

Management Development Programme

on

“Management of Pricing”

August 22 – 23, 2019



Program Director: Prof. Pinaki Dasgupta



**International Management Institute
New Delhi**

INTRODUCTION

Why is pricing suddenly so critical in modern businesses? Or was it that pricing as a concept always existed but it remained guiled under the shadows of branding or perhaps communication or advertising which has for long continued to hog the limelight for long? Infact, pricing as a concept has existed for long and since the discipline of marketing evolves from economics it is more pertinent to talk of it. Economics has looked at pricing from the context of utility and utility maximization, but marketing has always linked pricing to quality and that is where the story really starts to evolve.

Pricing as a concept is undergoing tectonic shift with the change in the norm and format of doing business. As more and more aggregation take places and usage is driven through rental mode, ownership as a concept is transforming. An Uber or Airbnb or Amazon does not own a single fleet or a room, or a single product, yet they drive revenue from their business, which do not follow the norm. On the other hand, there are traditional sectors like the FMCG, FMCD or the core sector, where business value proposition is undergoing transformation and so are the ways and means to look at revenue points. And then there are the services sector, which is throwing up a gamut of challenges in service operations and delivery. In this entire milieue, what emerges;

1. Pricing as an entity is perhaps not linked to value creation alone
2. Pricing as an entity perhaps is not associated to cost alone
3. Pricing as an entity integrates margin and beyond

Take for instance, Jio Telecom, the new player in town. With the advent of Jio, the three aspects that happened:

- i. Market expanded
- ii. Pricing underwent radical shift
- iii. Most important, existing players were forced to shift from their defined zone to the new zone created by the new player

Hence, the points listed in 1,2,3 do not hold fort. And this is where the relevance of the program emerges.

OBJECTIVES

The objective of this program is to bring both theoretical as well as actual practices in decision making process for pricing of goods or services. Pricing has moved up to the top priority in management decision making especially during the time of changing economic environment and with fewer resources to access. This is of paramount importance when companies have built up sophisticated supply chain, concentrate on quality issues and face ever increasing competition. Product life cycle has got shortened as competitors have perfected the tune in coordinating innovation and imitation. Distribution channel, size of the players, nature of competition and value proposition through prices have been researched significantly in the price making strategy of a corporate. The current subject will deal with all these issues and covers three aspects of pricing:

- a. Pricing from the context of **competition**
- b. Pricing from the context of **customers** and marketing to customers
- c. Pricing in the context of **cost and value**

LEARNING OUTCOMES

- Setting and managing pricing based on product and non-product factors
- Evaluating and analysing pricing from cost perspectives and what to avoid and what not to
- Conjoint analysis and pricing setting
- Pricing simulation to assess process of price setting keeping competition and customer profile into consideration

CONTENTS

1. Price and Value Measurement

This section deals with the research techniques commonly used in measuring various issues in pricing such as price sensitivity through estimating controlled and uncontrolled variables.

- Measuring Impact of Promotion on Choice
- Estimating Purchase Probability Curve
- Customer Preferences: Choice between preference and price (through conjoint analysis)

2. Pricing Rationale: Various Cases

- a) Monopoly:
 - Various price discrimination
 - Pricing in case of durable goods
 - Non-linear pricing
- b) Oligopoly:
 - Differentiated Products
 - Price leadership
 - Market Sharing
- c) Other topics
 - Group pricing
 - Menu pricing
 - Price signaling

3. Pricing in the context of customers: Pricing strategies and methods

- Price and value communication
- Pricing pyramid
- Value based market segmentation

4. Role of Cost in Pricing

- Price setting process
- Profitability analysis
- Activity based costing
- Pricing contribution margin
- Breakeven analysis

5. Pricing in Channels Distribution

The Final prices of goods are subject to the nature of the distribution channel which takes into account various margins from the production point to the final customer. This section deals with channel pricing vis-à-vis the value generated at various levels of the channels.

- Value and Pricing between channel partner
- Driving volume with channel partner
- Negotiating with power buyers

6. Pricing in Product Life Cycle

Pricing techniques vary widely with respect to the stage of its life ((development, growth maturity and decline). This section deals with the uniqueness in pricing at various levels.

- Pricing of a new product
- Marketing innovation through distribution channels
- Pricing a product in maturity
- Pricing a product in market decline

METHODOLOGY

The workshop will be a blend of interactive lectures, case discussions and computer lab simulation exercise. Please do not forget to carry your laptop.

WHO SHOULD ATTEND?

Personnel's in the E-commerce domain particularly, App developers for understanding the revenue model, tech developers for product pricing and new age organizations to understand how pricing is no more a function of full cost pricing or marginal cost pricing. Personnel's from the hotel, airline and telecom business where opportunity cost holds fort. Finally, the traditional FMCG, FMCD and B2B businesses to understand and redefine the norms of pricing.

FACULTY AND RESOURCE PERSONS

IMI faculty members and eminent resource persons from corporate will share expertise and experience in the various sessions.

PROGRAM DIRECTOR

Prof. Pinaki Dasgupta

BRIEF PROFILE

Prof. Pinaki Dasgupta is a Professor in the area of Marketing, at International Management Institute, New Delhi. He has been teaching, training and consulting at the IMI for 5 years now. His core area of research has been Consumer Research and International Markets. Pricing management and handling pricing-based business operations continues to be his key forte in consulting the new gen companies.

ADMINISTRATIVE DETAILS

Dates:

August 22 -23, 2019

Venue:

International Management Institute
B-10, Qutub Institutional Area
New Delhi 110016

FEE

Non-residential: Rs. 18,000/- per participant (plus 18% GST as applicable) covering professional fee, program kit and lunch

Residential: Rs. 25,000/- per participant (plus 18% GST as applicable) covering professional fee, program kit and boarding/lodging (airconditioned single room) from noon of **August 21, 2019** till noon of **August 24, 2019** at IMI Campus.

Group Discounts

- 10% discount on fee amount is available in case an organization nominates 2 or more participants to the program.
- 20% discount on fee amount is available in case an organization nominates 4 or more participants to the program.

Fee is payable in advance by way of local cheque/DD in favor of "**International Management Institute**" payable at New Delhi or through direct electronic fund transfer to IMI Bank Account, as per following details:

Allahabad Bank Account Number: 50123177738
MICR Code: 110010007, IFSC Code: ALLA0211083
Pan No. AAAT10972K; GST No. 07AAATI0972K1ZJ

Please mention the program name while making payment through electronic fund transfer.

REGISTRATION

The registration form duly filled in along with the program fee should reach us at least 7 days before the commencement date of the program. **In case of subsequent withdrawal or cancellation of registration no refund of fee will be allowed.** However, substitute(s) may be permitted with prior intimation.

CERTIFICATE OF PARTICIPATION

A certificate of successful participation by International Management Institute (IMI) will be issued to each delegate at the culmination of the program.

ABOUT IMI

International Management Institute (IMI) is India's first corporate sponsored Business School founded in 1981 with the original campus in New Delhi. The corporate sponsors included RPG Enterprises (lead sponsor), ITC, Nestle, Tata Chemicals, British Oxygen, SAIL, and Williamson Magor. It was set up in collaboration with the then IMI Geneva, now IMD Lausanne. Subsequently two other campuses were set up in Kolkata (2010) and Bhubaneswar (2011). In the last several years, IMI New Delhi has been consistently ranked in the top 10-15 Business Schools in the country and among the top 5 private Business Schools. It is accredited by the UK based Association of MBAs (AMBA), one of the top three international accreditation bodies for Business Schools globally.

IMI New Delhi has global linkages with leading schools in Europe, North America, and Asia. The Institute currently offers the PGDM, PGDM-HRM, PGDM-Banking & Financial Services, Executive PGDM and FPM (doctoral program). In addition, it has built a vibrant Executive Education vertical offering training to management professionals from the corporate world. The Institute has been empaneled by the Government of India to train participants from developing countries under the International Technical & Economic Corporation (ITEC) program of the Ministry of External Affairs.

IMI New Delhi puts a strong focus on high quality research by its faculty leading to publications in international peer reviewed academic journals. Its faculty have PhDs from top international and national universities/institutes, with many of them also having significant corporate experience.

For registration/any other information, please contact:

Dr. Ekta Saxena

General Manager (MDP & Online Education)

Mobile: 9911941090

International Management Institute

Address: B-10, Qutab Institutional Area, Tara Crescent
New Delhi 110016

Phone: (011) 4719 4172 (Direct)

Fax: (011) 46012729

E-mail: ekta.saxena@imi.edu, mdp@imi.edu

Website: www.imi.edu