

RevStream 5X Suite

 **RevStream for Interactive Entertainment**

As the leading cloud-based software for advanced revenue recognition, RevStream effectively manages the unique billing and revenue arrangements that are specific to the interactive entertainment industry and more.



"The RevStream product and the RevStream team is critical for us. At Activision Blizzard the majority of our revenue is deferred, so it is critical that we have a reliable and consistent solution."

-Steven Werek, CAO, Activision

OVERVIEW

Interactive entertainment companies often cope with large transactional volumes and a diverse set of products and business models. These companies are constantly evolving to stay ahead of the rapid progression in technology that allows them to tap into additional distribution and monetization methods for new as well as existing products. RevStream addresses these complex revenue products and automates revenue, cost of sales and expense deferrals, fair value revenue allocation, and separation of billing and revenue streams.

CHALLENGES ADDRESSED

Data, Data, and More Data

Entertainment companies typically deal with a variety of sales, distribution, and billing systems that are often different because of regional distinction, or the result of acquisition. Revenue teams deal with a variety of data from all of these systems, and spend a tremendous amount of time each period to consolidate and reconcile before even starting revenue recognition processing.

Business Model Transformation

Sales and product departments are rapidly developing new products, as well as add-ons and improved ways to sell existing products. Each of these can introduce complex revenue concerns that can lead to unexpected deferrals while the revenue team reviews the model, validates with audit, and then devises a process or technical solution to manage the revenue.

Cost and Expense Accruals Against Net Revenue

Consumer focused businesses have revenue expenses beyond physical COGS. Expenses must be identified, applied to available revenue, and managed at true net revenue.

Control and Audit

Revenue recognition requires intense scrutiny from audit to verify the accuracy of a company's financials. A manual or custom solution is not only time consuming, but also introduces risk due to the possibility of user error or incorrect calculations.

KEY BENEFITS

Centralized Application for Global Revenue Management

- Consolidate diverse revenue streams into a single platform for global visibility and support for strategic decisions
- Immediately processes data from leading ERP applications (e.g., Oracle, NetSuite, SAP, Workday) and billing applications (e.g., Aria, Zuora, Oracle BRM)

Advanced Revenue Recognition for Diverse Products

- Supports traditional and aggressive new methods of products and monetization (e.g., online subscription, activation-based content, digital downloads, pre-paid, physical box, bundled products, royalties, add-ons, and in-game advertising)

Advanced Revenue Event Management

- Defers, releases, and schedules revenue based on a diverse set of events (e.g., activations, minutes consumed, launch/street dates, sell-through, and product end of life)
- Allocates consolidated events across regions and products on a FIFO, or available revenue basis

COGS and Revenue Expense Support

- Defers and recognizes COGS to match related revenue
- Net revenue expenses (e.g., price protections, rebates, sales returns, and other vendor consideration against open available revenue balances in RevStream)
- Book and true-up revenue expense accruals into the GL based on revenue recognition patterns

Full Revenue Accounting Functionality

- Create and manage accounting entries to support the booking of receivables, tax, deferrals, allocations, and recognition activity

Multi-Ledger, Multi-Reporting, and Multi-Currency Versatility

- Book entries to local and global consolidated ledgers
- Establish multiple reporting methods for accounting guidance transition and compliance
- Full support for multi-currency revenue recognition, including FX true-ups

Configurable, Scalable, and High-Volume Environment

- Provides scalability and flexibility to grow and meet dynamic ongoing business requirements for new business units and products
- Aligns with product and sales organizations and prepares companies to support period close proactively

HOW IT WORKS

The RevStream ERLM suite offers a single source of truth that accurately manages all revenue related data from existing ERPs and other relevant source systems. RevStream's robust functionality handles high volumes of data and complex revenue scenarios unique to the interactive entertainment industry and more.

RevStream is the leader and market innovator in enterprise revenue lifecycle management. We provide financial organizations with a single, comprehensive and flexible platform for managing risk, making accurate forecasts, and ensuring compliance when accounting for revenues across a wide range of industries and monetization models. RevStream is a 2016 CODiE Award finalist for Best Financial Management Solution.

Only RevStream delivers the solutions and domain expertise companies need to fully automate revenue recognition management.

WANT TO ARRANGE A DEMONSTRATION?

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