

# NetSuite 2022 Release 2 Brings Financial Efficiencies Around Rebates and Trade Promotions, Project Classifications and More

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In the NetSuite 2022 Summer Survey, respondents made it clear that they continue to face a quickly evolving string of challenges — and they’re looking to take action. About one-third of executives saw slight or significant harm to their businesses as a result of inflation, and around the same percentage say their industries are more sensitive to inflation than average.

Respondents also ranked the labor shortage and difficulties acquiring materials as top concerns.

In response, executives cited both “finding savings” and “identifying new efficiencies” as top priorities. To make that happen, they need visibility and control to cut costs and promote internal best practices while still providing a seamless customer experience. NetSuite 2022 Release 2 includes exciting new features to help businesses navigate an economy where increasing productivity, preserving margins and keeping customers are top priorities.

## **Centralize and Automate the Management and Execution of Rebates and Trade Promotions**

Rebates and trade promotion are an essential part of the marketing mix in many industries, helping to drive market share, sales volumes and earnings for manufacturers, distributors, retailers and other channel partners. Given their importance, effective administration of promotional offers is critical to success. Unfortunately, the complicated structure and accounting implications of these programs make them difficult to manage.

Relying on manual processes, separate systems and spreadsheets to track purchase/sales volume; calculate price adjustments and rebate amounts; manage accounting accruals; and create, process and reconcile rebates or other claims is inefficient, labor-intensive and error-prone.

The new **Rebate and Trade Promotions** SuiteApp simplifies the management and execution of manufacturer rebates and trade promotions, saving time and increasing efficiency by centralizing and automating the creation, execution, accrual and reconciliation of vendor and customer rebate programs.

- **Agreements and contracts.** Easily create and manage rebate and trade promotion agreements in NetSuite. Define contract terms such as duration, discount method and amount, transaction qualifications and more.
- **Execution.** NetSuite automatically calculates rebate amounts on valid transactions by combining relevant stackable agreement calculations or, in the case of non-stackable agreements, by selecting the "best" deal for each order.
- **Claims and disbursements.** NetSuite also automates the settlement and reconciliation process with support for multiple calculation methods, including percentage-based, flat amount, fixed cost and guaranteed profit, and the ability to select from several cost-basis options.
- **Accrual accounting.** As rebate-related transactions are posted to the general ledger, such as when an order is invoiced, rebate amounts are automatically accrued.
- **Reporting and analysis.** Reporting capabilities improve financial visibility by keeping track of estimated or proforma claims and disbursements while also allowing companies to take into account returns and other deductions when issuing final payments.

**Receiving : Sale : Rebate Transaction** ←

2022 Annual Vendor Incentive

**Primary Information**

AGREEMENT NAME *	AGREEMENT REFERENCE #	<input checked="" type="checkbox"/> STACKABLE REBATE
2022 Annual Vendor Incentive	123456	
AGREEMENT START DATE *	AGREEMENT END DATE *	<input type="checkbox"/> NO END DATE
1/1/2022	12/31/2022	
STATUS	COMMENTS	AGREEMENT #
Active		6
SUBSIDIARY *		
Parent		

*The Rebate and Trade Promotions SuiteApp increases control.*

### **Additional Project Classification Capabilities Improve Visibility and Reporting**

Given inflationary pressures and economic volatility, companies are taking a closer look at projects and their associated budgets to determine where it makes the most sense to invest time and resources right now. Decision-makers rely on project accounting to gather that data; inform them of the status of direct costs, overhead costs and any revenues in a specific project; and ensure that projects are classified in a timely and accurate manner.

In NetSuite 2022 Release 2, users can set default values for department, location and class on project records, saving time and improving data quality by ensuring project-related expenses and revenues are categorized correctly. Users can override these defaults whenever necessary. The option for classification defaults will provide NetSuite customers with improved project tracking and financial reporting.

### **Expense Commitment and Budget Validation**

NetSuite 2022.2 brings further capabilities around expense commitment and budget validation. These enhancements will allow customers to **create budgets for specific account, segment and period combinations**. Once these are created, customers can then validate purchase requests, purchase orders and vendor bills against that specific budget.

Expense commitment and budget validation enhancements in 2022.2 will prove especially valuable for nonprofit organizations, which use a fund accounting method

that focuses on accountability rather than profitability. Nonprofits have special reporting requirements to show how money is spent rather than how much profit is earned, particularly when resources are restricted to a specific purpose or time period. Thus, the latest NetSuite release provides the capability to **budget and report both revenue and expenses by accounts and segments**, such as program, department, grant and revenue type.

Organizations also gain the flexibility to budget in time periods that don't align with the fiscal year, a particularly useful enhancement for multiyear grant budgeting. Budgets can be entered on a quarterly or yearly basis in addition to the currently supported monthly budget entry. Users can then perform validations against any type of budgeting method — monthly, quarterly or yearly.

In addition to preventing overspending via increased visibility into more granular budgets, these enhancements will prove extremely advantageous in managing expenses thanks to automated overspending prevention. Decision-makers will be warned if a transaction exceeds the budget for that account/segment combination. They also have the option to receive warnings on a monthly or annual budget basis and notifications when a budget is at its determined threshold.

If a budget is not available for the needed account/segment combination, the hierarchical budget validation enhancement will allow for traversal to the parent account or segment to find any available funds.

### **Added Capabilities for Shopify Connector**

For users of Shopify, the latest NetSuite release brings a more accurate reflection of money earned through the platform. The new **Shopify Payout Report Sync** accounts for the gateway, interchange, transaction and processor fees charged by the platform. With this new feature, **cash sales reflect the net payment**, and fees are automatically assigned to the correct expense account in NetSuite. This allows merchants to easily reconcile bank deposits to the actual payment amount received.

### **Discover How NetSuite 2022 Release 2 Can Help You**

These are just some of the notable features in this release. For more information on the full list of features and how to use them, be sure to check out the [release notes](#).