

# Pricing strategy for the mewk 12 essay

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The MEWK 1. 2 will be a pace setter in terms of telecommunication, e-commerce, and networking integration in the mobile phone market. It is a slim mobile phone that enables the user to make calls, send text messages, withdraw money from their bank accounts, and access a large network of professionals in their chosen fields. The phone has a full QWERTY keyboard though when you slide it open there is a touch screen that can recognize handwritten text and convert them to typed messages in the phone. As a plus, the phone also has voice recognition software which gives it the capability to follow commands spoken to it within a three meter radius.

The market segment targeted for the MEWK 1. 2 is top company executives of international companies in the world. This segmentation will be done through price discrimination where the phone's price will have a high introductory price of \$ 1200. This will be to ensure that the phone is not only seen as a telecommunication, networking, and e-commerce tool but also as a sign of status in society.

The target market for the phone is mainly 30-40 year old males working in white collar jobs or who are self employed. These males are forecasted to be those making about \$ 100, 000 a year and are keen on technology. Above this age group it has been identified that most people are not conversant with new technology while below this group most people cannot afford to buy such a phone (McDonald & Dunbar 23). It should be noted that the target market specification is not keen on celebrities as this phone is more about business than fame; though it will be branded as a sign of status.

The product will allow the target market easy access to a wide range of transactions from various banks. It will also come with a logistics package which will enable the customer an easy access to various logistical data about their company from any remote location. A new feature that will interest many company executives is the fact that the phone has a virtual personal assistant that can pick up calls when one is in a meeting. The virtual assistant is set according to customer preference and uses real human voices, which means that in most cases the person calling will not notice that they are speaking to a virtual person. The personal assistant feature draws details to answer the caller from the executive's calendar, past call logs, messages, emails, and other relevant material.

The pricing strategy to be used will be creaming whereby the product will be sold at a high price (Nagle, Hogan & Zale 89). The benefit of this strategy is that it will allow for the cost of manufacturing to be recovered at an early stage. This will guarantee that even if in case some more advanced phone is introduced into the market, the MEWK 1. 2 will already have made profits. The product is worth the price set for it because of the value associated with it. Pricing it lowly would mean that it is a low value product. This price may however be changed at the end of the saturation period of the product life cycle to ensure it gets as much from the market even when it sales are declining. However this may not be done if the MEWK 1. 3 will be available by then. The whole point of not lowering the price for the prototype is to ensure that even when the product is out of the market the customer can still keep theirs on the grounds that very few people can afford even buying

a second hand phone like that. This will be a sign of status for the client even when the product life cycle is over (Nagle, Hogan & Zale 45).

It is estimated that with the pricing and market segmentation strategy discussed above the MEWK 1. 2 will be a success in the world market and that it will give good returns to its manufacturers.

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## **Works Cited**

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