



APPLIES TO ACADEMIC YEAR 2010/2011

GRA 6420 Pricing Strategies: Measuring, Capturing and Retaining Value

Programme

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

Responsible for the course

Department

Department of Marketing

Term

According to study plan

ECTS Credits

6

Language of instruction

English

Introduction

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.

Learning outcome

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 reading

Other:

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

During the course there may be hand-outs and other material on additional topics relevant for the course and the examination.

Recommended reading

Books:

Monroe, Kent B. 2003. Pricing : making profitable decisions. 3rd ed. Boston : McGraw Hill/Irwin
Nagle, Thomas T. and John E. Hogan. 2006. The strategy and tactics of pricing : a guide to growing more profitably. 5th ed. Upper Saddle River, N.J. : Pearson/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

It's learning

Learning process and workload

A course of 6 ECTS credits corresponds to a workload of 160-180 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.

Please note that while attendance is not compulsory in all courses, it is the student's own responsibility to obtain any information provided in class that is not included on the course homepage/It's learning or text book.

Examination

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

Tem papers and/or cases: 30% of the grade (groups of 2-3 students)

Assignment: 30% (groups of 2-3 students)

3 hour written exam: 40% of the grade

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

Specific information regarding student evaluation beyond the information given in the course description will be provided in class. This information may be relevant for requirements for term papers or other hand-ins, and/or where class participation can be one of several elements of the overall evaluation.

This is a course with continuous assessment (several exam elements) and one final exam code. Each exam element will be graded using points on a scale (e.g. 0-100). The elements will be weighted together according to the information in the course description in order to calculate the final letter grade for the course. You will find detailed information about the point system and the cut off points with reference to the letter grades on the course site in It's learning.

Examination code(s)

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

Examination support materials

A bilingual dictionary and BI-approved exam calculator. Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator and dictionary. <http://www.bi.edu/studenthandbook/examaids>

Re-sit examination

It is only possible to retake an examination when the course is next taught.

The assessment in some courses is based on more than one exam code.

Where this is the case, you may retake only the assessed components of one of these exam codes.

Where this is not the case, all of the assessed components of the course must be retaken.

All retaken examinations will incur an additional fee.

Additional information**Honor Code**

Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honor code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honor code system, to which the faculty are also deeply committed.

Any violation of the honor code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academic integrity. If you have any questions about your responsibilities under the honor code, please ask