

Unit 1: Pricing

Content Area: **Business**
Course(s): **Marketing II**
Time Period: **5 weeks**
Length: **Weeks**
Status: **Published**

Unit Overview

This unit is designed to have the students explore and calculate considerations in pricing products and services.

Transfer

Students will be able to independently use their learning to identify the different forms of pricing and apply factors that impact price planning in the creation of pricing strategies in effective product/service management.

Meaning

Understandings

Students will understand...

- different forms of pricing
- the importance of pricing
- the goals of pricing
- the difference between market share and market position
- four market factors that affect price planning
- demand elasticity and supply and demand theory

- the impact of government regulations on price planning
- three policies that are used to establish a price base
- the two polar policies for introducing new products
- the relationship between pricing and the product life cycle

Essential Questions

Students will keep considering...

- What are the difference forms of pricing?
- Why is pricing important?
- Name and explain the four market factors that affect price planning?
- What is demand elasticity and how does it alter supply and demand theory?
- List the three pricing policies that can be used to establish a base price.
- What are the two polar pricing methods that may be used when a new product is introduced into the market?
- What is the relationship between pricing and the product life cycle?
- What are the six steps in the pricing process?

Application of Knowledge and Skill

Students will know...

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- different forms of pricing
- the importance of pricing
- the goals of pricing
- the difference between market share and market position
- four market factors that affect price planning
- demand elasticity and supply and demand theory
- the impact of government regulations on price planning
- three policies that are used to establish a price base
- the two polar policies for introducing new products
- the relationship between pricing and the product life cycle

Students will be skilled at...

Students will be able to...

- Analyze another student's communication for effective/ineffective strategies
- Conduct independent research on performance indicators
- Perform an engaging presentation that effectively communicates my goals/opinions/ideas
- Explain the nature and scope of price planning
- Identify factors affecting price decisions
- Analyze pricing concepts and policies for products in various stages of the life cycle
- Apply pricing terminology and techniques
- Explain the nature and scope of the pricing function
- Select the best pricing strategy for setting a base price
- Calculate break even-point
- Calculate return-on-investment
- Calculate markup
- Calculate price

- Explain factors affecting pricing decisions
- Research the impact that supply and demand have on pricing decisions
- Classify strategies for pricing new products

Academic Vocabulary

price

return on investment

market share

break-even point

demand elasticity

law of diminishing marginal utility

price fixing

price discrimination

price fixing

price discrimination

unit pricing

loss leader

markup pricing

cost-plus pricing

one-price policy

flexible-price policy

skimming policy

penetration pricing

product mix pricing strategies

price lining

bundle pricing

geographical pricing
segmented pricing strategy
psychological pricing
prestige pricing
everyday low prices
promotional pricing

Learning Goal 1

Students will be able to identify and explain the nature and scope of price planning.

- Students will be able to identify and explain the nature and scope of price planning.

12.9.3.MK-MGT.5	Determine and adjust prices to maximize return and meet customers' perceptions of value.
12.9.3.MK-RES.3	Use information systems and tools to make marketing research decisions.
CRP.K-12.CRP1	Act as a responsible and contributing citizen and employee.
CRP.K-12.CRP2	Apply appropriate academic and technical skills.
CRP.K-12.CRP4	Communicate clearly and effectively and with reason.
CRP.K-12.CRP5	Consider the environmental, social and economic impacts of decisions.
CRP.K-12.CRP6	Demonstrate creativity and innovation.
CRP.K-12.CRP8	Utilize critical thinking to make sense of problems and persevere in solving them.
CRP.K-12.CRP9	Model integrity, ethical leadership and effective management.
CRP.K-12.CRP11	Use technology to enhance productivity.
CRP.K-12.CRP12	Work productively in teams while using cultural global competence.
TECH.8.1.12.A.CS1	Understand and use technology systems.
TECH.8.1.12.A.CS2	Select and use applications effectively and productively.
TECH.8.1.12.B.CS1	Apply existing knowledge to generate new ideas, products, or processes.
TECH.8.1.12.C.CS4	Contribute to project teams to produce original works or solve problems.
TECH.8.1.12.D.CS1	Advocate and practice safe, legal, and responsible use of information and technology.
TECH.8.1.12.E	Research and Information Fluency: Students apply digital tools to gather, evaluate, and use information.
TECH.8.1.12.F.CS1	Identify and define authentic problems and significant questions for investigation.
TECH.8.1.12.F.CS2	Plan and manage activities to develop a solution or complete a project.

Target 1

Students will be able to identify the different forms of pricing.

- Students will be able to identify the different forms of pricing.

Target 2

Students will be able to identify why pricing is important.

- Students will be able to identify why pricing is important.

Learning Goal 2

Students will be able to identify and calculate factors involved in price planning.

- Students will be able to identify and calculate factors involved in price planning

12.9.3.MK-MER.6	Obtain, develop, maintain and improve a product or service mix to respond to market opportunities.
12.9.3.MK-MGT.5	Determine and adjust prices to maximize return and meet customers' perceptions of value.
12.9.3.MK-RES.3	Use information systems and tools to make marketing research decisions.
CRP.K-12.CRP1	Act as a responsible and contributing citizen and employee.
CRP.K-12.CRP2	Apply appropriate academic and technical skills.
CRP.K-12.CRP4	Communicate clearly and effectively and with reason.
CRP.K-12.CRP5	Consider the environmental, social and economic impacts of decisions.
CRP.K-12.CRP6	Demonstrate creativity and innovation.
CRP.K-12.CRP8	Utilize critical thinking to make sense of problems and persevere in solving them.
CRP.K-12.CRP9	Model integrity, ethical leadership and effective management.
CRP.K-12.CRP11	Use technology to enhance productivity.
TECH.8.1.12	Educational Technology: All students will use digital tools to access, manage, evaluate, and synthesize information in order to solve problems individually and collaborate and to create and communicate knowledge.
TECH.8.1.12.A	Technology Operations and Concepts: Students demonstrate a sound understanding of technology concepts, systems and operations.
TECH.8.1.12.D	Digital Citizenship: Students understand human, cultural, and societal issues related to technology and practice legal and ethical behavior.
TECH.8.1.12.F	Critical thinking, problem solving, and decision making: Students use critical thinking skills to plan and conduct research, manage projects, solve problems, and make informed decisions using appropriate digital tools and resources.
TECH.8.2.12.D.2	Write a feasibility study of a product to include: economic, market, technical, financial, and management factors, and provide recommendations for implementation.

Target 1

Students will be able to name and explain the four market factors that affect price planning.

- Students will be able to name and explain the four market factors that affect price planning.

Target 2

Students will be able to explain demand elasticity and how it alters supply and demand theory.

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Learning Goal 3

Students will be able to apply strategies in the pricing process and perform calculations.

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12.9.3.MK-MER.5	Determine and adjust prices to maximize return and meet customers' perceptions of value.
12.9.3.MK-MER.7	Communicate information about retail products, services, images and/or ideas.
CRP.K-12.CRP1	Act as a responsible and contributing citizen and employee.
CRP.K-12.CRP2	Apply appropriate academic and technical skills.
CRP.K-12.CRP4	Communicate clearly and effectively and with reason.
CRP.K-12.CRP5	Consider the environmental, social and economic impacts of decisions.
CRP.K-12.CRP8	Utilize critical thinking to make sense of problems and persevere in solving them.
CRP.K-12.CRP9	Model integrity, ethical leadership and effective management.
TECH.8.1.12	Educational Technology: All students will use digital tools to access, manage, evaluate, and synthesize information in order to solve problems individually and collaborate and to create and communicate knowledge.
TECH.8.1.12.E	Research and Information Fluency: Students apply digital tools to gather, evaluate, and use information.
TECH.8.1.12.F	Critical thinking, problem solving, and decision making: Students use critical thinking skills to plan and conduct research, manage projects, solve problems, and make informed decisions using appropriate digital tools and resources.

Target 1

Students will be able to identify and list the six types of pricing strategies that may be used to adjust the base price.

- Students will be able to identify and list the six types of pricing strategies that may be used to adjust the base price.

Target 2

- Students will be able to calculate return on investment, break-even point, and markup pricing.

Summative Assessment

Unit assessment will be created and will count as a Test grade for the 1st marketing period. In addition, there will be other assessments in the form of a project and worksheets with calculations.

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Formative Assessment and Performance Opportunities

Worksheets

PowerPoint Discussions

Homework and Classwork Activities

Group Activities

In Class Discussions

Do Nows and Closures

Class Polling

Observation

Test and Quizzes

Accommodations/Modifications

Differentiation:

Allow students to use calculators for pricing calculations

provide online pricing videos and interactive simulations

All instruction, labs, activities, and assessments will be modified and enhanced to individual students IEPs and 504s. Additionally, differentiated classroom management strategies will be utilized as to adhere to these student's individual plans.

Enrichment:

DECA pricing enrichment activities are available. Role plays and tests are available in class and online at

Unit Resources

Teacher generated PowerPoints, notes, projects, and worksheets

Textbooks

Internet resources

Computer based activities

Document projector

Overhead projector

Vocabulary workbooks

Interdisciplinary Connections

LA.RST.11-12.3	Follow precisely a complex multistep procedure when carrying out experiments, taking measurements, or performing technical tasks; analyze the specific results based on explanations in the text.
MA.K-12.1	Make sense of problems and persevere in solving them.
MA.K-12.4	Model with mathematics.
MA.K-12.5	Use appropriate tools strategically.
MA.S-IC.B.6	Evaluate reports based on data.
MA.S-MD.A	Calculate expected values and use them to solve problems
MA.S-MD.B.5b	Evaluate and compare strategies on the basis of expected values.