

# Marketing price and product summary assignment

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Price, is the value placed on what is exchanged. Something of value is exchanged for satisfaction and utility. Price Competition Match, beat the price of the competition. To compete effectively, need to be the lowest cost producer. , Must be willing and able to change the price frequently.

Customers adopt brand switching to use the lowest priced brand-sellers move along the demand curve by raising and lowering prices among Demand Curve Non-price Competition Emphasize product features, service, quality etc. Can build customer loyalty towards the brand. Must be able to distinguish brand through unique product eaters.

Customer must be able to perceive the differences in brands and view them as desirable. Must promote the distinguishing features to create customer awareness's differences must be offset by the perceived benefits. Sellers shift the demand curve out to the right by stressing distinctive attributes Factors Affecting Pricing Decisions Organizational and Marketing Objectives Types of Pricing Objectives( profit market share cash flow status quo survival) Buyers Perceptions{elastic In elastic demand , o Available substitutes o urgency of need brand loyalty) The less elastic the demand, the more beneficial It Is for the seller to Inc. Select an approximate price level Demand Oriented Pricing Price Skimming Charge highest price possible that buyers who most desire the product will pay. Attract market segment more interested in quality, status, uniqueness etc. Consumers demand must be inelastic. Penetration Pricing Price reduced compared to competitors to penetrate into markets to increase sales. Less flexible, more difficult to raise prices than it is to lower them. Good as a barrier to entry. Appropriate when the demand is elastic. SE if there Is an increase in economies of scale

through increased demand. Odd-even pricing, end prices with a certain number, \$99.95 sounds cheaper than \$100. , may tell friends that it is \$99. Price bundling, Offer a product, options, and customer service for one total price. Prevalent in the B market, include installation etc. May unbundled price, ii, breakdown prices and allow customers to decide what they want to purchase. Fast food industry. Prestige Pricing, when price is used as a measure of quality. Cost oriented pricing:

Cost-plus pricing, Mark-up pricing, Common among retailers Price

Discounting (off list Product is a good, service, or idea consisting of a bundle of tangible and intangible attributes that satisfies consumers and is received in exchange for money or other unit of value. There are 3 levels of products; Core Product- first define what the core BENEFITS the product will provide; Actual Product- Marketer must then build the actual product around the core product. o Quality level o Features o Brand name o Packaging all combined to carefully deliver the core benefit(s). Augmented Product-offer dilation benefits and services. o Warranty Customer training Classifying Products Consumers will accept a superimposition: Consumers expend considerable effort planning and making purchase decisions. II appliances, stereos, countersignature's knows what they want and will not accept a substitute, II Mercedes. Need reminder adventitiousness: Sudden problem to resolve, products to which consumers are unaware, products that people do not necessary think of purchasing.

Umbrellas, Funeral Plots, Encyclopedia Business to Business reduces;

production Goods o Raw Materials: o Component parts: o Process materials: ; Support Goods o Major Equipment: o Accessory Equipment o Consumable  
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Supplies o Business to Business services Elements of a Product Mix, Product item-a single product , Product line-all items of the same type . Product mix-total group of products that an organization markets Product positioning EX, needs change, move to more health consciousness to reposition sun tan lotion as a healthy way to be exposed to the sun.