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Driving innovation and customer engagement with subscription billing

The financial ecosystem is undergoing a profound transformation, shifting from traditional, closed frameworks to open, interconnected environments that prioritize collaboration and accelerate innovation. This evolution has redefined customer expectations, with demands now centred on flexibility and hyper-personalized services. As a result, financial institutions are adopting modern revenue models—subscription pricing, pay-as-you-go plans, and usage-based structures—that align costs with real-time value and sustain loyalty in an era of relentless competition. The advent of these new models also demands that a related monetization mechanism, like a modern billing system, be in place to operationalize these structures and capture the commensurate revenue. Among these models, subscription billing has emerged as a cornerstone of this evolution, uniquely positioned to address the demands of open, interconnected financial ecosystems.

Related products

- ORMB for payments
- ORMB for healthcare payers
- ORMB for general and life insurance

Subscription billing: the bridge between innovation and customer-centric growth

To thrive in this new paradigm, financial institutions are increasingly turning to subscription billing as a key enabler of sustainable, customer-centric revenue models. Unlike traditional transactional approaches, subscription billing fosters recurring, relationship-driven revenue streams that support scalability, hyper-personalization, and cost efficiency. Through subscription billing, banks can curate highly tailored offerings across various levels—— from individualized account tiers to enterprise-grade API bundles—that mirror the dynamic needs of customers in a digital-first economy.

Beyond improving customer experience, subscription billing delivers tangible financial benefits, such as predictable revenue streams, improved cash flow, and reduced customer attrition. In doing so, it transforms billing from a back-office task into a strategic driver of loyalty and long-term growth, ensuring banks thrive in an era where adaptability defines competitiveness.

However, traditional billing and pricing systems—designed for rigid, one-size-fits-all services—are ill-equipped to support the complexity and customization required by these new models, particularly as banks strive to deliver hyper-personalized services at scale. This gap underscores the need for a modern revenue management, pricing, and billing system—one that can adapt to evolving business models, streamline operations, and unlock new revenue opportunities.

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Turning flexibility into competitive advantage with Oracle Revenue Management and Billing (ORMB)

ORMB is a robust solution designed to help banks seamlessly implement subscription-based and other modern billing models with flexibility and scalability. ORMB supports personalized billing options at various levels, from individual accounts to entire corporate entities.

For Business

Consistent & predictable revenue

For banks and other financial institutions, subscription billing transforms volatile, one-time transactions into steady, recurring revenue streams. By locking in contracts for fixed periods (e.g., via annual or monthly subscriptions), banks can ensure a predictable cash flow that can also help simplify their financial forecasting. For example, a bank offering API access plans can secure upfront commitments thus reducing revenue uncertainty and enabling better resource allocation.

Increased customer retention

Subscription billing fosters long-term customer relationships by shifting the focus from one-time transactions to ongoing value delivery. Due to its recurring agreements, customers are more likely to stay engaged, reducing churn and increasing lifetime value. It enables organic growth through premium tiers, add-ons, or tailored upgrades that align with evolving needs—sustaining revenue and deepening engagement as relationships mature.

For Customers

Cost Effective

Unlike one-time purchases, subscription billing spreads costs over predictable intervals (e.g., monthly or annual cycles), eliminating upfront burdens. By locking in fixed fees in pricing, it shields customers from mid-term price hikes and ensures long-term affordability—ideal for budget-conscious users and businesses prioritizing cash flow stability.

Flexible Service Packages

With multiple subscription tiers (Basic, Premium, Enterprise), customers can choose plans that best match their needs. At the end of a subscription cycle, they have the flexibility to continue, upgrade, or downgrade their plan based on evolving requirements, ensuring a personalized and adaptable experience.

Key features

- Personalized Renewals
- Automated Billing
- Deferred Revenue Recognition
- MRR Calculation

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ORMB at a Glance: Features That Future-Proof Your Subscription Billing

Personalized Renewals

ORMB allows banks to tailor renewal cycles to individual customer preferences, offering flexibility in billing frequencies such as monthly, bi-monthly, or annually. This customization enhances customer satisfaction by aligning payment schedules with their financial planning and cash flow needs. For instance, a customer might prefer monthly payments to match their salary cycle, while another might opt for annual payments to minimize transaction frequency.

Automated Billing

With ORMB's automated billing capabilities, banks can streamline operations by automatically generating billable charges based on predefined billing frequencies. This reduces manual intervention, minimizes errors, and ensures timely invoicing. The automation not only enhances operational efficiency but also improves the customer experience by providing consistent and accurate billing.

Deferred Revenue Recognition

ORMB provides robust tools for managing revenue recognition, allowing banks to defer or recognize revenue at the end of each billing cycle. This ensures compliance with accounting standards and supports transparent financial reporting. By accurately matching revenue with the period in which services are delivered, banks can present a true and fair view of their financial position.

MRR Calculation

The platform offers comprehensive tracking of Monthly Recurring Revenue (MRR), enabling banks to monitor the health of their subscription services. By analyzing MRR trends, banks can forecast future revenue flows, assess the impact of customer acquisitions or churn, and make informed strategic decisions to optimize revenue streams.

ORMB: Enterprise scale in action

With a 35% year over year growth rate, ORMB processes USD500 billion in billed revenue annually for:

- 3 out of top 5 cash management banks
- 3 of the top 4 custodian banks
- 2 of the world's leading exchanges
- 3 of the top five payment processors

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Emerging Areas for Subscription Billing

Corporate Subscription Billing

Banks are expanding subscription models into corporate banking, offering enterprises usage-based pricing and bundled corporate services. These can also be customized with tiered maintenance fees, fostering long-term partnerships in open ecosystems.

Customizable Service Packages

ORMB enables hyper-personalized offerings that cater to various customer needs, with the ability to add usage-based fees and adjust maintenance charges by package period.

To capitalize on these emerging opportunities, banks need a solution that transcends the limitations of legacy systems.

How ORMB can help?

Oracle Revenue Management and Billing (ORMB) simplifies subscription billing adoption with no-code configurability, unmatched scalability, and end-to-end transparency, enabling banks to deploy personalized renewals, automate billing, track MRR, and ensure compliant revenue recognition seamlessly. Its agile platform accelerates time-to-market for hyper-personalized offerings while reducing operational friction, curbing churn, and unlocking recurring growth. By transforming billing into a strategic lever, ORMB empowers banks to lead in a market where adaptability and customer-centricity define success.

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