

## Frequently Asked Questions

### Bramasol Customer Retention and Analytics Solution

**Q. Does RAR handle multiple currency or multiple company code scenarios in the same arrangement?**

A. The current release of RAR cannot handle multi-company code or multi-currency scenarios, but the requirements have been discussed at SAP for the future roadmap of the solution. Since these are scenarios relevant to some of our customers, Bramasol is actively working on a variety of approaches to help Customers Bridge the gap.

**Q. When billing plan is not the POB scenario, how do we define POB?**

A. POB is a container for the requirements to recognize revenues. RAR uses a rule driven application (BRF+) to determine which items or events belong to a Revenue Accounting contract, and which POBs need to be created with which settings. As mentioned in the webinar, we have seen SD-based (with or without billing plan), CRM-based (IPM, BRIM/hybris), and direct flat-file loads as source for the data triggering the creation of POBs in the RAR engine.

**Q. Would a warranty get its own SSP here if relevant?**

A. In our experience, a warranty would most likely be reflected as an automatically created linked POB, the Transaction Price would likely be zero (unless explicitly sold/billed), and the SSP could either be defaulted in, or determined based on values of other POBs (eg. as 20% of the SSP of the underlying hardware sold, estimated based on average share of costs).

**Q. Implementation-wise, when SAP deployed this with Ariba, they first brought data into ECC SD before pulling into RaR. What have you seen on other clients, are there projects that intend to fully leverage the functionality for external data input into RaR, or are customers trending to first pull into ECC SD and thus leverage the internal and robust integration?**

A. While, as you hint at, there are advantages to channeling outside data through SD to RAR (namely, existence/consistency of master data checked on the application

level), without Bramasol having worked on this specific project, we believe that this route might have been taken at Arriba primarily because the integration to file loads or other components was still lacking at the time (on the way to release 1.0). With added functionality available as of release 1.1, we have used direct file loads into the engine extensively – as just one example, this is typical of how the Telecom sector is using RAR. It would not make sense to implement even core SD only for these implementations. And yes, this typically implies that data harmonization and other issues have to be handled in a middleware layer / data hub.

**Q. Can you also talk about price allocation? Does that happen in the RAR module?**

A. It is not quite clear what is meant by “price allocation”. The guidelines, and with it the RAR engine, are focused on the revenue allocation based on SSP price ratios. There are various approaches to how the SSPs are processed, and we have worked with – direct entry into decision tables into the engine, hand-through from SD condition types, etc. In cases where there are POBs which are not explicitly billed/priced (eg. Warranties, Right of Return), the engine can calculate values for a separate POB, which is probably the one place where the engine is, in a way, “calculating prices”. Other than that, the determination of the prices is outside of the core engine; SAP is cooperating with NAKISA for the determination of prices based on contract data.

**Q. What is the difference between “posted” revenue and “invoiced” revenue?**

A. “Invoiced revenue” is the Debit to customer receivables, Credit to revenue that was posted from, eg. SD to FI-AR; in the RAR engine “posted” means any posting the engine has not only calculated, but which has been “pushed to, ie posted in SAP Financials through an RAR posting run, and created an FI document – this includes not only revenue but also related deferrals or contract assets/liabilities.

**Q. What is the interface between RAR and ECC? BDOCS? RFC?**

A. While RAR structurally is independent from SD and other operational components, it is technically a component of FI, not outside of it, or of ECC in general.

Therefore, for the hand-on from RAR to FI, standard BAPI functionality can be used and no additional configuration or setup is required. Inbound, if integrating in distributed landscapes, or to CRM—based SAP, or 3rd party applications, RFCs are used.

**Q. In the webinar, we saw service contracts being used. I believe that revenue recognition through Result Analysis (RA) in ECC will be covered by this new RevRec engine. So in this case, will the projects be replicated into RAR similar to how we replicated from the contract from ECC to RevRec engine?**

- A. Generally speaking, the engine is geared towards the calculation of allocations between the elements of a multi-element contract – not the replacement or duplication of complex calculations in operational systems, like the progress analysis and calculations in RA. So you are correct, if one or more of the elements of a contract have their progress and recognizable revenue measured based on CO-PS and RA, (only) the revenue recognition-relevant data from Results Analysis will be replicated into RAR to be included in the IFRS 15 revenue recognition calculations. Note that this integration between RA and RAR is not yet available with the current 1.1 release.