

# Activant®

## Product: Strategic Pricing for the Activant Distribution Suite™



# ACTIVANT®

<http://distribution.activant.com>

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### Technology

OS: Linux, Windows, Unix, AIX    Presentation: GUI  
Hardware Platform: Windows    Language:

### Installed Customers

1 5 10 20 50 75 100 150 200 300 500 1000 2000 3000

### Customer Base

1 5 10 20 50 75 100 150 200 300 500 1000 2000 3000

### Release Information

Release date of current version: December 2009

Expect release date of next upgrade: every 3 months

For every product, for every customer, there is a price that produces the optimal gross margin – the highest margin you can obtain while retaining the customer's business. What that price is depends on multiple factors, from the amount of business you do with a customer annually to the particular item being ordered. Up until now, determining that right price for every item has been a formidably complex task. With Activant's Strategic Pricing module, that task becomes as simple as a few keystrokes.

Research conducted by Strategic Pricing Associates, Inc. (SPA) has shown that most distributors either charge customers too little or too much for the products they buy. Both have pitfalls: charge customers too much, and they are less likely to do more business with you; charge them too little, and you're leaving money on the table. Activant's Strategic Pricing module helps you get all your transactions to that optimal price – not too high, not too low, but just right.

The Strategic Pricing module analyzes your database for customer and order information and then classifies customers by type and size. Based off of this level of analytics, the module then offers recommendation for pricing items by customer and product. The optional Pricing Structure will recommend optimal discount structures across customer and item categories, and the optional Customer SKU service will recommend pricing for specific customer/item combinations for your best customers. These recommendations will be incorporated into your pricing structure providing easy updating and maintenance of your pricing structures.

Of course, not every transaction can or will be priced at the standard, structured price, and the Strategic Pricing module recognizes this by recommending and allowing exceptions. In order to maintain pricing discipline, however, you can control who may post exceptions to the prices set by the system and obtain detailed reports on what sorts of exceptions are applied.

Strategic Pricing contains a full suite of analytical tools that let you see how well you are doing in charging optimal prices in a number of ways. The tools also let you examine another area where distributors often leave money on the table: shipping charges. Using the Strategic Pricing formulas, you can also ensure that you are neither giving away freight nor charging so much for shipping that you lose customers.

Activant's clients who have implemented strategic pricing have recognized an increase to their gross margins anywhere from two to four percentage points in the first year alone. For many distributors, that would mean a quick return on your investment in Strategic Pricing – in as little as three months.

Activant has a long-range vision for distribution technology and the industry experts to make it happen. Find out more today. Visit [distribution.activant.com](http://distribution.activant.com), email [distribution@activant.com](mailto:distribution@activant.com), or call 1-800-776-7438, and press 1.