

Pricing Managing Pricelists

SAP Business One, Version 9.0



Welcome to the topic on managing pricelists.

Objectives



At the end of this topic, you will be able to:

- Describe how to manage pricelists in SAP Business One.

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In this topic, you learn how to manage pricelists in SAP Business One.

Business Example



Your company maintains multiple pricelists to give appropriate pricing for different types of customers. Therefore you tie the pricelists to customer groups. When a new customer master record is created, the pricelist defaults from the customer group assigned to the customer master.

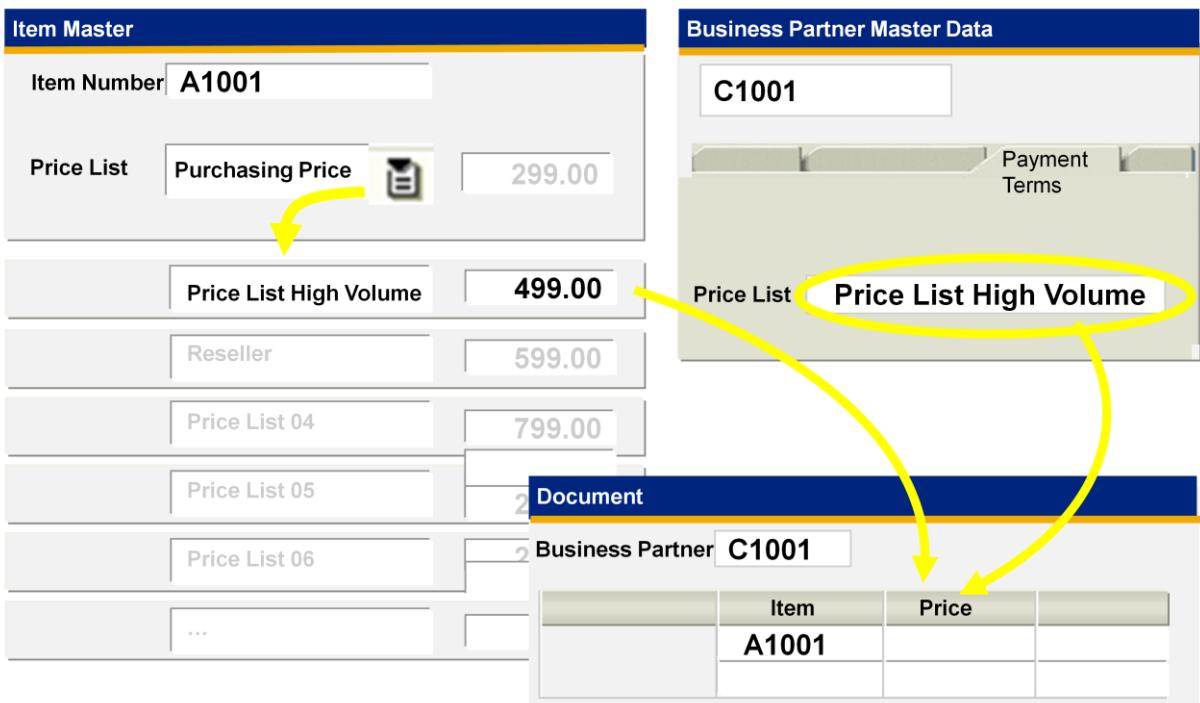
You set some pricelists to update automatically when a base pricelist changes.

Some pricelists are seasonal so they are managed with validity dates. New pricelists are marked as inactive until they are ready to be used.

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- Your company maintains multiple price lists to give appropriate pricing for different types of customers. Therefore you tie the price lists to customer groups. When a new customer master record is created, the price list defaults from the customer group assigned to the customer master.
- You set some pricelists to update prices automatically when a base pricelist changes. For example, you base some sales prices on a pricelist based on purchase price.
- Some price lists are seasonal so they are managed with validity dates. New price lists are marked as inactive until they are ready to be used.

Pricelist concept



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- SAP Business One uses price lists as the basis for pricing in the sales and purchasing process.
- Price lists contain the pricing for items.
- Each business partner has a price list assigned. You can see the assigned price list in the business partner master record.
- When a business partner is entered into a marketing document, the price list is associated with the document. When you enter an item in the document, the price for that item is drawn from the price list associated with that document.

Pricelists



- SAP Business One provides 10 price lists.
- You can add, change or delete prices in price lists to maintain your pricing strategy.
- You can use:
 - All 10 price lists
 - Just a few of them, or
 - Create additional as needed.

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- You can use all 10 pricelists, use just a few of them or create additional as needed.

Maintaining Pricelists

Update Entire Price List

Update by Selection

#	Price List Name	Base Price List	Factor	Rounding Method	Group
0	Last Purchase Price				
1	Purchasing Price	Last Purchase Price	1.0	No Rounding	Gr.1
2	Large Customers	Purchasing Price	1.5	/	Gr.2
3	Small Customers	Purchasing Price	2.0	/	Gr.2
4					

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- In the price list window, you see all the pricelists.
- One nice feature of this window is that you can set automatic pricing for pricelists using factors.
- When you base a price list on another price list you tell the system how to calculate the prices in the factor column.
- For example if you want to double the prices from the original price list, the factor would be 2.0.
- We can see the Large Customer list has a factor of 1.5 over the Purchasing Price list. That means that if an item is 10 in the purchase price list, then the large customer list would have that same item at 15.
- In our example, whenever a price is updated for an item in the Purchasing Price List, the prices for that item in the Large Customers price list and the Small Customers price list are automatically updated based on the numbers in the factor column.
- From this window, you can update an entire price list or filter the items by various criteria such as item group, vendor or so on.

Automatic or Manual Updates

#	Name	Base Price List	Factor	Rounding Method	Group
3	Small Cust.	Purchasing Price List	2	No Rounding	Gr.1



double-click

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You can double-click a row to open the price list and maintain the individual item prices.

Automatic or Manual Updates

#	Name	Base Price List	Factor	Rounding Method	Group
3	Small Cust.	Purchasing Price List	2	No Rounding	Gr.1

Price Maintenance



double-click

#	Item number	Description	Base Price	Factor	Price	Man.
1	A0001	Printer	85	2	190	<input type="checkbox"/>
2	A0002	Tablet	800	2	1,600	<input type="checkbox"/>
3	A0003	Desktop	1200	2	2,400	<input type="checkbox"/>
4	A0004	Scanner	50	2	100	<input type="checkbox"/>

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- Once you open a price list, you see all the items in the system and the net prices assigned.
- Here we see the *Small Customer* price list is based on the Purchasing Price list.
- The prices are calculated using a factor of 2.
- Notice that the chair currently has an automatic price calculation of 190 which is twice the base price of 85.

Automatic or Manual Updates

#	Name	Base Price List	Factor	Rounding Method	Group
3	Small Cust.	Purchasing Price List	2	No Rounding	Gr.1

Price Maintenance



double-click

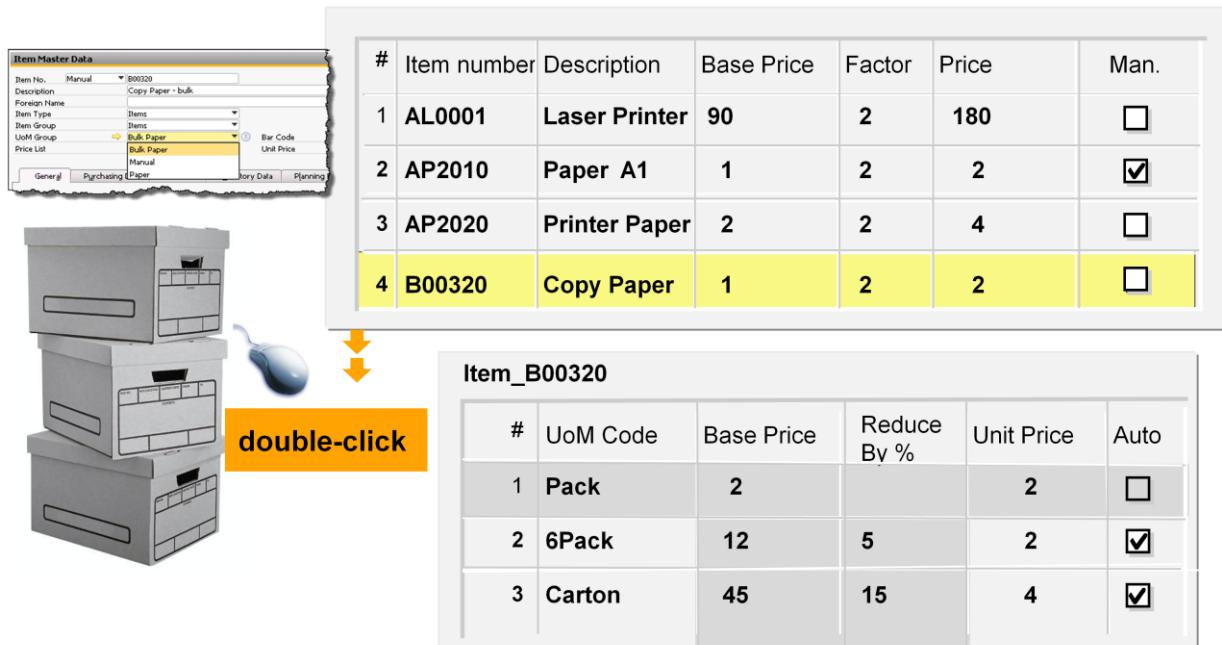
#	Item number	Description	Base Price	Factor	Price	Man.
1	A0001	Printer	85	2	190	<input type="checkbox"/>
2	A0002	Tablet	800	2	1,600	<input checked="" type="checkbox"/>
3	A0003	Desktop	1200	2	2,400	<input type="checkbox"/>
4	A0004	Scanner	50	2	100	<input type="checkbox"/>

Prices
that are
maintained are
NOT
automatically
updated
in accordance
with the factor.

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- If we change the price for the table manually, then manual checkbox is automatically flagged. Once a price is maintained manually, it will not be updated automatically from that point forward.
- It is also possible to select the manual checkbox without changing the price. This way the price will remain as it is, no matter if the base price changes.
- If we decide to include this item in the automatic update for the future, we need to deactivate this indicator.

Units of Measure



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- If you wish, you can maintain prices for each unit of measure for an item that has an assigned unit of measurement group.
- A new table for unit of measure prices was added to pricelists with release 9.0. To set the unit of measure pricing, select the pricelist, then *double-click* the item row in the price list to open the Units of Measure Prices window.
- You can add a row for each unit of measure by selecting the *UoM Code* from the item's unit of measure group
- The system automatically calculates the unit price for each unit of measure based on unit of measure group definitions, but you can change the unit price either by entering a new unit price or by entering a percentage discount in the *Reduce By %* column. The reduction is calculated immediately and reflected in the unit price.
- Select the *Auto* checkbox in the row if you want the unit of measure prices to be updated according to the discount reduction, whenever the inventory unit of measure prices are updated in the *Price List* window. If the *Auto* checkbox is not selected in the row, the unit of measure prices are not updated when you update the prices of the inventory unit of measure in the *Price List* window.

Default Price for Unit

Sales Order		No.		Primary	273
Customer	C30000	No.	Primary	No.	273
Name	Microchips	Status	Open		
Contact Person	Judy Brown	Posting Date	11/30/2012		
Customer Ref. No.		Delivery Date	11/30/2012		
BP Currency	\$	Document Date	11/30/2012		

Contents		Logistics		Accounting		Attachments			
Item/Service Type	Item	Summary Type		No Summary					
#	Item No.	Item Description	Quantity	Unit Price	Disc...	Tax C...	Total (LC)	UoM Code	UoM Group
1	B00320	Copy Paper - bulk	1	6.25 \$	0.000	NY	6.25 \$	Ream	Bulk Paper
2	B00320	Copy Paper - bulk	1	75.00 \$	0.000	NY	75.00 \$	Case	Bulk Paper
3	B00320	Copy Paper - bulk	1	37.50 \$	0.000	NY	37.50 \$	Half case	Bulk Paper
4				0.00					

- If unit of measure selected in document has no price defined in price list, the price is calculated according to the proportions defined in the UoM Group.

Group Definition - Bulk Paper - Setup					
#	Alt. Qty	Alt. UoM	=	Base Qty	Base UoM
1	1	Ream	=	1	Ream
2	1	Half case	=	6	Ream
3	1	Case	=	12	Ream
4	1	Pallet	=	96	Ream

Ream = \$6.25

Half case = $6 * \$6.25 = \37.50

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- If a unit of measure selected in a marketing document row has no price defined in the price list, the system will calculate a price according to the proportions defined for the unit of measure group.
- In the example shown, there is no price set for the Half Case unit of measure, which is equivalent to 6 Reams of paper as defined in the unit of measure group. There is a price set for the Ream unit of measure, which is the inventory unit of measure. Therefore the price is calculated based on six times the price of the Ream.

Exact Pricing for Additional Currencies

Primary Currency

Additional Currency 1

Additional Currency 2



- For each entry in the price list, you can maintain 3 prices with different currencies:
 - The Primary currency
 - Additional Currency 1
 - Additional Currency 2

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- For each entry on the price list, you can maintain up to 3 prices with different currencies (the primary currency and two additional currencies). This is useful when you want an exact price in a different currency rather than depending on the currency conversion done inside a document.
- You can maintain the pricing in alternate currencies not only at the item level, but also for each unit of measure for an item.
- The additional currency fields are hidden initially, but you can display them using *Form Settings*.

Price Lists Validity

- Set pricelists as inactive until ready to use.
- Pricelists can be active for specific date range

#	Price List Name	Base Price List	Factor	Rounding Method	Group	Active	Valid From	Valid To
0	Last Purchase Price					<input checked="" type="checkbox"/>		
1	Purchasing Price	Last Purchase Price	1.0	No Rounding	Gr.1	<input checked="" type="checkbox"/>		
2	Large Customers	Purchasing Price	1.5	/	Gr.2	<input checked="" type="checkbox"/>		
3	Small Customers	Purchasing Price	1.6	/	Gr.2	<input type="checkbox"/>		
4								

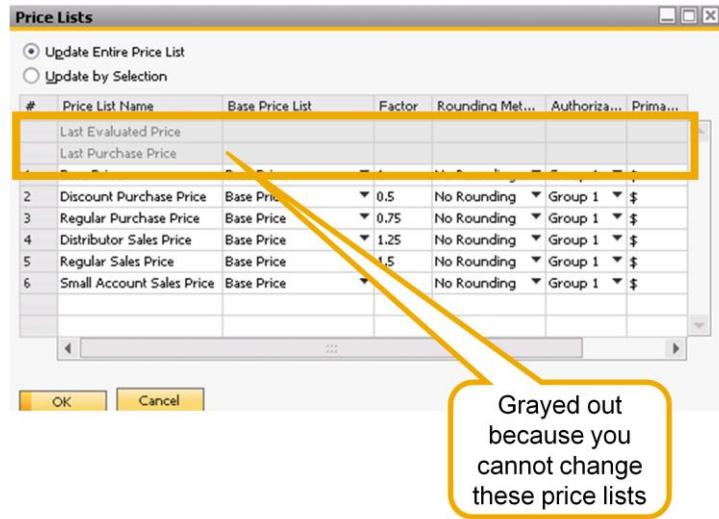
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- As of release 9.0, you can set a price list as inactive until you are ready to use it. A company can now set up pricing in advance, and activate a price list when required. In the previous releases, this function was only available at the special prices level, not at the price list level.
- You can also set a price list to be active for a specific date range. This allows companies to offer price changes for a limited period. The pricing will only be effective when the first validity date is reached. When the range is no longer valid, the price list becomes inactive.
- If you use an inactive price list in a document, no pricing will appear. If a marketing document refers to an *inactive* price list, such as in an order for a customer associated with an inactive price list, the item price is zero and the unit price field is shown as empty in the document row. When you add a document associated with an inactive price list, the system will warn you about the zero price. If an active price list has a date range, then the document posting date must fall within the date range, otherwise the price list will be considered inactive. For other windows such as the item master data, the system date is used for the comparison with the price list date range.
- A price list can be deactivated at any time, even if it is already assigned to a business partner.

System-maintained price lists

Two price lists automatically maintained:

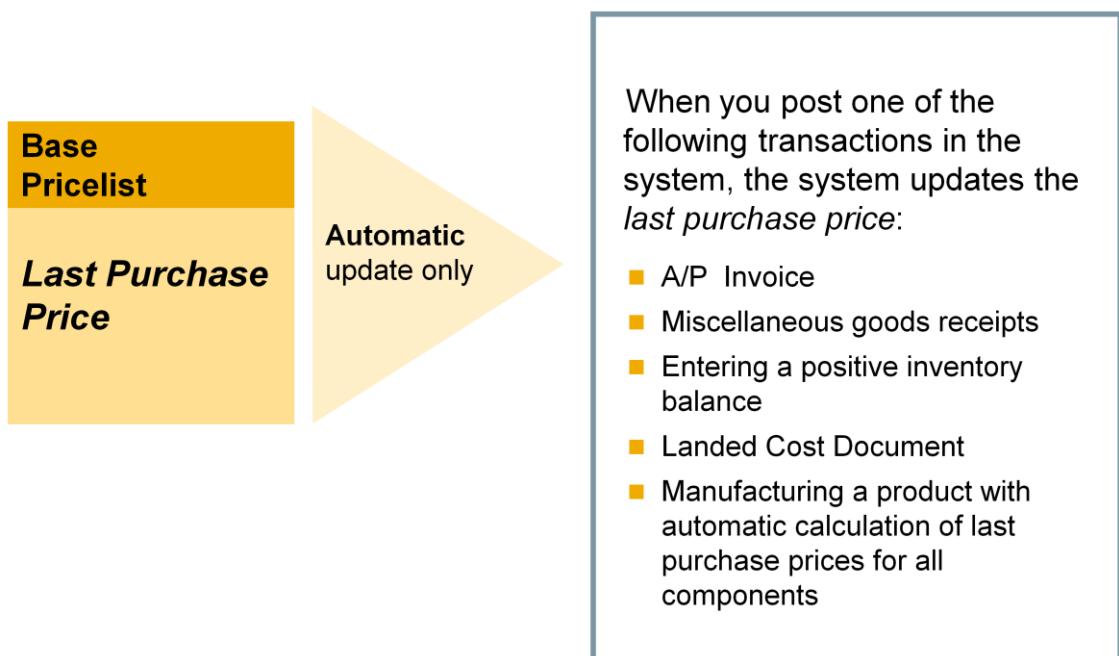
- ❑ **Last Evaluated Price – updated by Inventory Simulation Report**
- ❑ **Last Purchase Price – updated when an item enters inventory with its original price**



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- There are two price lists which you do not maintain:
 - The *Last Evaluated Price* list
 - The *Last Purchase Price* list
- The system maintains these price lists automatically.
- The *Last Evaluated Price List* is automatically updated when you run the *Inventory Valuation Simulation Report*. This price is calculated only for the item's inventory unit of measure and only in primary currency.
- The *Last Purchase Price* is automatically updated when an item enters inventory with its original price.
- These 2 price lists are grayed out in the *Price Lists* window because you cannot change these price lists.

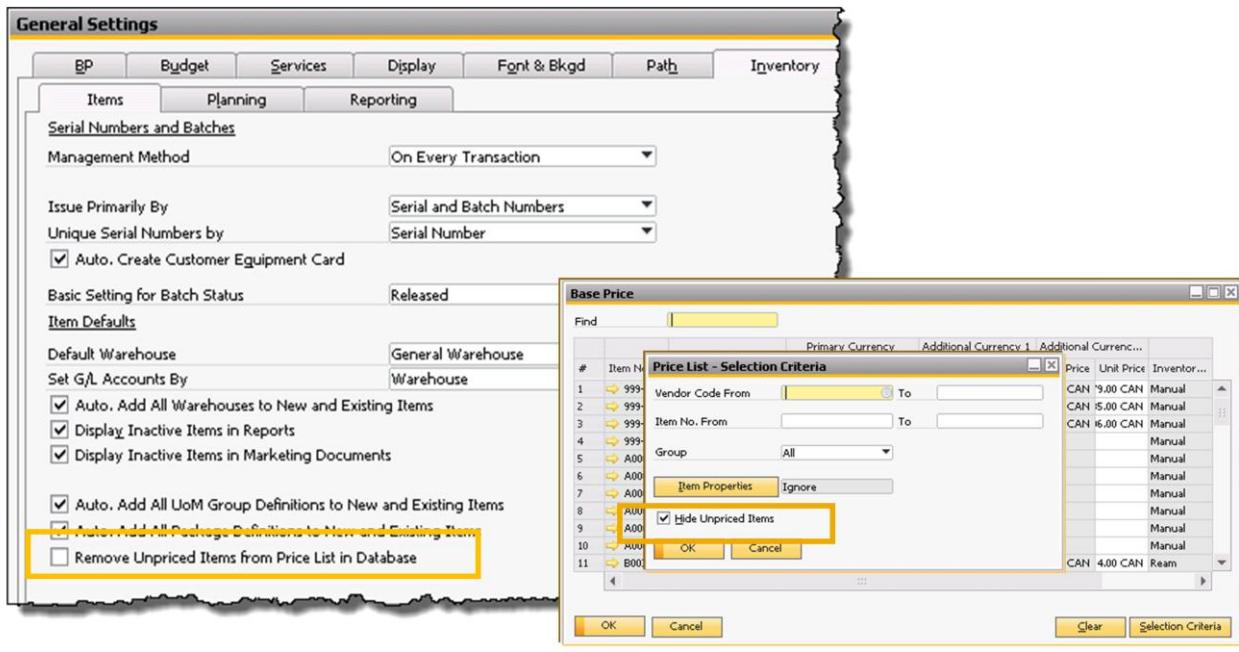
Last Purchase Price Pricelist



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- Last purchase price is updated by: accounts payable invoices, goods receipts and goods receipt PO's, inventory postings for initial quantities or adjustments for positive stock differences, landed costs documents and automatic calculation of last purchase price for bills of materials used in production. Canceling any of the documents will not affect this price.
- If none of these actions listed in the graphic have been performed in the system for an item, the *Last Purchase Price* pricelist will not contain a price for the item.
- You can base other price lists on the *Last Purchase Price*. You cannot, however, change the prices in the *Last Purchase Price* pricelist manually.

Removing Items Without Prices



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- As a default, every item appears on every price list. For a company with huge numbers of items and specialty price lists, this could make manipulating items unwieldy.
- As of release 9.0, an option exists to remove items without prices from price lists.
- By selecting a checkbox in *General Settings*, all items with zero price will be immediately removed from the items table (ITM1). This will substantially reduce the size of this table and improve performance. Be aware that this action is not recorded in the log file, since there are no price changes. When the checkbox is selected there are no UI changes for the user. If the checkbox is subsequently deselected, all the removed items will be restored to the ITM1 table so they can be used in normal business operations. Note that no backup is needed before the restore is made.
- This checkbox is not relevant for the *Last Purchase Price* and the *Last Evaluated Price* pricelists. All items remain associated with these two price lists.
- After choosing the option in *General Settings*, items with no price are still displayed to users when they view price lists. If you would like to view the price lists without seeing these items, choose the option, *Hide Unpriced Items*, in the *Price list – Selection Criteria* window. A similar option exists in price list reports.

Summary



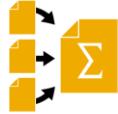
Here are some key points:

- You maintain purchasing and sales prices in pricelists.
- There are 10 default price lists. You can define more.
- You can define prices for all pricelists except the last purchase price and evaluated price pricelists.
- Every item is linked to every pricelist.
- You have the option to remove zero price items from all pricelists except the last purchase price and evaluated price pricelists.
- A pricelist can be based on another pricelist by using a factor. In this way prices can be automatically updated when the base pricelist changes.
- If a pricelist price is changed manually, it can no longer automatically change.
- You can set validity dates for pricelists or mark a pricelist as inactive.

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- You can set validity dates for pricelists or mark a pricelist as inactive.

Thanks!



You have completed the topic for managing pricelists

Thank you for your time!

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