



Changing your Selling Prices

As most of you are aware, Exact and Alchemist have extremely powerful facilities for automatically producing price lists and for helping you to maintain your profit margins, however because of the sheer power of the programme it is easy to skip a step unless you understand how everything works, so I will try to explain as simply as possible:

Multiple Price Lists

In Exact you can have as many price lists as you like. These price lists reside in the product file and, for example, one product may have three pricelists, A,B and C, whereas another product may have only prices A and C.

In turn, a customer may have a particular price list allocated as his/her/its default price (i.e. the price that is offered to someone producing an invoice).

Price lists are maintained by going to:

[<Stock><Maintenance><Global Settings / Functions><Default Prices>](#)

You will see that there are many different ways of setting up these price lists. I suggest that you look carefully at these screens to understand how it works. The screens are also explained in the manuals that you can download from our website.

One feature I want to mention here is that a Price List may have a default **markup factor** associated with it. *This is the factor that will be used by default to multiply the **Source Value** by, in order to arrive at a new selling price.*

Note that the Source Value may be {LC}, {EC}, {SC}, {VC} (Last, Edited, Standard, Valuation costs, respectively) or another Price List.

The source value default is Last Cost {LC}

However, whilst the markup factor may be a default value of, say, 2.25, this may be over-riden within the product by going to

[<Stock><Maintenance><Items>](#), calling up a product, going to the [\[Purchases / Qty/ Cost\]](#), [\[Price / GP / Markup\]](#) tags

and altering the figure for the selected price list under the Markup Factor column.

This means that the default markup factor for a particular price is not always the actual markup factor.

Fortunately, if you go to [<Stock><Maintenance><Global Settings / Functions><Markups>](#) you are able to select a price list on the left of the screen, press [Refresh], and see, in the centre panel, exactly what markups are associated with the selected price list.

If you click on a markup in the centre panel, you will see exactly which products have this markup from this price list, in the right hand panel.

You may amend markups easily from here.

From the above, it will be seen that if you use the selling price

maintenance facilities, the first thing to do is to ensure that your markup factors for the different price lists are all correct.

It also follows that, because the system relies on correct costing to arrive at a new suggested selling price, your costs must be 100 percent accurate before you change your selling prices using automatic facilities.

In EXACT, if you purchase stock for resale, but do not add anything in the form of a Bill of Materials addition, then your cost prices should be automatically correct provided that whoever processes your suppliers invoices does their job correctly.

If you run Exact and do add Bill of Materials items to your stock items, then, in order to perform an accurate re-costing of your stock, you should go to **<Stock><Reports><Bom Items>** where you will see a self-explanatory [Costing] tag. Making the relevant selection and pressing the [View] button will automatically recost those items that contain BOM items.

If you run Alchemist or another manufacturing module, you should go to **<Stock><Reports><Alchemist><Costing>**, make the desired selections and click [Print]. *Note: this report may take some time to run, depending on how many products you have.*

It is a good idea to look carefully at the report before updating so that you are sure everything is correct.

Now you should be ready to update your price lists, using the facility found in **<Stock><Maintenance> Operations <Price Changes> where you can set the new future prices, either by applying a markup factor or by increasing current prices by a percentage.**

What you do is this:

- Select the range of products you wish to operate on
- Select the date on which you want the new prices to become valid
- Select the Price List that you want to work with
- Clear any invalid future prices that may have been left behind in your system (Click the [Do This Now] button opposite Clear <Future Prices>
- Select whether to apply a percentage increase to the current prices or a markup factor to the cost displayed in the price list column on the left of the screen. Click the relevant [Do This Now] button.

Now you may go to **<Stock><Reports><Prices (Format B)>** select the range of product, the price list required and future prices and print out a future price list that may be sent to your customers. (Note, this report will need to be tailored to your own requirements)

All that remains is, on the day of the new price implementation, to return to the **<Stock><Maintenance> Operations <Price Changes>** section and transfer the future prices to current prices.

To sum up:

- **Allocate the price lists to the products correctly**
- **Get your markups right**
- **Recost your items and check the costs are right**
- **Update future prices**
- **Print the Future Price Lists and send them to the relevant customers**
- **Update the prices on the day of implementation.**

Easy, Huh?