

Purchase Order Discounts

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Overview

You can add a variety of **vendor discounts** to POs in Sellercloud, including **single** discounts, **multiple** discounts, and **vendor quantity** discounts. Applying a vendor discount can help you track the actual product cost and build **Profit and Loss** reports more accurately.

Single Discounts

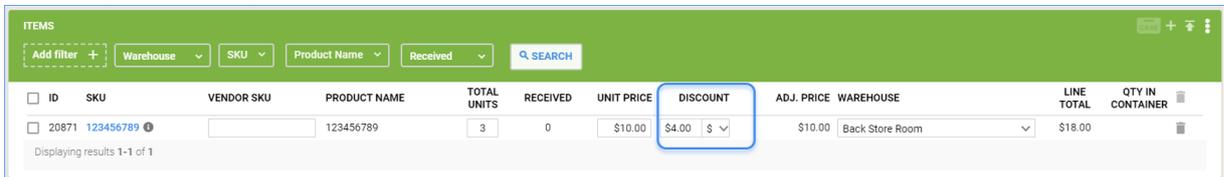
In Sellercloud, a single vendor discount can be adjusted to apply to a product or a certain PO. The sections below explain how each discount type works.

Item-Level Single Discount

This discount is applied to an individual item on a Purchase Order. Each item can have a specific discount value, which is applied to its unit price. Follow the steps below to add such a discount.

The **Enable Multi Discount For Purchase Orders** Client Setting must be **disabled** for the line item discount column to display.

1. Access **Purchasing > Manage POs > Open a Purchase Order > Toolbox > Items**.
2. Input the **Discount** for the requested PO item, and indicate whether it will be a **dollar value** discount or a **percentage** of the unit price.



The screenshot shows a table with columns: ID, SKU, Vendor SKU, Product Name, Total Units, Received, Unit Price, Discount, Adj. Price, Warehouse, Line Total, and Qty in Container. A row is visible with ID 20871, SKU 123456789, Product Name 123456789, Total Units 3, Received 0, Unit Price \$10.00, and Adj. Price \$10.00. The Discount column is highlighted with a blue box and contains a text input field with '\$4.00' and a dropdown menu set to '\$'.

ID	SKU	VENDOR SKU	PRODUCT NAME	TOTAL UNITS	RECEIVED	UNIT PRICE	DISCOUNT	ADJ. PRICE	WAREHOUSE	LINE TOTAL	QTY IN CONTAINER
20871	123456789		123456789	3	0	\$10.00	\$4.00 \$	\$10.00	Back Store Room	\$18.00	

3. Once saved, the **Adjusted Price** column will update with the adjusted price per unit.

PO-Level Single Discount

Fixed Discount Total is a static discount amount added to a Purchase Order scope (for instance, \$100 off an entire PO). Follow the below steps to add this discount.

To make the **Discount Total** field appear, the following Client Settings must be disabled: **Enable Qty Discount On Purchase Orders** and **Enable Multi Discount For Purchase Orders**.

1. Access **Purchasing > Manage POs > Purchase Order > Actions > Enable Fixed Discount Total**.
2. Once confirmed, the **Discount** field on the PO item line will disappear, and the previously added discounts will be discarded.
To switch back to the **Item-Level Discount** mode, from the **Actions** menu, select **Disable Fixed Discount Total**.
3. Edit the **Discount Total** amount on the **Total** panel.

SKU	VENDOR SKU	PRODUCT NAME	ORDERED	RECEIVED	WAREHOUSE	UNIT PRICE	LINE TOTAL
1TEST		Product One	1	0	Back Store Room	\$15.00	15
123456789		123456789	1	0	Back Store Room	\$15.00	15

Displaying results 1-2 of 2

TOTAL	
Subtotal	\$30.00
Discount Total	\$0.00
Shipping Total	\$0.00
Shipping Total (3rd Party)	\$0.00
Tax Total	\$0.00
Other Total	\$0.00
Unreceived Total	\$30.00
Grand Total	\$30.00

RELATED PURCHASE ORDERS

No records to display

4. Once saved, the discount will be equally distributed among all the PO items. This will be reflected under the **Adjusted Price** column.

ID	SKU	VENDOR SKU	PRODUCT NAME	TOTAL UNITS	RECEIVED	UNIT PRICE	ADJ. PRICE	PRESELL QTY	NOTES	WAREHOUSE	LINE TOTAL	QTY IN CONTAINER	FBA ALLOCATION
21393	1TEST		Product One	1	0	\$15.00	\$10.00	0		Back Store Room	\$10.00		0
21394	123456789		123456789	1	0	\$15.00	\$10.00	0		Back Store Room	\$10.00		0

Displaying results 1-2 of 2

Multi Discounts

The **Enable Multi Discount For Purchase Orders** Client Setting must be enabled in order to manage and apply multiple vendor discounts.

Multi discounts for both types are managed through the PO details page. To access, go to **Purchasing > Manage POs > Open a Purchase Order**.

Item-Level Multi Discount

This discount is applied to an individual unit in a Purchase Order.

1. Click on the percentage icon on the **Items Summary** panel for the item line for which you want to apply the discount.

SKU	VENDOR SKU	PRODUCT NAME	ORDERED	RECEIVED	WAREHOUSE	UNIT PRICE	LINE TOTAL
123456789		123456789	1	0	Back Store Room	\$20.00	20 %
NEWYORKT		New York Times Newspaper	1	0	Back Store Room	\$20.00	20 %
324598159983-7		Lenovo ThinkPad x140e 11...GHz 4GB 320GB Windows 10	1	0	Back Store Room	\$50.00	50 %

Displaying results 1-3 of 3

2. Select the pre-configured discount. To learn how to adjust a discount, refer to the section below.
3. Click on **Add & Close**. The discount will be applied to **only one PO item**.

PO-Level Multi Discount

This discount is applied to all items in a Purchase Order.

The Purchase Order must be disabled from the **Fixed Discount Total** option to make the **PO Level Multi Discounts** panel appear and allow multi-discount managing at the PO level.

1. Press **Edit** and click on the **percentage** icon on the **PO Level Multi Discounts** panel header.

PO LEVEL MULTI DISCOUNTS					
ID	NAME	TYPE	AMOUNT	DISCOUNT CALCULATION	
<input type="checkbox"/>	3782773	new vend...ount	\$ 10	Simple	
<input type="checkbox"/>	3782774	new vend...ount	% 3	Simple	

2. Select the pre-configured discount. To learn how to adjust a discount, refer to the section below.
3. Click **Add & Close**. The discount will automatically apply to each PO scope item.
4. Once the multi-discount type is applied, the updated price on each product will be reflected under the **Discounted Price** field (see figure below).

ID	SKU	VENDOR SKU	PRODUCT NAME	TOTAL UNITS	RECEIVED	UNIT PRICE	DISCOUNTED PRICE	ADJ. PRICE	MULTI DISCOUNT	FINAL SUBTOTAL	PRESELL QTY	NOTES	WAREHOUSE	LINE TOTAL	QTY IN CONTAINER	FBA ALLOCATION
<input type="checkbox"/>	21399	1TEST	Product One	1	0	\$15.00	\$13.00	\$15.00	\$2.00	\$13.00	0		Back Store Room	\$15.00		0
<input type="checkbox"/>	21400	123456789	123456789	1	0	\$15.00	\$13.00	\$15.00	\$2.00	\$13.00	0		Back Store Room	\$15.00		0

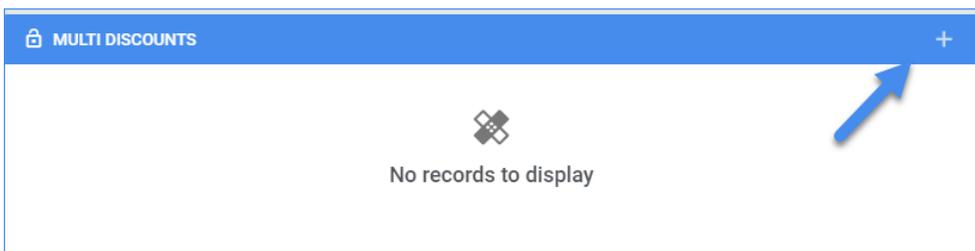
In addition, you can manage the display of the multi-discounts applied as the **Multi Discount Total** under the Purchase Order's **Total** panel by enabling the respective setting on the **Vendor** details page, under the **Preferences** panel (see figure below).

PREFERENCES	
Po Email Template	Select Template
Default Purchaser	None
Default Warehouse	Select
<input type="checkbox"/> Enable Send Multiple PO In One Email	
<input type="checkbox"/> Is Distributor	
<input type="checkbox"/> Is In House Vendor	
<input checked="" type="checkbox"/> PO Multi Discount Treat As Discount	

Configure a Multi Discount

To adjust a new discount for a particular vendor, you need to add the relevant discount type from **Settings > Client Settings > Show more > Purchase Order Discounts Type**.

Then, go to **Purchasing > Vendors > Manage Vendors > Vendor > Toolbox > Multi Discounts**. To add a new discount, press **Edit** and click the plus icon.



There are two methods to

calculate multi discounts: **Simple** and **Compound**. These two methods are explained below.

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Simple	Simple discounts are added together first and then applied to a Purchase Order.
Compound	Compound discounts are sequentially applied to a Purchase Order. You can rearrange the order of discounts by selecting the discount and dragging it to another row in the grid.

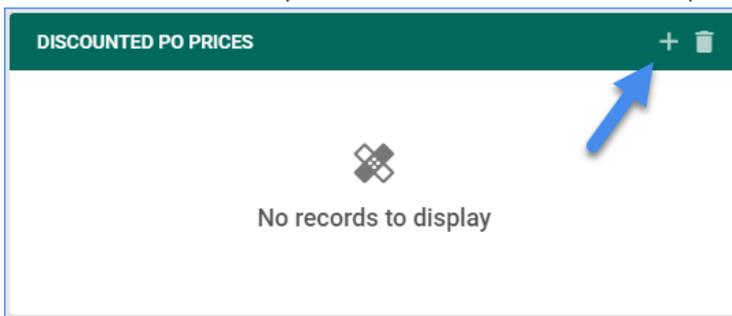
If there are multiple **simple** and **compound** discounts, the simple discounts are combined and applied. Afterward, the compound discounts are applied one by one.

Vendor Quantity Discounts

Vendor Quantity Discounts are based on the number of items ordered. This is a product-related discount type and is configured from the catalog product page.

To manage or apply **Vendor Quantity Discounts**, select the **Enable Qty Discount on Purchase Orders** Client Setting. To configure a vendor quantity discount, follow the steps below.

1. Go to **Inventory > Manage Inventory > Open a product > Toolbox > Purchasing**.
2. Press **Edit** and click on the plus icon in the **Discounted PO Prices** panel.



3. Fill in the appropriate fields, and click **Save Discount**.

Every product selected as a PO will now be added with the discounted cost based on the quantity ordered for the Purchase Order.

Understanding discount types

Sellercloud lets you easily add various types of discounts to your POs. The discounts can be applied as a dollar value or as a percentage of the unit price.

The following discounts can be applied to POs:

- **Item line discount**— A single discount applied to an individual item on the PO. Each item can have a separate discount value and is calculated per unit.
- **Fixed Total Discount**— A fixed discount value added to a PO. For example, \$1000 off an entire PO.
- **Multi-Header Discount**— A single discount value that is applied to all items in the purchase order. For example, if the discount is \$2 dollars, then \$2 will be deducted from every item in the PO. Multiple Header Discounts can be added.
- **Multi-Item Line Discounts**— Discounts applied at the item level on the PO. Item line discounts need to be added this way when Multi-Discounts are enabled.
- **Vendor Qty Discount**— Discounts based on the number of items ordered.

Understanding multi-discounts

Check out this [video tutorial](#) about multi-discounts in Sellercloud's Alpha interface.

Some vendors may offer multiple discounts that can be applied to POs in Sellercloud. When adding discounts to the PO, the actual costs of the products are tracked, resulting in an accurate profit and loss report. Additionally, the precise amount owed to the vendor can be calculated based on the purchase order.

Simple and compound discounts

Simple discounts are added together first and then applied to the PO. For example, let's say the subtotal on the purchase order is \$100 and you have 2 simple discounts of 3% each. The discounts are added together for a total of 6%, and then applied to the purchase order for a grand total of \$94.

Compound discounts are applied individually to the purchase order in succession. Using the same purchase order of \$100, with 2 compound discounts of 3% each, the first 3% is applied for a subtotal of \$97. The second 3% is then applied to the \$97 for a grand total of \$94.09.

If there are multiple simple and compound discounts, the simple discounts are added together and applied. Only afterward are the compound discounts applied individually.

Adding multi-discounts to a PO

Multi-discounts can be added at the header level or at the item level.

- **Header discounts**— A single discount value that is applied to all the items in the purchase order. For example, if the discount is \$2 dollars, then \$2 will be deducted from the cost of every item in the PO
- **Line item discounts**— Unique discounts applied to individual units being ordered. Each item can have a separate discount value. Discounts are calculated per unit

The header discounts appear in the grid above the ordered items. Only the discounts configured for this vendor appear, but you can add and configure more discounts with the dropdown menus next to the grid.

To configure line item discounts, click on the symbol next to the SKU to expand the item row. Multiple discounts can be configured here in the same way you set the header discounts.

Calculating header and line item discounts together

When there are both header and line item discounts applied, the header discounts are calculated first and the item line discount afterward.

Simple discounts are first added together no matter where they are placed in the grid, while compound discounts are applied according to their order in the grid. When one compound discount is a dollar amount and the other a percentage, it's critical that they be placed in the correct order. You can rearrange the order of discounts by selecting the discount and dragging it to another row in the grid

PO Totals with Discounts

Vendor discounts are usually dealt with as rebates, where the vendor issues a quarterly rebate check for the total value of the discounts. Therefore, by default, the total of the multi-discounts will be shown on the grid, but will not be reflected in the grand total of the purchase order. However, you can consider the multi discounts in the PO Grand Total. To access:

- **Alpha**— Go to **Company Settings > Toolbox > Vendors > Select Vendor > General Information > Enable PO Multi discount treat as discount**
- **Delta**— Go to **Purchasing > Vendors > Manage Vendors > Select Vendor > Edit > Go to Preferences panel > Enable PO Multi Discount Treat As Discount**

Whether multi-discounts are treated as a rebate or as a discount, multi-discounts will be factored into the cost of the individual items to ensure an accurate profit and loss report.

Adding discounts to POs

[Click here for instructions about adding item line discounts.](#)

[Click here for instructions about adding Fixed Total Discounts.](#)

[Click here for instructions about adding multi-discounts to POs.](#)

Adding vendor quantity discounts

Vendors may offer discounts for purchasing more than a certain quantity of a given product. The discount affects the profit and loss of that particular product. For example, the regular cost of SKU123 is \$20. However, if you buy 200, the cost of each unit is \$18. If you buy 500 units, the cost goes down to \$15 apiece.

Sellercloud can manage quantity discounts for each product individually, even with tiered level discounts or different vendors offering discounts for the same product. The vendor cost of the product will adjust on any given PO, based on the vendor, to reflect the quantity level discount.

[Click here for instructions about adding vendor quantity discounts to POs.](#)
