



Pricing

ORDER POWER! uses one of five **Pricing** schemes to price an **Item**. You can define an unlimited number of quantity-level price breaks within each **Pricing** scheme. Each **Pricing** scheme has a different *key* to access the file. This *key* specifies the pieces of information viewed by the system to determine if a match exists. **Pricing** is calculated using the *Ordered-by* **Customer Number**.

Contract pricing

Key: *Customer #, Item, Qty*

This pricing is defined in the mailing list. It is used to give a specific person/company an agreed upon price for the item. This is used in mainly a business-to-business environment. You may specify a limited time frame for this price to be good thru.

Customer Class pricing

Key: *Customer Class, Item, Qty*

This pricing is defined in the item. It is used to grant a group of customers the same price. Particularly, if prices differ bathe volume that the customer buys. For instance you may have group of customers (wholesalers) that normally buy in quantities of 10 or less, but you also have another group (distributors) that normally purchase in quantities of 25 or more. Under these conditions you may wish to give price considerations to the two groups.

For a given customer class you can declare that a minimum order amount is required to grant that customer class's prices; or another customer class pricing arrangement is used. The order entry operator is issued a message at the end of an order to alert them that the order does not meet the minimum amount to qualify for customer class discount. The customer has the option to add to the order and the operator has the option to use the original customer class prices or re-price to grant the fallback customer class prices.

Special pricing

Key: Date, Item, Qty

This pricing is defined in the item. It is used for "specials". Get this price for the time period specified. Note, this price can be given any individual, company, or group.

Media pricing

Key: Media, Customer Class, Item, Qty

This pricing is defined in the media. It is used to allow different prices in different ads/catalogs. A subset of this pricing is Media Book pricing whose key is Media Book, Customer Class, Item, Qty and is defined in the media book. This pricing is used when the system checks the media file and does not find a price but does find a reference to a media book. This allows you to have different media codes (segments) given to a single mailing piece but use the same price for the mailing piece. If customer class of "blank" is used to create the pricing record, then this record will be checked for all classes.

Base pricing

Key: Item, Qty

This pricing is defined in the item. It is used to identify the most basic price given to the item. This price is normally higher than any of the others.

"Qty" mentioned above is the minimum quantity ordered in which to receive that price.

Also, it is necessary for you to specify in the company profile the priority in which the system reviews the files in order to determine the price. Please understand that the system will use the first price it finds.

Assume the profile is set as follows;

In the profile

Contract Price = 1

Media Price = 2

Customer Class Price = 3

Special Price = 4

Base Price = 5

where 1 is the highest priority.

Let's look at a sample set of prices for **Item ABC**.

Contract Price	Customer 1, Qty=5, 01/01/99 thru 12/31/99	11.00
Media Price	Media X, Class AA, Qty=3	11.50
Class Price	Class AA, Qty=1	12.00
Special Price	10/01/99 thru 10/15/99, Qty=1	11.00

Base Price Qty=1 15.00

Other Info: Customer 1 belongs to Customer Class AA

2 belongs to Customer Class BB

If Customer 1 places an order on 10/03/99 for Qty of 4 and mentions that he was looking at media X, the price would be \$11.50 which is the price in the media. He does not qualify for the contract price because he ordered less than five.

If Customer 2 placed the same order, the price would be \$11.00.

It is not necessary for a quantity of 1 be specified in any of the pricing files. We do recommend using it though in the base price if the replacement cost is not defined in the item. Refer to section on "Costs".

ORDER POWER! maintains two prices for each detail line the unit selling price and the unit price. The difference is the first price is the one used to determine the merchandise amount and the latter is used to determine if the system calculated price was used or if it was overridden by the operator. In Order Inquiry it is possible to determine from which file the system determined the unit price. When viewing the second panel for additional information about the detail line two characters will appear in the upper right corner.

CP Contract Pricing

MP Media Pricing

SP Special Pricing

MB Media Book Pricing

RP Customer Class Pricing

BP Base Pricing

The computer determines the price and yet it is still possible for the order entry person to override that price. A "price variance" report can be produced showing all prices that vary from the computer generated price if greater than a predefined percentage.

During order entry the user can use an action code to determine how the price was derived.

Kits are subject to the same pricing process as discussed.

A deal is a marketing arrangement, e.g. "Buy 2 get 1 free". Deals are defined with the pricing. The deal is added to the order if the quantity ordered meets the requirement. The price of the deal **Item** is specified when defining the deal.

When defining the customer class, you may also specify an alternate class. When the order merchandise total is less than the minimum specified for the class, a message is issued to the operator to suggest "re-pricing" the order based upon the predefined alternate class. If the operator elects to "re-price" then the system reprocesses the order based upon the rules defined above. Deals are not affected. Any previously given deal will remain as part of the order.

Group Pricing

ORDER POWER! also supports group pricing (a.k.a bundled pricing). This is a pricing arrangement where all items defined to be part of a group get a quantity price based upon the total quantity of all items purchased from the group for any order. For example if a family of pens are defined as a group and a customer buys 5 of Pen A, 6 of Pen B, and 9 of Pen C, then the customer will qualify for the price of quantity 20 for each of the items. The order will be repriced automatically as items are entered. It will not reprice an **Item** if the price was overridden, even if the **Item** qualifies for a group price.

To set up group pricing, define "Pricing Groups" in the "Work with Files" menu. Then assign the appropriate group to each **Item** that belongs to the group.