

Price strategy and target research paper

[Business](#), [Company](#)



The price strategy adopted by a company for its services and products refers to its main ways of improving profits. These include means whereby the business owner can cut the costs of operations and sell more products, or better still find a higher profit by incorporating a better pricing strategy. This is especially so when costs are already at their lowest possible levels and sales volumes do not have an improvement. The target customers of a business are the clients who are most likely to purchase or consume their products and services (Kapferer, 2008, p. 165).

Oakley uses a price strategy that incorporates high discounts on its spectacles, sunglasses, and glasses. The company can sell its products at a high discount, as much as eighty percent off from the original price set initially. These huge discounts are to attract customers who come in to make more purchases by taking advantage of the humorous price sales of the company. The target market for Oakley glasses is mainly men aged between 15 years and 44 years. It also targets the middle up to the upper class. Persol sunglasses also use discounts for attracting new customers, just like Oakley and encouraging high sales. It targets women, especially those who fancy designer glasses at cheaper costs (Kapferer, 2008, p. 165).

On the other hand, Prada sunglasses also offer huge discounts for its wide range of sunglasses for both men and women. The company adopted a strategy to manufacture products that meet the demand of both sexes in order to expand its target market as well as ensure high sales volumes. The highest discount it offers on its glasses is the strategy it uses in attracting these unisex customers to its stores for purchasing their products. Finally, Chanel uses a low pricing strategy for high quality products in order to

attract customers. Its target market is men who want to keep up with emerging fashions and designs (Kapferer, 2008, p. 165).

Reference

Kapferer, J., 2008. *The New Strategic Brand Management: Creating And Sustaining Brand Equity Long Term*, Kogan Page Publishers, London.