

Using Discounts In Point of Sale

QuickBooks Point of Sale (POS) offers versatile discount schedules that allow you complete control over your pricing/discount structure.

Price Levels are the easiest and fastest way to offer a discount. You set up Price Levels during the initial POS setup or by going to Edit on the Main Menu, Preferences, Company Preferences, Price Levels. You can give these Price Levels unique names and markdown percents. You can then assign Price Levels to your items, customers and employees.

When creating a Sales Receipt, simply change the price level and an automatic discount is taken for the entire order.

When using Price Levels, there are a few things to be aware of.

- ü If you did not initially set up Price Levels, you will have to manually add the percent to each inventory item.
- ü If you change a Price Level percent in preferences, such as changing Employee discount from 10 to 5 percent, POS will not automatically change the percent in your item list. Only new items will reflect the Price Level change.
- ü Price Level changes are not recorded as a discount on receipts or sales reports so if this is important to you, try using one of the other discount options.

Item discounts allow you to offer a discount on one or more items on a sales receipt without impacting the entire order. You might want to give an item discount for a damaged or discontinued item, a seasonal sale or promotion.

Go to the line item on the sales receipt and enter either a dollar amount or percent. Use the drop down box under Discount Type to indicate the reason you are giving the discount. You can customize Discount Types in Company Preferences.

A global discount is a discount that reduces the entire sales amount and is in **addition** to any other discount given. This discount can either be a dollar amount or a percent and is added at the bottom of the sales receipt screen. Global discounts are a great way to offer store wide discounts for grand openings or other special occasions.

Item and global discounts are always given against the active price level. For instance, suppose you are selling an item with a regular price of \$10.00. If you change the price level to Employee, which has a 10% discount, the price will be \$9.00. If you then give a global discount of 10%, the final price will be \$8.10 plus tax. If you had given a global discount of 10% on the regular price level, the final price would have been \$9.00 plus tax.

I have a client who would like to reward his most loyal customers with a discount. First, you will have to begin recording your sales by customer to get their total sales. Then you can generate a

Sales Summary by Customer report and set a date range. This will give you the total sales per customer for a given period. Print out the report or make a note of the customers who should receive a discount. You can memorize this report if you like.

Now go to your customer list and choose a loyal customer. In the **Customer Discount Type** field, choose either Price Level or Percent and then enter the applicable price level or percent. The next time this customer purchases one of your fine products, enter their name and a reminder will pop up asking if you would like to offer a discount. You have the option of applying the discount or not.

An alternate way to review a customer's sales history and quickly add a discount is to click on Customer History while creating a sales receipt. You will need to have the customer listed on the receipt and have the side bar open. If the history reveals that the customer should receive a thank you discount, click on the little paper and pencil icon located on the bottom right corner of the customer address. This will take you to the customer record where you can add a discount before completing the sale.

Discounts will appear on your daily Z-Out Store Close report as Discount Breakouts, Paid In.

Knowing how and when to use discounts is a great way of managing your pricing and profits.