

RUTGERS UNIVERSITY
School of Business - Camden

PRICING STRATEGIES

52:630:365:90, Spring 2022

Online course

Course Website: <https://canvas.rutgers.edu>

Instructor: Dr. Robert Schindler
Work Cell Phone#: 856-701-5111
E-mail: robert.schindler@rutgers.edu

Office: 253 Bus./Sci. Bldg.
Zoom Office Hours: Tuesdays and
Thursdays, 1:00pm – 2:00pm

COURSE SYLLABUS

COURSE OBJECTIVES:

The goal of this course is to provide a thorough grounding in the concepts and methods of the marketing approach to pricing. This involves the understanding of basic principles, awareness of issues and questions that must be dealt with, and familiarity with specific computational and dynamic procedures useful in a variety of price-setting tasks.

By the end of this course, you should be able to:

- Estimate a product's dollar value to the customer and appreciate the role of this estimate in setting an item's price.
- Identify pricing-relevant costs and appropriately use these costs in the price-setting process.
- Make evidence-based predictions of how the market will respond to a product's price change.
- Appreciate the importance of price segmentation and understand the techniques that can accomplish it.
- Effectively develop a competitive bid and negotiate a final price.
- Understand the ethics and societal implications of pricing policies.

PREREQUISITES:

Principles of Marketing (52:630:201) is the prerequisite for this course.

REQUIRED READINGS:

You will not be required to purchase a textbook for this course. All required readings will be posted on the course's Canvas website.

TEACHING METHODS:

This is an asynchronous online course. It is divided into 14 weeks. During each week, first complete the assigned reading for the week that is listed in the course outline. Then view the lecture(s) for that week and post any questions and comments about the assigned reading and lecture(s) on the week's discussion board. After that, complete and submit the written assignment for the week. Each week's written assignment must be submitted online by 11:59pm on the date indicated in the course outline.

The material presented in the assigned readings provides the essential backbone of the course. You will be expected to have a strong grasp of the assigned reading material even if some of this material is not discussed in a lecture. Please note that terms and concepts from the assigned readings may well appear on the exams even if they are not discussed in a lecture.

During the weeks of the first and second exams, there will be no new assigned readings or lectures. The written assignment will be to complete and submit the answers to a review problem for the exam. This must be done by 11:59pm on the date indicated in the course outline. It is also required that you attend a review session (on Zoom) before each exam.

The course will be conducted in Canvas. Please make sure that you are familiar with this online learning platform. In order to receive course announcements quickly, set your Canvas notification preferences for course announcements to "notify me right away."

Please do not hesitate to communicate with the instructor about any questions, concerns, or comments you may have. There are two hours each week of open office hours (on Zoom). Also, you are welcome to reach out to the instructor by email, text, or phone at any time.

COURSE REQUIREMENTS:

1. **EXAMS:** There will be three exams – two during the semester and one final exam. Each will be an open-book online exam, which you will have two days to complete. The exams will consist of a number of multi-part open-ended questions. Usually, a question will provide the description of a company or a business situation. You will then be asked to use course concepts to calculate, describe, and/or evaluate pricing solutions that are needed in this situation.

The first exam will be available from **October 6-7** and will cover the course material from Weeks 1 through 5. The second exam will be available from **November 10-11**, and will cover all of the course material through Week 10. The final exam will be available from **December 19-20**, and will cover all of the course material from Week 1 through Week 14. Before each exam there will be written review-problem assignment.

Each of these exams will be open-book and open-notes. In answering the exam questions, you can refer to **three sources of information**: (1) the assigned course readings, (2) your personal course notes, and (3) any of the material that is posted on the course's Canvas website.

Use of any sources other than those three is prohibited. To be clear, it is prohibited to use internet information outside of the course's Canvas website, it is prohibited to use any printed materials besides the assigned course readings, and it is prohibited to communicate about the exam questions or answers with any person. It is expected that your answers to the exams will be entirely your own work.

Your submitted final-exam answers will be checked for plagiarism by Turnitin. Also, at the top of the first page of your submitted answers, you are required to state and electronically sign the following Honor Pledge: "I have followed the rules for the exam that are described in the course syllabus. The answers that follow are entirely my own work."

Use of any prohibited source of information on the exam would be considered cheating and would be dealt with as a serious matter. Cheating on exams or any other form of academic dishonesty hurts everybody and should never be condoned. Any suspicious observations should be reported to either the instructor or the dean of the School of Business. Rutgers' academic integrity policy can be found [here](#).

2. **WRITTEN ASSIGNMENTS:** Each week, there will be at least one written assignment to be completed. Each week's written assignment(s) must be submitted online by 11:59pm on the date(s) indicated in the course outline. Each will be graded for promptness and accuracy.
3. **COURSE PARTICIPATION:** The first course-participation expectation is that you will frequently post, on the course's discussion boards, thoughtful and politely worded questions and comments about the readings, lectures, and written assignments. Your postings will be evaluated based on both quantity and quality.

The second course-participation expectation is that you will attend at least one of the instructor's Zoom review sessions before **each** of the course's three exams. There will be multiple review-session times to choose from before each exam.

There may be a guest speaker in this course. If so, a third course-participation expectation would be that you will attend the Zoom talk by that guest speaker.

WEIGHTING OF COURSE REQUIREMENTS:

For the assignment of final grades, the course requirements will be weighted approximately as follows:

First exam	20%
Second exam	25%
Final exam	25%
Written assignments	20%
Course participation	10%

Notice Regarding Disability Services/Accommodations:

Rutgers University welcomes students with disabilities into all of the University's educational programs. In order to receive consideration for reasonable accommodations, a student with a disability must contact the appropriate campus disability services office, participate in an intake interview, and provide documentation: <https://success.camden.rutgers.edu/disability-services>

If the documentation supports your request for reasonable accommodations, your campus's disability services office will provide you with a Letter of Accommodations. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. To begin this process, please complete the Office of Disabilities Services registration form that can be found at <https://webapps.rutgers.edu/student-ods/forms/registration>

For further information, contact Ajeenah Nuriddin-Little, ajeenah.nuriddin-little@camden.rutgers.edu, 856-225-6442, Armitage Hall, Room 231, 311 North Fifth Street, Camden, NJ 08102, <https://learn.camden.rutgers.edu/meet-the-staff/>

COURSE OUTLINE AND DUE DATES

Week 1

Topics: Pricing as an element of the marketing mix. Starting points for setting an initial price.

Readings: Chapters 1 and 2

Written Assignment 1: Two review/discussion questions from Chapter 1 and two from Chapter 2 (due Sunday, September 11, 11:59pm)

Week 2

Topic: Assessing value to the customer.

Reading: Chapter 3

Written Assignment 2: Two review/discussion questions from Chapter 3 (due Sunday, September 18, 11:59pm)

Week 3

Topics: Basic pricing strategies and breakeven analysis. The generalized breakeven formula and its use.

Reading: Chapters 4 and 5

Written Assignment 3: Two review/discussion questions from Chapter 4 and two from Chapter 5 (due Sunday, September 25, 11:59pm)

Week 4

Topic: Predicting price-change response: Economic and competitive factors.

Reading: Chapter 6 (omit the section, "Applying Game Theory to Predicting Competitors' Actions")

Written Assignment 4: Two review/discussion questions from Chapter 6 (due Friday, September 30, 11:59pm)

Week 5

Topic: Review.

Written Assignment 5: One first-exam review problem (due Monday, October 3, 11:59pm)

Review sessions for first exam (Tuesday and Wednesday, October 4 and 5)

FIRST EXAM (posted Thursday, October 6; due Friday, October 7, 11:59pm)

Week 6

Topics: Predicting price-change response: Knowledge-related and feelings-related factors.

Reading: Chapters 7 and 8

Written Assignment 6: Two review/discussion questions from Chapter 7 and two from Chapter 8 (due Sunday, October 16, 11:59pm)

Week 7

Topics: Empirical measurement of price-change response.

Reading: Chapter 9

Written Assignment 7: Two review/discussion questions from Chapter 9 (due Sunday, October 23, 11:59pm)

Week 8

Topic: Fences for price segmentation.

Reading: Chapter 10

Written Assignment 8: Two review/discussion questions from Chapter 10 (due Sunday, October 30, 11:59pm)

Week 9

Topic: Time and place as price-segmentation fences.

Reading: Chapters 11 and 12

Written Assignment 9: Two review/discussion questions from Chapter 11 and two from Chapter 12 (due Friday, November 4, 11:59pm)

Week 10

Topic: Review.

Written Assignment 10: One second-exam review problem (due Monday, November 7, 11:59pm)

Review sessions for second exam (Tuesday and Wednesday, November 8 and 9)

SECOND EXAM (posted Thursday, November 10; due Friday, November 11, 11:59pm)

Week 11

Topic: Pricing to the less informed segment. Pricing of interrelated products.

Reading: Chapters 13 and 14

Written Assignment 11: Two review/discussion questions from Chapter 13 and two from Chapter 14 (due Sunday, November 20, 11:59pm)

Week 12

Topic: Auctions, competitive bidding, negotiation, and participatory pricing.

Reading: Chapters 15 and 16

Written Assignment 12: Two review/discussion questions from Chapter 15 and two from Chapter 16 (due Wednesday, November 30, 11:59pm)

Week 13

Topics: Systematizing pricing decisions.

Readings: Chapter 17

Written Assignment 13: Two review/discussion questions from Chapter 17 (due Wednesday, December 7, 11:59pm)

Week 14

Topics: Societal implications of pricing. Review.

Reading: Chapter 18

Written Assignment 14: Two review/discussion questions from Chapter 18 (due Monday, December 12, 11:59pm)

Written Assignment 15: One final-exam review problem (due Wednesday, December 14, 11:59pm)

Review sessions for final exam (Thursday and Friday, December 15 and 16)

FINAL EXAM – posted Monday, December 19; due Tuesday, December 20, 11:59pm