

RUTGERS UNIVERSITY
School of Business - Camden

PRICING STRATEGIES

52:630:365:90, Fall 2024

Online course – [Course website](#)

Instructor: Robert Schindler

[Faculty website](#)

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Office: 253 Bus./Sci. Bldg.

[Zoom meeting room](#)

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.

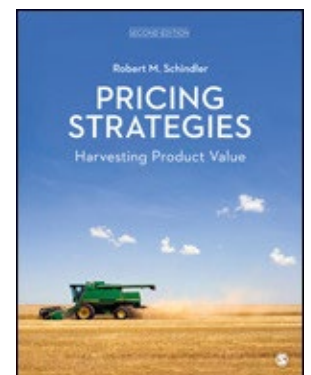
PREREQUISITES:

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

REQUIRED TEXTBOOK:

Schindler, Robert M., *Pricing Strategies: Harvesting Product Value*, 2nd edition (2023), Sage.

Available at [University District Bookstore](#) in various formats. Also available on [Amazon](#) and other places. If you obtain the book through a source other than the University District Bookstore, make sure you get the **2nd edition**. It should have a picture of grain being harvested on the cover (see figure to the right).



TEACHING METHODS:

This is an asynchronous online course. It is divided into 14 weeks. During each week, first complete the assigned textbook reading(s) 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(s) 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 textbook 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 textbook 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 three 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 3-5** and will cover the course material from Weeks 1 through 5. The second exam will be available from **November 7-9**, and will cover all of the course material through Week 10. The final exam will be available from **December 16-18**, 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 textbook 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.

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.

Textbook readings: Chapters 1 and 2

Written Assignment 1: One review/discussion question from Chapter 1 and one from Chapter 2 (due Sunday, September 8, 11:59pm)

Week 2

Topic: Assessing value to the customer.

Textbook reading: Chapter 3

Written Assignment 2: Two review/discussion questions from Chapter 3 (due Sunday, September 15, 11:59pm)

Week 3

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

Textbook readings: Chapters 4 and 5

Written Assignment 3: One review/discussion question from Chapter 4 and one from Chapter 5 (due Sunday, September 22, 11:59pm)

Week 4

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

Textbook 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 27, 11:59pm)

Week 5

Topic: Review.

Written Assignment 5: One first-exam review problem (due Monday, September 30, 11:59pm)

Review sessions for first exam (Tuesday and Wednesday, October 1 and 2)

FIRST EXAM (posted Thursday, October 3; due Saturday, October 5, 11:59pm)

Week 6

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

Textbook readings: Chapters 7 and 8

Written Assignment 6: One review/discussion question from Chapter 7 and one from Chapter 8 (due Sunday, October 13, 11:59pm)

Week 7

Topics: Empirical measurement of price-change response.

Textbook reading: Chapter 9

Written Assignment 7: Two review/discussion questions from Chapter 9 (due Sunday, October 20, 11:59pm)

Week 8

Topic: Fences for price segmentation.

Textbook reading: Chapter 10

Written Assignment 8: Two review/discussion questions from Chapter 10 (due Sunday, October 27, 11:59pm)

Week 9

Topic: Time and place as price-segmentation fences.

Textbook readings: Chapters 11 and 12

Written Assignment 9: One review/discussion question from Chapter 11 and one from Chapter 12 (due Friday, November 1, 11:59pm)

Week 10

Topic: Review.

Written Assignment 10: One second-exam review problem (due Monday, November 4, 11:59pm)

Review sessions for second exam (Tuesday and Wednesday, November 5 and 6)

SECOND EXAM (posted Thursday, November 7; due Saturday, November 9, 11:59pm)

Week 11

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

Textbook readings: Chapters 13 and 14

Written Assignment 11: One review/discussion question from Chapter 13 and one from Chapter 14 (due Sunday, November 17, 11:59pm)

Week 12

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

Textbook readings: Chapters 15 and 16

Written Assignment 12: One review/discussion question from Chapter 15 and one from Chapter 16 (due Sunday, November 24, 11:59pm)

Week 13

Topics: Systematizing pricing decisions.

Textbook reading: Chapter 17

Written Assignment 13: Two review/discussion questions from Chapter 17 (due Wednesday, December 4, 11:59pm)

Week 14

Topics: Societal implications of pricing. Review.

Textbook reading: Chapter 18

Written Assignment 14: Two review/discussion questions from Chapter 18 (due Monday, December 9, 11:59pm)

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

Review sessions for final exam (Thursday and Friday, December 12 and 13)

FINAL EXAM – posted Monday, December 16; due Wednesday, December 18, 11:59pm