

# Device Financing – Simple Setup Option

## Introduction

Dealers selling devices from their own inventory with carrier Financing will encounter some challenges in setting up and reporting in RQ. For instance, there may be a down payment required by the customer that is variable (depending on credit or on list price of the phone). Also, the full tax amount of the product will be collected at the point of sale, regardless of the amount collected for the phone.

Our simple setup steps below are suggestions only and will work with most carrier finance programs.

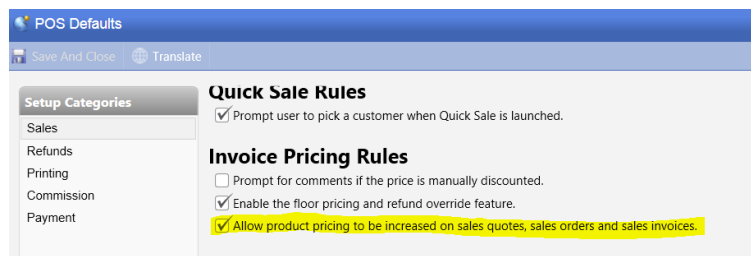
Setup Overview:

- Change POS Defaults in RQ
- Change Security Settings in RQ
- Create New Products in RQ for Price Sheet and Promotion Setup
- Add new Terms to Carrier Pricing Sheet (Price Sheet)
- Create Price Sheet Promotion

## Setup Steps

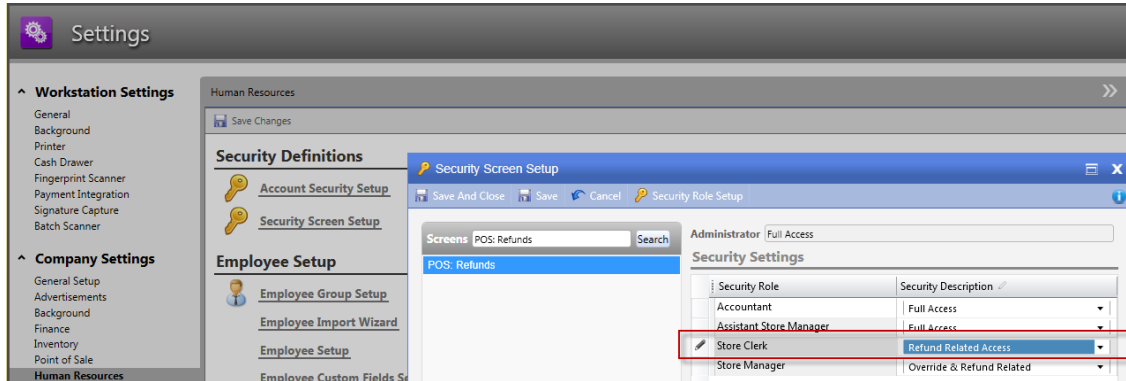
1. Change POS Defaults: To allow your employees the ability to increase/decrease prices at the point of sale, log into RQ as an Administrator and go to **Settings | Point of Sale | POS Defaults**. Select the **Allow product pricing to be increased on sales quotes...** option.

*Note: If you don't want to allow this option to your employees, you can skip this step. Instead, when creating Price Sheet Promotions in the final step, you can create one promotion for each possible phone price reduction. See the Price Sheet Promotions Setup step for more information.*

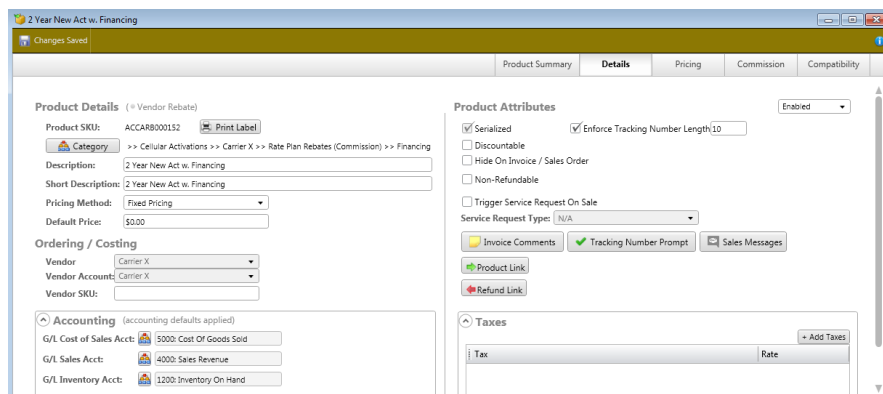


- Change Security Settings: To prevent your employees from doing refunds on the entire amount of the phone instead of on the deposited amount, log into RQ as an Administrator and go to **Settings | Human Resources | Security Screen Setup**. Search for the POS: Refunds screen and change the access to **Refund Related Access** for any employee group you want to restrict.

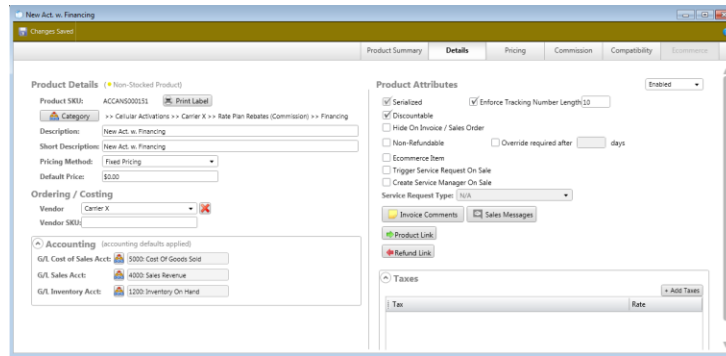
*Note: This will prevent any related items from being removed during refunds for employees under this security role and will prevent fraudulent returns.*



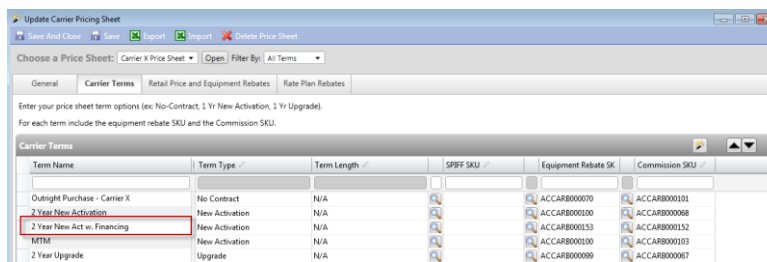
- Create New Category: Create a new category in RQ under **Settings | Inventory | Product Category Setup** that will contain your Financing products.
- Create new Products for Price Sheet and Promotion: Create the following new products in RQ:
  - Vendor Rebate Product(s): Create a VRP for each Term type that will require the Financing option. In the example below, a 2 Year New Activation Term will be used. Use the following criteria:
    - Serialized = True
    - Discountable = False
    - Default Price = \$0
    - Enforced Length = 10
    - Tax = No tax applied



- b. Term: Create a Term to match each of the VRPs created in the previous step in **Inventory | Tools | Price Sheet Term Setup**.
- c. Non Stocked Product (NSP): The NSP will be used in the Price Sheet Promotion Setup and should have the following criteria:
  - Description = Use a generic name like Financing SKU
  - Serialized = True
  - Discountable = True
  - Default Price = \$0
  - Enforced Length = 10
  - Tax = No tax applied



5. Update Price Sheet: Go to **Inventory | Tools | Update Carrier Pricing Sheet** to update the following information in your current price sheet:
  - a. Carrier Terms tab: Add the terms created in the previous steps and link them to the appropriate VRPs. Click **Save**. At this point, you may want to export/import your price sheet template to update the phone pricing and rebates.



- b. Retail Price and Equip Rebate tab: Enter the retail price of the phones (before deposit) and any phone rebates that apply (this may be a copy of the existing term). For instance, the **New Act. w. Financing** term may be the same as your existing **New Act** term. Check with your carrier for details.
- c. Rate Plan Rebates tab: Ensure that the rate plan commissions are filled in under the new terms. These may also match existing terms. Check with your carrier for details.  
*Note: See Help Files under [Update Price Sheet Guide](#) for setup details*

6. Create Price Sheet Promotion: Go to **Inventory | Tools | Price Sheet Promotion setup** to create a promotion to use for all Finance sales, or for each term set up in the previous steps (recommended) using the following criteria:

*Note: If you are not allowing your employees to discount at the point of sale, you can skip Step 1 of this document and set up multiple promotions instead: one for each device list price. Use the Criteria tab (below) to restrict each promotion only to the phones with that list price.*

#### Details Tab:

- Product SKU button: Click **Product SKU** and link this promotion to the NSP created previously (ex. New Act. w. Financing)
- Unit Price = 0
- \*Quantity = -1
- Reduce phone price by = 0
- Name = Good practice is to name for the term you are linking to
- Vendor Account = Usually the vendor account linked to your price sheet
- Availability = Continual
- Locations = All locations where the Financing option is offered
- Price Sheet = Your Current Price Sheet

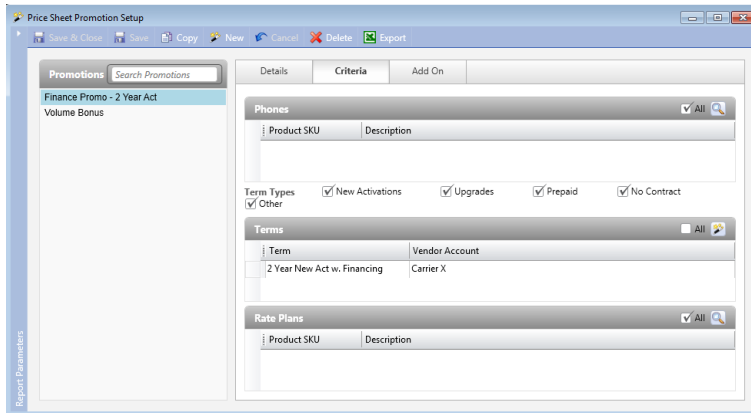
The screenshot shows the 'Price Sheet Promotion Setup' window with the 'Details' tab selected. The window title is 'Price Sheet Promotion Setup'. The 'Promotions' list on the left includes 'Finance Promo - 2 Year Act' and 'Volume Bonus'. The 'Details' tab contains the following fields:

- Product SKU: ACCANS000151
- Description: New Act. w. Financing
- Unit Price: \$0.00
- Quantity: -1 (highlighted with a red box)
- Reduce phone price by: \$0.00
- Name: Finance Promo - 2 Year Act
- Vendor Account: Carrier X
- Availability: Continual
- Created By: iQ Support
- Created On: 08-Oct-2013 08:50 AM

At the bottom, there are two sections: 'Locations' with 'Successful Cellular' and 'Price Sheets' with 'Carrier X Price Sheet'.

#### Criteria Tab:

- Phones: Leave at default of All
- Terms: Select *only* the newly created Financing terms here
- Rate Plan: Leave at default of All



## Sales Flow

Ensure that your taxes are correctly applied to each phone product in your inventory. Use the following steps to sell a phone:

- a. Complete a sale as usual while selecting one of the Financing terms in the Phone Activation Wizard (PAW).

- b. In the final screen, you will be prompted to enter the customer phone number on the price sheet promotion SKU that was automatically added to the invoice. Enter the phone number and click OK.

New Act. w. Financing (1 of 1)

Enter the Tracking #:

OK Cancel

- c. Click on the \$0 value next to the price sheet promotion SKU and enter the amount required to bring the invoice phone price down to either \$0 or to the amount of the deposit required. The phone tax will be added to the invoice based on the price sheet phone retail price (see the examples below). Complete the transaction as usual.

-1 @ \$0.00 \$0.00

John Smith

Refund PRECASH Bill Pay / Deposit

Shopping Cart

Samsung Galaxy S3 - Black ACCAB000051 Tracking#: 34535	1 @ \$99.99 Discounted \$500.00	\$99.99
New Act Equip Rebate w. Financing ACCARB000153 Tracking#: 5555555555	1 @ \$150.00	\$150.00
Rate Plan \$0.01 - \$55 ACCANS000096	1 @ \$0.00	\$0.00
2 Year New Act w. Financing ACCARB000152 Tracking#: 5555555555	1 @ \$190.00	\$190.00
Volume Bonus ACCARB000108 Tracking#: 5555555555	1 @ \$25.00	\$25.00
New Act. w. Financing ACCANS000151 Tracking#: 5555555555	-1 @ \$45.50 Price \$45.50 \$ Discount (\$45.50) % Discount -4550	(\$45.50)

Billing Customer: John Smith

Discounted \$545.50  
Subtotal \$54.49  
Taxes \$10.00  
Coupons \$0.00  
**TOTAL \$64.49**

Check Out

## Reporting

To report on your taxes for these transactions, run the Product Detail report for the time period, and copy the results into MS Excel. Use a V Lookup to sort the report by searching for the Price Sheet Promotion NSPs creating during each Financing transaction with the matching phones.