

Name _____ Date _____ Period _____

Pricing Strategies

Pricing Techniques

Psychological Pricing – techniques that create an _____

- Odd-Even Pricing
 - _____ numbers convey a _____ image -- \$.79, \$9.99, \$699
 - _____ numbers convey a _____ image -- \$10, \$50, \$100
 - _____ Pricing – sets a _____ than average price to suggest status
 - Multiple-Unit Pricing – _____
 - Suggests a _____ and helps increase sales volume.
 - _____ than selling the same items at \$.33 each.
 - Bundle Pricing – several _____ products sold at a single price.
 - _____
 - _____
 - _____ Pricing – used with sales promotion
 - Back-to-school specials
 - _____ days
 - _____ sales
 - Everyday Low Prices _____ – set on a consistent basis
 - _____ – offers merchandise in a given category at certain prices
 - Shirts at \$25, \$35, \$50
- Upper tier is better quality _____ brand
- Middle tier is for _____ priced brands
- Lower tier for _____ customers.

Discount Pricing – seller offers _____ from the usual price.

- _____ Discounts – offered to buyers to encourage them to pay their bills quickly.
 - 2/10, net 30

- _____ Discounts – offered for placing large orders
- _____ Discounts – like being “on sale”
- _____ Discount – offered outside the customary buying season
- _____ Discounts and Allowances – offered to wholesalers and retailers willing to advertise or promote a manufacturer’s products.

Steps for Determining Prices

• Determine Pricing _____

- _____ sales volume?
- Prestigious _____?
- Increase market share?

• Study _____

- Can you make a _____?
- Can you _____ without affecting quality or image?

• Estimate _____

- What do customers _____ to pay?
- Prices usually are directly _____ to demand.

• Study _____

• Decide on a _____

- Price _____ than the competition because your product is superior.
- Price _____, then raise it once your product is accepted.

• Set _____

- Monitor and evaluate its _____ as conditions in the market change.