

Summary of Pricing Exercise

An overview to be covered after
exercise is complete

Tasks in the Pricing exercise

In this exercise you did the following tasks

Step 1: Look at Document pricing procedures (standard orders)

Step 2: Look at Customer specific pricing

Step 3: Determining what procedure to use (customer or document)

Step 4:

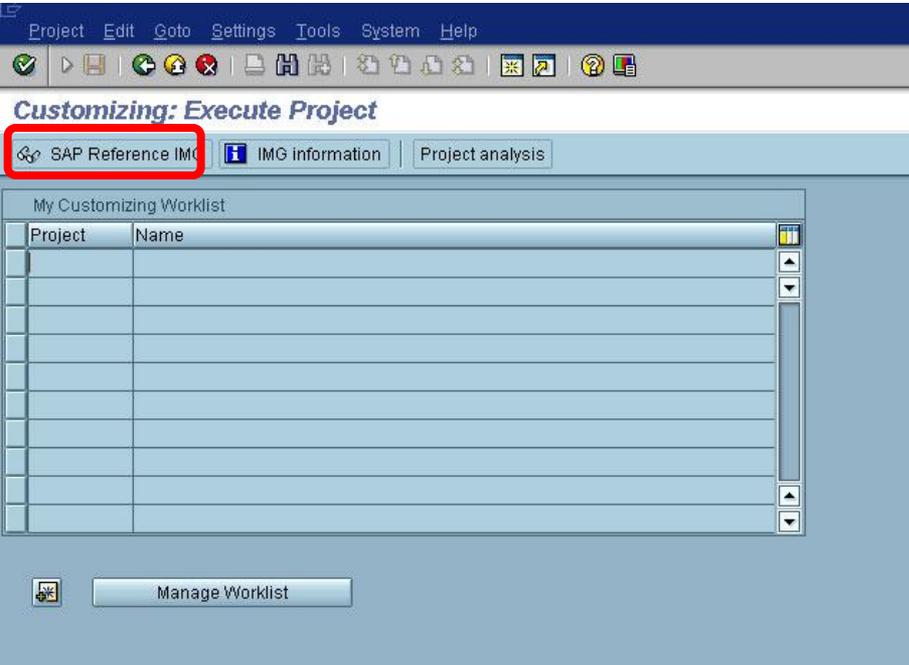
- 1) Testing the new pricing procedure (creating sales order)
- 2) Look at price changes based on valid dates (planned changes)
- 3) Manually override a price (from \$295 to \$305)

Step 5:

- 1) Create a discount of \$10 per unit if any customer buys over 10 units.
- 2) Add a customer discount of 10% if any customer buys for over \$1,000.
- 3) Create Minimum pricing

Step 1: Document Pricing Procedure

Tools > Customizing > IMG > Edit Project



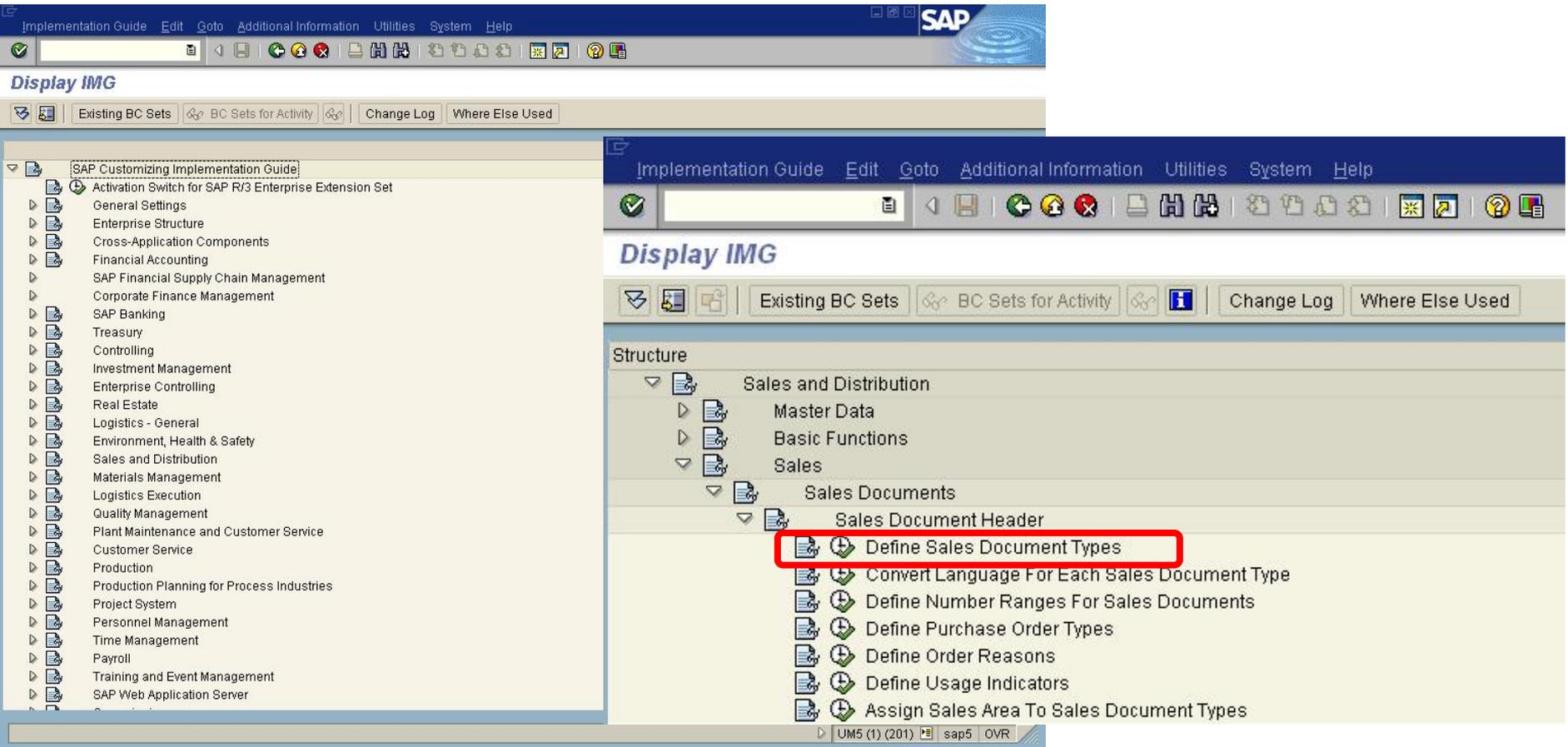
We are now doing pricing **configuration**.

The SAP systems allows for a unique pricing procedure to be defined for each combination of sales document type and customer.

To see how the document type helps determine the pricing procedure, we need to look at configuration data.

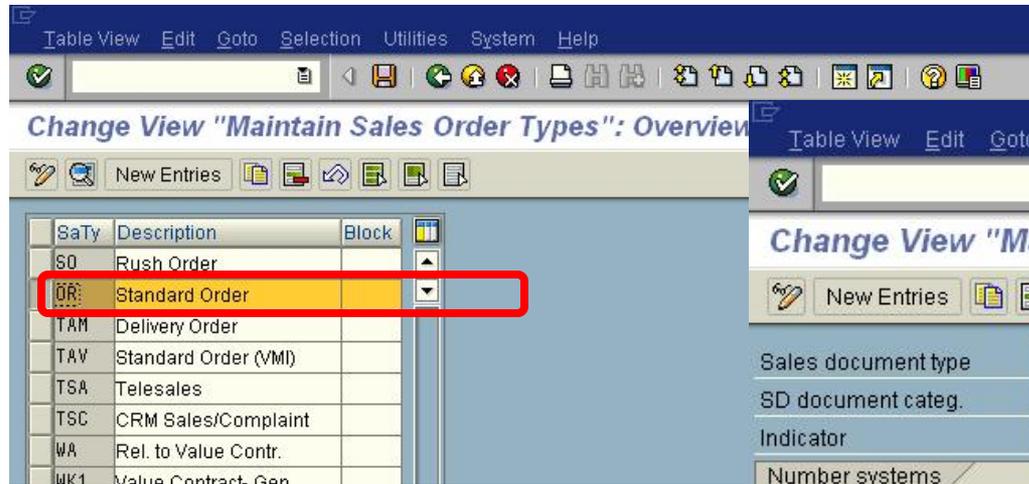
Step 1: Document Pricing Procedure

Sales and Distribution > Sales > Sales Documents > Sales Document Header > Define Sales Document Types (click clock icon)



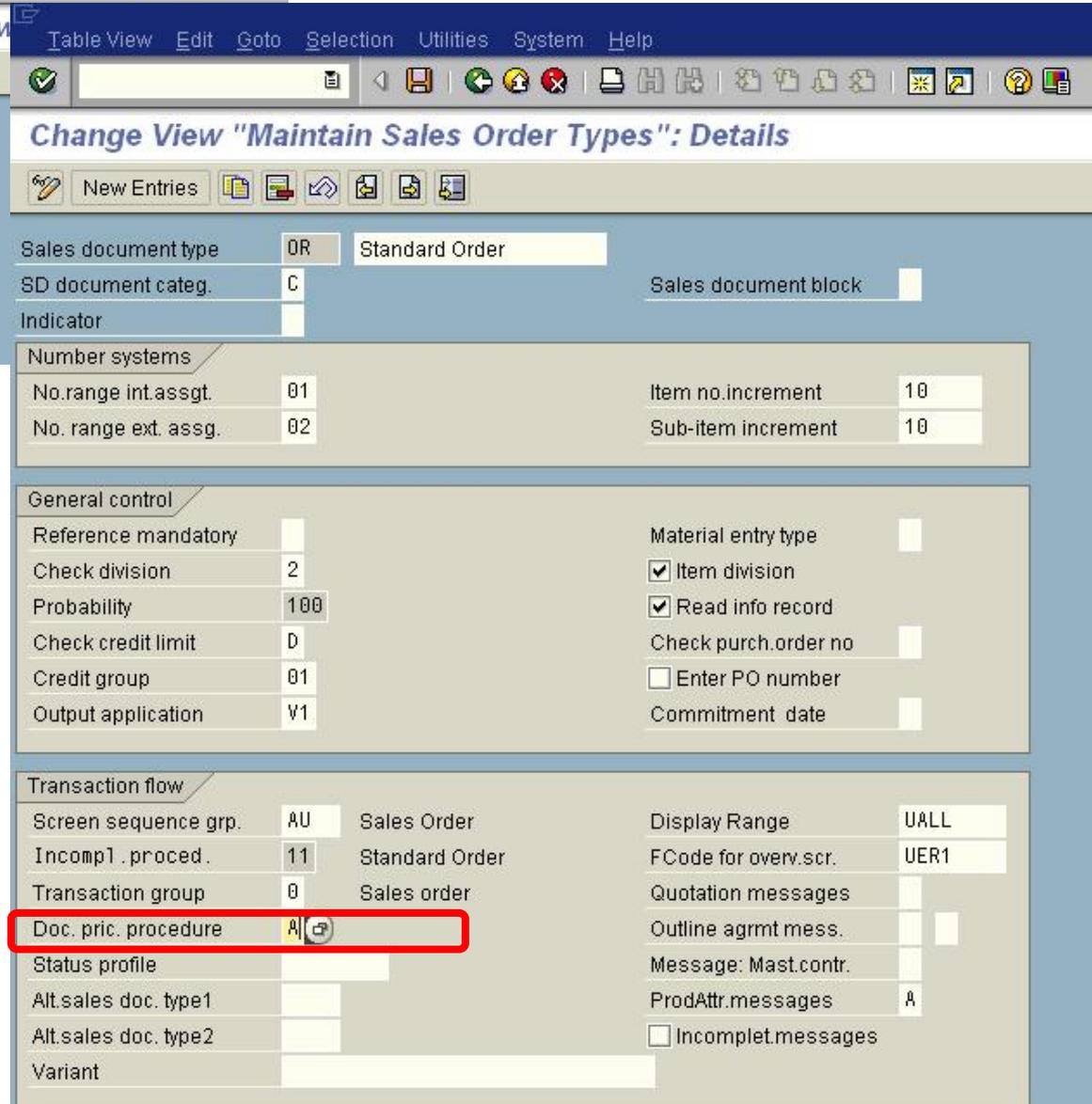
This screen provides the menu system for configuration, similar to the menu system for transactions except that rather than running transactions that store and process data, the IMG menu paths run transactions that configure the SAP system and determine how it will function.

Step 1: Document Pricing Procedure

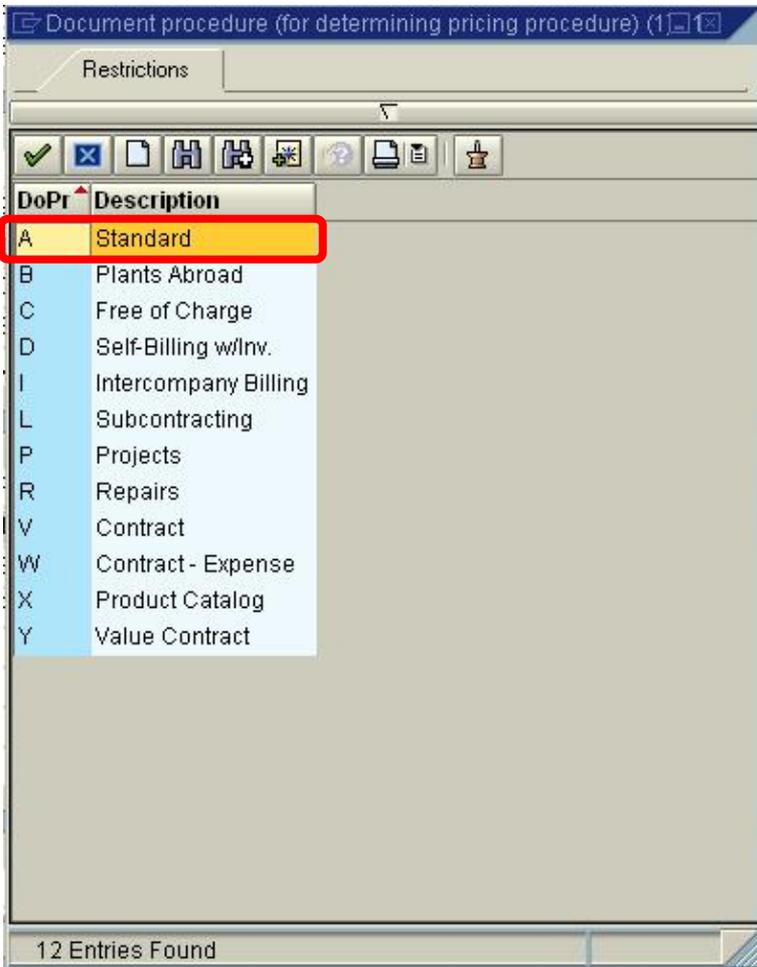


There are many order types and we can also add new order types (not done by users, but by system configuration).

Pricing procedure codes are assigned to each document type. These are references to rules that are followed when pricing a certain order type.



Step 1: Document Pricing Procedure



SAP provides 12 standard document pricing procedures, but any organization can add their own as well.

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Step 2: Customer Pricing Procedure

Logistics ▷ Sales and Distribution ▷ Master Data ▷ Business Partner ▷ Customer
▷ Change ▷ Complete

KEY CONCEPT: We can also assign specific pricing rules for a customer (in addition to the order type)

Customer Change: Initial Screen

Customer 101

Company code 00FS

Sales area

Sales Organization 00FS

Distribution Channel DI

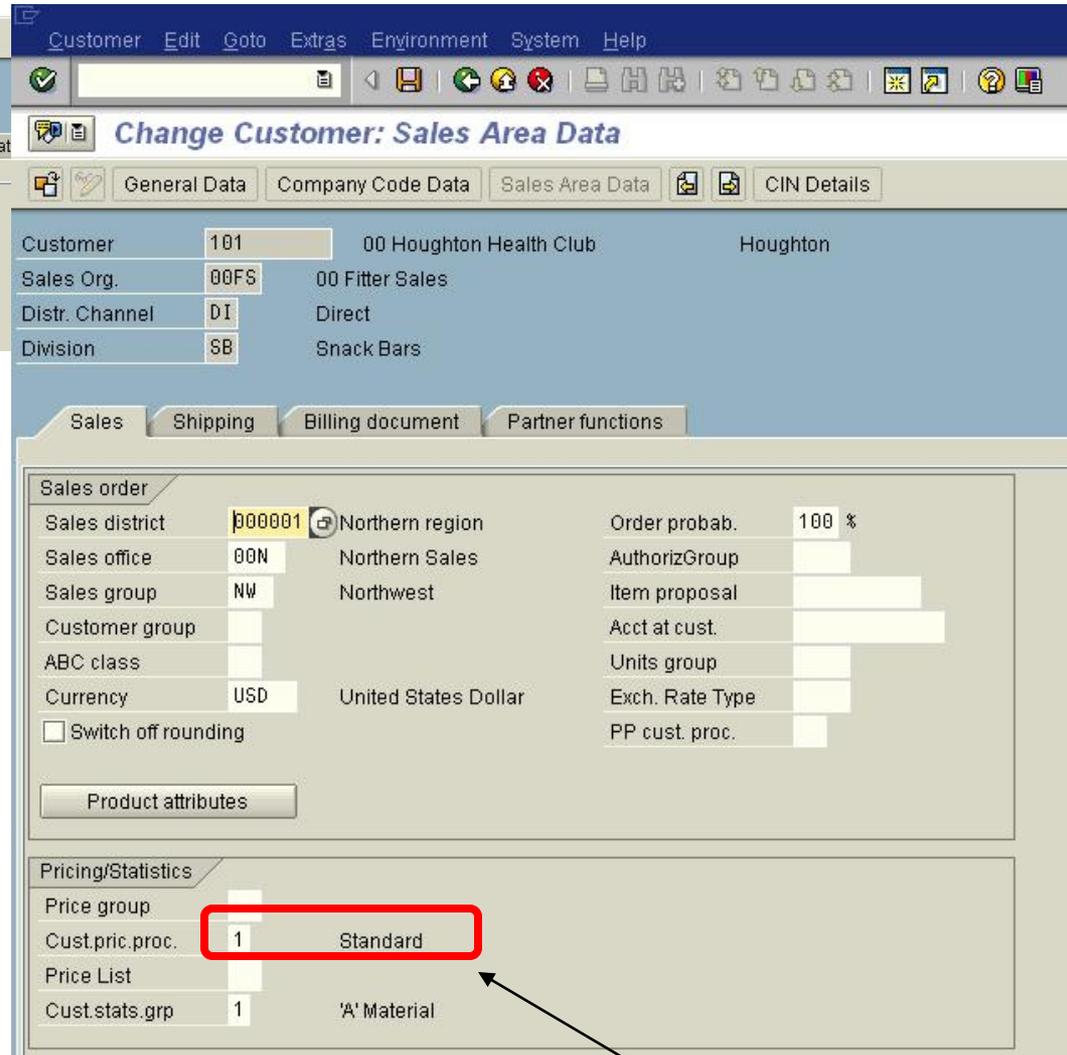
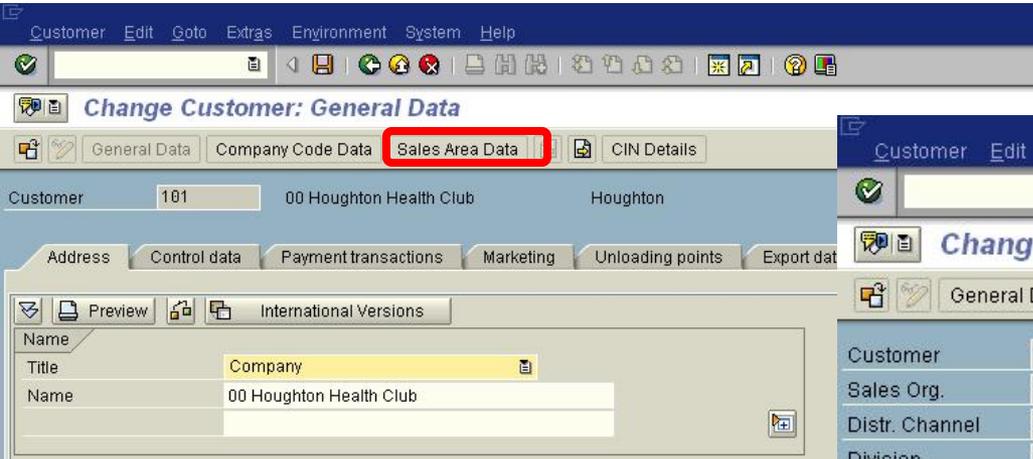
Division SB

All sales areas... Customer's sales areas...

Enter:
##FS for Company code
##FS for Sales Organization
DI for Distribution Channel
SB for Division
Then click on the enter icon

After finding the customer, we can use a customer pricing procedures for a single sales area (i.e. the new pricing rule is only valid when a certain customer buys via the internet), or we can make it valid for all sales areas.

Step 2: Customer Pricing Procedure



After this change a custom pricing procedure will be used every time this customer buys from this sales area.

NOTE: we did not create the new pricing procedure, but merely reassigned this customer from the standard pricing procedure (A) to an existing procedure that has been customized (Z)

Change the Customer Pricing Procedure from 1 (standard) to Z (FS Standard)

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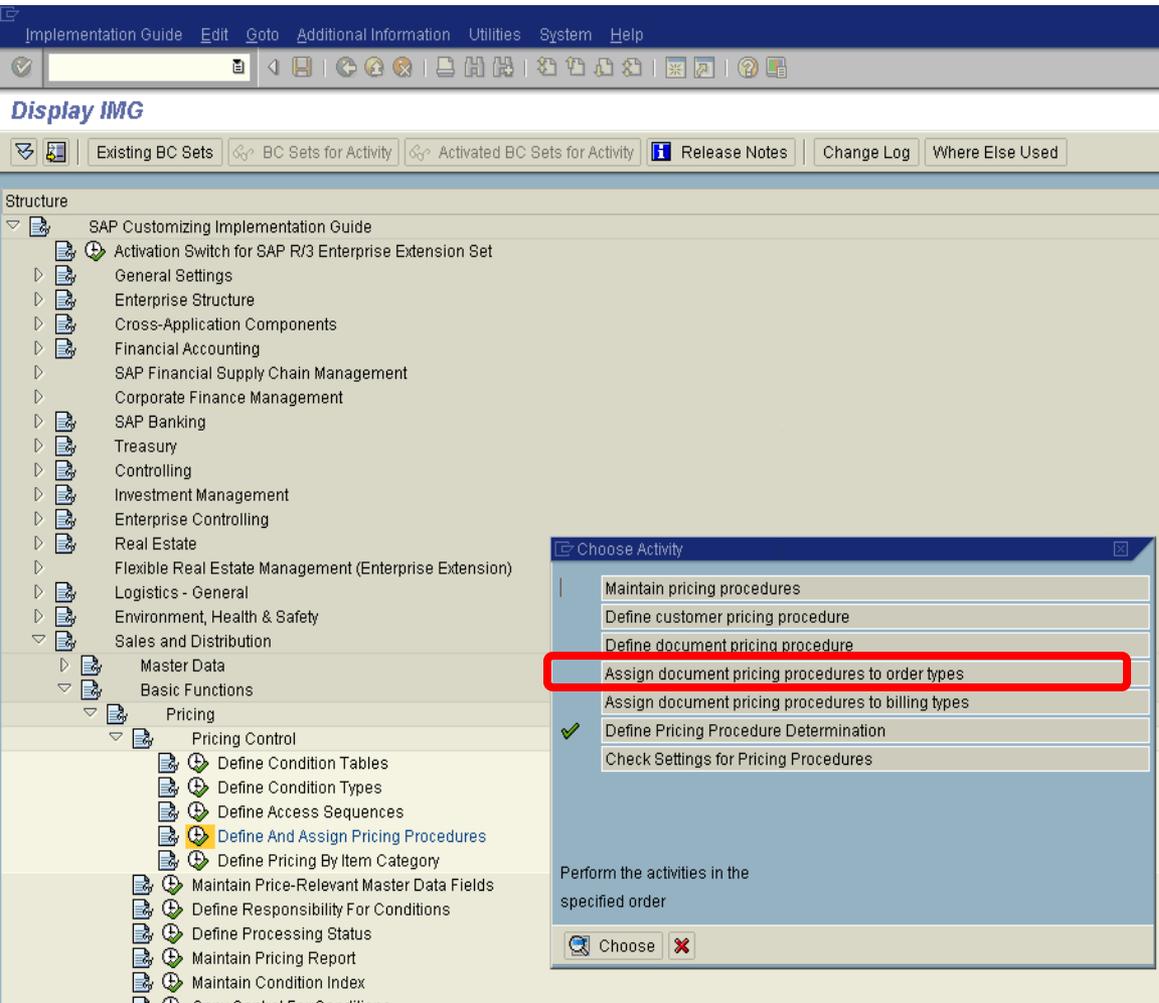
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Step 3: Determining what procedure to use (customer and/or document)

Sales and Distribution ▷ Basic Functions ▷ Pricing ▷ Pricing Control ▷ Define And Assign Pricing Procedures (click clock icon )



The screenshot shows the SAP Implementation Guide (IMG) interface. The left pane displays the navigation tree with 'Sales and Distribution' expanded to 'Basic Functions' > 'Pricing' > 'Pricing Control'. The 'Define And Assign Pricing Procedures' activity is selected. A 'Choose Activity' dialog box is open, listing several activities. The activity 'Assign document pricing procedures to order types' is highlighted with a red rectangular box. Other activities include 'Maintain pricing procedures', 'Define customer pricing procedure', 'Define document pricing procedure', 'Assign document pricing procedures to billing types', 'Define Pricing Procedure Determination', and 'Check Settings for Pricing Procedures'. The dialog box also includes a 'Perform the activities in the specified order' section and 'Choose' and 'Cancel' buttons.

We will now go to the IMG and setup the rule for pricing determination.

In our example, for this sales area, we will use the document pricing procedure (A) and the customer pricing procedure (Z)

Step 3: Determining what procedure to use

Change View "Pricing Procedures: Determination in Sales Docs.": Overvi

New Entries

SOrg.	DChl	Dv	DoPr	Cu...	PriPr.	Pricing procedure	CTyp	Condition type
0001	01	01	A	1	RVAA01	Standard	PR00	Price
0001	01	01	A	2	RVAB01	Standard - Gross price	PR01	Price incl.Sales Tax
0001	01	01	B	1	RVWIA1	Plants Abroad		
0001	01	01	C	1	RVCA01	Standard - Free with F		
0001	01	01	C	2	RVCA02	Standard - Free w/out		
0001	01	01	D	1	RVSB01	Self-billing with Invo	PR00	Price
0001	01	01	I	1	ICAA01	Intercompany Billing		
0001	01	01	L	1	RVLB00	Subcontracting	VPRS	Cost
0001	01	01	P	1	VPKPS1	Standard SPC PS	PR00	Price
0001	01	01	P	2	VPKPS1	Standard SPC PS	PR00	Price
0001	01	01	R	1	PREP01	Repairs	PRRP	Repair Price
0001	01	01	V	1	PSER01	Service	PPSV	Service Price Item
0001	01	01	V	2	PSER01	Service	PPSV	Service Price Item
0001	01	01	W	1	PSER02	Service - Expense Sett		
0001	01	01	W	2	PSER02	Service - Expense Sett		
0001	01	01	X	1	WMP001	Product Catalog		

Position... Entry 1 of 218

New Entries: Overview of Added Entries

SOrg.	DChl	Dv	DoPr	Cu...	PriPr.	Pricing procedure	CTyp	Condition type
00FS	DI	SB	A	Z	ZFSPRC			

This entry tells the SAP R/3 system that when creating standard sales order (type OR) in Sales Area:

##FS (sales organization)
DI (distribution channel)
SB (division)

for a customer with Pricing Procedure (code) Z, pricing procedure ZFSPRC is to be used.

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Step-4: Testing the new pricing procedure (creating sales order)

Logistics > Sales and Distribution > Sales > Order > Create

The screenshot shows the 'Create Sales Order: Initial Screen' in SAP. The 'Order Type' is set to 'OR' and 'Standard Order'. The 'Organizational data' section is populated with the following information:

Organizational data		
Sales Organization	00FS	00 Fitter Sales
Distribution Channel	DI	Direct
Division	SB	Snack Bars
Sales office		
Sales group		

The screenshot shows the 'Create Standard Order: Overview' screen. The 'Net value' is highlighted with a red box and shows '2,950.00 USD'. The 'Sales' tab is selected, showing the following details:

Standard Order		Net value	2,950.00	USD
Sold-to party	101	00 Houghton Health Club / 550 Montezuma Ave. / Houghton MI ...		
Ship-to party	101	00 Houghton Health Club / 550 Montezuma Ave. / Houghton MI ...		
PO Number	HHC100	PO date		

Below the overview, the 'Item overview' tab is selected, showing the following details:

Req. deliv.date		D	05/16/2005	Deliver.Plant	
<input type="checkbox"/> Complete delv.				Total Weight	720 LB
Delivery block				Volume	0.000
Billing block				Pricing date	05/16/2005
Payment card				Exp.date	
Payment terms	0001	Pay immediately wf...	Incoterms	F0B	Receiving Dock
Order reason					
Sales area	00FS / DI / SB	00 Fitter Sales, Direct, Snack Bars			

The 'All items' table is also visible:

Item	Material	Order quantity	SU	S	Description	Customer Material Num
	10 00F110		10 CS		00 NRG-B	

We now just entered another sales order.

We used this sales order to test our pricing procedure



This is where we can see how the order was priced

Step-4: Testing the new pricing procedure (creating sales order)

The screenshot shows the SAP 'Create Standard Order: Item Data' interface. The Sales Document Item is 10, and the Material is 00F110. The Item category is TAN, and the Standard Item is 00 NRG-B. The quantity is 10 CS, with a net price of 2,950.00 USD and a tax of 0.00. The pricing table below shows the following details:

CnTy	Name	Amount	Crcy	per	U...	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value	CdC...
PR00	Price	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Gross	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Discount Amount	0.00	USD	1	CS	0.00	USD	1	CS	1	CS	0.00	
	Net Value 1	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Net Value 2	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Total	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
VPRS	Cost	244.80	USD	1	CS	2,448.00	USD	1	CS	1	CS	0.00	
	Profit	50.20	USD	1	CS	502.00	USD	1	CS	1	CS	0.00	

The current pricing for 10 cases of NRG-B is \$295 per case, for a total order price of \$2,950. The cost of these snack bars is \$2,448, so the company should make a profit of \$50.20 per case, or \$502 for the order.

The pricing procedure used a standard price of \$295 per case for the NRG-B bars.

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Step-4: Looking at standard prices and valid dates

Logistics > Sales and Distribution > Master Data > Conditions > Select Using Condition Type > Display

Condition Edit Goto System Help

Display Price (PR00): Selection

Condition Info

Sales Organization 00FS
Distribution Channel DI
Material 00F110 to
Release status to
Valid On 05/15/2005

Condition Edit Goto Extras Environment Pricing System Help

Display Price (PR00): Overview

Sales Organization 00FS 00 Fitter Sales
Distribution Channel DI Direct
Valid On 05/15/2005

Material with release status

Material	Description	P...	Amount	Unit	per	U...	C...	S...	Valid on	Valid to	D...	S...	T...	F...	R...	C...	W...	D...
00F110	0 NRG-B		295.00	USD	1	CS	C	S	08/11/2004	12/31/9999								

The standard price is \$295, it was valid from 8/11/2004 & does not expire.

Here you can also see if there are any planned price increases/decreases

Condition Edit Goto Extras Environment System Help

Display Price Condition (PR00): Validity Periods

Sales.org. Distr. Chl Material Release status Description
00FS DI 00F110 00 NRG-B

Current condition

Valid on 01/01/2007
Valid to 12/31/9999
Amount 305.00 USD per 1 CS

Existing validity periods

Valid on	Valid to	C	Amount	Unit	per	U...	DeletionID
08/11/2004	12/31/2006	C	295.00	USD	1	CS	
01/01/2007	12/31/9999	C	305.00	USD	1	CS	

Step-4: Looking at standard prices

SAP Sales document interface: **Create Standard Order: Item Data**

Sales Document Item: 10 Item category: TAN Standard Item
 Material: 00F110 00 NRG-B

Qty: 10 CS Net: 2,950.00 USD Tax: 0.00

CnTy	Name	Amount	Unit	per	U...	Deletion...	Scales	Texts
PR00	Price	295.00	USD	1	CS	2,950.00	USD	1 CS
	Gross	295.00	USD	1	CS	2,950.00	USD	1 CS
	Discount Amount	0.00	USD	1	CS	0.00	USD	1 CS
	Net Value 1	295.00	USD	1	CS	2,950.00	USD	1 CS
	Net Value 2	295.00	USD	1	CS	2,950.00	USD	1 CS
	Total	295.00	USD	1	CS	2,950.00	USD	1 CS
VPRS	Cost	244.00	USD	1	CS	2,448.00	USD	1 CS
	Profit	50.20	USD	1	CS	502.00	USD	1 CS

Buttons: Condition rec. (highlighted with red box and arrow), Analysis, Update

SAP Pricing interface: **Display Price Condition (PR00) : Condition Supplements**

Sales org. Distr. Ch1 Material: 00FS DI 00F110 Release status: Description: 00 NRG-B

Processing status

Validity

Valid on: 08/11/2004
 Valid to: 12/31/9999

CnTy	Amount	Unit	per	U...	Deletion...	Scales	Texts
PR00	295.00	USD	1	CS			

From any sales order, you can also see the standard price this way

Step-4: Looking at standard prices

Sales document Edit Goto Extras Environment System Help

Create Standard Order: Item Data

Sales Document Item 10 Item category TAN Standard Item

Material 00F110 00 NRG-B

Sales A Sales B Shipping Billing Conditions Account assignment Schedule lines Partners Texts Purchase order d

Qty 10 CS Net 2,950.00 USD Tax 0.00

Condition Name	Amount	Unit
PR00	295.00	USD
Gross	295.00	USD
Discount Amount	0.00	USD
Net Value 1	295.00	USD
Net Value 2	295.00	USD
Total	295.00	USD
VPRS Cost	244.00	USD
Profit	50.20	USD

Condition rec. Analysis

Analysis

There is a lot of information provided on this screen. On the left-hand side are all of the pricing conditions available for procedure ZFSPRC:

Condition analysis Edit Goto System Help

Analysis Pricing

Procedure	Description
ZFSPRC	FS Pricing Procedure
PR00	Price
PB00	Price (Gross)
KA00	Gross
KA00	Sales deal
K005	Customer/Material
K007	Customer Discount
K004	Material
K004	Discount Amount
K004	Net Value 1
PMIN	Minimum Price
PMIN	Net Value 2
KP00	Pallet Discount
VPRS	Total
VPRS	Cost
VPRS	Profit

Overview

Condition type	Message	Description
PR00	208	Condition record has been found
PB00	001	Manual condition
Gross	200	Subtotal
KA00	009	Condition record is missing
K005	009	Condition record is missing
K007	009	Condition record is missing
K004	109	Condition record is missing
Discount Amount	200	Subtotal
Net Value 1	200	Subtotal
PMIN	109	Condition record is missing
Net Value 2	200	Subtotal
KP00	009	Condition record is missing

You can see that in this case we do not have any general customer discount (all customers) that is being used for this sales order

There are four levels of condition determination in the overview tree shown on the left hand side: Procedure (pricing procedure, output determination procedure, strategy), condition type (output type, strategy type), condition access and condition record.

The upper right-hand side of the screen shows detailed information on the level of the overview tree that you have marked:

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Step-4: Manually override a price (from \$295 to \$305)

Note that after pricing condition PR00 is manual pricing condition PB00.

In that case, procedure ZFSPRC allows the sales order clerk to manually override this price using condition PB00.

Condition type	Message	Description
PR00	208	Condition record has been found
PB00	001	Manual condition
Gross	200	Subtotal
KA00	009	Condition record is missing
K005	009	Condition record is missing
K007	009	Condition record is missing
K004	109	Condition record is missing
Discount Amount	200	Subtotal
Net Value 1	200	Subtotal
PMIN	109	Condition re
Net Value 2	200	Subtotal
KP00	009	Condition re



Create Standard Order: Item Data

Sales Document Item: 10 Item category: TAN Standard Item

Material: 00F110 00 NRG-B

Navigation tabs: Sales A, Sales B, Shipping, Billing, Conditions, Account assignment, Schedule lines, Partners, Texts, Purchase order data

Qty: 10 CS Net: 2,950.00 USD Tax: 0.00

CnTy	Name	Amount	Crcy	per	U...	Condition value	Curr.	Num...	OUUn	CCon...	Un	Condition value	CdC...
PR00	Price	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Gross	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Discount Amount	0.00	USD	1	CS	0.00	USD	1	CS	1	CS	0.00	
	Net Value 1	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Net Value 2	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Total	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
VPRS	Cost	244.80	USD	1	CS	2,448.00	USD	1	CS	1	CS	0.00	
	Profit	50.20	USD	1	CS	502.00	USD	1	CS	1	CS	0.00	
	PB00	305											

On this order, the clerk manually overrides the price to \$305 instead of \$295

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Step-5: Create a discount of \$10 per unit if a customer buys over 10 units.

Logistics > Sales and Distribution > Master Data > Conditions > Select Using Condition Type > Create

The screenshot displays the SAP Easy Access interface for creating a material condition. The left sidebar shows the navigation tree with 'Logistics > Sales and Distribution > Master Data > Conditions > Select Using Condition Type > Create' highlighted. The main window is split into two panes.

The top pane, titled 'Create Material Condition (K004) : Fast Entry', shows the following data:

Sales Organization	00FS	00 Fitter Sales
Distribution Channel	DI	Direct

The bottom pane, titled 'Create Material Condition (K004) : Scales', shows the following data:

Validity	Control data
Validity Period	05/16/2005
Valid to	12/31/9999
ScaleBasis	<input checked="" type="checkbox"/> Quantity scale
Check	<input type="checkbox"/> None

The 'Scales' table is also visible:

Scale Type	Scale quantity	U...	Amount	Unit	per	UoM
From	10	CS	10	USD	1	CS

We now create pricing decisions based on the material. The scale is over 10 units and the discount is \$10 per unit

Step-5: Create a discount of \$10 per unit if a customer buys over 10 units.

Logistics > Sales and Distribution > Master Data > Conditions > Select Using Condition Type > Create

The screenshot shows the SAP 'Create Standard Order: Item Data' window. The main window displays a pricing table with the following data:

CnTyName	Amount	Crcy	per	U...	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value
PR00 Price	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0
PB00 Price (Gross)	305.00	USD	1	CS	3,050.00	USD	1	CS	1	CS	0
Gross	305.00	USD	1	CS	3,050.00	USD	1	CS	1	CS	0
Discount Amount	0.00	USD	1	CS	0.00	USD	1	CS	1	CS	0
Net Value 1	305.00	USD	1	CS	3,050.00	USD	1	CS	1	CS	0
Net Value 2	305.00	USD	1	CS	3,050.00	USD	1	CS	1	CS	0
Total	305.00	USD	1	CS	3,050.00	USD	1	CS	1	CS	0
VPRS Cost									1	CS	0
Profit									1	CS	0

A pricing type selection dialog is open, showing a list of pricing types. The first option, 'A Copy price components and redetermine scales', is highlighted with a red box. The dialog title is 'Pricing type (1) 25 Entries Found'.

Annotations in the screenshot include:

- An arrow pointing to the 'PB00 Price (Gross)' row with the text: "First, select manual price PB00, then click on the Delete Row icon".
- An arrow pointing to the 'Update' button at the bottom of the window with the text: "Next, click on the Update icon".

We now **reprice** the order by:

- 1) Delete the manual override
- 2) Update with new pricing rules (notice that the material now have a \$10 discount per unit for sales over 10 units)
- 3) Select the 'copy price components by redetermining scales (will test to see if we sold 10 units)

Step-5: Create a discount of \$10 per unit if a customer buys over 10 units.

Sales A Sales B Shipping Billing Conditions Account assignment Schedule lines Partners Texts Purchase order data

Qty 10 CS Net 2,850.00 USD Tax 0.00

CnTy	Name	Amount	Crcy	per	U...	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value	CdC...
PR00	Price	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Gross	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
K004	Material	10.00	USD	1	CS	100.00	USD	1	CS	1	CS	0.00	
	Discount Amount	10.00	USD	1	CS	100.00	USD	1	CS	1	CS	0.00	
	Net Value 1	285.00	USD	1	CS	2,850.00	USD	1	CS	1	CS	0.00	
	Net Value 2	285.00	USD	1	CS	2,850.00	USD	1	CS	1	CS	0.00	
	Total	285.00	USD	1	CS	2,850.00	USD	1	CS	1	CS	0.00	
VPRS	Cost	244.80	USD	1	CS	2,448.00	USD	1	CS	1	CS	0.00	
	Profit	40.20	USD	1	CS	402.00	USD	1	CS	1	CS	0.00	

We were successful and the new discounts went into effect..

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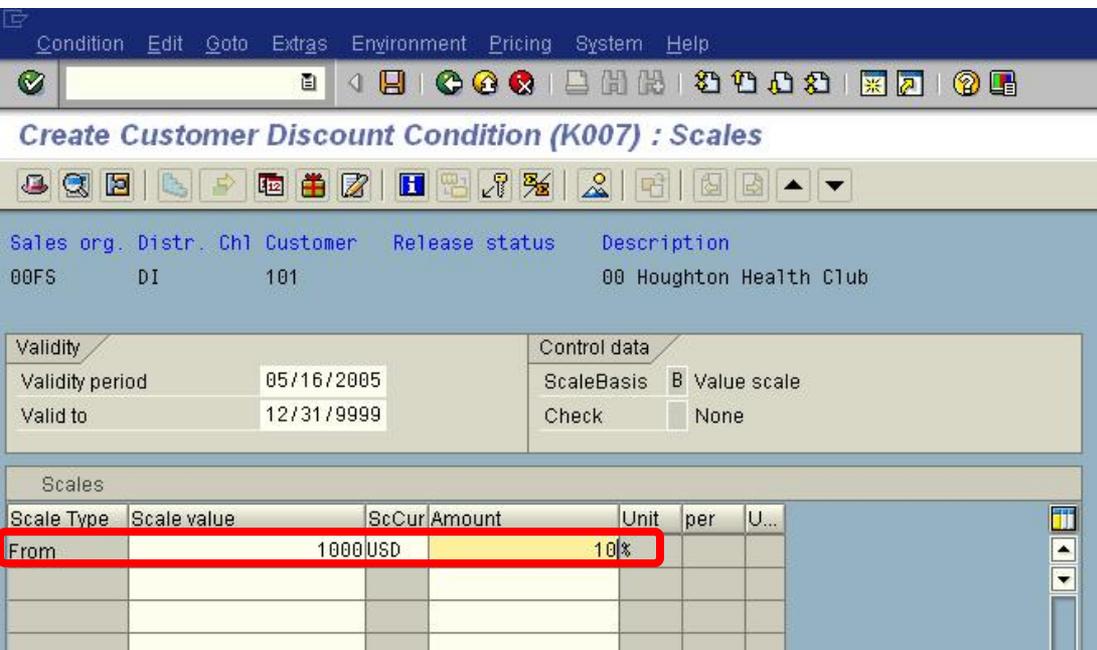
1) Create a discount of \$10 per unit if any customer buys over 10 units.

2) Add a customer discount of 10% if any customer buys for over \$1,000.

3) Create Minimum pricing

Step-5: add a customer 10% discount if a customer buys for over \$1,000

Logistics > Sales and Distribution > Master Data > Conditions > Select Using
Condition Type > Create



1. We added a new condition type
2. We searched for a customer to assign it to
3. We created a customer discount condition.

NOTE: The only way to get this discount to apply to the sales order is to cancel it and create a new sales order.

Step-5: add a customer 10% discount if a customer buys for over \$1,000

The screenshot shows the SAP Sales document 'Create Standard Order: Item Data' interface. The Sales Document Item is 10, with Material 00F110 and Item category TAN. The Net value is 2,555.00 USD and Tax is 0.00. The table below shows the item details, with the K007 Customer Discount highlighted in red.

CnTy	Name	Amount	Crcy	per	U...	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value	CdC...
PR00	Price	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
	Gross	295.00	USD	1	CS	2,950.00	USD	1	CS	1	CS	0.00	
K007	Customer Discount	10.000-%				295.00	USD					0.00	
K004	Material	10.00	USD	1	CS	100.00	USD	1	CS	1	CS	0.00	
	Discount Amount	39.50	USD	1	CS	395.00	USD	1	CS	1	CS	0.00	
	Net Value 1	255.50	USD	1	CS	2,555.00	USD	1	CS	1	CS	0.00	
	Net Value 2	255.50	USD	1	CS	2,555.00	USD	1	CS	1	CS	0.00	
	Total	255.50	USD	1	CS	2,555.00	USD	1	CS	1	CS	0.00	
VPRS	Cost	244.80	USD	1	CS	2,448.00	USD	1	CS	1	CS	0.00	
	Profit	10.70	USD	1	CS	107.00	USD	1	CS	1	CS	0.00	

After reentering the order, we got a new price and the customer discount worked...

Tasks in the Pricing exercise

In this exercise you did the following tasks

Step 1: Look at Document pricing procedures (standard orders)

Step 2: Look at Customer specific pricing

Step 3: Determining what procedure to use (customer or document)

Step 4:

1) Testing the new pricing procedure (creating sales order)

2) Look at price changes based on valid dates (planned changes)

3) Manually override a price (from \$295 to \$305)

Step 5:

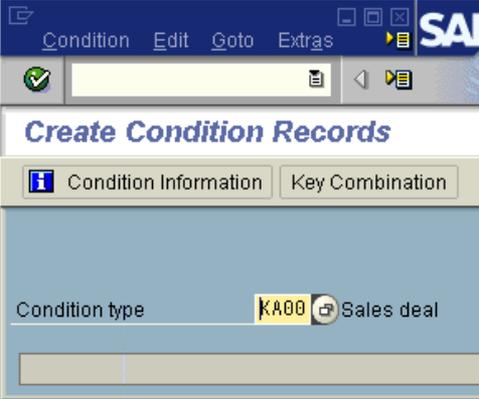
1) Create a discount of \$10 per unit if any customer buys over 10 units.

2) Add a customer discount of 10% if any customer buys for over \$1,000.

3) Create Minimum pricing

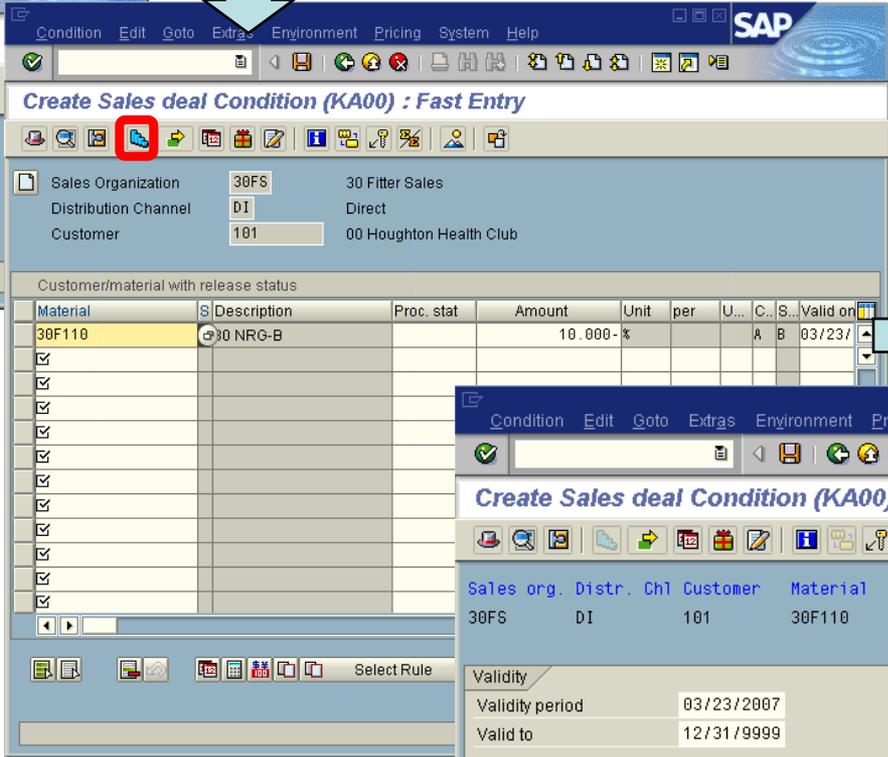
Step-5: Another discount – customer & material specific combination

Logistics > Sales and Distribution > Master Data > Conditions > Select Using Condition Type > Create



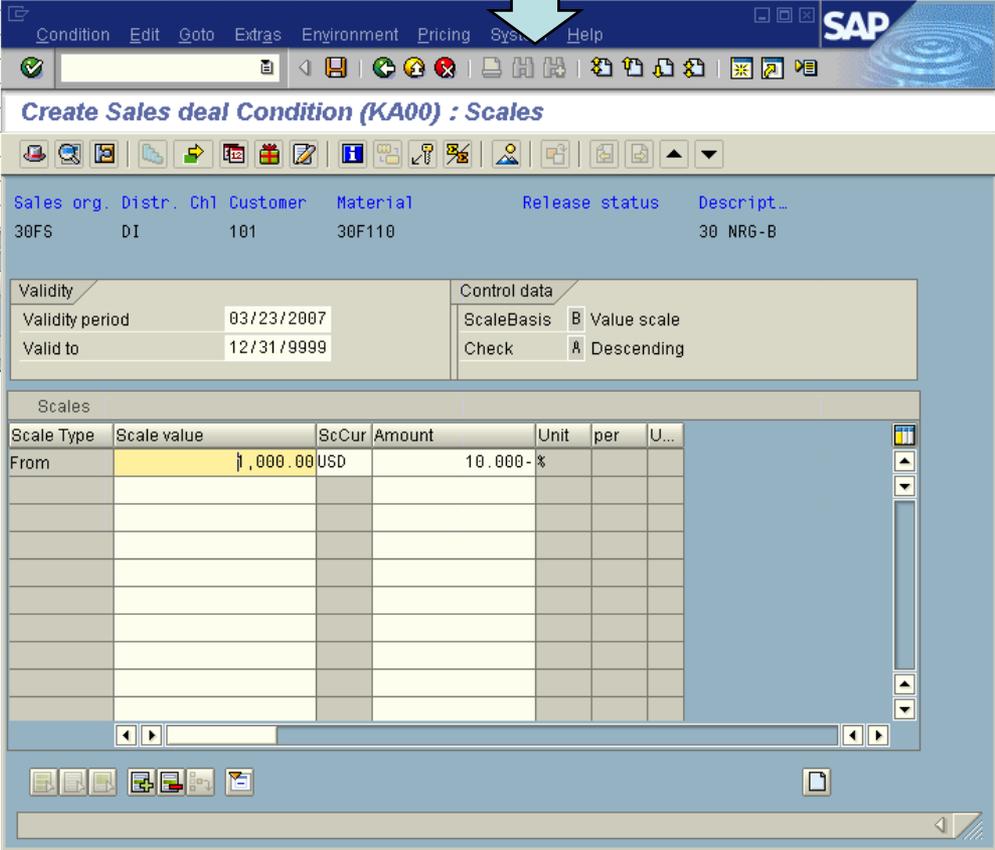
Condition Information | Key Combination

Condition type: KA00 Sales deal



Sales Organization: 30FS 30 Fitter Sales
 Distribution Channel: DI Direct
 Customer: 101 00 Houghton Health Club

Material	Description	Proc. stat	Amount	Unit	per	U...	C.. S...	Valid on
30F110	30 NRG-B		10.000-%				A B	03/23/



Sales org.: 30FS | Distr.: DI | Customer: 101 | Material: 30F110 | Release status: 30 NRG-B

Validity period: 03/23/2007
 Valid to: 12/31/9999

Scale Basis: B Value scale
 Check: A Descending

Scale Type	Scale value	ScCur	Amount	Unit	per	U...
From	1,000.00	USD	10.000-%			

We can create the customer and material combination discount (the discount is only given for a certain customer, for a certain material by using the KA00 “sales deal” condition:

Step-5: Too many discounts – we are losing money

The screenshot shows the SAP Sales document Item Data interface. The main window displays the following information:

- Sales Document Item: 10
- Item category: TAN
- Standard Item
- Material: 00F110
- 00 NRG-B

The pricing table is shown below, with the following columns: CnTy, Name, Amount, CrCY, per, U..., Condition value, Curr., Num..., OUn, CCon..., Un, Condition value, CdC... The table contains the following rows:

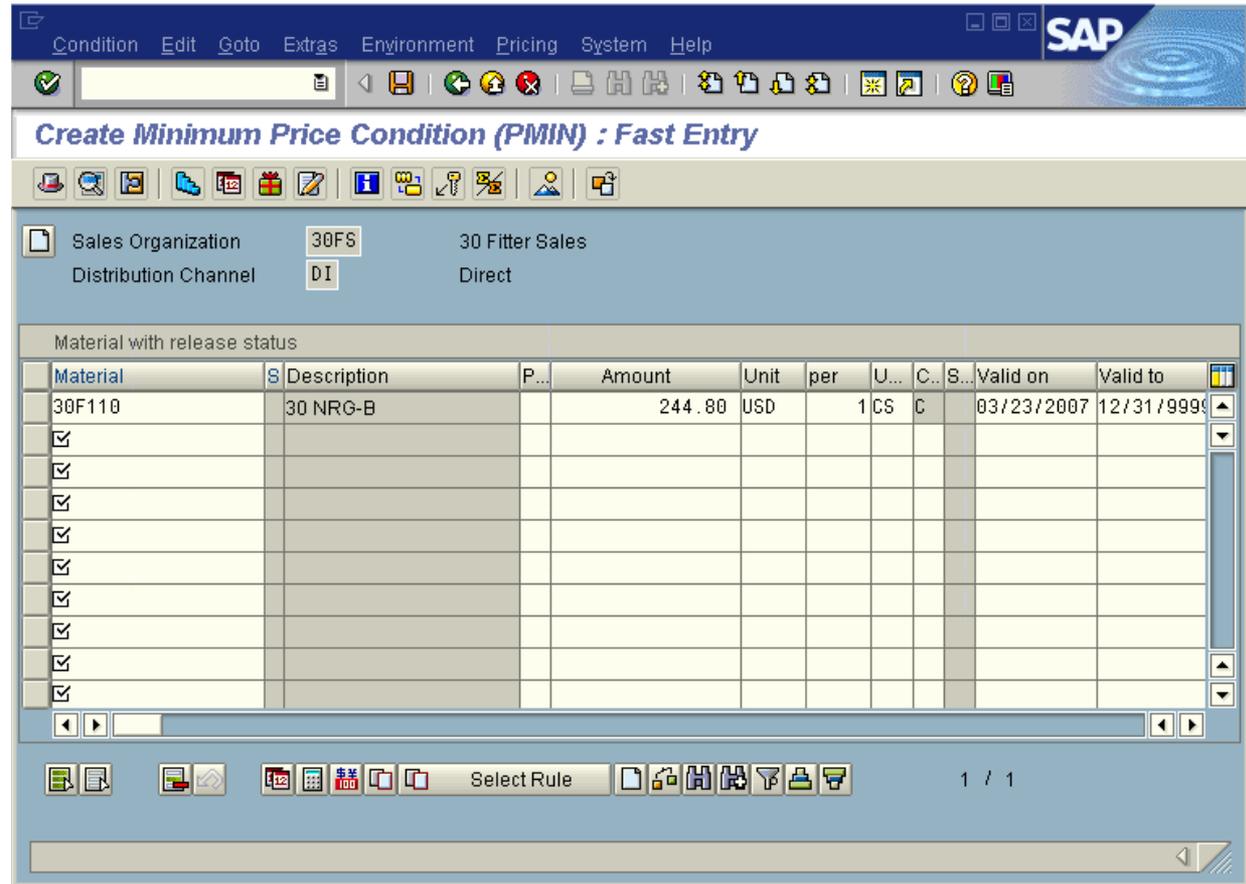
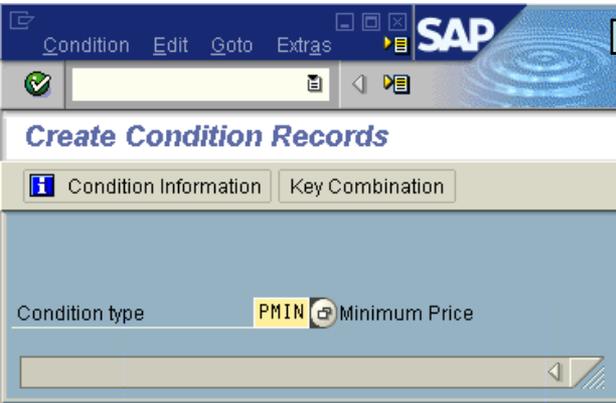
CnTy	Name	Amount	CrCY	per	U...	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value	CdC...
PR00	Price	295.00	USD		1 CS	2,950.00	USD	1	CS	1	CS	0.00	
	Gross	295.00	USD		1 CS	2,950.00	USD	1	CS	1	CS	0.00	
KA00	Sales deal	10.000-%				295.00	USD	0		0		0.00	
K007	Customer Discount	10.000-%				265.50	USD	0		0		0.00	
K004	Material	10.00	USD		1 CS	100.00	USD	1	CS	1	CS	0.00	
	Discount Amount	66.05	USD		1 CS	660.50	USD	1	CS	1	CS	0.00	
	Net Value 1	228.95	USD		1 CS	2,289.50	USD	1	CS	1	CS	0.00	
	Net Value 2	228.95	USD		1 CS	2,289.50	USD	1	CS	1	CS	0.00	
	Total	228.95	USD		1 CS	2,289.50	USD	1	CS	1	CS	0.00	
VPRS	Cost	244.80	USD		1 CS	2,448.00	USD	1	CS	1	CS	0.00	
	Profit	15.85	USD		1 CS	158.50	USD	1	CS	1	CS	0.00	

Due to many types of discounts we may actually price an order at a loss.

To avoid that, we can create minimum pricing rules

Step-5: Add a Minimum price

Logistics > Sales and Distribution > Master Data > Conditions > Select Using Condition Type > Create

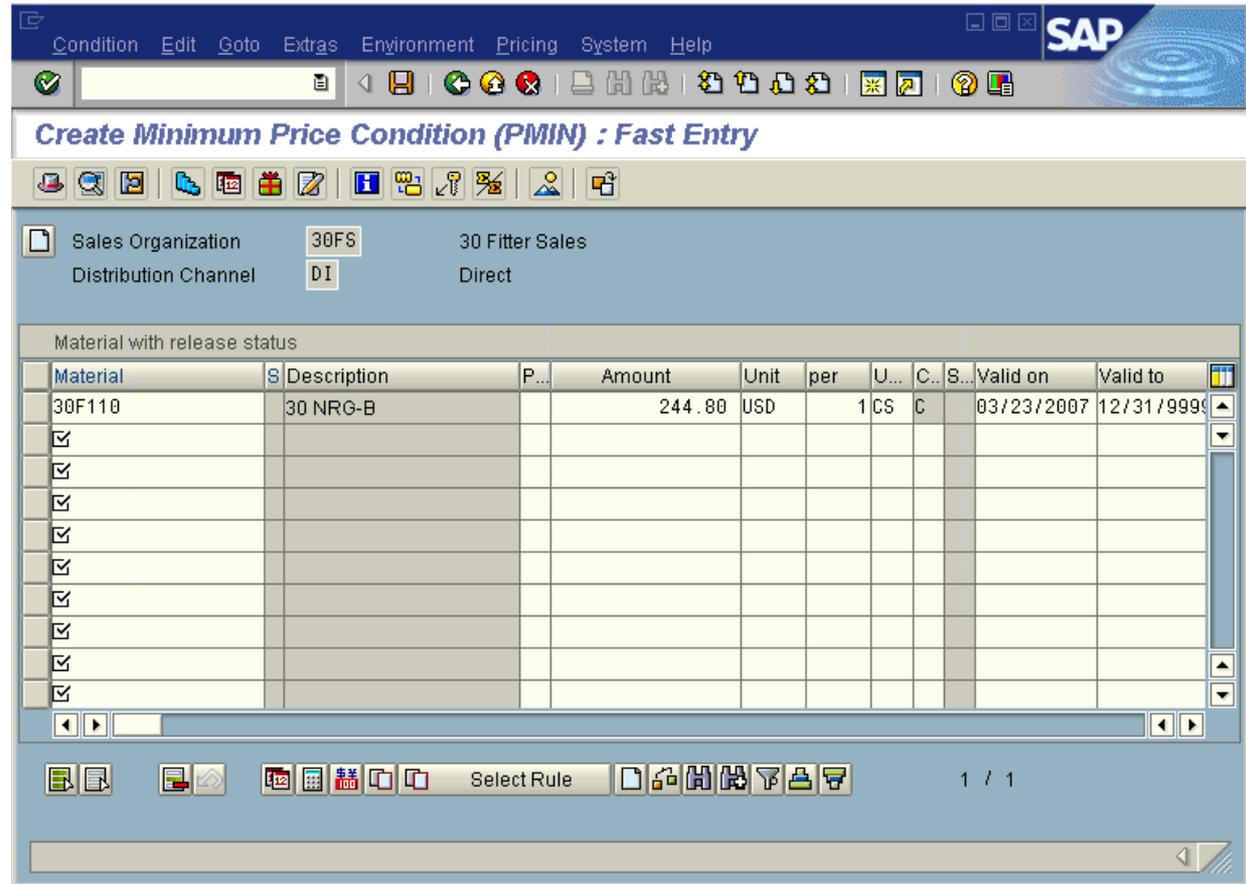
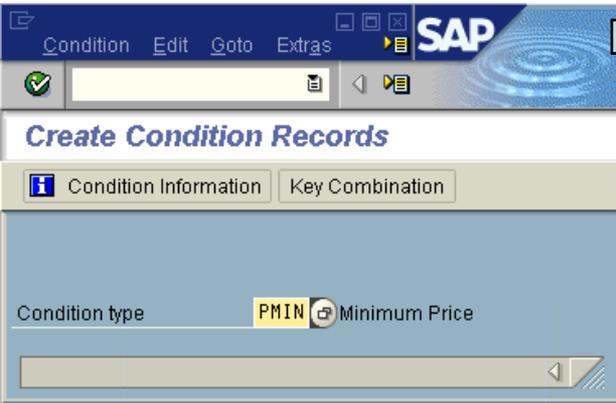


The Minimum Price is set for the material.

In this example it prevents the system from selling it for under \$244.8 per unit regardless if other discounts would have priced the item lower.

Step-5: Add a Minimum price

Logistics > Sales and Distribution > Master Data > Conditions > Select Using Condition Type > Create



The Minimum Price is set for the material.

In this example it prevents the system from selling it for under \$244.8 per unit regardless if other discounts would have priced the item lower.

Step-5: Minimum price

Sales document Edit Goto Extras Environment System Help

Create Standard Order: Item Data

Sales Document Item: 10 Item category: TAN Standard Item
Material: 00F110 00 NRG-B

Sales A Sales B Shipping Billing Conditions Account assignment Schedule lines Partners Texts Purchase order data

Qty: 10 CS Net: 2,448.00 USD Tax: 0.00

CnTy	Name	Amount	Crcy	per	U...	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value	CdC...
PR00	Price	295.00	USD		1 CS	2,950.00	USD	1	CS	1	CS	0.00	
	Gross	295.00	USD		1 CS	2,950.00	USD	1	CS	1	CS	0.00	
KA00	Sales deal	10.000-%				295.00-	USD	0		0		0.00	
K007	Customer Discount	10.000-%				265.50-	USD	0		0		0.00	
K004	Material	10.00-	USD		1 CS	100.00-	USD	1	CS	1	CS	0.00	
	Discount Amount	66.05-	USD		1 CS	660.50-	USD	1	CS	1	CS	0.00	
	Net Value 1	228.95	USD		1 CS	2,289.50	USD	1	CS	1	CS	0.00	
	PMIN Minimum Price	244.80	USD		1 CS	158.50	USD	1	CS	1	CS	0.00	
	Net Value 2	244.80	USD		1 CS	2,448.00	USD	1	CS	1	CS	0.00	
	Total	244.80	USD		1 CS	2,448.00	USD	1	CS	1	CS	0.00	
VPRS	Cost	244.80	USD		1 CS	2,448.00	USD	1	CS	1	CS	0.00	
	Profit	0.00	USD		1 CS	0.00		1	CS	1	CS	0.00	

The minimum price prevented us from selling at a loss.

Completed Tasks in the Pricing exercise

Step 1: Look at Document pricing procedures (standard orders)

Step 2: Look at Customer specific pricing

Step 3: Determining what procedure to use (customer or document)

Step 4:

1) Testing the new pricing procedure (creating sales order)

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3) Manually override a price (from \$295 to \$305)

Step 5:

1) Create a discount of \$10 per unit if any customer buys over 10 units.

2) Add a customer discount of 10% if any customer buys for over \$1,000.

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