Pricing System for FRAGRANCE

FR Sales Service
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OVERVIEW and NEEDS

To provide a system for pricing matters, such as:
- Price computation of project submissions
- Pricing approvals which are below min. EXW
- Price re-validation after validity period
- Prepare price quotations
- To keep track of pricing submissions

Customer and sales information will be taken from ONE-T

Price Submissions from One-T Projects

- One webpage to automatically compute minimum selling prices from data source for each project number – name as **Pricing for Project submissions**
  Page content to allow search fields like below.

Project number	Project name	Customer	Sitecode TIS ▾
Perfumer code	Corporate	.	
Commercial No	Commercial name		

Search results should show Date / Project no / Customer / Salesperson / Country / Corporate Code / Commercial Name / Commercial number

Project	Quotation Date	Project Name	Customer	Salesperson	Country
[21-50322/1]Diaper for UC	22-Jul-2022	Testing for fragrance	ABC Company	Rachel Ang	Singapore

- To provide currency selection in SGD for SINGAPORE CUSTOMERS (monthly ex-rate to be updated by FR SS)
- Page should display below fields
- Target price parameters (per CSR in One-T) will be displayed for reference on the right – this is to highlight any difference with actual price (after submission) from target.

									PRICING ON PROJECT SUBMISSIONS				CSR PARAMETERS			
Date	Project No.	Customer	Country	Commercial Name	Commercial Code	Corporate No.	Batch Size	Product Category	Min Exw Price (USD/kg)	Min Exw Price (SGD/kg)	Submission RMC	GP2	TARGET EXW (USD/kg)	RMC	Pdtn Cost	GP2
19/7/2022	22-12345	ABC Company	Malaysia	FRAGRANCE AA	T15012345	1500000A	1000	P/W Bar Soap	10.25		7.5	20%	10	7.3	0.7	20%

Formula : **[(RMC + production costs)/(1-GP)] = MIN EXW**

Price Submissions from One-T Projects

To allow selection of different MOQ to be quoted

To Add these button to end of price page
- Prepare Quotation
- Price negotiation
- Price re-validation (will only be available when prices expire, see next slide)

DO NOT refer to pricings of CAPTECH / TAKAPs from pricing system

Tier pricing will be made available to existing customers (MOQ 50-99kg / 100-199kg / >=200kg)*
TIET – DKSH Thailand, Charming Nature, NK Flavour and Fragrance, Atlantal Chemical, The British Dispensary (LP), Parisian Limited Partnership, Sathaporn Marketing Co.,Ltd. (via ATLANTAL CHEMICAL)
TIP – DKSH Philippines, Suyen, Telstar Manufacturing Corporation
TIV – Saigon Cosmetics

Pls confirm if tier pricing is still offered?

Price Re-validation

Price re-validation refers to price computation from quotations that have passed the validity; or products that were unsold for a period of time (eg: 6 months)

Price re-validation from Project
- Re-validation button will be available once prices are over its validity period**
- System re-calculates the EXW based on latest RMC / production costs from One-T
** please allow TIS Sales / SS (admin) to have choice of changing validity period due to volatility of RMC

Price re-validation from existing selling products
- Allows a page for sales to enter the selling product code and select product category and MOQ
- Systems calculates the current selling price based on LIVE RMC and production cost along with standard margin

If price negotiation is needed, this follows price approval and escalation process

Price Approval and Escalation

If the salesperson wishes to sell lower than the prices auto-computed, escalation for approval is required.

Example:
Price of FRAGRANCE FLOWER T15000123 at $23.14/kg EXW (with Standard margin) is not accepted by customer, price negotiation takes place and salesperson offers at $21.50/kg EXW. Escalation of approval to Commercial Head is required.

- Option to allow desired price to be entered, approval is escalated to Commercial Head
- Escalation details consists of fields: new GP2, current GP2, Desired price and original price, RMC, MOQ and remarks

How to calculate new GP2?

(Desired EXW – RMC – Production costs)/Desired EXW
($21.50 – $10.04 – $5) / $21.50 = **30.04%**

- Once request is approved, it will allow price quotation to be prepared.

NOTE: Price Quotation button will not be available to click if price negotiation is in progress

Price Approval and Escalation (2)

Rejection of request
- If desired price is too low for approval, Commercial Head has the option to REJECT
- Rejection reason and proposed price will be allowed to be entered and it routes back to salesperson (requestor)
- Salesperson will then be given the option – "ACCEPT" or "RE-NEGOTIATE"
  - ➢ If ACCEPTED, allows price quotation to proceed
  - ➢ If RE-NEGOTIATE, the escalation process applies again

Price Quotation

Price Quotation can be prepared once price submissions are ready and all pricing approvals are approved.
It should allow selection of fragrances submitted in each project to prepare the quote.

Rules:
- EXW Price will automatically be retrieved from auto-calculations (Slide 3) or approved pricings (Slide 6/7)
- Quotation option will not be made available to prices that have expired

Quotation format consists of EXW and final selling incoterm (allow selection of EXW / CFR / CIF / CPT / CIP / DAP*)

- Formula of CFR / CPT Price = EXW + Freight
- Formula of CIF / CIP Price = CFR/CPT*1.004

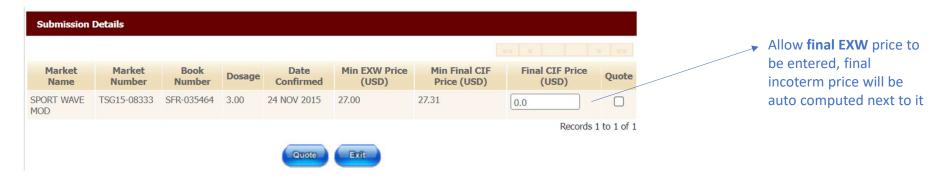Sea freight to be uploaded by SS team
*DAP for Malaysia only

QUOTATION SAMPLE / TIS Customer Pricing System

Price Quotation

Allow selection of incoterms

INCO Terms:	○ EXW ○ CFR ◉ CIF ○ DAP
Container Load:	◉ LCL ○ FCL

Approved Min. EXW Price will be reflected along with selling price at selected incoterm.
Final Selling Price of EXW and at Incoterm will be allowed to enter for quotation (only equal or higher value can be entered)

Submission Details

Market Name	Market Number	Book Number	Dosage	Date Confirmed	Min EXW Price (USD)	Min Final CIF Price (USD)	Final CIF Price (USD)	Quote
SPORT WAVE MOD	TSG15-08333	SFR-035464	3.00	24 NOV 2015	27.00	27.31	0.0	☐

Records 1 to 1 of 1

Quote   Exit

Allow **final EXW** price to be entered, final incoterm price will be auto computed next to it

Price Quotation (Out of system)

Allows sales to prepare price quotation for products that are out of system (such as adaptation, transferred fragrances, global fragrances (MNA), CAPTECH/TAKAPS, price updates to current selling fragrances)

- Sales will prepare the quotation
- To allow file upload option (eg: uploading quotation, approving email on special GP)
- Quotation will be routed to Commercial Head / FR SS to approve (this is to check the EXW price entered is correct)

Personnel for approval

Price approvals

❖ Carina Chia (FR GM)
❖ Bomcewil Tan (FR Commercial head)

Price Quotation (out of system) approvals

❖ Carina Chia (FR GM)
❖ Bomcewil Tan (FR Commercial head)
❖ Rachel Ang (FR SS)
❖ Pauline Pang(FR SS)

User Accounts

User accounts to be created for:
- TIS Commercial team
- Affiliate sales
- Affiliate sales service

*Access of pricings will follow as per One-T project access (Project salesperson + Sales Assistant) & Country HOD will have access to all pricings for the country

Email notifications:
- For price notifications once project has been closed
- For price approval request and status (approved/rejected)
- For quotation approval (out of system quotation)

Thank You