Pricing For Profitability Activity Based Pricing For Competitive Advantage


Written with the decision maker in mind, this new text from Professor Will Seal, author of the highly successful Management Accounting, takes a practical, real-world approach to the subject. Suitable for one or two semester courses, the text is aimed at both specialist and non-specialist students at an introductory level. The book provides concise and manageable coverage of key topics and theory, and is supported by contemporary examples from both the manufacturing and services industries, ensuring it is relevant and engaging to both today's students and tomorrow's decision makers. From banks to brokerage houses, profitability is the watchword for today's financial institutions. The search is unceasing for better ways to achieve it, maintain it, and defend it against competitive pressures. For some time, managers within financial institutions have been aware of a powerful new tool for cost analysis developed in the manufacturing sector: activity-based costing (ABC). A handful of financial services consultants around the world have been helping their financial services clients to migrate ABC from its birthplace in the manufacturing sector to the world of financial services, where it can be immensely effective as a basis for strategic decisions. It was time for a book that clarifies for general executives how ABC works and what contributions it can make to the formation of winning strategies. And it was time for a practical, comprehensive book that initiates management accountants in the financial services sector into this new approach to cost analysis. The Price Waterhouse Guide to Activity-Based Costing for Financial Institutions is that book. The ABC approach is particularly effective because financial services companies sell services as well as products. Profitability measurement cannot rely on older, more traditional methods of cost accounting, techniques that focus on the costs of raw materials and labor. The Price Waterhouse Guide to Activity-Based Costing for Financial Institutions shows how these firms can use the breakthrough concept of ABC in the same way that other companies manage all activities from the top down, more efficiently. This book explains the methods of this technique, with detailed
guidelines that help firms plan for costs before they occur, rather than simply monitoring them. Activity Based Costing for Construction Companies provides guidelines on how overhead costs can be managed for using Activity Based Costing (ABC), providing gains in contractor competitiveness. Illustrated with a range of case studies and examples it also presents a map that shows construction contractors how to implement ABC to calculate overhead costs accurately, identifying non or low-value added operations which can then be improved. If you want a book on theory, philosophies, and generalities then read something else. But if you want to succeed in business and crush your competition, this is the book for you. ABCs of Activity Based Management is a how-to guide for developing and improving ABM systems. ABCs of Activity Based Management shows you what to do, how to do it, why to do it and what pitfalls to avoid. With over a decade of costing and process improvement experience, William Frost coaches you through the art of ABC using step-by-step examples, sample reports, and industry-leading best practices.

In ABCs of Activity Based Management you will learn: How to use ABM to improve profitability and predict the cost of future products and services. How to organize teams, find resources, set goals, and conduct Activity Based Costing. How to construct and implement ABM from the ground up. Dozens of valuable, time-saving tips to tune and perfect any ABM system. Techniques for including Fixed, Variable, Idle Capacity, Overhead and SG&A costs in ABM. How to monitor and track progress towards ABM goals. How to use ABM with Six Sigma, Lean Manufacturing/Servicing, TOC and other process improvement techniques.

The International Encyclopedia of Hospitality Management covers all of the relevant issues in the field of hospitality management from both a sectoral level: * Lodging * Restaurants * Clubs * Time-share * Conventions As well as a functional one: * Accounting & finance * Marketing * Human resources * Information technology * Facilities management. Its unique user-friendly structure enables readers to find exactly the information they require at a glance; whether they require broad detail which takes a more cross-sectional view across each subject field, or more focussed information which looks closely at specific topics and issues within the hospitality industry today. Section Editors: Peter Harris - ACCOUNTING & FINANCE Oxford Brookes University, UK Zheng Gu - ACCOUNTING & FINANCE University of Nevada, Las Vegas, USA Randall Upchurch - CLUB MANAGEMENT & TIMESHARE MANAGEMENT University of Central Florida, USA Patti Shock - EVENT MANAGEMENT University of Nevada, Las Vegas, USA Deborah Breiter - EVENT MANAGEMENT University of Central Florida, USA David Stipanuk - FACILITIES MANAGEMENT Cornell University, USA Darren Lee-Ross - HUMAN RESOURCES MANAGEMENT James Cook University, Australia Gill Maxwell - HUMAN RESOURCES MANAGEMENT Caledonian Glasgow University, UK Dimitrios Buhalis - INFORMATION TECHNOLOGY University of Surrey, UK Allan Stutts - LODGING MANAGEMENT American Intercontinental University, USA Stowe Shoemaker - MARKETING University of Houston, USA Linda Shea - MARKETING University of Massachusetts, USA Dennis Reynolds - RESTAURANTS & FOODSERVICE MANAGEMENT Washington State University, USA Arie Reichel - STRATEGIC MANAGEMENT Ben-Gurion University, Israel. The volume includes a set of selected papers extended and revised from the International Conference on Informatics, Cybernetics, and Computer Engineering. Intelligent control is a class of control techniques, that use various AI computing approaches like neural networks, Bayesian probability, fuzzy logic, machine learning, evolutionary computation and genetic algorithms. Intelligent control can be divided into the following major sub-domains: Neural network control Bayesian control Fuzzy (logic) control Neuro-fuzzy control Expert Systems Genetic control Intelligent agents (Cognitive/Conscious control) New control techniques are created continuously as new models of intelligent behavior are created and computational methods developed to support them. Networks may be classified according to a wide variety of characteristics such as medium used to transport the data, communications protocol used, scale, topology, organizational scope, etc.
Communication to disseminate their latest research results and exchange views on the future research directions of these fields. 90 high-quality papers are included in the volume. Each paper has been peer-reviewed by at least 2 program committee members and selected by the volume editor Special thanks to editors, staff of association and every participants of the conference. It’s you make the conference a success. We look forward to meeting you next year.A less-expensive grayscale paperback version is available. Search for ISBN 9781680922936. Principles of Accounting is designed to meet the scope and sequence requirements of a two-semester accounting course that covers the fundamentals of financial and managerial accounting. This book is specifically designed to appeal to both accounting and non-accounting majors, exposing students to the core concepts of accounting in familiar ways to build a strong foundation that can be applied across business fields. Each chapter opens with a relatable real-life scenario for today's college student. Thoughtfully designed examples are presented throughout each chapter, allowing students to build on emerging accounting knowledge. Concepts are further reinforced through applicable connections to more detailed business processes. Students are immersed in the “why” as well as the “how” aspects of accounting in order to reinforce concepts and promote comprehension over rote memorization. If you’re an entrepreneur, or you’re just thinking of starting a business, start with this smart, practical guide to small business success. It shows you how to maintain healthy growth and profits—no matter what kind of business you own—and helps you get the most out of your limited resources. Grow your business and get on the fast track to success. By now, most companies know that activity-based costing, an innovative accounting system that breaks down overhead far more precisely than old-fashioned systems do, can be used to trim waste, improve service, and make better product-mix and pricing decisions. Yet the actual design and implementation of a successful ABC system remains largely a mystery for many companies. Analyzes the experiences of eight real-life companies who took on the challenge of implementing an ABC system, revealing the mistakes, successes, and ultimate triumphs that resulted in each case. Winner of the Notable Contribution to Management Accounting Literature Award. Three things can happen when establishing a product price. A price set too high is a lost sale that could have been profitable at a lower price. A price set too low is rewarded with unprofitable work. Only when a price is set appropriately does a company make both a sale and a profit. Just as activity-based costing and activity-based management revolutionized the cost accounting world, activity-based pricing will bring a disciplined approach to developing pricing. Activity-based pricing examines the relationships between price, cost and sales volume and how this relationship effects profitability. Pricing for Profitability joins the disciplines of marketing, economics, business strategy, engineering and cost accounting to achieve maximum profitability. Activity Based Costing for Construction Companies provides guidelines on how overhead costs can be managed for using Activity Based Costing (ABC), providing gains in contractor competitiveness. Illustrated with a range of case studies and examples it also presents a map that shows construction contractors how to implement ABC to calculate overhead costs accurately, identifying non or low-value added operations which can then be improved. The practical guide to using pricing and profitability management to build a better business A comprehensive reference for any business professional looking to understand the capabilities and competencies required for effectively managing pricing and profitability, Pricing and Profitability Management explains how to determine the right approach, tools, and techniques for each of six key categories (pricing strategy, price execution, advanced analytics and optimization, organizational alignment and governance, pricing technology and data management, and tax and regulatory effectiveness). Exploring each category in detail, the book addresses how an integrated approach to pricing improvement can give a sustainable, competitive advantage to any organization. The ultimate "how to" manual for any executive or manager interested in price management, the book presents a holistic, comprehensive framework that shows how integrating these pricing categories into a cohesive program leads to
impressive gains that cannot be achieved through a single-pronged approach. Presents a comprehensive framework for more effectively managing pricing and profitability. Identities the six key categories of pricing and profitability management. Shows you how to gain a competitive edge by managing pricing and profitability. Taking a comprehensive view of pricing, companies can position themselves to tap a vast source of shareholder value—the ability to set and enforce profitable prices, not just once, but again and again in response to marketplace changes and evolving business needs—and this book will show you how.

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Activity-based costing and management (ABC/M) is an accounting and management approach that enhances the level of understanding about business operation costs, especially the overhead costs. ABC/M generates more reliable and precise cost information compared to those of traditional cost accounting (TCA) systems. The integration of ABC/M in supply chain (SC) mathematical decision support models can elucidate the managerial aspects of ABC/M more as an accounting and management tool. Most of the supply chain (SC) order management decision support systems (DSSs) developed so far are based mainly on the material flow and capacity constraints without considering the profitability factor. This thesis first presents a profitable-to-promise (PTP) multi-objective mixed-integer programming (MIP) model which considers profitability in order to effectively manage order acceptance decisions in supply chains, subject to capacity constraints by using ABC/M. The proposed model fulfills a desirable amount of orders completely and accepts a selective number of orders partially having the objective of minimizing the amount of residual capacity and increasing the profitability simultaneously. Because of the common disadvantages that traditional operations research (OR) approaches have such as, complexity in modeling, impossibility of integrating qualitative factors, and inability of on-time model result analysis, the thesis presents a new generic DSS modeling methodology with system dynamics (SD) and based on ABC/M cost structure. The approach presented results a novel real-time cost monitoring and analysis system. SD is a dynamic simulation approach with learning ability to investigate the status changes in the system that correspond to the system variables' changes as well as their interactions amongst them. Subsequently, the thesis elaborates on both models by integrating them and introducing them as hybrid (MIP-SD) decision support system. In the hybrid system, MIP model generates the order management policy and SD model monitors the cost behavior of each implemented policy during the implementation process. The main purpose is to show how ABC/M acts as a common cost accounting, information, and managerial approach to synchronize the two mentioned models and to introduce the combination as a hybrid DSS system. In general, the approach provides the order fulfillment optimal mix aligned with the implementation strategy considering the factors such as, minimizing the residual capacity, considering the customer satisfaction level, selling price, the cost of resources incurred for each order fulfillment policy, and the share of each product and/or order from manufacturing overhead costs. Such an approach can assists management to analyzing and foreseeing the consequences and outcome of each order fulfillment strategy chosen besides finding the optimal order fulfillment combination. Proven strategy for reducing production and operating costs while increasing profits. As the growth of the Internet shifts power to consumers, the pressure on companies to keep prices low will continue to mount. Increasingly corporations are relying on "margin management" and supply chain management as a means of keeping prices low while raising profits. Activity-based costing and management
(ABC/M) data is key to succeeding in both these critical management strategies. This book explains how executives can effectively use the information furnished by cutting-edge ABC/M systems. The author, an acknowledged expert in the field, clearly defines the ABC/M system and explains how to use the information it provides for best results. He provides a rational framework for understanding the fifteen key defining characteristics of ABC/M and arms readers with an ABC/M Readiness Assessment test along with extremely user-friendly exhibits. Proven strategy for reducing production and operating costs while increasing profits, As the growth of the Internet shifts power to consumers, the pressure on companies to keep prices low will continue to mount. Increasingly corporations are relying on "margin management" and supply chain management as a means of keeping prices low while raising profits. Activity-based costing and management (ABC/M) data is key to succeeding in both these critical management strategies. This book explains how executives can effectively use the information furnished by cutting-edge ABC/M systems. The author, an acknowledged expert in the field, clearly defines the ABC/M system and explains how to use the information it provides for best results. He provides a rational framework for understanding the fifteen key defining characteristics of ABC/M and arms readers with an ABC/M Readiness Assessment test along with extremely user-friendly exhibits. In the classroom, ABC looks like a great way to manage a company's resources. But many executives who have tried to implement ABC on a large scale in their organizations have found the approach limiting and frustrating. Why? The employee surveys that companies used to estimate resources required for business activities proved too time-consuming, expensive, and irritating to employees. This book shows you how to implement time-driven activity-based costing (TDABC), an easier and more powerful way to implement ABC. You can now estimate directly the resource demands imposed by each business transaction, product, or customer. The payoff? You spend less time and money obtaining and maintaining TDABC data—and more time addressing problems that TDABC reveals, such as inefficient processes, unprofitable products and customers, and excess capacity. The authors also show how to use TDABC to link strategic planning to operational budgeting, to enhance the due diligence process for mergers and acquisitions, and to support continuous improvement activities such as lean management and benchmarking. In presenting their model, the authors define the two questions required to build TDABC: 1) How much does it cost per time unit to supply resource capacity for each business process? 2) How much resource capacity (time) is required to perform work for a company's many transactions, products, and customers? The book demonstrates how to develop simple, valid answers to these two questions. Kaplan and Anderson illustrate the TDABC approach with a wealth of case studies, in diverse settings, based on actual implementations. Discover how to use activity-based management to improve your bottom line. The first book of its kind to focus on activity-based management in the financial services industry, Activity-Based Management for Financial Institutions: Driving Bottom Line Results will show you how to drive changes to your organization's bottom line. After providing a brief overview of a financial services activity-based costing model, this book focuses on how to directly improve net income, covering essential topics including costing, chargeback, and pricing; implementing ABC; implementing ABM; managing organizational change; and avoiding pitfalls. Written for those in the financial services industry—banks, securities firms, insurance companies—Reveals how to drive benefits to the bottom line through disciplined execution of activity-based management and organizational change management. Provides real world examples and tools for quick results and sustained success. This one-of-a-kind book will take your financial institution from stuck to financially successful, driving profitability and performance. The International Encyclopedia of Hospitality Management is the definitive reference work for any individual studying or working in the hospitality industry. There are 185 Hospitality Management degrees in the UK alone. This new edition updates and significantly revises twenty-five percent of the entries and has an additional twenty new entries. New online material makes it the most up-to-date and
accessible hospitality management encyclopedia on the market. It covers all of the relevant issues in the field of hospitality management from a sectoral level (lodging, restaurants/food service, time-share, clubs and events) as well as a functional one (accounting and finance, marketing, strategic management, human resources, information technology and facilities management). Its unique, user-friendly structure enables readers to find exactly the information they require at a glance - whether they require broad detail that takes a more cross-sectional view across each subject field or more focused information that looks closely at specific topics and issues within the hospitality industry today.

In Smart Pricing: How Google, Priceline and Leading Businesses Use Pricing Innovation for Profitability, Wharton professors and renowned pricing experts Jagmohan Raju and Z. John Zhang draw on examples from high tech to low tech, from consumer markets to business markets, and from U.S. to abroad, to tell the stories of how innovative pricing strategies can help companies create and capture value as well as customers. They teach the pricing principles behind those innovative ideas and practices. Smart Pricing introduces many innovative approaches to pricing, as well as the research and insights that went into their creation. Filled with illustrative examples from the business world, readers will learn about restaurants where customers set the price, how Google and other high-tech firms have used pricing to remake whole industries, how executives in China successfully start and fight price wars to conquer new markets. Smart Pricing goes well beyond familiar approaches like cost-plus, buyer-based pricing, or competition-based pricing, and puts a wide variety of pricing mechanisms at your disposal. This book helps you understand them, choose them, and use them to win.

New costing procedures for a new economic age Increasing global competition is causing upheaval in every area of industry and commerce. An explosion in the use of advanced technologies is continuing to fundamentally revolutionize the way we go about doing business. These factors are in turn driving dramatic reductions in product life cycles (the average product life cycle is now well under five years) and exerting tremendous pressure on profit margins. The effect has been to substantially change cost structures with their traditional focus on direct labor and arbitrary allocation of overhead. Yet we continue to measure cost in the old way. Now, here's a book that shows you how to update your accounting procedures in order to effectively accommodate these significant changes. Step by step, Activity Accounting: An Activity-Based Costing Approach describes activity accounting in a clear, concise manner. It emphasizes the strengths and benefits of an activity-based approach to business management and demonstrates how you can apply activity accounting to your organization. Activity-based accounting is an essential tool for running your business in the 90s. This book is a must-have tool for learning how to master it.

This title was first published in 2001: Product and particularly customer profitability are black holes in most managers' understanding of their business. Identifying customer revenue is easy but identifying what they cost - so we can understand whether or not they are profitable - is difficult. In a world in which competition, regulation and the increasing use of the Internet put ever greater pressure on margins it is vitally important to understand both product- and customer-profitability. Activity Based Management (ABM) enables you to do this. This book explains the power of using ABM to increase the profitability of your business. It provides step-by-step guidance on basic principles, comparisons between traditional methods, definitions of processes, activities and cost-drivers as well as details of data collection techniques and implementation steps. Through the book's numerous detailed examples a logical picture builds up of how to obtain the benefits that ABM can deliver. On its own ABM will change management decision-making: by showing how ABM also supports other profit improvement initiatives such as Business Process Reengineering, Shareholder Value Added and Customer Relationship Management, managers will learn how they can use the best possible toolkit to put their business firmly on the road to leaps in profitability.

Salient Features:· Explanation of the concept and frameworks of CRM systems· Comprehensive discussion on the main components of Siebel application modules, operating environment and tools· Coverage of the entire project cycle from the
pre-requisites and methodology of eight-phased implementation to post-implementation support issues. Coverage of the issues like Balance Scorecard (BSC) of Siebel implementation, aspects of an intelligent customer-centric enterprise, privacy and security, and future prospects.
The easy way to get a grip on cost accounting. Critical in supporting strategic business decisions and improving profitability, cost accounting is arguably one of the most important functions in the accounting field. For business students, cost accounting is a required course for those seeking an accounting degree and is a popular elective among other business majors.

Cost Accounting For Dummies tracks to a typical cost accounting course and provides in-depth explanations and reviews of the essential concepts you'll encounter in your studies: how to define costs as direct materials, direct labor, fixed overhead, variable overhead, or period costs; how to use allocation methodology to assign costs to products and services; how to evaluate the need for capital expenditures; how to design a budget model that forecast changes in costs based on expected activity levels; and much more. Tracks to a typical cost accounting course.

Includes practical, real-world examples. Walks you through homework problems with detailed, easy-to-understand answers. If you're currently enrolled in a cost accounting course, this hands-on, friendly guide gives you everything you need to master this critical aspect of accounting.

For undergraduate introduction to Market Pricing courses. A comprehensive and practical, step-by-step guide to pricing analysis and strategy development. The Strategy and Tactics of Pricing shows readers how to manage markets strategically—rather than simply calculate pricing based on product and profit—in order to improve their competitiveness and the profitability of their offers.

The fifth edition contains a new chapter on price implementation and several updated examples on pricing challenges in today's markets. Features:

- NEW! Show students how proper pricing can increase profitability—New Chapter on Price Implementation. A completely new chapter on implementing pricing strategy identifies the challenges involved in embedding strategic pricing principles within an organization. This chapter also describes how managers can lead a structured change process to build a more profitable commercial organization. NEW! Offer access to pricing software—Three-Month Trial of LeveragePoint Software. This edition is now available with software for creating and communicating economic value estimations systematically—from LeveragePoint Innovations Inc.

- While versions of this software that enable sharing require corporate contracts for access, versions for individual student and practitioner use are available without charge for three months with the purchase of The Strategy and Tactics of Pricing. NEW! Make pricing theory relative—Updated Examples of Pricing. Helping connect pricing theory to what students are familiar with, this edition includes updated examples with more topical illustrations of current pricing challenges such as: • iPhone pricing • New models for pricing music • Services pricing

- NEW! Present the latest information—Heavily Revised Chapters. The revised chapter on Pricing Policy provides a theoretically-grounded framework to describe specific policies for managing price changes for situations such as: • Cost-based price increases • Price reductions in a recession • Discounts. The chapter on Value Creation now addresses the difference between how to consider value when it is driven by tangible monetary drivers (saving money on gas) versus the more subjective psychological drivers (doing the right thing for the environment). The chapter on Value and Price Communication has been substantially revised to describe how to communicate value in a wide variety of product and customer contexts. This chapter also demonstrates how to target communications to affect specific behaviors throughout the customer’s buying process. The chapter on Price Setting has been expanded to provide a robust process for setting prices that can be widely applied to consumer and business markets. Almost 80% of CEOs say that their organization must get better at managing external relationships. According to The Economist, one of the major reasons why so many relationships end in disappointment is that most organizations 'are not very good at contracting'. This ground-breaking title from leading authority IACCM (International Association for Contract and Commercial Management) represents the collective wisdom and experience of Contract, Legal and
Commercial experts from some of the world's leading companies to define how to partner for performance. This practical guidance is designed to support practitioners through the contract lifecycle and to give both supply and buy perspectives, leading to a more consistent approach and language that supports greater efficiency and effectiveness. Within the five phases described in this book (Initiate, Bid, Development, Negotiate and Manage), readers will find invaluable guidance on the whole lifecycle with insights to finance, law and negotiation, together with dispute resolution, change control and risk management. This title is the official IACCM operational guidance and fully supports and aligns with the course modules for Certification. Describes a system of corporate financial planning and analysis founded on activity-based costing. This book explains the power of using ABM to increase the profitability of your business. It provides step-by-step guidance on basic principles, comparisons between traditional methods, definitions of processes, activities and cost-drivers as well as details of data collection techniques and implementation steps. Through the book's numerous detailed examples a logical picture builds up of how to obtain the benefits that ABM can deliver. This book applies activity-based costing and activity-based management techniques to health care in a very practical guide that offers health care administrators and students 'hands-on' forms, worksheets, report formats, examples of activity-based costing and activity-based management planning and information, and actual case studies. It is clear that our environment is changing, and not for the better. Companies cannot ignore environmental issues anymore. Public awareness is growing, legislation is tightening, and demand for ISO 14000 compliance is rising. For many, however, the field of environmental management (including ISO 14000) is full of unfamiliar terms, high learning curves, unproductive approaches, much frustration, and often little action. If environmental management is to become widely accepted and self-motivated in industry, it must connect to the basic motivators for business: increased competitiveness and profitability. Activity-Based Cost And Environmental Management: A Different Approach to the ISO 14000 Compliance demonstrates how environmental assessment and management can be performed based upon familiar principles: cost accounting and cost management. Specifically, this book describes how the well-established Activity-Based Costing and Management principles can be extended with non-monetary environmental dimensions. The result is a single, integrated framework called Activity-Based Cost and Environmental Management that provides the tools and abilities to do both environmental management and cost management in an integrated manner and according to modern management principles. This integration of economic and environmental dimensions based upon familiar cost accounting and management principles makes it easier for decision-makers to not only include the environment in their decision-making, but also to identify, rank and prioritize opportunities for win-win situations where competitiveness is increased and environmental impact reduced at the same time. In this book, the basic concepts of Activity-Based Cost and Environmental Management are described, as well as how to make your own integrated Activity-Based Cost and Environmental Management implementations and how to get the most out of them using uncertainty distributions, Monte Carlo simulations, and sensitivity charts. Among others, the book includes chapters on environmental management and Activity-Based Costing, as well as several real-life case studies from companies for which the authors implemented Activity-Based Cost and Environmental Management systems.