

How to: Create Your Pricebook

This free How To was produced by the Cheapskates Club –
www.cheapskates.com.au

Of all the things I have done over the years to save money, time and energy, creating a pricebook is the one that tops the list. Of course, when I first started collecting prices for the items on my grocery list I had no idea I was building a resource that would save us thousands and thousands of dollars over the years. I was simply making a note of where I could get the best prices for the things I wanted.

And that's basically what a pricebook is - a guide you can quickly refer to so you know the lowest possible price for your grocery items and where and when to buy them.

The concept of a price book is most likely new to you. It's not something we Australians are used to using. But it sure makes shopping and saving money easy. Simply by recording the price of every item you buy in a little notebook, you have a ready reckoner of just where you'll be able to get the very best price.

OK, I've sold you on the concept of a price book. You know it's going to save you money, time and energy and ease shopping stress.

Now for the fun! Follow these tips to set up and use your new price book.

Setting up your pricebook

You will need:

- A three or four ring binder
- Paper to fit the binder
- Hole punch
- Divider tabs to fit the binder - one for each item category

Step 1

Itemized supermarket dockets are a price book's best friend. On them, you'll find identified and itemized lists of products you buy and use. They will be listed by name, and usually has the size or weight included as well as the item price so you can jumpstart your price book by recording data from every receipt you can find. Start saving your grocery dockets and junk mail. You'll use these to record the price of things you buy while you are preparing your pricebook.

Step 2

Download the Pricebook page template to fit your binder. I prefer A5, it's small enough for me to take shopping with me if I feel the urge. You may prefer A4, you'll get more prices per page with this larger size but it's not as convenient to carry with you. Print off a few - you'll be surprised at just how many individual items you actually buy.

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Occasionally something I buy will come on sale at a shop or outlet I wouldn't normally visit. In this case I just right the name of the store in the "Store" column in case I create a code for it and then forget what it means!

You can use my codes for the national stores or create your own simple codes for the shops you frequent so you'll be able to see at a glance where the best prices are.

Step 4

Decide on the categories you are going to use for your pricebook. I use the same categories as the [Grocery Tracking Spreadsheet](#), in alphabetical order, for convenience. Using tabbed dividers for the categories makes it easier to find the item pages in each category.

The categories in my pricebook are:

- Baking
- Beverages
- Bread
- Cans & Jars
- Cereals
- Chemist
- Condiments
- Dairy
- Deli
- Frozen Veg
- Fruit & Veg
- General Groceries
- Herbs & Spices
- Kitchen
- Laundry
- Lunches
- Meat
- Spreads
- Staples
- Toiletries
- Treats & Snackfoods
- Wraps & Bags

Each category has a tabbed divider, with it's name written on the tab. Being alphabetical they are easy to find when I am updating my pricebook or looking for a product price.

Step 5

Now, give each page in your price book an item name e.g. soap powder, cornflakes, milk powder, rice, toilet paper etc. On this page you will faithfully record the date, store and price for that item, every time you buy it, or see it on sale somewhere. File them in their categories so you can find them in a hurry.

Product: *Tomato Soup*
Max price to pay: *99c*

Category: *Cans & Jars*
Sale cycle frequency: *6 wk*

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Here is what a pricebook page looks like when you are just getting started:

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NOTE: Every now and then you will find a really, really, really good price on an item and it will be in every store. This generally indicates either a huge price increase is on its way, so take the chance to stock up, or the product is about to undergo a change of packaging or is being replaced or deleted from the regular range. This is when you'll really appreciate the value of your pricebook. You'll be able to check back to your pricebook and see how long it is since the price has been so low, what the usual sale cycle is for the item and if it really is an extra special, worth using the slush fund to stock up, price.

Step 7

You've scrounged through your purse, handbag and the fruit bowl for docket, printed off pricebook pages, named your categories and entered your data, and now it's time to shop. Like good wine, a pricebook's value increases with age. At first, you'll be filling in initial entries for many, many product pages but as time passes, the price book's growth will give you a clear view of each item's sale cycle.

Build your baby pricebook each time you shop. See a great special at Supermarket A, but you don't need the product that week? Record it in your price book. Note the last time it was that price at that store and you'll find their sales cycle. You'll know to return next sale cycle, ready to buy.

After three or four months you'll find that you won't need to update your pricebook as often. With a mature price book, item entries slow. Once you've sampled prices at several supermarkets, the discount stores and warehouse outlets, you will only enter a new price if it is lower than your existing entries.

As your price book matures, be prepared for surprises! Often, the dedicated bulk-buyer will discover that she's been paying top dollar for bulk goods. No single traditional supermarket has the "lowest prices" in every area, no matter what their advertising jingles say. Approach the pricebook exercise with an open mind; you'll find surprising bargains and high price shocks in the most amazing places.

TIP: As you shop each week, fortnight or month note prices in your price book. If supermarket personnel confront you, explain to them that you are simply keeping track of prices for your own personal use when shopping. Be polite, and firm. If they continue the confrontation, report the staff member and the supermarket to head office. You are patronizing their store, and for that they really should know that 'the customer is always right'.

By the time you have three or four months of prices stored in your pricebook your recording will slow right down. You'll have a good idea of the sale cycle and the lowest prices at each store. From now on you'll only record a price if it changes.

You will be in maintenance mode and shopping will be a breeze with your pricebook data.

Ready, Set, Save!

Over time, you'll build an impressive database of local supermarket pricing information. You'll know that large tins of name-brand coffee will be offered on sale at six weekly intervals, rotating around the three major supermarkets in fortnightly cycles. You'll know when to stock up on steaks, or soft drink, or diet foods. You'll understand that toilet paper will be offered at 12/\$2.95 every six weeks and you'll purchase six weeks' worth during that buying opportunity.

You'll also know, at a glance, when to buy in bulk and when to look for a better deal at the supermarket. Not all bulk purchases represent true bargains. With your price book, you'll know to the cent when to load up on the big bag of flour, and when to pass it up in favour of the supermarket's loss leader of the week.

Most of all, a price book will reveal your target price: a realistic, rock-bottom price goal for each item listed in your book. Whether it's cereal for \$1.99 per box or detergent at 7 cents per use, you'll have the information you need to know when a bargain is truly a bargain.

Price books. They give you a head start over the chaotic, ever-changing supermarket price game. Save money, save time and save energy and get organized at the supermarket with a price book!