[Req] Billing: Paid Proof of Concept

Epic	**DR-1237** - [Dashboard] Billing Improvement **IN DEVELOPMENT**
Document owner	Audrey Leung
Designer	YUAN2
Lead Developer	Yu Lu
QA	TrishaChetani
Reviewer	LI GUANGDA

Goal

- Create "Paid POC" status on dashboard billing, which will support the current billing practice of Trial > Paid POC > Suspended (whereas the dashboard currently only supports Trial > Paying > Churn)

Why are we doing this?

- Paid POC status is a recurring use case and is very different from Trial or Paying:
  - Paid POC has expiry date, which we need to track to know when a contract is ending, whereas a paying customer is automatically renewed
  - Paid POC status has a different billing methodology: monthly, flat-rate,
  - or non-recurring Paid POC turns into suspended rather than churned

Background

- BD sales model is misaligned with billing. Customers are regularly entering into "Paid POC" phase before going into "Paid" status, and the current billing platform does not reflect this.
  - What is "Paid POC"? This is a temporary status with an expiry date in between trial and paying that typically lasts 2-3 months and can be billed monthly or at a flat rate. Canceling a Paid POC is not considered as churn, because the customer was never officially paying in a long-term contract.
- Target users: Finance team, BD, and CSM

Background Research

- Folder of Billing Research
- Compilation of billing issues
- Data inconsistencies (by Yuwen)
- Interview with Vincent
- Interview with Loi
- Initial Reqs (deprecated)
- Hubspot Workflow

- BD will need to input billing plan
- Finance will need to pull the usage and billing details
- CSM will need to convert trial to paid POC to paying
- BD/CSM may need to change usage limits, expiry date, or billing invoice recurrence

Features of "Paid POC" status

- Like a trial, should be able to send the end date (automatically suspended after 2 months or extend)
- If customer cancels Paid POC, will not be considered as churn
- Only selected solutions get activated / subscribed
- Pricing options:
  - One-time (non-recurring) flat fee for X months
  - Recurring flat fee every X months
  - Monthly overage billing
  - Some have overages, overage limits, some have unlimited API calls

Requirements

#	Component	User Story	Notes
1	Dashboard Paid POC Status	Internal admin need to see a list of all the Paid POC customers and their actions in System Management	• Insert Paid POC Status: Trial > Paid POC > Paid > Suspended > Disabled > Churned • Current Plan would be "Paid POC" • Actions would include: Detail, Suspend, Convert to Paying, View Limit, Change Current Plan, View Billing Detail • Paid POC page should look like Trial page with Current Billing Cycle (CBC) and Amount due for CBC • From Trial customers, insert button "convert to paid POC" • If customer cancels Paid POC, considered as suspended rather than churned
2	Dashboard Billing	CSM/BD needs to input and edit "Plan Expiry Date"	• "Plan Expiry Date" of Paid POC is beneath the effective date; typically 2-3 months to expiration • Need to have # of days remaining like trial
3	Dashboard Chargeover	Finance team needs to download and send the invoice for a customer in paid POC	• Sync Dashboard billing with Chargeover - send an email alert to Finance, CSM and engineering if there is a difference between chargeover invoice and billing dashboard. **DR-1415** - [Billing] Email alert for differences between Dashboard and Chargeover **OPEN** • Need to provide a way for Finance to pull usage data for any period of time for an account (even suspended accounts)
4	Dashboard Billing	CSM/BD needs to input and edit the pricing duration and recurrence	• Input "flat-rate" billing plan - only allowed one price amount to be inputted followed by the the billing date (need UI design) • Flat fee option or way to choose recurring, non-recurring, and # of months • Overage charges should have option or way to choose recurring or non-recurring and # of months
5	Dashboard Billing	CSM/BD needs to input and edit the pricing duration and recurrence	• Input "flat-rate" billing plan - only allowed one price amount to be inputted followed by the the billing date (need UI design) • Flat fee option or way to choose recurring, non-recurring, and # of months • Overage charges should have option or way to choose recurring or non-recurring and # of Months
6	Chargeover	Finance team needs to download and send the invoice for a customer in paid POC	• Sync Dashboard billing with Chargeover • Generate monthly recurring or flat-rate, non-recurring invoices • Generate monthly overage charges for flat-rate non-recurring invoices
7	Dashboard Billing	Old accounts need to upgrade their plan	• Able to switch from unit-based pricing to solution-based pricing • Able to upgrade solution-based plan to buy more units

Workflow

Current Workflow

Status Flow v1

Status Flow v2

Status Flow v3

User interaction and design

See mockups:

Final: https://projects.invisionapp.com/d/main#/projects/prototypes/10534352

https://projects.invisionapp.com/d/main#/projects/prototypes/10475579

Custom Billing Plan

- Select solution from dropdown or customize own solution
- Select metric from dropdown or customize own metric
- Set base limits and base pricing
    - For tiered pricing, add a new line with the same metric for the next tier of pricing
    - For QPS, base units will be in QPS/hr
- Set overage units and overage pricing (optional fields)
- Input total monthly subscription price
- Set invoice recurrence for subscription price and overages
- Input discount (% or flat)

Acceptance Criteria

CSM able to complete flow of setting up Paid POC account without any blocking issues

- CSM able to convert Paid POC to paying or trial
- without any blocking issues Finance able to
- generate accurate Chargeover invoice for Paid POC

Success Metrics

- < 1 alert sent per month if billing dashboard differs from Chargeover invoice:

    DR-1415 - [Billing] Email alert for differences between Dashboard and Chargeover
    OPEN

Timeline

Design (wireframe): 1/2 week

Design (1st iteration mockup): 1 week

Design (2nd iteration mockup): 1/2 week

Development Sprint: 2 weeks

Questions

Below is a list of questions to be addressed as a result of this requirements document:

Question	Outcome
What is the impact on Hubspot logic of email notifications?	To work with marketing team

What if CSM wants to change billing cycle in middle of period?	Created a JIRA ticket to cover this as it affects paid customers, not only paid POC. Currently all changes or cancelations happen at end of billing cycle: **DR-1434** - [Billing] Immediate effect of plan change between cycles **OPEN**
Should we actually design a more complicated structure to even add more status by the admin themselves?	Actually it's not the status that needs to be more flexible, it's the billing plan itself. Within each status, there are still many different variations of the billing plan.

Not Doing

- Aggregating subscription or overage billing to any other time frame other than monthly
- Upgrade/downgrade of plans
- Other syncing issues between Chargeover and Dashboard *unrelated* to Paid POC
- CEO metrics like MRR for quarterly paying customers
- Converting old customers from units to solution based