Billable Conversation Summary

Open questions for alignment/sign-off
- Price levels across currencies
- Treatment for fair use (long calls 5+ minutes)
- Draw-down priority
- MVP "feature" requirements for GA (clear understanding of what we need for someone to manage usage on an ongoing basis (unlike most of our existing usage products)

Rate Card:
- Ai Agent Voice Conversation (replaces a human agent) = .99 credits
- Ai Agent Digital Conversation (replaces a human agent) = 1.99 credits

Ai Agent Voice:
- A conversation is marked billable when:
  - There is at least one Ai agent and customer interaction with an interaction defined as a response to the Ai agent
  - 1 or more knowledge retrievals and/or a successful skill (MCP tool call)
  - Session is marked closed
    - Session inactivity timeout reached
    - Customer hangs up
    - Ai Agent bot closes session
    - Human agent closes session after transfer
- Note: conversation credit is charged inclusive of a transfer to agent so long as a skill was executed and other criteria is met

Ai Agent Digital:
- A conversation is marked billable when:
  - There is at least one Ai agent and customer interaction with an interaction defined as a response to the Ai agent
  - 1 or more knowledge retrievals and/or a successful skill (MCP tool call)
  - Session is marked closed
    - Session inactivity timeout reached
    - Customer hangs up
    - Ai Agent bot closes session
    - Human agent closes session after transfer
- Note: conversation credit charged inclusive of a transfer to agent so long as a skill was executed and other criteria is met

Fair Use:

- A Fair Use Token is marked billable when: (potentially not for GA)
    - Option A) tie it to something familiar/tangible to the customer
        - Conversation exceeds 5 minutes
        - Conversations exceeds 10 actions
    - Option B) tie it to what it is (token fair use)
        - Conversation exceeds x tokens

Examples of Free Conversations —> No Agentic Skill Executed
- Standard IVR Routing Workflows
    - Standard menu
    - Standard menu & customer context
    - Multi-level menu
    - Called number segmentation
    - Caller id segmentation
- Ai Driven IVR Routing Workflows
    - Ai Workflow - speech menu
    - Ai Workflow - multi-speech menu
    - Ai Workflow - route/escalate

What happens when a customer moves from a voice to a digital conversation, digital conversation to a voice conversation (one conversation for the customer but separate types of conversations)?
- We charge for each channel independently, they are considered separate conversations or a start in a new leg of the conversation
    - Voice Ai Agent → Digital Ai Agent, 1 charge for voice, 1 charge for digital
    - Digital Ai Agent → Voice Ai Agent, 1 charge for voice, 1 charge for digital
    - Voice Ai Agent → Voice Escalation = 1 charge for voice
    - Digital Ai Agent → Digital Escalation = 1 charge for digital

Plan to integrate a different rate for digital vs. voice conversations (short-term):
- Customer buys a pack of ai agent credits (no change)
- The more credits you buy, the lower price per credit (no change)
- One allowance across voice and digital, separate from recurring credits (change)
- Different rates between voice and digital vs. 1 rate (change)
- When customer exceeds their committed pack:
    - Draws from recurring credit pool
    - Draws from one-time credit pool

Product protection against cost risk (shezan):
- Prioritization of shorter calls built into agentic system
- Suggestions to deflect calls to digital (cheaper for customer, more profitable for us)
- Default settings to escalate upon 5 minute threshold

- Guardrail to signal abuse (attack on call centers driving cost up)
- Auto improvement on bot design (misconfigured bot costs us more)

How we **future proof** model as costs change and/or new metrics emerge:
- Ability to add or adjust additional credit values (customers buy credits, not rates)
  - Ex. video ai agent —> we can assign a credit value
  - Ex. decide we need to charge for skills → we can assign a credit value
  - Ex. token usage / fair use → we can assign a credit value
  - Ex. cost structure changes on voice → we can raise/lower credit value

Price is dictated by how much you buy of a usage type, not the dollar value uploaded to system with usage type = Ai Agent

Discount is given upfront vs at time of consumption to enable easier quoting and understanding for how much a customer needs (figure out how many credits you need, then how much those credits cost)

See price list and margin here

Credit Allowance/Mo	Price per billable credit	Effective Digital Rate (0.99 credit)	Effective Voice Credit (1.99 credits)	spend/mo	spend/year	Effective Rate Discount	Sales initial launch
one-time credits / pay as you go	$1.00	$0.99	$1.99				
50	$0.95	$0.94	$1.89	$48	$570	5%	No
100	$0.95	$0.94	$1.89	$95	$1,140	5%	No
250	$0.95	$0.94	$1.89	$238	$2,850	5%	No
500	$0.95	$0.94	$1.89	$475	$5,700	5%	No
1,000	$0.90	$0.89	$1.79	$900	$10,800	10%	No
2,500	$0.90	$0.89	$1.79	$2,250	$27,000	10%	No
5,000	$0.90	$0.89	$1.79	$4,500	$54,000	10%	No
10,000	$0.80	$0.79	$1.59	$8,000	$96,000	20%	Yes
15,000	$0.80	$0.79	$1.59	$12,000	$144,000	20%	Yes
20,000	$0.80	$0.79	$1.59	$16,000	$192,000	20%	Yes
25,000	$0.75	$0.74	$1.49	$18,750	$225,000	25%	Yes
30,000	$0.75	$0.74	$1.49	$22,500	$270,000	25%	Yes
35,000	$0.75	$0.74	$1.49	$26,250	$315,000	25%	Yes
40,000	$0.75	$0.74	$1.49	$30,000	$360,000	25%	Yes
45,000	$0.75	$0.74	$1.49	$33,750	$405,000	25%	Yes

50,000	0.70	$0.69	$1.39	$35,000	$420,000	30%	Yes
custom	0.70	$0.69	$1.39	$35,000	$420,000	30%	Yes

Prioritization for GTM teams:
- In order to contract a customer, minimum commitment of 10K+ credits at launch
- Goal is to ensure GTM teams are focused on existing MM and ENT customers targeting simple use-cases that we are good at, earn trust and testimonials, build and iterate on the operation to scale and then expand into highly custom configurations
- As the product becomes more "self-serve" (easier to set-up on own) and/or the operation scalable (either through partner agencies implementing SMBs and smaller MM or through better economics on the implementation), we can lower the threshold to go through high touch sales motion
- All existing customers will have access to a Free Trial of 7 days or $x in credits, whichever comes first. In the trial state, only deployment of Ai Agent to digital channels is possible. Deployment of voice will require a paid state (pushes customer to sales team or to upgrade to paid state - tbd on readiness for self-serve use-cases)
    - Alternative for existing.. we give $100 free credits, existing and new customers can use to start using right away under one-time or recurring credits with a deadline of when to use them

How do we talk about our chosen price metric
- See [here](#)

How it is quoted:
- Discovery process to define conversations that may be automated
- Calculate total credits required based on targeted use-cases
- Credits are easy to calculate →
    - Voice conversations * voice credit value
    - Digital conversations * digital credit value
- Discount is given at the time of purchase, consumption rate always the same
- Legal language regarding a triggered true-up at 120% of committed usage (minimize having a small commitment and super high overage - better for us for cash flow and better for customer to manage cost more predictably)

How we pay reps:
- New logo →
    - New logo committed tiers + overages (per ownership window)
- Existing Logo →
    - Cross-sell to Ai Agent Credits increases a customer's total ARR (CS)
    - Cross-sell to Ai Agent Credits is bookable based on the following (CAE):
        - [committed tier] - [current tier] - [overages] = incremental ARR

- - Ai Agent Credits are treated as expansion MRR and increase NRR that is recognized as an overage-based expansion record/opportunity created in SFDC each month under account owner (CSM uses to track usage driven expansion)

How will usage entitlement be provisioned?
- Usage entitlement will be added to the main office

How customer manages usage on an ongoing basis (where **metric lives in the product** that the user interacts with):
- **Launchpad (**high level overview… any major change/spike i need to pay attention to)
  - Aggregated usage cost
- **Agent builder** (as you build understanding of what to build, your automation rate (value of what you have built, and what will be a charge if you build)
  - Unified voice/digital builder
  - Unified non-agentic + agentic workflow building
  - ROI on automation rate (What to build/why and progress) → Feb/March
- **Conversation history (**which conversations did we charge & why to audit charges and/or flag conversations to review)
  - Skills (executed) /Agents/Channels/Escalations
  - End-to-end → inclusive of escalation
  - [sms/international calling/domestic]
- **Credit usage / analytics** (review and understand actual cost.. price per credit, set hard caps/soft caps and alerts) →
  - All Agents aggregated
  - Hard/soft caps on digital vs voice
    - Hard: When you hit x credits, stop service
    - Soft: Send alerts upon hitting x% usage
  - Forecasted usage on when you will run out of credits
- **RBAC Permissions** (who has the right to manage credit usage and build/edit agents)
  - Conversation Designer (don't want to make them admin access to full cc)
    - Agent Builder - edit-only
    - Conversation History
    - Credit/usage / analytics
  - Multiple RBAC roles -> billing + conversation designer
    - Agent Builder - read-only
    - Conversation History - read-only
    - Credit/usage/analytics
  - [sms/international calling/domestic]

Agent Builder
[visual]

Conversation History
[visual]

Credit usage/analytics
[visual] - analytics
[visual] - hard/soft caps

RBAC Permissions
[visual]

How does the user interact with recurring credits vs. agentic credits in the product?
- [open question] → do we isolate visualization of each independent of each other? How does this look short term vs long-term (when we have budget management)?

Short-term:
Recurring credits = rate at time of consumption, pool of dollars to use across platform
Ai Agent credits = upfront discounts, distinct product that can stand on its own

Usage holistically across all usage categories for long-term in both cases price needs to be dictated by how much you use per usage type NOT how much you commit holistically which can be solved a few ways ng

Long-term
- Do they just buy all credits
- Assuming they can budget each separately and set limits/caps
- Assuming rates are tied to usage type

- Scenario a → upfront credits, upfront discount (simpler but less flexible to give different discount per usage type)
  - Assign budgets
  - Cut it off per usage type
  - Alert you per usage type
  - Effective rate per usage type
- Scenario b → rates per usage type vs commitment level (not per dollar upload) (more complex, but more flexible to negotiate rate per usage type)
  - Assign budgets
  - Cut it off per usage type
  - Alert you
  - Rates per usage type
  - Commitment overall gives them predictability and budget management, need to be spending a lot to get a different rate card from standard
- What if recurring credits NEVER has a discount tied to it? (it solves for the quoting challenge because it means discount is never tied to dollar commitment that is spread across customers and you don't want a lot of small one-time charges.. The discount is only if you commit to a specific usage type in a high enough quantity x ex. Like how we are setting up agentic as a separate entitlement bucket with an associated rate)

- One-time credits or Recurring credits —> this is just a dollar pool to pull from
  - Single standard rate card across all customers with associated rates
  - No discounts, benefit for customers is just the ability to not have to have multiple one-time charges but instead have more spend predictability with a recurring commitment
  - Customer may be able to budget / separate dollars across usage types and/or control usage with hard and soft caps
  - Customers may predict what they need because it's a single rate card and discount isn't dependent on how much they spend
- How does a customer get a discount on a usage type beyond the standard rate card?
  - Commitment packs per usage type tied to volume discounts so rates are tied to usage of usage type vs. dollar commitments (for large enterprises)
  - Entitlements that are isolated by category before drawing from general pool
  - For large customers they may only buy packs by usage type vs. recurring credits because they want to unlock specific discounts and need to make high levels of commitment and manage budgets separately
  - For small customers they may just buy recurring credits or uploading one-time funds to flexibly use across with auto-reload, they don't warrant high enough volume to consider a discount and we are complicating purchase process by introducing it

Types of usage
-conversation driven costs (telephony and ai agent)
-platform driven costs (apis, analytics, etc)

What does it look like on the order form:

Dialpad, Inc.
2700 Camino Ramon, Suite 490
San Ramon, CA 94583
USA
Email: AR@dialpad.com

✦dialpad

Consumption Packages

Billing Period: Annual

Consumption Package	Unit of Measure	Unit Price	Monthly Allotment	Annual Total
Ai Agent Credits	Credits	$0.82	1,000	9,840.00 USD
Recurring Credits	Credits	NA	NA	1,000.00 USD
			Annual Amount	10,840.00 USD

What legal language is written into the contract?

- (1) Clear articulation that usage allotment resets according to billing period and that upgrades pro-rate both the allowance and the fee
- (2) SOW for papered contracts must include contractual guardrail that if they exceed 200% (default) of their usage, service does not stop but mandatory notification and meeting with account manager (only if true-up
- (3) Annual contract with different billing periods means that the commitment is annual and the minimum (for which we give flexibility to consume per billing period), customers may only upgrade or pay for overages until contract resets

What does it look like on the invoice:

[Madhu]

How we track data/financials:
- Usage dataset
  - Billing type - invoice/credit card
  - State = paid/trial/gifted
  - Product = csr_product
  - Structure: committed/overage
  - Usage type: international calling/domestic/ai agent credits
  - Price per unit
  - Quantity of units