PGC DIGITAL · PRICING ON SAP · TEN-PART SERIES

Pricing is a CX pillar. One price truth for B2B, B2C and D2C.

Which SAP or third-party option to use when, the connected value chain from web shop to pocket price, one product across seven retail channels, channels, rebates and incentives, price rules, AI-driven pricing engines by industry, the data and AI layer, and the integration blueprint for SAP S/4HANA and SAP Commerce Cloud.



By Vinod Kumar Beli with Sappy · October 2026

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No customer is named in this series. Vendor capabilities and SAP certification status are from the public sources listed at the end of each post and change over time; confirm current editions and connectors with each vendor and with SAP. Illustrative figures are labelled.

PILLAR GUIDE · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

Pricing is a CX pillar: one price truth for B2B, B2C and D2C on SAP



Customers judge you on the price they see, the price they pay and the rebate they were promised. Here is how to make all three agree, across every channel, on SAP.

≈ 9 min read

B2B · B2C · D2C one price truth

THE PRICING SERIES

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Customers rarely complain about your features. They complain that the price on the website differed from the quote, that the rebate they were promised arrived three months late, or that a marketplace sold your product cheaper than your own shop. Each of those is a customer-experience failure, and each starts in pricing.

Pricing touches every moment of the journey: the price a buyer discovers, the quote a seller sends, the invoice Finance issues and the rebate the partner earns. When those four numbers come from four systems, trust erodes. When they come from one governed price truth, every channel tells the same story.

Four prices every customer experiences

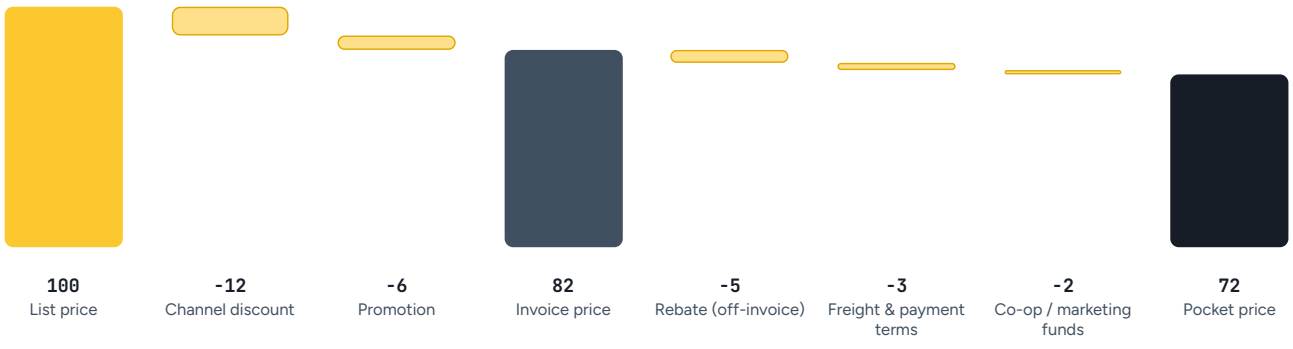
Discovered price
What the buyer sees on your site, a marketplace or a dealer portal

Quoted price
What a seller or CPQ offers, with discounts and approvals

Invoiced price
What SAP S/4HANA bills, from condition records

Pocket price
What you keep after rebates, freight, terms and funds

Where the money leaks



The price waterfall: from list price to the pocket price you actually keep. Illustrative figures, indexed to a list price of 100.

The gap between list price and pocket price is where margin hides: off-invoice rebates nobody accrued, freight absorbed for small orders, promotional funds paid without proof of performance. You cannot fix what you cannot see, so the first deliverable of any

pricing programme is a waterfall built from real invoice and rebate data.



SAPPY SAYS

Ask one question before any software: which system decides the price, and which one executes it? If the answer is “several of each”, that is your first project.

Decide in the engine, execute in SAP

The pattern that scales separates two jobs. A pricing engine (SAP’s own pricing, or a specialist platform) **decides**: price architecture, segments, guidance bands, promotions and rebate design. SAP S/4HANA **executes**: condition records, order pricing, billing, accruals and settlement. SAP Commerce Cloud and CPQ **present** the decided price at the moment of truth, in real time.

LAYER	OWNS	TYPICAL SAP / PARTNER COMPONENT
Decide	Price architecture, segmentation, guidance, promotions, rebate design, simulation	Pricing engine: SAP pricing, or a specialist such as Conga (PROS B2B), Pricefx, Vendavo, Zilliant, Enable
Execute	Condition records, order pricing, billing, rebate accruals and settlement	SAP S/4HANA SD pricing and condition contract management
Present	Real-time price in web shop, dealer portal, quote and sales app	SAP Commerce Cloud, CPQ, Sales Cloud V2
Learn	Transactions, costs, competitor and elasticity data; AI models	Data platform (SAP Datasphere, Snowflake or Databricks) with governed SAP data

A 90-day start

01

Weeks 1–3: Baseline

Price waterfall and leakage from 12 months of invoices and rebates

02

Weeks 4–6: Price architecture

Channels, corridors, segments, rules and approval thresholds

03

Weeks 7–9: Engine fit

SAP standard or a specialist engine, scored on your industry and channels

04

Weeks 10–13: Pilot

One product line, one country, published to S/4HANA and Commerce, reconciled weekly

Illustrative plan; timing depends on data readiness and scope.

Read the series

The ten posts that follow go one layer deeper each: which SAP and third-party option to use when, the connected value chain, one SAP sales order with every deduction, one product across seven retail channels, channels, rebates, rules, AI engines by industry, the data and AI layer, and the integration blueprint.

SOURCES

- SAP Learning: working with Settlement Management (condition contracts) ↗
- SAP Commerce Cloud: pricing, promotions and payments ↗
- Conga completes acquisition of PROS B2B business (2 Feb 2026) ↗
- Pricefx Optimized Dynamic Pricing premium certified for SAP S/4HANA (May 2024) ↗
- Vendavo: 2026 Gartner Magic Quadrant for B2B Pricing & Rebate Optimization ↗
- Enable achieves SAP Spotlight+ designation (Nov 2025) ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

DECISION GUIDE · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

SAP ERP pricing, SAP CPQ, a CAP service or a third-party engine: what each does, where it stops, and when you need all of them



S/4HANA executes prices well. Quotes, optimisation and special rules are where it stops. A plain-words guide to the four options and the architecture that uses them together.

≈ 9 min read

B2B · B2C · D2C one price truth

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"We already have SAP pricing, why buy anything else?" is the right question to ask first. SAP S/4HANA is very good at one job: calculating and executing the price on every order, delivery and invoice. Most pricing programmes go wrong when it is asked to do four other jobs as well.

Four options, four jobs

SAP S/4HANA pricing

Executes: condition records, order and billing pricing, rebates as condition contracts

SAP CPQ

Quotes: configure, price and approve complex offers for sellers and partners

CAP service on SAP BTP

Extends: a pricing rule or service you build side by side, keeping the core clean

Third-party engine

Decides: segmentation, optimisation, guidance, simulation and price management at scale

What SAP S/4HANA pricing does well

- **The condition technique**: condition types, tables, access sequences and pricing procedures, one calculation on every SAP document.
- **Execution you can audit**: the price on the invoice is the price calculated in S/4HANA.
- **Rebates** as condition contracts in Settlement Management, with accruals and settlement.
- **Replication**: condition records can be sent to external systems (initial load, direct or scheduled), so other channels price from the same truth.

Where SAP ERP pricing stops

BUSINESS NEED	WHY S/4HANA ALONE STRUGGLES	WHAT USUALLY FILLS THE GAP
Deciding the right price	Built to execute agreed prices, not to optimise them with elasticity, win-loss or segment data	Third-party engine
Guidance for negotiations	No floor / target / stretch bands or deal scoring for sellers in the standard sales order	CPQ with guidance from an engine
Complex configurable quotes	Quotations exist, but guided selling, proposal documents and partner quoting live better in CPQ	SAP CPQ
Mass price changes and simulation	Changing and testing thousands of records before go-live is slow without a decision layer	Third-party engine or a CAP tool
Real-time web and app prices	Calling order simulation for every page view adds load; storefronts need cached or replicated prices	Replicated prices, SAP Variant Configuration and Pricing service, or a cached API
Omnichannel promotions	Complex retail-style promotions across shop, orders and other channels	SAP Omnichannel Promotion Pricing on BTP, or an engine
Special rules (index, surcharge, formula)	Custom pricing routines inside S/4HANA cost effort at every upgrade	CAP service on BTP, or an engine
Rebate design and partner visibility	Condition contracts execute rebates; designing, simulating and showing them to partners needs more	Rebate platform or engine

Typical limits from SAP projects; the exact boundary depends on your S/4HANA release and edition.



SAPPY SAYS

Keep S/4HANA as the place where the price is executed and proven. Let the other tools help you decide, quote and present that price, never compete with it.

SAP CPQ: when quotes are the problem

SAP CPQ prices products and their options with pricebooks per market, formulas and variant pricing, with discounts and approval workflows around the quote, and guided selling on S/4HANA materials. It shines when sellers or partners build complex, configurable offers and need a proposal out the door fast. Through the **SAP Variant Configuration and Pricing** service on SAP BTP, which loads condition data from S/4HANA, CPQ can calculate item conditions the same way the ERP will, so the quote matches the order.

A CAP service on SAP BTP: when you need one special rule

The SAP Cloud Application Programming Model (CAP) lets you build a small, side-by-side service on SAP BTP: an index-linked price formula, a surcharge calculator, a 30-day price-history store for EU consumer law, a price-approval app or a published-versus-invoiced reconciliation. It keeps custom code out of the S/4HANA core. The trade-off is ownership: your team designs, tests and runs it, so keep it small and focused on rules that are truly yours.

A third-party engine: when the price itself must get smarter

Specialist engines (for example Conga with PROS B2B, Pricefx, Vendavo, Zilliant, Enable with Flintfox for high-speed calculation, or Competera in retail) earn their licence when you need segmentation, optimisation, guidance bands, simulation, rebate design or price management across many countries and channels. They connect to S/4HANA through certified connectors or SAP Integration Suite and publish prices back as condition records or calculate them in real time.

Which one, when

YOUR SITUATION	S/4HANA	SAP CPQ	CAP ON BTP	THIRD-PARTY ENGINE
Stable price lists, few channels, standard discounts	✓ Enough on its own			
Configurable products, complex quotes, partner quoting	✓ Executes	✓ Quotes	Optional	
One or two special rules or compliance needs	✓ Executes		✓ Builds the rule	
Margin leakage, many segments, negotiated B2B deals	✓ Executes	✓ Shows guidance	Optional	✓ Decides
B2B, B2C and D2C with promotions in many countries	✓ Executes	If quoting	✓ Price history, glue	✓ Decides and publishes
Rebates and incentives at scale	✓ Condition contracts		Optional portal	✓ Design and simulation

A starting point for the conversation; we validate it against your release, volumes and channels.

When all of them work together

01

Decide

The engine sets price lists, guidance bands, promotions and rebate designs

02

Execute

S/4HANA holds the condition records and condition contracts, and prices every order and invoice

03

Quote

SAP CPQ builds the offer, shows the engine's guidance and prices items like the ERP

04

Extend

CAP services add price history, special rules, approvals and reconciliation on BTP

One price truth: decided once, executed in SAP, quoted and presented everywhere.

In this model each tool has one job and one owner. Commercial teams own decisions in the engine, SAP SD owns execution, sales operations owns CPQ, and a small BTP team owns the CAP services. SAP Commerce Cloud reads the same prices, replicated or in real time, so the web shop, the quote and the invoice agree.

Five questions to decide

1. **Where do we lose margin today?** If the answer is "we do not know", start with the waterfall, not software.
2. **How complex are our quotes?** Configurable products and partner quoting point to CPQ.
3. **How many prices change each month?** Thousands of changes need a decision layer.
4. **Which rules are truly ours?** Build those few as CAP services; buy the rest.
5. **Who will run it after go-live?** Pick the option your team can own.

SOURCES

- SAP Community: replicating pricing condition records to an external system ↗
- SAP Learning: adding price details in SAP CPQ (pricebooks, formulas, variant pricing) ↗
- SAP: CPQ guided selling with SAP S/4HANA Cloud materials ↗
- SAP: what is planned for SAP Variant Configuration and Pricing (2405) ↗
- SAP Learning: SAP Omnichannel Promotion Pricing integrations ↗
- SAP Learning: working with Settlement Management (condition contracts) ↗
- SAP Store: Flintfox by Enable pricing management ↗
- Conga completes acquisition of PROS B2B business (2 Feb 2026) ↗
- Pricefx Optimized Dynamic Pricing premium certified for SAP S/4HANA (May 2024) ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

INFOGRAPHIC · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

From web shop to pocket price: how SAP Commerce, S/4HANA, SAP CPQ and a pricing engine form one value chain



One price, followed step by step: decided in Conga (PROS B2B) or Pricefx, executed in S/4HANA, quoted in SAP CPQ, sold in SAP Commerce Cloud, and learned from. With four scenarios showing when you need which system.

≈ 8 min
read

B2B · B2C · D2C
one price truth

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Most companies already own several of these systems. The problem is that each one keeps its own version of the price. The web shop shows one number, the dealer gets another by e-mail, the invoice says a third, and nobody knows the pocket price until the rebate is paid. Connected as one value chain, the same systems give one price truth.

The value chain at a glance

01 DECIDE

Pricing engine

Conga (PROS B2B) or Pricefx

Sets list prices, dealer guidance bands, promotions and rebate designs, and simulates the margin impact first.

Used by Pricing manager



→ Approved price change

02 EXECUTE

SAP S/4HANA

SD pricing and Settlement Management

Holds condition records and condition contracts, and prices every order, delivery and invoice.

Used by SAP SD and Finance



→ Condition records

03 QUOTE

SAP CPQ

B2B dealers, projects, key accounts

Builds the offer, prices items the way S/4HANA will, shows the engine's guidance and routes approvals.

Used by Sales and dealers



→ Approved quote → sales order

04 SELL

SAP Commerce Cloud

B2C, D2C web shop and B2B portal

Shows the same price, promotion and 30-day reference price to every shopper, and sends orders to S/4HANA.

Used by Shoppers and e-commerce



→ Web order

05 LEARN

Data platform

Invoices, rebates, win-loss, web behaviour

Turns what actually happened into the pocket price, elasticity and deal outcomes the engine learns from.

Used by Pricing analysts



→ Better next decision

The loop closes. Invoiced prices, paid rebates, won and lost quotes and web conversion flow back to the engine, so every next price decision is based on the pocket price, not the list price.

The pricing value chain: one price decided once, executed in SAP, quoted and sold everywhere, then learned from.



SAPPY SAYS

Read the chain left to right: each system has one job and hands one thing to the next. If two systems both decide the price, the chain breaks.

Follow one price through the chain

ENGINE DECIDES
€499
List price. Dealer target €350, floor €330. Web promotion −10% for two weeks.
Conga (PROS B2B) or Pricefx

S/4HANA STORES
3 records
List price, dealer price and the dated promotion land as condition records.
SAP S/4HANA

WEB SHOP SHOWS
€449
Promotion price, with "lowest price in the last 30 days: €499" as EU law requires.
SAP Commerce Cloud

DEALER IS QUOTED
€340
20 units for a project: below target, above floor, so a manager approves in CPQ.
SAP CPQ

INVOICE SAYS
€340
Order and invoice priced from the same condition records; a 3% rebate is accrued.
SAP S/4HANA

YOU KEEP
€329.80
Pocket price after the rebate: below the €330 floor. The engine flags it and tightens next quarter's guidance.
Data platform → engine

Follow one price through the chain. Illustrative product and figures; no customer data.

The last step is the one most companies miss. Every system did its job, yet the price you kept fell below the floor once the rebate was paid. Only a chain that feeds invoices and rebates back to the engine can see that and fix the next decision.

How the systems connect

L1
Engine → S/4HANA
Price lists, guidance and promotions published as condition records
Certified connector or SAP Integration Suite

L2
S/4HANA → Commerce Cloud
Price rows for the web shop and B2B portal
Condition record replication, or a cached real-time price call

L3
S/4HANA → SAP CPQ
Conditions for pricing items exactly like the ERP
SAP Variant Configuration and Pricing service on SAP BTP

L4
SAP CPQ → S/4HANA
Approved quote becomes a sales order
Standard CPQ to S/4HANA integration

L5
Engine → CPQ and Commerce
Deal guidance and customer-specific prices in real time
Engine pricing API, for example PROS Real-Time Pricing Engine

L6
S/4HANA, CPQ, Commerce → Engine
Invoices, rebates, win-loss and conversion to learn from
Data platform with governed SAP data

Six connections make the chain. Confirm the connector and edition for your SAP release with SAP and the vendor.

Which price goes where

Fourteen kinds of price, each with one place it is decided, one place it is stored and executed, and the places customers and sellers see it.

PRICE	DECIDED IN	STORED AND EXECUTED IN	SHOWN IN	EXAMPLE
List price (RRP)	Engine	S/4HANA condition record	Commerce, CPQ, price lists	Product A at €499 in Germany, €479 in Poland, approved once in the engine.
Customer contract price	Engine, or Sales in S/4HANA	S/4HANA customer-material condition	B2B portal on Commerce, CPQ	A key account pays €372 for Product A for 12 months.
Dealer / distributor price	Engine (price corridor)	S/4HANA price list condition	Dealer portal, CPQ	Kitchen dealers buy at €350; a marketplace seller at €365.
Volume / scale price	Engine	S/4HANA scale condition	Commerce cart, CPQ	€350 for 1–9 units, €338 for 10–49, €325 for 50+.
Configured product price	CPQ rules, S/4HANA variant pricing	S/4HANA variant conditions	CPQ, Commerce configurator	Base unit €2,400 + glass door €180 + extended warranty €95.
Web promotion	Engine or Commerce marketing	Commerce promotion; S/4HANA promotion condition when it must reach the invoice	Web shop, app	-10% for 14 days: €499 becomes €449.
30-day reference price (EU)	Rule: lowest price in the last 30 days	CAP price-history service on BTP	Web shop next to the promotion	"Lowest price in the last 30 days: €499" shown beside €449.
Guidance bands	Engine (AI, segment, win-loss)	Engine; passed to CPQ in real time	CPQ to the seller	Floor €330 · target €350 · stretch €365 for this dealer segment.
Deal / project quote price	Seller in CPQ, inside guidance	CPQ quote, then S/4HANA sales order	Proposal PDF, sales order	20 units at €340: below target, so a manager approves.
Index-linked / surcharge price	Engine or CAP formula	S/4HANA condition record (calculated value)	B2B portal, invoice	Steel index +4% this month adds €6.20 to every unit.
Freight and payment terms	Commercial policy	S/4HANA freight and cash-discount conditions	Cart, quote, invoice	Free freight above €1,500; 2% discount for payment in 10 days.
Rebate / incentive	Engine or rebate platform (design)	S/4HANA condition contract (accrual, settlement)	Partner portal, settlement document	3% back on annual volume above 500 units, accrued on every invoice.
Co-op / marketing funds	Trade marketing	S/4HANA condition contract or claims	Partner portal	€5,000 display fund, paid against proof of performance.
Pocket price	Measured, not set	Data platform (invoices + rebates + terms)	Engine, pricing dashboard	€340 invoiced − €10.20 rebate = €329.80 kept.

Illustrative product and figures; no customer data. Your split depends on channels, engine and SAP release.



SAPPY SAYS

If a price type has two "Decided in" answers in your company today, that is where customers find different numbers.

Feature matrix: which system does what

Twenty-three pricing features, each with a tick where the system is strong, a half mark where it helps or needs integration, and an example of the feature in use.

Feature	SAP S/4HANA	SAP CPQ	SAP Commerce Cloud	CAP on SAP BTP	Conga (PROS B2B)	Pricefx
SET AND MANAGE PRICES						
List prices and price lists e.g. Product A list price per country	✓	◐	◐		✓	✓
Customer and contract prices e.g. Key-account price for 12 months	✓	◐	◐		✓	✓
Mass price change with approval e.g. 4% increase on 3,000 items, approved by country	◐			◐	✓	✓
Price simulation (what-if margin) e.g. Margin effect of +3% before go-live				◐	✓	✓
AI optimisation and segmentation e.g. Price by segment, elasticity and win-loss					✓	✓
Index-linked, formula and surcharge prices e.g. Steel index +4% flows into every price	◐	◐	◐	✓	✓	✓
QUOTE AND SELL						
Configurable product pricing e.g. Base unit + options + warranty	✓	✓	◐			
Quotes and proposal documents e.g. Project quote PDF for 20 units	◐	✓			✓	◐
Deal guidance (floor, target, stretch) e.g. Seller sees the band while quoting		◐			✓	✓
Discount approval workflow e.g. Below target goes to the sales manager	◐	✓		◐	✓	✓
Guided selling e.g. Questions lead the dealer to the right model		✓	◐			
DIGITAL COMMERCE						
Web shop and B2B portal prices e.g. Same €449 on product page and cart			✓			
Web promotions and coupons e.g. −10% for 14 days, one coupon per buyer	◐		✓	◐		◐
EU 30-day reference price e.g. Lowest price in 30 days shown beside the promotion			◐	✓		
Real-time customer-specific price e.g. Logged-in dealer sees their own price	◐		◐	◐	✓	◐
EXECUTE AND SETTLE						
Order and invoice pricing e.g. Invoice priced from condition records	✓					
Tax, freight and payment-term conditions e.g. Free freight above €1,500	✓		◐			
Rebate accruals and settlement e.g. 3% accrued on every invoice, settled yearly	✓					
Rebate and incentive design, simulation e.g. Test three rebate tiers before launch				◐	◐	✓

Feature	SAP S/4HANA	SAP CPQ	SAP Commerce Cloud	CAP on SAP BTP	Conga (PROS B2B)	Pricefx
Partner view of rebates earned e.g. Dealer sees progress to the next tier			◐	◐		◐
INSIGHT AND CONTROL						
Price waterfall and pocket price e.g. List €499 to pocket €329.80	◐			◐	✓	✓
Published-versus-invoiced reconciliation e.g. Weekly check that web, quote and invoice agree	◐			✓		
Custom rules without touching the S/4HANA core e.g. A clean-core extension on BTP				✓		
Core strengths	6	4	2	4	11	10

✓ Core strength ◐ Partly, or through integration ○ Not its job

Feature matrix: which system does what. A typical view from SAP projects; editions, releases and connectors change, so confirm each line with SAP and the vendor before you decide.

When do you need which system? Four scenarios

SCENARIO · CONSUMER APPLIANCES

A brand sells through its own D2C shop, retailers, marketplaces and kitchen dealers in several EU countries.

✓ Engine · ✓ S/4HANA · ✓ CPQ · ✓ Commerce

THE PAIN Web promotions undercut dealers; the 30-day reference price is kept in spreadsheets; dealer project quotes are priced by e-mail.

THE CHAIN All four. The engine sets corridors per channel and country, Commerce shows compliant promotions, CPQ quotes dealer projects inside guidance, S/4HANA executes and settles rebates.

MEASURE Price consistency across channels, quote turnaround, rebate accrual accuracy

SCENARIO · INDUSTRIAL EQUIPMENT

A manufacturer sells configurable machines, spare parts and service contracts to distributors and key accounts.

✓ Engine · ✓ S/4HANA · ✓ CPQ · ✓ Commerce

THE PAIN Every machine quote is different; discounts depend on who asks; parts prices online differ from the call centre.

THE CHAIN CPQ is the centre for machine quotes, priced like S/4HANA through the pricing service; the engine gives deal guidance; Commerce runs the B2B parts portal.

MEASURE Win rate inside guidance, discount spread, parts price mismatches

SCENARIO · CHEMICALS AND MATERIALS

A producer changes thousands of index-linked prices every month across regions and customer contracts.

✓ Engine · ✓ S/4HANA · – CPQ · ✓ Commerce

THE PAIN Price changes take weeks to load; surcharges are applied by hand; customers see old prices in the portal.

THE CHAIN The engine calculates index-linked and surcharge prices and publishes them to S/4HANA; the B2B portal on Commerce reads them the same day. CPQ only if quotes are complex.

MEASURE Time from index change to invoice, manual price edits, portal price errors

SCENARIO · WHOLESALE DISTRIBUTOR

A mid-size distributor with stable price lists and a B2B web shop for repeat orders.

– Engine · ✓ S/4HANA · – CPQ · ✓ Commerce

THE PAIN Few price changes, standard discounts, one country.

THE CHAIN S/4HANA pricing plus Commerce Cloud is enough today. Add an engine when margin leakage or segment pricing becomes the problem.

MEASURE Price accuracy, web order share; review the need for an engine yearly

Illustrative scenarios built from typical SAP pricing programmes. No customer is named and no results are claimed.

What each link is worth to the business

DECIDE

Pricing engine

Price realisation, margin leakage found, promotion return

EXECUTE

SAP S/4HANA

Invoice accuracy, rebate accruals that match settlement

QUOTE

SAP CPQ

Quote turnaround, discounts inside guidance, approval time

SELL

SAP Commerce Cloud

Same price on web and invoice, compliant promotions, conversion

LEARN

Data platform

Pocket price per customer and channel, guidance updated each quarter

A note on the engines

The PROS B2B pricing business is now part of Conga (acquisition completed February 2026), and its real-time pricing engine can serve prices to CPQ and commerce at the moment of the quote or the page view. Pricefx is an SAP Endorsed App with premium certification for SAP S/4HANA and an SAP Integration Suite connector. Both publish decided prices back to S/4HANA, so the ERP stays the place the price is executed and proven. Which one fits depends on your industry, channels and team; post 08 in this series compares engines by industry.

SOURCES

- Conga completes acquisition of PROS B2B business (2 Feb 2026) ↗
- PROS Real-Time Pricing Engine ↗
- SAP partner page: PROS AI-powered pricing platform ↗
- Pricefx Optimized Dynamic Pricing premium certified for SAP S/4HANA (May 2024) ↗
- Pricefx: SAP S/4HANA integration for SAP Integration Suite ↗
- SAP Community: replicating pricing condition records to an external system ↗
- SAP: what is planned for SAP Variant Configuration and Pricing (2405) ↗
- SAP Learning: adding price details in SAP CPQ (pricebooks, formulas, variant pricing) ↗
- SAP Commerce Cloud: pricing, promotions and payments ↗
- SAP Learning: working with Settlement Management (condition contracts) ↗
- EU Directive 2019/2161 (Omnibus), Art. 6a of the Price Indication Directive ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

INFOGRAPHIC · MOCK SALES ORDER · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

Inside one SAP sales order: every deduction from list price to pocket price



One product, €499 list, sold to a dealer at €340. A mock S/4HANA sales order with its pricing conditions, every on- and off-invoice deduction, and how the pricing engine learns the price you actually keep.

≈ 8 min
read

B2B · B2C · D2C
one price truth

THE PRICING SERIES

01 Pricing is a CX pillar: one price truth for B2B, B2C and D2C on SAP

02 SAP ERP pricing, SAP CPQ, a CAP service or a third-party engine: what each does, where it stops, and when you need all of them

03 From web shop to pocket price: how SAP Commerce, S/4HANA, SAP CPQ and a pricing engine form one value chain

04 Inside one SAP sales order: every deduction from list price to pocket price

05 One product, seven channel prices: follow ₹4,999 from web shop and store to modern trade and general trade

06 B2B, B2C and D2C pricing on one SAP core, without channel conflict

07 Rebates and incentives: from spreadsheets to condition contracts

08 Price rules that do not break: condition technique, guidance bands and approvals

09 AI-driven pricing by industry: which third-party engine fits, and how it connects to SAP

10 The data and AI layer for pricing: what the engine needs to be trusted

11 Pricing integration blueprint: engine, SAP S/4HANA and SAP Commerce Cloud

You are looking at a connected pricing and rebate process across the SAP value chain. The important question is simple: when the same product passes through pricing, sales, CPQ, commerce, rebates and invoicing, how does the company make sure it sells at the right price and keeps the margin it needs?

Let us walk through how the sales order in SAP S/4HANA looks when the pricing engine, SAP CPQ, SAP Commerce Cloud and Vistex, or another rebate management solution, are connected, and then add every deduction that happens after the order is saved.

1. Follow one product through the value chain

01 · PRICING ENGINE
€499
List price · dealer target €350 · floor €330

02 · SAP COMMERCE CLOUD · B2B PORTAL
€399.20
Dealer tier price shown in the portal (list less 20%)

03 · SAP CPQ · QUOTE
€340
20 units · manager-approved deal

04 · SAP S/4HANA · SALES ORDER
€6,800
20 units × €340

05 · SAP S/4HANA · INVOICE
€6,800
Invoice issued to the dealer

06 · REBATE MANAGEMENT
−€204
3% rebate accrued on €6,800

07 · POCKET PRICE
€329.80
Per unit: €340 invoice price − €10.20 rebate

One product through the value chain. Illustrative figures.

The problem

The deal was approved at €340, above the €330 floor. After the rebate alone, the effective pocket price is €329.80: below the floor. Add the other deductions the order never shows and it falls to €308.50.



SAPPY SAYS

The deal looked safe at €340. The rebate pushed it under the floor, and nobody saw it, because the order and the rebate live in different systems.

2. How the sales order looks in SAP S/4HANA

A sales order does not have one price. It runs a pricing procedure: a sequence of condition types, each adding or taking away a slice, until the net price appears. Here is the order behind the deal, with the conditions each connected system contributes.

Display Standard Order 10004721: Overview — Illustrative mock

Order type **OR · Standard order**	Sold-to party **DEALER-1042 · Sample Dealer GmbH**	Sales area **1010 / 10 / 00**	Reference **CPQ quote Q-2026-0187 · approved**
Pricing procedure **ZPXEU1**	Payment terms **ZB14 · 2% 14 days, net 30**	Incoterms **DAP Munich**	Currency **EUR**

Item overview | Item conditions | Billing | Rebate

ITEM	MATERIAL	DESCRIPTION	QTY	UN	NET PRICE	NET VALUE
10	PROD-100	Sample appliance, 60 cm	20	PC	€340.00	€6,800.00

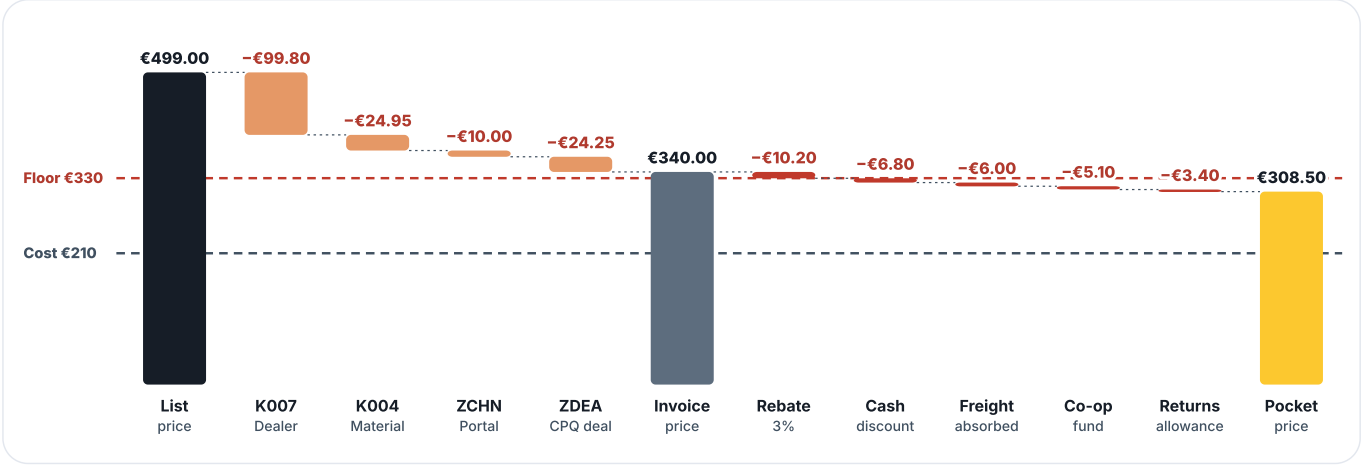
Item overview | **Item conditions · item 10** | Billing | Rebate

CNTY	NAME	PER UNIT	CONDITION VALUE	WHERE IT COMES FROM
PR00	List price	€499.00	€9,980.00	Pricing engine → S/4HANA condition record
K007	Dealer discount (20%)	-€99.80	-€1,996.00	Pricing engine guidance → S/4HANA condition record
K004	Material discount (5%)	-€24.95	-€499.00	S/4HANA condition record
ZCHN	B2B portal channel discount	-€10.00	-€200.00	SAP Commerce Cloud channel rule
ZDEA	Deal discount, manager-approved	-€24.25	-€485.00	SAP CPQ quote approval
	Net price / net value	**€340.00**	**€6,800.00**	**Total on-invoice discounts -€159.00/unit**
MWST	Output tax 19%	€64.60	€1,292.00	Tax: passes through, not margin
	Total invoiced to dealer		**€8,092.00**	
ZREB	*Rebate accrual 3% (statistical)*	*-€10.20*	*-€204.00*	*Vistex / condition contract*
SKTO	*Cash discount 2% (statistical)*	*-€6.80*	*-€136.00*	*Payment terms ZB14*
ZFRA	*Freight absorbed (statistical cost)*	*-€6.00*	*-€120.00*	*Shipment cost*
VPRS	*Cost (statistical)*	*€210.00*	*€4,200.00*	*Material standard cost*
	Profit margin shown in the order	**€130.00**	**€2,600.00**	**38.2% of net value**

Illustrative mock of an S/4HANA sales order. Condition type names, the pricing procedure and how rebates appear depend on your SAP configuration; rebates are often calculated outside the sales order pricing procedure.

3. Every deduction, from list price to pocket price

The order shows four discounts. Five more deductions happen after it: the rebate, the cash discount the dealer takes, freight you absorb, the co-op fund the dealer claims, and the returns allowance Finance books. None of them changes the sales order, and all of them change the price you keep.



On-invoice: in the sales order Off-invoice: after the order What you keep

Per unit, from €499 list price to €308.50 pocket price, against the €330 floor and €210 cost. Illustrative figures.

DEDUCTION	WHERE	SYSTEM THAT OWNS IT	PER UNIT	THIS ORDER
K007 Dealer discount (20%)	On-invoice	Pricing engine guidance → S/4HANA condition record	−€99.80	−€1,996.00
K004 Material discount (5%)	On-invoice	S/4HANA condition record	−€24.95	−€499.00
ZCHN B2B portal channel discount	On-invoice	SAP Commerce Cloud channel rule	−€10.00	−€200.00
ZDEA Deal discount, manager-approved	On-invoice	SAP CPQ quote approval	−€24.25	−€485.00
Rebate accrual (3%)	Off-invoice	Vistex / SAP condition contract management	−€10.20	−€204.00
Cash discount taken (2%, 14 days)	Off-invoice	S/4HANA payment terms (SKTO)	−€6.80	−€136.00
Freight absorbed	Off-invoice	S/4HANA freight cost (statistical)	−€6.00	−€120.00
Co-op marketing fund (1.5%)	Off-invoice	Rebate / trade-fund system	−€5.10	−€102.00
Returns and warranty allowance (1%)	Off-invoice	Finance provision	−€3.40	−€68.00
Total deductions			**−€190.50**	**−€3,810.00**

68.1%
Invoice price realisation
€340 of €499 list

61.8%
Pocket price realisation
€308.50 of €499 list

38.2%
Margin the order shows
€130.00 per unit on the invoice

31.9%
Margin you actually keep
€98.50 per unit after all deductions

€630
Invisible in the order
€31.50 per unit off-invoice, × 20 units

4. Where each system participates

SYSTEM	RESPONSIBILITY	DEDUCTION IT OWNS
Pricing engine (e.g. PROS, Pricefx)	Calculates target price, floor and deal guidance	Dealer discount bands, floor and target
SAP S/4HANA	Executes sales order pricing and stores condition records	List price, material discount, tax, cash discount terms, freight cost
SAP CPQ	Creates the quote and manages approvals	Deal discount above guidance
SAP Commerce Cloud	Shows the web shop and B2B portal price	Channel discount for the portal
Vistex / SAP condition contract management	Rebate calculation, accrual and settlement	Rebates, co-op and trade funds
Data platform	Consolidates invoices, rebates, costs and margin	Pocket price and pocket margin per line

5. The key integration that companies miss

The pricing engine must receive actual invoice and rebate data, not just list prices and quotes. Then it can calculate the price you keep and move the floor to protect it.

01
SAP CPQ
Says €340 was approved

02
SAP S/4HANA
Says €6,800 was invoiced

03
Rebate system
Says €204 was accrued

04
Data platform
Joins invoice, rebate, cash discount, freight, co-op and returns per order line

05
Pricing engine
Calculates the pocket price: €329.80 after the rebate, €308.50 after everything

06
Pricing engine
Detects the floor breach and adjusts the next recommendation

The feedback loop the pricing engine needs. Illustrative.

TODAY
Floor €330 on the invoice price
Lets a €340 deal through, though it lands at €308.50.

REBATE-AWARE FLOOR
€340.21
€330 ÷ (1 − 3% rebate). Keeps the pocket price at the floor after the rebate.

ALL-IN FLOOR
€363.24
(€330 + €6 freight) ÷ (1 − 7.5% rebate, cash discount, co-op, returns). The invoice price that protects the real floor.

6. With and without a pricing engine: Pricefx and Vendavo

Take the same order and run it three ways. The SAP documents look the same in all three. What changes is whether anyone knew the real cost of the deal before it was approved.

SAP S/4HANA + SAP CPQ + REBATE SYSTEM
Without a pricing engine

SET THE FLOOR
A static €330 floor on the invoice price, kept in a spreadsheet or a CPQ approval rule

QUOTE
Seller asks for €340; it is above €330, so the manager approves

REBATE AND FUNDS
Accrued in the rebate system; nobody links them back to the deal

AFTER INVOICE

Pocket price €308.50: €21.50 per unit under the floor, found months later, if at all

NEXT PRICE

Same floor, same approval, same leak on the next order

Order at €340 → pocket €308.50/unit

PRICE MANAGEMENT · AI DEAL OPTIMIZATION · QUOTING · REBATES · AGENTS

With Pricefx

SET THE FLOOR

Floors and guidance set per segment in Price Management, with the waterfall of rebates, terms and freight taken into account

QUOTE

Guidance goes into SAP CPQ (or Pricefx Quoting): target, floor and stretch for this dealer, with the all-in floor of €363.24

REBATE AND FUNDS

Rebates and agreements designed and simulated in Pricefx Rebates and Agreements, so the deal sees its own rebate

AFTER INVOICE

Invoice and accrual data return through SAP Integration Suite; agents flag the pocket-price breach on this line

NEXT PRICE

AI Price and Deal Optimization move guidance for this segment; approved prices publish back to S/4HANA as condition records

Quote guided to €363.24 → pocket €330.00/unit

PRICEPOINT · DEAL PRICE OPTIMIZER · PROFIT ANALYZER · MARGIN BRIDGE ANALYZER · REBATE & CHANNEL MANAGER

With Vendavo

SET THE FLOOR

Price lists and floors managed in Pricepoint; Profit Analyzer shows which segments leak margin across the waterfall

QUOTE

Deal Price Optimizer gives the seller a deal-specific target and floor, here €363.24 all-in, inside CPQ or Vendavo Intelligent CPQ

REBATE AND FUNDS

Rebate & Channel Manager runs the rebate and channel programmes, so their cost is known when the deal is priced

AFTER INVOICE

Margin Bridge Analyzer explains the change in margin by price, volume and mix; the breach shows on the deal

NEXT PRICE

Guidance is refreshed from actual pocket prices; approved changes flow to S/4HANA pricing

Quote guided to €363.24 → pocket €330.00/unit

What it is worth on this one order

Pocket price per unit

Without engine	€308.50
With engine guidance	€330.00

Pocket margin per unit

Without engine	€98.50
With engine guidance	€120.00

Pocket margin, this order

Without engine	€1,970
With engine guidance	€2,400

Illustrative. With engine guidance the quote moves to €363.24, the all-in floor, so the pocket price lands at the €330 floor. If the dealer will not pay it, the engine shows the trade-off instead: a smaller rebate or co-op fund, or a decision to walk away.

What you lose without a pricing engine

WHAT YOU NEED IN THIS DEAL	WITHOUT AN ENGINE	PRICEFX	VENDAVO
A floor that knows the rebate, terms and freight	Static invoice floor; deductions ignored	Price Management with waterfall-aware floors	Pricepoint floors, informed by Profit Analyzer
Deal guidance at the moment of the quote	Approval thresholds only	AI Deal Optimization, guidance into CPQ or Pricefx Quoting	Deal Price Optimizer inside CPQ or Intelligent CPQ
Pocket price and margin per order line	Spreadsheet, after the quarter	Waterfall analytics and agents that flag risks	Profit Analyzer and Margin Bridge Analyzer
Rebate cost known before the deal is approved	Rebate system separate from quoting	Rebates and Agreements in the same platform	Rebate & Channel Manager
Price changes landing in SAP	Manual condition record updates	Publishes to S/4HANA (SAP Integration Suite templates)	Publishes approved prices to S/4HANA pricing
Learning from what was actually kept	None: the same leak repeats	AI Price Optimization on actual transactions	Vendavo AI guidance across the waterfall

Capabilities as described by each vendor; confirm editions, SAP integration and licences with the vendor. PGC Digital is vendor-neutral and integrates either with SAP S/4HANA, SAP CPQ and SAP Commerce Cloud.

The key point

A sales order shows the price you sell at. Rebate management shows the benefit you give after the sale. The pricing engine needs both, plus cash discount, freight, funds and returns, to understand the price you actually keep.



SAPPY SAYS

Start with one report: pocket price per order line, against the floor. Every pricing decision after that gets easier to defend.

SOURCES

- SAP Learning: working with Settlement Management (condition contracts) ↗
- Pricefx software: price optimisation, deal optimisation, quoting, agreements, promotions, rebates, agents ↗
- Pricefx capability overview: Waterfall Optimization (Jan 2026) ↗
- Pricefx: SAP S/4HANA integration for SAP Integration Suite ↗
- Vendavo products: Pricepoint, Deal Price Optimizer, Profit Analyzer, Margin Bridge Analyzer, Rebate & Channel Manager, Intelligent CPQ ↗
- Vendavo: 2026 Gartner Magic Quadrant for B2B Pricing & Rebate Optimization ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

INFOGRAPHIC · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

One product, seven channel prices: follow ₹4,999 from web shop and store to modern trade and general trade



Web, BOPIS, brand store, store-assisted orders, modern trade, general trade and mall stores each take a different cut. Bar charts of where the money goes, the system behind each price, and how data and AI learn which price works where.

≈ 9 min read

B2B · B2C · D2C one price truth

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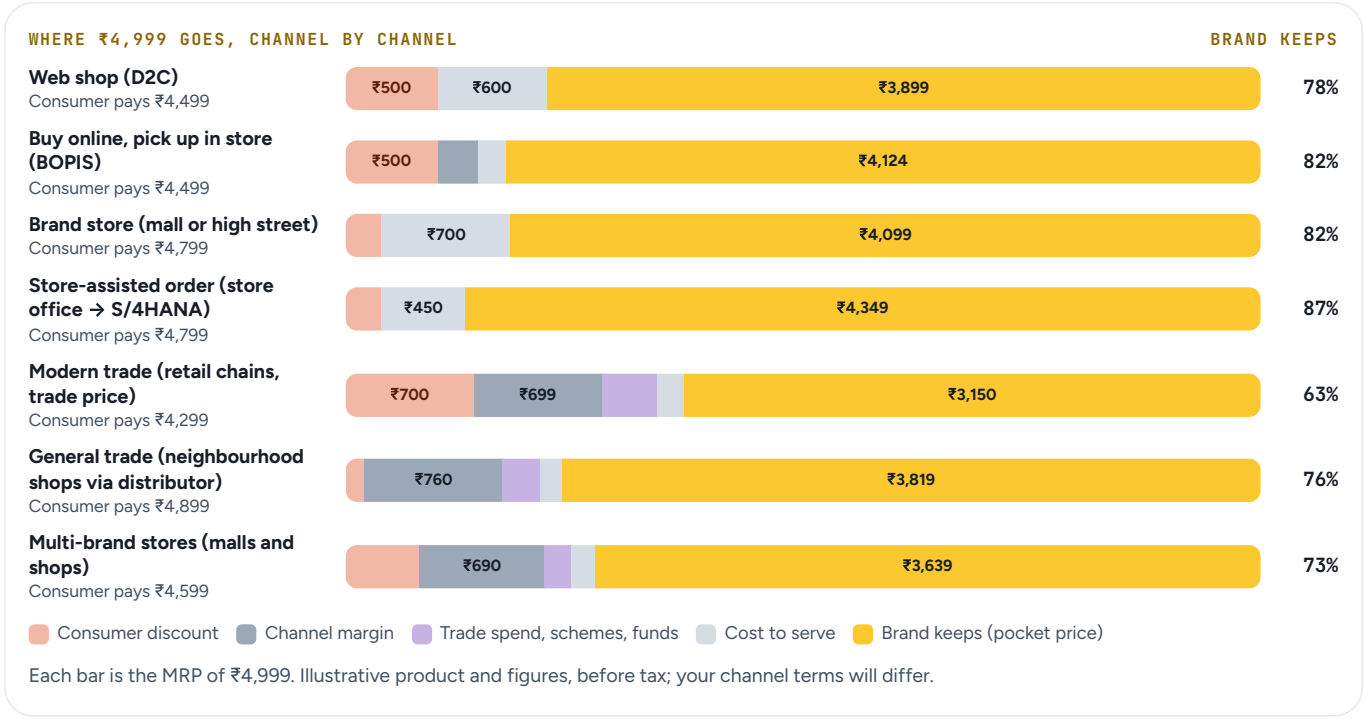
09 AI-driven pricing by industry: which third-party engine fits, and how it connects to SAP

10 The data and AI layer for pricing: what the engine needs to be trusted

11 Pricing integration blueprint: engine, SAP S/4HANA and SAP Commerce Cloud

Take one product with an MRP of ₹4,999. A shopper buys it on your web shop, another picks it up in store, a third buys it in a mall, a fourth in a neighbourhood shop that bought it from a distributor. Every one of them sees roughly the same price. What your company keeps is very different, and most of the difference never shows on a price list.

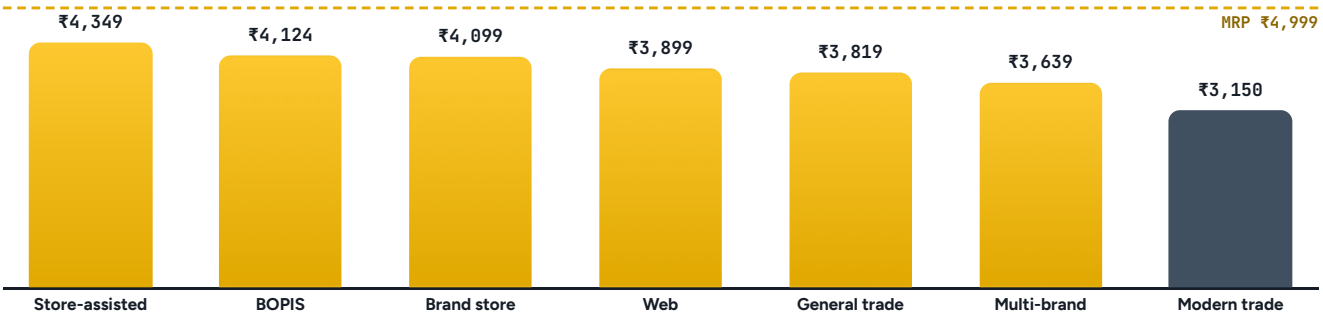
One price, seven channels



CHANNEL	CONSUMER PAYS	CONSUMER DISCOUNT	CHANNEL MARGIN	TRADE SPEND	COST TO SERVE	BRAND KEEPS
Web shop (D2C)	₹4,499	₹500	–	–	₹600	**₹3,899** (78%)
Buy online, pick up in store (BOPIS)	₹4,499	₹500	₹225	–	₹150	**₹4,124** (82%)
Brand store (mall or high street)	₹4,799	₹200	–	–	₹700	**₹4,099** (82%)
Store-assisted order (store office → S/4HANA)	₹4,799	₹200	–	–	₹450	**₹4,349** (87%)
Modern trade (retail chains, trade price)	₹4,299	₹700	₹699	₹300	₹150	**₹3,150** (63%)
General trade (neighbourhood shops via distributor)	₹4,899	₹100	₹760	₹200	₹120	**₹3,819** (76%)
Multi-brand stores (malls and shops)	₹4,599	₹400	₹690	₹150	₹120	**₹3,639** (73%)

The channel discount, broken down. Illustrative figures before tax, for one unit with an MRP of ₹4,999.

The pocket price ranking



Pocket price per unit, highest to lowest. The same product earns ₹1,199 more per unit through a store-assisted order than through modern trade. Illustrative.



SAPPY SAYS

The cheapest channel for the shopper is not the cheapest for you, and the busiest channel is rarely the most profitable. Look at the bars, not the price tags.

Seven price stories

Each channel has its own owner of the price, its own path through the systems and its own trap.

PRICE STORY · WEB SHOP (D2C)

₹4,499 consumer pays

PRICE STORY · BOPIS

₹4,499 consumer pays

PRICE STORY · BRAND STORE

₹4,799 consumer pays

Set by Brand, in the engine; promotion run in Commerce

Engine → S/4HANA → OPP → Commerce

Highest discount exposure and the cost of delivery and returns. Keep the MRP visible and the promotion identical to the store.

Set by Same as web: the consumer was promised the web price

Commerce → OPP → S/4HANA → Store POS

The store hands over a product it did not sell. Pay it a handling fee through an S/4HANA condition contract, not a price change at the till.

Set by Brand; store promotions from the same promotion service

Engine → S/4HANA → OPP → Store POS

Rent and staff make it the costliest channel to serve. A loyalty offer usually works better than a price cut.

PRICE STORY · STORE-ASSISTED ORDER

₹4,799 consumer pays

Set by Store price; order created in S/4HANA from the store office

Store POS → S/4HANA → Commerce

Best pocket price, but only if the order reaches S/4HANA quickly and delivery comes from the nearest warehouse.

PRICE STORY · MODERN TRADE

₹4,299 shelf consumer pays

Set by Retailer sets the shelf price; brand sets the trade price and terms

Engine → S/4HANA → Condition contracts

Listing fees, promotions and back margin pile up. Track every term per chain, or the pocket price falls below the floor.

PRICE STORY · GENERAL TRADE

₹4,899 consumer pays

Set by MRP-led; distributor and retailer margins plus schemes

S/4HANA → Distributor system → Condition contracts

Thousands of small shops, prices close to MRP. Schemes on assortment beat price cuts; sell-out data comes from the distributor system.

PRICE STORY · MULTI-BRAND STORES

₹4,599 consumer pays

Set by Store sets the shelf price inside the brand's corridor

Engine → S/4HANA → Condition contracts

Co-op and display funds are part of the price. Pay them against proof, and watch for undercutting of your own brand store nearby.

"The store office still hits the ERP"

In many retail estates the store back office or till asks SAP S/4HANA for a price every time it needs one. That works for a store-assisted order, where one call creates the sales order. It does not work at the till: checkout slows down at peak hours, stops when the network drops, and a web promotion often fails to reach the store.

Replicate

Send prices to the POS ahead of time, so the till works offline

One promotion engine

SAP Omnichannel Promotion Pricing calculates the same promotion for web, BOPIS and till

Call S/4HANA once

Only to create the order or invoice, not to look up each price

Prove it

Compare till, web and invoice prices every week

Which product helps in which channel

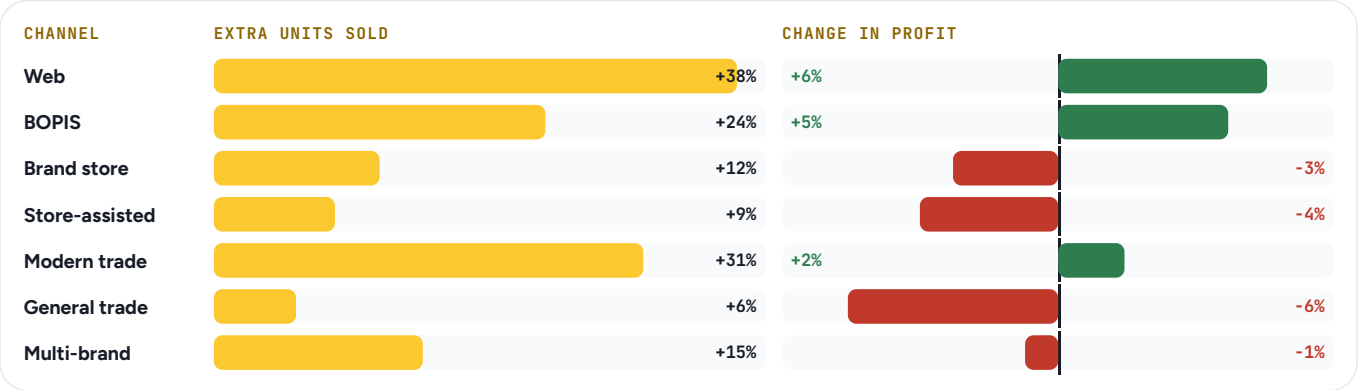
Product and what it helps with	Web	BOPIS	Brand store	Store-assisted	Modern trade	General trade	Multi-brand
SAP PRODUCTS							
SAP S/4HANA Trade, distributor and store prices; orders, invoices; schemes, store fees and co-op funds as condition contracts	✓	✓	✓	✓	✓	✓	✓
SAP Commerce Cloud Web shop, BOPIS, endless aisle in store, ordering portals	✓	✓	◐	◐		◐	◐
SAP Omnichannel Promotion Pricing One promotion calculation for web, BOPIS and the store till	✓	✓	✓	✓			
SAP Customer Checkout or partner POS Store price at the till, offline when the network drops		✓	✓	✓			
SAP Emarsys and SAP Customer Data Platform Consumer behaviour, segments and personalised offers	✓	✓	✓	✓			
SAP Analytics Cloud Price waterfall per channel, what-if planning	✓	✓	✓	✓	✓	✓	✓
DATA PLATFORM							
SAP Business Data Cloud, Snowflake or Databricks Price, promotion and sell-out history: the memory every model learns from	✓	✓	✓	✓	✓	✓	✓
THIRD-PARTY PRICING AI							
Competera Consumer demand and competitor-aware price recommendations; on the SAP Store	✓	✓	✓	◐	◐		◐
Revionics (Aptos) Retail price, promotion and markdown optimisation for own stores and web	✓	✓	✓	◐			
Blue Yonder pricing Lifecycle pricing: regular price, promotion and markdown	✓	✓	✓	◐			
Pricefx Price management and optimisation across B2C and B2B, including trade terms	◐	◐	◐	◐	✓	✓	✓
Conga (PROS B2B) B2B guidance for trade prices, distributors and dealers					✓	◐	✓
Distributor management system Secondary sales and schemes to neighbourhood shops; sell-out data back to the brand						✓	

✓ Core in this channel ◐ Partly, or for some players ○ Not used

Which product helps in which channel. Revionics and Blue Yonder are built mainly for retailers, so a brand uses them for its own stores and web shop. A typical view; confirm editions and connectors with each vendor.

Learning from history: data and AI analytics

Every price decision is an experiment you have already paid for. Keep the history of list prices, promotions, schemes, sell-out and pocket prices on one data platform, and each new decision can start from what worked before.



What history teaches: the same 10% promotion, run in each channel over the past year. Volume goes up everywhere; profit does not. Illustrative analysis.

WHEN	PRICE DECISION	CHANNEL	WHAT THE DATA SHOWED	NEXT DECISION
Q1	Web promotion −10% for 14 days	Web, BOPIS	+38% units online, +6% profit; store sales of the same model flat	Repeat online; add BOPIS pick-up to cut delivery cost
Q2	Same −10% in brand stores	Brand store	+12% units, −3% profit; footfall did not rise	Replace price cuts in stores with a loyalty offer
Q3	Extra 2% scheme to distributors	General trade	+6% units, −6% profit; schemes not passed to shops	Move to assortment schemes paid on sell-out data
Q4	Modern trade festive promotion, co-funded 50:50	Modern trade	+31% units, +2% profit, pocket price ₹3,150	Keep, but set a minimum pocket price per chain in the engine

A price decision log: every decision, its result and what it taught. Illustrative.

Learning how consumers behave: AI from pricing specialists

Analytics explains the past; AI models predict the next move. Third-party pricing engines learn price elasticity per channel and region, how shoppers switch between web and store, how competitors react, and which products are bought together. Competera, Revionics (part of Aptos since 2020) and Blue Yonder build these models for retail and web prices; Pricefx and Conga (PROS B2B) cover trade and distributor prices. SAP Emarsys and SAP Customer Data Platform add what each consumer browsed, bought and responded to.

01
Collect
Prices, promotions, sell-out, web behaviour and competitor prices on one data platform

02
Learn
Models estimate elasticity, switching between channels and competitor response

03
Recommend
The engine proposes prices and promotions per channel, inside guardrails

04
Execute and prove
S/4HANA, Commerce and the till apply them; results flow back to the log

The AI loop: from consumer behaviour to the next price decision.

Guardrails the AI must respect

- **MRP is a ceiling in India.** No channel may charge the consumer more than the printed MRP.
- **EU 30-day rule.** In EU markets, a promotion must show the lowest price of the last 30 days.
- **Channel corridors.** The web price must not undercut your own dealers and stores beyond an agreed band.
- **Minimum pocket price.** No combination of discounts, margins and schemes should take a channel below the floor.

SOURCES

- SAP Learning: SAP Omnichannel Promotion Pricing integrations ↗
- SAP Omnichannel Promotion Pricing ↗
- SAP Commerce Cloud: pricing, promotions and payments ↗
- SAP Learning: working with Settlement Management (condition contracts) ↗
- Competera platform now on SAP Store (Mar 2025) ↗
- Aptos to acquire Revionics, AI-powered price optimisation (2020) ↗
- Blue Yonder: lifecycle pricing (price, promotion and markdown) ↗
- Pricefx Optimized Dynamic Pricing premium certified for SAP S/4HANA (May 2024) ↗
- Conga completes acquisition of PROS B2B business (2 Feb 2026) ↗
- SAP Emarsys features: AI segmentation and personalisation ↗
- Selling above MRP violates Indian consumer and legal metrology law (Mondaq) ↗
- EU Directive 2019/2161 (Omnibus), Art. 6a of the Price Indication Directive ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

INSIGHT · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

B2B, B2C and D2C pricing on one SAP core, without channel conflict



Dealers, marketplaces and your own web shop all sell the same product. Corridors, price lists and reference-price rules keep them from undercutting each other.

≈ 6 min read

B2B · B2C · D2C one price truth

THE PRICING SERIES

01 Pricing is a CX pillar: one price truth for B2B, B2C and D2C on SAP

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11 Pricing integration blueprint: engine, SAP S/4HANA and SAP Commerce Cloud

A dealer quotes a project price, your web shop runs a promotion, a marketplace seller undercuts both. Each decision was sensible on its own; together they teach customers to wait, shop around and distrust your list price.

Three channels, three pricing jobs

CHANNEL	HOW PRICE IS SET	WHAT USUALLY GOES WRONG	CONTROL THAT FIXES IT
B2B (dealers, distributors, projects, key accounts)	Price lists, customer agreements, negotiated quotes, rebates	Discount creep, unapproved deals, rebates promised but not accrued	Guidance bands, approval thresholds, condition contracts
B2C (retail partners, marketplaces)	Recommended retail price, promotions, partner funding	Price wars between partners, grey imports across countries	Country corridors, promotion calendars, monitored marketplace prices
D2C (your own web shop and app)	Published consumer price, promotions, bundles, loyalty	Undercutting your own partners; non-compliant “was” prices	Channel-neutral pricing policy, reference-price history

Corridors keep countries honest

When the same appliance, chemical or spare part sells in many countries, a price corridor sets the band each country may move within. Too wide and products flow to the cheapest market; too narrow and local teams cannot respond to competition. The corridor is a decision in the engine; the country price list is what lands in SAP S/4HANA.



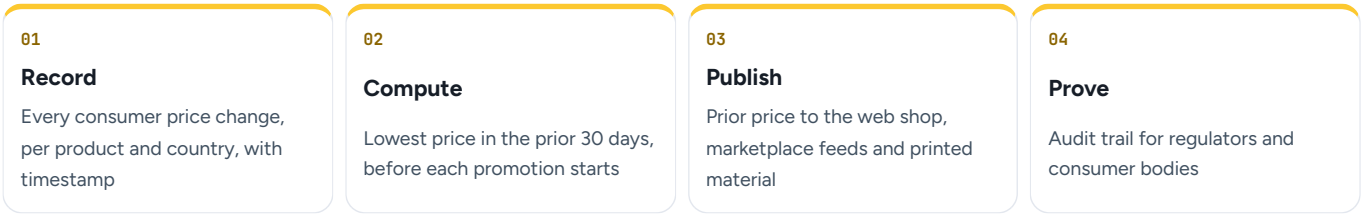
SAPPY SAYS

Your own web shop is a channel partner too. Price it as if a dealer were watching, because they are.

The EU 30-day prior-price rule

For consumer sales in the EU, any announced price reduction must show the prior price, defined as the lowest price applied in at least the 30 days before the reduction (Article 6a, introduced by the Omnibus Directive). That turns price history into a compliance

object: the D2C shop and every partner feed need the 30-day low per product and country, kept by the system rather than by a spreadsheet.



How price history becomes a compliance service.

One customer, many channels

B2B buyers increasingly research on your consumer site before talking to a dealer. If the logged-in dealer portal, the public price and the quote disagree, the buyer notices. SAP Commerce Cloud can serve B2B and B2C storefronts from one catalogue, with prices resolved per customer group or fetched in real time from the pricing engine.

SOURCES

- EU Directive 2019/2161 (Omnibus), Art. 6a of the Price Indication Directive ↗
- European Commission: Price Indication Directive and Article 6a guidance ↗
- CJEU confirms price reductions must be based on the lowest price in the last 30 days (2024) ↗
- SAP Commerce Cloud: pricing, promotions and payments ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

INSIGHT · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

Rebates and incentives: from spreadsheets to condition contracts



Rebates are promises with a price tag. In SAP S/4HANA they live as condition contracts with accruals and settlement; specialist platforms add design, simulation and partner portals.

≈ 6 min
read

B2B · B2C · D2C
one price truth

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Rebates and incentives are promises with a price tag: volume rebates for distributors, growth bonuses for dealers, co-op marketing funds, sell-out incentives and spiffs for sales staff. Promised in a spreadsheet, they are accrued late, paid on trust and argued about at year end.

What changes in SAP S/4HANA

In SAP S/4HANA, rebates are handled through Settlement Management with **condition contracts**, which replace the classic SD rebate agreements of SAP ECC for new rebate programmes. A condition contract records who earns what, on which business volume, with accruals posted as invoices are billed and settlement run on schedule.

REBATE TYPE	EXAMPLE	WHERE IT RUNS BEST
Volume rebate	Distributor earns 3% above an annual tonnage or unit threshold	Condition contract in S/4HANA, designed and simulated in the engine
Growth bonus	Dealer earns a bonus for year-on-year growth by product family	Specialist rebate platform for design and partner visibility; settlement in S/4HANA
Co-op / marketing funds	Retail partner receives funds against proof of performance	Rebate or trade-promotion platform with claims workflow; payment in SAP
Chargebacks (distribution)	Distributor claims the difference to a contract price	Industry platforms, common in life sciences and high tech
Sales incentives	Seller spiff for a strategic product	Incentive compensation tool fed by SAP billing data

Illustrative examples; rebate design is specific to your channel policy.



SAPPY SAYS

If a rebate is not accrued the day the invoice is posted, it is not a rebate. It is a surprise for Finance.

When to add a specialist rebate platform

SAP condition contracts execute rebates well. Specialist platforms add what commercial teams ask for on top: rebate design and simulation before a deal is signed, AI analytics to find leakage, and portals where partners see what they have earned. Enable, for example, positions itself as a rebate system of record integrated with SAP S/4HANA, with accruals and settlements kept current in both systems, and holds SAP Spotlight+ status on the SAP Store. Pricing suites such as Vendavo and Conga (PROS B2B) also cover rebates as part of B2B price management.

01	02	03	04
Design	**Contract**	**Accrue**	**Settle**
Simulate the rebate against last year's volumes before signing	Create the condition contract in S/4HANA from the approved design	Accruals post with every invoice; partners see progress in a portal	Settlement run, credit note and reconciliation to the design

Rebate lifecycle across engine and SAP.

SOURCES

- SAP Learning: working with Settlement Management (condition contracts) ↗
- Enable achieves SAP Spotlight+ designation (Nov 2025) ↗
- SAP Store: Enable rebate management platform ↗
- Vendavo: 2026 Gartner Magic Quadrant for B2B Pricing & Rebate Optimization ↗
- Conga completes acquisition of PROS B2B business (2 Feb 2026) ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

INSIGHT · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

Price rules that do not break: condition technique, guidance bands and approvals



Who decides a price and who executes it should be two different systems. How price lists, guidance bands and approval thresholds land as clean SAP condition records.

≈ 6 min read

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Most pricing problems are rule problems: a customer-specific price that loses to a list price, a discount stacked twice, a rounding rule that differs between web shop and invoice. Rules break when the same logic is built in three places.

The condition technique, in plain words

SAP S/4HANA prices an order with the **condition technique**: condition types (list price, discounts, surcharges, freight, taxes), condition tables (the keys a price depends on, such as customer and material), access sequences (which key wins first) and a pricing procedure that adds them up. Customer-specific prices win over list prices because the access sequence looks for them first.

CONCEPT	BUSINESS MEANING	WHO OWNS IT
Price list	The published price per country, channel and product	Pricing team in the engine; published to S/4HANA
Guidance band (floor / target / stretch)	How far a seller may move in a negotiation	Pricing team; enforced in CPQ and sales apps
Approval threshold	Which discount needs which approver	Commercial policy; workflow in CPQ or the engine
Condition record	The executable price in SAP for a key combination	Generated from the engine, never hand-maintained
Pricing procedure	The order of calculation on every SAP document	SAP SD team; changed rarely and under control



SAPPY SAYS

Keep the SAP core clean: the engine decides, SAP executes. Custom pricing code inside S/4HANA is a tax you pay at every upgrade.

Guidance bands and approvals

AI segmentation groups similar deals (customer size, region, product family, order size). For each segment the engine proposes a floor, a target and a stretch price. Deals below target need a reason; deals below floor need an approver. Over time, approvals become rarer because sellers see the band before they quote.

Floor
Lowest price without approval from the pricing manager

Target
Where most deals in the segment should land

Stretch
Achievable for buyers who value speed, availability or service

Approval
Below floor: routed by role and threshold, logged for audit

Five rules for rules

1. **One owner per rule.** Commercial policy owns guidance; SAP SD owns the pricing procedure.
2. **Generate, do not type.** Condition records come from the engine or a governed load, never manual entry.
3. **Same rounding everywhere.** Web shop, quote and invoice use one rounding and currency rule.
4. **Test the edge cases.** Zero quantity, mixed currencies, expired agreements, stacked promotions.
5. **Reconcile weekly.** Published price versus invoiced price, by country and channel.

SOURCES

- SAP partner page: PROS AI-powered pricing platform ↗
- Pricefx: SAP S/4HANA integration for SAP Integration Suite ↗
- SAP Learning: working with Settlement Management (condition contracts) ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

FIELD GUIDE · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

AI-driven pricing by industry: which third-party engine fits, and how it connects to SAP



Consumer appliances, CPG, chemicals, industrial, distribution, life sciences and retail buy pricing software for different reasons. A vendor map with the SAP connection for each.

≈ 8 min read

B2B · B2C · D2C one price truth

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Every pricing vendor says it uses AI. What matters is whether its models fit how your industry sets prices, and whether its prices land cleanly in SAP S/4HANA and SAP Commerce Cloud. Start from the industry problem, not the vendor brochure.

Industry by industry

INDUSTRY	PRICING PROBLEM	WHAT THE ENGINE MUST DO WELL	ENGINES OFTEN SHORTLISTED
Consumer appliances and durables (incl. kitchen and home)	Country corridors, dealer vs D2C conflict, promotions with 30-day prior price, spare parts	B2B price management plus consumer price governance	Conga (PROS B2B), Pricefx, Vendavo
CPG and food & beverage	Trade promotions, retailer funds, revenue growth management	Price pack architecture, promotion and rebate analytics	Pricefx, Vendavo, Enable (rebates)
Chemicals and materials	Cost pass-through, index-linked pricing, volatile feedstock	Formula and index pricing, margin guidance	Vendavo, Pricefx, Zilliant
Industrial manufacturing and spare parts	Long-tail parts, project quotes, aftermarket margin	Segmentation, guidance bands, CPQ	Zilliant, Pricefx, Conga (PROS B2B)
Wholesale distribution	Millions of SKU-customer combinations, contract prices, rebates	AI price optimisation at scale, rebate management	Zilliant, Enable, Vendavo
Life sciences and high tech	Contracts, chargebacks, government pricing, channel incentives	Revenue management and compliance	Model N, Enable
Retail and e-commerce	Competitor prices, markdowns, elasticity, promotions	AI retail price optimisation and competitive data	Competera

A starting shortlist, not a ranking. PGC Digital is vendor-neutral; we score each engine on your data, channels and SAP landscape.



SAPPY SAYS

AI pricing earns trust in stages: first it explains last year's prices, then it recommends a band, and only then does it set prices on its own for the long tail.

The vendors and their SAP connection

VENDOR	STRENGTH	SAP CONNECTION (PUBLIC SOURCES)
Conga (PROS B2B)	AI price optimisation and management, real-time pricing engine, CPQ	PROS lists certified connectors and bi-directional integration for SAP S/4HANA on SAP's partner pages; PROS B2B is part of Conga since 2 Feb 2026
Pricefx	Price management, optimisation, rebates, CPQ	Optimized Dynamic Pricing is an SAP Endorsed App, premium certified for S/4HANA (May 2024) and launched with SAP Commerce Cloud integration; adapter for SAP Integration Suite
Vendavo	B2B price optimisation, deal guidance, rebates	Long-standing SAP ecosystem vendor; confirm the current S/4HANA connector with Vendavo
Zilliant	AI price optimisation, price management, CPQ	SAP partner; Zilliant CPQ listed on the SAP Store; SAP datasheet (2025)
Enable	Rebate and incentive management	Integrated with S/4HANA as rebate system of record; SAP Spotlight+ on the SAP Store (Nov 2025)
Model N	Revenue management for life sciences and high tech	Owned by Vista Equity Partners since 2024; confirm SAP ERP connector scope with Model N
Competera	AI retail pricing and competitive data	On the SAP Store and integrates with SAP S/4HANA (Mar 2025)

Several of these vendors, including Conga, Enable, Pricefx and Vendavo, have each announced a Leader placement in Gartner's 2026 Magic Quadrant for B2B Pricing and Rebate Optimization Software. Placement is a starting point; the deciding factors are your data, your channels and the effort to integrate with your SAP release.

How we score an engine for you

Fit
Models and rules that match your industry and channels

SAP integration
Connector for your S/4HANA and Commerce Cloud release, via SAP Integration Suite

Time to value
A pilot on one product line inside one quarter

Ownership
Can your pricing team run it without the vendor after go-live?

SAP itself prices well when rules are stable and channels are few: S/4HANA condition technique, SAP CPQ and Commerce Cloud price rows and promotions. A specialist engine earns its licence when segmentation, optimisation, simulation and rebate design move the margin.

SOURCES

- Conga completes acquisition of PROS B2B business (2 Feb 2026) ↗
- SAP partner page: PROS AI-powered pricing platform ↗
- PROS Real-Time Pricing Engine ↗
- Pricefx Optimized Dynamic Pricing premium certified for SAP S/4HANA (May 2024) ↗
- Pricefx: SAP S/4HANA integration for SAP Integration Suite ↗
- Zilliant SAP datasheet (2025) ↗
- Vendavo: 2026 Gartner Magic Quadrant for B2B Pricing & Rebate Optimization ↗
- Enable achieves SAP Spotlight+ designation (Nov 2025) ↗
- Competera platform now on SAP Store (Mar 2025) ↗
- Vista Equity Partners to acquire Model N (2024) ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

INSIGHT · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

The data and AI layer for pricing: what the engine needs to be trusted



AI pricing is only as good as the transactions, costs and competitor signals behind it. The data products, models and guardrails to build first.

≈ 6 min
read

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An AI pricing engine is a demanding reader. It needs every invoice line with its true net price, the rebates that apply to it, the cost to serve it and the market context it sold in. Missing any one, it will confidently recommend the wrong price.

Five data products to build first

DATA PRODUCT	FROM	WHY THE ENGINE NEEDS IT
Transaction waterfall	S/4HANA billing, condition records, rebate accruals	Net and pocket price per line, not just list price
Cost to serve	S/4HANA costing, freight, payment terms	Margin guidance that reflects small orders and long distances
Customer and product master	S/4HANA, MDG	Clean segments; duplicates distort every recommendation
Market signals	Competitor prices, indices, commodity feeds	Index-linked and competitive pricing
Price history	Engine, Commerce Cloud, partner feeds	Elasticity models and the EU 30-day prior-price rule



SAPPY SAYS

Clean the customer master before you train the model. Two records for one distributor means two prices, and the AI will learn both.

Where the AI layer runs

Governed SAP data on SAP Datasphere, Snowflake or Databricks feeds both the pricing engine and your own models: elasticity, win-loss, churn risk and leakage detection. The engine keeps the decision workflow; the data platform keeps the history and the explanations.

01

Explain

Dashboards show waterfall, leakage and win rates by segment

02

Recommend

Guidance bands and promotion proposals, approved by people

03

Assist

An AI agent drafts the price change, simulation and approval note

04

Automate

Long-tail prices move within guardrails; exceptions go to a person

Four levels of AI autonomy in pricing.

Guardrails that keep it safe

1. **Floors and corridors** the model cannot cross.
2. **Explainability**: every recommendation shows the drivers behind it.
3. **Consumer law**: reference prices and promotions checked before publishing.
4. **Human approval** for strategic accounts and new products.
5. **Weekly reconciliation** of recommended, published and invoiced prices.

SOURCES

- EU Directive 2019/2161 (Omnibus), Art. 6a of the Price Indication Directive ↗
- Pricefx Optimized Dynamic Pricing premium certified for SAP S/4HANA (May 2024) ↗
- Competera platform now on SAP Store (Mar 2025) ↗

Vendor capabilities and SAP certification status change; confirm the current edition, connector and certification with each vendor and with SAP before you decide.

BLUEPRINT · PRICING ON SAP · BY VINOD KUMAR BELI WITH SAPPY

Pricing integration blueprint: engine, SAP S/4HANA and SAP Commerce Cloud



Twelve flows, from price-list publication to real-time quote pricing and rebate settlement, with the SAP objects each one lands in and the reconciliation that proves it.

≈ 7 min
read

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The best pricing decision is worthless if it lands late, lands twice or lands wrong. Integration is where pricing programmes are won or lost, and it is mostly invisible to the business until something breaks at month end.

Twelve flows, one catalogue

ID	FLOW	DIRECTION	SAP OBJECT OR PATTERN
I-01	Product, customer and hierarchy masters	S/4HANA → engine	Business partner, material, sales area; Integration Suite
I-02	Cost and margin inputs	S/4HANA → engine	Standard cost, freight, payment terms
I-03	Sales history and waterfall	S/4HANA → data platform → engine	Billing lines with condition values and rebate accruals
I-04	Price lists and agreements	Engine → S/4HANA	Condition records via API or IDoc COND_A, with validity dates
I-05	Rebate programmes	Engine → S/4HANA	Condition contracts with business volume rules
I-06	Real-time quote pricing	CPQ / sales app ↔ engine	Synchronous price API with guidance band and approval status
I-07	Web shop and portal prices	Commerce Cloud ↔ engine or S/4HANA	Price rows or a cached real-time price API
I-08	Order simulation	Commerce / CPQ → S/4HANA	Final price, tax and availability before order
I-09	Promotions and reference prices	Engine → Commerce, partner feeds	Promotion calendar and 30-day prior price per country
I-10	Partner price feeds	Engine → partners and marketplaces	Price catalogues, e.g. EDI PRICAT or API
I-11	Actuals and accruals back	S/4HANA → engine	Invoiced prices and rebate accruals for learning and leakage
I-12	Reconciliation	All → monitoring	Published versus invoiced price; alerts on mismatches

A reference catalogue; your scope depends on channels, engine and SAP release.



SAPPY SAYS

Real-time where the customer waits, batch where Finance waits. A web shop needs the price in milliseconds; a rebate accrual can wait for the nightly run.

Patterns that keep it reliable

Clean core
No custom pricing code in S/4HANA; extensions on SAP BTP

Integration Suite
iFlows with retry, idempotency and dead-letter handling

API Management
Caching and throttling for real-time price calls

Events
Price-change events invalidate caches in Commerce and CPQ

SAP Commerce Cloud: two ways to price

For stable price lists, the engine publishes to S/4HANA and Commerce Cloud reads price rows replicated from it. For customer-specific or dynamic prices, Commerce Cloud calls a real-time price service (the engine or S/4HANA order simulation), with caching so the storefront stays fast. Both paths must return the same price the invoice will show.

01
Publish
Engine approves a price change and publishes it

02
Land
Condition records created in S/4HANA, events raised

03
Refresh
Commerce and CPQ caches refresh; partner feeds sent

04
Prove
Weekly reconciliation of published versus invoiced price

From decision to invoice, with proof.

SOURCES

- Pricefx: SAP S/4HANA integration for SAP Integration Suite ↗
- SAP partner page: PROS AI-powered pricing platform ↗
- PROS Real-Time Pricing Engine ↗
- SAP Commerce Cloud: pricing, promotions and payments ↗
- SAP Learning: working with Settlement Management (condition contracts) ↗

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Want one price truth across your channels?

Book a 60-minute pricing landscape review: channels, rules, rebates, engine and SAP integration.



Vinod Kumar Beli · Chairman and Managing Director, PGC Digital

+1 (732) 784-4063 · +44 07861 958510 · +91 81054 78242

Vinod.b@us.pgcdigital.ai · Vinod.b@in.pgcdigital.ai

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Vinod Kumar Beli
Chairman and Managing Director
+1 (732) 784-4063 · +44 07861 958510 · +91 81054 78242
Vinod.b@us.pgcdigital.ai · Vinod.b@in.pgcdigital.ai · **LinkedIn**



Geeta Ari
Whole-time Director
Geeta.a@pgcdigital.ai · LinkedIn

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