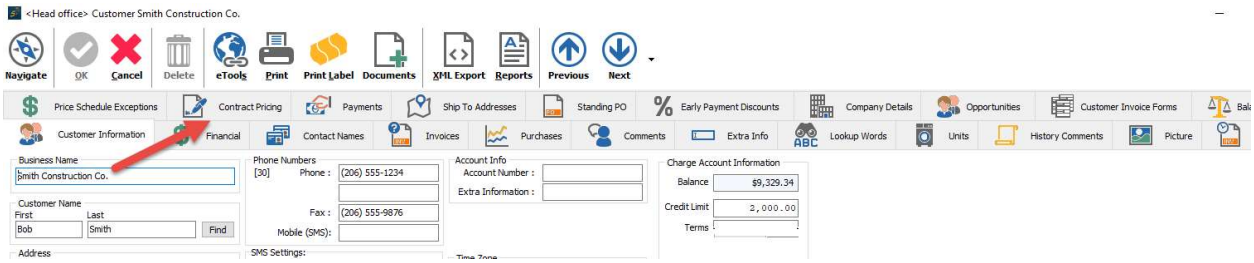
Special Pricing Scenarios

We have reviewed how you can set pricing strategies by category and by price schedule to enhance your strategy to focus on key customer segments. At times, however, you need to create special arrangements for a particular customer, particular product or situation. The following tools can be helpful in doing so. Consider these tools individually and how they fit in with your overall pricing strategy.

Contract Pricing

To enhance your business arrangement with a key customer you can offer special pricing on specific products for a specific time frame. Creating a contract with the client that links them to you. Though this is common in certain industries it may not be in yours. Consider identifying key customers and locking in their business by offering aggressive pricing on the products that drive your success with them. Contracts can also be shared across a group by the creation of a master contract.

To find the Contract pricing tab visit the customer record as below:



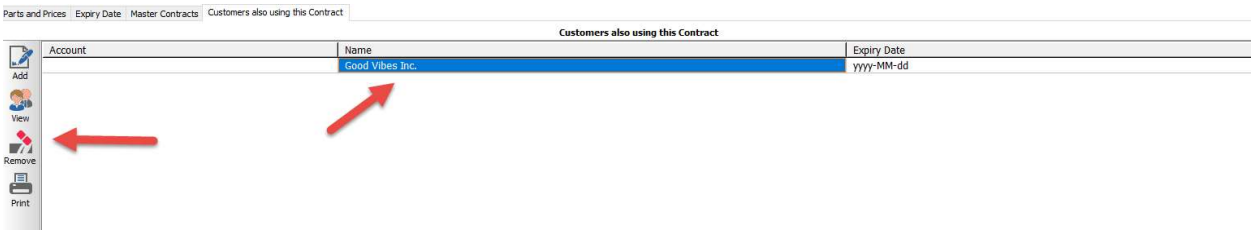
The interface for Contract pricing is presented as follows:

1. Parts and Prices – is viewed as above here I am able to select a lower price for a specific product and compare this to the price the client would pay on their normal schedule.

2. Expiry Date – allows you to set the Expiry date for the contract or select that it does not expire.

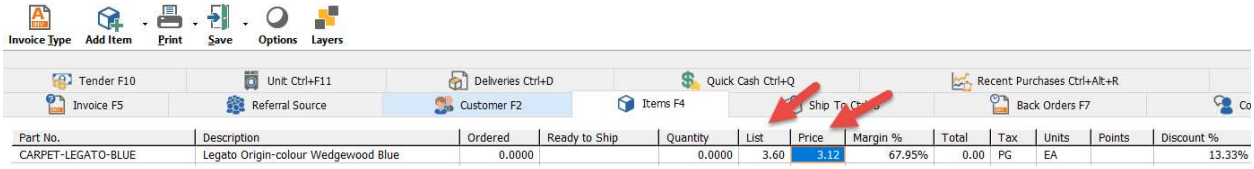
3. Master Contracts: Shows you the master contract this customer has been added to. The original contract you created.

4. Customers also use this contract: this tab allows you to share a contract you have built for one client with another client(s). Use this strategy once you find something that works through your tests. One you add someone, their customer record will hold this one as the master in the Master Contracts tab. See above.



5. Contract Price: The new price on the product in question.
6. Schedule Price: The former or non-contract price.
7. Expiry date: date of expiry on this product or contract.
8. Edit Tool bar: allows you to add and remove products from the contract.

Once you have this setup pricing contract it will operate automatically on an invoice just like a price schedule. As you see here:



Contracts are another type of experiment you can run on your prices. If you find that a contract is working well to win business of a certain type you can adjust your marketing and sales approach to attract more of this business and repeat the process. This is a great way to pass on savings you have earned yourself through vendor relationships to strengthen customer relationships.

Advantages of using Contract pricing in my business are:

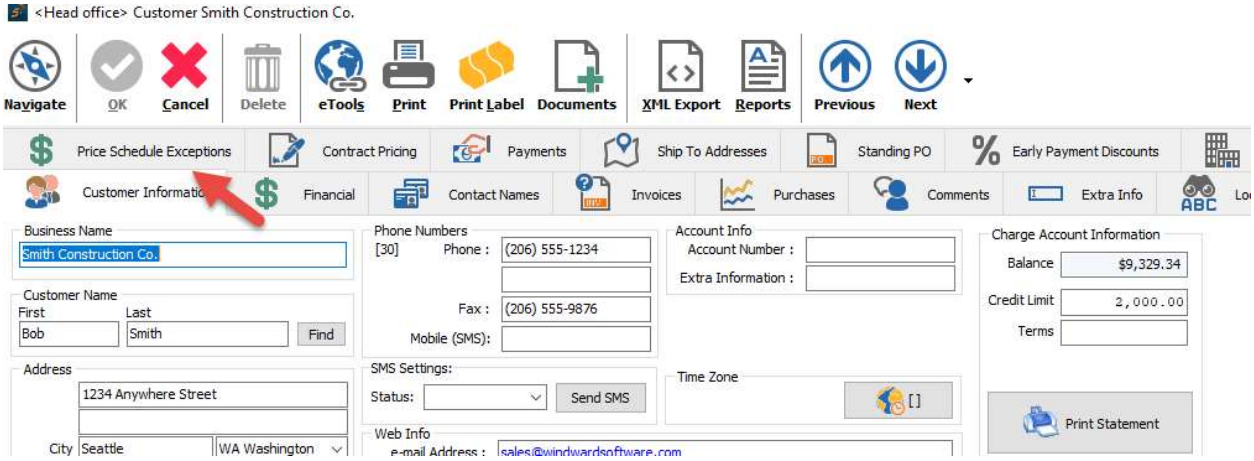
Disadvantages of using the Contract pricing in my business are:

I am going to start using this tool in my business on _____

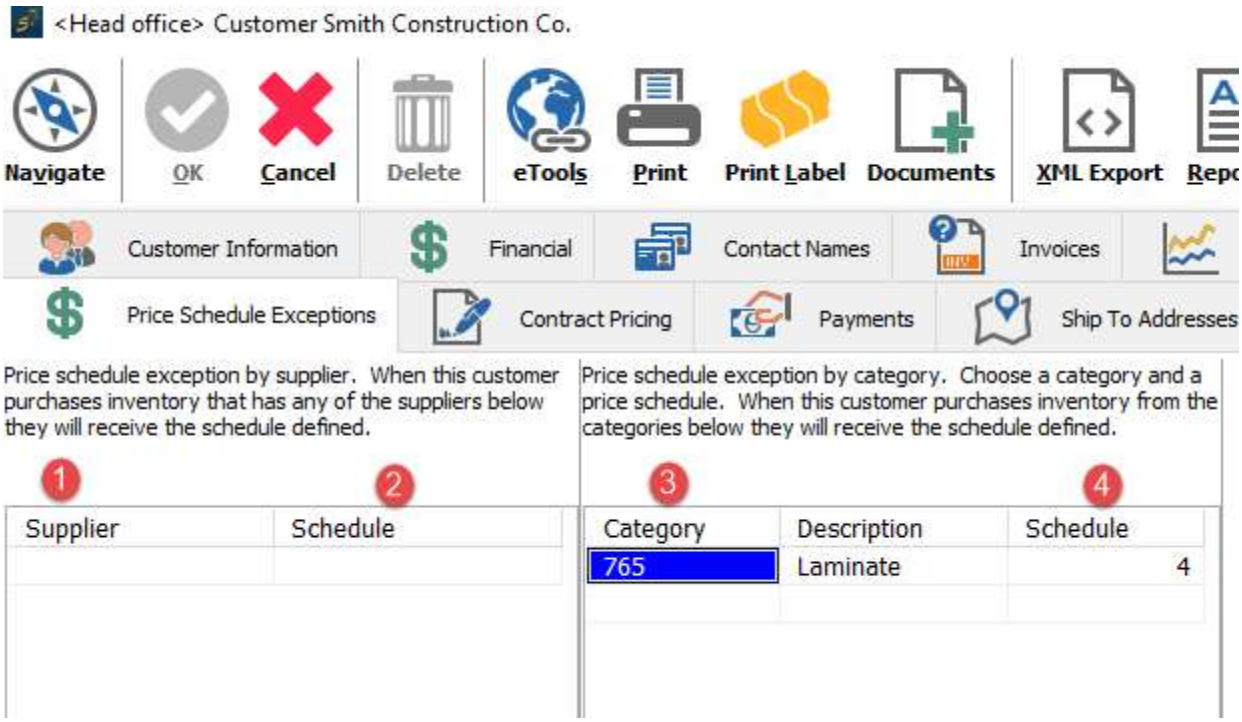
To address the following problems

Price Schedule Exceptions

Price schedule exceptions allow you to grant a customer a specific price schedule on a broad group of products or services by category or vendor. You also find this in the customer record here:



The Price Schedules tab appears as follows:



1. Setup a specific price schedule to take effect when this vendor is purchased from.
2. Designate the vendor specific price schedule here.
3. Setup a specific category to trigger a price schedule here.
4. Designate the category specific price schedule here.

Using this strategy in combination with price schedules to segment your clients and target key products and services that drive business with them can build a unique value proposition with each individual client or segment. Experiment with these exceptions until you find a winning combination.

Advantages of using Price Schedule exceptions in my business are:

Disadvantages of using the Price Schedule exceptions in my business are:

I am going to start using this tool in my business on _____

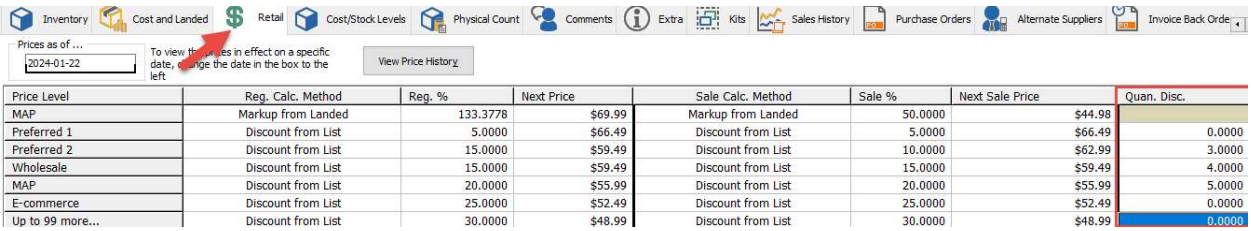
To address the following problems

Quantity Discounts

Quantity discounts can help drive high volume business and do not make sense in all instances. If you have a quantity discount with a vendor this can be an excellent way to pass that on to your customer. In some businesses you are keeping a lot of products on hand to satisfy immediate need, but this has a high cost due to available warehouse space. Let your customers who buy something frequently store their own product by offering them a discount to take a supply with them.

Quantity discounts take place in the Inventory record and apply to ALL customers. They rely on price schedules being set up. After purchasing a given quantity a customer will be granted a better price schedule for that purchase.

To set up a Quantity discount head to the item record and to the Retail Tab.



Price Level	Reg. Calc. Method	Reg. %	Next Price	Sale Calc. Method	Sale %	Next Sale Price	Quan. Disc.
MAP	Markup from Landed	133.3778	$69.99	Markup from Landed	50.0000	$44.98	
Preferred 1	Discount from List	5.0000	$66.49	Discount from List	5.0000	$66.49	0.0000
Preferred 2	Discount from List	15.0000	$59.49	Discount from List	10.0000	$62.99	3.0000
Wholesale	Discount from List	15.0000	$59.49	Discount from List	15.0000	$59.49	4.0000
MAP	Discount from List	20.0000	$55.99	Discount from List	20.0000	$55.99	5.0000
E-commerce	Discount from List	25.0000	$52.49	Discount from List	25.0000	$52.49	0.0000
Up to 99 more...	Discount from List	30.0000	$48.99	Discount from List	30.0000	$48.99	0.0000

Here you will see your list of price schedules as before. To add quantity discounts, enter a quantity that will trigger the client to be charged a given price schedule.

NOTE: these work best in descending order.

Here you can see the above items sold at full price, then at lower price schedules as the quantity increases.

Part No.	Description	Ordered	Ready to Ship	Quantity	List	Price	Margin %	Total	Tax	Units	Points	Discount %
P257-00	Brake Pads	1.0000		1.0000	69.99	69.99	57.15%	69.99	PG	EA		0%

Part No.	Description	Ordered	Ready to Ship	Quantity	List	Price	Margin %	Total	Tax	Units	Points	Discount %
P257-00	Brake Pads	3.0000		3.0000	69.99	59.49	49.59%	178.47	PG	EA		15.00%

Invoice F5 | Referral Source | Customer F2 | Items F4 | Ship To Ctrl+S | Comments Ctrl+F8 | Tender F10 | Unit Ctrl+F11 | Deliveries Ctrl+D | Quick Cash Ctrl+Q | Commission

Part No.	Description	Ordered	Ready to Ship	Quantity	List	Price	Margin %	Total	Tax	Units	Points	Discount %
P257-00	Brake Pads	5.0000		5.0000	69.99	55.99	46.44%	279.95	PG	EA		20.00%

This is a very simple feature to implement. It makes sense to provide quantity discounts in the same places where your vendors provide them to you. Consider which products you can benefit from mass orders on and then motivate customers to make larger purchases to get a better price.

Advantages of using Price Schedule exceptions in my business are:

Disadvantages of using the Price Schedule exceptions in my business are:

I am going to start using this tool in my business on _____

To address the following problems

Putting a product on sale

Another simple method of adjusting and maintaining prices is to use a sale. You can quickly and easily set a different price point by price schedule for a period of time. This takes effect automatically.

To put an item on sale, go to the inventory record and head to the retail tab once again. First, set the prices you want to take effect for each price schedule on the right. In my example I

simply increased the discount. However, you can completely change the pricing method or strategy as well.

Prices as of ... 2024-01-22

To view the prices in effect on a specific date, change the date in the box to the left

View Price History

Price Level	Reg. Calc. Method	Reg. %	Next Price	Sale Calc. Method	Sale %	Next Sale Price	Quan. Disc.
MAP	Markup from Landed	118.7648	$174.99	Markup from Landed	50.0000	$119.98	
Preferred 1	Discount from List	5.0000	$166.24	Discount from List	20.0000	$139.99	0.0000
Preferred 2	Discount from List	15.0000	$148.74	Discount from List	25.0000	$131.24	0.0000
Wholesale	Discount from List	15.0000	$148.74	Discount from List	30.0000	$122.49	0.0000
MAP	Discount from List	20.0000	$139.99	Discount from List	35.0000	$113.74	0.0000
E-commerce	Discount from List	25.0000	$131.24	Discount from List	40.0000	$104.99	0.0000
Up to 99 more...	Discount from List	30.0000	$122.49	Discount from List	50.0000	$87.50	0.0000

The 2nd step is to set the sales dates which you handle on the primary inventory record area, as you see here.

Inventory | Cost and Landed | Retail | Cost/Stock Levels

Sub Category 405 Bracelets/Anklets

Supplier: Alpine Distributors

Item Number: Silver Ank

Supplier's Part Number: SILVER ANK

Part Number: SILVER ANK

Brand:

Description: Silver Anklet

Description 2

Inventory Type: N | Normal

Unique [953]

Barcode: Click to Generate

	Standard	Average	Next
Cost	79.990000	79.990000	79.990000
Landed	79.990000	79.990000	79.990000
List	174.99	174.99	174.99
Sale	119.98	119.98	119.98

- [ ] Serial Numbers
- [ ] Sell by Weight
- [ ] Sell by 100 Weight
- [ ] Export to eCommerce
- [ ] Can Hide When Printing
- [ ] Sell By Period
- [ ] Customer Tracking

- [ ] Show Z-Sheet when selling

Factor 0.00

Sale Start Date 2024-01-21

Sale End Date 2024-01-31

Try sales on different products and compare the sales results during the sales period to a period of regular pricing to see if lower prices drive more sales. Note that you can also use the design inventory report or the default items areas to set sales to groups of products.

Advantages of using Price Schedule exceptions in my business are:

Disadvantages of using the Price Schedule exceptions in my business are:

I am going to start using this tool in my business on _____

To address the following problems