NATIONAL OPEN UNIVERSITY OF NIGERIA
91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi-Abuja
FACULTY OF MANAGEMENT SCIENCES
2021_2 EXAMINATION

COURSE CODE: MKT 829

COURSE TITLE: PRICING POLICY

CREDIT UNIT: 3

INSTRUCTION: 1. Indicate your Matriculation Number clearly
2. Attempt question one (1) and any other three (3) questions; four questions in all
3. Question one (1) is compulsory and carries 25 marks, while the other questions carry 15 marks each.
4. Present all your points in a coherent and orderly Manner

TIME ALLOWED: 2½ Hours

Question 1

Write an illustrative note, with clear examples, on each of the following pricing strategies:

(a) Bait pricing
(b) Reference pricing
(c) Odd-even pricing
(d) Customary pricing
(e) Captive pricing

5marks each = 25 marks

Question 2

(a) Discuss, with clear illustrations, the four common examples of pricing objective in firms.

7marks

(b) What is cost-oriented pricing techniques in marketing? Identify and explain, with an example each, the three variants of this technique.

8marks

Question 3

(a) Identify, and explain the relationship between the two key variables that underscore price elasticity equation. **8marks**

(b) How does this relationship between the magnitude of change in demand and percentage change in price affect revenue? **7marks**

Question 4

Succinctly describe Product line pricing and its sub-components. For each of the three components, you are required to provide at least one example. **15marks**

Question 5

(a) A product is not just the tangible element that we see and touch. Identify and critically examine the key elements of a complete product. **7marks**

(b) What is market segmentation and what are the elementary bases for segmenting a local market? Give an example for each. **8marks**