# Module 4 - Background

## Price

### Required Material

As with Modules 1-3, start off by reviewing the Pearson tutorial:

[Pricing.](http://www.pearsoncustom.com/mct-comprehensive/asset.php?isbn=1269879944&id=11388) (2014). Pearson Learning Solutions. New York, NY: <http://www.pearsoncustom.com/mct-comprehensive/asset.php?isbn=1269879944&id=11388>

The following reading is relatively simple and reinforces the discussion of some of the key pricing strategies discussed in the Pearson tutorial such as skim, penetration, and cost-plus pricing and also covers some additional pricing strategies.  One strategy to pay close attention to in this reading is loss-leader, a commonly used strategy:

Paley, N. (2006). Chapter 10: Pricing for profits: Strategies to maintain premium prices and higher margins. *Manager's Guide to Competitive Marketing Strategies*. Thorogood, London, GBR. [Ebrary]

The following book chapter is a little more advanced but has good real world examples.  Pay especially close attention to the section “How do pricing methods fit with Marketing Strategy” and the table on page 187.  This table provides an excellent overview of some common pricing methods, when to use them, and risks involved in the method:

D’Antonio, L. (2012). Chapter 10: Pricing.  In Bolland, E., & Fletcher, F. (Eds.). *Solutions: Business Problem Solving.* Abingdon, GBR: Ashgate Publishing Ltd.[Ebrary]

Among the optional readings, pages 304-307 of Economy (2008) has a simple overview of some common pricing strategies plus a discussion of value-based pricing from the point of view of running a services firm.

### Optional Reading

Economy, P. (2008). Chapter 21: Advanced pricing strategies. *Consulting For Dummies (2nd Edition).* John Wiley & Sons, Hoboken, NJ, USA. [Ebrary]

Richardson, N. & Gosnay, R. (2010). Chapter 8: How communication works. *Creating Success: Develop Your Marketing Skills*. Kogan Page Ltd., London, GBR. [Ebrary]

Burton, M., & Holden, R. K. (2008). Introduction: Why pricing is so hard and why most companies mess it up.  *Pricing with Confidence: 10 Ways to Stop Leaving Money on the Table.* John Wiley & Sons. Hoboken, NJ, USA. [Ebrary]

Ruskin-Brown, I. (2006). Chapter 4, Part 4: The marketing mix – marketing pricing. *Mastering Marketing*. Thorogood, London, GBR. [Ebrary]

Cheverton, P. (2004). Chapter 28: Price. *Key Marketing Skills: Strategies, Tools & Techniques for Marketing Success.* Kogan Page, London, GBR. [Ebrary]