

Pricing Theory

COUNTERPOINT pricing while appearing to be complex is actually a matter of ensuring that three pieces of data required in setting up pricing are in place and correct. At its most basic level those pieces are as follows;

Category Record (AKA Line Code Record)

This record identifies the product line. It provides among other things the following information to the system.

- Price Book Vendor - Tells the system what price book to use when pricing items for this line code.
- Catalogue Vendor - Associates the Electronic Catalogue product line to the category.

Category Price Multipliers

When price files are delivered to your system they typically contain only one price (eg Jobber or Net) and optionally may also contain core price where applicable. Given that the auto parts industry universally works with five price levels plus cost there needs to be a mechanism to put pricing in all of the non populated fields.

As a Jobber you will know that your Buying Group or Supplier sends you price lists with (typically) Jobber or Cost. You will also know what your discount off Jobber is, what the street price is for the product and at what price you will sell the product to established account customers. Armed with this knowledge COUNTERPOINT provides a method of allowing you to predefine the upcharges required to populate all required fields using the base price supplied in the price book as your starting point. This is accomplished via Pricing Parameter Maintenance.

Given that you may not buy non stocked parts as efficiently as you buy stocked parts COUNTERPOINT provides a separate set of multipliers for non stocked purchases. This set must be present if you wish to have non stock sales price properly. That said, the non stocked multipliers can be set to match the stocking multipliers with a single key stroke.

The Non Stock multiplier set also contains a field Called "**Original To Price Level**". The system uses this field to determine where to put, and find, the product lines base price level. Historically this field was almost always set to 5 (Jobber) but with the recent shift to reference or net pricing the field can be set to almost any price level as dictated by what the you receive as a base price

from the supplier.

DISCOUNT LEVELS

COUNTERPOINT provides for the reality that you may get more than one discount structure on a single product line.

An example of this might be belts where the price list is based on J-35% for Automotive belts, J-45% for Industrial Belts and J-55% for Recreational belts.

In order to accommodate this the Price Multiplier Maintenance screen includes a field called Discount Level. This field accepts entry of Space (The Space bar) A thru Z and Zero thru Nine which provides for up to 37 different multiplier sets with each Discount level, potentially, having a unique set of multipliers.

IMPORTANT NOTE

- **TIMESAVER** - If a price file is broken up into many separate files but you get the same price structure on all of them or you receive NET pricing from the supplier, you need only ensure that you have set up the space multiplier set for both stocked and non stocked before the update is run. Done this way all prices will be forced to use the SPACE Discount Group.
- If a price file that is broken up into many Discount Groups is run into the system with no multipliers set up for any Discount Group the price file on your system will be structured in such a way that your only option will be to set up specific multiplier sets for each Discount Group. This would normally only be required if the manufacturers prices to you require unique multiplier sets for each Discount Group. If the same Multipliers can be used for all Discount Groups within the line the simplest fix is to set up multipliers for the Space Discount Group in both Stocked and Non stocked and rerun the update. This combines the many price files into one with a Discount Group of Space
- In summary lets say you have a product line with 16 Discount Groups. Your Options are
 - Set up Multipliers for the space Discount Group for both stocked and non stocked only. Then, run the price update. (Assumes that all discount Groups are priced the same)
- Set up Multipliers for Space and any other Discount Groups requiring unique Multiplier sets. Then Run (or rerun) the Price update.
- If a price update gets run before you have Multipliers set up for both stocked and non stocked the price book will end up on your system broken up into Discount Groups that match what the supplier sent. If this is correct due to each group requiring unique sets of multipliers you will need to set up the multiplier sets before any pricing will work. If that segmented pricing is not required, set up multipliers for stocked and non stocked under

space and rerun the update.

Product Master Discount Level

If all of the foregoing checks out and your stocked item pricing is still not working the last point to check is the product master record to determine what is in field 53 Discount Level. If this specifies something other than the correct Discount level or it contains an "*" you will need to change it to the correct level. (**Note** - In the event that there are too many records involved to efficiently do this manually you can use the Product master reset program, but use this program with EXTREME CAUTION as MISTAKES CANNOT BE UNDONE if it erases data based on what you entered)

In summary, If the Category Record, the Price Multipliers and the specified Discount Level on the stocked item product master records are set up correctly your pricing will work as expected.

Also see the document titled Pricing Trouble shooting.

Revision #1

Created 2021-09-15 23:45:38 UTC by Jim

Updated 2025-02-24 19:10:28 UTC by Jim