

Flight Pricing

Introduction

Pricing for aircraft hire is complex due to the number of different charges due to the variety of factors involved. The price group of aircraft, the length of flight whether the pilot is simply hiring (Private Hire) or under Training, possibly the type of training, any fuel surcharge, the commercial arrangement between the pilot and flying club and maybe the day of the week can all affect the charge to be applied.

This complexity in itself is a good reason to consider using **QuDieMGA** software given the potential for error, particularly when inexperienced staff may be employed at peak times.

QuDieMGA solves the problem

By creating links between aircraft and members and setting a rate/hour for Training and Private Hire flights for each, the charge for the flight can be calculated based on the flight details entered.

As part of setting-up, Aircraft are allocated a Price Group and a Standard Hire and Training Rate/Hr. All aircraft allocated the same Price Group will have the same pricing structure applied to their Standard Prices.

Each member is assigned a Price Pack from a list created by user.

The link is shown below:

Aircraft (registration) → Price Group ↔ Price Pack ← Member

For each Link a Discount for each weekday and weekends is set-up for Training and Private Hire flights. Note that an uplift to the Standard price can be applied by entering a negative discount. A fuel surcharge may also be set-up. If pricing is the same throughout the week, the same discount is entered for each day and weekend. Note that a Price Pack can apply different discounts for different Aircraft Price Groups. If a member is not allocated a Price Pack he will be charged the Standard Hire or Training Rate/hr whatever the day of the flight.

Having set-up the Links necessary to cover all required combinations of Aircraft and Price Packs, **QuDieMGA** is able to raise invoices for flights, without the user having to calculate the appropriate charge or even understand the pricing structure.

The Process

Details entered in the Flight Entry screen are essentially those normally recorded in the Flight Log Sheet, so all concerned will be familiar with them.

From the Pilot's name their Price Pack is identified in the database.

From the Aircraft Registration the Price Group is identified in the database.

From the Date of the Flight the day of the week is identified.

The resulting Aircraft Price Group ↔ Price Pack link (see above) identifies the correct discount for the day of the flight. The details entered in the Flight Entry screen identify whether the Hire or Training rate is applied. If a Fuel Surcharge is entered, this is applied to the flight charge. Leaving Fuel Surcharge entries as zero disables this function.

Preparing to Setup Pricing

There is no limit to the range of pricing options that **QuDieMGA** can handle; you could literally have a different price for every aircraft for each individual member if you so desired. This would obviously be unmanageable in practice, and your pricing structure should limit as far as practical the number of different aircraft Price Groups and Price Packs offered.

It is a good idea to use the opportunity to review your pricing structure and reduce the options as far as possible (without compromising your commercial objectives) to simplify its maintenance in the future and make it more understandable to members.

From your price structure identify:

- How many Aircraft Price Groups you require to accommodate the range of different prices you charge for your aircraft and what you want to call each type. You can use C150, PA28 etc but if, for example, you charge the same for all two seat aircraft and four seat aircraft, it may be simpler to define Price Groups as “2 seat” and “4 seat”. The point is to not have more Price Groups than is necessary for your pricing structure.
- How many Price Packs you require to accommodate the different price levels you offer and what you want to call each Price pack. For example, in addition to Standard (List) prices, you may offer more advantageous prices for members with deposit accounts or have a higher rate for advanced courses. Remember that no Price Pack is required to charge Standard Rates/Hr.

Setting-up Pricing

Aircraft Types

- On the Setup & Analysis screen open Aircraft Commercial.
- Ensure that the Standard Rate/Hr for Hire and Training are entered.
- Enter the Price Group decided above applicable to the aircraft. Highlight and copy the Price Group entry.
- Select other aircraft of same Price Group from the DISPLAY box and paste the entry into the Price Group field.
- Repeat the process to complete all Aircraft Price Group entries.
- Close the Aircraft Commercial screen.

Price Packs

- On the Setup & Analysis screen open Price Packs.
- Click Add Price Pack.
- Enter the first Price Pack name decided above in the Price Pack field.
- Click Add Price Pack and repeat the procedure complete all Price Packs required.
- Close the Price Packs screen.

Pricing

- On the Setup & Analysis screen open Aircraft Commercial.
- Click Price Pack.
- From the Price Pack drop down box select the first Price Pack to be allocated to the Aircraft. Note that the aircraft Price Group is entered automatically.
- Enter required discounts for each weekday and weekend applicable to the Price Group/Price Pack combination. **Note** that to enter the same discount throughout the week, you can enter the discount in the Monday field, use Ctrl C to copy the entry, use the Tab or Carriage Return key to step to the next day and key Ctrl V to paste the entry.
- Click View Rates/Hr to see the Net Rate/Hr for each day. Adjust discounts as required.
- If a Fuel Surcharge is required, enter the time to be deducted from the flight time and the surcharge Rate/Hr.
- In the vacant line below, repeat the process to enter all Price Group/Price Pack combinations with the discounts applicable to each.
- Close the Price Pack screen.
- From the Aircraft Commercial screen DISPLAY each Aircraft in turn and open the Price Packs screen to list the pricing structure set-up for each. Check entries are correct and amend as necessary.
- Close the Price Packs and Aircraft Commercial screens.

Members

- On the Setup & Analysis screen open Members.
- Use the DISPLAY box to select members who require a Price Pack and select the appropriate Price Pack from the Price Pack drop down box.
- Close the Members screen.

That's it! Your pricing structure is set-up and will be applied automatically for each member's flights.