



APPLIES TO ACADEMIC YEAR 2011/2012

VHL 3554 Pricestrategy

Programme

Bachelor in Retail Management (2. year)

Responsible for the course

Ragnhild Silkoset

Department

Department of Marketing

Term

According to study plan

ECTS Credits

7,5

Language of instruction

Norwegian

Introduction

This price course has a marketing approach. This means that the course will teach students basic understanding of how a pricing strategy is linked to corporate value creation and how consumers and competitors in the market react to different prices and numbers. The course includes basic principles and calculations that show how price changes affect a company's sales and profitability.

Learning outcome

Acquired knowledge

Students will be able to organize, summarize and discuss the various theories related to pricing strategy.

Acquired skills

After completing the course, students will, on an independently basis, be able to develop and carry out an analysis of an existing company's pricing strategy and come up with conclusions and suggestions for improvements.

Reflection

Students in the course pricing strategy will be made aware of and develop behaviour that is consistent with the responsibility companies have to consumers in a market.

Prerequisites

BØK 3411 Finance and Managerial Accounting I and MRK 3414 Marketing Management alternatively 2914 Marketing or equivalent courses.

Compulsory reading

Books:

Smith, Tim J. 2012. Pricing strategy : setting price levels, managing price discounts and establishing price structures. South-Western Cengage Learning

Recommended reading

Books:

Nagle, Thomas T., John E. Hogan and Joseph Zale. 2011. The strategy and tactics of pricing : a guide to growing more profitably. 5th ed., international ed. Pearson/Prentice Hall. Utvalgte kapitler

Course outline

- Price sensitivity and reference price
- Price and value creation
- Price segmentation
- Price structure
- Price strategies
- Pricing of versions, accessories and subscriptions
- Price wars and competition

Computer-based tools

Excel.

Learning process and workload

Working with a simulation is central in this course, and it is expected that students will work on this throughout the course. The simulation is to develop a pricing strategy for a specific company. The simulation costs about \$10-\$20 per group.

The students also develop an assignment that is directly linked to the different parts of the course. The content of the assignment will be published at the semesterstart.

At the start of the course the students will receive an overview of the subject that is taught at what times, including the learning objectives covered. Students are also given a schedule for when subtasks in the simulation shall be submitted, and when they will be discussed in the class. The submission of the subtasks in the simulation will be made electronically.

The simulation and the assignment are solved individually or in groups of 2-3 students. The assignment will be 3000-4000 words, all inclusive. The assignment will include one section that is designed as a management object, one section that contains a rationale for the choice of decisions and expected output, and one section that contains a separate evaluation of the assignment. The assignment is submitted by the end of the semester. In the assignment, students will demonstrate the extent to which they have acquired knowledge in the discipline, and developed the attitude required.

The course is has a total of 40 hours. Of these are 26 hours lectures, and 14 hours are devoted to the simulation.

Activity	Use of hours
Class participation	26
Simulation	14
Preparation for lectures/reading literature	80
Work on the project paper and simulation	80
Total recommended use of hours	200

Use of hours

Examination

The simulation, which is based on Harvard Business Publishing, must be delivered both in print and electronically via it's learning. The simulation could be solved individually or in groups of 2-3 students.

The assignment should be solved individually or in groups of 2-3 students. The assignment will be 3000-4000 words, all inclusive. The project will include one section that is designed as a management object, one section that contains a rationale for the choice of decisions and expected output, and one section that contains a separate evaluation of the assignment. The assignment should be submitted both on paper and electronically by the end of the semester through It's Learning. Plagiarism control of all submitted works will be carried out.

Examination code(s)

VHL 35541 Hand-in paper (simulation) accounts for 40% of the grade in the course VHL 3554 Price Strategy, 7,5 credits.

VHL 35542 Project Paper accounts for 60% of the grade in the course VHL 3554 Price Strategy, 7,5 credits.

Examination support materials

All support materials are allowed.

Re-sit examination

A re-sit examination will be held in connection with the next course.

Additional information