

# Magic Quadrant for Recurring Billing Applications

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This Magic Quadrant evaluates 17 vendors that offer a cost-effective, modern, SaaS billing solution suitable for a wide range of industries.

## Market Definition/Description

A recurring billing application enables organizations to bill customers for one-time, subscription-based and usage-based fees for goods and services. It consumes orders and/or service contracts documenting the goods and services the customer has purchased, periodically generates fixed recurring fees, and ingests and rates product usage data. It issues one-time or periodic roll-up invoices to the customer and collects payments before determining recognizable revenue and posting to an external general ledger. APIs or UI fragments support a self-service billing portal. Modern recurring billing applications are an important customer touchpoint for measuring customer sentiment and for delivering marketing messaging.

Recurring billing is mission-critical for invoicing customers and collecting revenue for a business. It ensures billing for all goods and services is aggregated into one periodic invoice to the customer. It enables value-based pricing models that are charged based on actual usage of the service. Payment can be automatically collected by a wide range of payment mechanisms. Dunning workflow optimizes the collection of failed or delinquent payments. Revenue recognition logic ensures adherence to the latest international standards such as IFRS 15 and ASC 606.

## Mandatory Features

The mandatory features for this market include:

- Ingest orders and service contracts.
- Generate periodic fixed charges.
- Ingest usage data, rate it and generate usage charges.
- Aggregate charges of all types into periodic invoices for each customer.
- Capture payment for an invoice.
- Integrate received revenue with a general ledger system.

## Common Features

The common features for this market include all of the mandatory features plus:

- APIs or UI fragments to support a billing portal for customers.
- Revenue recognition.
- Self-service quoting, ordering and service contract maintenance.
- Assisted channel quoting, ordering and service contract maintenance.
- Churn prediction and churn prevention.
- Delivery of marketing messages via the invoice.

## Magic Quadrant

Figure 1: Magic Quadrant for Recurring Billing Applications





**Gartner.**

## Vendor Strengths and Cautions

### AppDirect

AppDirect is a Niche Player in this Magic Quadrant due to its focus on billing for services sold via a marketplace. It is a private company based in San Francisco, California. Launched in 2013, AppDirect AppBilling is best suited for companies that sell their own and partners' subscription software applications to B2B customers through a self-service marketplace. The application is primarily sold to high-tech software, telecommunications, and manufacturing companies. Companies must purchase AppDirect's marketplace and commerce functionality to use the billing features; they are not sold as a stand-alone product. The application runs

on Amazon Web Services (AWS) or Microsoft Azure. Data can reside in the U.S., Ireland, Germany, Switzerland, Australia, or India.

### *Strengths*

- **Marketplace:** The AppDirect AppBilling product is part of a larger solution for selling and reselling subscription products. End customers can be billed and resellers then pay appropriate royalties to the providers whose products are sold via a marketplace.
- **Service contract management:** AppDirect provides prebuilt UIs for B2B customers, resellers, and vendors to purchase, manage, and cancel subscriptions, and view or pay invoices.
- **Flexible invoice templates:** The what-you-see-is-what-you-get invoice template designer is one of the best of all the vendors evaluated for this report.

### *Cautions*

- **Payment collection:** Support for payment collection and dunning is among the weakest of all products evaluated in this report. AppDirect lacks support for key features such as flexible dunning workflows, a collections task queue, installment plans, and late payment fees.
- **Revenue recognition:** AppDirect lacks out-of-the-box support for revenue recognition calculations.
- **Extensibility:** The AppDirect platform supports basic extension attributes on standard objects. About 15 webhooks are exposed to notify external applications of changes to the standard objects in AppDirect. It is possible to embed external UI elements. Otherwise, application capabilities are fairly hard-coded. AppDirect cannot define custom objects or change the standard UIs, and it provides limited support for promoting changes between environments.

## **Aria Systems**

Aria Systems is a Challenger in this Magic Quadrant due to its robust cross-industry functionality. Founded in 2002, it is a private company based in San Francisco, California. Aria Billing Cloud is a mature back-end billing solution well suited for B2C and B2B use cases across a wide range of industries. The application is primarily sold to telecommunications,

high-tech, media, business services, and financial services companies. It runs on AWS or Microsoft Azure. Data can reside in the U.S., Ireland, Germany, Australia, Singapore, or Brazil.

### *Strengths*

- **Complex service contracts:** Aria Billing Cloud's support for modeling complex service contracts is among the best of all the products evaluated for this report. Each sold product can have multiple charges and customer-selectable attributes, and be grouped into nested bundles.
- **Performance:** In the demonstration shown to Gartner, Aria Billing Cloud rated 1 million usage events in approximately 90 seconds and generated 10,000 invoices in approximately two minutes. Both were among the fastest evaluated for this report.
- **AI:** Aria has invested heavily in AI capabilities in the last year. It exposes its native agentic AI via a chatbot and APIs.

### *Cautions*

- **Self-service service contract management:** Aria Billing Cloud includes APIs and a webpage builder that customers can use to create a self-service selling and customer care experience, but it lacks an out-of-the-box self-service user experience.
- **Project billing:** Aria Billing Cloud lacks out-of-the-box support for project billing.
- **Extensibility:** The core Aria platform supports basic extension attributes on product and account objects. While more advanced customization is possible in a loosely coupled extensibility tool called Aria Workflow Studio, the tool is primarily used by Aria employees. Customers cannot make changes themselves without supervision by Aria.

## **BillingPlatform**

BillingPlatform is a Leader in this Magic Quadrant because of its broad product capabilities, highly configurable and extensible platform, and strong market momentum. Founded in 2012, it is a private company based in Englewood, Colorado. BillingPlatform is a comprehensive, enterprise-grade service contract management and billing solution well suited for B2C and B2B use cases across a wide range of industries. The application is primarily sold to high-tech, media, business services, financial services, media, and transportation companies. It runs on AWS or in a private cloud. Data can reside in over 30 different countries.

## *Strengths*

- **Mixed billing:** BillingPlatform's support for billing one-time charges, fixed recurring charges, usage charges, and project time, expenses, and milestones, is the best evaluated for this report.
- **Invoicing and collections:** The product's comprehensive, flexible, and performant support for invoicing and collections is among the best evaluated for this report.
- **Extensibility:** BillingPlatform stands out from most other vendors in this Magic Quadrant for its ability to extend the application to support custom business requirements. Implementers can add custom objects, business logic, UIs, APIs, and workflows using the tooling provided. BillingPlatform is highly recommended for organizations with the most complex requirements.

## *Cautions*

- **Service contract management:** Companies implementing BillingPlatform have to use its APIs to build their own service contract sales UI for end customers.
- **Complex service contracts:** Each service contract line supports one charge. Products can be grouped into nested, dynamic bundles to support multiple charges. Sales users can capture customer-specific product attributes that drive pricing, though the experience is slow and unintuitive. Only basic support for price ramping is available.
- **Mediation:** BillingPlatform performed the highest among all the vendors in our evaluation for usage billing. However, the product lacks a graphical designer for mediation workflows.

## **BluLogix**

BluLogix is a Niche Player in this Magic Quadrant because of its limited product capabilities. Founded in 2013, it is a private company based in San Francisco, California. BluLogix BluIQ Intelligent Billing is best suited for companies using the broader BluLogix suite that need to bill for simple recurring subscriptions. The application is primarily sold to telecommunications, high-tech, government, and healthcare companies. It runs on AWS or Oracle Cloud. Data can reside in over 30 different countries.

## *Strengths*

- **Assisted service contract management:** BluLogix includes a UI for sales teams to sell and amend service contracts, view and pay invoices, and update customer details.
- **Fixed recurring billing:** BluIQ Intelligent Billing supports fixed recurring billing with proration, basic free trials, and manual and automatic renewals.
- **Application response times:** Application response times were good in the demo shown to Gartner.

### *Cautions*

- **Mixed billing:** BluLogix was one of the weakest products evaluated in this report for one-time billing and usage billing. The product lacks support for generating proforma invoices, billing on-account, creating customer credit limits, rating based on formulas or scripts, collecting and receiving usage events, and creating flexible mediation workflows. The product does not support project billing.
- **Invoicing and payments:** Invoicing, payment collection, and dunning were among the least capable evaluated in this report. The product lacks key features such as flexible invoice intervals, custom billing dates, consolidated billing, split billing, flexible payment terms, and dunning workflows.
- **Extensibility:** Aside from being able to add extra attributes to the account and product objects, the product is not extensible. Customers can't add custom objects, change standard UIs, add scripted business logic, define approval workflows, define webhooks, or stage updates between software environments.

## **Chargebee**

Chargebee is a Leader in this Magic Quadrant because of its innovative product capabilities and strong market momentum. Founded in 2011, it is a private company based in North Bethesda, Maryland. Chargebee is well suited for billing both fixed recurring and usage charges in B2C and B2B scenarios. The application is primarily sold to the high-tech industry with additional customers in media, business services, financial services, and healthcare. It runs on AWS, Microsoft Azure, or Google Cloud. Data can reside in the U.S., Germany, or Australia.

### *Strengths*

- **Self-service service contract management:** A highly usable self-service service contract management website can easily be composed using HTML fragments generated by Chargebee. The logo and color scheme of the generated UI can be changed to align with company website branding.
- **Invoicing, payment collection, and dunning:** Invoicing, payment collection, and dunning capabilities are among the best evaluated for this report. eInvoicing and value-added tax exemption are well supported.
- **Revenue recognition:** Chargebee sells a comprehensive revenue recognition module that can be deployed with or without core billing.

### *Cautions*

- **Complex service contracts:** Customers can capture ramps and entitlements in a service contract, but there is no support for customer-selectable product attributes, and only one charge is possible per product. Add-on products can be defined and chosen, but otherwise there is no support for product bundles.
- **Project billing:** Chargebee has no out-of-the-box support for project billing.
- **Extensibility:** The product lacks support for custom objects and extending business logic with script. There is no mechanism for changing the layout or content of the standard UI.

### **Frisbii**

Frisbii is a Niche Player in this Magic Quadrant because of its focus on companies in Europe and some significant product gaps. Founded in 2015, it is a private company based in Frankfurt, Germany. Frisbii is best suited for billing simple subscriptions in B2C and basic B2B scenarios. The application is primarily sold to retail, high-tech, telecommunications, consumer services, and digital media companies. It runs on AWS. Data can reside anywhere that is supported by AWS.

### *Strengths*

- **European deployments:** Frisbii supports a wide range of Europe-specific payment methods and eInvoicing. It is based on European accounting principles and supports calculation of European sales taxes.
- **Industry strategy:** The product has been deployed in a wide range of industries.



- **Application response times:** Application response times were good in the demo shown to Gartner.

### *Cautions*

- **Mixed billing:** Frisbii's support for mixed billing is among the weakest of any of the vendors evaluated for this report. One-time billing and usage billing features are basic compared to other products we evaluated. There is no support for project billing.
- **Weak for B2B:** The product's invoicing capabilities and support for complex service contracts were among the weakest evaluated for this report and are best suited to simple consumer subscriptions. It lacks support for bundles, ramps, customer account hierarchies, customer-specific billing dates, consolidated billing, and split billing. The invoice template supports limited customization. Aside from basic deferred-revenue calculations, there is little support for revenue recognition.
- **Extensibility:** Frisbii supports adding attributes to the customer, product, contract, and order objects, and about 30 webhooks are exposed to enable external logic extensions. Otherwise, application capabilities are fairly hard-coded. Customers can't add custom objects, change standard UIs, add scripted business logic, define approval workflows, or easily move data between software environments.

### **Gotransverse**

Gotransverse is a Niche Player in this Magic Quadrant because of gaps in product functionality and poor application usability. Founded in 2008, it is a private company based in Austin, Texas. Gotransverse offers a service contract management and billing solution for B2C and B2B use cases across diverse industries. The application is primarily sold to transportation, telecommunications, financial services, media, and high-tech companies. It runs on AWS. Data can reside anywhere supported by AWS.

### *Strengths*

- **Assisted service contract management:** Gotransverse offers a Salesforce-managed package for selling services inside Salesforce CRM. The vendor also provides a more comprehensive and usable native UI for selling and managing services.
- **Invoicing:** The product has comprehensive support for invoicing and was able to generate 10,000 invoices in about four minutes in the demonstration to Gartner.

- **Industry mix:** The product has been deployed in a wide range of industries.

### *Cautions*

- **Self-service service contract management:** A template self-service contract management experience is available via Salesforce Experience Cloud, or customers can build their own self-service UI using extensive APIs. The example shown to Gartner was not suitable for use by an untrained, self-service user.
- **Project billing:** Project billing is limited to basic milestone billing.
- **Usability:** Gartner found aspects of the Gotransverse product either unintuitive or more difficult to use than other products we evaluated. Particular areas of concern include complex service contracts, usage billing, dunning, and staging of updates between environments.

### **keylight**

keylight is a Leader in this Magic Quadrant because of its seamlessly integrated service contract management and comprehensive billing capabilities. Founded in 2015, it is a private company based in Berlin, Germany. keylight delivers a service contract management and billing solution for B2C, B2B2C, and B2B use cases. The application is primarily sold to manufacturing, high-tech, healthcare, business services, and education companies. It runs on AWS or Google Cloud. Data can reside in the U.S., Germany, Singapore, or Japan.

### *Strengths*

- **Service contract management:** Customers can build their own self-service sales and service contract maintenance portal using the portal builder provided with the product. The resultant UI for end customers or resellers is the most complete and flexible self-service experience we evaluated for this report. The vendor also provides an excellent assisted service contract management UI that plugs seamlessly into Salesforce, HubSpot or Microsoft Dynamics 365 CRM.
- **Recurring billing:** keylight is strong in every aspect of recurring billing. It was among the best options evaluated for complex service contracts, fixed recurring billing, mixed billing, payment collection and dunning, and global deployment.
- **Usability:** keylight was one of the most intuitive and easy-to-use recurring billing products evaluated for this report.

## Cautions

- **Viability:** keylight is a smaller company than most evaluated in this Magic Quadrant, though it is growing rapidly. However, Gartner clients should verify the company's financial standing to ensure it is viable as a long-term partner.
- **Operations:** keylight has relatively few customers, with comparatively low volumes of invoices and usage events. It is not yet proven at the scale of some other vendors in this report.
- **Usage rating:** keylight rated 1 million usage events in a below-average 35 minutes in the demonstration shown to Gartner.

## LogiSense

LogiSense is a Niche Player in this Magic Quadrant because of gaps in product functionality and its focus on usage billing use cases. Founded in 1998, it is a private company based in Kitchener, Canada. LogiSense offers a robust back-end billing solution for B2C and B2B use cases, excelling in complex usage billing. The application is primarily sold to telecommunications, high-tech, and business services companies. It runs on AWS. Data can reside in the U.S., Canada, U.K., Germany, Ireland, Australia, Brazil, Japan, India, and Singapore.

*LogiSense declined requests for supplemental information. Gartner's analysis is therefore based on other credible sources.*

## Strengths

- **Usage billing:** LogiSense is among the best options evaluated in this report for complex usage billing. It can mediate incoming events, aggregate metered usage events, and rate the usage using price lists, rate plans, and negotiated service contract prices, with tiered and incremental volume discounts or a script. Both prepaid and postpaid usage models are supported. An intuitive console tracks and manages running import jobs.
- **Invoicing:** Invoices are generated on a flexible, customer-specific schedule. Business account hierarchies can be defined and invoices can be aggregated for separate service contracts or multiple accounts in the same hierarchy. Invoice templates are easily customized using Microsoft Word and eInvoicing is supported.
- **Performance:** LogiSense was able to complete both the usage rating and invoice generation benchmarks with acceptable response times during the demo shown to

Gartner.

### *Cautions*

- **Revenue recognition:** The product lacks support for revenue recognition calculations.
- **Mixed billing:** Although LogiSense is good at usage billing, its one-time and fixed recurring billing were among the weakest evaluated for this report. There is no support for project billing.
- **Extensibility:** LogiSense supports adding attributes to standard objects. About 30 webhooks are exposed to enable external logic extensions. Otherwise, application capabilities are fairly hard-coded; the product lacks key platform features such as custom objects, scripting, custom UI extensions, and robust tooling for migrating artifacts between environments.

## **Maxio**

Maxio is a Niche Player in this Magic Quadrant because of significant product gaps and its narrow focus on SaaS use cases. Founded in 2009, it is a private company based in Atlanta, Georgia. Maxio's billing solution is a combination of features from the products formerly known as Chargify and SaaSOptics. The application is primarily sold to the high-tech industry, with customers also in business services, media, education, and telecommunications. It runs on AWS. Data can reside in the U.S. or Germany.

### *Strengths*

- **Self-service service contract management:** Customers can compose a self-service contract management website using HTML fragments provided by Maxio, with color and branding customizable via Cascading Style Sheets. The user experience is one of the best evaluated for this report.
- **Fixed-fee milestone billing:** The product has comprehensive support for fixed-fee milestone billing.
- **Operations:** Between the two legacy products, Maxio supports several customers, the largest of which generate numerous invoices.

### *Cautions*

- **Product functionality:** Maxio's support for complex service contracts, one-time billing, fixed recurring billing, invoicing, and global deployment were all among the weakest evaluated in the demo provided to Gartner.
- **Two applications:** The capabilities assessed for this report were from both Chargify and SaaSOptics. Gartner clients should verify that the combined solution is seamlessly integrated and has a consistent user experience.
- **Extensibility:** Maxio exposes about 65 webhooks that enable customers to extend the out-of-the-box capabilities. Otherwise, application capabilities are fairly hard-coded; the product lacks key platform features such as custom objects, extensions to standard objects, scripting, workflows, and tooling for migrating artifacts between environments.

## OneBill

OneBill is a Challenger in this Magic Quadrant because of its excellent omnichannel user experience and modern architecture. Founded in 2011, it is a private company based in Santa Clara, California. OneBill provides a service contract management and billing solution for B2C and B2B use cases across diverse industries. The application is primarily sold to the telecommunications industry, with some customers in utilities, high tech, and transportation. It runs on AWS, HP Cloud, or other hosting platforms. Data can reside anywhere supported by the platform.

### *Strengths*

- **Service contract management:** OneBill provides a self-service service contract management application that covers the full life cycle of selling, managing, monitoring, and paying for a service. This is sufficient for most use cases but is not extensible by the customer. There is also a highly usable quoting and ordering tool for internal sales users that integrates with Salesforce.
- **One-time billing:** OneBill is among the best solutions for one-time billing evaluated for this report. It supports proforma invoices, immediate one-time invoices, on-account billing, credit limits (including automatic invoicing when the credit limit is reached), and credit notes.
- **Invoicing:** The product has comprehensive support for B2C and B2B invoicing. It supports customer account hierarchies, flexible invoice intervals, customer-specific billing dates, consolidated billing, tax calculation, customizable invoice templates, manual invoicing,

and delivery of invoices via email. It was also able to complete our 10,000 invoice benchmark in an acceptable time frame.

### *Cautions*

- **Viability:** Although growing rapidly, OneBill is one of the smallest vendors evaluated in this Magic Quadrant. Gartner clients should verify the company's financial standing to ensure it is viable as a long-term partner.
- **Operations:** OneBill has relatively few customers, with comparatively low volumes of invoices and usage events. It is not yet proven at the scale of some other vendors in this Magic Quadrant.
- **Project billing:** The product lacks support for project billing.

## **Oracle**

Oracle is a Challenger in this Magic Quadrant because of its broad product footprint but lack of innovation. Founded in 1997, it is a public company based in Austin, Texas. Oracle offers a service contract management and billing solution that is best suited for B2B businesses that run Oracle Fusion Cloud ERP. The application is primarily sold to manufacturing, business services, telecommunications, and media customers. It runs on Oracle Cloud. Data can reside in 25 different countries.

### *Strengths*

- **Project billing:** Oracle offers a robust project management and billing capability as part of its Fusion Cloud ERP product.
- **Revenue recognition:** The product's revenue recognition capabilities are among the best evaluated for this report.
- **Global deployment:** All global currencies are supported and the application is translated into 29 different languages. Oracle has its own tax engine.

### *Cautions*

- **Disparate technology stacks:** The solution consists of Oracle Configure, Price, Quote (CPQ) plus Oracle Fusion Contract Management, Oracle Fusion Subscription Management, and the accounts receivable module of Oracle Fusion Cloud ERP. Gartner clients should verify that demonstrated CPQ capabilities are fully supported by the back

end. Similarly, some back-end actions, such as suspend and resume, are not supported by CPQ. CPQ and ERP use different tooling, requiring different implementation skills and training.

- **Usability:** Overall, the user experience of this heterogeneous solution is disjointed, overly complex, and often slow.
- **Self-service:** Oracle Commerce Cloud does not currently support managing service contracts. The UI shown for viewing and paying invoices is not suitable for end customers.

## Recurly

Recurly is a Niche Player in this Magic Quadrant because of its focus on simple subscription use cases. Founded in 2009, it is a private company based in Austin, Texas. Recurly provides a service contract management and billing solution best suited for basic subscriptions in B2C and simple B2B use cases. The application is primarily sold to media, high-tech, retail, and consumer services customers. It runs on AWS, GoDaddy, Google Cloud, and Oracle Cloud. Data can reside in the U.S. or Germany.

### *Strengths*

- **Revenue recognition:** Recurly offers a robust revenue recognition engine, which can be purchased as a stand-alone product.
- **Invoicing performance:** The product generated 10,000 invoices in about 2 minutes in the demo shown to Gartner.
- **Operations:** All customers run the latest version of the SaaS software and the vendor has a large number of customers on its platform. The largest customers produce a relatively large number of monthly invoices.

### *Cautions*

- **Complex service contracts:** Recurly has basic support for subscription ramps, but lacks support for customer-selectable product attributes, multiple charges per product, or grouping products into bundles.
- **Global deployment:** Recurly has translated its invoice and email templates into 33 different languages and supports a wide range of currencies. However, the application

itself is only available in English. International date and number formatting are only supported in the invoice. Customer-specific currencies only work in the self-service UI.

- **Extensibility:** The product supports adding textual attributes to standard objects, export of data to Snowflake, and a wide range of webhooks. It offers AI-driven help. Otherwise, application capabilities are fairly hard-coded; the product lacks key platform features such as custom objects, scripting, the ability to change the standard UI, custom workflows, and robust tooling for migrating artifacts between environments.

## RecVue

RecVue is a Niche Player in this Magic Quadrant because of significant gaps in product functionality and comparatively low number of customers. Founded in 2015, it is a private company based in Palo Alto, California. RecVue targets large-enterprise B2B or B2B2C customers across a wide range of industries. The application is primarily sold to transportation, business services, high-tech, healthcare, and telecommunications customers. It runs on AWS, Microsoft Azure, Oracle Cloud and Salesforce. Data can reside anywhere supported by the hosting solution.

### *Strengths*

- **Fixed recurring billing:** RecVue's fixed recurring billing is among the best evaluated for this report. The product supports a wide range of fixed recurring billing periods. It handles proration of charges at the beginning and end of the service contract and it can waive charges for one or more billing periods to support a free trial. Recurring billing can be initiated when an external business event occurs. Service contracts can be renewed manually or automatically.
- **Revenue recognition:** The highly capable revenue recognition engine can be purchased as a stand-alone product.
- **Industry mix:** RecVue has been deployed in a wide range of industries.

### *Cautions*

- **Service contract management:** RecVue lacks an out-of-the-box UI suitable for customer self-service or assisted selling and management of service contracts. The UI for back-office staff appeared difficult to use, with confusing terminology and excessive clicks to perform most tasks.



- **Mixed billing:** RecVue's one-time billing is limited and difficult to use. Usage billing is among the weakest evaluated for this year's Magic Quadrant. The product is not recommended for project billing.
- **Payment collection and dunning:** RecVue lacks support for payment collection and dunning.

## SAP

SAP is a Challenger in this Magic Quadrant because of its comprehensive product functionality. SAP is a public company headquartered in Walldorf, Germany. Launched in 2017, SAP Subscription Billing provides a service contract management and billing solution for B2C and B2B use cases across diverse industries. The application is primarily sold to manufacturing, business services, high-tech, professional services, and retail companies. It runs in the vendor's own data centers plus AWS, Microsoft Azure, and Google Cloud. Data can reside in one of SAP's 10 global data centers or anywhere the hyperscalers are present.

### *Strengths*

- **Mixed billing:** With comprehensive support for one-time, fixed recurring, usage, and project billing, SAP is among the best vendors evaluated for mixed billing.
- **Global deployment:** SAP is one of the best vendors evaluated for global deployments. The application UI, email templates, and invoice templates are translated into more than 30 languages. All global currencies and date and time formats are supported. SAP has sales and professional services resources around the globe, and data can reside in almost every geography.
- **Extensibility:** The SAP S/4HANA Cloud platform is highly extensible with support for custom objects, custom UIs, scripting, approvals workflows, webhooks, and staging of updates between environments. However, the overall solution evaluated here encompasses at least four application stacks, and Gartner clients should not assume the same level of extensibility in them all.

### *Cautions*

- **Multiple application stacks:** The SAP Subscription Billing solution is a mashup of features from SAP S/4HANA Cloud, SAP Commerce Cloud, and SAP CPQ, plus a SAP white-labeled version of DigitalRoute. Gartner clients should consider the additional administration skills required to support this heterogeneous application stack.

- **Self-service service contract management:** SAP Commerce Cloud supports self-service service contract selling and payment capture. However, contract amendments, usage monitoring, and invoice payments are not supported.
- **Usage rating:** SAP's usage event rating is not yet proven at the scale. The product took 60 minutes to rate a million usage events in the demo shown to Gartner, which was 40 times slower than the fastest products evaluated for this Magic Quadrant.

## Stripe

Stripe is a Leader in this Magic Quadrant because it delivers good recurring billing capabilities, is very easy to deploy, and has leading market share. It is a private company based in San Francisco, California and Dublin, Ireland. Launched in 2018, Stripe Billing enables rapid deployment of billing for B2C and simple B2B use cases across various industries. The application is primarily sold to high-tech, business services, retail, media, and healthcare companies. It runs on AWS and data resides in the U.S. or India.

### *Strengths*

- **Payment collection and dunning:** Stripe Billing has one of the most robust solutions for payment collection and dunning evaluated for this Magic Quadrant. As well as Stripe payments, the recurring billing application can be deployed with any other payment gateway. Innovative features include AI-driven smart retries after a payment method is declined, using rules to target payment methods (for example, based on transaction amount), debt recovery analytics, and support for partial payments.
- **Global deployment:** Stripe was one of the best vendors evaluated for global deployments. The application UI, email templates, and invoice templates are translated into more than 40 languages. All global currencies and date and time formats are supported. Stripe offers real-time currency conversion.
- **Operations:** Stripe supports over 300,000 companies doing recurring billing on its cloud platform, some of which generate very large volumes of invoices.

### *Cautions*

- **Complex service contracts:** Aside from good support for ramps, Stripe Billing lacks key features for negotiating complex service contracts, such as customer-specific product attributes, multiple charges per product, and bundles of products.

- **Project billing:** The product lacks support for project billing.
- **Revenue recognition:** Support for revenue recognition is limited to simple proration of deferred revenue, partial recognition of performance obligations, and simple customizable revenue recognition rules.

## **Zuora**

Zuora is a Leader in this Magic Quadrant because of its comprehensive product functionality and large installed base of customers. Founded in 2007, it is a private company based in Redwood City, California. Zuora provides a service contract management and billing solution for B2C and B2B use cases where products are simple. The application is primarily sold to the high-tech industry, with a significant number of media customers. It runs on AWS and Microsoft Azure. Data can reside in the U.S., Germany, or Japan.

### *Strengths*

- **Product functionality:** Zuora offers comprehensive recurring billing capabilities. It was among the top vendors we evaluated for fixed recurring billing, usage billing, invoicing, payment collection and dunning, and revenue recognition.
- **Extensibility:** The core Zuora platform is highly extensible, with support for custom objects, custom UIs, scripting, general-purpose workflows, email template design, data export to analytics tools, webhooks, and staging of updates between environments. However, the overall solution encompasses at least three technology stacks. Gartner clients should not assume the same level of extensibility in them all and should verify the completeness of the out-of-the-box integrations between the components.
- **Operations:** Zuora supports more than 1,000 companies on its cloud platform, all on the same software release. The largest of these customers generate very large volumes of invoices and rate a large volume of usage events.

### *Cautions*

- **Project billing:** Aside from basic fixed-fee milestone billing and approvals, Zuora lacks out-of-the-box support for project billing.
- **CPQ usability:** Zuora CPQ is a Salesforce-managed package. While functionally capable, the tool is slow to the point of being unusable.

- **Industry strategy:** By focusing on high-tech companies and high-volume B2C companies, Zuora has limited its ability to satisfy the needs of larger and more demanding industries, such as telecommunications and financial services. Perhaps as a result, Zuora is growing less quickly than the other Leaders in this report.

## Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

### Added

- BluLogix
- Oracle

### Dropped

- CSG: CSG Ascendon was dropped from this year's report because they did not have sufficient market presence in 2024.
- Salesforce: Salesforce launched a new recurring billing application (Revenue Cloud Billing) in 2025. This did not have enough customers to qualify for this year's report.

## Inclusion and Exclusion Criteria

To qualify for inclusion, provider products must satisfy all of the following:

- **Current:** The product was generally available for sale on 1 January 2025, without restrictions or special approval.
- **Cloud:** The product is implemented in the cloud and meets these requirements:

- All technology infrastructure is managed either in the vendor's own data centers or those of a third party that is not the end customer.
- The vendor implements upgrades as part of the cloud service. Upgrades are not performed by a third party, managed service provider, or the customer themselves.
- The cloud service is licensed on a subscription basis, or metered pay for use.
- All major application capabilities (end-user features, administration, schema extension, workflow, and scripting) are performed in a web browser. Note that Windows graphical user interface applications, either running locally or on a central server, are not acceptable.
- Customers cannot modify the application source code. All customers run the same code. The vendor does not develop code for a specific customer.
- The vendor must have delivered at least two upgrades containing new functionality in calendar year 2024. Upgrades may be pushed by the vendor or implemented at a time agreed by the vendor and the customer.
- **Must-have recurring billing capability:** The product provides out-of-the-box support for all the must-have capabilities listed in the market definition. At a minimum, the product must score at least 2.0 out of 5.0 for the following critical capabilities:
  - Fixed recurring billing
  - Usage billing
  - Invoicing
- **Cross-industry:** The vendor must derive at least 5% of its revenue from at least three different industries.
- **Growing:** The vendor must have closed new deals for this product for an additional \$3 million (constant currency) of annual contract value in 2024. Expansions within existing clients can be included, but not renewals of existing subscriptions.
- **Market presence:** The SaaS recurring billing product had software revenue of at least \$10 million (constant currency) in 2024 or at least \$2 billion (constant currency) was invoiced through the system in 2024.

## Honorable Mentions

**Salesforce:** In 2025, Salesforce ceased selling the recurring billing product reviewed in last year's report (Salesforce Billing) and launched a new, more capable product (Revenue Cloud Billing) built in Salesforce core and near-core. This product did not launch in time for inclusion for this year's report, but is worthy of consideration if you run on the Salesforce platform.

## Evaluation Criteria

The following criteria were evaluated to calculate each vendor's Ability to Execute and Completeness of Vision. The evaluation was based on extensive vendor surveys, publicly available financial data, a standardized software demonstration, a customer reference survey, and insights from Gartner inquiry calls.

### Ability to Execute

To evaluate a vendor's Ability to Execute, Gartner considered the following criteria:

**Product/Service:** The quality and depth of the software itself is the strongest predictor of customer success. The future is SaaS, cloud applications. We only consider features supported in the cloud for this report. The software was evaluated by an extensive live demo to Gartner's script. We assessed feature completeness, performance and scalability, usability, and extensibility.

**Overall Viability:** Gartner clients want to purchase software from a financially viable vendor that is committed to the long-term development and support of the software product under consideration. We reviewed survey responses and public financial data to assess the overall financial health of each organization and their level of commitment to their SaaS recurring billing product line.

**Sales Execution/Pricing:** Continued sales growth is a predictor of the level of future investment in the software product.

**Customer Experience:** Gartner clients want to acquire highly usable and reliable software that is well regarded by existing customers. The vendor should provide fast and effective technical support when issues are identified. We evaluated customer experience using a combination of usability scores from the live product demo and direct feedback provided in discussions with customers in the previous year.

**Operations:** Customer satisfaction and profitability of the business line depend on efficient and effective operations. We evaluated responses to the vendor survey to assess the efficiency of software updates, ability to scale the application for the largest projects, and the capacity to support and implement the software around the globe.

**Table 1: Ability to Execute Evaluation Criteria**

<i>Evaluation Criteria</i>	<i>Weighting</i>
Product or Service	High
Overall Viability	Low
Sales Execution/Pricing	Low
Market Responsiveness/Record	NotRated
Marketing Execution	NotRated
Customer Experience	Low
Operations	Low

Source: Gartner (October 2025)

## Completeness of Vision

To evaluate Completeness of Vision, Gartner considered the following criteria:

**Market Understanding:** Providers must understand customer needs and translate them into products and services. We reviewed survey responses to evaluate recent product enhancements, product roadmap, understanding of the market, and how each vendor competes with competitors.

**Offering (Product) Strategy:** Buyers need a complete solution for quote-to-cash. While this does not all need to come from one vendor, the vendor must have a complete vision and approach to solving the business process in conjunction with partners. We used the live product demo to assess whether each vendor has a complete offering footprint. This can be achieved through a combination of organic development, acquisition, and/or ecosystems. However, for ecosystems, Gartner pays close attention to the quality and support of third-party vendors. The vendor should have a clear approach for master data management across the integrated systems.

**Vertical/Industry Strategy:** The requirements for recurring billing in every industry are converging. The dominant players in the future will offer solutions flexible enough to meet the needs of multiple industries. We used the live product demo plus survey responses to assess support for multiple industries.

**Innovation:** There are several hundred vendors competing in the recurring billing market. To thrive, vendors must provide differentiated capabilities. We used the live product demonstration to assess innovative features of each product.

**Geographic Strategy:** Gartner clients are often global organizations that require support for local languages, currencies, tax regimes, accounting standards, and payment methods. It is also important to offer local implementation resources. We used survey responses to determine support for global deployments.

Table 2: Completeness of Vision Evaluation Criteria

<i>Evaluation Criteria</i>	<i>Weighting</i>
Market Understanding	Medium
Marketing Strategy	NotRated
Sales Strategy	NotRated
Offering (Product) Strategy	Low
Business Model	NotRated



<i>Evaluation Criteria</i>	<i>Weighting</i>
Vertical/Industry Strategy	Low
Innovation	High
Geographic Strategy	Medium

Source: Gartner (October 2025)

## Quadrant Descriptions

### Leaders

Leaders have the Ability to Execute their vision through products, services, and demonstrably solid business results in the form of revenue and earnings. Leaders have significant successful customer deployments with multiple proofs of large-scale deployments. They achieve consistently above-average customer experience satisfaction scores. They are often the vendors against which other providers measure themselves.

### Challengers

Challengers are often larger than Niche Players and demonstrate higher volumes of new business. They have the size and product capabilities to compete worldwide, but they might not be able to execute equally well in all geographic areas. They often achieve strong customer experience satisfaction scores. They may lack a strong functional vision or may have failed to deliver compelling new product enhancements during the past 24 months.

### Visionaries

Visionaries are ahead of most competitors in their product plans and understanding of the market. They anticipate emerging and changing needs, and move the market into fresh areas. They have a strong potential to influence the direction of the market, but are limited in terms of execution and/or track record.

### Niche Players

Niche Players offer a product that lacks some key functional capabilities, may not demonstrate the ability to consistently handle large-scale deployments across multiple geographies, or may lack strong sales. These vendors may offer complete portfolios for a specific industry, but face challenges in one or more of the areas necessary to support cross-industry requirements. They may have an inconsistent implementation track record or may lack the ability to support the requirements of large enterprises. Even so, Niche Players sometimes offer the best solutions for the needs of a particular organization, considering the price/value ratio of their solutions.

## Context

There are more than 250 vendors in the recurring billing applications market, and the vast majority did not meet the inclusion criteria for this Magic Quadrant.

The majority of the 250 vendors in this market have less than \$10 million in annual revenue. A recurring billing deployment is for the long term. Often, these systems are used for 20 or 30 years. Vendor viability is therefore a significant factor in our Ability to Execute score. This report excludes vendors with less than \$10 million in revenue or with no sales growth.

Gartner clients are seeking to procure cloud/SaaS software solutions. Therefore, this Magic Quadrant excludes on-premises products and hybrid cloud/on-premises products that fail to meet our strict definition of a cloud/SaaS application (see the Inclusion and Exclusion Criteria section for more details).

Functional requirements for all industries are converging. Gartner expects vendors of cross-industry recurring billing solutions to dominate in the future. Hence, this report excludes vendors that have a solution specifically built for a single industry.

Gartner expects companies to reduce the footprint of their ERP solutions and offload accounts receivable functionality to modern, SaaS recurring billing applications that can handle billing, collections, and revenue recognition for all types of charges including one-time, fixed recurring, usage, and projects. This report excludes vendors that cannot bill for fixed recurring and usage at a minimum.

There are significant differences in the functional capabilities of the products of vendors included in this Magic Quadrant. For this reason, the product/service criterion received the heaviest weighting for our evaluation of Ability to Execute. A product's capabilities were

determined by a three-hour live product demonstration to Gartner's standardized script. This demo included a benchmark of the vendor's ability to rate 1 million usage events and to generate 10,000 invoices.

The heaviest weightings for Completeness of Vision were accorded to each vendor's past execution of its product roadmap and vision, and to the level of innovation in its current product.

Gartner recommends using this Magic Quadrant to aid your evaluations, but also exploring the market further to assess the capacity of each vendor to address your unique business problems and technical concerns. Your shortlist should be determined by the complexity and scale of your requirements. This Magic Quadrant is not designed to be the sole tool for creating a vendor shortlist — use it in combination with the companion Critical Capabilities report as part of your due diligence, in conjunction with discussions with Gartner analysts.

Magic Quadrants are snapshots in time. To be impartial and to complete our analysis, we stop our data collection efforts at a consistent time for all vendors. In this case, the survey cutoff date was June 2025, and the product demonstrations were completed by mid-July 2025. Some product capabilities may have changed since then.

## Market Overview

The recurring billing applications market was about \$5 billion in 2024, with a little over \$1 billion of that generated by the modern SaaS vendors included in this report. The remainder is made up of revenue from on-premises billing vendors dedicated to the telecommunications, financial services, and utilities markets.

Gartner expects modern, cross-industry SaaS solutions to increasingly penetrate those traditional markets with lower-cost, more innovative products. It is likely that consumer and high-tech recurring billing markets have reached, or are close to, peak subscription with almost every opportunity for recurring billing having been explored. New growth for the SaaS players will most likely come from displacing high-cost, established players in the traditional recurring billing industries, plus replacement of accounts receivable footprint in ERP solutions. As high-cost solutions are replaced by lower-cost solutions, the overall total addressable market may actually shrink as the market share for SaaS solutions grows.

Several vendors introduced generative AI (GenA) capabilities to their recurring billing product in the last year. Using AI assistants to help users implement or navigate the application or to answer questions about a customer’s bills is intriguing, but Gartner has not seen a compelling use case for GenAI in recurring billing yet. GenAI in recurring billing is a low priority for Gartner clients, who are more motivated by ease-of-use, functional fit, and predictability of implementations.

## ⊕ Evaluation Criteria Definitions

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