Using Cost-Based Price Profiles
Using Cost Based Price Profiles

GlassMate now offers a price profile that will calculate the final part price using the actual cost paid for the part.

This tutorial will teach you how to create and use a cost-based price profile, using the following steps:

- Step 1: Create a cost based price profile for glass and hardware
- Step 2: Create a quote using the new price profile
- Step 3: Enter your cost for the part
- Step 4: See how the quote is calculated using the new price profile.
- Step 5: Create a cost-based price profile for glass, list price for hardware
- Step 6: See how the quote changes using the second price profile

* Throughout this example, various examples of part and labor costs will be utilized, as well as sample add-ons and mark-ups. These values are for purely illustrative purposes and are not intended to suggest or otherwise indicate prevailing market conditions.
Creating a Cost Based Price Profile (1 of 5)

From the *System Info* menu, choose *Price Profiles*…

On the Price Profile screen, Select the *New* button.
Creating a Cost Based Price Profile (2 of 5)

In the Name box, enter the name **CostBased1**.

For both the **Glass Pricing Type** and the **Hardware Pricing Type**, choose **Cost Based**. This means that glass and hardware will both use your cost to calculate the final quoted price. Now click on the **Price Profile** tab.
Creating a Cost Based Price Profile (3 of 5)

Enter your labor information in the top section of the screen. Labor calculations are unchanged from ‘Standard’ price profiles. The next slide will examine the bottom section in greater detail.
Later examples will use the $50 hourly rate to demonstrate calculations.
Creating a Cost Based Price Profile (3 of 5)

Now we will look at the bottom section of the screen where you can determine how your cost is converted into a quoted part price.

For each part type: Aftermarket glass, OEM Glass, and Hardware, you can set the amount you wish to mark up a part. This is accomplished by adding a flat dollar amount (the Initial $ Add-On), then adding a percentage (Adjustment %), then another flat amount (Final $ Add-On). While you may wish to use all three of these, you may want as few as one. The next screens will show some examples, but the 'formula' applied to your cost is:

\[
((\text{[Your Cost]} + \text{[Initial $ Add On]}) \times \text{[Adjustment]}) + \text{[Final Add On]}
\]

A few examples will make this easy to understand, especially if you only use one or two of the values.
Creating a Cost Based Price Profile (4 of 5)

Here is an example where we have set different values for each part type. Note the handy calculator to the right that tells you the quoted price for each type, based on the values entered.

<table>
<thead>
<tr>
<th>Part Type</th>
<th>Initial $ Add On</th>
<th>Adjustment %</th>
<th>Final $ Add On</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aftermarket Glass</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>OEM Glass</td>
<td>0</td>
<td>50</td>
<td>0</td>
</tr>
<tr>
<td>Hardware</td>
<td>50</td>
<td>25</td>
<td>25</td>
</tr>
</tbody>
</table>

For Aftermarket glass, we simply said ‘Add $100’. So a part with a cost of $100 will be quoted at $200. We could just as easily have put this into the **Final $ Add-On**.

For OEM glass, we simply said add 50%. So our $100 part gets quoted at $150.

For hardware, we used all three. We start by adding $50 to our part cost of $100 to get $150. Then we mark that up 25% to get to $187.50. Finally, we add another $25 to get to our final quoted price of $212.50.

Use the calculator freely to determine what pricing strategy fits your business needs.
Creating a Cost Based Price Profile (5 of 5)

Important Tips

➢ Note that the Repair & Adhesives and Special Pricing tabs work exactly the same way for all price profile types.

➢ If you want to use a different formula for more expensive parts, you can create a price profile for each price range that is different. For example, you may use one markup for parts that cost less than $100, a different one for parts that cost between $100 and $500, and yet another for parts over $500. Once you have determined your cost, you can simply choose the correct price profile for the part price and GlassMate will automatically recalculate your quote.

➢ See the second half of this tutorial if you want to use your cost for glass, but use the published list prices from the NAGS database when quoting hardware, such as moldings.
Create a Quote with the New Price Profile (1 of 3)

Now we will create a quote for a 2002 Chevrolet Silverado C1500 Standard Cab windshield.

Click File->New to start a new document.

On the Bill-To tab, select the CostBased1 price profile from the drop down.
Create a Quote with the New Price Profile (2 of 3)

Select the Vehicle tab and choose the 2002 Chevrolet Silverado C1500 Standard Cab.

Now we are looking at the Quote tab.
Create a Quote with the New Price Profile (3 of 3)

Add the DW01341GBYN to the quote.

Three important things to notice:
1. Item cost is $0 because it hasn’t been filled in yet.
2. The NAGS list price is grayed out because it is not being used to calculate the final part price.
3. The net price is $100 because we said to add $100 to the cost—which is $0.
Entering Your Part Cost

Now click on the $0 item cost (or right-click on the line and choose Item Cost).

The Item Cost screen appears. If you have configured suppliers, you can choose who is supplying the part; otherwise, you can just leave the supplier as <Other>.

For this example, we will set the cost to $100, enter a note, and click OK.
See How the Quote is Calculated

Now when we look at our quote line, we see that the cost is $100; the net part price is $200; and the line item total, with labor, is $310.

Now, if for the adhesive, we used $20 as the price regardless of cost, and for the two moldings, we apply our price profile. Repeat these steps to enter our cost of $50 each for the left and right; remember, our profile said add $50, then 25%, then $25, so each molding is $150.

Thus the final quoted price for the work is $630 before taxes.
Creating a Cost Based Price Profile with Published Hardware Pricing

From the *System Info* menu, choose *Price Profiles*…

On the Price Profile screen, Select the *New* button.
Creating a Cost Based Price Profile with Published Hardware Pricing

In the Name box, enter the name **CostBased2**.

For the Glass Pricing Type choose **Cost Based**. This means that glass use your cost to calculate the final quoted price. For Hardware, choose **NAGS Based**. Now click on the **Price Profile** tab.
Creating a Cost Based Price Profile with Published Hardware Pricing

We will use the same values as our previous example for glass pricing.

Now we are asked to enter the adjustment % from the list price to determine the final hardware price. Remember that negative adjustments are a discount, positive is a markup. In this example, we will indicate that OEM hardware gets discounted 5% and aftermarket is discounted 15%.

Populate the labor and Repair & Adhesive profiles just as you would for any other profile, and choose ‘OK’ to save the profile. Then click ‘Done’ to return to GlassMate.
See How the Quote Changes with List Hardware Pricing

Now, using the same quote for the Silverado, go to the Bill To tab and choose the CostBased2 price profile.

Now look at the Quote Tab and let's look at the Hardware Pricing. These were dealer moldings so they had the 5% discount applied; now they are $25.08 each, and the total quote is $416.16.
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