Oracle Fusion Cloud Subscription Management

How do I get started with Subscription Management?

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1 Implementation Summary

Before You Start

You should have subscribed to Oracle Sales and should have received the email with your environment URLs and initial sign-on information. You must have the Subscription Specialist role to access Subscription Management.

Case Study

The case study is based on a fictitious company named Vision Corp, a global technology provider offering cloud-based software product and services to enterprise clients.

Vision Corp is preparing to implement Oracle Subscription Management to offer its products and services on subscription basis to its customers, improve how it handles complex billing cycles, automate subscription renewals, and reduce operational overhead.

Vision Corp currently offers bundled subscription packages that include software access, service entitlements, and support. However, their existing systems lack automation and flexibility, making it difficult to track entitlements, manage changes, and communicate life cycle events to customers. To address these challenges, Vision Corp plans to define standardized subscription profiles, configure pricing and renewal rules, and use life cycle events to trigger customer notifications.

By implementing Oracle Subscription Management, Vision Corp aims to deliver a more streamlined, transparent subscription experience to its customers, while giving internal teams the control and visibility they need to scale efficiently.

Implementation Overview

You can use this playbook to get started with the implementation of Oracle Subscription Management. This playbook outlines the key steps required to enable, configure, and verify subscription capabilities.

This table illustrates what you need to do at a high level to get started with Oracle Subscription Management.

Implementation Area	Key Activities	User Roles Required
Access Subscription Management Features	Opt in to features, access Functional Setup Manager, add required roles	Initial Setup user
Configure Foundational Setup	• Create a Subscriptions Implementation Project • Create Legal Entities and Business Unit	Initial Setup user, Administrator, Application Implementation Consultant

Implementation Area	Key Activities	User Roles Required
	• Manage Business Unit Access for Subscriptions • Create Setup Users • Define Products • Use Unit of Measure • Define Pricing • Define Customer Billing Configuration	
Configure Subscription Logic	• Manage Subscription Rules • Create Renewal Templates • Create Standard Coverage	Configuration manager, Administrator, Application Implementation Consultant

Subscriptions Functional Areas

You can use these functional areas in the Sales offering to configure Oracle Subscription Management.

Here are the functional areas you must set up to configure the offering:

Functional Area	Description
Company Profile	Define and manage information about legal structure, financial reporting, common CRM business unit profile options, geographies, and currencies in which the company conducts business.
Users and Security	Set up your initial implementation setup users, sales users and hierarchy, and enable users to perform functions related to their roles.
Sales Foundation	Set up public unique identifier profile options
Subscriptions	Manage configuration settings for the creation and management of Oracle Subscription Management.
Integrations	Configure integrations for extending Oracle Subscription Management.

2 Access Subscription Management Features

Access Cloud Account Details

Once your environment is ready, the administrator receives a welcome email from Oracle with a service link, a temporary password, and steps to access the Service Administrator Action List. Complete these steps before signing in.

On your first sign-in, reset your password by navigating to **Settings and Actions** > **Set Preferences**.

See the *Using Functional Setup Manager* guide to manage the opt-in and setup of your offerings.

Enable Subscriptions

You must enable the Subscriptions to access its features. Use these steps to enable Subscriptions:

1. Sign in as a setup user.
2. Navigate to **My Enterprise** > **Offerings**.
3. Select the **Sales** offering and click **Opt In Features**.
4. Enable **Subscriptions** and click **Done**.

Add Required Roles

You need to add these roles to a user profile to implement Oracle Subscription Management:

- Subscription Specialist role: To access Subscription Management
- Application Implementation Consultant role: To opt in to the features applicable to your business requirements.
- Other Setup User Roles:
  - Application Diagnostics Administrator
  - IT Security Manager
  - Employee
  - Sales Analyst

3 Configure Foundational Setup

Create a Subscriptions Implementation Project

You can create an implementation project to configure Subscription Management by following these steps:

1. Sign in as a setup user.
2. Go to the **Setup and Maintenance** work area.
3. Open the **Tasks** side panel and click **Manage Implementation Projects**.
4. On the Implementation Projects page, click **Create** to begin creating a project.
5. Enter your project name and click **Next**.
6. Expand **Sales**, and select **Sales and Subscriptions**.
7. Click **Save and Open Project**.

   Once you open the project, you can configure all the appropriate tasks.

Create Setup Users

One of your first tasks when setting up the application is the creation of users who can perform setup tasks.

Oracle creates an initial user for you when your environment is provisioned. This initial user is configured to perform security tasks, such as creating other users and granting more privileges. As an initial user you can create users, known as setup users, to help with application setup. The setup user performs the tasks in implementation projects, sets up enterprise structures, creates application users, and administers security.

Here are the steps to create setup users:

1. Navigate to **Setup and Maintenance** > **Sales** > **Users and Security** functional area.
2. Select the **Manage Users** task.
3. Add the requisite details.

> **Note:** You' must add the Subscription Specialist role also to your setup user profile.

For information on creating setup users, see *Create Setup Users in Sales*.

Create Legal Entities and Business Units

You must define the following to create legal entities and business units:

- Legal entities for Subscriptions.
- Business units.

You must also assign business function, ledger, and legal entity for Subscriptions.

Define Legal Entities for Subscriptions

You must define legal entities for use with subscriptions. Here are the steps to define legal entities for use with subscriptions:

1. In your implementation project, go to the **Manage Legal Addresses** task.
2. Select a country from the Country drop-down list, and a new location.
3. On the Location Create page, enter the new location information.
4. Click **Save and Close**.
5. In your implementation project, search for the **Define Legal Entities for Sales** task list and open the **Manage Legal Entity** task.
6. On the Select Scope page, select **Manage Legal Entity**.
7. Select the **Create New** option from the Legal Entity drop-down list.
8. Click **Apply and Go to Task**.
9. Click **Create**.
10. On the Create Legal Entity page, select your country.
11. Enter the name of the legal entity and the identifier.
12. In the Registration Information section, select a legal address and enter **Legal Reporting Unit Registration Number**.
13. Enter the **EIN** or **TIN**.
14. Click **Save and Close**.
15. In your implementation project, select **Define Legal Entities for Sales** from the task list.
16. Click **Select and Add**. Search for and add these tasks to the Define Legal Entities for Sales folder: Manage Legislative Data Groups and Manage Legal Entity HCM Information.
17. Use the **Manage Legislative Data Groups** task to define at least one legislative data group for each country or territory where your enterprise operates. Select your legal entity and proceed.
18. On the Manage Legislative Data Groups page, click **Create**.
19. Enter the name of the legislative data group.
20. Select the country and currency.

    > **Note:** You must enable the subscription currency conversion in the Subscription Details Layout section in Application Composer to use a currency different from the ledger currency.

21. Click **Submit** and then **Done**.
22. Use the **Manage Legal Entity HCM Information** task to verify information related to the payroll statutory units and the legal employer.
23. Click **Done**.

Define Business Units and Assign Business Function, and Legal Entity for Subscriptions

A business unit can perform many business functions. A business function represents a business process or an activity that can be performed by people working within a business unit and describes how to use a business unit.

A business unit can process transactions on behalf of many legal entities. For example, a payable invoice has an explicit legal entity field. Your accounts payable department can process supplier invoices on behalf of one or many business units. Sometimes, your legal entity is inferred from your business unit that's processing the transaction.

1. In your implementation project, navigate to **Define Company Profile for Sales** and **Define Business Units for Sales**, and open the **Manage Business Unit** task

   a. Click the create icon.
   b. On the Create Business Unit page, enter the required information. In the **Default Set** field, select **Create**.
   c. Create a reference data set and click **OK**.
   d. Select the reference data set created from the **Default Set** field and click **Save and Close**.
2. Navigate to **Define Company Profile for Sales** and **Define Business Units for Sales**. Click **Select** for the **Assign Business Unit Business Function** task to select the business unit you created as the task list scope.
   a. Click **Select and Add** to set the business unit you created as the task list scope.
   b. Click the **Assign Business Unit Business Function** task.
   c. Enter the required information and click **Save and Close**. Click the up arrow and select Subscriptions to go to the main folder structure.
3. Navigate to **Define Company Profile for Sales** > **Define Business Units for Sales**, and open the **Manage Business Unit Set Assignment** task. You can update or override the reference data set code for a particular reference data object.

Manage Business Unit Access for Subscriptions

You can enable multiple business units (BU) for subscriptions based on your business needs.

The following profile options can be used to manage business unit access:

- HZ_DEFAULT_BU_CRM: This profile option is used to set the name of the default business unit.
- HZ_ENABLE_MULTIPLE_BU_CRM: This profile option is used to enable or disable multiple business units. If you set the value to No, the business unit set in HZ_DEFAULT_BU_CRM is the only business unit available for your organization. You can set the value of this profile option to Yes to ensure that all the BUs mapped to your organization, in addition to the default business unit, are available.

Here are the steps to enable multiple business unit access:

1. Sign in as a user with access to the setup areas.
2. Navigate to **Setup and Maintenance**.
3. Search and select the **Manage Common CRM Business Unit Profile Options** task.
4. Select the **HZ_DEFAULT_BU_CRM** profile option.
5. Click **Add** to set up the default business unit for your organization.
6. Click **Save and Close** to navigate back to the **Manage Common CRM Business Unit Profile Options** task.
7. Select **HZ_ENABLE_MULTIPLE_BU_CRM**.
8. Set the profile option value to **Yes**.
9. Click **Save and Close**.

Define Products

You can use these procedures in the Product Management application to create and manage subscription items, included warranty, and coverage:

- *Create Subscription Items*
- *Create Coverage Items or Extended Warranties*
- *Create Included Warranties*

Create Subscription Items

Here are the steps to create a subscription item:

1. Go to **Product Management** > **Product Information Management**.
2. Expand the Tasks region and select **Create Items**.
3. On the Create Item page, select the organization, enter the number of items, and select the item class.

   Ensure that the selected list doesn't contain any template.
4. Click **Ok**.
5. Enter the item name and description.
6. Select the item status and lifecycle phase.
7. Ensure that the primary unit of measure is **Each**.
8. Select **Sales and Order Management**.
9. Set **Customer Ordered** to **Yes**.
10. Set Customer **Orders Enabled** to **Yes**.
11. Set **Sales Product Type** to **Subscription**.

Create Coverage Items or Extended Warranties

Coverage items or extended warranties let you sell additional coverage services to your customers. Coverage items can be sold as separate items themselves, and you can set up pricing for these items as well.

Percentage-based pricing lets you price a coverage item as a percentage of the price of the item that it covers. Here are the steps to set up pricing for the asset item:

1. Sign into the application with access to Pricing Administration.
2. Navigate to the **Pricing Administration** work area.
3. In the **Pricing Rules** tab, open the price list associated with the item.
4. Create a price list line for a coverage item. Click **Associated Items** to define unit price and percentage price based on covered items.
5. You can add one-time and recurring charges, as needed, using unit price or percentage price calculation methods for various coverage UOMs.

Create Included Warranties

You can create included warranty contracts automatically when an asset is created in Asset Lifecycle Management by first creating an included warranty item and associate it with the customer asset item in Oracle Product Information Management.

Before creating the included warranty item, you must set up the standard coverage you want to provide as part of your included warranty. Here are the steps to create an included warranty item:

1. Go to **Product Management** > **Product Information Management**.
2. Expand the **Tasks** region and select **Create Items**.
3. On the Create Item page, select the organization, enter the number of items, and select the item class.
4. Ensure that the selected list doesn't contain any template.
5. Click **Ok**.
6. Enter the item name and description.

7. Select the item status and lifecycle phase.
8. Click **Save**
9. Select **Primary Unit of Measure** in the **Unit of Measure** section under the **Overview Tab**. Primary UOM should be from the UOM Class that has been set in the profile option, SCM Common: Default Service Duration Class.
10. Go to the **Specifications** tab and then the **Sales and Order Management** side navigation:
    a. Select **No** for **Customer Ordered** and **Customer Order Enabled** fields, since included warranties can't be sold and priced.
    b. Select **Included Warranty** as the **Sales Product Type**.
11. Go to the **Specifications** tab and then the **Service** side navigation:
    a. Select **Service Duration Type** as **Fixed**.
    b. Select the desired **Service Duration** and **Service Period**.
    c. Select **Service Start Type** as **Milestone**.

       This setting specifies that the start of the warranty is the customer asset shipment date.
    d. Specify **Service Start Delay**, if needed, in number of days. The start date of the included warranty is calculated as Asset Shipment Date plus Service Start Delay.
    e. Select a **Standard Coverage** to apply to this included warranty item.

Use Unit of Measure

In Subscription Management, a Unit of Measure (UOM) defines the standard unit for measuring and expressing the quantity of goods or services within a subscription.

It's used to track and manage quantities, define prices, and calculate usage-based charges.

Define Unit of Measure Class

You can follow these steps to define the unit of measure class:

1. Sign in as a setup user and navigate to the **Setup and Maintenance** work area.
2. Open the **Manage Units of Measure** task.
3. Go to **Manage UOM Classes**.
4. Add a new row and create a new duration UOM class (for example, Time).
5. In **Base UOM Name** field, enter `Day`.

Define Unit of Measure

You can follow these steps to define units of measure:

1. Sign in as a setup user and navigate to the **Setup and Maintenance** work area.
2. Open the **Manage Units of Measure** task.
3. Create duration UOMs (for example, Day, Month, Year, Quarter, Biannual, etc.) with the duration UOM class Time.

Associate UOM Class with Duration Profile Option

Here are the steps to associate the UOM class with the duration profile option:

1. Sign in as a setup user and navigate to the **Setup and Maintenance** work area.

2. Open **Manage Subscription Profile Options** task.
3. Navigate to the RCS_DEFAULT_UOM_CLASS_CODE_FOR_SVC_DURATION profile option and choose the Time duration UOM class.

> **Note:** You must set up RCS_DEFAULT_UOM_CLASS_CODE_FOR_SVC_DURATION profile option for subscriptions to work.

Define Pricing

You must first set up the pricing strategy for the subscription. The pricing strategy of the subscription is then retrieved when the Business Unit, Legal Entity, Contract Type, Number and Primary Party are entered during subscription creation.

When you add subscription lines, the pricing information is retrieved automatically.

Oracle Subscription Management supports:

- One-time charges, such as activation fees.
- Recurring charges, such as monthly membership charges.
- Usage-based charges, such as monthly cloud storage consumption fee.

The application identifies all the usage-based charges that you define using the charge prefix. You can configure this prefix using the profile option OSS_USAGE_CHARGE_IDENTIFIER.

Use this high-level procedure for quick setup of pricing lines, after your full pricing setups are done in Oracle Supply Chain Management (SCM) Cloud.

1. Sign in to the application with access to pricing administration.
2. Navigate to the **Pricing Administration** work area under the **Order Management** group.
3. In the **Pricing Rules** tab, open the price list to which this item is associated.
4. Create a price list line for an item. Click **Associated Items** to define unit price and percent price based on covered items.
5. Enter the recurring price details of the item.
6. You can add subscription items under an existing price list or create a new price list and add the product.
7. Once you add the product you can either define the charges or the rate plans.

> **Note:**
> - You don't need to set up charge prefix for rate plan.
> - All consumption based advanced rating models are only supported via Rate Plans.
> - A subscription product can be priced either with charges or rate plans.

What Can Be Included in the Rate Plan?

A Rate Plan can contain the following types of charges:

- One-Time Charges: Applied once per purchase.

- Recurring Charges: Billed on a recurring basis (e.g., monthly, quarterly).
- Usage Charges: Based on actual consumption; requires setup of rating models.

Advanced Pricing Concepts

- Price Waterfall: Defines how multiple price adjustments—like discounts or attribute-level pricing—are applied to determine final charges.
- Rate Table and Tiered Pricing: Useful for usage charges; allows defining pricing that varies by volume or usage threshold.
- SKU-Based Charges: Charges can be defined at the SKU level (for example, Printer-as-a-Service with individual charges for color printing).

Related Topics

- How do I set up rate charges and usage plans?
- Use Rate Plans with Your Subscriptions
- Manage Price Lists That Have Rate Plans

Define Customer Billing Configuration

You can implement the following to define the customer billing configuration:

- Define payment terms
- Define business unit rules for accounting
- Manage transaction sources

Here's the high-level procedure for quick billing setup:

1. Go to the Define Customer Billing Configuration for Subscription Management task in Define Subscriptions.
2. Click each task within Define Customer Billing Configuration for Subscription Management. You can refer to this table to understand what you need to do on each page.

Page	Task
Manage Receivables Payment Terms page	Define payment terms.
Manage AutoAccounting Rules page	Define rules based on your Business Unit.
Manage Transaction Sources page	Ensure that the predefined transaction source `ORA_Subscriptions` is present. You must use this transaction source when you run your program.
Manage Transaction Types page	Ensure that the predefined transaction types `ORA_OSS_Credit Memo` and `ORA_OSS_Invoice` are available. **Note:** Credit memos from Subscription Management are interfaced to Accounts Receivable only after populating the invoice details in subscription billing using the Fetch Subscription Invoice Information from Receivables process.

Page	Task

3. Click **Save and Close**.

4 Configure Subscription Logic

Manage Subscription Rules

You must select an appropriate subscription profile, a renewal template, and event notifications for every rule. This enables the application to support customer-specific and business unit-specific billing, renewal, and notification rules.

Here are the steps to manage subscription rules:

1. Sign in as a configuration manager.
2. Navigate to the **Subscription Configuration** work area.
3. On the Subscription Configuration page, click the **Subscription Configuration** tab.
4. Click **Manage Subscription Rules**.
5. In the Manage Subscription Rules page, add a row to the table.
6. Select the **Renewal Rules Template** and **Business Unit**.
7. Optionally, select the **Subscription Profile**, **Event Notification Rules**, and **Template Set**.
8. Enter the **Precedence** value.
9. Save your changes.

> **Note:** You can follow these steps to access the Manage Subscription Profile Options task:
> 1. Navigate to **Setup and Maintenance** work area.
> 2. In the **Sales** setup, go to **Subscriptions**.
> 3. Select the **Manage Subscription Profile Options** task.
> 4. Select the requisite profile option.

Related Topics

- What's a subscription profile?
- How do I create a subscription profile?

Create Renewal Templates

Subscriptions can be renewed either manually or automatically. As a subscription user, you can manually renew subscriptions using the Renew action. You can also configure the application to automatically renew subscriptions. Renewal rules determine the default renewal actions.

The application uses the renewal rules template associated with a subscription to get this information:

- Renewal process
- Customer acceptance criteria
- Internal approval criteria

When you renew a subscription, the application makes a copy of the existing source subscription. The source subscription can be Active or Expired. The application changes the effective and pricing details on the renewal subscription based on the default setup.

The life cycle of a renewal subscription is similar to a newly authored subscription. However, you can configure a different life cycle for a renewal subscription using the Event Model configuration. You can configure an event model to route the renewal subscription to the customer for acceptance, or to the subscription administrator for internal approval. You can also activate the subscription without either Customer Acceptance or Internal Approval.

Here's how you can create a new renewal template:

1. Sign in as a setup user and navigate to **Subscription Management**.
2. On the Subscription Configuration page, click the **Subscription Configuration** tab.
3. Click **Manage Subscription Rules** > **Renewal Rules Template** subtab.
4. In the Renewal Templates page, click **Create**.
5. On the Create Renewal Rules Template page, enter the details for the template.
6. Select the renewal level and then select the **Price Adjustment Type**.
7. Enter a value in **Days Before Expiration** and **Minimum Renewal Duration**.
8. Select the **Renewal Period**.
9. Select the **Use renewal term for automatic renewal** check box to automatically renew subscriptions based on the values defined in the **Renewal Duration and Period** field. Then, select the **Renewal Process**.
10. Select the **Customer Acceptance Required**, **Internal Approval criteria**, **Subscription Profile**, and the communication channel.
11. In the **Renewed Subscription Number** field, select the appropriate option.
12. Optionally, select **Enable Reminders**. This option indicates whether or not your customer receives reminders.
13. Select the applicable **Coterminate** option.
14. In the **Renewal Consolidation Grouping** section, select the required consolidation criteria.
15. Click **Save and Close**.

Create Standard Coverage

You can create multiple standard coverage templates for the different service levels that you want to provide to a customer.

Before creating standard coverage templates, ensure that you have defined these:

- Business Processes: Business processes are an aggregation of service activities applicable for Depot Repair, Field Service, and so on.
- Service Activities: Service Activities are the representation of the activities performed by a service technician, field service technician, the customer, or customer support executive, like labor activities, toll expense, parts return, and so on.
- Time Zones
- Service Request Severity
- Billing Types: All Service Activities must be associated with a Billing Type. The Billing Type indicates which type of activity is performed, for example, labor, material charge, or expense.
- Price Lists
- Adjustment Type

- Adjustment Basis
- Entitlement Type

Here are the steps to create standard coverage:

1. Navigate to the **Subscription Configuration** work area.
2. Select the **Standard Coverage in the Entitlements Management** section.
3. On the Manage Standard Coverage page, click **Create Standard Coverage**.
4. Enter template name, description, and start date.
5. Select an entitlement type.
6. Click **Save and Continue**.

You can follow these steps to add entitlements:

1. On the Edit Standard Coverage page, select **Entitlement Rules**, and click **Actions** > **Add Row**.
2. Select the appropriate conditions from the **Entitlement Rules** section.
3. Select the appropriate result columns and click **Save**.

You can add more entitlement rules in the Entitlement Rules section.

The criteria in the Condition column are matched against the attributes of transactions, such as a service request, and the application's Resolution Times and Reaction Times for the time zone are returned to the requesting application.

The requesting applications are Fusion Service (formerly B2B Service) and Service Logistics.

In the Entitlement Rules you can mention the following:

- Coverage Calendar: This is the Availability Calendar.
- Reaction Times: These define the amount of time by which an action must be initiated for a requested process. Reaction times are tied to severity.
- Resolution Times: These define a fixed time, according to the contract, by which normal operation should be restored. The Resolution Times are made available to other functions.

Note: You can edit the condition and result columns applicable for your entitlements by modifying the Subscriptions Entitlements Matrix Class.