

SOP Template: Price Quoting and Discount Approval Steps

This SOP details the **price quoting and discount approval steps** to ensure accurate and consistent pricing practices. It covers the process of preparing and verifying price quotes, criteria for discount eligibility, approval workflows, documentation requirements, and communication protocols with customers. The objective is to maintain pricing integrity, control discount approvals, and enhance customer satisfaction through transparent and standardized procedures.

1. Purpose

To outline the standardized procedures for preparing, approving, and issuing price quotes and discounts to customers, ensuring accuracy, compliance, and customer trust.

2. Scope

This SOP applies to all sales, account management, and customer service personnel involved in pricing, quoting, and discount approval processes.

3. Responsibilities

- **Sales Team:** Prepare and propose initial price quotes, document customer requirements, and request discounts when applicable.
- **Sales Manager:** Review and approve price quotes and discounts within delegated authority limits.
- **Finance Department:** Validate pricing accuracy and maintain records for audit purposes.
- **Executive Management:** Approve exceptional discounts beyond standard approval limits.

4. Procedure

1. **Quotation Preparation**
 - Gather product and service details and applicable pricing from the pricing database.
 - Complete the price quote template with required customer and product/service information.
 - Verify all calculations and terms.
2. **Discount Assessment**
 - Check if customer is eligible for discounts per the criteria outlined in Section 5.
 - If a discount is warranted, calculate proposed discount amount or percentage.
 - Document the business rationale for the discount request.
3. **Approval Workflow**
 - Submit the prepared quote (with discount rationale, if applicable) for approval as per the table below.
 - Receive written approval before sharing the quote with the customer.
4. **Documentation**
 - Save all quote documents and approval emails in the designated folder/CRM system.
 - Log all communication and approval details for audit trail.
5. **Customer Communication**
 - Send the approved quote to the customer with clear terms, expiration date, and contact information.
 - Record customer feedback and update quote/project status accordingly.

5. Discount Eligibility Criteria

- High-volume or bulk purchases
- Loyalty or repeat customers
- First-time buyers (introductory offers)
- Competitive price matching
- Seasonal or promotional campaigns
- Other business-justified reasons (must be documented)

6. Approval Workflow Table

Discount Range	Approval Authority	Required Documentation
0% - 5%	Sales Manager	Quote, Discount rationale
6% - 10%	Finance Department	Quote, Discount rationale, Manager's recommendation
>10%	Executive Management	Quote, Detailed justification, Approvals from lower levels

7. Documentation & Record-Keeping

- Retain all quotes, discount requests, approval emails, and customer communications in the CRM/system for a minimum of 2 years.
- Ensure all records are accessible for internal/external audit.

8. Communication Protocols

- All customer-facing communications must be professional, clear, and use the company's approved templates.
- Notify relevant stakeholders (sales, finance, management) of any significant or exceptional discounts granted.

9. SOP Review & Updates

- This SOP will be reviewed annually or as needed based on changes in pricing policy or market conditions.
- Revisions must be approved by management and communicated to all stakeholders.