



APPLIES TO ACADEMIC YEAR 2006/2007

GRA 6420 Pricing Strategies and Tactics

Program

Master of Science in Business and Economics, Master of Science in Business and Economics (Marketing), Master of Science in Marketing (Marketing), Specialization Course

Responsible for the course

Ragnhild Silkoset

Department

Marketing

Term

According to study plan

ECTS Credits

6

The fastest and most effective way for a company to realize its maximum profit is to get its pricing right. However, pricing is managers' biggest marketing headache. It's where they feel the most pressure to perform and the least certain that they are doing a good job. Yet getting closer to the 'right' price can have a tremendous impact, and slight improvements can yield significant results. The purpose is therefore to gain control over the pricing function.

Objective

The objective of this course in pricing strategies and tactics is to systematically present factors that have to be considered when setting price, and to show how pricing alternatives can be developed and analyzed. The course is designed to provide the students with an integrative framework for making pricing decisions. The course covers economic aspects of pricing, strategy and tactics of market based pricing, in addition to psychological aspects of price sensitivity and decisions under incomplete information. Together these factors form a basis for analyzing pricing alternatives within legal, organizational, and competitive constraints.

Prerequisites

Course in marketing management and business economics, or equivalent.

Compulsory literature

Other:

A reading list of articles and cases will be provided in class. .

Recommended literature

Books:

Monroe, Kent. 2003. Pricing: making profitable decisions. 3rd ed. Boston: McGraw Hill/Irwin
Nagle, Thomas T. and Reed K. Holden. 2002. The strategy and tactics of pricing: a guide to profitable decision making. 3rd ed. Upper Saddle River: Prentice Hall

Course outline

Part 1 - Price management
Part 2 - Economic foundations of pricing theory
Part 3 - Understanding customer and buyer behavior for price decisions
Part 4 - Profitability analysis for pricing decisions
Part 5 - Developing pricing strategies
Part 6 - Pricing on the Internet

Computer-based tools

Blackboard

Course structure

The course consists of 36 lecturing hours. Class time will include lectures, group discussion of problems, and general class discussion. The lectures will further be supplemented with guest lecturers from the industry.

Evaluation

Your course grade will be based on the following activities and weights:

Tem papers and cases: 40% of the grade

3 hour written exam: 60% of the grade

Both individual and group assignments have to be passed in order to get a final grade in this course.

Evaluation code(s)

GRA64201 accounts for 100% of the final grade in the course GRA 6420.

Aids at the examination

For the 3 hour written exam: bilingual dictionary and simple calculator.

Makeup exam

Re-takes are only possible at the next time a course will be held. When course evaluation consists of class participation or process elements, the whole course must be re-evaluated when a student wants to retake a exam. Retake examinations entail an extra examination fee.

Honor Code

Academic honesty and trust are important to all of us as individuals, and they are encouraged and promoted by the honor system. This is a most significant university tradition. The honor system is the responsibility of students. As faculty, we share the commitment to the ideals of the honor system.

At no time should notes or papers or personal consultations based on previous semesters of this course be used. As part of the honor code papers handed in as part of the course is, at the discretion of the professor, scanned for plagiarism. We are using Safe Assignment in Black Board for this purpose. Any violation of the honor code will be dealt with in accordance with BI's procedures on cheating. These issues are a serious matter to everyone associated with the program. They are at the heart of the Honor Code and academy integrity. If you have any questions about your responsibilities under the honor code, please ask.