Oracle® Channel Rebate and Point-of-Sale Management

User Guide

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Oracle Channel Rebate and Point-of-Sale Management User Guide, Release 12.2

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Preface

Intended Audience

Welcome to Release 12.2 of the *Oracle Channel Rebate and Point-of-Sale Management User Guide.*

See Related Information Sources on page xiv for more Oracle E-Business Suite product information.

Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc.

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Oracle customers have access to electronic support through My Oracle Support. For information, visit http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info or visit http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs if you are hearing impaired.

Structure

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Related Information Sources

Integration Repository

The Oracle Integration Repository is a compilation of information about the service endpoints exposed by the Oracle E-Business Suite of applications. It provides a complete catalog of Oracle E-Business Suite's business service interfaces. The tool lets users easily discover and deploy the appropriate business service interface for integration with any system, application, or business partner.

The Oracle Integration Repository is shipped as part of the E-Business Suite. As your instance is patched, the repository is automatically updated with content appropriate for the precise revisions of interfaces in your environment.

You can navigate to the Oracle Integration Repository through Oracle E-Business Suite Integrated SOA Gateway.

Online Documentation

All Oracle E-Business Suite documentation is available online (HTML or PDF).

- **PDF** - See the Oracle E-Business Suite Documentation Library for current PDF documentation for your product with each release. The Oracle E-Business Suite Documentation Library is also available on My Oracle Support and is updated frequently

- **Online Help** - Online help patches (HTML) are available on My Oracle Support.

- **Release Notes** - For information about changes in this release, including new features, known issues, and other details, see the release notes for the relevant product, available on My Oracle Support.

- **Oracle Electronic Technical Reference Manual -** The Oracle Electronic Technical Reference Manual (eTRM) contains database diagrams and a detailed description of database tables, forms, reports, and programs for each Oracle E-Business Suite product. This information helps you convert data from your existing applications and integrate Oracle E-Business Suite data with non-Oracle applications, and write custom reports for Oracle E-Business Suite products. The Oracle eTRM is available on My Oracle Support.

Guides Related to All Products

Oracle E-Business Suite User's Guide

This guide explains how to navigate, enter data, query, and run reports using the user interface (UI) of Oracle E-Business Suite. This guide also includes information on setting

user profiles, as well as running and reviewing concurrent programs.

You can access this guide online by choosing "Getting Started with Oracle Applications" from any Oracle E-Business Suite product help file.

Guides Related to This Product

Oracle Advanced Pricing Implementation Guide

This guide show you how to define pricing rules that service the pricing requirements of Oracle applications. Pricing rules control the pricing actions that are applied to customer transactions such as price lists, price agreements, formulas, and modifiers. With Oracle Advanced Pricing, you can attach qualifiers to a price list that enables an item have more than one price list. You can also set up block pricing, promotional limits, multiple currency conversion, and multiple contexts per sales order.

Oracle Advanced Pricing User's Guide

Oracle Advanced Pricing calculates prices including promotional prices for Oracle Order Management and other Oracle Applications based on pricing rules, pricing relationships, item hierarchies, usage brackets, and deals and promotions.

Oracle Marketing Implementation Guide

Oracle Marketing provides the tools necessary to automate the planning, budgeting, execution, and tracking of your marketing initiatives. It provides a single repository of customer information that enables you to analyze, personalize, refine, and target your campaigns to better align with sales. You can set up fatigue rules to define contact limits by time period and by channel.

Oracle Marketing User Guide

This guide tells you how to create marketing programs, execute campaigns across multiple customer interaction channels such as Web, email, direct mail, and telemarketing, and monitor the performance of these programs. With Oracle Marketing, you can generate prospective customer lists and assess the effectiveness of these lists, and manage marketing collateral and marketing budgets.

Oracle Channel Revenue Management Implementation and Administration Guide

Channel Revenue Management enables users to efficiently plan, promote, execute, and manage the order to cash process for improved sales and return on investment (ROI), and reduced loss in revenue. Use this guide to learn about the different products in the Oracle Channel Revenue Management Suite and the other Oracle E-Business Suite products with which this product family integrates. You can learn how to set up users, customers, and suppliers, and perform the basic configurations that will be used by all the products in this suite.

Oracle Receivables User Guide

This guide provides you with information on how to use Oracle Receivables. Use this guide to learn how to create and maintain transactions and bills receivable, enter and apply receipts, enter customer information, and manage revenue. This guide also includes information about accounting in Receivables. Use the Standard Navigation Paths appendix to find out how to access each Receivables window.

Installation and System Administration

Oracle Alert User's Guide

This guide explains how to define periodic and event alerts to monitor the status of your Oracle E-Business Suite data.

Oracle E-Business Suite Concepts

This book is intended for all those planning to deploy Oracle E-Business Suite Release 12.2, or contemplating significant changes to a configuration. After describing the Oracle E-Business Suite architecture and technology stack, it focuses on strategic topics, giving a broad outline of the actions needed to achieve a particular goal, plus the installation and configuration choices that may be available.

Oracle E-Business Suite CRM System Administrator's Guide

This manual describes how to implement the CRM Technology Foundation (JTT) and use its System Administrator Console.

Oracle E-Business Suite Developer's Guide

This guide contains the coding standards followed by the Oracle E-Business Suite development staff. It describes the Oracle Application Object Library components needed to implement the Oracle E-Business Suite user interface described in the *Oracle E-Business Suite User Interface Standards for Forms-Based Products*. It also provides information to help you build your custom Oracle Forms Developer forms so that they integrate with Oracle E-Business Suite. In addition, this guide has information for customizations in features such as concurrent programs, flexfields, messages, and logging.

Oracle E-Business Suite Installation Guide: Using Rapid Install

This book is intended for use by anyone who is responsible for installing or upgrading Oracle E-Business Suite. It provides instructions for running Rapid Install either to carry out a fresh installation of Oracle E-Business Suite Release 12.2, or as part of an upgrade to Release 12.2.

Oracle E-Business Suite Maintenance Guide

This guide contains information about the strategies, tasks, and troubleshooting activities that can be used to help ensure an Oracle E-Business Suite system keeps running smoothly, together with a comprehensive description of the relevant tools and utilities. It also describes how to patch a system, with recommendations for optimizing typical patching operations and reducing downtime.

Oracle E-Business Suite Security Guide

This guide contains information on a comprehensive range of security-related topics, including access control, user management, function security, data security, and auditing. It also describes how Oracle E-Business Suite can be integrated into a single sign-on environment.

Oracle E-Business Suite Setup Guide

This guide contains information on system configuration tasks that are carried out either after installation or whenever there is a significant change to the system. The activities described include defining concurrent programs and managers, enabling Oracle Applications Manager features, and setting up printers and online help.

Oracle E-Business Suite User Interface Standards for Forms-Based Products

This guide contains the user interface (UI) standards followed by the Oracle E-Business Suite development staff. It describes the UI for the Oracle E-Business Suite products and tells you how to apply this UI to the design of an application built by using Oracle Forms.

Other Implementation Documentation

Oracle Approvals Management Implementation Guide

This guide describes transaction attributes, conditions, actions, and approver groups that you can use to define approval rules for your business. These rules govern the process for approving transactions in an integrated Oracle application. You can define approvals by job, supervisor hierarchy, positions, or by lists of individuals created either at the time you set up the approval rule or generated dynamically when the rule is invoked. You can learn how to link different approval methods together and how to run approval processes in parallel to shorten transaction approval process time.

Oracle Diagnostics Framework User's Guide

This guide contains information on implementing, administering, and developing diagnostics tests for Oracle E-Business Suite using the Oracle Diagnostics Framework.

Oracle E-Business Suite Flexfields Guide

This guide provides flexfields planning, setup and reference information for the Oracle E-Business Suite implementation team, as well as for users responsible for the ongoing maintenance of Oracle E-Business Suite product data. This guide also provides information on creating custom reports on flexfields data.

Oracle E-Business Suite Integrated SOA Gateway Implementation Guide

This guide explains the details of how integration repository administrators can manage and administer the entire service enablement process based on the service-oriented architecture (SOA) for both native packaged public integration interfaces and composite services - BPEL type. It also describes how to invoke Web services from Oracle E-Business Suite by working with Oracle Workflow Business Event System, manage Web service security, and monitor SOAP messages.

Oracle E-Business Suite Integrated SOA Gateway User's Guide

This guide describes how users can browse and view the integration interface definitions and services that reside in Oracle Integration Repository.

Oracle E-Business Suite Multiple Organizations Implementation Guide

This guide describes how to set up multiple organizations and the relationships among them in a single installation of an Oracle E-Business Suite product such that transactions flow smoothly through and among organizations that can be ledgers, business groups, legal entities, operating units, or inventory organizations. You can use this guide to assign operating units to a security profile and assign this profile to responsibilities such that a user can access data for multiple operating units from a single responsibility. In addition, this guide describes how to set up reporting to generate reports at different levels and for different contexts. Reporting levels can be ledger or operating unit while reporting context is a named entity in the selected reporting level.

Oracle e-Commerce Gateway Implementation Guide

This guide describes implementation details, highlighting additional setup steps needed for trading partners, code conversion, and Oracle E-Business Suite. It also provides architecture guidelines for transaction interface files, troubleshooting information, and a description of how to customize EDI transactions.

Oracle e-Commerce Gateway User's Guide

This guide describes the functionality of Oracle e-Commerce Gateway and the necessary setup steps in order for Oracle E-Business Suite to conduct business with trading partners through Electronic Data Interchange (EDI). It also describes how to run extract programs for outbound transactions, import programs for inbound transactions, and the relevant reports.

Oracle iSetup User's Guide

This guide describes how to use Oracle iSetup to migrate data between different instances of the Oracle E-Business Suite and generate reports. It also includes configuration information, instance mapping, and seeded templates used for data migration.

Oracle Product Hub Implementation Guide

This guide explains how to set up hierarchies of items using catalogs and catalog categories and then to create user-defined attributes to capture all of the detailed information (such as cost information) about an object (such as an item or change order). It also explains how to set up optional features used in specific business cases; choose which features meet your business' needs. Finally, the guide explains the set up steps required to link to third party and legacy applications, then synchronize and enrich the data in a master product information repository.

Oracle Product Hub User's Guide

This guide explains how to centrally manage item information across an enterprise, focusing on product data consolidation and quality. The item information managed includes item attributes, categorization, organizations, suppliers, multilevel structures/bills of material, packaging, changes, attachments, and reporting.

Oracle Web Applications Desktop Integrator Implementation and Administration Guide

Oracle Web Applications Desktop Integrator brings Oracle E-Business Suite functionality to a spreadsheet, where familiar data entry and modeling techniques can be used to complete Oracle E-Business Suite tasks. You can create formatted spreadsheets on your desktop that allow you to download, view, edit, and create Oracle E-Business Suite data, which you can then upload. This guide describes how to implement Oracle Web Applications Desktop Integrator and how to define mappings, layouts, style sheets, and other setup options.

Oracle Workflow Administrator's Guide

This guide explains how to complete the setup steps necessary for any Oracle E-Business Suite product that includes workflow-enabled processes. It also describes how to manage workflow processes and business events using Oracle Applications Manager, how to monitor the progress of runtime workflow processes, and how to administer notifications sent to workflow users.

Oracle Workflow Developer's Guide

This guide explains how to define new workflow business processes and customize existing workflow processes embedded in Oracle E-Business Suite. It also describes how to define and customize business events and event subscriptions.

Oracle Workflow User's Guide

This guide describes how Oracle E-Business Suite users can view and respond to workflow notifications and monitor the progress of their workflow processes.

Oracle XML Gateway User's Guide

This guide describes Oracle XML Gateway functionality and each component of the Oracle XML Gateway architecture, including Message Designer, Oracle XML Gateway Setup, Execution Engine, Message Queues, and Oracle Transport Agent. It also explains how to use Collaboration History that records all business transactions and messages exchanged with trading partners.

The integrations with Oracle Workflow Business Event System, and the Business-to-Business transactions are also addressed in this guide.

Oracle XML Publisher Administration and Developer's Guide

Oracle XML Publisher is a template-based reporting solution that merges XML data with templates in RTF or PDF format to produce outputs to meet a variety of business needs. Outputs include: PDF, HTML, Excel, RTF, and eText (for EDI and EFT transactions). Oracle XML Publisher can be used to generate reports based on existing Oracle E-Business Suite report data, or you can use Oracle XML Publisher's data extraction engine to build your own queries. Oracle XML Publisher also provides a robust set of APIs to manage delivery of your reports via e-mail, fax, secure FTP, printer, WebDav, and more. This guide describes how to set up and administer Oracle XML Publisher as well as how to use the Application Programming Interface to build custom solutions. This guide is available through the Oracle E-Business Suite online help.

Oracle XML Publisher Report Designer's Guide

Oracle XML Publisher is a template-based reporting solution that merges XML data with templates in RTF or PDF format to produce a variety of outputs to meet a variety of business needs. Using Microsoft Word or Adobe Acrobat as the design tool, you can create pixel-perfect reports from the Oracle E-Business Suite. Use this guide to design your report layouts. This guide is available through the Oracle E-Business Suite online help.

Training and Support

Training

Oracle offers a complete set of training courses to help you master your product and reach full productivity quickly. These courses are organized into functional learning paths, so you take only those courses appropriate to your job or area of responsibility.

You have a choice of educational environments. You can attend courses offered by

Oracle University at any of our many Education Centers, you can arrange for our trainers to teach at your facility, or you can use Oracle Learning Network (OLN), Oracle University's online education utility. In addition, Oracle training professionals can tailor standard courses or develop custom courses to meet your needs. For example, you may want to use your organization structure, terminology, and data as examples in a customized training session delivered at your own facility.

Support

From on-site support to central support, our team of experienced professionals provides the help and information you need to keep your product working for you. This team includes your Technical Representative, Account Manager, and Oracle's large staff of consultants and support specialists with expertise in your business area, managing an Oracle server, and your hardware and software environment.

Do Not Use Database Tools to Modify Oracle E-Business Suite Data

Oracle STRONGLY RECOMMENDS that you never use SQL*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle E-Business Suite data unless otherwise instructed.

Oracle provides powerful tools you can use to create, store, change, retrieve, and maintain information in an Oracle database. But if you use Oracle tools such as SQL*Plus to modify Oracle E-Business Suite data, you risk destroying the integrity of your data and you lose the ability to audit changes to your data.

Because Oracle E-Business Suite tables are interrelated, any change you make using an Oracle E-Business Suite form can update many tables at once. But when you modify Oracle E-Business Suite data using anything other than Oracle E-Business Suite, you may change a row in one table without making corresponding changes in related tables. If your tables get out of synchronization with each other, you risk retrieving erroneous information and you risk unpredictable results throughout Oracle E-Business Suite.

When you use Oracle E-Business Suite to modify your data, Oracle E-Business Suite automatically checks that your changes are valid. Oracle E-Business Suite also keeps track of who changes information. If you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL*Plus and other database tools do not keep a record of changes.

1

Introduction

This chapter covers the following topics:

- Overview

Overview

Oracle Channel Rebate and Point of Sales Management enables suppliers to manage their product inventory and prices, create budgets for customer and partner rebates, offers, and incentives, and enlist the help of channel partners such as distributors and retailers to manage execution of these offers at points of sales in the channel.

Customers

Customers are the organizations, persons, or channel partners that a supplier does business with. Channel partners can include distributors and retailers. You create budgets and offers for individual customers or buying groups and you use customer accounts to settle claims and deductions,

Products and Price Lists

These are the products that suppliers manufacture, purchase, or sell, and what they maintain in their inventories and in the inventories of their partners.

Quotas

Suppliers use these to focus on markets, products, partners, and sellers. They create quotas or sales targets specifying either the amount of revenue to be generated or products to be sold, and allocate these quotas to sellers and partners to better target, organize, and track sales activities.

Budgets

These are the repository of funds that a supplier creates to fund trade promotion activities for quotas, allocates to sellers and partners, and tracks the utilization of and the returns on these investments.

Account Manager

This is the dashboard that channel partners use to view sales targets and target allocation to customer accounts, access account plans, create and evaluate offers, capture retail pricing of your and competitor product, and analyze sales performance. Sales managers allocate sales targets to individual sales representatives. These sales targets are automatically re-allocated to customer accounts and an account plan of sales activities such as campaigns and offers generated for the customer account. Suppliers and seller such as sales managers and sales representatives can then track sales performance of these and competitor products. s

Trade Planning and Offers

This is the planning of sales activities such as selecting campaigns, forecasting, evaluating, and creating offers, requesting a budget for funding of these offers, approving the offer, and executing and managing the offer.

Campaigns and Programs

These are marketing activities designed to promote product sales and advertising and increase customer awareness. You can use them with offers to more effectively meet your sales targets.

Point-of-Sale

This is the channel through which channel rebates or sales activities and trade promotions are executed and sales targets met. Sales of products happen at various points in the channel. For example, a distributor buys products from a supplier, the retailers in turn buy from the distributors, and the end customers buy from the retailers. Before sales can be made, suppliers need to validate and approve channel requests for discounts or special prices, or budgets or funds for trade promotion activities, and channel claims for referral bonuses, incentive and discount accruals, and chargebacks.

2

Customers

This chapter covers the following topics:

- Overview
- Organization and Person
- Creating and Managing Customer Groups or Lists
- Creating and Managing Segments
- Creating and Managing List Imports

Overview

Customers are entities with whom you do business. Customers include organizations, persons, partners, or partner contacts. Use the Customer tab in Oracle Channel Revenue Management, to create entries for organizations and persons, and to create and generate lists. Partner and partner contact information is picked from Oracle Partner Management.

The customers that you create in Oracle Channel Revenue Management are the same ones that you will use while defining market eligibility for budgets and offers, settling claims and deductions, and for all other customer-related activities. These customers appear as a list of values whenever you perform a search for fields that require customer information.

See the *Oracle Trading Community Architecture User Guide* for more information on Customers.

Organization and Person

A party is a type of Organization or Person, with which you can do business. A party exists separately from any business relationship that it enters into with another party. You can share information about a party such as addresses and contacts with the customer accounts of the party. For example, Vision Distribution could be a party

within your trading community.

Information in this section will enable you to:

- Understand the concepts of Organization and Person

- Create an organization

- Access Customer 360 View

- Create a person

> **Note:** This section only gives a brief overview of Organization and Person. See the section titled *Organization* in the *Oracle Receivables User Guide* and the chapter titled *Oracle Sales Quick Reference* in the *Oracle Sales User Guide* for more detailed information.

Customer

A customer is an organization or a person with whom you have a selling relationship. This selling relationship can result from the purchase of products and services or from the negotiation of terms and conditions that provide the basis for future purchases.

Customer Account

A customer account represents the business relationship that a party can enter into with another party. The account has information about the terms and conditions of doing business with the party. For example, you could open a commercial account for purchases to be made by Vision Distribution for its internal use and a reseller account for purchases made by Vision Distribution for sales of your products to end–users.

Contact

You can create multiple customer accounts for a party to maintain information about categories of business activities. For example, to track invoices for different types of purchases, you can maintain an account for purchasing office supplies and another account for purchasing furniture. You can also maintain multiple customer accounts for customers with multiple lines of business in your organization. You can maintain separate customer profiles, addresses, and contacts for each customer account.

A contact communicates for or acts on behalf of a party or customer account. A contact can exist for a customer at the account or address level. A person can be a contact for an organization or another person. For example, an administrative assistant could be the contact for an executive. A contact point can be either an employee or any other person related to the customer organization who will be responsible for coordinating business transactions between your organization and the customer organization.

Buying Groups and Related Customer Accounts

Buying Group

A buying group is formed when organizations group themselves to leverage their buying power. For example, when you create a promotion for a buying group, the members place orders and the accruals for each member are tracked individually. During claim settlement, you can view the buying group member accruals and issue payment to the buying group, or directly to one of its members.

A customer site or an account site is the location where a particular party is located. Every party has only one identifying address, but a party can have multiple party sites. A customer address is a party site used in the context of a customer account for billing, shipping, or other purposes.

Related Customer Accounts

Related Customer accounts are set up with relationships. Common relationships include bill-to and ship-to. Large organizations may have many subdivisions and legal entities. Sometimes, the headquarters my place an order and request you to ship the goods to one of its divisions. Another division of the same customer may be responsible for handling the invoices related to the orders. Bill-to and ship-to accounts enable you identify the different locations of such customer organization, and process the orders, shipments, and payments seamlessly.

For example, the headquarters of an organization may be set up as the bill-to account and location for multiple retail stores. Each retail store can be set up as a ship-to account and location. In addition, the headquarters office may be handling all the claims for retail stores, but these retail stores may ultimately receive their payment directly. For more information on setting up Buying Groups and Related Customer Accounts, see the *Oracle Receivables User Guide*.

Related customer accounts are also used for tracking and reporting financial transactions. Whenever a customer places an order, an invoice is created or payment made, the transactions are posted against the customer's account. In the Campaign to Cash business flow, an account must be created before an order can be entered for the customer. See the *Oracle Receivables User Guide* for more information.

Relationships

Organizations can have the following two type of relationships:

Relationship	Description
Organization to Organization	This type of relationship exists between companies, such as, parent and subsidiary, headquarters and division, partner and competitor.

Relationship	Description
Organization to Person	This includes business contact relationships.

You can create multiple relationship addresses for a relationship. These addresses are selected from a list of customers and related customer existing addresses. When you change an addresses, you must also access the customer or related customers record and change the location there as well. Note that you cannot change the address in the relationship record itself.

Click the Relationships link to access the Relationships summary page. From this summary table you can view existing Organization to Organization, Organization to Person relationships, multiple relationship addresses, phone number, start date, end date, and relationship status.

Partner and Partner Contact

A partner is a company acting on behalf of your enterprise. Partners can be wholesalers or retailers who help to close business deals for you by selling your products. A partner is an entity that will assist you in sales, trade promotion, support services and so on. Partners provide industry expertise or add value to products and services. The different types of partners include:

- Prospects

- End Users

- Original Equipment Manufacturers

- Resellers

For additional information, see the *Oracle Partner Management Vendor User Guide.*

Creating an Organization

An organization is a retailer or a wholesaler organization. When you create an organization, you are automatically added to the sales team for that organization.

To create an organization, log into Oracle Trade Management with Oracle Trade Management User responsibility.

As a prerequisite, the OS: Create Organization Privilege must be set to "Yes" to create organizations.

Navigation: Trade Management:Administration > Trade Management > Customer > Organization > Create.

Notes:

Organization Profile:

- **E-mail address, Web site, and Phone Book:** To display a specific e-mail address or web address or a phone number, select the display option against it. You can enter any number of e-mail addresses, web addresses, or phone numbers, but you can display only one of them at a time.

- **External/ Internal Radio Buttons:**Indicates whether the organization is internal to your business or an external organization.

Company Information:

- **SIC Code:** (Standard Industrial Classification Code) Index that describes the function (manufacturer, wholesaler, retailer or service) and the business line of the organization.

- **DUNS Number:** (Data Universal Numbering System Number) DUNS number is a unique business identification number that is assigned to each commercial entity. If the organization has multiple locations, then each location will have a unique DUNS number.

Address Attribute:

- **Status**: If you select Active status, then the organization will be available for use.

Contacts:

- **Contacts:** This is the person who will be the contact point for all the business dealings. Select an existing person or enter a new person. See Contact, page 2-2 for more information.

Viewing Organization and Person Information

You have a selling relationship with a person or organization, regardless of whether anything has been purchased or serviced. A selling relationship can be established simply by negotiation terms that will be used if you later sell products. You create lists, segments, and target groups from a data source of Persons in a Business to Customer (B2C) scenario and a data source of Organizations in a Business to Business (B2B) scenario.

Accessing Customer 360 View

The 360 view of a customer lists all the customer's transactions including orders, invoices, debit memos and chargebacks. From this page, you can click the link for any of these transactions and view it in more detail. To access the 360 view for a customer, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Navigation: Trade Management:Administration > Trade Management > Customer > Organization > Customer Name > 360 View.

Creating a Person

A Person represents a contact point for an organization for all the business dealings and correspondence. To create a person, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Navigation: Trade Management:Administration > Trade Management > Customer > Organization > Customer >Person > Create

Notes:

• **Relationship:** This is the type of relationship the person has with the organization.

To modify an existing organization, navigate to Customer > Organization, select the Organization, make appropriate changes and click **Update**.

> **Note:** Use the Quick Create option to quickly create organizations or persons, without entering detailed information.

Creating and Managing Customer Groups or Lists

Working with lists is the process of analyzing, building, and managing lists of customers or prospective customers. Lists are created for specific purposes and are based on predefined templates or other lists, segments, workbooks, or custom SQL. For example, for a product launch campaign, you would specifically target customers who have previously related product from you. To do so, you can use seeded cross sell list templates to build an effective cross sell list of candidates based on past orders.

For detailed information on how to create and manage lists, see the *Oracle Marketing Implementation Guide.*

Creating and Managing Segments

Market segmentation identifies groups of customers, or prospects that satisfy business-defined strategic or tactical criteria. For example, a car manufacturer may need to identify different types of consumers based on lifestyle preferences to segment their car buying market accordingly. Once segments are identified, marketers may develop specific marketing programs that will uniquely target each segment.

Overview

Segmentation criteria can be saved and used as the basis for list, or target group generation. For example, a segment could be defined for Credit Card dormancy, based on the date of the last customer purchase transaction.

Segments can be created using either a Oracle Discover workbook, or a SQL statement.

Unlike a list, which has a fixed set of entries, the entries within a segment may differ over time as customers and prospects migrate in and out of the segment as they satisfy/dissatisfy the business criteria on which the segment is based.

The segment summary page displays all the segments that you have created within Oracle Marketing. You can personalize the attributes on this page by clicking the Personalize button.

Hierarchies

Segments can be organized into a segment hierarchy, in which each child segment contains a subset of the entries in their parent segment.

Consider the following example:

Segment A: All customers in the organization's customer database

Segment B: High income families

Segment C: High income families with kids

Segment B is defined as a child segment of Segment A, and Segment C is a child segment of Segment B.

The segment hierarchy for the above example is depicted in Table Segment Hierarchy Example, page 2-7.

Segment Hierarchy Example

Segment Name	Segment Criteria	Segment Count	Segment Hierarchy	Segment Condition
Segment A	All Customers	100,000	N/A	N/A
Segment B	High income families	25,000	Child Segment of Segment A	Intersection of Segment B and Segment A
Segment C	High income families with kids	10,000	Child Segment of Segment B	Intersection of Segment C and Segment B

Creating a Segment

When you create a segment, you can either choose to base it on an Oracle Discoverer Workbook or write your own SQL statement. If you choose Workbook, the associated SQL statement for the Workbook is displayed in the SQL section. This SQL statement is not editable. If you choose SQL, you must enter the SQL statement in the SQL text field.

Notes

- **Parent Segment:** To create a segment hierarchy, select a parent segment. The current segment definition will be a child of the selected parent segment.

- **Type:**
  - If the Type is Workbook, click the Search icon to select a Workbook.

  - If the Type is SQL, enter a data source name, and then enter a SQL statement in the SQL field.

- The initial status of the segment will be Draft. The Available status implies that the segment is available for lists and target groups. The Cancelled status implies that the segment is not available for lists and target groups.

Valid Segment Queries

A valid SQL query (from Oracle Discoverer Workbook or directly typed in Oracle Marketing) must meet the following conditions.

- The query statement must be formatted correctly.

- The setups that map the results of the segment to a list must be complete.

- The query must contain a data source code for mapping. The code for a data source is entered by the administrator while creating it.

- The query must contain a unique identifier for the data source.

- The query must contain Country if Address 1 is included.

- The query must not contain Order By or Group By clauses within it.

  If the query contains an alias, the alias must be the same name as the data source view name. This is essential for generating lists based on such segments.

A minimal SQL statement for creating a list will be:

```
Select '<data source code>',<unique identifier> from <data source
object>
```

In the above example, if the data source's code is 'EXAMPLE_DS', the correct segment query will be:

```
select 'EXAMPLE_DS', party_name, party_id from hz_parties
```

> **Note:** Do not enter ; at the end of the SQL statement.

When a segment query is not valid for list generation, the following error message is displayed:

```
"Error: Cannot create list based on this segment. Please recheck the sql
segment"
```

For the query to execute correctly and create a list with entries in it, a data source is required.

Creating and Managing List Imports

This is the process used to import external data, such as a purchased or rented prospect list, into Oracle Trading Community Architecture.

Oracle Marketing offers a list import process, enabling marketers to map an external data source, such as a purchased or rented list, or an existing customer database, to destination target fields either within the Oracle Customer Model or a staging area within Oracle Marketing (for rented lists).

Overview

The List Import feature enables you to enrich your customer data with purchased lists and also consolidate the customer data from legacy systems. This feature facilitates the importing of:

- Prospects for marketing campaigns

- Customers into the Oracle Customer Model (TCA)

- Leads for following up by Oracle TeleSales

- Event registrants for processing in Oracle Marketing's event module

The list import process imports records (in .csv or .xml format) from a client desktop, server or an ftp site. For additional details of importing from a server or FTP site, refer the *Oracle Marketing Implementation Guide*.

The list import process is in the form of a wizard that guides you through the process of importing a rented or purchased list of prospects. The steps in the wizard include:

1. Selecting the Import Type (Persons, Organization Contacts, Leads, Event Registrants)

2. Specifying the location of the file

3. Mapping the fields between the source file and the destination columns (for a list of fields that can be imported, refer to the *Oracle Marketing Implementation Guide*)

4. Importing the list import table with the source data

Once the records have been imported, they can be used for campaign or event target group generation.

Rented vs. Purchased Lists

During the import process, you can specify if the source for the import data is from a Rented or Purchased list. Table Rented Vs Purchased Lists, page 2-10 highlights the difference in processing for these two sources.

Rented vs. Purchased Lists

Rented List	Purchased List
Data stored within a staging area (AMS_LIST_ENTRIES) in Oracle Marketing	Data stored within the staging area and are added to the Oracle Customer Model (TCA)
Dummy, inactive records created in Oracle Customer Model (TCA) for the corresponding records	Corresponding customer information is inserted into the Oracle Customer Model (TCA)
Rented records are purged based on usage or expiry date	Purchased records are not purged and are maintained within the Oracle Customer Model (TCA)

Importing a List

For information on Importing a List, see the section titled Importing a List in the *Oracle Marketing User Guide.* The information includes:

• Importing Using the List Import Wizard

Handling List Import Errors

If there is an error during list import, then the status of this import will be "Error" (if no import records were successfully imported) or "Incomplete-Errors" (if some of the import records were successfully imported). You can drill down into the import results to obtain additional information about the errors (for example number of error records, number of duplicate records).

Additionally, within the context of a list import error results, the Search feature enables you to query results based on certain key attributes such as first name or last name.

For information on how to handle list import errors, see the section titled List Import Errors in the *Oracle Marketing User Guide.* Information includes:

• Import Errors

3

Products and Price Lists

This chapter covers the following topics:

- Overview
- Managing Products
- Managing Price Lists

Overview

You can use the Products tab in Oracle Channel Revenue Management to access all product-related information and attributes required to better target, define, and manage trade promotion initiatives. This includes managing products and their price lists, and tracking competitor products.

Managing Products

The Products tab enables you to review, maintain, and create new and existing products. A product is defined as anything you manufacture, purchase or sell, including physical items you can stock in inventory. A product is not necessarily physical; it can also be a service, or a combination of physical items and services. A grouping of products is often referred to as a product bundle.

The Product tab gives you a consolidated view of all trade promotion-related product information and the key Enterprise Resource Planning (ERP) decision-making variables from inventory, purchasing, sales and customer relationship management modules.

> **Note:** Oracle Channel Rebate and Point-of-Sale Management supports access to the basic features of Oracle Inventory. Depending on your business practices, your organization may require further parameters to be set up in Oracle Inventory before the manufacturing and shipping of a product or bundle. See the *Oracle Inventory User's Guide* and the *Oracle Marketing Implementation Guide* for more information.

For detailed information on Products and Prices Lists see the *Oracle Marketing User Guide*. The section titled *Managing Products* contains information about the following topics:

- Understanding inventory attribute templates

- Single product catalog

- Creating products

- Modifying inventory options

- Assigning products to categories, organizations, and price lists

- Create product relationships

- Create collateral relationships

- Creating product relationships

- Creating collateral relationships with another product

- Creating product revisions

- Specifying products for product bundles

- Creating competitor products

- Associating product contents

Managing Price Lists

A price list specifies the price that must be offered to a customer. You can create price lists and associate them with products. Based on various factors, you can create different price lists for the same product. For example, as a Sales Manager, you may want to create an exclusive price list for your premium customers, and a different price list for the other customers.

You can also use price lists for validating chargeback submissions in Oracle Trade Management. The chargeback lines refer to the price list used to calculate and offer the selling price to the customer. If the chargeback transaction does not quote any list, the chargeback is not processed. However, if the chargeback line includes a price list, the program automatically verifies if the:

- List is valid on the invoice date indicated on the chargeback data

- Customer is specified in the chargeback, and the sale price is valid

The market eligibility of the agreement lists all members who are eligible for the price. Price Lists can be directly linked to an end customer or with a buying group to which the customer belongs. See the *Indirect Sales Management* chapter in this guide for more information on the chargeback process flow.

Creating a Price List

Use the following information to create a price list:

Navigation: Product > Price Lists > Create

Notes

- Setup Type: The setup type indicates the template that you want to use for this price list. It determines which side navigation items will be available for this record. See the *Oracle Marketing Implementation Guide* for information on creating custom setup types.

- A theme approval is required for the price list to become active.

Defining Market Eligibility

The market eligibility is a qualifier that the price list is applicable to. You must specify the market context and context attribute while defining the market eligibility for a price list. Market context is set up in Oracle Advanced Pricing. There are seeded market contexts, and you can create your own too.

Examples of Market Context and Contest Attributes:

- Order (Market Context) and Order Type (Context Attribute)

- Customer (Market Context) and Customer Bill To (Context Attribute)

4

Quotas and Quota Allocation

This chapter covers the following topics:

- Overview
- Creating and Managing Quotas and Quota Allocations

Overview

Quota is the total sales target (in terms of money or quantity of products) that must be achieved in a specific time period. Quota Allocation is the process by which the Sales Management allocates quota to Sales Representatives in different territories and regions. You can allocate targets by territories and by products.

For example, the Sales Management of an organization in US West sets a target of 1 million product units for their sales teams for the year 2004-2005. The Sales Management later allocates this quota to Sales Representatives in different US West territories such as California and Oregon based on the sales performance and potential in each of these regions. In this example, 1 million product units is the quota, and quota allocation is the process by which this quota is allocated across territories.

Information in this section will enable you to:

- Understand process flows for quota allocation

- Understand the concepts of market eligibility, product eligibility, and product spread

- Understand the quota approval process and quota statuses

- Understand top-down and bottom-up quota allocation.

- Understand quota allocation views

Process Flow

The following figure illustrates the process flow for quota allocation:

Process Flow for Quota
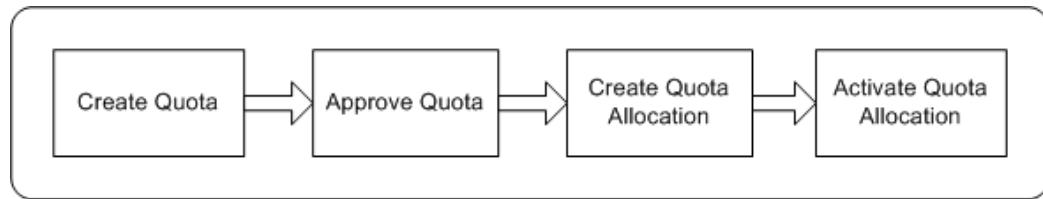
Create Quota

The trade planning process begins with the Sales Management allocating sales targets to Sales Representatives in different territories and regions. First, create a quota and then allocate it to lower levels of the sales team hierarchy. After you create a quota, you can also define the market eligibility and product eligibility for the quota to identify regions, territories, and products, which the quota must target.

Approve Quota

The designated approvers must approve a quota before it becomes active. A quota does not need to go through an approval process if you are the creator and approver of the quota according to the approval rules.

Allocate Quota

After a quota is approved, you can allocate it to Sales Representatives in the lower levels of the sales team hierarchy. Sales Representatives can then review their quota and suggest changes to the allocation. You can review these inputs and reallocate the quota. Multiple such top-down bottom-up cycles can occur before the quota numbers are finalized.

Activate Quota Allocation

You can activate a quota allocation after finalizing the quota allocation numbers. Quota allocation is the final quota number that the individual territories and regions in the sales team hierarchy must achieve.

After you activate a quota allocation, the sales teams will receive workflow notifications. They can view their targets or quota numbers by logging into the Account Manager Dashboard and you can monitor and track sales performance through the Account Manager Dashboard. For more information, see the *Account Manager Dashboard* chapter in this guide.

Market Eligibility, Product Eligibility, and Product Spread

Market Eligibility

Market eligibility defines the territories that a quota must target. Defining market eligibility enables you to classify it and ensure that sales targets are achieved by executing trade promotion activities in the specified territories. Territories are created in the Oracle E-Business Suite Territory Management module, and are based on various customer and geographical attributes.

Product Eligibility

Product Eligibility defines the products and product categories that the Sales Representatives must focus on selling. Products are items in the Inventory System. Product categories contain products. For a quota, you can define product eligibility for product categories and products. While defining product eligibility, you can either include or exclude products from the product category.

Product Spread

After defining products for a quota, the product spread is generated based on products that you define, and the sales data of the previous year. For example, the sales data of January 2004 is used to forecast the demand for January 2005, and the products are allocated based on this forecast.

The product spread appears as a worksheet and displays the products and the product allocation numbers either on monthly basis or quarterly basis, depending on the time spread that you have selected during quota creation. If a product does not fall under any of the product lines, it is accounted for in a general category. The total sum of all product allocation numbers in the product spread is exactly equal to the quota.

For example, you have created a quota for 100,000 product units for the year 2005-2006, and have selected the time spread as quarterly. You have included Product A, Product B, and Product C in the product eligibility, and have generated the product spread. Assume that the sales that was achieved in the previous year 2004-2005 was as shown in the table below:

Product	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Product A	3,600	4,050	2,790	1,080	11,520
Product B	4,500	3,645	3,600	1,890	13,635
Product C	6,750	3,510	1,485	2,700	13,635

Product	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Product D	4,500	5,400	3,600	10,800	24,300
Product E	4,950	5,040	4,050	12,060	26,100
Grand Total	-NA-	-NA-	-NA-	-NA-	90,000

The following table shows this data as the percentage value that will multiplied by the total quota number for the current year (100,000 product units) to get the new quota values.

Product	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Product A	4%	5%	3%	1%	13%
Product B	5%	4%	4%	2%	15%
Product C	8%	4%	2%	3%	16%
Product D	5%	6%	4%	12%	27%
Product E	6%	6%	5%	13%	29%
Grand Total	-NA-	-NA-	-NA-	-NA-	100%

The percentage values are multiplied by the quota number for the current year; and the products Product A, Product B, and Product C are automatically allocated based on this calculation. The product spread appears as shown in the table below:

Product	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Product A	4,000	4,500	3,100	1,200	12,800
Product B	5,000	4,050	4,000	2,100	15,150
Product C	7,500	3,900	1,650	3,000	16,050
Others	10,500	11,600	8,500	25,400	56,000

Product	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Unallocated	0	0	0	0	0
Grand Total	-NA-	-NA-	-NA-	-NA-	100, 000

The sum total of the allocation numbers of Product A, Product B, and Product C is 44,000 (12,800 plus 15,150 plus 16,050). The Products D and E that were a part of the base calculation are represented as "Others" in the allocation process. Therefore remaining 56,000 (100,000 - 44,000) product units are allocated and accounted for in the Others category.

You can also manually edit the allocation numbers and save your changes. If you reduce the quantity of products that has been assigned to a territory, then the balance is moved to the Unallocated category. For example, if you reduce the allocated number of Product A to 3,000, then the remaining 1,000 product units are moved to Unallocated. The product spread appears as shown in the table below.

> **Note:** Unallocated are not present for all time periods in the product spread.

Product	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Product A	3,000	4,500	3,100	1,200	11,800
Product B	5,000	4,050	4,000	2,100	15,150
Product C	7,500	3,900	1,650	3,000	16,050
Others	10,500	11,600	8,500	25,400	56,000
Unallocated	1,000	0	0	0	1,000
Grand Total	-NA-	-NA-	-NA-	-NA-	100,000

Notice the changes in the Total column for Product A. If required, you can later reallocate these products by moving them out of the Unallocated category.

You can also add new products to the existing product spread. The quota for the new product will be allocated based on the sales figures for the specific product in the previous year. You can also manually change the allocation numbers for the new product, and make manual adjustments to balance the allocation.

If you remove a product from an existing product spread, then the "Others" category increases by the number of the removed product.

For example, if you remove Product A from the existing product spread, then the allocation numbers of this product are moved to the Others category; the product spread appears as shown in the table below.

Product	Jan-Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Product B	5,000	4,050	4,000	2,100	15,150
Product C	7,500	3,900	1,650	3,000	16,050
Others	13,500	16,100	11,600	26,600	67,800
Unallocated	1,000	0	0	0	1,000
Grand Total	-NA-	-NA-	-NA-	-NA-	100,000

Therefore, whenever you make any manual changes in the product spread, automatic adjustments are made to the product allocation numbers such that the total sum of the product units is always equal to the quota.

> **Note:** You can make changes to the product spread only for the current and future periods.

Org-Striping In Quota Allocation

In Oracle Channel Revenue Management, territories are not org-specific; an operating unit can span multiple territories. Org-striping enables you to allocate quota based on sales data of specific operating units rather than territories.

If org-striping is implemented in your organization, then you can segregate territories by operating units for quota allocation. Regardless of the territories, sales data of the same operating unit as the quota is used for quota allocation. This option is useful for companies that have multiple operating units and segregate sales activities by operating unit rather than territories.

If you have access to multiple operating units, then you can select the operating unit that you would like to access. The quota allocation summary screen "Details of the Default Operating Unit" is derived from the MOAC profile option, MO: Default Operating Unit. See the *Oracle Channel Revenue Management Implementation Guide* for more information.

Quota Approval and Statuses

A quota can become active only after it is approved by the designated approvers. The quota status changes based on whether the approvers approve, reject, or put the quota on hold. A quota need not go through an approval process if the person who creates the quota is the approver according to the approval rules.

The following table describes the various statuses that a quota may go through.

Quota Statuses

Status	Description
Draft	The quota status appears as Draft when the quota has not yet been submitted for approval. A quota in the Draft status can be updated any time. From Draft, the quota status may change either to Pending Approval or Cancelled. If you are the quota owner, then you can directly change the status to Active.
Pending Approval	The quota status appears as Pending Approval if the quota is awaiting approval. The quota status may change to either Active or On Hold if all approvers respond positively. The quota status changes to Rejected if the approvers reject the quota.
On Hold	On Hold is an interim status, which means that the quota has already obtained approval, but is not completely ready to be made active. From On Hold, the quota status may change to either Active or Closed.
Rejected	The quota status appears as Rejected if the approvers reject the quota. From Rejected, the status can be changed back to Draft.
Active	The quota status appears as Active after the quota has been approved. From Active, the status may change to either Closed and Cancelled.
Cancelled	The quota status appears as Cancelled if it has been aborted. From Cancelled, the status can only change to Archived.

Status	Description
Archived	When the quota status appears as Archived, the quota can no longer be used. This status cannot change to any other status.
Completed	The quota status appears as Completed after all the activities that are associated with the quota are complete and the quota has been achieved.
Closed	The quota status appears as Closed after the quota period comes to an end.

Top-down Bottom-up Allocation

Oracle Channel Rebate and Point-of-Sale Management supports top-down, bottom-up quota allocation. Top-down allocation is the process by which the Sales Management allocates quota to lower levels. Bottom-up allocation is the process by which the lower levels of the sales team hierarchy offer their inputs, and request for modifications to be made in the quota allocation.

In a top-down, bottom-up allocation, the Sales Management first allocates the quota to lower levels of the sales team hierarchy. The lower levels then review the allocation, offer their inputs, and request for changes to be made in the allocation. The Sales Management may incorporate these inputs and make the changes. Multiple such top-down, bottom-up cycles may continue until the allocation numbers are finalized. After the allocation numbers are finalized, you can activate the quota.

Quota Allocation Views

The Quota Allocation page gives a summary of allocations that have been created for a quota.

The following table describes quota allocation views.

Quota Allocation Views

View	Description
Allocation Number	The unique number, which is assigned to the allocation

View	Description
Allocation Type	This appears either as: • Receiving - The lower levels see this as receiving. This means that the top levels have created the allocation, and the lower levels have received it. • Distributing - the top levels see this as distributing. This means that the top levels have created this allocation and have distributed the quota to lower levels.
Hierarchy	The territory hierarchy
Allocation Status	The status of the allocation
Approved Date	The date on which the allocation was approved
Active From	The period from which the allocation will be active
Active To	The period until which the allocation will remain active
Allocation	The quota that has been allocated
Worksheet icon	The amount that has been allocated to each of the hierarchy levels

About Notes, Team, and Product Options

Notes enables you write and record information that you would like to communicate to others who deal with a quota or quota allocation at various levels. You can create any number of notes, edit and modify them.

The Team option enables you to assign or deny access to individual team members or a team or group of users by adding or removing them from the selected quota, budget, offer, and claim. To add a team member, enter the member name and select the Edit Metrics check box. To remove, select the remove check box. The access that the group or team member gets depends upon the group type to which the team member belongs.

> **Note:** You can only assign access to team members if you are the owner of the offer.

The Product option enables you to choose from existing product families and products

you want to include or exclude in your quota, claim, or offer. Click the image for a list of values.

Creating and Managing Quotas and Quota Allocations

Information in this section will enable you to:

- Create quotas

- Update market eligibility for quotas

- Update products for quotas

- Generate and modify product spreads

- Submit quotas for approval

- Approve quotas

- Create quota allocations

- Submit change requests during top-down, bottom-up allocation

- Update request submission during top-down, bottom-up allocation

Creating a Quota

Quota is the total sales target (in terms of money or quantity of products) that must be achieved in a specific time period. You should first create a quota, and then allocate the quota.

To create a quota, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Navigation: Trade Management:Administration>Trade Management > Quota > Quotas > Create.

Notes:

- **Number:** If you leave this field blank, the system generates a new quota identification number automatically.

- **Owner:** By default, the user entering the quota details becomes the quota owner.

- **Quota:** Total sales that must be achieved.

- **Start Period/End Period**: These are defined in the General Ledger (GL) calendars and limit the start and end periods for the quota. The start and end periods and the time spread determine how the quota is divided and tracked. For example, if you

select the start period as Jan 04, end period as Jan 05, and select the time spread as quarterly, then the quota will be divided on a quarterly basis--Jan-Mar, Apr-Jun, July-Sep, and Oct-Dec.

> **Note:** The values that are listed in the time spread LOV depend upon the start and end periods that you have selected. If the selected period spans a year, the time spread LOV displays the values--Yearly, Monthly, and Quarterly. If the selected period spans a quarter, the time spread LOV displays the values--Quarterly, and Monthly.

- **Threshold:** Quota thresholds enable you to monitor the activities of a quota and recognize inconsistencies such as over-spending and non-adherence to quota norms.

Using the Quota Creation Public API

You can access the Create_Quota Public API in Oracle's Integration Repository as an alternative way to create a quota. The Integration Repository is an integral part of Oracle E-Business Suite. It provides a complete catalog of Oracle E-Business Suite's Business Service interfaces. The tool lets you easily discover and deploy the appropriate business service interface from the catalog for integration with any system, application, or business partner.

Access Oracle's Integration Repository by logging in as sysadmin using sysadmin as the password. Click on Integration Repository and follow this navigation path for the Quota Creation Public API:

Marketing and Sales Suite > Funds and Budgets > Trade Planning Quota > Quota Public API

You can use the Create Quota Public API to create, update and delete a quota and to create and update product and account Spreads. The API contains a list of quota creation parameters and their descriptions.

Updating Market Eligibility for a Quota

Market eligibility defines the territories that a quota must target. By updating market eligibility for a quota, you can specify the territories that the sales teams must target. Defining market eligibility ensures that the quota is achieved by executing sales activities in the specified territories.

To define market eligibility for a quota, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Navigation: Trade Management:Administration>Trade Management > Quota > Quotas >

Use the Market Eligibility screen to define Market Eligibilities for the quota.

Updating Products for a Quota

You can define products for a quota by selecting broad groups of products (category sets and categories) or by selecting specific products. You can use a combination of category sets and categories. For example, you may select a particular category but exclude certain products within that category.

To update products for an existing quota, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Navigation: Trade Management:Administration>Trade Management > Quota > Quotas > Quota Name > Products.

Notes:

- **Exclude:** Use this check box to exclude products.

- **Remove:** Use this check box to remove a product or product category that has been added to a quota.

Generating and Modifying a Product Spread

You can generate the product spread after defining products for a quota. The product spread is generated based on the sales data of the previous year. It appears as a worksheet and displays products and product allocation numbers either on monthly basis or quarterly basis depending on the time spread that you have selected while creating the quota.

After generating a product spread, you can modify the allocation numbers, and add new products or product categories to it. Whenever you make any manual changes to the product spread, automatic adjustments are made to adjust the allocation numbers so that the sum of all product allocation numbers in the product spread is equal to the quota.

To generate and modify the product spread for a quota, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Prerequisites

- Products must have been defined for the quota.

- The quota must be in the **Draft** status.

- Modifiers that are created in Advanced Pricing directly will not be available for update in Trade management.

Navigation: Trade Management:Administration >Trade Management > Quota >Quotas > Quota Name > Generate Product Spread.

Notes:

- **Generate Product Spread:** The product spread is generated based on the products that you have defined for the quota, and the sales figures of the previous year. If there is any remaining quota requests after the selected products have been allocated, it is accounted for in a general category named Others.

- **Edit Product Spread:** Use to modify the product spread. The product spread displays the distribution based on the time spread that you have selected (monthly or quarterly). The inventory is updated based on order management and POS [Point of Sales] data imports. The Inventory data is updated on this screen based on a concurrent job. All data coming from Order management is considered as 'Inventory In' while POS data is considered as 'Inventory Out'. A monthly time spread divides the quota on a monthly basis (January, February, March) while a quarterly time spread divides the quota is divided on a quarterly basis (January-March, April -June). The product sales achieved during the same period in the previous year is displayed against the respective targets for the current periods.

- **Add Another Item:** Enables you to add products or product categories to the product spread.

- **Recalculate:** After making changes to a product spread, click Recalculate to redistribute products based on the changes made.

    Note: You can modify the product spread only for the current and future periods. If you reduce the quantity of products that has been assigned to a territory, then the balance is moved to the Unallocated category.

Submitting a Quota for Approval

A quota becomes active only after it is approved. The only instance where the quota does not require approval is when you are both the creator, and the approver of the quota according to the approval rules.

To submit an existing quota for approval, log into Oracle Trade Management with Oracle Trade Management User responsibility. Notifications are sent to the approvers after you submit the quota for approval.

Navigation:Trade Management:Administration >Trade Management > Quota >Quotas > Quota Name > Request Approval.

Approving a Quota

After a quota has been submitted for approval, you will receive workflow notifications if you are the designated approver.

To approve a quota, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Navigation: Trade Management:Administration >Trade Management >Home > Tools > View Notification Work List.

Adding or Removing Users

The Team option enables you to add or remove other groups or users to the activities of a quota. By using this option, you can assign access to team members. The access that the group or team member gets depends upon the group type that the team member belongs to. For example, if you add the Administrator Group to a quota, then all the team members belonging to that group will have administrator rights on the quota.

Navigation only for the offer types, Accrual, Off Invoice, and Trade Deal: From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Additional Links subtab, and then click the Team link.

Navigation: From the Trade Planning tab, click Offers subtab, then the offer. In the Offer Details page, click the Collaboration link, then click the Team link.

Use the following procedure to add or remove users.

Prerequisites

An existing quota.

Steps

1. Log into Oracle Trade Management as Oracle Trade Management User and navigate to Quota > Quotas.

2. Click the hyperlink of the quota.

3. Click the Collaboration side navigation link, and then click Team.

4. Select either User or Team from the User/Role drop-down list, and select the appropriate value from the Name LOV.

5. Optionally, check the Edit Metrics check box.

6. Optionally, to remove a User or a Team, click the corresponding Remove icon.

7. Click Update.

Creating a Quota Allocation

Use the quota allocation process to distribute targets to each level in a sales team hierarchy. When the discount values on a product fluctuate related to the price of base products, the discount amounts can be managed automatically. For example, the discounts on dairy products may vary based on the price of milk. Also, the discount on

a product may vary based on the territory that the customer falls under.

Navigation: Trade Management:Administration >Trade Management > Quota > Quotas > Quota Name > Allocation > Create.

Notes:

- **Hierarchy:** Select the territory name that you have defined in the Market Eligibility.

- **Start Level, End Level, and Start Point:** The Start Level can be anywhere within the territory hierarchy. For example, in a hierarchy level of Country > State > City, the Start Level does not always have to be Country. It can also be State or City. The End Level, and Start Point must be less than or equal to the Start Level.

- **Method :**
  - Even Distribution: Allocates quota equally across all the territories.

  - Manual: Manually enter the quota that must be allocated to each territory.

  - Prior Year Sales Total in Amount: Allocates quota based on the sales figures of the previous years

- **Basis Year:** This LOV is activated if you select the method as Prior Year Total Sales in Amount. The quota will be allocated based on the sales figures of the basis year that you select here.

Submitting a Change Request For Top-down, Bottom-up Allocation

After a quota allocation has been created, if you are a Sales Representative and recipient of the quota allocation, you can review the allocation, offer your inputs, and put in a request for changes to be made in the allocation. You can also add supporting documents to justify why you need to revise your original quota allocation; you can request an increase or decrease to your quota allocation. A workflow notification is sent to the approver after you submit the request.

To submit a change request based on an existing quota allocation, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Navigation: Trade Management:Administration >Trade Management >Quota > Quotas > Quota Name > Allocation.

Notes:

- **Worksheet:** Click the link corresponding to the allocation for which you would like to offer your inputs.

- **Quota Number:** Enter the quota number that you would like to recommend, and optionally enter a justification in the Notes field.

- **Supporting Docs:** Documents can be any type of electronic file (.doc, .pdf, .xls, and so on). These are the documents that contain information to support your request for a different quota number.

Updating a Request Submission For Top-down, Bottom-up Allocation

If you are the Sales Manager who has created the allocation, you may accept or reject the request submissions that have been made by the Sales Representatives.

To accept or reject a request submission, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Prerequisites:

- An allocation has been initiated, and the allocation is not active yet.

- You are the creator of the allocation.

- The recipient has made a request submission.

Navigation: Trade Management:Administration >Trade Management > Quota > Quotas > Quota Name > Allocation.

Notes:

- **Worksheet Column:** In the Worksheet column, click the link corresponding to the allocation for which the request submission has been made. The list of all the territory hierarchies are displayed. To identify the territory that has submitted the request, check the Requested Amount, and the Allocation Status columns. The Requested Amount column shows the details of the total amount that has been requested by the territory, and the allocation status appears as Submitted.

- **Action Required:** Select an option based on whether you wish to approve or reject the request. If you reject the request, the allocation status changes to Rejected. The submitter may make changes in the request and resubmit it.

Approving a Quota Allocation

A quota allocation can become active only after it is approved.

To approve a planned quota allocation, log into Oracle Trade Management with Oracle Trade Management User responsibility.

Navigation: Trade Management:Administration >Trade Management > Quota > Quotas > Quota Name > Allocation > Worksheet.

Notes:

The Worksheet shows the distribution of the quota across the territory hierarchy. Change the allocation status to Active, and click **Update**.

Searching for Quotas

The Quota Search Results page displays the list of quotas that fit the search criteria that you specified in the Quota Summary Advanced Search page.

Click **Modify Criteria** to search for quotas based on a different search criteria.

Advanced Search

The Personalize option enables you to search for quotas based on specific criteria. Use the following procedure to filter the search results, select the columns that must be displayed in the Quota Summary page, and save the search.

Prerequisites

None.

Steps

1. Log into Oracle Trade Management as Oracle Trade Management User and navigate to Quota > Quotas.

2. Click Personalize.

3. To further search for quotas in an existing saved search, select the name of the saved search from the Saved Search drop-down list. To create a new search view, select All Quotas from the drop-down list.

4. In the Search Criteria region, select the criteria based on which you would like to search for quotas.

5. In the Filter search by region, select from one of the following:

   • My Records: displays all the quotas that you have created.

   • My Team's Records: displays all the quotas that are created by the team to which you belong.

   • All Records: displays all the quotas.

6. In the Display Options region:

   • Select the columns that must be displayed in the Quota Summary page, by moving the required columns from the Available Columns to Displayed Columns.

   • Select values from the Sort Rows By, Then By, and Finally By drop-down lists, and select a Sort Order (Ascending or Descending) for each of the options. The data will be sorted based on the options that you select here.

- Enter the number of rows that must be displayed in the Quota Summary page.

7. Enter a name in the Save Search As region.

8. Click **Save**.

9. Click **Save and Apply** to save the search as the default search. You can also optionally check the Use as Overview Page Default to save the search as the default search.

5

Budget Management

This chapter covers the following topics:

- Budget Overview
- Budget Management Components
- Creating a Budget
- Approving a Budget
- Allocating a Budget
- Utilizing a Budget
- Understanding Budget Reconciliation
- Understanding Budget Tracking

Budget Overview

The primary objective of any organization is to achieve sales goals by using funds and resources through effective budget management.

A budget is a repository of funds that can be used to fund sales and trade promotion activities. Budget management involves budget planning, allocating budgets for the right activities, budget accounting, and tracking fund utilization.

The Budgets module in Oracle Channel Rebate and Point-of-Sale Management provides centralized information of all the sales and trade promotion activities, and fund usages. This enables you to plan and track fund usage and ensure that resources are deployed effectively. It offers access to historical sales and pricing information, which you can use to plan for budgets based on facts.

You can use Oracle Channel Rebate and Point-of-Sale Management Budgets to do the following:

- Create a budget, transfer funds between budgets, allocate a budget, accrue budget based on sales, and perform budget adjustments

- Define market eligibility and product eligibility for the budget, and ensure that a budget is used only for the specified purpose

- Track budget utilization at any point in time using checkbook views and reports

- View payment details and statuses of all the trade promotion activities that are associated with a budget

The budgets function also supports the Oracle Partner Management business flow. Special pricing, soft funds, and referral compensation requests that are created in Oracle Partner Management can source funds from budgets in Oracle Channel Rebate and Point-of-Sale Management. Fund utilization for these requests are tracked through budgets in Oracle Channel Rebate and Point-of-Sale Management.

Finance Managers, Sales Managers, or a Marketing Managers can all control budgets. In this guide, we use, the terms "budget" and "fund" interchangeably.

Budget Management Components

The following figure illustrates the process flow for budgets, starting from budget creation to budget reconciliation.

Process Flow for Budgets
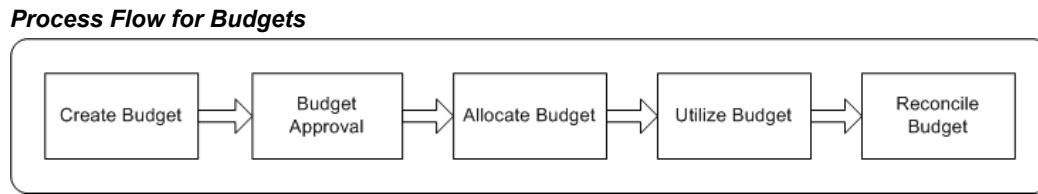
Budget Creation

A budget is a pool of funds that you can use to execute trade promotion activities such as offers and campaigns. If you are a Sales Manager you can create either a fixed budget or a fully accrued budget based on your business requirements. You can also define the market eligibility and product eligibility for the budget to ensure that a budget is used only for the specified purpose. After creating a budget, you must submit it for approval. A budget becomes active only after it is approved by the designated approvers. However, a budget does not require approval if you are the creator, and the approver according to the approval rules.

Budget Approval

Budget approval is the process by which the designated approvers approve the budget and it becomes active. During the budget approval process, the approvers may approve, reject, or put the request on hold. A budget can start funding trade promotion activities only after it is active.

Budget Allocation

Budget allocation is usually done by the Sales Manager and involves distributing funds from the budget across sales territories and regions. If you are a administrator or a sales manager a budget can be allocated down a territory hierarchy created in Territory Manager. After the initial allocation is complete, the Sales Representatives of the territories may offer their inputs for the fund allocation. You can revise the allocation and reallocate funds based on these inputs. The fund allocation must be approved before the Sales Representatives can start using the budget to fund trade promotion activities in their territories.

Budget Utilization

A budget gets utilized through budget requests and budget transfers. A budget request is a request to source funds from a budget to execute offers and campaigns. A budget transfer involves transferring funds from one budget to another.

When a budget request is submitted for approval, budget-offer validation occurs in the background. If budget-offer validation fails, then the requestor is notified. If it passes, the request is routed to the budget owner. The budget owner may approve or reject the request. If the request is approved, funds are committed to the activity.

The columns in the budget get updated according to the fund usage.

Budget Reconciliation

If you are the budget owner, then you can reconcile a budget after all the offers that are associated with a budget are closed, and a budget is no longer required. If there are any active offers that are associated, the offers must be closed before reconciling the budget.

Budget Tracking

After offers are associated with the budget, depending upon the orders received, shipped, and the claims that are settled, the Committed, Utilized, Earned, and Paid columns in a budget get updated accordingly. These columns also get updated whenever there is a transfer of funds. The following views enable you to track the funds and activities related to a budget:

- Budget checkbook view: displays the total fund usage for a budget.

- Offer checkbook view: displays the fund usage for a specific offer.

- Customer checkbook view: displays the fund usage for a specific customer.

Creating a Budget

Budget creation involves planning the scope of the budget, and the manner in which it will be utilized. It includes deciding on the budget type and category, and the market and products that the budget must target. Information in this section will enable you to:

- Understand and create fixed budgets, page 5-4

- Understand and create fully accrued budgets, page 5-5

- Understand budget category, page 5-8

- Understand budget thresholds, page 5-9

- Add budget thresholds and update account details, page 5-11

- Release or reserve holdback amount, page 5-12

- Understand and define market eligibility and product eligibility for budgets, page 5-12

- Understand budget-offer validation, page 5-16

- Understand copy budget and budget delete functions, page 5-18

Budget Tree

The budget tree enables you to view the parent budget and its child budgets.

- To view the list of child budgets expand the parent budget by clicking on the tree.

- To view the details of the parent or a child budget, click the hyperlink of the budget.

- Click the Total, Planned, Committed, Utilized, Earned, and Paid Amounts to view the respective Budget Details Checkbook.

Fixed Budget

A fixed budget is a pool of money, with value greater than zero. Fixed budgets provide better budget estimates in advance. The first step in creating a fixed budget is to decide on the maximum funds the budget can include. You can define fixed budgets for different customer and product attributes. You can allocate fixed budgets based on territories that are set up for Oracle Trade Management. Territories are set up in the Oracle E-Business Suite Territory Management module.

You can utilize a fixed budget in a number of ways including but not limited to the following:

- Accrual Offers (also known as bill-back or rebate).

- Off-invoice Offers (also known on-invoice in other regions)

- Lump sum Offers

Other core trade promotion activities such as campaigns and offers can also utilize funds from a fixed budget.

The following example shows how a fixed budget gets updated when you source an

accrual offer from the budget.

A manufacturer, Goodway sets up a fixed budget for all its sales and trade promotion activities in USA. The fixed budget has committed funds of $1 million. USA is divided into four regions. The Sales Manager of US West region gets an allocation of $500,000. A Sales Representative from the region decides to give a promotion to one of the customers whereby the customer accrues 10% of the price of the product each time he buys a unit of product X. Goodway may later pay these accruals to the customer through a claim (settled with a check or a credit memo) or a deduction (settled by a credit memo). The Sales Representative asks the Sales Manager for $10,000 to fund the offer. When this fund request is approved, the US West budget looks as follows:

Total	Committed	Utilized	Earned	Paid
$500, 000	$10,000	0	0	0

A customer places an order for 50 units of the product which has a regular price of $100. An accrual of $500 is created ($100 times 50 times 10%). The Funds Accrual Engine, a concurrent process scheduled to run in the background gets the accrual information and updates the budget as follows:

Total	Committed	Utilized	Earned	Paid
$500,000	$10,000	$500	$500	0

Fully Accrued Budget

A fully accrued budget, also called a live fund, starts with zero funds when it is created. The benefits of using a fully accrued budget are that organizations do not have to spend time and resources to perform rigorous budget planning. They can accrue budgets based on real time sales data. You can create fully accrued budgets to accrue funds for customer, or accrue funds for sales activities.

- **Accrue funds for Customers**

  When you create accrual budgets to accrue funds for customers, you use the accrued funds for promotional activities such as offering incentives to retailers based on their performance. This money earned by the retailers is accumulated over a period of time and they can later claim this amount by submitting claims or short paying invoices.

  Example: You can create a fully accrued budget to offer incentives to retailers. The retailers receive $10 for every unit of Product A that they sell. Each unit of the product costs $100. The number of units that the retailers sell are tracked, and

accruals are paid on a quarterly basis. At the end of the quarter, the fully accrued budget includes the sum total of all funds that must be paid to the retailers. A particular retailer sells 100 units of the product, and therefore accrues $1000 ($10 times 100). At the end of the quarter, the fully accrued budget includes $1000, which the retailer can claim.

You can create any number of fully accrued budgets for customers. Buying group related accounts are also supported. For example, an organization can set up a fully accrued budget for all its customers. It can also establish a second fully accrued budget for a specific customer group such as all the customers in a particular territory, or for selling items from specific product areas such as paper and janitorial supplies.

- **Accrue Funds for Sales**

  Apart from creating fully accrued budgets to offer incentives and discounts to dealers and customers, you can also create fully accrued budget accrued to sales level to accrue funds for a sales person. This kind of fully accrued budget enables the Sales Representatives to spend funds at their discretion. The total budget amount that the Sales Representative can spend depends on the sales achieved and the amount that is accrued in the budget.

  The accrued amount is updated in the Total budget column, and drilling down on the total budget amount shows details of all the accrual records that make up the total budget amount. The Sales Representative can use this amount to create other offers. The utilized and earned columns get updated when orders against these offers are booked and shipped.

  Example: You can create a fully accrued budget, accrued to sales, to give 10% discount on a product. The product costs $100. If a customer places an order for 20 units of the product, then the accrued amount as per the discount offered is $200. Because the fully accrued budget is created to accrue funds for the Sales Representative, this $200 is not paid to the customer. Instead, the Sales Representative can use this amount to create other offers for any of the other customers.

  After the funds are accrued, the Sales Representative uses $200 that is accumulated in the budget to create an Accrual offer to give 5% discount for the customers every time they place an order for a product.

  Example: The product costs $100. A customer places an order for 10 units of the product and accrues $50 [10 times $5 (5% of $100)] according to the discount offered. At the end of the month, the customer raises a claim and the Sales Representative pays this amount to the customer. The utilized and earned columns in the fully accrued budget, accrue to sales show $50 after the order is booked and shipped.

The funds in a fully accrued budget increase based on the accrual parameters that are specified in the budget. Accrual parameters are conditions based on which accruals take place and the customers placing orders earn accruals; for example, accrue 3% for

product X. A fully accrued budget can have multiple accrual parameters for products or product families just like in offers.

For example, you may define one fully accrued budget which states that:

- if a customer buys product X then accrue 3%

- if a customer buys product Y then accrue 4%

- if a customer buys product Z then accrue 5%

After you define accrual parameters, they are automatically passed to Oracle Advanced Pricing. In the background, a fully accrued budget actually creates an Accrual Offer.

The manner in which an Accrual offer updates a fixed budget is different from how it updates a fully accrued budget.

If you source an accrual offer from a fixed budget:

1. The committed column in the budget increases after the funding is approved

2. The utilized column increases after sales takes place and accruals are created

On the other hand, if you source the accrual offer from a fully accrued budget, the columns in the budget are updated according to how it is set up as explained in the table below. These two accrual types are separate activities and can even occur simultaneously on the same order transaction.

You can create fully accrued budgets to accrue to different levels:

Accrue to Level	Liability Flag	Budget Columns Updated	Comments
Customer	On	Total, Committed, Utilized	A customer purchases products and accrues funds. The customer can later claim accruals or deduct the amount from payments

Accrue to Level	Liability Flag	Budget Columns Updated	Comments
Customer	Off	Total	A customer purchases products. Money is accrued but the customer is not entitled to receive payments immediately. The money accrued in this manner can be used to pay for negotiated discounts, sales and trade promotion costs and rebates.
			For example, a customer organization may need to perform additional activities such as a special in-store display of the product for which they can earn money. You can create a Lump sum offer with the performance requirement for special in-store display proofs and source the offer from the budget.
Sales	On	-NA-	Not applicable; Not supported
Sales	Off	Total	A customer purchases products. Money is accrued but is given to the sales person (budget owner) who can then spend it with discretion. For example, the sales person can use the money to fund any of his promotions to any of his customers. The customer does not know about this kind of accrual.

Depending on the industry, the use of fixed budgets versus fully accrued budgets is different. For example, the consumer goods sector may have an average of 40:60 (40% of their budgets on a fixed basis, 60% on a fully accrued basis); while the more traditional food and beverage may have an average of 10:90 (10% of their budgets on a fixed basis, 90% on a fully accrued basis).

Budget Category

Budget categories serve the purpose of classification, determining the approval rules, and determining the Accounts to which the GL Postings must be made.

A budget category is a configurable way to classify a budget. A category can be for any sales or trade promotion purpose. Categories can be arranged in hierarchies.

For example, a budget category--Trade Promotion can be created for Sales Promotion, Advertising Funds, or Partner Marketing Funds. The budget category--Sales Promotion, in turn may have multiple sub-categories such as Partner Marketing, and New Product

Introduction.

Budget categories determine the approval rules. Each budget category has an approver who is responsible for approving or rejecting the budgets related to the category. All the budget requests that related to a particular category are routed to the designated approver.

For example, you create a budget to source a sales promotional activity, and select the budget category--"Sales promotion". When you submit the budget for approval, the request is routed to the approver who is responsible for approving or rejecting the budgets that are related to this category.

Budget categories are also used to default the base General Ledger accounts (GL accounts) to account entries.

Budget Thresholds

Budget thresholds enable you to monitor the activities of a budget, and recognize inconsistencies such as over spending and non-adherence to budget norms. The Administrator can set different rules to send out alert notifications to inform you about the fund usage and depletion at various levels. A budget threshold contains a set of rules. The Administrator sets up a budget threshold rule and then assigns it to a budget.

For example, a budget threshold can be created with 4 lines, one for each quarter. Each line contains different conditions and frequency such that notifications will be sent to alert a user if the budget utilization is for:

- The first quarter is more than 25% of the committed amount.

- The second quarter is more than 50% of the committed amount.

- The third quarter is more than 65% of the committed amount.

- The fourth quarter is more than 75% of the committed amount.

Org-Striping in Budgets

Org striping enables you to restrict offers, budgets, and pricelists to the respective operating units. By org-striping budgets you can:

- Use budgets for funding trade promotion activities within the same operating unit as the budget

In org-striped budgets the operating unit details are derived from the MOAC profile options, MO:Default Operating Unit.

> **Note:** Org-stripping does not affect offer security. Offer ownership and group access determine the offer security.

Impact of Org-Striping on Budgets

Org-striping has no effect on Fixed Budgets, and budget integrations with Oracle Marketing and Oracle Partner Management.

Org-striping has the following impact on Fully Accrued Budgets:

- **Fully Accrued Budget - Sales**:

  The total balance is accrued based on the offers and orders that are executed in the same operating unit as the fully accrued budget. The budget balance can be used to fund trade promotion activities in other operating units. Org-striping does not have any impact on budget-offer validation

- **Fully Accrued Budget - Customer, Liability Flag ON**:

  The total balance is accrued based on offers and orders that are executed for customers in the same operating unit as the fully accrued budget.

  Accrual offers or volume offers are created automatically based on whether the customers place single purchase orders or cumulative purchase orders. In these cases, the impact on the budget is the same as the impact of org-striping on accrual and volume offers.

- **Fully Accrued Budget - Customer, Liability Flag OFF**:

  The total balance is accrued based on offers and orders that are executed for customers in the same operating unit as the fully accrued budget. Only the customer specified on the budget can claim the accrued money.

Creating a Fixed or Fully Accrued Budget

Based on your business requirements, you can create either a fixed budget or a fully accrued budget. For a fixed budget, you must up front decide the maximum funds that it can include. A fully accrued budget on the other hand starts with zero funds; funds in the fully accrued budget increase according to the sales achieved.

To create either a fixed budget or a fully accrued budget, log into Oracle Trade Management as Oracle Trade Management Super User.

As a prerequisite, a set of books must be defined.

Navigation: Budget > Budgets > Create.

Notes:

- **Setup Type:** Select either Fixed Budget or Fully Accrued Budget.

- **Name:** Enter a name for the budget. Do not enter a tilde (~) character in the name.

- **Budget Number:** Enter a unique budget number. If you leave this field empty, then a unique budget number is automatically generated.

- **Business Unit:** Business units are organizations, which are set up in Oracle Human Resources with Type = Business Unit. It is used here mainly for classification purpose. It can also affect the approval rules.

- **Parent Budget:** Selecting a parent budget name will make the current budget a child of the parent budget, thus establishing a budget hierarchy.

- **Budget Type:** The type of the budget defaults from Setup Type. For example, if you have selected the Setup Type as Fixed budget, then the value "Fixed" will be defaulted here.

- **Budget Category:** Budget categories are set up in Administration and can be used to classify the budget. If any GL accounts are associated, and if a profile for showing GL accounts on screen is set, those GL accounts will default on to the budget. In addition, an approval rule for a budget may use budget category as one of its criteria. Ledger is also defaulted based on Budget Category.

- **Budget Amount:** If it is a fixed budget, then enter the amount that the budget will have. If it is a fully accrued budget, then verify that the budget amount is zero, as a fully accrued budget starts with zero funds.

- **Currency:** By default, this field displays the functional currency of the ledger. You can change it to another currency.

- **Holdback Amount:** If it is a fixed budget, then enter the amount that you would like to reserve and not allocate down to lower levels. You may choose to reserve or release the holdback amount at any time. To release the holdback amount at a later point of time, you can manually reduce the amount that you had originally entered as holdback amount, and click Update. If it is a fully accrued budget, then verify that the holdback amount is zero.

- **Accrue To:** For a fully accrued budget, select either Customer or Sales from the Accrue To drop-down list. This field determines if the fully accrued budget accrues to the customer or to the Sales Representative.

- **Liability:** For a fully accrued budget, check the Liability Flag if the accrual offer is created to accrue funds for customer. If checked, the committed, utilized, and earned columns get updated along with the total and available columns.

Adding Budget Thresholds

A budget threshold contains a set of threshold rules. When you add thresholds to a budget, alert notifications are automatically sent to inform you about the fund usage and depletion at various levels.

To add an existing budget threshold rule to an existing budget, and to update accounting details, log into Oracle Trade Management as Oracle Trade Management

Super User.

Navigation: Budget > Budgets > Budget Name.

Notes:

Select a threshold rule from the Threshold LOV.

Releasing or Reserving Holdback Amount

To reserve or release holdback amount from an existing budget, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Budget > Budgets > Budget Name > Holdback.

Notes:

Enter an amount in the Requested Amount field, and select either Release or Reserve from the Transfer Type drop-down list.

Defining Eligibility

Defining the market eligibility and product eligibility for a budget, ensures that the budget is reserved to fund trade promotions only for:

- Regions and territories that you have specified in the market eligibility

- Products and product categories that you have specified in the product eligibility

When an offer sources funds from a budget, the market eligibility and product eligibility of an offer are matched with the market eligibility and product eligibility of the budget. The offer can source funds from the budget only if these conditions match. This process by which the conditions are matched is known as budget-offer validation. For more information, see About Budget-Offer Validation.

Validation for market eligibility and product eligibility happens simultaneously. For example, if a budget is created for the US West region and Toy products, and an offer is created for a customer in the US West region but for Games products, then the validation fails.

Defining Market Eligibility

Market eligibility defines the customers or customer groups that a budget must target. For a fixed budget, defining market eligibility enables you to classify and validate a budget to ensure that a trade promotion activity matches the purpose of the budget. For example, you create a budget for all the customers in the US West region. If a Sales Representative creates an offer for a customer in the US East region, then the validation fails, and the offer will not be able to source funds from the budget.

Eligibility for a fixed budget can be defined for the following:

- Individual customers

Individual customers include sold-to, bill-to, or ship-to customers. Bill-to and ship-to customers are different divisions of the sold-to customer. A sold-to customer can have multiple bill-to and ship-to locations. These are the customer accounts in Oracle's Trading Architecture Community (TCA).

For example, an organization places an order for certain goods. The organization requests you to ship the goods to the Development division, and send the invoice to the Accounts division for processing. Here:

- The parent organization is the sold-to location

- The Development division is the ship-to location because it is the location to which you ship the goods

- The Accounts division is the bill-to location because you send the invoice to this division for processing

- Buying Groups

  Buying Groups are organizations that are formed when organizations group themselves together to leverage on higher purchase volume achieved as a group. This enables them to negotiate better prices and discounts when they purchase goods from the manufacturer. To form Buying Groups, various TCA parties are linked together based on a predetermined party relationship.

  For example, a customer Organization A has sub units--Organization B, and Organization C, which are different legal entities. Organization A and its legal entities can form a Buying Group and be treated like a single customer. If they choose to have different accounts with your organization, then they will be treated like individual customers, and not a Buying Group.

- Lists

  Lists are groups of customers or customer contacts created based on specific criteria. The criteria can be specified using Oracle Discoverer workbooks or queries. For example, you can search for all customers who have purchased something from your organization in the last two months, and save the results as a list.

- Segments

  Segments are similar to lists. They are groups of customers or customer contacts. Like lists, they are also created based on user-specified criteria through Oracle Discoverer workbooks or writing queries. For example, you can query for customers with revenue more than $100, and save the results as a segment.

  The difference between a list and a segment is that a list is static, whereas a segment is dynamic. A list always contains the same number of customers. A segment on the other hand may vary. In the above example, the query may fetch 100 customers for this month, but in the next month, there may be only 75 customers who achieve this revenue.

For more information on segments, see the *Oracle Marketing User Guide*.

- Territories

   Territories are another way to group customers together. They are created in the Oracle E-Business Suite Territory Management module. You can create territories based on various customer and geographical attributes. For example, you can create a territory called US West and include all the customers in the US Western states under it.

For a fully accrued budget, you can define market eligibility by using the highly configurable qualifier contexts and attributes that are set up in Oracle Advanced Pricing. By using qualifier contexts and attributes, you can set up market eligibility for a fully accrued budget in a manner that is similar to setting up market eligibility for a fixed budget. You can define market eligibility for customers, buying groups, lists, segments, and territories.

If a fully accrued budget either accrues to the sales level, or to the customer level with the liability flag off, then you can use the amount in the fully accrued budget to fund offers just like a regular fixed budget. In such cases, the eligibility validation described for fixed budgets also applies to fully accrued budgets.

Defining Market Eligibility for a Fixed Budget

Defining market eligibility for a fixed budget enables you to specify the customers or customer groups that a budget must target.

To define market eligibility for a draft fixed budget, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Budget > Budgets > Budget Name > Market Eligibility.

Notes:

Select a value for the Eligibility Context, and then select the Eligibility Name based on the Eligibility Context.

Defining Market Eligibility for a Fully Accrued Budget

For a fully accrued budget, market eligibility can be defined by fully using the highly configurable Qualifier Contexts and Attributes as set up in Oracle Advanced Pricing.

To define market eligibility for a draft fully accrued budget, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Budget > Budgets > Budget Name > Accrual Parameter Details > Execution.

Notes:

In the Offer Details - Market Eligibility page, enter or modify information as desired.

Defining Product Eligibility

Product eligibility defines the product or product families or groups that a budget must

target. Products are items in the Inventory System. Product categories contain products. Defining product eligibility enables you to:

- Classify budgets and reserve them for specific products or product categories

- Validate whether the purpose of an offer matches with the purpose of the budget

For a fixed budget, you can define product eligibility for product categories and products. While defining product eligibility, you can either include or exclude products from the product category. The following example shows how you can exclude a product from a product category.

Computer Devices is a product category, which includes the products Monitor, Keyboard, Mouse, Printers, and Speakers. You wish to create budget to give 15% discount on all the products except Speakers. To define the product eligibility, select the product category as Computer Devices which displays the list of all the products that belong to this category.

Next, exclude Speakers from this list. Doing this applies the product eligibility only to Monitors, Keyboards, Mouse Devices, and Printers, and only those offers that are created to promote these devices will be able to source funds from the budget. On the other hand, because you have excluded Speakers from the product eligibility, an offer for Speakers will not be able to source funds from this budget.

For a fully accrued budget, you can define product eligibility by using the product contexts and attributes that are set up in Oracle Advanced Pricing.

Updating Products for a Fixed Budget

Defining product eligibility enables you to specify the products or product families or groups that a budget must target.

To define product eligibility for a draft fixed budget, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Budget > Budgets > Budget Name > Products.

Notes:

- **Product Family:** The fixed budget will be limited to the product categories that you select here. You can choose multiple product categories.

- **Products:** Select the products you would like to include or exclude from the category set that you have selected. Include or exclude products as required.

Updating Products for a Fully Accrued Budget

For a fully accrued budget, product eligibility can be defined by fully using the highly configurable Qualifier Contexts and Attributes as set up in Oracle Advanced Pricing.

To define product eligibility for a draft fully accrued budget, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Budget > Budgets > Budget Name > Accrual Parameter Details.

Notes:

Enter all the products that are eligible for the budget, and save the changes.

For more information, see the *Oracle Advanced Pricing User Guide*.

Budget-offer Validation

Budget-offer validation ensures that funds from a budget are utilized only for the specified purpose. When you create a budget, you define market eligibility and product eligibility for a budget. Market eligibility and product eligibility are also defined for offers. If the budget-validation offer option is turned on, whenever there a request is submitted to source funds from a budget, the market eligibility and product eligibility of the budget and offer are matched. If the conditions do not match, then the budget request is rejected and the offer will not be able to source funds from the budget.

For example, you create a budget for US West Region and Computer Devices. If a Sales Representative creates an offer for US East Region and Beverages, and submits a budget request, then the validation fails, and the offer will not be able to source funds from the budget.

The above example shows how budget-offer validation works when an offer is sourced from one budget.

Sometimes, an offer or a campaign may source funds from multiple budgets. For example, budgets may be allocated to different Sales Managers who are responsible for different customer segments. When a new product is introduced, an offer created for that new product may receive funding from multiple budgets that have been created for different customer segments.

Depending upon the setups in your organization, one of the following takes place when an offer or campaign sources funds from multiple budgets:

- No validation for customers and products

  The market eligibility and product eligibility of the offer and the sourcing budgets will not be matched; budget-offer validation does not take place.

- Validate customer and products by each budget

  The market eligibility and product eligibility of the offer and the sourcing budgets will be matched. The offer will be able to source funds only from those budgets with which the conditions match.

- Validate customer by each budget, product by all budgets

  If this option is implemented, then:

  - The individual market eligibility of each sourcing budget must match with the market eligibility of the offer.

- The combined product eligibility of all the sourcing budgets must match with the product eligibility of the offer.

For example, an offer has been created for US West region for the products--Monitors, Keyboards, and Printers. The offer requests funding from two budgets with the following market and product eligibilities.

Budget Name	Market Eligibility	Product Eligibility
Budget A	US West	Monitors
Budget B	US West	Keyboards, Printers

Here, both the budgets have US West as the market eligibility and the combined product eligibility of the budgets matches with the product eligibility of the offer. Therefore, budget-offer validation passes and the offer will be able to source funds from Budget A and Budget B.

- Validate product by each budget, customer by all budgets (Relax Customer)

If this option is implemented, then:

- The individual product eligibility of each sourcing budget must match with the product eligibility of the offer.

- The combined market eligibility of all the sourcing budgets must match with the market eligibility of the offer.

For example, an offer has been created for US West region for the products--Toys, and Games. The offer requests funding from two budgets with the following market and product eligibilities.

Budget Name	Market Eligibility	Product Eligibility
Budget A	California	Toys, Games
Budget B	Oregon	Toys, Games

Here, both the budgets have Toys and Games as the product eligibility, and the combined market eligibility of the budgets match with the market eligibility of the offer because California and Oregon are parts of US West. Therefore, budget-offer validation passes and the offer will be able to source funds from Budget A and Budget B.

GL Postings for the budgets occur based on how budget-offer validation is

implemented in your organization.

Copying and Deleting Budgets

Copy Budget enables you to create a new budget by copying information from an old budget. For example, you can create a copy of the yearly budget that repeats the same essential information each year, and update it.

You can delete a budget if it is in the Draft, Cancelled, or Archived status. After a budget is deleted, you will not be able to search and find the budget in Oracle Trade Management.

Approving a Budget

After creating a budget, you must submit it for approval in order to activate the budget. After a budget becomes active, it can start funding trade promotion activities.

Information in this section will enable you to:

- Understand the budget approval process

- Initiate budget approval

- Approve budgets

Understanding the Budget Approval Process

The budget approval process involves reviewing, and approving or rejecting budgets. A budget becomes active after it is approved by the designated approvers. If the budget is approved, you can source funds for various trade promotion activities from the budgets.

On the other hand, if the budget is rejected, you will not be able to withdraw funds from the budget. In a budget hierarchy, child budgets can become active only if the parent budget has been approved and made active. The only instance where a budget does not require approval is when the budget owner is the one and only approver according to the approval rule setups.

After a budget is submitted for approval, the approval rules determine the approval flow. Approval rules can be configured, and multiple rules can be created based on the characteristics of the budget. There are two types of Approval rules:

- **Root budget approval rules:** to determine the person who will be responsible for approving a budget itself.

- **Budget approval rules:** to determine the person who will be responsible for approving an offer, a campaign, an event, or any request to source funds from a budget.

The approver may approve, reject, or put the budget on hold. The budget status changes accordingly and appears on the screen. This enables you to know the exact status of a budget at any point of time. Budget status is also known as system status.

The following table describes the different statuses that a budget can go through.

Budget Statuses

Status	Description
Draft	The budget status appears as Draft when the budget has not yet been submitted for approval. A budget in the Draft status can be updated any time. From Draft, the budget status may change either to Pending Approval or Cancelled. If you are the budget owner and also the owner of the parent budget, you can directly change the status to Active.
Pending Approval	The budget status appears as Pending Approval if the budget is awaiting approval. The budget status may change to either Active or On Hold if all the approvers respond positively. The budget status changes to Rejected if the approvers reject the budget.
On Hold	On Hold is an interim status, which means that the budget has already obtained approval, but is not completely ready to be made active. From On Hold, the budget status may change to either Active or Closed.
Rejected	The budget status appears as Rejected if the approvers reject the budget. From Rejected, the status can be changed back to Draft.
Active	The budget status appears as Active after the budget has been approved. This means that the budget has been approved, and is ready to fund various activities and promotions. From Active, the status may change to either Closed and Cancelled.
Cancelled	The budget status appears as Cancelled if it has been aborted. You cannot cancel a budget if there is an approved offer associated with it. You must first cancel all the associated offers, and then cancel the budget. If you cancel a budget with existing offers in the approval process, the system sends an alert to the offer owner stating that the offer must either be cancelled, or funded by an alternate budget. From Cancelled, the status can only change to Archived.

Status	Description
Archived	When the budget status appears as Archived, the budget can no longer be used. This status cannot change to any other status.
Completed	The budget status appears as Completed after all the activities that are associated with the budget are complete and all the funds in the budget are utilized.
Closed	The budget status appears as Closed after budget has ended and is no longer available to fund activities, and offers.

Apart from system statuses, there are user statuses that enable multiple users to review a budget before it is submitted for approval. For example, a team of finance executives administers a budget. Each individual in the team must review a budget before submitting it for approval. So there may be multiple user statuses created as follows:

System Status	User Status
Draft	First Reviewer
Draft	Second Reviewer
Draft	Third Reviewer
Draft	Final Reviewer

The budget is initially in the "Draft - First User" status. The First Reviewer reviews the budget, and puts it in "Draft - Second Reviewer" status. This serves the purpose of letting everyone know that the budget has been reviewed and handed over to the Second Reviewer. Here, the system status is "Draft" where as the user statuses are "Draft-First Approver" and "Draft-Second Approver". Because the underlying system status is "Draft", the budget has all the behaviors of a draft budget. This means that the budget can be updated and funds cannot be withdrawn. Thus, the user status enables everyone in the team to know the state of the budget.

Initiating Budget Approval

To initiate budget approval for an existing draft budget, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Budget > Budgets > Budget Name > Request Approval.

Notes:

After you submit the request, it is sent to the designated approvers. The approval status changes to Pending Approval. You can view the approval status by clicking View Approval. The View Approval button appears only until the request is in the Pending Approval status.

Performing Budget Approval

When a budget owner submits a budget for approval, you will receive a workflow notification if you are the designated approver.

To approve a budget, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Workflow > Worklist, or Home > Tools > View Notification Work List.

Notes:

Select the notification that corresponds to the budget that must be approved, and click **Approve**.

Allocating a Budget

Budget allocation is the process of allocating a budget across territories. Budget allocation can be done only after a budget is approved and is active. After the budget is allocated, each territory receives its share of the budget, which it can use to execute trade promotion activities. Information in this section will enable you to:

- Understand the budget allocation process

- Understand top-down bottom-up budgeting

- Create and activate a budget allocation

- Submit a change request during top-down bottom-up budgeting

- Approve or reject a request submission

Understanding the Budget Allocation Process

Sales activities of organizations may span different territories and regions (geographic locations). After a budget is approved and active, you can distribute funds down the sales territory hierarchy. This process of allocating funds down the territory hierarchy is known as budget allocation. Each of the levels in the sales territory hierarchy can use their share of funds to execute trade promotion activities in their geographic location.

For example, an active budget has $75,000. The Sales Representatives of each of the territories require funds to execute sales promotion activities. You can allocate funds among these territories based on the demand for the products in each of these territories.

As shown in the Budget Allocation diagram the allocations are as follows:

- Territory A (Active Budget) - $75,000

- Territory B - $25,000

    - Territory B1 - $8,000

    - Territory B2 - $10,000

- Territory D - $30,000

Budget Allocation
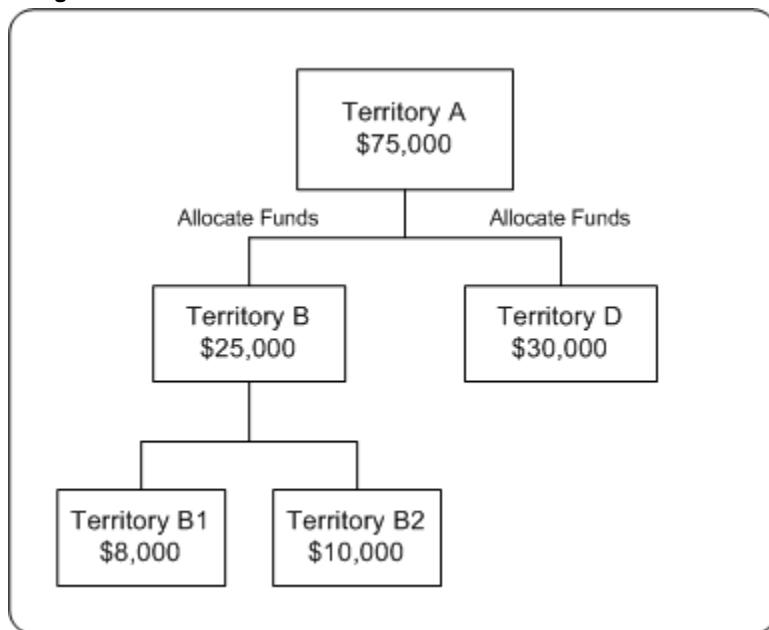
Territories can be arranged in a hierarchy. For example, a sales territory--US West can in turn include California and Oregon territories. You can allocate a fixed budget down a particular territory hierarchy. Budget allocation enables you to establish a top-level value for your budget or allocation funds and distribute the roll-down values to the lowest hierarchy levels, based on the sales data (shipped order amounts) from the previous year. When the allocation is complete, a budget hierarchy, which is similar to the territory hierarchy is created. The primary person in each territory becomes the budget owner. The other team members in the territory become team members of the budget.

During budget allocation, you can perform the following actions:

- Specify holdback amounts or holdback percentage at each level of the hierarchy

- Edit allocations

- Transfer funds

- Release holdback funds

> **Note:** Holdback amount takes precedence over holdback percentage. Holdback percentage is considered only when the holdback amount is not specified.

After creating a budget allocation, you must submit it for approval. The Sales Representatives can start utilizing funds from the budget only after the approvers approve the allocation.

The following example shows how a budget can be allocated down a sales territory hierarchy.

The following is a sales territory hierarchy:

US West

California

Oregon

The individual sales that was achieved in each of these territories is as follows.

US West territory: $300K (independent of the sales of its child territories)

California: $500K

Oregon: $200K

The total sales that was achieved in the prior year was $1 million.

A budget--Sales Budget 2006 with total funds of $10,000 is allocated down this hierarchy without holding back any funds. The allocation is based on the sales achieved in the previous year. A budget hierarchy is created by the allocation as follows:

Sales Budget 2006

Sales Budget 2006 - US West

Sales Budget 2006 - California

Sales Budget 2006 - Oregon

The budget balances for each of these territories will be as follows:

Sales Budget 2006 - $0

Sales Budget 2006 - US West: $3K

Sales Budget 2006 - California: $5K

Sales Budget 2006 - Oregon: $2K

The roll-up view of this budget hierarchy will be as follows:

Sales Budget 2006 - $10K

Sales Budget 2006 - US West: $10K

Sales Budget 2006 - California: $5K

Sales Budget 2006 - Oregon: $2K

After the process of budget allocation is complete, the owner of Sales Budget 2006 can automatically access all the three budgets in the hierarchy. The owner of Sales Budget 2006 - US West can access Sales Budget 2006 - California, and Sales Budget 2006 - Oregon.

See Roll-Up View and Self View.

> **Note:** Territories are created in Oracle E-Business Suite Territory Management module and provide a means of grouping customers. Territories may be created based on various customer and geographical attributes - customer name, account code, customer category, account hierarchy, city, country, county, postal code, province, state, account classification, party relation, site, classification, customer profile, or sales channel.

Top-down Bottom-up Budgeting

Sales activities in an organization begin with analysis, forecasting, and allocation of funds down the hierarchies. During the planning phase, based on the sales figures of previous years, the Sales Management can allocate funds without taking inputs from the lower levels. This type of budget allocation is known as top-down budgeting.

In a bottom-up budgeting process, budget amounts are rolled up from the lower levels to the Sales Management. After funds are allocated, lower levels may offer their inputs to the Sales Management, and allocations can be altered accordingly.

Top-down bottom-up budgeting is performed by first allocating budgets based on some criteria such as prior year sales, then by accepting input from lower levels. Multiple such top-down and bottom-up cycles may continue until the budget numbers are finalized.

The following figure illustrates the top-down bottom-up budgeting process.

Top-down Bottom-up Budgeting
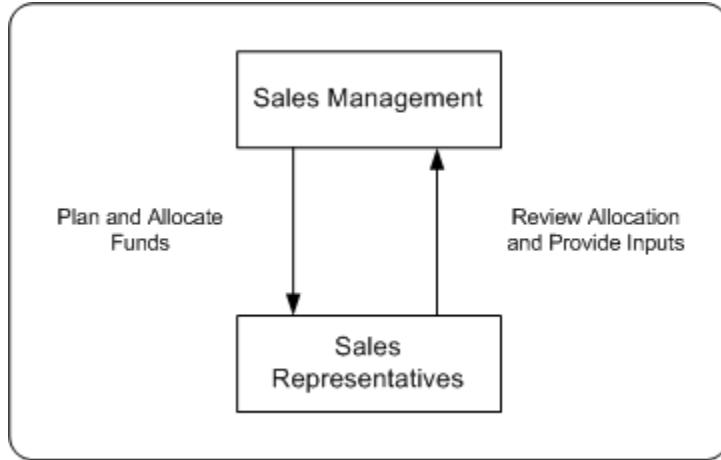
A top budget owner may be a sales or marketing executive. A mid budget owner may be a sales manager or a marketing manager. A bottom budget owner may be a marketing team member or a field sales person. Each level of management will see the roll-up numbers for the budget and the child budgets for which they are responsible.

Top-down Bottom-up Budgeting is when a Sales Manager allocates a budget to the Sales Representatives who view the budget allocation before it is activated, and manually request for more funds.

Example

You, the Sales VP in USA, plan to finalize the sales budget for the upcoming year. You create a total budget for the entire sales hierarchy and allocate it to different sales territories.

The Sales Representatives may view the allocation and offer their inputs. You may reallocate the budget based on these inputs. After the allocation is finalized, the Sales Representatives can start using the allocated funds to execute trade promotion activities in their respective territories.

The following figure illustrates the top-down bottom up budgeting process, starting from creating a budget and allocating it, to reviewing inputs and activating the allocation.

Top-down Bottom-up Budgeting
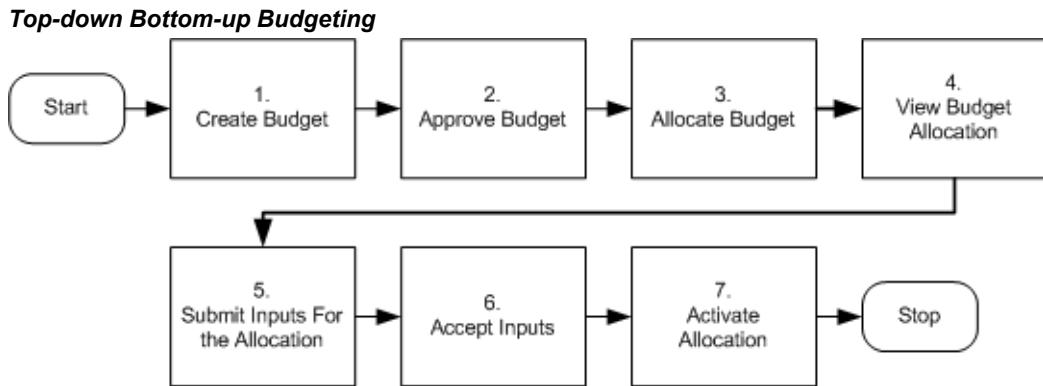
Creating a Budget Allocation

After the budget is approved and active, you can allocate the Budget to the Sales Representatives in the territory hierarchy. Budget allocation determines the share of the budget that each of the territories and regions in the sales team hierarchy will receive.

To create a budget allocation from an approved budget. log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Budget > Budgets > Budget Name > Allocation > Create.

Notes:

- **Action:** Select either of the following:

  - Add on to Existing Budget Hierarchy: the hierarchy that has been defined for the budget will be used.

  - Create New Budget from this Allocation: you must define the hierarchy for the allocation by specifying the Start Level and End Level.

- **Start Point and Exclude Start Node from this Allocation:** If you check the Exclude Start Node from this Allocation option, then funds will not be allocated to the top level of the hierarchy.

  For example, in the hierarchy US West > California > San Francisco, you must allocate funds only to California and San Francisco and exclude US West. You can exclude US West from the allocation by checking this option.

- **Allocation Method:** Select one of the following options:

  - Even Distribution: Allocates funds equally across all the territories

  - Manual: You must manually enter the amount that must be allocated to each territory

- Prior Year Sales Total in Amount: Allocates funds based on the sales figures of the previous years. Select the Basis Year if you select the method as Prior Year Total Sales Total in Amount. Funds will be allocated based on the sales figures of the basis year that you select.

- **Holdback Amount and Holdback Percentage:** This is the amount that you do not wish to allocate immediately. An amount or percentage can be withheld from the allocation process at each level in a hierarchy.

- **Worksheet**: The worksheet shows the distribution of the budget across the hierarchy that you created. If you wish to make changes in the allocation, you can make the changes here.

After you publish the allocation, the status changes to Planned. To update an existing allocation, select the required allocation number and modify the information as desired.

Submitting a Budget Allocation Change Request

After the Sales Management allocates funds, if you are the Sales Representative who is the recipient of the allocation, you will receive a workflow notification. You can review the amount that has been allocated to you, and if you require a different amount than what has been allocated, you can suggest a new amount for the allocation.

To request for changes to be made in the original allocation, log into Oracle Trade Management as Oracle Trade Management User.

Prerequisites:

- A draft or active fixed budget has been created and an allocation has been initiated.

- You are the recipient of the allocation.

- The allocation is not active yet.

Navigation: Budget > Budgets > Budget Name > Allocation.

Notes:

- **Worksheet:** In the worksheet column, click the link corresponding to the allocation for which you would like to offer inputs.

- **Rollup Total:** Enter the new amount that you would like to recommend.

- **Supporting Files:** You can attach documents in formats including .doc, .pdf, .xls, and so on.

The Sales Management may either accept or reject the request. If the request is rejected, then you must resubmit the request. Repeat the steps in this procedure to resubmit a request.

Approving a Budget Allocation Change Request

To accept or reject the request submissions that have been made by the Sales Representatives, log into Oracle Trade Management as Oracle Trade Management User.

Prerequisites:

- A draft or active fixed budget has been created and an allocation has been initiated, and the allocation is not active yet.

- You are the creator of the allocation.

- The recipient has made a request submission.

Navigation: Budget > Budgets > Budget Name > Allocation.

Notes:

- **Worksheet:** Select the allocation for which the request submission has been made. The list of all the territory hierarchies are displayed. To identify the territory that has submitted the request, check the Requested Amount, and the Allocation Status columns. The Requested Amount column shows the details of the total amount that has been requested by the territory, and the allocation status appears as Submitted.

- **Action Required:** Select an option depending on whether you wish to approve or reject the request. If you reject the request, the allocation status changes to Rejected. The submitter may make changes in the request and resubmit it.

Activating a Budget Allocation

To activate a planned budget allocation, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Budget > Budgets > Budget Name > Allocation > Worksheet.

Notes:

The worksheet shows the distribution of the budget across the territory hierarchy. Change the allocation status to Active, and click **Update**.

Utilizing a Budget

A budget can fund many trade promotion activities. Funds from the budget are committed against each of these trade promotion activities, and are utilized over a period of time. The budget checkbook gives the status of the funds in a budget including the total, committed, utilized, earned, paid amounts, and the GL posting details of the budget. Information in this section will enable you to:

- Understand budget utilization

- Understand and process budget requests and transfers

- Understand budget mass transfer

- Understand and view recalculated committed

- Understand and create budget adjustments

- Understand the integration of budgets with offers (integration with sales orders)

- Understand basic and advanced General Ledger integration with respect to budgets

Overview

A budget is utilized when you withdraw funds to execute trade promotion activities. The utilized, earned, and paid columns in the budget are updated during various stages of offer execution, and these columns enable you to track fund utilization.

The utilized column records integration of the budget to sales orders, regardless of the order channel. The following types of records are stored in this column:

- Costs from the trade promotion activities including Off-invoice offers

- Accruals that are created from offers

- Adjustments that are created in the budget checkbook

When an order is placed, the utilized column gets updated to show all the funds that are likely to be utilized for the order. This however, does not give you the exact earnings based on the goods shipped. The earned column records the amount that is accrued based on the goods that are actually shipped.

The paid column records all of the payment information of the budget by:

- Off-invoice offers

- Claims that are settled through credit memos or checks

- Deductions that are settled through credit memos

Example: you create an offer for $10,000 to give 10% discount on a product. After the offer is approved, the committed column in the budget shows $10,000. The cost of the product is $100. A customer places an order for 10 units of the product. Therefore, the total order value is $1,000, and after discount, it is $900. The discount offered is $100, which is the amount utilized from the budget.

You however decide to ship only 5 units of the product initially, and ship the remaining units next month. Because only 5 units of the product are shipped, the customer is eligible to claim only $50. This is the amount that is earned from the budget.

You settle the claim and pay $50 to the customer, and you make this payment through a cheque. This is the amount that is paid, and the paid column gets updated accordingly.

Therefore, the budget checkbook gets updated as shown below:

Total	Committed	Utilized	Earned	Paid
$500,000	$10,000	$100	$50	$50

In the above example:

- The total column shows the entire amount in the budget.

- The committed column shows the amount that is committed to all approved trade promotion activities that source funds from the budget. In this case, the committed column shows $10,000 after the offer has been approved.

- The utilized column gets updated after orders are placed against the offers. In this case, the utilized column gets updated to $100 after the customer places an order against the offer and the orders are booked.

- The earned column gets updated after the products are shipped. It shows the total amount spent from the budget based on the goods that are actually shipped. In this case, the earned column shows $50 after you ship 5 units of the product.

- The paid column shows the total amount that is paid towards settling all the claim requests. In this case, the paid column gets updated to $50 after you settle the claim raised by the customer.

Understanding Budget Requests and Transfers

Funds are utilized from budgets when budget requests or budget transfers are approved. A budget request is a request to withdraw and use funds from a budget to execute trade promotion activities such as offers and campaigns.

A budget transfer involves transferring funds from one budget to another; it involves moving money from one budget to another.

Budget Request

In the Budget Request diagram Offer 1 requests funds from Budget A while Offer 2 requests funds from both Budget A and Budget B.

Budget Request

Request Funds

Offer 1 → Budget A

Budget B

Offer 2
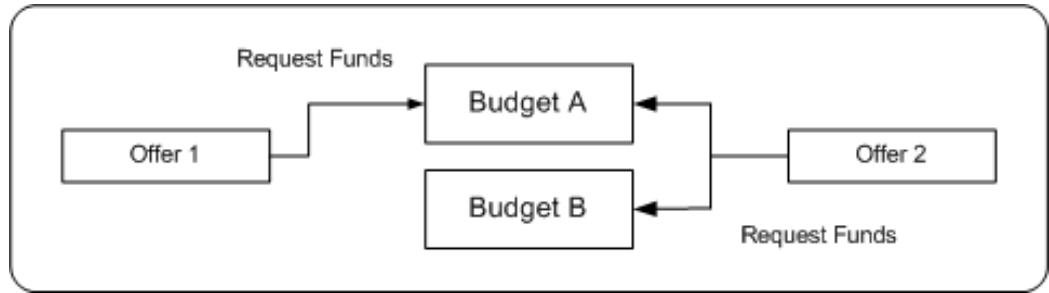
Request Funds

Budget request is an explicit request to withdraw funds from a budget to execute trade promotion activities such as offers and campaigns. You may submit a budget request to give an offer to customers. A budget request may also be submitted by the owner of another budget.

For example, you plan to execute a campaign--New Product Introduction to introduce a new product into the market. You must submit a budget request to source funds for this activity. You can also submit a request to source funds from a budget owned by another person.

Budget requests must be approved before the money is transferred. The Administrator configures approval rules to route different requests to different approvers. A budget may fund multiple trade promotion activities, and a trade promotion activity can source funds from multiple budgets. For more information and procedures related to sourcing offers from a budget, see the Trade Planning and Offers chapter in this guide.

Budget Transfer

In the Budget Transfer diagram, Budget A transfers funds to Budget B.

Budget Transfer

Budget A — Transfer Funds → Budget B
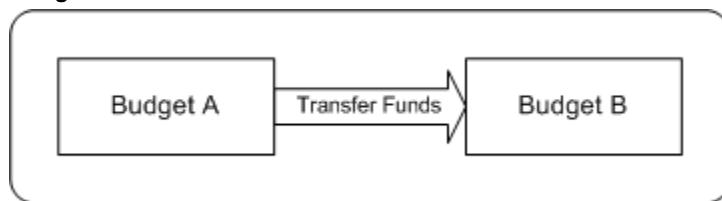
Budget transfer involves transferring funds from one budget to another. To create a budget transfer, both the budgets must be approved and active. For example, "New Product Introduction" fund may not need as much money as originally forecasted because the new product does not perform well. You can transfer money out of it into other budgets so that the money can be spent somewhere else.

You cannot transfer funds from budgets that are cancelled, closed, or archived. Also, if a child budget is cancelled, you cannot transfer funds from the child budget to the parent budget. To transfer funds from a child budget, after the budget is complete, you must

first make a manual a negative adjustment for the amount which is committed and but not paid. You must then accordingly decrease the committed amount, and then transfer the remaining funds to another budget and then close it.

If an offer or a budget that requests funds from another budget uses a different currency, then conversion can be done automatically if the profile AMS: Currency Conversion Type has been implemented in your organization.

All movements of money in and out of any given budget are tracked to provide complete audit control.

Creating a Budget Request

If you are the budget owner who wants to request additional funds from another budget, then you can do so by submitting a budget request. After you submit a budget transfer request, the granting budget owner may review your request and either accept or reject it.

> **Note:** Budget requests for offers are created by the offers users. See the Offers chapter for the detailed procedure on creating a budget request to source funds for an offer.

To submit a budget request, log into Oracle Trade Management as Oracle Trade Management Super User.

As a prerequisite, the granting and receiving budgets must be active.

Navigation: Budget > Budget Transfer > Create Request.

Notes:

- **Budget Recipient:** Select the receiving budget. This is the budget into which funds will be transferred.

- **Required By:** This field indicates the date by which you require the funds to be transferred. It is a way of letting the granting budget owner know the urgency of the request; it has no functional impact.

After you submit the request, the request status changes to Planning, and the granting budget owner is notified.

Creating a Budget Transfer

A budget transfer involves transferring funds from one budget to another. When there are requests for funds transfer, you will receive workflow notifications if you are the owner of the granting budgets. You can transfer funds from your budget to the receiving budget by creating a budget transfer.

To create a budget transfer, log into Oracle Trade Management as Oracle Trade Management Super User.

As a prerequisite, the granting and receiving budgets must be active.

Navigation: Budget > Budget Transfer > Create Transfer.

Notes:

- **Budget Recipient:** Select the budget into which funds will be transferred.

Approving a Budget Request

When offer users create budget requests to source funds for offers, you will receive workflow notifications if you are the owner of the granting budgets.

To either accept or reject a budget request, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Workflow > Worklist or Home > Tools > View Notification Work List.

Notes:

From the list of open notifications, select the appropriate notification and click either Approve or Decline based on whether you wish to approve the request or reject it.

Linking Budgets for Mass Transfer

Promotional offers to customers may remain active for multiple fund periods. When an offer sources funds from a budget, funds are committed to the offer. During changeover of fund periods, new budgets will be established whereas old budgets will be closed. Some of the orders that have been placed against offers in the old fund period remain active even though the old budgets get closed. The payments against these orders that are earned in the new period must be tracked in the budgets in the new period. These committed but unearned funds can be tracked by mass transferring them from the old budget to the new budget.

When a customer places an order, initially only the utilized column in the budget gets updated. The earned columns get updated only after the order is shipped and the customer pays for the order. In between, if there is a changeover of fiscal periods, then the old budget closes and a new budget is established. The offer must start sourcing funds from the new budget, and all payments that are received in the new period must be tracked in the new budget.

For example, an offer is active between June and December. The offer closes on 1st January. A customer places an order on 31st December. Goods are dispatched during February and the customer pays for the goods in the month of March. In this case, even though the order has been placed when the old offer was active, the actual earnings are received only in the new fund period. To track these earnings in the budget for the new fund period, all the committed but unearned funds must be transferred from the old budget to the new budget.

Committed, but unearned funds can be transferred from the old budget to the new budget by creating a new budget and linking it to the old budget by a concurrent

process automatically.

For example, a budget--Trade Promotion Budget 2003 is active between 1st January 2003 and 31st December 2003. You create a new budget called Trade Promotion Budget 2004 to continue executing the same set of activities for the forthcoming year. In this case, you must transfer all the funds from Trade Promotion Budget 2003 to Trade Promotion Budget 2004. The old budget can be linked to the new budget by running a concurrent process, and funds are transferred automatically.

The Administrator in your organization must run this concurrent request for you. See the *Oracle Channel Revenue Management Implementation Guide* for more information.

When the old budget and the new budget are thus linked, funds from the old budget are automatically transferred to the new budget. However, the start date of the new budget must be later than the start date of the old budget.

Adjusting a Budget Using Recalculated Committed

Recalculated committed enables you to spend money based on the available funds. When an offer or a campaign is sourced from a budget, the requested amount is committed to the activity. The offer may receive many orders, and sometimes the amount spent may be more than the originally committed amount or less than the committed amount. If recalculated committed is implemented in your organization, the committed funds are automatically increased or decreased based on the performance of the offer.

Organizations generally establish offers for a set period of time. For example, an offer may remain active for 6 weeks to 1 year. Even though organizations create forecasts for fund usages, the actual fund usages depend upon the performance of the offer. When organizations commit more funds than necessary to meet the actual requirements, it results in money unutilized at year-end. If recalculated committed is implemented, based on the offer performance, it automatically performs real-time adjustments to the committed funds and ensures that there are no unutilized funds at the year-end.

Recalculated committed is based on comparing the average committed amount against the actual utilized amount. While the committed amount determines the maximum of what the utilized amount can be, the relationship is reversed for recalculated committed. If recalculated committed is implemented, then the utilized amount determines the recalculated committed amount. Recalculated committed cannot be used for offers with the maximum committed indicator--Terms Upgrade or Lump sum offers.

Recalculated committed enables you to measure and account differences between the expected performance and the actual performance. You can perform adjustments to the budgets on an ongoing basis, and use budgets effectively. The Administrator sets the frequency (daily, weekly, or monthly) for these adjustments. The adjustments occur on a timely basis and enables you to establish new deals within an acceptable time period.

For example, a promotion is established for a full year with an original committed amount of $200,000. In this example, by utilizing the simple methodology, adjustments are done on a monthly basis and the committed and utilized amounts are updated

accordingly.

Month	Number of Days	Daily Forecast	Monthly Forecast	Actual Monthly Usage	Adjustments on Monthly Basis
January	31	$547.95	$16,986.30	$20,000	$3,014
February	28	$547.95	$15,342.47	$12,000	$3,3,42
March	31	$547.95	$16,986.30	$16,500	$486
April	30	$547.95	$16,438.36	$17,750	$1,312
May	31	$547.95	$16,986.30	$12,220	$4,766
June	30	$547.95	$16,438.36	$19,750	$3,312
July	31	$547.95	$16,986.30	$21,000	$4,014
August	31	$547.95	$16,986.30	$13,300	$3,656
September	30	$547.95	$16,438.36	$18,850	$2,412
October	31	$547.95	$16,986.30	$16,000	$986
November	30	$547.95	$16,438.36	$12,450	$3,988
December	31	$547.95	$16,986.30	$10,000	$6,896

> **Note:** This example shows how adjustments can be done on a monthly basis. Recalculated committed can also be implemented to make adjustments on a weekly, or daily basis. The frequency of adjustments is based on a profile option setting. For more details, see the *Oracle Channel Revenue Management Implementation Guide*.

Viewing Recalculated Committed

Recalculated committed enables you to spend money based on the available funds.

To view recalculated committed, log into Oracle Trade Management as Oracle Trade Management Super User.

As a prerequisite, the recalculated committed function must be implemented in your

organization. Else, the committed amount is displayed in the recalculated column.

Navigation: Budget > Budgets > Personalize.

Notes:

Select and move Recalculated Committed from the Available Columns to the Displayed Columns. Save the changes.

Understanding Budget Adjustments

Budget adjustments enable you to manually decrease or increase the committed and utilized amounts in a budget. You may need to perform budget adjustments to rectify erroneous entries, and to incorporate differences in invoicing and pricing information.

You can make the following four types of adjustments to a budget:

- Increase committed

  By using this option, you can increase the amount that is committed to a trade promotion activity.

  For example, you source $10,000 for a campaign to introduce a new product into the market. Later, you realize that the committed funds are not sufficient to fund the campaign, and you need $5,000 more. You can increase the committed amount to $15,000.

- Decrease committed

  By using this option, you can decrease the amount that is committed to a trade promotion activity.

  For example, you source funds for a campaign and commit $10,000 to the activity. The campaign does not perform well and the amount utilized is only $4,000. You can decrease the committed amount to $4,000.

- Increase committed and utilized

  By using this option, you can increase the amount that is utilized for a trade promotion activity.

  Sometimes, there may be mismatches between the amount entered and the actual amount utilized from the budget. This could occur due to a various reasons such as erroneous entries, or when there are differences between the entered amount and the invoice amount. In such cases, you may want to change the utilized amount. If the amount that was originally entered is less than the actual amount utilized, you can increase the utilized amount by using this option. When you increase the utilized amount, the committed amount increases accordingly.

  For example, you source funds for a campaign, and you appoint an agency to execute the activities. The agency initially gives you an invoice for $8,000, which you enter as the utilized amount. Later the agency submits another invoice for $10,000 because there was a mistake in the first invoice. You can increase the

utilized amount to $10,000.

- Decrease committed and utilized

  By using this option, you can increase the amount utilized for a trade promotion activity. Decrease utilized, like the increase utilized option, can be used to perform adjustments to the amount utilized from a budget. If the utilized amount entered is less than the actual amount utilized, you can decrease the utilized amount by using this option. When you decrease the utilized amount, the committed amount decreases accordingly.

  For example, you source funds for a campaign, and you appoint an agency to execute the activities. The agency gives you an invoice for $8,000, which you wrongly enter as $10,000. Later you realize that you made a mistake while entering the utilized amount. You can decrease the utilized amount to $8,000.

If a budget adjustment reference includes a product, then the entire adjustment is applied to the specified product. If the adjustment references a campaign or an offer, the adjustment is applied equally to all the products in the offer.

Accounting entries are created in the General Ledger by taking Base General Ledger accounts from the budget, budget category, or system parameters. The Account Generator, if implemented, replaces the General Ledger product segment account information with the product segment of the COGS account (from inventory item based on which accrual is made). If an inventory item cannot be determined for the utilization, then the base General Ledger account is used. See the *Oracle Channel Revenue Management Implementation Guide* for more information.

In addition to the adjustments mentioned above, the system creates the following automatic adjustments:

- Recalculated Committed Increase

- Recalculated Committed Decrease

- Volume Offer Adjustment Increase

- Volume Offer Adjustment Decrease

- Scan Data Offer Committed Increase

- Scan Data Offer Earned Increase

For more information on Volume and Scan Data offer adjustments, see Integration to Sales Orders (Accrual Offers).

Creating a Budget Adjustment

Budget adjustments enable you to manually decrease or increase the committed and utilized amounts in a budget.

To create a budget adjustment, log into Oracle Trade Management as Oracle Trade Management Super User.

As a prerequisite, you must be able to access the budget adjustment functions.

Navigation: Budget > Budgets > Budget Name > Checkbook > Adjustments.

Notes:

- **Type:** Select the type of adjustment that you would like to make. After you select the Type, a description of the adjustment type is displayed in the Description field. The name and description of your adjustment types is determined by your organization. They are all based on one of the adjustment types--Decrease committed, Increase committed, Decrease committed and utilized, and Increase committed and utilized.

- **Date:** The adjustment is recorded on the date that you select.

- **GL:** Specify the date for the GL postings to occur. If a date is not selected, a default date is used by the system.

- **Activity:** Select the type of activity to which this adjustment is related.

Adjusting for Off-Invoice Offers

Off-invoice offers include Off-invoice, Order value, Promotional goods, and Terms upgrade offers. When Off-invoice offers are applied, it gives certain discounts and reduces the amount that the customers have to pay. When you source Off-invoice offers from a budget and execute the offers, the utilized and paid columns in the budget get updated simultaneously.

For example, the selling price of a product is $100. You create an off-invoice offer to give 10% discount on the product, and you source the offer from a budget. The committed amount for the offer is $10,000. A customer places an order for 10 units of the product. Because the discount offered is 10%, the customer has to pay only $900 instead of $1,000. In this case, the amount the utilized, earned, and paid columns in the budget both simultaneously get updated to $100.

Total	Committed	Utilized	Earned	Paid
$500,000	$10,000	$100	$100	$100

Adjusting for Accrual Offers

Accrual offers include Accrual, Lump sum, Scan data, and Volume offers. When an accrual offer is applied, it gives certain discounts, but does not reduce the amount that the customers have to pay. Instead, accruals are created for customers and the accruals

are tracked in the background. The customers get paid back either by submitting a claim or through deductions.

In case of accrual offers, the utilized, earned, and paid columns are updated based on the accrual offer type. The manner in which these columns are updated for each of the accrual offer types is discussed in the following sections.

- Accrual Offer, page 5-39

- Lump Sum Offer, page 5-39

- Scan Data Offer, page 5-40

- Volume Accrual Offer, page 5-41

Accrual Offer

In an Accrual offer, incentives are based on cumulative purchases made over a specific period of time. Funds are accrued over a period of time before it is paid to the customer. Therefore, only the utilized column gets updated when the customer books an order. The earned column gets updated when the order is shipped, and the paid column gets updated after the claim raised by the customer is settled.

For example, an accrual offer has a committed amount of $10,000, and gives 10% discount on a product. The selling price of the product is $100. Each time customers place orders for the product, they get 10% accrual on each unit of the product purchased. A customer places an order for 5 units of the product, and accrues $50 based on the discount. The budget gets updated as follows:

Total	Committed	Utilized	Earned	Paid
$500,000	$10,000	$50	0	0

Lump Sum Offer

In Lump sum offers, the utilized, earned, and paid columns get updated based on whether the Lump sum offer is with spread or without spread. For example, a Lump sum offer is created to offer $5,000 to a customer if he displays an in-store advertisement.

If the Lump sum offer is without spread, then as soon as the offer starts, the organization recognizes the whole amount as money utilized. The budget gets updated as follows:

Total	Committed	Utilized	Earned	Paid
$500,000	$5,000	$5,000	$5,000	0

If the Lump sum offer is with spread, then the amount is spread over a period of time and is utilized based on the time periods specified.

Spreading enables you to amortize the accruals over a period of time. For example, you might incur a slotting or listing allowance of 200,000 and want to "spread" the cost over a 6 month period.

Assume that the offer lasts for 10 days. The budget utilization on the first day will be as follows:

Total	Committed	Utilized	Earned	Paid
$500,000	$5,000	$500	$500	0

The budget utilization on the second day will be as follows:

Total	Committed	Utilized	Earned	Paid
$500,000	$5,000	$1,000	$1,000	0

The entire amount committed to the offer will be utilized on the tenth day, and the budget utilization on the tenth day will be as follows:

Total	Committed	Utilized	Earned	Paid
$500,000	$5,000	$5,000	$5,000	0

Scan Data Offer

Scan Data offers usually take the form of coupons. Customers can exchange these coupons and avail discounts on certain products. When a Scan Data offer is created, forecasts are made regarding the scan units and values. In case of a Scan Data offer, the committed amount and the utilized amount are updated simultaneously.

The actual data for the offer is received through claims. If the actual amount exceeds the forecasted amount, an automatic adjustment gets created to adjust the original accrual created based on forecasts. The committed and utilized columns are adjusted based on

the comparison between the actual amount and the forecasted amount. Adjustments are created only up to the available amount in the budget.

For example, a Scan Data Offer has the following forecasted details:

Total Committed	Total Utilized	Utilized - Offer 1	Utilized - Offer 2
$10,000	$8,000	$5,000	$3,000

The actual scan data shows the following for the two lines:

Total Committed	Total Utilized	Actual Utilized - Offer 1	Actual Utilized - Offer 2
$1,000	$8,000	$8,000	$5,000

Based on the comparison between the actual utilization and the forecasted utilization, adjustments must be created to increase the Committed as well as Utilized amounts.

Adjust committed [(Actual utilization - forecast utilization) - (committed - forecast utilization)] = [(13,000 - 8,000) - (10,000 - 8,000)] = 3,000

Adjust utilized (Actual - Forecast) for each line:

Adjust line 1 (8,000 - 5,000) = 3,000

Adjust line 2 by (5,000 - 3,000) = 2,000

When adjustments are made to the utilization, the GL entries Debit Sales or Expense and Credit Liability are also created.

If Recalculated Committed is implemented, and the profile to allow the committed amount to be more than the available budget is set to "Yes", then adjustments up can be created without conditions. Recalculated committed skips making any adjustments for Scan Data offers. This is because of the automatic adjustments which happen for Scan Data offers when the actual amount is greater than the forecasted amount.

If Recalculated committed is not implemented, adjustments can be created only up to the available amount in the budget. For more information on Scan Data offer adjustments, see the Claims chapter.

Volume Accrual Offer

A Volume accrual offer or a volume rebate is an offer where in the qualified customers accrue funds based on their cumulative purchase amounts spanning over a period of time. The retroactive flag determines whether past orders should also be adjusted based on the new accrual rate achieved.

For example, a Volume accrual offer is set up for a customer to accrue based on total

volume of the product sold for the next 6 months as follows:

0 - 1000	accrue 5%
1001 - 2000	accrue 8%
2001 or more	accrue 10%

Each unit is priced at $1.00.

The first couple of orders from a customer look as follows:

Order No.	Quantity Purchased	Accrual %	Accrual
1	600	5%	30
2	400	5%	20
3	100	8%	8

Adjusting for Off-invoice Discounts

Off-invoice discounts include Off-invoice, Promotional goods, Order Value and Terms Upgrade offers. These discounts are treated as reductions in revenue. These discounts can be treated as expenses by setting an option in System Parameters.

For example, you create an Off-invoice offer whereby a customer gets 10% off on a $100 item. When a customer places an order, Order Management takes $10 off each unit of the item, and pass $90 of revenue to Oracle Receivables which then creates GL entries, crediting revenue with $90. This treats the $10 as a reduction in revenue. If the option is set to create GL entries for Off-invoice discounts, the $10 is treated as an expense instead of reductions in revenue.

In System Parameters, the Administrator can specify whether GL entries must be created for Off-invoice discounts. If the option is checked, the Funds Accrual engine evaluates whether to create entries for such discounts or not. All the orders that are placed against Off-invoice offers will have GL entries created.

The following GL entries are created whenever the order data is passed to Order Management:

• Debit Sales or Expense or Charge (set up in Oracle Trade Management)

• Credit Revenue (set up in Oracle Receivables)

The Base Sales or Expense or Charge GL account is derived from setups done in the following order:

- Budget which funds the offer

- System Parameters

The Administrator may use the Account Generator workflow to configure this account.

Credit entries are made to the Revenue account that is used by Oracle Receivables on the invoice line of the sales order line with the offer applied.

For Off-invoice offers (Off-invoice, Order Value, Promotional Goods, Terms Upgrade, and Volume offers), the Utilized column gets updated after the offer is applied on the order. The Earned column gets updated as determined by the profile option OZF-TM: Create GL Entries for Orders. The GL entries get created when the sales order line with the offer applied has been shipped or invoiced. See the *Oracle Channel Revenue Management Implementation Guide* for more details.

Basic Accounting for Accrual Offer Adjustments

When accruals are created either from a Lump sum, Accrual, Scan Data or Volume offer, such accruals may be treated as liabilities by some organizations. These accruals are tracked in the General Ledger by creating the following accounting entries.

- Debit Sales or Expense or Charge

  A debit entry reduces the balance in the Sales or Expense or Charge account selected. If the account selected is a Sales account, the accrual is treated as a reduction in the sales revenue. If the account selected is an Expense or Charge account, the accrual is treated as a promotional expense. The account type that you may select depends upon the accounting policies in your organization.

- Credit Liability

  A credit entry increases the balance in the Liability account that you select while creating the entry.

  Sales or Expenses or Charges are called Equity accounts. These two entries are created to maintain the basic accounting principle that states that the following equation must always hold true:

  Asset = Liability plus Equity

  For example, an accrual offer is set up to accrue 10% for every unit of a product sold. The product price is $200. When a customer places an order for 5 units of this product, the following accrual and accounting entries are created:

  Accrual amount: $200 x 5 x 10% = $100

  Debit Sales or Expense or Charge $100 Credit Liability $100

  Asset: Unaffected

Liability: Credit $100 (Increase by % $100)

Equity: Debit $100 (Increase by $100)

The accounting entries created during accrual use the GL accounts from the following setups:

- GL accounts as defined for the budget itself, along with any Account Generator workflow updates

- GL accounts as defined for a budget category, along with any Account Generator workflow updates

- GL accounts as defined in the System Parameters, along with any Account Generator workflow updates

When claims or deductions are settled with the promotional earnings associated, the liabilities are reversed and a Receivables Clearing or Payables Clearing account is credited. For more details on claims and deductions, see the Claims chapter.

All the General Ledger entries associated with Oracle Trade Management are created with a source called Marketing in the General Ledger. The GL categories that are used for journal entries that are created during accrual are:

- Fixed Budgets (for accruals created for Accrual offers, Lump sum offers, Scan Data offers and Volume offers which source funds from a fixed budget)

- Accrual Budgets (for accruals created by fully accrued budget)

Advanced Accounting for Accrual Offer Adjustments

The base GL accounts are generally taken from either a budget, budget category, or System Parameters. Apart from this, you can modify the Account Generator workflow to configure GL accounts dynamically. By using the Workflow Administration tool, you can modify the Account Generator workflow, and change the values of various segments for each account.

For example, the GL account structure of an organization is as follows:

Company-Account Type-Customer-Product-Others

The base liability account as set up with the budget is 01-0001-0002-0000-000

If this is an accrual created because an accrual offer is applied on a sales order, you can find the customer and product attributes from the order and derive the account--01-0001-8888-2344-000, where the segment value:

- 8888 is used to track a certain customer

- 2344 is used to track a certain product

Seeded information that you can use to derive these segment value changes are--order header ID, order category, order type ID, price adjustment ID, order line ID, line commitment ID, salesrep ID, organization ID, sold to customer account ID, chart of accounts ID, operating unit, budget ID, offer ID, inventory item ID, item category ID. But the configuration of the GL accounts is not limited to these pieces of information only.

For example, you can use the value--offer ID to find the custom setup or any other information about the offer. You may use all this information to configure GL accounts.

Understanding Budget Reconciliation

A budget can fund multiple trade promotion activities. After a trade promotion activity comes to an end, the funds committed to the activity are no longer used. Budget reconciliation enables you to return the remaining money at the end of a trade promotion.

Reconcile Unutilized

Even after a trade promotion activity comes to an end or even after it is cancelled, it may have committed funds that are not utilized. The "Reconcile Unutilized option enables you to return back money that has been committed, but not utilized. When you reconcile a budget by choosing this option, the previously committed, but unutilized funds, are transferred from the Committed column to the Available column.

For example, a budget has an total amount of $50,000 out of which $10,000 is committed to an offer called "New Product Promotion". The amount that is utilized, earned, and paid from the offer is $8,000. The columns in the budget appear as shown below.

Total	Available	Committed	Utilized	Earned	Paid
$50,000	$40,000	$10,000	$8,000	$8,000	$8,000

The offer has reached its end date. The Sales Representative decides that there will be no more orders against the offer and decides to return back the remaining money, which is $2,000 (Committed - Utilized). The Sales Representative performs a budget reconciliation and choose the option "Reconcile Unutilized". This decreases the committed amount and increases the available amount in the budget. The columns in the budget appear as shown below.

Total	Available	Committed	Utilized	Earned	Paid
$50,000	$42,000	$8,000	$8,000	$8,000	$8,000

Notice that the amount in the Available column has increased by $2,000, whereas the amount in the Committed column has decreased by $,2000.

Reconcile Unutilized and Unpaid Earnings

If you choose the "Reconcile unutilized and unpaid earnings" option, the committed, utilized, and earned amounts get decreased by the amount of (Utilized - Paid). This amount is transferred from the committed column to the available column. If General Ledger integration is implemented, then the GL entries--Debit Liability and Credit Sales or Expense are created when the utilized is decreased.

The "Reconcile unutilized and unpaid earnings" option is used for accrual based offers such as Accrual, Lump sum, Scan Data and Volume offers. For these offers, even after an offer ends, customers can still submit claims. But after some time, when the organization believes that no more claims will be coming in for the offer, it can close the offer and reduce the outstanding accruals.

For example, a budget has an accrued amount of $10,000. The actual amount that is utilized, and earned from the budget is $7,000 whereas the amount that is paid from the budget is $6,000. The columns in the budget appear as shown below.

Total	Available	Committed	Utilized	Earned	Paid
$10,000	$3,000	$7,000	$7,000	$7,000	$6,000

The offer has reached the end date and a few days have passed. The Management conducts a review of this offer and believes that no more claims will come in. An offer user manually changes the offer status from Active to Completed. The offer user chooses reconciles the associated budget by choosing "Reconcile UnUtilized and Un-Paid Earnings". An adjustment for $1,000 (Utilized- Paid) is made to the sourcing budget, and this amount is transferred to the Available column. The committed, earned and utilized funds in the budget are decreased. The columns in the budget appear as shown below.

Total	Available	Committed	Utilized	Earned	Paid
$10,000	$4,000	$6,000	$6,000	$6,000	$6,000

Notice that the amount in the Available column has increased by $1,000, whereas the amounts in the Committed, Utilized, and Earned columns have decreased by $1,000.

The reconcile button appears only if a trade promotion reaches the end date and status is completed or closed. If the trade promotion has no end date, the status should be either Completed or Closed. A budget can be reconciled automatically based on a concurrent process that takes a predefined grace period into account. For some

organizations, this grace period can range widely from a month to more than a year. For such organizations, this grace period is not systematic and therefore they can reconcile budgets at any point of time.

You can reconcile a budget only if you have the access permissions and responsibilities as defined in the Custom setup, and Responsibility setup.

Reconciling a Budget

Funds that are committed to a trade promotion activity such as an offer or a campaign are not utilized after the activity comes to an end. Budget reconciliation enables you to return the remaining amount back to the sourcing budget.

To reconcile a budget, log into Oracle Trade Management as Oracle Trade Management Super User.

As a prerequisite, the offer or campaign that is associated with the budget must have reached its end date and its status must be completed.

Navigation: Offers > Offer > Offer Name > Budget.

Notes:

The Reconciliation section at the bottom of the page appears if the offer status is Completed.

- **Reconciliation Options:** The two options that are available are:

    - Unutilized is applicable for trade promotion purpose.

    - Unutilized earnings, which is not applicable for trade promotion purposes. Unutilized amount = Committed – Utilized.

During reconciliation, the committed amount in the budget reduces, whereas the available amount increases. For example, an offer has committed = $10,000, utilized = $8,000. This kind of reconciliation will decrease the committed from $10,000 to $8,000 and increase the budget's available by $2,000.

Understanding Budget Tracking

Oracle Channel Rebate and Point-of-Sale Management includes tools and techniques that enable you to obtain relevant information about any budget at any point of time. These tools and drill-down facilities provide detailed reports regarding the budget, and provide information such as:

- Available, committed, and utilized funds in the budget

- List of trade promotion activities that are sourced from the budget

- Status of each of the trade promotion activities

- Available, committed, and utilized funds against each of the trade promotion activities

Budget Checkbook View

Budget checkbooks are used to track the usage of funds in a budget, and enable you to track funds that are available, committed, utilized, transferred, and paid.

The following table describes the information that a budget checkbook provides.

Budget Checkbook Views

View	Description
Total	For a Fixed Budget, the total column shows the total funds that are committed for the budget
	For a Fully Accrued Budget, the total column shows the total funds that are utilized for trade promotion activities.
Transferred-in	The amount transferred into the budget from another budget
	Total budget amount includes the transferred-in amount
Transferred-out	The amount transferred out of the budget into another budget
	Transferred-out amount is excluded from the total budget amount
Holdback	The amount reserved in the budget
Available	The amount available to fund trade promotion activities
	Available = Total - Holdback
Planned	Total amount of all the budget requests that are waiting for approval
Recalculated Committed	The committed amount based on the actual sales and utilization
Committed	Total amount of all the approved budget requests
Utilized	The amount that is utilized from the budget based on the orders that are booked

View	Description
Earned	The amount that is utilized from the budget based on the goods that are shipped
	When any manual or automatic adjustments are made to the earned column, the utilized column gets updated accordingly
Paid	The amount that is paid to settle all the claims raised by the customers. This amount also includes promotional deductions and off-invoice updates.
Balance	The balance budget amount
	Balance = Available - Committed

See Fully Accrued Budget for detailed information on how the Total, Committed, and Utilized columns get updated for Fixed Budgets, Fully Accrued Budgets, and Fully Accrued Budgets that accrue to sales.

Viewing Budget Transaction and Offer Details

The budget transaction and budget details checkbooks enable you to know the fund transactions for a budget such as the budget requests and budget transfers that have been created, details of the offers that source funds from the budget, and so on. You can also view the transaction amounts in different currencies if the transaction currency is different from the budget currency.

For example, if the transaction currency is in pounds and the budget currency is in dollars, you can view the appropriate amounts in the appropriate currencies.

- Budget Transaction Checkbook

  Drill down the Total amount in the budget summary page to view the Budget Transaction Checkbook. This checkbook gives a comprehensive view of how funds have been utilized from the budget. It shows the details of all the budget requests and budget transfers that have been created.

- Budget Planned Checkbook and Budget Committed Checkbook

  Drill down the Planned and Committed amounts in the budget summary page to view the Budget Planned Checkbook and the Budget Committed checkbook respectively. These checkbooks give you a list of all the trade promotion activities that source funds from the budget. Click the hyperlink of the offer or campaign to view the details of the trade promotion activity.

- Budget Utilized Checkbook

Drill down the Utilized amount in the budget summary page to view the Budget Utilized Checkbook. Utilized amount is the amount that is utilized from the budget based on the orders that are booked. In case of a campaign that sources funds from the budget, the Budget Utilized Checkbook enables you to view the actual cost that is posted to the budget, or an adjustment that has been made. For an offer, the amount utilized may represent an adjustment, an accrual, or a utilization line from an off-invoice type discount. You can also view the order details from the checkbook.

- Budget Earned Checkbook and Budget Paid Checkbook

  Drill down the Earned and Paid amounts in the budget summary page to view the Budget Earned Checkbook, and the Budget Paid Checkbook respectively.

  Earned amount is the amount that is utilized from the budget based on the goods that are shipped. For an offer, the earned amount may also represent an adjustment, an accrual, or a utilization line from an off-invoice type discount. The Budget Earned Checkbook enables you to view records of all the offers, order details, and GL posting details.

  Paid amount is the amount that is paid from the budget for the associated sales promotion activities. In addition to the records of all the offers, and order details, and GL posting details, the Budget Paid Checkbook enables you to view the claim and payment details.

  - To view the order details, click the corresponding number in the Document column.

  - To view details of a payment method, click the corresponding hyperlink of the payment method.

  - To view the GL posting details, click the corresponding GL Details icon.

Budget Utilization Views

Oracle Channel Rebate and Point-of-Sale Management collects and summarizes budget balances for use in creating reports. Budget utilized, earned and paid columns can all be tied specifically to a customer's transactions regardless of how the budget was "committed". Earned minus paid is the actual accrual balance. The customer budget view is now based on the transactions of the customer. Companies can easily view the information using any reporting tool such as Oracle Discover.

The following table describes Utilized budget balances available in Oracle Channel Rebate and Point-of-Sale Management:

Utilized Budget Balances

Utilizations	Descriptions
Order related utilizations (positive), such as those for accrual and off-invoice offers.	Utilizations for orders booked but not shipped, invoiced or closed. These utilizations are not the same as "earned" balances.
Return related utilizations (negative)	Utilizations for return orders booked but not invoiced (credited) or closed.
Non-order related utilizations. For example, those for lump sum and scan data offers, as well as utilizations created by net accrual offers, partner activities or indirect sales purposes.	There is no difference between utilized and earned.

The following table describes Earned budget balances available in Trade Management:

Earned Budget Balances

Utilizations	Descriptions
Order related (positive)	Earned balances for orders shipped, invoiced or closed
Return related (negative)	Earned balances for return orders invoiced (credited) or closed.
Non-order related utilizations and utilizations created by net accrual offers, partner activities or indirect sales purposes.	Identical to Utilized

The following table describes Paid budget balances available in Trade Management:

Paid Budget Balances

Utilizations	Description

Off-invoice types of utilizations such as off-invoice, order value and promotional good offers	Paid amounts are the same as earned amounts.
For accrual types of utilizations such as accrual, lump sum and scan data offers.	Paid amounts are claim amounts associated to the accruals.
	All adjustments to the paid amount, whether manually created, created by public API or system generated.

View by Dimensions

The balances described in the previous tables are available for the following dimensions. Each dimension must have a unique ID. For performance reasons only IDs can be stored in MV (Materialized Views) tables. You must provide names for these IDs at the time of report generation.

- Time - Calendar period equals month, quarter and year periods defined in the OZF: Marketing Calendar profile option

- Budget category

- Budget

- Budget security - Owner

- Customer party

- Customer account

- Customer account bill to site

- Customer account ship to site

- Operating unit (of the utilization record)

Cross Drill Downs

In addition to the simple reports administrators can also build reports with cross drill down from one dimension to another as shown in the following examples:

- Time > budget

- Time > customer party >budget

- Time > customer party > account > bill to site > ship to site > budget

Rollup and Self Views

Rollup view shows the total funds in a budget including the sum of all its child budgets.

For example, for a budget that has three hierarchy levels USA, Western Region, and California, the roll-up view of USA will be the total of the budgets committed for USA, Western Region, and California.

The following profile options must be implemented to support multi-currency conversion for Rollup views:

- AMS: Currency Conversion Type - to set the rate that will be used for automatic conversions

- JTF_Profile_Default_Currency at user level - to support roll-up budget views

- AMS: Universal Currency at site level - to store all the budget currencies, and the transaction and functional currencies for budget roll-up conversions

For example, a company has this budget hierarchy:

Global

North America (N.A.)

EMEA

France

England

Budget owners in each operation want to see roll-up views in their own currency, For example, Euro for EMEA, pounds for England, and so on. The Global budget owner wants the roll-up view in U.S. dollars. To accomplish this, the JTF_Profile_Default_Currency profile must be set for England to pounds, to Euro for EMEA, to Francs for France, to U.S. dollars for N.A. and Global.

Users in a budget hierarchy can see a real time rollup view based on their user profile currency.

For example, a Manager in Canada may prefer to see the roll-up view of the budget in CAD, whereas a Manager in US who owns the same budget, may prefer to see the roll-up view in USD.

By setting the user profile currency, the Managers can see the roll-up view in the currency that they prefer. Sets of books are used in Oracle Trade Management for setting the functional currency.

Self view only shows the transactions and activities that the budget directly funds.

In the above example, the budget self view for the committed amount of the each of the hierarchy levels is same as their committed funds. Thus, the budget self view for:

- USA = $15,000

- Western Region = $10,000

- California = $5,000

Offer Checkbook

An offer checkbook summarizes the funds that the offer has utilized from the budget.

The following table describes the information that an offer checkbook provides.

Offer Checkbook Views

View	Description
Offer name	The name of the offer along with the source code, start and end dates, currency, and the committed amount
Budget name	Name of the budget that funds the offer
	Clicking on the budget name gives the details of the budget
Budget number	The budget number
	Every budget has a unique number
Planned amount	Total amount that is planned to be spent on the offer
Committed amount	The amount that is committed to the offer
	Clicking on the committed amount gives a summary of all the committed amounts for the budget
Recalculated committed	The committed amount based on actual sales and utilization
	Clicking on the recalculated committed amount gives a summary of all the recalculated committed amounts for the offer
Amount utilized	The amount that is utilized from the budget based on the orders that are booked
	For a campaign, this is the actual cost that is posted to the budget, or an adjustment made
	For an offer, the amount utilized may represent an adjustment, an accrual, or a utilization line from an off-invoice type discount

View	Description
Amount earned	The amount that is utilized from the budget based on the goods that are shipped
Amount paid	The amount paid from the budget
	Gives a summary of all the amount that is paid from the budget for the associated sales promotion activities
	For an offer, this can be a utilization line from an off-invoice type discount or the information from a claim
Balance	The amount remaining in the budget to fund the offer. This is based on the funds that are committed to the offer and not the total amount in the budget.
	Balance = Available - Committed

Customer Budget View

Customer budget view enables you to view the budget usages with respect to either one or many customers. To visit a customer checkbook, you can look at the Customer Budget View. A profile option determines if you can access the budget view with respect to all the customers or only those customers with respect to your budget.

To view the customer checkbook, log into Oracle Trade Management as Oracle Trade Management User.

As a prerequisite, an active budget from which funds have been withdrawn for a trade promotion object should exist.

Navigation: Budget > Budgets > Customer Budget View.

Notes:

- **View By options:** The options are:

  - My Customer: This returns the customers for the budgets that you can access. The balances shown are summed up only for all the budgets that you can access.

  - All Customers: Based on a profile option, you may be able to see the total budget balances for all the customer budgets including those that you do not have access to.

The following information is displayed:

Field	Description
Customer	Customer Name
Currency	The budget currency
Total after Holdback	Total amount if the budget minus the holdback amount
Planned	Total amount of the budget requests that have not yet been approved
Committed	Total amount of all the approved budget requests
Recalculated Committed	The amount of commitment calculated based on actual utilization. If recalculated committed is implemented, the amount here displays the real committed funds
Utilized	Amount that has been utilized or earned
Paid	Amount that has been paid
Balance	Holdback - Committed

Order Details

The order details page displays details of the order that has been placed against an offer that sources funds from the budget. This enables you to track the orders and shipments that are related to offers that source funds from the budget.

Shipping Details

Click the Details link to view the shipment details for the order. The Shipment Details page displays information on the products that were ordered. You can also find out if the order has been shipped or not. If the order has been shipped, you can see the shipment number, method, and the tracking number. In the Budget Detail - Shipment Detail page:

- Click the hyperlink of the invoice number to view the invoice details.

- Click the hyperlink of the shipment number to view the shipment details.

Order Items

To view the details of an ordered item, click the corresponding Item Details icon. The Budget Detail - Item Detail page displays the following information:

- Billing Information: displays information such as the customer bill-to location, invoice number, payment terms, and agreement. Click the hyperlink of the invoice number to view the invoice details.

- Shipping Information: displays information such as the customer ship-to location, shipping method, and requested delivery date.

6

Trade Planning and Offers

This chapter covers the following topics:

- Overview
- The Offer Process
- Offer Creation
- Offer Forecasting
- Offer Funding
- Offer Approval
- Offer Execution

Overview

Discount planning is an integral part of Trade Planning. It involves planning discounts in such a way that it encourages customers to buy products, and at the same time gives the desired return on investments. Different types of discounts must be offered based on different business conditions and scenarios. Some of the challenges that organizations face are those of planning discounts based on realistic data, analyzing performance of offers, tracking usage of funds, and making real-time adjustments to offers.

Offers in Oracle Trade Management simplifies the process of discount planning, execution, and tracking. Offers enables you to plan and create different kinds of offers depending upon the requirements and the results you want to achieve. You can associate offers with products or campaigns, predict the performance of new offers, and create adjustments to active offers. You can also track and monitor the costs and revenues for active offers.

The Offer Process

The following figure illustrates the process flow for offers:

Process Flow for Offers
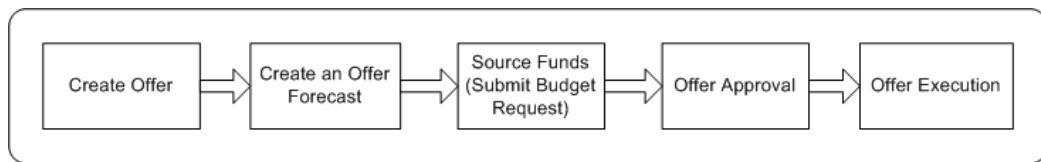
Create Offer

Offers are created to offer discounts and promote sales. You can create different kinds of offers based on the sales objectives. You can also specify the discount levels, date qualifiers, and market eligibility for the offer.

Create Offer Forecast

Creating an offer forecast enables you to predict the performance of new offers by utilizing base sales data (sales data of the previous year). You can optionally create Offer Creation offer forecasts at any time irrespective of the offer status. You cannot modify, update, or delete a forecast after it is frozen.

Request Funds

An offer must source funds from a budget or a campaign to offer discounts to the retailers and customers. An offer can source funds from multiple budgets, and a budget can fund multiple offers.

Approval

An offer must go through the offer approval process to become active. The offer approval process involves offer theme approval and budget approval. In offer theme approval the offer plan gets approved while in budget approval the budget owners approve the request to source funds from the budgets. An offer will only go 'Active' after the budget approval.

Execute Offer

After an offer becomes active the offer is available to customers and they can place orders against it. Discounts are applied when customers place orders depending on the offer eligibility. Orders are created in Order Management.

The budgets from which the offer funds have been sourced are updated booked and the discounts applied on the orders. Customers may claim the discounts offered by submitting claims or by short paying invoices. The Claims module in Oracle Trade Management handles the creation and research of these claims and deductions.

Offer Creation

Offer creation involves an understanding of the different offer types, qualifiers, discount tiers, budget-offer validation, performance rules, promotional limits, offers evaluator, offer worksheet, and offer payout dates and methods.

Information in this section will explain how to:

- Create different types of offers, page 6-3

- Define qualifiers, and discount rules, page 6-23

- Define market eligibility, and product eligibility, page 6-27

- Define advanced options, page 6-31

- Defining offer payout dates and methods, page 6-32

- Define Performance Requirements, page 6-34

- View promotional limits and multiple currency price lists, page 6-36

- Define promotional limits, page 6-38

- Create offer adjustments, page 6-41

- Approve offer adjustments, page 6-42

Offer Types

Offers refer to incentives that are given to customers to encourage them to purchase products or services. Offers are known as promotions or trade promotions and trade deals depending on whether they target specific trade customers or specific accounts.

A few examples of offers are:

- Purchase a DVD player and get a free DVD

- Buy $100 worth of items and get 20% off your entire order

- Buy one get one free.

Oracle Trade Management supports different offer types:

- Off-invoice, Order Value, Promotional Goods, Terms Upgrade, Accrual, Net Accrual, Volume, Trade Deal. Lump sum and Scan Data

    Note: You can personalize the offer types, Accrual, Off Invoice, and Trade Deal. This is standard OA Personalization capability. In addition, on the Create Offer and Update Offer pages, you can enter or select the values from the LOVs.

Accrual Offer

In an Accrual offer, delayed discounts are offered on purchases made over a specific period of time. These delayed discounts get accrued over a period of time and retailers can later obtain this money by submitting claims. Discounts can be tiered.

For example, an organization creates an accrual offer for Wal-Mart for the period March 1, 2004 through March 31, 2004. Wal-Mart gets $1.00 for every case of Product X that Wal-Mart buys from the Manufacturer. Upon completion of the time period, the accrued amount can either be paid back to Wal-Mart or can be accrued for use in future promotions. This creates an accrual of $1.00 per case. At the end of the offer period, Wal-Mart can raise a claim and request the organization to reimburse the accrued incentives. If Wal-Mart has bought 1,000 units of Product X during the offer period, then it is eligible to receive $1,000.00 ($1 times 1,000).

Lump Sum Offer

Manufacturers may have agreements with retailers to pay them if they carry out certain trade promotion activities on behalf of the manufacturer. Lump sum offers are created exclusively to offer incentives to retailers if they perform tasks or actions that have been agreed upon. Promotional payments arising out of Lump sum offers are either accrued immediately, or over a period of time. When you create a Lump sum offer, you must include the time period within which the retailer must carry out activities that have been agreed upon. Lumpsum offers are customer-specific; they can target only one customer at a time.

For example:

- A manufacturer creates a Lump sum offer to offer an incentive to a retailer if the retailer displays the products in the showroom between January 1, 2004 and January 31, 2004.

Lump sum offers may be with spread or without spread.

- **Lump sum offer with spread**: The incentive is spread over a period of time and is paid based on time periods. The incentive is divided by the number of days the retailer is expected to carry out the activities.

  For example, you create a Lump sum offer to offer $5000 to a customer if the customer displays an in-store advertisement for 10 days. The retailer receives $500 if he displays the in-store advertisement for 1 day, $1,000 if he displays the advertisement for 2 days, and $5000 if he displays the in-store advertisement for 10 days.

- **Lump sum offer without spread**:The incentive is accrued up front all at once regardless of the time period. Using the previous Lump sum offer, the entire incentive ($5,000) is accrued as soon as the offer is active.

Net Accrual Offer

Gross sales are sales that are achieved based on the invoice value. Net sales are sales that are achieved after subtracting the discounts, promotions, allowances, returns, and freight charges from the gross sales. In a Net Accrual offer, discounts are calculated based on net sales. Net Accrual offers are used to create post sales accruals, and are created on top of accrual offers.

For example, a manufacturer reduces the price of a product because of its poor performance. To compensate the retailers for losses that were incurred in the previous purchases of this product, the manufacturer creates a Net Accrual offer with a start date before the current date and stipulates a certain accrual percentage for past product purchases. Discounts can be tiered.

A Net Accrual offer can also have limits such as the maximum accrual amount and maximum accrual for a customer. Accrual rules determine the accrual calculation for Net Accrual offers. The Administrator can define accrual rules. See the section titled *Set Up Net Accrual Offers* in the *Oracle Channel Revenue Management Implementation Guide* for more information.

Off-Invoice Offer

This is also known as On-invoice offer. In an Off-invoice offer, discount is offered on the invoice amount when customers purchase the specified quantity of a product. In this case, the discount is not accrued but is directly applied on the invoice. For example, If Product A has a price for $ 100 and a off-invoice discount of 10 % is applied, the product will be invoiced for $ 90.

Order Value Offer

In an Order Value offer, discount is offered on the entire order value, regardless of the number or type of products that a customer purchases. The customer may purchase different products; discount is offered on the total value (order amount) of these products.

Discounts can be tiered. For example:

- Spend $100 to $499 and get 10% off on the total purchase price

- Spend $500 or more and get 20% off on the total purchase price

Promotional Goods Offer

A Promotional Goods offer includes an additional product or service with the purchase of a specified product. When customers purchase certain goods or services, they are eligible for one of the following:

- To receive additional goods or services at no extra charge. For example, purchase a Computer and get a free Printer.

- To receive a percentage off on additional goods or services. For example, purchase a Refrigerator and get 50% discount on a Food Processor.

This offer type can be either on a recurring basis or non-recurring basis.

Assume that you have created Promotional Goods offer whereby customers will get 1 unit of Product B free if they purchase 10 units of Product A. In this case:

- If the offer is on a non-recurring basis, then the customer gets 1 unit of Product B on purchasing 20 units of Product A.

- If the offer is on a recurring basis, then the customer gets 2 units of Product B on purchasing 20 units of Product A.

Scan Data Offer

Scan Data offers are commonly used in the Consumer Goods industry. They appear as manufacturer-sponsored coupons, consumer rebate programs, or discounts. Customers can redeem these coupons and avail discounts on certain products. The data is processed by third party clearing houses and passed to the manufacturer who reimburses the retailer. Sometimes, the retailer submits the data directly to the manufacturer who validates it and reimburses the retailer.

Redemption data can be posted when the offer is active or after it is complete. Depending on the posting method, reimbursement can occur throughout the promotion or after the promotion is complete. For example, an organization issues a coupon for $1.00 off the retail price of its orange juice product. The coupon is valid for one year.

Terms Upgrade Offer

Oracle Trade Management supports the following types of terms upgrade:

- **Freight terms**: Enables you to specify freight terms such as paying freight charges on behalf of the customer and claiming it back from the customer at a later point of time; or waiving off freight charges for the customer.

- **Payment terms**: Enables you to enter payment specifications such as extended payment period for the customer. For example, your organization may have a policy requiring customers to pay within 30 days of buying a product. By specifying payment terms, you can extend this payment period to 60 days.

- **Shipping terms**: Enables you to offer services such as free shipping or shipping at a discounted price.

For each of these options, you can enter the cost of terms upgrade. For example, if you are extending the payment period for a customer, you can enter an estimate of how much this could cost the company. However, this field is for information purposes only and has no functional impact.

Trade Deal

Trade Deals cover a wide variety of promotions and discounts. Off invoice as well as Accrual offers can exist within the same offer and this is the advantage of creating a Trade Deal.

Trade Deal enables you to create accrual discount rule as well as off-invoice discount rule within a same offer, without having to create two separate offers for the same purpose.

When you create a Trade Deal you can either:

- **Apply only Accrual discount rules:** customers accrue funds based on sales that they achieve.

- **Apply only Off-invoice discount rules:** customers receive discounts on products that they purchase.

- **Apply Accrual discount rules as well as Off-invoice discount rules:** customers accrue funds based on the sales that they achieve and receive discounts on products that they purchase.

For example, an organization launches a new product. To promote the product, it creates a Trade Deal for retailers whereby they receive accruals for every unit of the product sold. Apart from this, customers also receive an incentive if they feature and display the new product in their store for a month.

In a Trade Deal, the two discount rules coexist and get applied to the order on the item list price and not on the discounted value; if an Off-invoice offer and Accrual offer are applied separately to the same effect, they would get applied on the order one after the other, depending on the discount buckets setup.

For example, the selling price of a product is $100. You create a trade deal that offers 10% off-invoice and 10% accruals for the customer. When customers buy the product, they receive 10% off the invoice ($10) and receive 10% accruals ($10). Therefore the actual selling price will be $100 minus $10 (off-invoice) minus $10 (accruals) = $80.

If an Off-invoice offer and an Accrual offer are applied separately to give 10% off-invoice and 10% accruals, one of these two can be based on the net price. This means that either the Off-invoice offer or the Accrual offer will be applied first. The new price of the product will be $100 minus $10 (off-invoice or accrual) = $90. Next, the second offer will be further applied. The final selling price of the product will be $90 minus $9 (10% of 90) = $81.

Volume Offer

Volume offers are created to encourage customers to purchase higher quantities of products. In a Volume offer, the qualified retailers accrue funds based on their cumulative purchases spanning over a period of time. Volume accrual offer typically includes multiple performance tiers. Retailers approaching a new tier may be motivated

to purchase more goods to receive a larger discount.

The incentive can be applied to a retailer's open invoices or a discretionary business fund either as a discount, or an accrual. It can also be used to develop revenue forecasts and inventory planning strategies.

For example, Purchase any of the following amounts of Products X, Y, and Z cumulatively between January 1, 2004 and December 31, 2004, and get the related discount.

0 - 100,000 - Get 3 %

100000 - 200,000 - Get 4 %

200000 - 500,000 - Get 6 %

Note that a value of 100,000 will fall in the first tier and will receive a 3 % discount while any value over 100,000 will be eligible for a 4 % discount

Discount levels can be setup based on Amount or the quantity purchased.

Single Volume Offer with Multiple Rate Structures

Volume rebates or discounts are usually used to increase sales. Different products and product categories can have different price and cost models, different markets and growth objectives, resulting in a different set of rates for each product category or even product. To prevent companies from having to create multiple volume offers, you can use one single volume offer to support different rate structures for different products or categories.

Creating a Volume Offer

The following figure shows the Volume Offer process flow:

Create Volume Offer Process Flow
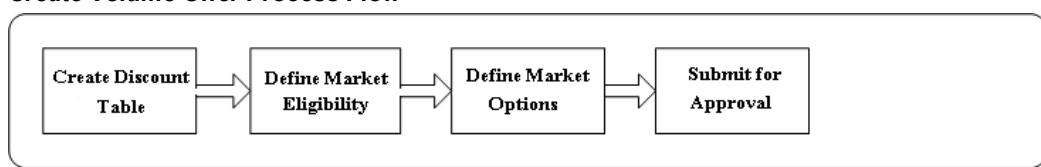
Creating a Discount Table

When you create a discount table you must define the following:

* Define discount tables (one or many). A discount table can contain one or many tiers and the tiers use continuous breaks. This means that the "To" value of one tier will be the "From" value of the next tier. The following example contains 3 tiers:

    * 1 – 10,000 cases, receives a 5% discount

    * 10,000 – 20,000 cases, receives a 6% discount

- 20,000 – 30,000 cases receives a 7% discount.

- Define whether to track volume by amount or quantity

- Define whether discount is in percent, or amount

- Define whether the discount is a stated value or calculated by a formula.

- Enter eligible products or product category for each discount table; each discount table can contain one or many products or product categories.

- Add another point to specify how to select what products to select to include volume and products to apply discount

- You must separate the products you are selecting that will include volume from the products you select to apply a discount.

Defining Market Eligibility and Options

Define Market Eligibility

Enter customer, buyers, and sellers you want to track.

Define Market Options

Market options include the following:

- Define beneficiary

- Decide if retroactive adjustments will be made

- Decide whether volume for each customer in a grouping will be tracked together or separately

- Decide which products will include volume and which products to apply a discount

- Decide whether volume of all products on all discount tables will be tracked together, or separately

In Volume offers, the Retroactive Flag determines whether past orders should also be adjusted based on the new accrual rate achieved. For example, a Volume accrual offer is set up for a customer to accrue funds based on the total volume of the product sold for the next 6 months, as follows:

0-1000 accrue 5%

1001-2000 accrue 8%

2001 or more accrue 10%

Each unit is priced at $1.00. The first few orders from a customer look as follows:

Order No.	Quantity Purchased	Accrual %	Accrual
1	600	5%	30
2	400	5%	20
3	100	8%	8

If the Retroactive Flag is on, then the system revisits order 1 and order 2 and makes a volume offer adjustment as follows:

Order No.	Quantity Purchased	Accrual %	Accrual	Volume Offer Adjustment	Total Accruals
1	600	5%	30	600 * (8% - 5%) = 18	48
2	400	5%	20	400 * (8% - 5%) = 12	32
3	100	8%	8	NA	8
Total	1,100	NA	NA	NA	88

Defining Multiple Discount Tables

One Volume Offer can support multiple discount tables. The following example describes an example of a Volume Offer with multiple discount tables for different products.

Navigation: Trade Management > Trade Planning > Offers > Create > Volume Offers > Discount Table

Company X sells five different product lines to customers. For each of its top 100 customers, the sales managers negotiate an annual volume rebate promotion. For example, to incentivize a customer to exceed their previous volume of five million dollars, you can create a volume rebate such that if volume exceeds five million dollars, extra rebates will be offered. In this example, although each customer's promotion is similar to all the others', each customer gets a different set of rates for different product lines.

The following table shows how this example can be handled by just one volume offer with four discount tables – one for A, one for B, one for C and D, and one for E with its exceptions:

If Product is:	And Volume Falls Within:	Then Offer
A	1-100 cases	3%
	100-200 cases	4%
B	200-300	3.5%
	300-400	4%
C and D combined	1-150,000 cases	$0.25 per case
	150,000-175,000 cases	$0.30 per case
	175,000 cases plus	$ 0.35 per case
Category E, except products E1 and E2 in this product line	1-100,000 cases	$0.50 per case
	100,000-150,000 cases	$1.00 per case
	150,000 cases plus	$ 1.50 per case

Notes:

- Tiers by LOV lists Quantity (default) or Formula. If you select Formula on the tier line, it is used to calculate the amount or percentage discount.

- Discount by LOV by lists percent or amount. The amount or percentage discount can either be a fixed value (2.5%) or dynamically calculated at runtime.

Qualifiers

Qualifiers enable you to specify the date range for different qualifying attributes for an offer. You can specify the following qualifiers for an offer:

- Order Dates

  Order date is the date on which a customer or retailer places an order. Discounts are offered on orders that are placed in the specified date range.

  For example, if the Order Dates are December 14, 2005 and December 30, 2005, then customers who place orders between these dates will be eligible for discounts.

- Ship Dates

  Ship date is the date on which goods are shipped to the customer location. Discounts are offered on goods that are shipped in the specified date range.

  For example, if the Ship Dates are December 14, 2003 and December 30, 2003, then

goods that are shipped between these dates will be eligible for discounts.

> **Note:** If you specify the Order Dates as well as Ship Dates for an offer, then the offer will be applied only for those orders that are booked within specified Order Dates and also shipped within specified Ship Dates. If the order is shipped after the specified dates, then the offer will be re-evaluated.

- Performance Dates

    Performance rules are the conditions that a retailer or a customer must comply with to qualify for the discounts that are defined in an offer. Performance dates determine the time period within which retailers or customers must execute activities that are assigned to them to qualify for the discount. Performance dates are used to ensure that customers meet the performance criteria before a claim can be settled. Performance dates are not related to sales orders or product sales.

    For performance requirements such as end-aisle display or poster display, you can attach digital photographs of the display to the offer. During claim settlement, the claims user can use this information as performance proof.

    Note that while volume performance is validated automatically, any other types of performance requirements must be updated manually by the account representatives.

Web Offers

Web Offers are offers that are created by marketing users for marketing purposes. Web offers are associated with a campaign schedule of type Internet Promotion. At runtime, eMerchandising renders the content (Web Image and Web Text) associated with an offer. See the *Oracle Marketing User Guide* for more information on Web Offers and eMerchandising.

Web Image

A Web advertisement of content type Web image, can be an existing image on your server or a new image uploaded from your client. You can specify the width and height (in pixels) of the image, or accept the defaults based on the image file selected. The image can have alternate text, which will be displayed when the cursor is placed over the image. You can specify a specific language for the image or accept the default or All Languages. Click-through destination of the image, which, as the name indicates, is the destination to which the Web visitor is directed upon clicking on the image. The content types and subtypes determine the style, or look and feel, that is applied to the Web image.

Web Text

A Web advertisement of content type Web text contains a display text that is displayed in iStore or any Web site. You can select a specific language for the text or accept the default, or All Languages. As with Web images, the subtypes are used in conjunction with Styles to display the text with the associated style.

What You Can Do

- Click Create to create a new web image or web text.

- To view and modify a web image or web text, click its description hyperlink.

- To view a web image or web text attachment, click its hyperlink.

- To remove a web image or web text, check the corresponding Remove check box, and click **Update**.

Seeded Click-Through

When creating a CTD a critical component of it is the "action" that you select. For example, if creating a CTD for web advertisement, the action for the click-though could be to send the targeted user to a specific URL.

The following table describes the seeded actions for CTDs.

Seeded Click-Through Destination Actions

Action	Description
Go to URL	Sends the user to the defined URL. The URL for this action must be preceded by HTTP:// or HTTPS://.
Go to iStore shopping cart	Uses iStore deep linking functionality to directly forward the user the shopping cart page. This action is available only if Oracle iStore is implemented.
Go to Product Details page in iStore	Uses deep linking to directly forward the user to a specific Oracle iStore product detail page. When using this functionality, the AMS: Item Validation Master Organization profile option setting must match the IBE: Item Validation Organization setting. These profiles must be set to the same Master Inventory Organization. If they do not match products in iStore are not visible in Oracle Marketing. This action is available only if Oracle iStore is implemented.

Action	Description
Go to Shopping Cart with Item	Uses deep linking to directly forward the user to the iStore shopping cart page. The shopping cart can contain an item that has previously been added. This action is available only if Oracle iStore is implemented.
Go to Section iStore	Uses deep linking to directly forward the user to a specific section within the iStore page hierarchy. This action is available only if Oracle iStore is implemented
Go to iStore Registration Page	Uses deep linking to forward the user to the Oracle iStore registration page. This action is available only if Oracle iStore is implemented.
Go to Catalog/Minisite in iStore	Uses deep linking to route user to the homepage of a specific specialty store. The homepage for the user will vary on the preferences selected by that user. For example, if the user hasn't registered in the store and has the responsibility of IBE_GUEST, the user will be forwarded to the generic homepage. However, if the user has previously registered and has the responsibility of IBE_CUSTOMER with a saved preference of "English", then the user will be forwarded to the English homepage for that storefront. This action is available only if Oracle iStore is implemented.

Creating a Click Through Destination for a Web image or Web Text

When creating electronic content for web offers, you can create web images and web text and insert a URL that will send the customer or prospect who will receive this piece of content to a destination. You can create URLs for Click Through Destinations (CTDs) in Oracle Trade Management for web offers. Click-Through Destinations (CTDs) enables you to generate simple and structured URLs for content while hiding the complexity of the URL. By providing an interface for creating structured URLs for content, you do not have to know all URL parameters to create a destination for that content.

Use the following procedure to create a CTD for web offers:

Prerequisites

- An offer of type "Web offer" has been created

- The web offer is "Request only"

- The web offer has a discount level of "line"

- The profile AMS: Item Validation Master Organization and IBE: Item Validation Organization are set to the same Master Inventory Organizations.

Steps

1. Log into Oracle Trade Management as Oracle Trade Management User and navigate to Offer > Offers.

2. Click the hyperlink of the offer.

3. Navigate to Execution > Content.

   Navigation only for the offer types, Accrual, Off Invoice, and Trade Deal: From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Additional Links subtab, and then click the Content link.

4. Click Create.

5. In the Type drop-down choose one of the following:

   - Web Image: Displays an image to the user. The user clicks the image and is routed to the destination page defined.

   - Web Text: Display text to the user. The user clicks the text and is routed to the destination page defined.

6. In the Subtype drop-down choose a subtype for the Type chosen in step 3. For example, if Web Image was selected, the subtype could be full banner or half banner.

7. In the Description textbox, enter a short description for the content.

8. In the File textbox, search and select a stored image. If you are using an image that has not previously been uploaded, select Upload New Image.

9. In the Click-Through Destination section select the action "Go to Shopping Cart page in iStore with an item. See Seeded Click-Through Actions, page 6-13 and the *Oracle Marketing User Guide* for more information.

   The application will populate, as a result, enter the following mandatory fields:

   - Specialty Store: launch the "Choose a minisite" navigator. In the Minisite column, choose the appropriate minisite. This is the web storefront that is displaying the web offer to the user.

   - Section: launch the "Section Selector" navigator. In the section name column, choose the appropriate section. This is the section within the web storefront that contains the item.

- • Product/Item: launch the "Product Selector" navigator. In the product name column select the appropriate column. This is the product within the section that is the destination for the web offer.

10. Select Create to save your work.

11. Navigate to Execution > Content. Select the content created in step 3.

12. Click Preview.

    A Preview window opens displaying either the web image or web text selected for the web offer.

Modifying a Web Image or Web Text

Use the following procedure to modify a web image or a web text.

Prerequisites

- • An offer of type "web offer" has been created

- • The web image or web text exists

- • The profile AMS: Item Validation Master Organization and IBE: Item Validation Organization are set to the same Master Inventory Organizations.

Steps

1. Log into Oracle Trade Management as Oracle Trade Management User and navigate to Offer > Offers.

2. Click the hyperlink of the offer.

3. Navigate to Execution > Content.

4. Click the description hyperlink of the web image or web text you would like to modify.

5. Make the required changes, and click Update.

Discount Level and Tiers

Discount rules enable you to enter discount information for individual products and product lines in the offer. For an offer, you can select the discount level, and discount tier based on how you want to offer discounts.

Discount Level

The discount level can be either Line, or Group of Lines. Line enables you to apply the discount to each individual product in the offer, whereas Group of Lines enables you to

apply the discount collectively to all products in the offer.

For example, you create an Off-invoice offer to give 10% discount the following products:

- Product A: $100

- Product B: $75

- Product C: $20

If you select Line as the discount level, then the customer gets 10% discount on each of the products individually. The new selling prices of the products will be as follows:

- Product A: $100 - $10 = $90

- Product B: $75 - $7.5 = $67.5

- Product C: $20 - $2 = $18

If you select Group of Lines as the discount level, then the discount is collectively applied to the sum total of the selling prices of Product A, Product B, and Product C. The set of products costs $200 ($100+$75+$25). After applying discount, the set of products will cost $180 ($200-$20). Here, $20 is the discount that is offered on the sum total of selling prices of Product A, Product B, and Product C.

If you select Group of Lines as the discount level, it is mandatory that you specify the volume of the products. For more information on Discount Levels, see the *Oracle Advanced Pricing User's Guide.*

Discount Tiers

Discount Tiers enable you to determine the manner in which you apply discounts to an offer.

> **Note:** Discount tiers are evaluated on a single-order basis only. Use Volume offers to evaluate discount tiers on a cumulative order basis.

Discount tiers are of the following two types:

- Single-tier Discount

  Single-tier Discount enables you to enter a single discount value against a product. For example, to offer 10% discount on every unit of Product A, you must select the tier type as Single and enter the discount value as 10%.

- Multiple-tier Discount

  Multiple-tier Discount enables you to specify different levels of discounts based on the quantity of the product purchased. You can offer discounts based on the number of product units that the customers purchase.

For example, you can offer discounts for a product such that customers get:

- 0 discount if they purchase less than 50 units

- 5% discount if they purchase 50-100 units

- 10% discount if they purchase more than 100 units

To do this, select the tier type as Multiple, and specify the discount values accordingly.

Discount tiers are supported only for Accrual, Trade Deal, Volume, Off-invoice, and Order Value offers.

Org-Striping in Offers

Org striping enables you to restrict offer application to orders within to the respective operating units. In org-striped offers, budgets, and pricelists, the operating unit details are derived from the MOAC profile options, MO:Default Operating Unit. By org-striping offers you can:

- Apply offers to orders within the same operating unit as the offer

    Note: Org-stripping does not affect offer security and does not restrict access to offers.

Global Flag on Pricing Related Objects

Offers use the global flag to determine whether an offer can be applied across operating units. You can control the global flag by setting the profile option OZF: Global Flag on Pricing Related Objects at the site level. The profile option works together with the QP: Security Control Profile = Yes that is set in System Administrator > Profile > System.

You can set the profile option, OZF: Global Flag on Pricing Related Objects to determine whether the global flag will be checked by default for an offer, budget, or pricelist. For the values of this profile option refer to the OZF: Global Flag on Pricing Related Objects in the *Oracle Channel Rebate and Point-of-Sale Management Implementation Guide*.

Impact of Org-Striping on Offers

The following table describes the impact of org-striping on different offer types.

Offer Type	Direct Sales	Indirect Sales
Accrual, Off-invoice, Trade Deal, Order Value, Terms Upgrade, Volume Accrual, Volume Off-invoice, Promotional Goods offer	The offer applies to orders in different operating units, except in the following cases: • The QP profile option is ON, the Oracle Trade Management profile option is checked, and global flag in the offer is unchecked • The QP profile option is ON, and the Oracle Trade Management profile option and the global flag are unchecked.	Same as the conditions that apply for direct sales. The Global flag on each modifier or price list should be checked.
Lump sum, Scan Data offer	No impact on offer execution or performance activity validation. The performance activity specified in a Lump sum or a Scan Data offer automatically validates order volumes before claims are settled. The offer and the claim are specific to an operating unit, and hence validation takes place only on orders of that particular operating unit.	No impact on offer execution or performance activity validation. The offer utilization does not vary based on indirect sales data. The performance activity for a Lump sum or a Scan Data offer does not have the ability to validate indirect sales data.

Offer Type	Direct Sales	Indirect Sales
Net Accrual offer	If QP profile is set to On, and the global flag in the Net Accrual offer is:	N/A
	• **Checked:** Offer utilizations are excluded even if the offers belong to an operating unit that is different from the Net Accrual offer. Similarly, marketing and receivables transactions are excluded irrespective of the operating unit to which they belong.	
	• **Unchecked:** The offer is treated as an exclusion only if its operating unit matches with the operating unit of the Net Accrual offer. Similarly, marketing and receivables transactions are treated as exclusions only if their operating units are same as that of the Net Accrual offer	
Offers created for Oracle Partner Management purposes	If the offers created for Oracle Partner Management purpose must be global, then set either the QP: Security Control profile at the site level to Off, or set the OZF: Global Flag on Pricing Related Object profile option at the application level for PRM to Yes.	N/A

Creating an Offer

Use the following procedure to create Accrual, Off-invoice, and Terms Upgrade offers. You can use it for the basics of creating other offer types as well.

Log into Oracle Trade Management as Oracle Trade Management User.

Navigation: From the Trade Planning tab click Offers subtab. In the Offers page, select an offer type from the Create list, and click the Go button.

Notes:

- **Offer Name:** Enter a name for the offer. Do not enter a tilde (~) character in the name.

- **Offer Code:** If left blank, a unique code is generated automatically.

- **Request Only:** Select if the customer must specifically state participation in the offer when submitting an order. These offers will not automatically apply in the Order Management module.

- **Discount Level:** The offer type determines the choices that you have for this field:

  - Line: use to apply discount by order line.

  - Group of lines: use to apply discount to a group of lines in the order.

- **Discount Percent:** The value entered in this field is displayed by default as the line discount value for a product line. Only the following offer types display this field: Accruals, Off Invoice, and Trade Deal.

- **Budget:** Offers are sourced from a campaign or from multiple budgets. If you select a budget here, you can select additional budgets later from the Offer Details page.

  > **Note:** Only for the offer types, Accrual, Off Invoice, and Trade Deal, the Source Budget value automatically displays the value you set at the User level for the OZF: Default Budget for a Person profile option.

- **Committed Amount:** Enter the amount you want to commit for the offer. If the committed amount is the maximum amount allowed for this offer, select Yes for Committed = Maximum. When you select Yes, Oracle Trade Management automatically passes the committed amount to Advanced Pricing to ensure that the offer is limited to this amount. The profile option is OZF : Allow committed budget to exceed total budget.

- **Campaign:** Use this option to associate the offer with a campaign. Selecting a campaign here does not mean that you will be sourcing funds for the offer from the campaign.

- **Source from Campaign:** Use this option to fund the offer from this campaign. An offer can source funds from a campaign (parent campaign), or from one or more budgets but never from both.

- **Reusable Check Box:** Enables you to use the offer with multiple campaigns.

- **Confidential Check Box:** Enables you to keep the offer confidential until it becomes active. If selected, the offer is visible only to the owner until the offer status changes to active.

- **Owner Field:** Optionally use this option to change the offer ownership. The owner field defaults to the logged in user on offer create.

Other Offer Creation Conditions

Use the following conditions to create other offer types.

Notes: Lump sum offer

- **Distribution Type:** The distribution method that you select here determines how you might distribute the discount by line item.

- **Lump sum amount:** Enter the actual amount in this field.

    For example, if the lump sum amount is $100 and you select Percent as the distribution type, then on the Offer Details page you can specify the following:

    - Line 1 receives 25% discount

    - Line 2 receives 50% discount

    - Line 3 receives 25% discount

- **Payment Type:** Select whether the earnings will be paid by issuing a check or whether they will be accrued.

Notes: Promotional Goods offer

- **Break Type:** Select Point or Recurring.

    For example, you have created a promotional goods offer with a condition where a customer receives 1 unit of product Y free when purchasing 10 units of product X.

    A customer purchases 20 units of product X. Here, if the break type is:

    - Point: the customer receives 1 unit of product Y.

    - Recurring: the customer receives 2 units of product Y.

Notes: Volume offer

- **Incentive:** Select either off-invoice or accrual discount. An off-invoice discount is shown in the invoice. An accrual discount is not shown on the invoice; it is accrued by the customer and settled by a claim at the end of the accrual period.

- **Retroactive:** Use this option to make the offer retroactive. In a retroactive volume offer, when a new volume tier is reached, past accruals are updated based on the new rate.

Notes: Net Accrual Offer

- **Tier Level:** Select either:

  - Offer: to pay customers based on the offers that they are eligible for.

  - Product: to pay customers based on the quantity of products that they have sold.

- **Net Accrual Rule:** Use Net Accrual Rules to adjust the total sales figure for specific customers and products to a Net Sales figure.

  For example, a Sales Representative creates a deal to offer a customer 10% money back for all purchases that were made in the last 3 months for a particular product. The Sales Representative finds that the customer has achieved a total sales of $1,000 over the last 3 months. But, because this customer submitted claims for various reasons and was paid $200, the Sales Representative offers 10% on $800 and not $1000. The $200 in credit memo should be a part of the net accrual rule.

  For example, 0 to 10 units receives a discount of $1.00 while 10 to 20 units receives a discount of $2.00. If the offer is retroactive, then when the volume is 10 units the accrual will be $10.00 but when the units are 11, the accrual will be 22 units based on 1 times 2 plus (1 times 10).

Using an Existing Offer

Copy Offer enables you to create a new offer by copying information from an old offer. For example, you can create a copy of the yearly offer that repeats the same essential information each year, and update it. The new offer will be of the same offer type as the old offer.

Defining Qualifiers and Discount Rules

Offer qualifiers and discount rules determine the behavior of the offer.

To set up qualifiers and discount rules for an existing offer, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Trade Planning > Offers > Offer name.

> **Note:** The following steps are written for Accrual offers. Use these instructions as a starting point for setting up qualifiers and discount rules for other offer types.

Notes: Discount Rules Region

- **Level:** The product levels can be:

  - Item number: a specific product

  - Item category: a product family such as batteries

  - ALL_ITEMS: all products

  - iStore section: applicable only if you are using iStore

- **Tier Type:** If you choose Multiple, then you must enter the tier information in another Offer Details page. To access this page, complete this procedure, click Update, and then click the Details icon.

- **Minimum Volume:** Minimum Value is the minimum quantity that must be purchased to qualify for the offer.

- **Volume Type:** The volume type qualifies the minimum volume. For example, if you enter 100 for the minimum volume and select quantity for the volume type, then the customer must purchase at least 100 units of the item. If you select amount for the volume type, then the customer must purchase at least $100 worth of the product.

- **Discount Type:** The discount type qualifies the discount value. For example, if you enter 5 as the discount value, then the following would result for the various discount types you could select.

  - Amount: $5.00 off the price per unit

  - Percent: 5% off the price per unit

  - Lumpsum: $5.00 off an order for that product regardless of quantity

  - New Price: the new price per unit is $5.00

The following section includes information required for defining qualifiers and discount rules for other offer types.

Qualifiers and Discount Rules for Other Offer Types

Notes: Trade Deal offer

- A Trade deal can have both accrual and off invoice components for each line item.

- Tiers are not supported.

Notes: Lump sum offer

- Each line item must have a discount value based on the distribution type (amount,

percentage, or quantity).

- If percentage is the distribution type, the total discount value (sum of all line items) must equal 100%. Otherwise, it must equal the total lump sum amount.

Notes: Scan Data offer

- **Scan Unit Forecast:** This is the amount of units that you expect to sell during the offer. This can also be the amount of coupon or rebate units that could potentially be redeemed. You can enter the value manually or derive it from the offer forecast function. You can edit this amount only when the offer is in the Draft status.

- **Adjustment:** Check this box to allow auto-adjustments for over-utilization. This option is displayed at the Offer Details level only when the offer status is Draft or Planned.

  Adjustment is available for each line level identified in the Scan Data Profile table at the Offer Details level. Budget adjustments are made automatically for committed and utilized amounts at each line level indicated.

Defining Market Eligibility

Market eligibility enables you to define the customers or customer groups that will be eligible for the offer. By specifying market eligibility, you can define discount eligibility and validity.

When you request funds for an offer by submitting a budget request, the market eligibility specified in the offer is matched with the market eligibility and the product eligibility specified in the fixed budget. The offer can source funds from the budget only if these conditions match. This process of matching the conditions takes place in the background and is known as budget-offer validation.

This is controlled by setting the profile OZF: Validate market and product eligibility between object and budget.

To specify market eligibility for an offer, select the required attribute values such as customer segment, territory, list, order date, or order amount. Use conditions such as Equal to, Between to indicate attribute values. See the *Oracle Marketing User Guide* for more information on segments.

For example, you can set market eligibility for an offer as shown in the table below. Here, the offer will be valid if all the conditions specified below are met:

- Orders must be received between March 14, 2006 and August 14, 2006.

- Customers can belong to Gold segment and must place orders between $25,000 and $50,000.

  They can also belong to Bronze segment and must place orders worth $40,000 or more.

Market Eligibility for an Offer

Market Context	Context Attribute	Condition	Attribute Value From	Attribute Value To	Group Number	Start Date	End Date
Customer	Segments	=	Gold Customer	-NA-	2	-NA-	-NA-
Order	Order Date	Between	March 14 2006	August 14 2006	2	-NA-	-NA-
Volume	Order Amount	Between	$25,000	$50,000	2	-NA-	-NA-
Customer	Segments	=	Bronze	-NA-	3	-NA-	-NA-
Order	Order Date	Between	March 14 2006	August 14 2006	3	-NA-	-NA-
Volume	Order Amount	=	$40,000	-NA-	3	-NA-	-NA-

Group numbers are used to create combinations for market eligibility. Group numbers determine how the rows are combined with each other. Rows with the same group number are evaluated as an AND condition, where as rows with different numbers are evaluated as an OR condition. See the *Oracle Channel Revenue Management Implementation Guide* for more information on setting up groups.

In the above example, assume that Group Number 2 includes Customer A, Customer B, and Customer C, and all the three customers belong to the Gold Customer Segment. Then all rows with the group number 2, apply to these customers. It means that these customers will be eligible for the discount if they place orders between March 14, 2006 and August 14, 2006, and the order amount must be between $25,000 and $50,000.

> **Note:** For volume accrual offers, you can define market eligibility only for individual customers and buying groups.

To define market eligibility for offers that relate to Chargebacks and Third Party Accruals, select the seeded qualifier in Market Eligibility. This qualifier restricts the offer so that it applies only to the Indirect Sales POS data that is processed in Oracle Trade Management.

In offers, you can support beneficiary customers who are different from qualifying

customers. This means that you can distinguish between the customer of the accrual source and the customer who receives the accrual earnings. The qualifying customer and the related beneficiary customer information is set up in the Trade Profile of the customer. You can also enter details of qualifying customers and beneficiary customers, in which case the data in the Trade Profile will be superseded.

Market Eligibility Procedure

To define market eligibility for an existing offer, log into Oracle Trade Management as Oracle Trade Management User.

Navigation only for the offer types, Accrual, Off Invoice, and Trade Deal: From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Add and View Eligibility button. Or From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Additional Links subtab, and then click the Market Eligibility link.

Navigation: From the Trade Planning tab, click Offers subtab, then the offer. In the Offer Details page, click the Execution link, and then click the Market Eligibility link.

Notes:

For each customer type, complete a row in the table as follows:

- . Select a value from the Market Context drop-down list.

- Select a value from the Context Attribute LOV. The Market context that you have selected will determine the values that are displayed in the Context Attribute LOV.

- **Condition:** Select one of the following operators:

    - Between: to indicate a range of values. Define the range by selecting values in the Attribute Value From and Attribute Value To columns.

    - Equal To (=): to indicate a value equal to the one specified in the Value From column.

    - Not Equal To (Not =): to indicate a value that is not equal to the one specified in the Value From column.

- **Group Number:** Group determines how the rows are combined with each other. Rows with the same group number are evaluated as an AND condition; Rows with different numbers are evaluated as an OR condition. See About Market Eligibility for more information on group numbers.

Defining Market Options

A Market Option row is displayed for each Market Eligibility group with a customer component.

Navigation: Trade Planning > Offers > Offer Name > Execution > Market Options.

Notes:

- **Market Option Name:** Customer name

- **Retroactive Adjustments:** The retroactive flag determines if past orders are adjusted for a new discount once the volume calculation determines that the customer qualifies for higher tier.

  The enhancements for volume offer with regards to this flag include:

  Ability to set this flag per eligible entry in market eligibility

  If an offer applies on both direct sales orders and indirect data, any retroactive adjustments need to be created for both types of orders.

  If you leave this blank, no retroactive adjustments are made.

  If you do not set the profile option OZF: Default Value for Retroactive Flag in Volume Offer, the default is set to No.

- **Track Volume:** Volume tracking determines at what level the volume will be tracked for each entry in the market eligibility. Volume within the market eligibility is tracked by Account, Bill-to, Ship-to, Total Group and Distributor. You can only track the Distributor (listed in the LOV) if the mode is indirect or a direct/indirect combination. The default is Account (or Distributor for Sold By types).

- **Accrue To:** This LOV provides a list of eligible objects to which you can accrue. If the group is for direct sales only, the only choice is Account. If indirect selling is involved, the choices are the seller (Distributor) or buyer (Account). The LOV includes Account, Bill-to, or Distributor. The default is Account or Distributor if you have the option to accrue to the Distributor.

- **Alternate Beneficiary:** Instead of a single beneficiary per offer, each group in market eligibility can have its own beneficiary. This entry is optional. If you do not explicitly specify another beneficiary, the eligible accounts become the beneficiaries. Entering a beneficiary in this LOV does not affect how cumulative volume is tracked. If this is blank it implies that each member is it's own beneficiary.

- **Combine Discount Tables:** This option combines the volumes of all products (with Include Volume selected) on all discount tables on the Offer to determine the volume level for each item. The default is set to No if the profile option OZF: Default Value for Combine Discount Tables in Volume Offer is not set. If you leave this blank, the system will not combine tables. This option is only available if all discount tables use the same UOM or Amount. This option is disabled if only one table is defined for the offer.

- **Account Precedence:** If an account is a member of two market eligibility groups that qualify for an offer, the market with the lower Account Precedence value will be used to calculate the volume tier for the offer. The default is Eligibility Group number. For example, if Bigmart is an eligible customer for an offer and belongs to

the Gold Club buying group, the Account Precedence value will determine which is used to calculate the volume tier and whether to accrue it to Bigmart or Gold Club.

- **Pre-Qualifying Tiers:** Click on Pre-Qualifying Tier icon to view and edit the individual pre-set discount levels for each discount table in the offer. The range of options include the number of tiers populated in each table. The dropdown displays the tier number, range, and discount. For formulas it shows the formula name. The default is the first tier. You can give Market Groups a manually defined discount volume tier for each discount table. So instead of customers starting a volume offer at the tier one level, they may begin accruing at a higher tier rate. All discount tables on the offer may have individual tier settings for each customer group. In the example below, the two customer groups have different starting tiers for the three discount tables (1-3) on the offer.

Customer Group	Retroactive	Beneficiaries	Combine Discount Tables	Discount Table	Prequalifying Tier
#10 Gold Level Dealers	Yes	Gold Level HQ	No	1	2
				2	1
				3	2
#20 California BMW	No		Yes	1	1
				2	3
				3	3

> **Note:** If you have volume tracked by both Direct and Indirect sales volume, set the Market Options to the same parameters to minimize confusion. Volume is always maintained across groups for the same Volume Tracking type. For example, if you buy Direct from a Manufacturer and Indirect from a Distributor and you set the volume tracking to customer, the volume would be the volume purchased from the manufacturer plus the volume purchased from the distributor.

Approving a Volume Offer

When you submit a Volume Offer for approval or when you adjust an active Volume Offer the volume offer validation and approval process begins. If any step in the process fails the system returns a message describing the failure. The information is in a Workflow notification.

Product Validation: Volume offer validation checks for products listed in more than

one discount table and notifies the owner with the product(s), categories, and discount tables where it finds duplication. Approval will not continue until you remove all duplicate products from the discount tables.

Monitoring Account Status

Navigation: Trade Management > Trade Planning > Offers > Drill down to a Volume Offer > Account Status.

Account Status is a View-only screen displaying the volume status of a distributor or account, bill-to or ship-to level. The screen displays the following data:

Notes:

- Use the View LOV to select either a Distributor View or an Account View.

    - The Distributor View displays all accounts with an accrue to Distributor Market Option.

    - The Account View displays all customers listed in the Volume Offer. It displays a Bill-To LOV of all derived bill-to sites fin the offer unless a Customer has been selected. In that case. only the bill-to's of that customer are displayed. The screen also displays a Ship-To LOV of all derived ship-to sites in the offer unless a Customer has been selected. In that case, all ship-to's of that customer are displayed.

    - Both the Distributor and Account file display a choice for Product or Category. If you select Product, the screen displays a multi-select LOV of Products in the offer. If you select Category, the screen displays a category LOV of all available categories.

- After you click Go, the screen displays a table of the selected products and their volume offer status as of the report date.

    - Volume to Date/UOM: This is the same as the actual volume unless you are a member of a buying group, in which case this is the group volume used for accrual calculations.

    - The Actual tier is the current tier of he product is based on volume starting at tier number 1.

    - The Payout tier is the Pre-Qualifying tier or the Actual tier, which ever is greater.

    - Payout Accrual is the total accrual based on starting at the pre-qualifying rate.

- The current and payout discount tier, discount rate, and accrual for product. The payout discount tier, discount rate, and accrual for product is calculated using the Pre-Qualifying tier.

Defining Modifiers and Payment Options

Use Advanced Options to accurately control the behavior of offers. Advanced options is an Oracle Advanced Pricing feature that enables you to define groups of modifiers where the modifiers in a group are incompatible with each other. Modifiers in the same incompatibility group may not be used together on the same transaction. For more detailed examples and explanation, see the *Oracle Advanced Pricing User's Guide*.

By using Advanced Options, you can specify the following for an offer:

Method	Description
Phases	Sometimes multiple modifiers in the same exclusivity or incompatibility group are eligible to be applied to the same pricing line within a pricing phase. In such situations, phases can be used to determine which modifier should be selected. The modifier providing the lowest price or most advantageous price to the customer on the given pricing line is applied. In Oracle Advanced Pricing, the Pricing Engine looks at the phase when deciding which lists should be considered in a Pricing Event.
Buckets	This determines how modifier price adjustments are applied to the list price of an item to calculate the selling price. Modifiers use the previous buckets sub-total for percentage calculation. Modifiers within the same bucket are Additive. This means that they are added together, and subtracted from the previous buckets total.
	You can create unlimited amount of buckets to calculate selling price. For example, discounts associated with bucket 0 use list price as their calculation basis. Bucket 1 prices use the subtotal resulting from subtracting bucket 0 discounts from list price as their calculation. Bucket 2 uses the subtotal remaining after subtracting bucket 1 discounts from the bucket 0 subtotal, and so on.
	Pricing engine calculates different selling prices depending on how you group your discounts into buckets. You can plan your cascading discounts so that you can assign discounts to buckets based on the subtotal on which each discount must be applied.
Incompatibility Groups and Exclusivity	You can define modifier incompatibility. Modifiers with same incompatibility group and phase combination cannot be applied together. You can determine the pricing bands to which various discounts and promotions belong to. You can also determine whether discounts and promotions are incompatible or exclusive.
Print On Invoice	You can determine whether the offer or the discount should be printed on the invoice, or should automatically be adjusted in the unit price without showing the discount.

Method	Description
Precedence	Used to resolve incompatibility. Precedence controls the priority of modifiers and price lists. If a customer qualifies for multiple modifiers that are incompatible with each other, precedence determines the discount that the customer is eligible for based on the precedence level of the modifier.

Precedence is used to resolve incompatibility. Precedence controls the priority of modifiers and price lists. If a customer qualifies for multiple modifiers that are incompatible with each other, precedence determines the discount that the customer is eligible for based on the precedence level of the modifier. Precedence is the final tiebreaker for the determining which offer to apply. A lower value has higher precedence than a higher value.

Payment Options

Offer payout dates and methods enable you to specify the payment date and methods for Accrual, Net Accrual, Trade Deal, and Volume offers. The Autopay program can automatically pay promotional accruals according to the payout dates and methods that you specify.

> **Note:** An additional Autopay option is available for Lump sum offers at the offer level. You can specify the number of days after the offer end date after which accruals must be paid, and also specify a frequency for payments (weekly, monthly, quarterly, and so on).

You can specify offer payout dates and methods only if the Autopay program is running in the background. When Autopay is run, claims need not be created manually to settle offers.

You can specify the following details during offer creation:

• Payout date:

   You can set the payout date at the offer level to automatically pay accruals on a particular date. Alternately, you can enter the number of days after the offer end date after which accruals must be paid. Autopay creates a claim automatically and associates earnings from this specific offer to the claim.

   However, if the customer is not eligible for Autopay at the Trade Profile level, then this setting at offers level will be overridden. If you are the Sales Administrator, you can override the setting in the Trade Profile by using Advanced options.

• Payout method:

   You can select the payment method for the offer, and choose to pay the accruals

either with check or on-account credit.

The payout method that you specify in the offer is passed to Autopay. The claim is automatically is settled with this method. If you do not specify the payout method, then the default payment method will be on-account credit. For more information on payment methods see the *Claim and Deduction Management* chapter in this guide.

- Payout party (beneficiary party)

  When you create an offer you can specify market eligibility and define the eligible customer (source). You can also specify the customer (payout party) to whom accruals will be paid. The source can be different from the party to whom accruals are paid.

  For example, you create an accrual offer for Wal-Mart for the period March 1, 2006 through March 31, 2006. Wal-Mart receives $1.00 for every case of product "X" sold to anyone (excluding themselves) in the USA, creating an accrual of $1.00 for every case sold. Customers receive accruals when they buy the product. If Autopay is enabled, it automatically creates a claim on behalf of the customers (payout parties).

  The payout party can be a Buying group, a bill-to customer, or a ship-to customer. If you do not specify the payout party, the eligible customer automatically earns accruals.

The Administrator must perform the following to enable you specify the offer payout dates and methods:

- Schedule Autopay to run as a background process.

- Set the customer Trade Profile as Eligible for Autopay.

Depending on how Autopay is implemented in your organization, the system sends an automatic alert to the offer owner to indicate that the payment has been sent. A reference number (either a check number in the case of check, or credit memo number in the case of on-account credit) is included in the notification.

Procedure

Advanced Options enables you to accurately control the behavior of offers. Advanced options is an Oracle Advanced Pricing feature that enables you to define groups of modifiers where the modifiers in a group are incompatible with each other.

Offer payout dates and methods enable you to determine the payment date and methods for accrual offers, which includes Accrual, Net Accrual, Trade Deal, and Volume offers.

To specify advanced options, and offer payout dates and methods for an existing offer, log into Oracle Trade Management as Oracle Trade Management User.

Navigation only for the offer types, Accrual, Off Invoice, and Trade Deal: From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Additional Links subtab, and then click the Advanced Options link.

Navigation: From the Trade Planning tab, click Offers subtab, then the offer. In the Offer Details page, click the Advanced Options link.

Notes:

- **Autopay Rules:**

    - Autopay enabled: Select to enable Autopay for the offer.

    - Wait for Days: Enter the number of days after the offer comes to end, after which the payment must be made.

    - Only for the offer types, Accrual, Off Invoice, and Trade Deal, the Auto Pay and Wait Days fields are available on the Create Offer and Update Offer pages.

Defining Performance Rules

By specifying volume-based performance requirements, you can create incentives that have a quantifiable objective to increase the predictability of an offer. Volume-based performance requirements are applicable to Accrual, Lump sum, Trade Deal, and Volume offers.

The accrual engine tracks performance requirements against the orders placed. It checks for volume or value, based on the requirement type. After you specify performance requirements, the accrual engine calculates and stores the value and quantity of ordered products on an everyday basis. The payment will not be made until the accruals that are created between the start date and the end date for the product specified is greater or equal to the value or volume entered as a part of performance requirement specifications. If the volume requirement fails, then an alert is sent to the offer owner indicating that the volume check has failed. If the performance requirements are met, then the funds that are accrued over a period of time are paid to retailers or customers.

However, automatic checks do not work for certain trade promotion activities related to advertising and marketing where the retailers are required to perform actions such as poster display or product display, and so on. These performance activities can be defined for each item, item category, or for all items. In such cases you may attach the digital photographs of the store display to the offer as proof of performance. A performance verified check box is available in the claims page to imply that the customer has met the performance specified in the offer. The claims user makes use of this as performance proof while settling the claim. The claims user can access all the details of the performance requirements before associating an offer and settling the claim.

The following figure illustrates the process by which customers get paid based on the volume-based performance requirements.

The Volume-based Performance Requirements flow involves the following steps:

1. Create offer.

2. Specify performance rules.

3. Activate offer and accept orders.

4. Check adherence to performance rules.

5. Check volume and amount to verify requirements are met.

6. Pay accruals to the customer.

Volume-based Performance Requirements Flow
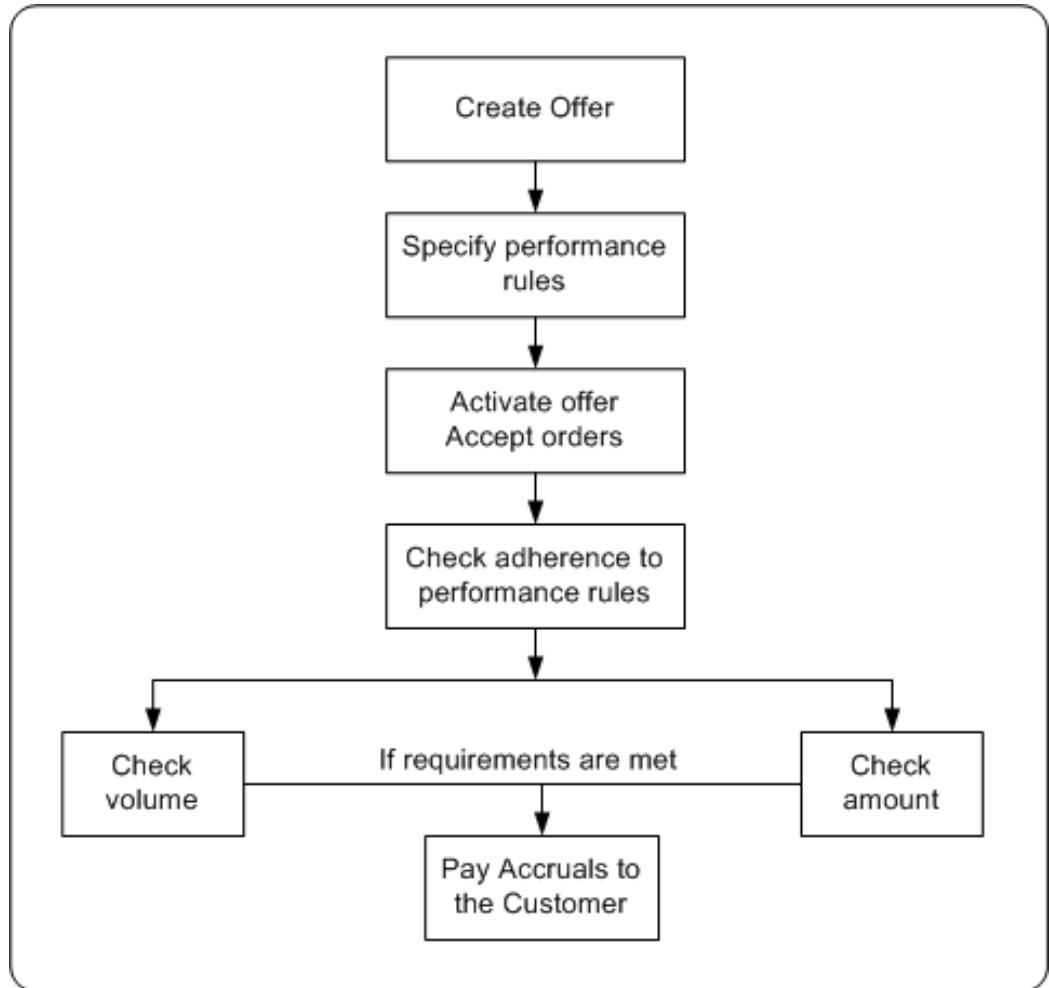
Before funds are paid to the retailer or customer, the system verifies whether the retailer or customer has adhered to performance rules specifications. If the retailer has not adhered to performance requirements, the system sends notifications to the offer owner. The offer owner can skip the performance rule and make payments only if a site level profile option has been implemented to override performance requirements. See the *Oracle Channel Revenue Management Implementation Guide* for more information on

setting up this option.

Performance rules are rules that a retailer or a customer must comply with to qualify for discounts that are defined in an offer. Performance rules enable you to define performance requirements for various products irrespective of whether they are associated with an offer or not.

To specify performance requirements for an existing offer, log into Oracle Trade Management as Oracle Trade Management User.

Navigation only for the offer types, Accrual, Off Invoice, and Trade Deal: From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Additional Links subtab, and then click the Performance link.

Navigation: From the Trade Planning tab, click Offers subtab, then the offer. In the Offer Details page, click the Planning link, and then click the Performance link.

> **Note:** Performance rules that have already been defined, are automatically displayed on the page; new rows appear at the bottom of the table.

Notes:

- **Requirement Type:** Select Amount of Quantity based on whether the performance requirement is value-based or volume-based.

- **Required check box:** Select to make the performance requirement mandatory. If you select this option, then earnings are not paid until the claims user verifies and determines that the performance requirements have been met.

Defining Offer Limits and Price Lists

Promotional limits refer to the maximum limits that you can specify for an offer in terms of amount and unit for each promotion. You can define the following promotional limits for an offer:

Promotional Limits

Promotional Limits	Description
Maximum number of units of products for an offer	This is the maximum units of products that the offer can support. For example, if you specify the maximum number of product units for an offer as 1,000, then the offer can accept orders only for a maximum of 1,000 units of the particular product.

Promotional Limits	Description
Maximum number of units that a customer can buy	This is the maximum number of units of a product that a customer can buy. You can define different limits for different customers. For example, if you specify the maximum number of units for a customer as 100, then the customer can place an order against the offer only for 100 units or lesser
Maximum number of orders that a customer can place	This is the maximum number of orders that a customer can place against the offer. For example, if you specify the maximum number of orders for an offer as 10, then the customer can place only 10 orders or less against the offer.
Maximum quantity in units for each discount rule	An offer can have multiple discount rules. You can specify the maximum quantity in units for each discount rule.
Maximum committed order amount for each discount rule	Order amount is the total amount of all the products for which the order has been placed. You can specifying the maximum total amount for which orders can be placed. For example, if you specify the maximum committed amount for a discount rule as $10,000, then orders for more than $10,000 worth of products will not be accepted.

You can set the above limits for any of the discount lines. You can apply these limits to either one discount line or all of the discount lines.

When the promotional limits are violated, one of the following actions take place:

- **Hard - Adjust Benefit Amount**: Adjusts the order benefit amount so that the order meets but does not exceed the promotional limit. For example, if a customer close to their promotional limit places a new order that exceeds the limit amount, the customer receives the benefit only until the amount is reached.

- **Soft - Full Benefit Amount:** Applies the full benefit to the order and then sends a status message to place a promotional hold on the order. For example, if a customer close to their promotional limit places a new order that exceeds their limit amount, under a soft limit, the customer gets the full promotion benefit applied to the order. A status message is sent to Oracle Trade Management that the limit has been exceeded.

Multiple currency price lists enables you to create price lists in different currencies other than the functional currency. If you have global customers or do pricing in different currencies, this feature enables you to maintain a single price list for multiple currencies. You can set up and maintain multiple currency conversion rates for a base currency in a single list which can be attached to multiple price lists or agreements. Price list maintenance is reduced because only one currency conversion definition can

be attached to multiple base currency price lists. If prices change, you only need to update the base price list.

When a pricing request is made, the pricing engine converts the price on the base price list to the ordering currency and returns the new price in the ordering currency (including any markup values).

See the *Oracle Advanced Pricing User's Guide* and the *Oracle Channel Revenue Management Implementation Guide* for more information on promotional limits and multiple currency price lists.

Procedure

Promotional limit refers to the maximum limits that you can specify for an offer in terms of amount and unit for each promotion.

To define promotional limits for an existing offer, log into Oracle Trade Management as Oracle Trade Management User.

Navigation: Trade Planning > Offers > Offer Name > Discounts Region. Click the **Details** icon against the discount rule that is applied for the offer.

Notes:

- **Maximum Caps:** See the Promotional Limits table for information.

Adjusting Offers

Offer adjustments enable you to modify active offers. For example, after an offer was created the price of the product dropped dramatically resulting in a need to change the offer price. Once the adjustments are made they are sent to the offer approval process, and applied to the offer after they are approved.

> **Note:** You cannot make any offer adjustments for Terms Upgrade and Lump Sum offers.

Different offers types have different rules that govern the adjustments. The Offer Adjustment Rules table describes the offer adjustment rules. You can make a few or all of the following adjustments to offers:

Offer Adjustments

Offer Adjustment	Description
Modify discounts	Change the date for the new discount to be effective from a future date or from a past date. You can perform either single-tier adjustments or multiple-tier adjustments to discounts depending on which adjustment you have specified for the offer.
Add or remove products	You can add products that are valid for the offer based on budget-offer validation. You can also set the discount role to 0.. The discounts that have been specified will get reconfigured based on the changes that you make.
Specify the settlement method for the offer	Specify offer payout dates and methods. Payout methods include paying through check or account credit. For offers with accrual-- Accrual, Lump sum, Trade Deal, Volume, and Scan Data, you can specify the payout date, payment method, and payout party.
Backdating Offers	Trade commitments with customers can take months to finalize. In the meantime, you continue to ship products to your customers under a temporary agreement, knowing that final terms of the deal may change. If the terms change, use the backdating functionality to modify the active offer. You can change discount terms and the products involved and the start date, and end date of the offer. Changes that are made to the offer are reflected in the offer utilization adjustment.

The following table lists and describes offer adjustment rules:

Offer Adjustment Rules

Offer Type	Adjustment Rules
Off Invoice Offer	Modify the discount amount or percent value. Backdate the request or have the new values begin on a specific date, or both.
Accrual Offer	Modify the accrual amount or percent value. Backdate the request or have the new values commence on a specific date, or both.

Offer Type	Adjustment Rules
Net Accrual Offer	No adjustments can be made to Net Accrual offers.
Order Value Offer	Modify the discount amount or percent values as they pertain to each line defined in the Offer. You cannot modify the Order Value "From" and Order Value "To" values. Backdate the amount or percent values modification, or have the new values commence on a specific date, or both.
Promotional Goods Offer	Modify the discount amount or percent value for the products detailed for the "Get" condition only. Backdate the request, or have the new values commence on a specific date, or both.
Volume Offer	Modify the discount amount or percent values as they pertain to each volume "tier" defined in the Volume Offer. You cannot modify the Volume "From" and the Volume "To" tier values. The user may backdate the amount or percent values modification or have the new values commence on a specific date, or both. See additional information on Volume Offer below.
Trade Deal	**Off Invoice Component** - Modify the discount amount or percent value. You can backdate the request or have the new values commence on a specific date, or both. **Accrual Component** - You may modify the accrual amount or percent value. You may backdate the request or have the new values commence on a specific date, or both. For Trade deal offers the effective date for backdating or commencement of modified values, or both must be the same for both the Off-invoice component and the Accrual Component. Effective dates for both the components cannot differ.

Adjusting Volume Offers

Navigation: Trade Management > Trade Planning >Offers > Volume Offer >Adjustment

You can create the following adjustments for volume offers:

Add Product to Active Offer

You can add new products to discount tables using the Offer Adjustments page by selecting a Discount Table from the Discount Table LOV on the Offer Adjustment page. Products begin accruing on the date when the adjustment go active. Historical accrual is not supported.

Modify Discount Table

The discount tables in the Discount Table LOV contain discount tables that use percentage or amount. You can edit rate or amount in these tables. You cannot adjust Formula based discount tables except to convert them to a discount or amount.

Modify Dates on an Active Offer

Adjustments before the offer start date are not supported. You can adjust offer end-dates to today or any day in the future on active offers.

Procedure

The offer adjustments function enables you to modify active offers. Adjustments go through an approval process and they are applied to the offer after they are approved.

To create offer adjustments for an active offer, log into Oracle Trade Management as Oracle Trade Management User.

> **Note:** Offer Adjustments are not available for Terms Upgrade and Lump Sum Offer types.

Navigation only for the offer types, Accrual, Off Invoice, and Trade Deal: From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Additional Links subtab, and then click the Adjustments link.

Navigation: From the Trade Planning tab, click Offers subtab, then the offer. In the Offer Details page, click the Adjustments link.

Notes:

- **Adjustments:**

  - You can either create a new Adjustment or modify the existing Adjustment.

  - You can create a new adjustment only if your are creating the adjustment for the first time, or if all the existing adjustments are either approved or rejected.

- **Settlement Method:** For backdated offers, to settle the difference in discount for products that have already been discharged in case of backdated offers, select the settlement method as either check or accrue the credit on account.

- **Discount Rules:** You can add new discount lines, or modify the existing discount rules. See Defining Qualifiers and Discount Rules for more information.

- You can configure the OZF: Number of Workers for Offer Adjustment profile option to generate the required number of threads to process offers. This profile option can be set at the Site level and is blank by default, which represents a single worker.

After you save the changes, the offer status changes to Active. The change in the status initiates a workflow for Offer Adjustment approval depending on the status order rule.

During the process, the status first changes to Pending Approval initially, and later changes either to Approved or Rejected.

Approving Offer Adjustments

Offer adjustments that have been made are sent to the offer approval process, and are applied to the offer after they are approved.

To approve an offer for which adjustments have been made, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Workflow > Worklist or Home > Tools > View Notification Work List.

Offer Forecasting

Offer forecasting enables you to predict the performance of new offers by utilizing base sales (sales data of the previous year). The base sales or historical sales data is segmented into three dimensions--time range, product, and market (account). By analyzing this data, you can set realistic sales targets and acceptable return on investment (ROI) for the your organization as well as the retailer.

Offer forecasts are based on quantities and not the monetary value. To create a forecast, an offer must target at least one customer and one product. Multiple customers and products are also supported. You can create offer forecasts for all types of offers except Order Value because no products are specified in Order Value offers. You can create an offer forecast at the following levels:

- Offer level: forecast is based on the historical sales data for customers and products for that particular offer

- Campaign level: forecast is based on the sum of customer and product data for all offers that are sourced by that campaign

You can create offer forecasts at any time regardless of the offer status. After creating a forecast, you can also freeze it, after which the forecast, the forecast data cannot be modified, updated, or deleted. This ensures that the forecast data remains accurate, and that the wrong data is not used for your offer. If you wish to change the data in a forecast after it is frozen, you can create a new forecast from a frozen forecast, and then modify or change the data in the new forecast.

Information in this section will enable you to:

- Understand and create offer forecasts

- Create forecast versions

- Understand and use the Manufacturer's ROI Calculator

Offer Forecasting to Execution Process

You can use Oracle Channel Rebate and Point-of-Sale Management to forecast product sales for an offer to a customer, create and ship orders, update the budget associated with the offer, pay the customer automatically, and settle the claim.

Example

Vision Industries has manufactured and launched a new product. Because the product is new in the market, not many customers are aware of the product, and the product has not been selling well. The Sales Management decides to promote the product. The Sales Management assigns you the responsibility of creating a plan to promote and advertise this product in the market.

You, the Sales Manager decide to promote this product by creating an accrual offer to give delayed discounts on purchases of the new product within the first three months. You wish to find out how well the offer would perform, and then activate the offer. You also plan to settle accruals and pay customers automatically.

Prerequisites

- Integration with Oracle Payables and Oracle Receivables must be set up.

- The workflow background process with the parameter AMS Marketing Generic Approvals must be running to initiate an approval notification to the Budget Approver to approve the budget.

- The workflow background process with the parameter Claim Settlement must be running to close the claim.

- The following concurrent programs must be running:

  - OM Order Line: to generate an invoice from an order that is created in Order Management

  - Pick Release Process: to pick, and pack a sales order

  - Interface Trip Stop: to ship a sales order to the customer location

  - Funds Accrual Engine: to update the budget that is related to the offer and the order

  - Autopay: to automatically create a claim for the customer

  - AutoInvoice: to validate and import records as completed transactions into Oracle Receivables

  - Claim Settlement Fetcher: to close the claim that you have prepared to settle.

Process Flow Diagram

The following figure illustrates the Oracle Trade Management application process flow from forecasting product sales for an offer to a customer, to settling the claim.

Trade Promotion Forecasting to Execution
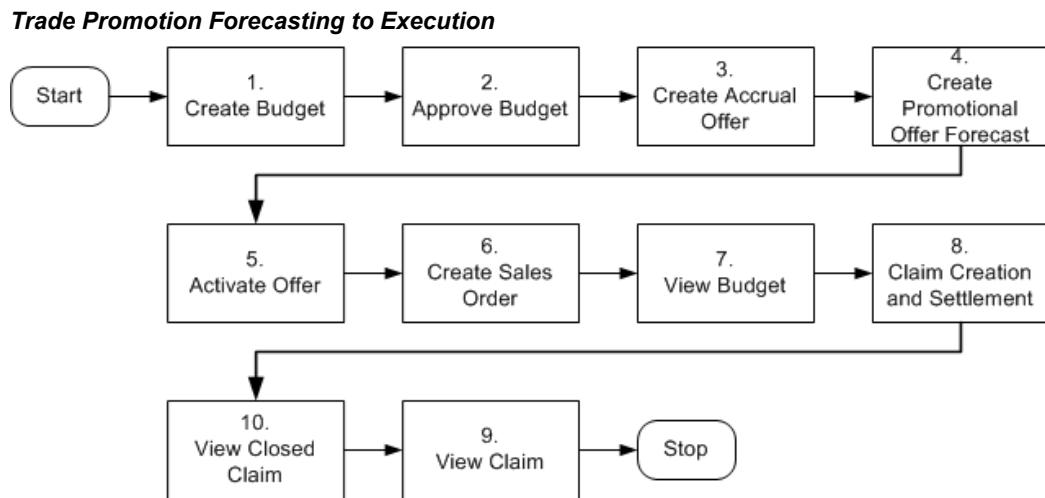
Procedure

Follow the steps in this section to complete this flow.

Step 1: Create a Budget

A Budget is a pool of money, which you can use to fund trade promotion activities such as offers and campaigns. As the first step, you create a budget for $500,000 to be used for general sales and trade promotion purpose. You can use this budget to source an accrual offer to offer delayed discounts to your customers.

Step 2: Approve the Budget

The budget must go through the budget approval process to become active. You can source funds for sales and trade promotion activities from a budget only if it is active.

Step 3: Create an Accrual Offer

In this step, you will create an accrual offer to provide 10% discount on each unit of the product, which customers purchase. An accrual offer enables you to give delayed discounts on items that the customer or distributor purchases. The discounts get accrued over a period of time, and customers can later claim this amount. You can also enter the minimum quantity or amount that the customer must purchase to get the discount.

Step 4: Create Promotional Offer Forecast

You can create an offer forecast for the customer and product to find out how well the offer may perform. It enables you to determine whether the offer will provide the

required promotional lift and yield the desired results. A forecast is created based on historical data. The offer must be in Draft status in order to create the forecast.

> **Note:** The concurrent program Refresh Materialized Views for Order Sales must be run to update Base Sales and Actual Sales. This concurrent program can be automated by scheduling it to run regularly. It updates the forecasting information to show the historical purchase of the product for the customer from the previous year period. You will use this information to create a forecast for your offer.

Step 5: Activate Offer

You must activate an offer to make it available for customers. Discounts are applied to the offer when customers place orders against the offer.

Step 6: Create a Sales Order

After an offer is active, customers can start placing orders against the offer. Orders are created in Order Management by the Order Management clerk. Discounts are applied when orders are created. To create a sales order, log into Order Management as ebusiness/welcome. This user has the Order Management Super User responsibility.

Navigation: Orders, Returns > Sales Orders.

Notes:

- **Order Type:** Enter Mixed.

- **Line Items:** Enter details as appropriate.

- **Actions:** Use this tab to create Promotion Pricing Attributes for Oracle Trade Management. Complete the following for a request only offer, for an automatic offer skip to view adjustments:

  1. Select **Promotion/Pricing Attributes** and click **OK**.

  2. Select **Promotion Number** and click **Apply**.

  3. Click **Actions** to view adjustments:

  4. Save your work and make a note of the order number.

  5. Click **Book Order**.

The Pick Release Process concurrent program picks and packs the order. The Interface Trip Stop concurrent program ships the sales order to the customer location.

Step 7: View Budget Utilization

The Funds Accrual Engine updates the budget that is related to the offer and the order. The utilized and the earned columns in the budget get updated according to the

discounts that are offered against the orders that the customers have placed. The budget shows the utilized amount based on the discount applied to the order. The earned column shows the amount utilized based on the orders that have been shipped. To view the budget utilization details, log into Oracle Trade Management as trademgr/welcome. This user has the Oracle Trade Management Super User responsibility.

Navigation: Budget > Budgets.

Notes:

Look for the New Product Promotion budget. Optionally, click the amount under the Utilized column to view the order number.

Step 8: Claim Creation and Settlement

The concurrent program Claims Autopay automatically creates a claim for the customer if Autopay is enabled in the customer's Trade Profile. To enable Autopay for the customer, navigate to Administration > Trade Management > Trade Profile, and select Autopay.

After the claim is automatically created, the following processes occur in the background:

- The AutoInvoice concurrent program validates and imports records as completed transactions into Oracle Receivables. If there are any errors in the process, they are listed in the output report.

- The Claims Settlement Fetcher concurrent program closes the claim that you have prepared to settle.

- The workflow background process with the parameter Claim Settlement closes the claim.

Step 9: View Credit Memos

Review the credit memo that is created from Oracle Receivables. Log into Oracle Trade Management as trademgr/ welcome. This user has the Oracle Trade Management Super User responsibility.

Navigation: Claim > Claims.

Look for the credit memo in Receipts.

Step 10: View Closed Claim

Review that the claim has been closed. This concludes the claim settlement process. The claim will be closed when the Claims Settlement Fetcher concurrent program is complete.

Navigation: Claim > Claims.

Notes:

Look for the claim that you created and settled. Verify that the claim status has changed to Closed. The Claim Report shows the Receipt, Settlement, Vendor, Payment Detail,

and other information.

Creating and Editing an Offer Forecast

You can create an offer forecast to evaluate and consider historical data when you design a promotional offer.

To create and edit a forecast for an existing offer, log into Oracle Trade Management as Oracle Trade Management User.

Prerequisites:

- The Administrator must have performed the following activities:

  - The concurrent manager program, AMS-TM: Refresh of Base Sales Materialized View, must be set to run and must be completed successfully at least once; else, the Base Volume will be zero.

  - The AMS-TM Default Forecast UOM profile must be completed. This profile determines the default Unit of Measure (UOM) used for calculating the Forecast. If historical sales data are in different UOMs, they will all be converted into this profile UOM.

Navigation only for the offer types, Accrual, Off Invoice, and Trade Deal: From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Additional Links subtab, and then click the Forecast link.

Navigation: From the Trade Planning tab, click Offers subtab, then the offer. In the Offer Details page, click the Forecast link.

Notes:

- **Verifications:** Verify the following in the offer:

  - One or more products are selected.

  - The Start and End Dates are past. Dates are used to reference historical values.

  - One or more customers are selected. Do this by navigating to Execution > Market Eligibility.

- **Total Forecast:** This is the quantity to be forecasted over the product and customer combinations. It must be inclusive of the Forward Buy quantity.

- **Forward Buy:** This is the quantity you expect will be purchased during the offer specifically to take advantage of the offer.

- **Base Volume:** The Base Volume is readily available. Base Volume is the historical sales data from Order Management, based on all closed order lines for the selected customers and products of the offer during the time period specified by the Base

Volume Source. The Base Volume Source defaults to Last Year Same Period. Forecasts are always based on the sales during the period one year prior to the current offer begin and end dates.

- **Automatic Spread:**

  - Baseline Ratio: The Base Volume is divided across the products in the same ratio as the relative sales volume. For example, if Product A sold 800 units and Product B sold 400 units, and the Total Forecast is 3000 units, then the default forecast is 2000 units of Product A and 1000 units of Product B.

  - Across All Evenly: The Base Volume is divided evenly across all products. For example, if Product A sold 800 units and Product B sold 400 units, then the default forecast would be 1500 units of Product A and 1500 units of Product B.

  - Buy-Get Ratio: Available for promotional goods offers only. This is used for calculating the default product forecast for these offer types.

    For example, an offer is defined as Buy 2 Units of Product A and Get 1 Unit of Product B at X discount. If the total forecast is 300, then the forecast for Product A will be 200 and Product B will be 100.

    If the get product is free (in other words, if it has a 100% discount), then the forecast for Product A will be 300 and Product B will be 300. You do not need to forecast free products. The application assumes that free products are always included when the corresponding buy product is sold.

- **Forecast Order:** Select one of the following as your first dimension:

  - Product: spreads the Total Forecast over the Products first.

  - Market: spreads the Total Forecast over Eligible Markets first.

  - Time: spreads the Total Forecast over time first. This is calculated on the Period View. The total time period for the offer is divided by the Period View to give a number of periods. This number is rounded up to the nearest whole number. For example, if the offer is good for 30 days and the Period View is one week, the number of periods will be 30 days/7 days = 4.29 rounded up to 5.

    > **Note:** Optionally, you can select second and third dimensions. Click **Details** to view the second and third dimension spreads, if any

- **Total Forecast:** Click to freeze the Forecast.

- **Freeze check box:** Select to freeze the forecast. A forecast cannot be changed after it is frozen. If changes are made to the Offer in either products or market eligibility,

you must recreate the existing forecast by creating a forecast version to reflect the changes.

Selecting a Forecast Basis

The Offer Details Forecast page has a dropdown to allow you to select a Forecast Basis. You can generate a forecast based on:

- Last Year Same Period: to generate the forecast based on the sales achieved during the same period in the last year

- Custom Date Range: to generate the forecast for a given time period.

- Offer Code: to generate the forecast based on the performance of another offer.

- Baseline Driven Forecast - dependent upon the availability of baseline and lift data for calculations.

Navigation: Trade Management > Trade Planning > Select an Offer >Forecast

In the Forecast Basis dropdown select a Forecast Basis and click create to display a Forecast Details screen based on your Forecast Basis selection:

- Last Year Same Period: Forecast is calculated as the same as same customer/product sales that occurred for the same period in the prior year.

  - Allocation Method has two values: Across All Evenly – the forecast total is allocated across all customer, item, or combinations equally. Proportionately – the forecast total is allocated to each customer, item, or period combination proportionately to the historically value.

- Custom Date Range: Forecast is generated for the period from given custom start date up to given custom end date based upon corresponding prior year sales.

- Offer Code: To generate the forecast based on the performance of another offer.

- Baseline and Lift Forecast The options here depend on the availability of baseline and lift data for calculations. This data is historic and uploads into the system. It is not visible on the UI.

  - Discount percentage is editable at the Product level. Any changes you make to discounts will trigger a recalculation of the forecast from the database, replacing any prior manual edits for that product only.

  - Changes to the Total Forecast value allocate the change down the hierarchy proportionately to their current values.

Creating a Forecast Version

After a Forecast is frozen, it cannot be modified. A new version must be created.

To create a forecast version, log into Oracle Trade Management as Oracle Trade Management User.

As a prerequisite, a frozen forecast should exist.

Navigation only for the offer types, Accrual, Off Invoice, and Trade Deal: From the Trade Planning tab, click Offers subtab, then the offer. In the Update Offer page, click the Additional Links subtab, and then click the Forecast link.

Navigation: From the Trade Planning tab, click Offers subtab, then the offer. In the Offer Details page, click the Forecast link.

Notes:

- **Create Next Version:** Click to create a forecast version. All the details from the most recent version of the Forecast are copied into the new Forecast.

- **Freeze check box:** Select to freeze the forecast.

Calculating ROI

Return on Investments (ROI) in general can be defined as (revenue - cost) / cost. Cost in Oracle Trade Management refers to the cost of goods sold, promotional amount, or other costs that can be custom calculated. The Manufacturers ROI Calculator is tightly integrated with the offer forecasting functionality and is designed to provide the trade user a multi-functional planning tool that will aid in the initial analysis, strategic planning and execution of any promotional offer or activity. Additionally, the Manufacturer's ROI Calculator serves as a tracking and monitoring tool for revenue and costs for active promotional offers.

Depending upon the status of a promotional activity, the Manufacturer's ROI Calculator may serve as a planning worksheet for the user or as a barometer that measures the effects of an offer as performance actually occurs. With access to actual performance and expenses as they occur, the user may measure updated returns against forecasted sales revenue and associated costs. In turn, trade users may plan, and execute accordingly.

Viewing the Manufacturer's ROI Calculator

You can generate an ROI table from a forecast. This table takes the information from the forecast and calculates the ROI by using the unit cost for the various products, and the discount information from the Offer.

To view the Manufacturer's ROI Calculator for a completed forecast, log into Oracle Trade Management as Oracle Trade Management User.

Navigation: Trade Planning > Offers > Offer Name > Forecast.

Notes:

- **Forecast version:** Select the appropriate forecast version, enter a price list, and click Save. The price list that you select here will be used to Calculate the ROI based on the selling prices. The price list can also be defaulted.

- **Manufacturer's ROI:**

  - The default view is for the forecast. Choose Forecast versus Actuals view from the drop-down list to display the selected view.

  - Calculate ROI: Click to complete the table with the ROI information. The values that can be displayed in the table are:

  - Product List Price is the price of the product based on the Price List selected.

  - Discount can be Percent, Amount, New Price, or Lump Sum based on the offer itself.

  - Value is the numeric value of the discount per unit. For example, if the discount was 10% and the list price $100, then the value will be $10.

  - Selling Price = List Price - Discount Value (Exception: For discount type Accrual, the selling price is same as list price).

  - Unit Cost is the unit cost of goods, and the number is returned from Costing.

  - Margin Amount = Selling Price – Unit Cost.

  - Margin % = (Margin Amount/Selling Price) times 100.

  - Forecast Units are taken from the Forecast itself.

  - Forecast Revenue = Forecast Units times Selling Price.

  - Forecast Costs = Forecast Units times (Unit Cost plus Discount Value).

  - Forecast ROI = (List Price – (Unit Cost plus Discount Value)) / (Unit Cost plus Discount Value).

  - Total Forecast Units = sum of all lines.

  - Total Forecast Value = sum of all lines.

Offer Funding

Offers are created to increase sales by offering discounts on products. Organizations often treat discounts as reductions in revenue. Therefore, an offer must source funds

from either a budget or a campaign to offer these discounts.

Sourcing an offer involves specifying the funding source for the offer. You can source funds for an offer from a parent campaign, budget, or from multiple budgets. When you select a parent campaign as the funding source, the campaign behaves like a mini-budget. The offer can source up to the maximum amount available for the campaign. When you source funds from multiple budgets, you must specify the amount that you would like to withdraw from each budget. There is no rule for the proportion in which you can withdraw funds from each budget. However, when you source funds from a budget, you can request only up to the maximum amount that is available in the budget.

For example, you can source an offer from three budgets. The offer has a committed amount of $10,000. You can decide to withdraw this amount from the three budgets in the following manner:

- Budget 1- $3000

- Budget 2 -$3000

- Budget 3 - $4000

After specifying the funding source, you can submit the offer for approval. An offer becomes active after all approvers approve the offer. See Understanding the Offer Approval Process for more information.

Requesting Funding For an Offer

An offer must source funds from one or more budgets to offer discounts.

To request funding for an offer, log into Oracle Trade Management as Oracle Trade Management User.

Prerequisites:

- An offer must be created, and you must have access to the Budget Request page for the offer.

- An active budget must exist.

Navigation: Trade Planning > Offers > Offer Name > Budget.

In the Initial Budget Estimate field, enter the amount that you would like to source for the offer from a budget, and click Update. You cannot request approval for your offer until you have specified an initial estimated budget.

Notes:

- **Create Request:** Click to create a budget request.

- **Budget Source region:** Select either Budget (the actual budget) or Person (the

individual who will determine the budget to be used for the offer) from the Source Type drop-down list, and select a source name.

The information in the Budget Recipient region of the page is automatically populated. It is based on the initial estimated budget, and the offer type, name, code, and owner.

- **Request Details region:**
  - Required By: Optionally, select the date by which you require approval for the funds. This field is for information purposes only. It allows the approver to see the urgency of the request.

  - Requested Amount: Enter the amount that you require.

  - Justification: This field is optional and is for information purposes only. You might want to explain the reason for the budget request or how the money will be used.

To request funding from another budget (to source the offer from multiple budgets), start afresh by clicking **Create Request** again.

Creating a Budget Transfer From an Offer

By creating a budget transfer, you can move the committed money from the offer back to the budget.

To create a budget transfer from an offer, log into Oracle Trade Management as Oracle Trade Management User.

Prerequisites:

- The offer must be in the active status.

- Funds must be committed to the offer.

Navigation: Trade Planning > Offers > Offer Name > Budget > Create Transfer.

Notes:

- **Budget Recipient:** Select the budget to which funds will be transferred.

- **Transfer Details:** Enter the amount that you would like to transfer.

Offer Approval

The approval process for offers includes offer theme approval and budget approval. For an offer to become active, the offer plan must first be approved. After the offer plan is approved, you must submit it for budget approval to request funds for the offer.

Information in this section will enable you to:

- Understand the offer approval process

- Understand offer statuses

- Understand the concept of budget-offer validation

- Initiate offer approval

- Approve offers

Understanding the Offer Approval Process

Offer Theme Approval:

An offer must be approved by the designated approvers before it can become active. An offer can be used to offer discounts only after it becomes active.

If the offer owner and the budget owner are different, then the offer must first obtain the offer theme approval, and then the budget approval. When you create an offer, you define the offer plan by specifying the product, discounts, and the market that the offer must target. Offer theme approval is the process by which the offer plan gets approved.

During offer theme approval, the Sales Management reviews the offer, and it may approve or reject the request. If the request is rejected, you can modify the offer and resubmit it for offer theme approval. You can also cancel the offer if required. If the Sales Management approves the request, the offer proceeds to the budget approval stage.

> **Note:** The offers theme and budget approval requirement is controlled by the offer custom setup in the administration section.

Budget Approval:

Budget approval is the process by which a budget owner approves the request for funding. Budget owner is the owner of the budget from which you request for funds to execute the offer. Budget owner is also known as the fund source owner. If an offer sources funds from more than one budget, then the offer becomes active only after all the budget owners approve the request.

For example, you create an offer to source funds from three budgets--Budget A, Budget B, and Budget C. You first submit the offer for offer theme approval. The Sales Management reviews the offer and approves it. Next, the offer passes on to the budget approval stage. The request is sent to each of the budget owners. The offer becomes active after all the budget owners approve the request in a sequential manner based on the order specified in the approval rules.

If you are the offer owner as well as the budget owner, then the offer will go through an approval process only if the amount requested in the offer is not within your spending

limit. For example, if you create an offer for $40,000 whereas your spending limit is $30,000, then the offer must go through an offer approval process, and the request will be sent to the defined approver. However, if your spending limit is more than the requested offer amount, then the offer does not require any approvals.

> **Note:** Offer theme approval and budget approval are optional features that your organization may implement. Your organization can choose to have only offer theme approval, or only budget approval, or both. If neither of them are implemented, the offer does not go through any approval process. Instead the offer status directly changes to Active.

Offer Statuses

Offer status enables you to know the exact status of an offer at any point of time. The status of an offer changes along with the approval flow.

The following describes different statuses that an offer may go through during offer theme approval and budget approval, and the behavior of the offer at different statuses.

Offer Statuses

Offer Status	Description
Draft	The offer status appears as Draft when the offer is in the planning stage. When the offer is in the Draft status, you can:
	• Change any offer parameter
	• Cancel the offer
	• Request for offer theme approval
	The offer status changes to Submitted-Theme Approval after it is submitted for offer theme approval.
Submitted-Theme Approval	The offer status appears as Submitted-Theme Approval after you submit the offer for theme approval.
	The offer status changes to Planning if the offer theme approval is approved. It means that the offer has reached the budget approval stage.
	The offer status changes to Draft if offer theme approval is rejected. The user may modify the offer and resubmit it for offer theme approval.

Offer Status	Description
Planning	The offer status appears as Planning when it is in the budget approval stage. From Planning, the offer status may change either to Active, On Hold, or Rejected. The offer is read-only when it is in the Planning status. No parameters can be changed.
Rejected	The offer status appears as Rejected if one or more funding source owners reject the offer. An offer cannot be activated when it is in the Rejected status. But it can be modified and resubmitted for approval.
Pending validation	When the offer status appears as Pending Validation, it means that the offer is being checked automatically for budget-offer validation. This status is based on the budget offer validation profile.
Active	The offer status appears as Active after it is approved by the fund source owners. It means that the offer is ready to be executed or is on temporary hold. The information that you can edit at this point of time depends on the implementation setups. In any case, you cannot add or modify discount rules.
On Hold	On Hold is an interim status, which means that the offer has been approved, but is not yet ready to be executed. From On Hold, the offer status may change to Active.
Terminated	The offer status appears as Terminated if it is cancelled before the original completion date. From Terminated, the offer status may change to either Active or On Hold.
Completed	The offer status appears as Complete after the offer reaches the end date, and all associated activities are complete. From Complete, the offer status may change to either Active or On Hold.

Budget-Offer Validation

Budget-offer validation ensures that funds planned for certain customers and products are used as intended. If the budget-offer validation is implemented in your organization, the customer and product targets specified in the source budget are matched whenever you create an offer and submit it for approval. The offer cannot source funds from a budget if these conditions do not match.

For example, a budget has been created to source funds for trade promotion activities for California retailers and Orange Juice. If the budget-offer validation option is turned on, then an offer created for Oregon retailers and milk will not be allowed to source from this budget.

If budget-offer validation fails, the offer status changes from Submitted or Pending, back to the previous status. At the same time, a notification is sent to the offer owner. For more information on budget-offer validation, see the Budgets chapter.

Submitting an Offer for Approval

An offer must be approved before you can make it available to the customers.

To initiate offer approval for a draft offer, log into Oracle Trade Management as Oracle Trade Management User.

Navigation: Trade Planning > Offers > Offer Name > Request Approval.

Approving an Offer

After an offer has been submitted for approval, it goes through the offer theme approval and budget approval processes. The designated approvers according to the approval rules must approve the offer theme, where as the budget owner must approve the budget request.

To approve an offer theme for an offer that has been submitted for approval, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Workflow > Worklist or Home > Tools > View Notification Work List.

The offer proceeds to the budget approval stage after you complete the theme approval.

Offer Execution

After an offer becomes active, you can start communication and offering discounts to customers. Whenever customers place order the offer eligibility and qualifiers determine what offer should be applied to an order. The updates to budget information on the offer is based on the offer application.

An offer cannot be used if:

- The offer reaches the end date.

- The funds in the offer are completely utilized and the pay over earnings is not enabled.

- The offer is manually completed and the offer status is no longer active.

See the Budget Management chapter in this manual for more information on budget utilization and the manner in which a budget gets updated for different offer types.

7

Point-of-Sale Management

This chapter covers the following topics:

- Overview
- Using Point-of-Sale Data for Volume Offers
- Org-Striping
- Chargeback and Third Party Accruals
- Working With Chargeback and Third Party Accrual Transactions
- Indirect Inventory Tracking
- Special Pricing Requests and Soft Funds
- Deduplicating Customer Data
- Referrals

Overview

Point-of-Sale Management is the process by which a manufacturer validates requests, and manages and tracks funds when trade promotion activities are executed indirectly through retailers and wholesalers (or dealers and distributors). The Point-of-Sale Management functionality includes the following features:

- Chargeback

    The manufacturer may have different pricing agreements with some end-customers who buy products indirectly through distributors. Sometimes, distributors may have to sell products to these end-customers at a price that is less than their acquisition cost. In such cases, they may chargeback the differential amount back to the manufacturer. Claims need to be created and settled based on the chargeback information

- Third Party Accruals

Third party accruals include discounts and accruals that are applicable to retailers, or other channel partners. Wholesalers may track this data and submit requests on behalf of the retailers to claim these accruals.

- Special Pricing

  Retailers or wholesalers request the manufacturer for a special price or discount to dispose existing inventory, meet a competitor's price, or to win a deal for an existing customer.

- Fund Requests

  Retailers or wholesalers execute trade promotion activities on behalf of the manufacturer, and request for a budget to execute these activities.

- Referral Management

  Retailers or wholesalers refer a business prospect, lead, or an opportunity to a manufacturer. If the referral results in an order, they can claim incentive for the referral.

Chargeback and Third Party Accrual data are managed in Oracle Trade Management whereas Special Pricing, Fund Requests, and Referrals are features that are available in Oracle Partner Management. When there are approved requests related to Special Pricing, Fund Requests, or Referrals, offers and claims are automatically generated in Oracle Trade Management; these claims are settled by the claims user.

Using Point-of-Sale Data for Volume Offers

When point-of-sale data is used for volume offers, identifying the seller and buyer are important for market eligibility rules. The following information applies to Point-of-Sale Management for Volume Offers:

- Seeded qualifiers are required to support the ability to identify indirect sellers and buyers

- A seller/buyer can be an account or an account site but both need to be seeded as Quoting (QP) qualifiers.

- A seller account is an actual valid account site defined in Accounts Receivable. Although the seller is a seller from the indirect sales transaction's perspective, it is still a customer from the company's perspective. For example, a distributor that a company sells to, is a customer from the company's perspective. However, if this distributor submits its sales transactions to the company, these transactions become indirect sales transactions.

- Additionally, indirect seller and buyer account sites are valid customer account sites defined in Oracle Trading Community Architecture.

- The "Sold By" IDSM (indirect Sales Modifier) qualifier supports the following contexts and values :

Context Attribute	Value
Channel Direct	Indirect Sales
Distributor Name	Distributor name
Distributor Segment	Distributor Segment name
Distributor List	Distributor List name
Distributor Territory	Trade Management territory name

Org-Striping

In Oracle Trade Management the operating unit information is required when importing POS data. The operating unit can be derived from the system profile MO:Default Operating Unit or be selected by the particular used who plans to upload the data.

Claims are created in the background when indirect sales users initiate payments for batches. An indirect sales batch can contain transactions for only one operating unit and claims should be created in the same operating unit.

Impact of Org-Striping on Point-of-Sale Management

Org-striping has the following impact on various indirect sales management components:

- Chargeback: The profile option, QP: Security Control, determines whether the operating unit details in indirect sales orders should be matched with the operating unit details specified in the pricelist. If the profile option is set to:

  - On: If On, and if the price list was created without the global flag checked, the indirect sales order's operating unit is checked against that of the price list. If it does not match, then it results in a dispute of invalid price list.

    Additionally, if the QP profile option is set to On with the global flag on the pricelist checked or set to Off, , the pricelist validation does not take place.

- Third Party Accruals: The validation that takes place is similar to that of offers applied to direct sales orders.

- Org-Striping validation on price lists and offers rely on the Advanced Pricing Engine.

Chargeback and Third Party Accruals

Retailers or end-customers may buy products directly from the manufacturer, or through wholesalers. Sometimes, to honor agreements that manufacturers have with individual customers or buying groups, the wholesalers sell products at a price that is lesser than their acquisition cost. Wholesalers submit claims to claim back the difference amount from the manufacturer. These claims are known as chargebacks.

Third Party Accruals are payments that must be made to the end-customer. The accrual may be a discount or incentive that the manufacturer wants to give to the end-customer, or it may be a result of the end-customer buying the products from a wholesaler who charges a price higher than the price agreement between the manufacturer and end-customer. This amount is accrued and paid to the end-customer.

> **Note:** Chargebacks are claimed by wholesalers, whereas third party accruals are claimed either directly by the retailer or end-customer, or by the wholesaler on behalf of the retailer or end-customer.

Understanding Chargebacks

Manufacturing organizations face the challenge of handling rebates and chargeback claims for their customers and wholesaler networks. These organizations pay accruals to indirect and direct customers. Chargeback in Oracle Trade Management enables organizations to accurately create and report accruals, and efficiently validate and process the monthly chargeback claims that they receive from wholesalers.
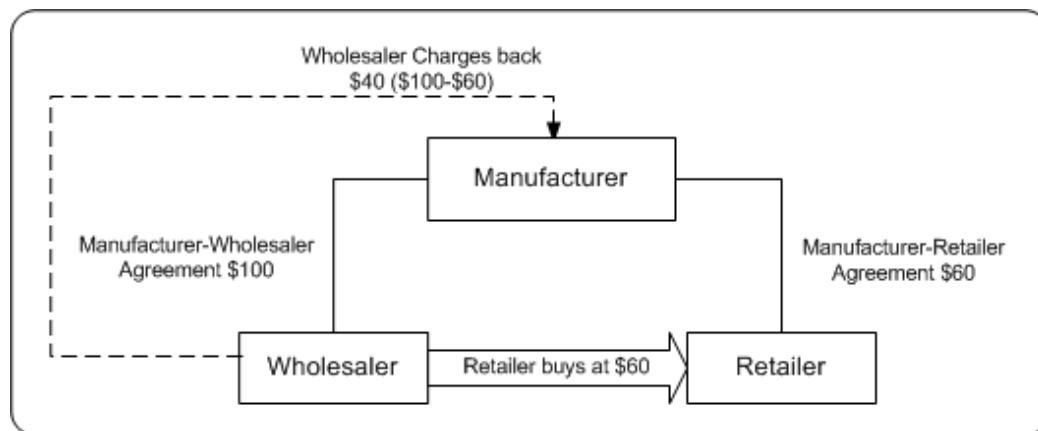
In the scenario above, the manufacturer has different pricing agreements with the wholesaler and the retailer. If the manufacturer sells products to the retailer through a wholesaler, then the wholesaler purchases products from the manufacturer at an agreed

price. This price can be higher than the price agreement that the manufacturer has with the retailer. The wholesaler then resells the products to the retailer according to the pricing agreement that the manufacturer has with the retailer.

The manufacturer incurs a chargeback for this transaction as below:

1. Manufacturer sells to the wholesaler at $100

2. Wholesaler resells to end-customers at $60

3. Wholesaler submits a chargeback of $40 to the manufacturer

Depending upon how Oracle Trade Management is implemented in your organization, the chargeback data may be used for third party accruals and indirect inventory tracking for wholesalers.

Information in this section explains:

- Chargeback Submission, page 7-6

- Chargeback Validation, page 7-8

- Chargeback Tolerances, page 7-10

- Chargeback Reconcilliaton, page 7-11

- Chargeback Settlement, page 7-13

- Chargeback Statuses, page 7-15

Process Flow

The following figure illustrates the process flow for chargebacks, starting from chargeback submission to chargeback settlement.
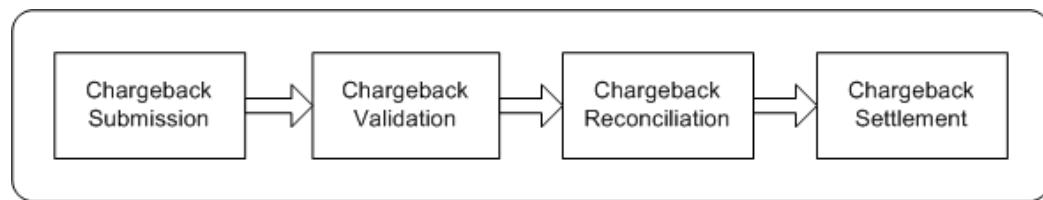
Chargeback Submission

Wholesalers or distributors may send chargeback data and claims through the Oracle XML Gateway. Oracle Trade Management supports EDI 844 and EDI 867 formats. See the *Oracle XML Gateway User's Guide* for more information.

They may also send the data in the form of .xls files or paper documents that will need to be converted and uploaded to the system using Oracle's Web ADI Tools. You can upload this into Oracle Trade Management, and process it further. If wholesalers want

to change certain information in the chargebacks that were originally submitted, they can resubmit them.

Chargeback Validation

The system checks whether the wholesaler is a valid party in Oracle Trading Community Architecture (TCA), and automatically performs inventory verification, item verification, and price agreement verification. If any of these validations fail, then the system will not process the chargebacks. Notifications are sent to the submitter.

Chargeback Reconciliation

If the chargeback is valid, then the chargeback amount for each chargeback line is posted against a budget. The Administrator specifies the budget source as a profile value for the Chargeback budget. The amount in the utilized and earned columns are updated based on the batch processing results.

Chargeback Settlement

A single chargeback claim is automatically created against the chargeback transaction. If there are any disputes regarding the chargeback transaction, then the Administrator can initiate the claim for the chargeback lines without disputes. All chargeback earnings are automatically associated to the claim.

Chargeback Submission

Wholesalers may submit chargebacks in one of the following ways:

- Flat Files (.csv files)

  Wholesalers may send chargebacks in the form of .csv files. You can import these files into Oracle Trade Management by using the upload tool provided by WebADI.

- Paper documents

  Wholesalers may submit chargebacks in the form of paper documents such as paper receipts. You can manually convert these paper documents into electronic format and upload the data by using the upload tool provided by WebADI.

- XML Gateway

  Wholesalers or distributors may send chargeback data and claims through the Oracle XML Gateway. Oracle Trade Management supports EDI 844 and EDI 867 formats. See the *Oracle XML Gateway User's Guide* for more information. The chargeback process automatically runs, and in the meantime, you can see the status as "Processing".

The submitted chargeback might have one or more associated chargeback lines. Chargeback lines include transaction-related information such as Customer ID, Product ID, Sale price and wholesaler acquisition price, Quantity of the product purchased, Customer contract, Customer authorization, Order number and order date, and the Differential amount (the amount charged back).

For example, a wholesaler submits a chargeback as follows:

Customer ID	Product ID	Sale Price	Acquisition Price	Quantity Purchased	Order No.	Order Date	Chargeback amount
A	X	$40	$50	100	123	Jan 1	$1000
A	Y	$25	$30	50	245	Jan 30	$250
B	Y	$20	$30	80	624	Jan 15	$800
C	X	$45	$50	100	254	Jan 25	$500

Here, the individual rows are the chargeback lines.

Chargeback Resubmission

After wholesalers submit chargebacks, if they wish to change information in chargebacks that were originally submitted, they can make changes and resubmit them. They may:

- Resubmit a transaction multiple times

  A wholesaler may try to resubmit a chargeback repeatedly. If a wholesaler tries to submit the same chargeback twice, the transaction is rejected because the transaction lines will be duplicates. The submitter gets notified accordingly.

- Resubmit a transaction to handle corrections and disputes

  Disputes may occur if wholesalers submit erroneous or incorrect chargebacks. In such cases, the manufacturer can inform the wholesaler about the errors and disputes, and the wholesaler can resend the transaction with corrections. During resubmission, if the original submission has been paid, then the chargeback engine reprocesses these lines and reverses the old accruals. The system creates new accruals, but associates only the difference amount to the claim.

  For example, Goodway submits a chargeback a transaction for $1000. You, the manufacturer find that Goodway is eligible to chargeback only $500, and you make a payment for $500. The chargeback engine creates accruals for $500. However, Goodway feels that it is eligible to receive $1000 and not $500, and resubmits the chargeback transaction with the corrected data. You accept that Goodway is eligible to receive $1000, and make another payment for $500. The chargeback engine now reverses the $500 accruals that were created during the first submission, and creates new accruals for $1,000.

  If the original submission has not been paid, then the submission is treated as a new one, and amount for the corrected lines is paid.

- Resubmit the same transaction with additional chargeback lines

  A wholesaler may resubmit a chargeback with added chargeback lines. In these cases the chargeback engine processes only the new lines. If wholesalers resubmit the same transaction with additional chargeback lines, they must explicitly flag the lines that must be reprocessed. A combination of the wholesaler number, customer number, order number, order or invoice date, product number, and transaction code is used to determine whether the transaction has been processed before, and to identify duplicate chargeback lines.

You can view chargeback lines and the associated errors, and make manual corrections to the claim in the Chargeback Transaction Data Management page. All the transaction data is maintained to ensure accuracy and resolve future disputes. End-customer sales information such as product number, and price is captured and stored for reporting and auditing capabilities. The Administrator in your organization can also implement an option whereby you can create relationships between the end-customer and the wholesaler.

Information regarding the end-customers such as sales, identification, product number and price is captured and stored for reporting and auditing capabilities. These indirect customers are created as parties and accounts in TCA. They can optionally have a "Customer of" relationship with the wholesaler. During chargeback submission, an API call is made to the Data Quality Management (DQM) application in TCA. Based on data checking rules that are set up in DQM, the chargeback system finds the corresponding party ID that has been set up in TCA. If the party does not exist, a new party will automatically be created in TCA.

The Administrator can configure different rules in DQM. The required options must be set in System Parameters for the chargeback system to pass to DQM different rules. See the *Oracle Channel Revenue Management Implementation Guide* for more information.

Chargeback Validation

When a wholesaler submits chargebacks, basic chargeback validations are done out of the box. Validation is automatically done to check if the end-customer (Bill To Party and / or Ship To Party) is a valid party in Oracle Trading Community Architecture (TCA). Depending upon how Oracle Trade Management is implemented in your organization, one or more of the following validations take place:

- Wholesaler inventory verification

The wholesaler's chargeback volume is validated against the inventory level of your products that the wholesaler possesses. The wholesaler's inventory level may be automatically tracked in Oracle Trade Management. This tracks quantity of the products that a wholesaler purchases from your organization and quantity of products that the wholesaler has sold.

If the quantity of products that the wholesaler claims to have sold is more than the quantity of products in his inventory, then the chargeback transaction is not processed.

For example, a wholesaler submits chargeback for product X for different periods:

Order	Order Date	Quantity
1	March 1, 2004	10,000
2	April 20, 2004	20,000
3	May 15, 2004	10,000

Validation is done to ensure that the wholesaler had 10,000 or more in quantity for Product X on Mar 1, 2004. Chargeback is not paid for more than 10,000 units. This validation also ensures that the wholesaler does not charge back for a product that was bought from a different manufacturer. Admin users can override this validation by unchecking the 'inventory tracking' flag in the indirect sales section of system parameters.

- Item verification

Codes and IDs that a wholesaler uses for the chargeback data (whether coming through EDI, XML gateway or by flat files) may not correspond to the internal codes and IDs that are used by your organization. The Administrator in your organization can map reference information such as wholesaler's item numbers, unit of measurement, wholesaler's end-customer number, price agreement number, to the corresponding internal codes and IDs. These code, ID conversions can be setup at the system parameter at a generic level or at the wholesaler's trade profile level. After the information is mapped, whenever a wholesaler submits a chargeback transaction, the chargeback engine automatically looks up the corresponding internal information based on the code conversion mappings defined.

- Acquisition cost verification

A wholesaler may buy products from the manufacturer at an agreed price, and sell it at a different price to the end-customer. When a wholesaler submits a chargeback to claim this difference amount, validation is done to check whether this difference amount is accurate. This is done by checking the price, which the wholesaler has originally paid for the products that he has purchased from the manufacturer. This can be through data in the order management System and corresponds to the last order price for the respective products. Validation is automatically done and the calculated chargeback is displayed. You may process the chargeback based on these calculations, or you may change the calculated chargeback and then process it further.

- Price list verification

A price list specifies the price that must be offered to a customer. Chargeback lines refer to the price list that is used to calculate and offer the selling price to the customer. If the chargeback transaction does not quote any price list, then the chargeback is not

processed. However, if the chargeback line includes a price list, verifications are automatically made to check whether the:

- Price list is valid on the invoice date indicated on the chargeback data

  - Customer is specified in the chargeback, and that the sale price is valid

The market eligibility of the agreement lists all members who are eligible for the price. Price Lists can be directly linked to an end-customer or with a buying group to which the customer belongs.

Chargeback Tolerances

The Administrator can set thresholds limits for discrepancies in chargeback submissions. When a wholesaler submits a chargeback transaction, the Processing Engine checks whether the chargeback amount sent by the wholesaler matches the amount that is calculated by your organization. If the discrepancy is within the tolerance levels set, then the chargeback is paid. If the difference is more than the tolerance level, then the chargeback transaction is considered as a disputed one, and is not processed. Tolerances can be set up for individual wholesalers in their Trade Profiles. Tolerances can also be set in System Parameters whereby the same tolerance level will be applicable to all wholesalers who deal with your organization.

Tolerances can be set in terms of either a percentage or an amount for every chargeback transaction (header tolerance), and every chargeback line (line tolerance) in a chargeback transaction. Chargeback tolerances can be either:

- Positive: amount claimed by the wholesaler is more than the manufacturer's calculation

- Negative: amount claimed by the wholesaler is less than the manufacturer's calculation

Depending upon the implementation setups in your organization, you may override chargeback tolerances while processing the transaction. When you override a tolerance, the system tracks the action and keeps a record of the tolerance being overridden.

Tolerances are used as follows:

- After a wholesaler submits a chargeback transaction, chargeback lines are checked against line tolerance.

- After all the lines are checked, the amount for all those lines which are marked as within tolerance, are added. This amount is again checked against header tolerance.

- If the total amount is still within header tolerance, all lines that are marked as below header tolerance will be processed. If the total amount is greater than header tolerance, you must uncheck some of the chargeback lines to be processed even though the lines may fall within line tolerance.

For example, in a manufacturing organization, tolerance levels are set as follows:

Header tolerance = $100 Line tolerance = $50

A wholesaler submits a chargeback transaction with three lines as shown below:

Wholesaler's claim	Manufacturer's calculation	Difference Amount
$300	$350	$50
$450	$550	$100
$400	$400	-NA-
$400	$600	$200

In this case, the first two lines are within line tolerance. In this case, the total of difference amount of the lines is calculated based on only those lines that are marked within line tolerance. This means that the wholesaler is claiming an amount less than the manufacturer's calculation (Negative tolerance). Therefore, the batch will be considered as disputed. However, if users in the manufacturing organization have an option to override the tolerance level, they can override header tolerance and make payment.

Chargeback Reconciliation

After a chargeback is validated, chargeback processing occurs based on the implementation setups in your organization.

- The Administrator can set the option in System Parameters to accrue funds for chargebacks. This option determines whether chargebacks will debit up front accruals (created by offers or fully accrued budgets), or will simply calculate payment during chargeback processing. This option enables you to forecast the chargeback amount and accrue for it up front when sales orders are shipped to a wholesaler.

  For example, the previous year total sales of an organization was $10 million. The organization finds that for a particular wholesaler, the chargeback total was $1 million in the previous year. It therefore estimates that about 10% of this year's sales will again be claimed by the same wholesaler as chargebacks. To do this, the organization creates an accrual offer, or a fully accrued budget with a rate of 10% that gets calculated and accrued every time the wholesaler makes purchases in the current year. This pool of accruals will be used to make payments to the wholesaler.

  If this option is implemented, then:

  - The Utilized and Earned columns in the Budget increase whenever automatic

adjustments are made.

- The Paid column increases for the amount of the chargeback claim after approval.

To accrue funds for chargeback, you can create either of the following:

- Accrual offers (Accrual offers, Volume offers, Lump sum offers, or Scan Data offers).

- Fully Accrued Budget. While creating the budget, you must set the fully accrued budget to "Accrue to Customers" and check the Liability flag.

After the chargeback process, when payment is initiated for the chargeback submission, based on this option being checked, the following occur:

1. The system checks for existing accruals for these offers or fully accrued budgets.

2. If it finds chargeback accruals, then the market and product eligibility of the submitted chargeback transactions are matched with those of the offer. Payment is initiated only if these conditions match.

3. If there are multiple accrual records, then the oldest accruals are paid first.

   For example, the system tracks the following accrual records for a wholesaler:

Order Number	Order Date	Product	Amount
1	September 1, 2003	Product A	$100
2	September 2, 2003	Product A Product B	$200 $500
3	September 3, 2003	Product B	$300

   If the wholesaler submits a chargeback transaction for $250 for Product A, then $100 is paid against Order 1, and $150 is paid against Order 2. If the wholesaler submits a chargeback transaction for $400 for Product B, then $400 is paid against Order 2 only.

Automatic adjustments are made if funds in the accrual offer or the fully accrued budget are not sufficient to pay the chargeback amount. In the above example, if the wholesaler submits a second chargeback transaction for $500 for Product A, then because the balance accruals available for Product A is $50, an automatic adjustment up of $450 is made before creating the chargeback payment claim record.

However, if accruals are created by Lump sum offers with spread, then adjustments are made only if the chargeback amount is above the total lump sum amount.

For example, a Lump sum offer with spread is created for $100 for 100 days. Therefore an amount of $1 is accrued on a daily basis. The amount accrued on the 50th day will be $50. A wholesaler submits a claim for $100 on the 50th day of the offer, and the payment is made even though the amount is more than what has been accrued on the 50th day. However, if on the 60th day the wholesaler submits another chargeback transaction for $20, then because that total payment has already exceeded the total lump sum amount, an adjustment of $20 is made automatically.

However, if the amount claimed in the form of chargeback claims is lesser than the amount in the accrual offer or fully accrued budget, no automatic adjustments are made to decrease the amount in the offer or budget because additional chargeback claims may come in the future.

For example, if the available accruals for a product are $500 and a chargeback claim comes in for $200, no adjustments are made to decrease the available accruals.

All the claims, accruals, and adjustments that are created will have references to the chargeback transaction and lines to enable you to make reverse adjustments if required.

- If the option to accrue funds for chargebacks is not implemented, then the Administrator can specify the budget source as a profile value. Accruals for the chargebacks are created and associated on the claim payment record. The amount for each chargeback line is posted against the budget. The Utilized and Earned columns are increased accordingly. The Paid column gets updated after the claim is approved.

Irrespective of the implementation setups, the budget posting contains the following information which can be used to refer back in case of disputes:

- Wholesaler number (internal account number in TCA)

- Order number and order date

Chargeback Settlement

If chargeback validation is completed successfully, a single chargeback claim is automatically created against the chargeback transaction. In the Chargeback Claim page, you can view the claim that is created to settle the transaction. If there are any disputes, the Administrator can initiate a claim for lines that are without disputes. Chargeback earnings are automatically associated to the claim.

For example, a wholesaler submits the following chargeback claim:

Customer	Product	Requested Amount
A	X	$1,000
B	X	$800
A	Y	$200
B	X	$1,200

As the first step, the chargeback engine processes this transaction and posts adjustments against the budget as follows:

Customer	Product	Requested Amount	Processed Amount	Budget Utilization (Earned and Utilized)
A	X	$1,000	$1,000	$,000
B	X	$800	$800	$800
A	Y	$200	$200	$200
B	X	$1,200	$1,200	$1,200

As the next step, a chargeback claim is created and earnings shown in the above table are automatically associated to claim lines. A credit memo is raised to settle the claim.

The settled claim looks as shown below along with other details such as the Claim number, Name of the Wholesaler organization, and Credit Memo number.

Product	Amount	Associated Earnings
X	$3,000	$1,000 $1,200 $800
Y	$200	$200

If there are errors or disputed lines in the claim, they can be corrected, and the chargeback transactions can be reprocessed. If they are reprocessed after settlement, then a new claim is created and the previous budget adjustments are adjusted and accounted accordingly.

The claims, accruals, and adjustments that are created have references to chargeback transactions. This enables you to create reverse adjustments. The accrual adjustments that are created include references to the chargeback. Claim lines are automatically associated to the chargeback accruals. You can view details of the chargeback submission from the claim.

After the claim is settled, the system generates a message that includes information on adjusted lines, lines with errors, credit memo number, and claim number. Depending upon the System Parameters setting in your organization, one of the following occurs:

- The message is automatically sent to the wholesaler

- You can manually send the message to the wholesaler by clicking Send Outbound Messages

However, regardless of the System Parameters setting, automatic messages are sent to wholesalers when chargeback claims are created.

Transaction data is maintained to ensure accuracy and to resolve disputes in future.

Chargeback Statuses

The following table describes the various statuses that a chargeback transaction may go through during the chargeback processing cycle.

Chargeback Statuses

Status	Description
Open	The chargeback transaction has been imported and is ready to be processed.
Disputed	After the chargeback transaction has been imported, if the information is not accurate in any of the chargeback lines, the chargeback status appears as Disputed. You can modify the data in the disputed lines and process them. After you modify the data. the chargeback status changes from Disputed to Open.
Processing and Processed	After you initiate data processing, the chargeback status changes to Processing and then to Processed. This means that the chargeback submission has been processed successfully and the funding budget has been updated. You can initiate payment for the chargeback transaction only when it is in the Processed status.

Status	Description
Closed	The chargeback status changes to Closed after you initiate payment for the chargeback. A claim will be automatically created, and the claims user will receive a notification so as to enable completion of the settlement process.

Understanding Third Party Accruals

Third party accruals supports indirect accruals for end-customers in cases of promotional accruals and price differences. Third Party Accruals refer to the amount that is claimed in the following situations:

- Manufacturers deal indirectly with the retailers, who are the end-customers. Manufacturers may use third party accruals to offer incentives to promote sales to these indirect customers.

- Manufacturers may sometimes sell directly to the retailers (end-customers). But sometimes, when the manufacturer is out of stock, the retailers may have to buy products from a wholesaler. As a result of this, the end-customers must be compensated for the promotions they would have qualified for had they bought directly from the manufacturer.
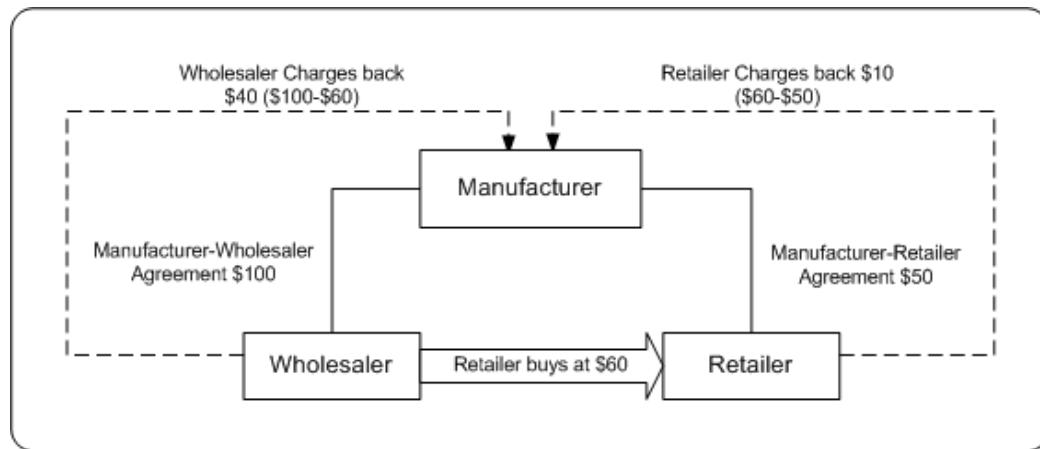
In the scenario above, a retailer buys a product for $60 from a manufacturer through a wholesaler. The price agreement between the manufacturer and the retailer is $50 for every unit of the product. The price agreement between the manufacturer and the wholesaler is $100 for every unit of the product.

The manufacturer incurs a chargeback for this transaction as below:

1. Wholesaler sells products at $60 to the retailer

2. Retailer has a price agreement with the manufacturer for $50

3. Pay back to retailer equals $10

Apart from these direct accruals, some of these purchases may be eligible for accruals if they had been directly purchased from the manufacturer. These accruals are posted against the customers. These indirect accruals are used against future deductions from end-customers.

Topics in this section include an overview of Third Party Accruals and the process flow.

Process Flow

The following figure illustrates the process flow for Third Party Accruals starting from request submission to request settlement.

Process Flow for Third Party Accruals
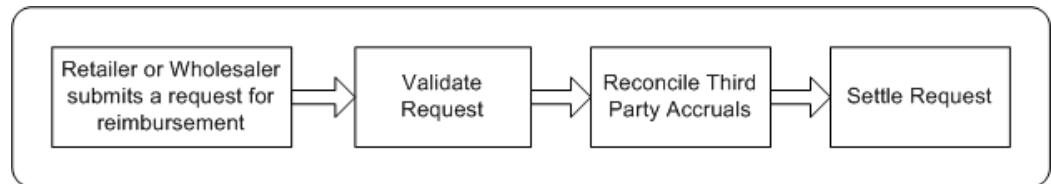
> **Note:** The submission and reconciliation processes, and tolerances are the same for Third Party Accrual data and Chargeback data. This section highlights the differences in the data processing for Third Party Accruals. For more information on submission, validation, tolerances, and reconciliation see Understanding Chargebacks.

Submission

Retailers may submit third party accrual requests (reimbursement requests) in the form of delimited files such as .csv files. You can import this data to into Oracle Trade Management by using the tool provided by WebADI, and process it further. If retailers want to change certain information in the third party accrual requests that were originally submitted, they can resubmit them.

Information regarding the end-customers such as sales, identification, product number and price is captured and stored for reporting and auditing capabilities. These indirect customers are created as parties and accounts in TCA. They can optionally have a "Customer of" relationship with the wholesaler. During third party accrual request submission, an API call is made to the Data Quality Management (DQM) application in TCA. Based on data checking rules that are set up in DQM, the chargeback system finds the corresponding party ID that has been set up in TCA. If the party does not exist, a new party will automatically be created in TCA.

The Administrator can configure different rules in DQM. The required options must be

set in System Parameters for the chargeback system to pass to DQM different rules. See the *Oracle Channel Revenue Management Implementation Guide* for more information.

Validation

After the third party accrual request submission is uploaded to Oracle Trade Management, the system checks whether the retailer is a valid party in Oracle Trading Community Architecture (TCA), and performs the following validations automatically:

- Item verification - The codes and IDs that a retailer uses for the third party accrual request may not correspond to the internal codes and IDs that are used by your organization. If reference information is mapped, then whenever a wholesaler or end-customer submits a third party accrual request, the chargeback engine automatically looks up the corresponding internal information.

- Price list verification - Verifications are automatically made to check whether the price list is valid on the invoice date indicated on the transaction data, and the buying price is valid.

- Offer verification - Third party accruals are created when the customers are eligible to receive accruals or incentives as specified in the offers that they are eligible for. If the retailer or end-customer has submitted the request, then validation is done to check if the end-customer is included in the market eligibility of the offer. If wholesalers have submitted the request on behalf of the retailer, then validation is done to check if the end-customers have been included in the market eligibility of an offer, and the wholesaler is the payout party. An indirect sales qualifier is available in the Market Eligibility section in offers, which restricts offers so that they apply only to indirect sales from the POS data that is received.

If any of these validations fail, the system will not process the third party accrual requests. Notifications are sent to the submitter.

Reconciliation and Settlement

If third party accrual request validation is successful, then the offers against which the third party accruals are claimed, are picked up by the pricing simulations of the Third Party Accrual concurrent process, and created as accruals against their respective sourcing budgets. The chargeback amount for each line is posted against a budget. The Administrator specifies the budget source as a profile value. Chargebacks are posted to this budget. The utilized and earned amounts of the budget are increased.

A third party accrual claim is automatically created against the request transaction. If there are any disputes regarding the third party accrual request transaction, the Administrator can initiate a claim for lines that are without disputes. Third party accrual request earnings are automatically associated to the claim.

Working With Chargeback and Third Party Accrual Transactions

Throughout this section, the terms "submission", and "transaction" are used for

representing both chargeback and third party accrual submissions.

Use the information in this section to:

- Import a transaction through Web ADI

- Batch Details

- View and update lines

- Accept disputed lines and process a submission

- Initiate payment for a transaction

Importing a Transaction Through WebADI

Wholesalers or retailers (in case of third party accruals) may send chargebacks or third party accrual transactions in the form of .csv files. They may also submit the transactions in the form of paper documents such as paper receipts. You can manually convert these paper documents into electronic format and upload the data by using the upload tool provided by WebADI.

> **Note:** You cannot upload Third Party Accrual batch from WebADI as Third Party Accrual is not one of the options under Batch Type in WebADI. To create Third Party Accruals, you must first upload a tracing batch and then run the Oracle Trade Management concurrent program OZF-TM: Third Party Accrual from Resale Table. This program creates a third party accrual based on the resale data in the OZF_RELEASE_LINES_ALL table>

To import a transaction through WebADI, log into Oracle Trade Management as Oracle Trade Management User.

As a prerequisite, customers must have submitted chargeback or third party accrual data.

Navigation: Indirect Sales Management > Chargeback > Import Batch.

1. Select Trade Management: Resale Layout from the Layout drop-down list and click Next.

2. Select None from the Content drop-down list and click Next.

3. Review the details and click Create Document.

    Wait until the Excel document is created. The Excel document that is generated appears as a template. The document will have two regions--the header region to enter the header information for the chargeback or third party accrual transaction; and a region below the header region where you can enter information for the

individual lines. A transaction can have any number of lines.

4. In the header region, enter the Batch Number (this should default if you are online and the macros are enabled) and select a Batch Type from the Batch Type drop-down list. Select Chargeback to create a chargeback transaction. The other options that are available are:

   Ship and Debit: To upload Special Pricing data.

   Tracing: If you select this option, the data will not be processed by the chargeback engine for validations, data conversions, or chargeback calculation. It will be used only for indirect inventory tracking purposes.

5. Enter the other details as required in the header region.

6. In the region below the header region, complete a row each for individual lines by entering the required details such as the end customer (ship to party, bill to party) details, item number, quantity, UOM, agreement name (pricelist between the manufacturer and the end-customer) and order details (the order # , order date and ship date for orders from the distributor to the end customer). Note that the information required will vary based on business processes. POS data mappings and layouts need to be defined to meet specific implementation needs.

   In the case where code conversion mappings have been defined, POS data needs to include the external codes in the columns beginning with 'Orig'. In this case, internal codes should not be used in the POS feed.

7. After entering all the information, in the Menubar, click Oracle > Upload.

   A confirmation message is displayed after the document gets uploaded successfully. If there are any errors in the document, the errors are listed at the line level and a the batch / line related information can be corrected in the .xls before you re upload the data

8. Click Close.

9. Navigate to Indirect Sales Management > Chargeback.

   You will see the transaction with the batch number that you had assigned to it while creating it. The transaction status appears as Open.

Batch Details

The Batch Details page displays all the essential details of a chargeback or third party accrual submission. :

What you can do

If the status of the submission is Open or Disputed, you can do the following:

- View and Update Lines

- Accept Disputed Lines and Process a Submission

- Initiate Payment for a Transaction

If the status of the submission is Processed or Closed, you can view the lines, and view the details of the submission such as processed lines, claims, notes, and attachments, by clicking the respective sub tab.

Viewing and Updating Batch Lines

After uploading a transaction, you can view the associated lines, and modify them. You can also view the associated claims, and add notes and attachments to the transaction. Sometimes, the transaction information may not be accurate. For example, the order number may be missing, or you may have selected a wrong pricelist. In such cases, the lines with inaccurate information are automatically marked as disputed. The transaction status appears as disputed if any of the lines are disputed. You can modify the data in the disputed lines and process them.

To view and update lines in a chargeback or third party accrual transaction, log into Oracle Trade Management.

Prerequisites

- Existing chargeback or third party accrual submissions with the status of either Open or Disputed.

- The submissions must have associated lines.

Navigation: Indirect Sales Management > Chargeback.

1. Click the batch number corresponding to the transaction.

2. Click **View Lines**.

   All the chargeback lines are displayed. For each chargeback line, you can see details such as the Dispute Code, Transfer Type, Invoice Date, Invoice Number and so on.

   > **Note:** You can personalize the chargeback batch lines view to display specific columns on the screen. Click **Personalize** to personalize the chargeback lines view.

3. If any of the lines are disputed, you can optionally add dispute codes to them. You can also edit the other fields as required.

4. Click **Apply** to save the changes that you have made.

5. Optionally, to view only the processed lines or only the disputed links, click the

Processed Lines or **Disputed Lines** sub tabs respectively.

6. Optionally, click the **Claims** sub tab to view the claims that are associated with the chargeback transaction.

7. Optionally, use the Notes sub tab to view existing notes, or to add new notes to the chargeback transaction.

8. Optionally, use the Attachments sub tab to add attachments to the chargeback or third party accrual transaction.

Processing a Submission

After you have verified that all the lines are accurate, you can process a chargeback or third party accrual submission. If there are any disputed lines, you can accept them, and process the submission. The associated budget gets updated accordingly.

To process a chargeback or third party accrual transaction, log into Oracle Trade Management as Oracle Trade Management User.

As a prerequisite, existing submissions with the status of either Open or Disputed.

Navigation: Indirect Sales Management > Chargeback.

1. Click the batch number corresponding to the transaction.

2. If the transaction has any disputed lines, you must first accept the disputed lines:

    1. Click View Lines. All lines are displayed. The disputed lines are highlighted.

    2. Click either Accept Claimed Amount or Accept Calculated Amount.

       Claimed Amount is the amount that the customer has claimed. Calculated Amount is the amount that you owe the customer as calculated by the system based on the chargeback engine validations. After you accept either amount, the chargeback lines will no longer be considered as disputed. The chargeback status changes from Disputed to Open. Note that you need to select the specific lines for which you plan to accept the calculated or the claimed amounts for processing.

       > **Note:** The Process button will not appear after you accept the disputed lines. To process the transaction after accepting the disputed lines, you must navigate back to the Chargeback Summary page and reselect the transaction.

3. If a transaction does not have any disputed lines, click Process to process the transaction.

The transaction status first changes to Processing and then to Processed. The Utilized column in the associated budget gets updated accordingly. You can review the budget by navigating to Budget > Budgets, and selecting the associated Budget.

Initiating Payment for a Transaction

You can initiate payment for a chargeback or third party accrual transaction after it has been processed successfully.

To initiate payment for a chargeback or third party accrual transaction, log into Oracle Trade Management as Oracle Trade Management Super User.

As a prerequisite, a transaction in the Processed status should exist.

Navigation: Indirect Sales Management > Chargeback.

Notes:

Click the batch number corresponding to the transaction, and click **Initiate Payment**. The transaction status changes to Closed, and a notification is sent to the claims user.

Indirect Inventory Tracking

Wholesalers may buy a number of products from your organization and store it as inventory. Wholesalers' inventory levels can be automatically tracked in Oracle Trade Management. This information is displayed at the Account Level in the User Interface. You can track the quantity of products that wholesalers have purchased from your organization and the quantity of products that they have sold.

> **Note:** The inventory changes are reflected in the UI based on the concurrent job 'Refresh Materialized Views for Inventory Summary' . Note that the Time Structures need to be defined prior to running the refresh programs.

The inventory level (in quantity) for a wholesaler is tracked as follows:

- Beginning Inventory

  The Administrator in your organization can set the period starting from when it would like to track the wholesalers' inventory levels. The starting period can be set only once for each wholesaler. Thereafter, the system automatically calculates the beginning inventory levels for the next period.

- Inventory In

  Inventory In stores information of all sales data and orders placed by the wholesaler. It includes details of all products that the wholesaler purchases from the manufacturer. This data is extracted from Oracle Order Management and gets automatically updated. Based on the setups in your organization, the sales data can

be converted to a common unit of measurement for products.

- Inventory Out

    Inventory Out stores information of all the indirect sales data that the wholesaler submits as a part of chargeback submission. It also stores information of sales orders with the source code of OM that are returned to the wholesaler.

- Adjustments

    You can manually and periodically adjust inventory levels based on validations from the wholesaler. You can adjust inventory levels only if you have the required access and responsibility. Adjustments can be either positive or negative. Adjustments are tracked and stored with information on the adjusted quantity, adjusted period, adjusted user, adjusted date, adjustment reason.

- Ending Inventory

    Ending Inventory provides information on a wholesaler's existing inventory levels at any point of time.

    Ending Inventory = Beginning Inventory + Inventory In - Inventory Out + Adjustments

Adjusting Indirect Inventory

To view and adjust indirect inventory, log into Oracle Trade Management as Oracle Trade Management Super User.

Navigation: Indirect Sales Management > Inventory Tracking > Adjust.

Notes:

- **Adjustment Date:** This is the date from which the adjustment will be effective.

- **Adjustment Quantity:** Enter a positive value to increase the inventory levels, or a negative value to decrease the inventory levels.

Inventory Summary

The Inventory Summary page displays all the essential inventory information of the selected customer organization. You can view details such as the customer number, start period, the products in the customer's inventory, and so on. See About Indirect Inventory Tracking for more information on the columns that are displayed. You can also adjust the customer's inventory level by clicking Adjust.

Special Pricing Requests and Soft Funds

Special Pricing and Fund Requests are features in Oracle Trade Management that are

also available in Oracle Partner Management. Special pricing enables partners (wholesaler organizations) to request the vendor organization (manufacturers) for a special price or discount to sell products that they have not been able to move, or to win a deal for a specific end customer, or to meet a competitor's price. Fund Requests enables partners to request the vendor for a budget to execute sales activities such as campaigns to promote the manufacturer's products. In other words the vendor requests for funds to execute trade promotion activities on behalf of the partner or the manufacturer.

Information in this section will enable you to understand and work with Special Pricing and Funds Request. For more information on these concepts, see the *Oracle Partner Management Vendor User Guide*.

Understanding Special Pricing

Special Pricing enables manufacturers (vendors) to streamline and automate the process by which retailers (partners) request discounts on high-volume, competitive sales deals. When a partner requires assistance to complete a sale in terms of pricing, they request you for a discount or a special price. A partner may also face competition from a competitor and can request you for a discount to win the customer. Information in this section will enable you to understand the Special Pricing process flow, and work with Special Pricing requests.

Process Flow

The following figure illustrates the special pricing process flow, starting from special pricing request submission to claim settlement.

Process Flow for Special Pricing
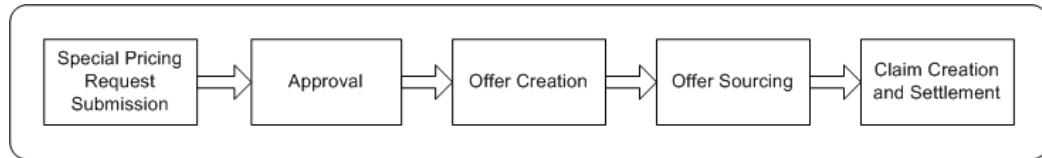
Special Pricing Request Submission

Partners or wholesalers request for a special price or discounts on competitive sales deals, specific end-customer deals, and on inventory that they have not been able to sell.

Approval

After an approver is notified of a special pricing request, the approver logs into the system, checks information on the request and either approves or declines the request. The status of the request changes accordingly. If any information is missing, the approver can decline the request. The partner may provide the missing information and resubmit the request.

Offer Creation

After the special pricing request is approved, an Accrual offer, an Off-invoice or Scan Data offer is generated and the system creates a budget request to source funds to reimburse the partner.

The type of offers created and whether resultant accruals are created upfront and then adjusted against point-of-sale data or created as point-of-sale data is received is based on the following criteria.

• Your setting for the OZF: Create Accrual on POS Receipt profile option

• If you choose to use existing inventory (ship from stock) or new inventory to ship the offer order.

If you enable the Ship from Stock check box when creating the special pricing request and set the OZF: Create Accrual on POS Receipt profile to No or to the default blank value, the system creates a scan data offer with accruals upfront and adjusts accrual earnings against point-of-sale data as the data is received, validated, and processed.

If you enable the Ship from Stock check box when creating the special pricing request and you set the OZF: Create Accrual on POS Receipt profile to Yes, the system creates an accrual offer and creates accrual earnings against point-of-sale data as the data is received, validated, and processed.

If you disable the Ship from Stock check box when creating the special pricing request, the system creates an off-invoice offer and applies this to direct sales.

Offer Sourcing

The offer sources funds from a budget in Oracle Trade Management after the budget request is approved, a notification is sent to the submitter notifying them of the approval.

Claim Creation and Settlement

After a sale is completed at the discounted price, the partner can submit a claim to collect payment. They can provide you the proof of sale and when you approve the request, an offer is generated.

Partners can submit claims either manually, online or through a POS file (Point-of-Sale file). Your settings for the OZF: Create Accrual on POS Receipt and the OZF: Auto Claim creation for POS profile options, as well as whether you choose to ship from the existing inventory or from new inventory for the offer determines if claim creation and settlement is automatic or manual.

• Automatic claim creation and settlement – In this case, accruals are created as point of sales data is received and validated and claims on these accruals created and submitted for approval and settlement.

  • Enable Ship from Stock check box when creating the special pricing request

  • Set the OZF: Create Accrual on POS Receipt profile to Yes

- Set the OZF: Auto Claim creation for POS profile to Yes

- Manual claim creation and settlement as needed – In this case, you can manually create claims and associate earnings or initiate payments for approved special pricing request batches

  - Enable Ship from Stock check box when creating the special pricing request

  - Set the OZF: Create Accrual on POS Receipt profile to Yes

  - Set the OZF: Auto Claim creation for POS profile to No

The claim is processed in Oracle Accounts Receivable Deductions and Settlement and the partner gets paid through check or on-account credit.

Special Pricing Request Submission

Partners can submit special pricing requests in two scenarios.

- Existing inventory: When a partner has already bought products and wants a discount for previous purchases. When they request for a special price or discount, and you approve it, they can proceed to make the sale to end-customers and claim the discounted amount by providing you the proof of sale.

- New inventory: When a partner requests a special price or discount for a new purchase and you approve it, they must book an order with you and further proceed to make the sale to the end-customer. After they complete the sale, they can provide the proof of sale to you and claim the discounted amount. You can either let the amount accrue or give it off the invoice.

Partners can make the following types of requests:

- Blanket Request: When partners have inventory in the warehouse and have not been able to sell it, they can ask for a discount to clear the unsold inventory.

- Bid Request: When partners want to win a deal for specific customers. In this case the end customer needs to be specified.

- Meet Competitor Quote: When partners want to match a competitor's price, they can ask you to reduce the price to complete a sale. In this case competitor information can be tracked.

Special Pricing Request Approval

After the approver in Oracle Partner Management receives notifications of the special pricing request, the approver checks information on the request and approves or declines the request. If it is a Meet Competitor Quote or Bid Request, the approver checks if there are existing requests from the same customer. If a request exists, then the

new requests (incoming request with the existing request) are linked.

After a special pricing request has been approved, budget requests are routed to the appropriate budget approvers (as defined in the approval process associated with the request). Before a special pricing request is approved, a default budget request is generated. If you are the approver, you can source the budget from one or many budgets. You can also drill into the budget tab and change the source of the budget.

If the Special Pricing Request approver does not specify the budget sourcing options during approval, the system automatically generates a default budget request. The approver can decide whether to use it or change it. This streamlines the approval process. If the approver specifies the budget sourcing options, the system generates budget requests based on the approver's changes.

The budgets can be approved manually or automatically. If the Auto-approval feature is set in Oracle Trade Management, budgets can be approved automatically.

Offer Creation and Sourcing

After the special pricing request is approved, one of the following offers is created. The type of offer that is created and how accruals are created depend on the following criteria.

- For Scan Data offer creation and upfront accruals,

  - Enable the Ship from Stock check box when creating the special pricing request. This means that existing inventory is used for the offer order.

  - Set the OZF: Create Accrual on POS Receipt profile to No or the default blank value. This ensures that accrual earnings that are created based on forecast are adjusted against the point of sales data as the data is received, validated, and processed.

- For Accrual offer creation and accruals on receipt of POS data,

  - Enable the Ship from Stock check box when creating the special pricing request

  - Set the OZF: Create Accrual on POS Receipt profile to Yes. This ensures that accrual earnings are created against the point of sales data as the data is received, validated, and processed.

When a budget request is approved,an Accrual offer is generated and applied when the partner makes a sale from new inventory.

When the partner makes a sale from new inventory, a unique offer number will be generated and displayed in the user interface. When requests are approved with Off-invoice offers, this offer number can be used while placing orders. When the partner makes a sale from existing inventory, the offer number is the same as the agreement number displayed in the user interface.

Special Pricing Request Settlement

After a sale is completed at a discounted price, the partner may claim the amount either by submitting a claim, or by short paying an invoice. These claims and deductions are settled through Oracle Accounts Receivable Deductions Settlement. To settle these claims automatically without any manual intervention, set the OZF: Auto Claim Creation For POS profile to Yes. If you set this profile to No, you must manually create the claim and settle it. Note that the Special Pricing requests are now striped by Org.

When partners submit claims, they can provide the proof of sale. Partners can submit claims either manually, online or through a POS file (Point of Sale file) in one of the following ways:

- E-mail or fax: When partner submits a claim through e-mail or fax, the special pricing user can look up the request and approve or decline the claim. This is a manual process and data will need to be uploaded into the system to enable data processing.

- Online: When the claim is submitted online, the system notifies the claim approver who reviews the claim and approves or declines the claim.

- As a POS file: Each POS file has a type of either Chargeback or Special Pricing. If the POS file is of type Special Pricing, claims are automatically generated from the claim data included within the POS file.

If the claim request is approved, a claim is automatically created in Oracle Accounts Receivable Deductions Settlement. If the partner short pays an invoice, then it is treated as a deduction. If you set the OZF: Auto Claim Creation For POS profile to Yes , claims are settled automatically. You can make payments either in the form of a cheque or an on-account credit. For more details on claims and claim settlement methods, see the *Oracle Accounts Receivable Deductions Settlement Implementation Guide*.

After the claim requests are settled, the committed, utilized, and earned columns in the budget get updated accordingly. Budget checkbook view gives you the exact status of the funds at any point of time. This also depends on the execution of the Funds Accrual Engine. You can view all the special pricing offers that are associated with the budget by drilling down the paid columns in the budget. See the Budgets chapter for more details.

Special Pricing Request Statuses

Special pricing request statuses enable you to know the exact status of a special pricing request. The following table describes the various statuses that a special pricing request may go through.

Special Pricing Request Statuses

Status	Description
Draft	A request has been created but has not yet been submitted for approval. A request in the Draft status can be edited.
Pending Approval	The request has been submitted for approval. From Pending Approval, the status may change to either Declined or Approved. You cannot modify the information in the request after you submit it for approval.
Approved	The status changes to Approved if all the approvers approve the request.
Declined	The status changes to Declined if either the special pricing approver or the budget approver declines the request.
Archived	This means that the request has been archived.
Cancelled	The status appears as Cancelled if the request has been cancelled.

Understanding Soft Funds

The Funds Request functionality enables vendors to set aside funds to support the trade promotion activities of a partner. By assisting partners financially, a partner remains motivated and this also helps in building loyalty. The vendor can provide funds for specific time periods and base it on fiscal periods of their organization. Information in this section will enable you to understand the funds request process flow. It also describes the various statuses that a soft fund request can go through.

The following figure illustrates the soft fund process flow, starting from soft fund request submission to claim settlement.

Process Flow for Funds Request

Funds Request Submission

A partner requests for funds request to execute certain trade promotion activities on behalf of the vendor.

Fund Request Approval

When partners submit soft fund requests, they must first be approved by the vendor approver. Approvers are internal employees or vendors that are defined in AME. They are notified based on rules defined in AME. When the approver receives a fund request notification, they review the request and check for duplicate requests. The approver may either accept or decline the request.

If it is a valid request, the vendor approver checks whether the requested fund amount is feasible or not. If it is not feasible, or if the approver requires extra information to be able to approve the request, the approver returns the request and asks the partner to provide additional information. When the partner resubmits the request after providing the additional information required by the vendor, the request is routed to the first level approver defined in Oracle Approval Management. If the fund request is approved, a budget request is submitted to source funds from a budget in Oracle Trade Management.

Budget Sourcing

After the vendor approver approves the fund request, the soft fund sources funds from a budget in Oracle Trade Management. The budget source is specified as a profile value and the system creates a budget request to source funds from this budget. If the Auto-approval option is set, then the budget request is automatically approved. If the Auto-approval option is not set, then the request is routed to the budget approver.

The budget approver reviews the budget request and may approve or decline the request. If the budget approver approves the request, a notification is sent to submitter notifying them of the approval.

Claim Creation and Settlement

After the budget request is approved and the partner has executed the desired activity, they can submit a claim to redeem the funds. They can specify the actual amount spent on the activity and the amount claimed for the activity. When the vendors submit claims, the system notifies the claim approver in Oracle Trade Management. The claims approval flow begins and the claims approver verifies the claim information and approves the request. If Autopay has been implemented, then the partner or the wholesaler will be paid automatically; otherwise, you, the claims user can manually settle the claims by associating earnings and choosing a payment method. You can pay the partner either through on-account credit memo, or by check.

After the claims are settled, the committed, utilized, and earned columns in the budget get updated accordingly. The budget checkbook view gives you the exact status of the funds at any point of time. You can view all the soft fund requests that are associated with the budget by drilling down the paid columns in the budget. See the Budgets chapter for more details.

Process Flow

The following figure illustrates the soft fund process flow, starting from soft fund request submission to claim settlement.

Process Flow for Funds Request

Funds Request Submission

A partner requests for funds request to execute certain trade promotion activities on behalf of the vendor.

Fund Request Approval

When partners submit soft fund requests, they must first be approved by the vendor approver. Approvers are internal employees or vendors that are defined in AME. They are notified based on rules defined in AME. When the approver receives a fund request notification, they review the request and check for duplicate requests. The approver may either accept or decline the request.

If it is a valid request, the vendor approver checks whether the requested fund amount is feasible or not. If it is not feasible, or if the approver requires extra information to be able to approve the request, the approver returns the request and asks the partner to provide additional information. When the partner resubmits the request after providing the additional information required by the vendor, the request is routed to the first level approver defined in Oracle Approval Management. If the fund request is approved, a budget request is submitted to source funds from a budget in Oracle Trade Management.

Budget Sourcing

After the vendor approver approves the fund request, the soft fund sources funds from a budget in Oracle Trade Management. The budget source is specified as a profile value and the system creates a budget request to source funds from this budget. If the Auto-approval option is set, then the budget request is automatically approved. If the Auto-approval option is not set, then the request is routed to the budget approver.

The budget approver reviews the budget request and may approve or decline the request. If the budget approver approves the request, a notification is sent to submitter notifying them of the approval.

Claim Creation and Settlement

After the budget request is approved and the partner has executed the desired activity, they can submit a claim to redeem the funds. They can specify the actual amount spent

on the activity and the amount claimed for the activity. When the vendors submit claims, the system notifies the claim approver in Oracle Trade Management. The claims approval flow begins and the claims approver verifies the claim information and approves the request. If you set the OZF: Auto Claim Creation For POS profile to Yes, then the partner or the wholesaler will be paid automatically; else, you, the claims user can manually settle the claims by associating earnings and choosing a payment method. You can pay the partner either through on-account credit memo, or by check.

After the claims are settled, the committed, utilized, and earned columns in the budget get updated accordingly. The budget checkbook view gives you the exact status of the funds at any point of time. You can view all the soft fund requests that are associated with the budget by drilling down the paid columns in the budget. See the Budgets chapter for more details.

Fund Requests Statuses

Fund Request statuses enable you to know the exact status of a soft fund request. The following table describes the various statuses that a soft fund request may go through.

Fund Request Statuses

Status	Description
Draft	A request has been created but has not yet been submitted for approval. A request in the Draft status can be edited.
Pending Approval	The request has been submitted for approval. From Pending Approval, the status may change to either Declined or Approved. You cannot modify the information in the request after you submit it for approval.
Returned	The request has been returned by approver asking for additional information.
Return Request	Request has been returned when information or collateral is missing and the return reason is Collateral Submission Required.
Approved	The status changes to Approved if all the approvers approve the request.
Declined	The status changes to Declined if either the special pricing approver or the budget approver declines the request.
Archived	This means that the request has been archived.

Status	Description
Closed	The status appears as Closed if the request has been archived after "x" days. The date is greater that the waiting period that is specified in the system profile. The status gets changed to Closed after "x" days by running a concurrent program.
Deleted	The status appears as Cancelled if the request has been cancelled.
Void	The status appears as Void if the request has been cancelled by a vendor super user in the vendor or wholesaler organization.
Cancelled	The status changes to Cancelled if a super user cancels the request when it is invalid.

Working with Special Pricing Requests and Soft Funds

Use the information in this section to:

- Create and submit a Special Pricing or a Soft Fund request, page 7-34

- View and edit Special Pricing request details, page 7-35

- Approve, reject, or reassign a Special Pricing or a Soft Fund request, page 7-36

- Approve a budget request for Special Pricing or Funds request, page 7-37

- Submit a Special Pricing request or Soft Fund request claim, page 7-37

- Settle a Special Pricing or a Soft Fund Claim, page 7-38

- View claims and budgets associated with a Special Pricing or a Funds Request, page 7-38

Creating and Submitting a Special Pricing Request

Special Pricing requests can be created in Oracle Partner Management and also from Oracle Channel Rebate and Point-of-Sale Management.

To create a special pricing request from Oracle Channel Rebate and Point-of-Sale Management, log into Oracle Trade Management as Oracle Trade Management User.

Navigation: Indirect Sales Management > Special Pricing Request > Create.

Notes:

- **Requester's Name:** Enter the name of the contact person in the wholesaler

organization.

- **Ship From Stock check box:** This check box determines whether you will make the sale from new inventory or from the existing inventory.

- **End Customer:** Enter the name of the customer to whom the wholesaler intends to sell the products.

- **Products:** Enter the details of the products for which you would like to request for a special price or discount. Complete a row for each product.

After you submit the request for approval, the status changes to Pending Approval. The special pricing request approver receives a workflow notification.

> **Note:** The special pricing request does not require approval if you are the creator and approver according to the special pricing request approval rules.

Viewing and Editing Special Pricing Request Details

After creating or uploading a special pricing request, you can view the information associated with the request and modify the data.

To view and update special pricing request details, Log into Oracle Trade Management as Oracle Trade Management User.

As a prerequisite, a special pricing request in the Draft status should exist.

Navigation: Indirect Sales Management > Special Pricing Request.

Notes:

Click the **Details** icon corresponding to the special pricing request and modify the data as required. You can also add new notes or attachments by using the respective sub tabs.

Creating and Submitting a Fund Request

Special Pricing requests can be created in Oracle Partner Management and also from Oracle Trade Management.

To create a funds request on behalf of a partner or a wholesaler, log into Oracle Trade Management as Oracle Trade Management User.

Navigation: Trade Planning > Soft Fund Requests > Create Request.

Notes:

- **Partner:** Select the wholesaler or distributor organization for whom you are creating the special pricing request.

- **Requestor's Name:** Select the contact person in the wholesaler organization.

- **Activity:** This field determines the activity that will be carried out with the fund.

- **Partner Contribution:** If the partner is contributing towards the fund, then enter the partner's contribution.

- **Ship From Stock:** This check box determines whether you will make the sale from new inventory or from the existing inventory.

- **Expense Breakdown:** This is the breakdown of expenses for the trade promotion activity. The 'Total' and 'Requested Amount' are amounts that will be utilized for an activity.

- **Performance Objectives:** This is the outcome that is expected for an activity. This information will enable you to measure the success of your trade promotion expenditure.

- **Products:** These are the products that will be promoted by the trade promotion activity.

- **Geography region:** These are the geographical regions where the trade promotion activity will be executed.

After you submit the request for approval, the status changes to Pending Approval. The special pricing request approver receives a workflow notification.

> **Note:** The soft fund request status does not require approval if you are the creator and approver according to the approval rules.

Viewing and Editing Fund Request Details

After creating or uploading a special pricing request, you can view the information associated with the request and modify the data.

To view and update special pricing request details, log into Oracle Trade Management as Oracle Trade Management User.

As a prerequisite, a special pricing request in the Draft status should exist.

Navigation: Trade Planning > Soft Fund Requests.

Notes:

Click the **Details** icon corresponding to the soft fund request, and make the required changes.

Approving or Reassigning Special Pricing or Fund Requests

If you are the approver for a special pricing request or a soft fund request, then you will

receive workflow notifications whenever a request is submitted for approval.

Use the following high-level procedure to accept, reject, or reassign a request.

Log into Oracle Trade Management as Oracle Trade Management User.

Navigation:

- Navigate to Indirect Sales Management > Special Pricing Request to approve, reject or resign a special pricing request.

- Navigate to Trade Planning > Soft Fund Requests to approve, reject or resign a soft fund request.

Notes:

Click the **Details** icon corresponding to the special pricing request or soft fund request, and approve, decline, or reassign the request as appropriate.

Approving Requested Special Pricing or Soft Fund Budget

After a special pricing request has been approved by the special pricing request approver, an off-invoice offer or an accrual offer is generated in the background. These offers must source funds from a budget to offer the discounts or the special price. Even in case of soft fund requests, funds must be sourced from an existing budget. The budget sourcing options for special pricing requests and soft fund requests are specified in System Parameters. If you are the owner of the budget that will fund these requests, then you will receive notifications if the Auto-approval feature is not set.

To approve a budget request for a special pricing or a funds request, Oracle Trade Management as Oracle Trade Management Super User.

As a prerequisite, an approved special pricing request or a funds request must exist.

Navigation: Workflow > Worklist or Home > Tools > View Notification Work List.

Notes:

From the list of open notifications, select the appropriate notification, and click **Approve**.

Submitting a Special Pricing Request or Fund Request Claim

If you have appropriate permissions you can submit claims on behalf of partners, to get reimbursed for the discounted amount.

To submit a special pricing or soft fund request claim, log into Oracle Trade Management as Oracle Trade Management User.

As a prerequisite, approved special pricing or soft fund requests should exist.

Navigation:

- Navigate to Indirect Sales Management > Special Pricing Requests to submit a

special pricing request claim.

- Navigate to Trade Planning > Soft Fund Requests to submit a soft fund request claim

Click the **Submit Claim** icon corresponding to the special pricing or soft fund request for which you would like to submit the claim.

Notes: Soft Fund Requests

- **Expense Breakdown:** Enter the amount spent for each activity. This gives a breakdown view of how and what exactly the funds have been spent for.

Settling a Special Pricing or a Fund Request Claim

After special pricing or soft fund claims are submitted, these claims are treated as all the other claims in Oracle Trade Management. If you are the claims user who is responsible for settling claims that are related to special pricing or funds request, then you must settle these claims from the Claims tab. Check and On-account credit memo are the two settlement methods that are available for special pricing and soft fund claims.

For the detailed procedures on how to settle claims with a check or a credit memo, see the Claims chapter.

Viewing Claims and Budgets Associated With a Special Pricing or a Funds Request

To view claims and budgets that are associated with a special pricing request or a soft fund request, log into Oracle Trade Management as Oracle Trade Management User.

Prerequisites:

- To view the associated budget, the special pricing request or funds request must have been submitted for approval.

- To view the associated claims, claims must have been created for the special pricing request or the soft fund request.

Navigation:

- Navigate to Indirect Sales Management > Special Pricing Request to view the view the budgets and claims that are associated with a special pricing request.

- Navigate to Trade Planning > Soft Fund Requests to view the budgets and claims that are associated with a soft fund request.

Click the **Details** icon corresponding to the special pricing request or soft fund request you would like to access.

Notes:

- **Claims:** Claims that have been created to settle the request are displayed here.

- **Budgets:** Budgets from which funds have been sourced for the request are displayed.

Deduplicating Customer Data

DQM approval is not required to happen during the approval of a special pricing request. It can happen at any time after approval of the special pricing request. The DQM approver can complete the DQM process by linking into the Special Pricing Requests area and performing a search on all requests that have not had DQM run. The DQM approver can choose to create a new end-customer or reseller account or use an existing account.

When a request is created, the end-customer name and reseller entered can be matched to an existing record in TCA.

If a duplicate record exists, the approver selects the existing end-customer or reseller or creates a new record and the system links the selected or newly created end-customer or reseller with the request. If a duplicate record does not exist, the approver creates a new record.

Use this procedure to check for existing end-customer or reseller records in TCA and to link the special pricing request to an existing TCA record or create a new one.

Prerequisites

None.

Steps

1. Log in as the vendor DQM Approver and navigate to Message Center Link > Message Center page. To be a DQM approver, you need to have the appropriate permission.

2. Click the hyperlink for a special pricing request. Potential duplicates are displayed.

3. If you find a duplicate end-customer or reseller, select the record and click Merge.

4. If you do not find a duplicate end-customer or reseller, click Create New Organization. The system will create a new record using the information hat you enter in the customer fields.

Referrals

Referral Management is a feature that is available in Oracle Partner Management whereby the partner (retailer or wholesaler) refers a business prospect, lead, or an opportunity to a vendor (manufacturer). If the referral results in an order, the partner can claim incentive for the referral. Wfhen partners claim incentives, offers and claims are automatically generated in Oracle Trade Management, and these claims are settled by the claims user. For more information on Referral Management, see *Oracle Partner*

Management Vendor User Guide.

Process Flow

The following figure illustrates the process flow for referrals, starting from referral submission to claim settlement.

Process Flow for Referrals
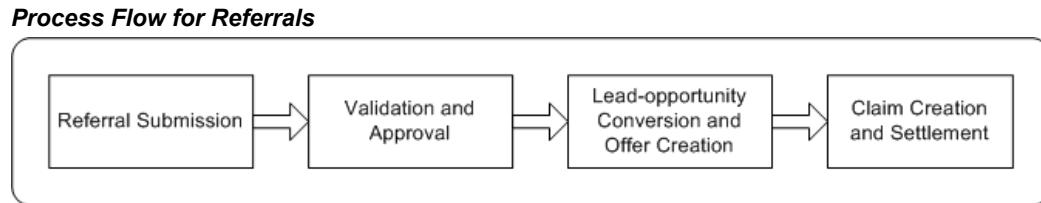
Submission

A partner submits a referral. Alternately, the vendor can also submit referrals on behalf of a partner. After a referral is submitted, it has to be approved by the appropriate person. If it is approved, a lead is created in the system. If it is rejected, the partner is notified accordingly.

Referral Validation and Approval

The approver reviews the referral, searches for duplicate referrals, and approves or declines the referral. Before approving the referral, the approver checks if the referral matches any existing referral, lead, opportunity, and contact.

Lead-Opportunity Conversion and Offer Creation

If the lead is converted to an opportunity and the opportunity results in an order, an offer is generated in Oracle Trade Management.

Claim Creation and Settlement

If a partner's referral results in orders in the system, they have to be compensated for the same. Whenever a referral results in a successful order, the partner accrues incentives accordingly. These accruals are accumulated in the partner's account. This offer sources funds from a budget. The Administrator specifies the budget source as a profile value. Accruals that are claimed by the partner are posted for orders that are placed and shipped. A claim is automatically created in Oracle Trade Management after shipments for the order are complete. The claim is routed to the claims user who views the claim and adjusts the claim amount if necessary. The compensation is posted to the partner for acceptance. If the partner accepts the claim, the claim is processed further and settled.

8

Account Manager Dashboard

This chapter covers the following topics:

- Overview
- Account Manager Flow
- Account Manager Components
- Using the Account Manager Dashboard
- Offer Evaluator and Offer Worksheet
- Quota Allocation
- Account Planning

Overview

This chapter provides an overview of the Account Manager Dashboard and explains how to use the Account Manager Dashboard features. It includes information on:

- The process flow for Account Manager Dashboard
- Account Manager Dashboard regions
- Offer Evaluator and Offer Worksheet
- Target allocation
- Account planning

Account Manager Flow

Trade planning involves planning the sales activities, and organizing resources to meet the sales objectives. It includes sales forecasting, analyzing business information, allocating targets, managing sales performance, and responding proactively to

changing business scenarios and conditions, to help maximize sales volumes.

Organizations face many challenges due to changing customer demands and dynamic business conditions. Trade plans are affected by untested promotional plans, unrealistic targets, and unproven goals and objectives.

You can use Account Manager Dashboard, an integrated planning tool in Oracle Trade Management, to plan and monitor the execution for trade activities. The Dashboard provides solutions to achieve everyday sales objectives, enabling you to:

- View historical sales information, forecast sales, and calculate the return on investments

- View sales targets and monitor sales performance

- View reports and statistics that give an overall view of the sales activities of the organization

- Create and evaluate offers to promote sales and achieve the desired return on investments

- Collect information on the sales performance of competitors' products, and view the relevant trends and reports

Account Manager Components

The following figure shows the Account Manager Dashboard process flow.

Process Flow for Account Manager Dashboard
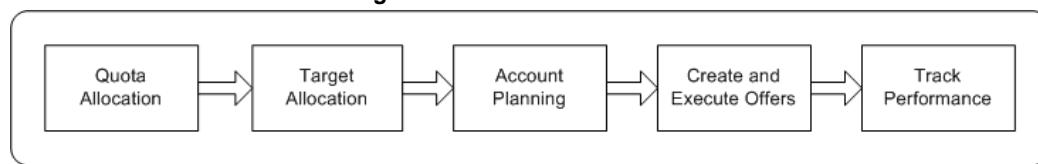
Quota Allocation

During the Quota Allocation, Sales Management allocate sales targets (by territories or products) to individual Sales Representatives of different regions and territories. The allocation is based on either the currency amount or product quantity.

Target Allocation

In Target Allocation the program automatically reallocates the Sales Representatives' sales target to their customer accounts and sites. Sales Representatives can view the target allocation by logging into the Account Manager Dashboard.

Account Planning

Based on the target allocation, the program automatically creates Account plans for each customer account. An account plan provides an overall view of the activities such as trade promotions, outstanding claims, competitive products, and all other activities that are related to the customer account.

Offer Creation and Execution

Use the Offer Evaluator and Offer Worksheet Summary to evaluate and create offers. First, use Offer Evaluator to search for an offer that fits specified criteria then copy the retrieved offer as an Offer Worksheet. You can use this Offer Worksheet to create new offers. When you create an offer from the Offer Worksheet, you can apply the following operations to the offer:

- Use the Discount Calculator to obtain a discount recommendation.

- Enter the performance requirements for the offer.

- Create an offer forecast.

Performance Tracking

Dashboard alerts are automatically raised whenever the sales performance is not according to the plan and expectations. During the target allocation and after the offer creation process, you can specify different graph parameters, view sales performance graphs, and analyze sales performance. Additionally, you can select one or more offers or campaigns, display them in the form of Gantt Charts and analyze them.

Retail Execution Monitoring

You can monitor the retail price information of products for each customer account. You can also monitor the performance and price changes of the competitive products in the market.

Using the Account Manager Dashboard

Account Manager Dashboard serves as a starting point for the trade planning activities in an organization. The Dashboard displays relevant links to the applications and information required to perform Trade Planning activities. The Account Manager Dashboard includes account, product and performance based reports that you can use to plan and evaluate performance based on allocated targets. You can access tools such as the Offer Evaluator and Offer Worksheet to create and evaluate offers to fetch the desired return on investments. You can also display the offers in the form of Gantt charts as well as perform retail performance capture activities.

Information in this section will enable you to:

- Understand Account Manager Dashboard regions

- Understand trade planning thresholds

- Capture retail pricing information

- View Budget Summary and Claim Summary reports

- Personalize My Accounts and My Products regions

For detailed information on any of the profile options or concurrent programs listed in this section, refer to the *Oracle Channel Revenue Management Implementation Guide*.

Personalizing the Dashboard and Related Links

You can personalize the Account Manager Dashboard in Oracle Trade Management according to your business requirements.

Prerequisites: Run the concurrent program Refresh Account Manager Dashboard to refresh the data on the dashboard.

1. Log in with Account Manager responsibility.

2. Click on Account Manager Dashboard.

3. Click on Personalize Page to access the Personalize Page: Dashboard where you can reorder links, add additional links, or hide links.

You can personalize the Related Links section on the Account Manager Dashboard using the Personalize link at the top of the Related Links region. You can reorder links, hide links or add new links.

> **Note:** This standard OA personalization capability.

Account Manager Dashboard Regions

The following sections describe each of the regions that you can see when you log into the Account Manager Dashboard.**Key Performance Indicators**

The Key Performance Indicators (KPI) region displays the overall product-specific total target number The target numbers that appear here are based on the target allocations that have been created by the Sales Management.

To personalize your indicators click on the Personalize Key Performance Indicators link.

Sales Performance

This area of the Account Manager Dashboard shows the sales performance graphs.

Related Links

You can personalize the Trade Management Dashboard by clicking the Personalize Related Links button. You can rearrange the order of the links, add additional links or hide links. Configurations are defined at the responsibility level by the Trade Manager Responsibility level. You can configure the following internal dashboard options in the Trade Management dashboard:

- Notifications (Workflow)

- My Tasks (CRM tasks)

- Calendar (CRM calendar)

- Offer Evaluator

- Offer Worksheet Summary

- Audit Retail Conditions (Renamed from Capture Retail Price)

- Discoverer Reports (links to Discoverer application. No reports are seeded)

- XML Publisher reports (links to XML Publisher application. No reports are seeded)

- Setting Up Claim Summary

- Quota Summary

- Budget Summary

- Products (links to Oracle Trade Management Product page)

- Customers (links to Oracle Trade Management Customer page)

My Accounts and My Products

Account managers with access to the dashboard can view budget utilized, earned, paid, and unpaid earnings for their customers on the My Accounts and My Products regions in the Account Manager Dashboard. You can use the personalization option to expose or hide these columns.

> **Note:** The utilized, earned and paid information is visible on the dashboard provided the customer accounts or sites fall within your territory, even if those balances belong to budgets to which you do not have any access. All Period Types will be available in General Ledger

Trade Planning Thresholds

Trade Planning thresholds are flexible alerts set by the Administrator to notify the sales team when business conditions change. For example, the Administrator can create a rule set to alert the sales team if it does not achieve its targets on time. This enables the sales team to take timely actions to improve its performance.

Trade planning thresholds can appear in one of the following ways and can be set up for quotas and budgets:

- **Notification Alerts:** When the threshold condition occurs in the specified start date and end date range, a notification is sent through Oracle Workflow based on the frequency indicated by the rule.

- **Dashboard Alerts:** Dashboard alerts appear as icons in the Account Manager Dashboard. When the threshold condition occurs in the specified start date and end date range, you see the icon that meets the condition in the dashboard every time you log in. The icons represent one of the following conditions:

    - **Acceptable:** indicated by a tick mark

    - **Warning:** indicated by an exclamation mark

    - **Not Acceptable:** indicated by a cross mark

Thresholds include threshold rule sets and threshold rules.

- A threshold rule set consists of one or more threshold rules. Each threshold rule set can have its own start date and end date.

- Threshold rules belonging to a threshold rule set can also have individual start dates and end dates, but these must fall within the start date and end date range of the threshold rule set.

- You can modify, extend, and personalize threshold rule sets and threshold rules based on the profile option settings made by the Administrator.

See the section titled *Set Up Threshold Rules for Quota Related Alerts* in the *Oracle Channel Revenue Management Implementation Guide* for more information on setting up thresholds.

Audit Retail Conditions

Retail price is the price at which a retailer sells your products to end-customers. Use the Audit Retail Conditions quick link to record the retail prices at which a specific retailer sells your products. Each retailer may sell your products at a different retail price. For example, Walmart may sell your product, Product A at $10.00, while Bigmall may sell the same Product A at $12.00. A history of the pricing information is also saved over

time and is available for review.

To capture retail pricing information, log into Oracle Trade Management with Account Manager responsibility.

Navigation: Account Manager Dashboard > Audit Retail Conditions

1. Click the Audit Retail Conditions quick link.

2. Select a Customer Name and Location.

3. To search for the retail prices at which a retailer sells a particular product, complete the following steps:

    1. Select a product from the Product LOV.

    2. Select a Product, and select the Start Date and End Date.

    3. Click Go.

    4. Optionally to add a new product, click Add Another Row.

    5. Select a product, enter the details as required, and click Apply.

Collecting Retail Performance Data

You can also use the Account Manager Dashboard to enter store level conditions that you can use to track retail store compliance with your promotional agreements with respect to facings, displays, and features.

Follow these steps to select a specific store and product category to audit.

Log into Oracle Trade Management with Account Manager responsibility.

Navigation: Account Manager Dashboard > Audit Retail Conditions

1. Enter a Customer Name

2. Select Location (Direct Distribution (DC) or Direct Store Delivery (DSD) from Location LOV. If you selected a Customer, the Location (stores) list is restricted to those stores assigned to that customer. Otherwise, the Location LOV shows all Locations for all customers in the territory. This is a required field.

3. Select Product Category from the Product Category LOV.

4. Enter audit date to retrieve data. The default is today's date.

5. Click Go to display a table listing all associated products in the category you selected. Additional data displayed includes Retail Price and Promotional Price, Facings, Display and Feature.

6. If the product you selected has not been audited before, the retail data and audited date remain blank.

7. The Select checkbox defaults to False for all products. If you edit any date field for a product, check the Select checkbox to indicate that the row was edited. Use the Select All and Select None check boxes to check or clear the Audit flag field of all displayed items.

8. Click the **Competitor Icon** to view a table of all competing products of the selected item with retail audit data on or before the Last Audit Date. The list displays the last reported data for each competitive product. You can also add a new competitor item to the competitive product master list from this screen.

9. Click the **History** icon to display a graph of data points you select for the product or competitive product originally selected. You can select the date range and metric to graph. Competitive item charts of price or promotional price also plot your product's price or promotional price for comparison. The default graph type is a bar graph.

Viewing Budget and Claim Summary Reports

To view Budget Summary and Claim Summary reports, log into Oracle Trade Management as Account Manager.

Navigation: Account Manager Dashboard > Budgets or Claims.

Notes:

- **Budget Summary:** This helps users to navigate to the budget overview without having to change user responsibility.

- **Claim Summary:** This helps users to navigate to the claims overview without having to change user responsibility.

Personalizing the My Accounts and My Products View

You can personalize the My Accounts and My Products regions to create new views and define the manner in which the information is displayed. You can hide or show regions and change the order in which regions are displayed. A view includes data display specifications such as the number of rows and columns that must be displayed. It also includes sort settings and search criteria to filter the data that is displayed in the region. You can create any number of views, but set only one of them as a default at any given time.

To personalize My Accounts or My Products regions, log into Oracle Trade Management as Account Manager.

Navigation: Account Manager Dashboard > User Profile.

Notes:

- **Personalize:** When you click Personalize, a list of all the pre-configured and personalized views that are applicable to the My Accounts regions are displayed. Select your desired default view and click Apply.

- **Create View:** Use this option to create a new view.

- **Sort Settings:** The data is sorted based on the options that you select here.

Offer Evaluator and Offer Worksheet

After the process of target allocation is complete, you can start planning to achieve your targets. You can use Offer Evaluator and Offer Worksheets to begin evaluating and creating offers to encourage the customers to buy products.

Information in this section will enable you to:

- Understand Offer Evaluator and Offer Worksheet

- Use Offer Evaluator to search and copy offers as Offer Worksheet

- Evaluate offers by using Offer Worksheet

Understanding Offer Evaluator and Offer Worksheet

Offer Evaluator enables you to search for a list of offers that fit specific criteria such as customers, products, territories, costs, and return on investments.

When you search by using the offer evaluator, all the matching offers are displayed. You can create an offer by using one of these offers, or visit the offer worksheet summary screen.

You can also apply the following operations to the list of offers returned from the Offer Evaluator:

- Export an offer as a .csv file, save the offer and send it as an e-mail attachment.

- Display selected offers in the form of a Gantt chart.

- Copy offers to the worksheet and create new draft offers, enter and modify discount values, and create forecasts for offers.

Each offer that is selected from the Offer Evaluator can be copied as an Offer Worksheet. Using the Offer Worksheet, you can create new offers of the following offer types:

- Accrual

- Off-invoice

- Lump sum

- Scan Data

- Trade Deal

When you create an offer from the Offer Worksheet, you can use the Discount Calculator to obtain the forecasted Return on Investment (ROI). The system generates a forecasted ROI based on the following details that you enter:

- The desired retail price point or percentage off the Manufacturer's Suggested Retail Price (MSRP) that you would like to reach

- The retail unit of measurement, the desired retail price, and the retailer's margin requirement

- The forecast units information.

Based on the price and margin information, the system calculates the appropriate forecast information by using the formula:

Retail Price = (1 plus customer margin) times list price time (1 minus discount value).

You can also enter your own discount values. The ROI information is automatically calculated based on this information. The ROI information enables you to predict the performance of new offers.

You can also specify the performance requirements for the offer. Performance requirements are the requirements that the retailer or wholesaler must meet to qualify for discounts that are defined in an offer. While volume requirements are computed by the system, performance requirements based on displays and facings must be updated and tracked manually.

Searching for and Copying Offers

You can use the offer evaluator to search for offers based on a specific criteria and copy these to the Offer Worksheet, log into Oracle Trade Management as Account Manager.

Navigation:Account Manager Dashboard > Offer Evaluator.

Notes:

- **Item Category:** Enables you to search for offers based on products or categories that are defined in the offer. The filter conditions apply to the selected views.

- **Qualifier Filter:** Enables you to search for offers based on qualifiers such as the customer name, bill-to and ship-to locations, buying groups, lists, or segments. The filter conditions apply to the selected views

- **Advanced Search:** Enables you to search for offers based on parameters such as the forecasted ROI, actual ROI, start date, and end date of the offer.

After all offers that match the specified criteria are returned, you can use the following options:

- **Gantt Chart:** Use this option to display offers in the form of a Gantt Chart.

- **Export:** Use this option to save the offer as a .csv file.

- **Copy to Worksheet:** Use this option to copy an offer as an Offer Worksheet. The selected offers are copied as Offer Worksheets and are displayed in the Worksheet Summary page.

Lump Sum Offer Type

You can create a Lump sum offer exclusively to offer incentives to your customers or retailers if they perform tasks or actions that have been agreed upon.

To create an lump sum offer worksheet, select Lump Sum from the Offer Type Drop down list in the Offer Details region on the Offer Worksheet page.

The following information applies to a Lump Sum Offer Worksheet page:

- In the header information the Committed Amount and Customer are required fields.

- In the Products tab :

    - In Distribution Type, select either Amount, Percent, or Quantity.

    - Level contains all available categories including Product and Category.

    - Distribution Value is either Amount or Percentage. If you do not provide a distribution value, the program allocates the committed amount evenly among all products.

    - Check the Exclude box to exclude categories or products.

Scan Data Offer Type

Scan Data offers commonly used in the Consumer Goods industry appear as manufacturer-sponsored coupons, consumer rebate programs, or discounts. Customers can redeem these coupons and avail discounts on certain products. The data is processed by third party clearing houses and passed on to the manufacturer who reimburses the retailer. Sometimes, the retailer submits the data directly to the manufacturer who validates it and reimburses the retailer.

To create a scan data offer worksheet, go to the Offer Worksheet page and select Scan Data from the Offer Type Drop down list in the Offer Details region.

The following information applies to a Scan Data Offer Worksheet page:

- In the header information the Committed Amount and Customer (Account, Bill-to, Ship-to, Buying Group) are required fields.

- In the Products tab :

  - Level contains all available categories including Product and Category.

  - Distribution Value is either Amount or Percentage. If you do not provide a distribution value, the program allocates the committed amount evenly among all products.

  - Quantity default is 1

  - Scan Type is POP Display, In-Store Coupon

  - When a Scan Data offer is created, forecasts are made regarding the scan units and values. Fill in the appropriate units and values respectively in Scan Unit Forecast and Scan Value Forecast. The budget allocated for the offer depends on the forecast value.

Net Accrual Offer Type

The net accrual offer type bypasses Advanced Pricing and directly processes order transaction data. Accruals are applied based on the net sales of a specific customer and product, rather than on invoiced sales. Net accrual offers can be used to establish price protection programs. They create utilization on sales that occurred in the past.

Steps

To implement net accrual offer types, run the following concurrent programs in this order:

1. AMS Web Execution: Refresh Offer Products and Parties

2. Net Accrual Engine

Set Up Net Accrual Rules

Net accrual rules are used to determine the net sales of product on which an accrual discount can be applied. These rules contain all the deductions that need to be considered on total sales of any product to arrive at the Net Sales.

For example, a sales representative sets up a deal with a customer that gives the customer a promotion of 5% based on sales to them in the previous quarter. As a part of the terms of this promotion, the sales representative wants to exclude the credit memos given to the customer in the previous quarter so as to arrive at a net sales figure. He can achieve that by creating net accrual rules and group them as a net accrual rule set. This rule set can be specified on an Offer of type Net Accrual.

Prerequisites

None

Steps

1. Log in to Oracle Trade Management and navigate to Administration > Trade Management > Trade Planning > Net Accrual Rules

2. Click Create.

3. Click **Update**.

You must also create and verify Net Accrual Rule Sets. See the Oracle Implementation Guide for additional information.

For information on Off-invoice offers and Trade Deal offers see Offer Types in Chapter 7 in this Guide.

Creating Offers Using the Offer Worksheet

After you copy an offer as a worksheet, you can evaluate and create offers that will give you the desired ROI. When you create an offer from the offer worksheet, you can use the Discount Calculator to obtain a forecasted ROI value. You can also enter your own discount values and modify them. You can enter the performance requirements for the offer, create an offer forecast, and create new offers.

To evaluate existing offers by using the Offer Worksheet, log into Oracle Trade Management as Account Manager.

Navigation: Account Manager Dashboard > Offer Worksheet.

Notes:

*   **Details:** Use this option to evaluate an existing offer worksheet. The Worksheet Details page picks information from the offer that was converted into the Offer Worksheet.

*   **Offer Details:** The information that you enter here will be used for creating the offer forecast.

*   **Offer Eligibility:** Use this section to specify the conditions on which the customers will be eligible for offers.

*   **Discount Calculator:** Use this option to obtain the forecasted ROI for the offer. Use this option to display the forecasted revenue, forecasted costs, and the forecasted ROI. You can use the ROI information to offer optimum discount. You can enter different discount values until you arrive at a desired forecasted ROI.

*   **Performance Requirements:** Use this option to define performance requirements for the offer:

- **Item Level and Item Name:** Select the product item or category for which performance requirements will be defined.

- **Start Date and End Date:** These dates determine the time period within which the requirement must be executed.

- **Required check box:** Select this check box to make it mandatory for the customer to enable claims settlement. This validation is not during offer application during the order booking process but is used during claim settlement.

- **Forecast:** Use this option to create an offer forecast.
  - **Forecast Basis:** Enables you to generate a forecast based on:
    - Custom Date Range: to generate the forecast for a given time period.

    - Last Year Same Period: to generate the forecast based on the sales achieved during the same period in the last year.

    - Offer Code: to generate the forecast based on the performance of another offer.

  - **Time Spread:** The time spread that you select determines how the forecast will be divided. For example, if you select the time spread as monthly, then the forecast will be divided on a monthly basis.

  - **Offer Code:** Select an offer code if you selected Offer Code as the forecast basis.

- Offers can be created or created and submitted for approval using the Save as Draft Offer button or the Save and Submit button.

  Note: You can optionally select or more worksheets from the Worksheet Summary page and click **Copy** to create duplicate copies of the offer worksheets.

  Note: Now you add the Budgets to the Worksheet.

Using the Discount Calculator

When you create an offer from the offer worksheet, you can use the Discount Calculator to obtain a forecasted ROI value. The system generates a forecasted ROI based on the following details that you enter:

- The desired retail price point or percentage off the Manufacturer's Suggested Retail

Price (MSRP) that you would like to reach

- The retail unit of measurement, the desired retail price, and the retailer's margin requirement

- The forecast units information

Based on the price and margin information, the system calculates the forecasted ROI by using the formula, Retail Price = (1 + (plus) customer margin) * (times) list price * (times) (1 - discount value).

> **Note:** You can also use baseline sales data and promotional lift factors to predict the performance of offer and promotional activities. They help you to better understand past promotion performance, determine the best offers to make, and forecast future sales. For more information, see Setting Up Promotional Forecasting in the *Oracle Channel Rebate and Point of Sales Management Implementation Guide*.

Quota Allocation

The trade planning process begins with the Sales Management allocating sales targets to the Sales Representatives in different territories and regions. Quota is the total sales target (in terms of money or quantity of products) that must be achieved in a specific time period. The process whereby the Sales Management sets sales targets for individual Sales Representatives is known as Quota Allocation.

For example, the Sales Management of an organization in US West sets a target of 1 million product units for their sales teams for the year 2004-2005. The Sales Management later allocates this quota to Sales Representatives in different US West territories such as California and Oregon, based on the sales performance and potential in each of these regions. In this case, 1 million product units is the quota, and the process by which this quota is allocated across territories is quota allocation.

The Sales Management can allocate targets by territories and by products. For more information on quotas and quota allocation, see Chapter 4, *Quota Allocation* in this guide.

Target Allocation

Information in this section will enable you to:

- Understand and work with target allocations

- Understand and work with product spreads

Understanding Target Allocation

Sales Representatives in one of the regions or territories to which the Sales Management has allocated the quota, will receive notifications when quota allocation is complete. Sales Representatives can use the Account Manager Dashboard to view their quota.

The allocated quota is automatically reallocated among each of the customer accounts. This automatic allocation is known as Account Allocation or Target Allocation. The target allocation worksheet provides a comprehensive view of how the quota has been allocated to each of your accounts and displays the targets that must be achieved for each of the accounts.

> **Note:** A customer account may have multiple bill-to and sold-to locations. The target allocation worksheet displays the targets for bill-to and sold-to locations. The rollup view of the customer account shows the sum total of all the targets that have been allocated to all of its bill-to and ship-to locations.

For example, the Sales Management of Vision Industries, USA has created a quota allocation for 1 million product units (Monitors, Keyboards, and Printers) for its sales teams for the year 2004-2005. They select a quarterly time spread. The quota that has been allocated to you, a Sales Representative in New York is 100,000 product units.

You are responsible for the customer accounts--Fabstore, Bigmall, Megastar, and Shopping World. You receive a notification after the process of quota allocation is complete. You log into the Account Manager Dashboard and view the Quota Summary. You can see that the quota allocated to you has been automatically reallocated among Fabstore, Bigmall, Megastar, and Shopping World. The target allocation worksheet will appear as shown below.

Target Allocation Worksheet

Account	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Fabstore	4,000	4,500	3,100	1,200	12,800
Bigmall	5,000	4,050	4,000	2,100	15,150
Megastar	7,500	3,900	1,650	3,000	16,050
Shopping World	10,500	11,600	8,500	25,400	56,000
Unallocated	0	0	0	0	0

Account	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Grand Total	-NA-	-NA-	-NA-	-NA-	100,000

Targets will be allocated based on the sales that were achieved during the same period in the previous year. If there is any unallocated quota, it is accounted for in a category known as Unallocated. If there is any quota that you are not able to achieve, you can justify it by using the notes feature.

You can also remove customer accounts or a bill-to or sold-to location from a target allocation. If you remove a customer account from a target allocation, the allocation is reconfigured accordingly. The target that was allocated to the specific customer account will be moved into the category--Unallocated.

For example, if you remove the customer account Shopping World from the target allocation worksheet, the new worksheet appears as shown below. Notice that the target that was allocated to Shopping World has moved into Unallocated.

Account	Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Total
Fabstore	4000	4500	3100	1200	12800
Bigmall	5000	4050	4000	2100	15150
Megastar	7500	3900	1650	3000	16050
Unallocated	10,500	11600	8500	25400	56000
Grand Total	-NA-	-NA-	-NA-	-NA-	100,000

For each of the customer accounts, you can view the product spread and the account plan.

Viewing and Modifying a Target Allocation

If you are the Sales Representative in one of the regions or territories to which the Sales Management has allocated the quota, you will receive notifications after the process of quota allocation is complete. The quota allocated to you will be automatically reallocated among each of your customer accounts. This allocation worksheet is known as Account Allocation or Target Allocation. You **cannot** modify the allocation numbers in the target allocation worksheet. However, you can remove customer accounts from the target allocation worksheet.

To view or modify a target allocation, log into Oracle Trade Management as Account

Manager.

Navigation: Account Manager Dashboard > Quota Summary.

Notes:

- **Account Allocation:** Enables you to view the target allocation of the selected account and quota. All the accounts that you are responsible for will be listed in the Target Allocations Worksheet page. The allocation will be based on the sales figures during the same period in the previous year. If there is any unallocated target, it will be accounted for in the general category--Others.

- **Recalculate:** Enables you to recalculate the allocation numbers after making changes.

- **Update Account Selection:** Use this option to remove a customer account or a bill-to or sold-to location of a customer account. Note that if you remove a customer account or a related bill-to or sold-to location, the corresponding allocation numbers are moved to the category--Unallocated.

Viewing the Product Spread

To view the product spread for a customer account or any of its bill-to or sold-to location, log into Oracle Trade Management as Account Manager.

Prerequisites:

- A quota must have been allocated.

- Products must have been defined for the quota.

Navigation: Account Manager Dashboard > Quota Summary.

Notes:

- **Target Allocation:** Use this option to view the product spread for a quota. All the accounts that you are responsible for will be listed in the Target Allocations Worksheet page. You can see that targets have been automatically allocated to each of the accounts. The business process view can be setup at the user level.

- **Product Spread:** Use this option to view the product spread of an account. To view the product spread for a bill-to or sold-to location of a customer account, first expand the customer account and then click the corresponding Product Spread icon. The product spread is based on the sales figures during the same period in the previous year. Unallocated products are accounted for in the general category--Others.

Account Planning

The account plan of a customer provides an overall view of the activities related to the

customer account. You can access information such as trade promotions, outstanding claims, details of competitive products, and all other activities that are related to a customer account. You can also forecast, plan, create, and evaluate trade promotion activities such as offers and campaigns, and evaluate potential returns.

Information in this section will enable you to:

- Understand the concept of Account Planning

- Display offers in the form of a Gantt Chart

- View sales graphs of an account

- Update retail pricing and details of competitors' products

Overview of Account Plan

After the process of quota allocation is complete, along with the target allocation, account plans are automatically created for each account. An account plan of a customer account includes the customer details, quota details, activity summary report, information about the retailer's performance, retail price points, and notes and attachments.

You can access the account plan for a customer by drilling down the customer account in the Account Manager Dashboard. The quota details that appear for each of the customers is based on the target allocation.

The Activities region in an account plan enables you to view all offers and campaigns that are associated with the customer account. You can view the offer details, budget details, forecasted units and the actual units of products that have been sold.

The Activities sub tab includes two regions--Manufacturer's Activities, and Retailer's Performances.

- **Manufacturer's Activities region:** You can use the offer evaluator and offer worksheet to create and evaluate offers to fetch the desired return on investments. You can view Gantt charts for selected offers, and view the sales performance graph of the account. You can select one or more offers and export them as a .csv offer by clicking **Export**.

- **Retailer's Performances region:** You can view the performance activities associated with the offer. If the performance requirements for an offer have been met, you can mark the offer accordingly by checking the respective Activity Completed check box.

For example, you may have an agreement with a retailer where the retailer will be eligible for a lump sum amount if the they display a poster of your new product in the showroom for a month. Displaying the poster is the performance activity that has been agreed upon. After you verify that the retailer has performed according to the agreement, you can mark the offer for completion of the activity.

Displaying Offers In a Gantt Chart

To select offers and display them in the form of a Gantt Chart, log into Oracle Trade Management as Account Manager.

Prerequisites:

- Target allocation must be complete.

- Customer accounts and offers must exist.

Navigation: Account Manager Dashboard > My Accounts region > Customer Account > Activity Summary sub tab.

Notes:

- **Activity Summary:** The Activity Summary sub tab displays the offers that are applicable to the customer's account. Select the offers that you would like to display in the form of a Gantt Chart.

Viewing Account Budget Utilization Details

A budget can fund many trade promotion activities. Funds from the budget are committed against each of these trade promotion activities, and are utilized over a period of time. The budget checkbook gives the status of the funds in a budget including the total, committed, utilized, earned, paid amounts, and the GL posting details of the budget.

A budget is utilized when you withdraw funds to execute trade promotion activities. The utilized, earned, and paid columns in the budget are updated during various stages of offer execution, and these columns enable you to track fund utilization.

In the My Accounts and My Products region of the Account Manager Dashboard you can view budget utilized, earned, paid and unpaid earnings. You can use the personalization option to hide or expose these columns. The columns include:

- Year to Date (YTD) Baseline (lesser of: forecasted baseline or YTD sales)

- YTD Incremental (greater of: 0 or YTD sales minus YTD baseline)

- This Month Baseline (lesser of: forecasted baseline or MTD sales)

- This Month Incremental (greater of: 0 or MTD sales minus MTD baseline)

- All Open Claims (Open Claims are linked to claims summary and are not available on My Products.)

- YTD Funds Utilized

- YTD Funds Earned

- YTD Funds Paid

- Quarter-to-day (QTD) Funds Utilized

- QTD Funds Earned

- QTD Funds Paid

- Month-to-day (MTD) Funds Utilized

- MTD Funds Earned

- MTD Funds Paid

- All Funds Unpaid

- All Open Claims

The utilized, earned, and paid information is visible on the dashboard provided the customer accounts or sites fall within your territory. This information will display even if those balances belong to budgets which you do not have access to.

The profile option OZF: Highest Period Level of Budget Utilization Payment Details determines if MTD, QTD, and YTD funds columns are hyperlinked to transactional details.

- If the profile value is YTD, then MTD, QTD, and YTD fund columns are hyperlinked to details.

- If the profile value is QTD, then MTD and QTD fund columns are hyperlinked to details. YTD fund columns display the totals but do not have a hyperlink to details.

- If the profile value is MTD, then MTD fund columns are hyperlinked to details. QTD and YTD fund columns display the totals but do not have links to details.

Funds Earned, Funds Utilized, Funds Paid Column Details

Links for Funds Earned, Funds Utilized, and Funds Paid provide visibility to the transactional details for that period, YTD or MTD. There is also a link to Order details. The scope is restricted to the Bill-To's and Ship-To's within your Territories.

Funds Unpaid Column Details

Links for Unpaid is all money currently due. The scope is restricted to the Bill-To's and Ship-To's within your Territories. There is also a link to Order details

Open Claims Details Use the Open Claims link to view the transactional details. The scope is restricted to the Bill-To's and Ship-To's within your Territories. There are also links to open claim details.

Viewing Sales Graphs of an Account

During the target allocation process and offer creation process, you can view the sales performance of the account in the form of a graph. You can select various combinations based on the customer and ship-to sites, product categories and products, and the time (start date and end date).

To personalize and view sales graphs for a customer account, log into Oracle Trade Management as Account Manager.

Prerequisites:

- Target allocation must be complete.

- Customer accounts and transactions must exist.

Navigation: Account Manager Dashboard > My Accounts region > Customer Account > Activities sub tab > Sales Analysis.

Notes:

- **Time Spread:** Enables you to display the graph based on time spread options such as monthly, quarterly, or yearly.

- **Item Type and Account Type:** The item type and account type that you select here determines the values for which you can generate the graphs. For example, if you select Item Type equals Products, and Account Type equals Accounts-Ship To, then all the products, and ship-to locations for the customer account are listed. Choose a combination of these values to generate the graph.

Adding a Note to an Account Plan

Use the following procedure to add a note to a customer's account plan.

Example
Prerequisites

An existing account plan.

Steps

1. Log into Oracle Trade Management as Account Manager, and click Account Manager Dashboard.

2. In the My Accounts region, drill down the customer account.

3. Click the Notes sub tab, and select a note type from the Type drop-down list. The note will be classified based on the type that you select. This will enable you to search for notes belonging to a particular type.

4. Type in any form of free text for the note.

5. Click Add to Notes. The note will be listed in the List of Notes region.

6. Optionally, complete the following steps to add an attachment to an existing note:

   1. Click the corresponding Update icon.

   2. Click Add Attachments in the Attachments page.

   3. Enter a description for the attachment.

   4. Select from one of the following options:

      • File: to add an existing file as an attachment.

      • Text: to enter text and add it as an attachment.

      • URL: to add a URL as an attachment.

   5. Click Apply.

7. Optionally, to delete a note, click the corresponding Delete icon.

9

Campaigns and Programs

This chapter covers the following topics:

- Overview of Campaigns and Programs
- Understanding Campaigns
- Understanding Programs

Overview of Campaigns and Programs

One of the biggest challenges for business managers is to envision and develop marketing programs for their products and services. To meet such a challenge, you can create and execute marketing activities with specific themes and goals.

Campaigns and Programs are key features of Oracle Marketing, but you can also access campaigns and programs from within Oracle Trade Management. This integration with Oracle Marketing enables the sales and marketing departments in your organization to effectively coordinate with each other to facilitate marketing and trade promotion activities. For example, the marketing department may plan for a campaign to advertise a new product. During campaign execution, they may also create offers to sell the product at a discounted price. You can use campaigns, and programs along with offers in business scenarios where the marketing and sales activities co-exist.

A campaign is a marketing activity, which primarily aims at promoting product sales and advertising products in the market to increase customer awareness.

This chapter gives you only an overview of campaigns and programs. For more information on campaigns and programs, see the chapters titled *Creating and Using Campaigns* and *Planning and Using Programs* in the *Oracle Marketing User Guide*.

Understanding Campaigns

In Oracle Marketing, a campaign is a collection of marketing activities that are designed to support a goal. A campaign is the medium for putting information about an organization's products, services, offers, and spreading messages to existing and

potential customers.

A marketing campaign consists of the campaign and its schedules. A schedule determines where, when, and how a campaign activity is executed. A campaign may have multiple schedules for different marketing channels, and for execution of a campaign over a period of time.

For example, Vision Mobile wants to promote their new wireless instant messaging. They create a campaign called "Wireless IM Promotion" and they add schedules under that campaign. They may add an outbound telemarketing component in which Telemarketing Representatives call a list of people to see if they want the new service. They may have a banner advertisement that promotes the service and directs people to a web registration page. They may also have an e-mail blast that goes out to a list of contacts, who can then click on a link to reach a Web registration page.

Through its life cycle, a campaign goes through a number of status transitions including Planned, New, Pending Theme Approval, Pending Budget Approval, and Active. For more details, see the chapter titled *Creating and Using Campaigns* in the *Oracle Marketing User Guide*.

Components of a Campaign

Campaigns are constructed using a wide variety of marketing objects. The basic components of campaigns are its theme, funding (budgets), execution (schedules), target audience (lists and marketing mediums), cost (costs), and effectiveness measuring devices (metrics). A campaign in Oracle Marketing is a planning tool, and you can create campaign schedules to execute it. For full details on Campaign Processes, see the chapter titled *Creating and Using Campaigns* in the *Oracle Marketing User Guide*.

Working with Campaigns

For detailed information on how to create a campaign and source a budget for a campaign see the chapter titled *Creating and Using Campaigns* in the *Oracle Marketing User Guide.*

Understanding Programs

Programs are umbrella objects that are used to combine different Campaigns, Events, Deals, Promotions and other objects into one entity. In a hierarchy of marketing objects, a program is at the top. All other objects can be a part of the program. In this way, a new product launch may have events, campaigns, promotions, advertising, trade management deals and more, all coordinated from one point in Oracle Trade Management.

For detailed information on creating a marketing program and adding components to a marketing program, see the chapter titled *Planning and Using Programs* in the *Oracle Marketing User Guide.*

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