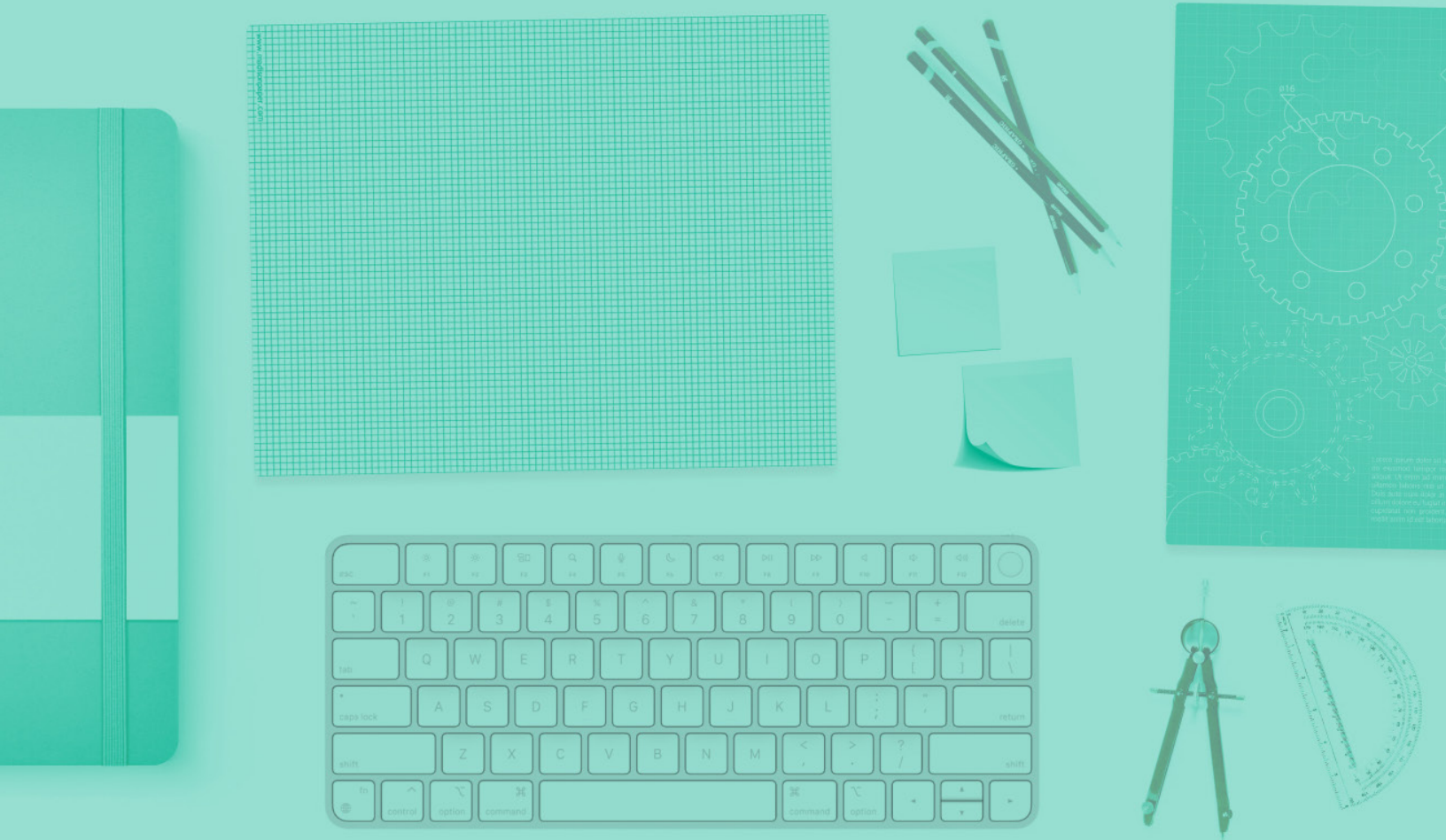
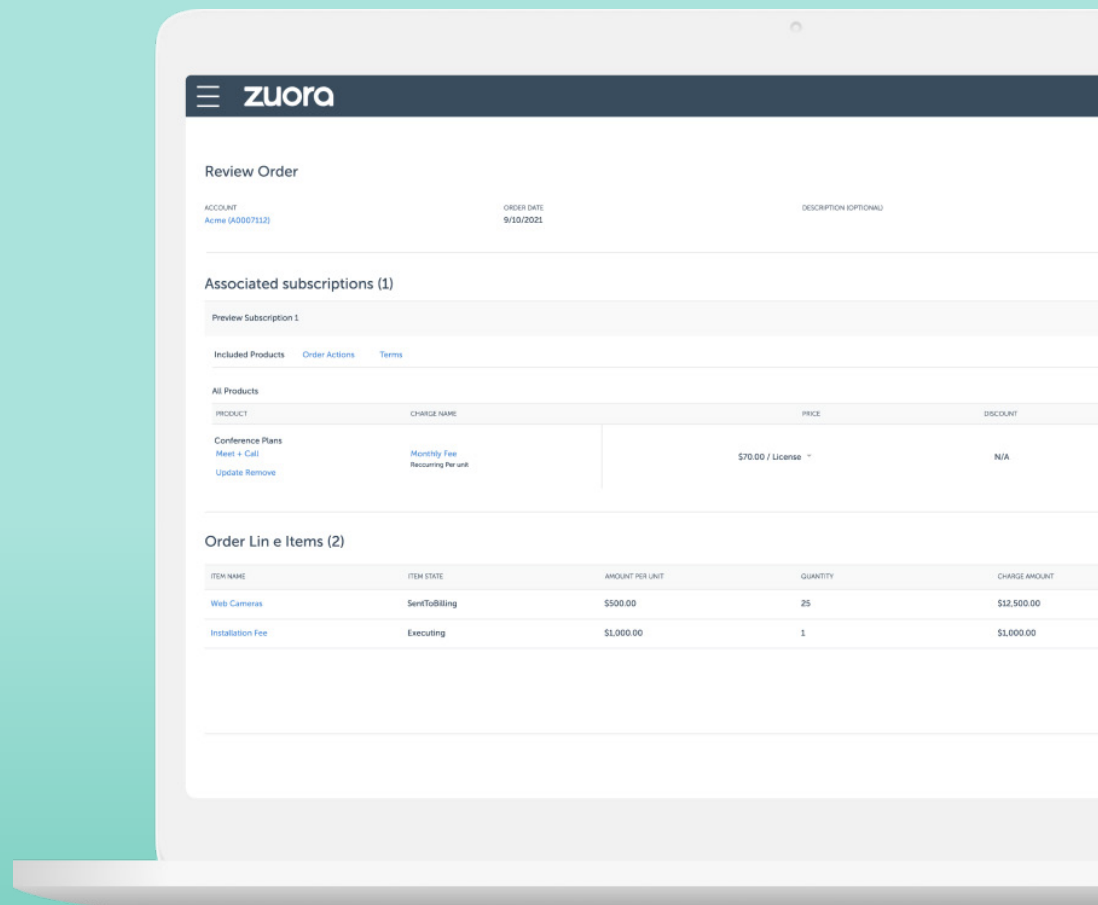


zuora

The Blueprint to Monetizing Anything as a Service



Zuora makes it
easy to monetize
anything as a service.



Subscriptions will inevitably become the dominant business model

Consumers in all industries love the flexibility of subscriptions. And this new preference is changing the world economy. In fact, IDC estimates that subscription services will make up 50% of all GDP by 2023. The businesses that embrace subscriptions will be the ones best equipped to maintain a loyal customer base, reaping the benefits of recurring revenue—and the growth that comes along with it—over the long term.

Subscriptions come in a variety of shapes and sizes, from a simple flat monthly charge to a combination of tiered and consumption-based offerings. This flexibility allows companies to meet their customers exactly where they are while maximizing the value of the services they offer. So as customer needs and preferences evolve, the subscription model enables companies to stay agile and better meet the demands of the market.

Ultimately, subscriptions are about customer relationships. Subscriptions in both B2B and B2C environments bring businesses closer to the customer, allowing them to understand buying habits and seasonal trends, forecast fluctuations, and most importantly, drive highly reliable recurring revenue streams. With 90% of tech companies incorporating subscription and 75% of all consumer facing companies delivering subscriptions, this shift is clearly dominating all markets.

But while many companies know and understand the importance of adopting and perfecting some form of a subscription model, only 55% believe they're ready for that transition.

NOW

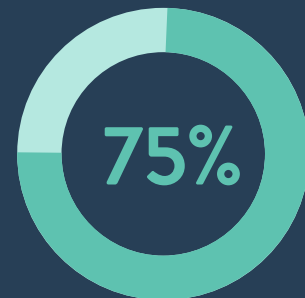
DEFAULT FOR
LEADING EDGE



90% of tech companies
are embracing subscriptions

TOMORROW

BROAD SUBSCRIPTION
ADOPTION



75% of all consumer facing
companies will deliver
subscription services

THE FUTURE

A SUBSCRIBER-
CENTRIC WORLD



> 50% of all global
Gross domestic product

THE SUBSCRIPTION ECONOMY INDEX LEVEL VERSUS S&P 500 AND RETAIL SALES GROWTH



PRODUCT-NATIVE COMPANIES WANT IN

Some of the largest and most well known brands of today are rooted in traditional, one-time product sales. They've watched as companies like Zoom have experienced exponential growth, even during unstable economic times. The Subscription Economy as a whole has grown nearly 6x over the past nine

years, and subscription businesses are growing up to 8x faster than their non-subscription counterparts. Legacy product companies want in on this growth, not just for the sake of growing their top line, but also because if they fail to meet their customers' demands they run the risk of being disrupted.

THE PATH TO A SUBSCRIPTION BUSINESS MODEL IS UNIQUE

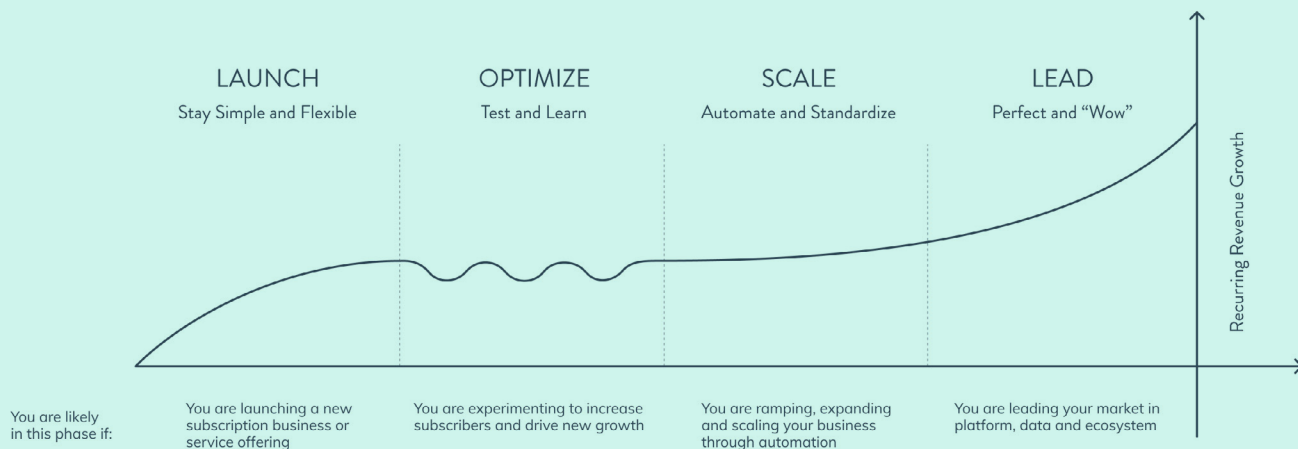
The journey towards a subscription business model is different for everyone. Each level of maturity poses unique challenges, whether a company is launching a service for the first time or already leading the market.

There are companies who are subscription native, reaping the benefits of fast growth and resiliency, regardless of economic conditions. There are also the product natives, who have bigger brands and more capital to invest.

These business models can come in a variety of flavors, with some businesses using products to complement their services, while others look towards product offerings to subsidize their services or subscriptions.

By leveraging a combination of subscriptions, software, physical products, one-time add-ons, training, and warranties, businesses can create a one-stop shop for their customers, effectively forging a relationship instead of a transaction. Companies want the best of all worlds: growth, resilience, brand recognition, capital, and a loyal subscriber base.

THE JOURNEY TO USERSHIP™



SUBSCRIPTION NATIVE:



Zoom was one of the fastest growing businesses of 2020, with a nearly 300% revenue increase year over year. Their subscription-first video conference service gave them incredible agility to pivot their upmarket strategy. With personalized solutions for a variety of business needs, they were able to continue their steady growth despite the economic headwinds of COVID-19. Zoom now partners with physical video and audio devices to offer a full “video conferencing as a service” solution.

PRODUCT NATIVE:



Ford is a mainstay in the North American (and global) automotive market with legacy of over a century in business. They currently boast nearly 14% of the total market share for vehicles in the US, giving them the second largest market share. The electric vehicle and connected services space has opened the door wide open for Ford to enter into the Subscription Economy. With that goal in mind, they have leveraged their brand name and market share to offer FordPass, which encompasses EV charging, connected apps, and content for a full “mobility as a service” offering.

UNIFIED MONETIZATION IS COMPLEX

But behind the scenes, the reality of implementing a unified monetization process can be challenging. Trying to monetize products on one platform and services on another can be clunky, with dozens of potential pain points. Even as companies spend millions of dollars and years to build customizations, they may be bifurcating the subscriber experience and sacrificing all visibility into subscribers. And since subscriber data is the lifeblood of a subscription business, when that data is siloed, it becomes much more difficult to understand the customer iterate offerings, and create a holistic experience.

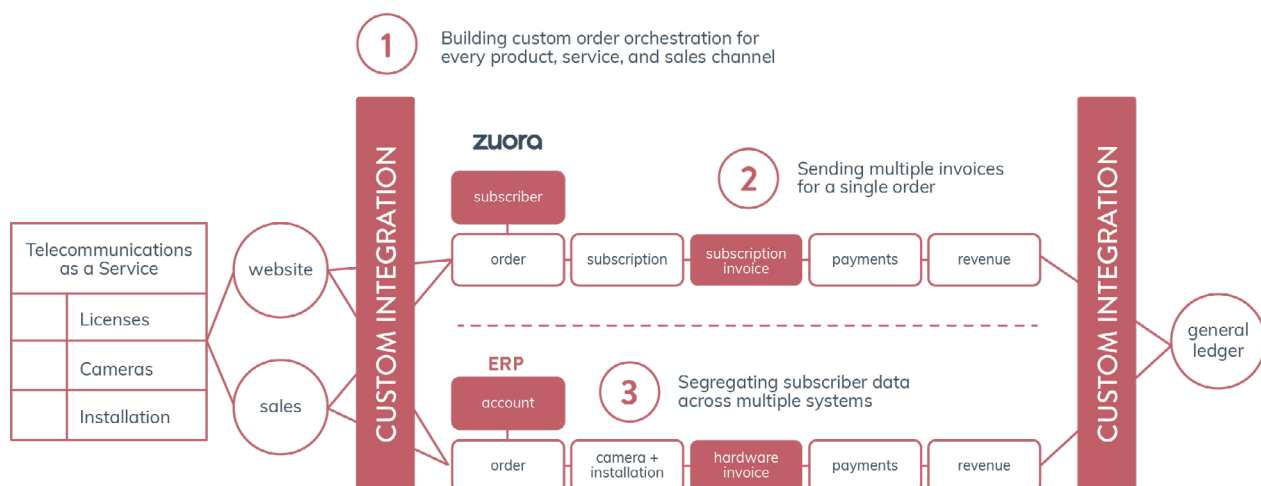
Take a hypothetical telecommunications company who wants to monetize “telecommunications as a service.” They want to bring together their virtual meeting licensing, in-room cameras, and installation for hardware and software into a conference room. They’re engaging with customers through their website, sales portals, app stores, and partner networks. To handle all of these interactions, plus the products and services they are monetizing, they have to build a massive custom order orchestration.

This custom order orchestration has to decipher and route the subscription line items to be processed by the subscription monetization platform, while the product line items are processed by the product monetization platform.

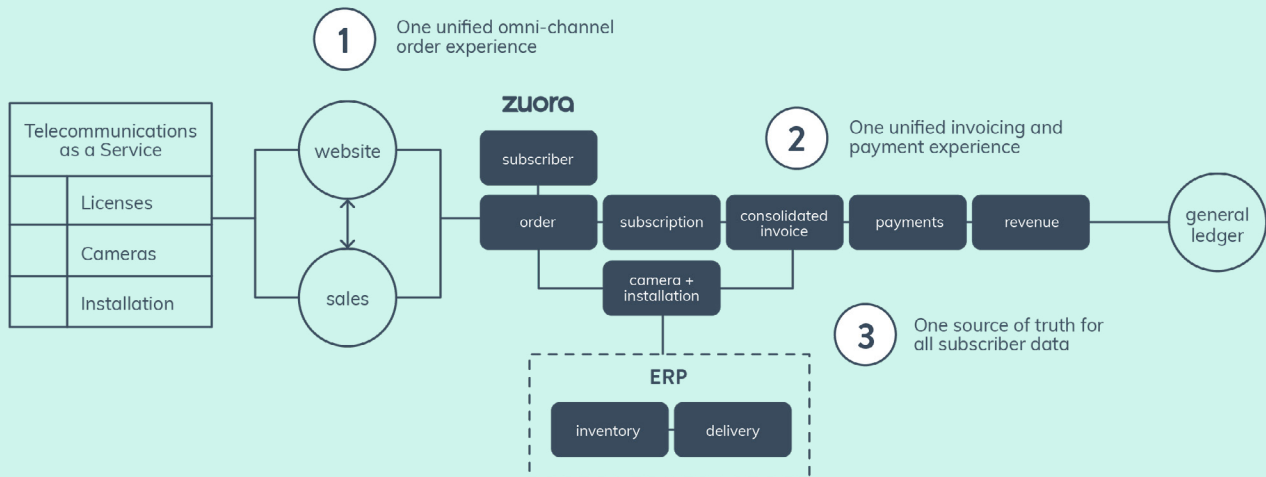
This system costs millions of dollars to build, and takes months to deploy a new product. In the process of stitching their systems together, they’re completely splitting the subscriber experience in half, with products on one platform and subscriptions on another.

Because of the disconnect in the order orchestration, their customers are getting two separate invoices for one order, leaving them with a less than ideal experience. The sales and service reps are juggling product order data coming from one platform and subscription data coming from another platform. If a customer wants a simple update, a rep would have to piece together information from two separate systems and try to reconcile any differences between the two. And at the end of the day finance teams are left piecing together a full transactional record after a multi-point integration of disparate data into the general ledger.

This example shows how for larger, mature businesses or companies that have grown via acquisition, the array of order processing and financial systems becomes increasingly complex. Those with multiple ERP systems and a host of front end commerce points could have dozens of platforms that all need to be stitched together.



ZUORA IS THE ENGINE TO MONETIZE ANYTHING-AS-A-SERVICE



Zuora is allowing companies to take advantage of the best of both worlds and monetize anything as a service on a platform with no custom integration. Rather, Zuora delivers completely configurable technology on the only complete quote-to-revenue monetization platform.

Let's take another look at our telecommunications company after they have adopted Zuora.

They now have one unified omnichannel order experience. A customer can start an order on the website and finish it with a sales rep all without the complex custom integration.

Secondly, there's one unified order and payment experience. Subscription line items, professional services, and standalone products are orchestrated via Zuora, unifying the entire order and payment experience. Invoices are clear, concise, and consolidated into one.

And the same service rep now has a one-stop shop for all subscriber data, with Zuora as the single source of truth working in concert with the ERP.

MODERN BUSINESSES NEED MODERN TECHNOLOGY

A company's tech stack is a crucial piece for standing up a scalable unified monetization process. CIOs today are managing dozens of applications that impact cross-functional teams. On top of this, enterprises rely on hundreds of integrations that need to be in place to run their business. According to [SaaSr](#), the average public technology company has about 350 integrations today. With these numbers growing, CIOs and IT teams have to bring out the best of their tech stack and are now on their way to becoming the sole drivers of a company's operational excellence.

To be successful, a CIO's tech stack needs to scale and adapt. This can include adding new services, supporting new sales channels, or just piecing together the several billing systems that might be in place. All of these systems are sitting in the center of a company's revenue engine, which means that relying on heavy technical customization is not scalable long-term.

Implementing changes to a system with this many cross-functional applications can be slow. Integrating new technology is complex and developers have to be near experts in various vendors' code. This consumes not just time, but human resources, as well.

And with a "one size fits most" approach to the user interface of most applications, IT teams are left—after a laborious integration—with a potentially inefficient and difficult-to-use application for their end user. Just as companies are unique in their path to monetizing anything as a service, they're also unique in the way that they structure their teams supporting monetization, billing, and finance, each with their own unique set of priorities. Maximizing their productivity is just as important in the entire monetization process.

All technology is not suited for the enterprise. A company on their journey to ultimately lead and dominate their respective market must be fundamentally built for enterprise-level scale. With subscriber data becoming your critical connection to the market, the need for the systems to be able to ingest those data points is increasingly important.

WEBSITE

MARKETING

ACCOUNTING
CLOSE

ERP

REV REC

SALES

CHURN

JOURNAL
ENTRIES

PARTNERS

PROVISIONING

COMMISSIONS

ETL

INVENTORY

SCM

CRM

ENTITLEMENT

GENERAL
LEDGER

PARTNER
SETTLEMENT

PAYMENTS

TAX

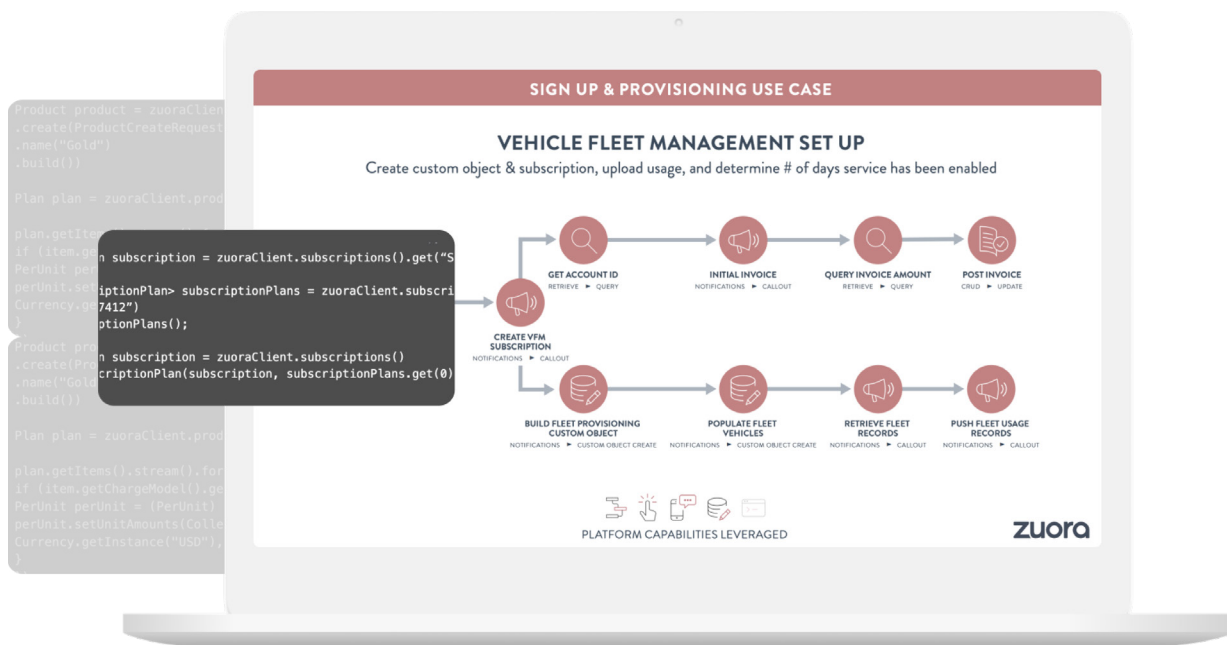
FX

COMMERCE

SERVICE

RMA

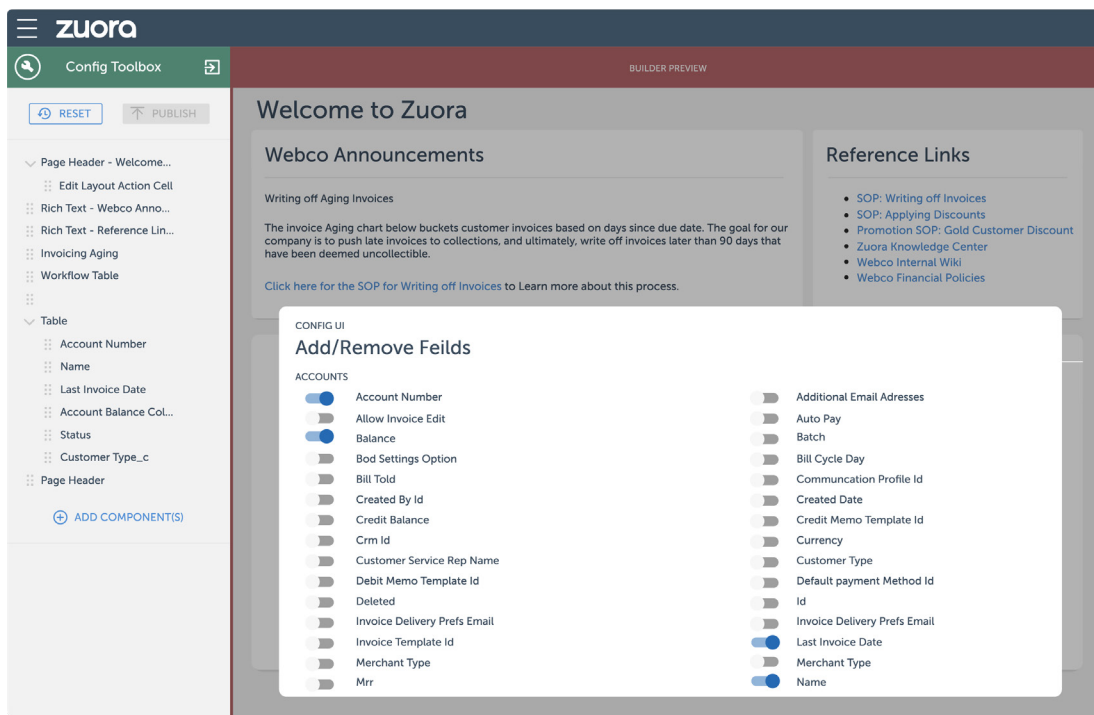
BUILT ON AN ENTERPRISE-GRADE
PLATFORM THAT'S FAST TO
IMPLEMENT AND EASY TO USE



SDKs streamline code for faster implementations

Zuora makes it easy to plug our platform into your tech stack and start monetizing anything as a service. With Zuora's software development kits (SDKs), developers can easily meet their company's unique use cases as they can build new applications with minimal code and fast go live times. SDKs also minimize the learning curve for newer developers as they'll deal with very few business objects and error codes to begin with. Developers can quickly take on use cases like adding a product to a subscription, renewing a subscription price, updating a subscription price, and many more in a mere 2-3 lines of code.

But it's not just about the initial integration --- it's every customization and change that needs to be made as a company grows and iterates on its GTM strategy. With Zuora's SDKs, developers can also seamlessly make changes to any existing integrations that were built on these kits. Managing builds to extended subscription systems like e-commerce sites, partner portals, and quote systems is now completely simplified. From the initial integration to every change and customization after that, Zuora is now faster than ever to implement.

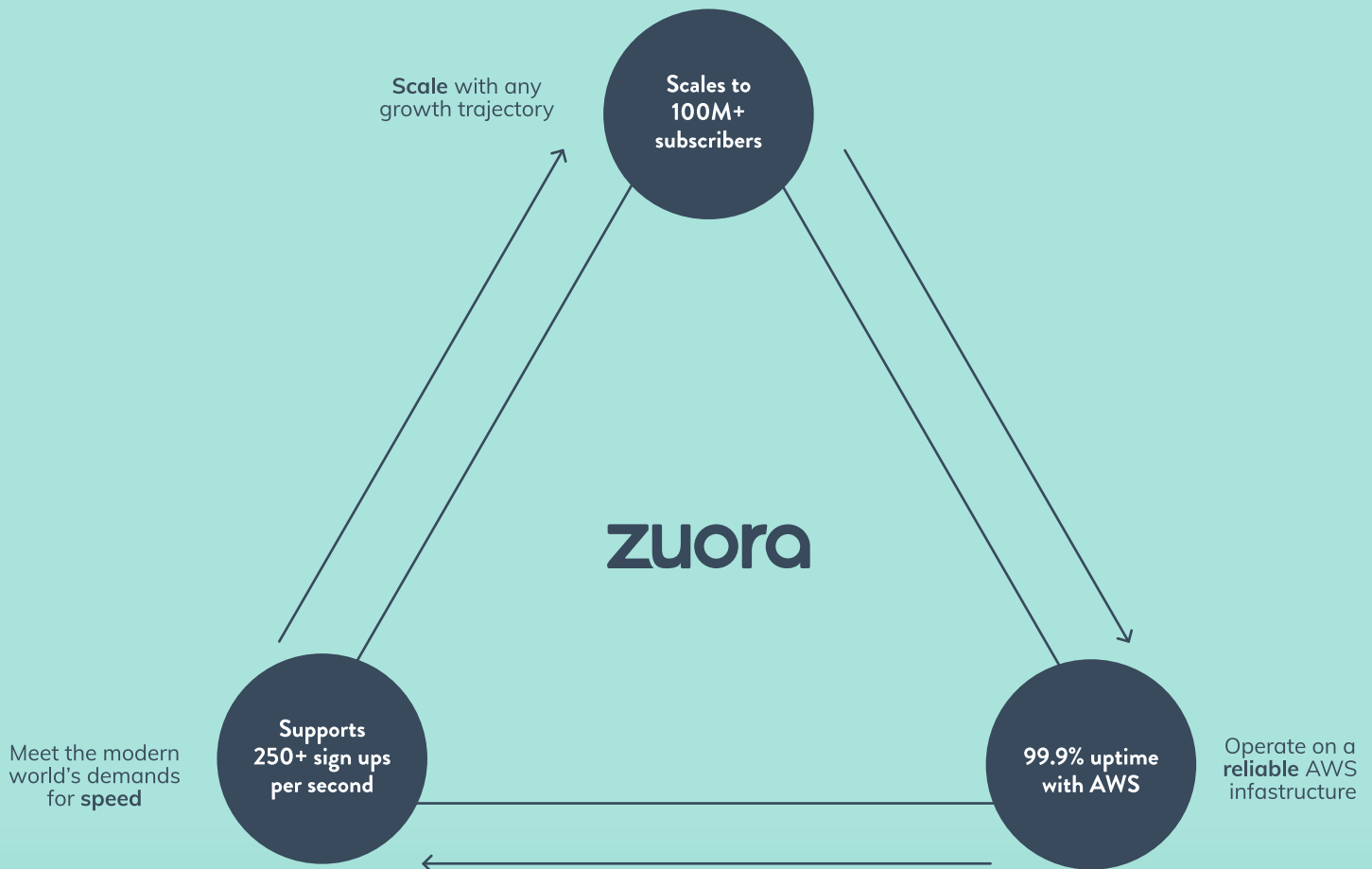


Configurable UI personalizes end user experiences and boosts productivity

The Zuora Central Platform is not only developer-friendly, but it's also end-user friendly. Every company is unique, and all of its business users should receive in-app experiences tailored to the way that they do business. Zuora's configurable user interface acts as a command center to deliver the experiences business users need to boost their overall productivity. Users from teams in IT, billing operations, accounting, sales, and many more that navigate inside Zuora's UI on a daily basis can now see quick links to their most visited pages, visualized graphs of important metrics, high priority task lists, and more right

from the homepage. On top of that, users can also trigger automated workflows anywhere on the homepage with a click of a button to quickly turn these insights into action. For example, users on the billing operations teams can quickly filter out their higher usage gold customers and then trigger a workflow to give those customers a discount for a certain month. With a configurable home page for its users, the Zuora Central Platform is easier than ever to use and creates efficiencies for a variety of teams navigating inside our platform.

Best in class technology, built for speed and scale



Finally, the Zuora Central Platform is built for enterprise-grade speed, scale, and reliability from the ground up. Whether a company is gearing to dominate their industry with a rapidly expanding subscriber base, or wanting to take advantage of the billions of subscriber data touchpoints it will collect, Zuora is ready to support any growth trajectory.

EXISTING INVESTMENTS ARE WORKING SMARTER, NOT HARDER

With Zuora as a central order orchestration hub, companies can extract more value from their existing tech stack. Gone are the dozens of integration points, complex customization, and time consuming workarounds. By simplifying front end commerce integrations, companies can avoid connecting multiple commerce modalities into multiple order systems. Zuora becomes the single point of entry. ERP systems can still do what they do best in coordinating inventory and delivery, but with Zuora as the orchestration engine. And on the backend, Zuora becomes the single system processing financial transactions, which reduces the integration to your general ledger to one single touchpoint.

MEET QUENCH



“We are thrilled to see Zuora’s pace of innovation to support our non-recurring Consumable and Field Service offerings. Unified Monetization will provide the flexibility to seamlessly bill for all our products, subscriptions, and services on a single platform, and if desired, single invoice. This will eliminate tedious back-end integration and data reconciliation efforts present today – providing the immediate agility to monetize our water-as-a-service on a single platform.”

**Trevor Owens, Vice President
of Architecture at Quench**



Zuora provides the leading cloud-based subscription management platform that functions as a system of record for subscription businesses across all industries. Powering the Subscription Economy®, the Zuora® platform was architected specifically for dynamic, recurring subscription business models and acts as an intelligent subscription management hub that automates and orchestrates the entire subscription order-to-cash process, including billing and revenue recognition. Zuora serves more than 1,000 companies around the world, including Box, Komatsu, Rogers, Schneider Electric, Xplornet and Zendesk. Headquartered in Silicon Valley, Zuora also operates offices in Atlanta, Boston, Denver, San Francisco, London, Paris, Beijing, Sydney, Chennai and Tokyo.

More at www.zuora.com.

Get started today

Speak with an expert to learn how Zuora can help you deliver great subscription experiences

Talk to sales