

RETAIL - AR DEBTOR DISCOUNT

Introduction

The purpose of this Document is to explain the specific Retail Discount options for AR Debtors, i.e. as part of the Retail Pricing set. Retail Pricing includes a comprehensive set of price instruments, e.g. Standing Offers (take X and/or Price Discount), Arbitrary Discount, Volume Discount, Day Discount, Club Discount, Direct Debtor Discount, Formula Discount, Contract Pricing and Standard Pricing. In this document we demonstrate how to use AR Debtors specific Discount options, i.e. Direct Discount, Formula Discount and Contract Pricing.

Price Priority

When the system calculates the price for a Retail Item, it does it in the following priority order: -

- ❑ Rate Book – If the Customer is flagged for Rate Book, then the Rate Book price is used and all others ignored.
- ❑ Day Discount – If Day Discount is present for the Date, then this price is used and further price searching is ignored. (Hint: Charge Accounts can be excluded from Day Discount.)
- ❑ Direct Discount – If a Customer Account is indicated on the Deal, the system checks for a Direct Discount % applicable for all Items.
- ❑ Formula Price – If a Customer Account is indicated on the Deal, the system looks for a Formula Price and if present, will use it.
- ❑ Contract Price – If a Customer Account is present, the system checks for Contract Pricing on the Item for this Customer, and if found, uses it.
- ❑ Standing Offers – Next in line are standing offers.
- ❑ Club Discount – If no price has been chosen yet, the system checks for qualifying Club Discount.
- ❑ Volume Discount – This is the last price option the system checks before reverting to the Standard Price, i.e. without any discount.
- ❑ Standard Price

Direct Discount

Direct Discount takes precedence over all pricing after Rate Books and Day Discount. It is very simple to use, because you only need to specify the % Discount to apply for any and all Retail Items, on the Customer Account. The limiting aspect of this method is that it cannot be used if the Customer gets Discount only on certain Items (in which case, use Formula Discount).

Disallow Retail Charges

Retail Direct Discount %	10.00
Formula Indicator	
Retail Terms	
Rate Book	

On the Customer Master record, just specify the Discount % to apply.

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If a Rate Book is indicated for the Customer, then the Discount % will never be used.

Formula Discount

This option is very flexible, and allows different levels of discount to be offered to select Customers, and for select Retail Items. For example, one Customer may get 15% on some Items, but only 10% on others. The next Customer may get 20% on the same Items that the 1st Customer gets 15% on, and also 10% on other Items, and so on.

In this case, just specify an indicator on the Customer Master, at 'Formula Indicator'.

Disallow Retail Charges

Retail Direct Discount %	
Formula Indicator	A
Retail Terms	
Rate Book	

In this example we have stated "A", but this is really dependent on your own requirements and the number of different categories you wish to use to differentiate between different groups of Customers. For clarity, let us just say that in this example, we have a system of 3 Customer Groups that qualify for Formula Discount, and we use "A", "B" and "C" to differentiate between the 3 groups.

In the Retail Catalog, we may attach any number of different or the same formulas to any number of Retail Items (and some Retail Items may have no formula at all, i.e. the Formula Price only kicks in when a Retail Item indicates such a formula).

Define Retail Catalog Master [1] (6MG)

1 MAN 2 Stores

Catalog Key: 3008412
30-00412

RETAIL CATALOG

SETTINGS

Description: OLYMPUS CAMERA MASTER PRO 4.2

Transaction Status: OPEN Non Returnable

Tax Parameter: 1 Std Rate VAT excl Capital Goods & Services

Accounts Profile: def Default

Unit Of Sale: ea EACH

DCM Item:

Sell Only in M:

PRICING and DISCOUNT

Price Price	10.00
Current Price	34.55
Cost of Sale Price	
Price Policy	def no markup
Club Discount	any Any
Volume Discount	def Default
Standing Offer	
Loyalty %	
Conv %	10.00
Custom Formula	Group Discount 5%

Ratebook	Currency	Price
1 Book # 2	USD	
2 Book # 3	USD	

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When the system encounters a Retail Item being sold, and a Formula being present, and the current Customer being flagged for Formula Pricing, then it finds the Formula listed on this Retail Item on the Formula Master, and uses the specified Business Rules to calculate the price.

Retail Price Formulas [1] (ENG)

Formula Key: 01

Name: Group Discount 5%

Subroutine Name: retail.formula.sample

Buttons: Exit, Save

In the formula shown above, the system will call the Business Rule program "retail.formula.sample" to calculate how much this Customer, flagged for Formula Pricing type "A", will pay for the Item being sold.

```

Telnet localhost
23  arcode = params<3>
24  custcrm = params<4>
25  begin case
26    case arcode # ''
27      indicator = oconv(arcode,'tlents;x1;;118')
28    case custcrm # ''
29      indicator = oconv(custcrm,'tcrmcust;x1;;29')
30    case 1
31      indicator = ''
32  end case
33  *** *** * in our example, we use only 2 indicators, i.e. 'A' and 'B'
34  begin case
35    case indicator = 'A'
36      price = sysprice * 0.9 ; * 10% discount
37    case indicator = 'B'
38      price = sysprice * 0.95 ; * 5% discount
39    case indicator = 'C'
40      price = sysprice * 0.98 ; * 2% discount
41    case 1
42      * not allowed, therefore use standard price
43      price = sysprice
44  end case

```

The business rule code above states that Customers that have type "A" will get 10% off the normal price of the Item, "B" will get 5% off and "C" will get 2% off the standard price.

Hint: This business rule code can be found in file "client.bp".

Contract Discount

Contract Pricing requires more management than the other methods, because Contract Pricing must be specified by Retail Item, by Customer, separately in each case. Contract Pricing is usually only used when there is a Request to Quote, a Quote and a subsequent agreement to supply certain Items at certain prices for a specified period, and usually the agreement includes an understanding that the Customer will purchase a certain Volume of each Item within that period.

Contract Prices, therefore, may be pre-specified with a Start and End Date, as shown below.

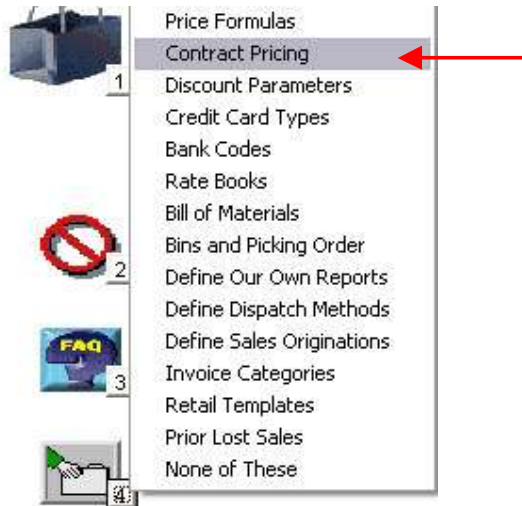
Define Debtor Contract Prices [1] (ENCL)

Customer Contract Pricing EXIT

AR/Debtor Code: 01-021 ALBERTA MOTOR ASSOC. (RWAY)
 Catalog Item: 30-08412 OLYMPUS CANEDIA MASTER FRO 4.2
 Currency: USD Unit: EA 2001

Previous Price	Current Price	Future Price	
<input type="text"/>	5.50	5.35	Linked Currency Pricing Local Currency Pricing
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Date From: <input type="text"/>	Date From: 11/01/1996	Date From: 12/02/2007	
Date To: <input type="text"/>	Date To: 12/01/1999	Date To: 12/02/2008	
Contract Quantity: <input type="text"/>	Contract Quantity: 4.00	Contract Quantity: 0.00	
<input type="button" value="delete PREVIOUS"/>	<input type="button" value="delete CURRENT"/>	<input type="button" value="delete FUTURE"/>	<input type="button" value="Save"/>

Contract Prices are specified in Retail, by choosing File Maintenance, and then Contract Pricing.



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