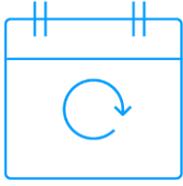


 Microsoft Dynamics 365



Modernize your subscription business





Table of contents

- Introduction
- Supporting the subscription model
- Subscription modernization
- Next steps
-

INTRODUCTION

How to transform your subscription business with Dynamics 365 Finance and LISA





CONCERNS AND CONSIDERATIONS

Supporting modern subscriptions



Key considerations for modernizing your subscription business



Do you have a centralized, global financial subscription management solution that can deliver intelligence and insights in real time?



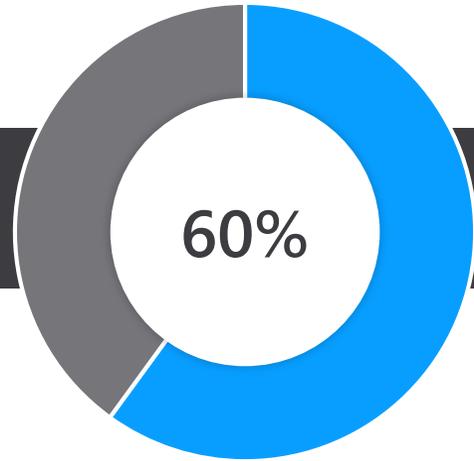
Are the technologies and tools you're using today supporting your business needs?



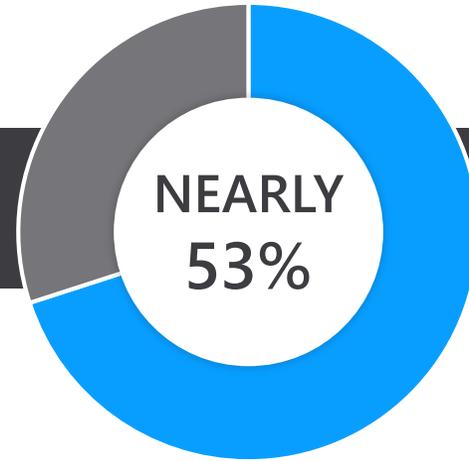
Are you using technology in your financial process to improve accuracy and reduce billing errors?



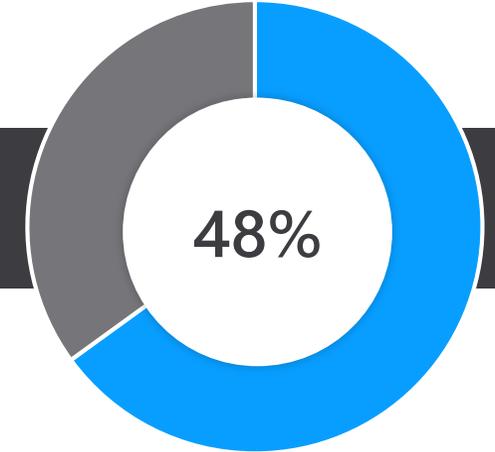
Benefits of embracing modern subscriptions



New mid-sized core financial management application projects, and 30% of large and global ones, which will be public cloud implementations by 2024



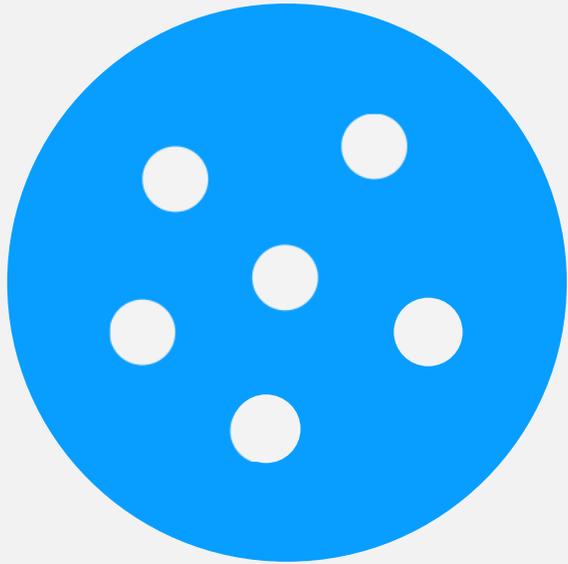
By 2022 nearly 53% of software revenue generated will be tied to a subscription model



Approximately 48% of businesses experience challenges with financial processes and reporting relating to subscription management.

“By 2020, embedded AI will become a key differentiating factor in finance systems evaluations, and vendors with this capability will be able to highlight greater functional advantages.” –Nigel Rayner, vice president at Gartner

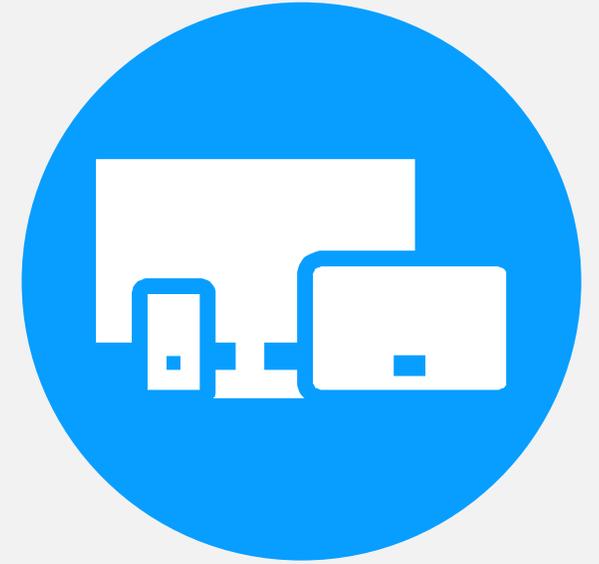
Typical financial management functional concerns



Isolated financial and billing systems, disconnected applications

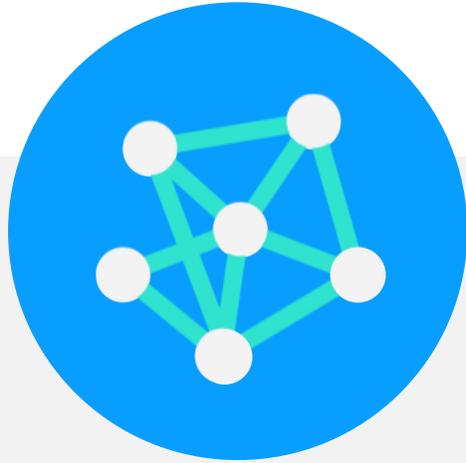


Desire to automate business processes, from subscription activation to backend financial process flow



Need for workspace to allow subscription and finance teams to support customers quickly

The changing landscape



Automation of manual repetitive tasks and adaptive subscription models to the needs of the business



Integrating best-of-breed financial planning, analysis, and posting capabilities into the core financial management suite



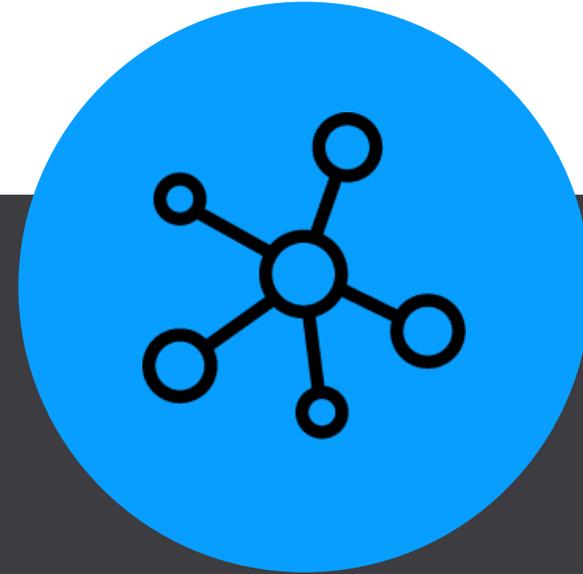
New demand for centralized financial management apps deployed as cloud services

A focused approach to modernizing subscriptions



Modernize finance

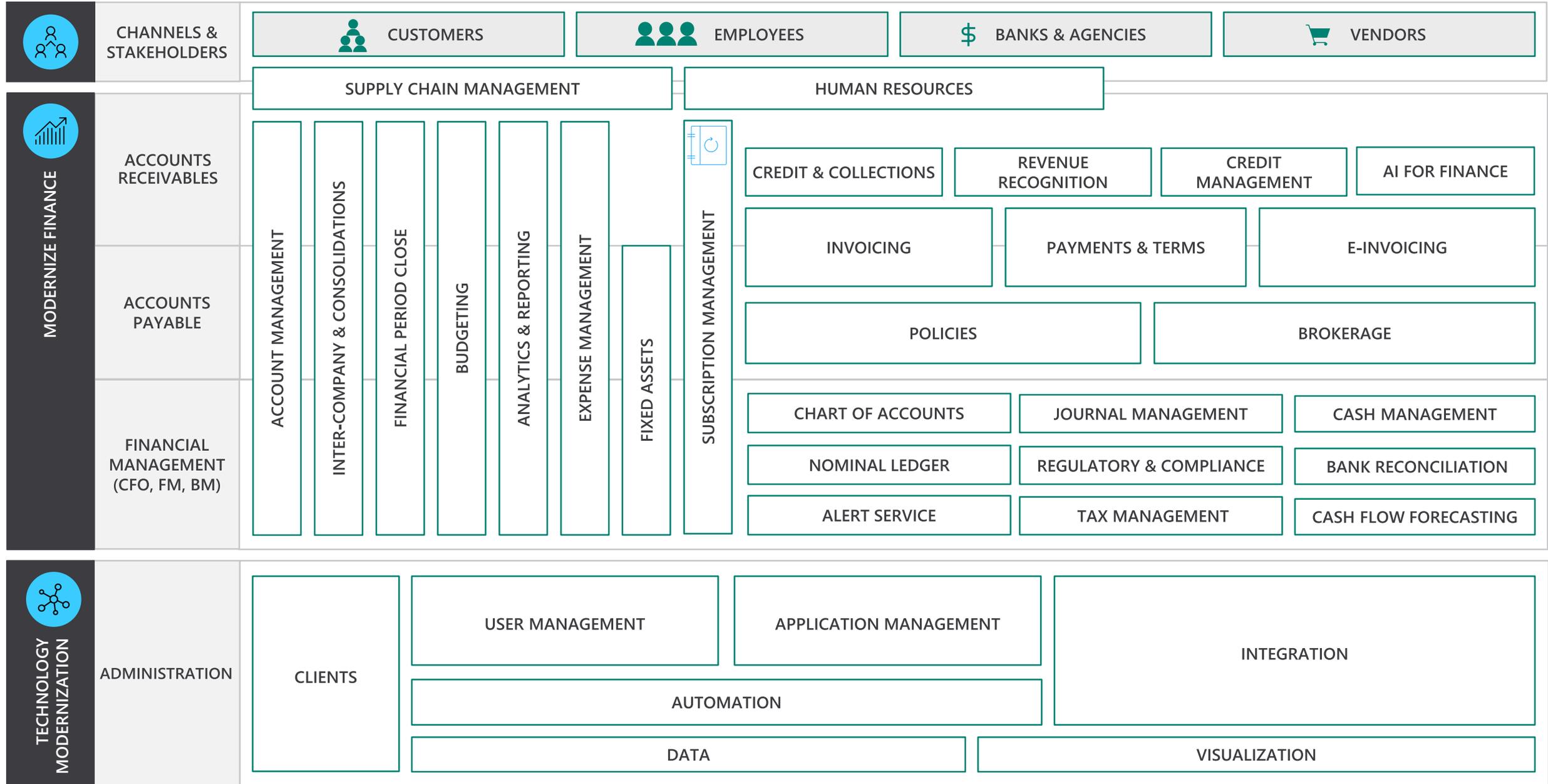
Transform finance with automated, integrated global financial processes
Take advantage of predictive analytics for intelligent recommendations



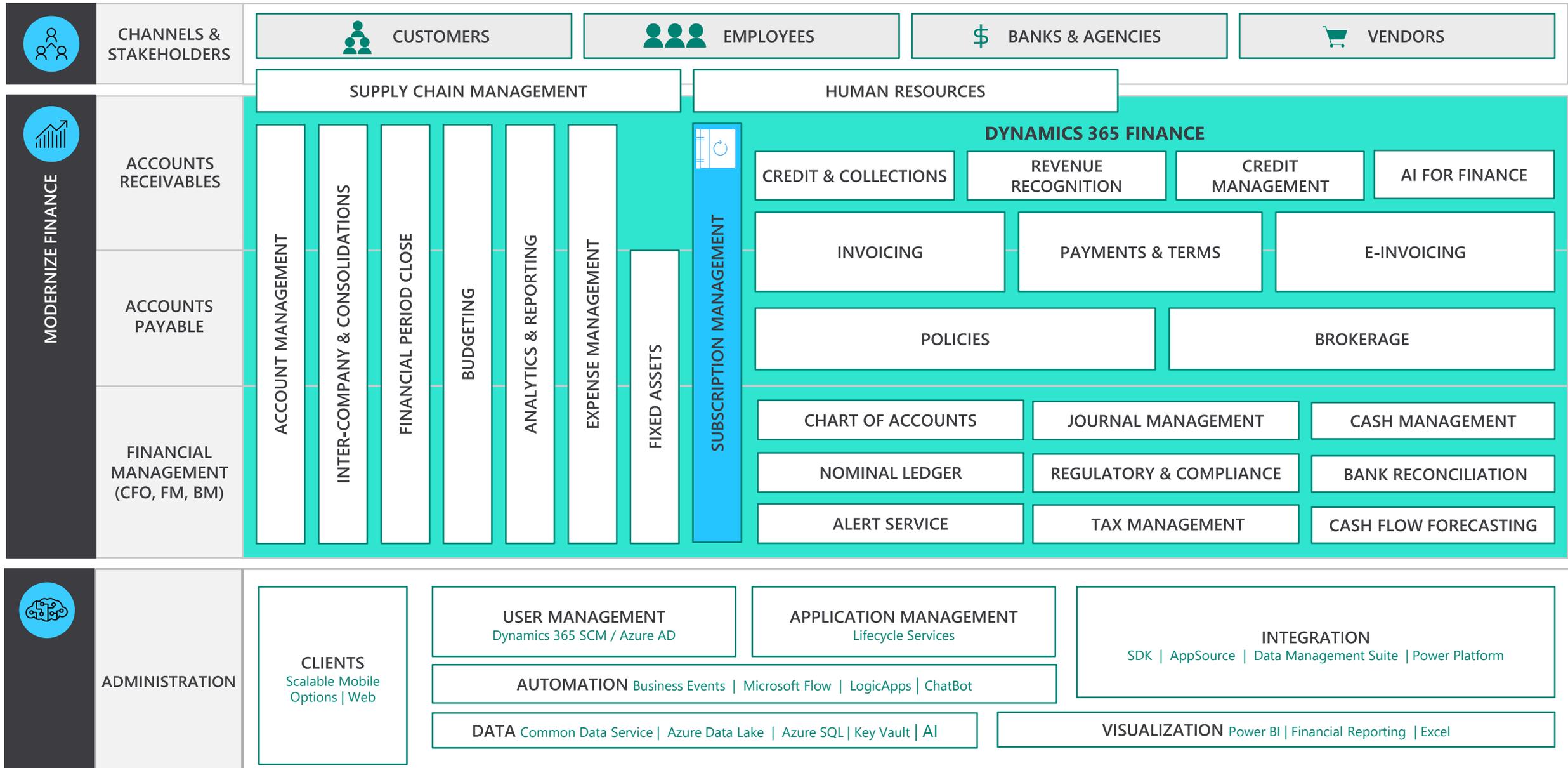
Subscriptions modernization

Simplified approach to subscription management with an adaptable framework which provides automation of key financial tasks within the familiar interface of the Dynamics 365 framework

Functions enabling modern finance



Microsoft ecosystem supporting modern finance



Dynamics 365 provides the foundation to optimize finance



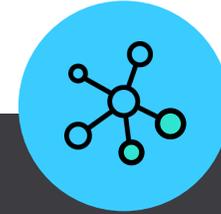
Modernize finance

Centralize or distribute financial management with embedded reporting and financial analytics

Optimize your team's productivity with seamless, integrated processes and tasks

Elevate financial capabilities with intelligent processes like proactive credit management, bank management, revenue recognition, and more

Keep up with frequently changing regulatory requirements with globalization and tax configuration, e-invoicing, payment, and reporting formats



Subscription Modernization

A scalable approach to complex subscription types, incorporating business rules on different subscription types

Provide value to customers through bundling offers inclusive of both goods and services

Automation of manual repetitive tasks such as the creation of sales orders and back-to-back purchase orders

Dedicated workspace and subscription cockpit with visualization and drilldown capabilities



Subscription modernization

- A scalable approach to complex subscription types, incorporating business rules on difference subscription types
- Provide value to customers through bundling offers inclusive of both goods and services
- Automation of manual repetitive tasks such as the creation of sales orders and back-to-back purchase orders
- Dedicated workspace and subscription cockpit with visualization and drilldown capabilities



SUBSCRIPTION
MODERNIZATION

A scalable approach to complex subscription types, incorporating business rules on difference subscription types



Subscription
Types



Commercial
Terms



Effectively manage and operate your subscription business model



Manage different plans

- Manage various subscription types linked to items, equipment, assets, project services and consumption
- Link Subscription types to flexible commercial preferences and mitigate financial risk
- Keep control of master by compiling customer-specific offers from released items suitable for subscription

A screenshot of the Dynamics 365 Finance and Operations web interface. The browser address bar shows the URL: bft-d365fo-tst.sandbox.operations.dynamics.com/?cmp=BFMT&mi=BFTPr... The page title is "Program types -- Finance and Op". The main content area displays a table titled "Program types" with a search filter. The table has five columns: "Subscription classific...", "Program type", "Default subscription type", "Create purcha...", and "Period type". The table contains eight rows of data.

Subscription classific...	Program type	Default subscription type	Create purcha...	Period type
Asset	Mileage billing	Consumption subscriptions	<input type="checkbox"/>	Rolling
Asset	Asset maintenance	Per unit subscriptions	<input type="checkbox"/>	Rolling
Retail	Premium Wine Subscription	Per unit subscriptions	<input type="checkbox"/>	Rolling
Project	Project program of works	Per unit subscriptions	<input checked="" type="checkbox"/>	Rolling
Licence	Persona doctors plans	Per unit subscriptions	<input type="checkbox"/>	Rolling
Licence	Platform Services	Consumption subscriptions	<input type="checkbox"/>	Rolling
Licence	Facility Management licenses	Per unit subscriptions	<input type="checkbox"/>	Calendar
Licence	Cloud Solution Provider (CSP)	Per unit subscriptions	<input checked="" type="checkbox"/>	Calendar
Licence	In-House	Per unit subscriptions	<input type="checkbox"/>	Calendar



SUBSCRIPTION MODERNIZATION

Effectively manage and operate your subscription business model



Flexible commercial terms

- Mix-and-match various commercial terms to subscription types to easily manage high-risk subscriptions
- Incorporate deposits against the customer account which is deducted against the subscription
- Incorporate securities against the customer account

Subscription commercial templates

ID	Name	Program type	Subscription type	Subscription deposit type	Pre-invoicing (
BFMT-LCT-0002	CSP - Per unit - with 3M deposit	Cloud Solution Provider (CSP)	Per unit subscriptions	Deposit	

General

<p>DEPOSIT</p> <p>Subscription deposit months 3</p> <p>Minimum subscription deposit balance 29,500.00</p>	<p>ENHANCEMENT PLAN</p> <p>Enhancement plan percent 0.00</p> <p>Enhancement plan length (in years) 0</p>	<p>SALES BILLING</p> <p>Billing period Monthly</p> <p>Billing period months 0</p> <p>Period type Calendar</p>	<p>Purchase billing period months 0</p> <p>Purchase period type Calendar</p>
<p>SECURITY</p> <p>Subscription security type</p> <p>Subscription security value 0.00</p> <p>Security value average cycle 0</p> <p>Subscription security pct fence 0.00</p>	<p>TYPE</p> <p>Billing type Upfront</p>	<p>PURCHASE BILLING</p> <p>Purchase billing period</p>	
	<p>POSTING</p> <p>Billing posting profile id Inclusive of VAT - No Accruals</p>		

Filter

- CSP - Per unit - with 12M d...
BFMT-LCT-0001
Cloud Solution Provider (CSP)
Per unit subscriptions
- CSP - Per unit - with 3M de...
BFMT-LCT-0002
Cloud Solution Provider (CSP)
Per unit subscriptions
- CSP - Per Unit - Security 15%
BFMT-LCT-0003
Cloud Solution Provider (CSP)
Per unit subscriptions
- DPL - Per unit - Security 15%
BFMT-LCT-0004
Dynamics Price List (DPL)
Per unit subscriptions



TECHNOLOGY
MODERNIZATION

Provide value to customers through
bundling offers inclusive of both
goods and services



Goods and
Services



Effectively manage and operate your subscription business model



Offers includes both goods and services

- Activate subscriptions from Sales Quotes converted to Sales Orders
- Activate subscriptions from work breakdown structure originating from Project quote
- Seamless transaction flow from quote throughout subscription lifecycle

The image displays two screenshots of the Dynamics 365 Finance and Operations interface. The top screenshot shows the 'Project' form for 'BFMT-000151 : Large Project with Subscriptions'. The bottom screenshot shows the 'Sales quotation' form for 'PRQ-000307 : Softimpact Ltd.'.

Project Form Details:

- Project ID: BFMT-000151
- Project name: Large Project with Subscriptions
- Project type: Fixed-price
- Account: DYSNL
- Projected start date: 4/15/2020
- Actual start date: (empty)
- Projected end date: (empty)
- Responsible: Sales manager

Sales Quotation Form Details:

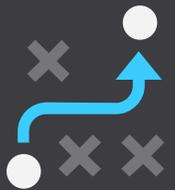
- Quotation ID: PRQ-000307
- Customer: Softimpact Ltd.
- Sales quotation header: (empty)
- Lines table:

Item	Product name	Quantity	Delivery name	Program type
CSP-0128	WinAutomation E-Plan	35.00	Softimpact Ltd.	Cloud Solution Provider (CSP)



TECHNOLOGY
MODERNIZATION

Automation of manual repetitive tasks such as the creation of sales orders and back-to-back purchase orders



Automate recurring actions



Effectively manage and operate your subscription business model



Automation of recurring actions

- Automatically firm subscription actions once subscription offering is published on customer profile, generating requests for securities or deposits, sales orders, related purchase orders and payment journals
- Automatically post transactions and auto-settle payments once received
- Recognize revenue over the appropriate term with or without VAT accruals

Finance and Operations

Search for a page

Subscription management cockpit

Customer account: BFMT-111111, Name: JH Water, Invoice account, Terms of payment: Net15, Currency: EUR, Accounting currency balance: 0.00, Balance in currency: 0.00

Subscription groups

Subscription group	Subscription classification	Program type	Subscription type	Billing posting profile id	Billing type	Billing period
BFMT-LG-00000108	Licence	Cloud Solution Provider (CSP)	Per unit subscriptions	Inclusive of VAT - No Accruals	Upfront	Monthly
BFMT-LG-00000214	Licence	Cloud Solution Provider (CSP)	Per unit subscriptions	Inclusive of VAT - No Accruals	Upfront	Yearly

Subscription group lines

Line number	Enabled	Item number	Product name	Start date	End date	Original start date	Original end date/time
1.0000000000	<input checked="" type="checkbox"/>	CSP-0080	D365 for Sales Enterprise	4/1/2020	4/30/2020	4/1/2020	4/30/2020

Action messages

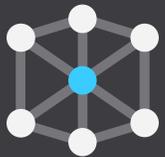
Not firmed | Firmed | Historical | Cancelled

Action types	Date	Customer account	Sales invoice date	Purchase order	Sales order	Payment journal id	Item number
Request for deposit payment	12/17/2019	SOFTIM	1/1/2020			BFMT-000275	
Request for deposit payment	2/14/2020	SOFTIM	3/1/2020			BFMT-000283	
Generate sales order invoice	12/9/2019	SOFTIM			BFMT-SO-000352		CSP-0128
Generate sales order invoice	2/1/2020	SOFTIM			BFMT-SO-000352		CSP-0128
Generate sales order invoice	2/14/2020	SOFTIM			BFMT-SO-000352		CSP-0064
Generate purchase order	12/9/2019			BFMT-PO-000251			CSP-0128



SUBSCRIPTION
MODERNIZATION

Dedicated workspace and subscription cockpit with visualization and drilldown capabilities



Dedicated
Workspace



Subscription
Cockpit



Analytics and
mobility

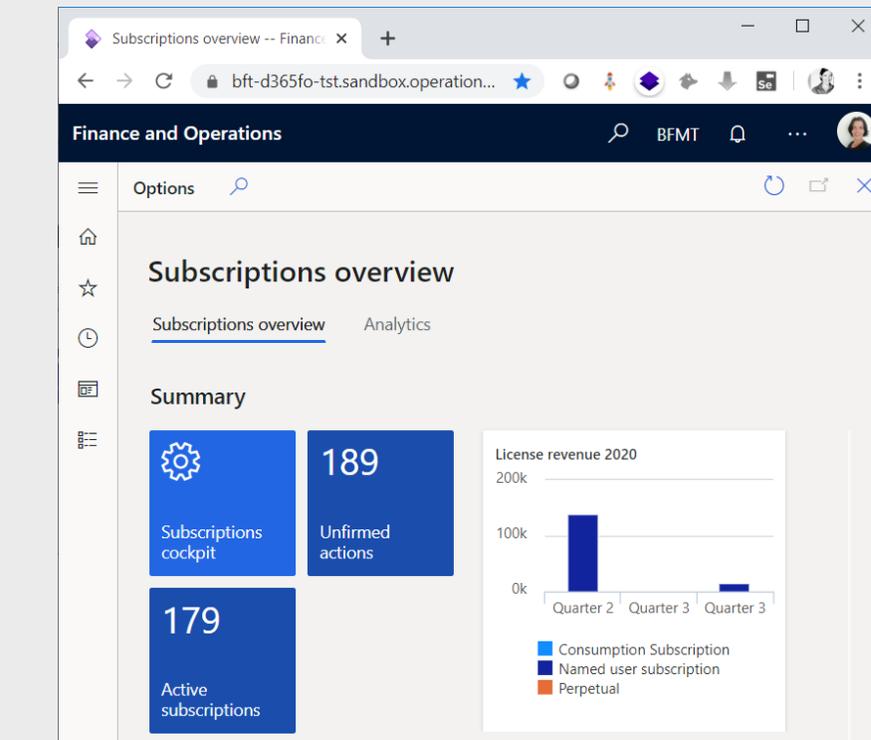


Effectively manage and operate your subscription business model



Dedicated workspace for subscription management

- Easily manage subscription lifecycle from the Subscription management workspace
- Quick access to subscriptions with upcoming renewals or where subscription actions are required
- Navigate your subscriptions through the familiar framework of Dynamics 365 Finance & Supply Chain and empower finance and subscription management teams with the information they need



The screenshot shows the "Subscriptions overview" details table in Dynamics 365 Finance & Supply Chain. The table is titled "Unfirm actions" and has a search filter. The table columns are Customer account, Program type, Subscription type, Item number, Action types, and Date. The table contains several rows of subscription data.

Customer account	Program type	Subscription type	Item number	Action types	Date
000001	In-House	Per unit subscriptions	BF-PIIA	Generate sales order invoice	5/8/2020
000009	Cloud Solution Provider (CSP)	Per unit subscriptions	CSP-0001	Generate purchase order	5/11/2020
000009	Cloud Solution Provider (CSP)	Per unit subscriptions	CSP-0002	Generate purchase order	5/11/2020
000009	Cloud Solution Provider (CSP)	Per unit subscriptions	CSP-0003	Generate purchase order	5/11/2020
VANBOM	Dynamics Price List (DPL)	Perpetual + Enhancement Plan	DPL-0004	Generate purchase order	5/18/2020
VANBOM	Dynamics Price List (DPL)	Perpetual + Enhancement Plan	DPL-0004	Generate purchase order	5/18/2020



Effectively manage and operate your subscription business model



Subscription Cockpit

- Subscription Cockpit provides the space to conveniently manage day-to-day subscription actions
- Conveniently manage individual renewal options for your customers where specific alignment is needed with global start and end dates, and the continuation to another subscription offering
- Leverage Dynamics 365 Business Events features to drive notifications through Power Automate flows

The screenshot displays the Dynamics 365 Subscription Cockpit interface. On the left, a list of customer accounts is shown, with '000004 Emil's Test Customer' selected. The main area shows details for this customer, including 'Customer account' (000004), 'Invoice account', 'Currency' (EUR), and 'Balance in curr' (0.00). Below this, a table of 'Subscription group lines' is visible, listing items like 'BFMT-LG-00000244 Licence In-House Per unit subscrip'. A 'Subscription plan details' panel on the right shows configuration options for 'SUBSCRIPTION PLAN DETAILS', including 'Subscription plan' (BFMT-LG-00000248), 'Subscription classification' (Licence), 'Program type' (In-House), and 'Subscription type' (Per unit subscriptions). It also includes sections for 'DEPOSIT' (Subscription deposit months: 12, Minimum subscription deposit balance: 1.00) and 'POSTING' (Billing posting profile id: No VAT - No Accruals).

The screenshot shows a 'Subscription notifications' window for 'BFMT-LG-00000295 : PER UNIT SUBSCRIPTIONS'. It features a filter input and a list of messages. The first message is highlighted: 'Subscription 'BFMT-LG-00000295' has been published fo...' created by 'amor'. A second message below it reads: 'Subscription 'BFMT-LG-00000295' has been un-publishe...' also created by 'amor'.

This panel shows the 'Subscription plan details' configuration. It includes sections for 'SUBSCRIPTION PLAN DETAILS', 'DEPOSIT', 'POSTING', 'SALES BILLING', and 'PURCHASE BILLING'. Key settings include: 'Subscription plan' (BFMT-LG-00000248), 'Subscription classification' (Licence), 'Program type' (In-House), 'Subscription type' (Per unit subscriptions), 'Subscription commercial template', 'Billing type' (Upfront), 'Pre-invoicing (in days)' (0), 'Subscription deposit type' (Deposit), 'Subscription Deposit Current Value' (0.00), 'Create purchase order' (No), 'Status' (Cancelled), 'Action weekday of month' (0), 'Billing period' (Monthly), 'Billing period months' (1), 'Period type' (Calendar), 'Indirect customer', 'Purchase billing period' (Monthly), 'Purchase billing period months' (1), and 'Purchase period type' (Calendar).

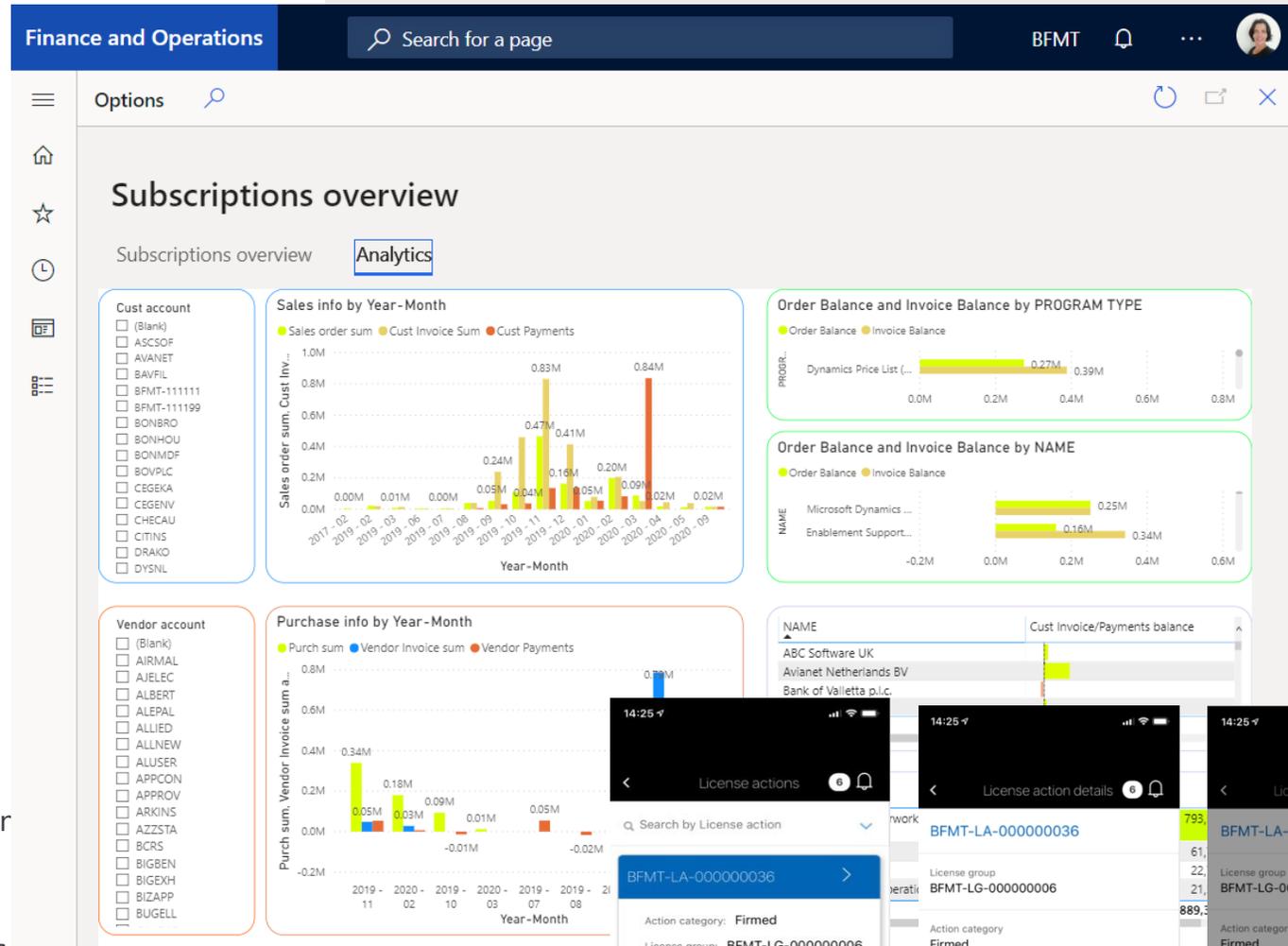
SUBSCRIPTION MODERNIZATION

Effectively manage and operate your subscription business model



Analytics and Mobility

- Embedded Power BI provides powerful reporting capabilities to analyze the profitability of your subscription business
- Work on any device from any location – mobility provides up-to-date access to information and actions
- Seamless user experience



License actions

Search by License action

BFMT-LA-000000036

Action category: **Firmed**

License group: **BFMT-LG-000000006**

Date: **11/1/2019**

BFMT-LA-000000053

Action category: **Firmed**

License group: **BFMT-LG-000000007**

Date: **11/1/2019**

BFMT-LA-000000036

License group: **BFMT-LG-000000006**

Action category: **Firmed**

Action types: **Request for deposit payment**

Date: **11/1/2019**

Customer account: **BONBRO**

Vendor account: **BONBRO**

Actions: **Cancel, Post, Firm, Cancel**

Solution Architecture

Core

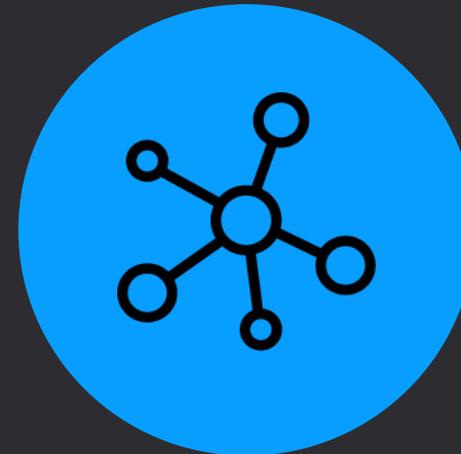


LISA



**Foundational accounting
and finance**

Lay the groundwork with
Dynamics 365 Finance & Supply
Chain Management



**Embedded subscription
management**

Enable consolidation, intercompany,
credit management, and revenue
recognition functions

**Extend with Power
Platform**

Leverage Power Platform capabilities
like Power BI, Power Automate, Power
Apps and Power Virtual Agents

Questions and Answers

Next steps

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