

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:

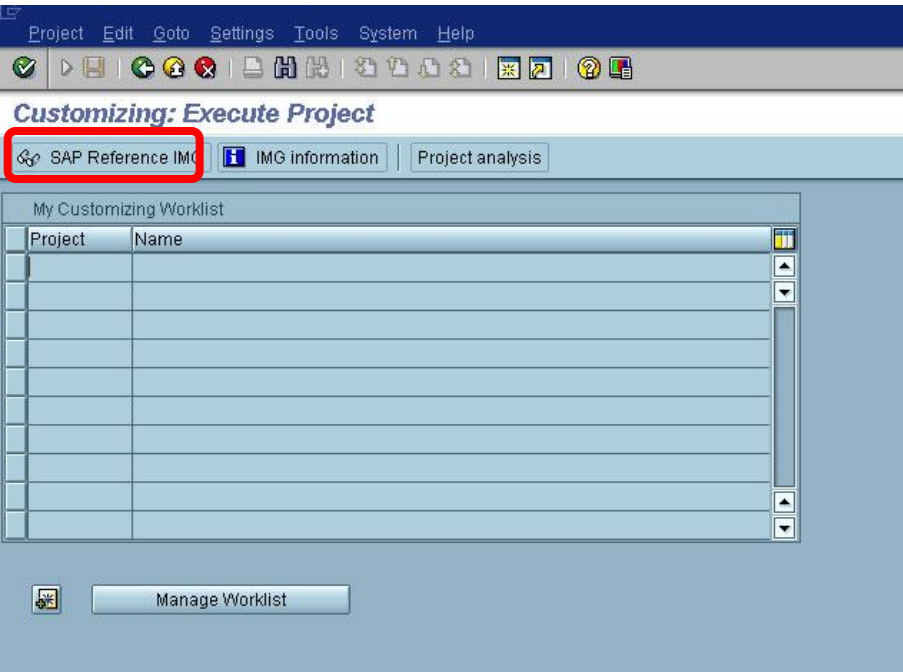
- 1) Testing the new pricing procedure (creating sales order)
- 2) Look at price changes based on valid dates (planned changes)
- 3) Manually override a price (from \$295 to \$305)

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**.

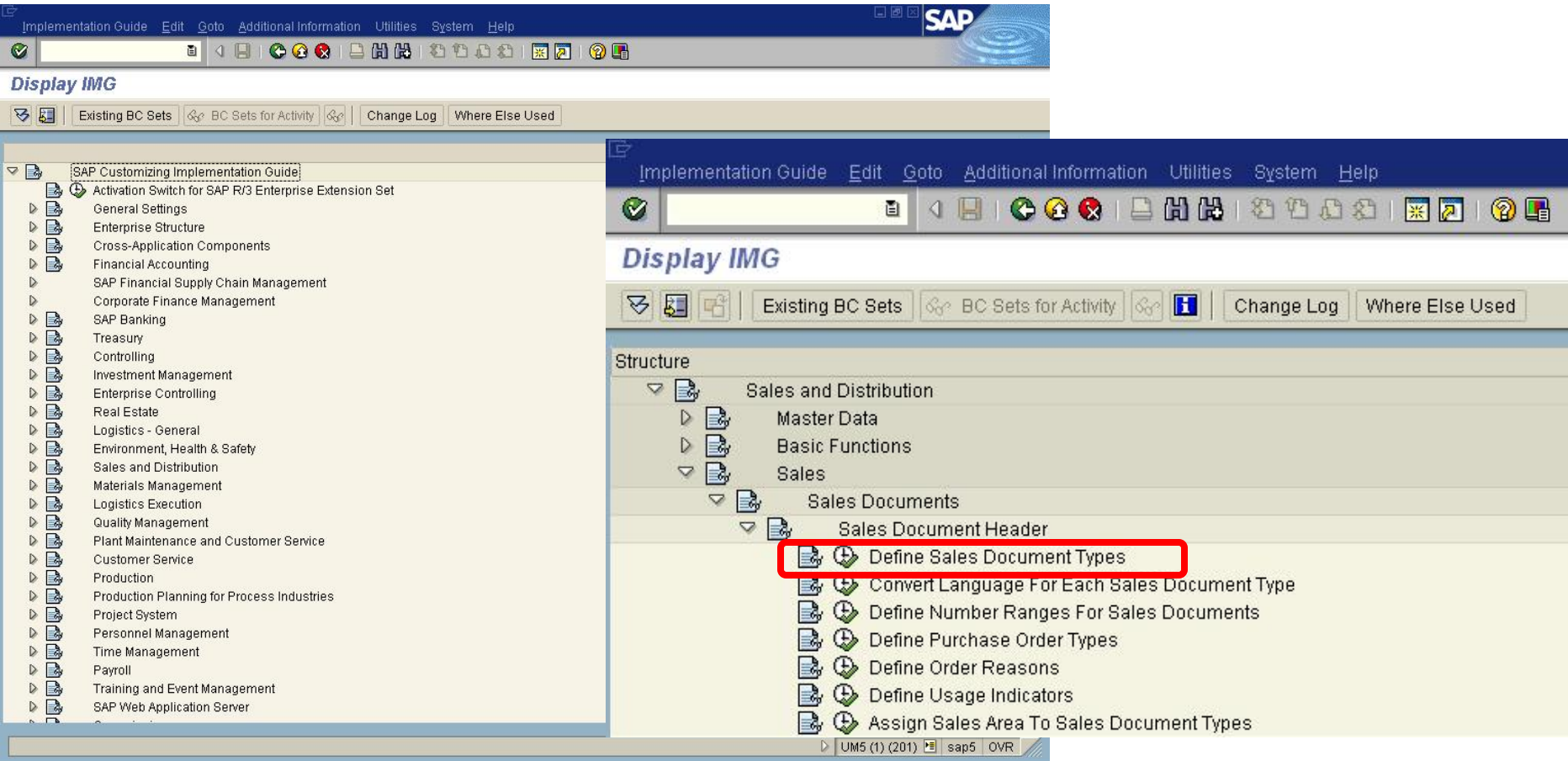
The SAP systems allows for a unique pricing procedure to be defined for each combination of sales document type and customer.

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

Step 1: Document Pricing Procedure

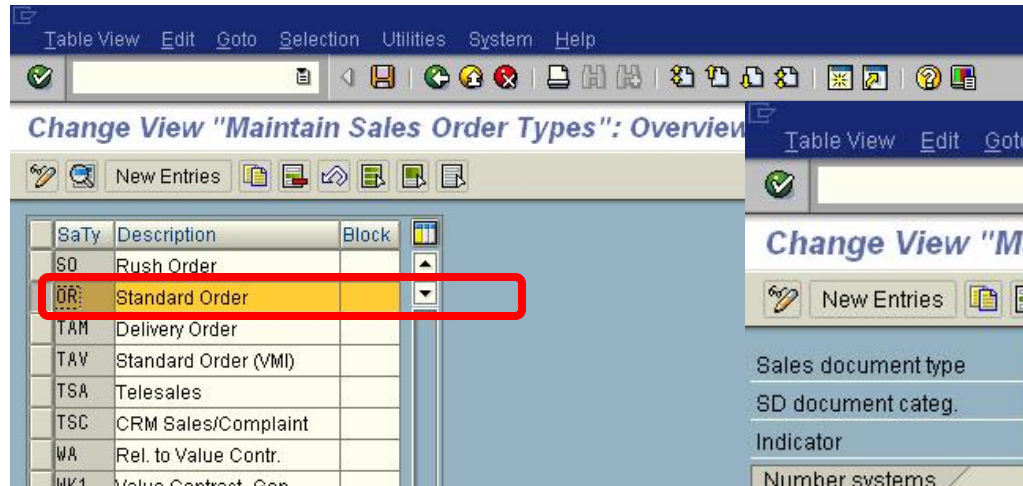
Sales and Distribution > Sales > Sales Documents > Sales Document Header > Define Sales

Document Types (click clock icon )



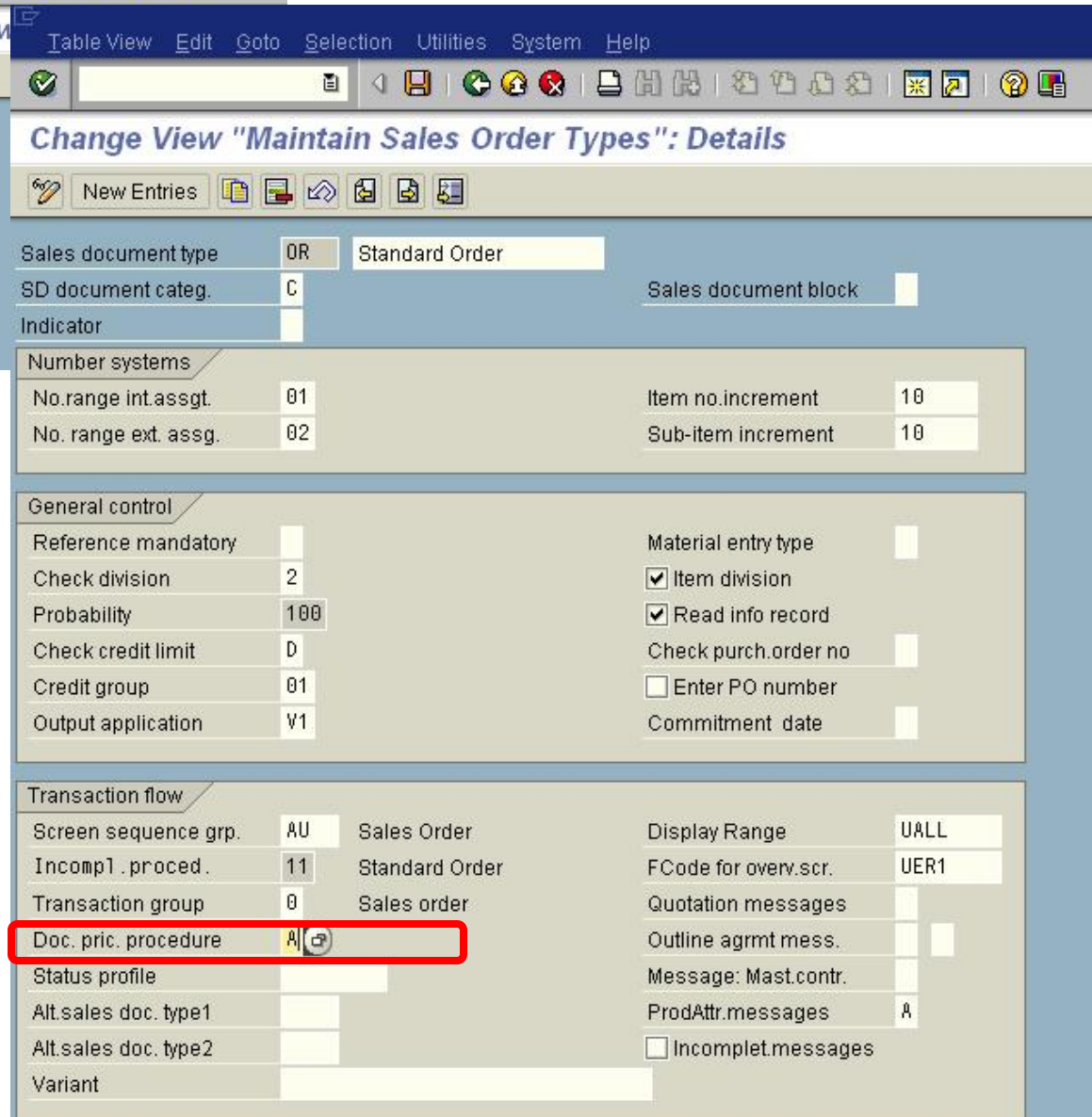
This screen provides the menu system for configuration, similar to the menu system for transactions except that rather than running transactions that store and process data, the IMG menu paths run transactions that configure the SAP system and determine how it will function.

Step 1: Document Pricing Procedure

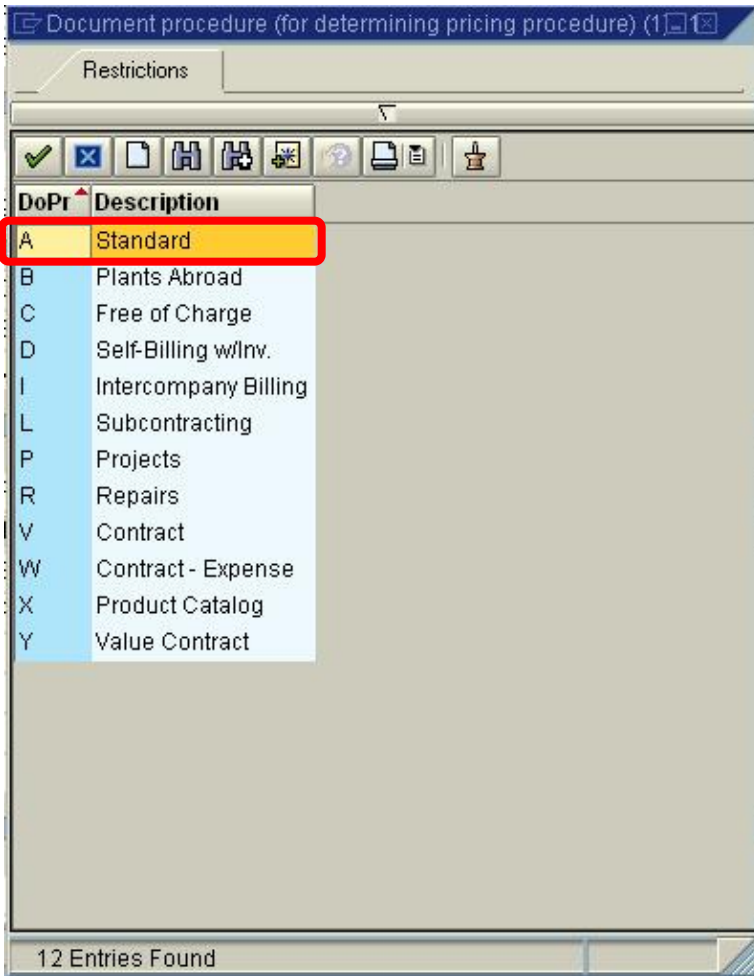


There are many order types and we can also add new order types (not done by users, but by system configuration).

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

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

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

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

Customer: 101 00 Houghton Health Club Houghton

Address Control data Payment transactions Marketing Unloading points Export data

Preview International Versions

Name: Company
Title: 00 Houghton Health Club
Name: 00 Houghton Health Club

Customer: 101 00 Houghton Health Club Houghton

Sales Org.: 00FS 00 Fitter Sales

Distr. Channel: DI Direct

Division: SB Snack Bars

Sales Shipping Billing document Partner functions

Sales order

Sales district	000001	Northern region	Order probab.	100 %
Sales office	00N	Northern Sales	AuthorizGroup	
Sales group	NW	Northwest	Item proposal	
Customer group			Acct at cust.	
ABC class			Units group	
Currency	USD	United States Dollar	Exch. Rate Type	
<input type="checkbox"/> Switch off rounding			PP cust. proc.	

Product attributes

Pricing/Statistics

Price group		
Cust.pric.proc.	1	Standard
Price List		
Cust.stats.grp	1	'A' Material

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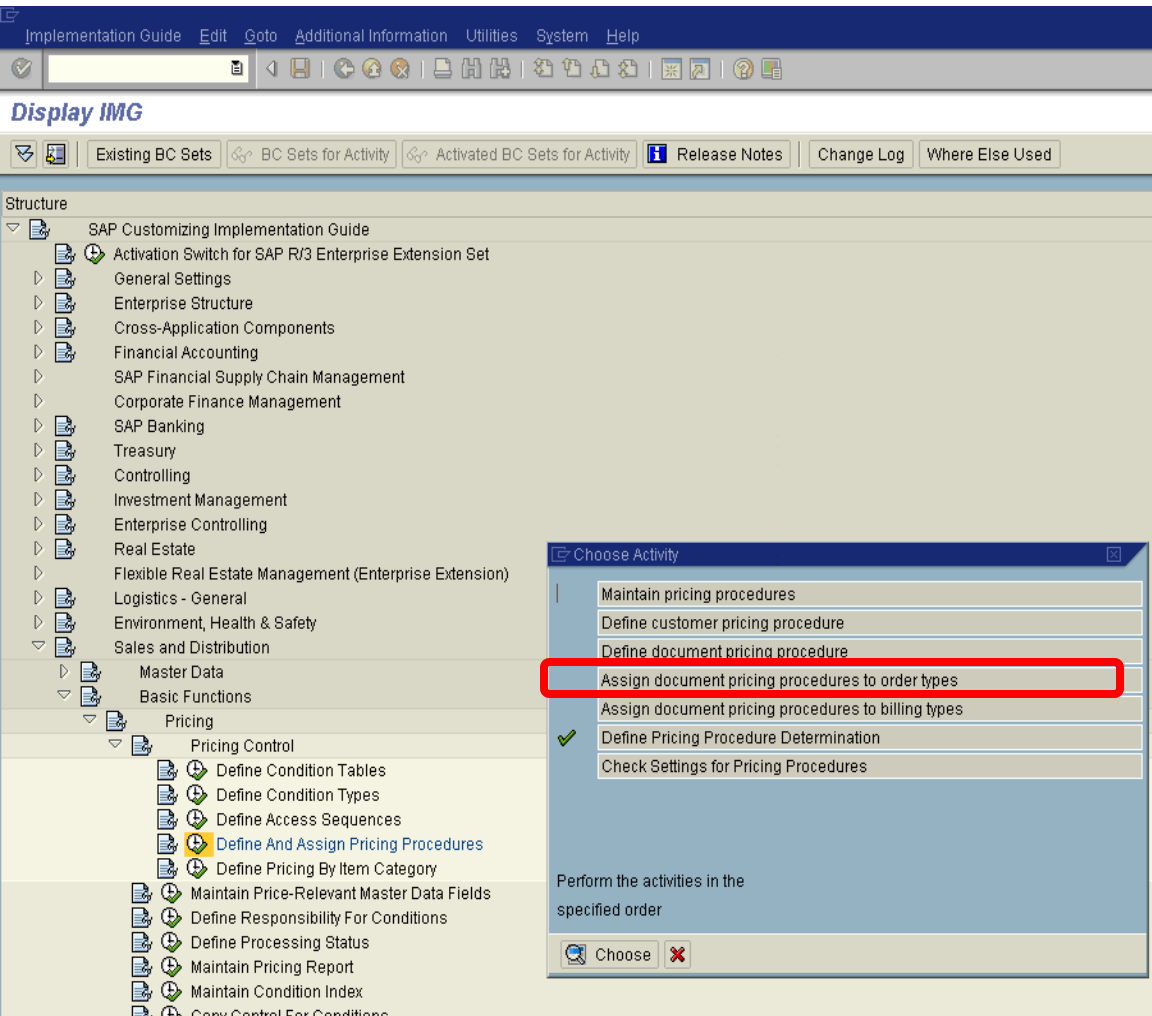
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Step 3: Determining what procedure to use (customer and/or document)

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



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

Table View Edit Goto Selection Utilities System Help

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	RVAAB01	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	ICAB01	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

Table View Edit Goto Selection Utilities System Help

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

Sales document Edit Goto Environment System Help

Create Sales Order: Initial Screen

Create with Reference Sales Item overview Ordering party

Order Type **OR** Standard Order

Organizational data

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

Sales document Edit Goto Extras Environment System Help

Create Standard Order: Overview

Orders

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

Sales Item overview Item detail Ordering party Procurement Shipping Reason for rejection

Req. deliv. date D 05/16/2005 Deliver.Plant

☐ Complete div. 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 w/... Incoterms FOB Receiving Dock

Order reason

Sales area 00FS / DI / SB 00 Fitter Sales, Direct, Snack Bars

All items

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)

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: 2,950.00 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	
	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...
00F110	NRG-B		295.00	USD	1	CS	C		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 showing item data for a standard order.

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

Condition Name	Amount	Unit	Per	U...	Deletion...	Scales	Texts
PR00 Price	295.00	USD	1	CS			
Gross	295.00	USD	1	CS			
Discount Amount	0.00	USD	1	CS			
Net Value 1	295.00	USD	1	CS			
Net Value 2	295.00	USD	1	CS			
Total	295.00	USD	1	CS			
VPRS Cost	244.80	USD	1	CS			
Profit	50.20	USD	1	CS			

Condition rec. Analysis Update

SAP Display Price Condition (PR00) : Condition Supplements

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

Processing status

Validity

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

Condition supplements

CnTy	Amount	Unit	per	U...	Deletion...	Scales	Texts
PR00 Price	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 Price	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	244.80	USD
Profit	50.20	USD

Condition analysis Edit Goto System Help

Analysis Pricing

Procedure Description

- ZFSPRC FS Pricing Procedure
 - PR00 Price
 - PB00 Price (Gross)
 - KA00 Gross
 - K005 Sales deal
 - K007 Customer/Material
 - K004 Customer Discount
 - PMIN Material
 - KP00 Discount Amount
 - VPRS Net Value 1

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:

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

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:

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

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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.

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

The screenshot shows the SAP 'Overview' screen for a sales document. A table lists condition records with columns for Condition type, Message, and Description. The row for 'PB00' (Manual condition) is highlighted with a red box, and an arrow points to it from the right. Below the table, a menu bar includes 'Sales document', 'Edit', 'Goto', 'Extras', 'Environment', and 'System'. A status bar at the bottom indicates 'Create Standard Order: Item Data'.

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

Menu: Sales document Edit Goto Extras Environment System

Status: Create Standard Order: Item Data

[illegible]

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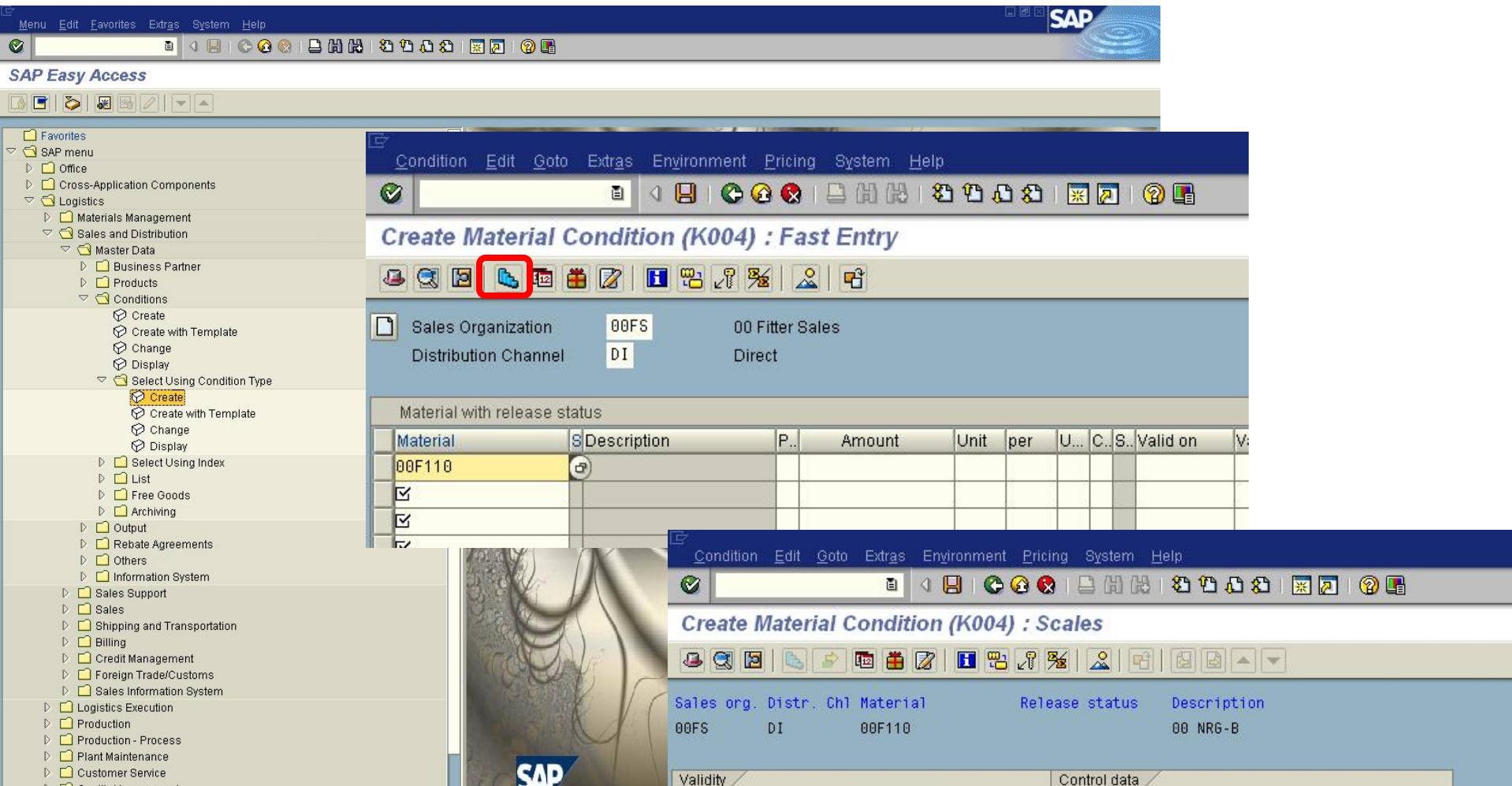
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Step-5: Create a discount of \$10 per unit if a customer buys over 10 units.

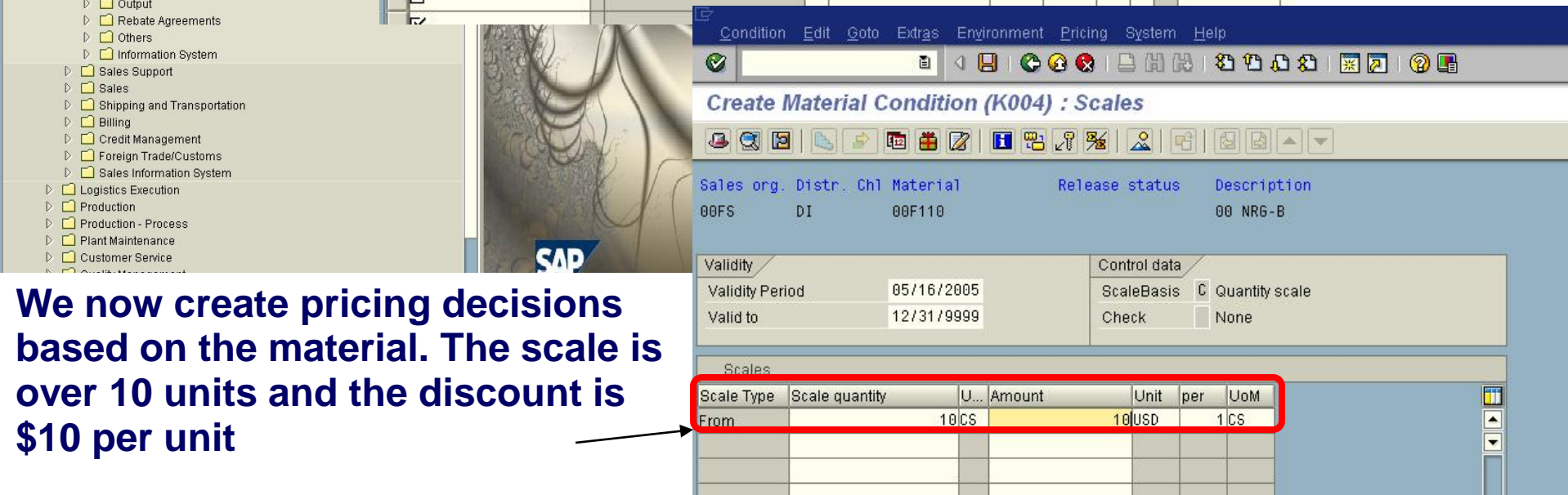
Logistics > Sales and Distribution > Master Data > Conditions > Select Using Condition Type > Create



Create Material Condition (K004) : Fast Entry

Sales Organization: 00FS 00 Fitter Sales
Distribution Channel: DI Direct

Material	Description	P..	Amount	Unit	per	U...	C...	S...	Valid on	V...
00F110										
✓										
✓										



Create Material Condition (K004) : Scales

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

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

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 Sales document interface. The 'Create Standard Order: Item Data' window is open, displaying item data for Sales Document Item 10, Material 80F110, and Item category TAN. The 'Conditions' tab is selected, showing a table of conditions. The 'Pricing type (1) 25 Entries Found' window is also open, showing a list of pricing types. The 'Pricing ty...' window is highlighted with a red box, and the 'Short text' column is visible. The 'Pricing ty...' window shows the following entries:

Pricing ty...	Short text
A	Copy price components and redetermine scales
B	Carry out new pricing
C	Copy manual pricing elements and redetermine the others
G	Copy pricing elements unchanged and redetermine taxes
H	Redetermine freight conditions
I	Redetermine rebate conditions
J	Redetermine confirmed purch. net price / value (KNTYP=d)
K	Adopt price components and cose. Redetermine taxes.
M	Copy pricing elements, turn value
N	Transfer pricing components unchanged, new cost
O	Redetermine variant conditions (KNTYP=O)
U	Redetermine precious metal conditions (KNTYP=U)
X	Customer reserve X

Annotations in the screenshot include:

- An arrow pointing to the 'PB00' price override in the 'Conditions' table 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 'Conditions' table 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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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

Condition Edit Goto Extras Environment System Help

Create Condition Records

Condition Information Key Combination

Condition type K007

Condition Edit Goto Extras Environment Pricing System Help

Create Customer Discount Condition (K007) : Fast Entry

Sales Organization 00FS 00 Fitter Sales
Distribution Channel DI Direct

Customer with Release Status

Customer	Description	P..	Amount	Unit	per	U...	C..	S..	Valid on	Valid to
101	00 Houghton Health Club			%			A		05/16/2005	12/31/9999
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										

Condition Edit Goto Extras Environment Pricing System Help

Create Customer Discount Condition (K007) : Scales

Sales org. Distr. Chl Customer Release status Description
00FS DI 101 00 Houghton Health Club

Validity

Validity period 05/16/2005
Valid to 12/31/9999

Control data

Scale Basis ☒ Value scale
Check ☐ None

Scales

Scale Type	Scale value	ScCur	Amount	Unit	per	U...
From	1000 USD		10%			

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

SAP

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 2,555.00 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	
K007	Customer Discount	10.000 - %				295.00 - USD		0		0		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

Create Condition Records

Condition Information Key Combination

Condition type **KA00** Sales deal

Create Sales deal Condition (KA00) : Fast Entry

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

Customer/material with release status

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

Create Sales deal Condition (KA00) : Scales

Sales org. Distr. Chl Customer Material Release status Descript...

30FS DI 101 30F110 30 NRG-B

Validity

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

Control data

Scale Basis: B Value scale
Check: A Descending

Scales

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 loosing money

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

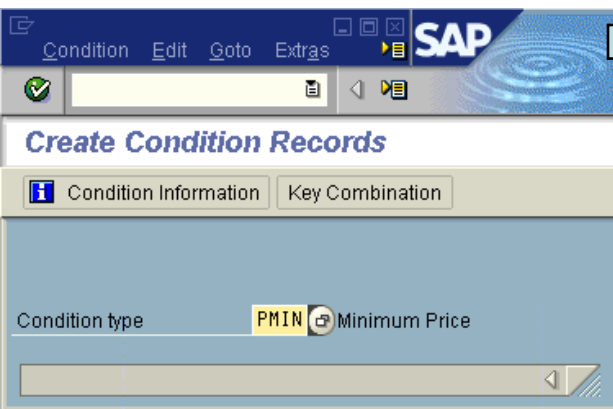
Qty 10 CS Net 2,289.50 USD
Tax 0.00

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	
K000	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



SAP

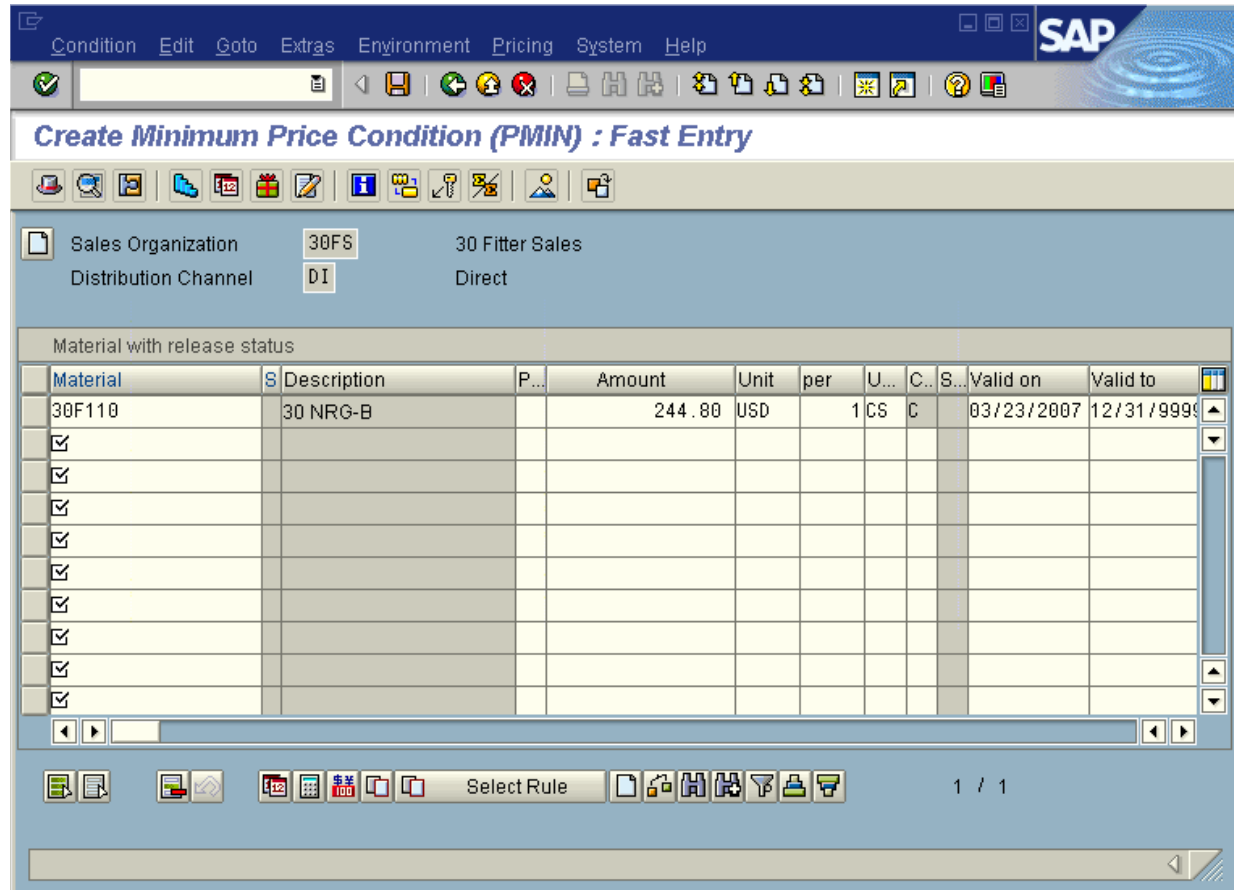
Condition Edit Goto Extras

Create Condition Records

Condition Information Key Combination

Condition type PMIN Minimum Price

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



SAP

Condition Edit Goto Extras Environment Pricing System Help

Create Minimum Price Condition (PMIN) : Fast Entry

Sales Organization 30FS 30 Fitter Sales
Distribution Channel DI Direct

Material with release status

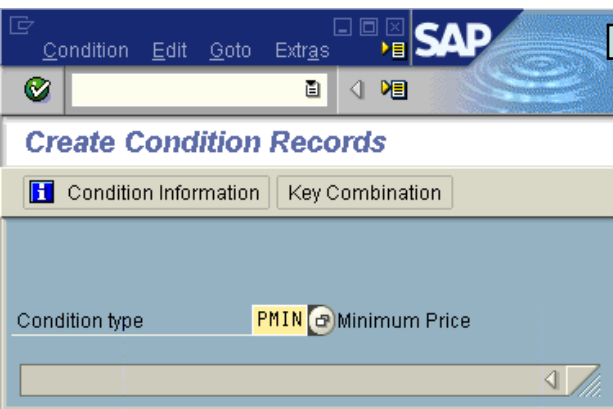
Material	Description	P...	Amount	Unit	per	U...	C...	S...	Valid on	Valid to
30F110	30 NRG-B		244.80	USD	1	CS	C		03/23/2007	12/31/9999
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										

Select Rule 1 / 1

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



SAP

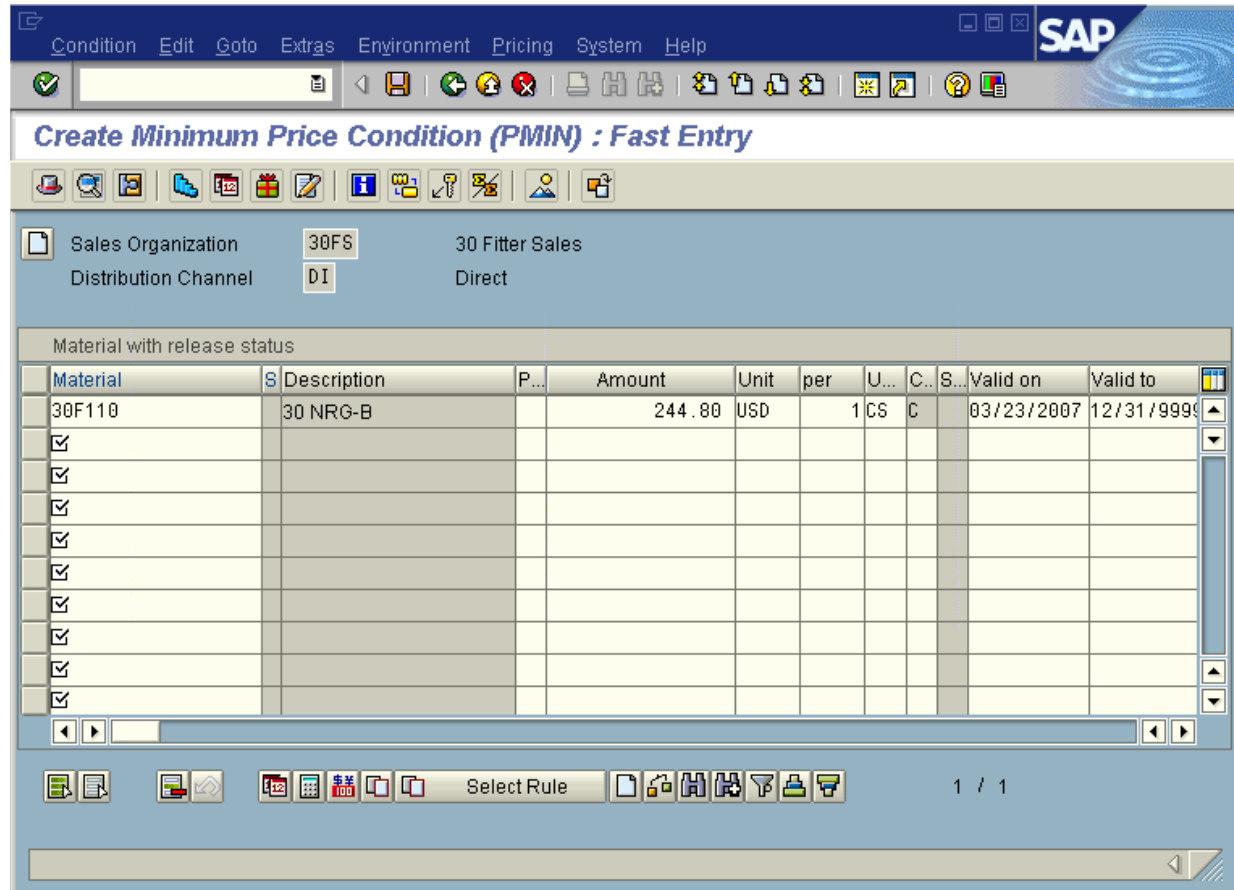
Condition Edit Goto Extras

Create Condition Records

Condition Information Key Combination

Condition type PMIN Minimum Price

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



SAP

Condition Edit Goto Extras Environment Pricing System Help

Create Minimum Price Condition (PMIN) : Fast Entry

Sales Organization 30FS 30 Fitter Sales
Distribution Channel DI Direct

Material with release status

Material	Description	P...	Amount	Unit	per	U...	C...	S...	Valid on	Valid to
30F110	30 NRG-B		244.80	USD		1	CS	C	03/23/2007	12/31/9999
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										
<input checked="" type="checkbox"/>										

Select Rule 1 / 1

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

SAP

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	
VP05	Cost	244.80	USD		1 CS	2,448.00	USD	1	CS	1	CS	0.00	
	Profit	0.00	USD		1 CS	0.00	USD	1	CS	1	CS	0.00	

Condition PMIN adds \$158.50 to the price so that the discounts do not result in a loss

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)

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.

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