



APPLIES TO ACADEMIC YEAR 2016/2017

## **GRA 6420 Pricing Strategies: Measuring, Capturing and Retaining Value**

### **Programme**

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

### **Responsible for the course**

Sangeeta Singh

### **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**

All courses in the Masters programme will assume that students have fulfilled the admission requirements for the programme. In addition, courses in second, third and/or fourth semester can have specific prerequisites and will assume that students have followed normal study progression. For double degree and exchange students, please note that equivalent courses are accepted.

### **Compulsory reading**

#### **Collection of articles:**

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

#### **Other:**

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

### **Recommended reading**

#### **Books:**

Nagle, Thomas T., John E. Hogan, Joseph Zale. 2014. The strategy and tactics of pricing : a guide to growing more profitably. 5th ed., New international ed. Pearson Education

### **Course outline**

Part I - Foundations of pricing theory

Part II - How consumers respond to price information

Part III- The marketplace

### **Computer-based tools**

Not applicable

### 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/Its learning or text book.

### Examination

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

Assignment: 45% of the grade (groups of 2-3 students)

Take home exam: 45% (individual)

Class participation: 10%

| Form of assessment    | Weight | Group size              |
|-----------------------|--------|-------------------------|
| Assignment            | 45%    | Group of max 3 students |
| Take home examination | 45%    | Individual              |
| Class participation   | 10%    | Individual              |
|                       |        |                         |
|                       |        |                         |

Specific information regarding student assessment will be provided in class. This information may be relevant to requirements for term papers or other hand-ins, and/or where class participation can be one of several components of the overall assessment. This is a course with continuous assessment (several exam components) and one final exam code. Each exam component is graded using points on a scale from 0-100. The final grade for the course is based on the aggregated mark of the course components. Each component is weighted as detailed in the course description. Students who fail to participate in one/some/all exam components will get a lower grade or may fail the course. You will find detailed information about the points system and the mapping scale in the student portal @bi. Candidates may be called in for an oral hearing as a verification/control of written assignments.

### Examination code(s)

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

### Examination support materials

BI approved exam calculator

Bilingual dictionary

Permitted examination support materials for written examinations are detailed under examination information in the student portal @bi. The section on support materials and the use of calculators and dictionaries should be paid special attention to.

### 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. All retaken examinations will incur an additional fee. Please note that you need to retake the latest version of the course with updated course literature and assessment. Please make sure that you have familiarised yourself with the latest course description.

### Additional information

Honour code. Academic honesty and trust are important to all of us as individuals, and are values that are integral to BI's honour code system. Students are responsible for familiarising themselves with the honour code system, to which the faculty is deeply committed. Any violation of the honour code will be dealt with in accordance with BI's procedures for academic misconduct. Issues of academic integrity are taken seriously by everyone associated with the programmes at BI and are at the heart of the honour code. If you have any questions about your responsibilities under the honour code, please ask. The learning platform itslearning is used in the teaching of all courses at BI. All students are expected to make use of itslearning.