# Transform deal management with a modern revenue management and billing solution

Corporate banks have traditionally enjoyed a loyal client base, but today they face greater competition for a larger share of their clients' financial needs. Approximately one-third of the corporate clients with annual revenues of more than US$1 billion have a relationship with 10 or more banks for their diverse financial needs. This competition is further intensified by the entry of market disrupters such as fintechs and neo-banks. In a time when incumbent banks already struggle with increasingly stringent regulations, these new players with their digitally compatible modern systems have an all-around edge over traditional banks in every aspect.

As banks have come to realize this, they are actively trying to pursue digital transformation and data transparency to meet the dynamic customer demands and regulatory requirements. However, progressing in this direction proves challenging due to execution constraints. Presently, many banks still rely on legacy systems. Even if they embark on this transformation journey, their systems cannot get rid of the islands of unintegrated and disjointed information, which in turn will lead to organizational silos.

## The Critical Role of Deal Management and Pricing

For corporate banks, the area that is most affected due to such compartmentalization is deal management and pricing – a crucial component that drives their profitability, revenue assurance and customer retention. When banks onboard new corporate clients, or review and renegotiate existing clients' business, most often there is a physical disconnect between "front office" systems and the operational systems that support and enforce what was sold.

Deal management should be considered the first step of onboarding to billing – where prices and pricing rules are policed, and revenue expectations are protected. Here are some of the common challenges that corporate banks face with their existing deal management systems:

- Lack of truly automated revenue/profitability analysis
- Errors and rework when a deal is created manually and which usually resulting in costly refunds & waivers.
- Inability to price what is quoted.
- Inability to offer pricing based on account/customer relationships and enterprise-level contractual agreements.
- Lack of visibility and controls related to discretionary discounting.
- Missed opportunities to uptake unrealized revenue.
- Lack of compliance and auditability

To overcome these challenges, banks would need to re-engineer their traditional deal pricing practices and radically transform them with a modern pricing infrastructure to drive stronger corporate relationships and growth, maximize revenue and take control back.

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## Empowering Banks to Compete and Grow Their Corporate Relationships

Oracle Revenue Management and Billing (ORMB) is a SaaS-based scalable solution that provides a single convergent platform with the business agility to manage deal pricing across any customer type, product, line of business, and geography. With a centralized pricing, revenue management, and billing infrastructure, ORMB offers a single source of truth with a distinct repository for implementing pricing policies and gaining complete visibility via real-time revenue tracking against commitments.

### Unified Operations with End-to-End Deal Pricing

In this age where cross-border payments are increasingly common, ORMB's deal creation component supports multi-currency and multidivisional deals at any level of the hierarchy of customers/accounts. Banks also gain flexibility and efficiency with the ability to save any deal as a template and then create different versions that capture terms and conditions. Furthermore, ORMB's feature-rich and easy-to-navigate dashboard provides a holistic picture of a deal and gives bankers the ability to monitor and manage it through approval.

ORMB's sophisticated modeling and simulation capabilities help business users make more effective decisions and empower them to arrive at the optimum volume/value of transaction commitments and price points to increase profitability. In addition, users can simulate pricing points by changing the offer price method (for example, from flat to tier), merging/adding tiers, and redefining tiers to arrive at desired profitability.

### Informed Deal Pricing and Margin Decisions

ORMB is equipped with advanced tools such as embedded analytics, past and real-time market metrics, and scenario modeling that enable business users to quickly create pricing elements regardless of their complexity. As a result, ORMB provides more confidence to deal pricing relationship managers as they are equipped to consistently make informed deal pricing and margin decisions.

ORMB's flexible pricing capability enables business users to:

- Create new deals for customers based on existing deals, without changing the original deal.

- Compare and evaluate multiple saved pricing models.

### Key Benefits

- Maximize profitability through optimized deal price management
- Eliminate revenue leaks with accurate pricing proposals
- Reduce deal pricing cycle times with ability to quickly create pricing elements
- Manage all stages of deal lifecycle with a streamlined workflow
- Powerful simulation to ensure right price for the deal
- Prevent over-discounting
- Improve decision-making with integrated decision support tools

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- Create multi-parameter-based pricing models as any attribute can be used as a guide to a price.
- Use customer reference attributes to determine pricing methods and compare profitability against competitors.
- Analyze pricing scenarios for different margins and attributes.
- Change pricing for existing customers post-deal or convert prospects to customers.
- Select cross-sell recommendations based on customer segment and product selection.
- Monitor KPIs and evaluate deal profitability and revenues at different levels

## Automated Approval and Exception Management

As a fully configurable system, ORMB can support multiple parallel branches and be used for all types of deal creation, acceptance, review, and approvals at different hierarchies—deal level, price-item level, and division level. ORMB leverages the power of automation to configure workflows in such a way that sub-stages that do not require approvals can run in parallel, and the deal pricing cycle is not disrupted by exception management and approval processes. In fact, exceptions also can be triggered based on defined criteria to prevent relationship managers from creating inaccurate pricing proposals.

## Seamless Integration with External Systems and Applications

ORMB comes with agnostic API capabilities, facilitating seamless integration with other Oracle applications as well as third-party industry applications like CRM systems, core banking applications, financial systems, and billing systems to support end-to-end business processes. This enables financial institutions to utilize existing IT infrastructure, significantly reducing the total cost of implementation and easing cross-application business processes. Businesses employ ORMB's API capabilities for seamless bi-directional data movement with periphery systems in both batch and real-time mode to ensure a single version of the truth and improved deal pricing accuracy. Moreover, leveraging ORMB's API-powered straight-through-processing (STP) capabilities, businesses can enjoy no-touch-onboarding for their customers once their profile is created in the customer relationship management (CRM) system.
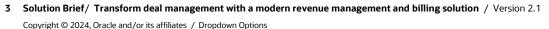
## ORMB: Helpings Bank in Their Revenue Management Optimization Journey

A leading top 5 largest, US-based global bank was struggling with revenue management and deal pricing obstacles, which included:

- Revenue leakage during the deal pricing process
- Issues with write-offs and refunds post-deal creation
- Difficulty in managing pricing controls

**The bank turned to ORMB to help address these challenges.**

With ORMB's advanced deal management and API capabilities, the bank was able to accurately price deals that were quoted, reducing errors, write-offs, and refunds, which, in turn, stemmed revenue leakage and increased profitability. Even when there was need for a write-off and refund, ORMB's automated write-

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off and refund processes helped to streamline operations. Finally, ORMB's automated approvals and controls capability in deal management helped in pricing controls, enabling the bank's sales team to adhere to their pricing policies and only offer quotes that met the bank's business requirements. Moreover, ORMB helped the bank create a central pricing repository, providing a single source of truth for pricing data that could be accessed and managed by various departments within the organization. Overall, ORMB's solution helped the bank significantly improve its revenue management processes and drive growth..

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## The Path Is Clear. Are You Ready for It?

In the corporate banking industry, deal management is the key to optimizing revenue growth and realization due to exceptions provided in the deal. Existing systems are continuing to become less effective in sustaining a consistent cash flow or a revenue stream.

With ORMB, banks can acquire both world-class revenue management, billing and deal pricing capabilities that work together to simplify deal management. Moreover, with ORMB's SaaS offering, banks can allay their fears about extended trial and deployment periods, kickstarting their deal pricing optimization journey in just 60 minutes.

Speak to an expert today!

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