

Marketing and considerable repeat business

[Business](#), [Marketing](#)



1, You are the Sales Manager for your company. Your sales team is one that, once they gain the initial sale, enjoys considerable repeat business. Sales reps are paid a base of \$35K and their commission package can add as much as \$49K a year (average). Top producers make as much as \$65K a year in commission--along with their base pay, they make \$100K. Sales reps have not been aggressive in pursuing new business. They have become comfortable in making repeated sales calls on their existing customers " to be visible... , Your company manufactures a quality line of home kitchen appliances, refrigerators, stoves, dishwashers, etc -- and you are highly competitive with companies such as KitchenAid, JennAir, and others. The market is quite price sensitive. You've just learned that your primary competitor has just cut their prices to the consumer by 7%. What might be some reasons that would support their decision to make a price reduction? What should be your thoughtful reaction? , Your company is about to introduce a new product that will increase the fuel - mileage on ANY gasoline-powered car by 25%. This is a genuine product that REALLY works and has received endorsements left and right as a tool to help America become less dependent on foreign oil. Utilizing the micropulverization capabilities of electronic frequency distribution, the GasEnhance device will take an automobile that gets 28 mpg and allow it to get 25% more mileage; that is, 35mpg.

It REALLY works! Your cost to manufacture this product is \$115. 00 and installation (which is easy) requires about one hour, or about \$60 for labor. What Kotler pricing strategy will you use, knowing that your competition has a similar product that will likely use a slightly different technology and that

will be out in 120 days? Rumor has it that their product will provide 35% more mileage.