

WORKBOOK PRICING

"WORKBOOK: IGNITE ACHIEVEMENT"

1ST EDITION 2023

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Berhanudin.

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"Workbook: Ignite Achievement"

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WORKBOOK

DPM30043 : PRICING



THIS WORKBOOK BELONG'S TO:

NAME : _____

MATRICS No. : _____

CLASS : _____

Acknowledgment

Alhamdulillah, praise to Allah the Almighty for making this workbook a reality. We would like to extend our heartfelt gratitude to all those who contributed to the creation of the "Workbook on Pricing." This comprehensive guide was made possible through the dedication and expertise of numerous individuals.

First and foremost, we express our appreciation to the lecturers, whose vision and commitment were instrumental in crafting this invaluable resource. Their extensive knowledge of pricing strategies and methodologies formed the foundation upon which this workbook was built. We are also deeply thankful to the educators and professionals who reviewed and provided valuable insights during the development stages. Their feedback and suggestions helped shape the content and structure, ensuring its relevance and effectiveness in addressing the intricacies of pricing concepts. Furthermore, we extend our thanks to the students who actively engaged with the workbook's exercises and assessments. Your dedication to learning and navigating the world of pricing has been an inspiration and a driving force behind the creation of this workbook.

Finally, we recognize the collaborative efforts of our editorial and design teams, whose meticulous work transformed the initial concept into the polished and user-friendly "Workbook on Pricing." In conclusion, this workbook is a testament to the collective contributions and commitment of a diverse group of individuals. Thank you for your unwavering support and dedication to advancing our understanding of pricing strategies and methodologies.

Thank you,

Nor Hashimah binti Ab Hamid
Amimah bintiTalib
Rehan binti Berhanudin

Abstract

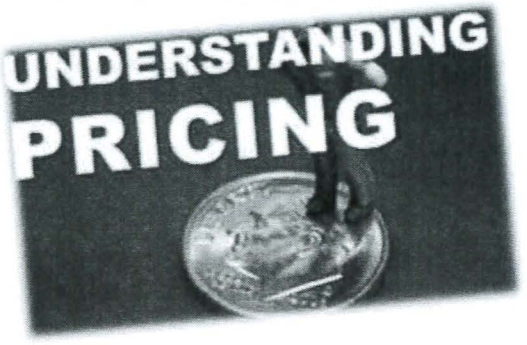
The "Workbook on Pricing" introduces a comprehensive guide with the aim of simplifying the complex realm of pricing strategies and methodologies. This workbook functions as a set of practical exercises and formative and summative assessments for students who are looking to navigate the intricacies of determining the optimal pricing concepts for their products and services. With its multifaceted approach, which includes fundamental pricing principles and interactive exercises, students can easily engage with the material, making it valuable for their summative assessment and final examinations. Through a structured framework, it equips readers with the necessary tools to analyze ideal market dynamics, evaluate competitive landscapes, and implement effective pricing strategies. By exploring a variety of learning techniques, this workbook promotes a deeper comprehension of how pricing decisions impact teaching and learning in the classroom. Ultimately, the "Workbook on Pricing" serves as a tool for individuals to practice and apply the strategies they have learned in the syllabus.

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TOPIC 1: UNDERSTANDING PRICING



YOUR OWN SHORT NOTES:

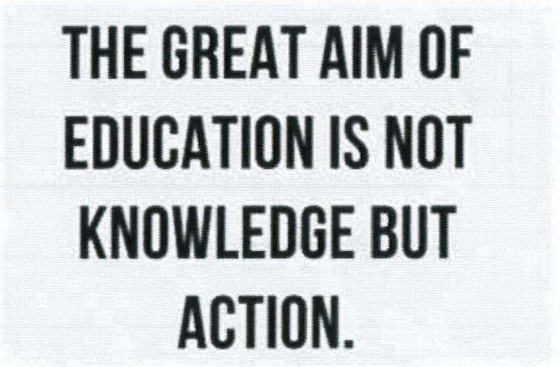
Describe your understanding on this topic.

MIND MAPPING

INSTRUCTION:
1. Write the answer on THIS paper with your neat handwriting.
2. Please timing your answer accordingly.
3. DON'T copy the sentences from the notes of power point given (used your own sentences).

Definition of pricing.

Role of Pricing in Economy



Prices go by many names:

❖ **Rent**	
❖ **Fee**	
❖ **Fare**	
❖ **Rate**	
❖ **Interest**	
❖ **Toll**	
❖ **Premium**	
❖ **Salary**	
❖ **Commission**	
❖ **Wage**	

Role of pricing in marketing mix:

Explain the **IMPORTANCE** of pricing below.

To recover the costs	
To earn profits	
To combat the competitors	
To create a brand	

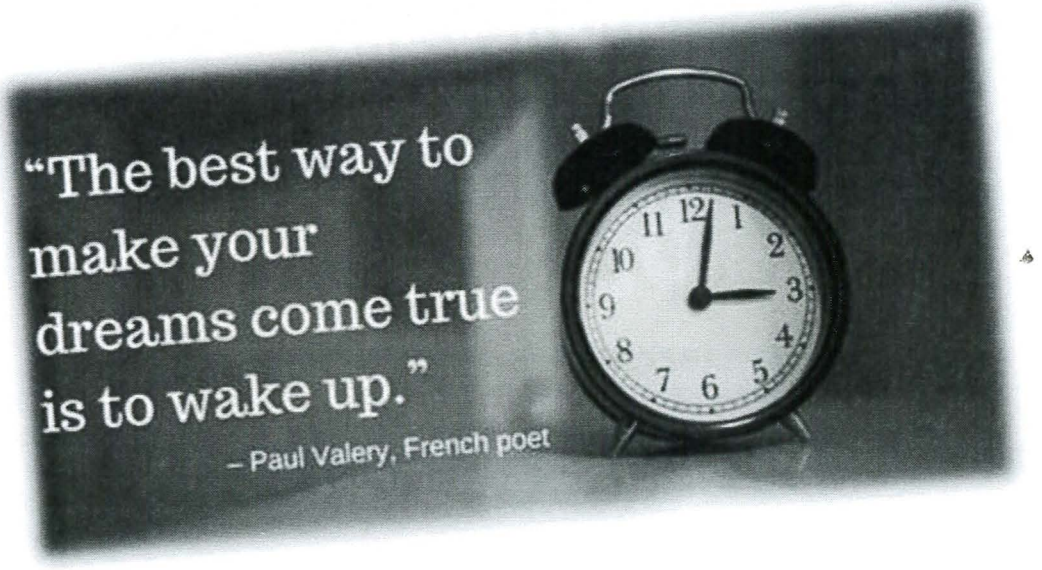
To decide the marketing strategy for the company

Check your learning outcome.

LEARNING OUTCOME:

At the end of this topic 1, student should be able to:

1.1 Apply pricing.
1.2 Apply pricing roles.
1.3 Apply the importance of pricing.



EXAMPLE: FINAL EXAM

1. Definition of pricing.

(5 marks)

2. Explain the roles of pricing in economic and marketing mix.

[10 marks]

3. Describe **FIVE (5)** importance of the right pricing for the survival of organization.

[10 marks]



TOPIC 2: PRICING ANALYSIS



YOUR OWN SHORT NOTES:

Describe your understanding on this topic.

·MIND MAPPING

INSTRUCTION:
1. Write the answer on THIS paper with your neat handwriting.
2. Please timing your answer accordingly.
3. DON'T copy the sentences from the notes of power point given (used your own sentences).

State the pricing **objective.**

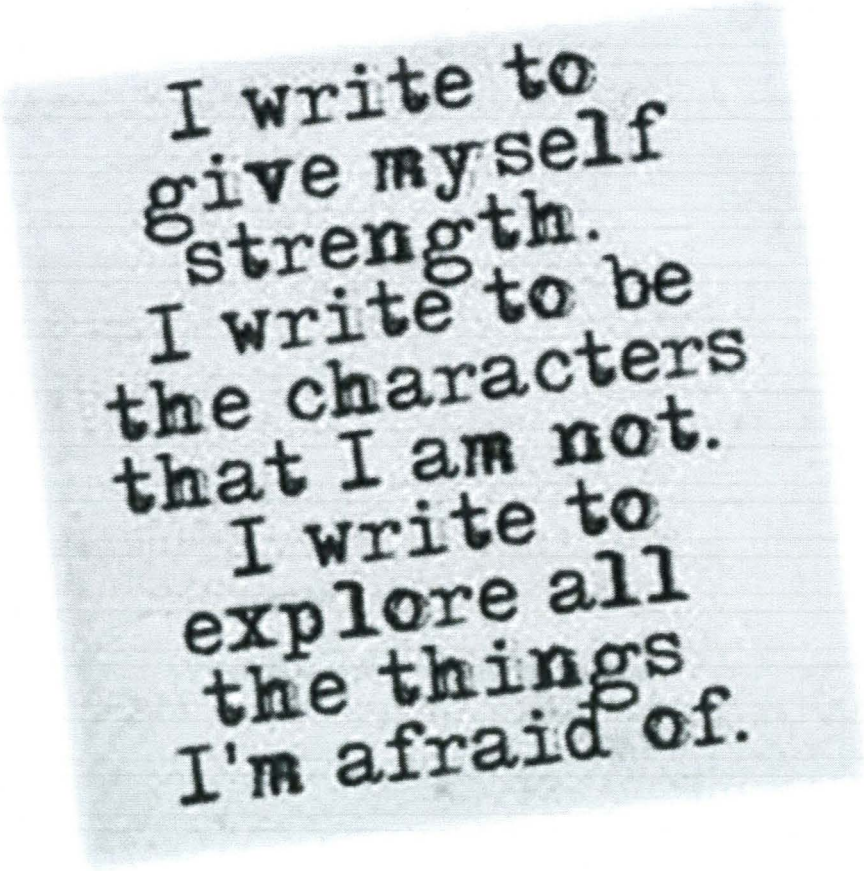
1. Profits-related Objectives	a. b.
2. Sales-related Objectives	a. b. c.
3. Competition-related Objectives	a. b. c. d.
4. Customer-related Objectives	a. b.

5. Other Objectives	a. b. c. d. e. f

Elaborate the **ABOVE** pricing objective.

List **ALL** the **PRICE SENSITIVITY.**

1.
2.
3.
4.
5.
6.
7.
8.
9.
10.



Explain the **10 FACTORS** in the above that influence price sensitivity and give a suitable example.

Explain the factors below that affect the price of our product.

Elastic Demand	
Inelastic Demand	
Economic Conditions	

Describe cost estimation.

What is **FIXED COST** and give an example.

What are **VARIABLES COST** and give the example.

Please list 6 **METHODS** of pricing.

1.
2.
3.
4.
5.
6.

Describe the **ABOVE** 6 methods of pricing.

List the factors influencing the selection of the final price.

Describe **ALL** the above factors influencing the selection of the final price and give a suitable example.

EXAMPLE: FINAL EXAM

1. Identify FIVE (5) pricing objectives that the company always wants in their business.

[15 marks]

2. Definition of variable cost and fixed cost to the company by giving a suitable example.

(5 marks)

3. Explain FIVE (5) methods on below method and state your example for each method:

a. seal-bid pricing

b. going-rate pricing

c. mark-up pricing

d. target-return pricing

e. perceived-value pricing

f. value-pricing

[15 marks]

4. Describe FIVE (5) price sensitivity that influences the pricing strategy of a firm?

[15 marks]

5. Discuss FIVE (5) factors that influence the pricing of the company concerned.

[10 marks]

Check your learning outcome.

LEARNING OUTCOME:
At the end of this topic 2, student should be able to:

2.1 Construct pricing objective
2.2 Construct demand determination
2.3 Construct cost estimation
2.4 Construct competitors, cost, prices and offers analysis.
2.5 Manipulate pricing methods.
2.6 Manipulate factor influencing the selection of final price.

TOPIC 3: PRICE ADAPTATION



YOUR OWN SHORT NOTES:

Describe your understanding on this topic.

MIND MAPPING

INSTRUCTION:
1. Write the answer on THIS paper with your neat handwriting.
2. Please timing your answer accordingly.
3. DON'T copy the sentences from the notes of power point given (used your own sentences).

Definition of price adaptation



List the **ALL** the **price adaptation strategy.**

Elaborate **FOUR (4) STRATEGIES** **on Geographical pricing** of the price adaptation and give a suitable example.



Explain **FIVE (5) STRATEGIES** influence the price adaptation **on price discount and allowances** by giving a suitable example.



Describe **FIVE (5) STRATEGIES** that we can use **in promotional pricing** while the company would like to do the price adaptation.



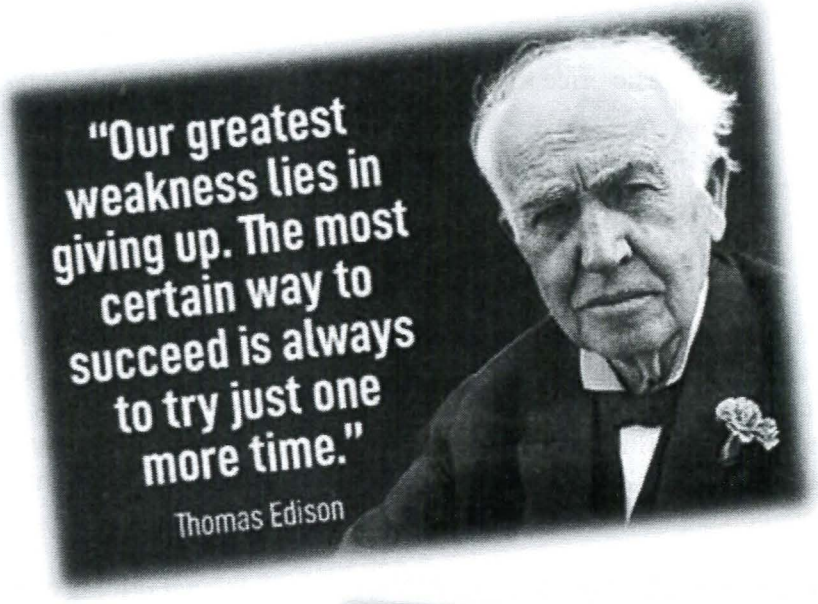
Illustrate **SEVEN (7) STRATEGIES** **<u>on differentiating pricing</u>** by giving a suitable example.

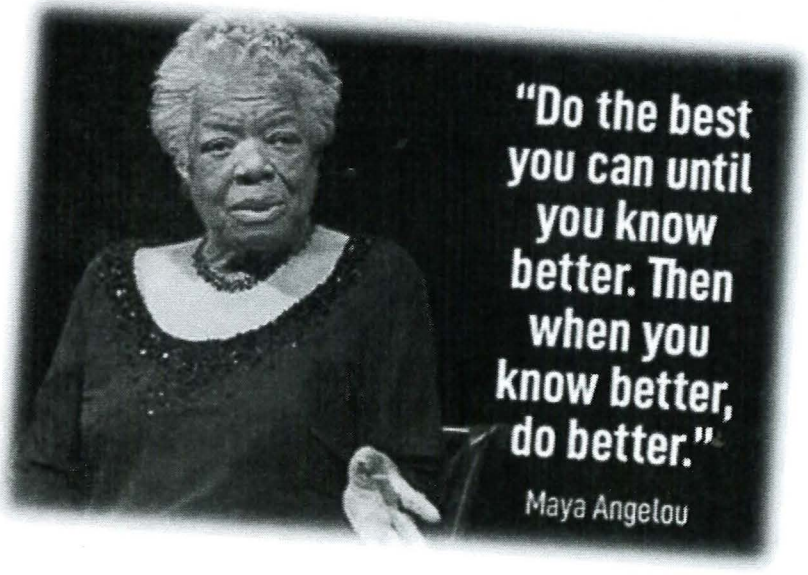
Check your learning outcome.

LEARNING OUTCOME:

At the end of this topic 3, student should be able to:

3.1 Explain price adaptation





EXAMPLE: FINAL EXAM

1. Define price adaptation strategies.

[4 marks]

2. Explain **FOUR (4)** types of price segment differences which can be used by the organization to increase sales.

[10 marks]

3. A company often modifies its basic price to accommodate differences in customers, products, locations, and so on.

Describe **FIVE (5)** discriminatory in pricing.

[15 marks]

4. Price adaptation is the ability of a business to change its pricing models to suit different geographic areas, consumer demands and prevailing incomes. Marketing plays a significant role in price adaptation because pricing strategy is one of the four main components in determining product positioning, which is how a company chooses to present products to consumers and generate interest. The more adaptability a business has, the better chance it has of appealing to more consumers.

As the marketing manager of Adidus Co., describe **FIVE (5)** promotional pricing adaptation strategies with suitable examples from your company.

[15 marks]

5. Many businesses will offer promotional pricing as a sales incentive in launching a particular product line. Discuss **FIVE (5)** price discount and allowances strategies that can be applied.

[15 marks]

6. Discuss FIVE (5) factors that influence pricing of the company concerned.

[10 marks]

TOPIC 4: PRICE CHANGE ADJUSTMENT



YOUR OWN SHORT NOTES:

Describe your understanding on this topic.

MIND MAPPING

INSTRUCTION:
1. Write the answer on THIS paper with your neat handwriting.
2. Please timing your answer accordingly.
3. DON'T copy the sentences from the notes of power point given (used your own sentences).

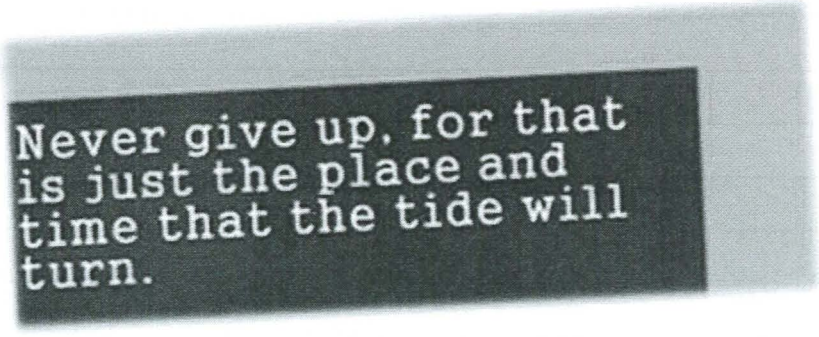
Definition of **price change adjustment.**

Define **price cut.**

Define **price increase.**

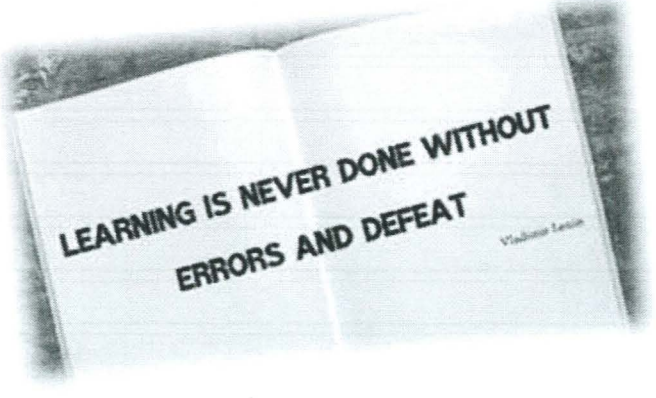


Explain the factor that can cause **the price cut.**





Explain the factor can cause **the price increase**.



Explain reaction of competitor on the price changes.

Explain reaction of competitor on the price changes.

Explain responding of company decide on the price changes.

List the **ALL** the **price change adjustment strategy.**

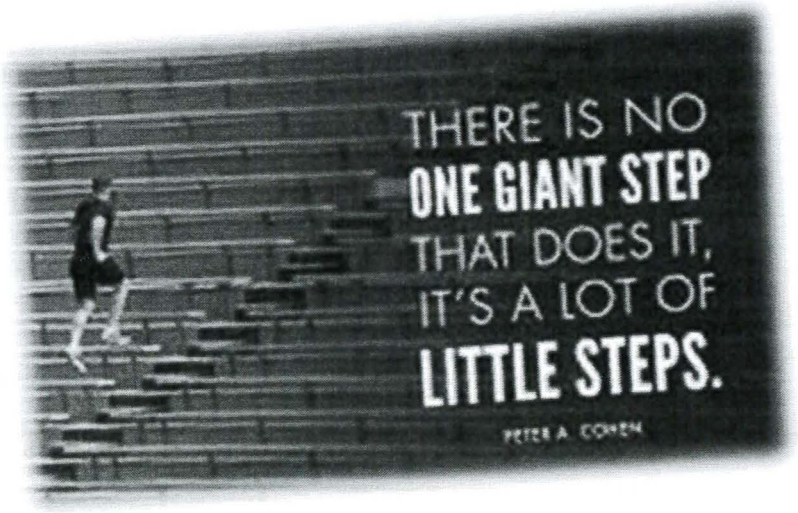
Price Change Adjustment Strategy	**a.** **b.** **c** **d.** **e.** **f.** **g.**



Elaborate **ALL the strategies above** and give a suitable example.

Define **Discount and Allowance Pricing**

Explain **FOUR (4) Discount and Allowance Pricing**


THERE IS NO
ONE GIANT STEP
THAT DOES IT,
IT'S A LOT OF
LITTLE STEPS.
PETER A. COHEN

Define **Segmented Pricing.**

Explain **FOUR (4) Segmented Pricing.**

Define **Psychological Pricing.**

Explain **Psychological Pricing.**

Define **Promotional Pricing**

Explain **Promotional Pricing** and give a suitable example.

Define **Geographical Pricing**

List the **geographical pricing** while company do the price adjustment strategies.

1.

2.

3.

4.

5.

Explain **ALL** the above **geographical pricing**

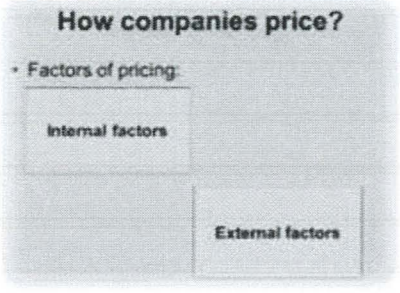


Define **Dynamic and Internet Pricing**

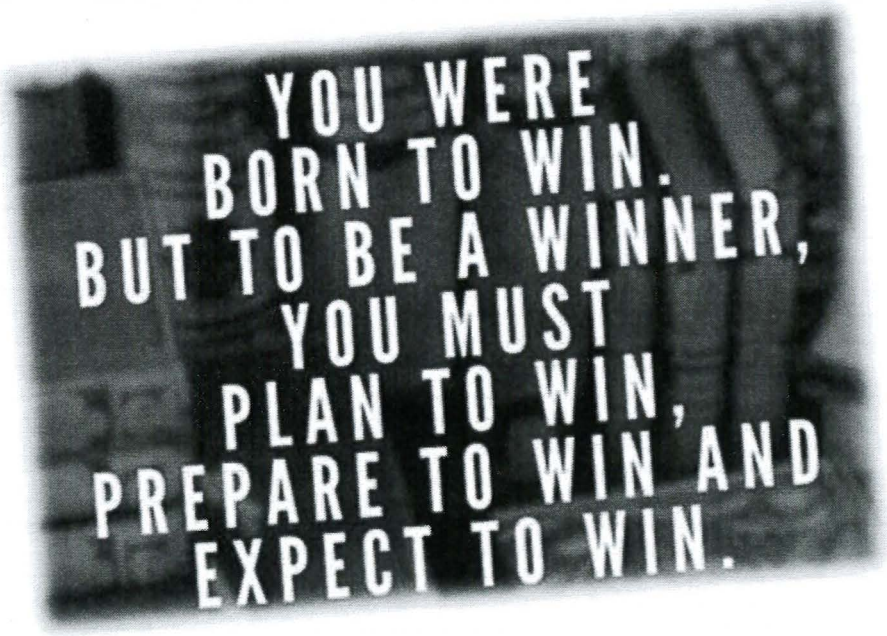
Explain the **Dynamic and Internet Pricing**

Define **International Pricing**

Explain about **International Pricing**



Identify **FIVE (5) EXTERNAL FACTORS** influencing price change adjustment by giving an example.


YOU WERE
BORN TO WIN.
BUT TO BE A WINNER,
YOU MUST
PLAN TO WIN,
PREPARE TO WIN AND
EXPECT TO WIN.

EXAMPLE: FINAL EXAM

1. Describe the function of price changes.

[5 marks]

2. Explain **FOUR (4)** situations in which price cuts and price increases might be necessary.

(10 marks)

3. Explain the initiating and responding to prices changes.

(5 marks)

4. Describe the reaction and responding of consumers and competitors price changes

(10 marks)

5. Price is a strong element of the marketing strategy of any company. Price has a direct impact on the customer, customer buying behavior, business and on the overall economy. Many Companies usually adjust their basic prices keeping in view various customer differences and market changing situations. If a company adopts effective pricing strategies, the company become able to secure better market shares.

Discuss **FIVE (5)** price adjustment strategies with suitable example.

(15 Marks)

6. Describe **FOUR (4) EXTERNAL FACTORS** influencing price change adjustment.

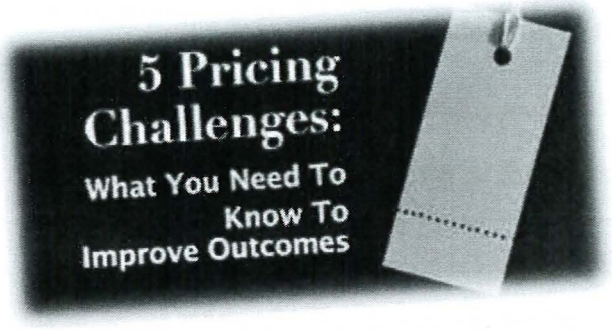
(10 marks)

Check your learning outcome.

LEARNING OUTCOME:
At the end of this topic 4, student should be able to:

4.1 Describe the function of price changes
4.2 Explain the initiating and responding to prices changes
4.3 Describe the reaction of consumers and competitors price changes
4.4 Describe the respond towards competitors' price changes
4.5 Describe the price adjustment

TOPIC 5: PRICING ISSUES



YOUR OWN SHORT NOTES:

Describe your understanding on this topic.

MIND MAPPING

List of **price determination**.

Discuss issues in **price determination**.

Discuss **current pricing issues.**

EXAMPLE: FINAL EXAM

1. Identify **FIVE (5)** pricing issues that influence performance.

[10 marks]

2. Recognize issues in price determination
   a. Competitive bidding and negotiating prices.
   b. Transfer pricing
   c. Barter arrangement
   d. Filtered pricing.
   e. International pricing

   Explain **FOUR (4)** issues from the above issues.

[10 marks]

Check your learning outcome.

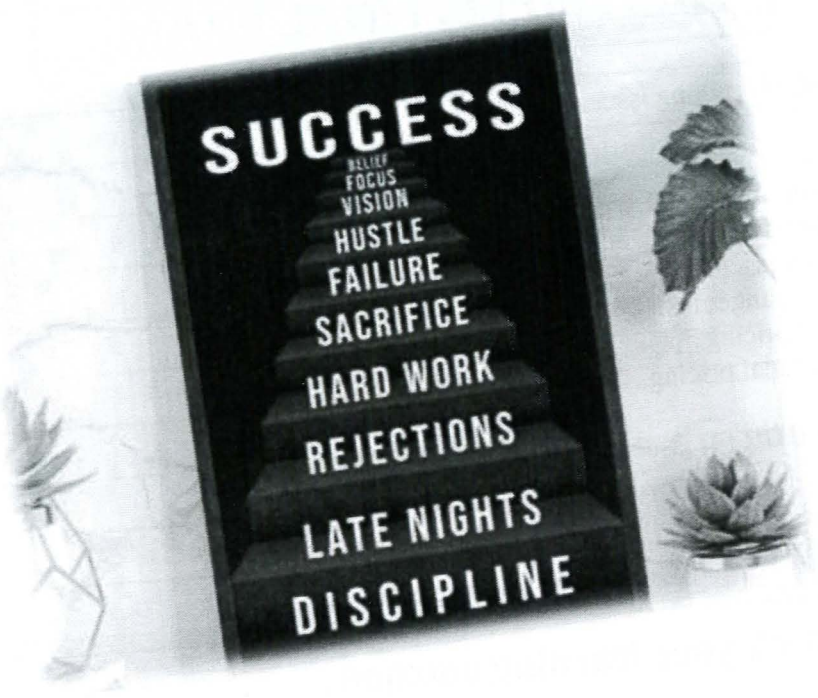
LEARNING OUTCOME:

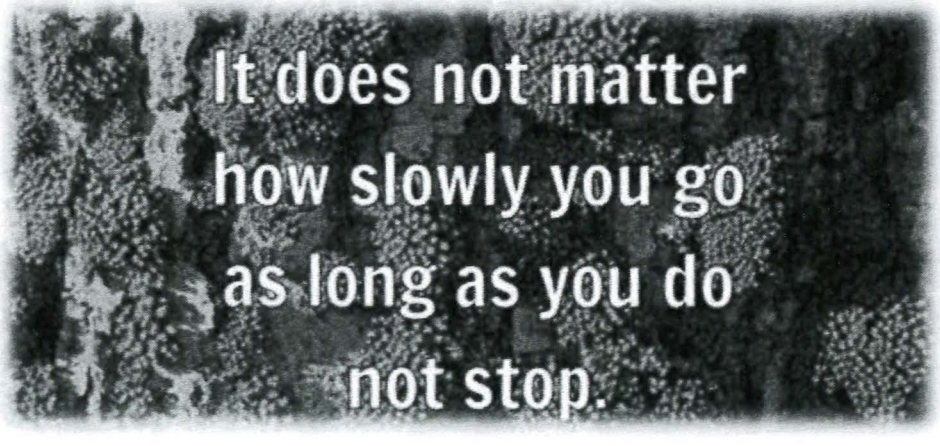
At the end of this topic 5, student should be able to:

5.1 Discuss current pricing issues.
5.2 Discuss issues in price determination.

GOOD LUCK FOR YOUR FINAL EXAM SOON

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SUCCESS
BELIEF
FOCUS
VISION
HUSTLE
FAILURE
SACRIFICE
HARD WORK
REJECTIONS
LATE NIGHTS
DISCIPLINE


It does not matter
how slowly you go
as long as you do
not stop.

TARIKH DIPULANGKAN
(DATE DUE)

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