

Chapter 26 Pricing Strategies

Discovery Project Worksheet

Directions Marketers use specific pricing strategies to fit different economic and market conditions. Identify the pricing strategy used in each situation by writing the letter of the pricing strategy in the space next to each situation.

Pricing Strategies				
a. buyer identification	d. price lining	g. optional product	j. bundle pricing	m. prestige pricing
b. odd-even pricing	e. time of purchase	h. international pricing	k. purchase location	n. multiple-unit pricing
c. everyday low price	f. loss leader pricing	i. quantity discounts	l. seasonal discounts	o. allowance

- _____ 1. A women's clothing store sells blouses for \$25, \$35, and \$50 rather than \$25, \$26, and \$27.
- _____ 2. A car's base price is \$17,999, but several options are available at set prices, such as a moon roof for \$655.
- _____ 3. An American company doing business in Indonesia adds shipping costs, tariffs, and exchange rate considerations to its prices.
- _____ 4. An automobile manufacturer known for its luxurious, high-end vehicles can set much higher-than-average prices for its cars.
- _____ 5. A restaurant offers special discounts to senior citizens and students.
- _____ 6. An award-winning musical showing in Los Angeles cost \$75 per ticket, but when the show travels to a smaller city, tickets will be \$45 each.
- _____ 7. A phone company charges more for long-distance calls made during business hours.
- _____ 8. An appliance company will deduct up to \$200 off the purchase of a new refrigerator when customers trade in their old refrigerators.
- _____ 9. A souvenir stand advertises five T-shirts for \$15 instead of \$3 each.
- _____ 10. A store sets low prices on a consistent basis with no intention of raising them or offering discounts.
- _____ 11. A digital cable company offers high-speed Internet, phone service, and HDTV for one price.
- _____ 12. A department store lowers the cost of bathing suits by 75 percent in September.
- _____ 13. An electronics store advertises a very low-priced game console and expects customers to purchase the console along with other more expensive products.
- _____ 14. A pet supply shop offers a discount if you purchase five or more bags of a certain brand of dog food.
- _____ 15. One store sets prices that end in .99; another store sets prices that end in .00.

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