

NetSuite Contract Renewals

Automate Renewals, Increase Customer Retention and Reduce Cost

Key Features:

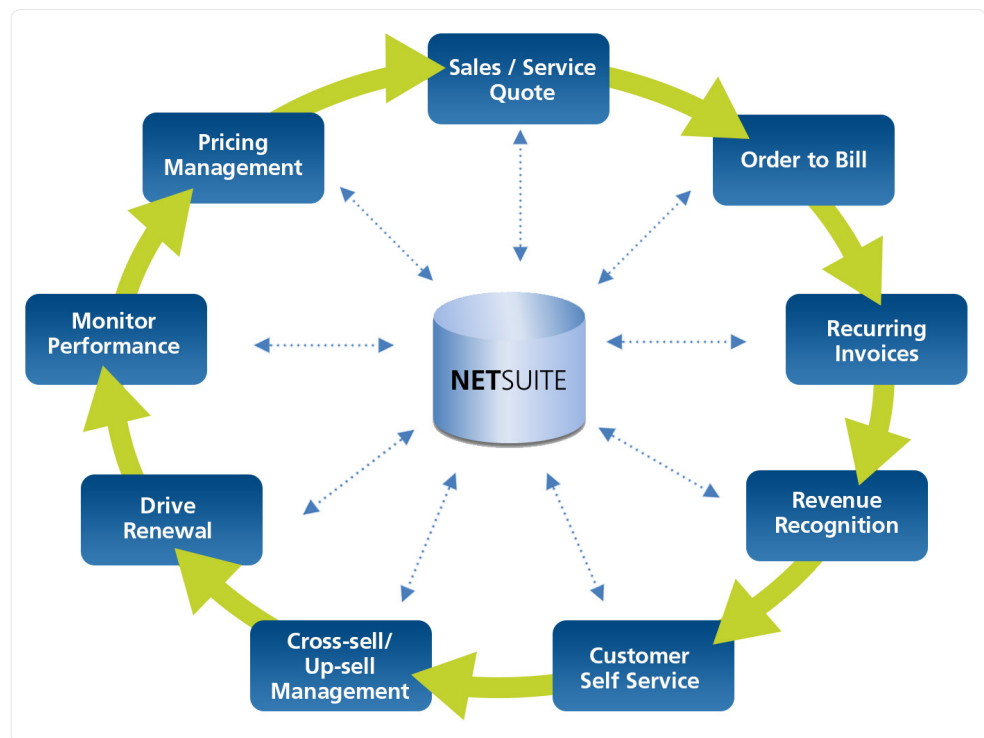
- Automated Renewals
 - Automate renewals based on pre-defined windows
 - Execute perpetual or term-based license renewals
 - Improve efficiency and reduce costs
- Multi-Contract Management
 - Co-terminate multiple transactions into a single contract
 - Maintain multiple contracts as necessary
 - Streamline processes for vendor and customer
- Uplift and Discount Management
 - Automatically uplift contracts based on a price book or across the board
 - Flexibly implement discounts and uplift at customer levels
 - Reduce risk of lost revenue and customer dissatisfaction
- Upsell and Returns
 - Automatically renew upsell items added to existing contracts
 - Remove contract items through a Return Merchandise Authorization
- Multi-Channel Support
 - Track and manage multi-tiered sales interactions
 - Better engage with distributors, resellers and end-users
- Real-Time Visibility
 - Track renewal tasks as they are automatically added to dashboards
 - Monitor KPIs of key metrics, trends and priority items
 - Drill down to detail data for interactive reporting

Recurring revenue from ongoing licenses, support and maintenance contracts is the lifeblood of software companies. Managing and optimizing these recurring revenue streams is critical to the long-term health and success of software companies, including both cloud computing vendors and traditional software providers.

Yet today, many software companies suffer revenue leakage and customer churn because they rely on cumbersome, inefficient and sluggish manual processes to manage contract renewals and account for recurring revenue. The many spreadsheets and organizational handoffs involved introduce costly errors and delays, obscure visibility into the renewal pipeline and rob companies of the opportunity to capitalize on the potential of contract-based business. In many cases, software companies leave money on the table because they cannot respond quickly enough to expiring customer relationships.

NetSuite provides the critical end-to-end functionality that software companies require to effectively manage their renewal business. With robust automation, scalability and visibility, NetSuite's contract renewals capabilities let you:

- Automate renewals through a flexible and powerful process that lets you track renewable assets and maximize renewal revenue
- Reduce costs through better billing efficiencies and drive revenue and customer retention
- Gain real-time reporting and visibility into your installed base and renewal pipeline as well as the status of renewal revenue, upsells and returns.



NetSuite provides the critical end-to-end functionality that software companies require to effectively manage their renewal business.

Renewal Automation

NetSuite enables customers to automatically generate renewal transactions based on a pre-defined window

Multi-Contract Management

NetSuite's approach helps ensure maximum revenue during the renewal process

Uplift and Discounting

NetSuite enables uplifts to be managed across the board or on a customer basis

Key Capabilities

Renewal Automation

By leveraging NetSuite's flexible and powerful automated renewal process, software companies that offer perpetually licensed and term-licensed products can effectively manage the recurring billing of both on-premise and on-demand software licenses. NetSuite enables customers to automatically generate renewal transactions based on a pre-defined window, such as 90 days or 120 days before expiration. This ensures that renewals are handled in a timely fashion and revenue opportunities aren't missed. It also streamlines workflow and reduces time, expense and risk.

Multi-Contract Management

One of the many issues around renewals is managing the multiple transactions that typically occur with a customer over the course of a year. Some of these may be one-time transactions for training or consulting, while others are annual contract renewals for new users, product and module licenses, or support and maintenance entitlements.

NetSuite simplifies this process—for both the vendor and the customer—by allowing the co-termination of multiple transactions into a single contract with a single renewal. At the same time, multi-contract support provides for additional flexibility when it may not be appropriate to co-terminate all items under a single contract. This streamlined approach helps ensure maximum revenue during the renewal process.

Uplift and Discount Management

Uplift and discounting are critical aspects of the contract renewals process. As a software company renews a customer, it may increase pricing based on a pre-defined price book or a standard across-the-board increase, or it may implement increases only for some customers or customer sets. Similarly, the company may extend discounts to select customers.

It's important that a software company have the flexibility to implement and customize uplifts and discounts across any range of customers; however, managing that process with spreadsheets introduces the risk of error, lost revenue and customer dissatisfaction. NetSuite supplies a set of features that enable uplifts to be managed across the board or on a customer basis, while supporting granular discounting down to the individual transaction level.

Revenue Recognition

The process of recognizing revenue from contract renewals presents another challenge to software companies. In most cases, revenue recognition follows the same set of dates as the transactions themselves. In some cases, however, revenue recognition needs to be handled separately, depending on transaction types and new Financial Accounting Standards Board (FASB) rules. This separation of revenue recognition often requires yet another process to be created, further increasing the time and workload for a renewal.

NetSuite solves this challenge by providing the flexibility to manage different sets of dates for revenue recognition purposes. This capability allows the contract renewal and billing process to flow automatically, while revenue recognition can follow a different process without requiring a new set of spreadsheets and additional complexity.

