

[Req] Billing: Paid Proof of Concept

Epic	DR-1237 - [Dashboard] Billing Improvement IN DEVELOPMENT
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Goal

- Create "Paid POC" status on dashboard billing, which will support the current billing stages of Trial > Paid POC > Suspended (different from 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	<ul style="list-style-type: none"> • 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"	<ul style="list-style-type: none"> • "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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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?	<p>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:</p> <div> DR-1434 - [Billing] Immediate effect of plan change between cycles OPEN </div>
Should we actually design a more complicated structure to even add more status by the admin themselves?	<p>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.</p>

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