

**CELENT**

Solution Brief

# **AMDOCS PRODUCT AND PRICING CATALOG**

Accelerating Enterprise Product and Pricing across the Front  
to Back Office

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# EXECUTIVE SUMMARY

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Decoupling product, pricing, and fee management from core systems to enable customer-centric propositions is a key architectural goal for many banks. Amdocs provides a broad product and pricing suite, leveraging its telco heritage in enabling product bundling and complex billing, to offer a strong new option for banks looking to offer—and deliver—advanced customer proposition personalization.

## Context

Banks need to be able to deliver financial solutions for customers, creating personalized offers that address their specific needs which are presented at the right moment. This is becoming ever more a key imperative, driven by growing competition from fintechs, heightened regulatory requirements in many markets, and changing customer expectations.

The challenge for banks is that, despite a desire for customer centricity, operational restrictions often result in customers being offered standardized individual products. Most banks struggle to effectively offer, and then fulfill, tailored product bundles that are priced and adapted to meet the needs of the customer (or even a wider customer segment).

The underlying issue often resides in the architecture of bank platforms, with product and fee information for individual products tightly embedded within individual core banking systems. This creates significant technology and operational barriers for banks to manage, price, and fulfill delivery of collective products tailored around the customer.

## Company and Solution Overview

Amdocs ([www.amdocs.com](http://www.amdocs.com)) is a software and services company. Amdocs is best known as a leading platform and services provider to the communications and media sectors, particularly for the operations and business support systems that sit alongside the underlying network itself. With the telco and media industries well advanced in the delivery of customer bundles that often have complex customer management, pricing, and billing, Amdocs has an established history in the enterprise pricing and product management space.

More recently, Amdocs has expanded into the financial services sector, where it has quickly gained traction to now support some large banks in Europe and the Middle East. Having acquired digital transformation capabilities in the US, the company is now pushing into the North American market, although it has global reach as a multinational provider to the telco industry.

The primary solution in scope here is the Amdocs Product and Pricing Catalog (for Banking). This is an enterprise pricing and product management platform that can operate across multiple disparate core systems to provide product bundling and customer relationship pricing. It is part of the broader Amdocs Product and Pricing Suite, which includes order management, customer-centric billing, and digital statement capabilities, with the company also able to offer partner management to support use of external providers in product bundles.

Celent has had several briefings with Amdocs in 2023, which fed into the Celent Report: [Developing Next-Generation Retail Banking Pricing Strategies](#). In October, Celent received an update on the Amdocs Product and Pricing Catalog and an introduction to the broader Amdocs Product and Pricing Suite. Collectively, this now offers banks an interesting front-to-back office option to address the wider enterprise product pricing challenge throughout the customer lifecycle.

# KEY BRIEFING TAKEAWAYS

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Amdocs Product and Pricing Catalog allows institutions to centrally manage and innovate products and deliver personalized customer value propositions. With the broader Amdocs Product and Pricing Suite, banks can also enhance the product ordering experience at start of the customer lifecycle, as well as the customer billing and statement experience in servicing stages.

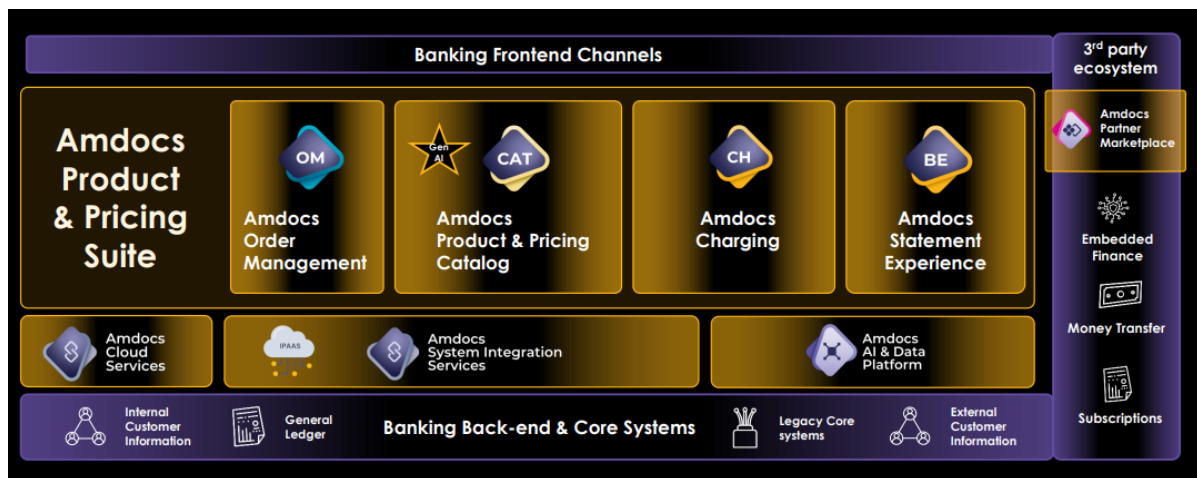
## Delivering personalized customer propositions and strong experiences throughout the customer lifecycle with Amdocs Product and Pricing Suite

Amdocs is both a software and IT services provider, so it offers a proposition based around industry applications, and implementation/management capabilities. For banking, the latter services are particularly focused around supporting banks in digital transformation, open banking, cloud services, and artificial intelligence / data platforms. On the application side, the primary areas of focus are illustrated in Figure 1, with the Amdocs Product and Pricing Suite consisting of four main components:

- *Amdocs Order Management* – A customer experience and journey management for the digital-channel to automate and deliver a strong e-commerce-like experience for product selection, tailoring, and ordering.
- *Amdocs Product and Pricing Catalog* – Enterprise product design and fee and rate management, with the ability to support customer-led product bundling and incorporation of third party products.
- *Amdocs Charging* – An enterprise billing capability to allow customer-centric invoicing and charging based on policies across accounts/products as well as real time and subscription billing.
- *Amdocs Statement Experience* – A digital customer layer allowing customers to digitally access and interact with billing information to support self-service queries and provide a strong billing experience with real time views.

Alongside these, it also offers the Amdocs Partner Marketplace to support fast partner onboarding and settlement to facilitate provision of third party products and/or services into customer proposition bundles. This could include subscription services, such as Netflix or Disney on the consumer side, services such as QuickBooks or Wix on the business side, or other financial services offerings from fintechs.

Figure 1: Amdocs Product and Pricing Suite



Source: Amdocs

Collectively, these provide banks with the ability to provide a strong customer experience with personalized propositions throughout the customer lifecycle. This ranges from the provision of offers and creation of product bundles, to providing a strong application and order process, to fulfillment and servicing – including invoicing and statements.

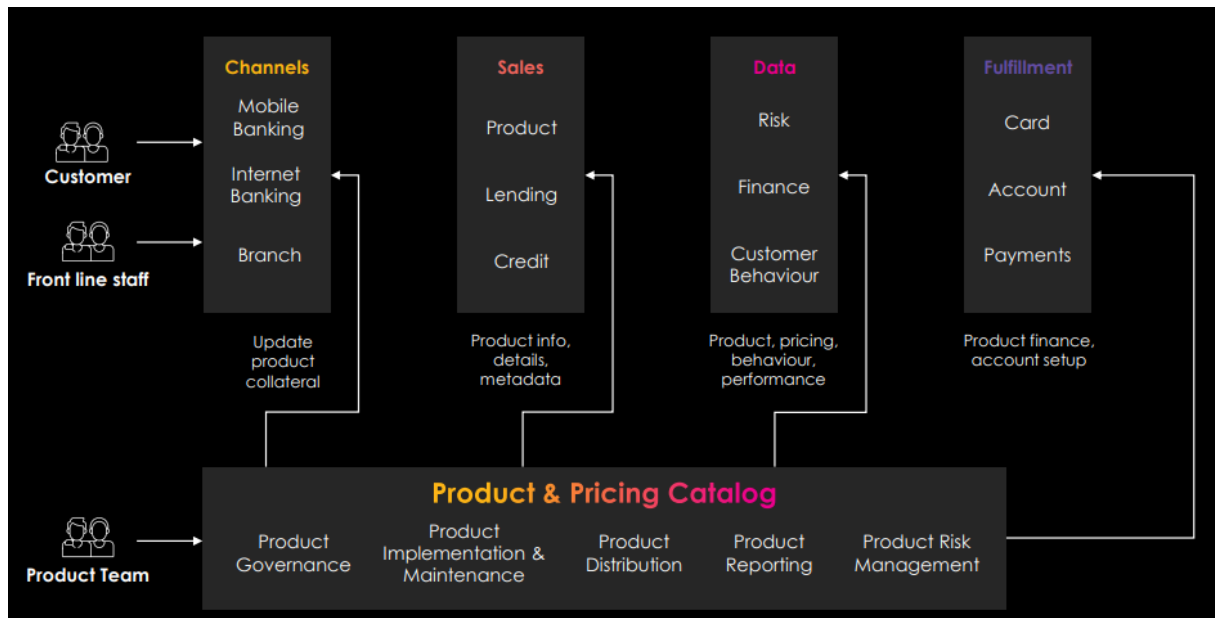
## Enabling enterprise-level innovation with Amdocs Product and Pricing Catalog

The Amdocs Product and Pricing Catalog itself allows relationship pricing and product bundling to enable both offer and creation of personalized customer value propositions. This includes capabilities such as:

- *Enterprise product catalog* – Central repository of internal and third party products/services for use by sales and channel containing price list and marketable product information across all products.
- *Parameter-driven pricing* – Allowing personalized pricing based on customer attributes, customer relationship, and any other factors to enable simple configuration of complicated pricing schemes, benefits, and terms and conditions set-ups.
- *Fee and rate management* – Ability to create parameters and pricing formulas to allow fee and rate creation while ensuring regulatory compliance, consideration of competitive rate benchmarks, and underlying product/customer profitability.
- *Enterprise product management and development* – Product governance, implementation, and management to allow rapid product innovation, with new product offers and bundling able to be launched in a few weeks, and business users enabled to modify products without dependencies on IT.

- *Data analytics* – Capabilities include advanced analytics, such as product profitability and data streaming to allow real time performance monitoring.

**Figure 2: Amdocs Product and Pricing Catalog in the Banking Infrastructure**



Source: Amdocs

## Microservices and cloud-native architecture

Capabilities are provided through a set of cloud-native microservices, allowing banks to create tailored solutions working across the Amdocs Product and Pricing Suite—with the ability to scale services individually to meet performance needs of each area.

Amdocs can provide the suite on both a SaaS or private cloud basis. The company's IT services capability means it also offers integration and program management services, which are often critical for such projects where complex integration is frequently required across legacy core and channel systems.

It also leverages low-code platforms and modern GUI interfaces to facilitate use by business users, such as for product management and configuration.

# OPPORTUNITIES FOR BANKS

Amdocs Product and Pricing Catalog provides banks with both the ability to deliver customer-centric value propositions and a path for legacy modernization. As a new provider in the sector, the company offers an interesting alternative, combining modern architecture with a depth of cross-industry knowledge and implementation capability.

Retail banks face an array of pressures around pricing. Competition means banks must create innovative value propositions through bundled capabilities that can be rapidly adapted and flexibly offered with personalized pricing to customers. However, heightened regulatory scrutiny means this pricing must be fair, transparent, well understood, and accurately implemented and billed.

The concept of enterprise product and pricing shifts pricing and product management away from design and implementation within individual core banking systems toward enterprise services. These provide centralized capabilities around the product catalog, loyalty, relationship pricing, product bundling, product development and management, and billing. Importantly, these enterprise services don't only support internal products and services; they also allow banks to create and manage value propositions that comprise both internal and third party products and services.

**Figure 3: Benefits of Enterprise Pricing and Product Management**



Source: Amdocs

The advantages of enterprise pricing are highlighted in Figure 3, with gains available to banks through revenue growth and efficiency while also delivering benefits to customers through stronger, more personalized value propositions and more coherent and painless onboarding and billing experiences. Significantly, enterprise pricing can also help banks manage compliance risk and reduce the chance of expensive customer remediation when pricing goes wrong. For more detailed discussion of enterprise pricing, please see the Celent report: [Developing Next-Generation Retail Banking Pricing Strategies](#).

### **Enterprise pricing can also support a path for legacy modernization**

In addition to these business benefits, enterprise product and pricing can be a good step in broader legacy modernization projects. Through the creation of enterprise services that sit between channel and individual core banking systems, such services effectively help isolate individual core banking systems from sales, channel, and origination systems. This can allow banks to then either introduce new cores or replace or modernize existing ones with less disruption and risk than traditional approaches, particularly as product management and logic are shifted out of existing core into these new enterprise services.

### **Amdocs offers a credible additional option into a niche provider market**

While the benefits of enterprise product and pricing management can be significant, the number of providers in this segment is relatively small, with only a handful of suppliers offering credible platforms. This is, in part, a reflection of the many challenges in implementing such solutions, requiring a combination of technology, domain, and integration expertise, particularly in the ability to work with a plethora of often-archaic core banking systems.

While Amdocs is a relatively new provider to the banking industry, its platform is built on expertise developed from the communications sector. This sector has faced many challenges equivalent to those in banking, with similar prevalence of legacy administration systems. In many respects, however, it has been forced to make the shift to customer-centric models more quickly, given the pace of change in moving from voice to data and from fixed-line to mobile.

With Amdocs now having a number of live clients in this area on the banking side, including some large European banks, it has the benefit of a proven industry-specific capability, with a modern technology platform and ability to leverage a cross-industry perspective.



# TO CONSIDER

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Amdocs is building its presence in the banking sector, combining an industry application play focused on enterprise products and pricing with broader IT services and digital transformation capabilities around cloud, customer experience, analytics, and integration. In a highly competitive market, this is a tough task, and in the short-term may be best suited to banks wanting to work with a strategic solution partner in this space.

Amdocs Product and Pricing Catalog does present an interesting option for banks to consider, particularly as part of the broader Amdocs Product and Pricing Suite. This provides complementary order management and digital invoicing capabilities to improve the broader customer experience around delivery of personalized propositions. It also comes with a modern technology architecture as well as sufficient credibility for general consideration through achievements it has delivered with several large bank clients, supporting them in their transformation toward customer-centricity in product, pricing, and billing.

Conversely, while Amdocs does have a few credible client references with these institutions achieving strong cost, time-to-market, and customer experience benefits, it is a relatively nascent entrant in the enterprise pricing market (at least within banking), which is currently dominated by three well-established providers that have numerous client references across tiers and geographies. Its competitors also have broad platforms that similarly provide analytical and billing capabilities as well as loyalty and benefits management. That said, Amdocs does have some differentiation, particularly in the direct customer-facing layers around order management and statement experience.

As a result, the company's overall differentiation is driven more by the combination of its enterprise product and pricing platform together with its integration, consulting, and implementation services capabilities. This makes it able to act more as an overview solution provider, rather than a software platform provider where implementation is often supported with third party IT services / consulting houses.

There are pros and cons to both approaches. Being a software platform provider has benefits in allowing core strategic focus to be on the platform, with implementation scalability and global reach easier to achieve. However, it can lead to an implementation disconnect depending on effectiveness of partnering.

Being a solution provider, in contrast, limits the number of clients that can be effectively delivered and serviced, but can work better for institutions looking to work with a smaller number of strategic partners, where both sides can grow together. This does tend to mean that road maps are driven by current clients, rather than perhaps designed to meet broader industry requirements. Although

of course, conversely, this can be of advantage to those clients, where providers are more responsive to their specific needs.

Another common challenge here is from a platform product management perspective in ensuring integrity of the underlying platform code base as platforms are tailored to needs of individual clients. Although with modern architectures, this is easier to mitigate than used to be the case. It can also drive challenges in terms of the ability to sustain long-term research and development into the platform, given underlying business model tensions between IT services and software businesses. However, while many services-led companies in the sector have historically struggled to sustain product-led divisions, it should be noted that Amdocs has an established history in delivering both on the telco side.

The other challenge perhaps from a solutions perspective is that enterprise product and pricing is both a platform and business model transformation. Customer-centricity requires organizational and process re-orientation, and while Amdocs can provide some support here, it not a business consulting company at heart. As such, it has worked best so far with banks that have driven, and have been able to drive, their own transformation, with Amdocs as a key partner. Conversely, it is a services and platform provider, and thus able to provide a road map and solution for clients, starting with consulting, to meet their current needs and develop for future needs, rather than a one-size-fits-all approach.

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