



# Yahoo!

## Streamline Billing and Revenue Management for Online Display



sunnyvale, ca  
www.yahoo.com

Industry: Internet Marketing & Services

Annual Rev: \$7.2B

Employees: 14,300

Yahoo! Inc. is the leading provider of internet services to users, advertisers, publishers and developers worldwide

### background

Yahoo's online display advertising has been growing steadily over the years and the current homegrown systems to manage media revenue of \$2+b were not scalable and efficient. Revenue recognition & billing issues include: complexity of the calculation due to an estimation & adjustment process, forecasting due to early month-end close, partner revenue share, invoicing (static billing & delivery based billing), independently recognized revenue, 3rd party stats based revenue/billing and lack of line level details to support customer invoices.

### challenges

- **compliance risks** - homegrown and semi-automated legacy system to process revenue recognition, billing & month-end reconciliation
- **billing** – inability to do dynamic billing for IO/lines and static billing
- **revenue recognition** - estimate and adjustments instead of actual for a month; extensive manual work to tie revenue to invoicing
- **complex rules** - complex and rapidly evolving revenue recognition rules due to emerging business models (ad exchange, etc.)
- **real-time IO management** - managing IO changes in real-time
- **duplication of customer records** - impacting credit and collections
- **M&A integration** - acquisition integration to existing legacy platform
- **reconciliation and month-end close process** – systems were locked 2-4 days during month-end as a result of complex revenue calculation and time consuming reconciliation processes across multiple systems
- **Reporting**: time consuming due to multiple sources of revenue data

## aquarius solution

aquarius was engaged to standardize and streamline revenue recognition and billing processes on a scalable platform (Oracle) to support the rapidly growing and evolving display advertising business (~\$2Bil in 2008).

Deployed solution provided a “single integrated revenue management platform” to enable the following **key capabilities**:

- Automated and flexible revenue recognition and billing engine (built as extensions to Oracle)
- Revenue recognition is based on actuals for the entire month
- Single global customer master with consolidated credit and global aging/collections visibility
- Month end close process is much shorter and doesn't impact campaign mgmt (24x7 globally)
- Standardized APIs to enable easier integration of future acquisitions for revenue recognition and billing
- Line level details along with the invoices to improve collections

## results

- Compliance risks minimized and mitigated
- Finance team's productivity increased
- Accuracy of revenue reporting improved
- Campaign mgmt is uninterrupted (24x7)
- Scalable platform to support future growth
- Flexibility to enable next-gen business models
- Single source of truth for full financials (billing, revenue, credits, collections, GL) - Oracle
- Improved customer satisfaction due to accurate, timely and detailed billing

for more information on aquarius's expertise, solutions and services,  
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