



# PRICE



**...is the quantity of payment or compensation given by one party to another in return for goods or services**



- In modern economies, prices are generally expressed in units of some form of currency. For commodities, they are expressed as currency per unit weight of the commodity, eg euros per kilograms**
- Although prices could be quoted as quantities of other goods or services this sort of barter exchange is rarely seen.**

# ◀ PRICE AS A TOOL OF MARKETING MIX ▶

- The only generates income
- The most flexible tool of marketing mix
- In close connection with the brand positioning





# PRICING



■ **Is the process of determining what a company will receive in exchange for its products.**

■ **Pricing factors**

Manufacturing cost

Market place

Competition

Market condition

Quality of product





# PRICE PSYCHOLOGICAL PERCEPTIONS



45 Kč

65 Kč

99 Kč

350 Kč



# FACTORS AFFECTING THE PRICE



## ■ Internal

Goals of the company

Marketing strategy

Costs

## ■ External

Type of market

Economic situation in the country

Economic policy and state legislation

Competition

Demand

# METHODS FOR DETERMINING THE PRICE

- ■ **Cost-oriented prices**
- ■ **Competitively oriented prices**
- ■ **Demand-oriented prices**
- ■ **Contract price**



# TYPES OF PRICES



- Price dumping
- Bankruptcy price
- Price of capital
- Historical price
- Auction price
- Stock price
- Price per kilogram / pound
- Price of labor cost





# TYPES OF PRICES



- Purchase price
- Reproductive price
- Contractual price
- World Price
- Market Price
- Shopping price
- Wholesale Price
- Retail Price



# QUALITY VS. PRICE





**kika** -40% **kika**

**GARANCE NEJLEPŠÍ CENY**

%

**Nejlepší výběr**

**Nejlepší servis**

**Nejlepší poradenství**

%

**kika** -30% **kika**



# ⬅ PRICING FOR NEW PRODUCTS ➡

- ■ **Strategy of high prices**
- ■ **Economic strategy**
- ■ **Strategy of a good value**
- ■ **Market penetration strategy**
- ■ **Strategy of “cream collecting”**

# ◀ „CREAM COLLECTING“ STRATEGY ▶





# Place (distribution)



# PLACE (DISTRIBUTION)



- ■ From lat. dis-tribuere = „distribute“
  - ■ Part of Marketing mix
  - ■ Placing of the good on the market
- 
- ■ The means by which products and services get from producer to consumer and where they can be accessed by the consumer





# PLACE



- Activities to get the product/services to the final consumer
- At which location should the product be offered for sale?
- Which distribution channels/networks can be used?
- Which intermediaries should be used and how many?



# FACTORS INFLUENCING THE DISTRIBUTION



- Customers needs and wishes
- Characteristics and image of the product
- Habits and possibilities of the market
- Changes in the economy and consumption trends



## ■ Summary of the middlemen's through which goods pass from manufacturer to purchaser



# DISTRIBUTION CHANNELS

## ■ Direct

Producer



Consumer

## ■ Indirect

Producer



Distribution  
middleman



Consumer



# CHARACTERISTICS OF DISTRIBUTION CHANNELS



## ■ Types of distribution middlemens

Mediators

Brokers

Support distribution interfaces

## ■ Number of distribution middlemens

Distribution strategies

## ■ Basic function of the middlemen

Business

Logistical

Additional



# TYPES OF DISTRIBUTION MIDDLEMENS



## ■ ■ Mediators

Buy goods and resell

## ■ ■ Brokers

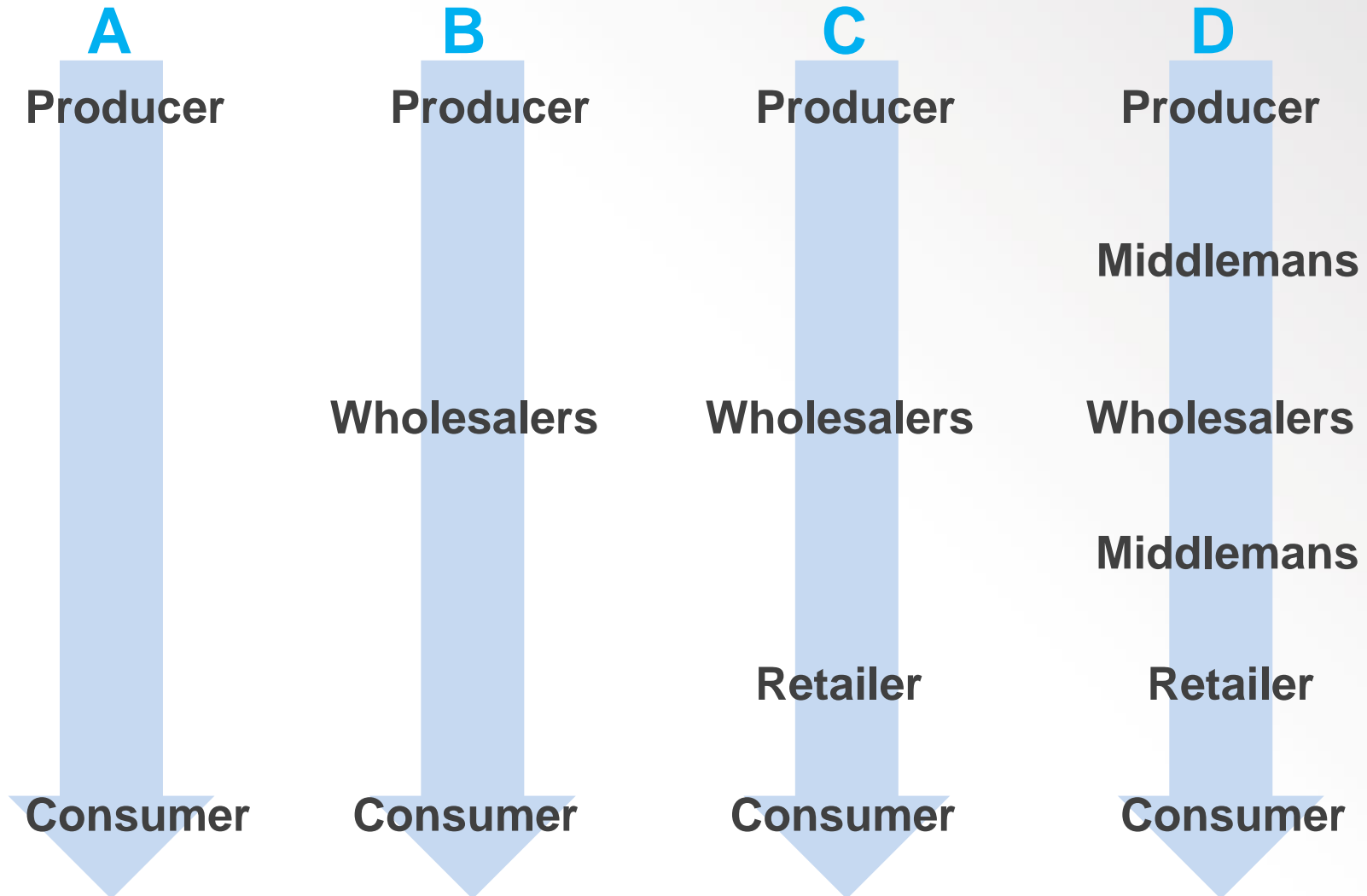
look only for contacts, don't buy goods

## ■ ■ Support distribution interfaces

facilitate exchange of goods  
(banks, transport companies)



# CONSUMER MARKETS





# DISTRIBUTION STRATEGIES



## ■ Intensive distribution

Used commonly to distribute low priced or impulse purchase products eg chocolates, soft drinks.

## ■ Exclusive distribution

Involves limiting distribution to a single outlet.

The product is usually highly priced, and requires the intermediary to place much detail in its sell.

An example of would be the sale of vehicles through exclusive dealers.

## ■ Selective Distribution

A small number of retail outlets are chosen to distribute the product.





# PULL STRATEGY



**Producer**  $\rightleftarrows$  **Distributor**  $\rightleftarrows$  **Customer**

## **Communication „pull“**

Consumer requests the product and "pulls" it through the delivery channel



# PUSH STRATEGY



**Producer → Distributor → Customer**

**Communication „push“**



# FRANCHISING



- Practice of using another firm's successful business model





# Marketing communication





# COMMUNICATION MIX





# ADVERTISING



- **Presentation and promotion of ideas, goods, or services by an identified sponsor**
- **A form of communication used to persuade an audience (viewers, readers or listeners) to take some action with respect to products, ideas, or services**

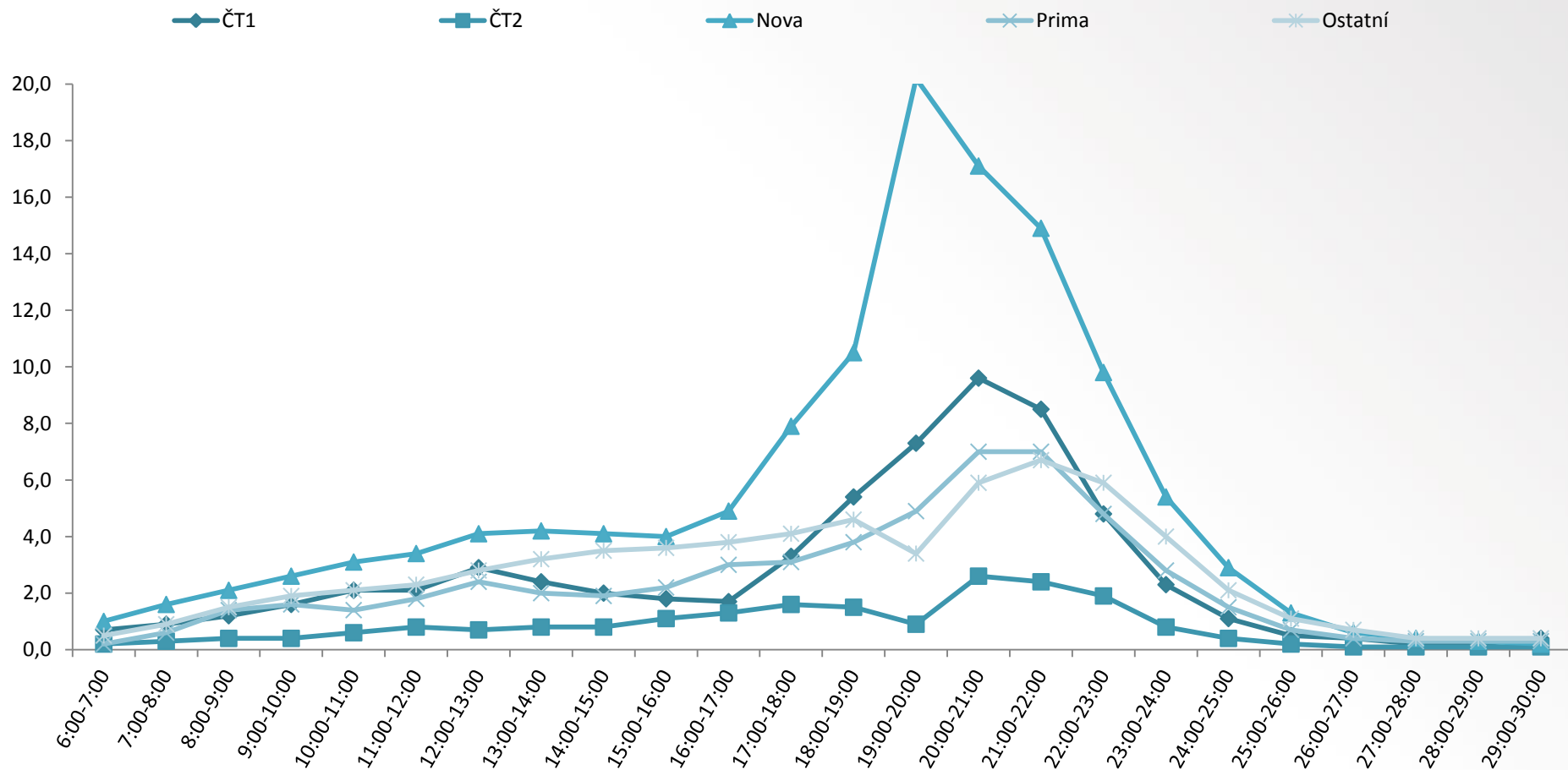




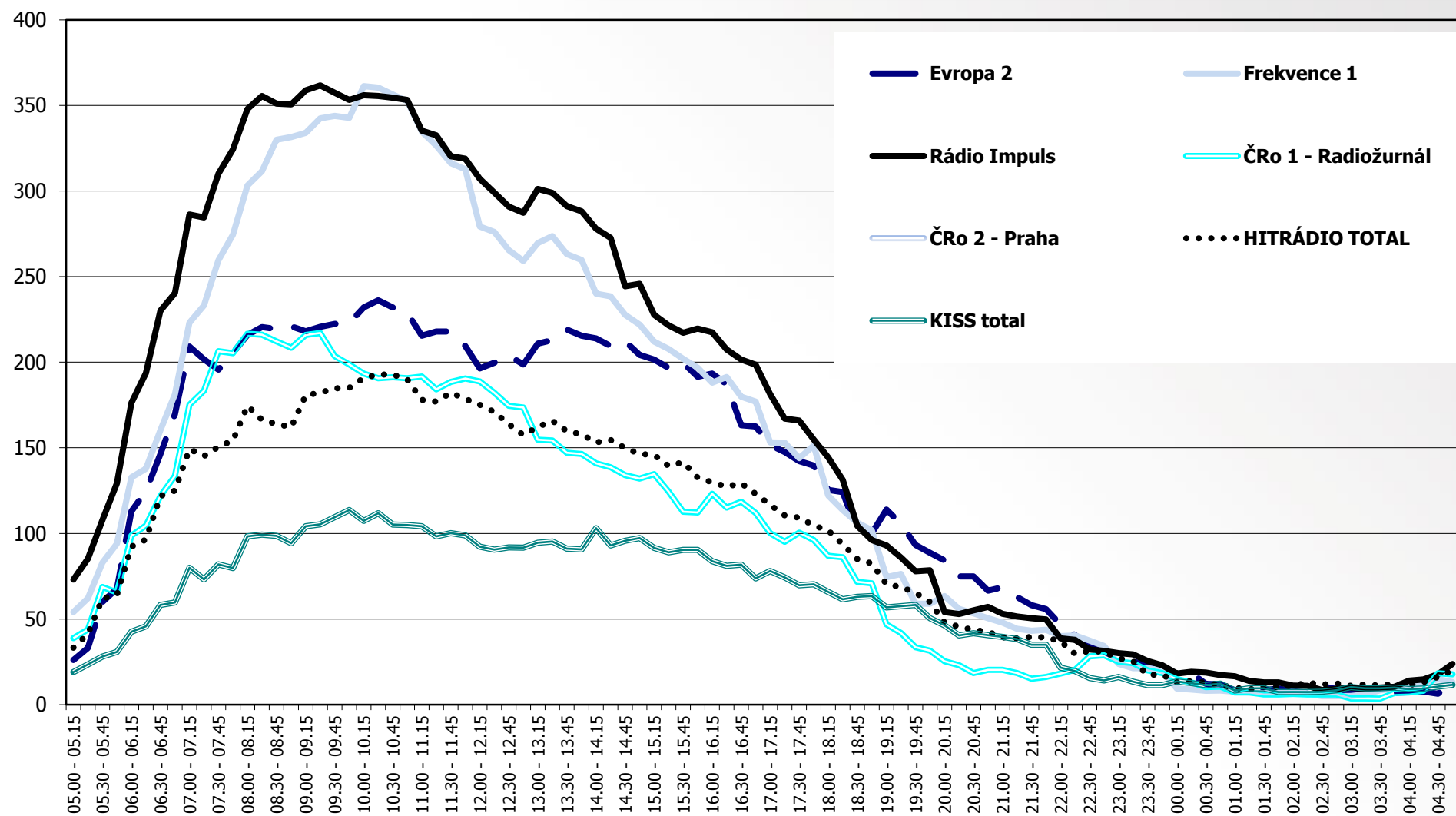
# ADVERTISING MEDIA



- TV
- Radio
- Print – newspaper / magazine
- Outdoor
- Cinema
- Product placement (movie)
- Internet









# PRINT ADVERTISEMENT

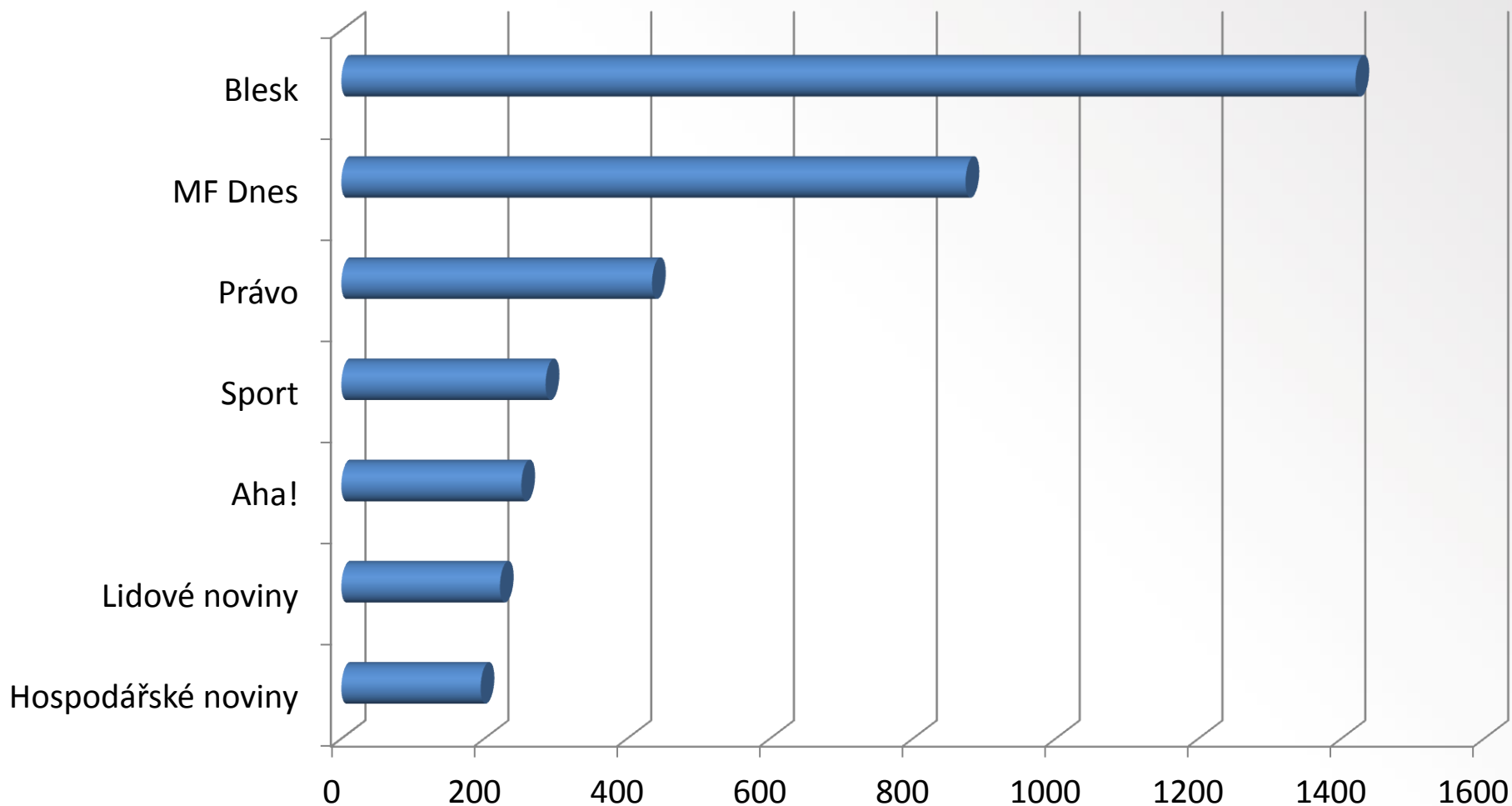




iPod...I'm your father



**KISSFM97.7**  
**DO YOU REMEMBER?**





# OUTDOOR ADVERTISEMENT









# PRODUCT PLACEMENT





# DIRECT MARKETING



- A channel-agnostic form of advertising that allows businesses and nonprofits to communicate straight to the customer, with advertising techniques such as mobile messaging, email, online display ads, fliers, catalog distribution, promotional letters.





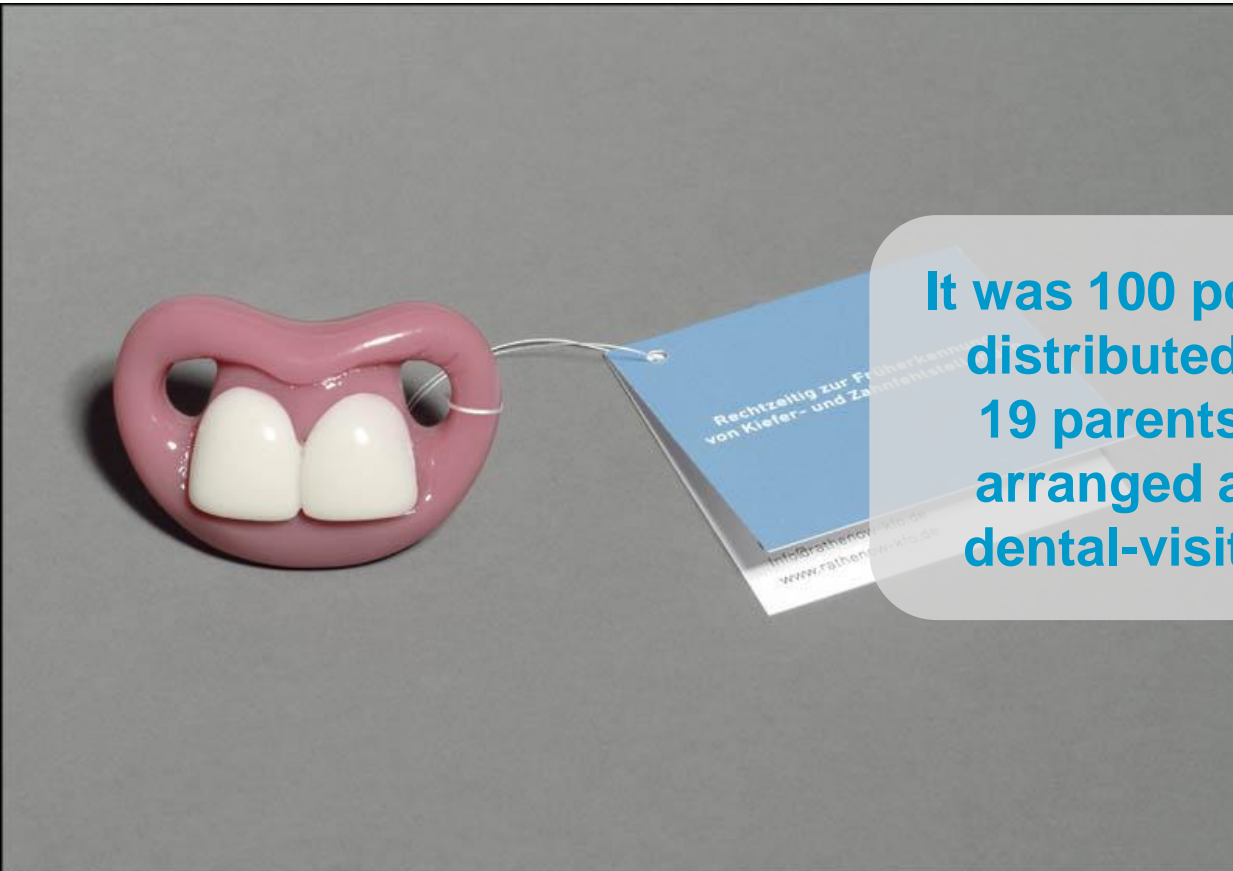


12% of consumers responded  
to direct mail and arranged a  
sight-testing





# DIRECT MAIL FOR A DENTIST



It was 100 pcs.  
distributed.  
19 parents  
arranged a  
dental-visit.





# PUBLIC RELATIONS



- Practice of managing communication between an organization and its target group.
- Is the actions of a corporation, store, government, individual, etc., In promoting goodwill between itself and the public, the community, employees, customers, etc.





# SHELL SINKING OF THE BRENT SPAR PLATFORM



GREENPEACE





**■ ■ Press release**

**■ ■ Press conference**

**■ ■ Events**





# PRESS RELEASE



## PRESS RELEASE



FFRR plus ARTISTS equals ATTITUDE!

### ORBITAL

ORBITAL's follow-up to their rave anthem and chart single 'CHIME' is released on FFRR records on 10th September.

Their name derives as much from the fact that they live on (well, not actually 'on') the M25 as from the orbital rave scene.

Brothers Phil and Paul Hartnell are **Orbital** and have been experimenting on their 4-track tape machine at home for only about 12 months. No improvements were made to their first single 'CHIME' which really cost about ninety pence to make as it was simply a case of the boys time involved plus the cost of the tape itself.

After the success of 'CHIME' the boys were able to buy better equipment, therefore their follow-up 'OMEN' is of a higher technical quality, but the single was still made in their living room and then mastered at Sam Therapy Studios in London.

Unlike many studio bands **Orbital** are quite active on the live scene, enjoying playing live so much that they often lose money through playing venues that are off the beaten track.

Phil and Paul see themselves as fitting into a slot between a conventional band and a DJ - it isn't particularly interesting to watch but because they play their music in patterns and loops (rather than song mode with a set structure) it leaves a vast amount of room to improvise with song structures, mixing techniques and sound manipulation.

"We would prefer to be in the background playing, then takeover from the DJ unannounced so people just hear our music rather than expect an entertaining show" explained Phil, who with his brother Paul is currently experimenting with other visual mediums such as film and lights that are complimentary to their music.

ORBITAL are keeping a low profile just now so as to give them time to work on the latter and on their forthcoming debut album.

ORBITAL: Aural & Visual experiences

for further information please contact

telephone [redacted] fax [redacted]

# ◀ MEDIALY INTERESTING EVENTS ▶



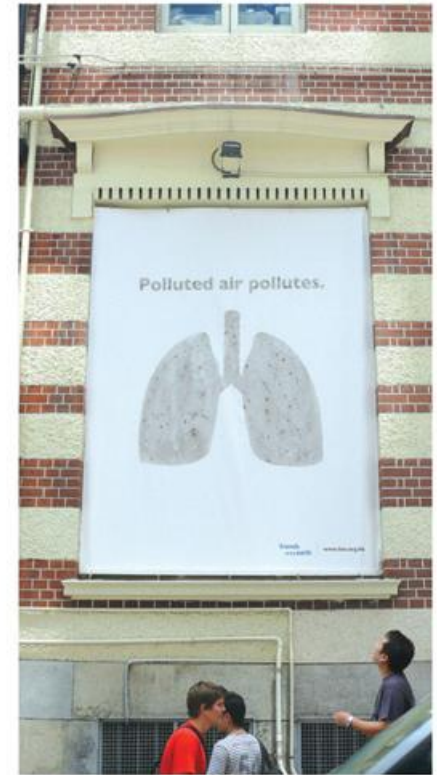
► DAY 1



► DAY 5



► DAY 11



► DAY 16



# SALES PROMOTION



- **Media and non-media marketing communication are employed for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve product availability**











# PERSONAL SELLING



- A process of helping and persuading one or more prospects to purchase a good or service or to act on any idea through the use of an oral presentation.







# PERSONAL SELLING



- Sales presentations

- Sales meetings

- Trade fairs





■ ■ Website

■ ■ Online social media



# COMMUNICATION MIX





# TRENDS IN MARKETING COMMUNICATION



■ Guerrilla marketing

■ Word-of-mouth marketing

■ Viral marketing



# GUERRILLA MARKETING



- **The concept of guerrilla marketing was invented as an unconventional system of promotions that relies on time, energy and imagination rather than a big marketing budget.**









**Mondo Pasta Ambient Media "Noodleslurper"**  
To get Mondo Pasta on everyone's mind, we created a bigger than life promotion at the most frequented place in Hamburg: the harbor.  
Huge stickers of faces turned ships into permanent pasta slurpers.















501  
525-5191

MONDAY  
HOT WINGS  
4.99

Illinois  
T36-1470





# ◀ WORD-OF-MOUTH MARKETING ▶

■ Passing of information from person to person by oral communication

