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# Oracle Revenue Management and Billing -  Merchant Acquiring Services

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Today, the payments ecosystem is not only becoming increasingly commoditized and competitive, but acquirers are also facing the challenge of evolving merchant needs and consumer expectations. These changing times means acquirers have to adapt quickly to new challenges, offer customized solutions to merchants in order to attract them, and provide value-added services to retain them. Many acquirers still rely on manual processes and continue to use fragmented legacy systems that were built over several years. These spreadsheet-based processes and inflexible legacy systems hinder the ability to provide effective and efficient merchant services. And then there is the challenge of managing and integrating multiple systems and disjointed processes. To rectify this situation and succeed in the age of digital economies, merchant acquirers need to embrace new technologies and adopt new-age pricing and billing systems.

**Key Benefits**

- Eliminate processing errors
- Rationalize price lists
- Tailor pricing and billing plans
- Maximize profitability

Oracle provides a feature-rich platform for end-to-end requirements of merchant acquirers from efficient merchant acquiring, deal management, multidimensional pricing, flexible billing to retrievals & chargeback processing and scheme management. Oracle Revenue Management and Billing offers a variety of solutions designed to meet both the broad and specialized needs of merchant acquirers. It supports multiple payment schemes and delivers an extensive range of services for different types of credit, debit and prepaid cards.

## COMPLETE ENTERPRISE-WIDE PRICING AND BILLING

Oracle Revenue Management and Billing is a complete pricing and billing platform that is well-suited for various participants in the payments ecosystem including payment processors, card schemes and merchant acquirers. It offers end-to-end functionality throughout the value chain from merchant acquisition & set up, pricing management, transaction processing, and invoice management to reconciliation & settlement.

Oracle Revenue Management and Billing provides the ability to set up fees, such as one-time fee, recurring fee, transaction fee and merchant service fee. It includes a robust billing calculation engine that provides acquirers with the ability to customize and automate merchant invoicing and billing. Additionally, it provides the flexibility with respect to bill charges breakdown, billing cycles, billing hierarchy, thus, allowing full customization of billing and invoicing to suit individual merchant needs. It also ensures invoices are calculated accurately against pricing agreements and the merchant is billed the same as the quoted price. Oracle Revenue Management and Billing includes comprehensive functionality for daily processing of transactions & settlement with funding merchants and then invoicing merchants as per billing cycles or directly debited from the funding account in case of net settled merchants. The solution helps consolidate pricing and billing across the enterprise and ensures acquirers have a single version of the truth.

## MERCHANT ACQUIRING AND ONBOARDING

Oracle's solution provides acquirers with the industry's most comprehensive approach to acquiring merchants. It is designed to easily interface with origination applications through APIs to bring new merchants on board seamlessly. Oracle Revenue Management and Billing can be embedded into the originations workflow to fulfil the pricing and billing requirements including price determination, setting up price plans and billing arrangements. The comprehensive deal management capability makes the merchant acquiring process more effective by automating and

streamlining the process of deal pricing, negotiations, and invoicing related to merchant deals. It can significantly reduce an acquirers cost per deal by helping to eliminate multiple back-and-forth discussions during the deal management process. The solution enables acquirers to import price lists from external systems or excel spreadsheets and flexibly apply standard or exception-based price list to individual merchant accounts or as defaults for all accounts associated with a particular hierarchy. The solution supports flexible configuration of merchant hierarchies that allows acquirers to create and apply pricing and billing plans in accordance with the merchant's needs and contract agreements, which includes multi-merchant pricing and billing. With pricing modeling, "what-if" analysis, multi parameter-based pricing and decision support dashboards, acquirers can tailor their deal pricing approach to each individual merchant, enabling them to provide differentiation. It also provides an option for acquirers to use customer reference attributes to determine pricing methods and compare the current deal against 'similar' deals. The acquirers can either apply a preapproved price plan or a customized price plan with varied credit rates, debit rates, channel fees, product fees and pricing structures ( flat rates, tiered rates and so on). Additionally, it provides the ability to aggregate merchants based on brands, segments, region, channel and so on. The solution comes with a configurable workflow engine and exception management that can be used for price plan review and approvals, thereby enhancing internal controls. Oracle Revenue Management and Billing provides two distinct ways to create merchant IDs - either create unique merchant IDs using a standard merchant ID number provided by card schemes or externally sourced from a third party.

## RETRIEVALS AND CHARGEBACK PROCESSING

Oracle Revenue Management and Billing facilitates the entire chargeback life cycle, making it possible to quickly and appropriately handle chargebacks and retrieval requests. The solution provides the ability to charge the merchants in a variety of different ways depending on the chargeback reason codes and the timelines for arbitration & resolution. A mark-up, premium can be added to the pricing to cover the bank against the risks associated such as delayed settlement and so on. Oracle Revenue Management and Billing offers full chargeback pricing flexibility - either a flat rate pricing, percentage-based pricing or tiered based pricing structure can be applied. Additionally, varied billing options can be set for the pricing plans.
The solution comes pre-configured with business rules and performs rule-based filtering of chargeback cases that allows acquirers to direct how cases are handled. The acquirers can apply different chargeback criteria and set of rules such as:

- Customer-based rules: Configure treatment of chargebacks based on plans negotiated with customers
- Industry-based rules: Apply chargeback processing rules based on the industry defined risk of merchant and cardholder fraud
- Risk-based rules: Configure different chargeback treatment for merchants who are perceived high-risk
- Chargeback type-based rules: Apply rules the amount of chargeback transactions, channel, reason code and so on
- Value-based rules: Configure a general set of chargeback dollar value Oracle delivers the most robust set of business intelligence, ad-hoc query & analysis, and reporting functionality - including interactive dashboards that provide a snapshot view of chargebacks by reason codes, countries, industries, type of channel, card type and so on. These customized dashboards give acquirers a quick view of their charge back requests, acceptance and disbursement status in real-time.

## SCHEME MANAGEMENT

Oracle Revenue Management and Billing offers acquirers distinct mechanisms in terms of determining interchange fee depending on their needs and the evolving payment trends. With the solution, acquirers can devise various pricing methods such as:

- Basic interchange fee
- Interchange fee with an optional plus (surcharge) component (interchange plus $ x or interchange plus x %)
- Interchange fee based on mutual agreement with merchant
- Tiered interchange pricing based on a tier system
- Optimum interchange fee depending on type of transaction and pre-configured interchange optimization & transaction optimization rules.

Additionally, Oracle comes pre-configured with existing scheme rules and helps acquirers to meet and maintain scheme compliance requirements. With Oracle Revenue Management and Billing, acquirers can uniquely offer reward programs and offers to merchants to increase revenue and build loyalty. It enables acquirers to:

- Calculate rewards based on performance, relationship, transactional volume
- Offer discounts on annual fee, transaction fee, account fee, rentals
- Calculate and disburse loyalty points Revenue Management and Billing facilitatethe entire chargeback life cycle, making it possible to quickly and appropriately handle chargebacks and retrieval requests. The solution provides the ability to charge the merchants in a variety of different ways depending on the chargeback reason codes and the timelines for arbitration & resolution

## COMPLETE, SEAMLESS INTEGRATION

Oracle provides pre-built integrations for Oracle Revenue Management and Billing with other Oracle applications as well as third party industry applications like CRM systems, origination platforms, switching platforms, core banking platforms and billing systems to support end-to-end business processes. This enables acquirers to utilize existing IT infrastructure and greatly reduces the total cost of implementation, as well as eases cross-application business processes. The seamless bi-directional data movement with periphery systems both in batch and real time mode ensures a single version of the truth. Oracle Revenue Management and Billing is the most widely deployed system of its kind and is used by leading merchant acquirers across the globe. The solution is scalable to sizeable transaction needs and has been used successfully by acquirers to process billion transactions each year. It can be deployed on premise or on the cloud.

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