



The only publication dedicated to OSS Volume 2, Issue 2 - July 2005

## Current Issue

- o Cover Page
- Bull's Eye: Voice Quality of Service in IP Networks
- Delivering the Goods: Triple/Quadruple Play
- Two To Tango: Dancing Around QoS
- See A Penny, Pick It Up: Billing and Provisioning for IP
- The Experts Speak: It's Real and It's Here
- Channeling the Future with WiMAX
- Editor's Letter A Labored Delivery

## Subscribe

## About Us

## Archives

## Ed-Opps

## Ad-Opps

## Advertisers

## Sponsors

# See A Penny, Pick It Up: Billing and Provisioning for IP

By Alon Aginsky, CEO, cVidya

[DOWNLOAD & GO](#)

Today's data services industry faces an interesting paradox. From a marketing standpoint IP and broadband are a dazzling success, but from a financial angle these services are following short. This scenario is especially true for telecom operators who initially adopted a "wait and see" approach to broadband and IP and now find themselves scrambling to catch up with cable operators and others. By investing billions of dollars into broadband and IP technology before knowing how to bill for it, Providers now find themselves with billing systems unable to keep up with the huge volume of subscribers and their demands. As a result, some operators are staring at near zero profit margins as their revenue trickles away in unsuspected leakages throughout their systems. On average, revenue leakage can cost communication service providers between 9 and 15 percent annually.

### *Understanding a Complex Network*

Unlike circuit networks, in which there exists tight integration between billing and provisioning, data networks are far more complex infrastructures involving multiple configurations across many systems. A broadband network, for example, requires the modeling of multiple technologies and provisioning points.



According to Dan Baker, a top OSS analyst at Dittberner Associates, 'there are 60 to 70 distinct steps involved in setting up a DSL link. That means even if 95 percent of the steps are performed flawlessly, you could still have 3 to 4 points of failure,' translating directly into data service discrepancies that eventually lead to revenue leakage and loss. Among the most common discrepancies are erroneous billings (un-billed, under-billed, and over-billed) and stranded assets. Understanding the basic network inventory and topology is crucial before an operator can begin to grapple with its billing hierarchies.

Yet solving the billing side of revenue assurance presents an equal number of challenges as network systems do not neatly map into billing systems. Billing is typically broken down into separate systems for Interconnect, corporate, small-to-medium enterprises, and residential customers.

www.pipelinepub.com



The only publication dedicated to OSS Volume 2, Issue 2 - July 2005

### Current Issue

- o Cover Page
- Bull's Eye: Voice Quality of Service in IP Networks
- Delivering the Goods: Triple/Quadruple Play
- Two To Tango: Dancing Around QoS
- See A Penny, Pick It Up: Billing and Provisioning for IP
- The Experts Speak: It's Real and It's Here
- Channeling the Future with WiMAX
- Editor's Letter A Labored Delivery

Subscribe

About Us

Archives

Ed-Opps

Ad-Opps

Advertisers

Sponsors

### *See A Penny, Pick It Up: Billing and Provisioning for IP (Cont'd)*

[DOWNLOAD & GO](#)

The TeleManagement Forum's Revenue Assurance Modeling Team, chaired by Dr. Gadi Solotorevsky, chief scientist of cVidya Networks, recently announced a three-phased assurance process at its forum in Nice, France. In short, a full-cycle solution must include a Reactive, Active and Proactive approach. The three phases are defined by the following:

**Reactive:** Determine and find solutions to previous revenue loss. Identify and quantify the major high risk exposure points and KPIs of the services and business processes being investigated.

**Active:** Identify current problems and correct them before any revenue loss occurs. Define and implement various management goals, escalation processes and the organization structure to an on-going Revenue Assurance practice. Here procedures are established to handle specific leakage types and the corrective actions needs to stop those leaks and recapture lost revenues are implemented. In addition, an automated Revenue Assurance solution that interfaces to the carrier's operational and network systems, delivers reports, and allows a RA team to monitor leakage cases on the front-end.

**Proactive:** Implement measures, including organization-wide policies, procedures, and software to prevent problems that might lead to future revenue leaks. Through analyzing the case history of RA problems, a series of KPI thresholds are developed. Those thresholds are then run through an analytics process to detect abnormal behavior.



## Targeted OSS Recruiting Solutions



[www.hunterpersonnel.net](http://www.hunterpersonnel.net)

When implementing these procedures it is extremely useful for the revenue

assurance team to include a neutral third party solution vendor. The best vendors are also good diplomats who know how to bring the right people together in small groups so processes can be understood and inter-departmental issues ironed out.

Finally, a software-based management system and a team of network and billing experts can identify discrepancies, roll them up into trouble ticket system, identify root causes and bad processes, and provide financial reports that accurately measure revenue and profits from various customers, lines of business, regions, and product categories. The end result is reclamation of substantial amount of money which provides the operator with extremely short ROI.

[« Previous](#) | [1](#) | [2](#) | [Subscribe](#)

[Send Comment](#)

[Subscribe](#)   [About Us](#)   [Archives](#)   [Editorial Opportunities](#)

[Advertising Opportunities](#)   [Advertisers](#)   [Sponsors](#)

© 2005, All information contained herein is the sole property of Pipeline Publishing, LLC. Pipeline Publishing LLC reserves all rights and privileges regarding the use of this information. Any unauthorized use, such as copying, modifying, or reprinting, will be prosecuted under the fullest extent under the governing law.

Operators must match up its broadband facilities to the correct users and their appropriate service levels—no small task when a large corporate customer is paying the bill for thousands of users, whom the operator must track to the correct bill paying client. In addition, the billing and provisioning departments must keep up with users who sign up for free trial periods and change their levels of service.

***Best Practices: Revenue Assurance***

The solution to understanding these intricate provisioning and billing issues for IP services could be found in a new set of audit controls, generic and configurable solutions, and best practices called "Revenue Assurance for Data Services." The technique involves discovering service configurations across multiple network elements, then associating those configurations with billing accounts that often contain hundreds of fields.

[Next »](#) | [1](#) | [2](#) | [Subscribe](#)

[Send Comment](#)

[Subscribe](#)   [About Us](#)   [Archives](#)   [Editorial Opportunities](#)

[Advertising Opportunities](#)   [Advertisers](#)   [Sponsors](#)

© 2005, All information contained herein is the sole property of Pipeline Publishing, LLC. Pipeline Publishing LLC reserves all rights and privileges regarding the use of this information. Any unauthorized use, such as copying, modifying, or reprinting, will be prosecuted under the fullest extent under the governing law.