

OSTENDO

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Pricing Policies

Features & Capabilities Paper

Pricing is central to profitability, yet managing complex price structures across customers, products, and promotions can be challenging. This guide explores Ostendo's comprehensive pricing policies—from simple price lists through to sophisticated contract pricing with quantity breaks and promotional campaigns.

Price Levels & Calculation Methods

Unlimited Price Levels with Quantity Price Breaks link customers and products together using flexible calculation methods. Rather than maintaining separate price lists, prices can be calculated dynamically based on costs and defined rules.

Calculation methods include: Standard Sell Price (with optional additions or subtractions as dollar values or percentages), Standard Buy Price plus markup, Last Cost plus margin, Standard Cost plus margin, and Fixed Price values. This flexibility supports different pricing strategies for different customer segments.

Quantity Price Breaks automatically adjust pricing based on order quantities. Buy more, pay less—with break points and prices defined per Price Level.

Multi-currency capability means pricing rules can be specific to different currencies. International customers see prices in their currency, calculated according to rules appropriate for that market.

Special & Contract Pricing

Special Pricing and Discounting capability reflects contract pricing arrangements. This is the most specific form of pricing, taking precedence over standard price levels when applicable.

Special prices can be defined for All Customers, Specific Customers, or Specific Price Levels. Each special price record can include Quantity Price Breaks and Effectivity Dates—ensuring negotiated terms apply only during the agreed period.

Effectivity Dates control when pricing applies. Promotional pricing can be set up in advance and will automatically activate and expire on schedule without manual intervention.

Discounts can be applied at Price Level, Item Level, or specific Customer Level. Cumulative discounting stacks multiple discount types, while standard discounting applies the single best rate.

Promotional & Automatic Pricing

The Order Pricing Matrix allows rules to automatically insert lines onto orders under specific circumstances. For example, ordering three widgets might trigger a fourth free or discounted, but only during June. These promotions apply automatically without operator awareness.

Promotional rules can be simple (buy X get Y free) or complex (spend over a threshold to receive a percentage discount on selected items). The matrix evaluates each order and applies matching rules.

Add-On Sales Pricing covers additional products or services promoted when certain items are ordered. When a customer orders a Printer, the system can suggest Printer Paper and Ink with special promotional pricing.

Each Add-On item can have dedicated promotional pricing or use standard pricing matrix. This flexibility supports both margin-driven add-ons and loss-leader promotions.

Price Overrides & Control

Order line prices can be manually overridden when necessary—for negotiated one-off deals or exceptional circumstances. Security settings control which users can override prices and by how much.

The pricing hierarchy ensures the most specific applicable price is used: Special Pricing takes precedence, then Customer-specific Price Levels, then default pricing. This layered approach handles complex scenarios while maintaining simplicity for straightforward transactions.

Pricing Warnings can alert operators when margins fall below acceptable levels, or when applied discounts exceed normal limits. This protects profitability while allowing flexibility where justified.

Ready to optimise your pricing strategy?

Contact your local Ostendo Consultant to discuss how these capabilities can be configured for your specific business requirements.

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