**SAP Ariba** /\\\

# Feature at a Glance
## Specifying price limits for contract items

Roberto Valdovinos, SAP Ariba
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# Feature at a Glance

## Introducing: **Specifying price limits for contract items**

### Customer challenge

Today, contract terms allow a user to define different pricing conditions, such as volume based pricing or discounts or term based pricing. However, term based pricing only allows a user to define a date from which the price is applicable, not a date range nor a valid minimum and maximum price range that a supplier may submit.

### Meet that challenge with
### SAP Ariba

This feature enables users to define different price limits for different time periods based on which prices of contract items that suppliers add to service sheets and contract-based invoices are to be validated.

### Experience key benefits

This feature provides greater flexibility in the way that pricing and discounts may be defined on contracts.

### Solution area

SAP Ariba Buying
SAP Ariba Buying and Invoicing
SAP Ariba Catalog

### Implementation information

This feature is automatically on for all customers with the applicable solutions but requires **customer configuration.**

### Prerequisites and Restrictions

This feature is applicable only to contract items that supplier users add to service sheets and contract-based invoices when they punch-in to the SAP Ariba solution from Ariba Network.

To use this feature, the *ReferenceDateOnServiceSheet, ReferenceDateDefaultOnServiceShee*t and *Allow Supplier To Edit Contract Price* features must be previously enabled.

# Feature at a Glance
## Overview: **Specifying price limits for contract items**

This feature enables a contract agent to define price limits with minimum and maximum price values that are valid for specific time periods.

- The price limit may be **value based** defined by a minimum and maximum price for a specific date range or **scaled factor based**, where you define the minimum price as a value and specify a scale factor as a percentage to derive the maximum price.

- When the supplier user enters a price for the item in the process of creating a service sheet or a contract-based invoice, the SAP Ariba solution validates whether the price is within the specified limit for the selected reference date.

- Users are prevented from adding items if the price that they define for an item is not within the price limits defined for the specified reference date or there is no price limit defined for the reference date.

- Date ranges cannot overlap for different price limit ranges

- Date ranges may have gaps during which time no pricing will be provided

- Price limits may be maintained through the user interface when defining the Pricing Terms of an Item Contract

- Price limits may be loaded through a CSV file (PriceLimits.csv)

# Feature at a Glance
## Overview: **Setting up Price Limits**

In the "**Add/Edit Item Level Pricing Terms**" screen of the Pricing Terms of a contract in SAP Ariba Buying, a new option to define "Price Limits" has been added.



***Allow Supplier to Edit Unit Price*** should be set to "Yes"

# Feature at a Glance

Overview: **Price Limit "Types"**

- When defining Price Limits, the user may define which price limits are Value based or Scale Factor Based.

- Date ranges cannot overlap and will provide a warning when validating.

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# Feature at a Glance
Overview: **Specifying price limits for contract items**

When creating a service sheet, users are prevented from adding items if the ***price*** that they define for an item is not within the price limits defined for the specified ***reference date*** or there is no price limit defined for the ***reference date***.

Line Items

Show Details

The price for this contract item is not within the specified range ($80.00 USD-$160.00 USD)
-

| | No. ↑ | Supplier Part # | Description | Qty | | | | Amount | |
|---|---|---|---|---|---|---|---|---|---|
| | 1.1 | plc1 | C1 consultant | 1 | hour | $200.00 USD | * | $200.00 USD | ▼ Less |

Reference Date: * Tue, 06 Aug, 2019 ⓘ

Error

Type: Catalog Item

Full Description: C1 consultant

Purch Org: 3000 (IDES USA)

⚠ **No price limits for the selected reference date have been defined in the contract. Either select a different date or review the price limits.**

| | 1.2 | plc2 | C2 consultant | 1 | hour | $120.00 USD | $120.00 USD | ▼ Less |
|---|---|---|---|---|---|---|---|---|

Reference Date: * Tue, 06 Aug, 2019 ⓘ

Type: Catalog Item

Full Description: C2 consultant

Purch Org: 3000 (IDES USA)

# Feature at a Glance
## Overview: **Specifying price limits for contract items**

The reference date will determine the term based price range that will apply on the Service Sheet and will validate the price input by user on the Service Sheet.

The reference date on the Service Sheet may be manually input by the user and/or defaulted according the below parameters:

| Parameter | Value | | Default Value | | |
|---|---|---|---|---|---|
| Application.ServiceSheet.EnableReferenceDateDefaultingForContractBasedServiceSheet | ● Yes ○ No | | No | | Reset / Details |
| Application.ServiceSheet.EnableReferenceDateForContractBasedServiceSheet | ● Yes ○ No | | No | | Reset / Details |
| Application.ServiceSheet.ReferenceDateDefaultingFieldsForContractBasedServiceSheet | ServiceEndDate, ServiceDate, CurrentDate, ServiceStartDate, ServiceLineStartDate, ServiceLineEndDate, NoValue | Edit | ServiceEndDate, ServiceDate, CurrentDate, ServiceStartDate, ServiceLineStartDate, ServiceLineEndDate, NoValue | | Reset / Details |