

Gillet blades



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Gillet blades have a major one in pricing its blades? Pricing is one of the principle components amongst the marketing mix of any product. It is the only element which contributes to the revenue of a company. All the other elements of the marketing mix are subsumed under the cost, pricing on the other hand gives a chance to the producers to overcome their cost that is why it is generally a core and essential element for the producer's success (Ronald, 2006). The question asked here, gives an opportunity to compare the pricing of a typical wheat farmer to that of a globally renowned brand Gillet.

Only through this comparison it will be possible for us to determine that why Gillet has to face problems in terms of pricing and a typical wheat farmer is lucky enough not to face any. In any part of the world wheat has a very high consumption rate, nothing as compared to Gillet blades. Wheat is something which is a staple item of food consumption. That is why it does not have any competitors. Gillet on the other hand is world renowned brand of blades, but it is not the only brand or company that manufactures blades.

That it is to say it has to a lot of competitors plus a lot substitutes. So, Gillet has to keep in mind the various competitors it has, and has to fix a price for their product which not only cover their costs but also makes people go for their brand instead of their competitor's. This in itself is a very tricky task because if Gillet has to boost its customers compared to its competitors than it has to definitely go for a price that is less than the competitors but that price also has to manage to cover its costs.

A typical wheat farmer does not have to face any competition because wheat has such a large consumption that no matter the price differentiation people

still buy it and consume because it is an essential part of their daily diet. The same is in the case of substitutes. Gillet is a razor and shaving products' brand, but there are many substitutes for both of them. For example electronic razor machines or shaving creams of other companies are one of them so Gillet has to position itself in a more conspicuous and affordable way in front of its customers. A wheat farmer on the other hand does not have to worry much about substitutes.

Wheat as mentioned before is a staple food in many parts of the world. No matter how rich or how poor the customers are, they consume wheat in some way or the other. Wheat also happens to be a raw material for many other eatable products; bread and flour being amongst them. The products manufactured by Gillet on the other hand, are not a raw material for any other product that might ensure its demand to always be elevated like wheat. The Gillet brand also has to take care of another variable when it comes to pricing that is the cutting edge technology.

Keeping a strong focus on its competitors, it has to present a product that is advanced in technology. The most important bit comes when Gillet has to go through a dilemma of fixing a price that is easily affordable to customers in comparison to other brands and most importantly it covers the cost of that technology effectively. A wheat farmer does not have to worry about any of these variables. Therefore, wheat's demand will always stay at a higher rank as compared to Gillet because; there is no concern for a wheat farmer regarding substitutes or competitors.

This contributes to be the sole reason that why a typical wheat farmer has no issues in fixing the price for his product. A wheat farmer knows that

whether or not there is any differentiation between his and other farmers' pricing, the wheat produced will definitely be consumed because of its indefinite demand. The Gillet brand on the other hand has to consider various variables before setting any price; the competitors and substitutes being the most evident amongst them. Works Cited A Book Ronald, J. B. Price on Purpose. San Francisco, CA: Wiley. (2006).