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AutoPower Solution Brief:

Price Management

12 Automated Pricing Strategies for Heavy-Duty Aftermarket Businesses

Executive Summary:

Pricing is no longer a static administrative task. Market volatility, inflationary pressures, supply chain instability, aggressive competition, and shifting customer expectations have transformed pricing into a strategic discipline that directly impacts profitability and long-term growth. Independent heavy-duty parts distributors, remanufacturers, and service shops require tools that enable them to respond rapidly to changing market conditions while maintaining margin integrity and customer loyalty.

To address these challenges specifically, HD companies need integrated ERP solutions that provide a logical and highly flexible pricing framework capable of supporting complex pricing structures across single-site and multi-branch operations. Automated pricing updates throughout promotions, quotes, work orders, sales orders, and contracts are critical, helping to ensure consistency and operational efficiency across the organization.

Unlike generic ERP pricing tools, AutoPower created a solution tailored to the operational realities of heavy-duty aftermarket businesses, such as very high SKU counts, multiple customer classes, commodity price volatility, and core charges. It enables organizations to implement sophisticated pricing methodologies that protect margins, improve inventory movement, increase sales opportunities, and support customer-specific relationships.

The following brief examines twelve pricing strategies and explains how the AutoPower Price Management module contributes to improved operational performance and profitability for each.

Strategy #1: Customer-Specific Pricing

From fleet operators and municipalities to owner-operators and repair facilities, HD customer types vary widely—each accompanied with unique demands, situations and level of familiarity, and often necessitating specific pricing. Notably, HD businesses may consider discounted pricing for large fleet customers due to purchasing volume, while walk-in counter customers pay standard retail rates. Conversely, recurring service customers may receive pricing designed specifically for labor and installed-part transactions. AutoPower's Price Management module allows businesses to define up to ten different pricing levels for products, product lines, categories, and subcategories. Each customer can then be assigned a customized pricing structure based on negotiated terms, purchasing history, market segment, or strategic importance.

This strategy provides several operational advantages:

- Eliminates manual price adjustments
- Reduces pricing inconsistencies
- Improves customer retention
- Enables strategic account pricing
- Enhances sales efficiency

By automating customer-specific pricing rules, HD organizations can improve responsiveness while reducing pricing errors and administrative overhead.

Strategy #2: Contract Pricing

Contract pricing allows businesses to establish negotiated pricing agreements for specific customers over defined time periods. These agreements may include fixed prices, discounts, or percentages above or below designated price levels.

This strategy is critical for managing long-term HD relationships with large fleet customers, municipalities, government agencies, and national accounts. Organizations can tie pricing agreements to purchase commitments, enabling better forecasting and inventory planning. It also leads to:

- Improved customer loyalty
- Increased sales predictability
- Better inventory planning
- Reduced pricing disputes
- Enhanced margin control

AutoPower's system also monitors purchasing activity associated with each contract, allowing management to determine whether agreements should be renewed, modified, or allowed to expire. Since it is automated within an ERP environment, contract pricing is consistently applied throughout quotes, orders, invoices, and service transactions.

Strategy #3: Quantity Volume Pricing

In competitive aftermarket environments, volume pricing can become an important differentiator without sacrificing profitability. It enables HD businesses to establish pricing tiers based on purchase quantities. As customers purchase larger quantities, the system automatically applies predefined discounts using ascending quantity brackets, such as applying a 5% discount for every 10 units purchased.

This strategy encourages customers to increase order sizes, helping businesses improve sales volume and inventory turnover, reduce shipping and transaction costs, and achieve higher overall revenue.

The AutoPower module can notify sales personnel during order entry when higher quantity brackets are available, enabling upselling opportunities at the counter or through inside sales teams.

Strategy #4: Limited-Time Promotional Pricing

Whether clearing out old or slow-moving inventory, responding to market trends, supporting vendor specials or boosting cash flow during sluggish periods, promotional pricing enables businesses to create temporary discounts tied to defined date ranges, events, holidays, seasonal promotions, or inventory reduction campaigns. When integrated fully into sales and order processing functions, the automation eliminates manual pricing errors, reduces administrative labor, ensures consistent implementation, and improves marketing coordination.

AutoPower's system seamlessly automates promotional pricing during the designated period and then restores standard pricing once the promotion ends.

Strategy #5: Velocity Pricing

In an industry where obsolete inventory can quickly erode profitability, automated velocity-based pricing provides a major operational advantage. Velocity pricing enables organizations to adjust pricing strategically and dynamically based on demand characteristics such as slow-moving inventory, hard-to-find or rare components, coveted products, or carrying costs.

AutoPower utilizes inventory classifications such as A-B-C rankings to identify fast-moving, medium-moving, and slow-moving inventory, which can help HD businesses maintain healthier inventory positions while improving cash flow and warehouse efficiency.

Strategy #6: Gross Margin Management

Without margin controls, organizations risk unintentionally eroding profitability. This feature becomes increasingly important during inflationary periods when replacement costs fluctuate rapidly and when sales personnel attempt to discount products aggressively to close deals. The gross margin management functionality helps HD businesses essentially enforce minimum margin thresholds during pricing overrides and sales negotiations. To balance pricing flexibility with financial discipline, AutoPower's module establishes minimum acceptable margins at multiple levels, including company-wide, product line, and individual part number.

Gross margin management ultimately yields:

- Strengthened margin protection
- Reduced unauthorized discounting
- Improved pricing governance
- Greater profitability consistency
- Better sales accountability

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Strategy #7: Widespread Product Pricing

Instead of manually updating thousands of SKUs, HD companies can apply automated product pricing updates across large product groups or entire inventories based on:

- Vendor cost increases
- Market fluctuations
- Inflation adjustments
- Product line changes
- Strategic pricing initiatives

This capability dramatically reduces administrative workload, improves pricing accuracy, delivers faster response to market changes and enhances margin preservation. Likewise, in volatile markets, the ability to adjust pricing quickly can mean the difference between profitability and margin erosion.

Strategy #8: Percentage Pricing

In response to cost increases from suppliers, inflation adjustments, new product launches, or market repositioning—as a few examples—HD businesses may decide to boost pricing on select products or categories by a specific percentage. This strategy simplifies broad pricing adjustments while maintaining consistency throughout the pricing structure, and the automation found in AutoPower's module significantly improves the speed to market the new pricing and reduces the risk of human oversight.

Strategy #9: Matrix Pricing

Often, HD businesses need to implement scalable, repeatable pricing policies to address fluctuating variables such as manufacturer cost adjustments or emergency parts demands. Such application requires predefined rules across large product catalogs versus individual item pricing. ERPs with matrix pricing models provide the structure needed to manage these variables efficiently while maintaining profitability. Matrix pricing:

- Automates pricing for hundreds of thousands of SKUs;
- Protects gross margins by responding quickly to supplier cost changes;
- Maintains consistent pricing policies across products, customers and branches;
- Supports differentiated pricing for customer classes, product categories and competitive situations;
- Reduces pricing administration by replacing manual SKU-level maintenance with centralized pricing rules; and
- Improves responsiveness to changing market conditions without large-scale manual repricing efforts.

AutoPower's price field matrix automation simplifies the otherwise tedious management required to tackle these complex pricing scenarios on a recurring basis.

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Strategy #10: Work Order Pricing

In contrast to standard counter sales, HD service environments often require specialized pricing controls to eliminate margin leakage and unbilled revenue that can arise from manual entry or technician guesswork. Whether fleet service agreements pertain, labor-inclusive pricing varies, or emergency repair pricing differs—among a litany of other possible conditions—service shops need to rely on the accurate and automated application of pre-negotiated rates, bulk-pricing, or regional tariffs. AutoPower's module ensures pricing consistency throughout the service operation while supporting profitability objectives, KPIs, and customer transparency.

Strategy #11: Line-Item Change Controls

User-based overrides and approval authorizations are common guardrails HD businesses can employ for controlling pricing modifications at the transaction level. Management should be able to establish rules governing override permissions, acceptable discount limits, required approvals and margin thresholds while empowering employees to provide optimal support and efficiency. The pricing module from AutoPower balances that sales flexibility with financial discipline, enabling better pricing governance, reducing abuse, protecting margin and improving auditability.

Strategy #12: Management Visibility

Often, HD companies have not yet considered the importance of on-demand visibility into unauthorized price changes, excessive discounting, pricing anomalies, margin exceptions or override activity. With multi-branch operations in particular, this level of insight is essential for maintaining pricing consistency and profitability.

To support stronger internal controls and enable management to identify trends that may require corrective action, the AutoPower system includes a watchdog report to equip leaders with the ad-hoc insights.

Making Price Control a Growth Strategy

The AutoPower Price Management Module provides independent heavy-duty aftermarket businesses with a comprehensive and highly adaptable pricing platform capable of supporting modern pricing strategies in an increasingly complex market environment.

Its tightly integrated structure enables organizations to automate pricing decisions across sales, service, inventory, contracts, and promotions while maintaining centralized control and visibility. The result is a more agile, profitable, and operationally efficient business.

Learn how AutoPower's automated pricing management can maximize performance and profitability. Contact us for a free demo and consultation.

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About AutoPower Corporation

For nearly 50 years AutoPower has developed and refined ERP solutions for growth-minded companies in the commercial vehicle aftermarket, including:

- Single- and multi-branch truck and automotive warehouse distributors
- Heavy-duty vehicle service and repair centers
- Assembly rebuilders
- Truck and equipment installers
- Heavy-duty construction and farm equipment parts and service businesses

The AutoPower ERP system effectively unites five critical yet disparate operations under one umbrella: Accounting, Inventory Management, Sales and Price Management, Service and Reman, and Warehouse Management. This integration unlocks a host of benefits to ensure teams have access to the latest data to deliver the most cohesive, responsive, accurate information to customers.

This powerful integrated environment is supported by professional training, leading-edge hosting and superior support. It also offers a wealth of strategic capabilities critical to the success of aftermarket companies, such as core management, data analytics and ecommerce.