



**UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL**

**FINAL EXAMINATION
MARCH 2024 SEMESTER**

COURSE CODE	: EEB20603
COURSE NAME	: PRICING STRATEGY & TACTICS
PROGRAMME NAME	: BACHELOR OF BUSINESS ADMINISTRATION (HONS) IN MARKETING (HONS)
DATE	: 9 JULY 2024
TIME	: 9.00 AM – 12.00 PM
DURATION	: 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
2. This question paper has information printed on both sides of the paper.
3. This question paper consists of **FOUR (4)** questions.
4. Answer **ALL** questions.
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. **This question paper must not be removed from the examination hall.**

THERE ARE THREE (3) PAGES OF QUESTIONS, INCLUDING THIS PAGE.

(Total: 100 marks)

INSTRUCTION: Answer ALL questions.

Please use the answer booklet provided.

Question 1

As an expert in retail pricing strategies, you believe that the target market population is a critical factor that marketers should consider when devising pricing strategies and determining the amount charged for products and services within a country. Understanding its elements is essential for marketers to effectively navigate pricing decisions in response to its dynamics. In conjunction with this matter, discuss the **FIVE (5)** aspects of this critical factor that normally influence the amount of price charged on products or services in the retail industry. Support your discussion with appropriate examples.

(25 marks)

Question 2

The increase in the raw materials cost in the world market has caused the ABC company to bear some losses. The CEO of this company planned to penetrate the existing product prices but was unsure of his idea. He has appointed you to lead a group of researchers as consultants who will advise him and the Board of Directors at the next meeting and require you to come up with a report outlining the profitable justifications to support the plan. As an expert in the field of pricing, you believe that penetrating prices while maintaining customer satisfaction and profitability requires a delicate balance but that it is the best and most effective strategy for gaining market share and establishing a foothold in competitive markets. Prepare your report by discussing the **FIVE (5)** main rationales to support the CEO's decision above. Justify your discussion with relevant appropriate examples.

(25 marks)

Question 3

You have just been appointed as a Marketing Specialist in the company XYZ Sdn. Bhd. While carrying out your duties, you have discovered that this company has a small amount of remaining unused production capacity available and a huge amount of unsold inventories. As an expert, you plan to propose the company adopt the *Marginal Cost Pricing* to push inventories out the door, move them quickly, earn revenue and maximize the company's profitability with a few more unit sales. Prepare your proposal by discussing any **FIVE (5)** advantages of the proposed pricing strategy. Justify your discussion with relevant examples.

(25 marks)

Question 4

Mr. Adzuan is the pricing manager of a newly launched online grocery store in Malaysia. His company aims to compete with established players like Tesco, Jaya Grocer, and HappyFresh. Mr Adzuan's goal is to develop a robust pricing strategy that attracts and retains customers while ensuring profitability. Before the implementation of the current prices, he carefully developed and analysed the information gathered from the marketplace. He then analyzed the above-stated competitors' pricing strategies and fortunately, the CEO of his company approved the selected pricing strategies that he proposed. Nevertheless, upon the implementation, he found that the sales were not promising and the company revenues dropped tremendously. Most of his loyal customers had churned to the competitors and affected the company's total sales. Mr Adzuan is worried and contacted you this morning and sought your advice on this matter. As an expert in online pricing, you believed that he ignored some of the crucial processes and stages during the process of determining the prices. Advise Mr Adzuan by discussing the **FIVE (5)** missing stages in the online pricing settings that he failed to follow. Support your discussion with appropriate examples.

(25 marks)

END OF EXAMINATION QUESTIONS