RESPONSES 5

1st Interactive Response:

* Select one student's pricing decision post. Is it supported by solid rationale? Would you make a different decision?

2nd Interactive Response:

* Select another student's pricing decision post. Is it supported by solid rationale? Would you make a different decision?

Each reply should be one paragraph in length (or about 125 words) and must be substantive in nature. Do not simply say “I agree” or “That is great." Specify why and be detailed in your explanation. You may use research in your responses. Add Reference.

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**Week 4 Discussion- Pricing**

Cedric Moten,

Green to Dream is a 2 -week based institutional learning program designed to service transitioning servicemembers.  Our goal is to assist separating Soldiers, with special emphasis on retiring Soldiers, ages 37-55 in transferring  their military skill set into the civilian equivalent along with help of resume writing, interview techniques, Mach interviews, language, and goal setting. By doing so, these individuals will become more competitive once separated and help with a smooth transition into the corporate and civilian sector.

Pricing objectives are selected with your business and financial goals in mind. (McCormick, 2017),  elements of your business plan can guide your choice of a pricing objective and the strategies that go with it. Each pricing objective requires a different price-setting strategy in order to successfully achieve your business goals. It requires you to have a firm understanding of both your product attributes and the market Green To Dream would incorporate market penetration and customer related as product objectives.  SFL-TAP and VOC-REHAB systems are designed to give priority to the combat disabled, persons ineligible to reenlist, those without civilian job experience or skills, and those needing basic or high school equivalency education at no cost to the individual. Market penetration is concerned with entering deep into the market to attract the maximum number of customers and calls for charging the lowest possible price to win price-sensitive buyer (McCormick, 2017). In gaining customers early, Green To Dream will position itself to maximize customer value and future sales. Implementing customer related objective the company will set, adjust, and readjust pricing to satisfy its target customers. The targeted designed price will result in maximum customer satisfaction.

McCormick, M. (2017).  Why Pricing Objectives are Fundamental to Business Success. Retrieved from https://blackcurve.com/why-pricing-objectives-fundamental

**2nd Interactive Response:**

* Select another student's pricing decision post. Is it supported by solid rationale? Would you make a different decision?
* Each reply should be one paragraph in length (or about 125 words) and must be substantive in nature. Do not simply say “I agree” or “That is great." Specify why and be detailed in your explanation. You may use research in your responses. Add Reference.

**MOD4 WK1 Discussion - Campbell**

John Campbell,

                The trend for health and fitness clubs is membership fees making up 68% of the total revenue, additional fees for personal trainers or individual classes making up 12 %, with merchandise like meals, beverages, or shirts and spa services making up the last 20% (Roth, 2019).  While consumers do not always understand what cost are required to make the product or service, the consumer does understand how it creates value for them (Burnett, n.d.).  Effective pricing must meet the requirement for the target consumer.  Family Centered Fitness will look to utilize a value based pricing strategy and employ a segmented approach to minimize cost for different targeted consumer groups while utilizing add-ons to supplement revenue.

**The Product: Family Centered Fitness**

                Family Centered Fitness is centered on building the health and fitness of individuals and families within the community.  The fitness center provides families an opportunity to grow together at a place that supports health-oriented goals.  Members of Family Center Fitness will have access to the sports fields, main gym, and participate in individual or group classes. The fitness center synchronizes fitness classes for adults and kids.  Also, family classes facilitate family interaction with family organized events on the weekends and opportunities to support the local community.  The locations of Family Centered Fitness are placed in residential areas to provide families ease of access in the community.  Family Center Fitness provides the benefit of families teaching loved ones the importance of healthy lifelong habits, being able to approach tough challenges while learning conflict resolution together, increasing confidence and family communication, and sharing in individual achievement while growing together (Bracco, 2015).

**The Pricing Strategy**

                There are three different viewpoints that must be considered when developing a pricing strategy which include the marketer’s view, the societal view, and the customer’s view (Burnett, n.d.).  While each of these are important and will be considered for Family Centered Fitness, the customer’s view will hold the most weight.  Family Centered Fitness will not look to price above competitors as the company wants the price to be competitive and support a family budget.  The three different approaches to develop a pricing strategy are a cost based, demand based, or value based. A value based approach is based upon two principles which include determining the highest price that can be charged and still make a sale and is the company willing to sell at that price (Burnett, n.d.).  Additionally, value based pricing is recommended to utilize a segmented approach based upon the customer demographics or psychographics, establishing the highest possible price level but justifying it with comparable value, and using the price basis for establishing a strong customer relationship (Burnett, n.d.).  Family Centered Fitness will leverage the different targeted customer segments while justifying the benefits of health, fitness, and family relationship at an affordable price.  Also important to note is that finding the highest price point is bounded by constraints such as the competition, regulations, and price the consumer is willing to pay.  While Family Centered Fitness might assess that the price is worth the value of health and fitness, if the consumer does not perceive the same value then the consumer constraint will not support building memberships.

**The Bottom Line**

                Using a value based approach, Family Centered Fitness will look to segment the membership cost based upon the targeted customer groups.  The focus will be to keep the family membership price low to support the family budget without deterring individuals from joining.  The monthly membership would look to charge $35 for an individual, $50 for a couple, and $65 for families.  These prices would be augmented with charges for special events like a personal trainer or off-site fitness function for those interested and can afford the higher cost.  The weekly fitness classes for adults and children would not be an additional charge as it would be included as part of the monthly membership fee.  The intent is to get family in the facility and enjoying living a healthy lifestyle.  While these are initial numbers, a further breakeven analysis would also have to be performed once a better understanding of the total cost of the facility and understanding the total number of members by targeted consumer group.  While key performance indicators (KPI) will help Family Centered Fitness, the company will also focus on the indicators that are not so easily measured such as trust in the organization, membership loyalty, positivity, and longevity (Rodrigues, 2017).

Family Centered Fitness will leverage effective pricing to meet the requirement of the target consumer.  A value based pricing strategy will be utilized by Family Centered Fitness through a segmented approach to minimize cost for different targeted consumer groups while utilizing add-ons to supplement revenue.

References

Bracco, N. (2015). The Benefits of Exercising as a Family. *Working Mother*. Retrieved from <https://www.workingmother.com/blogs/natalie039s-tips/benefits-exercising-family>.

Burnett, J. (n.d.). *Core Concepts of Marketing*. Open Textbooks for Hong Kong. Retrieved from <https://tlc.trident.edu/content/enforced/139066-MKT501-2019MAY28FT-1/Core%20Concepts%20of%20Marketing-%20Chapter%209%20Pricing%20the%20Product.pdf?_&d2lSessionVal=x1N5GmAFeFeCWXSVE4Wmh0bZ8&ou=129113&_&d2lSessionVal=pNL0bmXzBHyl3IKBMGVnqCH61&ou=139066>.

Rodrigues, N. (2017). [5 Marketing KPIs You Cannot Measure But Should Care About](http://www.marketingjournal.org/5-marketing-kpis-you-cannot-measure-but-should-care-about-nicole-rodrigues/). *The Marketing Journal*. Retrieved from <http://www.marketingjournal.org/5-marketing-kpis-you-cannot-measure-but-should-care-about-nicole-rodrigues/>.

Roth, R. (2019). IBISWorld Industry Report 71394: Gym, Health & Fitness Clubs in the US. *IBISWorld.*Retrieved from IBISWorld.

**3rd Interactive Response:**

The company under the microscope, in this case, is Galleta Sabrosa Cookies Company that deals with the production of sweet cookies.   Underlining the fact that this company has a primary aim of making sure that it meets both the demands of its customers across the globe and the demands of the community around in the interests of their environment, it has had to make use of a number of strategies in its marketing matrix and one of them is the pricing strategy. This paper will aim to shed light on this matter and while at it, expound on all the related optics.

**Pricing Objectives to Be Considered**

Achieving the targeted return on investment: While going about the pricing of our products, it will be very fundamental to make sure that the entire exercise is in line with the targeted return on investment by the company. By so doing, the pricing exercise will be directed by what the company really needs from a financial point and hence prove to be very efficient and relevant at the end of the day (Tao, Fan, Wang, & Lai, 2019). Another pricing objective to be considered will be the average market price: By so doing, we will be guided on where to set the optimum price and which level will prove to be advantageous to us, over our closest rivals.

**The pricing objective and strategy I will ultimately choose:**

Of all the pricing objectives in place, I will ride with the one focusing on the return on investment. The justification for this decision is the fact that through it, the company will source financial stability in its early days and as time goes by, it may also prove to be the best objective as it reflects on what the company is going through at a given time and space. This is also the main reason as to why this is the main pricing objective.

P

Reference:

    Tao, F., Fan, T., Wang, Y. Y., & Lai, K. K. (2019). Joint pricing and inventory strategies in a supply chain subject to inventory inaccuracy. *International Journal of Production Research*. https://doi.org/10.1080/00207543.2019.1579933

RESPONDE TO THE QUESTION BELOW!!!!!!!!

P-

Thank you for the post.  Your objective in designing a pricing program is clearly specified--focusing on ROI.  The next issue is to consider what that means in the way of pricing strategies and tactics.  Have you given any consideration to the strategic and tactical pricing implications associated with a ROI goal?

FACULTY

RESPONSE:

**Interactive Responses To Classmates**

4th Interactive Response:

* Select one student's post about class take-aways and compare to your attitude about the importance of the marketing discipline.

5th Interactive Response:

* Pick a second student's post about improvements to be made and share your feelings.

Each reply should be one paragraph in length (or about 125 words) and must be substantive in nature. Do not simply say “I agree” or “That is great." Specify why and be detailed in your explanation. You may use research in your responses, but it is not required.

4th Interactive Response:

* Select one student's post about class take-aways and compare to your attitude about the importance of the marketing discipline.

## [Discussion - End of Session Reflection](https://tlc.trident.edu/d2l/le/139066/discussions/threads/1474483/View)

Stacey,

In my position as Director of Operations for a large property management firm, we have a marketing department to handle all of the branding and promotion of our apartment complexes – the naming, signage, advertisement, etc.  While our department is responsible for the pricing, everything else is handled by them.  This class really opened my eyes to the amount of work that goes into “their” side of things.  I now have a greater appreciation for when we throw a new product (say electric car charging stations) or promotion idea (a 4th of July security deposit sale) at them and ask them to come up with a marketing campaign. They need to know who they are targeting based on the type of community and the demographics of each area, throughout the whole country.  In considering all that we have learned in this class, it is amazing to me how much additional research needs to be done to make a marketing campaign successful.  And I only had to do it with one company!

As a result of this class, I now take the time to listen in to the marketing conference calls when we have a new community in the pipeline.  The ideas, and reasons for them, are amazing and I can better understand what went into the finished product when it becomes mine to manage.

As an aside, I wish you all continued success in the pursuit of your degree.  I am sure I will “see” some of you next session.

Stacey

5th Interactive Response:

* Pick a second student's post about improvements to be made and share your feelings.

Each reply should be one paragraph in length (or about 125 words) and must be substantive in nature. Do not simply say “I agree” or “That is great." Specify why and be detailed in your explanation. You may use research in your responses, but it is not required.

[**Course Reflection - Campbell**](https://tlc.trident.edu/d2l/le/139066/discussions/threads/1474424/View)

John Campbell,

                Taking a business from development through a marketing strategy has provided many insights along with receiving the feedback from the discussions helping to give additional input and insights.  The two key principles I will take from the course are the importance of nesting a message across all the dynamics of a marketing strategy and the second being a SWOT analysis.

**Strategic Nesting and Consistent Messaging**

                Marketing is more than just putting a commercial on the TV or ad on Facebook.  Strategic marketing covers a diverse array of topics and requires each step to be nested.  The product will drive the promotion, place, and price.  Each one of those four P’s address a different requirement for the consumer with a consistent message.  Once the target market is identified for the product, the messaging and product placement must be in line to keep consistency to build brand awareness.   Having the right price and promotion for swim goggles will not generate revenue if the swim goggles are placed in a gas station compared to if they are placed in a sporting goods store or swim wear store.  Each one of the four P’s must maintain a consistent theme with the targeted customers.

**SWOT Analysis**

                The second topic that will be important in the future is SWOT Analysis (Strength, Weakness, Opportunities, and Threats).  SWOT analysis has proven to be useful in not only strategic marketing, but other areas of professional and personal business.  Looking at internal strengths and weaknesses and external opportunities and threats helps individuals or organizations understand their self as well as the impacts of the external environment.  The principles of SWOT can be used in almost any part of life for example sports or military operations.  Knowing your strengths and weaknesses helps to identify what can be leveraged and what needs to be improved while the opportunities and threats looks at the competitor.

                Strategic Marketing showed me the complexities of marketing and how important a consistent message is that is nested with the targeting, segmentation, product positioning, and promotion.  SWOT analysis allows a wholistic look at how to leverage internal assets against the external impacts across more than just marketing.  The discussions and strategy development have been a great vehicle to increase understanding on strategic marketing.