ACV and AR Visibility Enhancement

Cloud-based learning solutions

Reconciled the **acquired ACV** and calculated the **outstanding AR balance** by creating a month-over-month **ACV and AR bridge** at the **customer level** which provided leadership with **comprehensive visibility** into revenue leakage by highlighted **invoicing opportunities**

B2B learning company needs a "clear view" into ACV & AR

Picture this...

You're a trusted industry partner for financial & legal learning and accelerate professional and organizational growth with leading-edge content; you've acquired multiple business units with disparate data systems, resulting in a lack of visibility into customer activities. To address this, you're seeking to streamline the invoicing process for these new customers and enhance leadership visibility into ACV and open AR.

You turn to Accordion.

We partner with your team to thoroughly examine the invoicing processes, identify and highlight variances in datasets (transactions, subscriptions, usage, etc.) sourced from multiple platforms like Salesforce, NetSuite, Hyperion. Together, we finalize a tailored approach for ACV and AR analyses for the acquired entities, including:

1) Developing a master customer mapping for over 100k unique customers and source data to facilitate the analysis of disparate datasets.

2) Creating an ACV model to identify potential invalid ACV at the time of acquisition by analyzing subscriptions, payments, invoices, and credit memos. This model tracks the ACV bridge to date, highlighting upsells, down sells, renewals, new business, and win-backs at the individual customer level.

3) Creating a month-over-month AR aging model categorized by time buckets (1-30 days, 31-60 days, etc.) for each individual customer.

4) Performing a comprehensive analysis of invoicing activities to aid in the cleanup of receivables, including identifying valid receivables, those that need to be written off, and any missing receivables due to unbilled customers. This involves examining over 200 scenarios related to invoicing, subscriptions, and usage at the customer level.

Your value is enhanced.

You have given executive stakeholders precise insights into the ACV at the time of acquisition and identified 5% of the ACV as invalid, allowing them to thoroughly analyze business performance by examining month-over-month ACV and AR bridge models. This resulted in unlocking of potential ~$9M refund from the divesting company. You have also provided the finance team with comprehensive visibility into the activity of acquired customers, identifying missed invoicing opportunities and enabling targeted analysis and interventions to realize ~$ 10M revenue.

KEY RESULT

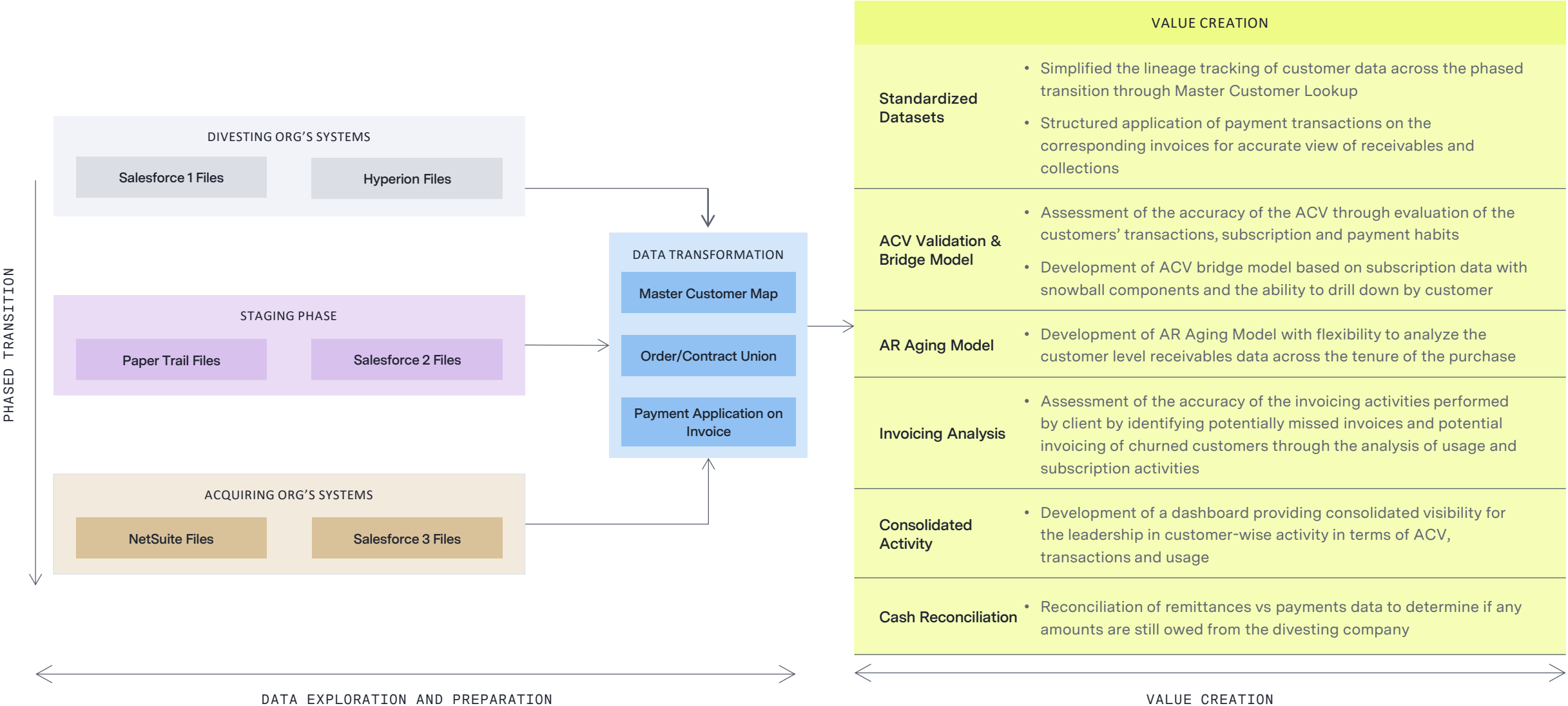- Identification of invalid ACV (5% of the acquired ACV) with a potential of ~$9 M refund from divesting company
- Comprehensive visibility into the customer activity (ACV, AR, invoices, payments, credit memo, usage, etc.)
- Unlocked ~$ 10M missed revenue opportunity

VALUE LEVERS PULLED

- Customer mapping
- ACV analysis
- ACV & AR bridge model
- Invoicing analysis
- Customer activity analysis
- Cash reconciliation

Tailored approach for ACV & AR analyses

PHASED TRANSITION

DIVESTING ORG'S SYSTEMS

Salesforce 1 Files

Hyperion Files

STAGING PHASE

Paper Trail Files

Salesforce 2 Files

ACQUIRING ORG'S SYSTEMS

NetSuite Files

Salesforce 3 Files

DATA TRANSFORMATION

Master Customer Map

Order/Contract Union

Payment Application on Invoice

DATA EXPLORATION AND PREPARATION

VALUE CREATION

Standardized Datasets	• Simplified the lineage tracking of customer data across the phased transition through Master Customer Lookup • Structured application of payment transactions on the corresponding invoices for accurate view of receivables and collections
ACV Validation & Bridge Model	• Assessment of the accuracy of the ACV through evaluation of the customers' transactions, subscription and payment habits • Development of ACV bridge model based on subscription data with snowball components and the ability to drill down by customer
AR Aging Model	• Development of AR Aging Model with flexibility to analyze the customer level receivables data across the tenure of the purchase
Invoicing Analysis	• Assessment of the accuracy of the invoicing activities performed by client by identifying potentially missed invoices and potential invoicing of churned customers through the analysis of usage and subscription activities
Consolidated Activity	• Development of a dashboard providing consolidated visibility for the leadership in customer-wise activity in terms of ACV, transactions and usage
Cash Reconciliation	• Reconciliation of remittances vs payments data to determine if any amounts are still owed from the divesting company

VALUE CREATION

Master customer mapping & acquired ACV reconciliation

Master Customer Mapping Lookup

Category	Row Count	Potential Review by Client
Category 1: Name changed through identifier/name match	11,832	NO
Category 2: Fuzzy matched, name changed	238	YES
Category 2: Fuzzy Matched, name unchanged	554	NO
Category 3: Name Unchanged	11,391	NO

Source	Raw Name	Final Clean name	Category	Client to Review
Source 1	@ABC TECHNOLOGIES INC	@ABC TECHNOLOGIES INC	Category 3	NO
Source 2	0010e00001JoS5O XYZ University	XYZ UNIVERSITY	Category 1	NO
Source 2	0010e00001JoS5O XYZ University : 001VX000006EuQTYA0	XYZ UNIVERSITY	Category 1	NO
Source 2	0010e00001JpLGo The Sample College	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 0010e00001QCrGx	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 0017V00001o5VFQ	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 0017V00001q9uTK	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 001VX000003bMW	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 001VX000003DqlR	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 001VX000004AlY2	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 001VX000004l7zy	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 001VX000005friLY	THE Sample COLLEGE	Category 1	NO
Source 2	0010e00001JpLGo The Sample College : 001VX000006jXaf	THE Sample COLLEGE	Category 1	NO
Source 3	0017V00001tSAHwQAO Title Fund Inc - XYZ	TITLE FUND INC	Category 2	YES
Source 1	B&C TECHNOLOGY	B&C TECHNOLOGY	Category 2	YES
Source 3	B&C TECHNOLOGY - Product A	B&C TECHNOLOGY	Category 1	NO

Mapping of multiple raw names to a single final name for each customer to map data across disparate datasets

ACV Reconciliation

Total ACV in Base File	$13,649,371		
Total ACV from reference list	$13,649,371	$12,887,721	-$761,650

		Accordion:		Vs Accordion:	
Master Customer Name		Reference ACV	Revised ACV	ACV Delta(vs. Reference	Scenario
Customer 1		$573,088	$573,088	$0	Scenario 1
Customer 2		$380,565	$380,565	$0	Scenario 0
Customer 3		$21,942	$0	-$21,942	Scenario 10
Customer 4		$117,254	$117,254	$0	Scenario 0
Customer 5		$107,919	$107,919	$0	Scenario 0
Customer 6		$50,327	$13,995	-$36,332	Scenario 11
Customer 7		$11,270	$1,878	-$9,391	Scenario 8
Customer 8		$115,881	$115,881	$0	Scenario 2
Customer 9		$8,904	$0	-$8,904	Scenario 10
Customer 10		$13,059	$12,571	-$488	Scenario 3
Customer 11		$73,924	$73,924	$0	Scenario 0
Customer 12		$76,724	$76,724	$0	Scenario 0
Customer 13		$64,710	$64,710	$0	Scenario 2
Customer 14		$8,152	$7,931	-$221	Scenario 3
Customer 15		$77,841	$77,841	$0	Scenario 0

Reconciliation of acquired ACV against calculated ACV leveraging subscription, payments, invoice and credit memo datasets

ACV bridge model

ACV Bridge										

ACV Bridge	Months									
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10
Starting ACV	**$15,151,331**	**$15,678,800**	**$15,742,269**	**$16,116,692**	**$15,897,632**	**$15,780,876**	**$15,755,188**	**$15,349,794**	**$15,496,236**	**$15,211,934**
New	$363,943	$32,000	$29,053	$108,242	$16,305	$45,959	$9,692	$16,090	$67,730	$145,612
Winback	$0	$0	$0	$3,049	$2,110	$10,495	$633	$13,020	$43,123	$10,853
Upsell	$338,571	$65,734	$524,590	$69,567	$66,393	$100,820	$198,346	$47,179	$92,764	$103,597
Renewals	$0	$0	$797	$2,849	$2,808	$12,164	$1,193	$279,082	$3,018	$12,560
Downsize	($10,521)	($28,403)	($95,709)	($386,875)	($193,580)	($37,662)	($138,916)	($30,069)	($192,073)	($51,049)
Expiration	($164,522)	($5,860)	($84,308)	($15,892)	($10,791)	($157,465)	($476,341)	($178,861)	($298,864)	($356,023)
Ending ACV	**$15,678,800**	**$15,742,269**	**$16,116,692**	**$15,897,632**	**$15,780,876**	**$15,755,188**	**$15,349,794**	**$15,496,236**	**$15,211,934**	**$15,077,484**

Visibility into the key drivers of ACV changes month-over-month

Ending ACV	Months									
Customer Name	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10
Customer 1										
Starting ACV	$1,664	$1,780	$1,780	$1,872	$1,872	$1,714	$1,714	$1,714	$1,714	$1,714
Upsell	$116		$92							
Downsize					-$158					
Expiration										
Ending ACV	$1,780	$1,780	$1,872	$1,872	$1,714	$1,714	$1,714	$1,714	$1,714	$1,714
Customer 2										
Starting ACV	$744	$744	$744	$780	$780	$714				
Upsell			$36							
Downsize					-$66					
Expiration						-$714				
Ending ACV	$744	$744	$780	$780	$714					
Customer 3										
Starting ACV	$575	$576	$645	$677	$677	$618		$618	$618	$618
Upsell	$1	$69	$32							
Renewals							$618			
Downsize					-$59					
Expiration						-$618				
Ending ACV	$576	$645	$677	$677	$618		$618	$618	$618	$618

Deep dive at customer level ACV

AR aging model

AR Aging																		

Aging Buckets	Months Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18
Current Due	$435,392	$351,780	$538,279	$336,608	$516,065	$460,660	$540,411	$479,876	$676,991	$480,830	$459,906	$606,230	$445,926	$627,275	$610,586	$886,941	$1,842,784	$667,253
1 - 30 Days	-	$23,518	$164,526	$87,624	$112,726	$258,928	$201,301	$442,465	$132,891	$410,975	$293,606	$209,188	$515,111	$201,885	$315,864	$363,703	$480,894	$2,083,166
31 - 60 Days	-	$174,650	$110,195	$49,735	$58,543	$6,784	$182,597	$42,083	$363,995	$119,514	$102,081	$237,025	$74,564	$447,125	$294,976	$189,172	$232,484	$445,346
61 - 90 Days	-	-	-	$34,457	$34,473	$85,756	$6,512	$210,107	$199,195	$263,425	$284,248	$90,029	$153,983	$495,707	$554,459	$143,687	$130,423	$334,142
91 - 120 Days	-	-	-	-	$21,870	$29,175	$70,990	$75,925	$176,423	$119,553	$174,346	$260,986	$138,028	$233,359	$90,683	$271,796	$62,987	$107,559
121 - 180 Days	-	-	-	-	-	$16,637	$25,938	$67,951	$84,960	$211,730	$157,620	$215,089	$472,673	$580,212	$316,668	$441,435	$426,704	$368,649
181 - 360 Days	-	-	-	-	-	-	$15,033	$35,458	$54,069	$55,087	$60,219	$141,726	$186,469	$535,100	$714,601	$810,976	$683,260	$1,093,478
360+ Days	-	-	-	-	-	-	-	-	-	-	-	-	$6,181	$15,404	$18,004	$19,335	$20,466	$109,180
Total AR	$435,392	$549,949	$813,000	$508,424	$743,677	$857,940	$1,042,781	$1,353,865	$1,688,523	$1,661,114	$1,532,026	$1,760,272	$1,992,935	$3,136,067	$2,915,839	$3,127,046	$3,880,002	$5,208,772

AR aging buckets month-over-month

AR Aging by Customer - Trend Customer - Buckets	Months Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18
Customer 1																		
Current Due	$139	$139	$148	$148	$156	$156	$143	$143	$143	$143	$0	$143	$0	$0	$0	$0	$0	$0
1 - 30 Days	$0	$0	$0	$148	$148	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
31 - 60 Days	$0	$139	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Customer 2																		
Current Due	$0	$0	$0	$0	$65	$65	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
1 - 30 Days	$0	$0	$0	$0	$0	$65	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Customer 3																		
Current Due	$48	$48	$48	$54	$56	$56	$0	$38	$30	$52	$52	$52	$48	$0	$0	$0	$0	$0
1 - 30 Days	$0	$0	$0	$48	$54	$56	$0	$0	$30	$0	$52	$0	$0	$0	$0	$0	$0	$0
31 - 60 Days	$0	$0	$0	$0	$48	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
61 - 90 Days	$0	$0	$0	$0	$0	$102	$0	$0	$0	$0	$30	$0	$0	$0	$0	$0	$0	$0
91 - 120 Days	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$30	$0	$0	$0	$0	$0	$0
121 - 180 Days	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$30	$0	$0	$0	$0	$0
Customer 4																		
Current Due	$0	$47	$47	$0	$50	$50	$45	$0	$48	$48	$48	$48	$48	$0	$44	$44	$0	$0
1 - 30 Days	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$44	$0	$0

Deep dive at customer level AR

Invoicing & customer activity analysis

Invoicing Analysis

Customers	May 24 ACV	Invoices Section A	Invoices Section B	Invoices Section C	Subscriptions Section A	Subscriptions Section B	Subscriptions Section C	Usage Section A	Usage Section B	Usage Section C	Result	Scenario #
Customer 1	$181,614	TRUE	FALSE	FALSE	TRUE	FALSE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	5
Customer 2	$167,284	TRUE	TRUE	FALSE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	3
Customer 3	$100,442	FALSE	TRUE	TRUE	FALSE	TRUE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	2
Customer 4	$88,288	TRUE	TRUE	FALSE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	3
Customer 5	$96,789	TRUE	TRUE	TRUE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Properly invoiced	1
Customer 6	$119,301	TRUE	TRUE	FALSE	TRUE	FALSE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	3
Customer 7	$86,370	FALSE	FALSE	FALSE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	4
Customer 8	$95,723	FALSE	TRUE	FALSE	FALSE	TRUE	TRUE	FALSE	FALSE	FALSE	Should have been invoiced but were not	3
Customer 9	$89,737	TRUE	TRUE	FALSE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	3
Customer 10	$80,805	TRUE	TRUE	TRUE	TRUE	TRUE	TRUE	FALSE	FALSE	TRUE	Properly invoiced	1
Customer 11	$73,662	TRUE	TRUE	FALSE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	3
Customer 12	$52,753	TRUE	TRUE	TRUE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Properly invoiced	1
Customer 13	$67,750	TRUE	TRUE	FALSE	TRUE	TRUE	FALSE	FALSE	TRUE	TRUE	Should have been invoiced but were not	3
Customer 14	$51,448	TRUE	TRUE	FALSE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Should have been invoiced but were not	3
Customer 15	$62,495	TRUE	TRUE	TRUE	TRUE	TRUE	FALSE	TRUE	TRUE	TRUE	Properly invoiced	1

Derivation of authenticity of invoicing based on fact-pattern derived from invoicing, subscription and usage data

Consolidated Activities

Customer Name	Months Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10
Customer 1										
ACV	$1,780	$1,780	$1,872	$1,872	$1,714	$1,714	$1,714	$1,714	$1,714	$1,714
Transaction	$139	($130)	$148	$8	($148)	($13)	$0	$0	$0	($143)
Invoice	$139	$148	$148	$156	$156	$143	$143	$143	$143	$143
Payment		($278)		($148)	($304)	($156)	($143)	($143)	($143)	($286)
Customer 2										
Usage	1	1	1	1	1	1	1	1	1	1
Customer 3										
Usage	1	1	1	1	1	1	1	1	1	1
Customer 4										
ACV	$744	$744	$780	$780	$714					
Transaction	$0	$0	$0	$65	$65	($130)	$0			
Invoice	$62	$62	$62	$65	$65	$60	$46			
Payment	($62)	($62)	($62)			($190)	($46)			
Usage	1	1	1	1	1	1	1	1	1	1
Customer 5										
ACV	$576	$645	$677	$677	$618		$618	$618	$618	$618
Transaction	$0	$0	$54	$56	$56	($214)	$38	($8)	$52	$0
Invoice	$48	$48	$54	$56	$56	$52	$38	$30	$52	$52
Payment	($48)	($48)				($266)		($38)		($52)

Consolidated view of customer-wise month-over-month ACV, transactions and usage activities