How inherited call charging works

Applies to VoipNow 3 and higher!

This article exemplifies how you can use the Relative to call cost charging method to serve your business.

How to set up inherited call charging

In order to set up the inherited call charging, go to the **Charging plan** page on each level and change the **Charging method** from **Fixed prices** to **Relative to call cost**.

Here is an example for a service provider account:

STEP 1: Go to **Charging plans** in the main menu.

STEP 2: Click on the charging plan and then change the charging method from **Fixed prices** to **Relative to call cost**.

STEP 4: Fill in the charging costs (**n*call cost + adjustment**) for each type of call.

How it works

Example 1

Assuming the cost for prefix 4 is set to 0.10 USD for 60 seconds and that we are expecting a 10% profit margin for the administrator, 5% for the service provider and 3% for the organization, here is how the fees should be calculated:

- **Service Provider** charging plan - The charging rule should be set to 1.1 * call cost + 0.0.
- **Organization** charging plan - The charging rule should be set to 1.05 * call cost + 0.0.
- **User** charging plan - The charging rule should be set to 1.03 * call cost + 0.0.

The charging for the service provider account will be computed as follows:

For a 60-second call:

> *{channel_cost_ for_call} * 1.1 + 0 = 0.10 * 1.1 + 0 = 0.11 USD*

The charging for the organization account will be computed as follows:

For a 60-second call:

> *{reseller_channel_cost_ for_call} * 1.05 + 0 = (0.10 * 1.1) * 1.05 + 0 = 0.1155 USD*

The charging for the user account will be computed as follows:

For a 60-second call:

> *{client_channel_cost_ for_call} * 1.03 + 0 = ((0.10 * 1.1) * 1.05 + 0)*1.03 + 0 = 0.118965 USD*

Example 2

The cost is calculated using the following rule:

> *X * {total_cost_of_above_level} + Y {charged/second}*

Assuming that the cost for prefix 4 is set to 0.01 USD per second, the service provider account has the following charging rule: 1 x {call_cost} + 0.001 and the **Charge outgoing indivisible for the first** option is set to `60` seconds, then the cost for a `40` seconds call will be computed as follows:

> *1 x {channel_cost_for_40_seconds} + 0.001/second* 60 seconds = 1 x 0.4 + 0.06 = 0.46 USD*

This example illustrates the fact that only what comes after **+ (plus)** depends on the **Charge outgoing indivisible for the first** setting.

The local and extended local costs on the service provider level are relative to the cost set in the **Unified Communications Zero Priority Charging** page.

The incoming call cost is relative to the incoming cost set on the DID that received the call.

How service providers and organizations can monetize

Consider this example:

- When calling 4xxxxx, you are charged with 0.04 USD for 60 seconds. Now, with the fixed prices set at 0.05 USD for 60 seconds, you will make a 0.01 USD profit for each minute. With the relative to call cost prices, you will make a profit equivalent to 1.25 * {call_cost} + 0.
- What happens if 5xxxx is called and you are charged with 0.06 USD for 60 seconds? On fixed prices, you will tax your client with 0.05 USD for 60 seconds, just like in the other case, but you will lose 0.01 USD for each minute. With inherited charging, on the other hand, you would make a 0.0025 profit considering that 1.25 * 0.05 + 0 = 0.0625.

The conclusion is quite obvious in both cases: inherited call cost is a guarantee for the 25% profit, as set in the charging plan.

Related articles

- Understanding the Call Reports in VoipNow
- Understanding the differences between a free and a paid channel
- How to use the prepaid charging policy
- Troubleshooting charging problems
- Troubleshooting calls and debug steps