



Course Syllabus

Course Title: **Pricing**

Teaching hours: 2 hours of lectures + 2 hours of seminars

General objective: The objective of the course is to prepare students for pricing decisions in the competitive market, both on strategical and tactical level. Starting from the introduction to basic concepts of pricing and understanding the role and importance of pricing in the company and overall contemporary market, students should gradually acquire knowledge and techniques in the field of pricing for solving specific situations in practice.

Topics:

- 1 **Fundamentals of pricing** – definition of price and pricing, the role and importance of price in a company, price elasticity
- 2 **Pricing factors and methods** – costs, competition, consumers, cost-based pricing methods, market-based pricing methods
- 3 **Consumers' price perception** – perceived value, willingness to purchase, reference prices, price sensitivity
- 4 **Pricing strategies (1)** – price level, quality tiers, market structure
- 5 **Pricing strategies (2)** – skimming pricing, penetration prices, neutral prices
- 6 **Price segmentation (1)** – price discrimination, theory of price segmentation, various types of price segmentation
- 7 **Price segmentation (2)** – various types of price segmentation, communication of price segmentation
- 8 **Pricing of multiple products** – product mix, product lines, price bundling
- 9 **Pricing throughout the product life cycle (PLC)** – PLC stages, competition, product differentiation
- 10 **Pricing in distribution channels (DC)** – decision on DC, price control in the DC, relationships among DC members, mark-up calculation
- 11 **Retail pricing** – mark-up calculation, Every day low prices, High-low pricing, key value categories, key value items, loss leaders, price promotions, price image
- 12 **Multichannel pricing** – technology, challenges, omnichannel retail, multichannel consumers
- 13 **International pricing** – globalization, export pricing, Incoterms, market-specific factors
- 14 **Ethical and legal restrictions on pricing** – laws, predatory pricing, price fixing