a new one in Zuora ?		
Key Capabilities	**Design Consideration**	**Guidelines**
		retire these workarounds. Depending on the workaround, using these new features would require creating the new product, product rate plan, and product rate plan charge.
	Structuring the refreshed offering	Your product catalog design pattern impacts how refreshing your pricing and packaging can occur. If the refresh is a complete new offering then a new product, rate plan, or charge can be created. If it is simply adding a new product, charge, or discount to an existing offering then this can be added within the existing rate plan or as its own rate plan. Things to keep note of is that if you update an existing rate plan with a new charge and this updated plan is used in a subscription it cannot be deleted from the product catalog. Consider if the refresh is long term or short term. If it is a long term pricing change then updating the existing offering is ideal. If it is a short term discount for 3 months free, consider adding a standalone discount rate plan that applies to the specific offering in question. This way it does not permanently live under the product offering after the 3 months are up. One Time Charges can be created for use in [Order Line Items](). These One Time Charges should be created within their own rate plan if they are transactional and can be purchased independently of a subscription offering. The customer also has the option to not add one time charges utilized in OLIs into the Zuora catalog as they can be passed in the OLI without a catalog reference. This is not ideal if you are looking for a single source of truth for your complete product catalog. .
	Establishing Revenue & Taxation Elements	A single revenue taxation element can be assigned to a charge. In some cases, this will expand the catalog by duplicating the charges.

Question: When should I update an existing product offering or create a new one in Zuora ?		
Key Capabilities	**Design Consideration**	**Guidelines**
		Understand if the refreshed charges are taxed differently than they were previously. If so, then creating a new rate plan and charge might be required as the Product Rate Plan Charge Tax Code is referenced from the catalog itself. If it is a different tax code because the new offering is for a different country, this can be handled using dynamic taxation engine assignment (assuming a tax engine is being used)
	Structuring the catalog based on Go To Market strategy	There are three common catalog structures: CPQ based, Commerce centric, or based on business segmentation constraints. How the catalog is updated (new product/rate plan/charge versus update to existing can depend on the structure. See additional details within the Design Patterns section

Question: How do I handle the timing of changes to my catalog? New offering activation, legacy product retirement, or legacy plan retirement		
Key Capabilities	**Design Consideration**	**Guidelines**
Product & Offer Catalog Setup	Determine if the new offering is replacing an existing offering and if so, what is the timing?	Product Effective Period drives the period of time a Product is available to be sold. Product Rate Plan Effective Period drives the period of time a Product Rate Plan is available to be sold. To retire a legacy product or rate plan (no longer offer this to customers) then utilize the end date of the effective period to drive when this offer will no longer appear to customers. If the new offering is to start being offered at a date in the future then utilize the Effective Start Date to drive when this is available. A product or product rate plan cannot be added to a subscription if the effective dates of the charge are not within the effective date of the Product or Product Rate Plan.

Question: How do I handle the timing of changes to my catalog? New offering activation, legacy product retirement, or legacy plan retirement		
Key Capabilities	**Design Consideration**	**Guidelines**
		Retiring an existing offering subscribed to by current customers does not impact these subscribers existing subscriptions (meaning that if the Product or Product Rate Plan effective end date is < current date then the subscribers to these plans from before the end date can continue to auto renew to this legacy plan, it just cannot be added to new subscriptions). To move these customers to new offerings see the following Order to Subscription Management section.

Question: Does making updates to my existing product catalog offerings impact customers currently subscribed to these plans?		
Drivers/Key Capabilities	**Design Consideration**	**Guidelines**
Product & Offer Catalog Setup	Automated Price Uplifts	Zuora supports changing the pricing of an existing product rate plan charge or increasing the pricing by x% for customers with this plan automatically on renewal. This option can be configured at the tenant level and overridden at the product rate plan charge and subscription rate plan charge level. This only is available for Termed subscriptions as it needs a renewal date to uplift. Please review the KC here for full considerations and limitations.
	Multi Attribute Pricing (MAP) for Usage	Multi Attribute pricing for Usage utilizes the pricing formula from the product catalog to determine the appropriate pricing for a usage charge. Thus if the pricing formula is changed then this will impact existing subscriptions. This is not the case for MAP for Recurring charges as they are evaluated at time of product add and continue to use that formula at the

Question: Does making updates to my existing product catalog offerings impact customers currently subscribed to these plans?		
Drivers/Key Capabilities	**Design Consideration**	**Guidelines**
		Subscription Rate Plan Charge level upon rating going forward.
	Changes to the Catalog, but no changes to existing subscriptions	The above two scenarios are exceptions when making a change to an existing product catalog offering can impact current subscribers of the plans that have changes made to them. When a subscription is created for a customer, the Product Rate Plan and Product Rate Plan Charge are copied from the catalog to the subscription and exist on the subscription as the Rate Plan and Rate Plan Charge. These will not be impacted by product catalog changes outside of the two exceptions above. If the desired outcome is to push changes from the catalog to existing subscribers' plans then continue to the next section where mass updates to subscriptions are discussed.

Design Pattern - Product+Offer Catalog

A well architected catalog design enables operational maintenance, development, and expansion. Refreshing products and prices should be treated as other products in your catalog from the view that a defined coherent structure leads to simpler adoption.

Pattern	Summary
Pre-Grouping	Zuora's native catalog architecture is fully leveraged. Charges are structured and grouped by Product and Product Rate Plan(s) and/or Revenue Recognition Bundle to form a sales offer/bundle within the catalog
Interface Agnostic	"Flattens" Zuora's catalog so everything is created with 1 charge within 1 rate plan within 1 product. Offloads the catalog configuration and grouping

	characteristics of billing and revenue to boundary interfaces (upstream and/or downstream)
Segmented Silo	Catalog design due to segmentation by factors such as business needs, business channels, revenue recognition, and/or multiple application input paths

Pre Grouping

The Zuora Product Catalog is designed in a way that one product can be related to many product rate plans and many charges (1:n:n). Pre-grouping is the concept of grouping multiple charges within a single rate plan. Pre-grouping can be helpful where Configure-Quote-Price application logic is not present to "group" product charges to form the basis of a sales offer/bundle. In addition, the pattern is agnostic of its front or backend consumer as there is a level of extraction and transformation to reform the catalog by the consumer.

Example: CoolRunnings Inc sells heart monitors, online fitness classes, and a consumption product based on interactions with coaches via their webportal. CoolRunnings Inc can sell these products independently and as a pre grouped bundle.

Individually they can configure these as their own products, rate plans, and charges. However to achieve a more friendly Configure-Quote-Price process they may configure these as bundles and have them sold as a single Zuora Product with the Ecom site or Customer Portal.

To achieve Pre Grouping in Zuora they originally configured the product catalog as follows:

- Product - CoolRunnings COMPLETE
  - Product Rate Plan - Diamond Package
    - Product Rate Plan Charge
      - One Time - Heart Rate Monitor, free headband, free Diamond Hard t-shirt
      - Recurring - Premium+ Unlimited Monthly Classes
      - Usage - 20 Included Coaching sessions with tiered pricing for each class thereafter
  - Product Rate Plan - Titanium Package
    - Product Rate Plan Charge
      - One Time - Heart Rate Monitor
      - Recurring - Premium+ Unlimited Monthly Classes

- Usage - 10 Included Coaching sessions with tiered pricing for each class thereafter

One year after running these offerings, CoolRunnings realized they were not retaining as many customers to the Titanium Package as they had hoped and their analytics showed that many of their customers were not utilizing many of their Unlimited Classes nor the included coaching sessions, thus customers stopped renewing their Titanium package and those that stuck around were buying a la cart.

Their Diamond Package was faring better, however it seemed to have two categories of users, those who utilized the full potential of the offering (smaller category) and those that consumed less than the included Coaching sessions.

They also had a lot of customer feedback asking if they could purchase a COMPLETE package at a discounted price without the heart rate monitor. Indicating that many customers that would be interested in the COMPLETE product might already own a heart rate monitor or chose not to use one.

To combat this and take advantage of new Zuora features (such as Pre Paid Drawdown and Order Line Items), CoolRunnings Inc decided to Refresh their Pricing and Package. They did the following:

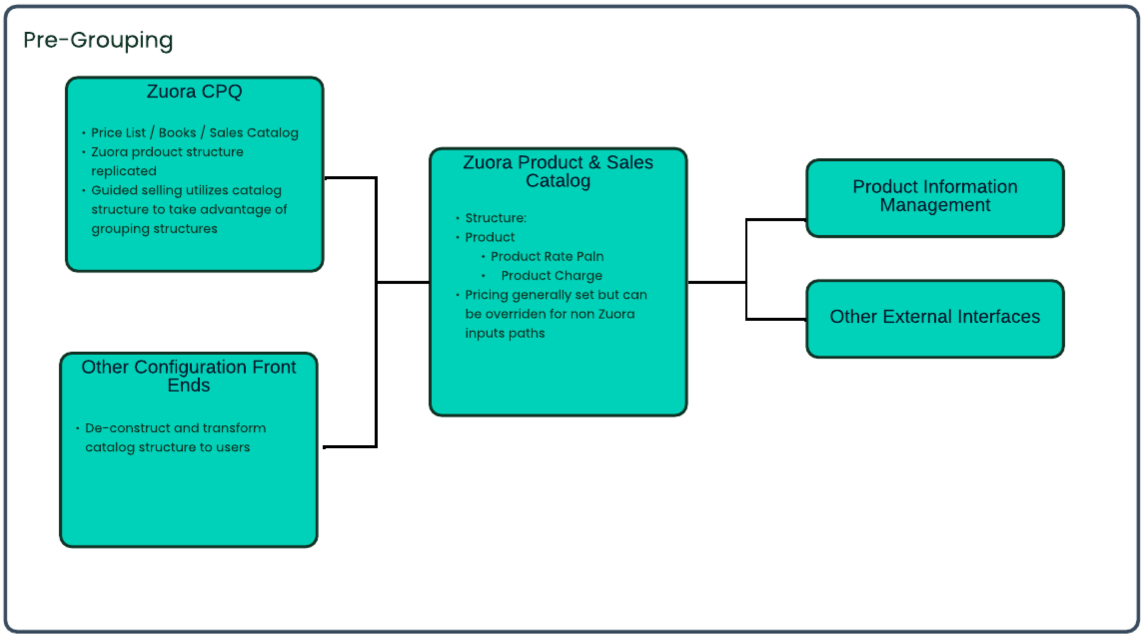
- Retire COMPLETE Titanium Package
- Refresh pricing and packaging for COMPLETE Diamond
- Add new COMPLETE Consume offering
- Add new product called ESSENTIALS offering more customizable a la carte offerings
- Add the SWAG product line which contains all physical goods and will be a la carte offerings created using Order Line Items thus living outside of the Subscription

They made the below changes to their Product catalog **(**Note**** that renaming of existing Product Rate Plans can be completed and might be done to avoid confusion of what plans are active versus not active and to use the name of an old offering on a re-packaged offering , however be aware of timing to make sure the wrong name does not appear on your ecom portal to your customer):

- **Product - CoolRunnings COMPLETE**
  - Product Rate Plan - Titanium Package - RETIRED
    - Set Effective End Date to planned end of life date so it will no longer be offered to customers
  - Product Rate Plan - Diamond Package - RETIRED
    - Since they plan to remove the Heart Rate Monitor from the offering they must create a new Rate Plan as they cannot delete a product rate

plan charge that has already been associated with existing subscriptions.
        - Set Effective End Date to align with the start date of their new Diamond v2 offering
    - Product Rate Plan - Diamond Package
        - Product Rate Plan Charge
            - Recurring - Premium+ Unlimited Monthly Classes
            - Usage - 15 Included Coaching sessions with per session tiered
        - Overall price reduction as removal of heart rate monitor and adjustment to tiered pricing for Coaching sessions
    - Product Rate Plan - Consume Package
        - Product Rate Plan Charge
            - Recurring - Premium+ Online Classes and Coaching
                - Prepaid Drawdown Flat Fee of $20 for 5 classes
            - Usage - Premium+ Online Classes
                - Per Unit of $6 per class
                - Tied to Prepaid Drawdown charge and only consumed once the pre paid quantity has been consumed
            - Usage - Coaching
                - Per Unit of $8 per classes
                - Tied to Prepaid Drawdown charge and only consumed once the pre paid quantity has been consumed
    - Product Rate Plan - Consume MORE
        - Product Rate Plan Charge
            - One Time - True up for Consume
                - $20 Flat Fee

- **Product - CoolRunnings ESSENTIALS**
    - Product Rate Plan - Motivate - Classes
        - Product Rate Plan Charge
            - Recurring - Premium+ Monthly Classes (Per Unit)
    - Product Rate Plan - Motivate - Coaching
        - Product Rate Plan Charge
            - Usage - Coaching Sessions (Tiered)
- **Product - CoolRunnings SWAG** (moved all hardware one time charges to their own product and offering a la cart and sold utilizing Zuora Order Line Items)
    - Product Rate Plan - COOL Heart Rate Monitor
        - Product Rate Plan Charge
            - One Time - Heart Rate Monitor



Issues and Considerations

- If Zuora CPQ is utilized, the out of box integration will account for the Product catalogs structure/data model in the extraction and transformation into Salesforce
- When a bundle of charges under a single rate plan represents a sales offer or "bundle", it's really important to think through how many variations might be required of that offer/bundle. Rate Plan "Proliferation" can become a problem if there are a lot of variations needed.
- Grouping of product rate plan charges would need to take into account Revenue Bundling design to avoid transformation logic before revenue recognition occurs
- Bundling various charges into a single rate plan allows you to adjust pricing and discounting for that specific offer versus having a la carte offerings discounted only when put together. Take into account in these scenarios how downstream systems understand what is the SKU being offered, list prices, recognized, activated, and fulfilled. Meaning is it the charge itself that is the SKU, or the bundled rate plan the actual SKU? Different customers look at bundles in different ways. This can impact provisioning, revenue, and reporting. Having details at the charge level is usually the widest accepted practice as this allows the most granular insight.
- Bundling charges under a single product rate plan ties these charges together and if there are changes to the make up of a bundle such as removing certain pieces of the bundle, then a new product rate plan will have to be created (as outlined in the example) as you cannot delete charges that have already been added to subscriptions

- Utilizing a prefix to the names of retired Products and Rate Plans helps UI users recognize which plans may no longer be available without having to review the effective dates
- Utilize custom fields on the Product Rate Plan Charge level to help drive reporting or provisioning requirements since this is the lowest level of catalog that can utilize custom fields. These values can remain static across product iterations.
- Utilizing a bundled offering in Zuora takes responsibility away from the front end to price and package the bundle and allows a seamless way to manage your product offerings with configuration. This is usually the ideal option for customers as the pricing and packaging may be managed by a Product Manager and this gives them the ability to make changes/create new offerings with less involvement and rework by engineering.
- Please review the limitations and functionality of [Prepaid Drawdown]

Interface Agnostic Pattern

Not every system that might need to integrate into the Zuora catalog will natively "understand" a rate plan with multiple charges or a product with multiple rate plans. If this is the case, the Zuora product hierarchy of Product to Product Rate Plan Product Rate Plan Charge should not be utilized. The design trade-off of this approach is that the interfacing systems will own the presentment layer able to group and/or price and/or provide revenue bundling for the products accordingly. The data model within the Zuora catalog becomes 1:1:1

Example: The same scenario as the previous example with CoolRunnings Inc. however due to requirements from the CPQ platforms the catalog must be flat. Due to this the changes required to the catalog can be handled differently due to no pre bundled products within a single Zuora rate plan.

The Interface Agnostic pattern in Zuora before the updates has the product catalog as below:

- Product - Heart Rate Monitor
  - Product Rate Plan - Heart Rate Monitor
    - Product Rate Plan Charge - Heart Rate Monitor Charge
- Product - Headband
  - Product Rate Plan - Headband
    - Product Rate Plan Charge - Headband Charge
- Product - Diamond Hard T-Shirt
  - Product Rate Plan - Diamond Hard T-Shirt
    - Product Rate Plan Charge - Diamond Hard T-Shirt Charge

- Product - Premium+ Unlimited Classes
    - Product Rate Plan - Premium+ Unlimited Classes
        - Product Rate Plan Charge - Premium+ Unlimited Classes Charge
- Product - Diamond Interactive Coaching
    - Product Rate Plan - Diamond Interactive Coaching
        - Product Rate Plan Charge - Diamond Interactive Coaching Charge
- Product - Titanium Interactive Coaching
    - Product Rate Plan - Titanium Interactive Coaching
        - Product Rate Plan Charge - Titanium Interactive Coaching Charge

CoolRunnings Inc decided to Refresh their Pricing and Package. They did the following:

- Retire Titanium Interactive Coaching product
- Retire Titanium Interactive Coaching product
- Refresh pricing and packaging for Diamond Interactive Coaching (change the tiers)
- Add new Consume product
- Add new Motivate products
- No changes required within Zuora for their hardware offerings as they were already configured a la carte

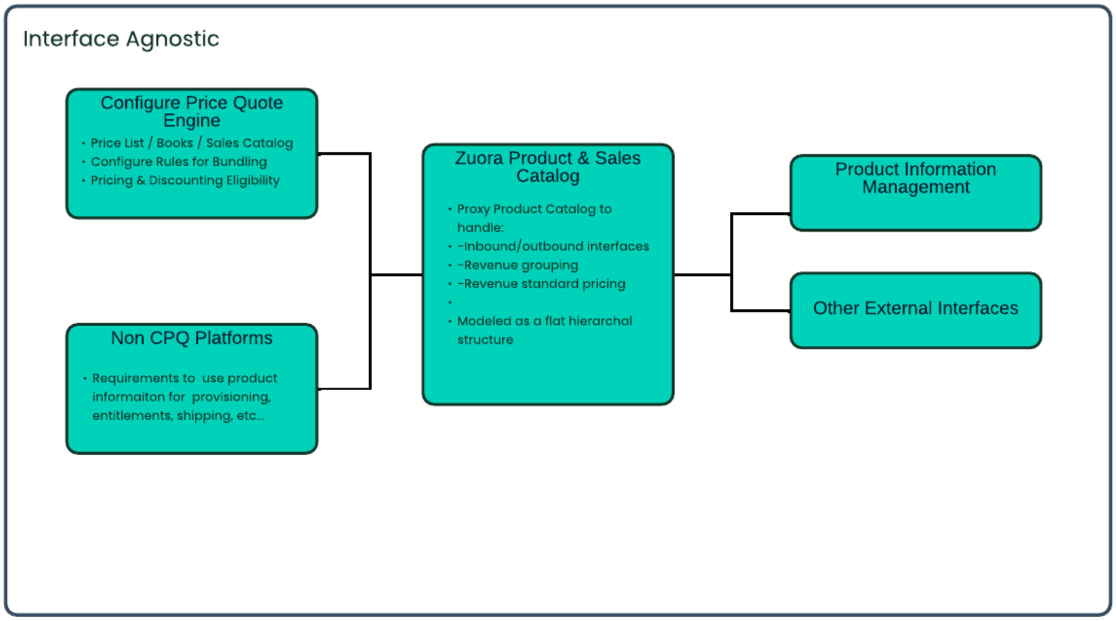
Their new product catalog looks as below:

- Product - Heart Rate Monitor
    - Product Rate Plan - Heart Rate Monitor
        - Product Rate Plan Charge - Heart Rate Monitor Charge
- Product - Headband
    - Product Rate Plan - Headband
        - Product Rate Plan Charge - Headband Charge
- Product - Diamond Hard T-Shirt
    - Product Rate Plan - Diamond Hard T-Shirt
        - Product Rate Plan Charge - Diamond Hard T-Shirt Charge
- Product - Premium+ Unlimited Classes
    - Product Rate Plan - Premium+ Unlimited Classes
        - Product Rate Plan Charge - Premium+ Unlimited Classes Charge
- Product - Diamond Interactive Coaching
    - Product Rate Plan - Diamond Interactive Coaching
        - Product Rate Plan Charge - Diamond Interactive Coaching Charge
            - Refreshed pricing and tiers
- Product - Titanium Interactive Coaching - RETIRED

    - Product Rate Plan - Titanium Interactive Coaching
        - Product Rate Plan Charge - Titanium Interactive Coaching Charge
- Product - Consume
    - Product Rate Plan - Consume Prepaid*
        - Product Rate Plan Charge
            - Recurring - Premium+ Online Classes and Coaching
                - Prepaid Drawdown Flat Fee of $20 for 5 classes
            - Usage - Premium+ Online Classes
                - Per Unit of $6 per class
                - Tied to Prepaid Drawdown charge and only consumed once the pre paid quantity has been consumed
            - Usage - Coaching
                - Per Unit of $8 per classes
                - Tied to Prepaid Drawdown charge and only consumed once the pre paid quantity has been consumed
    - Product Rate Plan - Consume MORE
        - Product Rate Plan Charge
            - One Time - True up for Consume
                - $20 Flat Fee

- Product - Motivate - Classes
    - Product Rate Plan - Motivate - Classes
        - Product Rate Plan Charge
            - Recurring - Premium+ Monthly Classes (Per Unit)
- Product - Motivate - Coaching
    - Product Rate Plan - Motivate - Coaching
        - Product Rate Plan Charge
            - Usage - Coaching Sessions (Tiered)

In a product catalog that is configured in a 1:1:1 pattern, then any bundling and discounting must be handled by the CPQ Engine/front end. This takes the configuration of bundles outside of Zuora. If this process is utilized then standard or custom fields in the Zuora product catalog can assist in providing some type of relational detail to the front end for their rules engine and grouping.



Issues and Considerations

- The design pulls the rules and sales offer/bundling configuration out of Zuora into their respective systems
- Revenue Bundling assignment, logic, and application may need to occur outside of the Zuora Billing Platform
- Revenue Standalone Selling Price will need to be taken into account if the Zuora price list does not contain SSP pricing
- Replication and transformation under ETL frameworks is simplified as the catalog structure is flattened
- Please review the limitations and functionality of Prepaid Drawdown

Segmented Design Pattern

A segmented product catalog displays aspects where the design is distributed among silos of information. The catalog displays logic around products by business units, Go To Market channels, or revenue requirements. Though similar to pre-grouping products by sale offerings/bundles, the pattern can be used to meet regulatory or IT related limitations in the design.

Example: Similar to the above examples, CoolRunnings Inc is at it again offering their amazing fitness bundles! But now they are going global and are offering their various products in different regions. Due to differing market environments they have to adjust their offers slightly by country/region. In France they notice that their famous Diamond offering has more interest if they add in additional products.

To achieve Segmentation in Zuora they could configure the product catalog as follows:

- Product - CoolRunnings COMPLETE
    - Product Rate Plan - Diamond Package (France)
        - Product Rate Plan Charge
            - One Time - Heart Rate Monitor, free headband, free water bottle
            - Recurring - Premium+ Unlimited Monthly Classes, One Month Free
            - Usage - 25 Included Coaching sessions with tiered pricing for each class thereafter
    - Product Rate lLan - Titanium Package (France)
        - Product Rate Plan Charge
            - One Time - Heart Rate Monitor
            - Recurring - Premium+ Unlimited Monthly Classes
            - Usage - 15 Included Coaching sessions with tiered pricing for each class thereafter
    - Product Rate Plan - Diamond Package (Spain)
        - Product Rate Plan Charge
            - One Time - Heart Rate Monitor, free sun visor, free water bottle
            - Recurring - Premium+ Unlimited Monthly Classes, One Month Free
            - Usage - 20 Included Coaching sessions with tiered pricing for each class thereafter
    - Product Rate Plan - Titanium Package (Spain)
        - Product Rate Plan Charge
            - One Time - Heart Rate Monitor
            - Recurring - Premium+ Unlimited Monthly Classes
            - Usage - 10 Included Coaching sessions with tiered pricing for each class thereafter

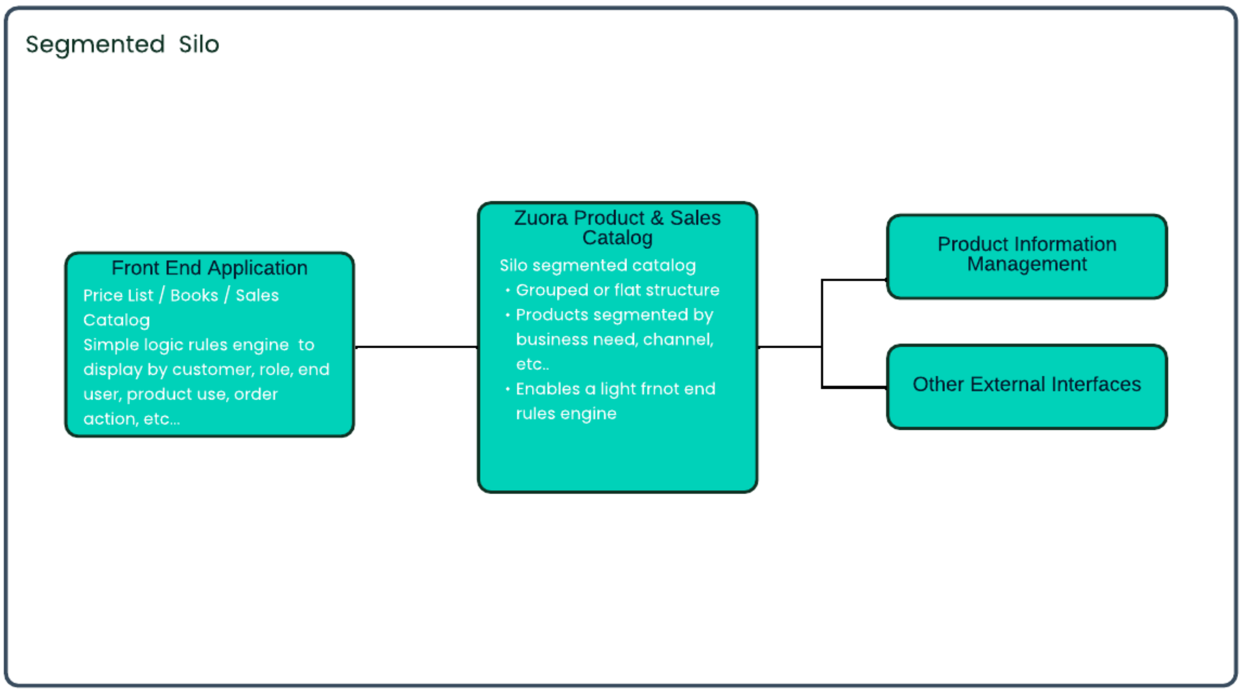
One year after running these offerings, CoolRunnings evaluated their offerings and the different segments. They realized they were doing amazing in Spain across the board, but noticed interest in some more basic plans. In France they could not quite get much adoption and had many complaints on not offering more customizable options. They decided they needed to Refresh their Pricing and Packaging! They did this in the same way as our example in the Pre Grouping section.

To summarize and adjust for segments they made the below changes (reference the Pre Grouping example for catalog expansion).

- Retire COMPLETE Titanium and Diamond Package for France
- Make no changes to the COMPLETE Titanium and Diamond Package for Spain

- Add new COMPLETE Consume France and COMPLETE Consume Spain offering
- Add new product called ESSENTIALS, offering more customizable a la carte offerings with prices differing slightly between France and Spain
- Add the SWAG product line which contains all physical goods and will be a la carte offerings created using Order Line Items thus living outside of the Subscription (pricing adjusted for shipping based on country)

These offers are still Pre Grouped, however they are segmented based on country and thus can be refreshed based on performance by segment. This same pattern could apply due to different BUs, resellers of a product, etc. There would still be front end application logic to show the end customer/sales rep the proper offerings. This can be achieved via a front end rules engine, IP address, etc.



Issues and Considerations

- Product cross-selling logic/rules will need to be established within the catalog or communicated among consuming applications
- The structure of the product catalog can either be flat, grouped, or both depending on the capabilities of the upstream (CPQ or not) and downstream systems
- Additional attributes in the form of custom fields and features such as General Ledger segmentation maybe needed to accomplish/meet revenue requirements

Order to Subscription Management

With your catalog pricing and offers refreshed, now it's time to consider all the implications of refreshing your pricing and packaging on your existing subscribers. This section will focus on how to manage existing subscriptions with legacy products and migration to new offerings. Please reference the Order to Subscription Management section in the "Monetize a New Offering" guide for details to consider and guidelines on new product offerings.

Checklist to Get Started

1. Rollout plan for the new packaging and pricing strategy (key dates, milestones, customers impacted, etc)
2. Plan of how new pricing and packing will impact current subscribers (will it replace their old plan at renewal? Will it be an opt-in process and customers can continue on the legacy product? etc.)
3. Plan for legacy customer notifications (How do I plan to notify customers if their plan options are changing?)
4. Example billing documents for any cross account, subscription, and charge billing with the new pricing and packaging if applicable (does the refreshed pricing and packaging change my invoice presentment?)

Design Considerations

Question: What is the process to handle existing subscribers that are on a legacy plan (migration to new plan and communications)?

Key Capabilities	Design Consideration	Guidelines
Manage Accounts	Customer Communication	Customer communication is an important early step when refreshing your pricing and packaging. Customers usually have their own strategies on how to communicate the plan changes to existing customers with an emphasis on seamless transitions and optionality. Notifications should be sent to customers early to make them aware of upcoming pricing changes to any existing plans they are on, the timeline of the changes, and outline available options.

Question: What is the process to handle existing subscribers that are on a legacy plan (migration to new plan and communications)?		
Key Capabilities	**Design Consideration**	**Guidelines**
		The company may then choose to send another notification once the plan change has occurred. This may inform them that they have now moved to the existing plan and pay XY amount per month. These notifications can be managed within Zuora in various ways. They can be sent straight from Zuora Notifications Framework or via Zuora Workflow (assuming the customer has purchased Workflow). OOTB Notifications and events can be scheduled to trigger or be triggered by an event. This allows you to send a notification at a scheduled time before an event occurs or at the time the event occurs. For early mass notifications you can also use Workflow (where you can query and notify in batches). Workflow can also be utilized to mark the accounts that have subscriptions that contain the legacy products for notification, then send out emails to these accounts to make them aware of any plan changes coming in the future. Upon completion of the notifications, you will be able to see the email history on the account in Zuora (check notification history box). Some customers may opt to handle notifications externally from Zuora. This could be through an existing CRM they have such as Salesforce or any other platform.
Manage Pricing and Offer Catalog Perform Subscription Renewals	Automated Renewal Pricing	A portion of customers may choose to update customer pricing at renewal or billing period end (for Evergreen). This is the most straightforward way to handle price/product changes without issuing any credits/prorations for partial periods. There is a feature in Zuora that allows you to do this in an automated way without Workflow. This

Question: What is the process to handle existing subscribers that are on a legacy plan (migration to new plan and communications)?		
Key Capabilities	**Design Consideration**	**Guidelines**
		feature is called Automated Price Uplift. This feature allows for a configurable price uplift that goes into effect at renewal of the subscription. This can be to use the latest Product Catalog price or to institute a percentage price increase. The level at which this is applied can be the tenant, product rate plan charge, or the subscription rate plan charge. Noteworthy limitation is that this cannot be used for Evergreen subscriptions as they do have renewals in the manner a termed subscription does. Please review the KC article for more details on this feature. Other options are to utilize Workflow, Developer Tools, or another API runner such as Postman Collection Runner to create mass Order Actions that will become effective on the renewal or billing period end dates. Workflow and Developer Tools require the customer to have purchased those products or to have them included in their Zuora Edition. Workflow allows for the most customizable option to perform price uplifts as it can perform multiple actions outside of changing the customers pricing at renewal/billing period end. Workflow can notify the customers, mark custom fields, perform a scheduled batch run, or be run ad hoc.
Perform Subscription T&C Changes Manage Upgrades/Upsells Manage Downgrades/Downsells	Product and Subscriber Lifecycle	Customers may also choose to adjust subscribers' existing plan's pricing or subscription at a time other than renewal. They may retire a plan at a set date and any customers still on the plan at the time of retirement could be automatically changed to a new plan (the replacement plan, an upgraded plan, downgraded plan etc).

Question: What is the process to handle existing subscribers that are on a legacy plan (migration to new plan and communications)?

Key Capabilities	Design Consideration	Guidelines
		These processes can be managed via Workflow, API, or Developer Tools depending on the complexity. Workflow is the best option for more complex scenarios. For example: Company ABC is retiring an existing plan at the end of 2022 and will move all customers to their new plan starting on January 1 2023. Not every customer has their existing billing period or term ending on January 1 2023 and removing and adding a new plan may cause proration and/or credit memos to be generated. To avoid this, a customer can create a Workflow that will export all customers that qualify to be moved to the new plan, review their existing plan, perform a T&C to adjust their existing subscription term to align to end on January 1st, add the new product to start on January 1st and then have a renewal (if applicable) on that date. Run billing for these customers and then apply any credit memos generated to the new invoice that was generated for the new plan and term/billing period. Along the same lines as the previous example, Company ABC may wish to move their customers from plan A to plan B on their renewal date. This can also be done easily with Workflow either in mass with future dated order actions or they can have this Workflow run on a daily schedule to evaluate any customers that are approaching renewal and then at a certain amount of time before renewal the Workflow will perform the required operations to move the custom to their new plan without any prorations or credit occurring (since they were moved at end of term/last invoiced period). As shown above, the desired outcome depends heavily on the company's business requirements. Workflow allows the most flexibility when it comes to mass changes to existing subscribers.

Key Question from Client: I am planning to move existing subscribers to our refreshed pricing and packaging plans, but I do not want any proration or credit generated. How can I avoid this?		
Key Capabilities	Design Consideration	Guidelines
Perform Subscription T&C Changes Manage Upgrades/Upsells Manage Downgrades/Down sells	Billing/Alignment	To avoid creating prorated invoices or credit memos for customers, it is important to align any changes to term/billing period end dates. Performing a price change or plan swap midterm or mid-billing period can cause a credit to be generated to correct the time period that has already been invoiced at the previous price. To accurately create amendments to subscriptions without generating prorations or credits it is important to understand the [dates and alignment of the Charge](). When [removing a product rate plan]() from a subscription it is important to remove it at the end of the period it has already been charged for to avoid any credits. This date is the RatePlanCharge.ChargedThroughDate. This date represents the date through which this charge has been invoiced through. Likewise, the product you are adding would want to be added on the date that you wish to start invoicing that customer. This date could correspond to the end of the term (termed subscriptions) or the charged through date mentioned above (Evergreen, but also Termed can use this field). It is recommended to perform testing in a Central SBX if applicable to see if your desired outcomes are obtained. For example: Customer has a requirement to remove all outdated rate plans at X date and add the new rate plans at X date without any prorations or credits generated. They develop a Workflow to handle this logic and perform the mass update. To test this, the customer takes a new production copy in Central Sandbox. They can then deploy their Automated Pricelift/Plan

Key Question from Client: I am planning to move existing subscribers to our refreshed pricing and packaging plans, but I do not want any proration or credit generated. How can I avoid this?		
Key Capabilities	Design Consideration	Guidelines
		Change workflow to Central Sandbox and run it against the production data. The customer can review the outputs and perform any modifications to the workflow before moving it into production.

Design Pattern - Order & Subscription Management

A well-architected design enables a quick rollout of refreshed pricing and packaging.

Pattern	Summary
Helper Process	Leveraging tools such as workflow or developer tools to orchestrate mass changes to existing subscriptions

Helper Process

When a company refreshes pricing and packaging there are two categories to break down.

1. Existing Customers - Customers that are on a legacy plan and will need to eventually be moved to the new pricing or plan. We will focus on these customers in this example.
2. New Customers - These are customers that do not have subscriptions yet and when they sign up they will sign up for one of the refreshed offerings. We will not expand on this category in this section since we outlined in the previous section how the effective dates on the products and product rate plans can be set to end to avoid new customers from purchasing these plans.

Example: CoolRunnings Inc. has successfully configured their new/refreshed pricing and packaging mentioned in the previous section. They have retired (by end dating) the rate plans that are no longer available. On a go forward basis when they pull and cache their product catalog in their front end, they will only be able to retrieve the active plans. These new plans such as, Consume, are now available for purchase, while plans such as the Titanium plan have been retired and will no longer appear

.

The second phase of this is that CoolRunnings Inc. wants to move all their existing subscribers of the retired Platinum plan to one of their new/updated plans.

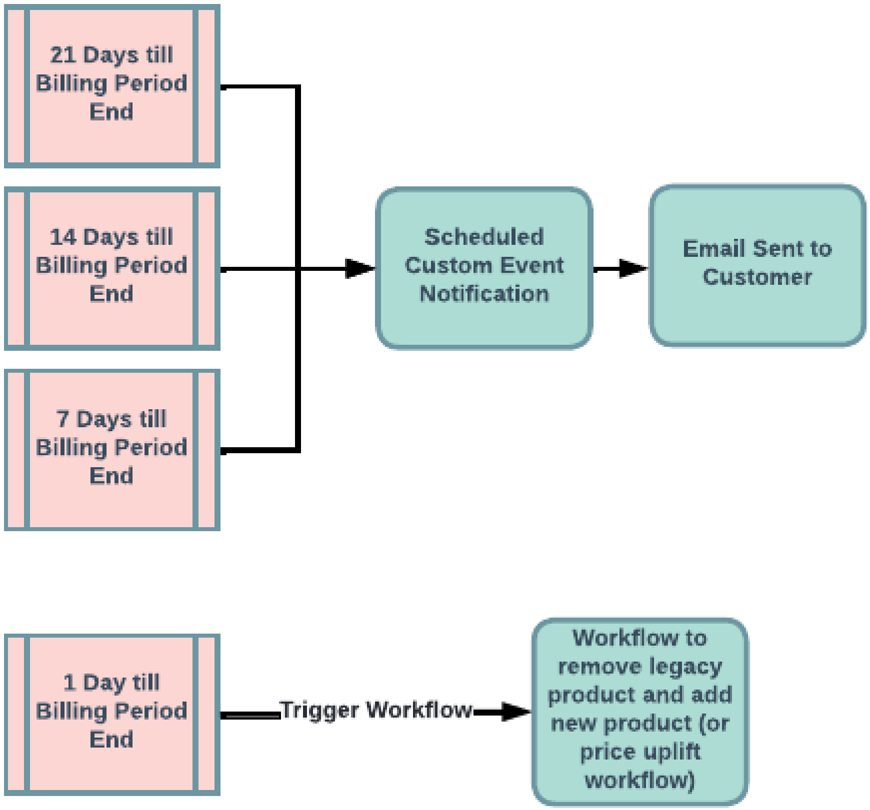
To do this they created the below cutover plan to have a seamless experience for their customers.

1. Utilize custom scheduled event notifications to notify customers that their existing plan is being deprecated at the end of their term, or billing period. They will have the option to move to the new Consume plan or automatically be moved to the Consume plan at renewal, or upgrade to the Diamond Plan with a 10% discount for the first month. The email to the customer has an option for them to either do nothing (in which they will renew the Consume plan) or select a hyperlink to their account where they can choose to upgrade to the Diamond plan.
    a. If the customer chooses to upgrade to the Diamond Plan then an API call is made to Zuora where a customer field is updated on the subscription that indicates Upgrade for the customer (UpgradePlan__c)
2. Repeat notification every 7 days IF Subscription.UpgradePlan__c is null
3. Design, develop, test, and deploy a Workflow that is set to run daily looking for customers that are set to renew/last billing day with the Titanium Plan in the following day. This Workflow will then gather these customer accounts and their corresponding subscriptions, remove the Titanium Plan as of term end date/charged through date and Add the Consume plan IF Subscription.UpgradePlan__c is null. IF not null then add the Diamond Plan with a 10% discount rate plan. Set Subscription.UpgradePlan__c to null (can reuse in future if needed).
    a. Do not forget to create any new custom fields that are required!
    b. Review requirements around notifications triggered from existing events. If you do not wish to notify these customers that an Order just occurred, but you have an Orders Processed notification that triggers for their Communication Profile, then an adjustment needs to be made. This could be that in the Workflow, change the customer account that is to be updated to a Silent Communication profile that has no notifications active. Then at the end of the workflow, set their communication profile back to the original value.
4. Renewal/billing will occur the following day and the customer is notified of renewal through standard notification.
5. Eventually all the customers have naturally moved from the legacy plan to the new plan.
6. Establish a report that shows existing customers still on legacy plans to monitor

There are various flavors of this depending on the use case and technology available to the customer.

Other options include:

1. Perform a mass upload to change all or part of the subscriptions on legacy products at a single time utilizing Developer Tools or Postman Collection Runner
2. Utilize a Workflow to perform a mass change to existing subscriptions (could be plan replacement, or price adjustment). *Note with this there could be customers in mid term. If customers are mid term and you remove then add/update their products then a credit could be created. That is why the light touch of the above example is preferred by customers as it does not create mid term adjustments. There are ways around this by utilizing terms and condition amendments with partial period adds to try to avoid proration, however this is not ideal (could be a breach of contract etc, so it also depends on the contract terms of the subscription). An example of this would be that on January 1st 2023, all subscriptions must be moved to the new pricing model. There are a lot of customer specific requirements that come into play here, such as, do we remove all legacy products on Jan 1, add the new product and then adjust the old term so a new term starts on Jan 1? This would create a credit for the adjusted term, but the new term will be full and on the new plan.
3. If Multi Attribute Pricing is being utilized for Usage and there is a usage price change then the only adjustment would be to the values the MAP formula utilizes to calculate. Meaning if the pricing is stored in a Custom Object, then creating new price entry records in the custom object while expiring the existing custom object pricing records is a possibility (expiring meaning setting the new records effective start date and if the old record has an effective end date then setting that). Then the next time usage is rated, the new pricing records will be in effect and thus utilized for the MAP calculation. *Note that the ability to adjust a customer's pricing on the fly must be established in the contract with the customer, otherwise a breach of agreement could occur.



Issues and Considerations

- Keep in mind how or if customers are notified of changes. Common practice is to move customers to a silent communication profile before running mass updates. This avoids notifications to customers for something you have already been in communication with them on.
- Timing of any workflows with other processes such as the auto renew batch, bill runs, payment runs, or other Workflows that could impact the existing subscriptions
- The reason the example focuses on making changes the day before the subscription term or billing period ends and not six months ahead of time is because there could be various changes to the existing subscription before their term ends. Introducing a future dated Order Action is possible, but there are limitations on what you can do to an existing rate plan that is set to be removed at a certain date in the future. That is not to say this is not a possible solution, but take that into consideration. It also gives the customer up until the day before to take an action on their own to change their plan
- Confirm on the order form that the customer has Developer Tools or Workflow before deciding on an approach

- If the customer has workflow, then take into consideration their pricing (tasks qty for example) and if a large increase for a one time update would put them over their allotment (in which case Dev Tools might be the better option)
- Test, test, test. Making changes behind the scenes to a customer's subscription is a very delicate task. Make sure the scenarios have been thought out and the workflow is tested for all cases before promoting to production.
- If usage is involved, quadruple test! Especially around the date you remove the usage plan. This is important because usage is billed in arrears and depending on the Start Date of the usage records that are entering Zuora for that last billing period, unbilled usage could exist. We want to make sure that the final invoice for the legacy plan correctly processes and rates that last month of usage. If there are scenarios where usage might be delayed in entering Zuora then consider delaying the migration for those customers until the usage has entered Zuora. A check could be put into the workflow to make sure that usage exists for the final period before that subscription progresses in the flow.

Rating to Billing

Checklist to Get Started

1. New billing template requirements if they are changing based on refreshed pricing and packaging (could be a branding change or charge model change which might impact how the invoice is presented to the customer)

Design Considerations

Question: Do I need to update my billing document templates?		
Key Capabilities	**Design Consideration**	**Guidelines**
Update Billing Document Templates	Customer presentment of refreshed/new charges in comparison to previous	When a customer makes changes to existing products or adds new products, they should consider their billing documents and if any changes are required. Changes to the template could be required if a new charge mode is adopted. It could be because the document needs a new explanation of charges, or an updated terms and agreement section. If there are still customers on the legacy plans and these new template updates should not be

Question: Do I need to update my billing document templates?		
Key Capabilities	**Design Consideration**	**Guidelines**
		on their billing documents then there are two options. Option 1 is to add dynamic logic to the existing template to utilize an indicator to decide on presentment. Option 2 is to simply create a copy of the old template and make the required updates. This would be easier to manage especially if customers are going to be all moved from legacy plans to new plans. Keep in mind that an update to the Account billing template may be required if a customer is to remain on an old template until they are moved to the new template. This assumes that default billing template setting is used and it is already not specifying a template. If it is already specifying a template then simply update the field to the new template once they move to the new plan.

Key Question from Client: What other considerations do I need to take into account when I refresh my pricing and packaging?		
Key Capabilities	**Design Consideration**	**Guidelines**
Manage Usage Mediation	Integration updates	An introduction of a new plan involving usage could impact existing integrations. Take into account the new plan requirements and attributes that might need to be passed in to Zuora billing for rating to occur without error. This might require updates to the Usage file or API that is utilized to load Usage data into Zuora. If there are new attributes that must be passed into Zuora, then these would need to be added to the Usage object (if using custom fields) and the

Key Question from Client: What other considerations do I need to take into account when I refresh my pricing and packaging?		
Key Capabilities	**Design Consideration**	**Guidelines**
		upstream system so that they can be sent and received successfully.

Design Pattern - Rating and Billing

Pattern	Summary
Aggregation	When refreshing pricing packages involving usage, information is pre-aggregated and loaded into Zuora Billing for rating
Helper Process	Either pre or post rated and billed usage where helper workflow functions are used to generate “final mile” billing charges

Aggregation

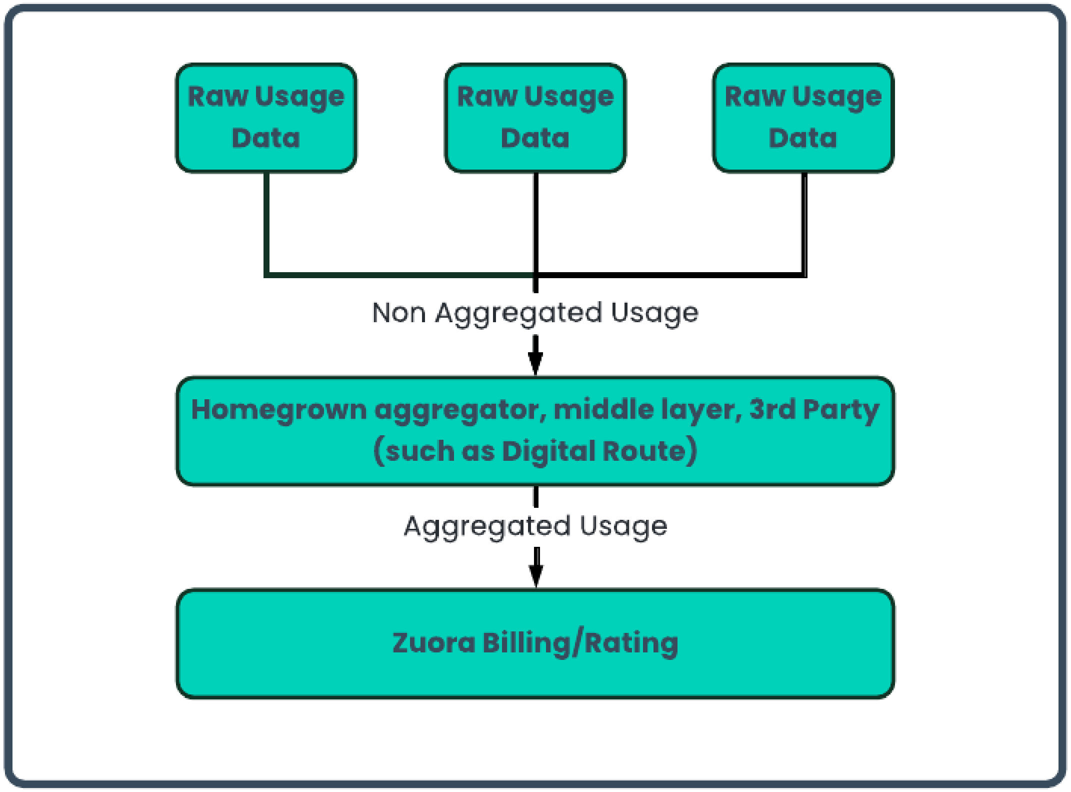
Getting usage data properly aggregated into a format that can be ingested into Zuora Billing’s rating engine is one of the most important parts of solution design. The usage data that is entering Zuora needs to be ready to be rated as is without any data enrichment required. Customers can collect their usage data in many ways and from various sources. These sources may provide only raw data that needs to be enriched for it to be accurately billed. Companies tend to have an aggregation provider/process to collect this data, enrich, and then send to Zuora in the required format with the proper relationships.

Example: A company named CoolRunnings Inc has an ad business where they invoice advertisers for the number of clicks they receive from their various websites. CoolRunnings Inc has various websites where they host ads for these advertisers. Each website collects the raw usage data that is needed to properly invoice the advertiser. This data may have different attributes, non standardized values, and various dispersion times across each website. If this raw data were sent directly to Zuora it may not be rated correctly.

CoolRunnings Inc starts to work with Digital Route, a Zuora Partner that handles Usage Aggregation, to aggregate/enrich this data before it is sent to Zuora. This raw usage data is now sent from the various CoolRunnings Inc websites and aggregated in Digital Route.

Digital Route aggregates the data by standardizing and enriching, then sends the now aggregated data to Zuora in the expected format for rating.

Zuora ingests the aggregated data and invoices the various advertisers for their usage across the various websites.



Issues and Considerations

- Usage data entering Zuora must conform to Zuora format with the required relationships to the account, charge, and/or subscription
- If usage for a single charge is collected from various sources, then the aggregation layer must relate these independent records in a way that allows for Zuora to correctly rate them (ie, tying various records with differing quantities to a correct Zuora charge number)
- The aggregation layer requires inputs to relate Zuora account, subscription, and/or charge details to the usage data it is receiving. This is usually done in one of two different ways:
    - API requests to Zuora at time of usage aggregation requesting charge details with an account key or other identifier (process is ad hoc and requires less logic on aggregation side to store Zuora keys as it is requesting as it is receiving, but increases failure points)

    - At time of provisioning/sign up for Usage charge the corresponding account, subscription, and/or charge keys are sent and stored in the upstream systems (can be stored in usage sources or held as a key in the aggregation layer and related to a foreign key from the raw usage sources)
- Customer has to decide on pros/cons of building in house aggregator or integration layer capable of aggregating versus outsourcing this to a 3rd party such as Digital Route
- Reporting and Analytics on Raw usage data. As Zuora does not receiving any raw usage data there is no capability to report on non-aggregated data within Zuora

Helper Process

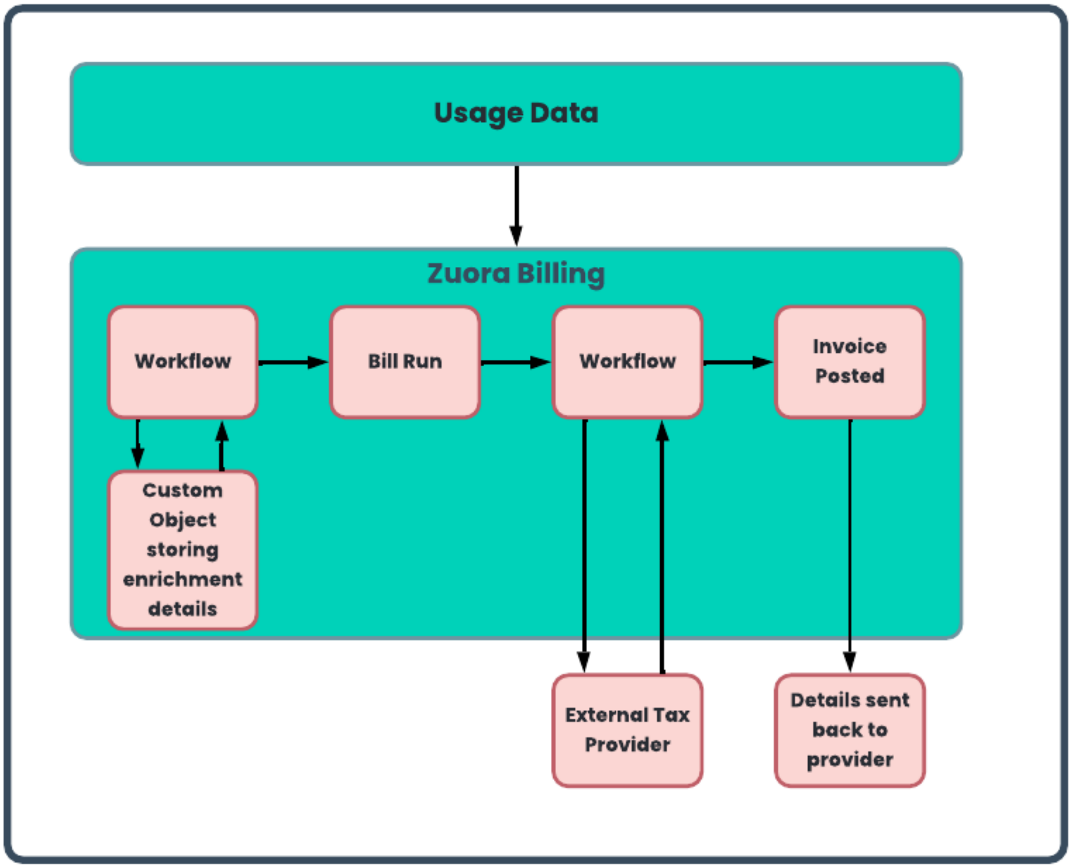
Zuora can perform "final mile" enrichment to usage that is sent to Zuora. This can be to enrich the data/billing with Zuora specific fields/attributes pre rating or post rating. These solutions can also be used to trigger processes within Zuora to kick off billing or external processes before final invoicing of the customer.

Pre-rating, example 1: Corp XYC has a consumption model around international calling rates. These rates are adjusted in USD before entering Zuora, but Zuora needs to convert them to the customer's transaction currency before ratting.

A workflow is triggered before billing to reference a custom object or custom exchange rate object that contains the exchange rates and then updates the rate on the usage records before rating. Or to update billing attributes on the account or subscription.

Pre-rating, example 2: In the same scenario above, the usage can be uploaded directly to a workflow that then uploads the enriched usage data to the usage object once the enrichment process has been completed. This workflow then can trigger a bill run to invoice the customer.

Post-rating, example 3: A custom tax process for usage is required and thus a workflow is triggered at Invoice creation (draft) for the usage and callouts to external systems are triggered to add taxation items to the invoice items related to the usage.



Issues and Considerations

- Usage data entering Zuora must conform to Zuora format with the required relationships to the account, charge, and/or subscription
- Maintenance of any custom objects utilized to perform rating/data enrichment (ie updates/new data to be added)
- Can segment the billing process and slow down billing by introducing steps between rating, billing, and invoice delivery to customer
- Timing of usage upload, bill runs, and payment runs should be considered
- Management of the Workflow by the customer would be required for long term success
- Workflow best practices
- Limitations on custom objects, usage, and workflow

Revenue Recognition to Finance

Checklist to Get Started

1. Revenue policy assessment dictates revenue allocation inclusive of Usage catalog items
2. Sales Catalog variation of Usage Quantity, Price & amount.
    a. Full commitment: Use or lose and add-on volumes considered as independent sales/ contract negotiations
    b. Minimal commitment and overages: Recognize over utilization as incurred/Billed
    c. Blanket commitment and utilization assessment at set interval through the duration of contract term
3. Data points needed for and applying configurability rules
    a. Performance Obligation
    b. SSP Stratification elements and SSP hierarchy
    c. Recognition timing and Ratable Method
    d. Sales offer/bundles vs Revenue unbundling
    e. Product Catalog - Product Family, Product Category, GL COA and so forth
4. Revenue model or use cases defined with sense of Revenue Contract life cycle including modification and accounting outcomes
5. External revenue reporting primary objectives and Internal/management revenue reporting secondary necessities.
6. Usage Volumes, scalability, aggregation and data ingestion systems/source capabilities.

Design Considerations

Key Question from Client: How can I recognize revenue for offer/bundles with a la carte of charges that recognized on actual billed usage and others recognized on usage or event driven prior to billing		
Drivers/Key Capabilities	**Design Consideration**	**Guidelines**
Key: Product & Offer Catalog Setup Driver/Dependent Impact Areas:	Determining the bundle/charges to identify a single pattern or a composite pattern. This will determine the obligations to satisfy revenue recognition	Bundles/charges are billed or rated to recognized actuals billed. In addition, a minimum commitment to recognize the billing occurs at a set interval period to allow revenue true-up. Billing can occur anytime during the completion of the contract term.

Key Question from Client: How can I recognize revenue for offer/bundles with a la carte of charges that recognized on actual billed usage and others recognized on usage or event driven prior to billing		
Drivers/Key Capabilities	**Design Consideration**	**Guidelines**
Revenue Recognition to Finance		Potential impacts to designing recognition events in this manner: Billing events are consumed at bill/invoice generation versus an event driven billing event with true-up at the end.
	Using an attribute to drive revenue unbundling rules	Revenue Attribute can often be used to drive clear, consistent, simple outcomes for unbundling rules. At times the rules are clear & consistent but need normalization considering the term/duration and additional upgrades/downgrades price changes amplifies complication. Revenue attributes located in the Quote to Order process to drive unbundling is optimal. Tools such as CPQ or rules engine can be used in association with a product catalog Alternative customization/stage handlers can be developed to match the business requirements

Key Question from Client: How can I report revenue both internally and externally?		
Key Capabilities	**Design Consideration**	**Guidelines**
Product & Offer Catalog Setup Driver/Dependent Impact Areas: Revenue Recognition to Finance	Determining bundle/charges common denominator of classification of revenue accounting categories adherence to GL COA structure	Bundles/charges in upstream identified to a common clearing account. The revenue system needs to make offset accounting, move to appropriate CL accounts based on certain rules like product family and so forth. This drives multi-step/stage solution aspects, data augmentation rules,

		unbundling rules, enabling offset accounting, and associated processes
	Revenue attributes help driving aggregation and segregation to able to best accommodate for external and internal reporting	Revenue and Rollforward reports to support aggregation and segregation of reporting based on attributes including/excluding GL COA. A work-achievable solution can be constructed incorporating the 1-2 limited attribute into GL COA, and summarization will do necessary structuring for outcome and finally outbound GL to replace/trim matching GL COA.

Design Patterns - Revenue

A well architected revenue design for usage adoption needs a clearly separable(unbundled) obligation that can organically scale to adjust to clearly apply the 5 steps of current revenue guidance. The design patterns may not be unique to usage adoption, but can span across all performance obligations representing traditional items (non-usage), usage part of the Initial Sales transaction and additional change order in preface to initial Sales transaction.

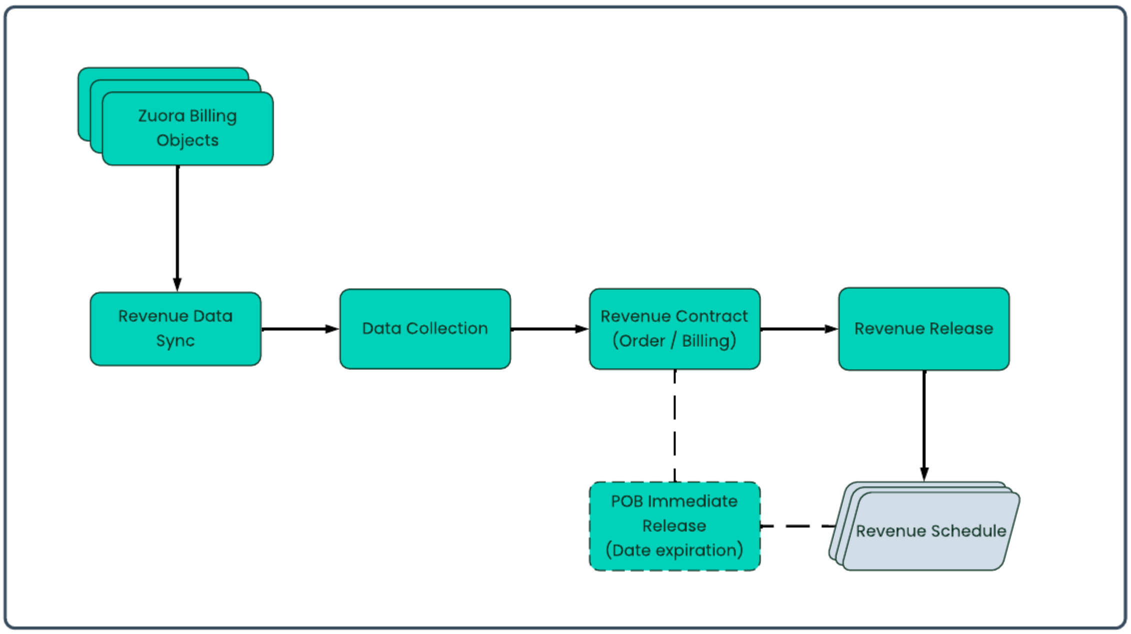
Pattern	Summary
Contract/Billing Driven (Don't need additional info)	Charge/Order line has sufficient details for revenue release at time of data collection and date expiration at later time via immediate release scheduled job
Event/Consumption Driven	When either one or combo of inputs needed to release revenue fall short on Order line/Billing lines.

Contract and Billing Driven Pattern

The Zuora Revenue data formats of Contract and Billing is linear/flat record style that has data elements (see outlined in checklist above) of Transactional data (Charge/Order lines) and Master data (Product catalog, GL COA). The Charge/Order lines are typically modeled to ingest with sufficient data points to achieve the Revenue requirements. Zuora will then use the charge line and transform the data into Revenue. The integrated billing to revenue provides added efficiencies when compared to a standalone Zuora Revenue pattern

Billing to Revenue platform has capability of configurable data mapping to ingest Custom fields captured in Billing Objects. Thus, modeling to capture data elements from front-end application (CPQ/Commerce) into a Billing object for Revenue is important although the captured information has less relevance to Subscription/Billing functions itself. Finally, Zuora Revenue with sufficient details can configure, apply revenue rules, and release revenue as Data Collection Job consumes data into Zuora Revenue application.

- Billed Revenue: Usage lines are ingested with 0 contract line value to Zuora Revenue. As usage is rated,billed, and ingested to Zuora revenue the contract line value are adjusted in the system and recognized
- Order Revenue: Additionally, if estimated or committed usage values are known at time of order, then these values can be captured on customer fields. Custom logic in Revenue can apply data augmentation to accomplish contract based revenue allocation and revenue



Issues and Considerations

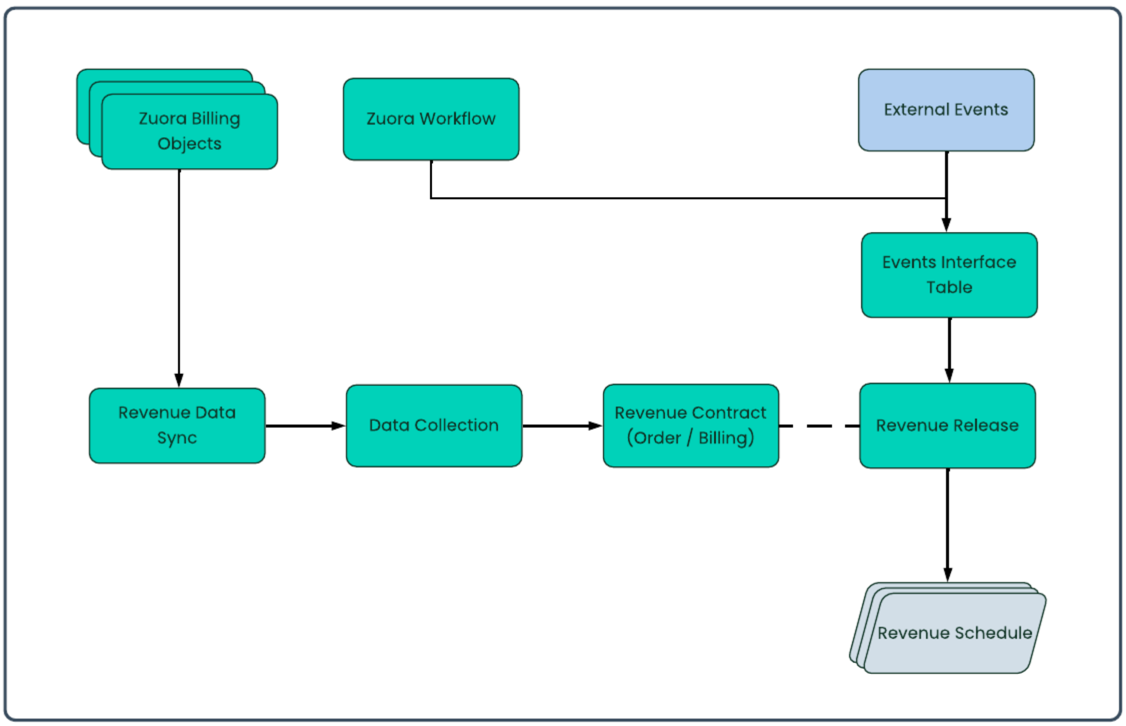
- Sales bundles with a variety of price rules are best to handle upfront considering revenue outcome and straight forward unbundling rules can be applied to Zuora revenue so as not to complicate the product/sales catalog.
- Billing to Revenue Synch ingest organically Subscription Charges, Subscription changes and its associated billing.
- Limitation/complexity raise as advanced usage features are utilized such Tiered, Volume, Multi-Attribute pricing, and so forth.

- Immediate POB Job to release revenue at date expiration is based on Charge/Order line only (not billing line).

Event/Consumption Driven Revenue Pattern

This Events/Consumption predominantly goes to play for revenue release because of either one or combo of additional inputs needed as outlined

- Event signals representing the obligation is satisfied or delivered
- Partial release basics of Percentage or Amount or Quantity of obligation satisfied
- Revenue account the usage/obligation to record against is unknown at time of booking
- Aggregation of (raw) usage / rating outcomes is inputted at set interval from external system



Issues and Considerations

- Billing to Revenue Synch at present doesn't support sending events to Zuora revenue. However, leveraging workflow capabilities there are instances of last mile solution accomplishment.
- Beware although Usage and charge data is ingested to Billing for rating the same input/format directly isn't usable for revenue events.
- Revenue Event data ingested must conform to Zuora format with the required reference to Contract line(s) and Event type the line is attached.

- Typically Customer has to account for aggregate, enrich the data in transformation layer before ingesting to Zuora Revenue.